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SENATE—*Thursday, March 8, 2001*

The Senate met at 9:31 a.m. and was called to order by the Honorable JOHN ENSIGN, a Senator from the State of Nevada.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, Rev. Gerry Creedon, the pastor of St. Charles Catholic Church, Arlington, VA.

PRAYER

The guest Chaplain, Reverend Gerry Creedon, offered the following prayer:

God of justice, many who search for truth, as well as the followers of Abraham, Moses, and Jesus, proclaim You as the defender of the widow, the orphan, the poor, the stranger, the oppressed, the afflicted, the underpaid, and the captive.

As we exercise stewardship over the Nation's resources, may the needs of the poor and the vulnerable be our first concern. May our Government renew its leadership role with community groups and with people of faith in our common and oft neglected struggle against poverty.

God of peace, whose arms are the methods of non-violence, banish from our land the quick recourse to physical force. In the conduct of our foreign policy and in our response to crime, let development, diplomacy, and rehabilitation be the new names for peace.

As the followers of Patrick celebrate their heritage this month, may Irish Americans be the first among us to open doors of compassion and opportunity for all who seek refuge in our land.

"Failte roimh Cach," In ainm Phadraig, guimis, Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN ENSIGN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 8, 2001.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN ENSIGN, a Senator from the State of Nevada, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ENSIGN thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is recognized.

REVEREND GERRY CREEDON, GUEST CHAPLAIN

Mr. KENNEDY. Mr. President, I commend the Senate's guest Chaplain, Rev. Gerry Creedon, for his eloquent prayer opening today's session of the Senate. Father Creedon has been a friend of long standing to the members of my family. We first came to know him in 1975 when he became the associate pastor at St. Luke's Catholic Church in McLean, VA.

Somehow he managed to learn the names not only of my children, but of all my nieces and nephews. This greatly impressed us all, especially Ethel, who knew then he must be very special, for it is a rare accomplishment even to this day. Over the years he has watched the children grow up and has always been there for them, and for all of us, in times of joy and in times of sorrow. It is Father Creedon who has presided over many a happy family wedding, and it is he whom we have always asked to celebrate the Mass in memory of my brother at his graveside in Arlington Cemetery.

You may have noticed a bit of a lilt in Father Creedon's voice as he gave the prayer this morning. You would not be wrong if you thought you heard an Irish accent. He was born in County Cork in Ireland.

He was educated at the University College Dublin and then came to the United States where he received his master's degree at Washington Theological Union in Maryland. He also studied at Catholic University here in Washington, DC, before being ordained in 1968 at All Hallows College in Dublin.

Fortunately for us, he was sent back to the United States after his ordination and started his pastoral service at Blessed Sacrament in Alexandria, VA. From Alexandria, to McLean, to pastor at Good Shepherd in Mt. Vernon, VA, Father Creedon has spent most of his life ministering to those in the metropolitan area. But in 1991 he was transferred to the Dominican Republic where he was a pastor and pastoral coordinator in the Diocese of San Juan de la Maguana for five years. He returned with a renewed passion in the Latino community and human rights issues, and has become an active spiritual advisor for people of Hispanic background in this area.

Currently, Father Creedon is the pastor of St. Charles in Arlington, VA. He is the Chair of the Virginia Inter-faith Center for Public Policy, and on the Steering Committee of Northern Virginia's Inter-faith Coalition for Justice. He has always taken a special interest in the housing needs of our less fortunate citizens and been active on behalf of disadvantaged children.

He was president of Gabriel Homes, Inc. which sponsored group living for developmentally disabled adults from 1982 until 1991, and was the Founder of Friends of Children's Services in 1983. His efforts have been recognized with many awards including the Human Rights Award from Fairfax County, the Social Worker of the Year Award from the Virginia Council of Social Workers. He received a nomination for Northern Virginian of the Year in the area of community service. Of course, being Irish, he has also found time to write poetry. It has even been published in Poetry Ireland Review.

When Father Creedon is not busy with his pastoral duties, you will find him on the golf course. It is a game he takes very seriously and I hear he is much improved. I think we can presume that prayer on the putting green

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

works. But most of all we love to be with him when he picks up his mandolin and sings us the Irish songs of his beloved County Cork and Dublin.

Whether he is with us for a sail at the Cape, talking about his achievements in hurling, celebrating mass, or baptizing the newest member of the Kennedy family, Father Gerry Creedon is a valued friend and a welcome spiritual presence in our lives. It is a privilege to have him here with us in the Senate today. We are grateful for his inspiring prayer as our guest Chaplain.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Alabama is recognized.

SCHEDULE

Mr. SESSIONS. Mr. President, on behalf of the leader, I announce that the Senate will immediately resume consideration of S. 420, the Bankruptcy Reform Act. The Durbin amendment regarding lending practices is the pending amendment. Further amendments will be offered during today's session, and therefore votes will occur.

Members with amendments are again urged to work with the bill managers in an effort to finish the bill in a timely manner. Senators will be notified as soon as votes are scheduled.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BANKRUPTCY REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 420, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Durbin amendment No. 17, as modified, to discourage certain predatory lending practices.

Mr. SESSIONS. Mr. President, I ask unanimous consent that with respect to S. 420 there be debate only until 10:30 a.m.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. REID. Reserving the right to object.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. I say to my friend from Alabama, the acting leader, there are a number of people who want to speak on the bill, probably not going past 10:30 a.m. This is a very important piece of legislation. We all recognize that. There have only been a few people who have had the opportunity to speak about the bill generally. I think it is totally appropriate that we talk about the bill until 10:30 a.m. There are others who will come at a later time, not to offer amendments but to speak about the bill.

Also, we are trying to work with the other side of the aisle. Senator LEAHY has indicated to me that he will be cooperative in trying to obtain some time late this afternoon a list of amendments. We will be working on that. Maybe we can come up with a list of amendments sometime later today which will give us some idea of what we face next week on this important legislation.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. SESSIONS. I thank the Senator. I do believe we need to move toward that eventuality. I thank him for his leadership.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. DURBIN. Reserving the right to object, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. I have a pending amendment, and I wonder if the Senator from Alabama can tell me, it is my understanding someone is preparing either a second-degree amendment or a substitute; is the Senator from Alabama aware of that?

Mr. SESSIONS. I know Senator GRAMM is interested in your amendment. He has not arrived yet. We will talk with him as soon as he arrives and he can discuss that question.

Mr. DURBIN. I thank the Senator from Alabama. I continue to reserve my right to object. I am going to object to the waiving of the reading of any substitute or any second-degree amendment unless a copy is presented to me in advance. I will afford the same courtesy on any amendment which I offer on the floor. Those of us who would like to be prepared to debate this want to see the language of the amendment so we can be adequately prepared.

Mr. President, I do not object to the unanimous-consent request.

The ACTING PRESIDENT pro tempore. Is there further objection? Without objection, it is so ordered.

Several Senators addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. SESSIONS. Mr. President, if the Senator will yield for a second. We have not received all amendments, I say to Senator DURBIN. It would be more appropriate for people to file their amendments so we can study them and be better prepared.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I want to speak for a few moments on the bill. I will mention the amendment offered by Senator DURBIN. I wanted to come over yesterday, but I was not able to find the time to do that, given the debate occurring on the floor.

I want to talk on the subject of bankruptcy. I have supported bankruptcy reforms in the Congress. I voted for them. I felt the pendulum on bankruptcy issues had swung a little too far to one side. I still feel that way, and I hope I will be able to support the legislation as it leaves the Senate. I suspect I will. I hope to support the legislation coming out of conference again this year. It is my hope to continue to support bankruptcy reform.

We no longer have debtor prisons in this country. We do not mark people who go into debt and cannot get out of debt with some indelible mark. We provide mechanisms by which people can get some relief for themselves and their families in circumstances where, beyond their control, they run into some financial trouble. That is as it should be.

As I said, the pendulum has swung too far. We have people now using the access of bankruptcy legislation and the laws we put on the books in some circumstances for convenience and in other circumstances in ways that injure others in a significant way.

There are clearly people who have been subject to substantial medical bills, and other unforeseen circumstances well beyond their control who access bankruptcy laws in a way they are intended to be accessed. There are others who abuse them. I think all of us agree with that. Some load up with credit and find ways to stick others with the debt they incur and then rush to bankruptcy to say: Let me shed myself of this burden, and I will let others hold the bag. Many of them are small business men and women. What happens in those circumstances is unfair.

There is another side to this debate that I want to talk about for a moment. While I support bankruptcy reform and believe it is necessary and sound for this Congress to proceed in this direction, there is also, with the extension of credit in this country, a fair amount of greed and a substantial amount of unsound business practices.

The other day I was on the way to the Capitol in my car and had the radio on, and I heard another advertisement from a lending company. The advertisement said the following: Bad credit? No income? No documentation? Come see us for a loan.

I will say that again because it is worth remembering. This is a company that is advertising on the radio saying if you have bad credit, if you do not have any income and you do not have any documentation, come and get a loan from us. We have all seen the ads and heard the ads. Bad credit? No problem. Come our direction. We would like to give you a loan.

Our kids who begin college now find in their mailbox on the college campus a preapproved credit card from many companies. They just wallpaper the college campuses, offering credit cards to kids who have no job and no income and then wonder why, when some of them use those credit cards and get in trouble, they cannot pay the bill.

Companies that say if you have bad credit, we will give you credit, if you have no job, we will give you a credit card, if you have no income, we will give you a credit card—they do it by the millions—and then they get into some difficulty and say to the Congress: Relieve us, will you, of these bad business practices; we have wallpapered America with credit cards and now some of them don't pay, so please help us—I have no sympathy for those companies and do not want to do anything that gives them comfort.

My 10-year-old son about 3 years ago—he is now 13, going to turn 14 next month—received a preapproved Diners Club card in the mail. I have spoken about that on the floor previously in a discussion about bankruptcy—a 10-year-old gets a solicitation from Diners Club for a preapproved credit card. He is now living in Paris under an assumed name. Not really.

When he saw that, he said: Dad, what does this mean?

I said: It means somebody is really stupid. You do not have a job, you are 10 years old, and they did not mean you ought to have a credit card. It does not matter to them. You are a bunch of letters. They send them to everybody. It does not matter the circumstance.

Diners Club, when they heard me speak about this on the floor because I read the letter and read the name of the person who signed the letter, actually contacted me and said: Oh, this was a mistake. Yes, I am sure it was a mistake.

There are mistakes all over the country: People getting credit card applications, preapproved credit card solicitations without any thought to who they are, where they are, how old they are, how much their income is, or even if they have an income. It is evidence of something gone wrong. It is unsound business practices.

In addition, if I had taken the time—and I did not on that particular preapproved credit card application—to read the terms and the conditions—and, indeed, you need glasses to do so because it is always on the back side—what I would have found, I am sure, in that circumstance with that company, and virtually every other, is they are imposing terms and conditions for the cost of credit that are outrageous. It should be called loansharking at the interest rates they charge.

Incidentally, on the front of most of these envelopes—and I get a lot of them, and I suspect most of my colleagues do and most Americans do. You open your mailbox and every day you find a piece of mail that says: We have a preapproved credit card waiting for you, and a big circle on the front of the envelope, 1.9-percent interest rate or 2.9-percent interest rate, and you open it up and read the fine print. What you discover is, yes, there is a period of 3 months or 6 months where they are going to charge a 1.9-percent interest rate, and then it goes to 18 percent or 22 percent or whatever their percentage is. The small type takes away what the big type gives.

My point is this: I am not interested in anybody crying crocodile tears for companies that exhibit that kind of unsound business practice and for companies that are so greedy for profits that they want to load everybody up with debt by sending them plastic cards, even those who have no income and no job. Now people say, but you need to be responsible; it is your fault if you use those cards. Sure, there is fault on both sides. My point is we are headed in the wrong direction. Those who engage in these practices need no relief, in my judgment, from this Congress.

My colleague, Senator DURBIN, is offering an amendment that is fairly simple. The credit card companies are resisting this aggressively. His amendment simply says, on the statement where it states their minimum payment, creditors must have a box that says if they make this minimum payment, here is how long it will take to pay off the bill. Often, it will be an eye-popping number. Make this minimum payment, they won't pay this off for 8 or 10 years. My colleague from Illinois is saying it makes sense to provide a little more information, truth in lending. I will support that amendment.

There is an amendment that tightens up on the homestead exemption. Frankly, we need to plug the loophole that deals with the homestead exemptions. We don't want people filing for bankruptcy ending up with $1 million or $2 million in a home that cannot be touched. There is an old saying: The water ain't going to clear up until you get the hogs out of the creek.

The hogs in this circumstance are the very companies that are asking for relief because they have "blizzarded" this country with credit card applications, and they should have known better.

As I indicated when I started, I intend to support bankruptcy legislation. I also intend to support amendments to perfect this legislation. When we send it to conference, as I believe we will, it is my fervent hope the conference will send back a conference report that has some balance, that recommends, I hope, that people not abuse bankruptcy legislation, that bankruptcy ought not be convenient or easy, that there is a burden with bankruptcy, but recognizes that some need bankruptcy. Some who have suffered unforeseen circumstances, perhaps devastating medical bills, through no fault of their own, need to have some relief from imposing burdens. I have met people like that with tears in their eyes and their chins quiver as they talk about the $150,000 medical bill for a child with whom they are saddled. And every month, in every way, they are besieged by bill collectors saying they must make good on this debt, a debt that had to do with their child's cancer treatment.

Should we find a way to help those people? Yes, there should be bankruptcy proceedings that allow those people to be able to shed themselves of part of that burden and to start anew.

But there are other stories that represent the abuse of bankruptcy and that stick Main Street retailers and others with burdens they should not have to bear.

As we adjust this pendulum on bankruptcy, we need to do it the right way. Today, I wanted to come, as I did a year and a half ago, to say there are those in my judgment who promote financial problems for some Americans by what I think is irresponsible behavior in the development of credit instruments that they then "wallpaper" America with.

Frankly, I don't think they deserve much relief. They don't deserve any relief. What they deserve to know is that many of us believe they ought to change their business practices and start sending credit cards to people who can pay the bill, who have income.

I know my colleague from New Jersey wants to speak. I hope to work with my colleagues on both sides of the aisle to see if we can perfect this bill. It is my intention to want to support this going out of the Senate and also out of the conference. I hope we can, coming out of conference, keep a couple of the key provisions the Senate has already expressed its will on with respect to homestead exemptions and predatory practices and more.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, we talked a good bit about credit cards, and the companies have been beaten up. They do make an awful lot of mistakes. As the Senator understands, if a credit card is offered to a person who is a minor and they were to even use it and buy goods with it, they could not be forced to pay the debt because it would be an invalid debt, but it does indicate some concern that people have about receiving solicitations for credit cards.

You could also see they are offering competitive choices in credit cards. Actually, for the first time in recent years, it seems to me credit card companies are beginning to compete against one another in offering better opportunities. I am not sure we ought to say that is a particularly evil thing that low-income people are offered an opportunity to have a credit card that will allow them to replace the tire on their car when they may not have the cash in their pocket, and then pay for it over the next month. It is not a particularly bad thing.

The Banking Committee has jurisdiction over these issues. That is ultimately where they should be decided. The bankruptcy bill is here to create a system of bankruptcy courts in America, Federal courts, in how they conduct their business. Those issues are not, in my view, the issues that ought to be debated here but in a consideration of banking questions.

I yield to the Senator from New Jersey.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I thank the Senator from Alabama for yielding.

I rise in support of the bankruptcy reform bill. Indeed, for as many years as I have had the honor of serving in this institution, I have been rising in support of the bankruptcy bill. I am very honored in this cause to have worked with Senator GRASSLEY, who chaired this subcommittee when I was the ranking member on Judiciary. We worked for countless hours to craft a bill that was both balanced and fair. Indeed, this bankruptcy reform legislation already contains amendments from Senators DURBIN, SCHUMER, REID, and on both sides of the aisle Members who recognize there is a problem with the abuse of the bankruptcy system but wanted to make sure that consumers had every protection possible.

I am not here to state we have achieved the perfect legislation, nor that it is balanced in every respect. I can only suggest there is one thing upon which every Member of the Senate should be able to agree: it is that current bankruptcy laws are not working. It is an abuse to small and large business, creditors, and lenders. The system is broken. We benefit nothing by pretending otherwise.

While not perfect legislation, it is fair. And it provides for a functioning bankruptcy system for businesses and consumers alike. It is for that reason I believe after several attempts to pass this legislation, with the overwhelming support of a majority of Senators, Members of both political parties, and a President who appears now positioned to sign this bill, it is time at long last to get this done.

There are many Senators to be thanked before I go into the substance of the legislation. Having already mentioned Senator GRASSLEY, I also mention Senator BIDEN. This legislation is in some significant measure at his inspiration. He has, in my party, been my partner in crafting this bill and moving it to this position. Even before he became a Member of the Senate, Senator CARPER, then Governor CARPER of Delaware, was a major force a year ago in crafting this legislation. He is also to be thanked. Of course, all of this happened, as Senator GRASSLEY and I fashioned this legislation, under the leadership of Senator HATCH. I am grateful to him.

Indeed, although Senator LEAHY has expressed opposition to some provisions of this bill, to the extent that it has been improved in recent years, that is largely due to Senator LEAHY's own involvement.

Similarly, although Senator DURBIN has expressed reservations about many provisions, before I became the ranking member of the subcommittee Senator DURBIN was in this position. To the extent there are good consumer protection provisions in the legislation, it is largely at his design.

Those are all the hands that have touched the legislation and brought us to this point. Now Senator SESSIONS and I are here as two advocates of the bill to suggest its passage. I don't think either of us would argue that we have achieved every objective, simply that we are providing a better system that is more fair. As I think Senator SESSIONS has recognized, the reality is that in this country, no matter what provision you might like to change in the current code or in this legislation, you can broadly accept the principle: We have a problem.

In 1998 alone, nearly 1.5 million Americans sought bankruptcy protection. The United States was in the midst of the most significant large-scale economic expansion in the history of this Nation, or any nation, and 1.5 million Americans were availing themselves of bankruptcy protection. It is estimated that more than 70 percent of those bankruptcy filings were done in chapter 7, which provides relief for most unsecured debts. Conversely, only 30 percent were filed under chapter 13, which requires a repayment plan. For all the discussion and all the debate and all the delay, that, my colleagues, is the heart of the matter—the overwhelming majority of 1.5 million Americans seeking virtually complete relief from their financial obligations rather than entering into a repayment plan, although they have the means to repay some of their debts.

The Department of Justice actually reviewed these filings under chapter 7 rather than chapter 13, and came to the conclusion that 13 percent of debtors filing in chapter 7, or 182,000 people each year, actually had the financial means to repay their debts. That means $4 billion could have been paid back to creditors. It was not paid—it was lost, although there was the means to repay it—because the law was being abused.

It has been said on this floor that that was money lost to large credit card companies and huge banks, major financial institutions. No doubt there are large companies, private and public, that would have received some of this $4 billion back each year. But they do not stand alone; they were not the only ones abused. I do not rise today primarily in their interests.

How about the small business owner, the retailer on Main Street who has a small profit margin on the clothing he sells or the hardware? When some declare complete bankruptcy, although they could have repaid their debt, those small business owners have lost their product. They made a sale that they thought would go to pay their debts, only to have someone file bankruptcy, and they lose all the revenue. They have no reserves. They have no place else to go. How about their family? Their business could be lost, and indeed every year those businesses are lost, family businesses that are abused by the misuse of the bankruptcy system.

How about the small contractor, the plumber, the carpenter, or the electrician who gives his labor, the sweat of his brow, even the products he buys and resells, to have someone declare bankruptcy and walk away from all their obligations? Although their labor has been taken and the product they sold is gone, they are left with a debt, but the abuse of the bankruptcy system leaves them and their family faced with bankruptcy.

It may be true that if this bill is passed, the major banks in New York or the major credit card companies may benefit. Indeed, if the law is being abused to their disadvantage and they are losing the resources of their stockholders or their employees, I make no apologies that this bill helps them deal with an abuse. But they do not stand alone. Overwhelmingly, proportionally, the principal benefit will go to other small businesspeople.

I hear Members on this floor almost every day claiming that they stand with the small businessperson, the family company, the middle-class family, the working men. Here is your opportunity. How many of those plumbers and electricians and small retailers, mom-and-pop stores, will not make it through this year because someone takes their labors or their products falsely, declares bankruptcy, abuses the system even though they had the resources, as the Department of Justice has demonstrated, to pay their bills? Rather than words of encouragement, how about your vote in support of those small businesses?

Then the critics will argue: You may be helping small business, but surely this is a problem for the poor. I have suggested for 4 years, and I will say so again today, with all respect to my colleagues who oppose this bill we have so carefully drafted, that is simply just not true. What this legislation does is assure that those with the ability to repay a portion of their debts do so.

No Americans are so poor or undefended or powerless that they are denied access to bankruptcy under this bill. We have done this by changing the legislation through the years. This is not the legislation that began in this process 4 years ago. We accomplish this goal by establishing a flexible yet efficient screen to move debtors with the ability to repay a portion of their debt into a repayment scheme. If you are poor, if you have no ability to repay, your status will not be changed; your debts will be discharged. The bill provides judicial discretion to assure that no one who is genuinely in need of debt relief will be prevented from receiving what every American deserves—a fresh start.

This is a second-chance society. If you fail through no fault of your own—or, indeed, even if it is your fault—and you have no ability to repay, your debts will be discharged and every bankruptcy judge in America will have the discretion to ensure that protection remains. No matter how many times a Senator comes to this floor and says to the contrary, it just is not so.

Critics have argued the bill also places an unfair burden on women and single-parent families. Not by my authorship. It is not true; it is not right; and I would not be standing here today if there were an element of truth to it. It is unfounded.

The bill contains an amendment that Senator HATCH and I offered a year ago that not only ensures women and children are not in an adverse position they are now in a superior position. The Hatch-Torricelli amendment facilitates child support collection by making it easier for the person to whom support is owed to obtain information on the debtor's whereabouts.

The ability of a father who walked out on a wife and a child under current bankruptcy law and hides will no longer be possible. Under the Hatch-Torricelli amendment, we will find you. That information is available, and you will be forced to meet your obligation.

The bill also provides that the status of women and children under the current law is further enhanced. Under current bankruptcy law, women and children seeking support are seventh in line after rent, storage, accountant fees, and tax claims. Every one of those stands before a child today in need of child support from their father. That is the current law. If you vote against this bill, that is the law you are voting to maintain.

Don't suggest that Senator GRASSLEY, Senator HATCH, or Senator BIDEN, or I will come to this floor with something that does not enhance the welfare of a wife, a parent, or a child. Indeed, it is the opposite. We take those children from seventh in line in bankruptcy under current law to first. No landlord is ahead of you, no government, no accountant, and no lawyer. You get first claim on whatever revenue remains.

In addition to these child support protections, the bill includes other provisions designed to assure protection for other vulnerable aspects of American society.

One that is the most important to me that I helped put in this legislation is for those in nursing homes. There is a plague of nursing home bankruptcies in America. When a nursing home goes bankrupt, this legislation requires that an ombudsman be appointed to act as an advocate for the patient; that those who are left vulnerable in the nursing home have someone representing them in the process. They have the greatest stake in bankruptcy. The patients are the most vulnerable. Under current law, they have no one and they have nothing. If you oppose this bill, you are voting to maintain that vulnerability. Under provisions that I helped put in this legislation, that now ends.

We provide clear and specific rules for disposing of patients' records so that in bankruptcy the records of those in the nursing home will not become the public property of creditors, but it is protected. These provisions could not be more important under current circumstances with rising bankruptcy and the vulnerability of nursing home patients.

One nursing home company alone recently with 300 homes went bankrupt leaving 37,000 people without beds, without protection, and without an advocate when it went bankrupt. That will not happen again under this legislation.

Finally, and perhaps most importantly, it was always my goal—from the original introduction of this legislation in our debates in the Judiciary Committee under Senators HATCH and LEAHY to the floor that there be consumer protection in this bankruptcy bill. It was not enough to provide fair bankruptcy protection for the industry which was losing money due to unnecessary bankruptcy. It was not enough to provide protections for the poor, for families, and for children. Real bankruptcy reform must contain consumer protection. Indeed, no aspect of the bill has been amended more or changed more significantly than the consumer protection provisions of bankruptcy reform. That is as it should be.

The credit card industry sends out some 3.5 billion solicitations a year. Senator DORGAN and Senator DURBIN have spoken about this, to their credit, at length. Much of their criticism is well founded. These solicitations by the credit card industry are more than 41 mailings for every American household—14 for every man, woman, and child in the country. It is an avalanche of solicitations with an invitation for a mountain of debt.

But it is not merely the volume of the solicitation. It is also those who are targeted for this availability of debt. High school student and college student solicitations are at record levels. What happened to Senator DORGAN is not unusual. Children everywhere are being invited to participate in the American habit of addiction to debt.

It is not surprising, therefore, that the poor, along with the young, have sometimes been victimized by these practices. Since the early nineties, Americans with incomes below the poverty line have had their credit card usage double. The result is not at all surprising. Twenty-seven percent of families earning less than $10,000 have consumer debt that is more than 40 percent of their income. These families have virtually no chance to get out of debt, and the interest payments consume what is required to maintain the lives of their families.

What is important is that we deal with these abuses by consumer information, by full disclosure; that we strike a balance that we are not unfairly denying the young or the poor credit when they need it, want it, and deserve it for business opportunities, for education, and to deal with crises in their families. That is the balance we tried to strike in this bill. We achieve nothing by denying the poor or the young the credit they need for their own means as long as we give them the information so that they understand the situation and for protecting against the abuse.

I believe we have struck a balance. It is not as I would have written the bill personally. But in legislation and in an institution where both political parties evenly share power, I believe it is the best we can do. Most importantly, it is far better than the current law.

The bill now requires lenders to prominently disclose:

One, the effect of making only the minimum payment on the account each month. That is not in the current law. If you vote against this bill, you are voting that we will continue not to give people information. We require it in this bill, and it is a significant advantage.

Two, when late fees will be imposed so people understand the consequences of not making their payments;

Three, the date on which an introduction or teaser rate will expire as well as what the permanent rate will be at that time.

This is potentially the greatest abuse of the consumer who believes they are getting an interest rate at a very low level only to discover that they expire quickly and they are subjected to a higher rate that they cannot pay or maintain.

In addition, the bill prohibits the cancelling of an account because the consumer pays the balance in full each month and avoids incurring the finance charge. We are, indeed, encouraging that kind of payment and avoidance of debt and interest charges. That, we believe, makes sense for the American consumer.

There is not every degree of consumer protection that all of us would like, but no one can credibly argue that current law compared with this legislation is superior. It is much superior.

Finally, let me raise the issue that was the focus of great debate in the last Congress—the question of whether debtors seek to discharge the judgment they owe because of their violence against abortion clinics.

I believe because of the efforts of Senator SCHUMER and Senator HATCH language assuring that those debts cannot be avoided is now in this bill, and in my judgment, satisfactory to warrant, for those of us who are concerned about abortion clinic violence and the protection of women's rights, fair and balanced legislation.

So I urge the adoption, at long last, after years of work on a bipartisan basis, of this important bankruptcy reform. There are not a few Members but an overwhelming number of Senators who have amendments, changes of laws, and their considerations in this legislation.

I am, again, very indebted to Senators GRASSLEY, HATCH, LEAHY, and BIDEN for their extraordinary efforts that have brought this bill to fruition. And I am very proud to join with Senator GRASSLEY as the principal coauthor and Democratic sponsor of this important legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. I thank the Senator from New Jersey.

The Senator from Texas, Mr. GRAMM.

Mr. GRAMM. Mr. President, I wanted to come over this morning and talk about an amendment offered by Senator DURBIN. I am opposed to this amendment. I believe, if adopted, this amendment would do great harm to people in America who are trying to borrow money but do not have perfect credit ratings. And, as a result, this amendment would deny access to the American dream for millions of people who are fulfilling that desire today.

In addition, I do not believe that the amendment is well intended in that I sense it is really aimed at disrupting the bankruptcy bill. But, beyond that, the amendment is very dangerous. I hope my colleagues and their staffs, as we move toward a vote on this amendment, will listen to what I have to say because it is very important that we understand this amendment in context and the very real harm it would cause.

When a major piece of legislation, such as the bankruptcy bill, is before the Senate, there is a natural tendency for those opposed to the bill to just throw things into it, much as somebody would throw rocks at a car or take other action to disrupt things. But the problem is, these kinds of amendments have consequences.

No one in the Senate doubts that the bankruptcy bill is going to become law. So I would urge Senators, whether they are for this bankruptcy bill or not, to take a long, hard look at the Durbin amendment to determine whether they want to risk the possibility of such a dangerous provision becoming the law of the land.

Finally, before I explain this whole issue in some detail, let me say there are few subjects that are less well understood than subprime lending. In fact, the title "subprime" is counterintuitive—it creates the impression that you are borrowing below prime, when subprime means, in fact, you are paying above prime interest rates because you do not qualify for prime lending.

So let me begin by talking about the Durbin amendment and what it does. I want to explain why it is dangerous, and then I want to call on my colleagues, whether they are for the bankruptcy bill or not, to join Senator HATCH and others in tabling this amendment.

Let me make clear, this amendment is not going to become the law of the land. This amendment is not going to be ultimately in the law books of this country because it will hurt millions of people whom we should not be hurting.

First, let me begin by defining subprime lending. Subprime lending is basically lending that is made to people who do not have established credit ratings or who have problem credit ratings.

There are people who would like to pass a law, I am sure, to say you cannot lend to people above prime lending rates. If such a law were passed, the net result would be that tens of millions of people would never be able to borrow money through established channels. They would be forced to go into the sort of black market of lending where you borrow from your kin folks when you do not have access to credit. Subprime lending has a bad name, but unjustifiably so, in my opinion.

When I was a boy, my mama wanted to buy a home. She borrowed the money from a finance company, and she paid 4.5 percent interest. Gosh, that sounds low today. But in the 1950s, that was 50 percent above prime because banks were lending money at 3 percent. So you might say my mama was exploited by a subprime loan because she was forced to pay 4.5 percent interest whereas other people living in the town where I grew up were able to borrow at 3 percent.

But my mama was a single mom. She was a practical nurse who was on call but did not have an established employer. The plain truth is, in that day and time, banks did not lend money to people like my mother.

The rest of the story is that by getting this subprime loan, even though she paid 50 percent above prime, my mother became the first person in her family, I guess from Adam and Eve, ever to own the dwelling in which she lived. And I think it is interesting that all of her children have owned their own homes.

Some people look at subprime lending and see evil. I look at subprime lending, and I see the American dream in action. My mother lived it as a result of a finance company making a mortgage loan that a bank would not make.

We are getting more people involved in subprime lending in America. As a result, the margin between what people with good credit pay and what people with troubled credit or no established credit pay is beginning to narrow. The Durbin amendment would discourage people from getting into subprime lending and would make it more difficult and more expensive for people to borrow.

If you read the Durbin amendment—well, gosh, it just looks wonderful. What it says is, if you are borrowing money at a subprime rate and the person making the loan commits a material failure to comply with—and then it lists an alphabet soup of provisions—then the loan will be forgiven.

Let me explain what these provisions are. I think when you look at them, you see how dangerous this provision would be.

One of the provisions of law—if you fail to comply with it, that would mean, in essence, the loan would be free and you would not have to pay it back—says that if I am going to give you, over the telephone, information about the loan, I have to file, in writing, in advance, that such a communication is going to take place.

Do we really want a provision of law that says if I am a lender, and I am lending you money to buy a home, and I fail to file in writing that we are going to be going over some of the terms on the telephone, that you should not have to pay back the loan? Does anybody think that makes sense?

Another provision has to do with notification in advance. And under law, you are required to notify people of the terms of the loan 3 days in advance of when the actual transaction is going to occur.

Does anybody here believe that if you made a mistake in making the loan, and you notified people 2 days in advance, they should be empowered simply not to pay the loan back? Does anybody think that would be good public policy?

And finally, and perhaps most destructively, for the first time, this amendment would give the borrower an incentive to game the system and try to entice the lender into making a mistake. For example, suppose the lender makes an error in complying with any one of the numerous, different provisions of statute—either timing of notification, or notification in writing that telephone communications are going to be made—or the borrower creates, by refusing to send information back or by disrupting the normal process, a confrontation between the borrower and the lender, should the borrower benefit by having the loan forgiven?

Does anybody doubt that under these circumstances there would be an incentive for some borrowers to help create noncompliance with these provisions—or look for such noncompliance at a later date? At a time when millions of Americans now have an opportunity to own their first home, buy an automobile, send their children to college, do we really want a provision of law that will pit the borrower and the lender in a gamesmanship situation where, if the lender makes a mistake or can be enticed to do so, the loan is forgiven? Surely, no one could believe this is good public policy, whether you are for the underlying bankruptcy bill or not.

Secondly, it is not as if there are not already sufficient penalties for violating all these provisions of law. Let me read the penalties.

The penalties for violating these provisions of law that are referred to in the Durbin amendment read as follows:

> Impose a civil money penalty ranging from $5,500 to more than $1 million for each day of violation.

Does $1 million a day sound like a penalty to you? It does to me. One million dollars a day would have a profound impact on every lender in my hometown in College Station. I don't know about New York, but my guess is no one anywhere would like to give up $1 million a day.

Termination of a bank's charter; subject a bank to an enforcement agreement which could include restriction on the ability of the bank to expand and grow—those are very severe penalties—subject directors and officers to removal. Finally, there is the penalty of a temporary or permanent injunction against the illegal activities.

It is not as if our truth in lending laws are toothless. The plain truth is, these are some of the more severe monetary penalties that exist in the civil laws of this country.

I urge my colleagues to reject this amendment. I ask them to reject it for the following reasons: First, it has nothing to do with the bankruptcy bill. It is an amendment aimed at derailing the bankruptcy bill.

I understand being opposed to legislation. From time to time, I have been called upon by my constituents and my conscience to try to derail legislation I thought was bad. I understand that, and I respect it.

But I urge my colleagues, whether they are for the bankruptcy bill or not, not to vote for a provision which will be very destructive of home mortgage lending for people who find the greatest difficulty in getting a mortgage; that is, people who don't have established credit or who have troubled credit.

The biggest problem of all I save for last, and that is, we wouldn't just drive up the cost of lending with this amendment, where every bank or every lending institution has to realize that a technical error—the failure to notify in writing before they talk to somebody on the phone, or the failure to give a 3-day notice, any one of these errors—could mean the loan is uncollectible. What do you think that is going to mean? It is going to mean that thousands of lenders are going to get out of the subprime lending area exactly at the moment in history when more and more lenders are getting into it.

When they get into it, rates come down; when they get out of it, rates go up. Anybody who ever took freshman economics could understand that.

Thousands of lending institutions in America are going to look at the Durbin amendment and realize that an error—and it is not required that they intended to commit the violation; there is no provision in the amendment that there be intent, but just an error that is somewhat material, such as notifying 2 days ahead of time instead of 3 days ahead of time what is going to be in a closing, for example—makes the loan uncollectible. And when that happens, thousands of lenders who are lending today to people with troubled credit, giving them an opportunity to own a home, clean up their credit record and become part of mainstream America, are going to quit lending. Nobody with good sense can argue otherwise.

If I were running a little bank in College Station, and I could have a loan made uncollectible because of an error I made where there was no intention to make the error, I would stop making those kinds of loans. There are plenty of prime loans that can be made to people with good credit.

The second thing that is going to happen is, even the financial institutions that can afford to incur these risks are going to charge higher interest rates because the risk has to be incurred.

What is the net result of the Durbin amendment, if it were adopted? The net result is fewer institutions will be making subprime loans, fewer Americans with no established credit or with troubled credit will be able to get mortgages, and when they do, there will be higher costs to get those mortgages. That is what this amendment is about.

Finally, let me address the vast majority of Members of the Senate who are for the bankruptcy bill. This amendment is not going to become law. If this amendment is adopted, we are going to have a conference, and we are going to have to go through this long process which could end up derailing the bankruptcy bill. I am sure many people who are for this amendment hope that happens. My guess is we can fix it but only after a tremendous amount of work. In addition, we voted on this very amendment when we considered this bill last year, and we rejected it.

We have written many provisions into the bill to try to satisfy those who really blame lenders for bankruptcy instead of borrowers, some of which are not good public policy. However, in terms of trying to satisfy people, which is necessary to pass a big bill such as this, as chairman of the Banking Committee, I have tried to reach an accommodation.

This amendment, A, is dangerous; B, it would hurt people who want to own their own homes; C, it will mean we will have a lot more bad amendments offered that won't be offered if we reject this amendment.

It is my understanding that Senator HATCH or Senator GRASSLEY intends to move to table this amendment. I urge my colleagues to look at this amendment very carefully, look at the points I have made, and reject this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The Chair advises that the pending business is the Durbin amendment No. 17.

Mr. BROWNBACK. Mr. President, I rise to address the bankruptcy bill that is before the Senate, and in particular a provision that is in this overall compromise language that is being brought in front of the body, something I want to point out to a number of my colleagues.

Overall, I believe this legislation is a good piece of legislation. We have worked hard on it. We have worked for a number of years on it. We have worked to be able to craft this bill. The conference report passed with over 70 votes, which is a substantial vote, and the agreement of a number of people.

One of the pieces of the compromise was the homestead compromise and matters regarding the homestead provisions.

This is when you go into bankruptcy, what amount of property that is considered your homestead can be protected in bankruptcy, if you do not have a direct loan against it or purchase money loan against your house and a contiguous acreage, or in the case of a farm home and 160 contiguous acres. This is a very important compromise in the current bill, and I seek to keep this compromise language and not for that to be changed.

Kansas, along with other States, has within our State constitution the protection of homesteads. It dates back to the days when we had the Homestead Act, when you could go out West and settle, and if you farmed it for 5 years, 160 acres, you could keep it. It was yours. The way we settled much of the West was if you tame the 160 acres for 5 years, it was yours. Built within our constitution is the statement that if you don't borrow directly against this land, if you keep it clear and free of other loans and you go through bankruptcy, you can keep this.

Back in a prior lifetime, I was a practicing lawyer. I examined a number of abstracts. We would go through farm cycles where prices would be good and they would go down. Then a number of people would borrow and they would lose everything they had except their homestead. They could rebuild the farm based on that.

You could go through abstracts of land titles and find that here was a case where a guy borrowed this, this, and this, and he didn't borrow against the homestead. He lost everything else but not the homestead. He rebuilt from that. It almost followed the farm cycle with farm prices.

So the homestead provision within the bankruptcy code in allowing States to have their homestead provision, as opposed to a federalized homestead provision, is very important to my State, to me, and to a number of States that have this type of homestead provision in their State law or, more so, in my home State constitution. This has been in Kansas's constitution—or a provision of this—dating back to 1859, and going back even to territorial days in Kansas. Many farmers have used this law during economic hardship to protect their farms, their homes.

We worked hard last year and this year to get a compromise because a number of people don't like each State having its own homestead. They think there was fraud from some people who were moving to another State to take advantage of the homestead laws that might be easier in one State or another. We worked to get a compromise to work this out.

I want to put this out. Other people want to speak on this, and this is a very important point to me and my State. The compromise we put into the bill, some people wanted to change this and others wanted to protect States rights. The current bill provides that within the 2 years prior to bankruptcy, no one may protect more than $100,000 worth of new equity obtained in one's homestead. You have 2 years, $100,000. This would prevent debtors from shifting assets into their homes to avoid creditors.

Studies have shown that abuse of State homestead laws is very rare. Yet we are overturning over 130 years of bankruptcy law by imposing Federal standards—this would be the first time we have done Federal standards on homestead in bankruptcy law. In 130 years of bankruptcy law, this would be the first time we have done it. We should not do that, particularly based on such scant evidence.

Seven States have constitutional provisions that are different from the $100,000 homestead cap that may be offered by someone on the floor, just across the board. Somebody was saying a $125,000 homestead cap. Either one would take and federalize State law, State constitutional law—constitutional law—if we go with this homestead cap that some propose, based upon anecdotal evidence of some abuse of this.

If there is fraud involved in moving from one State to another one, and taking money to put it into a bigger homestead to protect it, that can be set aside now by the bankruptcy court under a fraudulent practice, and it frequently is. That is the way that is done.

I urge my colleagues not to federalize this area that has been under the control of the States, that is in State constitutional law in my State and in seven other States. If this is passed, a number of us will say this is not something we can tolerate or work with at all. This is something that would cause a number of us to work against the bill. Some want to get the bill off and don't want it to pass anyway. Maybe that makes this a better provision to them, but I don't think this is one that we ought to be doing at all for the first time ever. It is one that I vigorously oppose—if an amendment is proposed to change the compromise that is in the bankruptcy bill currently on the floor.

I urge my colleagues to vote against any change in this homestead provision away from what is crafted in this carefully balanced legislation we have before us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I will be very brief.

All Members of the Senate have, by nature, two residences—in our home States, of course, and wherever they reside during the time we are in session serving in the Senate.

I feel very fortunate to have my residence in Vermont, a beautiful State. It is out in the country on a dirt road with a gorgeous view. I also am fortunate that my residence here is in the Commonwealth of Virginia. In that regard, I believe I am represented, at least temporarily, by two friends from Virginia, the distinguished senior Senator, Mr. WARNER, whom I have known for decades and with whom I have been close personal friends, and the current occupant of the Chair, the newest Senator from Virginia, a former Governor, Mr. ALLEN. In that regard, I wish a happy birthday to the current occupant of the Chair, Senator ALLEN, and wish him many more such birthdays. I realize that he is in a difficult position. Under the rule, he cannot respond to this. But I did want to do that and tell him how much my family and I enjoy our temporary residence in the beautiful Commonwealth of Virginia.

Mr. President, I am going to offer, at some appropriate point, two amendments. I understand that the distinguished chairman and others have adopted this basically no-amendment posture. They can always vote these down. But one of my amendments would clarify when a debtor's current monthly income should be measured. The current monthly income is a cornerstone of the bill's controversial means test provision. No matter whether one is for or against the means test, the provision should be at least as clearly drafted as possible. My amendment would avoid unnecessary future litigation by clarifying that current monthly income is measured from the last day of the calendar month immediately preceding the bankruptcy filing.

Under section 102 of the bill, a presumption of abuse—requiring dismissal of the bankruptcy case or conversion to chapter 13—arises when a chapter 7 debtor has a defined level of "current monthly income" available, after necessary expenses, to pay general unsecured debt. "Current monthly income" is defined in the bill as the debtor's "average monthly income . . . derived during the 6-month period preceding the date of determination." It is ambiguous in defining what that 6-month period is.

Since accuracy of the schedule is of vital importance, and subject to audit, it is important that we know exactly what it is. My amendment would resolve the ambiguity and deal with full calendar months of income data, and to give a cutoff date prior to the bankruptcy filing.

My other amendment would be on the separated spouse and the means test safe harbor. On page 17, line 8, the language should mirror the other safe harbor provisions in the bill. The way it is set up in the bill, as currently drafted, is provided by the distinguished chairman, the distinguished senior Senator from Delaware, and others. Even though parents might legally be separated, if one spouse files for bankruptcy, the income of the other spouse would count to determine whether the parent's income exceeds the means test for the purposes of the safe harbor, for access to chapter 7.

What this means is if a battered spouse flees her home with her children, she can be denied bankruptcy relief regardless of her circumstances because in the Hatch-Biden, et al, bill, her husband's income would be counted, even though she receives no money from him.

I cannot think of anything that is more antiwoman, antichild, or antifamily.

I ask unanimous consent that my two amendments be filed and be available for consideration at the appropriate time and in the appropriate sequence because I do want to correct this antiwoman, antichild, and antifamily result, something I do not think is intended by the drafters of the bankruptcy law, but it is just one more example of some of the things that should be corrected in this bill.

The **PRESIDING OFFICER**. The Senator has the right to submit those amendments.

The Senator from Illinois, Mr. DURBIN.

AMENDMENT NO. 17, AS MODIFIED

Mr. DURBIN. Mr. President, I join the Senator from Vermont in wishing the Presiding Officer a happy birthday and say this great opportunity you have to sit as Presiding Officer of the Senate and listen to these wonderful speeches has to be the greatest gift we can offer you. We wish you the very best in the years to come.

The pending amendment is an amendment to the bankruptcy reform bill relative to the practice of predatory lending. Predators, you may recall from having watched a few movies, are those who prey on other things. In this case, we have people offering credit in a predatory fashion.

Who are these folks? You have heard about them. They are the people who look for the retirees, the widows who are living by themselves in the home they saved up for their entire lives, who are brought into some mortgage scheme or second mortgage scheme and end up signing papers that are, frankly, a very bad deal. They end up paying interest rates far above the market rate. They face the possibility of balloon payments that are impossible for them to make so they can secure a few dollars for perhaps consolidating some other loans or home improvements.

Time after time, these predatory lenders look for the elderly. They look for low-income people. They go to poor neighborhoods and seek out folks with limited knowledge of the law or a limited understanding of English. They have them sign these papers, and literally they watch their lives disappear. Everything they have saved up for in a lifetime ends up disappearing because of these con artists who claim to be creditors offering them money under terms which are not reasonable by any standard in America.

Is this a rare situation? Unfortunately, it is a growing phenomenon in this country. We see these people going forward offering what is known as subprime lending and subprime mortgages.

They argue in the industry that these people are not good credit risks, so you cannot give them the ordinary interest rates and terms; you have to make it a little tougher. I understand that. We do not want to close out the market for people who are on the edges of credit availability. We want to make certain they have access, too.

Believe me, the cases that have been documented time and again in the Senate and the House of Representatives, in State after State, are not those cases. The creditors are not lending to folks on the edge. These are people who are pushing these poor elderly and retired folks over the edge. A lifetime of savings for a home that a widow is living in absolutely vanishes when these con artists get a chance.

Where do they finally get their relief? If not through foreclosure in civil courts, in bankruptcy court. When that elderly widow has lost everything, cannot make any payments whatsoever, and finally goes to bankruptcy court and says, I just cannot do it anymore, guess who is standing first in line to get paid in full? These sharks, these people who time and again have taken advantage of the poor and the elderly across America.

A lot of people have come to me since I offered this amendment and have said: We just got contacted by the finance industry. The banks of this country are worried about your amendment. They are opposed to your amendment. They think you are going to create some real hardship in their industry.

The answer is, yes, I am going to create hardship in their industry with this amendment, hardship for the people who are giving their industry a bad name. If it is a good bank, if it is a good mortgage lender, if it is following the law of our country, they need not fear the Durbin amendment. The Durbin amendment is going after the bad actors and bad players, and the people who are opposing it in so many different ways are trying to shield the people who are violating the law and making these bad loans.

The people who are opposing my amendment and want to table it in a vote later today are those who want to make certain that the people taking advantage of the poorest and most vulnerable Americans are protected in bankruptcy court.

My amendment says explicitly that in order to be stopped from recovering in bankruptcy court, you must have violated the law—a material violation of the law, not something technical—a material violation of the law. I happen to believe that before you can walk into a court, you have to have clean hands, and the clean hands suggest that if I am coming into court and I want to recover under my contract, I have obeyed the law and followed it in all of my dealings.

It sounds pretty basic to me. It is a threshold question that should be asked of anyone in bankruptcy court, but if you listen to the opponents of my amendment, they say: No way. You may have violated every law on the book to get into bankruptcy court, but once you are there, you are under the protective shield of the U.S. Government. You are able to use our bankruptcy laws and our bankruptcy courts to reach miserable ends when it comes to the poor people who have been exploited.

It is amazing to me that at this stage in this prosperity we have enjoyed in our economy and all the things that have happened in America, we still have Members of the Senate and House of Representatives who are coming to the rescue of these bottom feeders in the credit industry. They are standing here defending them and giving them a chance to continue to exploit some of the poorest people, some of the most vulnerable people, in America.

Some say: DURBIN, there you go again; you are exaggerating this; it is not such a big problem. Let me tell you a few things I have learned in the course of preparing this amendment.

A group in Chicago—I represent the State of Illinois—I take a look at their information from time to time. It is called the National Training and Information Center. In September 1999, they took a look at the mortgage foreclosures in my home State. The Chicagoland home loan foreclosures doubled, increasing from 2,074 in 1993 to 3,964 in 1998. In a 5-year period of time, a prosperous time in America, mortgage foreclosures doubled in the Chicagoland area. The greatest percentage was in the suburbs, not in the inner city.

The increase in foreclosures in my State corresponds to the increase in originations by subprime lenders, not home loan originations. Loans by subprime lenders, the people about whom I am talking, increased from 3,137 in 1991 to 50,953 in 1997, a 1,524-percent increase.

Subprime lenders and services were responsible for 30 foreclosures in 1993. This number skyrocketed to 1,417 in 1998, a 4,623-percent increase.

Subprime lenders and services were responsible for 1.4 percent of foreclosures in 1993 and 35.7 percent in 1998.

The people who oppose my amendment say: Let the free market work; let the buyer beware; there are plenty of laws on the books. But these statistics tell the story. The people who are taking advantage of the most vulnerable—the widows, the elderly—are doing quite well, thank you. What do they end up with after they have gone through their nefarious scheme? The home a person has worked a lifetime to own, to live in, to retire in, to feel safe in.

The people who oppose my amendment say we need to protect these subprime lenders. The opponents of my amendment want to ignore the reality of what is happening. Subprime lending increases dramatically, mortgage foreclosures increase dramatically, and these subprime lenders go into bankruptcy courts and take homes away from Americans, and the people who oppose my amendment on the Senate floor say: Look the other way, this is the market at work, Senator; don't stick your nose into it.

I think this Senate ought to come to the aid of people who don't have the lobbyists sitting in the lobby of the Senate just outside that door. We ought to be considering people who can't afford to bring lobbyists to the Senate. We ought to consider the people who worked hard to make America a great nation, obeyed the laws, paid their taxes, had their small savings account and looked forward to their security and retirement in that little home, and then they were preyed upon and exploited by these people. These people want to walk into our bankruptcy courts and use the laws of the bankruptcy system in order to recover that home and take it away from someone.

Watch the vote on the motion to table the Durbin amendment and you will see a long line of Senators who will stand up and say these subprime lenders deserve the protection of the law. The Durbin amendment says pointblank they will be disqualified from using the bankruptcy court if they have materially violated the law in order to obtain this mortgage. That is what this debate is all about. This is a test of a number of things about the Senate: How many people care about consumers in this place? How many people are dedicated to business interests, regardless of whether they are unethical and unscrupulous?

Mr. GRAMM. Point of order.

Is the Senator suggesting that Members of the Senate are not voting their conscience on this bill? Is the Senator suggesting that there are Members who are voting for special interests instead of what they believe in? If so, that is a violation of the rules of the Senate.

Mr. DURBIN. I would like to respond to the Senator from Texas. Those who want to take the side of the financial industry in opposition to this amendment should be held accountable for the fact that they are turning their backs on consumers. I do not question the motive of any Senator and his vote, but the Senator knows as well as I do how this is lined up: Consumers on one side, banks on the other side.

Let me state what is at stake here are credit practices that no one in the Senate should condone; frankly, no reputable bank or financial institution should condone. If you are a bank or an institution following the law of this Nation, making certain your people issue loans that are reasonable and in compliance with the law, you have nothing to fear from this amendment. But if you are a fly-by-night storefront operation exploiting poor people and the elderly in this country, you bet this amendment makes you nervous, and it should. Because it means that ultimately the bankruptcy court will not be there as your court of last resort.

The subprime mortgage industry offers home mortgage loans to high-risk borrowers—I acknowledge that—loans carrying far greater interest rates and fees than conventional and carrying extremely high profit margins. Yesterday I went through some of the cases which you would not believe, cases where they took people on a modest Social Security income of $500 a month, lured them into signing up for second mortgages and mortgages on their home with payments they could never afford to make, with balloon payments down the line of $40,000 and $50,000, impossible for these poor people to make, and then when they get in so deeply they couldn't see daylight, they said, we have a new idea, we are going to refinance your original loan. And guess what. They dug a deeper hole for these poor people, and ultimately they lost everything. They went into the bankruptcy court saying, we want you as a judge in bankruptcy, to give us a right to take this home away.

According to the Mortgage Market Statistical Annual for 2000, subprime loan originations increased from $35 billion in 1994 to $160 billion in 1999. As a percentage of all mortgage originations, the subprime market share increased from less than 5 percent in 1994 to almost 13 percent in 1999. By 1999, outstanding subprime mortgages amounted to $370 billion. The data also shows a substantial growth in subprime lending. The number of home purchase and refinance loans that have been reported by lenders specializing in subprime lending increased almost tenfold between 1993 and 1998, from 104,000 to 997,000. The number of subprime refinance loans also increased during that period from 80,000 to 790,000.

The growth of this type of lending should be of concern to every person in America, not just on the issue but because the victims involved are our parents, our grandparents, the neighbor down the block, the widow trying to make a meager living. They are being preyed on by these people.

The growth of the subprime lending industry is of concern first, because of the reprehensible tactics called predatory lending practices which some of the companies use to conduct their business; and second, because of the people, the senior citizens and the low income, the financially vulnerable, who they often target with loans.

According to the 1998 data, low-income borrowers accounted for 41 percent of subprime refinance mortgages. African-American borrowers accounted for 19 percent of all subprime refinance loans.

I would like to give some additional information about the situation in my home State of Illinois and in the city of Chicago. In an April 2000 study released by the Department of Housing and Urban Development, subprime loans were over eight times as likely to be in predominantly black neighborhoods in Chicago than in white neighborhoods. In predominantly black neighborhoods in Chicago, subprime lending accounted for 52 percent of home refinance loans originated during 1998, compared with 6 percent in predominantly white neighborhoods.

Now, subprime somehow sounds as if it is a deal. If it is a subprime loan, it is under conditions, interest rates, and terms far worse than any people would face in the normal course of business. Homeowners in middle-income predominantly black neighborhoods in Chicago are six times as likely as homeowners in middle-income white neighborhoods to have subprime loans. In 1998, only 8 percent of the borrowers in middle-income white neighborhoods obtained subprime refinance loans; 48 percent of borrowers in middle-income black neighborhoods refinanced in the subprime market.

We had a hearing recently on Capitol Hill in one of the Senate subcommittees of the Governmental Affairs Committee and brought in people and let them tell the story. Imagine the situation with which we were presented. A young woman came in and said: My mother and I decided we would buy a home—an African-American mother and her daughter. She said: I had a nice job but it was our first chance in the history of our family to own a home. She said to the Senators: You can't imagine how exciting it was, the idea we were finally going to have our little home.

I know what it meant to my family when we bought our first home. I know what it means to families across America. This is the American dream. This is your chance. Sadly, she got hooked up with one of these outfits. She wasn't a business major. She didn't have a lawyer to turn to and an accountant to ask questions. She was an average American trying to do the right thing for her mom and herself. She ended up getting into one of these nightmare situations where the home she bought was over-appraised, where she ended up with a mortgage she could never possibly pay, with terms and conditions that, frankly, guaranteed failure. And that is what happened. As a result of that second mortgage on her home, there was a foreclosure that led her to bankruptcy court, and the bankruptcy court basically said the company that ripped her off could take her home away. End of the American dream for someone who was trying to do the right thing.

In 1998, my colleague, Senator CHARLES GRASSLEY, Republican from

Iowa, chaired the Special Committee on Aging, on predatory lending practices. William Brennan, director of the Home Defense Program of Atlanta, GA, Legal Aid Society, put a human face on the issue. He told us the story of Genie McNab, a 70-year-old woman living in Decatur, GA.

Mrs. McNab is retired and lives alone on Social Security retirement benefits. In November of 1996, with the "help"—I use that word advisedly—of a mortgage broker, she obtained a 15-year mortgage loan for $54,300 from a large national finance company. Her annual rate of interest is 12.85 percent. Under the terms of the mortgage, she will pay $596 a month until the year 2011, when she will be required to make a final payment of $47,599. By the time she is done, her $54,200 loan will have cost $154,967. When Mrs. McNab turns 83 years old, under the terms of this wonderful deal offered to her, she will be saddled with a balloon payment which will be impossible for her to make. She will face foreclosure. She will be forced to consider bankruptcy. And when she walks into the bankruptcy court, if the Durbin amendment is not adopted, the person who fleeced her out of her home and her life savings, with a big grin on his face and a lawyer at his side, is going to recover. He is going to take away everything this poor lady has. She will face the loss of her home and her financial security, not to mention her dignity and her sense of well-being.

Ironically, Mrs. McNab paid a mortgage broker $700 to find this wonderful arrangement, a mortgage broker who also collected a $1,100 fee from the mortgage lender. Sadly, Mrs. McNab is the typical target of the high-cost mortgage lender, an elderly person living alone on a fixed income. We can have all the hearings we want on Capitol Hill in the Select Committee on Aging, we can talk about the greatest generation ever that served in World War II, we can talk about our respect for our seniors—and we should. But this amendment will be a test of respect for senior citizens who were the victims of so many of these lenders.

This lady, living alone on a fixed income, was just the target these companies look for. The death of a spouse, the loss of a spouse's income, a large medical bill, an expensive home repair, mounting credit card debt, and many of these people are pushed right over the edge, right into bankruptcy court.

These are real life circumstances that make Mrs. McNab and others an irresistible target for these loan sharks and for members of the subprime mortgage industry.

According to a former career employee of the industry who testified before the Senate Special Committee on Aging, he told the story about what they are looking for when they go out trying to find people to sign up for these loans. Incidentally, the man was so confident that he had to testify anonymously, behind a screen. He was afraid some of the companies that were involved in some of these practices would figure out who he is. So anonymously he testified before the Senate behind a screen so no one would see him, and here is what he said about his experience in the subprime mortgage industry:

> My perfect customer would be an uneducated woman who is living on a fixed income—hopefully from her deceased husband's pension and Social Security—who has her house paid off, is living off of credit cards, but having a difficult time keeping up with payments, and who must make a car payment in addition to her credit card payments.

That is the perfect target. That is what he is looking for. This industry professional candidly acknowledged that unscrupulous lenders specifically marketed their loans to elderly widows, blue-collar workers, people who have not attended college, people on fixed incomes, non-English-speaking people, and people who have significant equity in their homes. These are people who have worked a lifetime and made the mortgage payments, finally burned the mortgage in a little family celebration, sitting in that home looking forward to comfortable years, and in come these sharks swimming around in the waters of their home. When it is all over, they are devoured in bankruptcy court. We are talking about reforming this court.

They targeted another such person in the District of Columbia, Washington DC, Helen Ferguson. She came before the Senate Aging Committee, Senator GRASSLEY's committee. She was 76 years old when she testified. She told us as a result of predatory lending practices, she was about to lose her home. In 1991, Mrs. Helen Ferguson had a total monthly income of $504 from Social Security. With the help of her family, she made a $229 monthly mortgage payment on her house—certainly a modest lifestyle by any measure. However, on her fixed income she could not keep up with needed home repairs. She began hearing and seeing these radio and TV ads for low-interest home improvement loans, so she called one. Mrs. Ferguson thought she had signed up for a $25,000 loan. In reality, this lender collected over $5,000 in fees and settlement charges from her on a $15,000 loan. The interest rate he charged her? 17 percent. Her mortgage payments went up to $400 a month, almost twice what they were before.

Over the next few years, the lender repeatedly tried to convince Mrs. Ferguson the answer to her concerns was to take out more loans. He called her—even called her sister at home and at work, trying to encourage them to sign up for more loans—what a nice gesture. He sent Christmas cards to the family, and letters expressing real concern about the problems they were facing.

In March of 1993, Mrs. Ferguson finally gave in to this lender, borrowing money to make home repairs. By March of 1994, she couldn't keep up with the mortgage payments. She signed up for a loan with another lender, unaware that it had a variable interest rate and terms that would cause her payments to rise to $600, eventually $723 a month. Remember, this lady started off back in 1991 with a $229 monthly mortgage payment. She is now up to $723 a month, thanks to the helping hand and assistance of these subprime lenders who are looking at this great target—Mrs. Ferguson's home. For this loan, this next loan, she paid another $5,000 in broker's fees. She is putting an additional mortgage on this little home, and $5,000 of the new mortgage is going straight to the broker; it isn't going back to her, more than 14 percent in total fees and settlement charges on the front end of this subprime mortgage.

The first lender also continued to solicit her. She eventually signed up for more loans. She could not get out from under. They kept saying one more loan and she would be just fine. Each time, the lender persuaded her that refinancing would enable her to meet her monthly payments. Mrs. Ferguson was the target of a predatory loan practice known as loan flipping. The Durbin amendment specifically cites that type of practice as a violation, a material violation of the law that should make certain they cannot go to bankruptcy court and take Mrs. Ferguson's home away from her after they have been engaged in this kind of conduct for over a decade. She was the target of this practice of loan flipping, and in such cases, lenders purposely structure the loans with monthly payments they know the homeowner cannot afford so that at the point of default, it provides the lender with additional points and fees. They make money on these every single time, and in the case of some of Mrs. Ferguson's loans, not only did the lender prepare two sets of documents and rush the signing, but the lender's representatives took with them all the papers from the mortgage closing and mailed them to her only after the 3-day rescission period was expired, and the check for home repairs was spent.

You have heard about that. If you make a bad deal, you have 3 days to change your mind. They took the papers away at the closing and said they would mail them to her. She got them 3 days later. They knew what they were doing.

Some opposed say Mrs. Ferguson just needs a good lawyer. A good lawyer for a lady making $500 a month on Social Security, who has seen her monthly mortgage go from $229 to $723? She has to go find a good lawyer to fight these folks?

That is what they think is the recourse here, that is the remedy. They are going to argue we do not need the Durbin amendment; Mrs. Ferguson can get her day in court. Let her come down on K Street in Washington, DC, and find a nice law firm to take care of her. We know better than that. People such as Mrs. Ferguson around America are going to be those who don't ever want to have been seen in a courtroom. They come into bankruptcy court ashamed.

After a lifetime of saving and sacrifice, they are forced into this predicament, and the people opposed to my amendment tell us once they get to bankruptcy court let the buyer beware. Let the people take her home if they want.

Eventually, Mrs. Ferguson was obligated to make monthly payments of more than $800, although her income was still $504 a month, and the lenders knew it. That is another provision in the Durbin amendment. If they knowingly make loans to people who cannot afford to repay them, they have violated the law. It is a material violation of the law to drag these people into debt so deeply they can never get out again and to know it walking in the front door.

In 5 years, the debt on her home increased from $20,000 to $85,000. For some wealthy people in America that may not sound like much, but for a lady living on $500 a month, it is a mountain she will never be able to climb. She felt helpless and overwhelmed. She contacted AARP. She didn't know where to turn. She realized these lenders had violated the Federal law in what they had done.

Lump-sum balloon payments on short-term loans, loan flipping, the extension of credit with the complete disregard for a borrower's ability to repay—these are not the only abusive mortgage practices. Lenders on these second mortgages sometime include harsh repayment penalties in the loan terms, rollover fees, charges into the loan, or negatively amortize the loan payments so the principal actually increases over time.

You can never catch up with it. It just keeps growing, all of which is prohibited by law, although many ordinary homeowners do not know what the law says.

Some of these homeowners will not make it to a lawyer or other source of help before financial meltdown occurs. When they realize what has happened, these consumers are often on the brink of foreclosure and bankruptcy.

There are some protections built into current law. I have no quarrel with this. But you cannot call these protections "ample" when they permit a gross injustice. There exist out there lenders who illegally trap families into insurmountable debt, force the families into bankruptcy, and then actually continue to pursue their greed by staking their claim in bankruptcy proceedings.

The debate on the bankruptcy reform bill before us started I guess about 5 years ago. The argument from the people who wanted to change the law is that too many people were coming to bankruptcy court and filing for bankruptcy and they really shouldn't, they should pay back their debt. They argued that the people who were filing for bankruptcy had forgotten the moral stigma of declaring bankruptcy in America. Yet when I look at this situation, where is the moral stigma? Shouldn't the moral stigma be on the conscience of these lenders who have dragged these poor unsuspecting people into a situation where they have no hope and nowhere else to turn? When it comes to that moral stigma, it will be interesting on the vote on the Durbin amendment as to whether the people believe, in voting in the Senate, there is any moral culpability on the part of those who have taken advantage so many times.

Yesterday, Senator HATCH said that my amendment "will adversely affect the availability of credit to certain consumers, many of whom may be low-income and minorities whom this amendment purports to protect. Moreover, the secondary market for such mortgages will also be affected thereby placing an upward pressure on the pricing of such loans."

Well, if Senator HATCH really feels that way, then he should be joining me in supporting this amendment. This amendment will not affect available credit for anyone. Nor will it affect the secondary market. The only ones affected by this amendment are the low-life lenders who are breaking the law, and ruining people's lives in the process. They are the only ones who should be concerned. Because they will no longer be able to profit from their unscrupulous practices.

And the finance industry ought to think twice about harboring and protecting these people. It doesn't give their industry a good name or a good reputation.

Senator HATCH also said yesterday that my amendment "does not require any finding that such a violation was the cause of the debtor going into bankruptcy. Now that's just not good law. That's not the way we should be making law. Nor does it require that a violation of the Home Ownership and Equity Protection Act had to have been found for this draconian remedy to take place."

Mr. HATCH. Mr. President, will the Senator yield?

Mr. DURBIN. I am happy to yield for a question.

Mr. HATCH. Could the Senator give me some indication when he is willing to go to a vote on this amendment?

Mr. DURBIN. I am hoping to in just a few moments.

Mr. HATCH. When the Senator has concluded, I will move to table.

Mr. DURBIN. I only yielded for the purpose of a question.

Mr. HATCH. I understand. I am just wondering if we can have some idea when we can go to a vote, and then I would be able to give people some sort of notice.

Mr. DURBIN. I think that is reasonable. I would say no more than 20 minutes.

Mr. HATCH. On your amendment, and then Senator GRAMM.

Mr. GRAMM. I think I can do it in 10 minutes.

Mr. HATCH. Then about 10 until 12; is that all right? I will make a motion to table. Could I ask unanimous consent?

Mr. GRAMM. Could we divide the time so the Senator would have his time and I would have mine? I sense that the Senator is somewhat caught up in this and would like to speak. And I want to be sure I get the opportunity.

Mr. DURBIN. The Senator from Texas is correct, I am caught up in this. I think we have 40 minutes remaining. I will take 15, if the Senator from Texas would like to take 15. How is that?

Mr. GRAMM. That is all right.

Mr. HATCH. If I could move to table at 10 until 12, and let everybody know, is that OK?

Mr. DURBIN. I want to make sure I understand what the Senator is saying. If we could have the time between now and 11:50 evenly divided, that would be fine.

Mr. HATCH. I ask unanimous consent that be the case, and I will move to table at the conclusion of that time.

No second degree will be in order.

Mr. DURBIN. That is right.

Mr. HATCH. Before the vote—in other words, we will divide the time up until 10 until 12, equally divided with no further amendments before the vote, and I will move to table at that time, and we will have a vote.

The PRESIDING OFFICER (Mr. ALLARD). Is there objection?

Mr. DURBIN. The point made by the staff is well taken. If the motion does not prevail, the amendment will still be pending and open for debate and amendment; is that correct?

Mr. HATCH. That is right.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DURBIN. I thank the Senator from Utah.

What is interesting from the parliamentary side is, once you have made a motion to table, it is not debatable and it all comes to an end.

I will make a few comments in closing, and Senator GRAMM will have his opportunity, and the Senate will vote on whether to table the Durbin amendment.

For those who have not heard the Durbin amendment, it says if you are going to go to bankruptcy court and claim protection to try to pursue a mortgage foreclosure, you have to walk into bankruptcy court with clean hands. You cannot be an unscrupulous, illegal lender taking advantage and exploiting poor people, elderly, and widows, and walk into bankruptcy court and say I want the protection of the law.

The people who oppose it will say folks just have to come to understand the conditions of these mortgages; they have to learn a little bit about the law; they have to understand this is an industry that is out to make a profit, too.

I think there is truth to that. I think people have to come into these transactions with some basic understanding of the law. But think about the people we are talking about here. These are 70- and 80-year-old retirees who are losing their homes to these loan sharks who know the law inside and out. These are people with limited understanding of the law, maybe limited education, and maybe limited understanding of the English language. These are the victims. These are the targets. And to argue that these are the people who should understand the great law of America is to suggest that each one of us knows what the backs of our monthly statements from the credit card companies really mean.

I am a lawyer. I haven't flipped over to see the faint type and small letters on the back side of a page to determine the conditions of my credit card. How many times have you stopped to read it? I haven't. I am not sure I could understand it if I did. That is the reality. I am a lawyer; these folks are not. These are people who have done the right thing in America, and they are the victims.

Senator HATCH also said yesterday that my amendment "does not require any finding that such a violation was the cause of the debtor going into bankruptcy. Now that's just not good law. That's not the way we should be making law. Nor does it require that a violation of the Home Ownership and Equity Protection Act had to have been found for this draconian remedy to take place."

Now let me get this straight. If a lender breaks the law, if it's been demonstrated that they clearly violated the Truth-in-Lending Act, the portion dealing with predatory mortgages and burdened a family with an outrageous, morally indefensible loan, if they have done all that, then the bankrupted family still has to prove that is why they went bankrupt.

Think about that. After they have lost their homes to this unscrupulous lender, some of the critics of this amendment say the burden is still on the borrower: You have to prove I was unscrupulous. You have to prove this lender did illegal things. If they can't, then the lawbreaker can still sit down at the table and take the family's assets.

I can think of no better example than that of what a bad law really looks like. My amendment addresses it.

Yesterday, we learned from Jodie Bernstein, Director of the FTC Bureau of Consumer Protection that a lending arm of Citigroup "hid essential information from consumers, misrepresented loan terms, flipped loans [repeatedly offering to consolidate debt into home loans] and packed optional fees to raise the costs of the loans." And that the "primarily victimized" . . . were the most vulnerable, hard-working people who had to borrow to meet emergency needs and often had no other access to capital.

The FTC lawsuit comes after almost 3 years of investigation. Well we have an opportunity to help curb these predatory lending practices today by passing my amendment.

Why do we need my amendment to deal with predatory lending practices? Because of: the statistics I mentioned earlier; because of victims of predatory lending like Ms. McNab and Ms. Ferguson; and because of suits like that filed by the FTC against a lending arm of Citigroup—predatory lending is an epidemic.

We can end this epidemic with this amendment. Current law is not sufficient to deal with it. If current law were enough, we wouldn't be standing here today; we wouldn't have seen the dramatic increase in these loans nor the dramatic increase in mortgage foreclosures directly attributable to these loans.

The problem of predatory financial practices in the high-cost mortgage industry is relevant to bankruptcy because it is driving vulnerable people into bankruptcy.

These people are not entering bankruptcy in order to abuse the system, they are filing bankruptcy because the reprehensible tactics of unscrupulous lenders have driven them into insolvency and threatens their homes, cars, and other necessities.

The question is whether my colleagues in the Senate want to vote to protect these victims by voting for the Durbin amendment.

My amendment prohibits a high-cost mortgage lender that extended credit in violation of the provisions of the Truth in Lending Act from collecting its claim in bankruptcy.

For people, such as Genie McNab, Helen Ferguson, Goldie Johnson, and the Mason family, about whom I talked yesterday, if they go to the bankruptcy court seeking last-resort help for the financial distress that an unscrupulous lender has caused them, the claim of the predatory home lender will not be allowed if the Durbin amendment passes. If those who move to table my amendment—if Senator HATCH or Senator GRAMM prevail—these predatory lenders, guilty of abusive practices, will have the protection of the bankruptcy court. If my amendment passes, they will not.

My amendment is narrowly drawn. It simply says that a creditor who violates the law cannot then ask for the law to protect them in bankruptcy court. I do not think my colleagues, in their effort to create a bankruptcy system more favorable to creditors, want to protect these unscrupulous people in the process.

Congress has seen fit to pass laws to protect consumers from some of the egregious practices of predatory lenders, including the Home Ownership Equity Protection Act and the Truth in Lending Act.

And I might say, just briefly, my first exposure to Capitol Hill came as a college student in this town. I worked for a Senator from Illinois whose name was Paul Douglas. He served from 1948 to 1966. He was an extraordinary man who fought for consumers during his entire career. Maybe some of that has rubbed off in the way I view politics.

But one of things he pushed for his entire career—and he did not serve long enough to see happen—was the passage of the Truth In Lending Act, which said that instead of "buyer beware," the consumer should be informed. I think that is a good law for America. People who are abusing that law, a law that has been the law of America now for 33 years, should not have the protection of bankruptcy law when they go to court.

If this bankruptcy legislation is enacted into law, it will force all debtors, including those who fall below median income, to jump through all sorts of new hoops so we can be satisfied the debtor is not abusing the bankruptcy system. Cumbersome and burdensome new requirements are being placed on all debtors to weed out the abusers of the system.

In this case, we are not talking about debtors who are acting illegally; we are simply talking about abusive creditors whom I believe are acting illegally and should be held accountable.

My amendment does address their illegal practices. We don't live in a perfect world. We live in a world where predatory lending is all too common and growing in America. Think about how it has grown. Now put it in the context of a slowed-down economy, perhaps a recession—people finding they are losing their jobs; they don't have as much income, but their debts are growing. People will then, in desperation, turn to second mortgages for repairs at home or to overcome a family crisis. These will be the new class and the new array of victims of these predatory lending practices. Those are the ones about whom I am most concerned. If this Durbin amendment does not pass, you will see these numbers continue to increase.

We know many of the victims of predatory lending end up in bankruptcy court. This Congress should not allow these people to be victimized twice—first by the predatory lenders, and second, in the bankruptcy court.

Close the loophole that now exists. Shut the bankruptcy courthouse doors to creditors who illegally prey on the most vulnerable in our society, including older Americans, minorities, and low-income families. If the lender has failed to follow the law with the requirements of the Truth in Lending Act for high-cost second mortgages, the lender should have absolutely no claim against the bankruptcy estate. Bankruptcy courts always consider creditors' claims and whether they are fraudulent or not. They make this decision before they can go forward and pursue them in the bankruptcy court. All I am saying is, they should also say if they have violated the law in illegally offering these mortgages, they cannot use bankruptcy court.

My amendment is not aimed at all subprime lenders. If they are following the law, they have nothing to fear. If they are not following the law, they are going to hate the Durbin amendment. Indeed, it is aimed at the worst and most predatory of these subprime lenders.

My provision is aimed only at practices that are already illegal and, as the amendment says, materially illegal. It does not deal with technical or immaterial violations of the Truth in Lending Act.

Disallowing the claims of predatory lenders and bankruptcy cases will not end these predatory practices altogether. Yet it is a valuable step to curb creditor abuse in a situation where the lender bears primary responsibility for the deterioration of a consumer's financial situation.

I have supported bankruptcy reform laws. I hope I can support this one. But if we are going to take a no-amendment strategy on the floor of the Senate, if we will not hold abusive and unscrupulous creditors accountable for their activity, you cannot say this is a balanced bill. It is tipped to make sure the credit industry always wins and the consumer always loses.

This Congress, this Senate, represents not only bankers and lenders, it represents ordinary American families, retirees, people who vote, and people who care. We have to make certain the amendments we consider, the bankruptcy law we pass, remembers those people who cannot afford a lobbyist, those people who, frankly, have found themselves at a tragedy they never envisioned in their lives. They have to be remembered on the floor of the Senate.

I urge my colleagues on both sides of the aisle to think twice about this. The last time I offered this amendment, one Republican Senator voted against it who later told me: I wish I would have known what was in there. I wish I would have read some of the stories I heard about in my State about predatory lending. That Senator is going to reconsider the vote that is cast today.

I hope some of my friends on the Republican side will not take an automatic reaction against every amendment. This is a good-faith amendment. And when you go home and hear about these practices in your home State, and about families who are exploited, you will be able to say—if you vote for the Durbin amendment—I did what I could to stop these people who are taking advantage and exploiting these poor people across America. But if you vote down this amendment—business as usual, what a banner day for the subprime loan industry, for the sharks on the street who will go out looking—as this person said here in closed testimony, anonymously—for that elderly woman who is on Social Security, who has a home with a value to it that you can extend into a loan she can never pay back, so that the subprime lender will realize his version of the American dream—he will own the home; it will be the home of the person who saved their entire life, hoping they could retire there in peace and tranquility.

Mr. President, I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, as always, our colleague has done an excellent job. He begins by telling us that only people who ruin people's lives could be opposed to the amendment. He tells us the amendment has to do with people who won World War II. He tells us the sharks on the street are the subprime lenders who are affected. And then he tells us it is a choice between those who respond to special interests and his choice in defending the individual, people who do not have lobbyists.

I think we have heard an excellent speech, but it has no relevance to the amendment that is before us.

The amendment before us, paradoxically, would hurt the very people our colleague appears to champion. I wonder how many Members of the Senate are members of families who have received a subprime loan.

As I mentioned earlier, when I was a boy, my mama bought a home on Dogwood Avenue in Columbus, GA, for $9,300. She borrowed the money from a subprime lender. She paid 4.5 percent interest. The going market rate was 3 percent. She paid a premium of 50 percent. What incredible exploitation. The problem is, there is another side to that story.

She was a practical nurse. She did not have a full-time job. She worked on call. She had three children. Banks did not make loans to people like my mother. As a result of that loan, at a 50-percent premium, so far as I am aware, she was the first person in her family, from Adam and Eve, ever to own her own home. It profoundly affected her life, and it affected my life too. None of her children have ever failed to own their own home.

So our colleague would have us believe that because you are paying a premium, because you have no established credit, or because you have troubled credit, that somehow this kind of lending is illegitimate, or in today's terms, it is predatory.

The Senator from Illinois's amendment has nothing to do with predatory lending. Is our colleague not aware that Fannie Mae and Freddie Mac are now moving into subprime lending, that the premium that people with no credit ratings or poor credit ratings are paying is declining because of increased competition? Is our colleague suggesting that because every lender in America opposes this amendment, they are, by definition, people who ruin other people's lives?

Let me explain this amendment. When you cut through all of the wonderful rhetoric and every horror story ever recorded, where hundreds of laws have been broken and where remedy is available and is being undertaken, in every case that was cited by our colleague the lender violated dozens of Federal statutes that have nothing to do with this amendment.

What this amendment says, basically, is the following: If in any material way you violate roughly a dozen provisions of the Truth in Lending Act, the loan is not enforceable and lenders can't collect.

Let me give three examples of what constitutes a violation or would be subject to a bankruptcy judge's determination as being a material violation. You are now required under truth in lending to give written notice to a borrower that you are going to give them information over the telephone. If you failed to do that in writing 3 days before you actually gave the information and judged to be in violation, you would not be able to collect on the loan.

You are required before a transaction is entered into to give 3 days' notice. What if you gave 2 days' notice? You would be subject to not being able to collect a loan. You are required to provide the notice in a certain typeset. Under the amendment of the Senator from Illinois, if you were judged by a bankruptcy judge to have typeset that was too small, then the loan would be uncollectible.

Now what do you think is going to happen if these provisions become law? Thousands of reputable lenders who are making loans to people who otherwise could not own their own home will get out of the mortgage-making business. Millions of people who could have the dream of home ownership would lose it because of this amendment.

Our colleague tells us that remedy is needed. It is as if he didn't know we have just undertaken, with every financial regulator, promulgation of new regulations related to so-called predatory lending. One of the areas they are rulemaking on is balloon payments, the very thing about which he talks.

Over and over again, basically what we are being asked to do is something that will hurt not the lender—there are plenty of prime loans to be made but the people who do not have established credit or who have marred credit. The net result is that millions of people will not be able to get loans.

There is one other problem. There are very strict penalties for violating the provisions of law referred to in this amendment. You can be fined $1 million a day. You can have your bank charter terminated. You can have the directors and officers removed. You can have an injunction. Those are all penalties imposed on the bank.

Imagine if we actually had a provision of law which said that if an error is made—and there is nothing about intent in this amendment—then the loan is forgiven.

Can you imagine a situation where we are going to pit the borrower and the lender against each other, where the borrower would have an incentive not to respond, not to send in information, to try to find a way to produce an error so the loan would have to be forgiven? The net result is that while Fannie Mae and Freddie Mac are now getting into subprime lending, these kinds of provisions would drive them out. These provisions would end up driving people who want to own their own home into the hands of the very unscrupulous lenders about which our colleague talks.

We have heard a wonderful speech. It talks about horror stories that have existed and do exist. We have legislated over and over to deal with those problems. The idea of saying that because an error was made which was unintentional in areas related to type size, notification in advance of telephone discussions, notification prior to a transaction, that those kinds of changes could render the loan uncollectible would mean thousands of lending institutions that today are making home ownership possible would get out of that kind of lending. That is why every lender in America is opposed to this amendment.

I urge my colleagues to let the Federal Reserve and our bank regulators, who are looking right at this moment at predatory lending, come up with regulations that make sense and will help more than they hurt. I am moved, and I know anybody is moved who listened to the speech in advocating this amendment. But I urge my colleagues to get beyond the speech and look at the amendment.

Can you imagine putting lenders in a situation where technical errors, unintentionally made, could result in a loan's not being collectible? Banks in cities such as my hometown of College Station would get out of subprime lending under those circumstances in droves. And the cost of the loans that would be made would go up.

The problem our colleague talks about is real. The emotion he presents is real and well intended. The remedy he proposes makes all of the problems worse. It drives out not the bad lender but the good lender. It drives out not the loan shark but the legitimate lender who is getting into this area of lending and driving down interest rates and helping people own their own home.

I wish we could pass a law that would say that everybody had good credit, that everybody had established patterns of behavior paying back debt, and that somehow that could change behavior. Such a law could not be passed and would not be reasonable. It would violate human nature.

To pass a law that basically says you can't collect a loan based on an unintentional error is to assault the whole foundation of the credit system of the United States of America and greatly undercut the ability of moderate-income people, people who have checkered credit ratings, people who have no credit ratings, from ever getting a loan.

I urge my colleagues to support tabling this amendment. I yield the remainder of my time to Senator HATCH.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, how much time do we have?

The PRESIDING OFFICER. One minute.

Mr. HATCH. I ask unanimous consent that I have 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, the Home Ownership and Equity Protection Act, HOEPA, already gives borrowers numerous protections and built-in "super-remedies" including the consumer's right to rescind the loan, actual and statutory damages, class action law suits, attorneys fees and costs. This amendment imposes a drastic and unnecessary new penalty on lenders by taking away their right to get paid in bankruptcy—and thus gives the debtor a "free house"—in the event of a violation of HOEPA. This amendment will create litigation within litigation. Also, the amendment as written would make any secured loan, whether or not subject to HOEPA, even if fully compliant with all other banking laws, subject to the draconian remedies of this amendment for a violation of the Home Ownership and Equity Protection Act.

This provides a major disincentive, as the distinguished Senator from Texas, the chairman of the Banking Committee, has made the case, for making loans to people on the margin, taking the American dream of home ownership out of reach for them. I join with the distinguished Senator from Texas in making it clear that this amendment does precisely the opposite.

That is what our very effective colleague, with all of the horror stories he mentioned, has been advocating. Frankly, I hope we vote this amendment down because it will be a disaster in bankruptcy law. I think it will be a disaster for those folks who currently benefit from fair lending. Where there is unfair lending, I have no doubt the laws will take care of that. This amendment will work exactly to the contrary.

Mr. President, I will move to table the amendment following the closing statement of Senator DURBIN.

The PRESIDING OFFICER. The time of the Senator from Utah has expired. There remains 41 seconds for the Senator from Illinois.

Mr. DURBIN. Mr. President, this amendment says that if you have materially violated the law, if you have exploited the poor victims in America who can lose their homes because of predatory lending, you cannot have the protection of the bankruptcy court. Senator GRASSLEY from Iowa, who is on the floor, held hearings on this in State after State.

This is a scourge on retired people and people on fixed incomes. Will we come to their rescue? Watch the vote.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (When his name was called). Present.

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—50

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Johnson
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NAYS—49

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland

Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Specter
Stabenow
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The motion was agreed to.

Mr. GRASSLEY. Mr. President, I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New York is recognized.

AMENDMENT NO. 25

Mr. SCHUMER. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes an amendment numbered 25.

Mr. SCHUMER. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make an amendment with respect to the preservation of claims and defenses upon the sale or transfer of a predatory loan)

At the end of subtitle A of title II, add the following:

SEC. 204. PRESERVATION OF CLAIMS AND DEFENSES UPON SALE OR TRANSFER OF PREDATORY LOANS.

Section 363 of title 11, United States Code, is amended by adding at the end the following:

"(p) Notwithstanding subsection (f), the sale by a trustee or transfer under a plan of reorganization of any interest in a consumer credit transaction that is subject to the Truth In Lending Act (15 U.S.C. 1601 et seq.), or a consumer credit contract as defined by the Federal Trade Commission Preservation of Claims Trade Regulation, is subject to all claims and defenses which the consumer could assert against the debtor.".

Amend the table of contents accordingly.

Mr. KERRY. Mr. President, I ask my colleague if he will yield for a question?

Mr. SCHUMER. I am happy to yield to my colleague.

Mr. KERRY. I ask unanimous consent I be recognized after the Senator has completed his amendment for the purposes of submitting an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, reserving the right to object.

Mr. KERRY. I believe it was ordered.

The PRESIDING OFFICER. The Senator from Utah, I believe you are a little tardy.

Mr. KERRY. I thank the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I am offering a very limited amendment to the bankruptcy code relating to subprime lenders that engage in predatory lending practices and then declare bankruptcy as a way to avoid liability for their role in destroying the lives of decent, hard-working American families.

Let me state, while I supported the amendment of my good friend from Illinois, this is a much narrower amendment. In fact, it conforms to what the Senator from Texas has said.

The PRESIDING OFFICER. The Senator will suspend. Let's see if we can get order in the Senate Chamber.

Mr. SCHUMER. Thank you, Mr. President.

The PRESIDING OFFICER. Will our guests and all others be in order, please. The Senator from New York.

Mr. SCHUMER. Mr. President, my good friend from Texas, Senator GRAMM, had mentioned that the previous amendment went way beyond the scope of the bankruptcy bill dealing with RESAP and TILA. This amendment does not. It limits things strictly to the bankruptcy code and it is an amendment that is needed to ensure that the bankruptcy code is not used to exacerbate the effects of illegal predatory lending practices.

In the past decade we have had remarkable prosperity. More than half of all Americans invested in the stock market. Unemployment figures hit all-time lows. Despite a recent slowing, more families than ever own their own homes.

While we have made enormous progress towards providing all of our citizens with the opportunity to achieve the American dream of home ownership, the invidious practice of predatory lending is stripping hard-working individuals and families of their savings, and it is sinking them into debt and devastating them financially. For many, it has turned the American dream into the American nightmare.

Nowhere is the problem more prevalent than in my home State of New York. Now there are some who would argue, despite the evidence to the contrary, that there is no such thing as predatory lending, but I know we all know better. We know the costs that predatory lending has caused to people. When borrowers encounter a predatory lender, they are manipulated and deceived through a barrage of aggressive and misleading tactics, stripped of the equity in their homes, robbed of their life savings, led into foreclosure, often forced into bankruptcy, and, of course, the predators as a matter of practice target the most vulnerable: unsophisticated first-time home buyers, elderly, minority community, low-income neighborhoods.

We have a new problem with these predatory lenders. That is what this amendment seeks to avoid. In recent months, several large subprime lenders have obtained orders from bankruptcy courts, providing for the sale of their loans or the servicing rights associated with them under section 363 of the bankruptcy code. Consumers who have attempted to challenge these loans or their servicing obligations based on violations of fair lending laws have been told by the purchasers of these loans they were sold free and clear of any consumer claims and defenses. The fact that innocent borrowers can be left in the lurch is flatout wrong.

Here you have the situation where a predatory lender has come in, gotten a loan, and then declared bankruptcy, shielding that predatory lender from a claim that the innocent homeowner is making. That is wrong. All this amendment does, staying within the confines of the bankruptcy code, not dealing with banking issues—I am a member of the Banking Committee but I agree that is the place where we should deal with those issues—is seek to prevent the bankruptcy code from shielding these lenders from the rightful claims of innocent borrowers who have their life savings at stake.

It is heartbreaking and maddening to hear how decent, hard-working people have had their lives destroyed because of predatory lenders when they sought little more than to obtain their piece of the rock, the American dream—home ownership. It is frustrating when the bankruptcy code is used to help these predatory lenders hide from the law.

By adopting this amendment, we can take a very small but important step against predatory lending. We will prevent predatory lenders from being able to use bankruptcy as a means by which to shield themselves from liability and cut off consumer claims and defenses.

Let me repeat that because that is the nub of this limited but important amendment which I hope we will accept without controversy. We will prevent predatory lenders from being able to use the bankruptcy code as a means by which to shield themselves from liability and cut off consumer claims and defenses. And we will protect consumers from those who seek to purchase predatory loans with the knowledge that the consumer's right has been undermined.

In short, we can send a powerful message that we are committed to protecting individuals and their families from those who rob them of their dreams and then seek to cloak themselves behind the veil of the bankruptcy law.

I sincerely hope we can accept this amendment. It is fair. It is limited to the bankruptcy code. It was intended to and it makes the code immune from the practices of predatory lenders that the code was never intended to protect from the homeowners they rip off.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from New York?

Mr. SCHUMER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from New York seek the yeas and nays?

Mr. SCHUMER. I will be happy, before I do, to yield to my colleague from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Let me state the situation for the Senator from New York. We can have the yeas and nays, but we cannot have a vote on this right away.

Mr. SCHUMER. That is OK. Unless the Senator from Iowa would accept this amendment?

Mr. GRASSLEY. We are not prepared to make that decision yet.

Mr. SCHUMER. I will be happy to ask for the yeas and nays and delay the vote until a time auspicious to the floor manager.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GRASSLEY. Mr. President, I agree to temporarily lay aside the amendment of the Senator from New York so we can proceed to the amendment of the Senator from Massachusetts.

Mr. SCHUMER. If the Senator from Iowa will yield, as long as we get the yeas and nays on this amendment in due course.

The PRESIDING OFFICER. We had the sufficient second.

Mr. GRASSLEY. The point is we can assure the Senator from New York the yeas and nays on his amendment. We can't assure the Senator from New York when we are going to vote on the amendment.

Mr. SCHUMER. That is fine.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, thank you very much.

AMENDMENT NO. 26

Mr. KERRY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY] proposes an amendment numbered 26.

Mr. KERRY. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike certain provisions relating to small businesses, and for other purposes)

On page 187, strike lines 4 and 5.

On page 202, strike line 9 and all that follows through page 223, line 12, and insert the following:

SEC. 420. STUDY OF OPERATION OF TITLE 11, UNITED STATES CODE, WITH RESPECT TO SMALL BUSINESSES.

Not later than 2 years after the date of enactment of this Act, the Administrator of the Small Business Administration, in consultation with the Attorney General, the Director of the Administrative Office of United States Trustees, and the Director of the Administrative Office of the United States Courts, shall—

(1) conduct a study to determine—

(A) the internal and external factors that cause small businesses, especially sole proprietorships, to become debtors in cases under title 11, United States Code, and that cause certain small businesses to successfully complete cases under chapter 11 of such title;

(B) how Federal laws relating to bankruptcy may be made more effective and efficient in assisting small businesses to remain viable;

(C) what factors, if any, would indicate the need for any additional procedures or reporting requirements for small businesses that file petitions for bankruptcy under chapter 11 of title 11, United States Code;

(D) what length of time is appropriate for small business debtors and entrepreneurs to file and confirm a reorganization plan under title 11, United States Code, including the factors considered to arrive at that conclusion; and

(E) how often a small business debtor files separate petitions for bankruptcy protection within a 2-year period; and

(2) submit a report summarizing the study required by paragraph (1) to the President pro tempore of the Senate and the Speaker of the House of Representatives, and the Committees on Small Business of the Senate and the House of Representatives.

Mr. KERRY. Mr. President, I come to the floor today with this amendment as the ranking member of the Small Business Committee of the Senate, a committee which we all know is designed to try to help empower America's small businesses to do what they do best, which is to create jobs.

Everyone in the Senate knows that almost all of the job growth of our country comes from small businesses, and, frankly, I think it is about 80 percent of the jobs in the Nation that come from small businesses.

We have tried to do as much as possible in the Senate in recent years to encourage small businesses to be able to act as the incubator of our economy. Together with Senator BOND, chairman of the committee, I think the Small Business Committee has been able to be particularly responsive to the needs of those businesses.

We have heard Alan Greenspan talk a lot about the so-called "virtuous economic cycle" that we lived through in the course of the last decade, and I think all of us look with special sensitivity to the impact the bankruptcy bill might have on small businesses.

It is with that concern I come to the floor today with deep concern about a particular provision within the bankruptcy bill that, in my judgment, runs counter to the policies we have been putting in place in the last years as we tried to have low-documentation loans, lift the regulatory burden on small businesses, lift the paperwork burden on small businesses, and, indeed, expand the capacity for entrepreneurship and for growth.

There is no evidence at all that small business bankruptcies are a problem which somehow warrant the rather extraordinary increase in regulatory oversight this bill seeks to impose on those businesses.

I am offering an amendment that would strike the small business subtitle of the Bankruptcy Reform Act and include in its place a study of the causes of small business bankruptcy and how Federal law regarding small business bankruptcy can be made more effective and more efficient.

Let me preface my comments about the specifics of this particular section that I seek to strike by saying that I share with all my colleagues who support the bankruptcy bill the notion that a decision to file for bankruptcy obviously should not be used as an economic tool to avoid responsibility for unsound business decisions, nor should it be an effort to get out from under a reckless act by either an individual or a business.

There has been a decline, as we all know, in the stigma of filing for personal bankruptcy, and certainly we would agree that appropriate changes are necessary in order to ensure that bankruptcy not be considered a lifestyle choice.

During the 105th and 106th Congresses, I have supported legislation that would increase personal responsibility in bankruptcy, and I have offered amendments that improve the number of small business provisions in the bill.

It has been Congress' long-held belief that regulatory and procedural burdens, however, should be lowered to whatever degree we can for small business—i.e., when it is possible and when it is rational to do so or when it doesn't somehow create another set of problems.

The Senate previously passed legislation to reduce that regulatory burden on small business, including most recently the Regulatory Flexibility Act and the Small Business Regulatory Enforcement Fairness Act.

Both of them have brought about fundamental changes in the way Federal agencies develop regulations.

In fiscal year 1999, changes to final regulations throughout the Federal Government reduced the compliance costs for small businesses by almost $5.3 billion.

I respectfully submit the provisions of this bankruptcy bill will set back those very efforts of the Senate, and most importantly they do so without an adequate showing and without any adequate demonstration that this is, in fact, necessary.

I ask my colleagues, What is the evidence on which we are going to potentially proceed in the Senate to literally punish entrepreneurship?

As we can see in this chart, the degree to which small businesses have been carrying the heavy load of creating jobs during our recent economic expansion for every single year over the last decade, small firms have developed more jobs than large firms. In many years, small firm job creation has exceeded the growth of large firms by 2 or 3 to 1.

In 1992–1993 it was extraordinary the degree to which small firms eclipsed large firms. But even most recently, from 1994–1995 and 1996–1997, we have had the same trend during which small businesses have clearly exceeded the extraordinary growth level of all of the economy.

It would be insane for us to come in here now without an adequate showing of need and turn around and burden some businesses with proceedings that will cost them extraordinary amounts of administrative time, which in a small business is exceedingly difficult to comply with.

I ask those who promote this legislation, are we imposing on small businesses these kinds of requirements because small businesses have somehow been egregious in the bankruptcy process? The answer to that is no. There is no showing. In fact, the showing is to the contrary. Business bankruptcy chapter 11 filings from 1987 to the year 2000 show a decline in the numbers in thousands of small business bankruptcies. In fact, over the past decade, we have gone from 24,000 in the year 1991 to just below 10,000 last year, 23.7 million business tax returns filed in 1997, and a record 885,416 new small firms with employees opened their doors.

The numbers show us that of approximately 23.7 million business tax returns, and 885,000 new small businesses, only 10,000 were forced to file for bankruptcy.

Are those that filed for bankruptcy somehow doing such an injury to our economy that it measures the kind of response we see in this legislation?

A 1999 SBA study found that 79 percent of small businesses that filed for bankruptcy had each incurred less than $500,000 in debt. The study also found that about 45 percent of bankruptcy cases had one or no employees. Less than 5 percent of the bankruptcy cases represented companies with 50 or more employees.

The median assets of small businesses that filed for bankruptcy was just $94,000. So, once again, we have to measure the intrusive nature of the reporting requirements placed in this legislation versus the overall positive impact that small businesses have had versus the extraordinarily small impact of those small businesses that have filed for bankruptcy.

In November of last year, Wei Fan of the University of Michigan and Michelle White of the University of California at San Diego released a report on personal bankruptcy and its effects on entrepreneurial activity. The study concludes that while the bankruptcy reform bill is intended to reduce abuse in the bankruptcy system, an unintended consequence of adopting those reforms would be a substantial reduction in the level of self-employment by U.S. households.

Elizabeth Warren, a professor of Harvard Law School, and a recognized leader on the bankruptcy issue, believes the small business provisions in the bankruptcy bill would be the first piece of Federal legislation that actively discriminates against small businesses and denies them protection available to large businesses.

Ms. Warren believes the additional reporting requirements will be extraordinarily difficult and expensive for small businesses to produce on a monthly basis. She concludes:

> A decision by Congress in 2001 that small businesses should bear greater costs, face shorter deadlines, file more papers and lose any flexibility that a supervising judge might provide is a decision to shut down small businesses simply because they are small.

Mr. President, I ask unanimous consent her letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

HARVARD LAW SCHOOL,
Cambridge, MA, March 7, 2001.

Senator Kit Bond,
Russell Senate Building,
Washington, DC.
Senator John Kerry,
Russell Senate Building,
Washington, DC.

Dear Senator Bond and Senator Kerry: As the Senate considers Senate Bill 420, I ask that you pay particular attention to the business provisions. They will have a direct, immediate and adverse impact on businesses in Missouri, Massachusetts and across the country.

Unlike the consumer provisions which have received substantial attention, the proposed amendments that would alter the rules of business reorganizations have remained largely unnoticed. According to data released last week by the Administrative Office of the U.S. Courts, 9,197 businesses filed for Chapter 11 reorganization during 2000. The proposed amendments would dramatically change the rules for every one of these businesses and for the thousands more businesses expected to file this year.

The proposed changes make it much more difficult for these businesses to reorganize successfully. The entrepreneurs and shareholders of these businesses will be affected, as will an estimated two million employees who work for businesses filing for bankruptcy and the communities across the country where these businesses buy goods and pay taxes.

I am particularly concerned about a group of provisions, sections 431–443, that target small businesses and single them out for reduced access to Chapter 11. This would be the first piece of federal legislation in history that actively discriminates against small businesses and denies them protection available to large businesses.

The impact of the small business provisions would be substantial. More than 80% of the chapter 11 cases would fall within the new constraints of "small business" in §420. In many communities, all the businesses would come within its sweep. Businesses that are vital to smaller communities would not have the same opportunities to reorganize as their larger counterparts.

The provisions allowing the court to combine the hearing on approval of the disclosure statement are meritorious. The remainder of the provisions that apply to "small business" (which the bill defines as any and every business with debts of $3.0 million or less) restrict the discretion of the court to control the plan confirmation process. These provisions force the court to liquidate the business or dismiss the proceedings for failure to comply with technical and burdensome reporting requirements.

Secton 434, for example, would impose regular reports on the debtor's profitability. This kind of report has very limited usefulness for the creditors because accounting profits are subject to manipulation, so that judges and creditors do not rely on them in small business cases. Instead, they look at the debtor's cash disbursements and receipts. Nonetheless, these reports may be very difficult and expensive for small businesses to produce on a monthly basis. A debtor that fails to produce it faces dismissal—with the inevitable loss of jobs. The deadlines in the bill impose a similar stranglehold on the business regardless of the progress of the case toward successful reorganization. The 175-day deadline in §438 and the inconsistent 300-day deadline in §437 are artificial. They ignore, for example, the delays in plan confirmation that are beyond the debtor's control and have nothing to do with the viability of the business. For example, a state regulatory action that takes places outside of the bankruptcy court may need to run its course before a plan can be formed.

In addition, provisions outside sections 431–443 would doom small businesses. The draconian provisions of §708 and §321(d) of the bill—introducing the concept of nondischargeability in corporate reorganizations, large or small—would provide a major setback to the rehabilitation of any corporation. These provisions would fall especially hard on small businesses that could not afford increased litigation costs and would be destroyed by a single recalcitrant creditor. The provisions are particuarly counterproductive because §708 punishes the wrong people. The appropriate remedy when management has misbehaved is to file the management and to sue them personally, not to saddle the surviving company with litigation that will sink it and repayments that will come out of the pockets of the innocent creditors. By permitting litigation over nondischargeability, the innocent creditors are put to the choice of letting one creditor take all the assets of the business or litigating nondischargeability. Most will choose to fight rather than give up, but if everyone fights, the case is prolonged, assets are dissipated and no one wins except the lawyers.

This provision hinders reorganizations without doing anything to hold the right people accountable for the false statements.

Before the adoption of the 1978 Code, Congress has implemented a system by which small businesses and large businesses were to be dealt with separately in reorganization. The difference was that Congress had decided that more constraints should be imposed on big businesses than on small ones. Congress understood that small businesses already in financial trouble have the best chance to reorganize and pay their creditors if they are not saddled with an expensive administrative apparatus.

This bill stands that laudable, common sense concept on its head. A decision by Congress in 2001 that small businesses should bear greater costs, face shorter deadlines, file more papers and lose any flexibility that a supervising judge might provide is a decision to shut down small businesses simply because they are small.

There are no data to suggest that entrepreneurs are abusing the bankruptcy system or that they are somehow less trustworthy than people running bigger businesses. To single out the hardworking men and women who run these businesses for unfavorable treatment solely on the basis of their size is indefensible. I hope you will persuade your colleagues to strike these provisions from the bill.

Very Truly Yours,
ELIZABETH WARREN,
Leo Gottlieb Professor of Law.

Mr. KERRY. Mr. President, the provisions included in the Bankruptcy Reform Act impose new technical and burdensome reporting requirements for small businesses that file for bankruptcy that are far more stringent on small businesses than they are on big businesses. Furthermore, the bill would provide creditors with greatly enhanced powers to force small businesses to liquidate their assets at a time it may not be advisable, and with reporting requirements that may, in fact, force a liquidation that does not have to take place.

Specifically, the bill will require small businesses to provide periodic financial and other reports containing information ranging from cash receipts, cash disbursements, and comparisons of actual cash receipts and disbursements with projections in prior reports.

Just in case they missed anything, the bill includes a provision that includes reports on such matters as are in the best interests of the debtor and the creditors. This shifts all of the power in such a way as to place an extraordinary burden on mom-and-pop stores and mom-and-pop operations and small businesses that simply do not have the capacity to be able to comply.

Any big business would have difficulty complying with these burdensome requirements. But I think we ought to measure what we are doing here against the necessity that we see in the declining number of bankruptcies, the declining level of assets that are at stake, and the great upside of what these entities provide to the country.

So for that reason, I hope my colleagues will join me in specifically asking for a study, a short-term study, that will enable us to better judge whether these changes in the current system are needed. I believe we ought to do everything possible to ensure the viability of small businesses and to assist in fostering entrepreneurship in the economy. The Bankruptcy Reform Act, as it is today constructed, does not meet that challenge.

I ask my colleagues to join me in removing the small business provisions, undertake the study, and then we can revisit it, if we need to, based on a sound analysis of precisely how we might proceed in a least intrusive, a least burdensome manner.

I thank the Chair.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. KERRY. I recognize my colleague probably wants to set the time for that vote at some future time. That is fine with me.

Mr. GRASSLEY. Thank you.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am not going to respond to the substance of the amendment but to give some background on where we have come over the last 5 or 6 years on this legislation for the consideration of people who will want to debate against the amendment by the Senator from Massachusetts.

I suggest to you that when Senator Heflin from Alabama was a Member of the Senate, he and I served as either chairman or ranking member of the judiciary subcommittee on courts that has jurisdiction over bankruptcy issues for the period of time that he and I served together in the Senate, which, I think, was 16 years—1980 to 1996.

Just prior to that time, and my coming to the Senate, the Senate had adopted the last bankruptcy reform legislation, which I think was in 1978 or 1979.

During the period of time he and I served as either chairman or ranking member—depending upon which party was in the majority—he and I sponsored some technical corrections and some small changes to the last major overhaul of the bankruptcy law. But as time went on, into the early 1990s, Senator Heflin and I came to the conclusion that there were changes in the economy—the globalization of the economy and a lot of other reasons—and that we ought to give considerable attention to greater changes of the bankruptcy code rather than the very small changes we enacted from time to time during the 1980s.

He and I also came to the conclusion we would probably not have the time, as the two Senators shouldering the responsibilities on bankruptcy legislation, to do it through our subcommittee. So we set up the Bankruptcy Commission of which this legislation we are dealing with now is a product. That commission was not made up of any Members of Congress. It was made up of appointees by legislative leaders and by the President of the United States. These people truly are authorities in bankruptcy legislation, including Professor Warren from Harvard, who was rapporteur for the commission, and is the person Senator KERRY was quoting. And he put a letter in the RECORD that was from her.

The commission studied the issues for over a year, and put a lot of work into recommendations for both consumer bankruptcy and for business bankruptcy reform. There was an awful lot within the commission on consumer bankruptcy reform that was very controversial and did not have even near-unanimous recommendations. There was a majority report, but not an overwhelming majority report, on consumer bankruptcy.

But when it came to the recommendations of the commission on business bankruptcy reform, the recommendations of the commission came down to the Congress on an 8–1 vote.

So we are being asked by the Senator from Massachusetts to do this amendment for the sake of small business. I think it is essential that all of us take into consideration the needs of small business; so I do not find fault with the interests he is trying to espouse here. But I think we need to take into consideration that his amendment is taking the business bankruptcy provisions of our bill and setting them aside and asking us to study what we should do in regard to business bankruptcy reform.

I don't think enough has changed in the last 4 or 5 years that an 8–1 recommendation of the Bankruptcy Commission for business bankruptcy reform should be undone by this amendment of the Senator from Massachusetts.

I hope people will take into consideration the work Senator Heflin and I—we alone, almost totally for the rest of the Senate—had put into bankruptcy legislation through the 1980s into the 1990s, and particularly our recommendation of going to a commission instead of our doing it, so we would have the most expertise involved with the changes and the reforming of business and personal bankruptcy. We set this commission up to do exactly what it did. It came out with an overwhelming recommendation that is before the Senate.

Beyond that, in the period of time of 1997–1998, when we moved the commission's recommendations through the Senate, through the House, through conference, through the House a second time, dying on the floor of the Senate because it came late in the session, and then starting over again with the same commission recommendations in 1999, moving it through the Senate, moving it through the House, moving it through conference, moving it through the House, moving it through the Senate, moving it to the President of the United States where it was subjected to a pocket veto—through all of this consideration of the Bankruptcy Commission's recommendations, there has been little dispute about the business provisions compared to the more controversial aspects of the consumer and personal bankruptcy recommendations of the commission.

That is directly related to the fact that the commission's recommendations came out 8-1 and, almost unchanged, have become the legislation that first Senator DURBIN and I introduced and then, because Senator DURBIN was not on the Judiciary Committee in the Congress of 1999 and 2000, it was Senator TORRICELLI who joined me in introducing bankruptcy legislation. That was introduced in exactly the same way in the last Congress, as a result of our moving ahead with the same conference report that President Clinton pocket vetoed for the underlying legislation that we have before us, almost unchanged again, in legislation introduced as the Grassley-Torricelli-Biden-Hatch-Sessions legislation that is before us.

I don't know why all of a sudden somebody thinks we ought to throw these fairly noncontroversial small business and business bankruptcy provisions out of this bill for further study. Each Member of this body is going to have to make up his or her mind on the substance of the amendment by Senator KERRY. I want them to at least understand that we are where we are now not by some flippant decision of a couple Members of the Senate that we should be here, rather that these provisions are the recommendations of a study of the bankruptcy commission. So the small business provisions we have now before us are based on a study of a commission and recommended by that commission on an 8-1 vote.

I yield the floor and ask unanimous consent to set aside the amendment of the Senator from New York, the Senator from Massachusetts, so we can now proceed to the amendment of the Senator from California.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from California is recognized.

AMENDMENT NO. 27

Mrs. FEINSTEIN. Mr. President, I thank the manager of the bill, the distinguished Senator from Iowa. I call up amendment No. 27.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself, Mr. JEFFORDS and Mr. DURBIN, proposes an amendment numbered 27.

Mrs. FEINSTEIN. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 27) is as follows:

(Purpose: To make an amendment with respect to extensions of credit to underage consumers)

At the end of Title XIII, add the following:

SEC. 1311. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) APPLICATIONS BY UNDERAGE CONSUMERS.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(8) APPLICATIONS FROM UNDERAGE OBLIGORS.—

"(A) PROHIBITION ON ISSUANCE.—Except in response to a written request or application to the card issuer that meets the requirements of subparagraph (B), a card issuer may not—

"(i) issue a credit card account under an open end consumer credit plan to, or establish such an account on behalf of, an obligor who has not attained the age of 21; or

"(ii) increase the amount of credit authorized to be extended under such an account to an obligor described in clause (i).

"(B) APPLICATION REQUIREMENTS.—A written request or application to open a credit card account under an open end consumer credit plan, or to increase the amount of credit authorized to be extended under such an account, submitted by an obligor who has not attained the age of 21 as of the date of such submission, shall require—

"(i) submission by the obligor of information regarding any other credit card account under an open end consumer credit plan issued to, or established on behalf of, the obligor (other than an account established in response to a written request or application that meets the requirements of clause (ii) or (iii)), indicating that the proposed extension of credit under the account for which the written request or application is submitted would not thereby increase the total amount of credit extended to the obligor under any such account to an amount in excess of $2,500 per card (which amount shall be adjusted annually by the Board to account for any increase in the Consumer Price Index);

"(ii) the signature of a parent or guardian of that obligor indicating joint liability for debts incurred in connection with the account before the obligor attains the age of 21; or

"(iii) submission by the obligor of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.

"(C) NOTIFICATION.—A card issuer of a credit card account under an open end consumer credit plan shall notify any obligor who has not attained the age of 21 that the obligor is not eligible for an extension of credit in connection with the account unless the requirements of this paragraph are met.

"(D) LIMIT ON ENFORCEMENT.—A card issuer may not collect or otherwise enforce a debt arising from a credit card account under an open end consumer credit plan if the obligor had not attained the age of 21 at the time the debt was incurred, unless the requirements of this paragraph have been met with respect to that obligor.

"(9) PARENTAL APPROVAL REQUIRED TO INCREASE CREDIT LINES FOR ACCOUNTS FOR WHICH PARENT IS JOINTLY LIABLE.—In addition to the requirements of paragraph (8), no increase may be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.".

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as amended by this section.

(c) EFFECTIVE DATE.—Paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as amended by this section, shall apply to the issuance of credit card accounts under open end consumer credit plans, and the increase of the amount of credit authorized to be extended thereunder, as described in those paragraphs, on and after the date of enactment of this Act.

Mrs. FEINSTEIN. Mr. President, I offer this amendment cosponsored by Senator JEFFORDS and Senator DURBIN.

The amendment would put a $2,500 cap on any credit card issued to a minor—that is, an individual under 21—unless the minor submits an application with the signature of his parent or guardian indicating joint liability for debt or the minor submits financial information indicating an independent means or an ability to repay the debt that the card accrues.

The amendment would give parents who cosign for liability on their child's credit card the opportunity to have some say in the credit limit on the card.

Why is this amendment needed? Supporters of bankruptcy reform have justified this bill on the basis of personal responsibility. I agree with that basic presumption. Responsible debtors should pay back the debts they can afford to repay. The bill, however, must be balanced. If Congress really intends to tackle the surging tide of bankruptcy cases, our laws must enforce responsibility on the part of creditors as well.

One area where I think creditors must show more responsibility is the marketing of credit cards to minors. For those under 18, there are some protections. In each of the 50 States, juveniles under 18 lack the authority to sign contracts with narrow exceptions. Thus, if a credit card company issued a card to a 15-year-old, the company would not be able to legally enforce its debt in bankruptcy court.

Yet, there is a gaping loophole with respect to college students. It is almost impossible for students on campus to avoid credit card offers. Applications are stuffed in plastic bags at the campus bookstore, solicitations hang from bulletin boards, and credit card representatives set up tables at student unions, enticing students with free gifts.

Credit cards are increasingly pressed on college students, even those with no income or no credit history. A parent's signature is not required. With their low monthly payments, these cards are very attractive to cash-strapped students and appear to impose little financial burden.

Minors today are getting credit cards at younger and younger ages. In 1994, 66 percent of college students with at least one card received their first card before college or during their freshman year. In 1998, 81 percent had received their first card by the end of their freshman year.

The cards are attractive because minimum payments are typically low. However, if students just make the minimum payments, they get in way over their heads.

For example, if a student makes just a $25 minimum payment on a $1,500 line of credit, at 19.8 percent interest, it will take 282 months to pay off the debt.

Not surprisingly, with credit cards flooding college campuses, student debts are rising.

Nellie Mae, the student loan giant, found that 78 percent of undergraduate students who applied for credit-based loans with Nellie Mae in the year 2000 had credit cards. This is up from 67 percent in 1998.

Of the 78 percent of undergraduates who had credit cards in Nellie Mae's Year 2000 study, the average student had three cards, with 32 percent having four or more credit cards.

The average debt of these credit-card owning undergraduates was $2,748. This is up from an average of $1,879 in Nellie Mae's 1998 study. Some 13 percent of these students had balances of $3,000 to $7,000 and 9 percent owed amounts exceeding $7,000.

Traditionally, American youth under 25 have contributed marginally to the ranks of our nation's bankruptcy filers.

However, over the past 10 years, our youth have represented a larger and larger slice of those who file for bankruptcy.

In 1996, only 1 percent of personal bankruptcies were by those age 25 or younger. By 1998, that number had risen to almost 5 percent. In 1999, a year later, the number rose to 6.8 percent of all bankruptcy filers.

In committee, I was asked the question: What does this have to do with bankruptcy? I would like to answer it. A seven times greater percentage of minors are filing for bankruptcy today than just 5 years ago, and the great bulk of this is credit card debt.

Credit cards are a major factor in student and youth debt. For example, at the Consumer Credit Counseling Service of Greater Denver, more than half of all clients are ages 18 to 35. On average, they have 30 percent more debt than all other age groups.

Let me give you a couple of examples of the runup of credit card debt that has plagued so many unwary youth.

A USA Today article on February 13, 2001, describes the case of Jennifer Massey. As a freshman at the University of Houston, Jennifer signed up for a credit card. She got a free T-shirt. A year later, she had piled on $20,000 in debt on 14 credit cards.

Another case: A young Mexican American from Los Angeles declared bankruptcy just last July after racking up $20,000 in credit card expenses. Most of it was for clothes, dinners, and drinks with friends.

A West Virginia student saddled with student loans filled out applications for 10 major credit cards and was approved for every single one—showing no ability to repay that debt.

A youngster at Georgetown University fell into debt totaling over $10,000. Unable to make even the minimum payments, she had to turn to her parents in order to bail her out.

Alex, a college freshman, found himself over $5,000 in credit card debt by the end of his first semester. His parents had to take out a loan to pay off his debt to the credit card company. When Alex graduated in 1999, his family was still making payments on the loan to pay off his debt from his freshman year.

Let me give you the case of Sean Moyer. He was a student at the University of Oklahoma who ran up more than $10,000 in debt. The crushing debt was one of the factors he cited before committing suicide on February 7, 1998, at the age of 22.

Contrary to what you may hear from the opposition to this amendment, this amendment is not about the right of an 18-year-old to get a credit card. I have no problem with that. The concern is the unlimited credit that the youngster can place on that card.

Like any other adult who seeks credit, a minor who has independent means to repay debts is entitled to credit based on his ability to pay. A minor with adequate resources, or with a parental cosigner, can get a credit limit under this amendment of $5,000, $10,000, or $20,000.

I just want to say that this amendment places the $2,500 debt limit on each credit card—not the combination of credit cards, but each credit card. We think it is fair, and we think it is responsible.

During a recent "60 Minutes II" interview, sources in the credit card industry stated that even if a student's application for credit indicates no source of income, the student still gets approved for credit. The credit card company assumes that the student has other means to pay because they buy books, clothes, CDs, or that a parent is going to bail them out.

So without this amendment, credit card companies can continue to lend reckless amounts of money to college students that any reasonable inquiry into the student's financial status would indicate the student could not afford. Then, when a student can't pay his or her debt, the lender can pressure the parent to assume the liability or use the full power of the bankruptcy court to recover the amount it is owed.

The bankruptcy court should not be used as a collection agency for ill-advised extensions of credit to college students by credit card lenders.

I also want to briefly discuss the section of this amendment that would give a parent who cosigns for a credit card some measure of control over future expansion of credit limits on the card. Under current law, if a parent assumes joint liability for a credit card with his or her minor child, the parent has no control over the debt limit on the card. A credit card company can raise the debt limit without consulting the parent. The credit card company can even raise the debt limit if the parent expressly objects to any further increase.

Let me give you a case written up in the Los Angeles Times. I ask unanimous consent that the Times story be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1).

Mrs. FEINSTEIN. This is the case of Dr. James Whitemore, a retired surgeon from Carson, CA. When his son Quentin entered Cal-State Dominguez Hill, Dr. Whitemore cosigned his son's application for credit with the stipulation that the debt limit remain at $500. But without Dr. Whitemore's knowledge, MBNA, the credit card issuer, raised his son's credit limit repeatedly until it finally reached $9,000. After several years, Quentin's balance reached $9,089 and MBNA determined his account to be delinquent.

MBNA, then rediscovered Dr. Whitemore. After failing to contact the doctor as it increased his son's liability, the company then demanded that Dr. Whitemore assume responsibility for the debt as guarantor. I think this is wrong. This amendment would correct that.

I also want to respond to those who question the link between credit card debt and bankruptcy. All-purpose credit card debt is the most frequently listed debt in bankruptcy files. Eighty-eight percent of the debtors in bankruptcy have credit card debt of some kind.

According to a study by Harvard Professor Elizabeth Warren, the median debtors in bankruptcy are carrying six times higher credit card debts than other cardholders.

Homeowners in the United States spend, on average, about $18 of every $100 of take-home pay for principal, interest, taxes, and insurance on their mortgage payments. A family spending more than $28 is considered house poor. Median debtors in bankruptcy owe $47 of each $100 of income to their credit card.

Experts who testified before Congress on this issue have linked the share rise in consumer debt and the corresponding rise in consumer bankruptcy to lower credit standards.

As I have said, today, a seven times greater percentage of youth go through bankruptcy than did 5 years ago. So this is clearly a problem that is increasing.

I don't believe minors should have their credit histories ruined when they take their first steps as adults; nor should we put parents in the position of having to bail out their kids to protect their kids' future credit rating. A credit card limit, per card, of $2,500, I believe, is prudent and wise. If a youngster wants to go beyond that, they have to show that they can pay it back or, secondly, have a parent or guardian cosign.

I am very pleased to join with Senator JEFFORDS and Senator DURBIN in presenting this amendment.

EXHIBIT 1

[From the Los Angeles Times, Jan. 17, 1999]

SON'S DEBT PLAGUES DAD FOR 7 YEARS

(By Kenneth Reich)

Guaranteeing a credit card for a child about to go off to college is fairly common, but it seldom generates as much trouble as it did for Dr. James H. Whitmore, a retired surgeon from Carson.

He has been through a seven-year drama that is not over yet.

When his son, Quentin Whitmore, entered Cal State Dominguez Hills in 1992, he wanted him to have a credit card. This is natural, since even if, as in this case, the child is going to be close to home, the parent knows he will be more on his own and may need emergency financial resources.

And so, after some exploring, Whitmore agreed to co-sign his son's application with MBNA of Wilmington, Del. "This I did with the stipulation that his credit limit be $500," he recalls.

At first, all went well. Quentin Whitmore was making small payments on the card out of the allowances his dad gave him.

But then, without ever notifying his dad, MBNA, which describes itself as "the largest independent credit card lender in the world with $59.6 billion in loans," repeatedly raised young Whitmore's credit limit. It finally hit $9,000.

By the end of 1996, the balance on the card, including late charges, reached $9,089, and MBNA declared the account delinquent. It informed Whitmore Sr. that he owed that amount as guarantor.

The doctor refused to pay. As MBNA put the sum out for collection and subsequently entered a bad credit report against both father and son, Whitmore insisted he had never authorized raising the limit and therefore was not responsible for the debts on the card above $500. He did send in $500.

I asked Whitmore whether he wasn't teed off at his son too.

"I remonstrated with my son and guess what happened?" he said. "His grades went from A's to nothing. One entire year was wasted."

Quentin Whitmore, now 24 and still a Dominguez Hills student, explained it this way:

"When I received the credit raises, I assumed [my father] had approved them. I never thought to call him, because at the outset MBNA had agreed not to raise the limits unless he gave his approval."

A Quicken survey last year revealed nearly half of college students bounce checks, 71% of those with cards fail to pay off balances monthly and most estimate that they will have $15,000 in debt before graduation. So young Whitmore's extravagance, or needs, may not be that unusual.

I asked MBNA whether it would acknowledge a mistake in raising young Whitmore's limit so high.

That was indeed a mistake, said Brian Dalphon, a MBNA senior vice president. He said his credit account was never coded as either a student or a guarantor account, as it should have been.

"When we assign a credit line to a student, it's at a lower limit, initially $500 [as in Whitmore's case]," he explained. "And we're very conservative with it. We don't raise the limits very quickly. A typical credit line for a student remains at $500 to $1,000."

When Dr. Whitmore was first billed as the guarantor, however, he was unsuccessful for months in resisting. Finally, the Los Angeles County Consumer Affairs Department agreed to intervene for him.

Timothy Bissell, the agency's assistant director, observed, "As a matter of contract law, MBNA could not hold him responsible for a higher amount than $500 unless they had notified him they were raising the credit limit."

* * *

On Oct. 27, 1997, 10 months after trying to bill Dr. Whitmore, MBNA First Vice President Edward Matthews informed the department that the doctor was being absolved of responsibility for the debt above $500 and that a bad reference was being stricken from his credit file.

"I apologize for any inconvenience Dr. Whitmore has been caused by this situation," he wrote. "Due to a keying error when the account was established in 1992, the account received automatic credit line increases until December 1996 as a result of Quentin Whitmore's previous satisfactory, payment history."

But, at that time, the nature of the keying error was left obscure. And the "satisfactory payment history" was left undetailed.

The Whitmores say the delinquency took the better part of a year to develop, after payment requests far outstripped young Whitmore's ability to pay.

Quentin Whitmore's account has now been closed, Dalphon said.

But, Dr. Whitmore said, his son will keep his bad credit rating for several years, and six months ago, when the senior Whitmore last checked, he said he found his own credit record still impaired.

MBNA proposed 18 months ago to forgive 50% of Quentin Whitmore's balance if he agreed to pay monthly installments of $378.

But Dr. Whitmore said his son "has absolutely no income" as he continues his studies.

"So I called them and told them that if they would remove all the late charges, the excess limit charges and reduce this to the absolute minimum that he originally charged, then I would negotiate a settlement with them under these conditions and pay them off myself. But they refused."

Dalphon declined to say whether MBNA continues to try to collect.

Dr. Whitmore remains unhappy.

"I do not feel that MBNA's hands are clean in this matter," he said. "If the limits on this account had not been raised, then my son would not have been able to abuse it. If what the credit card companies are doing to our youth before they can develop a sense of financial responsibility is legal, then new laws are needed."

But, of course, MBNA denies its policy is to raise limits on students. It maintains that what happened was another of these electronic glitches I sometimes write about.

Mrs. FEINSTEIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Does the Senator ask that the pending amendments be laid aside?

Mr. SESSIONS. I object. We want to see a copy before we change the order of business.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum. I am glad to share it with the Senator.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 28

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the pending amendment be set aside so I can call up an amendment that is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. DASCHLE, Mr. LEAHY, Mr. DORGAN, Mr. KENNEDY, Ms. MIKULSKI, Mr. LEVIN, Mr. DODD, Mr. SCHUMER, Mr. BREAUX, Mr. DURBIN, Mr. KERRY, Mr. DAYTON, Ms. CANTWELL, Mr. CORZINE, Mrs. CLINTON, Mr. REID, Mr. AKAKA, Mrs. CARNAHAN, Mr. ROCKEFELLER, Mr. CONRAD, Mr. WELLSTONE, Ms. LANDRIEU, Mr. KOHL, Mr. NELSON of Nebraska, Mr. REED, Mr. LIEBERMAN, Mr. BAYH, Mr. SARBANES, Ms. STABENOW, Ms. LINCOLN, Mr. HOLLINGS, Mr. DOMENICI and Mrs. BOXER, proposes an amendment numbered 28.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase the authorization of appropriations for low-income energy assistance, weatherization, and State energy emergency planning programs, to increase Federal energy efficiency by facilitating the use of private-sector partnerships to prevent energy and water waste, and for other purposes)

At the appropriate place in the bill, add the following:

TITLE—EMERGENCY ENERGY ASSISTANCE AND CONSERVATION MEASURES

SEC. 01. SHORT TITLE.

This title may be cited as the 'Energy Emergency Response Act of 2001'.

SEC. 02. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that—

(1) high energy costs are causing hardship for families;

(2) restructured energy markets have increased the need for a higher and more consistent level of funding for low-income energy assistance programs;

(3) conservation programs implemented by the States and the low-income weatherization program reduce costs and need for additional energy supplies;

(4) energy conservation is a cornerstone of national energy security policy;

(5) the Federal Government is the largest consumer of energy in the economy of the United States; and

(6) many opportunities exist for significant energy cost savings within the Federal Government.

(b) Purposes.—The purpose of this title are to provide assistance to those individuals most affected by high energy prices and to promote and accelerate energy conservation investments in private and Federal facilities.

SEC. 03. INCREASED FUNDING FOR LIHEAP, WEATHERIZATION AND STATE ENERGY GRANTS.

(a) LIHEAP.—(1) Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to carry out the provisions of this title (other than section 2607A), $3,400,000,000 for each of fiscal years 2001 through 2005.".

(2) Section 2605(b)(2) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)) is amended by adding at the end the following:

"And except that during fiscal year 2001, a State may make payments under this title to households with incomes up to and including 200 percent of the poverty level for such State;".

(b) Weatherization Assistance.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking "For fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$310,000,000 for fiscal years 2001 and 2002, $325,000,000 for fiscal year 2003, $400,000,000 for fiscal year, and $500,000,000 for fiscal year 2005.".

(c) State Energy Conservation Grants.—Section 365(f) of the Energy Policy and Conservation act (42 U.S.C. 6325(f)) is amended by striking "for fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$75,000,000 for each of fiscal years 2001 through 2005".

SEC. 04. FEDERAL ENERGY MANAGEMENT REVIEWS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:

(e) Priority Response Reviews.—Each agency shall—

"(1) not later than October 1, 2001, undertake a comprehensive review of all practicable measures for—

(A) increasing energy and water conservation, and

(B) using renewable energy sources; and

"(2) not later than 180 days after completing the review, implement measures to achieve not less than 50 percent of the potential efficiency and renewable savings identified in the review."

SEC. 05. COST SAVINGS FROM REPLACEMENT FACILITIES.

Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

"(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at such replacement buildings or facilities when compared with costs of operation and maintenance at the buildings or facilities being replaced.

"(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in subparagraph (A).".

SEC. 06. REPEAL OF ENERGY SAVINGS PERFORMANCE CONTRACT SUNSET.

Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is repealed.

SEC. 07. ENERGY SAVINGS PERFORMANCE CONTRACT DEFINITIONS.

(a) Energy Savings.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2) The term 'energy savings' means a reduction in the cost of energy, water, or wastewater treatment from a base cost established through a methodology set forth in the contract, used by either—

"(A) an existing federally owned building or buildings or other federally owned facilities as a result of—

"(i) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(ii) more efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(iii) more efficient use of water at an existing federally owned building or buildings in either interior or exterior applications; or

"(B) a replacement facility under section 801(a)(3).".

(b) Energy Savings Contract.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

"The terms 'energy savings contract' and 'energy savings performance contract' mean a contract which provides for—

"(A) the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy, water conservation, or wastewater treatment measure or series of measures at one or more locations; or

"(B) energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities.".

(c) Energy or Water Conservation Measure.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

"The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 551(4) (42 U.S.C. 8259(4)); or

"(B) a water conservation measure that improves the efficiency of water use, is life cycle cost effective, and involves water conservation, water recycling or reuse, improvements in operation or maintenance efficiencies, retrofit activities or other related activities, not affecting the power generating operations at a Federally-owned hydroelectric dam".

Mr. BINGAMAN. Mr. President, the amendment we are now discussing and that I have offered on behalf of myself and over 30 cosponsors addresses an important problem that is being felt this winter all across America. High energy costs have hit low-income and working Americans hard this winter, and this coming summer promises to be just as expensive in many parts of our country.

The high heating bills this winter are the result of a combination of two primary factors: First, higher demand resulting from colder than average weather across the country, we have just seen another major snowstorm in the Northeast, and second, a supply shortfall that stems from lack of drilling 2 years ago when the oil and gas prices were so low.

The combination of these two factors has resulted in natural gas and propane bills that are as much as 200 percent higher this year than they were last year. Heating oil prices have been well above last year's average as well. Natural gas prices and tight generating capacity are driving up electricity prices around the country. Of course, California is the area of our country that has gotten the most attention in this regard, but electricity prices in other parts of the country have also escalated.

We can predict now that many people in southern States will be especially burdened this summer because of the high cost of trying to maintain air-conditioning.

Applications for energy assistance have increased dramatically this year. Over 5 million households in the United States may be unable to pay their energy bills this winter. That is a figure that is up substantially from last year. The State-by-State increase in caseloads coming from assistance requests is illustrated on this chart that is provided by the National Energy Assistance Directors Association.

When one looks at some of the figures on this chart, the point I am making becomes very clear. The chart is titled, "Low-Income Home Energy Assistance Program, Increase in Caseloads" as of the First of March.

As of the first of March, the increase in caseloads in my State this year over last year is 100 percent. We have twice as many people requesting assistance. In Oklahoma, it is 50 percent above last year. In Louisiana, it is 91 percent above last year. In Mississippi, it is 50 percent above last year. I can go all around this chart and one can see the increases different States have experienced. There are over 20 States reporting increases greater than 26 percent.

I ask unanimous consent that a copy of the survey detailing the critical situation we have in each of our States be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, many consumers who cannot pay their energy bills have been protected so far by the so-called cutoff laws. Those are laws which prohibit utility companies from terminating service to customers during the winter. But these prohibitions against terminating utility service expire in March or in April, and when they do, the seriousness of the situation for low-income working Americans will become harshly obvious to all of us.

According to a recent survey by the National Council of State Legislators, 18 States have extended income eligibility limits because so many people just above the current thresholds are struggling to pay their utility bills. Thirty-one States either have already increased or hope to increase benefit levels in an effort to keep net costs to those in need at the same level as in previous winters. Many States have expressed a serious need for additional funds to extend eligibility and benefit levels.

The reality is that many States have already depleted their LIHEAP and weatherization funding, the funding that we appropriated for these programs in the last year. Without additional funds, assistance to low-income working families for the summer cooling season is going to be impossible.

People tend to forget the severe toll the summer heat takes on many people in this country, particularly on our senior citizens. Just last year, the State of Texas was forced to impose a moratorium on utilities cutting off service during the summer. Usually there is a moratorium against cutting off utility service during the winter, but Texas was forced to impose it in the summer.

According to the Austin American Statesman of August 11, 2000:

> With 54 heat-related deaths across Texas this summer, the state Public Utilities Commission on Thursday stopped electric companies from shutting off service for nonpayment until the end of September. The commission wanted to prevent any more deaths because fans or air conditioners were just not used for fear of high bills.

The Texas experience last summer was especially heartbreaking in its magnitude—54 deaths. But this was not the first time this circumstance has occurred and it will not be the last.

The chairman of the Texas commission lamented the fact that the process had taken so long. A moratorium on disconnections helps with the immediate problem of no service, but it does not address the bill that will eventually have to be paid by each of these families.

Many who remember the days of childhood without air-conditioning forget the fact that most of us, including myself, did not live in the midst of concrete cities. These cities have been referred to as modern-day heat islands. During the summer, not just in the Southern States, it is our parents and grandparents who are most vulnerable during heat waves. Unfortunately, many seniors living on fixed incomes often consider air-conditioning a luxury, not a health necessity.

This is not a partisan issue. The provisions of this amendment are the same or very similar to those contained in the bill introduced by Senator MURKOWSKI, the same bill the majority leader cosponsored last week when he declared his support for LIHEAP on the Senate floor. But, he declared his support for it as part of a broader package that will not be brought to the floor until several months in the future.

I hope the vision of a one-shot comprehensive energy bill does not cause delay our acting on such an immediate need, especially when human lives are at stake. Especially given the administration has been saying it will not even have a proposal to us for several more months. It seems every time they report on their progress it is to report the 2-month clock is starting again. Clearly, they are working in good faith on a comprehensive bill or comprehensive set of proposals for dealing with our long-term energy problems, but that does not relieve us of the responsibility to deal with this immediate problem and to deal with it now.

I support taking a comprehensive look at energy. I think it is important to have a balanced framework in order to evaluate the various tradeoffs. In fact, I am working with colleagues in the Senate to put such a bill together. My experience is the last time the Congress passed a major energy bill, the Energy Policy Act of 1992, it took an entire Congress and it resulted in a Christmas tree with several strong branches on which to hang many ornaments, a tremendous number of which were never implemented and were never funded by the Congress.

That is not the best approach to take in dealing with this immediate problem. Energy issues are complex, they often involve billions of dollars of investment, in very long-lived capital equipment. We need to focus on manageable sections in the interest of developing the best policy outcomes based on a common set of principles.

I have a chart that shows what I consider to be fundamental principles for a long-term energy policy. I want to make the point that this amendment I am now talking about, and urging my colleagues to consider, is not an alternative to a long-term bill, but is consistent with such a framework. It is only distinct in that we are dealing with an immediate problem.

These are some common principles that need to be dealt with for a successful long-term energy strategy. Let me briefly mention them.

First, we need a new model of Federal-State cooperation to ensure reliable and affordable energy supplies. If we had had better coordination in the past, perhaps we would not be needing to consider the amendment I have brought up today. That we don't have them in place is not the fault of the federal government or that of any individual state. By their very definition, restructured markets have changed the very framework upon which many of our energy policies and institutions were based.

Second, fuel and technology diversity need to be increased and emphasized. We need to have improved distribution systems for energy.

Third, we need to have a balance of supply-and-demand-side options with a commitment to efficiency, environmental quality and climate change mitigation.

Fourth, we need targeted tax and economic incentives to address market failures. We all recognize there are market failures, there are inefficiencies in the market.

Finally, we have to have comprehensive research and development in order to ensure a full complement of technologies and fuels to meet our energy needs.

All five of these items are principles for a long term policy. We are going to propose a set of provisions that incorporate those principles in the larger bill I mentioned before. But, we have immediate needs for energy assistance that cannot wait for months while we debate the very real energy issues this country faces.

It was well recognized at the time we passed the appropriations bill last year that LIHEAP funding was going to be inadequate to do the job in this current year. Individuals, families, and small businesses that are suffering today from energy bills they cannot pay cannot just wait while we debate a long term energy policy. We should not wait. To borrow a catch phrase from President Bush, they need an immediate helping hand.

The amendment I am offering today takes the first concrete steps in providing that hand, that assistance, the first concrete steps to put measures in place to address this remainder of this winter's financial distress and to deal with the high cost of electricity that we can all see coming at us this summer.

The amendment raises the authorized limits governing the low-income home energy assistance program, raising the limit to alleviate financial burdens on low- and middle-income families in the near term. At present, it is only authorized in fiscal year 2001 at the $2 billion level. That is a base level that has been relatively flat since the mid-1980s—just to show how long we have gone without any change in this authorization.

The amendment raises the base funding requirement to $3.4 billion for fiscal year 2001, each of the fiscal years 2001 to 2005. The increase comes close to addressing the erosion in the program due to inflation since President Reagan was in the White House.

The amendment also gives States additional flexibility in this fiscal year on income levels for recipients by increasing eligibility from 150 percent of poverty to 200 percent of poverty. This change only applies for the remainder of this fiscal year but will give States the flexibility to help working families and senior citizens with whatever additional funds we can send to those States. This adjustment is at the request of many of our States.

Third, the amendment raises the authorization levels for this fiscal year and succeeding years for the low-income weatherization program and the State conservation and emergency planning grants. The immediate increase in the authorization for the weatherization program of $310 million is for the remainder of this fiscal year and the fiscal year 2002 compared to the current appropriations level of $162 million. The weatherization program is a sound and long-term investment in energy efficiency. A one-time investment of weatherization yields savings of $300 to $470 per household annually thereafter. This program, however, requires trained staff. Erratic and insufficient funding of the weatherization program has diminished its effectiveness in recent years.

Increased energy efficiency is the least cost solution to meeting our energy needs. The weatherization program was funded at nearly three times the current level in the 1980s. This amendment will increase the weatherization authorization in an attempt to catch up with the 1980s level in real dollars.

The fourth thing this amendment does is increase the authorization for grants to State energy programs up to $75 million. This program funds State conservation and emergency planning. The extremely low level of funding in recent years has diminished the State's ability to implement State level conservation plans and to plan for emergencies in coordination with the Department of Energy and with neighboring States.

I cannot overemphasize how critical it is to have better coordination of overall energy planning and emergency response preparedness. The power situation in the western states is just the most recent example of where better regional planning could have reduced costs and provided greater reliability. Heating oil markets in the northeast and gasoline supply problems in the midwest last summer are just a few examples of where a little more advanced preparedness could have reduced disruption and impact on consumers. I would note that for all the lamenting the lack of an energy policy on the part of many members of this body, it was the Republican majority that eliminated coordinated emergency planning from the Department of Energy budget in 1995.

I urge the Congress to enact these amendments and to encourage the President to propose an emergency supplemental bill for these programs. Let's stop debating form over substance and get it done now.

We all know that even if we adopt the amendment I have sent to the desk, it will only increase the authorization levels for these programs. We still need the funding. I very much hope the President will take the lead in requesting the increased funding from this Congress so we can actually send the assistance to the States and it can go to the families who need it.

Finally, my amendment contains a package of provisions aimed at quickly increasing the energy efficiency of Federal facilities around the country. Many of these facilities are very wasteful in their use of energy and water—two commodities that could be in short supply this summer in many parts of the country. Federal agencies spend $4 billion per year to heat, cool, and power their facilities. Too much of that is wasted. If federal agencies aggressively reduce their energy waste, their neighbors will enjoy the benefits of increased supplies of electricity, and taxpayers will benefit by paying less for the power that would have been wasted. Under an existing Executive order, federal facilities are required to increase energy efficiency by 30 percent by 2005 and 35 percent by 2010 relative to 1985, but there is some evidence that this Executive order is not being aggressively implemented.

This amendment calls for a concerted effort by facility managers to meet the Executive order targets early, thereby saving taxpayer dollars, reducing stress on the power grid and demand for fuels. Specifically, my amendment calls for each Federal agency to complete a comprehensive review this fiscal year of all practicable measures for increasing energy and water conservation and using renewable energy sources.

The agencies then have 180 days to implement measures to achieve 50 percent of the potential savings identified in their reviews. That could result in a measurable reduction in federal energy consumption by this time next year, if we get started now.

Federal agencies could also use this authority to investigate siting new generating capacity at their facilities, to further ease stress in our power system this summer. We won't be building many new central electricity generating stations before the summer, but we could start installing a lot of distributed generation at Federal facilities, particularly proven technologies such as ground-source heat pumps, that could dramatically reduce the power requirements for heating and cooling Federal buildings.

My amendment also makes it easier for federal agencies to use partnering tools with the private sector, known as energy savings performance contracts (or ESPCs), to reduce energy costs through facility upgrade and replacement. ESPCs offer perhaps the fastest means for rapidly improving the efficiency of the existing building stock owned by Federal agencies.

These are targeted measures that will help relieve the immediate needs of our citizens who cannot cope with the high energy bills this winter, and provide incentives for the Federal government to do its part to decrease energy consumption now.

I urge the adoption of this amendment.

EXHIBIT 1

NATIONAL ENERGY ASSISTANCE DIRECTOR'S ASSOCIATION STATE-BY-STATE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM SURVEY RESPONSES (FEBRUARY 7, 2001)

ALABAMA

The Alabama LIHEAP program estimates it will award regular benefits to 6.9% more households this year (75,000 vs. 70,146). Although higher benefits are being provided to those households that heat with propane or natural gas, more is needed since the cost of these fuels has already risen 50–65%. Alabama continues to provide weatherization and furnace repair services as part of its crisis program.

CALIFORNIA

Requests for assistance by phone are running almost 60% higher than last year at this time.. California's natural gas prices have risen 40–50% this year, but definitive information is not yet available on electricity rates statewide. The state's LIHEAP program allows the maximum eligibility criteria of 60% of sate median income and plans to increase the benefit levels for this year's eligible households in response to significant increases in natural gas and electricity prices. Supplemental funds are needed to increase both the benefit levels and the number of households served. Additional funding is also needed to increase the furnace repair and replacement programs.

COLORADO

Colorado expects to serve 41% more households this year than last (75,000 vs. 53,182). Program benefit levels have been increased by 125%, while eligibility has been expanded from 150% to 185% of the federal poverty guidelines. Natural gas and propane have doubled in price and the state's largest natural gas provider recently asked the Public Utilities Commission for another increase of about 5%. These increases have placed unreasonable burdens on low-income households, as well as those whose income is slightly over the current eligibility criteria. Colorado needs additional funds to increase eligibility to 200% of the federal poverty level, increase the benefit amount, increase outreach to ensure needy households are aware of the program, and increase funding for weatherization and the summer grants program operated by the Colorado Energy Assistance Foundation.

CONNECTICUT

Connecticut estimates it will provide LIHEAP benefits to 21% more households this year (68,000 vs. 56,340). According to representatives from the natural gas companies, prices are currently 39% higher this year and the State LIHEAP program reports oil prices are running 34.6% higher than last year. This year income limits for LIHEAP eligibility were raised to 60% of the State median income for all fuel types, as compared to last year's limit of 150% of the federal poverty income guidelines. All benefit amounts have also been increased. Additionally, $400,000 has been set aside for furnace repairs and/or replacements for households whose heating systems are determined to be unsafe or inoperable. Supplemental funding is needed in order to expand the application period. The program currently pays for fuel beginning November 1st, but would like to change that date to October 15th (the date when landlords are required to begin providing heat) and extend the last date for fuel to April 15th (the end of the utility moratorium).

DELAWARE

Delaware expects a 12.6% increase in the number of regular benefits awarded (11,500 vs. 10,215) and a 6.9% increase in the number of households receiving crisis assistance (from 2,807 to 3,000), although these numbers do not include the summer cooling assistance program. Regular LIHEAP benefits have increased an average of 20% (from $206 to $241). Some households also receive up to $400 from the crisis program, although the average is $200. Eligibility for the regular program has remained at 150% of the federal poverty guidelines, but crisis eligibility guidelines were increased to 200% of poverty. In order to respond to numerous inquiries the state has received requesting assistance with furnace repairs/replacements, additional funding is needed.

GEORGIA

The number of households assisted by Georgia's LIHEAP program is expected to double this year (120,000 vs. 60,710). LIHEAP eligibility has been expanded to 150% of the federal poverty guidelines and may be further increased to 60% of the state median income. The amount currently provided to households does not have a significant impact—the maximum $194 benefit cannot fill a propane tank so the household cannot benefit from energy assistance unless they are prepared to supplement the balance. All LIHEAP funds have been utilized for direct financial client benefit services due to the colder than usual temperatures and the rapidly rising fuel prices. Additional funding is needed to serve more households and keep the program open longer, as well as provide supplemental and crisis payments.

FLORIDA

Florida expects to serve 23% more clients this winter season than last year (42,500 vs. 34,393). In addition, the state is expecting to provide assistance this summer to an additional 31,000 clients for cooling assistance, about the same level as last year. Natural gas prices have increased by about 110%, while electricity prices at one utility have increased by 15.5%. Florida has increased its benefit level from a maximum of $300 to $1,000 per household. In addition, Florida is providing assistance to restore home power, including: paying deposits, late fees and reconnect fees; purchasing and/or repairing of non-portable heating equipment; repairing or replacing unsafe fuel oil or propane tanks; and paying fees required to assure the continuation or resumption of services. At the current rate of demand for services, the state expects to be out of funds by the end of March with little or no funds available for summer cooling. Additional funds would be used to address unmet needs and to continue providing services through the summer which is typically the state's peak demand time.

IDAHO

The number of households served by Idaho's LIHEAP program is expected to increase by 31% (30,930 vs. 23,529); average benefits are expected to increase by 14%. Fuel prices increased for natural gas by 48%; electricity by 6% and home heating oil by 40%. Although no change has been made to the LIHEAP income eligibility criteria (133% of federal poverty guidelines), this year the program application period will be extended to May 31st (rather than March 31st). Supplemental funding is needed to serve these additional eligible households, as well as to finance weatherization activities.

ILLINOIS

The number of households served by Illinois' LIHEAP program is expected to increase by 41% (350,000 vs. 247,000). Prices for natural gas, electricity, kerosene and electricity have increased from 2 to 4 times depending on the utility provider. The state has increased benefits increased by 35% and increased eligibility to 150%. If additional funding were available, the state would probably expand the program's eligibility and benefit levels.

IOWA

In Iowa approximately 21% more households have been certified and approved than last year at this time (75,000 vs. 62,000). Last year the average residential customer spent $354 on their total gas bill for the period November through March. It is projected the same customer will spend $807 for the same period this year. Although the .average LIHEAP benefit has increased from $204 to $306, an additional $351 per household is needed in order for this year's participating households to have the same percentage of their total household income going towards winter gas bills as last year's participating households.

Iowa conducted a survey of last year's LIHEAP recipients to determine what these households do when faced with unaffordable bills. Over 20 percent reported going without needed medical care or prescription drugs in order to pay their heating bills and 12 percent reported without food in order to pay those same bills. The report, Iowa's Cold Winters: LIHEAP Recipient Perspective, documents an affordability crisis that existed prior to this year's rising fuel costs.

Last winter, LIHEAP recipients experienced winter home heating burdens of 8.2 percent on average—this figure does not include winter non-heat electric burdens. Heating costs represent approximately 40% of a household's total energy bill. Last winter, the LIHEAP program was able to reduce the average heating burden of 8.2% to 3.5% of total household income. For comparison, the typical non-low income household's heating burden is less than 2%. In order for this year's participating households to have the same percentage of their total household income going towards winter gas bills as last year's participating households, the Iowa LIHEAP program needs an additional $20.5 million.

To date, approximately 2,000 applications statewide that are not eligible for any benefit because the household was just over our income guidelines. Many of these households are elderly Iowans whose recent Social Security increase put them a few dollars a month over our maximum allowable income. These same households report tremendous out-of-pocket medical/prescription drug costs coupled with home energy bills they simply cannot afford without making extreme sacrifices. Federal rules would allow LIHEAP to increase our income guidelines from 150% of the federal poverty level to 185%. Unfortunately, this option cannot be considered at this time. In the absence of additional funding, the state plan's to continue to give, on average, a benefit of $306 to all eligible households that apply, and at some point in the future determine what if any supplemental payment we might be able to make.

KANSAS

Kansas expects to serve 18% more households this year (31,000 vs. 26,143). LIHEAP benefits have been increased by 31% to help offset the burden of higher gas prices—which are now more than double last year's rates. Supplemental funding is needed to provide benefits to additional eligible clients and bring the energy burdens of Kansas households to a manageable range.

MAINE

The number of households assisted by Maine's LIHEAP program is expecting to increase by 32% from (58,000 vs. 44,000). The state has already received 65,000 applicants this year, however they only have adequate funds to serve 58,000. As a result of the 40% increase in fuel costs this year, LIHEAP eligible households are utilizing the available funds so quickly the state is unable to handle the demand and all resources have been obligated. Unfortunately, the state has been forced to decrease funding for weatherizataion services, furnace repair, and administration. The income guidelines were increased from 125% of the federal poverty guidelines to 175% and the average benefit was decreased from $490 to $350 in order to serve the additional households this change would create. Maine desperately needs additional funds to increase fuel assistance benefits, increase emergency funding, and provide for furnace repair or replacement.

MASSACHUSETTS

The number of households assisted by Massachusetts' LIHEAP program is expecting to increase by 9% (123,000 vs. 113,408). Last year, LIHEAP eligibility limits were raised to 200% of the federal poverty guidelines and benefits were extended to households with incomes up to 60% of state median income that heat with oil or propane. If the household's consumption exceeds the threshold established for the fuel type, 50% is added to the excess over the threshold or the high energy benefit, whichever is greater, is added to the regular benefit.

Oil prices in Massachusetts have risen by 36%, electricity by 42% and natural gas by 39%, with additional rate increases proposed. Massachusetts operates weatherization programs, system repair and replacement programs and conservation programs funded by the utilities through the legislative act on utility restructure. These are operated through a network of programs in the community action agencies throughout the state. Individual agencies distribute blankets but it is not a statewide coordinated effort as is the weatherization program.

MICHIGAN

The number of households served in Michigan's LIHEAP program has increased by 24% through December 31. At the current rate of increase, the state is expected to serve almost 362,000 this year vs. 291,831 last year. Energy prices have increased significantly, heating oil by 70% and propane by 100%. However our three largest natural gas vendors have had no increase due to rules by the Public Service Commission. Those rules will be lifted this spring and we expect at least 40% to 60% increase in the cost of natural gas. Benefit caps have been increased twice since the start of the winter heating season.

MINNESOTA

Minnesota's LIHEAP caseload is projected to increase by 10% (107,000 vs. 96,924). Eligibility has remained at 50% of the state median income, although benefits have been increased from an average of $415 in FY 2000 to $475 this year. This resulted in an increase to the maximum assistance from $900 to $1,200. Natural gas prices have risen 304%, propane costs are up 73% and oil is 27% higher. Weatherization and furnace repair continue to be offered. The state needs additional funding to increase benefits since the increases previously provided barely make a dent in the bills experienced by Minnesota households this year.

NEW HAMPSHIRE

New Hampshire LIHEAP program is expected to serve almost 20% more households than it did last year (27,500 vs. 23,081). Applications for assistance are running 31% higher than last year and the number of requests for requests for emergency assistance have increased by 88%. Funds previously set-aside for weatherization and administration have been redirected to client benefits as a result of the critical need this winter season.

Last year the income eligibility criteria was expanded to 60% of the state median income, which has also been retained this year. Had this not occurred, approximately 3,000 families who received LIHEAP benefits last year at the higher eligibility level would have suffered. The basic benefit matrix was increased by 65% so that benefits now range from $240 to $1200. Given that the projected need far outweighs available funding, New Hampshire is in serious need of additional LIHEAP funding to ensure the program will be able to serve all eligible households seeking assistance. As of January 12, 2001, 2,967 households had already exhausted their program benefits, so additional funding is also needed increase benefit amounts. Finally, additional funding is needed to restore program components currently suspended, including weatherization.

NEW JERSEY

New Jersey expects to serve almost 25% more households this year (150,000 vs. 120,000). In addition, 55,182 elderly and/or disabled households with incomes over the LIHEAP eligibility limit, but under the income cap for the state funded supplemental Lifeline utility assistance program, received a one time benefit of either $100 (electric heat) or $215 (gas, oil or propane heat). The state has recently raised its income eligibility limit to 175% of poverty. The state is considering a number of options for the additional emergency funds received, one of which includes higher income eligibility.

NEW MEXICO

New Mexico expects to serve almost double the number of households this year (80,000 vs. 48,405). Natural gas prices have risen 20% since last year, while kerosene/propane has increased by 200%. Because of the increase in applicants, grant payments were not increased, however, the program did provide an emergency payment for oil and bulk propane in addition to the regular payment in order to purchase the same amount of fuel. Additional funds are needed to serve the increasing number of applicants and provide supplemental or second benefits to offset the tremendous price increases. Although the Native American tribes in New Mexico receive their own LIHEAP allocation, the state is also concerned about helping the tribes serve additional eligible households in their jurisdiction.

NEW YORK

The percentage of households served by New York State's LIHEAP program is expected to increase by 18% (818,000 vs. 691,500). Last February, New York expanded its LIHEAP income eligibility criteria to 60% of the state median income, which has been retained for FY 2001. The regular benefit was increased by $50 and, as of January 2001, a second emergency benefit is now allowed. The program continues to provide weatherization, furnace repair and furnace replacement. Additional funding is needed in order to provide a second regular benefit to offset the rising energy burdens felt by New York residents. 691,500 regular benefits Emergency program? 195,500 emergency benefits were issued.

NORTH DAKOTA

North Dakota expects to serve 15% more households in its regular and emergency LIHEAP programs this year. The state has increased the program eligibility criteria from 150% of poverty to 60% of the state's median income and has continued its weatherization and furnace replacement programs. Residents have seen the cost of natural gas rise by 29%, propane by 40% and heating oil by 47%. If prices remain high, the state will need a 40% increase in funds to maintain program benefit levels. So far, state spending for winter home heating benefits is running 92% higher than last year at this time.

OHIO

The percentage of households assisted by Ohio's LIHEAP program is expected to increase by about 15% in the regular program (224,700 vs. 195,380) and emergency programs (126,000 vs. 109,656) this year. The benefit levels of both program components have been increased to help offset the increases in home heating costs. Natural gas prices have increased between 35 and 50% this year, as have propane and oil. Additional funding is needed to expand the income guidelines from 150% of the federal poverty guidelines to 60% of the state median income, which would greatly increase the number of potential applicants and enable the state to assist those who are not currently served but whose energy burdens have skyrocketed.

OKLAHOMA

Oklahoma is expecting an increase of 50% in the number of households served this year (86,000 vs. 57,300) although income eligibility remains at 110% of the federal poverty guidelines. Oklahoma's LIHEAP program reports natural gas prices have almost doubled and an additional $23 million is needed just to maintain the same out-of-pocket expense to the low and fixed income clients. December 2000 had the coldest average temperature in recorded history in Oklahoma.

OREGON

The caseload in Oregon's LIHEAP program is expected to rise by 82% this year (88,547 vs. 48,547). Although there has been no increase in benefits and no changes to the eligibility criteria, an emergency payment was authorized for oil and bulk propane in addition to the regular payment so that households could purchase the same amount of fuel that the benefits would have purchased last year. The contingency funds previously targeted for weatherization have been redirected to client benefits instead. There has been a significant increase in the demand for benefits this year and additional funds are needed to accommodate this, as well as to provide additional crisis benefits to clients who heat with oil or bulk propane.

PENNSYLVANIA

The percentage of households assisted by Pennsylvania's regular LIHEAP program is expecting to increase by almost 32 percent (280,750 vs. 213,032). Applications for crisis assistance are also expected to increase by a similar percentage (101,500 vs. 76,700). Income eligibility in Pennsylvania's LIHEAP program was increased from 110% to 135% of the federal poverty guidelines and the maximum crisis award is up from $250 to $400. As a result of the contingency funds awarded to Pennsylvania this year, applications will continue to be accepted until April 30th, the maximum crisis benefit will be increased to $700 and the crisis eligibility will be expanded to 150% of the poverty level. Pennsylvania residents have seen the price of deliverable fuels rise by 50% and gas by 40%. Additional funding is needed to expand the eligibility criteria for all applicants to 150% of the federal poverty guidelines, increase benefits to offset the higher energy burdens and develop a spring/summer cooling program.

RHODE ISLAND

The percentage of households served by the Rhode Island LIHEAP program is expected to increase by 33% (26,000 vs. 19,500). Energy prices have shown significant increases. Prices for natural gas prices have increased by 30-40%, electricity by 40–50% and the home heating oil by 50%. To help offset these increases, the LIHEAP minimum benefit was increased from $200 to $325, which resulted in an increase in the average award from $390 to $550. Emergency oil delivery has also been increased from 100 gallons to 200 gallons. Eligibility criteria remains at the 60% state median income level. Although LIHEAP funds have been set aside for weatherization activities, boiler or furnace replacement, blankets and hats for elderly and shut-in clients and summer crisis programs, additional funding is needed to expand the crisis and emergency assistance programs, as well as to implement bulk fuel purchases.

SOUTH CAROLINA

A 24% overall increase in the number of households served is expected this year and benefits and LIHEAP eligibility criteria have been increased and expanded to assist clients in coping with higher energy prices. Additional funds are needed to provide furnace repair/replacement services, which are currently not available.

SOUTH DAKOTA

South Dakota expects a 30% increase in the number of households served (15,000 vs. 11,500) in its regular LIHEAP program. Income eligibility criteria has not changed (140% of poverty), but benefits have been increased by 60% for natural gas, oil and propane users to offset the higher costs of these fuels. Weatherization and furnace repair and replacement programs continue to be offered. Additional funds are needed to further increase the benefit levels, as well as expand the eligibility criteria to enable more households to participate.

VERMONT

A 10% increase is expected in the number of households served by Vermont's LIHEAP program this year (23,900 vs. 21,637). Home heating prices have risen as follows: oil 50%; propane 45%; and kerosene 45% and although some increases were made to the benefits this year, additional funds are needed to keep up with the fuel price increases, as well as to provide emergency furnace repair/replacement and weatherization services.

WASHINGTON

Washington's LIHEAP caseload is expected to increase by 50% this year (75,000 vs. 49,770). Neither benefits nor eligibility criteria have changed this year, but fuel costs have increased significantly. Natural gas prices are up by 26%, electricity by 15% and kerosene by 60%. Supplemental funding would enable higher benefits to be awarded to offset the higher energy burden experienced by Washington households this year, as well as enable additional households to be served.

WEST VIRGINIA

West Virginia expects to serve almost 55% more households this year (55,000 vs. 38,804). Heating costs have increased on average by about 12%. Benefits levels were increased by raising the minimum payment by $50 and the maximum benefit from $475 to $600. Additional funding would probably be used to assist customers with cooling costs during the summer, and to expand the LIHEAP program to include more customers.

WISCONSIN

Wisconsin expects to serve 25% more households in its regular LIHEAP program (110,100 vs. 88,105) and emergency program (25,000 vs. 20,152) this year. The average benefit has been increased and additional funds have been targeted for crisis assistance. Residents have seen the cost of natural gas rise by 101%, propane by 62% and heating oil by 30%. Additional funding is needed to further increase the benefit levels to more adequately mitigate the effects of the price spikes, as well as to expand outreach efforts and assist additional eligible households.

Mr. BINGAMAN. Mr. President, I don't know if it is the will of the managers of the bill to have a vote at this time. I am certainly ready for a vote whenever time is appropriate.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment, there is not a sufficient second.

Mr. BINGAMAN. Mr. President, I will renew that request when we have more Senators on the floor.

I yield the floor.

Mr. KENNEDY. Mr. President, this amendment includes essential short-term responses to the energy difficulties that American families face right now. It includes protections for working families who must heat their homes during the severe winters that we have in the Northeast and Midwest, and for families who must cool their homes during times of extreme heat in the South and West. Many families cannot afford sudden and dramatic increases in their heating costs, yet they must heat their homes to survive. This year 123,000 Massachusetts families needed help with their heating costs under the Low Income Home Energy Assistance Program, a 10 percent increase in need over last year. In Boston alone, community action agencies made over 1,500 emergency heating oil deliveries this winter.

The expanded relief afforded working families under this Amendment is a fitting—and I say crucial—addition to a bankruptcy bill that seeks to limit the debt relief available to consumers. I am proud to join my colleagues in proposing to improve this bankruptcy bill with energy protections for middle and low-income families.

Over the next year, Congress faces difficult choices in planning the Nation's energy future, choices that will have profound long-term consequences for every sector of the Nation's economy. Republicans insist on debating controversial proposals like oil drilling in wildlife refuges but even if they succeed in forcing the drilling to begin, any oil found there will not have any effect on the domestic energy supply for 5 or even 10 years.

While we take the time that is necessary to debate long-term energy policy, a foot of snow remains on the ground in Boston today. The cold weather brings immediate needs to families and small businesses, including many who work in the transportation industry. These needs cannot and should not continue be ignored. Unless Congress acts now, many families will suffer in the cold through the remainder of the winter, they will endure the summer's heat without respite, and they will be the first to feel the effects of any destabilization in the larger economy.

Especially as Congress acts to weaken the bankruptcy protections available to low-income consumers, it must account for their legitimate short-term energy needs. This amendment accomplishes this work in a straightforward way, by: increasing authorized funding for the Low Income Home Energy Assistance Program, the Weatherization Assistance Program, and State Energy Grants; expanding state options for providing energy assistance to any family earning under 200 percent of poverty; and requiring the federal government to lead by example in all manners of energy conservation.

The fact that we cannot solve all of the Nation's energy problems overnight does not excuse us from doing what we know works to protect families in the near term. The sponsors of this amendment are clear that a strong safety net for low-income working families, conservation, and energy efficiency are actions that can and must be taken immediately in response to the energy difficulties that we all know consumers throughout the Nation are facing today.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the Senator for his concern about energy policy in America. I share that. Those of us who worked for 4 years on the bankruptcy bill know that we need to remain focused on this bill.

I hope there is some way we can avoid having an energy debate delay our ability to bring to a conclusion the bill that is before us today, the bankruptcy legislation. To date, we have been pretty good about that. People are bringing their amendments down. They have been relevant amendments for the most part. Some have not been very relevant but at least arguably relevant. I think this one is particularly nongermane to the matter before us.

I want to say with regard to energy policy, it has been obvious to me for some time that this Nation has been operating within a rosy scenario. We have blithely gone along, even though we have so much more superior technology today and are so much more capable of producing energy without any environmental damage, virtually no environmental damage, and at the same time we have been declaring time and time again that we will not allow energy reserves to be produced.

One of the reasons is there is a group in this country that favors high energy prices. This is a no-growth group that is not in the mainstream. But every time there is an opportunity to bring on a new supply of energy, they object. It is their joy when prices go up because they think somehow that will cause people to burn less fuel and emit less pollutants. They are not concerned the average family in Alabama 2½ years ago maybe spending $100 a month for their gasoline bill for their automobile and now spending $150 is because we allowed ourselves to become increasingly dependent on foreign oil.

Those OPEC nations got together and politically jacked up the price by withholding supplies. They are not concerned we can't bring nuclear power on line. That has been blocked in any number of different ways leaving us now totally dependent for new electricity generation on natural gas which places electric generation in competition with homeowners. And we are seeing huge increases in natural gas prices in my State.

I see the Senator from Maryland. Is he prepared to speak on the bankruptcy bill?

Mr. SARBANES. I want to speak with respect to an amendment that was offered a short while ago and is still pending before the body.

Mr. SESSIONS. I would be delighted to yield to him, Mr. President, because he will be speaking on a pending bankruptcy amendment.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Maryland is recognized.

AMENDMENT NO. 25

Mr. SARBANES. Mr. President, I rise to speak in favor of the amendment offered just a short while ago by my very able colleague from New York, Senator SCHUMER, which I cosponsored. I thank Senator SCHUMER for his leadership on this amendment which seeks to ensure—there is some ambiguity—that the claims and defenses that would have existed with respect to a predatory loan will survive at sale or loan and passage through a bankruptcy proceeding.

Last year, just to illustrate the dimensions of this problem, the New York Times and ABC News broke a story about a company called First Alliance Corporation. First Alliance was a predator mortgage lender which engaged in deceptive and fraudulent practices.

Like many predatory lenders, First Alliance targeted elderly homeowners, many of whom were ill, for the hard sell. In fact, First Alliance developed a script for its lending staff called "The Track," which detailed a set of tricks that could be used to distract and deceive trusting homeowners. Indeed, according to press accounts, a California appeals court found that First Alliance "trained its employees to use various methods, including deception, to sell its services."

This guidebook to deception is only part of the story. Loan officers did not disclose, as required by the Truth in Lending Act, the true costs of the loan. Even where the documents told the true story, the loan officers would lie to the customer about the meaning of the documents.

This is not an idle or empty accusation. This is not speculation. One customer of First Alliance taped her conversation with a loan officer to play for her husband later on because she had become so confused by the transaction. So we know these violations occur.

Over time, a number of State attorneys general started investigating First Alliance, and a growing number of victims of these practices brought suit.

Under the Truth in Lending Act and State fraud and other statutes, the victims have the right to seek redress that makes them whole and in some cases to collect damages. Under threat from many such lawsuits, First Alliance declared bankruptcy. In other words, the company that had engaged in these practices, which was now being called to account for those practices by the State attorneys general and by those people victimized—utilizing the Truth in Lending Act, and State fraud and other statutes—that company declared bankruptcy. Other subprime predatory lenders engaging in similar practices have sought the protection of bankruptcy courts as the suits have piled up. A number of these firms have sold their loan portfolios, or the servicing rights to their loans, in their bankruptcy proceedings.

What this amendment would do is it would ensure that the claims that rest against these deceptive and fraudulent loans would survive the bankruptcy process. It is arguable that that is what existing law provides, but it is not altogether clear. This seeks to make that crystal clear.

The amendment is necessary because some are now advancing the argument that going through bankruptcy is essentially equivalent to laundering the loan; in other words, what was dirty going into the bankruptcy proceeding comes out clean. But of course what that means is that innocent homeowners who sought a loan, homeowners who were tricked and lied to, homeowners who have legitimate claims to relief under existing law, might end up without a remedy and might end up losing their homes.

Indeed, one could argue that the current ambiguity encourages these lenders to go into bankruptcy. If bankruptcy results in these loans being laundered—cleaned up—then those loans, those assets, become more valuable after bankruptcy than they were before. If you can pass them through that process and, in effect, block out the victims from seeking the remedies to which existing law entitles them, then the asset is more valuable if it passes through the bankruptcy proceeding.

Obviously, anyone stopping to think about this, even for a moment, would conclude that this is wrong. If a consumer has a legitimate claim because a loan was made without complying with the law, that consumer should be able to pursue the claim regardless of whether the company that made the loan went through bankruptcy or not.

Indeed, one of the arguments that was used earlier today in the debate, in opposing the amendment that was offered by Senator DURBIN, was that remedies against predatory, fraudulent, and unfair loans already exist in the law today. That argument was used to say that the Durbin amendment was not necessary. The fact of the matter is, if we want to ensure that such protections do in fact exist and that they are not wiped out by the bankruptcy proceeding, we need to adopt this amendment.

Let me make one final point. This amendment does not create any new causes of action or create liability where none currently exists. All it does is, it simply maintains the same claim against the loan on both sides of the bankruptcy process. So it precludes using the bankruptcy process to wipe out these claims and remedies that are available to the consumer because the lender has engaged in predatory and fraudulent practices.

I am very frank to say to you I think it is a small but significant step to providing victims of predatory lending the opportunity to obtain a measure of relief with respect to the exploitation that has been practiced upon them.

I urge the adoption of the amendment which Senator SCHUMER offered just a short while ago and which is pending at the desk along with, as I understand it, a number of other amendments which will be voted upon later in our proceedings.

Mr. President, I yield the floor.

Mr. SESSIONS. Will the Senator yield?

Mr. SARBANES. Certainly.

Mr. SESSIONS. I know the Senator is a distinguished member of the Banking Committee and understands these matters far better than I. But this deals with a situation in which a lending institution violated the law in making certain loans and was subject to lawsuit; is that right?

Mr. SARBANES. That is right. First of all, let me make very clear, the number of institutions engaged in these kinds of practices is limited. They are the worst of the bunch. The responsible people in the industry do not want these people engaged in these kinds of practices.

But, unfortunately, there are people who are really engaged in essentially what is a ripoff. And there are some existing protections against some practices that are provided in the law, in the Truth in Lending Act at the Federal level and in State fraud statutes, so that the victims can bring suit and obtain a remedy with respect to the way they have been exploited by a loan.

All this amendment says if those kinds of business enterprises which have engaged in this practice declare bankruptcy, they then cannot use the bankruptcy proceeding to, in effect, erase those claims—in other words, take what is a dirty asset, or a dirty loan, into bankruptcy and bring it out on the other side as a clean loan where you then say to the consumer: It's too bad, you just can't get any recourse because this loan has gone through the bankruptcy process.

So this would maintain the consumer's rights that he had going into the bankruptcy on the other side. It does not add to those rights. Those rights are defined by existing law—Federal and State—so it would not substantively expand the recourse, but procedurally it would maintain the existing remedies.

Mr. SESSIONS. I think I understand the goal. And I am sympathetic to that. I guess we are wrestling with the question, Would it simply come down to the fact that you are telling the borrowers who have been abused that if they are not able to make their claim, before or while the case is in bankruptcy, against that bankrupt estate, under current law it is lost, but under your law they could make their claim against whoever bought or purchased the loan?

We can talk about it later. We don't want to make assets unsalable.

Mr. SARBANES. They declare bankruptcy and then they sell these loan portfolios or the servicing rights to the loans, often in the course of the bankruptcy proceedings. If you allow that to happen, then you have an incentive for these companies to use the bankruptcy proceeding as a way of cleaning up their loans. So they go into bankruptcy, they use the bankruptcy proceeding to sell them off to somebody, but the victim has no recourse. We are saying if it goes in as a predatory fraudulent loan, the person who has been victimized ought not to lose his remedy because they can wash it through the bankruptcy proceeding.

Mr. SESSIONS. Does the amendment make any difference between a reorganization and a liquidation circumstance?

Mr. SARBANES. I don't think it does. I would have to doublecheck and let the Senator know.

Mr. SESSIONS. Is the Senator aware of how this could affect Fannie Mae or any of those type loans?

Mr. SARBANES. Any purchaser of such loans would have to be on guard because they would not be able to take them free and clear because the claims would stay with the loan.

Mr. SESSIONS. They would be less valuable as an asset to sell.

Mr. SARBANES. Potentially.

Mr. SESSIONS. I think I am beginning to comprehend it. I know there are very delicate issues involved in these matters. It may well be the Senator has an amendment that would benefit us. I will be glad to look at it.

Mr. SARBANES. I thank the Senator.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. The Bingaman amendment No. 28 is now pending.

AMENDMENT NO. 20

Mr. LEAHY. Mr. President, I ask unanimous consent that that be set aside and I be allowed to call up amendment No. 20 introduced earlier this morning on current monthly income.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 20.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 20) is as follows:

(Purpose: To resolve an ambiguity relating to the definition of current monthly income)

On page 18, beginning on line 9, strike "preceding the date of determination" and insert "ending on the last day of the calendar month immediately preceding the date of the bankruptcy filing".

Mr. LEAHY. Mr. President, this amendment clarifies when a debtor's current monthly income should be measured. The debtor's current monthly income is the cornerstone of the bill's means test provision which has become quite controversial. Whether one supports or opposes the means test, I think everybody should agree, for or against it, that it ought to be as clearly drafted as possible.

Assuming that passed as it is now, my amendment would avoid what I think would be unnecessary future litigation or would clarify that currently monthly income is measured from the last day of the calendar month immediately preceding the bankruptcy filing.

Allow me tell you what this means. Under the bill's current language, currently monthly income could be the 6-month period ending on the date the debtor's schedules were prepared, which could be a substantial time before the case was filed, or it could be the filing date, or it could be some later date, such as the time of a hearing on a motion to convert or dismiss the case based on the debtor's ability to pay. So it becomes a moving target.

Since accuracy of the schedules is of vital importance and subject to audit, it is important that debtors and their counsel be given clear direction as to the time on which income must be averaged. My amendment would resolve the ambiguity so as to deal with full calendar months of income data and to give a cutoff date prior to the bankruptcy filing. As amended, this definition would apply to average monthly income derived during the 6-month period ending on the last day of the calendar month immediately preceding the bankruptcy filing. Everybody would know where we are.

That is a relatively simple amendment. I think actually if one looks back on this, it would seem to be a drafting error. That is why I brought it up earlier this morning: more to improve the bill so we are not stuck with a bill that, if it does pass, we find ourselves litigating for the next year or two on issues none of us intended, whether for or against the bill.

That is what it is. I hope Senators will take a look at it.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 29 TO AMENDMENT NO. 20

Mr. CONRAD. Mr. President, I send to the desk an amendment in the second degree.

The PRESIDING OFFICER. The clerk will report.

Mr. SESSIONS. Mr. President, I object.

The PRESIDING OFFICER. The Senator has that right.

The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 29 to amendment No. 20.

Mr. SESSIONS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. CONRAD. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue the reading of the amendment.

The legislative clerk continued the reading of the amendment.

Mr. CONRAD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. SESSIONS. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue the reading of the amendment.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 29) is as follows:

(Purpose: To establish an off-budget lockbox to strengthen Social Security and Medicare)

At the end of the amendment No. 20 insert the following:

TITLE —SOCIAL SECURITY AND MEDICARE OFF-BUDGET LOCKBOX ACT OF 2001

SEC. 01. SHORT TITLE.

This title may be cited as the "Social Security and Medicare Off-Budget Lockbox Act of 2001".

SEC. 02. STRENGTHENING SOCIAL SECURITY POINTS OF ORDER.

(a) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

"(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section

13301 of the Budget Enforcement Act of 1990.".

(b) SUPER MAJORITY REQUIREMENT.—

(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(c) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—

(1) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking "for the fiscal year" through the period and inserting "for each fiscal year covered by the resolution"; and

(2) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with "for the first fiscal year" through the period and insert the following: "for any of the fiscal years covered by the concurrent resolution.".

SEC. 03. MEDICARE TRUST FUND OFF-BUDGET.

(a) IN GENERAL.—

(1) GENERAL EXCLUSION FROM ALL BUDGETS.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS

"SEC. 316. (a) EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Hospital Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

"(1) the budget of the United States Government as submitted by the President;

"(2) the congressional budget; or

"(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

"(b) STRENGTHENING MEDICARE POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend this section.".

(2) SUPER MAJORITY REQUIREMENT.—

(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".

(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".

(b) EXCLUSION OF MEDICARE TRUST FUND FROM CONGRESSIONAL BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by adding at the end the following: "The concurrent resolution shall not include the outlays and revenue totals of the Federal Hospital Insurance Trust Fund in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title."

(c) BUDGET TOTALS.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by inserting after paragraph (7) the following:

"(8) For purposes of Senate enforcement under this title, revenues and outlays of the Federal Hospital Insurance Trust Fund for each fiscal year covered by the budget resolution.".

(d) BUDGET RESOLUTIONS.—Section 301(i) of the Congressional Budget Act of 1974 (2 U.S.C. 632(i)) is amended by—

(1) striking "SOCIAL SECURITY POINT OF ORDER.—It shall" and inserting "SOCIAL SECURITY AND MEDICARE POINTS OF ORDER.—"(1) SOCIAL SECURITY.—It shall"; and

(2) inserting at the end the following:

"(2) MEDICARE.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any of the fiscal years covered by the concurrent resolution.".

(e) MEDICARE FIREWALL.—Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C. 642(a)) is amended by adding after paragraph (3), the following:

"(4) ENFORCEMENT OF MEDICARE LEVELS IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any year relative to the levels set forth in the applicable resolution.".

(f) BASELINE TO EXCLUDE HOSPITAL INSURANCE TRUST FUND.—Section 257(b)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "shall be included in all" and inserting "shall not be included in any".

(g) MEDICARE TRUST FUND EXEMPT FROM SEQUESTERS.—Section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:

"Medicare as funded through the Federal Hospital Insurance Trust Fund.".

(h) BUDGETARY TREATMENT OF HOSPITAL INSURANCE TRUST FUND.—Section 710(a) of the Social Security Act (42 U.S.C. 911(a)) is amended—

(1) by striking "and" the second place it appears and inserting a comma; and

(2) by inserting after "Federal Disability Insurance Trust Fund" the following: ", Federal Hospital Insurance Trust Fund".

SEC. 04. PREVENTING ON-BUDGET DEFICITS.

(a) POINTS OF ORDER TO PREVENT ON-BUDGET DEFICITS.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by adding at the end the following:

"(h) POINTS OF ORDER TO PREVENT ON-BUDGET DEFICITS.—

"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would cause or increase an on-budget deficit for any fiscal year.

"(2) SUBSEQUENT LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(A) the enactment of that bill or resolution as reported;

"(B) the adoption and enactment of that amendment; or

"(C) the enactment of that bill or resolution in the form recommended in that conference report,

would cause or increase an on-budget deficit for any fiscal year.".

(b) SUPER MAJORITY REQUIREMENT.—

(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".

(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".

Mr. SESSIONS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 26

Mr. BOND. Mr. President, I thank my colleagues for allowing me to go forward. I apologize. We have several markups going on today, and I was unable to be here to discuss the small business bankruptcy provision.

My colleague and friend, Senator KERRY of Massachusetts, offered an amendment which would delete the small business changes in chapter 11 and replace them with a study of the factors that cause small businesses to enter into bankruptcy and any changes to chapter 11 that might be appropriate.

At first blush, the amendment would not appear to be a problem. Senator KERRY and I have worked together in the Small Business Committee on many things over the years. We take a great deal of pride in the fact that assisting small business has generally received overwhelming bipartisan support in this body.

I find some problems with the amendment and with the proposal requested by the distinguished Senator from Massachusetts because the report that he seeks actually has already occurred. Approximately 4 years ago, the National Bankruptcy Review Commission conducted a wide-ranging study of how well the bankruptcy code was working. There was a small business working group on the commission that looked particularly at chapter 11 and made an assessment of how well the chapter was serving small business debtors and creditors.

The small business provisions in this bill are a result of that study, that work, and the recommendations of the working group of that commission.

Let's remember that under chapter 11, the debtor is still managing a business during the bankruptcy proceeding. The small business working group found that in too many small business cases, there are no strong creditors committees to oversee how the debtors are managing the company, and the courts are not doing an adequate job of overseeing the debtors.

As a result, the working group noted that chapter 11 debtors often lived under the protection of the bankruptcy code literally for years, often without providing any meaningful return to unsecured creditors and diminishing their assets in the process. Accordingly, the commission recommended chapter 11 be amended in two principal ways.

First, there should be standard reports filed with the courts on a regular basis so that courts can follow how a debtor is progressing in bankruptcy.

Second, there should be presumptive plan filing and plan confirmation deadlines specifically tailored to fit the needs of small business cases. If these deadlines cannot be met, the commission recommended that the bankruptcy court hold a factfinding hearing. In that hearing, the court can look at all the evidence and determine whether a small business is likely to be able to confirm a plan of reorganization within a reasonable period of time.

The intent of the provisions is not to eliminate a small business' ability to reorganize or to place restrictive requirements on it. It is merely a procedure that would permit courts to review on a regular basis the progress of a small business attempting to reorganize so that the court can step in if it appears that the small business does not have a realistic ability to reorganize.

The establishment of such a process is important for small business. First, the small business provisions establish standard disclosure statements and debtor reporting requirements that will assist small businesses entering chapter 11. These provisions have been widely supported as dramatically improving the chapter 11 process with small business debtors. Standard requirements will get rid of what is now a costly burden on small business debtors to draft from scratch a reorganizing plan and a prospectus-type disclosure statement.

In other words, what is in the bill, what would be stricken by this amendment, actually does simplify the process significantly for the small business.

One must remember that small businesses are on both sides of bankruptcies in this country; they are both creditors and debtors. Small business creditors are significantly harmed if their fellow small business debtors, who do not have a realistic opportunity to reorganize, languish in bankruptcy while their assets deteriorate. These small business creditors will receive significantly less on their claims and are substantially harmed.

One of the most important points I can make on this is, if there is no protection for small business creditors, then there is likely to be no credit for small businesses. Let us go back and think about that a minute.

If a small business that gets into trouble cannot go into bankruptcy, and if there is no means for the creditor to realize something from the assets of the debtor or get some reasonable plan of accommodation, then the creditor, the lender, is at risk of losing perhaps the entire loan to the small business. That is why I say if you do not have a reasonable bankruptcy procedure, then you are going to curtail the availability of credit.

We have seen in other countries where they do not have good bankruptcy provisions that treat fairly the debtors, the creditors, and all other interested parties, and they have a very difficult time getting credit for the businesses.

The committee has worked hard, following the commission to study bankruptcy and the work of the small business working group, to come up with provisions that are reasonable. These provisions in this bill are designed to facilitate the proceeding without imposing undue burdens. That is why I am advised that the National Federation of Independent Businesses, the National Association of Credit Managers, and the U.S. Chamber of Commerce oppose this amendment.

They recognize if you inhibit the ability of small business creditors to get relief, you will make it much less likely that creditors supply the credit for small business needs.

Lastly, I point out that Congress has approved these provisions several times. These provisions have been in the bankruptcy bill in one form or another since the 105th Congress and have been amended during that time. My colleague from Massachusetts amended the provisions last Congress significantly to increase the amount of time a small business has to file a reorganization plan under chapter 11.

I hope we can all agree we need an approach that is balanced between small business debtors and creditors. We should permit every small business that gets into credit trouble to have the ability to reorganize. That is what these provisions are intended to do. That is why I ask my colleagues to oppose this amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. SESSIONS. I object.

The PRESIDING OFFICER. The objection is heard. The clerk will continue to call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I ask unanimous consent that amendment No. 29 be modified to be considered a first-degree amendment and laid aside.

I further ask consent that it now be in order for Senator SESSIONS to offer an amendment relating to lockbox, and that following the reporting by the clerk, Senator CONRAD be recognized, and following his remarks, Senator DOMENICI, or his designee be recognized. I further ask consent that no amendments be in order to either amendment, and that following Monday's debate the amendments be laid aside until the hour of 2:15 p.m. on Tuesday, and there be 30 minutes for closing remarks on the issue to be equally divided in the usual form on Tuesday.

I further ask consent that the Senate proceed to a vote in relation to amendment No. 29, to be followed by a vote in relation to the second lockbox amendment, beginning at 2:45 p.m. Tuesday.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, I say to the acting leader, the manager of the bill—I have a couple points of clarification. We are concerned about being in session Friday. I understand the leader is not available. We hope that we can work that out prior to when we close tonight because Senator CONRAD wants to be able to talk on this amendment tomorrow, in addition to Monday.

It is my understanding there will be a separate agreement later today to stack some votes Tuesday morning on the amendments that are now pending; is that right?

Mr. SESSIONS. If we can get an overall agreement, which we have been seeking, an agreed-upon list of amendments, which has not yet been forthcoming, which is critical to final disposition of this bill.

Mr. REID. I am quite confident by the end of the vote we will be able to have a finite list of amendments to give to you and the leader. The last thing: Is this going to be the last vote of the day? We have had a number of inquiries in the Cloakroom.

Mr. SESSIONS. I think it hinges on the same problem. If we don't have on overall agreement, there might be more votes.

Mr. REID. That sounds pretty weak. On behalf of Senator LEAHY, we are doing our best to move this legislation along. We appreciate the cooperation of the majority in allowing this matter to go forward on this basis. We feel with the time we have spent doing this, we could have gone forward with the amendment and be at the same place we are. Having said that, we have no objection to the unanimous consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 29, as modified, is as follows:

AMENDMENT NO. 29, AS MODIFIED

(Purpose: To establish an off-budget lockbox to strengthen Social Security and Medicare)

At the end of the bill insert the following:

TITLE XX—SOCIAL SECURITY AND MEDICARE OFF-BUDGET LOCKBOX ACT OF 2001

SEC. 01. SHORT TITLE.

This title may be cited as the "Social Security and Medicare Off-Budget Lockbox Act of 2001".

SEC. 02. STRENGTHENING SOCIAL SECURITY POINTS OF ORDER.

(a) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

"(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.".

(b) SUPER MAJORITY REQUIREMENT.—

(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(c) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—

(1) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking "for the fiscal year" through the period and inserting "for each fiscal year covered by the resolution"; and

(2) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with "for the first fiscal year" through the period and insert the following: "for any of the fiscal years covered by the concurrent resolution.".

SEC. 03. MEDICARE TRUST FUND OFF-BUDGET.

(a) IN GENERAL.—

(1) GENERAL EXCLUSION FROM ALL BUDGETS.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS

"SEC. 316. (a) EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Hospital Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

"(1) the budget of the United States Government as submitted by the President;

"(2) the congressional budget; or

"(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

"(b) STRENGTHENING MEDICARE POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend this section.".

(2) SUPER MAJORITY REQUIREMENT.—

(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".

(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".

(b) EXCLUSION OF MEDICARE TRUST FUND FROM CONGRESSIONAL BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by adding at the end the following: "The concurrent resolution shall not include the outlays and revenue totals of the Federal Hospital Insurance Trust Fund in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title."

(c) BUDGET TOTALS.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by inserting after paragraph (7) the following:

"(8) For purposes of Senate enforcement under this title, revenues and outlays of the Federal Hospital Insurance Trust Fund for each fiscal year covered by the budget resolution.".

(d) BUDGET RESOLUTIONS.—Section 301(i) of the Congressional Budget Act of 1974 (2 U.S.C. 632(i)) is amended by—

(1) striking "SOCIAL SECURITY POINT OF ORDER.—It shall" and inserting "SOCIAL SECURITY AND MEDICARE POINTS OF ORDER.—

"(1) SOCIAL SECURITY.—It shall"; and

(2) inserting at the end the following:

"(2) MEDICARE.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any of the fiscal years covered by the concurrent resolution.".

(e) MEDICARE FIREWALL.—Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C. 642(a)) is amended by adding after paragraph (3), the following:

"(4) ENFORCEMENT OF MEDICARE LEVELS IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any year relative to the levels set forth in the applicable resolution.".

(f) BASELINE TO EXCLUDE HOSPITAL INSURANCE TRUST FUND.—Section 257(b)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "shall be included in all" and inserting "shall not be included in any".

(g) MEDICARE TRUST FUND EXEMPT FROM SEQUESTERS.—Section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:

"Medicare as funded through the Federal Hospital Insurance Trust Fund.".

(h) BUDGETARY TREATMENT OF HOSPITAL INSURANCE TRUST FUND.—Section 710(a) of the Social Security Act (42 U.S.C. 911(a)) is amended—

(1) by striking "and" the second place it appears and inserting a comma; and

(2) by inserting after "Federal Disability Insurance Trust Fund" the following: ", Federal Hospital Insurance Trust Fund".

SEC. 04. PREVENTING ON-BUDGET DEFICITS.

(a) POINTS OF ORDER TO PREVENT ON-BUDGET DEFICITS.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by adding at the end the following:

"(h) POINTS OF ORDER TO PREVENT ON-BUDGET DEFICITS.—

"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would cause or increase an on-budget deficit for any fiscal year.

"(2) SUBSEQUENT LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(A) the enactment of that bill or resolution as reported;

"(B) the adoption and enactment of that amendment; or

"(C) the enactment of that bill or resolution in the form recommended in that conference report, would cause or increase an on-budget deficit for any fiscal year.".

(b) SUPER MAJORITY REQUIREMENT.—

(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".

(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".

Mr. SESSIONS. Mr. President, I ask unanimous consent that a vote occur in relation to the Kerry amendment No. 26 relative to small business at 3:30 p.m. today and that no second-degree amendments or further debate be in order prior to the vote.

Finally, I ask consent that there be 10 minutes equally divided in the usual form prior to the vote in relation to the Kerry amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 32

Mr. SESSIONS. Mr. President, I send to the desk an amendment to establish a procedure to safeguard the surpluses of the Social Security and Medicare hospital insurance trust fund.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 32.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To establish a procedure to safeguard the surpluses of the Social Security and Medicare hospital insurance trust funds)

At the end of the bill insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security and Medicare Lock-Box Act of 2001."

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the Balanced Budget Act of 1997 and strong economic growth have ended decades of deficit spending;

(2) the Government is able to meet its current obligations without using the social security and medicare surpluses;

(3) fiscal pressures will mount as an aging population increases the Government's obligations to provide retirement income and health services;

(4) social security and medicare hospital insurance surpluses should be used to reduce the debt held by the public until legislation is enacted that reforms social security and medicare;

(5) preserving the social security and medicare hospital insurance surpluses would restore confidence in the long-term financial integrity of social security and medicare; and

(6) strengthening the Government's fiscal position through debt reduction would increase national savings, promote economic growth, and reduce its interest payments.

(b) PURPOSE.—It is the purpose of this Act to—

(1) prevent the surpluses of the social security and medicare hospital insurance trust

funds from being used for any purpose other than providing retirement and health security; and

(2) use such surpluses to pay down the national debt until such time as medicare and social security legislation is enacted.

SEC. 3. PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.

(a) PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"LOCK-BOX FOR SOCIAL SECURITY AND HOSPITAL INSURANCE SURPLUSES

"SEC. 316. (a) LOCK-BOX FOR SOCIAL SECURITY AND HOSPITAL INSURANCE SURPLUSES.—

"(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—

"(A) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or an amendment thereto or conference report thereon, that would set forth a surplus for any fiscal year that is less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year.

"(B) EXCEPTION.—(i) Subparagraph (A) shall not apply to the extent that a violation of such subparagraph would result from an assumption in the resolution, amendment, or conference report, as applicable, of an increase in outlays or a decrease in revenue relative to the baseline underlying that resolution for social security reform legislation or medicare reform legislation for any such fiscal year.

"(ii) If a concurrent resolution on the budget, or an amendment thereto or conference report thereon, would be in violation of subparagraph (A) because of an assumption of an increase in outlays or a decrease in revenue relative to the baseline underlying that resolution for social security reform legislation or medicare reform legislation for any such fiscal year, then that resolution shall include a statement identifying any such increase in outlays or decrease in revenue.

"(2) SPENDING AND TAX LEGISLATION.—

"(A) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(i) the enactment of that bill or resolution, as reported;

"(ii) the adoption and enactment of that amendment; or

"(iii) the enactment of that bill or resolution in the form recommended in that conference report.

would cause the surplus for any fiscal year covered by the most recently agreed to concurrent resolution on the budget to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to social security reform legislation or medicare reform legislation.

"(b) ENFORCEMENT.—

"(1) BUDGETARY LEVELS WITH RESPECT TO CONCURRENT RESOLUTIONS ON THE BUDGET.—For purposes of enforcing any point of order under subsection (a)(1), the surplus for any fiscal year shall be—

"(A) the levels set forth in the later of the concurrent resolution on the budget, as reported, or in the conference report on the concurrent resolution on the budget; and

"(B) adjusted to the maximum extent allowable under all procedures that allow budgetary aggregates to be adjusted for legislation that would cause a decrease in the surplus for any fiscal year covered by the concurrent resolution on the budget (other than procedures described in paragraph (2)(A)(ii)).

"(2) CURRENT LEVELS WITH RESPECT TO SPENDING AND TAX LEGISLATION.—

"(A) IN GENERAL.—For purposes of enforcing subsection (a)(2), the current levels of the surplus for any fiscal year shall be—

"(i) calculated using the following assumptions—

"(I) direct spending and revenue levels at the baseline levels underlying the most recently agreed to concurrent resolution on the budget; and

'(II) for the budget year, discretionary spending levels at current law levels and, for outyears, discretionary spending levels at the baseline levels underlying the most recently agreed to concurrent resolution on the budget; and

"(ii) adjusted for changes in the surplus levels set forth in the most recently agreed to concurrent resolution on the budget pursuant to procedures in such resolution that authorize adjustments in budgetary aggregates for updated economic and technical assumptions in the mid-session report of the Director of the Congressional Budget Office. Such revisions shall be included in the first current level report on the congressional budget submitted for publication in the Congressional Record after the release of such mid-session report.

"(B) BUDGETARY TREATMENT.—Outlays (or receipts) for any fiscal year resulting from social security or medicare reform legislation in excess of the amount of outlays (or less than the amount of receipts) for that fiscal year set forth in the most recently agreed to concurrent resolution on the budget or the section 302(a) allocation for such legislation, as applicable, shall not be taken into account for purposes of enforcing any point of order under subsection (a)(2).

"(3) DISCLOSURE OF HI SURPLUS.—For purposes of enforcing any point of order under subsection (a), the surplus of the Federal Hospital Insurance Trust Fund for a fiscal year shall be the levels set forth in the later of the report accompanying the concurrent resolution on the budget (or, in the absence of such a report, placed in the Congressional Record prior to the consideration of such resolution) or in the joint explanatory statement of managers accompanying such resolution.

"(c) ADDITIONAL CONTENT OF REPORTS ACCOMPANYING BUDGET RESOLUTIONS AND OF JOINT EXPLANATORY STATEMENTS.—The report accompanying any concurrent resolution on the budget and the joint explanatory statement accompanying the conference report on each such resolution shall include the levels of the surplus in the budget for each fiscal year set forth in such resolution and of the surplus or deficit in the Federal Hospital Insurance Trust Fund, calculated using the assumptions set forth in subsection (b)(2)(A).

"(d) DEFINITIONS.—As used in this section:

"(1) The term 'medicare reform legislation' means a bill or a joint resolution to save Medicare that includes a provision stating the following: 'For purposes of section 316(a) of the Congressional Budget Act of 1974, this Act constitutes medicare reform legislation.

"(2) The term 'social reform legislation' means a bill or a joint resolution to save social security that includes a provision stating the following: 'For purposes of section 316(a) of the Congressional Budget Act of 1974, this Act constitutes social security reform legislation.'.

"(e) WAIVER AND APPEAL.—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

"(f) EFFECTIVE DATE.—This section shall cease to have any force or effect upon the enactment of social security reform legislation and medicare reform legislation."

(b) CONFORMING AMENDMENT.—The item relating to section 316 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 316. Lock-box for social security and hospital insurance surpluses.".

SEC. 4. PRESIDENT'S BUDGET.

(a) PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.—If the budget of the United States Government submitted by the President under section 1105(a) of title 31, United States Code, recommends an on-budget surplus for any fiscal year that is less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, then it shall include a detailed proposal for social security reform legislation or medicare reform legislation.

(b) EFFECTIVE DATE.—Subsection (a) shall cease to have any force or effect upon the enactment of social security reform legislation and medicare reform legislation as defined by section 316(d) of the Congressional Budget Act of 1974.

AMENDMENT NO. 29, AS MODIFIED

The PRESIDING OFFICER. Under the order, the Senator from North Dakota is recognized next.

Mr. CONRAD. Mr. President, the amendment I have sent to the desk is an amendment to provide protection to both the Social Security trust fund surplus and the Medicare Hospital Insurance Trust Fund surplus. Mr. President, this is legislation I offered last year that passed the Senate on a bipartisan basis with 60 votes.

I hope that again this year we can send a very strong signal in this body that we fully intend to protect the Social Security and Medicare trust funds; that we intend to establish a lockbox to wall off those trust funds from being used for any other purpose; that we would assure the American people that the Social Security trust fund and the Medicare Trust Fund will not be raided, will not be used for other spending, will not be used for any other purpose, will not be used for a tax cut; that we will assure those who are the beneficiaries of Social Security and Medicare—those who make payments to those programs—that the money they have paid in will be used for the purposes intended.

This amendment, very simply, takes the Medicare Hospital Insurance trust fund completely off budget the same way we have protected the Social Security fund. It would add points of order to ensure that neither Social Security nor Medicare surpluses could be used for any other purpose.

As you know, Social Security is already off budget. This amendment would treat the Medicare Trust Fund the same way as we already treat the Social Security trust funds. It would also create points of order against any legislation that would reduce the Medicare Hospital Insurance trust fund surpluses. Similar points of order already apply to Social Security.

In addition, the amendment strengthens existing rules that protect Social Security. For example, we establish a point of order protecting Social Security's off-budget status. Our amendment also includes a point of order protecting Social Security surpluses in every year covered by a budget resolution, which is a strengthening over current law. Again, this is largely, almost entirely, the amendment that passed the Senate Chamber last year with 60 votes, and it was a strong bipartisan vote.

Many of us believe we should not raid the Social Security and Medicare trust funds, period. Ninety-eight Senators voted last year in favor of this principle; 60 voted for my proposal; I believe over 50 voted for Senator Ashcroft's proposal. But when you looked at the vote, 98 Senators voted for one or the other. I ask my colleagues to again endorse that principle.

Again, if we look at the specifics, it protects Social Security surpluses in each and every year. It takes the Medicare Hospital Insurance trust fund off budget. It gives Medicare the same protections as Social Security, and it contains strong enforcement. That is precisely what we offered last year. That is precisely what passed last year. I hope we don't take a step backward this year and water down these protections.

Now, some have said if we save both the Social Security and Medicare trust fund surpluses that we will get into excess cash buildup between now and the end of this 10-year budget forecast period. Let me just indicate, as this chart shows, we can save all of the Social Security surplus, and all of the Medicare Hospital Insurance surplus, and not have any cash buildup problem until out in the year 2010. So we don't have a problem for 9 years of any cash buildup, no problem at all until the year 2010. So we have plenty of time to respond to that, if, indeed, it ever develops.

As we all know, this is based on a 10-year forecast. It is a forecast that may come true, and may not come true.

We are all working off a CBO projection that is a 10-year projection, which the forecasting agency itself tells us only has a 10-percent chance of coming through—10 percent. When we use this figure, $5.6 trillion surplus over the next 10 years, the forecasting agency has told us that only has a 10-percent chance of coming true. There is a 45-percent chance it will be more; there is a 45-percent chance it will be less. The only prudent thing to do in those circumstances is to bet that it may well be less because if, in fact, we overestimate, that has very serious implications of putting us back into deficit.

Speaker HASTERT said this about the House lockbox bill:

> We are going to wall off Social Security trust funds and Medicare trust funds and consequently, we pay down the public debt when we do that. . . . So we are going to continue to do that. That's in the parameters of our budget, and we are not going to dip into that at all.

Unfortunately, the version that passed the House has an enormous trapdoor in it. They say they are walling off Social Security, they say they are walling off Medicare, but then when you read the fine print, you find out they do not really intend to do that at all. They are fully prepared to dip into those trust funds for other purposes. Our amendment prevents that.

If we do not protect the Medicare surplus, we will reduce the solvency of the Medicare Hospital Insurance Trust Fund, reversing years of steady progress in shoring up this program.

Let's have a brief history lesson and remind ourselves that in 1992 the Medicare trust fund was projected to become insolvent in the year 2002. That is just 9 years ago. The actuaries studied the program and said we are headed for insolvency in the Medicare program in the year 2002, but by last year, that date was estimated to be 2025, an improvement of 23 years. That is because of actions that were taken in the Congress of the United States to extend the solvency of the Medicare program.

Those efforts have worked, but if we now start to spend from the trust fund, and if we take the $500 billion Medicare Part A trust fund surplus projected for the next 10 years and use it for other purposes, we will make Medicare insolvent by the year 2009, 16 years earlier than is now projected.

Some have argued that since beneficiary premiums only cover 25 percent of Medicare Part B costs, there is a deficit in that part of Medicare. Part B is funded by premiums and by the general fund.

The question before this body is, Do we protect the Hospital Insurance Trust Fund that exists for Medicare in the same way that we protect the trust fund that exists for Social Security?

Last year, overwhelmingly our colleagues said yes: we should provide the same protection to the Medicare trust fund that we provide the Social Security trust fund. I hope we will provide that same protection again this year.

Some say because Part B only has 25 percent of its costs covered by a premium, therefore it is in deficit. That is not what the law says or what the actuaries report, but that is the rhetoric being used by some who want to justify a raid on the Hospital Insurance Trust Fund for Medicare.

They are saying, yes, there is a trust fund for Part A of Medicare and, yes, it is in surplus by $500 billion, but they say Part B only gets 25 percent of its costs covered by premiums; therefore, it is in deficit; therefore, there is no surplus anywhere in Medicare. That is simply false. We know that there is a Hospital Insurance Trust Fund designated in law, and it has $500 billion, according to the Administration.

For those who say because Medicare overall is challenged fiscally, therefore there is no reason to protect the Hospital Insurance Trust Fund, let's just take that money and jackpot it and make it available for other expenditure, make it available for defense, make it available for agriculture, make it available for education, make it available for whatever other worthy purpose somebody might conjure up, make it available for a tax cut. The problem with that is, if you take the trust fund surplus that is in existence today in Medicare and you raid it and you use it for other purposes, you shorten the period of solvency of Medicare and you bankrupt the program. It is that simple. It is robbing Peter to pay Paul. It is digging the ditch deeper before starting to fill it in.

We should not tolerate raiding either the Social Security trust fund or the Medicare trust fund. In the private sector, if anybody tried to raid the retirement funds of a company, if anybody tried to raid the health plans of a company, they would be in violation of Federal law. They would be on their way to a Federal institution. It would not be the Congress of the United States, and it would not be the White House. They would be incarcerated because they would have violated Federal law.

This is a critically important decision that we will make. This is a fundamental decision. Do we protect the Social Security trust fund? Do we protect the Medicare Hospital Insurance Trust Fund or don't we? Do we open the door to a raid on both those funds? I very much hope that the answer in this Chamber, as it was last year, is a resounding no; that we make very clear to any who would raid these trust funds that they are off limits, that they will not be touched, that we are not going to accept using these funds for other purposes. That is what the American people want us to do. That is what we will have an opportunity to do when we vote on this amendment, and we should not take other plans that use the same words but have a trapdoor to them that opens the door to a raid on these trust funds. That would be, I believe, a serious mistake.

One other thing I want to point out about the President's budget that is carefully hidden in the numbers: Although the President claims there is enough in his so-called contingency fund to protect Medicare, in fact that is not the case. In the year 2005, the contingency fund totals $36 billion, but the Medicare trust fund surplus is $47 billion. That means if you protect Medicare under the President's budget, you will be raiding the Social Security trust fund to the tune of $11 billion in that year or you will be in deficit by $11 billion.

I think that is another demonstration that the tax cut offered by the President is so large that it threatens to put us back into deficit, because that is exactly what it does in the year 2005 if you protect Social Security and Medicare. Under the President's budget, we will be back in deficit in the year 2005 if, in fact, we protect the trust funds of Social Security and Medicare.

I believe Senator KERRY is to be recognized for final debate on his amendment. I look forward to talking more about this amendment tomorrow, on Monday and again on Tuesday.

I conclude by saying once more that last year we had a strong bipartisan vote. We had nearly 20 Republican Senators join a group of Senators on this side. We had over 60 votes to protect Social Security and Medicare trust funds. I hope we have a vote that is even stronger this year.

I yield the floor.

AMENDMENT NO. 26

The PRESIDING OFFICER. Under the previous order, the pending amendment is laid aside and there are now 10 minutes equally divided on the Kerry amendment No. 26.

Mr. KERRY. Mr. President, let me address quickly the elements of my amendment which seek to strike the small business provision within this bankruptcy bill. I emphasize to my colleagues, we don't strike it and not do anything; we strike it and ask for a study by the Small Business Administration for the most efficient and effective way of dealing with small business bankruptcies. The reason for that is as follows:

My colleague, Senator GRASSLEY, a little while ago—and I respect enormously the efforts he is making on this bill, and I respect the efforts generally in the Senate to try to reform the bankruptcy code—but Senator GRASSLEY talked about how the Bankruptcy Review Commission voted out the small business provisions. He talked about an 8–1 vote. Let me emphasize to all my colleagues, the vote of the Bankruptcy Review Commission was 8–1 on the entire report. But indeed on the particular provision with respect to small business, the commission was very divided. It was an extraordinarily close vote, 5–4. That 5–4 vote reflected the tension that existed over this question of how to treat small business. There was not a generalized acceptance of their approach.

Second, we in the Senate are just beginning to focus on what the potential impact to small business might be as a consequence of this bill. I emphasize to my colleagues there are two reviews of this bankruptcy effort. One is the commission. But the National Bankruptcy Conference, which is a conference made up of experts, also has weighed in on this bill. The National Bankruptcy Conference has endorsed my approach to this issue of striking the small business sections. In other words, the National Bankruptcy Conference and many of the small business entities of the country believe that what the Senate is about to do is undo some of the things we attempted in the last few years with the small business regulatory reform and all of the efforts we have undertaken to lift from small business in this country undue amounts of paper burden, regulatory burden, government-mandated intrusion.

What we will be doing in this bankruptcy bill is putting back on to small businesses the very kind of burden we have tried to lift. I emphasize the National Bankruptcy Conference endorses my approach, which is to strike this section and ask for a Small Business Administration analysis of what will happen. I remind my colleagues, the number of chapter 11 filings with respect to small business has dramatically decreased over the last decade from 24,000 in 1991 to below 10,000 last year.

The fact is there is no showing whatever on the record that small businesses represent the kind of problem that invites the kind of onerous, intrusive documentation and recordation that is in this legislation.

If small business fails to comply with the new reporting requirements that are in this legislation, then creditors are given entirely new powers, and those powers could force bankruptcy court judges to liquidate small businesses or to completely dismiss their proceedings. This could force many small businesses to expend a huge amount of resources to fend off challenges by any creditor simply for not complying with one of the new burdensome reporting requirements that are put into this legislation.

These requirements place a burden on small mom-and-pop operations that are the lifeblood of the growth of this country. Sixty to eighty percent of the jobs in this country are created by small business, maintained by small business, and almost all the growth in the country. There is no showing that small businesses present the kind of problem with respect to the bankruptcy process that merits this kind of approach.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time in opposition?

Mr. HATCH. Mr. President, the effect of the amendment is to strike section 431 to 445, all of subtitle B of title IV of the bill, the provisions which reform bankruptcies for companies that are "small businesses". A "small business" is a company that, together with its affiliates, has debts under $3,000,000 and is not primarily a real estate owning and operating company, but only if an unsecured creditor's committee has not been appointed. Also propose a Small Business Administration study of bankruptcy and small businesses.

Our present law: Although the Bankruptcy Code now contains provisions on small business bankruptcies, they are optional and rarely used. Present chapter 11 is complicated and expensive for debtors. It is a lawyer's paradise because their services are very necessary. Chapter 11s also tend to be long drawn out affairs, seemingly managed by the professionals to extract the largest possible fees. Small business creditors often complain about the delays and expense of trying to collect debts owed them.

On bill provisions, the bill provides the following reforms:

It creates streamlined, standardized forms so small business bankruptcies can be more cheaply managed by small business debtors. Under present law, a chapter 11 reorganization is made expensive by the need to tailor a plan and disclosure statement, a job done by a highly paid lawyer.

The bill creates nationwide uniform reporting requirements so that chapter 11 cases involving a small business can be standardized, simplifying the procedures debtors must comply with.

The bill standardizes the information a small business must provide to the trustee, like tax returns, schedules, financials and the like.

Debtors must meet plan filing and confirmation time deadline standards, specially developed for small business cases.

The duties of the United States trustee with respect to a small business case are spelled out.

The bill also contains controls on abusive use of chapter 11, like multiple filing of cases and unreasonable delay in resolving the case.

It contains a study of small business bankruptcy by the Small Business Administration.

Requires in single asset real estate company cases that interest be paid to creditors at a certain point in the case.

Provides administrative expense priority to any amount the debtor owes arising from certain real estate lease defaults.

In response, Congress created in 1994 a National Bankruptcy Review Commission to study the bankruptcy laws and suggest reforms, which closely studied small business bankruptcy and recommended reforms. The provisions the Kerry amendment would cut out are the result of those recommendations.

The NBRC found that small business bankruptcies needed reforms in order to benefit both small business debtors and to benefit small businesses when they were creditors. The bill provides the protections and benefits the NBRC recommended.

The amendments streamline bankruptcy for small businesses. It allows them to save lawyer fees. It allows them to promptly reorganize, to their benefit and that of their creditors.

Additional study is unnecessary. This matter has already been studied for 4 years by a blue ribbon panel of bankruptcy experts, who unanimously recommended the reforms. But even if more study is necessary, the bill provides for the same study Senator KERRY is now proposing.

Oppose the Kerry amendment. Senator KERRY last year sponsored an amendment that seriously impaired the reforms in this part of the bill. He now seeks to gut them completely. It is clear that he opposes all reform. Yet reform is needed.

Mr. GRASSLEY. I wish to respond to Senator KERRY's comments about my representation of the Bankruptcy Review Commission.

The commissioners themselves said the vote was 8 to 1 on the small business provisions. So it is not accurate that there are major tensions with respect to these provisions.

I have a letter that I will put in the RECORD that shows a former commissioner of the Bankruptcy Commission saying the vote was 8 to 1 on the small business provisions.

I ask unanimous consent the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BANKRUPTCY TAX CONSULTANT

To: Senator CHARLES E. GRASSLEY
From: JAMES I. SHEPARD

SENATOR GRASSLEY: The National Bankruptcy Review Commission adopted the Small Business Provisions in its report with solid support, the vote was 8 to 1 in favor. There was little dissension, the vote was NOT 5 to 4 as has been stated, the Commission was not bitterly divided but, in fact, was strongly in favor of the provisions.

Thank You,

JAMES I. SHEPARD.

Mr. HATCH. Mr. President, is all time yielded back?

The PRESIDING OFFICER. All time has expired.

Mr. HATCH. I yield back whatever time I have.

I move to table, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Idaho (Mr. CRAPO), the Senator from Oklahoma (Mr. INHOFE), and the Senator from Virginia (Mr. WARNER) are necessarily absent.

The result was announced—yeas 55, nays 41, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—55

Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carper
Chafee
Cleland
Cochran
Collins
Craig
DeWine
Domenici
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Jeffords
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Reid
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich

NAYS — 41

Akaka
Baucus
Boxer
Byrd
Cantwell
Carnahan
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Reed
Rockefeller
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—3

Crapo
Inhofe
Warner

The motion was agreed to:

Mr. LOTT. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I believe the Senator from Massachusetts wishes to speak for a few moments about an unrelated issue, perhaps. Before he does that, I want to notify all Senators that we are trying to work to get an agreement on how to proceed for the balance of today, Friday, and next week.

I had hoped we could get a list of amendments that would be offered, a realistic list, and in return we would agree that there would be no further votes this afternoon, or tomorrow, even though we will continue trying to work and also have work completed on Monday.

I say to both sides of the aisle that I am getting disturbed that the leadership continues to bend over backward to try to accommodate everybody's schedule. We are not getting a lot of response in kind. Senators don't particularly want to vote on Tuesday afternoons. Senators don't wish to be here on Friday or on Monday. Senators come up with—we have probably close to a hundred amendments on the bankruptcy bill on the two sides. We must finish this bill next week, by Thursday night. I don't want to file cloture; but when I look at the list with which we have just been presented, and considering the fact there is no desire to work on Friday, it is not practical that we can finish this up by next Thursday, unless we find some way to cut down the amendments considerably, move faster, or file cloture.

After that, we have to go to campaign finance reform, on Monday, the 19th. We are going to have to do the budget resolution in a relatively short period of time, in the next month or so. We have to do the education bill. Good work is being done in that committee. Basically, bankruptcy is going to have to be done next week. I don't want to cut anybody off.

We have bent over backward in many ways to get this bill done. We are going to try to get an agreement as to how this bill will be completed by next Thursday night. Senator DASCHLE may want to comment.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, I add my voice to the majority leader's admonition to all of those who have amendments. He and I have worked on this from the very beginning of the year and have used the regular order to accommodate all Senators, first in committee, and now on the floor.

I don't have any qualms about the interests on the part of so many Senators to express themselves. That is what the legislative process is all about. But let me say this will not be the only bill we take up this year. There will be other legislation. It is fair to say that if cloture is filed—and I hope that will be unnecessary—it will probably be invoked.

Senator LOTT came to me a few minutes ago to express an interest in filing—even today. I urged him to hold off filing today in order to accommodate Senators who may have amendments that are not relevant. In order for that to happen, we have to see, give and take on both sides. We are going to have to have a unanimous consent agreement that if he holds off on filing cloture, we can have that vote, perhaps Wednesday, so we can finish on Friday. Like he has noted, we have campaign finance reform that is already part of a unanimous consent agreement scheduled for the week after. So there is no question that we are going to have to finish this bill next week. There are over a hundred amendments. I think it is going to require some real cooperation on the part of all Senators, if we are going to address this matter in a meaningful way, orderly way, and in a way that is fair.

Anybody can object to the unanimous consent request we are going to make. If I were the majority leader, I guess if that were the case, I would probably file cloture and move on. I hope that won't be necessary. I hope we can accommodate those Senators who have amendments that are not necessarily germane, but I hope we can finish the bill.

I hope those who have a litany of amendments—some Senators have expressed an interest in offering 8 to 10 amendments. I am not very sympathetic to that. There are a lot of other issues out there that can be addressed on other bills down the road. So let's show a little cooperation, a little effort to be accommodating. Let's recognize that we have a lot of work to do. The only way we will get it done is if everybody plays fairly and does what they can to accommodate the needs of scheduling.

I yield the floor.

Mr. REID. Will the majority leader yield?

Mr. LOTT. Mr. President, I am glad to yield.

Mr. REID. I say to the two leaders, I have spoken to Senator CONRAD and he has a very important amendment pending. He said he would be willing to speak tomorrow for a reasonable period of time, and Monday there would be ample opportunity to offer lots of amendments.

Mr. LOTT. Mr. President, let me say that I appreciate that. I understand Senator BINGAMAN has an amendment that he can offer now, and we could continue to make progress. His amendment has been cleared. So we will continue to work. It may be necessary to be in session tomorrow. We are working on another issue to get completed tonight or first thing in the morning—in spite of the fact that I had hoped we could get a limited list of amendments—a reasonable one—in return for not having further votes tonight or tomorrow, but we didn't get that. We did not get that, but I did want to say there will be no further votes today. Members are encouraged to continue to offer amendments. We will work tonight, perhaps tomorrow. There will be votes on next Tuesday morning as previously ordered and on Tuesday at 2:45 p.m.

Again, it is previously ordered. I want Senators to understand we will have a vote Tuesday morning. So Senators need to be here on Monday in order to be here for the recorded vote Tuesday morning.

In that connection, again I urge Senators to continue to work tonight, come to the floor and work with the managers to offer amendments tomorrow and/or Monday.

I believe we are ready to propound a unanimous consent request.

After consultation with Senator DASCHLE, I ask unanimous consent that any votes ordered for today be postponed and stacked to occur beginning at 11 a.m. on Tuesday, March 13, with the concurrence of both managers.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that there be 5 minutes equally divided for explanation of each amendment beginning at 10 a.m. on Tuesday, to be debated in the order they were offered. In other words, even if debate occurs later today or Monday—just so Senators understand—before the vote there will be 5 minutes equally divided on each amendment.

I further ask unanimous consent that when the votes occur at 11 a.m. on Tuesday, the first vote be limited to 15 minutes in length, with all succeeding votes 10 minutes in length.

I further ask unanimous consent that all first-degree amendments in order to the pending S. 420 be limited to the following list which I now send to the desk, and any second-degree amendments must be relevant to the first-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list of amendments is as follows:

AMENDMENT LIST TO S. 420

REPUBLICAN AMENDMENTS

B. Smith:
  1. Relevant.
  1. Relevant to List.
Gramm:
  4. Relevant to List.
  1. Credit Card.
Specter:
  1. Pardon Guidelines.
K. Hutchison:
  1. 2nd Degree on Homesteads.
Collins:
  1. Fishermen.
Nickles:
  2. Relevants.
Hatch:
  1. Relevant.
Lott:
  14. Relevant to List.
Sessions:
  1. Landlord Tenant.
  1. Appeals.

DEMOCRATIC AMENDMENTS

Baucus:
  1. Involuntary Bankruptcy.
Bingaman:
  1. Energy Assistance/Conservation.
  2. Relevant.
Bond:
  1. Relevant.
Boxer:
  1. Relevant.
  2. Relevant.
  3. Relevant.
  4. Relevant.
  5. Non-Relevant.
  6. Non-Relevant.
Breaux:
  1. Ergonomics.
Byrd:
  1. Relevant.
  2. Relevant.
Carnahan:
  1. Means Testing re: Home Energy Costs.
Conrad:
  1. Non-Relevant.
Daschle:
  1. Relevant.
  2. Relevant.
Dayton:
  1. Trade Adjustment Assistance.
  2. Relevant.
Dodd:
  1. Credit Card.
Dorgan:
  1. Relevant.
  2. Relevant.
Durbin:
  1. Cramdown.
  2. Predatory Lending.
  3. Credit Card Disclosure.
  4. Non-Relevant.
  5. Relevant.
Hollings:
  Lock Box.
Feingold:
  1. Section 1310.
  2. Definition of Household Goods.
  3. FEC Fines & Penalties.
  4. Insolvent & Political Committees.
  5. Relevant.
  6. Relevant.
  7. Landlord Tenants.
Feinstein:
  1. Guns.
  2. Cap to Credit Cards to Minors.
  3. Parental Notification of Limit Increase.
  4. Technical Amdt on Landlord/Tenants.
  5. Bankruptcy Petition Preparers.
  6. Delete Sect. 226–229.
  7. Second Degree to a Wyden Amdt.
  8. Relevant.
  9. Non-Relevant.
Kennedy:
  1. Health Care.
  2. Means Test.
  3. Pensions.
  4. Non-Relevant.
  5. Non-Relevant.
Kerry:
  1. Small Business.
Kohl-Feinstein:
  1. Homestead Caps.
Kohl:
  2. Back Pay.
Leahy:
  1. Identity Theft & Financial Privacy.
  2. Chapter 13 Length.
  3. Chapter 13 IRS Standards.
  4. Tax Returns.
  5. Current Monthly Income.
  6. Separated Spouses.
  7. Relevant.
  8. Relevant.
  9. Non-Relevant.
  10. Appeals.
  11. Relevant.
Levin:
  1. Red Lining.
  2. Relevant.
  3. Credit Card Grace Period.
  4. Means Test re: Gas Prices.
  5. Cramdown.
Reed:
  1. Reaffirms GAO Study.
Reid:
  1. Relevant.
  2. Relevant.
  3. Non-Relevant.
Schumer:
  1. Predatory Lending.
  2. Finance Charges.
  3. Corporate Reorganization.
  4. Creditor Abuses.
  5. Safe Harbors.
  6. Means Test.
  7. Relevant.
  8. Relevant.
  9. Non-Relevant.
Wellstone:
  1. Payday Loan.
  2. Low Income Safe Harbor.
  3. Relevant.

4. Trade Related Job Loss Safe Harbor.
5. Benefit Program Administration.
6. Means Test Fix.
7. Trade Adjustment Assistance.
8. Relevant.
9. Relevant.
10. Non-Relevant.

Wyden:

1. Protecting Electricity Rate Payers.

Mr. BINGAMAN. Mr. President, by way of explanation, am I correct in assuming that this does not preclude us from offering an amendment that can be adopted by voice vote?

Mr. LOTT. Mr. President, it would have to be on the list.

Mr. BINGAMAN. It is the one I called up earlier.

Mr. LOTT. I believe the Senator from New Mexico has two listed. I believe his amendment is one of these two that are listed.

Mr. BINGAMAN. We can vote that this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. In light of the agreement, Mr. President, there will be no further votes tonight. The Senate will be considering the bill over the next couple of days, hopefully tomorrow as well as Monday, so that amendments can be offered and debated. The next votes will occur beginning at 11 a.m. on Tuesday.

In addition, the lockbox votes are scheduled to occur at 2:45 p.m. on Tuesday. I urge Senators who have amendments to schedule floor time with the managers. Again, I hope there is no desire to try to drag this out through the week and not complete it. I do not think that would be fair to anybody. We have other work to do. Senator DASCHLE has assured me, as he just said, that he understands and wants to join in getting this done by next Thursday night or Friday morning.

As we assess the situation, if it becomes necessary, I will be prepared to file cloture on Monday or Tuesday so we can finish this not later than Thursday night or Friday.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, there is an amendment that I sent to the desk and explained earlier on energy assistance. I ask unanimous consent that my colleague, Senator DOMENICI, be added as a cosponsor of that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I also ask unanimous consent that after the vote on this amendment, which I expect in the next 3 or 4 minutes after I speak and Senator MURKOWSKI speaks, Senator KERRY from Massachusetts be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 28, AS MODIFIED

Mr. BINGAMAN. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

The amendment, as modified, reads as follows:

(Purpose: To increase the authorization of appropriations for low-income energy assistance, weatherization, and State energy emergency planning programs, to increase Federal energy efficiency by facilitating the use of private-sector partnerships to prevent energy and water waste, and for other purposes)

Strike all and insert the following:

TITLE—EMERGENCY ENERGY ASSISTANCE AND CONSERVATION MEASURES

SEC. 01. SHORT TITLE.

This title may be cited as the "Energy Emergency Response Act of 2001".

SEC. 02. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) high energy costs are causing hardship for families;

(2) restructured energy markets have increased the need for a higher and more consistent level of funding for low-income energy assistance programs;

(3) conservation programs implemented by the States and the low-income weatherization program reduce costs and need for additional energy supplies;

(4) energy conservation is a cornerstone of national energy security policy;

(5) the Federal Government is the largest consumer of energy in the economy of the United States; and

(6) many opportunities exist for significant energy cost savings within the Federal Government.

(b) PURPOSES.—The purposes of this title are to provide assistance to those individuals most affected by high energy prices and to promote and accelerate energy conservation investments in private and Federal facilities.

SEC. 03. INCREASED FUNDING FOR LIHEAP, WEATHERIZATION AND STATE ENERGY GRANTS.

(a) LIHEAP.—(1) Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to carry out the provisions of this title (other than section 2607A), $3,400,000,000 for each of fiscal years 2001 through 2005.".

(2) Section 2605(b)(2) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)) is amended by adding at the end the following:

"And except that during fiscal year 2001, a State may make payments under this title to households with incomes up to and including 200 percent of the poverty level for such State;".

(b) WEATHERIZATION ASSISTANCE.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking 'For fiscal years 1999 through 2003 such sums as may be necessary' and inserting: "$310,000,000 for fiscal years 2001 and 2002, $325,000,000 for fiscal year 2003, $400,000,000 for fiscal year, and $500,000,000 for fiscal year 2005.".

(c) STATE ENERGY CONSERVATION GRANTS.—Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking "for fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$75,000,000 for each of fiscal years 2001 through 2005."

SEC. 04. FEDERAL ENERGY MANAGEMENT REVIEWS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:

"(e) PRIORITY RESPONSE REVIEWS.—Each agency shall—

"(1) not later than October 1, 2001, undertake a comprehensive review of all practicable measures for—

"(A) increasing energy and water conservation, and

"(B) using renewable energy sources; and

"(2) not later than 180 days after completing the review, implement measures to achieve not less than 50 percent of the potential efficiency and renewable savings identified in the review.".

SEC. 05. COST SAVINGS FROM REPLACEMENT FACILITIES.

Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

"(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at such replacement buildings or facilities being replaced.

"(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in subparagraph (A).".

SEC. 06. REPEAL OF ENERGY SAVINGS PERFORMANCE CONTRACT SUNSET.

Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is repealed.

SEC. 07. ENERGY SAVINGS PERFORMANCE CONTRACT DEFINITIONS.

(a) ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2) The term 'energy savings' means a reduction in the cost of energy, water, or wastewater treatment from a base cost established through a methodology set forth in the contract, used by either—

"(A) an existing federally owned building or buildings or other federally owned facilities as a result of—

"(i) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(ii) more efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(iii) more efficient use of water at an existing federally owned building or buildings, in either interior or exterior applications; or

"(B) a replacement facility under section 801(a)(3).".

(b) ENERGY SAVINGS CONTRACT.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows;

"The terms 'energy savings contract' and 'energy savings performance contract' mean a contract which provides for—

"(A) the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy, water conservation, or wastewater treatment measure or series of measures at one or more locations; or

"(B) energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities.".

(c) Energy or Water Conservation Measure.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read a follows:

"The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 551(4) (42 U.S.C. 8259(4)); or

"(B) a water conservation measure that improves the efficiency of water use, is life cycle cost effective, and involves water conservation, water recycling or reuse, improvements in operation or maintenance efficiencies, retrofit activities or other related activities, not affecting the power generating operations at a Federally-owned hydroelectric dam".

SEC. 08. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect upon the date of enactment of this title.

Mr. BINGAMAN. Mr. President, for clarification, this modification merely changes the effective date of the amendment. The amendment I offered will raise the amount authorized to be appropriated by this Congress for weatherization programs and for low-income home energy assistance programs. Those are programs that help individuals and families around this country who are faced with rising and enormously increased natural gas bills and electricity bills and those who will be faced with substantial increases in those utility bills this summer for air-conditioning purposes.

It is important that we increase this authorization level and that we do so right away. It is also important that we appropriate money quickly. I am hoping we will see progress on that front, working with the administration in the next few weeks. I am certainly going to be urging the President and those in the Department of Energy to strongly support an appropriation in this area.

This is an important thing to do. This is not a substitute for a comprehensive energy bill by any means. Senator MURKOWSKI has introduced a comprehensive bill. I am working on developing a bill that is also much more broad in its reach and deals with the long-term energy needs of the country. This merely tries to deal with the immediate crisis.

It is very important we do this. I am very pleased all Senators have indicated support for this measure.

I yield the floor. I know Senator MURKOWSKI wishes to speak on this same subject.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

I join Senator BINGAMAN in urging support of the Bingaman amendment. It is cleared, as he indicated, on our side. I remind my colleagues that energy affects America's families and businesses. We are seeing higher energy costs, lost jobs, and reduced prosperity. We know, as Senator BINGAMAN indicated, that the amendment cannot replace the need for a comprehensive energy policy.

We have a crisis in this country. We are addressing the symptoms and not the causes. That is easier said than done. We are going to have to get into those causes. We certainly agree we need to provide additional funds for the weatherization assistance and the LIHEAP program.

As you might know, Mr. President, these programs are in title VI of the Murkowski-Breaux National Energy Security Act of 2001. Let me explain briefly the difference because we are very close.

As Senator BINGAMAN knows, we are going to be holding hearings on these matters beginning next week. We will hold a hearing each week.

On LIHEAP, we have proposed an increased base from $2 billion to $3 billion and an increase in emergency funds from $600 million to $1 billion. The Bingaman amendment increases the base from $2 billion to $3.4 billion, so there is an increase. However, there are no emergency funds.

In weatherization, Senator BINGAMAN's proposal and our proposal in title VI increases to $500 million by the year 2005. In weatherization State energy programs, we propose an increase of $125 million by 2005, and it is my understanding the Bingaman amendment proposes $75 million by 2005. We have set State energy efficiency goals to reduce energy use by 25 percent by 2010, compared to 1990 levels, and we encourage State and regional energy planning to go ahead.

I remind everyone, while we need immediate relief until we get an energy plan passed in its entirety that addresses supply and conservation, we are not going to have the immediate relief we would like. We only increase authorizations by this in a sense. It is better to address these programs, along with the other energy needs, through the comprehensive approach which I think is an obligation of the Energy Committee which we collectively work toward. A piecemeal approach to energy policy hasn't gotten us anywhere and that is part of the problem of where we are today.

My point is, for example, what are we going to do this summer when gasoline supplies run short, as they are expected to do, and the consumers pay up to $2 per gallon? Will we take the opportunity now to address the need for refining capacity in a comprehensive bill while we have the opportunity? Or will we avoid the tough political expensive decisions and instead come back here at a later time and increase LIHEAP yet again?

I think the time has come to make those tough decisions. I look forward to working with my colleague. We want to find a solution to add fuel to the tank of our economic engine now that it is running almost on empty. We will have to enact this year a comprehensive national energy policy. Otherwise, we will be forever chasing high energy prices with yet more temporary funds and placing the economic health and the national security of the country at risk.

Just as we can and need to get our way out of this energy crisis, we cannot buy our way out. The energy crisis, as we know, will not go away until we make the tough decisions that are needed to increase the supply of conventional fuels and improve our energy efficiency and conservation and expand the use of alternative fuel and renewables.

I congratulate Senator BINGAMAN and would like to be added as a cosponsor to his legislation.

I again reemphasize the reality that the American people expect us to address this crisis that impacts every American family. This amendment does not solve the underlying problem we face. We should and must address the illness, not the symptoms.

We must develop a comprehensive national energy strategy; again, one that ensures clean, secure, and affordable energy supply into the next decade.

I look forward to working with my colleague and others to develop this comprehensive energy strategy.

I yield to the Senator from Massachusetts.

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, it is my understanding there is no further debate, this is accepted, and we can vote now.

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to the amendment, No. 28, as modified.

The amendment (No. 28), as modified, was agreed to.

Mr. KERRY. I move to reconsider the vote by which the amendment was agreed to.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts.

NORTH KOREA

Mr. KERRY. Mr. President, I was briefly downstairs in a meeting with President Kim Dae Jung of South Korea. I will take a few moments to share with my colleagues some thoughts about our policy with respect to North Korea, which obviously has profound implications for the region, as well as for the United States.

Mr. President, one of the major questions facing the United States and its South Korean and Japanese allies is how to deal with the ballistic missile threat posed by North Korea. Pyongyang has already demonstrated its capacity to launch a 500 kilogram warhead to a range of at least 1000 kilometers. The failed test of the Taepo Dong-2 missile in August 1999 clearly shows North Korea's interest in developing a longer range missile capability. North Korea's proliferation of missiles, missile components, technology and training to states such as Pakistan and Iran further magnifies the need to get Pyongyang to end its missile program.

The Clinton administration left a framework on the table which could, if pursued aggressively by the Bush administration, go a long way toward reducing the threat posed by North Korean missiles and missile exports. Our South Korean allies clearly want us to continue the discussions that the Clinton administration began with North Korea on the missile question. Two days ago Secretary of State Colin Powell stated that the Bush administration would "pick up" where the Clinton administration left off. Apparently not. Yesterday, President Bush told visiting South Korean President Kim Dae Jung that the administration would not resume missile talks with North Korea any time soon. I believe this is a serious mistake in judgment. I will suggest why.

Our South Korean allies are on the front line; they are under no illusions about the regime in North Korea or its leader Kim Jong I. President Kim firmly believes that Washington and Seoul must continue their efforts to open up North Korea, and that the United States should move quickly to resume the missile talks. We should listen to him carefully. I and others raised this issue with Secretary Powell earlier today, when he testified before the Foreign Relations Committee. The Secretary indicated that some of the things put on the table by the Clinton administration are "promising" but that monitoring and verification "are not there." He said that the Bush administration intended to do a comprehensive policy review and then would decide when and how to engage North Korea.

I don't think any of us in the Senate would second-guess the right or even the good sense of a new administration conducting a thorough review of a particular area of the world or a particular policy. That makes sense. However, I am deeply concerned that by sending the message we will not even engage in a continuation of talks where the Clinton administration left off, that we wind up potentially offering an opportunity to see a window closed or for people to misinterpret the long-term intentions of the United States and perhaps make it more difficult to pick up where the Clinton administration left off when and if the administration resumes.

We need to reflect on the fact that North Korea took some remarkable steps, heretofore unimaginable steps, and under the 1994 agreed framework, North Korea set about to freeze its existing nuclear energy program under the IAEA supervision to permit special inspections to determine the past operating history of its reactor program just prior to the delivery of key components of light-water reactors.

A few years ago when the United States was concerned that North Korea was violating the agreed framework by possibly building a new reactor in an underground site at Kumchangi-ri, North Korea ultimately allowed a team of Americans to inspect the site, first in May of 1999 and each year thereafter.

This showed, clearly, that monitoring and verification agreements can be negotiated with North Korea. By the 11th hour of the Clinton administration, the United States and North Korea were discussing further proposals that would, indeed, prevent North Korea from developing missiles capable of striking the United States and bring a halt to North Korea's lucrative missile exports.

In my view, at this moment, now, we should still be encouraging progress in those particular areas. We should be particularly encouraging Pyongyang to continue down that path, not sending them a message that may, in fact, make it months later and far more difficult before we can do so. Delaying missile talks will not enhance the security of the United States or of the region about which we care. In fact, delay, coupled at this morning's hearing with Secretary Powell's somewhat lukewarm endorsement of the agreed framework could send a very negative signal about the nature and direction of United States policy toward North Korea.

The Clinton administration, in many people's judgment, may well have moved faster than some believed was prudent. But the reality is that negotiations have begun and proposals are on the table for discussion. Nothing has been agreed upon yet. There is no reason this administration could not pick up where the Clinton administration left off, even as it makes the decision to review and discuss alternative proposals. Nothing will preclude them from ensuring adequate monitoring and verification.

The issue of North Korea's missile capability is fundamental not only to security on the Korean peninsula but also to our own long-term security and also to the debate on national missile defense. The North Korean missile threat has been offered by the Bush administration and others as a major reason why the United States needs to move more rapidly with the National Missile Defense System. Given that, I am somewhat confused by the administration's go-slow approach on the missile talks with Pyongyang. If we can reduce or eliminate the threat posed by North Korea's missile program, not only to us but to others, we are going to be on a very different playing field. We will have greater security, on the one hand, and we will be able to look at other national missile defense options that may be less costly and less damaging to the arms control regime established by the Anti-Ballistic Missile treaty. With all of this in the balance, it seems to me that there is little to lose—and potentially much to gain—by getting back to the table with Pyongyang and seeing where the negotiations go.

It is my hope that this administration will rapidly move to do so.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

SOCIAL SECURITY AND MEDICARE LOCKBOX

Ms. STABENOW. Mr. President, I rise this afternoon to strongly support the Conrad amendment that is before us which would create a lockbox for Social Security and for Medicare.

As a member of the Budget Committee, I have watched and listened to the proposals of the administration as they relate not only to the tax cut before us but the spending priorities. I listened on the evening of the State of the Union to a variety of proposals, all of which sounded very good. In fact, in some cases sitting there knowing our fiscal constraints, it sounded too good to be true.

I find as a member of the Budget Committee looking at the details now that, in fact, it was too good to be true, and the budget that has been proposed proposes to use all of the Medicare trust fund and a portion of the Social Security trust fund in order to balance this budget. There is still a question about whether or not it adds up.

If we proceed as this body and the House of Representatives voted last year to protect Social Security and Medicare to keep it out of the revenue stream for spending proposals, if we support the lockbox notion, which I hope we will—again, it passed this body by 60 votes last year, and I am hopeful it will do the same this year—if we pull those dollars out and protect them as the people of the country expect us to do, not only the seniors but the baby boomers who will be retiring in large numbers beginning in about 11 years, and also my son and daughter who are young people, can look forward to the future expecting us to protect those funds. We find that the President's proposal for his tax cut takes up literally the entire discretionary dollars available to us except for Social Security and Medicare of over the next 10 years. That is assuming we believe the projections, and we certainly hope they are true for the dollars that have been projected in surplus.

But we all know, as Chairman Greenspan indicated, that these are educated guesses.

Given the fact that if you protect Social Security and Medicare, the President's tax proposal takes every dollar of discretionary income left, rather than the next 10 years and being able to balance that with some dollars for investments in education, infrastructure, prescription drug coverage for Medicare, and balancing that with an important tax cut for middle-class families, it doesn't add up. The administration has chosen to dip into Medicare and Social Security in order to be able to provide dollars for important investments in the American people's priorities in terms of education and other areas.

If you protect Social Security and Medicare, the dollars are not there for education.

The President has said we are going to say the Medicare trust fund doesn't exist anymore. We heard in front of the Budget Committee from our new Treasury Secretary, as well as the Director of Management and Budget, that they believe there really isn't a trust fund; that, in fact, there isn't a surplus in Medicare, even though every year we get reports regarding the solvency of the trust fund and the date at which it will become insolvent, and the fact that the date has been growing further into the future because of the good economy.

Now we fear there is, in fact, no trust fund. Those reports, I guess, meant nothing before.

In reality, there is a Medicare trust fund. We know that Part A has been an important part of the solvency of Medicare, and this trust fund is critical in maintaining and protecting the health care benefits for the seniors and future generations in our country.

I urge my colleagues to send a very strong message to the White House and to the American people that we intend to keep the promises of Medicare and Social Security, and to lock away the Medicare trust fund along with every penny of Social Security so that we will keep those as a separate promise and protect them for our seniors, for our families, and for future generations.

Without this lockbox, we will find ourselves in the situation of seeing the budget continue down the road with the full intention of using the entire Medicare trust fund in order to balance the books, and a portion of Social Security in order to balance the books.

That is not in the best interest of the American people. We can do better than that. We can design a budget that protects Social Security and Medicare and strengthens it for the future, provide a real tax cut for middle-class families, small businesses, and family farmers in this country, and also pay down the debt so the interest rates our citizens and businesses are paying for will continue to go down, and at the same time invest in the priority that President Bush has articulated well—and I agree with—which is the question of education and investing in the future for our children.

This budget is about more than numbers. It is about our values as American people. In times when we have choices that we can make because of projected surpluses, the real task for each of us is what will be our priority? What will the choices be when we can make choices?

I strongly hope one of the choices made by this Congress and administration is not to use the entire Medicare trust fund to fund other purposes in the budget; that we will join together on a bipartisan basis, as has been done in the past when Republicans and Democrats joined together to support locking away the Social Security trust fund and the Medicare trust fund so that they are outside the budget stream and are protected for now and the future.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The majority leader.

COMMITTEE RULES AND FUNDING

Mr. LOTT. Mr. President, I want to take a few minutes now while we wait on other Senators who may want to comment on what I am about to say. But I want to thank the chairmen and the ranking members of the committees who have worked together over the past 6 weeks to get an agreement on the committee rules and the funding and staffing and space arrangements for the Senate committees this year.

Senator DASCHLE and I worked through a very difficult process to get the organization resolution passed back in January. But in some respects that was the easy part, even though that was not easy. It was easier than what the chairmen and ranking members had to go through. Each committee had to deal with how they were going to proceed with the 50–50 division of Members. They had to work on different rules of different committees, different personalities, and different responsibilities.

Most of the committees went through it at a pretty quick pace. Some of them were more difficult and were more complex.

When the time came the beginning of March for us to pass the funding resolution, not all had been done. There were, I guess, two or three committees that still had some serious reservations or disagreements. But for those committees we extended the time without a lot of difficulty. And those committees have continued to work together, and they have reached agreement, one by one.

Then we were down to just one final committee, and they have reached an agreement—Senator HATCH and Senator LEAHY. I know it was not easy for either one of them, but I want to thank all who have been involved for the effort that has been put into this. I think it still bodes well that we can work together through difficult issues in a bipartisan way.

Having said that, we are ready to go now, and we are ready to discharge the Rules Committee and adopt this resolution. I understand there has been an objection to it being done through the discharge mechanism, that they want the Judiciary Committee to act, and then they want the Rules Committee to meet.

I note that it is 10 minutes until 5 on Thursday. Members were told there would not be any further votes. So, once again, I am saying all this and pointing out that, while I am trying very hard, it is still very difficult to get things done without them being complicated. There is no reason why we should not discharge the committee and get this done after all of the good work that is being done. I am going to say, flat out, I suspect there is staff involved in this. It is uncalled for, and it is being, in my opinion, petty to have to track down Members to try to get them to come running over to try to get some sort of running quorum, and to have a vote. And then, by the way, what if we don't get them? What are we going to do, after all this work?

So, Mr. President, I ask Senator REID, can we move this forward? After all that Senator DASCHLE and I have done, and all that has been done by all the Members, on both sides—including the chairman and ranking member on Judiciary—can't we move this through now?

Mr. REID. The Judiciary Committee has completed their work. That part is out of the way. Would the leader allow me to suggest the absence of a quorum for a brief moment?

Mr. LOTT. Yes.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SESSIONS). Without objection, it is so ordered.

COMMITTEE EXPENDITURES

Mr. LOTT. Mr. President, I ask unanimous consent that the Rules Committee be discharged from further consideration of S. Res. 54, submitted by

Senators LOTT and DASCHLE, regarding committee expenditures, that the resolution become the pending business, it then be considered agreed to, and the motion to reconsider be laid upon the table.

Before the Chair rules on this request, I want to announce to the Senate that this resolution contains the entire committee expenditures for all Senate committees to continue funding through February 28, 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 54) was agreed to.

(The text of the resolution is located in today's RECORD under "Statements on Submitted Resolutions.")

Mr. LOTT. Mr. President, I thank Senator REID and staff on both sides of the aisle for making this possible. This really is an important achievement. We should understand that. It also guarantees our staff members will get their paychecks on time.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I say to the leader, it is my understanding there is going to be a business meeting of the Rules Committee next week. That was part of the agreement.

Mr. LOTT. Mr. President, if I may respond to Senator REID's inquiry, that was not part of the unanimous consent agreement, but that is the understanding on both sides of the aisle, that there should be a business meeting of the Rules Committee, and they should discuss matters that are pending and go forward from there.

Yes, that is our understanding. I know the chairman will be accommodating that.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now be in a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES OF THE SENATE JUDICIARY COMMITTEE

Mr. HATCH. Mr. President, I ask unanimous consent that, pursuant to the Standing Rules of the Senate, the rules of the Senate Committee on the Judiciary as approved by the committee today be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follow:

RULES OF THE SENATE COMMITTEE ON THE JUDICIARY

I. MEETINGS OF THE COMMITTEE

1. Meetings may be called by the Chairman as he may deem necessary on three days' notice or in the alternative with the consent of the Ranking Minority Member or pursuant to the provision of the Standing Rules of the Senate, as amended.

2. Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 48 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

3. On the request of any member, a nomination or bill on the agenda of the Committee will be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. QUORUMS

1. Ten Members shall constitute a quorum of the Committee when reporting a bill or nomination; provided the proxies shall not be counted in making a quorum.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each Subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

IV. BRINGING THE MATTER TO A VOTE

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bring the matter to a vote without further debate, a rollcall vote of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the Minority.

V. SUBCOMMITTEES

1. Any Member of the Committee may sit with any Subcommittee during its hearings or any other meeting, it shall not have the authority to vote on any matter before the Subcommittee unless he is a member of such Subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the Subcommittee chairmanship and seniority on the particular Subcommittee shall not necessarily apply.

3. Except for matters retained at the Full Committee, matters shall be referred to the appropriate Subcommittee or Subcommittees by the Chairman, except as agreed by a majority vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

VI. ATTENDANCE RULES

1. Official attendance at all Committee markups and executive sessions of the Committee shall be kept by the Committee Clerk. Official attendance at all Subcommittee markups and executive sessions shall be kept by the Subcommittee Clerk.

2. Official attendance at all hearings shall be kept, provided that Senators are notified by the Committee Chairman and Ranking Member, in the case of Committee hearings, and by the Subcommittee Chairman and Ranking Member, in the case of Subcommittee hearings, 48 hours in advance of the hearing that attendance will be taken; otherwise, no attendance will be taken. Attendance at all hearings is encouraged.

RULES OF THE SENATE COMMITTEE ON VETERANS' AFFAIRS

Mr. SPECTER. Mr. President, the Committee on Veterans' Affairs has adopted rules governing its procedures for the 107th Congress. Pursuant to Rule XXVI, paragraph 2, of the Standing Rules of the Senate, on behalf of myself and Senator ROCKEFELLER, I ask unanimous consent that a copy of the Committee rules be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON VETERANS' AFFAIRS RULES OF PROCEDURE

I. MEETINGS

(a) Unless otherwise ordered, the Committee shall meet on the first Wednesday of each month. The Chairman may, upon proper notice and after consultation with the Ranking Member, call such additional meetings as he deems necessary.

(b) Except as provided in subparagraphs (b) and (d) of paragraph 5 of rule XXVI of the Standing Rules of the Senate, meetings of the Committee shall be open to the public. The Committee shall prepare and keep a complete transcript or electronic recording adequate to fully record the proceedings of each meeting whether or not such meeting or any part thereof is closed to the public.

(c) The Chairman of the Committee or the Ranking Member in the absence of the Chairman, or such other Member as the Chairman may designate, shall preside at all meetings.

(d) Except as provided in rule XXVI of the Standing Rules of the Senate and as specified in paragraph (h), no meeting of the Committee shall be scheduled except by majority vote of the Committee or by authorization of the Chairman of the Committee after consultation with the Ranking Member.

(e) The Committee shall notify the office designated by the Committee on Rules and Administration of the time, place, and purpose of each meeting. In the event such meeting is canceled, the Committee shall immediately notify such designated office.

(f) Written notice of a Committee meeting, accompanied by an agenda enumerating the items of business to be considered, which agenda will be developed by the Chairman in consultation with the Ranking Member, shall be sent to all Committee members at least 72 hours (not counting Saturdays, Sundays, and Federal holidays) in advance of each meeting. In the event that the giving of such 72-hour notice is prevented by unforeseen requirements or Committee business, the Committee staff shall communicate notice by the quickest appropriate means to members or appropriate staff assistants of Members and an agenda shall be furnished prior to the meeting.

(g) Subject to the second sentence of this paragraph, it shall not be in order for the Committee to consider any amendment in the first degree proposed to any measure under consideration by the Committee unless a written copy of such amendment has been delivered to each member of the Committee at least 24 hours before the meeting at which the amendment is to be proposed. This paragraph may be waived by a majority vote of the members and shall apply only when 72-hour written notice has been provided in accordance with paragraph (f).

(h) During such times in the 107th Congress as the parties shall be equally divided, if, after consultation by the Ranking Member of the Committee with the Chairman, an oversight hearing requested by the Ranking Member is not scheduled by the Chairman to take place within a reasonable period, the procedures set forth in paragraph 3 of rule XXVI of the Standing Rules of the Senate shall apply, except, with respect to oversight hearings only, the number of members required to file the written notice of a special meeting under that rule shall be reduced to seven.

II. QUORUMS

(a) Subject to the provisions of paragraph (b), eight members of the Committee shall constitute a quorum for the reporting or approving of any measure or matter or recommendation. Five members of the Committee shall constitute a quorum for purposes of transacting any other business.

(b) In order to transact any business at a Committee meeting, at least one member of the Ranking Member's party shall be present. If, at any meeting, business cannot be transacted because of the absence of such a member, the matter shall lay over for a calendar day. If the presence of a member of the Ranking Member's party is not then obtained, business may be transacted by the appropriate quorum.

(c) One member shall constitute a quorum for the purpose of receiving testimony.

III. VOTING

(a) Votes may be cast by proxy. A proxy shall be written and may be conditioned by personal instructions. A proxy shall be valid only for the day given.

(b) There shall be a complete record kept of all Committee action. Such record shall contain the vote cast by each member of the Committee on any question on which a roll call vote is requested.

IV. HEARINGS AND HEARING PROCEDURES

(a) Except as specifically otherwise provided, the rules governing meetings shall govern hearings.

(b) At least 1 week in advance of the date of any hearing, the Committee shall undertake, consistent with the provisions of paragraph 4 of rule XXVI of the Standing Rules of the Senate, to make public announcements of the date, place, time, and subject matter of such hearing.

(c) The Committee shall require each witness who is scheduled to testify at any hearing to file 40 copies of such witness' testimony with the Committee not later than 48 hours prior to the witness' scheduled appearance unless the Chairman and Ranking Member determine there is good cause for failure to do so.

(d) The presiding member at any hearing is authorized to limit the time allotted to each witness appearing before the Committee.

(e) The Chairman, with the concurrence of the Ranking Member of the Committee, is authorized to subpoena the attendance of witnesses and the production of memoranda, documents, records, and any other materials. If the Chairman or a Committee staff member designated by the Chairman has not received from the Ranking Member or a Committee staff member designated by the Ranking Member notice of the Ranking Member's nonconcurrence in the subpoena within 48 hours (excluding Saturdays, Sundays, and Federal holidays) of being notified of the Chairman's intention to subpoena attendance or production, the Chairman is authorized following the end of the 48-hour period involved to subpoena the same without the Ranking Member's concurrence. Regardless of whether a subpoena has been concurred in by the Ranking Member, such subpoena may be authorized by vote of the Members of the Committee. When the Committee or Chairman authorizes a subpoena, the subpoena may be issued upon the signature of the Chairman or of any other member of the Committee designated by the Chairman.

(f) In the event that a hearing is convened under the provisions of rule XXVI of the Standing Rules of the Senate, the Ranking Member shall, subject to each and all of the limitations specified in paragraph IV(e) of these rules, have the same powers to subpoena witnesses as would otherwise be vested in the Chairman, and the Chairman, in such instances, shall have the same prerogatives as would otherwise be vested in the Ranking Member under paragraph IV(e) of these rules.

(g) Except as specified in Committee Rule VII (requiring oaths, under certain circumstances, at hearings to confirm Presidential nominations), witnesses at hearings will be required to give testimony under oath whenever the presiding member deems such to be advisable.

V. MEDIA COVERAGE

Any Committee meeting or hearing which is open to the public may be covered by television, radio, and print media. Photographers, reporters, and crew members using mechanical recording, filming or broadcasting devices shall position and use their equipment so as not to interfere with the seating, vision, or hearing of the Committee members or staff or with the orderly conduct of the meeting or hearing. The presiding member of the meeting or hearing may for good cause terminate, in whole or in part, the use of such mechanical devices or take such other action as the circumstances and the orderly conduct of the meeting or hearing may warrant.

VI. GENERAL

All applicable requirements of the Standing Rules of the Senate shall govern the Committee.

VII. PRESIDENTIAL NOMINATIONS

(a) Each Presidential nominee whose nomination is subject to Senate confirmation and referred to this Committee shall submit a statement of his or her background and financial interests, including the financial interests of his or her spouse and of children living in the nominee's household, on a form approved by the Committee which shall be sworn to as to its completeness and accuracy. The Committee form shall be in two parts—

(A) information concerning employment, education, and background of the nominee which generally relates to the position to which the individual is nominated, and which is to be made public; and

(B) information concerning the financial and other background of the nominee, to be made public when the Committee determines that such information bears directly on the nominee's qualifications to hold the position to which the individual is nominated.

Committee action on a nomination, including hearings or a meeting to consider a motion to recommend confirmation, shall not be initiated until at least five days after the nominee submits the form required by this rule unless the Chairman, with the concurrence of the Ranking Minority Member, waives this waiting period.

(b) At any hearing to confirm a Presidential nomination, the testimony of the nominee and, at the request of any Member, any other witness shall be under oath.

VIII. NAMING OF DEPARTMENT OF VETERANS AFFAIRS FACILITIES

It is the policy of the Committee that no Department of Veterans Affairs facility shall be named after any individual unless—

(A) such individual is deceased and was—

(1) a veteran who (i) was instrumental in the construction or the operation of the facility to be named, or (ii) was a recipient of the Medal of Honor or, as determined by the Chairman and Ranking Minority Member, otherwise performed military service of an extraordinarily distinguished character;

(2) a member of the United States House of Representatives or Senate who had a direct association with such facility;

(3) an Administrator of Veterans' Affairs, a Secretary of Veterans Affairs, a Secretary of Defense or of a service branch, or a military or other Federal civilian official of comparable or higher rank; or

(4) an individual who, as determined by the Chairman and Ranking Minority Member, performed outstanding service for veterans;

(B) each member of the Congressional delegation representing the State in which the designated facility is located has indicated in writing such member's support of the proposal to name such facility after such individual; and

(C) the pertinent State department or chapter of each Congressionally chartered veterans' organization having a national membership of at least 500,000 has indicated in writing its support of such proposal.

IX. AMENDMENTS TO THE RULES

The rules of the Committee may be changed, modified, amended, or suspended at any time, provided, however, that no less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose. The rules governing quorums for reporting legislative matters shall govern rules changes, modification, amendments, or suspension.

RULES OF THE SENATE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. THOMPSON. Mr. President, Senate Standing Rule XXVI requires each committee to adopt rules to govern the procedures of the Committee and to publish those rules in the CONGRESSIONAL RECORD not later than March 1 of the first year of each Congress. Pursuant to a unanimous consent agreement reached on February 28, 2001, notwithstanding the provisions of Rule XXVI of the Standing Rules of the Senate, for the purposes of the 107th Congress, the publication date for committee rules shall not be later than March 10, 2001.

On March 8, 2001, the Committee on Governmental Affairs held a business meeting during which the members of the Committee unanimously adopted the rules to govern the procedures of the Committee. In addition, a majority of members of the Committee's Permanent Subcommittee on Investigations adopted subcommittee rules of procedure on March 2, 2001.

Consistent with Standing Rules XXVI, today I am submitting for printing in the CONGRESSIONAL RECORD a copy of the rules of the Senate Committee on Governmental Affairs and its Permanent Subcommittee on Investigations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE FOR THE SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON GOVERNMENTAL AFFAIRS

1. No public hearing connected with an investigation may be held without the approval of either the Chairman and the Ranking Minority Member or the approval of a majority of the Members of the Subcommittee. In all cases, notification to all Members of the intent to hold hearings must be given at least 7 days in advance to the date of the hearing. The Ranking Minority Member should be kept fully apprised of preliminary inquiries, investigations, and hearings. Preliminary inquiries may be initiated by the Subcommittee majority staff upon the approval of the Chairman and notice of such approval to the Ranking Minority Member or the minority counsel. Preliminary inquiries may be undertaken by the minority staff upon the approval of the Ranking Minority Member and notice of such approval to the Chairman or Chief Counsel. Investigations may be undertaken upon the approval of the Chairman of the Subcommittee and the Ranking Minority Member with notice of such approval to all members.

No public hearing shall be held if the minority Members unanimously object, unless the full Committee on Governmental Affairs by a majority vote approves of such public hearing.

Senate Rules will govern all closed sessions convened by the Subcommittee (Rule XXVI, Sec. 5(b), Standing Rules of the Senate).

2. Subpoenas for witnesses, as well as documents and records, may be authorized and issued by the Chairman, or any other Member of the Subcommittee designated by him, with notice to the Ranking Minority Member. A written notice of intent to issue a subpoena shall be provided to the Chairman and Ranking Minority Member of the Committee, or staff officers designated by them, by the Subcommittee Chairman or a staff officer designated by him, immediately upon such authorization, and no subpoena shall issue for at least 48 hours, excluding Saturdays and Sundays, from delivery to the appropriate offices, unless the Chairman and Ranking Minority Member waive the 48 hour waiting period or unless the Subcommittee Chairman certifies in writing to the Chairman and Ranking Minority Member that, in his opinion, it is necessary to issue a subpoena immediately.

3. The Chairman shall have the authority to call meetings of the Subcommittee. This authority may be delegated by the Chairman to any other Member of the Subcommittee when necessary.

4. If at least three Members of the Subcommittee desire the Chairman to call a special meeting, they may file in the office of the Subcommittee, a written request therefor, addressed to the Chairman. Immediately thereafter, the clerk of the Subcommittee shall notify the Chairman of such request. If, within 3 calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within 7 calendar days after the filing of such request, a majority of the Subcommittee Members may file in the office of the Subcommittee their written notice that a special Subcommittee meeting will be held, specifying the date and hour thereof, and the Subcommittee shall meet on that date and hour. Immediately upon the filing of such notice, the Subcommittee clerk shall notify all Subcommittee Members that such special meeting will be held and inform them of its dates and hour. If the Chairman is not present at any regular, additional or special meeting, the ranking majority Member present shall preside.

5. For public or executive sessions, one Member of the Subcommittee shall constitute a quorum for the administering of oaths and the taking of testimony in any given case or subject matter.

Five (5) Members of the Subcommittee shall constitute a quorum for the transaction of Subcommittee business other than the administering of oaths and the taking of testimony.

6. All witnesses at public or executive hearings who testify to matters of fact shall be sworn.

7. If, during public or executive sessions, a witness, his counsel, or any spectator conducts himself in such a manner as to prevent, impede, disrupt, obstruct, or interfere with the orderly administration of such hearing, the Chairman or presiding Member of the Subcommittee present during such hearing may request the Sergeant at Arms of the Senate, his representative or any law enforcement official to eject said person from the hearing room.

8. Counsel retained by any witness and accompanying such witness shall be permitted to be present during the testimony of such witness at any public or executive hearing, and to advise such witness while he is testifying, of his legal rights, Provided, however, that in the case of any witness who is an officer or employee of the government, or of a corporation or association, the Subcommittee Chairman may rule that representation by counsel from the government, corporation, or association, or by counsel representing other witnesses, creates a conflict of interest, and that the witness may only be represented during interrogation by staff or during testimony before the Subcommittee by personal counsel not from the government, corporation, or association, or by personal counsel not representing other witnesses. This rule shall not be construed to excuse a witness from testifying in the event his counsel is ejected for conducting himself in such a manner so as to prevent, impede, disrupt, obstruct, or interfere with the orderly administration of the hearings; nor shall this rule be construed as authorizing counsel to coach the witness or answer for the witness. The failure of any witness to secure counsel shall not excuse such witness from complying with a subpoena or deposition notice.

9. Depositions.

9.1 Notice. Notices for the taking of depositions in an investigation authorized by the Subcommittee shall be authorized and issued by the Chairman. The Chairman of the full Committee and the Ranking Minority Member of the Subcommittee shall be kept fully apprised of the authorization for the taking of depositions. Such notices shall specify a time and place of examination, and the name of the Subcommittee Member or Members or staff officer or officers who will take the deposition. The deposition shall be in private. The Subcommittee shall not initiate procedures leading to criminal or civil enforcement proceedings for a witness' failure to appear unless the deposition notice was accompanied by a Subcommittee subpoena.

9.2 Counsel. Witnesses may be accompanied at a deposition by counsel to advise them of their legal rights, subject to the provisions of Rule 8.

9.3 Procedure. Witnesses shall be examined upon oath administered by an individual authorized by local law to administer oaths. Questions shall be propounded orally by Subcommittee Members or staff. Objections by the witness as to the form of questions shall be noted for the record. If a witness objects to a question and refuses to testify on the basis of relevance or privilege, the Subcommittee Members or staff may proceed with the deposition, or may, at that time or at a subsequent time, seek a ruling by telephone or otherwise on the objection from the Chairman or such Subcommittee Member as designated by him. If the Chairman or designated Member overrules the objection, he may refer the matter to the Subcommittee or he may order and direct the witness to answer the question, but the Subcommittee shall not initiate procedures leading to civil or criminal enforcement unless the witness refuses to testify after he has been ordered and directed to answer by a Member of the Subcommittee.

9.4 Filing. The Subcommittee staff shall see that the testimony is transcribed or electronically recorded. If it is transcribed, the witness shall be furnished with a copy for review pursuant to the provisions of Rule 12. The individual administering the oath shall certify on the transcript that the witness was duly sworn in his presence, the transcriber shall certify that the transcript is a true record of the testimony, and the transcript shall then be filed with the Subcommittee clerk. Subcommittee staff may stipulate with the witness to changes in this procedure; deviations from this procedure which do not substantially impair the reliability of the record shall not relieve the witness from his obligation to testify truthfully.

10. Any witness desiring to read a prepared or written statement in executive or public hearings shall file a copy of such statement with the Chief Counsel or Chairman of the Subcommittee 48 hours in advance of the hearings at which the statement is to be presented unless the Chairman and the Ranking Minority Member waive this requirement. The Subcommittee shall determine whether such statement may be read or placed in the record of the hearing.

11. A witness may request, on grounds of distraction, harassment, personal safety, or physical discomfort, that during the testimony, television, motion picture, and other cameras and lights shall not be directed at him. Such requests shall be ruled on by the Subcommittee Members present at the hearing.

12. An accurate stenographic record shall be kept of the testimony of all witnesses in executive and public hearings. The record of his own testimony whether in public or executive session shall be made available for inspection by witness or his counsel under Subcommittee supervision; a copy of any testimony given in public session or that part of the testimony given by the witness in executive session and subsequently quoted or made part of the record in a public session shall be made available to any witness at his expense if he so requests.

13. Interrogation of witnesses at Subcommittee hearings shall be conducted on behalf of the Subcommittee by Members and authorized Subcommittee staff personnel only.

14. Any person who is the subject of an investigation in public hearings may submit to the Chairman of the Subcommittee questions in writing for the cross-examination of other witnesses called by the Subcommittee. With the consent of a majority of the Members of the Subcommittee present and voting, these questions, or paraphrased versions of them, shall be put to the witness by the Chairman, by a Member of the Subcommittee or by counsel of the Subcommittee.

15. Any person whose name is mentioned or who is specifically identified, and who believes that testimony or other evidence presented at a public hearing, or comment made by a Subcommittee Member or counsel, tends to defame him or otherwise adversely affect his reputation, may (a) request to appear personally before the Subcommittee to testify in his own behalf, or, in the alternative, (b) file a sworn statement of facts relevant to the testimony or other evidence or comment complained of. Such request and such statement shall be submitted to the Subcommittee for its consideration and action.

If a person requests to appear personally before the Subcommittee pursuant to alternative (a) referred to herein, said request shall be considered untimely if it is not received by the Chairman of the Subcommittee or its counsel in writing on or before thirty (30) days subsequent to the day on which said person's name was mentioned or otherwise specifically identified during a public hearing held before the Subcommittee, unless the Chairman and the Ranking Minority Member waive this requirement.

If a person requests the filing of his sworn statement pursuant to alternative (b) referred to herein, the Subcommittee may condition the filing of said sworn statement upon said person agreeing to appear personally before the Subcommittee and to testify concerning the matters contained in his sworn statement, as well as any other matters related to the subject of the investigation before the Subcommittee.

16. All testimony taken in executive session shall be kept secret and will not be released for public information without the approval of a majority of the Subcommittee.

17. No Subcommittee report shall be released to the public unless approved by a majority of the Subcommittee and after no less than 10 days' notice and opportunity for comment by the Members of the Subcommittee unless the need for such notice and opportunity to comment has been waived in writing by a majority of the minority Members.

18. The Ranking Minority Member may select for appointment to the Subcommittee staff a Chief Counsel for the minority and such other professional staff members and clerical assistants as he deems advisable. The total compensation allocated to such minority staff members shall be not less than one-third the total amount allocated for all Subcommittee staff salaries during any given year. The minority staff members shall work under the direction and supervision of the Ranking Minority Member. The Chief Counsel for the minority shall be kept fully informed as to preliminary inquiries, investigations, and hearings, and shall have access to all material in the files of the Subcommittee.

19. When it is determined by the Chairman and Ranking Minority Member, or by a majority of the Subcommittee, that there is reasonable cause to believe that a violation of law may have occurred, the Chairman and Ranking Minority Member by letter, or the Subcommittee by resolution, are authorized to report such violation to the proper State, local and/or Federal authorities. Such letter or report may recite the basis for the determination of reasonable cause. This rule is not authority for release of documents or testimony.

RULES OF PROCEDURE OF THE COMMITTEE ON GOVERNMENTAL AFFAIRS PURSUANT TO RULE XXVI, SEC. 2, STANDING RULES OF THE SENATE

RULE 1. MEETINGS AND MEETING PROCEDURES OTHER THAN HEARINGS

A. Meeting dates. The Committee shall hold its regular meetings on the first Thursday of each month, when the Congress is in session, or at such other times as the chairman shall determine. Additional meetings may be called by the chairman as he deems necessary to expedite Committee business. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

B. Calling special Committee meetings. If at least three members of the Committee desire the chairman to call a special meeting, they may file in the offices of the Committee a written request therefor, addressed to the chairman. Immediately thereafter, the clerk of the committee shall notify the chairman of such request. If, within 3 calendar days after the filing of such request, the chairman fails to call the requested special meeting, which is to be held within 7 calendar days after the filing of such request, a majority of the committee members may file in the offices of the committee their written notice that a special Committee meeting will be held, specifying the date and hour thereof, and the Committee shall meet on that date and hour. Immediately upon the filing of such notice, the Committee clerk shall notify all Committee members that such special meeting will be held and inform them of its date and hour. (Rule XXVI, Sec. 3, Standing Rules of the Senate.)

C. Meeting notices and agenda. Written notices of Committee meetings, accompanied by an agenda, enumerating the items of business to be considered, shall be sent to all Committee members at least 3 days in advance of such meetings, excluding Saturdays, Sundays, and legal holidays in which the Senate is not in session. The written notices required by this Rule may be provided by electronic mail. In the event that unforeseen requirements or Committee business prevent a 3-day notice of either the meeting or agenda, the Committee staff shall communicate such notice and agenda, or any revisions to the agenda, as soon as practicable by telephone or otherwise to members or appropriate staff assistants in their offices.

D. Open business meetings. Meetings for the transaction of Committee or Subcommittee business shall be conducted in open session, except that a meeting or series of meetings on the same subject for a period of no more than 14 calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in clauses (1) through (6) below would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the Committee or Subcommittee members when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of foreign relations of the United States;

(2) will relate solely to matters of Committee or Subcommittee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise expose an individual to public contempt or obloquy or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of an informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

Notwithstanding the foregoing, whenever disorder arises during a Committee or Subcommittee meeting that is open to the public, or any demonstration of approval or disapproval is indulged in by any person in attendance at any such meeting, it shall be the duty of the chairman to enforce order on his own initiative and without any point of order being made by a member of the Committee or Subcommittee; *provided, further*, that when the chairman finds it necessary to maintain order, he shall have the power to clear the room, and the Committee or Subcommittee may act in closed session for so long as there is doubt of the assurance of order. (Rule XXVI, Sec. 5(d), Standing Rules of the Senate.)

E. Prior notice of first degree amendments. It shall not be in order for the committee, or a Subcommittee thereof, to consider any amendment in the first degree proposed to any measure under consideration by the Committee or Subcommittee unless a written copy of such amendment has been delivered to each member of the Committee or Subcommittee, as the case may be, and to the office of the Committee or Subcommittee, at least 24 hours before the meeting of the Committee or Subcommittee at which the amendment is to be proposed. The written copy of amendments in the first degree required by this Rule may be provided by electronic mail. This subsection may be waived by a majority of the members present. This subsection shall apply only when at least 72 hours written notice of a session to mark-up a measure is provided to the Committee or Subcommittee.

F. Meeting transcript. The Committee or Subcommittee shall prepare and keep a complete transcript or electronic recording adequate to fully record the proceeding of each meeting whether or not such meeting or any part thereof is closed to the public, unless a majority of the Committee or Subcommittee members vote to forgo such a record. (Rule

XXVI, Sec. 5(e), Standing Rules of the Senate.)

RULE 2. QUORUMS

A. Reporting measures and matters. A majority of the members of the Committee shall constitute a quorum for reporting to the Senate any measures, matters or recommendations. (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

B. Transaction of routine business. One-third of the membership of the Committee shall constitute a quorum for the transaction of routine business, provided that one member of the minority is present.

For the purpose of this paragraph, the term "routine business" includes the convening of a meeting and the consideration of any business of the Committee other than reporting to the Senate any measures, matters or recommendations. (Rule XXVI, Sec. 7(a)(1), Standing Rules of the Senate.)

C. Taking testimony. One member of the Committee shall constitute a quorum for taking sworn or unsworn testimony. (Rule XXVI, Sec. 7(a)(2) and 7(c)(2), Standing Rules of the Senate.)

D. Subcommittee quorums. Subject to the provisions of sections 7(a) (1) and (2) of Rule XXVI of the Standing Rules of the Senate, the Subcommittees of this Committee are authorized to establish their own quorums for the transaction of business and the taking of sworn testimony.

E. Proxies prohibited in establishment of quorum. Proxies shall not be considered for the establishment of a quorum.

RULE 3. VOTING

A. Quorum required. Subject to the provisions of subsection (E), no vote may be taken by the Committee, or any Subcommittee thereof, on any measure or matter unless a quorum, as prescribed in the preceding section, is actually present.

B. Reporting measures and matters. No measure, matter or recommendation shall be reported from the Committee unless a majority of the Committee members are actually present, and the vote of the Committee to report a measure or matter shall require the concurrence of a majority of those members who are actually present at the time the vote is taken. (Rule XXVI, Sec. 7(a)(1) and (3), Standing Rules of the Senate.)

C. Proxy voting. Proxy voting shall be allowed on all measures and matters before the Committee, or any Subcommittee thereof, except that, when the Committee, or any Subcommittee thereof, is voting to report a measure or matter, proxy votes shall be allowed solely for the purposes of recording a member's position on the pending question. Proxy voting shall be allowed only if the absent Committee or Subcommittee member has been informed of the matter on which he is being recorded and his affirmatively requested that he be so recorded. All proxies shall be filed with the chief clerk of the Committee or Subcommittee thereof, as the case may be. All proxies shall be in writing and shall contain sufficient reference to the pending matter as is necessary to identify it and to inform the Committee or Subcommittee as to how the member establishes his vote to be recorded thereon. (Rule XXVI, Sec. 7(a)(3) and 7(c)(1), Standing Rules of the Senate.)

D. Announcement of vote. (1) Whenever the Committee by roll call vote reports any measure or matter, the report of the Committee upon such a measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the Committee. (Rule XXVI, Sec. 7(c), Standing Rules of the Senate.)

(2) Whenever the Committee by roll call vote acts upon any measure or amendment thereto, other than reporting a measure or matter, the results thereof shall be announced in the Committee report on that measure unless previously announced by the Committee, and such announcement shall include a tabulation of the votes cast in favor of and the votes cast in opposition to each such measure and amendment thereto by each member of the Committee who was present at the meeting. (Rule XXVI, Sec. 7(b), Standing Rules of the Senate.)

(3) In any case in which a roll call vote is announced, the tabulation of votes shall state separately the proxy vote recorded in favor of and in opposition to that measure, amendment thereto, or matter. (Rule XXVI, Sec. 7(b) and (c), Standing Rules of the Senate.)

E. Polling. (1) The Committee, or any Subcommittee thereof, may poll (a) internal Committee or Subcommittee matters including the Committee's or Subcommittee's staff, records and budget; (b) steps in an investigation, including issuance of subpoenas, applications for immunity orders, and requests for documents from agencies; and (c) other Committee or Subcommittee business other than a vote on reporting to the Senate any measures, matters or recommendations or a vote on closing a meeting or hearing to the public.

(2) Only the chairman, or a Committee member or staff officer designated by him, may undertake any poll of the members of the Committee. If any member requests, any matter to be polled shall be held for meeting rather than being polled. The chief clerk of the Committee shall keep a record of polls; if a majority of the members of the Committee determine that the polled matter is in one of the areas enumerated in subsection (D) of Rule 1, the record of the poll shall be confidential. Any Committee member may move at the Committee meeting following the poll for a vote on the polled decision, such motion and vote to be subject to the provisions of subsection (D) of Rule 1, where applicable.

RULE 4. CHAIRMANSHIP OF MEETINGS AND HEARINGS

The chairman shall preside at all Committee meetings and hearings except that he shall designate a temporary chairman to act in his place if he is unable to be present at a scheduled meeting or hearing. If the chairman (or his designee) is absent 10 minutes after the scheduled time set for a meeting or hearing, the ranking majority member present shall preside until the chairman's arrival. If there is no member of the majority present, the ranking minority member present, with the prior approval of the chairman, may open and conduct the meeting or hearing until such time as a member of the majority arrives.

RULE 5. HEARINGS AND HEARINGS PROCEDURES

A. Announcement of hearings. The Committee, or any Subcommittee thereof, shall make public announcement of the date, time, and subject matter of any hearing to be conducted on any measure or matter at least 1 week in advance of such hearing, unless the Committee, or Subcommittee, determines that there is good cause to begin such hearing at an earlier date. (Rule XXVI, Sec. 4(a), Standing rules of the Senate.)

B. Open hearings. Each hearing conducted by the Committee, or any Subcommittee thereof, shall be open to the public, except that a hearing or series of hearings on the same subject for a period of no more than 14 calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in clauses (1) through (6) below would require the hearing to be closed, followed immediately by a record vote in open session by a majority of the Committee or Subcommittee members when it is determined that the matters to be discussed or the testimony to be taken at such hearing or hearings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of foreign relations of the United States;

(2) will relate solely to matters of Committee or Subcommittee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise expose an individual to public contempt or obloquy or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of an informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets of financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations. (Rule XXVI, Sec. 5(b), Standing Rules of the Senate.)

Notwithstanding the foregoing, whenever disorder arises during a Committee or Subcommittee meeting that is open to the public, or any demonstration of approval or disapproval is indulged in by any person in attendance at any such meeting, it shall be the duty of the chairman to enforce order on his own initiative and without any point of order being made by a member of the Committee or Subcommittee; *provided, further,* that when the chairman finds it necessary to maintain order, he shall have the power to clear the room, and the Committee or Subcommittee may act in closed session for so long as there is doubt of the assurance of order. (Rule XXVI, Sec. 5(d), Standing rules of the Senate.)

C. Full Committee subpoenas. The chairman, with the approval of the ranking minority member of the Committee, is authorized to subpoena the attendance of witnesses or the production of memoranda, documents, records, or any other materials at a hearing or deposition, provided that the chairman may subpoena attendance or production without the approval of the ranking minority member where the chairman or a staff officer designated by him has not received notification from the ranking minority member or a staff officer designated by him of disapproval of the subpoena within 72 hours, excluding Saturdays and Sundays, of being notified of the subpoena. If a subpoena is disapproved by the ranking minority member as provided in this subsection, the subpoena may be authorized by vote of the members of the Committee. When the Committee or chairman authorizes subpoenas, subpoenas may be issued upon the signature of the chairman or any other member of the Committee designated by the chairman.

D. Witness counsel. Counsel retained by any witness and accompanying such witness shall be permitted to be present during the testimony of such witness at any public or executive hearing or deposition to advise such witness while he or she is testifying, of his or her legal rights, *provided, however*, that in the case of any witness who is an officer or employee of the government, or of a corporation or association, the Committee chairman may rule that representation by counsel from the government, corporation, or association or by counsel representing, other witnesses, creates a conflict of interest, and that the witness may only be represented -during interrogation by staff or during testimony before the Committee by personal counsel not from the government, corporation, or association or by personal counsel not representing other witnesses. This subsection shall not be construed to excuse a witness from testifying in the event his counsel is ejected for conducting himself in such manner so as to prevent, impede, disrupt, obstruct or interfere with the orderly administration of the hearings; nor shall this subsection be construed as authorizing counsel to coach the witness or answer for the witness. The failure of any witness to secure counsel shall not excuse such witness from complying with a subpoena or deposition notice.

E. Witness transcripts. An accurate electronic or stenographic record shall be kept of the testimony of all witnesses in executive and public hearings. The record of his or her testimony whether in public or executive session shall be made available for inspection by the witness or his or her counsel under Committee supervision; a copy of any testimony given in public session or that part of the testimony given by the witness in executive session and subsequeptly quoted or made part of the record in a public session shall be provided to any witness at his or her expense if he or she so requests. Upon inspecting his or her transcript, within a time limit set by the chief clerk of the Committee, a witness may request changes in the transcript to correct errors of transcription and grammatical errors; the chairman or a staff officer designated by him shall rule on such requests.

F. Impugned persons. Any person whose name is mentioned or is specifically identified, and who believes that evidence presented, or comment made by a member of the Committee or staff officer, at a public hearing or at a closed hearing concerning which there have been public reports, tends to impugn his or her character or adversely affect his or her reputation may:

(a) File a sworn statement of facts relevant to the evidence or comment, which statement shall be considered for placement in the hearing record by the Committee;

(b) Request the opportunity to appear personally before the Committee to testify in his or her own behalf, which request shall be considered by the Committee; and

(c) Submit questions in writing which he or she requests be used for the cross-examination of other witnesses called by the Committee, which questions shall be considered for use by the Committee.

G. Radio, television, and photography. The Committee, or any Subcommittee thereof, may permit the proceedings of hearings which are open to the public to be photographed and broadcast by radio, television or both, subject to such conditions as the Committee, or Subcommittee, may impose. (Rule XXVI, Sec. 5(c), Standing Rules of the Senate.)

H. Advance statements of witnesses. A witness appearing before the Committee, or any Subcommittee thereof, shall provide 100 copies of a written statement and an executive summary or synopsis of his proposed testimony at least 48 hours prior to his appearance. This requirement may be waived by the chairman and the ranking minority member following their determination that there is good cause for failure of compliance. (Rule XXVI, Sec. 4(b), Standing Rules of the Senate.)

I. Minority witnesses. In any hearings conducted by the Committee, or any Subcommittee thereof, the minority members of the Committee or Subcommittee shall be entitled, upon request to the chairman by a majority of the minority members, to call witnesses of their selection during at least 1 day of such hearings. (Rule XXVI, Sec. 4(d), Standing Rules of the Senate.)

J. Full Committee depositions. Depositions may be taken prior to or after a hearing as provided in this subsection.

(1) Notices for the taking of depositions shall be authorized and issued by the chairman, with the approval of the ranking minority member of the Committee, provided that the chairman may initiate depositions without the approval of the ranking minority member where the chairman or a staff officer designated by him has not received notification from the ranking minority member or a staff officer designated by him of disapproval of the deposition within 72 hours, excluding Saturdays and Sundays, of being notified of the deposition notice. If a deposition notice is disapproved by the ranking minority members as provided in this subsection, the deposition notice may be authorized by a vote of the members of the Committee. Committee deposition notices shall specify a time and place for exmaination, and the name of the Committee member or members or staff officer or officers who will take the deposition. Unless otherwise—specified, the deposition shall be in private. The Committee shall not initiate procedures leading to criminal or civil enforcement proceedings for a witness' failure to appear or produce unless the deposition notice was accompanied by a Committee subpoena.

(2) Witnesses may be accompanied at a deposition by counsel to advise them of their legal rights, subject to the provisions of Rule 5D.

(3) Oaths at depositions may be administered by an individual authorized by local law to administer oaths. Questions shall be propounded orally by Committee member or members or staff. If a witness objects to a question and refuses to testify, the objection shall be noted for the record and the Committee member or members or staff may proceed with the remainder of the deposition.

(4) The Committee shall see that the testimony is transcribed or electronically recorded (which may include audio or audio/video recordings). If it is transcribed, the transcript shall be made available for inspection by the witness or his or her counsel under Committee supervision. The witness shall sign a copy of the transcript and may request changes to it, which shall be handled in accordance with the procedure set forth in subsection (E). If the witness fails to sign a copy, the staff shall note that fact on the transcript. The individual administering the oath shall certify on the transcript that the witness was duly sworn in his presence, the transcriber shall certify that the transcript is a true record of the testimony, and the transcript shall then be filed with the chief clerk of the Committee. The chairman or a staff officer designated by him may stipulate with the witness to changes in the procedure, deviations from this procedure which do not substantially impair the reliability of the record shall not relieve the witness from his or her obligation to testify truthfully.

RULE 6. COMMITTEE REPORTING PROCEDURES

A. Timely filing. When the Committee has ordered a measure or matter reported following final action the report thereon shall be filed in the Senate at the earliest practicable time. (Rule XXVI Sec. 20(b), Standing Rules of the Senate.)

B. Supplemental, minority, and additional views. A member of the Committee who given notice of his intention to file supplemental minority or additional views at the time of final Committee approval of a measure or matter, shall be entitled to not less than 3 calendar days in which to file such views, in writing, with the chief clerk of the Committee. Such views shall then be included in the Committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the Committee report may be filed and printed immediately without such views, (Rule XXVI, Sec. 10(c), Standing Rules of the Senate.)

C. Notice by Subcommittee chairmen. The chairman of each Subcommittee shall notify the chairman in writing whenever any measure has been ordered reported by such Subcommittee and is ready for consideration by the full Committee.

D. Draft reports of Subcommittees. All draft reports prepared by Subcommittees of this Committee on any measure or matter referred to it by the chairman, shall be in the form, style, and arrangement required to conform to the applicable provisions of the Standing Rules of the Senate, and shall be in accordance with the established practices followed by the Committee. Upon completion of such draft reports, copies thereof shall be filed with the chief clerk of the Committee at the earliest practicable time.

E. Impact statements in reports. All Committee reports, accompanying a bill or joint resolution of a public character reported by the Committee, shall contain (1) an estimate, made by the Committee, of the costs which would be incurred in carrying out the legislation for the then current fiscal year and for each of the next 5 years thereafter (or for the authorized duration of the proposed legislation, if less than 5 years); and (2) a comparison of such cost estimates with any made by a Federal agency; or (3) in lieu of such estimate or comparison, or both, a statement of the reasons for failure by the Committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Rule XXVI, Sec. 11(a), Standing Rules of the Senate.)

Each such report shall also contain an evaluation, made by the Committee, of the regulatory impact which would be incurred in carrying out the bill or joint resolution. The evaluation shall include (a) an estimate of the numbers of individuals and businesses who would be regulated and a determination of the groups and classes of such individuals and businesses, (b) a determination of the economic impact of such regulation on the individuals, consumers, and businesses affected, (c) a determination of the impact on the personal privacy of the individuals affected, and (d) a determination of the amount of paperwork that will result from the regulations to be promulgated pursuant to the bill or joint resolution, which determination may include, but need not be limited to, estimates of the amount of time and financial costs required of affected parties, showing whether the effects of the bill or joint resolution could be substantial, as well as reasonable estimates of the recordkeeping requirements that may be associated with the bill or joint resolution. Or, in lieu of the forgoing evaluation, the report shall include a statement of the reasons for failure by the Committee to comply with these requirements as impracticable, in the event of inability to comply therewith. (Rule XXVI, Sec. 11(b), Standing Rules of the Senate.)

RULE 7. SUBCOMMITTEES AND SUBCOMMITTEE PROCEDURES

A. Regularly established Subcommittees. The Committee shall have three regularly established Subcommittees. The Subcommittees are as follows:

Permanent Subcommittee on Investigations

Oversight of Government Management, Restructuring and the District of Columbia

International Security, Proliferation and Federal Services

B. Ad hoc Subcommittees. Following consultation with the ranking minority member, the chairman shall, from time to time, establish such ad hoc Subcommittees as he deems necessary to expedite Committee business.

C. Subcommittee membership. Following consultation with the majority members, and the ranking minority member of the Committee, the chairman shall announce selections for membership on the Subcommittees referred to in paragraphs A and B, above.

D. Subcommittee meetings and hearings. Each Subcommittee of this Committee is authorized to establish meeting dates and adopt rules not inconsistent with the rules of the Committee except as provided in Rules 2(D) and 7(E).

E. Subcommittee subpoenas. Each Subcommittee is authorized to adopt rules concerning subpoenas which need not be consistent with the rules of the Committee; *provided, however*, that in the event the Subcommittee authorizes the issuance of a subpoena pursuant to its own rules, a written notice of intent to issue the subpoena shall be provided to the chairman and ranking minority member of the Committee, or staff officers designated by them, by the Subcommittee chairman or a staff officer designated by him immediately upon such authorization, and no subpoena shall be issued for at least 48 hours, excluding Saturdays and Sundays, from delivery to the appropriate offices, unless the chairman and ranking minority member waive the 48 hour waiting period or unless the Subcommittee chairman certifies in writing to the chairman and ranking minority member that, in his opinion, it is necessary to issue a subpoena immediately.

F. Subcommittee budgets. Each Subcommittee of this Committee, which requires authorization for the expenditure of funds for the conduct of inquiries and investigations, shall file with the chief clerk of the Committee, not later than January 10 of the first year of each new Congress, its request for funds for the two (2) 12-month periods beginning on March 1 and extending through and including the last day of February of the 2 following years, which years comprise that Congress. Each such request shall be submitted on the budget form prescribed by the Committee on Rules and Administration, and shall be accompanied by a written justification addressed to the chairman of the Committee, which shall include (1) a statement of the Subcommittee's area of activities, (2) its accomplishments during the preceding Congress detailed year by year, and (3) a table showing a comparison between (a) the funds authorized for expenditure during the preceding Congress detailed year by year, (b) the funds actually expended during that Congress detailed year by year, (c) the amount requested for each year of the Congress, and (d) the number of professional and clerical staff members and consultants employed by the Subcommittee during the preceding Congress detailed year by year and the number of such personnel requested for each year of the Congress. The chairman may request additional reports from the Subcommittees regarding their activities and budgets at any time during a Congress. (Rule XXVI, Sec. 9, Standing Rules of the Senate.)

RULE 8. CONFIRMATION STANDARDS AND PROCEDURES

A. Standards. In considering a nomination, the Committee shall inquire into the nominee's experience, qualifications, suitability, and integrity to serve in the position to which he or she has been nominated. The Committee shall recommend confirmation, upon finding that the nominee has the necessary integrity and is affirmatively qualified by reason of training, education, or experience to carry out the functions of the office to which the or she was nominated.

B. Information Concerning the Nominee. Each nominee shall submit the following information to the Committee:

(1) A detailed biographical resume which contains information relating to education, employment and achievements;

(2) Financial information, including a financial statement which lists assets and liabilities of the nominee and tax returns for the 3 years preceding the time of his or her nomination, and copies of other relevant documents requested by the Committee, such as a proposed blind trust agreement, necessary for the Committee's consideration; and,

(3) Copies of other relevant documents the Committee may request, such as responses to questions concerning the policies and programs the nominee intends to pursue upon taking office.

At the request of the chairman or the ranking minority member, a nominee shall be required to submit a certified financial statement compiled by an independent auditor.

Information received pursuant to this subsection shall be made available for public inspection; *provided, however*, that tax returns shall, after review by persons designated in subsection (C) of this rule, be placed under seal to ensure confidentiality.

C. Procedures for Committee inquiry. The Committee shall conduct an inquiry into the experience, qualifications, suitability, and integrity of nominees, and shall give particular attention to the following matters:

(1) A review of the biographical information provided by the nominee, including, but not limited to, any professional activities related to the duties of the office to which he or she is nominated;

(2) A review of the financial information provided by the nominee, including tax returns for the 3 years preceding the time of his or her nomination;

(3) A review of any actions, taken or proposed by the nominee, to remedy conflicts of interest; and

(4) A review of any personal or legal matter which may bear upon the nominee's qualifications for the office to which he or she is nominated.

For the purpose of assisting the Committee in the conduct of this inquiry, a majority investigator or investigators shall be designated by the chairman and a minority investigator or investigators shall be designated by the ranking minority member. The chairman, ranking minority member, other members of the Committee and designated investigators shall have access to all investigative reports on nominees prepared by any Federal agency, except that only the chairman, the ranking minority member, or other members of the Committee, upon request, shall have access to the report of the Federal Bureau of Investigation. The Committee may request the assistance of the General Accounting Office and any other such expert opinion as may be necessary in conducting its review of information provided by nominees.

D. Report on the Nominee. After a review of all information pertinent to the nomination, a confidential report on the nominee shall be made by the designated investigators to the chairman and the ranking minority member and, upon request, to any other member of the Committee. The report shall summarize the steps taken by the Committee during its investigation of the nominee and identify any unresolved or questionable matters that have been raised during the course of the inquiry.

E. Hearings. The Committee shall conduct a public hearing during which the nominee shall be called to testify under oath on all matters relating to his or her suitability for office, including the policies and programs which he or she will pursue while in that position. No hearing shall be held until at least 72 hours after the following events have occurred: The nominee has responded to prehearing questions submitted by the Committee; and the report required by subsection (D) has been made to the chairman and ranking minority member, and is available to other members of the Committee, upon request.

F. Action on confirmation. A mark-up on a nomination shall not occur on the same day that the hearing on the nominee is held. In order to assist the Committee in reaching a recommendation on confirmation, the staff may make an oral presentation to the Committee at the mark-up, factually summarizing the nominee's background and the steps taken during the pre-hearing inquiry.

G. Application. The procedures contained in subsections (C), (D), (E), and (F) of this rule shall apply to persons nominated by the President to positions requiring their full-time service. At the discretion of the chairman and ranking minority member, those procedures may apply to persons nominated by the President to serve on a part-time basis.

RULE 9. PERSONNEL ACTIONS AFFECTING COMMITTEE STAFF

In accordance with Rule XLII of the Standing Rules of the Senate and the Congressional Accountability Act of 1995 (P.L. 104-1), all personnel actions affecting the staff of the Committee shall be made free from any discrimination based on race, color, religion, sex, national origin, age, state of physical handicap, or disability.

INTERNATIONAL WOMEN'S DAY

Mr. FEINGOLD. Mr. President, today I'd like to commemorate International Women's Day. This day is an occasion to honor the many and diverse achievements and contributions of women worldwide, and the progress that they have made toward equal rights. It is also an important time to reflect upon the hardships and injustices that millions of women still face, and to reaffirm our commitment to take actions to overcome them and to further women's progress.

For nearly a century, women in communities across the globe have been uniting on March 8th to celebrate their achievements and to bring attention to their fight for equality, justice and peace. In that time women have made great strides toward equal participation in all spheres of life, and at all levels of decision-making.

Here in the United States, more women are earning college degrees, entering the workforce and starting their own businesses than ever before. Economic opportunities for women are expanding and home ownership is up. Women are playing a greater role in shaping local, state and federal policies that affect their families and them, as they are more active in the political process at all levels. The recent 2000 elections resulted once again in a record number of women serving in the U.S. Senate, House of Representatives and as Governors of States. We continue to see more women in top positions of federal agencies and in President's Cabinets. For the first time in American History, we have a woman, Condoleezza Rice, serving as our National Security Advisor to the President.

Despite these impressive strides, much work still needs to be done. Women are still vastly under-represented at all levels of government. Although the gender wage-gap has narrowed since 1963, when Congress mandated equal pay for equal work, unfair wage disparities continue to be a problem. Wage discrimination is costing families thousands of dollars each year. These financial losses, coupled with a lack of affordable quality child care, forces many women to still have to make difficult choices about their children and their career.

Just this week, women lost an important battle when the U.S. Senate voted to overturn the Occupational Health and Safety Administration's final ergonomics standard. This standard would have helped protect the 1.8 million Americans workers who suffer workplace injuries caused by repetitive motions. These injuries are particularly prevalent among women because many of the jobs held predominately by women require repetitive motions or repetitive heavy lifting. So we must recognize that there is still much work to be done in the area of equal rights for women.

Today we must also consider the achievements and challenges of women abroad. As Ranking Member of the African Affairs Subcommittee of the Senate Committee on Foreign Relations, I have had the opportunity to learn more about the status of women on that continent. Last month, as I traveled to the West African countries of Nigeria, Sierra Leone, and Senegal, I was reminded of the tremendously important role that women play in the political, economic, and social fabric of that region and so many others. I met Nigerian women who have been prodding officials to face the HIV/AIDS crisis head-on; women working to build peace in Sierra Leone, and women devoted to improving girls' education in Senegal. I am pleased to celebrate their achievements and contributions today.

However, millions of women in Africa and throughout the world face a great uphill battle before they will achieve full equality. Women are still more likely than men to be poor, malnourished and illiterate, and have less access to health care, financial credit, property ownership, job training and employment. In some places women are still denied the very basic right to vote, to let their voices be heard.

Many girls and women around the world face tragic human rights abuses daily, as victims of domestic violence, and exploitive practices such as illegal trafficking for slavery or prostitution. In some countries, deplorable "honor killings" are still prevalent, where women are murdered by their male relatives for actions—perceived or real—that are thought to bring dishonor on their families. In regions of conflict, rape and assaults on women are used as weapons of war, and perpetrators are rarely prosecuted.

For years, mass rape and sexual crimes have been considered normal occurrences of war, and only recently have these heinous crimes started to get the international attention that they deserve. An important victory for girls and women occurred last month when the United Nations International Criminal Tribunal for the former Yugoslavia in the Hague, convicted three men for rape, torture and enslavement during the war in Bosnia. The international court set an important precedent by defining rape as a crime against humanity.

There are many important ways that we can further protect women's human rights and improve the status of women and their families both domestically and internationally. One of the ways that the United States Senate can work towards that end is by acting upon the United Nations Convention on the Elimination of All Forms of Discrimination Against Women, CEDAW. Two decades have passed since the U.S. signed this important treaty, and yet it remains pending before the Senate Foreign Relations Committee. I once again call upon the committee to hold hearings on CEDAW so that the Senate can offer its advice and consent on this treaty.

The U.S. can also support efforts to ensure that it is devoting significant resources to battling HIV/AIDS which is killing millions of women and their families, in Africa and other regions of the world. Congress can pass legislation such as the Paycheck Fairness Act to provide more effective remedies to victims of salary discrimination on the basis of gender. These are only a few of many initiatives that will impact women's lives.

So, in closing as we mark International Women's Day, today and in the future, it is important for us to remember both the accomplishments of women and the many injustices that remain, and for the United States and the international community to reaffirm their commitment to promoting gender equity and human rights across the globe.

Mrs. FEINSTEIN. Mr. President, today is an important day for women and girls around the world. Today, we stand firmly on the side of basic human rights. Today, we rededicate ourselves to a better tomorrow. Today, we state loud and clear to those who seek to do women harm, "No more." Today is March 8, 2001, International Women's Day.

Having spent many years trying to raise awareness about the need for equality for women and girls in the United States and around the world, I am encouraged by the advancements we have made since the United Nations first designated March 8th as International Women's Day in 1975. Nevertheless, we still have a long ways to go and I would like to take this time to discuss several critical issues that I believe are vital to the lives of women and girls and require U.S. leadership: international family planning, the Convention on the Elimination of All Forms of Discrimination Against Women, CEDAW, sex trafficking, rape as an instrument of war, and the plight of women in Afghanistan.

Every Senator, I believe, is well aware of the issue of United States assistance to international family planning organizations. There have been few issues in recent years that have been more debated, with people of good intentions on both sides of the issue. Consequently, I was dismayed when President Bush opted to start his administration by reinstating the "global gag rule" restricting United States assistance to international family planning organizations.

Do we not understand the importance of family planning assistance? There are now more than 6 billion people on this Earth. The United Nations estimates this figure could be 12 billion by the year 2050. Almost all of this growth will occur in the places least able to bear up under the pressures of massive population increases. The brunt will be in developing countries lacking the resources needed to provide basic health or education services.

Only if women have access to such educational and medical resources needed to control their reproductive destinies and their health will they be able to better their own lives and the lives of their families

No one should doubt that international family planning programs reduce poverty, improve health, and raise living standards around the world; they enhance the ability of couples and individuals to determine the number and spacing of their children.

Nevertheless, in recent years these programs have come under increasing partisan attack by the anti-choice wing of the Republican party, despite the fact that no U.S. international family planning funds are spent on international abortion.

All American women, as they consider their own reproductive rights should consider the aim and intent of a policy in which the reproductive rights of American women are approached one way, and those of women in the developing world another.

Since President Bush is unlikely to change his mind, I urge my colleagues to support the Global Democracy Act of 2001, introduced by my friend and colleague from California, Senator Boxer. This important piece of legislation will allow foreign Non-Governmental Organizations that receive U.S. family planning assistance to use non-U.S. funds to provide legal abortion services, including counseling and referrals, and will lift the restrictions on lobbying and advocacy.

The United States must reclaim its leadership role on international family planning and reproductive issues. The United States must renew its commitment to help those around the world who need and want our help and assistance. On International Women's Day, I urge my colleagues to support the Global Democracy Act of 2001.

Last year, I was proud to join a bipartisan group of women Senators in co-sponsoring Senate Resolution 237, a resolution expressing the sense of the Senate that the Senate Foreign Relations Committee should hold hearings on the Convention on the Elimination of all Forms of Discrimination Against Women and the full Senate should act on the Convention by March 9, 2000.

That day came and went and here we are a year later, still waiting for the Senate to act.

In fact, women have been waiting for over 20 years for the Senate to ratify the convention on discrimination against women. The United States actively participated in drafting the convention and President Carter signed it on July 17th, 1980.

In 1994, the Foreign Relations Committee recommended by bipartisan vote that the convention be approved with qualifications, but acted too late in the session for the Convention to be considered by the full Senate.

Given the length of the delay and the level of scrutiny, one might expect the convention on discrimination against women to be a technically demanding international agreement. Nothing could be further from the truth.

In fact, the convention is simple. It requires states to take all appropriate steps to eliminate discrimination against women in political and public life, law, education, employment, health care, commercial transactions, and domestic relations.

One hundred and sixty-one countries have ratified the convention. Of the world's democracies, only the United States has yet to ratify this fundamental document. Indeed, even countries we regularly censure for human rights abuses China—the People's Republic of Laos, Iraq—have either signed or agreed in principle.

In our failure to ratify the convention on discrimination against women, we now keep company with a select few: Iran, North Korea, Sudan, and Afghanistan among them. Remember, as the old saying goes, we are judged by the company we keep. Is this how we want to be known when it comes to defending the human rights of those unable to defend themselves?

In failing to ratify this convention on discrimination against women, we risk losing our moral right to lead in the human rights revolution. By ratifying the convention, we will demonstrate our commitment to promoting equality and to protecting women's rights throughout the world. By ratifying the convention, we will send a strong message to the international community that the U.S. understands the problems posed by discrimination against women, and we will not abide by it. By ratifying the convention, we reestablish our credentials as a leader on human rights and women's rights.

Today, as we commemorate International Women's Day, I call on my colleagues in the Senate to move forward and ratify Convention on discrimination against women.

The coerced trafficking of women and girls for sexual exploitation is an ugly, disturbing, and, unfortunately, growing practice that demands our attention.

Over 1 million people are trafficked each year around the world, with 50,000 going to the United States. Trafficking generates billions of dollars a year and now constitutes the third largest source of profits for organized crime, behind only drugs and guns.

These criminal groups prey upon women from poor countries who suffer from poverty, war, and hopelessness and desperately want a chance at a better life. They are enticed by promises of good paying jobs in richer countries as models, au pairs, dancers, and domestic workers.

Once the women fall victim to the these gangs they are forced into labor, have their passports seized, and are subjected to beatings, rapes, starvation, forced drug use, and confinement.

These victims have little or no legal protection. They travel on falsified documents or enter by means of inappropriate visas provided by traffickers. When and if discovered by the police, these women are usually treated as illegal aliens and deported. Even worse, laws against traffickers who engage in forced prostitution, rape, kidnaping, and assault and battery are rarely enforced. The women will not testify against traffickers out of fear of retribution, the threat of deportation, and humiliation for their actions.

I am shocked and appalled that this horrible and degrading practice continues. The United States must act as a leader to rally the international community to put a stop to the trafficking of women and girls. I am proud that the 106th Congress passed, and President Clinton signed into law, the Victims of Trafficking and Violence Protection Act of 2000. Among other things, the bill: directs the Secretary of State to provide an annual report to Congress listing countries that do and do not comply with minimum standards for the elimination of trafficking; establishes an Interagency Task Force to Monitor and Combat Trafficking; provides assistance to foreign countries for programs and activities to meet the minimum international standards for the elimination of trafficking; withholds U.S. non-humanitarian assistance to countries that do not meet minimum standards against trafficking and are not making efforts to meet minimum standards, unless continued assistance is deemed to be in the U.S. national interest; and increases penalties for those engaged in sex trafficking.

In addition, the fiscal year 2001 Foreign Operations Appropriations Act earmarked at least $1.35 million for the Protection Project to study international trafficking, prostitution, slavery, debt bondage, and other abuses of women and children.

These are significant steps, but much work needs to be done. We must enforce the laws we have passed and we must consider new laws to protect victims and bring traffickers to justice. On International Women's Day, I urge my colleagues to continue the fight against the sexual trafficking of women and girls.

Rape as an instrument of war is an issue which, in recent years, has been of increasing concern to me.

Rape is no longer an isolated by-product of war; it is increasingly a tool to advance war aims. In recent years in Bosnia, Rwanda, and East Timor soldiers and militiamen used rape on a organized, systematic, and sustained basis to further their goal of ethnic cleansing. In some cases, women were kidnaped, interned in camps and houses, forced to do labor, and subjected to frequent rape and sexual assault.

I was pleased that the United Nations, in setting up the war crime tribunals for the Balkans and Rwanda, recognized rape as a war crime and a crime against humanity.

Nevertheless, I was very disappointed by the repeated failure of the international community, especially in the former Yugoslavia, to see that those who were indicted for perpetrating these crimes were brought to justice. It appeared that the major step forward taken by the creation of the tribunals would be nullified by inaction.

Finally, on February 22, 2001, the international tribunal in The Hague sentenced three Bosnian Serbs to prison for rape during the Bosnian war. I was very pleased the court took this step. Clearly, there is still much work to be done. Estimates are that up to 20,000 women in Yugoslavia were systematically raped as part of a policy of ethnic cleansing and genocide. Many perpetrators still remain at large.

Nevertheless, the court has stated loud and clear that those who use rape as an instrument of war will no longer be able to escape justice. They will be arrested, tried, and convicted. As Judge Florence Mumba of Zambia stated, "Lawless opportunists should expect no mercy, no matter how low their position in the chain of command may be."

I commend the victims who courageously came forward to confront their attackers and offer testimony that helped lead to the convictions. The international community, and women in particular, owe them a debt of gratitude.

On International Women's Day, I urge the Administration and the international community to join me in continuing the fight to end the practice of rape as an instrument of war, and to pursue justice for its victims.

Perhaps nowhere in the world today is there a clearer test of our commitment of the cause of women's rights than Afghanistan.

To put it simply, I am shocked and dismayed at the treatment of women in Afghanistan by the Taliban. Afghan women have been banned from work and school and are largely confined in their homes behind darkened windows. They are required to wear full-length veils, or burka, when in public and must be accompanied by a male member of the family. In addition, access to medical services has been dramatically reduced. Widows are not allowed to work and must beg to subsist.

The women of Afghanistan, who have seen their families destroyed by war, are now having their economic life and their fundamental human rights stripped away, and the violations of Afghan women's basic human rights have pushed an already war-torn and war-weary Afghanistan to the brink of disaster.

The suffering of Afghan women and girls must not be ignored by the United States and the international community. I am working on legislation with Senator BOXER to address their plight and put pressure on the Taliban to respect basic human rights.

On International Women's Day, the United States, with our history of commitment to women's rights and equality, must redouble its efforts to place respect for women's rights at the top of the international community's agenda regarding Afghanistan.

We must debate and ratify the Convention on the Elimination of All Forms of Discrimination Against Women. We must rededicate ourselves and our resources to international family planning programs. We must enforce tough anti-trafficking legislation. We must not ignore the gross violations of the human rights of Afghan women.

We cannot afford to remain silent. We cannot afford to place women's rights on a second tier of concern of U.S. foreign policy. On International Women's Day, the United States and the international community must take a strong stand and issue a clear warning to those who attempt to rob women of basic rights that the world's governments will no longer ignore these abuses, or allow them to continue without repercussion.

PRAYER AT THE HOUSE THE SENATE BUILT PROGRAM

Mr. BROWNBACK. Mr. President, this morning, Members of the U.S. Senate came together to kick off the House the Senate Built Program with Habitat for Humanity International. Today's event partnered Members of the Senate with HUD Secretary Mel Martinez, Habitat founder Millard Fuller, and a host of building partners to begin work with the Spencer and Williams families on their new homes in Capitol Heights, MD.

Before the event began, Ms. Helena Spencer, mother of one of the two families who will be moving into the homes upon completion, shared with us her frustrations of living in substandard housing and her plea to God to help her find a new home for her family. Her message to us was that Habitat for Humanity was an answer to prayer. I want to share her prayer with you today, because I feel it reflects well on the work of Habitat for Humanity.

Ms. Spencer prayed:

> Lord, my future looks so uncertain. It seems as if everything dear to me has been shaken or removed. He answered me, and said in His word, I will remove what can be shaken so that those things which "cannot be shaken may remain" (Hebrews 12:27). My life has to be built upon an unshakeable foundation. He says I'm removing from you all insecure foundation to force you to rest on the foundation of me alone. A spiritual house, in order to stand, must not be built on a flimsy foundation. Your false resting place is being shaken so that you will rely wholly on me.

With these words, Helena Spencer spoke volumes about how great a blessing Habitat for Humanity is to so many people in need. These words inspired us this morning as we worked side by side building the houses that the Spencer and Williams families will call home. These words have motivated us to see through the House the Senate Built Program to its stated end; at least one new Habitat home built by Members of the U.S. Senate in each of our home States.

I am thankful for the work of Habitat for Humanity in this country and am encouraged by the faith and hope displayed today by Ms. Helena Spencer.

RECENT SCHOOL SHOOTINGS

Mr. LEVIN. Mr. President, earlier this week, the community of Santee, CA was struck by a horrible tragedy when a student opened fire on his classmates at Santana High School. Two people were killed and 13 others were wounded in the worst episode of school violence since the mass shooting in Littleton, CO almost 2 years ago. Although students returned to school yesterday, the grief over losing two of their classmates and the memories of what occurred will stay with them forever. My thoughts and prayers are with the victims, their families and the people of Santee, CA as they attempt to cope with this tragedy.

In an interview on Monday night, Dr. Michael Sise, the Medical Director for Trauma at Mercy Hospital, where three of the victims were treated, offered his perspective on shooting. He said, "We wouldn't be here tonight talking to you if this kid, this troubled kid, hadn't had access to a firearm. I think we have to start asking the tough questions about firearms, what they mean. Firearms turn shouting matches into shooting matches, if those two kids in Columbine had not had access to firearms they would be two weird kids still wandering around campus, instead of dead along with a lot of dead classmates. So, for us in trauma we want to get out in the community and ask our fellow members of the community the tough questions. How do we prevent this from happening again?"

The question raised by Dr. Sise is the same question that is being asked by people in Santee, CA and all over the country. After each of these shootings, we ask ourselves how we can prevent other such tragedies from happening in the future. One way to prevent this level of violence from occurring again is to make it harder for young people to gain access to firearms. By keeping guns out of the hands of children, we can help ensure that this type of deadly violence is not part of another child's school day.

Since the tragedy at Santana High School just a few days ago, our Nation has experienced other acts of school violence. On Tuesday, not far from the Capitol, a 14-year-old allegedly shot another teenager at a Prince George's County high school. Yesterday, it was reported that an eighth-grader in Williamsport, PA shot and wounded one of her classmates, and a high school junior in Seattle, WA threatened his class with a handgun. The shooting at Santana High School was not an isolated incident and these other acts of violence should not be written off as "copycat" incidents. These acts of violence will continue to plague our Nation until we limit the access that young people have to guns.

TRIBUTE TO MRS. MATINA SARBANES

Ms. MIKULSKI. Mr. President, I rise to pay tribute to the life and legacy of Mrs. Matina Sarbanes, the mother of our dear colleague, Senator PAUL SARBANES.

Mrs. Sarbanes personified the American dream. She came to this county from Greece in 1930 to build a better life. She and her husband, the late Spyros Sarbanes, settled in Salisbury on the Eastern Shore of Maryland. Mrs. Sarbanes used America's unique opportunity structure to build a business and a better life for their children. She and her husband opened the Mayflower Grill, a restaurant known for its good food and warm atmosphere. While the restaurant eventually closed in 1960, 3 years after the death of Mr. Sarbanes, people still share stories about their meals and conversations with the Sarbanes family at the Mayflower Grill.

The restaurant was truly a family-owned and operated business. The children grew up waiting tables and washing dishes, developing a strong work ethic and value of service. Although important, Mrs. Sarbanes knew that hard work was not enough to ensure a better life in America for her children. Having never finished school herself, Mrs. Sarbanes taught her children the value of a good education. She knew that in America, as in few other places in the world, children of immigrants could go anywhere that hard work and education would take them.

She instilled in her children the values they needed to succeed: faith, family and patriotism. Her children put these values into action. Her oldest son attended one of the country's top colleges, became a Rhodes Scholar, and serves in one of our Nation's highest elected offices. Her son Anthony had a long distinguished career in education and in the military. Her daughter Zoe was a community leader and business woman in New Jersey.

Mrs. Sarbanes was a patriotic woman with a deep love for this country and for her Eastern Shore community. She was appreciative of America and all the opportunities it afforded her. And while she reaped the benefits of her life in America, she also knew the importance of giving back to her community. Mrs. Sarbanes passed this patriotism and love for her community on to her children. To learn all she could about the United States, it was not unusual for CNN to be on her television or for politics to be the topic of conversation at the Sarbanes' home.

While Mrs. Sarbanes was proud to be an American citizen, she never forgot her Greek heritage. She was active in the Greek community in Delmarva and helped found the St. George Greek Orthodox Church in Ocean City, which continues to thrive. While America provided her with opportunity, Greece provided her with a unique perspective on life and appreciation for all she and her family had accomplished. Mrs. Sarbanes lived to see each of her children and grandchildren finish college and grow up to be success stories in their own right.

We know how proud Mrs. Sarbanes was of her family, and she must know how proud her family was of her. She lived a wonderful life in America and touched many people including her church community, her Greek community, her patrons from the restaurant, and her countless friends. She will be greatly missed by all who knew and loved her. Her family and many friends are in my thoughts and prayers.

I ask unanimous consent that an editorial on Mrs. Sarbanes from the Daily Times in Salisbury be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Salisbury Daily Times, Feb. 24, 2001]

THE DREAM EPITOMIZED

Matina Sarbanes epitomized the American success story. Through fortitude and hard work, she was able to live out the American dream. Born in the village of Elika in southern Greece, Sarbanes was attracted to the United States and its promise of opportunity. She joined family in New Jersey in 1930 and married Spyros Sarbanes in 1932.

The couple moved to Salisbury soon after and opened the famous Mayflower Grill on Main Street. While forging a life here, the Sarbanes family set an example for all to follow. They raised three solid children—two boys and a girl. They were an immigrant family who knew the meaning of hard work. In their children they instilled the value of service and a work ethic that was obvious to all. The Sarbanes children grew up waiting tables, washing dishes and mopping floors in the restaurant. Through the family business, they learned the value of education and developed an understanding of people.

At the center of all this effort and educating was Matina Sarbanes. She was a strong believer in education, though she never finished school. Her eldest son, Paul, is perhaps Salisbury's most distinguished native. He graduated from Wicomico High School and went on to be a Rhodes Scholar and graduated from Princeton University. Today he sits as a member of the U.S. Senate—a seat he has held with quiet distinction since 1976. Her son Anthony has remained in Salisbury, where he is a valuable community leader; daughter Zoe has found success in New Jersey.

Spyros Sarbanes, 16 years older than his wife, died in 1957. Mrs. Sarbanes continued on her own for three years, but shut down the Mayflower Grill in 1960. When Mrs. Sarbanes died Wednesday at age 92, a little bit of the old Salisbury passed with her. But her spirit, just like the spirit of others in her time who overcame real obstacles to make a life and build a family in this country, only grows stronger when we pause to reflect.

FEMA'S PROJECT IMPACT II

Mr. AKAKA. Mr. President, I would like to again address the Federal Emergency Management Agency, FEMA, Project Impact Program. The President's fiscal year 2002 budget proposal stated that the Project Impact disaster preparedness campaign "has not proven effective." I am looking into the issue of effectiveness.

A White House spokesperson, recently citing a FEMA Inspector General report, said that 64 percent of the money awarded by Project Impact had not been spent by communities 2 years after receiving it. This statement is a bit misleading. True, nearly 2 years after they were designated as Project Impact partners, seven pilot communities had not spent 64 percent of their grant funds. But the report also goes into detail as to why this was the situation. In many cases, while FEMA funds came quickly, communities needed additional time to mobilize and begin their mitigation programs. These communities were not fully prepared, administratively or programmatically, to accept the grants. Some communities had identified and scheduled multiple mitigation projects, only to realize later that they did not have the staff or resources to carry out more than one project at a time.

While FEMA agreed that communities should spend their grants in a more timely manner, FEMA was concerned about taking steps that would undermine the planning process at local levels by placing more focus on expenditures, or infringe upon local budget cycles and negate community efforts to obtain additional funding. In response to these concerns, FEMA now requires communities to align Project Impact funding with local projects initiated within 18 months of funding. The Inspector General concurred with FEMA's action.

To deal with management issues, the Inspector General recommended that FEMA provide technical assistance to new communities on federal grant management. In response, FEMA has expanded opportunities for technical assistance through availability of regional staff, the Project Impact "How-To-Get-Started" course, and FEMA's Web site. The Inspector General also recommended improved accounting and reporting by the communities and FEMA to keep records current and accessible. FEMA agreed, implemented new procedures, and the Inspector General was satisfied with their response. Here is a successful example of the Federal Government returning money and power to local governments.

The IG report recognizes the significant amount of effort already performed by communities and the active involvement with communities that FEMA spends before mitigation projects are accepted and approved. It also recognizes that attitudinal and behavioral changes are occurring in communities through collaboration and increasing public awareness and education about disaster mitigation efforts. It states that while the benefits derived from such efforts can not be quantified, they are very important to a community that hopes to sustain disaster preparedness measures, long after the initial seed money is gone.

Perhaps these very important, but inherently unquantifiable activities are what the President's spokesman is referring to when he suggests programs such as "scout camps, training Boy Scouts in Delaware, sponsoring a safety fair and those kinds of things" were not worthwhile and demonstrated that the program was ineffective?

Which scout activities should not have been sponsored? The community service project in Pascagoula, MI in which local Boy Scouts were instrumental in developing a database of all commercial and residential structures in the 100-year floodplain? Or the Boy Scouts in Eden, NY who helped clean up debris in creeks that are prone to flooding as part of the community flood mitigation plan? Or the Ouachita Parish, LA Girl Scouts who sponsored a disaster safety fair. Perhaps the Boy Scouts in Culebra, PR, who performed an intensive door-to-door mitigation-oriented public awareness campaign, did not deserve training?

The last recommendation in the report was for FEMA to realign resources to better manage the growing number of Project Impact communities. FEMA responded by creating a new position in each region to augment Project Impact staffing needs to deal with the growing number of Project Impact communities and business partners due to the program's popularity and success.

Project Impact is not perfect. Certainly there are areas that could be improved and ways in which it could be made more efficient. FEMA's Inspector General identified several such areas. Through communication and cooperation, FEMA is addressing these issues. In no part of the report does the Inspector General suggest that the program be canceled. On the contrary, many of its recommendations are to help FEMA deal with how the program is growing so that it can continue its successes and improve upon its accomplishments.

The 50th State is vulnerable to a host of natural disasters, and Hawaii's state and local officials know that disaster mitigation is the best way to lessen the impact of catastrophic damage and loss of life. I was interested that when asked about the proposed elimination of Project Impact, the Honorable Harry Kim, mayor of the County of Hawaii and formerly the county's director of civil defense for 24 years, said, "If it were not for mitigation efforts, we would never stay ahead of the game. I hope those in authority will talk to local officials because I would be surprised if anyone would support eliminating Project Impact. The growing pains of any project should not be the cause of cancellation." I agree with Mayor Kim. I urge the President to take another look at Project Impact, which is the only federal program that requires heavy community involvement to meet FEMA's goal of reducing the loss of life and property by protecting the nation from all types of hazards.

ADDITIONAL STATEMENTS

ARLINGTON COUNTY, VIRGINIA BICENTENNIAL

• Mr. WARNER. Mr. President, the Year 2001 marks Arlington County's 200th anniversary as a separate and distinct county.

On March 4, 1801, the District of Columbia was organized on land Virginia and Maryland had ceded to provide territory for the new capital. Virginia ceded part of what was then Fairfax County as its contribution to the new Federal City. This area was named Alexandria County and at the time included the Town of Alexandria as well as what is now Arlington County. Alexandria County was later returned to Virginia by the Federal government. In 1870, the Town of Alexandria became an independent city, separating from Alexandria County. In 1920, in order to avoid confusion between the county and the city of Alexandria, the name of the county was changed to Arlington, after the Curtis-Lee Mansion located in the county.

Arlington's past laid a solid foundation for the community many of us know today, a place rich in historic value, cultural diversity and economic vitality. The Arlington County Bicentennial Task Force has been formed to coordinate commemorative activities throughout 2001. I ask my colleagues to join me in honoring this wonderful community located just across the Potomac River from Washington, D.C.•

MEMORIAL TRIBUTE TO DR. CLAUDE SHANNON

• Mr. ROCKEFELLER. Mr. President, I rise today in memory of Dr. Claude Shannon, a pioneer in the field of modern communications technology. His work provided a major part of the theoretical foundation leading to applications as diverse as digital cell phones, deep space communications and the compact disc.

Dr. Shannon died on February 24 after suffering from Alzheimer's disease. He was not widely known by the general public, but he should have been. His work predated the establishment of the World Wide Web, but in 1948 he published a seminal paper entitled "A Mathematical Theory of Communication." This paper was the first to provide a mathematical model of the communication process. He was able to define "information" in a way that was unrelated to its semantic meaning by explaining the power of encoding information in a simple language of 1's and 0's. Communication then became the process of transferring information from a "source", modified by an "encoder", through a "channel", to a "decoder" at the output of a channel. This theory underlies the modern communications revolution.

Dr. Shannon's work showed that every kind of information source—text, images, video, data—has associated with it a quantifiable information content that mandates how efficiently it can be represented, the basis for "data compression." For instance, he showed that, no matter how clever you are, you can't represent English text with less than about 1.5 bits per letter. Dr. Shannon also established fundamental limits to how efficiently one can transmit information over imperfect communication channels; his work on reliable transmission formed the theoretical basis for the modems, satellite links and computer memories that are pervasive today. These aspects of Shannon's work became the foundation of what we now call "Information Theory."

As important as Dr. Shannon's 1948 masterwork was, it was not his sole contribution to the emerging information age. As a graduate student at MIT, Shannon made a profound and fundamental contribution to the field of computer design when he showed that a then-obscure branch of mathematics called "Boolean algebra," the algebra of 1's and 0's, could be used to design circuits for computation and switching. The result was what some have called "the most influential master's thesis in history." Shannon's work on cryptography during World War II also formed the modern theoretical framework for secure communication systems.

The Washington Post pointed out in Dr. Shannon's obituary that his achievements are at the core of the technology that delivers the Internet and its various applications, from music to video to e-mail. His work has had applications in fields as diverse as computer science, genetic engineering and neuroanatomy. Some have called his 1948 paper "the Magna Carta of the information age."

Dr. Shannon was also renowned by his friends and colleagues for his eclectic interests and capabilities. He rode down the halls of Bell Labs on a unicycle while juggling; he invented a rocket-powered Frisbee; and he developed "THROBAC-I," a computer that computed in Roman numerals.

There are only a few authentic geniuses in this world. Dr. Shannon was one and today we remember him for his accomplishments.•

RECOGNIZING ROBERTO ESTRADA AND THE WORLD'S LARGEST RED ENCHILADA

• Mr. DOMENICI. Mr. President, Saturday, March 10, 2001, marks a special day for the city of Las Cruces, NM. In a special ceremony, Las Cruces and Mr. Roberto Estrada will enter the Guinness Book of World Records. Roberto led the effort to make the world's largest three-layered, flat enchilada last October 8th during the annual Las Cruces Whole Enchilada Fiesta. This culinary triumph measured 33.89 feet in circumference, with a diameter of 10 feet, 5 inches.

Roberto Estrada has worked toward this day for about 20 years, each year slowly increasing the size of the enchilada. He is a native of Mesilla, N.M., and a graduate of Las Cruces High School. A community-spirited chef, he began pressing corn tortillas at the age of 15. In 1968, Roberto bought an old tortilla factory and created the New Mexico Mexican Food. He expanded and opened a restaurant next door, appropriately named Roberto's.

The Whole Enchilada Fiesta is a three-day celebration of southern New Mexico's traditions, people and great food. The community celebration centers around making a gigantic enchilada. Chef and founder of the fiesta, Estrada combines Southwest ingredients to make the crowd-pleasing enchilada.

You must realize a lot goes into making this enchilada. The recipe calls for 975 pounds of ground corn, grated cheese and chopped onions, in addition to 250 gallons of red chile sauce and vegetable oil. Roberto designed the special equipment used to cook the enchilada, including the press, carrying plate, cooking vat and serving plate.

A downtown street in Las Cruces is closed for creating and cooking the enchilada. To start, 250 pounds of ground corn dough, or masa, is placed on the press and carrying plate and pressed to make the tortilla. It is then cooked in a vat of 550-degree vegetable oil. Once cooked, the colossal corn tortilla is laid on the serving plate. Roberto then ladles chile sauce and spreads cheese and onions on the tortilla. This completes the first layer of the enchilada and the whole process is repeated two more times. More than a dozen volunteers help carry the ingredients and work the equipment.

All these ingredients, equipment and labor come together to create what is now known as the "Largest Red Enchilada." After approximately two and a half hours from start to finish, the zesty dish is completed and served to the spectators who gathered to watch this event.

New Mexico is known for its diverse culture, great weather, and excellent food. Now there will be proof in the Guinness Book of World Records that the largest enchilada has been made by Roberto Estrada of Las Cruces, NM.

In a state that cherishes it's chile, red or green, this is a Guinness honor that belongs in New Mexico. To pinpoint it even further, the Mesilla Valley in southern New Mexico is one of the more renowned chile growing regions in the country. And I salute Roberto for taking the initiative as part of the Whole Enchilada Fiesta to bring the world's attention to our love of good and spicy food.

I extend an invitation to anyone interested in being a part of this great annual event in Las Cruces.•

TRIBUTE TO RENÉ JOSEY

• Mr. HOLLINGS. Mr. President, it is an honor for me to recognize René Josey, who recently stepped down as U.S. Attorney for the District of South Carolina after five years. Mr. Josey brought 10 years of experience practicing law to the job and built a reputation for being more than just an administrator. He took an active role during his tenure as district attorney, prosecuting 13 criminal cases and earning the genuine respect of his staff and fellow attorneys. Although he raised his profile at the office, he remained an unassuming public servant and focused his energy on the tasks at hand.

His accomplishments are numerous, not the least of which include the group of experienced litigators he brought on board who have strengthened our state's legal system. René Josey has returned to private practice with Turner, Padgett, Graham & Laney, a Columbia, South Carolina law firm with offices in his hometown of Florence and in Charleston. It has been a pleasure for both me and my staff to work with a talented individual like René and we wish him all the best as he continues his successful career.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:55 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 624. An act to amend the Public Health Service Act to promote organ donation.

S.J. Res. 6. Joint resolution providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 31. Concurrent resolution expressing the sense of the Congress regarding the importance of organ, tissue, bone marrow, and blood donation and supporting National Donor Day.

H. Con. Res. 47. Concurrent resolution honoring the 21 members of the National Guard who were killed in the crash of a National Guard aircraft on March 3, 2001, in south-central Georgia.

ENROLLED JOINT RESOLUTION SIGNED

At 12:11 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 19. Joint Resolution providing for the appointment of Walter E. Massey as a citizen regent of the Board of Regents of the Smithsonian Institution.

The enrolled joint resolution was signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 624. An act to amend the Public Health Service Act to promote organ donation; to the Committee on Health, Education, Labor, and Pensions.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 31. Concurrent resolution expressing the sense of the Congress regarding the importance of organ, tissue, bone marrow, and blood donation and supporting National Donor Day; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–942. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Massachusetts; Amendment to the Massachusetts Port Authority/Logan Airport Parking Freeze and City of Boston/East Boston Parking Freeze" (FRL6931-3) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–943. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; State of Utah; Ogden City Carbon Monoxide Redesignation of Areas for Air Quality Planning Purposes, and Approval of Revisions to the Oxygenated Gasoline Program" (FRL6888-9) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–944. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Minnesota Designation of Areas for Air Quality Planning Purposes; Minnesota" (FRL6901-1) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–945. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Availability of 'Allocation of Fiscal Year 2001 Operator Training Grants'" (FRL6951-6) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–946. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Availability of 'Award of Grants and Cooperative Agreements for the Special Projects and Programs Authorized by the Agency's FY 2001 Appropriations Act and the FY 2001 Consolidated Appropriations Act'" (FRL6951-5) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–947. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Chromite Ore from the Transvaal Region of South Africa; Toxic Chemical Release Reporting; Community Right-to-Know" (FRL6722-9) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–948. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Protection of the Stratospheric Ozone: DeMinimis Exemption for Laboratory Essential Uses for Calendar Year 2001" (FRL6952-1) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–949. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes: Washington" (FRL6938-5) received on March 6, 2001; to the Committee on Environment and Public Works.

EC–950. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Chlorothalonil; Pesticide Tolerance" (FRL6759-4) received on March 6, 2001; to the Committee on Agriculture , Nutrition, and Forestry.

EC–951. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Butene, Homopolymer; Tolerance Exemption" (FRL6769-8) received on March 6, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–952. A communication from the Acting Assistant Attorney General , Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, a report concerning contacts between the police and the public; to the Committee on the Judiciary.

EC–953. A communication from the Chairman of the Board of Governors, Federal Reserve System, transmitting, pursuant to law, a report concerning the use of plain language in agency rulemakings; to the Committee on Banking, Housing, and Urban Affairs.

EC–954. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, a certification that Armenia, Azerbaijan, Georgia, Moldova, Kazakhstan, Kyrgyzstan, and Uzbekistan are committed to the courses of action described in Section 1203 of the Cooperative Threat Reduction Act of 1993, and Section 1412 of the Former Soviet Union Demilitarization Act of 1992; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on Governmental Affairs, without amendment:

S. Res. 51: An original resolution authorizing expenditures by the Committee on Governmental Affairs.

From the Committee on Veterans' Affairs, without amendment:

S. Res. 52: An original resolution authorizing expenditures by the Committee on Veterans' Affairs.

From the Committee on the Judiciary, without amendment:

S. Res. 53: An original resolution authorizing expenditures by the Committee on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. ALLEN (for himself, Mr. WARNER, and Mr. CRAIG):

S. 488. A bill to amend the Internal Revenue Code of 1986 to provide for a refundable education opportunity tax credit; to the Committee on Finance.

By Mr. GREGG:

S. 489. A bill to amend the Family and Medical Leave Act of 1993 to clarify the Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. EDWARDS:

S. 490. A bill to provide grants to law enforcement agencies that ensure that law enforcement officers employed by such agencies are afforded due process when involved in a case that may lead to dismissal, demotion, suspension, or transfer; to the Committee on the Judiciary.

By Mr. CAMPBELL:

S. 491. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project; to the Committee on Energy and Natural Resources.

By Mr. THOMPSON (for himself, Mr. MURKOWSKI, Mr. KYL, and Mr. HATCH):

S. 492. A bill to amend the Internal Revenue Code of 1986 to repeal the alternative minimum tax on individuals; to the Committee on Finance.

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 493. A bill to provide for the establishment of a Sioux Nation Economic Development Council; to the Committee on Indian Affairs.

By Mr. FRIST (for himself and Mr. FEINGOLD):

S. 494. A bill to provide for a transition to democracy and to promote economic recovery in Zimbabwe; to the Committee on Foreign Relations.

By Mr. HATCH:

S. 495. A bill to amend the Internal Revenue Code of 1986 to allow an above-the-line deduction for certain professional development expenses and classroom supplies of elementary and secondary school teachers; to the Committee on Finance.

By Mr. SANTORUM:

S. 496. A bill to amend the Individuals with Disabilities Education Act to modify authorizations of appropriations for programs under such Act; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LEAHY (for himself, Ms. COLLINS, Mr. BINGAMAN, Mr. CRAPO, Mr. CONRAD, Mr. SPECTER, Mrs. FEINSTEIN, Mr. ROCKEFELLER, Mr. MCCONNELL, Mr. DORGAN, Mr. KERRY, Mr. SARBANES, Mr. JEFFORDS, Mr. HARKIN, Mr. TORRICELLI, Ms. MIKULSKI, Mr. REED, Mrs. MURRAY, Mr. FEINGOLD, and Mr. DURBIN):

S. 497. A bill to express the sense of Congress that the Department of Defense should field currently available weapons, other technologies, tactics and operational concepts that provide suitable alternatives to anti-personnel mines and mixed anti-tank mine systems and that the United States should end its use of such mines and join the Convention on the Prohibition of Anti-Personnel Mines as soon as possible, to expand support for mine action programs including mine victim assistance, and for other purposes; to the Committee on Armed Services.

By Mr. MURKOWSKI:

S. 498. A bill entitled "National Discovery Trails Act of 2001"; to the Committee on Energy and Natural Resources.

By Mrs. LINCOLN:

S. 499. A bill to authorize the Secretary of Energy to establish a decommissioning pilot program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself, Mr. BAUCUS, Mr. DASCHLE, Mrs. LINCOLN, and Mr. DORGAN):

S. 500. A bill to amend the Communications Act of 1934 in order to require the Federal Communications Commission to fulfill the sufficient universal service support requirements for high cost areas, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GRAHAM (for himself, Mr. JEFFORDS, Mr. ROCKEFELLER, Ms. SNOWE, Mr. WELLSTONE, Mr. BREAUX, Mr. LIEBERMAN, Mrs. MURRAY, Mrs. LINCOLN, Mr. DODD, Mr. JOHNSON, Mr. CLELAND, Mr. SCHUMER, Mr. KERRY, Mrs. CLINTON, Ms. LANDRIEU, and Mr. TORRICELLI):

S. 501. A bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. McCONNELL:

S. Res. 50. A resolution authorizing expenditures by the committees of the Senate for the periods March 1, 2001, through September 30, 2001, October 1, 2001, through September 30, 2002, and October 1, 2002, through February 28, 2003; to the Committee on Rules and Administration.

By Mr. THOMPSON:

S. Res. 51. An original resolution authorizing expenditures by the Committee on Governmental Affairs; from the Committee on Governmental Affairs; to the Committee on Rules and Administration.

By Mr. SPECTER:

S. Res. 52. An original resolution authorizing expenditures by the Committee on Veterans' Affairs; from the Committee on Veterans' Affairs; to the Committee on Rules and Administration.

By Mr. HATCH:

S. Res. 53. An original resolution authorizing expenditures by the Committee on the Judiciary; from the Committee on the Judiciary; to the Committee on Rules and Administration.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 54. A resolution authorizing expenditures by the committees of the Senate for the periods March 1, 2001, through September 30, 2001, October 1, 2001, through September 30, 2002, and October 1, 2002, through February 28, 2003; considered and agreed to.

By Mr. WELLSTONE:

S. Res. 55. A resolution designating the third week of April as "National Shaken Baby Syndrome Awareness Week" for the year 2001 and all future years; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 27

At the request of Mr. FEINGOLD, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 27, a bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

S. 41

At the request of Mr. HATCH, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 41, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

S. 104

At the request of Ms. SNOWE, the names of the Senator from Rhode Island (Mr. REED) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 104, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

S. 152

At the request of Mr. GRASSLEY, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to eliminate the 60-month limit and increase the income limitation on the student loan interest deduction.

S. 161

At the request of Mr. WELLSTONE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 161, a bill to establish the Violence Against Women Office within the Department of Justice.

S. 170

At the request of Mr. REID, the names of the Senator from Virginia (Mr. WARNER) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 172

At the request of Mr. SMITH of Oregon, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 172, a bill to benefit electricity consumers by promoting the reliability of the bulk-power system.

S. 177

At the request of Mr. AKAKA, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 177, a bill to amend the provisions of title 19, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 198

At the request of Mr. CRAIG, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 198, a bill to require the Secretary of the Interior to establish a program to provide assistance through States to eligible weed management entities to control or eradicate harmful, nonnative weeds on public and private land.

S. 225

At the request of Mr. WARNER, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 225, a bill to amend the Internal Revenue Code of 1986 to provide incentives to public elementary and secondary school teachers by providing a tax credit for teaching expenses, professional development expenses, and student education loans.

S. 236

At the request of Mr. HUTCHINSON, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 236, a bill to amend the Internal Revenue Code of 1986 to expand the expense treatment for small businesses and to reduce the depreciation recovery period for restaurant buildings and franchise operations, and for other purposes.

S. 271

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 271, a bill to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

S. 289

At the request of Mr. SESSIONS, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 289, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.

S. 319

At the request of Mr. McCAIN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 319, a bill to amend title 49, United States Code, to ensure that air carriers meet their obligations under the Airline Customer Service Agreement, and provide improved passenger service in order to meet public convenience and necessity.

S. 321

At the request of Mr. GRASSLEY, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 321, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 332

At the request of Mr. DEWINE, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 332, a bill to provide for a study of anesthesia services furnished under the medicare program, and to expand arrangements under which certified registered nurse anesthetists may furnish such services.

S. 338

At the request of Mr. REID, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 338, a bill to protect amateur athletics and combat illegal sports gambling.

S. 350

At the request of Mr. CHAFEE, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 350, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 409

At the request of Mrs. HUTCHISON, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 409, a bill to amend title 38, United States Code, to clarify the standards for compensation for Persian Gulf veterans suffering from certain undiagnosed illnesses, and for other purposes.

S. 414

At the request of Mr. CLELAND, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 414, a bill to amend the National Telecommunications and Information Administration Organization Act to establish a digital network technology program, and for other purposes.

S. CON. RES. 11

At the request of Mrs. FEINSTEIN, the names of the Senator from Oregon (Mr. WYDEN), the Senator from Mississippi (Mr. COCHRAN), the Senator from Connecticut (Mr. DODD), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Kansas (Mr. BROWNBACK), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S.Con.Res. 11, a concurrent resolution expressing the sense of Congress to fully use the powers of the Federal Government to enhance the science base required to more fully develop the field of health promotion and disease prevention, and to explore how strategies can be developed to integrate lifestyle improvement programs into national policy, our health care system, schools, workplaces, families and communities.

S. CON. RES. 15

At the request of Mr. BROWNBACK, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S.Con.Res. 15, a concurrent resolution to designate a National Day of Reconciliation.

S. RES. 19

At the request of Mr. SPECTER, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S.Res. 19, a resolution to express the sense of the Senate that the Federal investment in biomedical research should be increased by $3,400,000,000 in fiscal year 2002.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GREGG:

S. 489. A bill to amend the Family and Medical Leave Act of 1993 to clarify the Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. GREGG. Mr. President, the Family and Medical Leave Act was intended to be used by families for critical periods such as after the birth or adoption of a child and leave to care for a child, spouse, or one's own "serious medical condition."

Since its passage, the Family and Medical Leave Act has had a significant impact on employers' leave practices and policies. According to the Commission on Family and Medical Leave two-thirds of covered work sites have changed some aspect of their policies in order to comply with the Act.

Unfortunately, the Department of Labor's implementation of certain provisions of the Act has resulted in significant unintended administrative burden and costs on employers; resentment by co-workers when the act is misapplied; invasions of privacy by requiring employers to ask deeply personal questions about employees and family members planning to take FMLA leave; disruptions to the workplace due to increased unscheduled and unplanned absences; unnecessary record keeping; unworkable notice requirements; and conflicts with existing policies. Despite these problems, which have been well documented in five separate congressional hearings, including one I chaired and a House hearing where I testified, the previous administration choose to ignore those problems and instead pushed for a back door expansion of the Act through a rule known as Baby U.I., the Birth and Adoption Unemployment Compensation Rule. The Baby U.I. rule allows states to raid their unemployment compensation trust funds for an unrelated program, paid family leave. As a former Governor, I am very concerned about the impact of the rule on state unemployment trust funds, which should be preserved for tough economic times.

The Department of Labor's vague and confusing implementing regulations and interpretations have resulted in the FMLA being misapplied, misunderstood and mistakenly ignored. Employers aren't sure if situations like pink eye, ingrown toenails and even the common cold will be considered by the regulators and the courts to be serious health conditions. Because of these concerns and well-documented problems with the Act, I am today introducing the Family and Medical Leave Clarification Act to make reasonable and much needed technical corrections to the Family and Medical Leave Act and restore it to its original congressional intent.

The need for FMLA technical corrections has been confirmed and strengthened by five congressional hearings and by the recent release of key surveys. Conclusive evidence of the need for corrections has now been established. The Congressional hearings demonstrated that the FMLA's definition of serious health condition is vague and overly broad due to DOL's interpretations. Additionally, the hearings documented that the intermittent leave provisions, notification and certification problems are causing many serious workplace problems. In addition, some companies testified that Congress should consider allowing employers to permit employees to take either a paid leave package under an existing collective bargaining agreement or the 12 weeks of FMLA protected leave, whichever is greater.

I am concerned that a recent decrease in paid leave for employees has been attributed to the Administration's problematic FMLA interpretations. Some research shows a decline in voluntarily provided paid sick leave and vacation leave by the private sector. The 2000 SHRMR, Society for Human Resource Management, Benefits Survey found that paid vacation was provided by 87 percent of companies in the year 2000 while the year before it was 94 percent. Paid sick leave was at 85 percent last year and 74 percent this year.

A recent survey conducted by former President Clinton's Department of Labor confirmed FMLA implementation problems. The Labor Department report found that the share of covered establishments reporting that it was somewhat or very easy to comply with the FMLA has declined 21.5 percent from 1995 to 2000.

The recent release of the SHRMR, Society for Human Resource Management, 2000 FMLA Survey strongly reinforces the need for FMLA technical corrections. Respondents to the SHRM survey stated that, on average, 60 percent of employees who take FMLA leave do not schedule the leave in advance. Consequently, managers often do not have the ability to plan for work disruptions. Respondents also reported that, in most cases, the burden of the workload from the employee on leave falls to employees who are not on leave. When asked whether they have had to grant FMLA requests they felt were not legitimate, more than half, 52 percent, said they had. Additionally, more than one-third, 34 percent, of respondents said they were aware of employee complaints over the past year regarding a co-worker's questionable use of FMLA leave. The issue of intermittent leave also continues to be extremely difficult. Three-quarters, 76 percent, of respondents said they would find compliance easier if the Department of Labor allowed FMLA leave to be offered and tracked in half-day increments rather than by minutes.

I am very concerned that both the SHRM and the Labor Department surveys show that FMLA implementation is becoming more difficult, not easier seven years after it has been in place. I am hopeful that the Family and Medical Leave Clarification Act will advance in the 107th Congress on a bipartisan basis to address this problem.

The FMLA Clarification Act has the strong support of the Society for Human Resource Management, the U.S. Chamber of Commerce, the National Association of Manufacturers, the American Society of Healthcare Human Resources Professionals and close to 300 other leading companies and associations who make up the Family and Medical Leave Act Technical Corrections Coalition. I have received a letter of support from the Coalition and ask that it be printed in the RECORD. This broad based coalition, shares my belief that both employers and employees would benefit from making certain technical corrections to the FMLA, corrections that are needed to restore congressional intent and to reduce administrative and compliance problems experienced by employers who are making a good faith effort to comply with the act.

The bill I am introducing today does several important things:

First, it repeals the Department of Labor's current regulations for "serious health condition" and includes language from the Democrats' own original Committee Report on what types of medical conditions, such as heart attacks, strokes, spinal injuries, etc., were intended to be covered. In passing the FMLA, Congress stated that the term "serious health condition" is not intended to cover short-term conditions, for which treatment and recovery are very brief, recognizing that "it is expected that such condition will fall within the most modest sick leave policies." The Department of Labor's current regulations are extremely confusing and expansive, defining the term "serious health condition" as including, among other things, any absence of more than 3 days in which the employee sees any health care provider and receives any type of continuing treatment, including a second doctor's visit, or a prescription, or a referral to a physical therapist, such a broad definition potentially mandates FMLA leave where an employee sees a health care provider once, receives a prescription drug, and is instructed to call the health care provider back if the symptoms do not improve; the regulations also define as a "serious health condition" any absence for a chronic health problem, such as arthritis, asthma, diabetes, etc., even if the employee does not see a doctor for that absence and is absent for less than three days.

Second, the bill amends the Act's provisions relating to intermittent leave to allow employers to require that intermittent leave be taken in minimum blocks of 4 hours. This would minimize the misuse of FMLA by employees who use FMLA as an excuse for regular tardiness and routine justification for early departures.

Third, the bill shifts to the employee the responsibility to request leave be designated as FMLA leave, and requires the employee to provide written application within 5 working days of providing notice to the employer for foreseeable leave. With respect to unforeseeable leave, the bill requires the employee to provide, at a minimum, oral notification of the need for the leave not later than the date the leave commences unless the employee is physically or mentally incapable of providing notice or submitting the application. Under that circumstance the employee is provided such additional time as necessary to provide notice.

Shifting the burden to the employee to request leave be designated as FMLA leave eliminates the need for the employer to question the employee and pry into the employee's and the employee's family's private matters, as required under current law, and helps eliminate personal liability for employer supervisors who should not be expected to be experts in the vague and complex regulations which even attorneys have a difficult time understanding. Under current law, it is the employer's responsibility in all circumstances to designate leave, paid or unpaid, as FMLA-qualifying. Failure to do so in a timely manner or to inform an employee that a specific event does not qualify as FMLA leave may result in that unqualified leave becoming qualified leave under FMLA. This scenario has actually been upheld in Court and has placed an enormous burden on employers to respond within 48 hours of an employee's leave request. In addition, the courts have held that there is personal liability for employers under the FMLA and that an individual manager may be sued and held individually liable for acts taken based upon or relating to the FMLA. See Freemon v. Foley, 911 F. Supp. 326, N.D. Ill. 1995, in case of first impression in 7th Circuit, court stated, "We believe the FMLA extends to all those who controlled 'in whole or in part' [plaintiff's] ability to take leave of absence and return to her position").

Fourth, with respect to leave because of the employee's own serious health condition, the bill permits an employer to require the employee to choose between taking unpaid leave provided by the FMLA or paid absence under an employer's collective bargaining agreement or other sick leave, sick pay, or disability plan, program, or policy of the employer. This change provides incentive for employers to continue their generous sick leave policies while providing a disincentive to employers considering getting rid of such employee-friendly plans, including those negotiated by the employer and the employee's union representative. Paid leave would be subject to the employer's normal work rules and procedures for taking such leave, including work rules and procedures dealing with attendance requirements.

The FMLA Clarification Act is a reasonable response to the concerns that have been raised about the Act. It leaves in place the fundamental protections of the law while attempting to make changes necessary to restore FMLA to its original intent and to respond to the very legitimate concerns that have been raised. I urge my colleagues to restore the FMLA to its original Congressional intent. I ask that the test of the bill and a letter of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 489

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Clarification Act".

(b) REFERENCES.—Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.).

(c) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; references; table of contents.
Sec. 2. Findings.
Sec. 3. Definition of serious health condition.
Sec. 4. Intermittent leave.
Sec. 5. Request for leave.
Sec. 6. Substitution of paid leave.
Sec. 7. Regulations.
Sec. 8. Effective date.

SEC. 2. FINDINGS.

Congress finds the following:

(1) The Family and Medical Leave Act of 1993 (referred to in this section as the "Act")

is not working as Congress intended when Congress passed the Act in 1993. Many employers, including those employers that are nationally recognized as having generous family-friendly benefit and leave programs, are experiencing serious problems complying with the Act.

(2) The Department of Labor's overly broad regulations and interpretations have caused many of these problems by greatly expanding the Act's coverage to apply to many nonserious health conditions.

(3) Documented problems generated by the Act include significant new administrative and personnel costs, loss of productivity and scheduling difficulties, unnecessary paperwork and recordkeeping, and other compliance problems.

(4) The Act often conflicts with employers' paid sick leave policies, prevents employers from managing absences through their absence control plans, and results in most leave under the Act becoming paid leave.

(5) The Commission on Leave, established in title III of the ACt (29 U.S.C. 2631 et seq.), which reported few difficulties with compliance with the Act, failed to identify many of the problems with compliance because the study on which the report was based was conducted too soon after the date of enactment of the Act and the most significant problems with compliance arose only when employers later sought to comply with the Act's final regulations and interpretations.

SEC. 3. DEFINITION OF SERIOUS HEALTH CONDITION.

Section 101(11) (29 U.S.C. 2611(11)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by aligning the margins of those clauses with the margins of clause (i) of paragraph (4)(A);

(3) by inserting before "The" the following: "(A) IN GENERAL.—"; and

(4) by adding at the end the following:

"(B) EXCLUSIONS.—The term does not include a short-term illness, injury, impairment, or condition for which treatment and recovery are very brief.

"(C) EXAMPLES.—The term includes an illness, injury, impairment, or physical or mental condition such as a heart attack, a heart condition requiring extensive therapy or a surgical procedure, a stroke, a severe respiratory condition, a spinal injury, appendicitis, pneumonia, emphysema, severe arthritis, a severe nervous disorder, an injury caused by a serious accident on or off the job, an ongoing pregnancy, a miscarriage, a complication or illness related to pregnancy, such as severe morning sickness, a need for prenatal care, childbirth, and recovery from childbirth, that involves care or treatment described in subparagraph (A).".

SEC. 4. INTERMITTENT LEAVE.

Section 102(b)(1) (29 U.S.C. 2612(b)(1)) is amended by striking the period at the end of the second sentence and inserting the following: ", as certified under section 103 by the health care provider after each leave occurrence. An employer may require an employee to take intermittent leave in increments of up to ½ of a workday. An employer may require an employee who travels as part of the normal day-to-day work or duty assignment of the employee and who requests intermittent leave or leave on a reduced schedule to take leave for the duration of that work or assignment if the employer cannot reasonably accommodate the employee's request.".

SEC. 5. REQUEST FOR LEAVE.

Section 102(e) (29 U.S.C. 2612(e)) is amended by inserting after paragraph (2) the following:

"(3) REQUEST FOR LEAVE.—If an employer does not exercise, under subsection (d)(2), the right to require an employee to substitute other employer-provided leave for leave under this title, the employer may require the employee who wants leave under this title to request the leave in a timely manner. If an employer requires a timely request under this paragraph, an employee who fails to make a timely request may be denied leave under this title.

"(4) TIMELINESS OF REQUEST FOR LEAVE.—For purposes of paragraph (3), a request for leave shall be considered to be timely if—

"(A) in the case of foreseeable leave; the employee—

"(i) provides the applicable advance notice required by paragraphs (1) and (2); and

"(ii) submits any written application required by the employer for the leave not later than 5 working days after providing the notice to the employer; and

"(B) in the case of unforeseeable leave, the employee—

"(i) notifies the employer orally of the need for the leave—

"(I) not later than the date the leave commences; or

"(II) during such additional period as may be necessary, if the employee is physically or mentally incapable of providing the notification; and

"(ii) submits any written application required by the employer for the leave—

"(I) not later than 5 working days after providing the notice to the employer; or

"(II) during such additional period as may be necessary, if the employee is physically or mentally incapable of submitting the application.".

SEC. 6. SUBSTITUTION OF PAID LEAVE.

Section 102(d)(2) (29 U.S.C. 2612(d)(2)) is amended by adding at the end the following:

"(C) PAID ABSENCE.—Notwithstanding subparagraphs (A) and (B), with respect to leave provided under subparagraph (D) of subsection (a)(1), where an employer provides a paid absence under the employer's collective bargaining agreement, a welfare benefit plan under the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.), or under any other sick leave, sick pay, or disability plan, program, or policy of the employer, the employer may require the employee to choose between the paid absence and unpaid leave provided under this title,".

SEC. 7. REGULATIONS.

(a) EXISTING REGULATIONS.—

(1) REVIEW.—Not later than 90 days after the date of enactment of this Act, the Secretary of Labor shall review all regulations issued before that date to implement the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), including the regulations published in sections 825.114 and 825.115 of title 29, Code of Federal Regulatiohs.

(2) TERMINATION.—The regulations, and opinion letters promulgated under the regulations, shall cease to be effective on the effective date of final regulations issued under subsection (b)(2)(B), except as described in subsection (c).

(b) REVISED REGULATIONS.—

(1) IN GENERAL.—The Secretary of Labor shall issue revised regulations implementing the Family and Medical Leave Act of 1993 that reflect the amendments made by this Act.

(2) NEW REGULATIONS.—The Secretary of Labor shall issue—

(A) proposed regulations described in paragraph (1) not later than 90 days after the date of enactment of this Act; and

(B) final regulations described in paragraph (1) not later than 180 days after that date of enactment.

(3) EFFECTIVE DATE.—The final regulations take effect 90 days after the date on which the regulations are issued.

(e) TRANSITION.—The regulations described in subsection (a) shall apply to actions taken by an employer prior to the effective date of final regulations issued under subsection (b)(2)(B), with respect to leave under the Family and Medical Leave Act of 1993.

SEC. 8. EFFECTIVE DATE

The amendments made by this Act shall take effect 180 days after the date of enactment of this Act.

FMLA
TECHNICAL CORRECTIONS COALITION,
Springfield, VA, February 7, 2001.

Hon. JUDD GREGG,
Chairman,
Subcommittee on Children and Families,
Hart Senate Office Building,
U.S. Senate,
Washington, DC.

DEAR CHAIRMAN GREGG: the Family and Medical Leave Act Technical Corrections Coalition would like to commend you for reintroducing the Family and Medical Leave Clarification Act.

As you know, the Coalition is a diverse, broad-based, nonpartisan group of nearly 300 leading companies and associations. Members of the Coalition are fully committed to complying with both the spirit and the letter of the FMLA and strongly believe that employers should provide policies and programs to accommodate the individual work-life needs of their employees. At the same time, members of the Coalition believe that the FMLA should be fixed to protect those employees that Congress aimed to assist while streamlining administrative problems that have arisen. Since the FMLA is not working properly, the Coalition does not support expansions to the Act.

Unfortunately, FMLA implementation problems, which were well documented during your July 14, 1999 hearing and four other Congressional hearings, continue to grow. The need for your FMLA technical corrections legislation has been confirmed and even strengthened over the past year through additional Congressional hearings and through the release of new survey information: (1) the SHRM® (Society for Human Resource Management) 2000 FMLA Survey and (2) the new Department of Labor (DOL) FMLA Survey. While the SHRM survey is a more accurate national measure of FMLA implementation since it was specifically directed to those actually charged with FMLA compliance, both the SHRM and DOL surveys essentially reached the same conclusion: FMLA problems are growing. For example:

Both the DOL and SHRM surveys found that more employers are finding the FMLA and its regulations and interpretations more difficult than they did several years ago.

The Labor Department report found that the share of covered establishments reporting that it was somewhat or very easy to comply with the FMLA declined 21.5 percent from 1995 to 2000. The fact that both the Labor Department and SHRM surveys show that FMLA implementation is becoming more difficult, not easier seven years after it has been in place is of great concern.

The DOL survey conducted by former President Clinton's Labor Department casts significant doubt on the need for federally mandated FMLA expansions as the best way to provide increased flexibility for workers. For example, the Labor Department survey found that the gap between covered and non-covered establishments has narrowed since 1995, as non-covered establishments are significantly more likely to offer FMLA-type benefits in 2000 than they were five years earlier. Interestingly, non-covered employers are more likely than covered establishments to offer leave for school-related functions or routine medical appointments.

The SHRM report confirmed Congressional hearing findings that the issue of intermittent leave continues to be extremely difficult. Three-quarters (76 percent) of respondents said they would find compliance easier if the Department of Labor allowed FMLA leave to be offered and tracked in half-day increments rather than by minutes. Additionally, a survey by CORE, Inc. survey found that the majority (54%) does not feel confident that their company is tracking FMLA correctly.

In all SHRM and Labor Department surveys, past and present, the most commonly reported method of covering work when an employee takes leave was to assign the work temporarily to other employees. The SHRM survey showed that a full 34% of human resource professionals were aware of complaints by coworkers due to questionable use of FMLA.

The fact that both the Labor Department and SHRM surveys show that FMLA implementation is becoming more difficult, not easier, seven years after it has been in place is of great concern.

Thank you for your leadership and continued commitment to restoring the FMLA to its original Congressional intent through FMLA technical corrections while preserving the spirit of the Act. The entire FMLA Technical Corrections Coalition looks forward to working with you to ensure its success.

Respectfully,

DEANNA R. GELAK, SPHR,
Executive Director.

By Mr. EDWARDS:

S. 490. A bill to provide grants to law enforcement agencies that ensure that law enforcement officers employed by such agencies are afforded due process when involved in a case that may lead to dismissal, demotion, suspension, or transfer; to the Committee on the Judiciary.

Mr. EDWARDS. Mr. President, I rise today to introduce the Law Enforcement Officers Due Process Act of 2001. Every day our nation's police officers put their lives on the line in the fight against crime. Every time they patrol a beat they put their own safety at risk to protect our children and make our country a better place to live and work. We all owe a great deal to these brave men and women.

Working police officers spend their lives among the public safeguarding the innocent and apprehending those who have committed crimes. Much of this contact can be stressful for everyone involved. Perhaps an individual has been stopped by an officer for the suspected violation of a law. Or maybe the officer is assisting someone who is the victim of a crime. Due to the circumstances, these are often unpleasant situations. And unfortunately, in some instances, contact with the police officer may become adversarial and generate complaints about the officer's actions.

These complaints range from accusations that an officer took too long to arrive at a crime scene, used too much force, or was not forceful enough, to claims that the officer was rude or didn't show proper respect. Some complaints against officers are legitimate. However, some complaints are generated to intimidate an officer who is simply doing his or her job, into dropping charges. Any one of these complaints can get an officer fired, suspended, or otherwise punished without the benefit of due process.

A patchwork of state and local laws currently governs the rights of officers when they are involved in a case that may lead to dismissal, demotion, suspension or transfer. Thirty-five states have state and/or local laws in place that govern the administrative due process rights of law enforcement officers. However, 15 states do not have any of these much-deserved due process protections for their law enforcement officers.

The Law Enforcement Officers Due Process Act is a common-sense measure designed to replace arbitrary and ad hoc investigatory procedures with consistent standards. The legislation will provide additional funding to law enforcement agencies that either have in place, or currently do not have but certify they will implement, administrative due process for their law enforcement officers. An agency will be eligible for grant money if its administrative procedures include the right of a law enforcement officer under investigation to: (1) a hearing before a fair and impartial board or hearing officer; (2) be represented by an attorney or other officer at the expense of the officer under investigation; (3) confront any witness testifying against him or her; and (4) record all meetings he or she attends. In many instances, an employer with direct control over an officer is also the investigator. That is why providing basic, explicitly stated rights to officers under investigation is crucial to maintaining impartial investigations. These rights will not interfere with the management of state and local internal investigations. They will merely ensure that officers receive the benefit of fair and objective investigations, whether a complaint against them is legitimate or not.

Some individuals may be concerned that providing these rights would delay removal of an officer who is ultimately found to have deserved disciplinary action taken against them. However, I'd like to emphasize that my legislation would not prevent the immediate suspension of an officer whose continued presence on the job is considered to be a substantial and immediate threat to the welfare of the law enforcement agency or the public; who refuses to obey a direct order issued in conformance with the agency's rules and regulations; or who is accused of committing an illegal act.

The Law Enforcement Officers Due Process Act does not force a law enforcement agency to implement due process rights for its officers. Rather, it encourages agencies to do the right thing by offering them additional funds if they establish written procedures for determining if a complaint is valid or merely designed to cause trouble for the officer.

I urge my colleagues who represent states that do not have law enforcement officers' due process rights laws to cosponsor my bill and give their police officers the protections they deserve. I also urge my colleagues who represent states that have various local laws in place to cosponsor my bill. By doing so they will help eliminate the disparity that exists among local jurisdictions, and guarantee that every single officer in their state will have a minimum baseline of rights to help guarantee fair and impartial investigations.

Crime rates are down across the nation. We owe a tremendous debt of gratitude to our nation's police officers for helping make this happen. Our communities, our schools, and our places of business would not enjoy the level of security they have today without the efforts of law enforcement. Enacting the Law Enforcement Officers Due Process Act is the least we can do to show officers that we will fight for all of them just like they fight for all of us every day.

I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 490

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Law Enforcement Officers Due Process Act of 2001".

SEC. 2. PROTECTION FOR LAW ENFORCEMENT OFFICERS.

(a) PROGRAM AUTHORIZED.—The Attorney General is authorized to provide grants to law enforcement agencies that are eligible under subsection (b).

(b) ELIGIBILITY.—To be eligible to receive a grant under this section, a law enforcement agency shall—

(1) have in effect an administrative process that complies with the requirements of subsection (c); or

(2) certify that it will establish, not later than 2 years after the date of enactment of this Act, an administrative process that complies with the requirements of subsection (c).

(c) OFFICER RIGHTS.—The administrative process referred to in subsection (b) shall require that a law enforcement agency that investigates a law enforcement officer for matters which could reasonably lead to disciplinary action against such officer, including dismissal, demotion, suspension, or transfer provide recourse for the officer that, at a minimum, includes the following:

(1) ACCESS TO ADMINISTRATIVE PROCESS.—The agency has written procedures to ensure that any law enforcement officer is afforded access to any existing administrative process established by the employing agency prior to the imposition of any such disciplinary action against the officer.

(2) SPECIFIC PROCEDURES.—The procedures used under paragraph (1) include, the right of a law enforcement officer under investigation—

(A) to a hearing before a fair and impartial board or hearing officer;

(B) to be represented by an attorney or other officer at the expense of such officer;

(C) to confront any witness testifying against such officer; and

(D) to record all meetings in which such officer attends.

(d) IMMEDIATE SUSPENSION.—Nothing in this section shall prevent the immediate suspension with pay of a law enforcement officer—

(1) whose continued presence on the job is considered to be a substantial and immediate threat to the welfare of the law enforcement agency or the public;

(2) who refuses to obey a direct order issued in conformance with the agency's written and disseminated rules and regulations; or

(3) who is accused of committing an illegal act.

(e) DISTRIBUTION OF FUNDS.—From the amount made available to carry out this section, the Attorney General shall allocate—

(1) 50 percent for law enforcement agencies that are eligible under paragraph (1) of subsection (b); and

(2) 50 percent for law enforcement agencies that are eligible under paragraph (2) of subsection (b).

(f) REGULATIONS.—The Attorney General may prescribe such regulations as may be necessary to carry out this section.

(g) DEFINITIONS.—For purposes of this section—

(1) the term "law enforcement agency" means any State or unit of local government within the State that employs law enforcement officers; and

(2) the term "law enforcement officer" means an officer with the powers of arrest as defined by the laws of each State and required to be certified under the laws of such State.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2002 and such sums as may be necessary for each of the 4 succeeding fiscal years.

By Mr. CAMPBELL:

S. 491. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project; to the Committee on Energy and Natural Resources.

Mr. CAMPBELL. Mr. President, I take this opportunity to reintroduce a bill that will help millions of water consumers throughout my home state of Colorado. My bill, the Denver Water Reuse Project, is based on legislation I previously introduced in the last Congress. The full Senate passed this legislation last year, but time ran out in the 106th Congress before the House could act.

The Denver Water Department has developed a plan to re-use non-potable water for irrigation and industrial uses. In the arid West, where growing populations and changing values are placing increasing demands on existing water supplies, water availability remains an important issue throughout the West. Recent conflicts are particularly apparent where agricultural needs for water are often in direct conflict with urban needs. This legislation will help remedy some of this conflict.

The State of Colorado, the Colorado Water Congress, the Denver Board of Water Commissioners, and the Mayor of Denver endorsed this legislation last year. I am pleased to assist these interested parties with this worthwhile proposal.

The Denver Water Department serves over a million customers and is one of the largest water suppliers in the Rocky Mountain region. Over the past several years Denver Water has developed a plan to treat and re-use some of its water supply for uses not involving human consumption. In this manner, Denver will stretch its water supply without the cost and potential environmental disruption of building new projects. It will also ease the demand on fresh drinking-quality water supplies.

The Denver Water Reuse Project will treat secondary wastewater which is water that has already been used once in Denver's system. It is an environmentally and economically viable method for extending and conserving our limited water supplies. The water quality will meet all Colorado and federal standards. The water will still be clean and odorless, but since it will be used for irrigation and industrial uses around the Denver International Airport and the Rocky Mountain Wildlife Refuge, the additional expense to treat it for consumption will be avoided.

In the West, naturally scarce water supplies and increasing urban populations have increased our need for water re-use, recycling, conservation, and storage proposals. These are all keys to successfully meet the water needs of everyone. This plan would benefit many Coloradans, and would help relieve many of the water burdens faced in the Denver region. Again, I'd like to thank the interested parties for their support, and I am hopeful this bill can be quickly passed and put into effect.

I ask unanimous consent that the text of the bill and a copy of the letter of support from the Mayor of Denver be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 491

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENVER WATER REUSE PROJECT.

(a) IN GENERAL.—The Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h et seq.) is amended—

(1) by redesignating sections 1631, 1632, 1633, and 1634 (43 U.S.C. 390h–13, 390h–14, 390h–15, 390h–16) as sections 1632, 1633, 1634, and 1635, respectively; and

(2) by inserting after section 1630 the following:

"SEC. 1631. DENVER WATER REUSE PROJECT.

"(a) AUTHORIZATION.—The Secretary, in cooperation with the appropriate State and local authorities, may participate in the design, planning, and construction of the Denver Water Reuse project to reclaim and reuse water in the service area of the Denver Water Department of the city and county of Denver, Colorado.

"(b) COST SHARE.—The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost.

"(c) LIMITATION.—Funds provided by the Secretary shall not be used for the operation or maintenance of the project described in subsection (a).".

(b) CONFORMING AMENDMENTS.—

(1) The Reclamation Wastewater and Groundwater Study and Facilities Act (as amended by subsection (a)(1)) is amended—

(A) in section 1632(a), by striking "1630" and inserting "1631";

(B) in section 1633(c), by striking "section 1633" and inserting "section 1634"; and

(C) in section 1634, by striking "section 1632" and inserting "section 1633".

(2) The table of contents in section 2 of the Reclamation Projects Authorization and Adjustment Act of 1992 is amended by striking the items relating to sections 1631 through 1634 and inserting the following:

"Sec. 1631. Denver water reuse project.
"Sec. 1632. Authorization of appropriations.
"Sec. 1633. Groundwater study.
"Sec. 1634. Authorization of appropriations.
"Sec. 1635. Willow Lake natural treatment system project.".

OFFICE OF THE MAYOR,
Denver, CO, March 5, 2001.

Hon. BEN NIGHTHORSE CAMPBELL,
U.S. Senator, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR CAMPBELL: Once again, I want to express my appreciation for your support of legislation adding the Denver Water Non-potable Reuse Project to the Bureau of Reclamation's approved projects list.

We are proud to include non-potable reuse, coupled with water conservation and system refinements, as core components of the Denver Water 20-year plan. We certainly acknowledge the importance and value of our limited water resources throughout Colorado. Reuse efforts allow us to reduce or minimize the Denver metro area's demands on limited Colorado River sources.

Once again, thank you for your support.

Yours truly,

WELLINGTON E. WEBB,
Mayor.

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 493. A bill to provide for the establishment of a Sioux Nation Economic Development Council; the Committee on Indian Affairs.

Mr. DASCHLE. Mr. President, today I am introducing a bill along with Senator JOHNSON, to amend the Wakpa Sica Reconciliation Place legislation that was enacted in the final days of the 106th Congress.

The original version of the Wakpa Sica bill that the Senate approved last year established a center of law, history, culture and economic development for the Lakota, Dakota and Nakota tribes of the upper Midwest. The Reconciliation Place authorized by the bill will become a focal point for the preservation of Sioux law and culture. It will enhance the knowledge and understanding of the Sioux by displaying and interpreting their history, art, and culture. It will also provide an important repository for the Sioux Nation history and the family histories for members of tribes, and other important historical documents.

Regrettably, the Reconciliation Place law that ultimately passed in the 106th Congress did not include the economic development title to strengthen tribal communities and expand opportunities for tribal members and businesses. That provision, which I strongly support, was dropped due to objections from the House of Representatives that threatened enactment of the entire bill, which included Wakpa Sica.

The bill that I am introducing today would authorize a Sioux Nation Economic Development Council. It complements the Wakpa Sica Reconciliation Place by providing opportunities for further economic development and regional job creation for the Great Sioux Nation.

The Sioux Nation Economic Development Council will assist tribal governments and individuals in promoting economic growth on the reservations and surrounding communities. It will coordinate economic development and will centralize the expertise and technical support to help tribes obtain federal assistance. It will raise funds from private donations to match federal contributions. Finally, it will provide grants, loans, scholarships and technical assistance to tribes and their members, to ultimately help tribes generate jobs.

The strength of the Reconciliation Place lies in its diversity of purpose. It will have many funding sources, both public and private. Each agency mentioned in the bill will assist in providing funding and technical assistance to the tribes and tribal members through the Reconciliation Place. This assistance will not diminish the government-to-government policy established by the United States for individual tribes. Instead, it will provide a focal point for governmental and private organizations to expand their ability to help the entire Great Sioux Nation.

The United Sioux Tribes, the State of South Dakota and Mike Jandreau, Chairman of the Lower Brule Sioux Tribe, have been working on this project for many years. I share their enthusiasm for the concept and commitment to building a comprehensive center for Sioux culture, law and economic development. Enactment of this legislation is necessary to fulfill that commitment to the Great Sioux Nation.

I strongly urge my colleagues to approve this legislation this year. I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SIOUX NATION ECONOMIC DEVELOPMENT COUNCIL.

Title IV of the Omnibus Indian Advancement Act (Public Law 106-568) is amended—

(1) in section 401—

(A) in paragraph (5), by striking "and" at the end;

(B) in paragraph (6), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(7) the establishment of a Native American Economic Development Council will assist in promoting economic growth and reducing poverty on reservations of the Sioux Nation by—

"(A) coordinating economic development efforts;

"(B) centralizing expertise concerning Federal assistance; and

"(C) facilitating the raising of funds from private donations to meet matching requirements under certain Federal assistance programs."; and

(2) by adding at the end the following:

"Subtitle C—Sioux Nation Economic Development Council

"SEC. 431. ESTABLISHMENT OF SIOUX NATION ECONOMIC DEVELOPMENT COUNCIL.

"(a) Establishment.—There is established the Sioux Nation Economic Development Council (in this subtitle referred to as the 'Council') as a part of the Wakpa Sica Reconciliation Place. The Council shall be a charitable and nonprofit corporation and shall not be considered to be an agency or establishment of the United States.

"(b) Purposes.—The purposes of the Council are—

"(1) to encourage, accept, and administer private gifts of property;

"(2) to use those gifts as a source of matching funds necessary to receive Federal assistance;

"(3) to provide members of Indian tribes with the skills and resources necessary for establishing successful businesses;

"(4) to provide grants and loans to members of Indian tribes to establish or operate small businesses;

"(5) to provide scholarships for members of Indian tribes who are students pursuing an education in business or a business-related subject; and

"(6) to provide technical assistance to Indian tribes and members thereof in obtaining Federal assistance.

"SEC. 432. BOARD OF DIRECTORS OF THE COUNCIL.

"(a) Establishment and Membership.—

"(1) In general.—The Council shall have a governing Board of Directors (in this subtitle referred to as the 'Board').

"(2) Membership.—The Board shall consist of 11 directors, who shall be appointed by the Secretary as follows:

"(A)(i) Nine members appointed under this paragraph shall represent the 9 reservations of South Dakota.

"(ii) Each member described in clause (i) shall—

"(I) represent 1 of the reservations described in clause (i); and

"(II) be selected from among nominations submitted by the appropriate Indian tribe.

"(B) One member appointed under this paragraph shall be selected from nominations submitted by the Governor of South Dakota.

"(C) One member appointed under this paragraph shall be selected from nominations submitted by the most senior member of the South Dakota Congressional delegation.

"(3) Citizenship.—Each member of the Board shall be a citizen of the United States.

"(b) Appointments and Terms.—

"(1) Appointment.—Not later than December 31, 2001, the Secretary shall appoint the directors of the Board under subsection (a)(2).

"(2) Terms.—Each director shall serve for a term of 2 years.

"(3) Vacancies.—A vacancy on the Board shall be filled not later than 60 days after that vacancy occurs, in the manner in which the original appointment was made.

"(4) Limitation on terms.—No individual may serve more than 3 consecutive terms as a director.

"(c) Chairman.—The Chairman shall be elected by the Board from its members for a term of 2 years.

"(d) Quorum.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

"(e) Meetings.—The Board shall meet at the call of the Chairman at least once a year. If a director misses 3 consecutive regularly scheduled meetings, that individual may be removed from the Board by the Secretary and that vacancy filled in accordance with subsection (b)(3).

"(f) Reimbursement of Expenses.—Members of the Board shall serve without pay, but may be reimbursed for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Council in accordance with section 434(a).

"(g) General Powers.—

"(1) Powers.—The Board may complete the organization of the Council by—

"(A) appointing officers and employees;

"(B) adopting a constitution and bylaws consistent with the purposes of the Council under this subtitle; and

"(C) carrying out such other actions as may be necessary to carry out the purposes of the Council under this subtitle.

"(2) Effect of appointment.—Appointment to the Board shall not constitute employment by, or the holding of an office of, the United States for the purposes of any Federal law.

"(3) Limitations.—The following limitations shall apply with respect to the appointment of officers and employees of the Council:

"(A) Officers and employees may not be appointed until the Council has sufficient funds to pay them for their service.

"(B) Officers and employees of the Council—

"(i) shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service; and

"(ii) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

“(4) SECRETARY OF THE BOARD.—The first officer or employee appointed by the Board shall be the Secretary of the Board. The Secretary of the Board shall—

“(A) serve, at the direction of the Board, as its chief operating officer; and

“(B) be knowledgeable and experienced in matters relating to economic development and Indian affairs.

“SEC. 433. POWERS AND OBLIGATIONS OF THE COUNCIL.

“(a) CORPORATE POWERS.—To carry out its purposes under section 431(b), the Council shall have, in addition to the powers otherwise given it under this subtitle, the usual powers of a corporation acting as a trustee under South Dakota law, including the power—

“(1) to accept, receive, solicit, hold, administer, and use any gift, devise, or bequest, either absolutely or in trust, of real or personal property or any income therefrom or other interest therein;

“(2) to acquire by purchase or exchange any real or personal property or interest therein;

“(3) unless otherwise required by the instrument of transfer, to sell, donate, lease, invest, reinvest, retain, or otherwise dispose of any property or income therefrom;

“(4) to borrow money and issue bonds, debentures, or other debt instruments;

“(5) to sue and be sued, and complain and defend itself in any court of competent jurisdiction, except that the directors shall not be personally liable, except for gross negligence;

“(6) to enter into contracts or other arrangements with public agencies and private organizations and persons and to make such payments as may be necessary to carry out its function; and

“(7) to carry out any action that is necessary and proper to carry out the purposes of the Council.

“(b) OTHER POWERS AND OBLIGATIONS.—

“(1) IN GENERAL.—The Council—

“(A) shall have perpetual succession;

“(B) may conduct business throughout the several States, territories, and possessions of the United States and abroad;

“(C) shall have its principal offices in South Dakota; and

“(D) shall at all times maintain a designated agent authorized to accept service of process for the Council.

“(2) SERVICE OF NOTICE.—The serving of notice to, or service of process upon, the agent required under paragraph (1)(D), or mailed to the business address of such agent, shall be deemed as service upon or notice to the Council.

“(c) SEAL.—The Council shall have an official seal selected by the Board, which shall be judicially noticed.

“(d) CERTAIN INTERESTS.—If any current or future interest of a gift, devise, or bequest under subsection (a)(1) is for the benefit of the Council, the Council may accept the gift, devise, or bequest under such subsection, even if that gift,devise, or bequest is encumbered, restricted, or subject to beneficial interests of 1 or more private persons.

SEC. 434. ADMINISTRATIVE SERVICES AND SUPPORT.

“(a) PROVISION OF SERVICES.—The Secretary may provide personnel, facilities, and other administrative services to the Council, including reimbursement of expenses under section 432(f), not to exceed then current applicable Federal Government per diem rates, for a period ending not later than 5 years after the date of enactment of this subtitle.

“(b) REIMBURSEMENT.—

“(1) IN GENERAL.—The Council may reimburse the Secretary for any administrative service provided under subsection (a). The Secretary shall deposit any reimbursement received under this subsection into the Treasury to the credit of the appropriations then current and chargeable for the cost of providing such services.

“(2) CONTINUATION OF CERTAIN ASSISTANCE.—Notwithstanding any other provision of this section, the Secretary is authorized to continue to provide facilities, and necessary support services for such facilities, to the Council after the date specified in subsection (a), on a space available, reimbursable cost basis.

“SEC. 435. VOLUNTEER STATUS.

“(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may accept, without regard to the civil service classification laws, rules, or regulations, the services of the Council, the Board, and the officers and employees of the Board, without compensation from the Secretary, as volunteers in the performance of the functions authorized under this subtitle.

“(b) INCIDENTAL EXPENSES.—The Secretary is authorized to provide for incidental expenses, including transportation, lodging, and subsistence to the officers and employees serving as volunteers under subsection (a).

“SEC. 436. AUDITS, REPORT REQUIREMENTS, AND PETITION OF ATTORNEY GENERAL FOR EQUITABLE RELIEF.

“(a) AUDITS.—The Council shall be subject to auditing and reporting requirements under section 10101 of title 36, United States Code, in the same manner as is a corporation under part B of that title.

“(b) REPORT.—As soon as practicable after the end of each fiscal year, the Council shall transmit to Congress a report of its proceedings and activities during such year, including a full and complete statement of its receipts, expenditures, and investments.

“(c) RELIEF WITH RESPECT TO CERTAIN COUNCIL ACTS OR FAILURE TO ACT.—If the Council—

“(1) engages in, or threatens to engage in, any act, practice, or policy that is inconsistent with the purposes of the Council under section 431(b); or

“(2) refuses, fails, or neglects to discharge the obligations of the Council under this subtitle, or threatens to do so;

then the Attorney General of the United States may petition in the United States District Court for the District of Columbia for such equitable relief as may be necessary or appropriate.

“SEC. 437. UNITED STATES RELEASE FROM LIABILITY.

The United States shall not be liable for any debts, defaults, acts, or omissions of the Council, the Board, or the officers or employees of the Council. The full faith and credit of the United States shall not extend to any obligation of the Council, the Board, or the officers or employees of the Council.

“SEC. 438. GRANTS TO COUNCIL; TECHNICAL ASSISTANCE.

“(a) GRANTS.—

“(1) IN GENERAL.—Not less frequently than annually, the Secretary shall award a grant to the Council, to be used to carry out the purposes specified in section 431(b) in accordance with this section.

“(2) GRANT AGREEMENTS.—As a condition to receiving a grant under this section, the secretary of the Board, with the approval of the Board, shall enter into an agreement with the Secretary that specifies the duties of the Council in carrying out the grant and the information that is required to be included in the agreement under paragraphs (3) and (4).

“(3) MATCHING REQUIREMENTS.—Each agreement entered into under paragraph (2) shall specify that the Federal share of a grant under this section shall be 80 percent of the cost of the activities funded under the grant. No amount may be made available to the Council for a grant under this section, unless the Council has raised an amount from private persons or State or local government agencies equivalent to the non-Federal share of the grant.

“(4) PROHIBITION ON THE USE OF FEDERAL FUNDS FOR ADMINISTRATIVE EXPENSES.—Each agreement entered into under paragraph (2) shall specify that a reasonable amount of the Federal funds made available to the Council (under the grant that is the subject of the agreement or otherwise), but in no event more that 15 percent of such funds, may be used by the Council for administrative expenses of the Council, including salaries, travel and transportation expenses, and other overhead expenses.

“(b) TECHNICAL ASSISTANCE.—

“(1) IN GENERAL.—Each agency head listed in paragraph (2) shall provide to the Council such technical assistance as may be necessary for the Council to carry out the purposes specified in section 431(b).

“(2) AGENCY HEADS.—The agency heads listed in this paragaph are as follows:

“(A) The Secretary of Housing and Urban Development.

“(B) The Secretary of the Interior.

“(C) The Commissioner of Indian Affairs.

“(D) The Assistant Secretary for Economic Development of the Department of Commerce.

“(E) The Administrator of the Small Business Administration.

“(F) The Administrator of the Rural Development Administration.

“SEC. 439. AUTHORIZATION OF APPROPRIATIONS.

“(a) AUTHORIZATION.—There are authorized to be appropriated to the Secretary, $10,000,000 for each of fiscal years 2002 through 2006, to be used in accordance with section 438.

“(b) ADDITIONAL AUTHORIZATION.—The amounts authorized to be appropriated under this section are in addition to any amounts provided or made available to the Council under any other provision of Federal law.

“SEC. 440. DEFINITION.

“In this section the term ‘Secretary’ means the Secretary of Commerce.”.

By Mr. HATCH.

S. 495. A bill to amend the Internal Revenue Code of 1986 to allow an above-the-line deduction for certain professional development expenses and classroom supplies of elementary and secondary school teachers; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise today to introduce legislation designed to increase tax fairness for America's primary and secondary school teachers.

Over the past few years, much has been said about the inequities of some of the provisions of the Internal Revenue Code. Indeed, one does not need to look very far in the Code to begin to see provisions that are just plain unfair. I would like to highlight just one egregious example of this unfairness today, and introduce legislation to begin to rectify it.

Mr. President, our public school teachers are some of the unheralded heroes of our society. These women and men dedicate their careers to educating the young people of America. School teachers labor in often difficult and even dangerous circumstances. In most places, including in my home state of Utah, the salary of the average public school teacher is significantly below that of other similarly educated and experienced professionals in our society.

Moreover, school teachers find themselves further disadvantaged by unfair treatment from the tax code as to the deductibility of professional development expenses and of the out-of-pocket costs of classroom materials that practically all teachers find themselves supplying. Let me explain.

Like many other professionals, most elementary and secondary school teachers regularly incur expenses to keep themselves current in their field of knowledge. These include subscriptions to journals and other periodicals as well as the cost of courses and seminars designed to improve their knowledge or teaching skills. These expenditures are necessary to keep our teachers up to date on the latest ideas, techniques, and trends so that they can provide our children with the best education possible.

Furthermore, almost all teachers find themselves providing basic classroom materials for their students. Because of tight education budgets, most schools do not provide 100 percent of the material teachers need to adequately present their lessons. As a result, dedicated teachers incur personal expenses for copies, art supplies, books, puzzles and games, paper, pencils, and countless other needs. If not for the willingness of teachers to purchase these supplies themselves, many students would simply go without needed materials.

I realize that many employees incur expenses for professional development and out-of-pocket expenses. In many cases, however, these costs are fully reimbursed by the employer. This is seldom the case with school teachers. Other professionals who are self-employed are able to fully deduct these types of expenses.

Under the current tax law, unreimbursed employee expenses are deductible, as miscellaneous itemized deductions. However, there are two practical hurdles that effectively make these expenses non-deductible for most teachers. The first hurdle is that the total amount of a taxpayer's deductible miscellaneous deductions must exceed 2 percent of adjusted gross income before they begin to be deductible. The second hurdle is that the amount in excess of the 2 percent floor, if any, combined with all other deductions the taxpayer has, must exceed the standard deduction before the teacher can itemize. Only about 30 percent of taxpayers have enough deductions to itemize. The unfortunate effect of these two limitations is that, as a practical matter, only a small proportion of teachers are able to deduct these expenses.

Let me illustrate this unfair situation with an example. Let us consider the case of a fifth-year high school chemistry teacher in Utah who I will call Wendy Ruffner. Wendy is single and earns $35,000 per year. Last year she incurred $750 in expenses for chemistry periodicals and for a course she took over the summer to increase her knowledge of chemistry. Wendy also incurred $100 in out-of-pocket expenses for classroom supplies such as copies, periodical charts, and equipment for classroom experiments.

Under current law, Wendy's expenditures are deductible, subject to the limitations I mentioned. The first limitation is that her expenses must exceed 2 percent of her income before they begin to be deductible. Two percent of $35,000 is $700. Thus only $140 of her $840 total expenses is deductible, that portion that exceeds $700.

As a single taxpayer, Wendy's standard deduction for 2000 is $4,400. Her total itemized deductions, including the $140 miscellaneous deduction for professional expenses, fall short of the standard deduction threshold. Therefore, not even the $140 of the original $840 in professional expenses is deductible for Wendy. What the first limitation did not block, the second one did.

The legislation I introduce today, the Tax Equity for School Teachers, or TEST Act, would eliminate the unfairness teachers face in regards to these limitations by making all professional development and out-of-pocket expenses an above-the-line deduction. This means a teacher could deduct these expenses without regard to the 2 percent of AGI limitation and whether he or she itemizes or not.

Let us return to my previous example of Wendy Ruffner. Under this bill, Wendy would be allowed to deduct all $840 of her professional expenses from her taxable income. This would help provide tax equity, and a measure of much-needed tax relief for an underpaid professional.

Some might argue that this would be giving teachers preferential treatment. I disagree. Most organizations provide training for their employees that is fully deductible to the organization and non-taxable to the employee. Yet, public teachers, who are some of the most vital professionals in our society, are left to foot the bill on their own. Office supplies and instructional materials are also fully deductible to businesses. Shouldn't teachers who provide these similar materials for their classrooms be afforded the same tax treatment?

School teachers deserve better tax treatment than what they receive. With the low pay teachers typically receive, it is no wonder that many areas of the country are facing severe shortages of experienced teachers. The tax code is compounding the problem by adding insult to injury. We need to remove the unfair disincentives that discourage motivated and qualified individuals from pursuing teaching as a profession.

I note that President Bush's tax cut plan also recognizes this need and provides for a deduction of up to $400 in teachers' out-of-pocket classroom expenses. This is a good step in the right direction. My bill, however, provides an unlimited deduction for out-of-pocket expenses and goes further and also includes the costs of professional development expenses. I do not believe we need to place a limit on these deductions. Teachers are going to provide their students with materials and take the professional development courses regardless of a tax deduction. They should be able to deduct these expenditures.

Mr. President, this bill would provide modest tax equity for teachers who, for too long, have been footing the bill for improving the quality of teaching by themselves. It is time we the tax code recognized this unfairness and corrected it. I thank the Senate for the opportunity to address this issue today, and I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 495

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Equity for School Teachers Act of 2001".

SEC. 2. DEDUCTION FOR CERTAIN PROFESSIONAL DEVELOPMENT EXPENSES AND CLASSROOM SUPPLIES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES OTHER DEDUCTIONS.—Subsection (a)(2) of section 62 of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by adding at the end the following new subparagraph:

"(D) CERTAIN PROFESSIONAL DEVELOPMENT EXPENSES AND CLASSROOM SUPPLIES FOR TEACHERS.—The deductions allowed by section 162 which consist of qualified professional development expenses and qualified elementary and secondary education expenses paid or incurred by an eligible teacher.".

(b) DEFINITIONS.—Section 62 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(d) QUALIFIED EXPENSES OF ELIGIBLE TEACHERS.—For purposes of subsection (a)(2)(D)—

"(1) QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES.—

"(A) IN GENERAL.—The term 'qualified professional development expenses' means expenses for tuition, fees, books, supplies, equipment, and transportation required for the enrollment or attendance of an individual in a qualified course of instruction.

"(B) QUALIFIED COURSE OF INSTRUCTION.—The term 'qualified course of instruction' means a course of instruction which—

"(i) is—

"(I) directly related to the curriculum and academic subjects in which an eligible teacher provides instruction, or

"(II) designed to enhance the ability of an eligible teacher to understand and use State standards for the academic subjects in which such teacher provides instruction,

"(ii) may—

"(I) provide instruction in how to teach children with different learning styles, particularly children with disabilities and children with special learning needs (including children who are gifted and talented), or

"(II) provide instruction in how best to discipline children in the classroom and identify early and appropriate interventions to help children described in subclause (I) to learn,

"(iii) is tied to challenging State or local content standards and student performance standards,

"(iv) is tied to strategies and programs that demonstrate effectiveness in increasing student academic achievement and student performance, or substantially increasing the knowledge and teaching skills of an eligible teacher, and

"(v) is part of a program of professional development which is approved and certified by the appropriate local educational agency as furthering the goals of the preceding clauses.

"(C) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given such term by section 14101 of the Elementary and Secondary Education Act of 1965, as in effect on the date of the enactment of this subsection.

"(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—The term 'qualified elementary and secondary education expenses' means expenses for any taxable year for books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by an eligible teacher in the classroom.

"(3) ELIGIBLE TEACHER.—

"(A) IN GENERAL.—The term 'eligible teacher' means an individual who is a kindergarten through grade 12 classroom teacher, instructor, counselor, aide, or principal in an elementary or secondary school on a full-time basis for an academic year ending during a taxable year.

"(B) ELEMENTARY OR SECONDARY SCHOOL.—The term 'elementary or secondary school' means any school which provides elementary education or secondary education (through grade 12), as determined under State law.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

By Mr. SANTORUM:

S. 496. A bill to amend the Individuals with Disabilities Education Act to modify authorizations of appropriations for programs under such Act; to the Committee on Health, Education, Labor, and Pensions.

Mr. SANTORUM. Mr. President, today, I am introducing legislation to dramatically increase funding for the Individuals with Disabilities Education Act, IDEA. My legislation would more than double the federal commitment to IDEA funding within four years. The legislation, "Growing Resources in Educational Achievement for Today and Tomorrow," GREATT IDEA, will take significant steps toward fulfilling the federal commitment to IDEA funding. The legislation will also free up additional funds for local school districts to be spent on their highest priorities, whether it be teacher training or salaries, reducing class sizes, school construction, library resources, technology, or music and arts education. The legislation is supported by the Pennsylvania School Boards Association and Pennsylvania Governor Tom Ridge.

Every child is deserving of a high-quality education in an environment that encourages them to learn and grow to the best of their ability. Thanks to IDEA, many students are learning and achieving at levels previously thought impossible, graduating from high school, going to college and entering the workforce as productive citizens. We must encourage this progress and continue to give parents and teachers the resources they need to create opportunities for special children. By boldly increasing the IDEA funding level, we can keep more students in schools and help them achieve new measures of success.

Prior to IDEA's implementation in 1975, approximately 1 million children with disabilities were shut out of schools and hundreds of thousands more were denied appropriate services. Since then, IDEA has helped change the lives of these children. Congress had originally committed to cover 40 percent of IDEA's costs when it passed the original IDEA bill in 1975, with the remaining balance to be met by local communities and states. Over the years, however, while the law itself continues to work and children are being educated, the intended cost-sharing partnership has not been realized. The federal commitment of 40 percent will be reached within eight years if the funding stream established in GREATT IDEA is sustained. This is my first priority in helping local school districts provide the best education possible for elementary and secondary education.

I urge my colleagues to support this effort to double funding for IDEA within the next four years as we continue to work to fulfill this long neglected federal commitment and free up educational resources for local education. I am pleased with the funding progress we were able to make this past year. Yet, this legislation goes further by fully funding approximately 700,000 additional IDEA students at an average cost of $13,860 per student. We must accelerate the progress we have made by passing and funding this legislation.

By Mr. LEAHY (for himself, Ms. COLLINS, Mr. BINGAMAN, Mr. CRAPO, Mr. CONRAD, Mr. SPECTER, Mrs. FEINSTEIN, Mr. ROCKEFELLER, Mr. MCCONNELL, Mr. DORGAN, Mr. KERRY, Mr. SARBANES, Mr. JEFFORDS, Mr. HARKIN, Mr. TORRICELLI, Ms. MIKULSKI, Mr. REED, Mrs. MURRAY, Mr. FEINGOLD, and Mr. DURBIN):

S. 497. A bill to express the sense of Congress that the Department of Defense should field currently available weapons, other technologies, tactics and operational concepts that provide suitable alternatives to anti-personnel mines and mixed anti-tank mine systems and that the United States should end its use of such mines and join the Convention on the Prohibition of Anti-Personnel Mines as soon as possible, to expand support for mine action programs including mine victim assistance, and for other purposes; to the Committee on Armed Services.

Mr. LEAHY. Mr. President, I am today introducing the Landmine Elimination Act of 2001. I am joined by Senators COLLINS, BINGAMAN, CRAPO, CONRAD, SPECTER, FEINSTEIN, ROCKEFELLER, MCCONNELL, KERRY, SARBANES, DORGAN, JEFFORDS, REED, HARKIN, MIKULSKI, MURRAY, FEINGOLD, TORRICELLI, and DURBIN.

This legislation does three things.

It expresses the sense of Congress that the Department of Defense should field currently available weapons, other technologies, tactics and operational concepts which provide suitable alternatives to landmines. It is our view that such alternatives exist and are, in fact, better suited than mines to protect United States Armed Forces in today's fast-moving battlefield. This view is shared by many active and retired military officers.

The bill calls on the United States to end its use of mines, and to join the Convention on the Prohibition of Anti-Personnel Mines as soon as possible. It also codifies the U.S. moratorium on mine exports, which has been in effect since 1992 and is official United States policy. Finally, it establishes an interagency working group to develop a comprehensive plan for expanded mine action programs, including programs to assist mine victims.

Mr. President, the havoc wreaked by landmines throughout the world is well known. They have been responsible for by far the majority of casualties of NATO and peacekeeping forces in the Balkans. They were a cause of American casualties in Somalia. They maimed and killed thousands of our troops in Vietnam. And, most often, they cripple and kill innocent civilians, thousands and thousands each year.

In 1992, the United States became the first country to stop exporting landmines. That led other countries to take similar action, and in 1994 President Clinton called for an international treaty banning the weapons. That treaty, which came into force in 1998, has been signed by 139 countries and ratified by 110.

The United States is not among them, because of concerns at the time about Korea and the fact that the treaty would require the United States to stop using most of its anti-vehicle mines. Those were not frivolous concerns, although I do not believe either issue was fully understood or examined when the decision was made, and I have worked to obtain the funds to develop alternatives to mines.

Over the past year, however, I and others have spent a great deal of time discussing these issues with both active and retired military officers. These discussions have revealed a number of interesting facts, which I intend to discuss with Secretary Rumsfeld, the Joint Chiefs, President Bush and others. Most importantly, I and others have become convinced that landmines are inconsistent with current U.S. military doctrine. They are neither cost effective nor compatible with our highly mobile forces, and in fact they pose serious logistical problems and dangers for our troops. We can do better, and we should be working together to get rid of these outdated weapons. It is not necessary to waste years developing costly new alternatives. We have the "smart" weapons and other technologies to more effectively protect our Armed Forces.

I look forward to the day when the United States joins the Treaty, because I am convinced that without U.S. participation and leadership the Treaty will never achieve its promise. But having said that, I have never regarded the Treaty as a kind of "holy grail" of landmines. My interest in this issue, which dates to 1989 when I met a young Honduran boy who had lost a leg from a mine, has always been to achieve a mine-free world. That is an ambitious goal, but it is the right goal. And regardless of when the U.S. joins the Treaty, we can develop a mine-free military.

Ironically, when that happens, the United States, which at times has been unfairly blamed for causing the mine problem, will become the world's leader on this issue. We will have ended not only our use of anti-personnel mines, which the Treaty prohibits, but also of anti-vehicle mines, which, while not prohibited by the Treaty, are responsible for the indiscriminate deaths and injuries of countless innocent people.

I look forward to an opportunity to work with the Department of Defense and the White House to develop a common approach, because the issue is no longer whether we develop a mine-free military, but when. It is a far more political issue than a military issue, and it is time to leave past disagreements and disappointments behind and work together on this common goal.

The problem of landmines continues to be an issue of deep concern to people across this country and around the world. This week, hundreds of people from dozens of countries are in Washington to focus attention on this issue. Among them is Her Majesty Queen Noor, who I am honored to call a friend and who has been an eloquent advocate for a mine-free world and particularly for assistance for mine victims.

One of the purposes of this legislation is to develop more effective programs to address the urgent needs of mine victims. It is one thing for a person who has lost an arm or a leg from a mine to obtain an artificial limb. It is another to get the counseling and training to be able to earn income in poor countries where the disabled are often ostracized. We need to do what we can to help mine victims reintegrate into the social and economic life of their communities.

I want to thank the cosponsors of this legislation, who, like other legislation I have sponsored on landmines span the political spectrum. This is not and has never been a partisan issue. It is a humanitarian issue. If landmines were a problem in our own country, they would have been prohibited years ago.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 497

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Landmine Elimination and Victim Assistance Act of 2001".

SEC. 2 FINDINGS.

Congress makes the following findings:

(1) The threat posed by tens of millions of unexploded landmines to innocent civilians is a global problem requiring strong United States leadership in cooperation with other governments.

(2) Landmines continue to maim and kill thousands of people, mostly civilians, each year, and most mine victims lack the care and rehabilitation services they need.

(3) Landmines, which remain active for hours, days or years, impeded the mobility and threaten the safety of United States Armed Forces, North Atlantic Treaty Organization forces, and other friendly forces in combat and other military operations.

(4) At least 139 countries have signed, and 110 countries have ratified, the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (opened for signature at Ottawa, Canada, on December 3 and 4, 1997, and at the United Nations Headquarters beginning December 5, 1997). Many of these countries are former producers, exporters, and users of anti-personnel mines. Worldwide adherence to the Convention would greatly reduce the threat to future generations from anti-personnel mines.

(5) It is United States Government policy that the United States will search aggressively for alternatives to anti-personnel mines and mixed anti-tank mine systems and that the United States will join the Convention by 2006 if suitable alternatives are fielded by then.

(6) Since 1992, United States law has prohibited the export or transfer of anti-personnel mines.

(7) Since 1997, the United States has capped its inventory of anti-personnel mines and has not produced anti-personnel mines.

(8) The United States Government has contributed hundreds of millions of dollars to the costly, dangerous, and arduous task of humanitarian demining around the world.

SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the Department of Defense should field currently available weapons, other technologies, tactics and operational concepts that provide suitable alternatives to anti-personnel mines and mixed anti-tank mine systems; and

(2) The United States should end its uses of such mines and join the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction as soon as possible.

SEC. 4. TRANSFERS OF ANTI-PERSONNEL MINES

Section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (22 U.S.C. 2778 note) is amended by striking "During" and all that follows through "1991—" and inserting "Beginning on October 23, 1992—".

SEC. 5. INTER-AGENCY WORKING GROUP ON MINE ACTION.

Not later than 90 days after the date of the enactment of this Act, the President shall establish an inter-agency working group to develop a comprehensive plan for expanded mine action programs, including mine victim rehabilitation, social support, and economic reintegration. The working group shall be composed of the Secretaries of State, Health and Human Services, Veterans Affairs, Defense, Education, and the Administrator of the Agency for International Development. The comprehensive plan shall be developed in close consultation with relevant nongovernmental organizations. As part of the development of the comprehensive plan, the working group shall determine an estimated cost of carrying out the plan.

SEC. 6. REPORT ON ALTERNATIVES TO MINES.

No later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and the House or Representatives a report describing actions taken by the Department of Defense to field currently available weapons, other technologies, tactics and operational concepts that provide suitable alternatives to anti-personnel mines and mixed anti-tank mine systems.

By Mr. MURKOWSKI:

S. 498. A bill entitled "National Discovery Trails Act of 2001"; to the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Mr. President, America's trails are one of our most treasured recreational resources. Each year millions of Americans hike, ski, jog, bike, ride horses, drive snow machines and all-terrain vehicles, observe nature, commute, and relax on trails throughout the country. The types of trails found across the nation are varied and range from urban bike paths to bridle paths, community green ways, abandoned railroad right-of-ways, historic trails, and long distance hiking trails.

This legislation proposes to establish the American Discovery Trail, or ADT. The ADT is being proposed as a continuous coast to coast trail that links the nation's principal north-south trails and east-west historic trails with shorter local and regional trails into a nationwide network.

National Discovery Trails are a new category of trails that recognize that use and enjoyment of trails close to home is equally as important as hiking remote wilderness trails. National Discovery Trails will connect people to large cities, small towns and urban areas and to mountains, forest, desert and natural areas by incorporating local, regional and national trails together.

The American Discovery Trail links towns and cities on America's long distance trail system. Existing long-distance trails are used mostly by people living close to the trail and by weekend users. Backpacking excursions are normally a few days to a couple of weeks long. For example, of the estimated three million users of the Appalachian Trail each year, only about 150 to 200 are "through-hikers" who hike the trail from end to end. This will also be true of the American Discovery Trail as well, especially because of its proximity to urban areas.

The ADT, the first of the Discovery Trails, will connect six national scenic trails, 10 national historic trails, 23 national recreational trails, and hundreds of other local and regional trails. The ADT will be a thread that sews together a variety of events, cultures, and features that are all part of the American experience.

What makes the ADT so exciting is the way it has already brought people together. More than 100 organizations along the trail's 6,000 miles support the effort. Each state the trail pass through already has a volunteer coordinator who leads an active ADT committee. This strong grassroots effort, along with financial support from Backpacker magazine, Ford Motor Company, The Coleman Company and others have helped take the ADT from dream to reality.

Only one more very important step on the trail needs to be taken. Congress needs to authorize the trail as part of our National Trails System.

The American Discovery Trail begins (or ends) with your two feet in the Pacific Ocean at Point Reyes National Seashore, just north of San Francisco. Next are Berkeley and Sacramento before the climb to the Pacific Crest National Scenic Trail and Lake Tahoe, in the middle of the Sierra Nevada Mountains.

Nevada will offer Historic Virginia City, home of the Comstock Lode, the Pony Express National Historic Trail, Great Basin National Park with Lehman Caves and Wheeler Peak.

Utah will provide National Forests and Parks along with spectacular red rock country, until you get to Colorado and Colorado National Monument and its 20,445 acres of sandstone monoliths and canyons. Then there's Grand Mesa over Scofield Pass, and Crested Butte, in the heart of ski country as you follow the Colorado and Continental Divide Trails into Evergreen.

At Denver the ADT divides and becomes the Northern and Southern Midwest routes. The Northern Midwest Route winds through Nebraska, Iowa, Illinois, Indiana and Ohio. The Southern Midwest Route leaves Colorado and the Air Force Academy and follows the tracks and wagon wheel ruts of thousands of early pioneers through Kansas and Missouri as well as settlements and historic places in Illinois, Indiana, Kentucky until the trail joins the Northern route in Cincinnati.

West Virginia is next, then Maryland to the C&O Canal into Washington D.C. The Trail passed the Mall, the White House, the Capitol, and then heads on to Annapolis. Finally, in Delaware, the ADT reaches its eastern terminus at Cap Henlopen State Park and the Atlantic Ocean.

Between the Pacific and Atlantic Oceans one will experience some of the most spectacular scenery in the world, thousands of historic sites, lakes, rivers and streams of every size. The trail offers an opportunity to discover America from small towns, to rural country side, to large metropolitan areas.

When the President signs this legislation into law, a twelve year effort will have been achieved—the American Discovery Trail will have become a reality. The more people who use it, the better.

By Mr. BURNS (for himself, Mr. BAUCUS, Mr. DASCHLE, Mrs. LINCOLN, and Mr. DORGAN):

S. 500. A bill to amend the Communications Act of 1934 in order to required the Federal Communications Commission to fulfill the sufficient universal service support requirements for high cost areas, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Universal Service Support Act".

SEC. 2. REMOVAL OF IMPEDIMENTS TO SUFFICIENT SUPPORT MECHANISMS.

Section 254 of the Communications Act of 1934 is amended by adding at the end the following new subsection:

(m) REMOVAL OF IMPEDIMENTS TO SUFFICIENT SUPPORT MECHANISMS.—

(1) REMOVAL OF CAPS ON HIGH COST SUPPORT MECHANISMS.—The caps and limitations on universal service support contained in sections 36.601(c), and 36.621(4) and 54.305 of the Commission's regulations (47 CFR 36.601, [etc]) shall cease to be effective on the date of enactment of the Universal Service Support Act. The Commission shall not, on or after such date of enactment, enforce or reimpose caps or limitations on support mechanisms for rural telephone companies or exchanges they acquire based on fund size or other considerations unrelated to the sufficiency of support to achieve the purposes of this section.

(2) HIGH COST SUPPORT AND NATIONWIDE AVERAGE CALCULATIONS.—The Commission shall

(A) calculate that portion of the high cost support mechanism attributable to loops that have costs that are in excess of 115 percent of the nationwide average under section 36.631 of the Commission's regulations (47 CFR 36.631) as in effect in the date of enactment of the Universal Service Support Act; and

(B) calculate the nationwide average unseparated loop cost for purposed of sections 36.621 (a)(1)–(3) and 36.622 of those regulations (47 CFR 36.621 and 36.622) as in effect on such date of enactment of such Act, taking into account the elimination of caps and limitations of support pursuant to paragraph (1) of this subsection.

By Mr. GRAHAM (for himself, Mr. JEFFORDS, Mr. ROCKFELLER, Ms. SNOWE, Mr. WELLSTONE, Mr. BREAUX, Mr. LIEBERMAN, Mrs. MURRAY, Mrs. LINCOLN, Mr. DODD, Mr. JOHNSON, Mr. CLELAND, Mr. SCHUMER, Mr. KERRY, Mrs. CLINTON, Ms. LANDRIEU, and Mr. TORRICELLI):

S. 501. A bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services, to the Committee on Finance.

Mr. GRAHAM. Mr. President, I rise today with my colleagues, Senators JEFFORDS, ROCKEFELLER, and SNOWE, to introduce the Social Services Block Grant Restoration Act of 2001. This important block grant, commonly known as "SSBG," is more than just money.

When SSBG was written into law two decades ago, the goals were spelled out clearly. SSBG was created to "prevent, reduce or eliminate dependency." It exists to help people "achieve or maintain self-sufficiency." It meant to "prevent or remedy neglect, abuse or exploitation of children and adults unable to protect their own interests," and for "preserving, rehabilitating or reuniting families."

In other words, SSBG is a commitment on the part of this country to the most vulnerable members of our society. SSBG has become a commitment by this country to help address the pressing needs of many of our senior citizens. SSBG dollars are used to provide training services for those making the transition from welfare to work.

It is a commitment to protect children. It is a commitment to those in need of mental health services and those with disabilities. It is a commitment to states that the federal government recognizes and shares the responsibility for providing human services programs.

For too long we shrugged off this commitment and directed these vital federal dollars to other programs. Data from the Department of Health and Human Services shows how many lives this has affected.

In 1998, SSBG accounted for 25 percent of all federal, state, and local expenditures for services for the disabled; 24 percent of all expenditures for child protective services; and 22 percent of all expenditures for adult protective services.

The state of Florida relies on SSBG for 25 percent of its budget to protect abused and neglected elderly persons.

These are all programs that touch the lives of the people who sent us here—people who are rarely able to lobby us here in our nation's Capitol. This program directly relates to the goals that the new markets tax credit would achieve—enhancing peoples' lives and giving vulnerable communities the ability to thrive.

I urge my colleagues to join us in cosponsoring this critical piece of legislation.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 50—AUTHORIZING EXPENDITURES BY THE COMMITTEES OF THE SENATE FOR THE PERIODS MARCH 1, 2001, THROUGH SEPTEMBER 30, 2001, OCTOBER 1, 2001, THROUGH SEPTEMBER 30, 2002, AND OCTOBER 1, 2002, THROUGH FEBRUARY 28, 2003.

Mr. MCCONNELL submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 50

Resolved,

SECTION 1. AGGREGATE AUTHORIZATION.

(a) IN GENERAL.—For purposes of carrying out the powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate there is authorized for the period March 1, 2001, through September 30, 2001, in the aggregate of $39,909,797, for the period October 1, 2001, through September 30, 2002, in the aggregate of $70,788,088, and for the period October 1, 2002, through February 28, 2003, in the aggregate of $30,273,086, in accordance with the provisions of this resolution, for standing committees of the Senate (except the Committee on the Judiciary), the Special Committee on Aging, the Select Committee on Intelligence, and the Committee on Indian Affairs.

(b) AGENCY CONTRIBUTIONS.—There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committees for the period March 1, 2001, through September 30, 2001, for the period October 1, 2001, through September 30, 2002, and for the period October 1, 2002, through February 28, 2003, to be paid from the appropriations account for "Expenses of Inquiries and Investigations" of the Senate.

SEC. 2. COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,794,378, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $3,181,922, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,360,530, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 3. COMMITTEE ON ARMED SERVICES.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $3,301,692, of which amount—

(1) not to exceed $80,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $30,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,859,150, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $30,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,506,642, of which amount—

(1) not to exceed $50,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $30,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 4. COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and

the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,741,526, of which amount—

(1) not to exceed $11,667, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $496, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,862,013, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $850, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,079,076, of which amount—

(1) not to exceed $8,333, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $354, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 5. COMMITTEE ON THE BUDGET.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,880,615, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,112,126, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,187,120, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 6. COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,968,783, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,265,771, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,251,960, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 7. COMMITTEE ON ENERGY AND NATURAL RESOURCES.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,504,922.

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,443,495.

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,900,457.

SEC. 8. COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,318,050, of which amount—

(1) not to exceed $24,667, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $1,167, may be expended for the training of the professional staff of

such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,108,958, of which amount—

(1) not to exceed $8,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $2,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,756,412, of which amount—

(1) not to exceed $3,333, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $833, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 9. COMMITTEE ON FINANCE.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $3,230,940, of which amount—

(1) not to exceed $17,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $5,833, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,729,572, of which amount—

(1) not to exceed $30,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $10,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,449,931, of which amount—

(1) not to exceed $12,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,167, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 10. COMMITTEE ON FOREIGN RELATIONS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,495,457, of which amount—

(1) not to exceed $45,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,427,295, of which amount—

(1) not to exceed $45,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,893,716, of which amount—

(1) not to exceed $45,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 11. COMMITTEE ON GOVERNMENTAL AFFAIRS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $4,380,936, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $7,771,451, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $3,323,832, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(e) INVESTIGATIONS.—

(1) IN GENERAL.—The committee, or any duly authorized subcommittee of the committee, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge and talents;

(iii) the adequacy of present intergovernmental relations between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular references to the operations and management of Federal regulatory policies and programs.

(2) EXTENT OF INQUIRIES.—In carrying out the duties provided in paragraph (1), the inquiries of this committee or any subcommittee of the committee shall not be construed to be limited to the records, functions, and operations of any particular branch of the Government and may extend to the records and activities of any persons, corporation, or other entity.

(3) SPECIAL COMMITTEE AUTHORITY.—For the purposes of this subsection, the committee, or any duly authorized subcommittee of the committee, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 2001, through February 28, 2003, is authorized, in its, his, or their discretion—

(A) to require by subpoena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents;

(B) to hold hearings;

(C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate;

(D) to administer oaths; and

(E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Committee and the Permanent Subcommittee on Investigations, by deposition in accordance with the Committee Rules of Procedure.

(4) AUTHORITY OF OTHER COMMITTEES.—Nothing contained in this subsection shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946.

(5) SUBPOENA AUTHORITY.—All subpoenas and related legal processes of the committee and its subcommittee authorized under S. Res. 189, agreed to September 29, 1999 (106th Congress) are authorized to continue.

SEC. 12. COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Health, Education, Labor, and Pensions is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $3,895,623, of which amount—

(1) not to exceed $32,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $25,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $6,910,215, of which amount—

(1) not to exceed $32,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $25,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,955,379, of which amount—

(1) not to exceed $32,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $25,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 13. COMMITTEE ON RULES AND ADMINISTRATION.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,183,041, of which amount—

(1) not to exceed $30,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $6,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $2,099,802, of which amount—

(1) not to exceed $50,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $10,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $898,454, of which amount—

(1) not to exceed $21,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,200, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 14. COMMITTEE ON SMALL BUSINESS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,119,973, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $1,985,266, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $848,624, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 15. COMMITTEE ON VETERANS' AFFAIRS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,022,752, of which amount—

(1) not to exceed $59,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $5,900, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $1,814,368, of which amount—

(1) not to exceed $100,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $10,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $776,028, of which amount—

(1) not to exceed $42,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,200, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 16. SPECIAL COMMITTEE ON AGING.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions imposed by section 104 of S. Res. 4, agreed to February 4, 1977, (Ninety-fifth Congress), and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,240,422, of which amount—

(1) not to exceed $117,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $5,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $2,199,621, of which amount—

(1) not to exceed $200,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $5,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $940,522, of which amount—

(1) not to exceed $85,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $5,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 17. SELECT COMMITTEE ON INTELLIGENCE.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976 (94th Congress), in accordance with its jurisdiction under section 3(a) of that resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of that resolution, the Select Committee on Intelligence is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,859,933, of which amount not to exceed $37,917, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $3,298,074, of which amount not to exceed $65,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,410,164, of which amount not to exceed $27,083, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946).

SEC. 18. COMMITTEE ON INDIAN AFFAIRS.

(a) General Authority.—In carrying out its powers, duties, and functions imposed by section 105 of S. Res. 4, agreed to February 4, 1977 (95th Congress), and in exercising the authority conferred on it by that section, the Committee on Indian Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $970,754, of which amount not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $1,718,989, of which amount not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $734,239, of which amount not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 19. SPECIAL RESERVE.

(a) Establishment.—Within the funds in the account "Expenses of Inquiries and Investigations" appropriated by the legislative branch appropriation Acts for fiscal years 2001, 2002, and 2003, there is authorized to be established a special reserve to be available to any committee funded by this resolution as provided in subsection (b) of which—

(1) an amount not to exceed $2,000,000, shall be available for the period March 1, 2001, through September 30, 2001; and

(2) an amount not to exceed $3,700,000, shall be available for the period October 1, 2001, through September 30, 2002; and

(3) an amount not to exceed $1,600,000, shall be available for the period October 1, 2002, through February 28, 2003.

(b) Availability.—The special reserve authorized in subsection (a) shall be available to any committee—

(1) on the basis of special need to meet unpaid obligations incurred by that committee during the periods referred to in paragraphs (1) and (2) of subsection (a); and

(2) at the request of a Chairman and Ranking Member of that committee subject to the approval of the Chairman and Ranking Member of the Committee on Rules and Administration.

SENATE RESOLUTION 51—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. THOMPSON submitted the following resolution; from the Committee on Governmental Affairs; which was referred to the Committee on Rules and Administration:

S. Res. 51

Resolved,

SECTION 1. COMMITTEE ON GOVERNMENTAL AFFAIRS.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs (referred to in this resolution as the "committee") is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $4,380,936, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of the committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $7,771,451, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of the committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $3,323,832, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of the committee (under procedures specified by section 202(j) of that Act).

SEC. 2. REPORTING LEGISLATION.

The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2003.

SEC. 3. EXPENSES; AGENCY CONTRIBUTIONS; AND INVESTIGATIONS.

(a) Expenses of the Committee.—

(1) In general.—Except as provided in paragraph (2), any expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

(2) Vouchers not required.—Vouchers shall not be required for—

(A) the disbursement of salaries of employees of the committee who are paid at an annual rate;

(B) the payment of telecommunications expenses provided by the Office of the Sergeant at Arms and Doorkeeper;

(C) the payment of stationery supplies purchased through the Keeper of Stationery;

(D) payments to the Postmaster of the Senate;

(E) the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper;

(F) the payment of Senate Recording and Photographic Services; or

(G) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

(b) Agency Contributions.—There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee for the period March 1, 2001, through September 30, 2001, for the period October 1, 2001, through September 30, 2002, and for the period October 1, 2002, through February 28, 2003, to be paid from the appropriations account for "Expenses of Inquiries and Investigations" of the Senate.

(c) Investigations.—

(1) In general.—The committee, or any duly authorized subcommittee of the committee, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge and talents;

(iii) the adequacy of present intergovernmental relations between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular references to the operations and management of Federal regulatory policies and programs.

(2) EXTENT OF INQUIRIES.—In carrying out the duties provided in paragraph (1), the inquiries of this committee or any subcommittee of the committee shall not be construed to be limited to the records, functions, and operations of any particular branch of the Government and may extend to the records and activities of any persons, corporation, or other entity.

(3) SPECIAL COMMITTEE AUTHORITY.—For the purposes of this subsection, the committee, or any duly authorized subcommittee of the committee, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 2001, through February 28, 2003, is authorized, in its, his, or their discretion—

(A) to require by subpoena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents;

(B) to hold hearings;

(C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate;

(D) to administer oaths; and

(E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Committee and the Permanent Subcommittee on Investigations, by deposition in accordance with the Committee Rules of Procedure.

(4) AUTHORITY OF OTHER COMMITTEES.—Nothing contained in this subsection shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946.

(5) SUBPOENA AUTHORITY.—All subpoenas and related legal processes of the committee and its subcommittee authorized under S. Res. 189, agreed to September 29, 1999 (106th Congress) are authorized to continue.

SENATE RESOLUTION 52—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

Mr. SPECTER submitted the following resolution; from the Committee on Veterans' Affairs; which was referred to the Committee on Rules and Administration:

S. RES. 52

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 2001, through September 30, 2001; October 1, 2001, through September 30, 2002; and October 1, 2002, through February 28, 2003, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this resolution shall not exceed $1,022,752, of which amount (1) not to exceed $59,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $5,900 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) For the period October 1, 2001, through September 30, 2002, expenses of the committee under this resolution shall not exceed $1,814,368, of which amount (1) not to exceed $100,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(c) For the period October 1, 2002, through February 28, 2003, expenses of the committee under this resolution shall not exceed $776,028, of which amount (1) not to exceed $42,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendation for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2002, and February 28, 2003, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for (1) the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment stationery supplies purchased through the Keeper of Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 2001, through September 30, 2001; October 1, 2001, through September 30, 2002; and October 1, 2002, through February 28, 2003, to be paid from the appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 53—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

Mr. HATCH submitted the following resolution; from the Committee on the Judiciary; which was referred to the Committee on Rules and Administration:

S. Res. 53

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 2001, through September 30, 2001, October 1, 2001, through September 30, 2002; and October 1, 2002, through February 28, 2003, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

Sec. 2(a). The expenses of the committee for the period of March 1, 2001, through September 30, 2001, under this resolution shall not exceed $4,230,605, of which amount (1) not to exceed $200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (Under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(B) For the period October 1, 2001, through September 30, 2002, expenses of the committee under this resolution shall not exceed $7,507,831, of which amount (1) not to exceed $200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1936).

(C) For the period October 1, 2002, through February 28, 2003, expenses of the committee under this resolution shall not exceed $3,212,052, of which amount (1) not to exceed $200,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $20,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

Sec. 3. The Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 2003, respectively.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

Sec. 5. There authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from March 1, 2001, through September 30, 2001, October 1, 2001 through September 30, 2002; and October 1, 2002 through February 28, 2003, to be paid from the Appropriations account for "Expenses of Inquiries and Investigations."

SENATE RESOLUTION 54—AUTHORIZING EXPENDITURES BY THE COMMITTEES OF THE SENATE FOR THE PERIODS MARCH 1, 2001, THROUGH SEPTEMBER 30, 2001, OCTOBER 1, 2001, THROUGH SEPTEMBER 30, 2002, AND OCTOBER 1, 2002, THROUGH FEBRUARY 28, 2003.

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to.

S. Res. 54

Resolved,

SECTION 1. AGGREGATE AUTHORIZATION.

(a) In General.—For purposes of carrying out the powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate there is authorized for the period March 1, 2001, through September 30, 2001, in the aggregate of $44,140,402, for the period October 1, 2001, through September 30, 2002, in the aggregate of $78,295,919, and for the period October 1, 2002, through February 28, 2003, in the aggregate of $33,485,138, in accordance with the provisions of this resolution, for standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Committee on Indian Affairs.

(b) Agency Contributions.—There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committees for the period March 1, 2001, through September 30, 2001, for the period October 1, 2001, through September 30, 2002, and for the period October 1, 2002, through February 28, 2003, to be paid from the appropriations account for "Expenses of Inquiries and Investigations" of the Senate.

SEC. 2. COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,794,378, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $3,181,922, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,360,530, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 3. COMMITTEE ON ARMED SERVICES.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $3,301,692, of which amount—

(1) not to exceed $80,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $30,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,859,150, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $30,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,506,642, of which amount—

(1) not to exceed $50,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $30,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 4. COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,741,526, of which amount—

(1) not to exceed $11,667, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $496, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,862,013, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $850, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,079,076, of which amount—

(1) not to exceed $8,333, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $354, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 5. COMMITTEE ON THE BUDGET.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,880,615, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,112,126, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,187,120, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 6. COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,968,783, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,265,771, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,251,960, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 7. COMMITTEE ON ENERGY AND NATURAL RESOURCES.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,504,922.

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,443,495.

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,900,457.

SEC. 8. COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,318,050, of which amount—

(1) not to exceed $24,667, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $1,167, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,108,958, of which amount—

(1) not to exceed $8,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $2,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,756,412, of which amount—

(1) not to exceed $3,333, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $833, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 9. COMMITTEE ON FINANCE.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $3,230,940, of which amount—

(1) not to exceed $17,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $5,833, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $5,729,572, of which amount—

(1) not to exceed $30,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $10,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,449,931, of which amount—

(1) not to exceed $12,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,167, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 10. COMMITTEE ON FOREIGN RELATIONS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $2,495,457, of which amount—

(1) not to exceed $45,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $4,427,295, of which amount—

(1) not to exceed $45,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) EXPENSES FOR PERIOD ENDING FEBRUARY 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,893,716, of which amount—

(1) not to exceed $45,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 11. COMMITTEE ON GOVERNMENTAL AFFAIRS.

(a) GENERAL AUTHORITY.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) EXPENSES FOR PERIOD ENDING SEPTEMBER 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $4,380,936, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) EXPENSES FOR FISCAL YEAR 2002 PERIOD.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $7,771,451, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $3,323,832, of which amount—

(1) not to exceed $75,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(e) Investigations.—

(1) In general.—The committee, or any duly authorized subcommittee of the committee, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge and talents;

(iii) the adequacy of present intergovernmental relations between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular references to the operations and management of Federal regulatory policies and programs.

(2) Extent of inquiries.—In carrying out the duties provided in paragraph (1), the inquiries of this committee or any subcommittee of the committee shall not be construed to be limited to the records, functions, and operations of any particular branch of the Government and may extend to the records and activities of any persons, corporation, or other entity.

(3) Special committee authority.—For the purposes of this subsection, the committee, or any duly authorized subcommittee of the committee, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 2001, through February 28, 2003, is authorized, in its, his, or their discretion—

(A) to require by subpoena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents;

(B) to hold hearings;

(C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate;

(D) to administer oaths; and

(E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Committee and the Permanent Subcommittee on Investigations, by deposition in accordance with the Committee Rules of Procedure.

(4) Authority of other committees.—Nothing contained in this subsection shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946.

(5) Subpoena authority.—All subpoenas and related legal processes of the committee and its subcommittee authorized under S. Res. 189, agreed to September 29, 1999 (106th Congress) are authorized to continue.

SEC. 12. COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Health, Education, Labor, and Pensions is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $3,895,623, of which amount—

(1) not to exceed $32,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $25,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $6,910,215, of which amount—

(1) not to exceed $32,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $25,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $2,955,379, of which amount—

(1) not to exceed $32,500, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $25,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 13. COMMITTEE ON THE JUDICIARY.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $4,230,605, of which amount—

(1) not to exceed $200,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $7,507,831, of which amount—

(1) not to exceed $200,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $3,212,052, of which amount—

(1) not to exceed $200,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 14. COMMITTEE ON RULES AND ADMINISTRATION.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,183,041, of which amount—

(1) not to exceed $30,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $6,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $2,099,802, of which amount—

(1) not to exceed $50,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $10,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $898,454, of which amount—

(1) not to exceed $21,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,200, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 15. COMMITTEE ON SMALL BUSINESS,

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,119,973, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $1,985,266, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $848,624, of which amount—

(1) not to exceed $20,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $20,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 16. COMMITTEE ON VETERANS' AFFAIRS.

(a) General Authority.—In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,022,752, of which amount—

(1) not to exceed $59,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $5,900, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $1,814,368, of which amount—

(1) not to exceed $100,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))); and

(2) not to exceed $10,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $776,028, of which amount—

(1) not to exceed $42,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $4,200, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 17. SPECIAL COMMITTEE ON AGING.

(a) General Authority.—In carrying out its powers, duties, and functions imposed by section 104 of S. Res. 4, agreed to February 4, 1977, (Ninety-fifth Congress), and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,240,422, of which amount—

(1) not to exceed $117,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $5,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $2,199,621, of which amount—

(1) not to exceed $200,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $5,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $940,522, of which amount—

(1) not to exceed $85,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946); and

(2) not to exceed $5,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 18. SELECT COMMITTEE ON INTELLIGENCE.

(a) General Authority.—In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976 (94th Congress), in accordance with its jurisdiction under section 3(a) of that resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of that resolution, the Select Committee on Intelligence is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $1,859,933, of which amount not to exceed $37,917, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $3,298,074, of which amount not to exceed $65,000, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i))).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $1,410,164, of which amount not to exceed $27,083, may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946).

SEC. 19. COMMITTEE ON INDIAN AFFAIRS.

(a) General Authority.—In carrying out its powers, duties, and functions imposed by section 105 of S. Res. 4, agreed to February 4, 1977 (95th Congress), and in exercising the authority conferred on it by that section, the Committee on Indian Affairs is authorized from March 1, 2001, through February 28, 2003, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel; and

(3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable, basis the services of personnel of any such department or agency.

(b) Expenses for Period Ending September 30, 2001.—The expenses of the committee for the period March 1, 2001, through September 30, 2001, under this section shall not exceed $970,754, of which amount not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(c) Expenses for Fiscal Year 2002 Period.—The expenses of the committee for the period October 1, 2001, through September 30, 2002, under this section shall not exceed $1,718,989, of which amount not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

(d) Expenses for Period Ending February 28, 2003.—For the period October 1, 2002, through February 28, 2003, expenses of the committee under this section shall not exceed $734,239, of which amount not to exceed $1,000, may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of that Act).

SEC. 20. SPECIAL RESERVE.

(a) Establishment.—Within the funds in the account "Expenses of Inquiries and Investigations" appropriated by the legislative branch appropriation Acts for fiscal years 2001, 2002, and 2003, there is authorized to be established a special reserve to be available to any committee funded by this resolution as provided in subsection (b) of which—

(1) an amount not to exceed $2,000,000, shall be available for the period March 1, 2001, through September 30, 2001; and

(2) an amount not to exceed $3,700,000, shall be available for the period October 1, 2001, through September 30, 2002; and

(3) an amount not to exceed $1,600,000, shall be available for the period October 1, 2002, through February 28, 2003.

(b) Availability.—The special reserve authorized in subsection (a) shall be available to any committee—

(1) on the basis of special need to meet unpaid obligations incurred by that committee during the periods referred to in paragraphs (1) and (2) of subsection (a); and

(2) at the request of a Chairman and Ranking Member of that committee subject to the approval of the Chairman and Ranking Member of the Committee on Rules and Administration.

SENATE RESOLUTION 55—DESIGNATING THE THIRD WEEK OF APRIL AS "NATIONAL SHAKEN BABY SYNDROME AWARENESS WEEK" FOR THE YEAR 2001 AND ALL FUTURE YEARS

Mr. WELLSTONE submitted the following resolution; which was referred to the Committee on the Judiciary.

S. Res. 55

Whereas the month of April has been designated National Child Abuse Prevention Month as an annual tradition initiated in 1979 by former President Jimmy Carter;

Whereas the most recent Government figures show that almost 1,000,000 children were victims of abuse and neglect in 1998, causing unspeakable pain and suffering to our most vulnerable citizens;

Whereas among the children who are victims of abuse and neglect, more than 3 children die each day in this country;

Whereas the rate of child fatalities resulting from child abuse and neglect in 1998 for children aged 1 and younger accounted for 40 percent of the fatalities, and for children aged 5 and younger accounted for 77.5 percent of the fatalities;

Whereas head trauma is the leading cause of death of abused children, including the trauma known as Shaken Baby Syndrome;

Whereas Shaken Baby Syndrome is a totally preventable form of child abuse, caused by a caregiver losing control and shaking a baby that is usually less than 1 year of age;

Whereas Shaken Baby Syndrome can result in loss of vision, brain damage, paralysis, seizures, or death;

Whereas an estimated 3,000 children are diagnosed with Shaken Baby Syndrome every year, with thousands more misdiagnosed and undetected;

Whereas Shaken Baby Syndrome often results in permanent, irreparable brain damage or death to an infant, and more than $1,000,000 in medical costs to care for a single, disabled child in just the first few years of life;

Whereas the most effective solution for ending Shaken Baby Syndrome is to prevent such abuse, and it is clear that the minimal costs of education and prevention programs may prevent enormous medical and disability costs and untold grief for many families;

Whereas prevention programs have been shown to raise awareness and provide critically important information about Shaken Baby Syndrome to parents, caregivers, daycare workers, child protection employees, law enforcement personnel, health care professionals, and legal representatives;

Whereas prevention of Shaken Baby Syndrome is supported by groups such as the Shaken Baby Alliance, an organization which began with 3 mothers of children who had been diagnosed with Shaken Baby Syndrome, and whose mission is to educate the general public and professionals about Shaken Baby Syndrome and to increase support for victims and victim families in the health care and criminal justice systems;

Whereas child abuse prevention programs and "National Shaken Baby Syndrome Awareness Week" are supported by the Shaken Baby Alliance, Children's Defense Fund, American Academy of Pediatrics, American Medical Association, Child Welfare League of America, Prevent Child Abuse America, Brain Injury Association, National Child Abuse Coalition, National Exchange Club Foundation, American Humane Association, Center for Child Protection and Family Support, Inc., National Association Of Children's Hospitals and Related Institutions, and many other organizations including the National Basketball Association, which is sponsoring a series of "NBA Child Abuse Prevention Awareness Night 2001" events to generate public awareness about the issue of child abuse and neglect during National Child Abuse Prevention Month 2001;

Whereas a year 2000 survey by Prevent Child Abuse America shows that ½ of all Americans believe child abuse and neglect is the most important issue facing this country compared to other public health issues; and

Whereas Congress strongly supports efforts to protect children from abuse and neglect: Now, therefore, be it

Resolved, That the Senate—

(1) designates the third week of April, as "National Shaken Baby Syndrome Awareness Week" for the year 2001 and all future years; and

(2) requests that the President issue a proclamation urging the people of the United States to remember the victims of Shaken Baby Syndrome and participate in educational programs to help prevent Shaken Baby Syndrome.

Mr. WELLSTONE. Mr. President, I rise today to introduce a resolution to proclaim the third week of April each year as "Shaken Baby Syndrome Awareness Week". I would like to recognize the many groups, particularly the Shaken Baby Alliance, who support this effort to increase awareness of one of the most unspeakable forms of child abuse, one that results in the death or lifelong disability of thousands of children each year.

We must recognize child abuse and neglect as the public health problem it is, one that is linked with a host of other problems facing our country, including poverty and drug and alcohol addiction, and one that needs the comprehensive approach of our entire public health system to solve. For the past twenty years, the President of the United States has designated one month each year as National Child Abuse Prevention Month to increase awareness of the devastating harm done to our children by abuse and neglect. In 2001, April will be National Child Abuse Prevention Month.

The extent of the tragedy that is child abuse is well-documented. The most recent government figures show that almost 1 million children were victims of abuse in 1998. Each day, three of these children die as a result of this abuse. The U.S. Advisory Board on Child Abuse and Neglect reported in "A Nation's Shame: Fatal Child Abuse and Neglect in the United States," that a more realistic estimate of annual child deaths as a result of abuse and neglect, both known and unknown to Child Protective Service agencies, is closer to 2,000, or approximately five children per day. The latest data showed that in 1998, the rate of child fatalities resulting from child abuse and neglect in 1998 for children aged 1 and younger accounted for 40 percent of the fatalities. For children aged 5 and younger child abuse and neglect accounted for 78 percent of the fatalities.

Because of the problems of under-reporting and errors in diagnoses, the National Center for Prosecution of Child Abuse believes that the number of child deaths from maltreatment per year may be as high as 5,000. In most cases, the child's death is the result of head trauma, including the trauma known as Shaken Baby Syndrome, SBS. Shaken Baby Syndrome results from a caregiver losing control and shaking a baby, usually an infant who is less than 1 year old. This severe shaking can kill the baby, or it can cause loss of vision, brain damage, paralysis, and seizures, resulting in lifelong disabilities. This totally preventable form of child abuse causes untold grief for many families whose child dies, or is left with permanent, irreparable brain damage. The care for the child's resulting disability is estimated at more than $1 million in medical costs during just the first few years of the baby's life.

The most effective solution to ending Shaken Baby Syndrome is to prevent such abuse, and it is clear that the minimal costs of educational and prevention programs may help to protect our young children and stop this tragedy from occurring. In 1995, the U.S. Advisory Board on Child Abuse and Neglect recommended a universal approach to the prevention of child fatalities that would reach out to all families through the implementation of several key strategies. Such efforts began by providing services such as home visitation by trained professionals or paraprofessionals, hospital-linked outreach to parents of infants and toddlers, community-based programs designed for the specific needs of neighborhoods, and effective public education campaigns.

Child abuse prevention programs have been shown to raise awareness and provide critically important information about Shaken Baby Syndrome and other forms of abuse to parents, caregivers, day care workers, child protection employees, law enforcement personnel, health care professionals, and legal representatives. Many prevention programs now include not only information about the dangers of shaking babies and how to cope with crying, but also address issues of anger management, stress reduction, appropriate expectations of children, and specific information on why shaking or impact can interrupt early brain development. Education programs for judges and others in the judicial system are also beneficial for SBS criminal cases. Ultimately, the education of all will help us reach a critical goal of zero tolerance toward shaking, a goal that will help to save children's lives.

The prevention of Shaken Baby Syndrome is supported by groups such as the Shaken Baby Alliance, an organization which began with 3 mothers of children who had been diagnosed with Shaken Baby Syndrome, and whose mission is to educate the general public and professionals about Shaken Baby Syndrome, and to increase support for victims and victim families in the health care and criminal justice systems. In my own state of Minnesota, the Shaken Baby Alliance is represented by the outstanding efforts of Kim Kang, whose daughter Rachel was diagnosed in 1995 with Shaken Baby Syndrome, after being violently shaken by a day care provider. My heart goes out to her family, and to all of the families who deal with the results of Shaken Baby Syndrome and all other forms of child abuse and neglect.

Child abuse and neglect is a scourge on our country, and we must do more to prevent the damage done to our children, our families, and our society as a result of child abuse, and to help those who suffer its consequences. Shaken Baby Syndrome Awareness Week is supported by the Shaken Baby Alliance, Children's Defense Fund, American Academy of Pediatrics, American Medical Association, Child Welfare League of America, Prevent Child Abuse America, Brain Injury Association, National Child Abuse Coalition, National Exchange Club Foundation, American Humane Association, Center for Child Protection and Family Support, Inc., National Association of Children's Hospitals and Related Institutions, and many other organizations including the National Basketball Association, which is sponsoring a series of "NBA Child Abuse Prevention Awareness Nights 2001" events to generate public awareness about the issue of child abuse and neglect during National Child Abuse Prevention Month 2001.

This year the Congress also has the opportunity to seriously address the issue of child abuse and neglect by increasing the funding for prevention and training programs as part of the reauthorization of Child Abuse Prevention and Treatment Act, CAPTA. I look forward to working with my Senate and House colleagues on both sides of the aisle to direct additional resources to the prevention of abuse and neglect of our children. We must do more as a country to protect our vulnerable children from this most serious betrayal of trust, to prevent the fatalities and severe physical and psychological harm that results from such abuse, and to help those who work to end this national tragedy by providing the resources they need to do their work.

I urge the Senate to adopt this resolution designating the third week of April each year as "Shaken Baby Syndrome Awareness Week", and to take part in the many local and national activities and events recognizing the month of April as National Child Abuse Prevention Month.

AMENDMENTS SUBMITTED AND PROPOSED

SA 19. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table.

SA 20. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 21. Mrs. FEINSTEIN (for herself, Mr. Jeffords, and Mr. Durbin) submitted an amendment intended to be proposed by her to the bill S. 420, supra; which was ordered to lie on the table.

SA 22. Mrs. FEINSTEIN (for herself and Mr. Jeffords) submitted an amendment intended to be proposed by her to the bill S. 420, supra; which was ordered to lie on the table.

SA 23. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 420, supra; which was ordered to lie on the table.

SA 24. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 420, supra; which was ordered to lie on the table.

SA 25. Mr. SCHUMER (for himself and Mr. Sarbanes) proposed an amendment to the bill S. 420, supra.

SA 26. Mr. KERRY proposed an amendment to the bill S. 420, supra.

SA 27. Mrs. FEINSTEIN (for herself, Mr. Jeffords, and Mr. Durbin) proposed an amendment to the bill S. 420, supra.

SA 28. Mr. BINGAMAN (for himself, Mr. Daschle, Mr. Leahy, Mr. Dorgan, Mr. Kennedy, Ms. Mikulski, Mr. Levin, Mr. Dodd, Mr. Schumer, Mr. Breaux, Mr. Durbin, Mr. Kerry, Mr. Dayton, Ms. Cantwell, Mr. Corzine, Mrs. Clinton, Mr. Reid, Mr. Akaka, Mrs. Carnahan, Mr. Rockefeller, Mr. Conrad, Mr. Wellstone, Ms. Landrieu, Mr. Kohl, Mr. Nelson of Nebraska, Mr. Reed, Mr. Lieberman, Mr. Bayh, Mr. Sarbanes, Ms. Stabenow, Mrs. Lincoln, Mr. Hollings, Mrs. Boxer, Mrs. Murray, Mr. Domenici, Mr. Murkowski, and Ms. Collins) proposed an amendment to the bill S. 420, supra.

SA 29. Mr. CONRAD proposed an amendment to the bill S. 420, supra.

SA 30. Mr. KOHL (for himself and Mr. Kennedy) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 31. Mr. KOHL (for himself and Mrs. Feinstein) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 32. Mr. SESSIONS proposed an amendment to the bill S. 420, supra.

SA 33. Mr. DORGAN (for himself and Mrs. Feinstein) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 34. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

Text of Amendments

SA 19. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 17, line 8, strike "and the debtor's spouse combined" and insert ", or in a joint case, the debtor and the debtor's spouse".

SA 20. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, beginning on line 9, strike "preceding the date of determination" and insert "ending on the last day of the calendar month immediately preceding the date of the bankruptcy filing".

SA 21. Mrs. FEINSTEIN (for herself, Mr. Jeffords, and Mr. Durbin) submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Title XIII, add the following:

SEC. 1311. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) Applications by Underage Consumers.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(8) Applications from underage obligors.—

"(A) Prohibition on issuance.—Except in response to a written request or application to the card issuer that meets the requirements of subparagraph (B), a card issuer may not—

"(i) issue a credit card account under an open end consumer credit plan to, or establish such an account on behalf of, an obligor who has not attained the age of 21; or

"(ii) increase the amount of credit authorized to be extended under such an account to an obligor described in clause (i).

"(B) Application requirements.—A written request or application to open a credit card account under an open end consumer credit plan, or to increase the amount of credit authorized to be extended under such an account, submitted by an obligor who has not attained the age of 21 as of the date of such submission, shall require—

"(i) submission by the obligor of information regarding any other credit card account under an open end consumer credit plan issued to, or established on behalf of, the obligor (other than an account established in response to a written request or application that meets the requirements of clause (ii) or (iii)), indicating that the proposed extension of credit under the account for which the written request or application is submitted would not thereby increase the total amount of credit extended to the obligor under any such account to an amount in excess of $2,500 per card (which amount shall be adjusted annually by the Board to account for any increase in the Consumer Price Index);

"(ii) the signature of a parent or guardian of that obligor indicating joint liability for debts incurred in connection with the account before the obligor attains the age of 21; or

"(iii) submission by the obligor of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.

"(C) Notification.—A card issuer of a credit card account under an open end consumer credit plan shall notify any obligor who has not attained the age of 21 that the obligor is not eligible for an extension of credit in connection with the account unless the requirements of this paragraph are met.

"(D) Limit on enforcement.—A card issuer may not collect or otherwise enforce a debt arising from a credit card account under an open end consumer credit plan if the obligor had not attained the age of 21 at the time the debt was incurred, unless the requirements of this paragraph have been met with respect to that obligor.

"(9) Parental approval required to increase credit lines for accounts for which parent is jointly liable.—In addition to the requirements of paragraph (8), no increase may be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.".

(b) Regulatory Authority.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as amended by this section.

(c) Effective Date.—Paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as amended by this section, shall apply to the issuance of credit card accounts under open end consumer credit plans, and the increase of the amount of credit authorized to be extended thereunder, as described in those paragraphs, on and after the date of enactment of this Act.

SA 22. Mrs. FEINSTEIN (for herself and Mr. Jeffords) submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of Title XIII, add the following:

SEC. 1311. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) Applications by Underage Consumers.—Section 127(c) of the Truth in

Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(8) PARENTAL APPROVAL REQUIRED TO INCREASE CREDIT LINES FOR ACCOUNTS FOR WHICH PARENT IS JOINTLY LIABLE.—An increase may not be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.".

SA 23. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike sections 226 (relating to definitions) through 229 (relating to requirements for debt relief agencies).

Redesignate sections 230 through 232 as sections 226 through 228, respectively.

Amend the table of contents accordingly.

SA 24. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 85, beginning on line 12, strike "a person, other than".

SA 25. Mr. SCHUMER (for himself and Mr. SARBANES) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. PRESERVATION OF CLAIMS AND DEFENSES UPON SALE OR TRANSFER OF PREDATORY LOANS.

Section 363 of title 11, United States Code, is amended by adding at the end the following:

"(p) Notwithstanding subsection (f), the sale by a trustee or transfer under a plan of reorganization of any interest in a consumer credit transaction that is subject to the Truth In Lending Act (15 U.S.C. 1601 et seq.), or a consumer credit contract as defined by the Federal Trade Commission Preservation of Claims Trade Regulation, is subject to all claims and defenses which the consumer could assert against the debtor.".

Amend the table of contents accordingly.

SA 26. Mr. KERRY proposed an amendment to the bill S. 420, to amend title 11, United States Code, and for other purposes; as follows:

On page 187, strike lines 4 and 5.

On page 202, strike line 9 and all that follows through page 223, line 12, and insert the following:

SEC. 420. STUDY OF OPERATION OF TITLE 11, UNITED STATES CODE, WITH RESPECT TO SMALL BUSINESSES.

Not later than 2 years after the date of enactment of this Act, the Administrator of the Small Business Administration, in consultation with the Attorney General, the Director of the Administrative Office of United States Trustees, and the Director of the Administrative Office of the United States Courts, shall—

(1) conduct a study to determine—

(A) the internal and external factors that cause small businesses, especially sole proprietorships, to become debtors in cases under title 11, United States Code, and that cause certain small businesses to successfully complete cases under chapter 11 of such title;

(B) how Federal laws relating to bankruptcy may be made more effective and efficient in assisting small businesses to remain viable;

(C) what factors, if any, would indicate the need for any additional procedures or reporting requirements for small businesses that file petitions for bankruptcy under chapter 11 of title 11, United States Code;

(D) what length of time is appropriate for small business debtors and entrepreneurs to file and confirm a reorganization plan under title 11, United States Code, including the factors considered to arrive at that conclusion; and

(E) how often a small business debtor files separate petitions for bankruptcy protection within a 2-year period; and

(2) submit a report summarizing the study required by paragraph (1) to the President pro tempore of the Senate and the Speaker of the House of Representatives, and the Committees on Small Business of the Senate and the House of Representatives.

SA 27. Mrs. FEINSTEIN (for herself, Mr. JEFFORDS, and Mr. DURBIN) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the end of Title XIII, add the following:

SEC. 1311. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) APPLICATIONS BY UNDERAGE CONSUMERS.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(8) APPLICATIONS FROM UNDERAGE OBLIGORS.—

"(A) PROHIBITION ON ISSUANCE.—Except in response to a written request or application to the card issuer that meets the requirements of subparagraph (B), a card issuer may not—

"(i) issue a credit card account under an open end consumer credit plan to, or establish such an account on behalf of, an obligor who has not attained the age of 21; or

"(ii) increase the amount of credit authorized to be extended under such an account to an obligor described in clause (i).

"(B) APPLICATION REQUIREMENTS.—A written request or application to open a credit card account under an open end consumer credit plan, or to increase the amount of credit authorized to be extended under such an account, submitted by an obligor who has not attained the age of 21 as of the date of such submission, shall require—

"(i) submission by the obligor of information regarding any other credit card account under an open end consumer credit plan issued to, or established on behalf of, the obligor (other than an account established in response to a written request or application that meets the requirements of clause (ii) or (iii)), indicating that the proposed extension of credit under the account for which the written request or application is submitted would not thereby increase the total amount of credit extended to the obligor under any such account to an amount in excess of $2,500 per card (which amount shall be adjusted annually by the Board to account for any increase in the Consumer Price Index);

"(ii) the signature of a parent or guardian of that obligor indicating joint liability for debts incurred in connection with the account before the obligor attains the age of 21; or

"(iii) submission by the obligor of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.

"(C) NOTIFICATION.—A card issuer of a credit card account under an open end consumer credit plan shall notify any obligor who has not attained the age of 21 that the obligor is not eligible for an extension of credit in connection with the account unless the requirements of this paragraph are met.

"(D) LIMIT ON ENFORCEMENT.—A card issuer may not collect or otherwise enforce a debt arising from a credit card account under an open end consumer credit plan if the obligor had not attained the age of 21 at the time the debt was incurred, unless the requirements of this paragraph have been met with respect to that obligor.

"(9) PARENTAL APPROVAL REQUIRED TO INCREASE CREDIT LINES FOR ACCOUNTS FOR WHICH PARENT IS JOINTLY LIABLE.—In addition to the requirements of paragraph (8), no increase may be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.".

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as amended by this section.

(c) EFFECTIVE DATE.—Paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as amended by this section, shall apply to the issuance of credit card accounts under open end consumer credit plans, and the increase of the amount of credit authorized to be extended thereunder, as described in those paragraphs, on and after the date of enactment of this Act.

SA 28. Mr. BINGAMAN (for himself, Mr. DASCHLE, Mr. LEAHY, Mr. DORGAN, Mr. KENNEDY, Ms. MIKULSKI, Mr. LEVIN, Mr. DODD, Mr. SCHUMER,, Mr. BREAUX, Mr. DURBIN, Mr. KERRY, Mr. DAYTON, Ms. CANTWELL, Mr. CORZINE, Mrs. CLINTON, Mr. REID, Mr. AKAKA, Mrs. CARNAHAN, Mr. ROCKEFELLER, Mr. CONRAD, Mr. WELLSTONE, Ms. LANDRIEU, Mr. KOHL, Mr. NELSON of Nebraska, Mr. REED, Mr. LIEBERMAN, Mr. BAYH, Mr. SARBANES, Ms. STABENOW, Mrs. LINCOLN, Mr. HOLLINGS, Mrs. BOXER, Mrs. MURRAY, Mr. DOMENICI, Mr. MURKOWSKI, and Ms. COLLINS) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

(Purpose: To increase the authorization of appropriations for low-income energy assistance, weatherization, and State energy emergency planning programs, to increase Federal energy efficiency by facilitating the use of private-sector partnerships to prevent energy and water waste, and for other purposes)

At the appropriate place in the bill, add the following:

TITLE—EMERGENCY ENERGY ASSISTANCE AND CONSERVATION MEASURES

SEC. 01. SHORT TITLE.

This title may be cited as the "Energy Emergency Response Act of 2001".

SEC. 02. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) high energy costs are causing hardship for families;

(2) restructured energy markets have increased the need for a higher and more consistent level of funding for low-income energy assistance programs;

(3) conservation programs implemented by the states and the low-income weatherization program reduce costs and need for additional energy supplies;

(4) energy conservation is a cornerstone of national energy security policy;

(5) the Federal Government is the largest consumer of energy in the economy of the United States; and

(6) many opportunities exist for significant energy cost savings within the Federal Government.

(b) PURPOSES.—The purposes of this title are to provide assistance to those individuals most affected by high energy prices and to promote and accelerate energy conservation investments in private and federal facilities.

SEC. 03. INCREASED FUNDING FOR LIHEAP, WEATHERIZATION AND STATE ENERGY GRANTS.

(a) LIHEAP.—(1) Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to carry out the provisions of this title (other than section 2607A), $3,400,000,000 for each of fiscal years 2001 through 2005.".

(2) Section 2605(b)(2) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)) is amended by adding at the end the following:

"And except that during fiscal year 2001, a State may make payments under this title to households with incomes up to and including 200 percent of the poverty level for such State;".

(b) WEATHERIZATION ASSISTANCE.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking "For fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$310,000,000 for fiscal years 2001 and 2002, $325,000,000 for fiscal year 2003, $400,000,000 for fiscal year 2004, and $500,000,000 for fiscal year 2005.".

(c) STATE ENERGY CONSERVATION GRANTS.—Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking "for fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$75,000,000 for each of fiscal years 2001 through 2005".

SEC. 04. FEDERAL ENERGY MANAGEMENT REVIEWS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:

"(e) PRIORITY RESPONSE REVIEWS.—Each agency shall—

"(1) not later than October 1, 2001, undertake a comprehensive review of all practicable measures for—

"(A) increasing energy and water conservation, and

"(B) using renewable energy sources; and

"(2) not later than 180 days after completing the review, implement measures to achieve not less than 50 percent of the potential efficiency and renewable savings identified in the review".

SEC. 05. COST SAVINGS FROM REPLACEMENT FACILITIES.,

Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

"(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at such replacement buildings or facilities when compared with costs of operation and maintenance at the buildings or facilities being replaced.

"(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in subparagraph (A).".

SEC. 06. REPEAL OF ENERGY SAVINGS PERFORMANCE CONTRACT SUNSET.

Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is repealed.

SEC. 07. ENERGY SAVINGS PERFORMANCE CONTRACT DEFINITIONS.

(a) ENERGY SAVINGS-Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2) The term 'energy savings' means a reduction in the cost of energy, water, or wastewater treatment from a base cost established through a methodology set forth in the contract, used by either—

"(A) an existing federally owned building or buildings or other federally owned facilities as a result of—

"(i) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical service;

"(ii) more efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(iii) more efficient use of water at an existing federally owned building or buildings, in either interior or exterior applications; or

"(B) a replacement facility under section 801(a)(3).".

(b) ENERGY SAVINGS CONTRACT.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

"The terms 'energy savings contract' and 'energy savings performance contract' mean a contract which provides for—

"(A) the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy, water conservation, or wastewater treatment measure or series of measures at one or more locations; or

"(B) energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities.".

"(c) ENERGY OR WATER CONSERVATION MEASURE.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

"The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 551(4)(42 U.S.C. 8259(4)); or

"(B) a water conservation measure that improves the efficiency of water use, is life cycle cost effective, and involves water conservation, water recycling or reuse, improvements in operation or maintenance efficiencies, retrofit activities or other related activities, not affecting the power generating operations at a Federally-owned hydroelectric dam.".

SA 29. Mr. CONRAD proposed an amendment to the bill S. 420 to amend title II, United States Code, and for other purposes; as follows:

At the end of the amendment No. 20 insert the following:

TITLE —SOCIAL SECURITY AND MEDICARE OFF-BUDGET LOCKBOX ACT OF 2001

SEC. 01. SHORT TITLE.

This title may be cited as the "Social Security and Medicare Off-Budget Lockbox Act of 2001".

SEC. 02. STRENGTHENING SOCIAL SECURITY POINTS OF ORDER.

(a) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

"(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.".

(b) SUPER MAJORITY REQUIREMENT.—

(1) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(2) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(c) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—

(1) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking "for the fiscal year" through the period and inserting "for each fiscal year covered by the resolution"; and

(2) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with "for the first fiscal year" through the period and insert the following: "for any of the fiscal years covered by the concurrent resolution.".

SEC. 03. MEDICARE TRUST FUND OFF-BUDGET.

(a) IN GENERAL.—

(1) GENERAL EXCLUSION FROM ALL BUDGETS.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS

"SEC. 316. (a) EXCLUSION OF MEDICARE TRUST FUND FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Hospital Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

"(1) the budget of the United States Government as submitted by the President;

"(2) the congressional budget; or

"(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

"(b) Strengthening Medicare Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend this section.".

(2) Super majority requirement.—

(A) Point of Order.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".

(B) Waiver.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "316," after "313,".

(b) Exclusion of Medicare Trust Fund From Congressional Budget.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by adding at the end the following: "The concurrent resolution shall not include the outlays and revenue totals of the Federal Hospital Insurance Trust Fund in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title."

(c) Budget Totals.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by inserting after paragraph (7) the following:

"(8) For purposes of Senate enforcement under this title, revenues and outlays of the Federal Hospital Insurance Trust Fund for each fiscal year covered by the budget resolution.".

(d) Budget resolutions.—Section 301(i) of the Congressional Budget Act of 1974 (2 U.S.C. 632(i)) is amended by—

(1) striking "Social Security Point of Order.—It shall" and inserting "Social Security and Medicare Points of Order.—

"(1) Social security.—It shall"; and

(2) inserting at the end the following:

"(2) Medicare.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any of the fiscal years covered by the concurrent resolution.".

(e) Medicare Firewall.—Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C. 642(a)) is amended by adding after paragraph (3), the following:

"(4) Enforcement of medicare levels in the senate.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in surpluses or an increase in deficits of the Federal Hospital Insurance Trust Fund in any year relative to the levels set forth in the applicable resolution.".

(f) Baseline to Exclude Hospital Insurance Trust Fund.—Section 257(b)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "shall be included in all" and inserting "shall not be included in any".

(g) Medicare Trust Fund Exempt From Sequesters.—Section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following:

"Medicare as funded through the Federal Hospital Insurance Trust Fund.".

(h) Budgetary Treatment of Hospital Insurance Trust Fund.—Section 710(a) of the Social Security Act (42 U.S.C. 911(a)) is amended—

(1) by striking "and" the second place it appears and inserting a comma; and

(2) by inserting after "Federal Disability Insurance Trust Fund" the following: ", Federal Hospital Insurance Trust Fund".

SEC. 04. PREVENTING ON-BUDGET DEFICITS.

(a) Points of Order To Prevent On-Budget Deficits.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by adding at the end the following:

"(h) Points of Order To Prevent On-Budget Deficits.—

"(1) Concurrent resolutions on the budget.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would cause or increase an on-budget deficit for any fiscal year.

"(2) Subsequent legislation.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(A) the enactment of that bill or resolution as reported;

"(B) the adoption and enactment of that amendment; or

"(C) the enactment of that bill or resolution in the form recommended in that conference report,

would cause or increase an on-budget deficit for any fiscal year.".

(b) Super Majority Requirement.—

(1) Point of Order.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".

(2) Waiver.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(h)," after "312(g),".

SA 30. Mr. KOHL (for himself and Mr. Kennedy) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title 11, United States Code, and for other purposes;

At the end of title III, add the following:

SEC. 330. CLARIFICATION OF POSTPETITION WAGES AND BENEFITS.

Section 503(b)(1)(A) of title 11, United States Code, is amended to read as follows:

"(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case, and wages and benefits awarded as back pay attributable to any period of time after commencement of the case as a result of the debtor's violation of Federal or State law, without regard to when the original unlawful act occurred or to whether any services were rendered;".

SA 31. Mr. KOHL (for himself and Mrs. Feinstein) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title 11, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 308 and insert the following:

SEC. 308. LIMITATION.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)(3)(A), as so designated by this Act, by inserting "subject to subsection (o)," before "any property"; and

(2) by adding at the end the following new subsection:

"(o)(1) As a result of electing under subsection (b)(3)(A) to exempt property under State or local law, a debtor may not exempt any amount of interest that exceeds, in the aggregate, $125,000 in value in—

"(A) real or personal property that the debtor or a dependent of the debtor uses as a residence;

"(B) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

"(C) a burial plot for the debtor or a dependent of the debtor.

"(2) The limitation under paragraph (1) shall not apply to an exemption claimed under subsection (b)(3)(A) by a family farmer for the principal residence of that farmer.".

Strike section 322 of the bill, and redesignate the remaining sections in title III accordingly.

Amend the table of contents accordingly.

SA 32. Mr. SESSIONS proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the end of the bill insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security and Medicare Lock-Box Act of 2001".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds that—

(1) the Balanced Budget Act of 1997 and strong economic growth have ended decades of deficit spending;

(2) the Government is able to meet its current obligations without using the social security and medicare surpluses;

(3) fiscal pressures will mount as an aging population increases the Government's obligations to provide retirement income and health services;

(4) social security and medicare hospital insurance surpluses should be used to reduce the debt held by the public until legislation is enacted that reforms social security and medicare;

(5) preserving the social security and medicare hospital insurance surpluses would restore confidence in the long-term financial integrity of social security and medicare; and

(6) strengthening the Government's fiscal position through debt reduction would increase national savings, promote economic growth, and reduce its interest payments.

(b) Purpose.—It is the purpose of this Act to—

(1) prevent the surpluses of the social security and medicare hospital insurance trust funds from being used for any purpose other than providing retirement and health security; and

(2) use such surpluses to pay down the national debt until such time as medicare and social security reform legislation is enacted.

SEC. 3. PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.

(a) Protection of Social Security and Medicare Surpluses.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"LOCK-BOX FOR SOCIAL SECURITY AND HOSPITAL INSURANCE SURPLUSES

"Sec. 316. (a) Lock-Box for Social Security and Hospital Insurance Surpluses.—

"(1) Concurrent resolutions on the budget.—

"(A) In general.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or an amendment thereto or conference report thereon, that would set forth a surplus for any fiscal year that is less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year.

"(B) Exception.—(i) Subparagraph (A) shall not apply to the extent that a violation of such subparagraph would result from an assumption in the resolution, amendment, or conference report, as applicable, of an increase in outlays or a decrease in revenue relative to the baseline underlying that resolution for social security reform legislation or medicare reform legislation for any such fiscal year.

"(ii) If a concurrent resolution on the budget, or an amendment thereto or conference report thereon, would be in violation of subparagraph (A) because of an assumption of an increase in outlays or a decrease in revenue relative to the baseline underlying that resolution for social security reform legislation or medicare reform legislation for any such fiscal year, then that resolution shall include a statement identifying any such increase in outlays or decrease in revenue.

"(2) Spending and tax legislation—

"(A) In general.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(i) the enactment of that bill or resolution, as reported;

"(ii) the adoption and enactment of that amendment; or

"(iii) the enactment of that bill or resolution in the form recommended in that conference report.

would cause the surplus for any fiscal year covered by the most recently agreed to concurrent resolution on the budget to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year.

"(B) Exception.—Subparagraph (A) shall not apply to social security reform legislation or medicare reform legislation.

"(b) Enforcement.—

"(1) Budgetary levels with respect to concurrent resolutions on the budget.—For purposes of enforcing any point of order under subsection (a)(1), the surplus for any fiscal year shall be—

"(A) the levels set forth in the later of the concurrent resolution on the budget, as reported, or in the conference report on the concurrent resolution on the budget; and

"(B) adjusted to the maximum extent allowable under all procedures that allow budgetary aggregates to be adjusted for legislation that would cause a decrease in the surplus for any fiscal year covered by the concurrent resolution on the budget (other than procedures described in paragraph (2)(A)(ii).

"(2) Current levels with respect to spending and tax legislation.—

"(A) In general.—For purposes of enforcing subsection (a)(2), the current levels of the surplus for any fiscal year shall be—

"(i) calculated using the following assumptions—

"(I) direct spending and revenue levels at the baseline levels underlying the most recently agreed to concurrent resolution on the budget; and

"(II) for the budget year, discretionary spending levels at current law levels and, for outyears, discretionary spending levels at the baseline levels underlying the most recently agreed to concurrent resolution on the budget; and

"(ii) adjusted for changes in the surplus levels set forth in the most recently agreed to concurrent resolution on the budget pursuant to procedures in such resolution that authorize adjustments in budgetary aggregates for updated economic and technical assumptions in the mid-session report of the Director or the Congressional Budget Office. Such revisions shall be included in the first current level report on the congressional budget submitted for publication in the Congressional Record after the release of such mid-session report.

"(B) Budgetary treatment.—Outlays (or receipts) for any fiscal year resulting from social security or medicare reform legislation in excess of the amount of outlays (or less than the amount of receipts) for that fiscal year set forth in the most recently agreed to concurrent resolution on the budget or the section 302(a) allocation for such legislation, as applicable, shall not be taken into account for purposes of enforcing any point of order under subsection (a)(2).

"(3) Disclosure of HI surplus.—For purposes of enforcing any point of order under subsection (a), the surplus of the Federal Hospital Insurance Trust Fund for a fiscal year shall be the levels set forth in the later of the report accompanying the concurrent resolution on the budget (or, in the absence of such a report, placed in the Congressional Record prior to the consideration of such resolution) or in the joint explanatory statement of managers accompanying such resolution.

"(c) Additional Content of Reports Accompanying Budget Resolutions and of Joint Explanatory Statements.—The report accompanying any concurrent resolution on the budget and the joint explanatory statement accompanying the conference report on each such resolution shall include the levels of the surplus in the budget for each fiscal year set forth in such resolution and of the surplus or deficit in the Federal Hospital Insurance Trust Fund, calculated using the assumptions set forth in subsection (b)(2)(A).

(d) Definitions.—As used in this section:

"(1) The term 'medicare reform legislation' means a bill or a joint resolution to save Medicare that includes a provision stating the following: 'For purposes of section 316(a) of the Congressional Budget Act of 1974, this Act constitutes medicare reform legislation.'.

"(2) The term 'social security reform legislation' means a bill or a joint resolution to save Social Security that includes a provision stating the following: 'For purposes of section 316(a) of the Congressional Budget Act of 1974, this Act constitutes social security reform legislation.'.

"(e) Waiver and Appeal.—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

"(f) Effective Date.—This section shall cease to have any force or effect upon the enactment of social security reform legislation and medicare reform legislation.".

(b) Conforming Amendment.—The item relating to section 316 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 316. Lock-box for social security and hospital insurance surpluses.".

SEC. 4. PRESIDENTS' BUDGET.

(a) Protection of Social Security and Medicare Surpluses.—If the budget of the United States Government submitted by the President under section 1105(a) of title 31, United States Code, recommends an on-budget surplus for any fiscal year that is less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, then it shall include a detailed proposal for social security reform legislation or medicare reform legislation.

(b) Effective Date.—Subsection (a) shall cease to have any force or effect upon the enactment of social security reform legislation and medicare reform legislation as defined by section 316(d) of the Congressional Budget Act of 1972.

SA 33. Mr. DORGAN (for himself and Mrs. Feinstein) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title 11, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . NATURAL GAS RATES.

(a) Definition of Bundled Transaction.—In this section, the term "bundled transaction" means a transaction for the sale of natural gas in which the sale price includes both the price of the natural gas and the price of transporting the natural gas.

(b) Disclosure of Commodity Portion and Transportation Portion of Sale Price in Bundled Natural Gas Transactions.—Exercising authority under section 4 of the Natural Gas Act (15 U.S.C. 717c), not later than 60 days after the date of enactment of this Act, the Federal Energy Regulatory Commission (referred to in this section as the "Commission") shall promulgate a regulation that requires any person that sells natural gas in a bundled transaction under which the natural gas is to be transported in the interstate market to file with the Commission, not later than a date specified by the Commission, a statement that discloses—

(1) the portion of the sale price that is attributable to the price paid by the seller for the natural gas; and

(2) the portion of the sale price that is attributable to the price paid for transportation of the natural gas.

SA 34. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title 11, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . DISCLOSURE OF LOBBYING ACTIVITIES WITH RESPECT TO PRESIDENTIAL PARDONS.

Section 3(8) of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1602(8)) is amended—

(1) in subparagraph (A)—

(A) in clause (iii), by striking "or" after the semicolon;

(B) in clause (iv), by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(v) the issuance of a grant of executive clemency in the form of a pardon or commutation of sentence."; and

(2) in subparagraph (B)(xii), by striking "made to" and inserting "except as provided in subparagraph (A)(v), made to".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 8, 2001, at 10 a.m., in closed session to receive testimony on current and future worldwide threats to the national security of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Thursday, March 8, 2001, at 10 a.m., to conduct a markup on S. 350, the Brownfields Revitalization and Environmental Restoration Act of 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 8, 2001, at 10:30 a.m., to hold a hearing (agenda attached).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, March 8, 2001, at 2 p.m., for a business meeting to consider pending Committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet in executive session during the session of the Senate on Thursday, March 8, 2001, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, March 8, 2001, beginning at 10 a.m. The markup will take place in Dirksen Room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, March 8, 2001, at 4 p.m., to consider the omnibus funding resolution for committees of the Senate for the 107th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart. The hearing will be held on Thursday, March 8, 2001, at 9:30 a.m., in room 345 of the Cannon House Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

HONORING TWENTY-ONE MEMBERS OF THE NATIONAL GUARD KILLED IN CRASH OF NATIONAL GUARD AIRCRAFT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. 47, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

> A concurrent resolution (H. Con. Res. 47) honoring 21 members of the National Guard who were killed in the crash of a National Guard aircraft on March 3, 2001, in south-central Georgia.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the concurrent resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 47) was agreed to.

The preamble was agreed to.

HONORING TWENTY-ONE MEMBERS OF THE NATIONAL GUARD KILLED IN CRASH OF NATIONAL GUARD AIRCRAFT

Mr. LOTT. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of S. Con. Res. 22 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 22) honoring the 21 members of the National Guard who were killed in the crash of a National Guard aircraft on March 3, 2001, in south-central Georgia.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. LOTT. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 22) was agreed to.

The preamble was agreed to.

(The text of S. Con. Res. 22 is located in today's RECORD under "Statements on Submitted Resolutions.")

ORDERS FOR FRIDAY, MARCH 9, 2001

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m. on Friday, March 9. I further ask unanimous consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of S. 420, the bankruptcy reform bill.

Let me say at this point I am serious about the desire for us to make some progress on the bankruptcy bill. There are amendments to be offered and debated during the pendency of the session tomorrow so that those matters can then be voted on next week. I do not believe that will happen, but I want to emphasize the opportunity is there.

I am sure at some point next Wednesday we are going to hear hollering and complaining about the fact that there is not enough time to consider amendments that need to be offered.

We are in session tomorrow. This is the business of the Senate, the business of the country. I hope Senators will take advantage of that opportunity on Friday and on Monday so that we can complete the work on this important legislation that has been considered repeatedly by the Senate. Nobody is surprised by what is in this bill.

What we are going to have next week is everybody is going to dump out their baskets on this bill. That is unfortunate, but we will clean it up in conference and get this done because it is way overdue, and an overwhelming bipartisan majority of the Senate supports it.

I further ask unanimous consent that at 12 p.m., Senator LUGAR be recognized to speak for up to 30 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, all Senators should be aware that the Senate will convene on Friday on the bankruptcy bill. If amendments are available, they will be considered on Friday, but votes will be deferred over until Tuesday of next week. Amendments also can be offered or expect to be offered during the day on Monday. Under the previous order, votes ordered on Friday or Monday will occur on Tuesday at 11 a.m. and then there will be at least two votes at 2:45 p.m. after the weekly policy luncheons on Tuesday.

ORDER FOR ADJOURNMENT

Mr. LOTT. If there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order following the remarks of Senators BIDEN and LIEBERMAN.

Mr. REID. Will the Senator yield the floor?

Mr. LOTT. I am happy to yield.

Mr. REID. I want to emphasize what our leader said. We have a lot of amendments pending. We have all day tomorrow, all day Monday. There is going to come a time Tuesday and Wednesday when Members will be asked, do you need all this time? how much time do you need? And I am alerting everybody to what Senator DASCHLE said earlier today: They can have all day tomorrow to talk as much as they want tomorrow, as much as they want Friday. Senator CONRAD said he would be happy to yield the floor to offer amendments. He will come at 10:15 or whenever we come in, in the morning.

The point is, anyone within the sound of my voice, we have 86 amendments. There will come a time next week when we have to dispose of the amendments. That is the agreement that has been tentatively reached by the two leaders. I hope people are not upset next week when there may be motions to table and other things done to dispose of some of the amendments.

Mr. LOTT. Senator REID, I appreciate you saying that. That is exactly what I was urging. There are over 100 amendments pending that have been suggested or listed by over 30 Senators. Some Senators may have other commitments tomorrow, may be in their States with legitimate and official business, but surely not all 30 Senators are gone. Friday would be a wonderful time to talk at great length on the great wisdom of any amendments that might be offered. I hope that happens. I thank you for urging Senators to do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

IMPORTANT PROGRESS IN BOSNIA AND HERZEGOVINA

Mr. BIDEN. Mr. President, I rise today to discuss the important progress that has been made in the difficult post-war political and economic transformation in Bosnia and Herzegovina.

Some critics of American policy seem inclined to seize on every shred of negative news as alleged arguments for pulling up stakes and disengaging from the Balkans.

I have never belonged to this "cut and run school," and, in fact, the good news I have to report illustrates two fundamental truths: first, that persistence pays; and second, that more than ever, we need to continue to be engaged on the ground in Bosnia.

Since the November 2000 elections—which, I might add, the international news media quickly, and incorrectly, dubbed a major setback for the Dayton Accords—several positive political and economic developments have occurred in Bosnia, at both the national and the entity level, that merit our close attention.

In fact, the situation has progressed to the point where Bosnia and Herzegovina now stands at a critical juncture. For the first time there appears to be a fundamental shift away from the ultra-nationalist parties that have until now dominated Bosnia's post-war political process.

As the Presiding Officer knows, immediately after the war ended, each of the main ethnic groups—the Bosniaks, or Muslims, the Croats, and the Serbs—rallied around ultra-nationalist leaders who had neither the capability nor the intention of bringing about a united Bosnia.

But now there has been a fundamental shift away from these ultra-nationalist parties and toward a government that is more moderate and inclusive and less nationalistic.

But the tide, Mr. President, has not yet definitively turned. Let me try to explain this fairly complex picture.

At the level of both the Muslim-Croat Federation and of the national government of Bosnia and Herzegovina, the main agent of this remarkable shift has been a coalition of non-nationalist parties aptly known as the "Alliance for Change."

In the wake of the November elections, these parties found the political courage to put aside their disparate interests and agendas and push together to oust the hardline nationalists.

In early February, the Alliance scored its first major victory at the national level when it closed ranks to defeat the election of nationalist candidate Martin Raguz for Prime Minister.

In the process, in a truly remarkable breakthrough, the ultra-nationalist Serb presidency member joined the Muslim presidency member from the nationalist Bosniak SDA party in backing a non-nationalist candidate for Prime Minister, Božidar Matić, who was put forward by the Alliance.

I am told that Ante Jelavić, the third presidency member who leads the hardline Bosnian Croat HDZ party, stormed out of the presidency session in a fury. Having met Mr. Jelavić in Bosnia several years ago, I am not surprised at his behavior.

Two weeks ago on February 22—three months after the elections—Matić and his team of ministers were confirmed as the first ever non-nationalist government in Bosnia and Herzegovina.

Then, on February 28, came word of a second stunning success, this time at the Federation level. In another political first for Bosnia, two non-nationalist candidates nominated by the Alliance for Change, Karlo Filipović and Safet Halilović, were elected as President and Vice-President of the Federation.

Mr. President, these are momentous changes. These two gentlemen are genuine democrats who have bought into Dayton. I am confident that they and their allies will now push for full implementation, including adopting a new elections law, an effectively functioning Federation legislature, and honest economic reform.

In a promising harbinger of the new political order, Prime Minister Matić gave the nationalist parties a clear indication of his priorities when he told them: "I don't speak Serbian, Croatian, or Bosnian. I speak the language of competitive economic skills, because that's the only language that will help us survive."

That would be an ordinary statement for anybody to make in any other democracy but it is a breathtaking statement in Bosnia.

That, Mr. President, is the language of Bosnia's future.

Unfortunately, Mr. Jelavić and his ultra-nationalist cronies in the HDZ appear unwilling to accept their defeat and leave power gracefully. Last Saturday, at a self-appointed congress held in Mostar, the Bosnian Croat National Assembly announced its intention to form a separate Croat political entity in all but name and to establish temporary self-administration. This move, which would be a clear violation of the Dayton Peace Accords, has been roundly condemned by the international community.

In point of fact, the HDZ's actions reveal just how desperate Jelavić and his ilk have become. With the Alliance for Change poised to solidify its new political gains, Jelavić was forced to play the nationalist card once again by claiming that he alone is defending the interests of Bosnia's Croat community.

This assertion, however, is patently false, for Jelavić does not speak for all Bosnian Croats. People like Krešimir Zubak, the newly appointed national

Minister of Refugee and Human Rights, and Jadranko Prlić, the former foreign minister and currently Deputy Minister for Foreign Trade and Economic Relations, are both Croat moderates who are committed to Dayton's full implementation.

Zubak called the Croat People's Assembly "an illegitimate institution" that "cannot take lawful decisions."

Yesterday, in response to this illegal behavior, High Representative Wolfgang Petritsch, an experienced Austrian diplomat, removed Jelavić from his post as Croat Member of Bosnia's collective presidency. Put another way, he said, you are no longer president.

I met with Mr. Petritsch several weeks ago in Sarajevo, and I welcome his resolute action.

I emphasize, Mr. President, that this move by the High Representative was backed by the reformist Mesić/Račan Government of Croatia—which in itself speaks volumes about recent political progress in the Balkans. This is the new leadership in Croatia that came to power in the wake of Franjo Tjudman, a man who was almost, in my view, as bad as Slobodan Milosevic. The new Croatian Government said it does not acknowledge or support Mr. Jelavić's attempt to set up a separate entity.

Positive change is afoot even in the Republika Srpska, where the ultra-nationalist SDS, a party with the dubious honor of having been founded by one of the worst war criminals, in my view—but whether you believe me or not, someone who has been indicted for alleged war crimes—Radovan Karadzic, won a clear plurality of votes in the November elections.

In what had to have been a delicate political dance, the non-nationalist Bosnian Serb Prime Minister, Mladen Ivanic, has succeeded in building a government in which the influence of the SDS has been formally neutralized, although some SDS-leaning individuals have been included in the Cabinet. I met with him for hours when I was recently in Sarajevo.

It took great courage for him to do what he did. After all, the party of Karadzic had won. And what was said at the time by the Muslims, as well as the Croats in attendance, was if, in fact, you do not exclude all those who are active members of the SDS, we will not cooperate, but if you do, we will form a government with you.

Incidentally, Mr. President, much of the credit for these success stories should go to our talented and hard-working Ambassador in Sarajevo, Tom Miller.

In addition, two other dedicated Americans—Ambassador Jacques Klein, the head of the U.N. Mission in Bosnia, and General Michael Dodson, the Commander of SFOR, have greatly improved the cooperation between their respective organizations, which had been sorely wanting for some time after Dayton.

An illustration of this fruitful cooperation is the fact that refugees are returning in record numbers to their pre-war homes. The 2000 total was 65 percent higher than the 1999 total. And the 1999 total was 100 percent higher than 1998. This development is due in large part to the atmosphere of security made possible by the presence of SFOR and the International Police Task Force, run by the United Nations Mission.

Returns are up even in areas where some of the worst ethnic cleansing took place, and even in Srebrenica—the site of Europe's worst massacre since World War II, people are returning.

The other link in the international chain is the United Nations' Office of the High Representative, whose head, Mr. Petritsch, acted so swiftly against the ultra-nationalist Bosnian Croat leader. Had he not, I believe the Dayton accords would be in shambles, and we would be back on the verge of chaos.

This action followed a move in February in which he removed one of the most corrupt Bosnian officials, former Prime Minister Adhem Bičakčić, from his post at the head of the country's largest electric utility, which he was using as his own private little till for his party, and banned him from holding future public office. It is estimated that Bičakčić diverted hundreds of thousands of dollars in public funds to the Party of Democratic Action, the country's largest Muslim political party, and to private bank accounts.

He is a fitting poster-boy for the kind of behavior that can no longer be tolerated in Bosnia if Bosnia is ever going to turn its economy around.

There is more to cheer about on the economic front. Large-scale privatization is finally underway, and the communist-era payment bureaus, long a source of petty corruption, were shut down in early January, a move which should pave the way for a viable banking system to take hold.

Let me again stress that I do not believe by any stretch of the imagination we have definitively turned the corner in Bosnia and Herzegovina. But thanks to the strikingly positive developments that have occurred in the last few months, Bosnia finds itself at an important crossroads, which makes our continued, active engagement there all the more urgent.

As I have said many times, we have come too far and accomplished too much to simply abandon the people of this region to the purveyors of ultranationalism and ethnic division who are waiting and hoping that our resolve will dissipate over time.

We need to support those forces—embodied in the Alliance for Change—that are struggling to end the post-war status quo of nationalist party dominance and to implement Dayton's political structures in a meaningful and durable way.

They represent the best hope for Bosnia's full integration into Europe's political and economic structures.

When that day comes, with mission accomplished we and our allies can close up shop and head home secure in the knowledge that we have helped extend the zone of European stability to include another Balkan country.

I thank the Chair and yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. In my capacity as a Senator from the State of Alabama, I ask unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. SESSIONS. In my capacity as a Senator from the State of Alabama, I ask unanimous consent that the Senate now stand in adjournment under the previous order.

There being no objection, the Senate, at 5:52 p.m., adjourned until Friday, March 9, 2001, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 8, 2001:

DEPARTMENT OF TRANSPORTATION

MICHAEL P. JACKSON, OF VIRGINIA, TO BE DEPUTY SECRETARY OF TRANSPORTATION, VICE MORTIMER L. DOWNEY, RESIGNED.

DEPARTMENT OF THE TREASURY

KENNETH W. DAM, OF ILLINOIS, TO BE DEPUTY SECRETARY OF THE TREASURY, VICE STUART E. EIZENSTAT, RESIGNED.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY AND FOR REGULAR APPOINTMENT IN THE JUDGE ADVOCATE GENERAL CORPS (IDENTIFIED BY AN ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 531, 624, AND 3064:

To be lieutenant colonel

JAY M. WEBB, 3594 MS

To be major

*EDWARD K. LAWSON, 3158 JA
SIMUEL L. JAMISON, 0097 DE

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

JAMES G. LIDDY, 0285

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

ANTHONY W. MAYBRIER, 9696

DEPARTMENT OF STATE

MARC ISAIAH GROSSMAN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AN UNDER SECRETARY OF STATE (POLITICAL AFFAIRS), VICE THOMAS R. PICKERING.

RICHARD LEE ARMITAGE, OF VIRGINIA, TO BE DEPUTY SECRETARY OF STATE, VICE STROBE TALBOTT.

JOHN ROBERT BOLTON, OF MARYLAND, TO BE UNDER SECRETARY OF STATE FOR ARMS CONTROL AND INTERNATIONAL SECURITY, VICE JOHN DAVID HOLUM, RESIGNED.

GRANT S. GREEN, JR., OF VIRGINIA, TO BE AN UNDER SECRETARY OF STATE (MANAGEMENT), VICE BONNIE R. COHEN.

WILLIAM HOWARD TAFT, IV, OF VIRGINIA, TO BE LEGAL ADVISER OF THE DEPARTMENT OF STATE, VICE DAVID ANDREWS.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. ROBERT G.F. LEE, 0590

HOUSE OF REPRESENTATIVES—*Thursday, March 8, 2001*

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, Holy One of Israel, only by Your prophetic Spirit do we come to understand ourselves and our children.

Our behavior no more than our prayer reveals the whole of us. Enable us to uncover the many layers of our own being before You. And may we always rejoice in the self-revelation of others.

The work of Your Spirit upon us and within us is an awesome doing; so personal, so patient, so caring, so loving. Make us more attentive to Your movement within us through personal prayer and reflection. May we respond to Your inspiration with alacrity and gratitude.

Help us to recognize the work of Your Spirit in others, and guide us by this same Spirit to listen deeply to others, especially our children. You are our saving Lord, now and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Indiana (Mr. HILL) come forward and lead the House in the Pledge of Allegiance.

Mr. HILL led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. There will be five 1-minutes on each side.

TAX RELIEF IS ABOUT JOB SECURITY AND ECONOMIC GROWTH

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, President Bush has proposed a package of tax relief that includes across-the-board tax relief for everyone. His plan even takes 6 million Americans off the tax rolls all together. It is a fair and balanced proposal that will certainly benefit hard-working Americans and offer them more flexibility on how they want to spend their money.

One thing America offers is opportunity for all. That is why our plan does not seek to redistribute wealth, like some Democrats wish to do. We realize that everyone who pays taxes ought to get relief. There must be an incentive for Americans to create jobs and businesses. Freedom and capitalism is why our country is the world's greatest Nation.

Our legislation gives back some of what taxpayers have overpaid to the government so that they can get a new washer and dryer or get their children new school clothes or even pay some of the college tuition or car bills that cost so much nowadays. The bottom line is that it is the taxpayers' money. They can spend it much better than anyone in Washington, D.C.

Mr. Speaker, Republicans are going to provide tax relief to all Americans. The President and leaders in Congress are trying to reach out to the opponents of our plan in order to foster a bipartisan agreement without compromising the needs of the taxpayer.

TIME FOR A NATIONAL SALES TAX

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I will vote today for President Bush's tax cut. But cutting taxes, income taxes, is not enough. It is time to replace the income tax with a national retail sales tax.

Think about it. Our income Tax Code rewards dependency, subsidizes illegitimacy, penalizes work and achievement. Beam me up. It is time to let freedom truly ring in America. And I ask my colleagues, who can truly be free in America if the government controls our income and our labor? America should control their own financial destiny.

I yield back the fact that the income tax levied on all citizens is a Communist idea first proposed by Karl Marx and now practiced in the United States of America.

VOTING FOR ACROSS-THE-BOARD TAX RELIEF

(Mr. KENNEDY of Minnesota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY of Minnesota. Mr. Speaker, I am pleased that the President included maximum debt reduction, strengthening Social Security and Medicare and a $1 trillion budget reserve to pay for things that may come up, like agriculture.

I am also very pleased that he is strengthening our families by lifting the burden of death tax that makes it hard to pass on the farm or family business to the next generation, addressing the marriage penalty and doubling the per-child tax credit.

But today we vote on an across-the-board tax relief for our families. As I travel around southwest Minnesota talking to families and farmers and small businesses, they tell me that we need to give the economy a boost right now to keep it moving in the right direction. This will provide real money that families can use to pay down credit card debt or to spend a little less time working for the government and a little more time with their own families.

It is because of this that this Kennedy will be voting for across-the-board tax relief today.

BUDGET FIRST, TAX CUT LATER

(Mr. TURNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TURNER. Mr. Speaker, the House will take up and consider a major tax cut today without ever having first adopted a budget to see if the tax cut will fit within that budget. No American family, no business would engage in major spending without first adopting a budget.

The Congressional Budget Act of 1974 requires the Congress to adopt a budget

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

resolution before votes on tax cuts. The 33 members of the Blue Dog coalition in the House will lead the fight today for a budget first, asking this House to commit to the letter and the spirit of the Budget Act.

Democrats want the largest tax cut we can afford, but we do not know how much we can afford until we first have a budget debate and determine what the budget resolution of this Congress provides for. Then we will know how big a tax cut we can afford.

HONORING JANET RAY WEININGER

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to honor the compassion of Janet Ray Weininger, founder of Wings of Valor, a charity which provides humanitarian assistance to the people of Nicaragua. Organized by Janet in 1998 as a result of the horrific natural disasters in Central America, Wings of Valor brought food, clothing, shelter and assistance to the most remote towns and villages in Nicaragua.

Janet was appalled by what she saw and what she heard from friends there, so she knew she had to do something to help bring relief. She gained the help of the Air Force Reserve unit at Homestead, Florida, and with their assistance was able to gather needed provisions and distribute them to the people of Nicaragua.

Three years later, Wings of Valor continues to minister to the needs of the Nicaraguan people; and because of her continued and selfless charity, Janet Ray Weininger deserves the recognition of the U.S. Congress and, indeed, the American people.

WRITE A BUDGET, THEN GIVE TAX CUTS

(Mr. HILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILL. Mr. Speaker, a politician's first instinct is to promise everything to everybody. It is a lot easier for politicians to say yes to everybody and put off the tough choices until later. That is why this House set up a budget process that forces us to make tough choices between our competing priorities. It is the same process every responsible American family and business follows. Before they start spending money, they sit down and figure out how much they have.

In a perfect world we would have all the money we needed to take care of all our priorities. But this is not a perfect world. We have to make tough choices. If we want to give people bigger tax cuts, we will have to take some money out of Social Security and Medicare. If we want to pay down more debt, we will have to restrain spending or tax cuts.

Let us do the hard work first. Let us write a budget, laying out our priorities, then let us give people tax cuts. President Bush and the Senate are debating tax cuts within a budget framework and we should be doing that in the House as well.

SUDAN PEACE ACT

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, even now, in the 21st century, atrocities are being committed in other countries that boggle the mind, and not always by individual terrorist groups. They are also being committed by governments.

Yesterday, I joined my colleagues, the gentleman from Colorado (Mr. TANCREDO) and the gentleman from New Jersey (Mr. PAYNE), in announcing the reintroduction of the Sudan Peace Act. What is going on in the Sudan is as bad as anything ever committed by any government anywhere: slavery, actual slavery, rape campaigns, starvation campaigns, intentional bombings of churches, schools, hospitals, markets, and villages are happening. This is how the radical Sudanese Khartoum regime intends to put down the Christians, the Animists in the south.

The world community has completely failed to stand up to the Sudanese government. Our former Secretary of State, Madelyn Albright, said the crisis in the Sudan "wasn't marketable." But yesterday, Secretary Powell indicated renewed, and I think heartfelt, interest in standing up to the Sudanese.

Let us pass the Sudan Peace Act quickly and work with this administration to bring peace in that war-torn land.

BUDGET FIRST, TAX CUTS LATER

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I gladly join my colleagues to ask this Congress to do what every American family does, at least those who do keep their heads above the water, and that is provide a budget and then determine how much they can spend—weekly, monthly and yearly for their families.

The projection of over $5 trillion as a surplus is not a reality. We do not know what can happen tomorrow. And frankly, this fiscally irresponsible vote today does not answer the question of whether or not we have a budget to help students go to school with Pell Grants, to provide dollars for historically black colleges and Spanish-serving colleges or institutions of higher learning across the Nation or institutions serving native Americans.

Do we have the Medicare guaranteed-drug prescription benefit that our seniors need? Or are we giving the 1 percent of Americans, the wealthiest, the highest tax cut without again determining what we need in order to provide for investments in our nation? Do we have enough money for our veterans, who have given of themselves, and the many families of veterans, and those families left behind by our service people who have given the ultimate sacrifice? We need a budget before we need a tax cut.

AMERICANS DESERVE TAX RELIEF

(Mr. GRAVES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAVES. Mr. Speaker, working Americans deserve tax relief. The American family's tax burden has now reached its highest level since World War II. In fact, the average American will have to work 129 days to pay off their total tax bill. Mr. Speaker, no one, regardless of income level, should have to pay more than one-third of their hard-earned paycheck in taxes to the Federal Government.

Americans will send $5.6 trillion more to Washington over the next 10 years than is needed to run the government. This surplus is the direct result of the diligence and hard work of the American people. The choice for this Congress is simple: keep the money for more Washington bureaucracy or return a portion of the surplus to working men and women. Mr. Speaker, I choose the people. Under the tax cut proposal, every American that pays income taxes will receive significant tax relief.

Mr. Speaker, this bill puts money back in the hands of Americans. Make no mistake, this is real tax relief for real people. Mr. Speaker, now more than ever Americans need to keep more of their hard-earned money in their pockets. The American people are overtaxed, and I look forward to voting today to return a portion of their money back to them. Taxpayers have earned it, and our slowing economy deserves it.

□ 1015

WHITHER THE TAX CUT

(Mr. SANDLIN asked and was given permission to address the House for 1 minute.)

Mr. SANDLIN. Mr. Speaker, the American public is not fooled by the charade before us today. Many in this Chamber claim that we have a $5 trillion surplus. The fact is this: We have a $5 trillion debt. Only in Washington, D.C., only here in the Nation's capital can a $5 trillion debt somehow magically transform itself into a $5 trillion surplus. That is new math at its finest. I do not know about you, but where I went to school in Texas, that just does not add up.

According to my figures, in order to have a $5 trillion surplus, we would need to have $10 trillion in the bank. But as our friend Chris Farley might have said, "We don't have Jack Squat." We need tax cuts in America. I support tax cuts in America. The Blue Dogs support tax cuts in America. But let us be responsible. We need a budget before we have tax cuts. We need to do what every family farmer does and every family business. Every family in America has a budget first. Mr. Speaker, let us formulate a budget first. Then we will give America the tax break that it deserves.

THE JOURNAL

The SPEAKER pro tempore (Mr. THORNBERRY). Pursuant to clause 8, rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TURNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 230, nays 180, answered "present" 1, not voting 21, as follows:

[Roll No. 34]

YEAS—230

Abercrombie
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Bass
Bereuter
Berman
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Brown (SC)
Bryant
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Clyburn
Coble
Collins
Combest
Conyers
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dingell
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
Kerns
Kildee
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaHood
Largent
Latham
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moakley
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Paul
Payne
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (FL)

NAYS—180

Aderholt
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berry
Bishop
Blagojevich
Blumenauer
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Condit
Costello
Cramer
Crowley
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
Deutsch
Dicks
Doggett
Dooley
Doyle
Engel
Eshoo
Etheridge
Evans
Farr
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Green (TX)
Hall (OH)
Harman
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kilpatrick
Kind (WI)
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Pallone
Pascrell
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Weiner
Wexler
Woolsey
Wynn

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—21

Ackerman
Barton
Bonior
Burr
Coyne
Cummings
Davis (FL)
DeLauro
Fattah
Gutierrez
Jones (NC)
LaTourette
Lewis (CA)
Owens
Platts
Shays
Shows
Skelton
Stupak
Tierney
Young (AK)

☐ 1041

Mrs. MINK of Hawaii, Ms. HARMAN, Mrs. McCARTHY of New York, Messrs. ROTHMAN, ISRAEL, HOLDEN, KIND, RAHALL, DOOLEY of California, SPRATT, BARCIA, DAVIS of Illinois and WATT of North Carolina changed their vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

MOTION TO ADJOURN

Mr. HILL. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on the motion to adjourn offered by the gentleman from Indiana (Mr. HILL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HILL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 241, not voting 17, as follows:

[Roll No. 35]

AYES—174

Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Engel
Eshoo
Evans
Farr
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel

Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Moore
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Radanovich
Rangel
Rivers
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Weiner
Wexler
Woolsey
Wynn

NOES—241

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Clayton
Coble
Collins
Combest
Cooksey
Costello
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Largent
Latham
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (OK)
Manzullo
Matheson
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Rahall
Ramstad
Regula
Rehberg
Reyes
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Scarborough
Schaffer
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (FL)

NOT VOTING—17

Ackerman
Davis (FL)
Delahunt
Fattah
Hastings (WA)
LaTourette
Lewis (CA)
Moran (VA)
Northup
Saxton
Shows
Skelton
Smith (NJ)
Stupak
Tauzin
Waxman
Young (AK)

□ 1059

Messrs. SMITH of Michigan, BONILLA, KELLER, and Ms. HART changed their vote from "aye" to "no."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mrs. NORTHUP. Mr. Speaker, on rollcall No. 35 I was unavoidably detained. Had I been present, I would have voted "no".

PROVIDING FOR CONSIDERATION OF H.R. 3, ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 83 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 83

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 3) to amend the Internal Revenue Code of 1986 to reduce individual income tax rates. The bill shall be considered as read for amendment. The amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) the further amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Rangel of New York or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

□ 1100

PARLIAMENTARY INQUIRY

Mr. STENHOLM. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from Texas (Mr. STENHOLM) will state his parliamentary inquiry.

Mr. STENHOLM. Mr. Speaker, under what rules of the House is the rule that we are about to consider being brought to the floor when Section 303 of the Congressional Budget Act says that until the concurrent resolution on the budget for a fiscal year has been agreed to, it shall not be in order in the House of Representatives, with respect to the first fiscal year covered by that resolution, or the Senate, with respect to any fiscal year covered by that resolution, to consider any bill, any bill or joint resolution, amendment or motion thereto, or conference report thereon that; one, first provides new budget authority for that fiscal year; two, first provides an increase or decrease in revenues during the fiscal year; three, provides an increase or decrease in the public debt limit to become effective during the fiscal year; and, four, in the Senate only, first provides new entitlement authority for that fiscal year?

Mr. Speaker, my parliamentary inquiry is, under what rule of the House are we bringing this rule and this resolution today before this body?

The SPEAKER pro tempore. The Chair would respond to the gentleman that the rule is brought under rule XIII of the House, which allows the Committee on Rules to bring special orders of business to the House at any time, and it is under clause 5 of rule XIII that the rule is being considered.

Mr. STENHOLM. Mr. Speaker, I have a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. STENHOLM. Do I understand the Speaker to say that this rule is waiving this particular Federal law, or are there some technical definitions that we will hear in which technically that we are still within this law?

The SPEAKER pro tempore. The Chair would respond that the Clerk has read the rule, which includes waiver of all points of order against consideration, and that was read to all Members.

Mr. STENHOLM. Mr. Speaker, briefly continuing on my parliamentary inquiry.

The SPEAKER pro tempore. The gentleman may continue.

Mr. STENHOLM. So that I might understand, it is the decision of the Speaker that this bill that we will soon take up shall come to the floor of the House under a rule that waives technically all points of order?

My opposition, I guess, to this if that is the Chair's ruling, this centers around the fact that I thought that we got away from technically defining words on January 20, but it seems that we are going to continue that in the House for a few more days.

The SPEAKER pro tempore. The Chair would respond to the gentleman that it is up to the will of the House as to whether the rule is adopted or not.

The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my friend, the gentleman from Massachusetts (Mr. MOAKLEY); pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, just for information, my understanding is that the Democratic substitute actually probably violates more rules that we are waiving points of order on than the Republican measure of any points that the gentleman from Texas (Mr. STENHOLM) brings before us today.

House Resolution 83 is a modified closed rule, providing for the consideration of H.R. 3, a bill to reduce individual income tax rates by amending the Internal Revenue Code of 1986.

The rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means. Additionally, the rule waives all points of order against consideration of the bill.

The rule provides that the amendment recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted.

The rule also provides consideration of an amendment in the nature of a substitute, printed in the Committee on Rules report accompanying the resolution, if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered as read and shall be separately debatable for 1 hour equally divided and controlled between a proponent and an opponent.

Furthermore, the rule waives all points of order against the amendment in the nature of a substitute.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, I speak in strong support of this rule and its underlying bill, H.R. 3, the Economic Growth and Tax Relief Act of 2001.

This bill provides immediate relief to taxpayers by reducing the present-law structure of five income tax rates to four by 2006.

Mr. Speaker, 238 years after patriot James Otis first railed that "taxation without representation is tyranny," the American people have found that taxation with representation is not so hot either.

Working Americans are spending a greater percentage of their income towards taxes than at any time since World War II. In an era of unprecedented budget surpluses, that is just plain wrong.

The Economic Growth and Tax Relief Act is the first step towards establishing parity and fairness in America's Tax Code.

The President's plan gives a tax cut to every American who pays income taxes and gives the lowest income families the largest percentage reduction.

When fully implemented, President Bush's tax plan will eliminate the death tax, reduce the marriage penalty, and continue this majority's commitment to fiscal responsibility in paying down our Nation's debt.

Equally important, the President's tax plan will spur savings and investment and, in an analysis released just yesterday by the respected Heritage Foundation, will boost economic activity, creating 917,000 new jobs and strengthen the income of taxpayers.

As Federal Reserve Chairman Alan Greenspan has warned, America's economy is slowing, and relief such as this, that puts more money in the pockets of working families, may very well keep us out of a recession.

In my own congressional district, earning the district's family median income of just under $35,000, they would pay no Federal income taxes under the President's plan, saving them more than $1,400.

Mr. Speaker, $1,400 is enough to send a child to a semester of community college, make a mortgage payment or pay off a credit card. This is real savings, real money in the pockets of local families.

Of course, under the Democrats substitute included within this rule, that family in my district would not be able to afford a semester of community college for their child, pay off their credit card or even make a mortgage payment. That is because in testimony yesterday before the Committee on Rules, the measure's sponsor admitted that the family would pay $700 in Federal income taxes, and that is $700 more than they would pay under President Bush's plan.

We all know that it was a position of a previous administration and even some of my colleagues on the other side of the aisle that this plan will benefit only the very rich.

The median family income in my district is $34,573, not exactly enough to be featured on Lifestyles of the Rich and Famous. Under the Republican plan, they would pay nothing, saving more than $1,400. Under the Democratic plan, they would save less than half of that, having to write a check to Uncle Sam each and every year. Whose plan is it that is really helping working families?

Now, I know that there have been people that say Americans do not care about this tax cut. They are wrong. Paul Meloon, a husband, father, teacher from Batavia, New York, in my congressional district, recently wrote me about, and I quote, "whether the country can afford tax cuts."

"The people that pay the taxes" Paul wrote,"can't afford our high taxes. We can't afford so much year after year on Federal programs. No one asks if the taxpayer can afford a tax hike. It's not a matter of affording a tax cut, we demand it."

Paul, thanks to our President and this Congress, you are going to get the tax relief you need.

Mr. Speaker, I have another purely parochial reason for so enthusiastically supporting this tax relief package. Currently, my State gets back only 85 cents of every dollar it sends to the Federal Government.

For years, Senator Daniel Patrick Moynihan released a report detailing the tremendous inequity that New Yorkers were burdened with each and every year, sending their hard-earned dollars to Washington and losing billions of dollars on their investment.

As Senator Moynihan himself suggested, the more New Yorkers send to Washington, the bigger the disparity. So maybe we should not send down as much, and let New York's families keep more of their hard earned money to spend how they see fit.

Under the President's tax plan, New York State will receive the second most of any State in tax relief, $88.6 billion over 10 years. On average, taxpaying households in New York will receive more than $18,000 of relief over the next 10 years.

Mr. Speaker, there is a reason that this government is amassing record-breaking surpluses; it is because people are sending too much money to Washington. Today we have the opportunity to give them something they have earned and something they deserve. We can give them some of their money back. I ask only that my colleagues not let this historic opportunity slip by.

Mr. Speaker, I would like to commend the gentleman from California (Mr. THOMAS), our new chairman of the Committee on Ways and Mean, and the gentleman from New York (Mr. RANGEL), our ranking member, for their hard work on this measure as it comes before the House today.

Mr. Speaker, I urge my colleagues to support this rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS), my good friend, for yielding me the time.

Mr. Speaker, we all know that the Senate will only take up a tax bill after they vote on the budget, so what is the rush here in the House? This is not the right time to debate a tax bill. This is not the right time to consider a spending bill. This is not the right time to require the House to decide about any part of a budget, because we have not agreed on an overall budget plan.

I do not say that because the law or the Congressional Budget Act says so. I do not say this just because plain old common sense tells us we should make decisions the same way any rational individual or family or business firm would. I know the Committee on Rules can waive the Budget Act and the dictates of common sense.

Mr. Speaker, this is not the right time to consider a tax bill, because we need an overall budget to see what we can actually afford.

Mr. Speaker, I sense a broad bipartisan support for a host of very important commitments, including providing tax relief. We agreed on the need to continue paying down the debt. There is a broad commitment to invest in more education and more national defense. We all say we need to provide prescription drug benefits and, most importantly, Mr. Speaker, there was a consensus to undertake a serious shoring up of Social Security and Medicare.

But, Mr. Speaker, H.R. 3 is estimated to cost almost $1 trillion. Can we really afford a trillion dollar tax cut with our schools crumbling and overcrowded, our prescription drug costs skyrocketing, our Social Security and Medicare programs begging for reform?

We cannot answer that question, Mr. Speaker, unless we have an overall budget plan. I am sure a lot of people would be amazed, Mr. Speaker, to know that 43 percent of President Bush's tax cuts benefit the richest 1 percent of Americans. Let me repeat that, 43 percent of President Bush's tax cuts benefit only 1 percent of the richest Americans.

Those tax cuts are 13 times larger than all of President Bush's education reform proposals, 13 times larger than all of President Bush's education reform proposals, all the dollars that President Bush has proposed for all kinds of educational reform amounts to less than 1⁄13 of the tax cuts that go to the richest 1 percent of America. I mean that figure is amazing.

I cannot understand how my Republican colleagues can defend a $15,000 tax cut to a family making $500,000 per year in income, while the Republican bill, that same bill, gives absolutely no tax cut to a working family with three children earning $30,000 a year.

I cannot imagine how any Congressman can defend this proposal at home unless they represent a district very different from the one I do.

□ 1115

In my State of Massachusetts, 224,000 families with children will not get any benefits whatsoever from this Republican tax bill.

Mr. Speaker, I urge defeat of the previous question so that I may offer an amendment to the rule. My amendment would require Congress to adopt the budget resolution before the House takes up the tax bill.

Mr. Speaker, we should not debate H.R. 3 until we have a budget to show us if H.R. 3 leaves room for all the other things we agreed we need to do. We need to fix Social Security. We need to fix Medicare. We need to keep our promises to the beneficiaries of these programs today and tomorrow.

Today's New York Times says, "The House leadership's rush for action today makes a mockery of President Bush's pledge for bipartisanship and respect for dissent." Cutting taxes without a budget, the Times continues, "is tantamount to telling lawmakers not to look too closely because they might change their minds if they do." Social Security and Medicare are too important to be treated so recklessly.

Mr. Speaker, let the Congress see whether this tax cut leaves the resources we need to do all the other important things we must do for America, and then we can take up this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Mr. Speaker, at this time of record surpluses, should Americans pay 40 percent of their income in taxes? Should they pay more to the tax collector than for food, shelter, and clothing combined? Mr. Speaker, the truth is that, if one is paying taxes today, one is paying too much. That is why we are here.

Let us take a look at the road that has led us down this path. We have paid down $363 billion of debt since 1997. We have already taken steps to protect nearly $3 trillion for Social Security, Medicare, to provide for further debt relief. According to the conservative budget projections that we keep hearing, we continue to maintain a very significant surplus.

Mr. Speaker, if one is paying taxes today, one is paying too much. Now we have the opportunity to provide American taxpayers, all American taxpayers, with a refund for the taxes they have been overcharged. By taking this step today, we can further empower people to help themselves and to help our economy.

How can we ever underestimate the importance of this money to individuals and their families? This tax relief represents new clothes for children, school tuition or personal debt reduction or even a new heater or air conditioner for a home.

Mr. Speaker, if one is paying taxes today, one is paying too much. We have a record surplus. We cannot spend it. The American people need it. They have record debt. They can use it. Return to sender. Let us give it back and let them spend it.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. FROST), a member of the Committee on Rules.

Mr. FROST. Mr. Speaker, 20 years ago, this House and the Congress rushed headlong into the promised land of supply-side economics. This institution bought this medicine-show magic of cutting taxes along with rosy economic forecasts that within a year left us soaring deficits and a staggering public debt. It was a classic case of, if it is too good to be true, it probably is.

Mr. Speaker, we are right back there today. We have spent the last 18 years struggling to bring deficits and debt under control and have only now begun to see the fruits of our labor.

My Republican colleagues seem to have forgotten that the promises of 20 years ago were fool's gold. So today they are again rushing pell-mell toward yet another promised land that may turn out to be only a mirage.

Mr. Speaker, make no mistake, Democrats support tax relief for the American taxpayer. But Democrats do not support this bill. We do not support considering this bill or any other tax bill without having first put into place a budget that will give us a more realistic understanding of what we can and what we cannot afford.

Democrats cannot support a tax package that will once again trigger deficit spending and will set back our efforts to pay down the national debt. Democrats cannot support a tax package that is so heavily weighed toward the most well-off of this country that low- and moderate-income working families will necessarily have to be shortchanged.

Democrats cannot support a package that is built on a foundation of rhetoric and not on reality. Once one gets past the Republican rhetoric, it is clear that this package provides no tax relief for millions of Americans, including nationwide the families of 24 million children.

In Texas, the President's home State, 1.2 million families with 2.3 million children will receive no benefits at all. Over 85 percent of American households will receive a tax cut far less than the $1,600 President Bush has promised. At the same time, the Republican tax plan gives 43 percent of its benefits to the richest 1 percent of Americans and in so doing, will force this Congress to cut funds for national priorities ranging from education and defense to law enforcement and health care.

This tax bill will ensure that any surpluses that do materialize in the Treasury will be spent and is, therefore, nothing more than a promise to raid the Social Security and Medicare Trust funds; and Democrats cannot and will not support that.

It is an amazing turn of events. The Democrats are now seen as the party of fiscal responsibility, the party that wants to protect the American taxpayers' money, now and in the future. The Republican Party today is relinquishing any claim to that title. They have relinquished any claim to responsible law-making.

In fact, Mr. Speaker, the consideration of this proposition is the height of fiscal irresponsibility. The consideration of this proposition, without having first put into place a budget, is, quite frankly, a dereliction of duty.

This is a shameful subversion of the process that no Member of this body should support.

Mr. Speaker, we were all elected to serve the people of our individual Districts and the people of the United States as a whole. That is a proud and noble responsibility. But, today we are doing them a disservice. Instead of doing the right thing, we are replaying the actions of 20 years ago that were neither proud nor noble.

Mr. REYNOLDS. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT) in the spirit of bipartisanship for tax cuts.

Mr. TRAFICANT. Mr. Speaker, I support the rule and the bill. I hear the same old arguments: Cutting taxes only helps the rich. This time the excuse is the budget. Once again, the politics of division, pitting rich versus poor, worker versus company. Mr. Speaker, this is un-American.

If there is no wealth, there is no investor. If there is no investor, there is no company. If there is no company, there is no job. If there is no job, there is no American family.

It is time to wake up. America is still a Nation of free enterprise and capitalism. And, Mr. Speaker, profit is not a dirty word.

I happen to come from a poor family, like many others. My dad, Mr. Speaker, never worked for a poor guy. In fact, today, I want to thank every company that found my father fit, good enough to have worked for them and to have made a living to help our family.

But I thank more than anyone else and support today our President. I believe the President is right on this targeting business. Some who would target people in are the same who would target people out. Enough of the targeting in America. There is enough bull's-eyes on people's backs to go around.

All Americans deserve a tax cut. Every American that pays taxes should get a tax break. The President of the United States today should get that support because the American people are coming to realize that it is not our money. It is the taxpayer's money, and we should in fact return some of that money. I compliment those who have crafted this bill. I also compliment Mr. RANGEL for making an attempt to mitigate some of the concerns that are realistic, but ladies and gentlemen, the politics of division must be set aside. It is wrecking America.

Mr. Speaker, let me say one last thing. The rhetoric of division is the rhetoric of socialism, not a capitalistic, free enterprise America.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, this is not an accounting debate, this is a debate about the future of this country. I believe that every American ought to get a tax cut, and the kind of tax cut that I favor is one that will not eat up so much of the surpluses that there is nothing on the table to strengthen Social Security or Medicare or strengthen schools or pay for a prescription drug benefit or fill in the gaps in health care and pay down debt. That is why I believe that there should be no tax bill on this floor until we have a full, complete budget so we can see the entire game plan.

For this Congress to proceed with taxes alone before they have the other pieces on the basis of promises about what will happen to the economy 10 years from now is as irresponsible as the action that this Congress took in 1981. In 1981, this Congress roared through President Reagan's budget and said "If you pass that big tax cut, we will have a balanced budget in 4 years." This chart demonstrates, the green bar shows the promises and the red bar shows the results. Instead of getting to a surplus, we wound up with $600 billion of added debt in those 4 years, and over the next 10 years we more than quadrupled the national debt.

Mr. Speaker, that is the route we are heading down again if you pass this bill. Fooled me once, shame on you. Fall for it twice, shame on me. Fall for it four times, please, bring on the adult supervision!

Mr. Speaker, the only other point I want to make is to say that this bill demonstrates that the top priority of the majority party, with all of the problems Americans face on Social Security, education, health care and the lot, their top priority is to ease the tax burden on those who make more than $300,000 a year by huge amounts. If that is your top priority, I say pitiful.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Speaker, consumer confidence, capital investment and growth are down. Layoffs, energy prices, and concerns are up. Tax relief is critical to giving a boost to the economy and putting the brakes on runaway Washington spending. Americans are more than aware that surplus money that stays in Washington is spent to perpetuate Washington bureaucracies.

H.R. 3 intends to put taxpayers' money first. We have walled off over $3 trillion for Social Security, Medicare and further debt relief. Since 1997, Republicans have paid down $363 billion of debt. Uncle Sam's fiscal house is not only in order, it is in the best shape it has been in generations. H.R. 3 works under a simple principle, that no one should be paying more than one-third of their income to the IRS. It helps lower-income Americans by making tax relief retroactive to January 1 of this year providing tax relief for working Americans.

Mr. Speaker, I hope that we can all support the rule for H.R. 3 and put money back into the pockets of American taxpayers instead of pouring in the abyss known as Uncle Sam's bank account.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I am here to represent the working people in my district, the schoolteacher dealing with an overcrowded class working to teach 30 students algebra, the waitress at my local diner serving tables, the police officer risking his life every day, these are the hard-working people that I am fighting to give a tax break to.

So when I look at a Republican plan that gives a tax-free inheritance to a billionaire's son, and an average tax cut of over $28,000 to those making $900,000 a year while giving, on average, only several hundred dollars per family to the vast middle class, that just does not seem fair to me.

I do not think that most American families would take all of their projected earnings for the next 10 years and spend every last dime up front leaving no room for ill health or a rainy day. Unlike the Republicans, most American families would never do this without first preparing a budget. But that is what the President wants us to do here, blindly follow him and leap off the budgetary cliff.

The Democratic plan gives everyone a fair tax break, leaves enough money to pay down the debt and invest in the future. The Republican plan gives away our future so that a few can share the lion's share of everyone's hard-earned surplus.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY).

□ 1130

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank the Committee on Rules for bringing this to the floor.

Mr. Speaker, I want to talk specifically, because we are hearing a lot of rhetoric today, about how we are matching priorities with our ability to pay. Basically, we are covering a fiscal relief package that not only provides Social Security and Medicare, but takes care of priorities and provides what we think is a rather slim tax relief package.

Now, the people on the other side of the aisle say they represent the working class, and I appreciate their interest in that subject. I started in life in a gas station. I went on to become a dishwasher in a restaurant. I went on at the age of 21 to start a small family business in Lakeworth, Florida. And week after week I would work hard, with the help of my employees, to make the business a success. But oftentimes there was no money left for me at the end of the week. So when people demean a $180 tax cut as insignificant, maybe it is easy for people who make $145,000 a year to say $20 or $30 a month is insignificant. But I know when I was struggling in my business, if I got an extra 5 bucks a week I was delighted, because I was able to do something in my community with that $5.

Let us not diminish this debate into, as the gentleman from Ohio (Mr. TRAFICANT) said, a class warfare debate. I think it is significant that every American works hard and, when they work hard, they are rewarded for their good behavior. But I want to show one other thing and I will leave my colleagues with this next chart.

This is what we are facing now. This is Newsweek's impression of where our economy is. If we do not pass the tax cut we can look forward to more headlines like that. "Laid off. How safe is your job?"

Maybe $20 is too much to give hard-working Americans back, or maybe it is the Lexus or muffler comparison used by the other side of the aisle, but I would suggest to my colleagues that those in the trenches working hard, and though I do not have a college degree, I know many people in my community who work hard every day would thankfully look at 20 bucks a week and say, Thank you, U.S. Congress; thanks for sending some relief. And maybe because of this economic stimulation, I will not face that headline and a pink slip at the end of the week.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I thank our distinguished ranking member for yielding me this time.

There are three points I want to make today about the tax plan before us: number one, when an American family considers spending in a major way, whether it be on a home or a car, they sit down first to figure out how it fits into their budget and if they can afford it. The Congress is not that sensible. Almost $2 trillion of spending today and no budget. I think this is wrong.

Number two: do the American people deserve a tax cut? Sure they do. But we have some old bills to pay and interest on those bills. If all of the tax revenue belongs to all of the American people, so does our national debt, and that should be paid off. And we have family obligations, too: A solvent Social Security System, a prescription drug benefit in Medicare, a superb education system for our children. That is why we should budget before we spend.

Number three: Let me warn Californians and New Yorkers to fasten their seatbelts, because under the Bush tax plan they will not be able to deduct their State income taxes or their property taxes anymore.

I think there is a better way. We should be fiscally responsible. We should budget first, pay off our debt, and save and invest prudently. Vote against the plan.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. TIBERI).

Mr. TIBERI. Mr. Speaker, I want to thank the gentleman from New York for yielding me this time.

Today's legislation is a great first step in providing tax relief for Americans and American families. All Americans who pay taxes deserve tax relief. Allowing Americans to keep more of what they earn in their own pockets and providing for paying down of the debt is a first good step for this Congress, but we need to do more. I look forward to working with this body to eliminate the marriage tax penalty and to putting an end to the death tax.

Today, however, let us help strengthen our slowing economy and support the rule. Mr. Speaker, I look forward to putting money back in people's pockets.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Speaker, I thank the ranking member for yielding me this time.

Mr. Speaker, today I rise in strong opposition to this rule. Yesterday, I offered an amendment to add a trigger mechanism, or a safety valve, to the President's rate-reduction plan. Under my amendment, the safety valve would only be triggered if the Treasury Secretary determines that we are financing tax cuts with the Social Security and Medicare trust funds. My amendment was rejected.

If bringing this bill to the floor is a litmus test on uniting instead of dividing, the Republican leadership has failed. President Bush pledged to change the tone in Washington; yet his own party is using its narrow majority to stifle bipartisanship.

The American people have worked hard and deserve real tax relief. Let us not squander this opportunity to give it to them by playing partisan politics. I urge my colleagues to oppose this rule.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentlewoman from Illinois (Mrs. BIGGERT).

Mrs. BIGGERT. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in strong support of the rule on H.R. 3. Webster's dictionary defines the word "refund" thus: to give back or put back; to return money in restitution; repayment or balancing of accounts.

Today, we have the opportunity to take a small part of the Federal surplus and give it back to Americans who have overpaid their taxes. It is a refund.

Now, I have heard that some suggest that this refund is nothing more than a giveaway to the wealthy. They will be able to buy a new Lexus, while others will only be able to buy a new muffler. Well, that was the message that was broadcast across the country, and here is what one of my constituents wrote to me. "Dear Judy, I want my tax relief, even if I only get the muffler."

Well, under H.R. 3, taxpayers of all income levels will get much more than a muffler. They will get the tax relief they deserve and the refund they deserve. I urge my colleagues to support the rule on H.R. 3.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Speaker, when I am at home in Orange County, people continuously tell me, Pay down the debt, Loretta. Strengthen Social Security; take care of Medicare. In other words, we need to figure out our budget before we make a tax cut.

The Blue Dogs have called for the largest possible tax cut available, the one that we can afford. But until we make our budget, we do not know what we can afford. No one would go out and buy a house and not do a budget.

Today, in the paper, we read that the Civil Engineers of America have written a report that says our sewers are in trouble, our water pipes are in trouble, our transportation system is in trouble, aviation is in trouble. Even businessmen who have been promised the Bush tax cut will spend more time and money sitting there waiting because that runway was not built in their city.

So let us do what is correct. Let us sit down and do a budget. Let us not vote for a tax cut until we know what our obligations are.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. THOMAS), the distinguished chairman of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, at some point I do think we have to get realistic in terms of our arguments against this bill. The title of the bill is the Economic Recovery and Relief Act of 2001. That is this year. Despite all the arguments that are being made on the other side of the aisle about a budget not being in place, they are simply wrong. Why are they wrong? Because we have a budget for 2001.

We create a budget every year. No multiyear tax plan or spending plan has a budget that conforms to that plan beyond 1 year. We have a budget in place. It pays down debt. It takes care of Medicare. We have a lock box for Social Security. That is this year's budget. Democrats voted for it.

This bill pays, this year, a return to the taxpayers. It is the only budget available, and it fits. Their problem is they are just having a hard time supporting real tax reduction.

Mr. MOAKLEY. Mr. Speaker, may I inquire as to how much time my colleague and I have remaining.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 12 minutes remaining; the gentleman from Massachusetts (Mr. MOAKLEY) has 16 minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 1¼ minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, President Roosevelt once said, "The test of our progress as a society is not whether we do more for those who already have enough but whether we do enough for those who have too little." President Kennedy said, "Ask not what your country can do for you, but rather what you can do for your country."

The Republicans here today have issued a different kind of a challenge: "Ask not what you can do for your country, ask what can be done for your country club pals. Ask not what is in this titanic tax cut for ordinary families, ask what is in it for the wealthiest 1 percent," with an average income of $1.1 million a year. Forty-five percent of the benefit goes to the upper 1 percentile. And, finally, "Ask not who pays now but who will pay 10 and 15 years from now," because this tax cut becomes so massive when the baby boomers retire, when the number of Alzheimer's patients will increase from 4 million to 14 million; Parkinson's disease down the line, long-term care, Social Security, and Medicare. That is when the tax cut begins to balloon, just as the greatest needs do for those seniors who built our country.

It is immoral, Mr. Speaker, to pass a bill which calls for sacrifice from those who will need much a decade from now.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I rise in strong support of this bill and the rule which brings it to the floor, and I thank the gentleman from New York for yielding me this time.

The average person, as many people have noted today, pays almost 40 percent of his or her income in Federal, State, and local taxes; as well as sales taxes, property, income, gas, excise, and all of the different taxes; Social Security and so forth. The GAO tells us that 80 percent of Americans pay higher Social Security taxes than anything else today. Then, of course as many people have noted, families pay out another 10 percent in regulatory costs, which are things that government forces or requires businesses to do that are passed on to the consumer in the form of higher prices.

One Member of the other body said recently that today one spouse works to support the family while the other spouse has to work to support the government. Former President Clinton said in Buffalo that we cannot give the people a tax cut because they would not spend it in the right way. Well, many of us believe that people know better how to spend their own money than bureaucrats in Washington know how to spend it for them.

The President's plan, as has been noted, takes only about 30 percent of the projected surplus, as has been projected by the nonpartisan Congressional Budget Office over the next 10 years, to give back to the people. Only about 30 percent. This is a balanced plan, with some going to those who will spend it immediately and some going to people who will invest it. So the benefits will be both short term and long term.

Over 6 million lower-income people will be removed from the tax rolls entirely under this bill. This is a moderate plan, a reasonable plan, and a responsible plan. It deserves our support, Mr. Speaker. Everyone is better off. More jobs are created. Prices are lower when more money is left in the private sector where it is spent more economically and more efficiently than does government.

PARLIAMENTARY INQUIRY

Mr. STENHOLM. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. STENHOLM. In light of the statement the chairman of the Committee on Ways and Means made a moment ago, and which I agree he is technically correct regarding the budget, my parliamentary inquiry is, is the concurrent resolution on the budget that the House adopted last year still valid, even if the majority in this body voted last year to exceed the spending levels in that resolution by at least $33 billion in the current fiscal year alone?

The SPEAKER pro tempore. The Chair can affirm that House Concurrent Resolution 290 of the 106th Congress is still in place by the adoption of House Resolution 5 on the opening day of the 107th Congress.

□ 1145

Mr. STENHOLM. Further extending my parliamentary inquiry, Mr. Speaker, it is my understanding that the chairman of the Committee on the Budget filed a report adjusting the revenue level set in the budget resolution last year to make room for the bill before us today.

Does the chairman of the Committee on the Budget have the authority to change the revenue and spending levels set by the budget resolution without a debate or vote in the full House of Representatives?

The SPEAKER pro tempore (Mr. THORNBERRY). The Chair would respond to the gentleman that the chairman of the Committee on the Budget makes reports from time to time reflecting current levels and making such adjustments in appropriate levels as are consistent with the budget resolution. The chairman of the Committee on the Budget has authority under the budget resolution to make certain adjustments from time to time, and he does so consistent with that authority.

Mr. STENHOLM. Further extending my parliamentary inquiry to make sure that I understand what the Speaker has said, the chairman of the Committee on the Budget may make adjustments to the budget without action of the House of Representatives regarding the budget for the fiscal year 2001 of which we are now operating under which is being used, I believe technically correct, to justify bringing this bill before the House today?

The SPEAKER pro tempore. The Chair would again respond to the gentleman that the chairman of the Committee on the Budget may make such adjustments as are authorized under the budget resolution.

Mr. STENHOLM. I thank the Speaker for his clarification.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I oppose this multi-trillion-dollar tax plan that benefits mostly the wealthy. Without the context of a budget, it is impossible for us to foresee what vital programs will be sacrificed. We do know, however, that under the President's budget blueprint, all funding would be cut for both the FIRE Act and Project Impact, two FEMA programs that are vital to community safety. Last year, the FIRE Act was signed into law as part of the defense appropriations bill. Almost every single Member of this House supported this measure, illustrating how urgent it is.

Each year, over 100 firefighters die in the line of duty. Many of these deaths could have been avoided with improved technology and increased funding. And Project Impact, Mr. Speaker, helps communities prevent tragedies and prepare themselves if disaster strikes.

Mr. Speaker, I represent Worcester, Massachusetts, where six brave firefighters lost their lives in a terrible blaze that engulfed an abandoned building. No community should ever have to experience the pain my community did. Is it too much to ask that

Donald Trump be given a slightly smaller tax cut in order to save efforts that save lives and make a difference for our communities? I urge my colleagues to support our firefighters, defeat the rule, and defeat this Republican tax bill.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise today in support of the rule and in support of this important piece of tax relief legislation. I would like to tell my colleagues why. We all pay taxes and we are all entitled to tax relief. It could not be more simple.

There are two big myths put out here about this tax relief plan: First, they say it is too big. Second, they say it is only for the wealthy. Let us address each. First, it is too big. We are using 70 percent of the tax surplus to pay down the debt, shore up Social Security, shore up Medicare and provide prescription drugs, with only 30 percent going back to the folks who paid the taxes, the taxpayers. Now, we could keep that money in Washington, but Washington is going to spend it if we keep it here. Whether it is a Republican Congress, a Democrat Congress, a Congress made up of space aliens, they will spend it if we keep it here.

The second myth is that this is only for the rich. The truth of the matter is that a secretary raising three children, a single mom making $35,000 a year, will get a 100 percent tax cut. Her boss, a lawyer making $100,000 a year, will get a 16 percent tax cut. The folks on the low end of the income spectrum are the big winners. The top 10 percent of wage earners provide 66 percent of the tax revenue. Of course they are entitled to relief. They are the people who provide jobs in this country.

I owe it to my colleagues to vote yes on the rule and yes on this tax relief measure.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I oppose this rule and I oppose the plan. If we choose wisely, we can provide very sensible tax relief for all Americans, we can pay down the national debt, we can invest in the priorities of the American people and the people of my district, the First Congressional District of North Carolina, providing quality education, providing prescription drugs for our seniors so they do not have to choose between buying food and buying medicine, supporting hardworking farmers, fighting the scourge of child poverty and strengthening Social Security so all Americans can rest easily and confidently in their retirement of tomorrow.

Is this tax bill too large? It is too large. Is it fair? It is unfair. It is too large because it is fuzzy math. I serve on the Committee on the Budget. We are now trying to decide what really is the true contingency, whether it is $1.85 trillion, because you do not know. Indeed, the math is fuzzy. It is not fair.

All of these people are left out. As my colleague who preceded me said, three families, $24,000, you get no money. That is unfair.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Speaker, I rise in support of the rule and of the tax program. I will say that this is a good opportunity because, after all, we need good jobs at good wages and this tax bill will give us more saving and investment in our economy. But I will express a regret that I have, and, that is, the fact that the trigger that I supported and that Chairman Greenspan has outspokenly supported in testimony both before House and Senate Committees. I wish that debt trigger could have been included in this. But it would seem to me that the Senate is probably going to pass a trigger also known as a "safety valve." So it may be in consideration in the conference. But in any case, we can certainly go back and deal with the trigger as we do the budget resolution later this year.

In any case, we have to be fiscally responsible, and I am speaking now as a fiscal conservative, and not increase the debt but balance the budget, pay down the debt and get the saving and investment back in this economy.

Mr. Speaker, I say this for the following reasons:

REDUCING TAX RATES

The Economic Growth and Tax Relief Act of 2001 will provide approximately $958 billion over 10 years in income tax relief. This plan will put money into the pockets of American families by reducing income tax rates across the board.

Mr. Speaker, hardworking American families are paying more in taxes than they should or need to pay. In fact, federal income tax revenues rose dramatically in the 1990s. Today, federal taxes from all sources are the highest they have ever been during peacetime, topping 20 percent of the Gross Domestic Product (GDP). No one, no matter what their income, should send more than one-third of their income to the IRS in taxes. That is why we need tax relief.

This bill provides immediate tax relief by reducing the current 15 percent tax rate on the first $12,000 of taxable income for couples ($6,000 for singles). This bill represents the heart of President Bush's tax package to bring fairness, simplicity and tax relief to American families.

This tax bill not only provides tax relief for millions of American families but also generates economic growth by helping small businesses.

You see S corporations pay taxes at the individual rate level. By cutting the individual rates helps these small businesses. These small businesses create millions of new jobs every year. I have advocated S corporation tax relief and have introduced legislation to help these "job machines." This tax cut carries through on this action and will stimulate the economy by providing relief for S corporations.

AGE OF SURPLUS

This new "age of surplus" offers us both a great opportunity and challenge.

The opportunity is for once and all to put our fiscal house in order. We have the opportunity to make the necessary structural and funding changes to save Social Security and Medicare for this and future generations, pay down the debt, provide for national priorities like education and healthcare, and provide for tax relief like we are today.

But like all true fiscal conservatives, I worry that we are making decisions today that will affect our national bottom line in ten years. And we are making these decisions based on ten-year economic assumptions. We cannot deny that the huge projected surplus is just that—"projected." While these assumptions may ultimately be correct, I believe there is no one in this House who would venture a bet on it. The money may or may not materialize in the amount we predict.

If the revenue materializes, that's great. Then what I am about to say is a moot point.

But if the revenue does not materialize, it's back to the bad old days—the bad old days of deficits and red ink as far as the eye can see.

Clearly, the American people want a tax refund. In our current economic and fiscal condition, they deserve it. But they do not want us to return to the bad old days of mounting national debt.

How do we prevent that? I submit that we need a double-barreled debt prevention mechanism—a debt trigger.

DEBT TRIGGER

I am very disappointed that we are not including a debt trigger as the Senate has under consideration.

In 1999, this House passed as part of that year's tax bill a debt trigger. A debt trigger is a fiscally conservative idea that was supported by 216 Republicans in the 1999 tax bill. The debt trigger on a tax bill would make future tax reductions contingent on debt reduction. Therefore if future surpluses failed to materialize, then no tax cuts would occur. But let me be perfectly clear—a trigger would not cancel tax cuts already in effect or cause a tax increase.

It would merely ensure that tax cuts are paid for in full so that we do not add to the national debt that hangs over our children's heads. We must understand that our children will inherit the debt. It is a burden created by us for them to carry. I firmly believe that the wish of every parent is to leave the world a better place for his or her children. And the greatest challenge of Congress is to make sure that the next generation will be better than this generation. That is the overwhelming moral imperative of this Congress. We must not shrink from this responsibility.

Chairman Greenspan supports the idea of a debt trigger and reaffirmed it in testimony to the House Financial Services Committee in February. In fact he supports a trigger on both the tax and spending side.

Again, I would expect that serious consideration will be given to this trigger in conference with the Senate. The trigger is the fiscally responsible, conservative procedure to follow. It will complement the growth of our economy on a sound financial basis.

Mr. Speaker, let me go on record as supporting a debt trigger for both the tax and spending side. That is why I believe we should adopt this “dual trigger” on the Budget Resolution that we will consider later this year. A debt trigger is a fiscally conservative idea whose time has come and I strongly urge my colleagues to join me in this effort.

CONCLUSION

Mr. Speaker, I strongly support tax relief provided in this bill and I strongly support providing tax relief in a fiscally conservative manner. That is why I am going to support this bill and work for a debt trigger on the budget resolution.

Mr. MOAKLEY. Mr. Speaker, I yield 3½ minutes to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, I rise in support of the budget process and in opposition to this rule because it overrides, overrules and dispenses with the budget process.

We are here talking about a tax bill for a particular reason. We are here because we have moved the budget from a deficit of $290 billion, a record deficit, in 1992, to surpluses no one thought possible just a few years ago, surpluses that extend as far out as the eye can see. We did that because we adhered to a budget process. We adopted a provision that we would have 5-year forecasts and 5-year budget resolutions, and then we extended that to running out tax cuts, their application, to 10 years. We adopted ceilings, caps for discretionary spending. We imposed a rule called the pay-go rule, a rule that says you cannot increase entitlements or cut taxes unless you offset the amount so as to make it neutral on the bottom line. That is why we are here today. That discipline has helped us reap this reward of doing a major tax bill.

Let me say something. Democrats want to cut taxes. We are proposing tax cuts of $800 to $900 billion. Republicans want to cut by more, but the problem they have got is not by how much they want to cut so much as the fact as they are putting the cart ahead of the horse. What they want to do is do this without first having a budget resolution. Regarding all of those rules and budget process disciplines that I just mentioned, if you look in the Congressional Budget Act of 1974 where they are codified, you will see emblazoned at the very top of these provisions the language, “No budget-related legislation shall be considered before a concurrent budget resolution has been adopted.”

That is the very thing we are doing today. That principle, which is emblazoned in big bold letters in the Congressional Budget Act, is being violated by this rule and this rule overrides and waives major provisions, major disciplines in the budget process. First of all, section 303. Section 303 says you shall not do a tax cut for future fiscal years until you have done a concurrent budget resolution. They are able to skirt past that particular provision because of the curious language of it. It says you cannot do one if it first decreases taxes in the fiscal year covered by the concurrent budget resolution. Since they first decreased the taxes this fiscal year, they are able to skirt by it but they violate the principle of it. They skirt by it only to run smack into section 202.

You see, this bill contains tax provisions that indirectly trigger credits to certain working families. Because of that, the bill increases refundable tax levels and as a result it violates the provisions of section 311, section 401, and section 302, three distinct provisions of the code.

It violates section 302 because you are exceeding the committee allocations that were set in the budget resolution last adopted, it violates section 311 because you are exceeding total spending, and it violates section 401 because you are creating new entitlement authority. And it violates the spirit of section 303. We are trashing the budget process. The disciplines that have brought us to this day where we can have a big tax cut, we are abandoning.

Mr. Greenspan was cited just a minute ago. Last week, he was asked about the budget projections and the fact that we were moving immediately with a tax cut. He said, all of these projections, regardless of how optimistic they are, will be worthless if you do not have the discipline and the process in place to keep it in balance.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

For the record we no longer seem to be debating whether it is going to be a tax cut or not a tax cut because we are going to get a tax cut in America. But we are talking about process. For the record, in listening to the distinguished Member talk about the past, I would remind him that 48 Democrats voted for the marriage penalty relief before the budget resolution last year, which was in February of 2000, including the ranking Democrat on the Committee on the Budget, the gentleman from South Carolina (Mr. SPRATT).

Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, as to the question on the budget, we have now got a President that will not only not embarrass the country but he will not hold the Congress hostage to spend money above the budget or shut down the government. President Bush will increase the budget by 4 percent above inflation and give tax relief.

But even more of a joke, my friends on the other side in 1993, when they had the House, the White House and the Senate, we talk about middle class tax relief, they gave the middle class the biggest tax increase in history. They used the same rhetoric that they have here today. They talk about Social Security. They increased the tax on Social Security. They talk about, oh, saving the trust fund. They spent every dime in their budget on spending the Social Security Trust Fund. President Clinton and Al Gore every single budget spent every dime out of the Social Security Trust Fund. They even had a retroactive tax increase in which the First Lady redid her taxes. Remember that? We have retroactive tax relief.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I would like the gentleman from California (Mr. THOMAS), all my Democratic colleagues, all my Republican colleagues, I would like someone to come to the floor now and tell me that our Nation is not $5,735,859,380,573.98 in debt, because we are. I keep hearing about the debt being paid down, but the truth of the matter is, according to our own Treasury statements, the debt has increased since September 30 by $61,681,170,687. How can anyone come to this floor with a straight face and tell me we have a surplus?

□ 1200

It gets worse than that. Those taxes that were raised in the 1980s with a Republican Senate, a Democratic House and a Republican President, that placed on working Americans a 15 percent increase on their Social Security and Medicare taxes with the promise that that money would be set aside. The gentleman from California (Mr. CUNNINGHAM) is right on that, because we now owe Social Security $1,070,000,000,000. We owe Medicare $229 billion. There is no surplus.

Since the gentleman from California (Mr. CUNNINGHAM) mentioned it, and I know he is a military retiree, we owe the military retiree trust fund $163 billion.

We owe the civil service trust fund, and I hope every single Federal employee is listening, $501 billion. There is not one penny in any of these accounts, and yet speaker after speaker talks about a surplus.

Come tell me I am wrong because this is straight out of the Treasury Report.

I am voting against this rule because I offered an amendment yesterday that says before we have any tax relief we pay back to these people, the folks who pay Social Security taxes, the folks who pay Medicare taxes, the folks who had their military pay reduced so that some of it would be set aside for a trust fund, the folks who work for our Nation who had their pay reduced so that some of it would be set aside for a trust fund, that we will fulfill our obligations to them before we make new obligations.

Mr. Speaker, I am issuing a challenge to the Speaker of the House, the President of the United States, the Senate Majority Leader, come question any of these numbers, because they know they are all the truth.

Mr. REYNOLDS. Mr. Speaker, I yield 1½ minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me this time.

Mr. Speaker, I rise today to encourage my colleagues to support this rule and, more importantly, to support what this rule stands for. This rule stands for moving ahead with tax relief for Americans who have overpaid their tax bill.

We are going to pay down debt. We are going to pay down debt faster than any American family would reasonably assume this debt could have ever been paid off. We have a tax overcharge. This is a tax overcharge.

When one sees the price of what government is going to be needing for the next 10 years, and one sees that we are sending in much more money than that, what needs to happen is that families need to get that money back. This is a debate about what the tax rate structure should look like. Should there be a 15 percent bracket that affects every American family that is affected by it now or should we reduce that bracket to 10 percent? Should one pay more than a third out of every dollar that they earn at the highest bracket?

This is a question about how high that highest bracket should be, and we need to move forward with certainty. The economy has flattened out. Small businesses that now pay that 39 percent rate need to know that their rate is going to go to 33 percent. They can then reinvest money back into their businesses, into the economy. Families who know they are going to get a $1,400 annual amount of their own money back to spend can make a decision about investing in their family's future, buying that new car, buying the washer and dryer, putting money aside for community college.

I urge a yes vote on this rule and on this tax package.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. CARSON).

Mr. CARSON of Oklahoma. Mr. Speaker, I thank the distinguished gentleman from Massachusetts (Mr. MOAKLEY) for yielding time.

Mr. Speaker, the entire budget debate has been caught up in so much mysterious facts and so much slight of hand that perhaps so many people in this country have been confused about that.

The tax cut will do nothing to stimulate the economy. That is not the words of the Democratic Party or people in opposition to the tax cut. That is the words of Chairman Greenspan himself who said that fiscal fine-tuning of the economy is, in fact, oftentimes counterproductive, not in fact helpful to an economy that may indeed be in decline.

The interesting question is not again what the marginal tax rate should be or what the tax structure should be, but instead how much we can afford to spend in this country over the next 10 years.

There has not yet been a significant tax overcharge. There is a prospective tax overcharge over the next 10 years, and if that money does come in, under the many assumptions behind these budget numbers, then we can talk about meaningful tax cuts. When the Joint Chiefs of Staff alone want nearly $1 trillion over the next decade, $1 trillion for modernization of our military, we are going to have a $2 trillion tax cut that is not consistent with President Bush's own priorities, which demonstrates the myopic thinking behind this entire move.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN), the newest member of the Committee on Ways and Means.

Mr. RYAN of Wisconsin. Mr. Speaker, there is just one big bottom line to this debate today: People are overpaying their taxes.

We are going to hear a lot of debate today saying it is too risky, the process is backwards, all of these things. What is behind these remarks is basically this: They want to deprive people from getting their tax payments back. They want to keep the size of the bite of Washington out of workers' paychecks as big as it is today.

Look at the whole perspective of this. This tax bill, in its entirety, is 6 cents on the dollar. The tax relief plan is 6 percent of all the Federal revenues over the next 10 years. So the idea that this is too big and irresponsible is irresponsible.

Make no mistake, Mr. Speaker. If this tax bill is defeated and this money comes to Washington and is laid up on the table, it will be spent by this body and we will not get tax relief.

This bill is responsible because we are first paying off our public debt. We are protecting the Medicare and Social Security trust funds; and, most importantly, we are giving every hard-working American some money back in their paychecks.

I urge passage of the rule and passage of the bill.

Mr. MOAKLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, I thank my friend, the gentleman from Massachusetts (Mr. MOAKLEY), for yielding me the time.

Mr. Speaker, this debate is not about whether there is bipartisanship support for tax relief. There is. It is just a matter of whether it is going to be responsible and fair.

President Bush, during his first address to Congress here a couple of weeks ago, quoted Yogi Berra by saying if we come to a fork in the road we should take it.

Well, Yogi Berra was also famous for having said "this is deja vu all over again," and it is. When we compare the Reagan economic plan of 1981 with what is being attempted today, it is deja vu all over again. The Reagan plan led to 15 consecutive years of deficit financing. We could get away with that then, with a $1 trillion debt at that time. I am afraid that we will not be able to get away with it again with the baby-boomers about to retire at a $5.7 trillion debt today. I hope we are not merely repeating history by basing large tax cuts on speculative budget surpluses that may never materialize 10 years from now.

BUDGET PROCESS

Notwithstanding the fact that the law requires a budget to be passed before Congress considers tax cuts, the House leadership has decided to rush to the floor a fiscally irresponsible tax plan that gambles with our children's future.

This plan is irresponsible because once all of President Bush's campaign tax-cut promises are added up, the total of cost of his plan will easily exceed $2 trillion.

1981 REAGAN TAX CUT

If this huge tax break plan is adopted, virtually all of the remaining projected surplus funds will be spent. In 1981, a similar tax plan and budget led us down the road of deficit budgeting. It took two decades and several acts of Congress to dig the country out of the deficit hole that was created.

This tax cut is even more risky than those of 1981. Today, we have a national debt that is 5 times higher than in 1981. Further, within the next decade we will see the retirement of the baby boomers, in the same years that the tax cuts will be fully phased in.

REPUBLICAN TAX CUT PROPOSAL

The Bush tax plan also overwhelming benefits the wealthiest Americans. The wealthiest 1 percent of Americans will get 43 percent of the benefits and their average tax cut will total $46,000 a year.

Over 85 percent of American households will receive a tax cut far less than the $1,600 that the President promised. And for the hardest-working Americans who do not pay any income taxes, the President delivers nothing, even though they still pay a disproportionate amount of their income for FICA taxes.

BUDGET SURPLUS PROJECTIONS

This plan is incredibly risky. Ten-year surplus projections are unreliable. If the budget projections are off by less than one-half of 1 percent, a $1 trillion shortfall will occur, with these massive cuts in place, Congress will be tempted to tap into the Social Security and Medicare trust funds to balance the budget.

CHAIRMAN ALAN GREENSPAN

In January, Federal Reserve Chairman Greenspan testified before the Senate Budget

Committee and confirmed that the budget projections are "subject to a wide range of error."

He also noted that when considering the emerging budget surplus, "debt reduction is the best use for the added revenue." Nonetheless, the administration and leadership are still pushing large tax cuts above debt reduction.

BUDGET PRIORITIES

In the end, the Bush plan will squander all of the funds necessary for critical investments in our nation's future. It is much more prudent to pay down our national debt, invest in education, and defense, shore up Social Security and Medicare, and provide a prescription drug benefit for seniors. With a tax cut of this magnitude, however, the surplus will be wasted, if it is not more fiscally responsible.

DEMOCRATIC ALTERNATIVE

That is why I support the alternative offered by Representative RANGEL, which will be nearly half the cost of the Republican plan.

It would provide immediate and fair tax relief for middle-income families and is also fiscally responsible.

A new 12 percent tax bracket would be created, thereby giving an across-the-board rate cut for all Americans. In addition, it will give those working families who only have payroll and Federal excise taxes a refund through expansion of the earned income tax credit.

Under the alternative, families with children who earn less than $65,000 will receive equal or larger tax breaks than under the Bush proposal.

CONCLUSION

Mr. Speaker, show me a budget that will meet our domestic needs, and then we can begin serious consideration on a tax cut bill.

But don't force a vote on a tax cut bill that is being proposed outside of a budget and is destined to harm our children. I did not come to Congress to saddle my two boys with a debt burden they did not create.

Mr. Speaker, we have worked hard over the past four years to balance the budget and pay down the national debt. I urge my colleagues to oppose this bill, and support the Democratic alternative.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. FOSSELLA).

MOTION TO ADJOURN

Mr. SANDLIN. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on the motion to adjourn offered by the gentleman from Texas (Mr. SANDLIN).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SANDLIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 171, nays 251, not voting 10, as follows:

[Roll No. 36]

YEAS—171

Allen
Andrews
Baca
Baird
Baldwin
Becerra
Berkley
Berman
Berry
Bishop
Blagojevich
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
Deutsch
Dingell
Doggett
Doyle
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gutierrez
Hall (OH)
Harman
Hill
Hilliard
Hinchey
Hinojosa
Holden
Holt
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Olver
Ortiz
Owens
Pallone
Pascrell
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wynn

NAYS—251

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Biggert
Bilirakis
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Costello
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoeffel
Hoekstra
Honda
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (OK)
Manzullo
Matheson
McHugh
McInnis
McKeon
McKinney
Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pence
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiberi
Toomey
Traficant
Upton
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NOT VOTING—10

Ackerman
Hutchinson
Lewis (CA)
McCrery
Peterson (PA)
Shows
Skelton
Stupak
Tiahrt
Vitter

☐ 1230

Messrs. FOLEY, GORDON, KING, OXLEY, RADANOVICH, KLECZKA, YOUNG of Alaska, SCARBOROUGH and SAXTON, and Ms. HART changed their vote from "yea" to "nay."

Messrs. ROTHMAN, HOLDEN, BRADY of Pennsylvania, BACA and DOGGETT, and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from "nay" to "yea."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

Mr. TIAHRT. Mr. Speaker, on Rollcall No. 36 I was inadvertently detained. Had I been present, I would have voted "nay".

☐ 1231

PROVIDING FOR CONSIDERATION OF H.R. 3, ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time, and evidently what I was about to say was so profound that the other side of the aisle wanted to adjourn and go home, and I can understand that, not that they wanted me to embarrass myself.

Today, Mr. Speaker, we ask ourselves a very fundamental question, do we believe in the power and the spirit of the American people? Do we believe in their ability to create new jobs? Do we believe that they should have the freedom to spend as much money as they see fit on their lives, on their families, on their small businesses or do we maintain and continue the position that whatever money comes to Washington, regardless of how much it is, should be spent by folks here in Washington?

The proposition is clear, the issue is clear. Now is the time, and it is long overdue, to send that money back to the American people for the refund they deserve so they can spend it on their kids' education, putting more people to work, on a vacation, a new car, whatever it is.

Mr. Speaker, if we stand for freedom, if we stand for empowering people, this is the way to do it.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MOAKLEY) for yielding me the time.

Mr. Speaker, here are some unemployment statistics from cities in my district: Redondo Beach, 2.7 percent; Manhattan Beach, 1.9 percent; Los Angeles, 5.4 percent, and Torrance, 3.1 percent. Pretty good, huh?

How did we get here? Part of it is the ingenuity of the private sector. The other part is the successful Federal efforts to balance the budget in a balanced way. I am a veteran of the budget wars. I voted for the 1993 Budget Act, Penny-Kasich, to cut $90 billion in spending, the Balanced Budget Constitutional Amendment, the 1997 Budget Act.

Though my family and I would benefit from the bill before us, now is not the time. I join the Blue Dogs in insisting on a budget first. I want unemployment to stay low. That will only happen if we do not pass a tax cut until we know we can afford it.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. ROSS).

Mr. ROSS. Mr. Speaker, I support the largest tax cut possible, but I want to see a budget first. The law requires it, and as a small business owner, I demand it. We need to pay down the debt. It is out of control, nearly $6 trillion.

The American people deserve to know that our government is spending over $1 billion a day simply paying interest on the debt, some $360 billion every single year.

Mr. Speaker, I want to see in a budget how we pay down that debt. I want to see in a budget how we save Social Security, how we modernize Medicare to include medicine for our seniors. I want us to recognize and admit to the American people that while we had a surplus yesterday or last year, it is only $8 billion, when you take all the trust fund monies, the Social Security, the Medicare, military retiree, Federal employee retiree trust funds out of the equation.

Mr. Speaker, $8 billion only pays 6 days of interest on the national debt. I want a tax cut. I want a budget first. I want to save Social Security. I want to pay down the debt.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, the House is being asked today to do something that no family or no business in this country would do, and that is embark on major financial decisions without first having a budget. The Congressional Budget Act was passed for the purpose of requiring this Congress to act on a budget first. Irrespective of the technicalities, clearly the spirit of the Budget Act is being violated here today.

The 33 members of the Blue Dog Democrat Coalition are working hard today to send the message to all of our friends in this House that it is important to have a budget first. Democrats want the largest tax cut we can afford, but how in the world do you know how large a tax cut you can afford until you first go through a budget process?

It matters not what budget I am for. It matters not what budget the President is for. It matters not what budget you are for. The process is that we all work together. We debate it out, and we vote and we have a budget. And when you do, you then know how big a tax cut you can afford.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. MOORE).

Mr. MOORE. Mr. Speaker, I want a tax cut. And I voted with the majority party twice last year for tax cuts, marriage penalty relief and estate tax relief. This is not and should not be a partisan issue.

People on both sides of the aisle want tax cuts. The real question is how do we do this responsibly and how do we deliver to the American people what we should give them. I hear over and over from my friends on the other side of the aisle there is a surplus; what there is, in fact, is a projected surplus. Big difference, big difference, a projected surplus of $5.6 trillion over the next 10 years.

Mr. Speaker, just last Monday, the weather projection was 12 inches of snow in Washington, D.C. It did not materialize. Twelve inches of snow did not materialize, and I hope that the projections for the economy for the next 10 years are better than the weather predictions, but we cannot count on that. If we are going to be responsible, I think what we should do is wait to see if some of these projected surpluses actually materialize before we start spending this money.

Mr. Speaker, right now we have placed a $5.7 trillion mortgage on the future of our children and grandchildren. I think we have some responsibility to our children, as well as to taxpayers in this country, to balance this out. Yes, if these projections come true, we can and should have significant tax cuts. We can and should significantly pay down our national debt.

I agree with the President's priorities, and I think you are going to find broad support with the President's priorities in the areas of education, defense and prescription drug benefits, but we must be responsible. If we are not, we are going to put our country back in a hole that we have just climbed out of from 30 years of deficit spending.

Let us do the right thing. Let us do the bipartisan thing and do a budget first.

Mr. REYNOLDS. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, as chairman of the Committee on Small Business, I urge all of my colleagues to vote yes on H.R. 3.

The vast majority of small businesses are sole proprietors, S corporations and partnerships, yet they pay individual taxes anywhere from 15 percent to as high as 39.6 percent. The National Federation of Independent Businesses surveyed some of its members. Two full volumes of responses came back, one of those from Fabiola Francisco in our Nation's capital, who is a small business owner earning $36,000 a year with two young sons. She mirrors thousands of small business entrepreneurs throughout the Nation.

Most of the recipients or most of the people who responded to the NFIB survey said if their taxes are reduced, they would spend the money they save to obtain health benefits for their employees.

This tax cut makes sense, because for the small business people, it allows them to keep more money from the Federal Government and to give that money to their hard-working employees.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge defeat of the previous question. If the previous question is defeated, I will offer an amendment to the rule to require that Congress first adopt the budget resolution for fiscal year 2002 before the House takes up this tax bill.

We need a budget first to see if we can afford this level of tax relief and still pay down the debt, reform education, modernize our school buildings and reduce class size.

Mr. Speaker, can we afford this trillion dollar tax bill and still give our senior citizens the opportunity not to have to choose between paying for food or paying for their prescription drugs? Can we still shore up Social Security and Medicare and pay down the debt?

Mr. Speaker, I urge a no vote on the previous question.

Mr. Speaker, I ask unanimous consent to put the text of my amendment in the RECORD immediately before the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I conclude my remarks, we then will have a vote, and if you support tax relief, you vote for the rule. If you do not want tax relief, you vote against it.

Mr. Speaker, I yield the remaining time to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, what a terrific week this is for the American people. Just yesterday, we were able in a bipartisan way to reduce the onerous regulatory burden imposed on them, jeopardizing economic growth, and today we are going to have the opportunity to allow them to keep more of their own hard earned money.

In just 47 days, President Bush has done a phenomenal job of changing the makeup here in Washington. I am very pleased that again in a bipartisan way, Democrats and Republicans alike, are talking about the importance of reducing the tax burden on working Americans.

Mr. Speaker, I happen to believe that the plan that we have put forward is by far and away the best one, because it is geared towards economic growth. It is geared towards fairness, and it is geared towards removing barriers to the middle class.

I have been fascinated over the past hour to listen to the attempt by many to rewrite the history of the 1980s, when Ronald Reagan was President. If you go back and look at what happened when the Economic Recovery Tax Act of 1981 was passed, we were able to double the flow of revenues to the Federal Treasury by reducing a tax burden. Many people said look at the deficits at the end of the 1980s.

The fact of the matter is if you take defense out of the mix, if we had simply had a freeze on domestic spending, a freeze on domestic spending at the rate of inflation during the 1980s, by 1989, when Ronald Reagan retired from the White House, we would have had a $250 billion surplus at that point.

We have to realize that article 1, section 7 makes it very clear, taxing and spending emanates right here in the House of Representatives. So we need to do everything that we possibly can to make sure that we put into place this plan to allow the American people to keep more of their hard earned money, to encourage economic growth, and to bring about as much fairness as we possibly can.

This rule is very fair. We make in order the Democratic substitute. I hope very much that we will be able to have bipartisan support for it, and I know we will when it comes to bringing about this reduction in the tax burden.

Mr. GOSS. Mr. Speaker, I rise in strong support of this fair rule. It is unfortunate that so many of my Democrat colleagues can't seem to put down last week's talking points. This rule gives them two—not one as they had inappropriately feared—bites at the apple. We will have a full and fair debate on their vision of tax relief and one on ours. But now that we have fully accommodated their request for two bites, they play the "bait and switch" on how long we will debate this bill. It is transparently partisan and obstructionist and I doubt that the American people will be fooled.

The folks I represent don't want us to sit here and talk and talk and talk about tax relief. They want us to act. President Bush made tax relief for all Americans one of the hallmarks of his campaign. He stuck with it when the beltway elites said it was wrong. Or couldn't be done. And now as President he has kept his word and forwarded a responsible proposal that provides tax cuts, pays down the national debt and ensures the availability of Medicare and Social Security.

Today Congress will take the first step to utilize part of the non Social Security surplus for the benefit of our taxpayers. H.R. 3 represents the core of President Bush's plan. The implementation of H.R. 3 would provide a savings of $958 million over ten years—including a $360 return for couples as early as 2001. In fact, taxpayers in my home state of Florida will get to keep $48 million dollars more of their own money.

H.R. 3 provides the right balance in reducing marginal tax rates. While all five brackets are collapsed into 4 lower ones, H.R. 3 moves folks in the lowest 15 percent bracket to 10 percent retroactively, giving them a benefit immediately. In fact, for my Democrat friends who suggest this will not help lower income Americans, I would point out that 48 million Americans will pay no Federal income taxes at all in 2001 as a result of our action.

It is a basic debate we are having today and it does not take a long time to figure out where you stand. Do you stand on the side of working Americans who have seen their incomes rise only to be further eradicated by a tax system that discourages achievement? Or do you choose the "politics of the past" * * * class warfare disguised as fiscal responsibility?

I commend Chairman THOMAS for his leadership in moving this important legislation in such a timely manner. I urge a "yes" vote on the rule and a strong yes on final passage.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition of the rule for H.R. 3 which provides for only one amendment to this major piece of legislation. The Republican Leadership has simply pushed this legislation to the floor with irresponsible tax proposals that will exceed $2 trillion. I must oppose this rule which prevents many of my concerned colleagues from even offering amendments to a tax plan that overwhelmingly benefits the wealthiest Americans.

Mr. Speaker, these tax cuts would go to one percent of taxpayers with the highest incomes—a group whose incomes have soared in recent years and have risen much more rapidly than the incomes of the rest of the population—and would exceed the new resources proposed for all other national priorities combined.

The bill reduces Federal revenues by $958.2 billion over 10 years, and represents the first installment of President Bush's proposed $1.62 trillion tax cut plan, accounting for 60 percent of the total cost of the President's proposal. If enacted, Mr. Speaker, it would effect the first reduction in Federal income tax rates since 1981.

The net effect of these changes, however, would have a number of adverse consequences for Americans. For example, a third to one-half of children in many States live in families that would not receive any tax reduction from the President's tax proposal, according to a new analysis from the Center on Budget and Policy Priorities. In 12 States plus the District of Columbia, at least 40 percent of children live in such families. The analysis uses Census Bureau data to estimate, on a State-by-State basis, the number of families that would not receive any tax reduction from the Bush plan because these families' incomes are too low for them to owe Federal income taxes. The large majority of these families, however, work and pay payroll taxes and other taxes unaffected by President Bush's proposal. H.R. 3 reduces only income taxes and taxes on large estates.

This legislation simply is inadequate because substantial numbers of children in every state would not benefit from the President's plan. Some states would have especially high numbers of unaffected children. These states include my state of Texas (2.3 million children unaffected), California (3.7 million), New York (1.9 million), and Florida (1.2 million). In each of another eight states with at least half a million children would gain nothing from H.R. 3, the proposed tax plan.

Nationwide, an estimated 12.2 million low- and moderate-income families with children—31.5 percent of all families with children—would not receive any tax reduction from the Bush proposal. This funding is consistent with independent analysis conducted by the researchers from the Brookings Institution, the Urban Institute, and the Institute on Taxation and Economic Policy. The vast majority of the excluded families include workers.

The tax plan under consideration would squander all of the funds necessary for critical investments in the future. We cannot afford to forgo a surplus that needs to be used for education, prescription drugs, and ensuring the solvency of Social Security and Medicare.

For these reasons, I look forward to supporting the Democratic Substitute that provides immediate and fair tax relief for middle income families and is also fiscally responsible. A new 12 percent tax bracket would be created, thereby giving an across-the-board rate cut for all Americans—but one which will overwhelmingly benefit middle income taxpayers.

The tax plan numbers contained in H.R. 3 just do not add up, and the surplus estimates that have been used are completely unreliable. Accordingly, I want to urge my colleagues to oppose H.R. 3 and support the Democratic Substitute that will be offered.

Mrs. CLAYTON. Mr. Speaker, I oppose this rule which violates U.S. House Budget principles by allowing consideration of a tax proposal prior to the adoption of a budget resolution.

The President's tax cuts are too big, are based on fuzzy math and unreliable long-term economic projections, unfairly favor the very wealthy, provide absolutely no benefit for many low-wage earners, provide limited economic benefits for the next five years, fail to adequately protect Social Security and Medicare, and are being considered before the House adopts a budget in violation of budget laws and common sense economic planning principles.

If we choose wisely, we can provide sensible tax relief for all Americans, we can pay down the national debt, and we can invest in the priorities of the American people and the people of the First District of North Carolina—providing quality educational opportunities for all of our children, providing prescription drugs for our senior citizens so that they do not have to make the tough choice of buying medicine or buying food, supporting our hard working farmers, fighting the scourge of child poverty, and strengthening our social security systems so Americans can rest easy today confident in a secure retirement tomorrow.

But I am concerned that we will squander this opportunity before having a serious debate about priorities.

President Bush talks about taking down the toll booth to the middle class, but is this what his tax plan would really do? A closer look at who would benefit from the President's proposal reveals that, rather than taking down the toll booth to the middle class, the President's tax plan simply puts the wealth on the express lane to the bank. Under President Bush's proposed plan:

The top one percent would receive between 36–43 percent of the tax cut. This is more than the bottom 80 percent combined would receive. They would receive 29 percent of the tax cut.

The top one percent of the population would receive an average cut of $39,000 dollars—that's twice as much as the median household income in some of the counties in my district.

According to the Treasury Department, the top 1 percent of the population pays 20 percent of all Federal taxes under current law.

Although the President claims that low and moderate income working families receive the largest percentage tax reduction, such claims are based only on income taxes. In fact, these families pay more in Federal payroll taxes than they do in income taxes. Therefore a large percentage of a very low tax liability, one based only on income tax, is not really much assistance at all.

This means that there will be little benefit to the counties of the First Congressional district. In Warren County North Carolina, the average family makes just under $17,000 a year. But under President Bush's proposal, a family of four wouldn't benefit unless their income was $25,000 or higher.

The chilling grip of poverty touches too many of our children. I'm saddened that when people talk about a tax plan which, rather than leaving no child behind, leaves behind 24 million children, including over 6 million black children. When we talk seriously about sensible tax relief for all Americans, should we be considering tax cuts that would not even affect half of black children?

There is money for sensible and just tax relief. But tax relief, like everything that we do, should follow the principle of "fairness for all."

Mr. MOAKLEY. Mr. Speaker, I include for the RECORD the previous question amendment to House Resolution 83, as follows:

PREVIOUS QUESTION AMENDMENT TO HOUSE RESOLUTION 83 TO BE OFFERED BY REPRESENTATIVE MOAKLEY

On page 1, line 1, strike "That upon the adoption of this resolution" and insert "That upon the adoption by Congress of a concurrent resolution on the budget for the fiscal year 2002".

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MATHESON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the question of adopting the resolution and on any incidental question.

The vote was taken by electronic device, and there were—ayes 220, noes 204, not voting 8, as follows:

[Roll No. 37]

AYES—220

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kilpatrick
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Petri
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—204

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.

Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—8

Ackerman
Issa
Lewis (CA)
Peterson (PA)
Pickering
Shows
Skelton
Stupak

□ 1313

Mr. BERMAN changed his vote from "aye" to "no."

So the previous question was ordered.

The result of the vote was announced as above recorded.

MOTION TO RECONSIDER OFFERED BY MR. JOHN

Mr. JOHN. Mr. Speaker, I move to reconsider the vote by which the previous question was ordered.

The SPEAKER pro tempore (Mr. LATOURETTE). Did the gentleman vote on the prevailing side?

Mr. JOHN. Yes, Mr. Speaker.

MOTION TO TABLE OFFERED BY MR. REYNOLDS

Mr. REYNOLDS. Mr. Speaker, I move to lay the motion to reconsider on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. REYNOLDS) to lay on the table the motion to reconsider the vote offered by the gentleman from Louisiana (Mr. JOHN).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. JOHN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 217, noes 205, not voting 10, as follows:

[Roll No. 38]

AYES—217

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—205

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—10

Ackerman
Cubin
Issa
Lewis (CA)
McDermott
Morella
Nussle
Shows
Skelton
Stupak

□ 1324

Mr. DELAHUNT changed his vote from "aye" to "no."

Mr. KING changed his vote from "no" to "aye."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ISSA. Mr. Speaker, on Rollcall Nos. 37–38 I was unavoidably detained. Had I been present, I would have voted "yea".

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MOAKLEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 220, noes 204, not voting 8, as follows:

[Roll No. 39]

AYES—220

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rangel
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—204

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—8

Ackerman
Callahan
Cubin
Larson (CT)
Lewis (CA)
Shows
Skelton
Stupak

☐ 1333

So the resolution was agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. LARSON of Connecticut. Mr. Speaker, on rollcall No. 39, I was unavoidably detained. Had I been present, I would have voted "no."

The SPEAKER pro tempore (Mr. LaTourette). Without objection, a motion to reconsider is laid on the table.

Mr. FORD. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

MOTION TO RECONSIDER OFFERED BY MS. PRYCE OF OHIO

Ms. PRYCE of Ohio. Mr. Speaker, I move to reconsider the vote just taken.

MOTION TO TABLE OFFERED BY MR. REYNOLDS

Mr. REYNOLDS. Mr. Speaker, I move to table the motion to reconsider the vote.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Reynolds) to lay on the table the motion to reconsider offered by the gentlewoman from Ohio (Ms. Pryce).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FORD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 221, noes 197, not voting 14.

[Roll No. 40]

AYES—221

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dicks
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—197

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—14

Ackerman
Bentsen
Coyne
Cubin
Frost
Greenwood
Hinojosa
Largent
Lewis (CA)
Moakley
Shows
Skelton
Strickland
Stupak

☐ 1344

Mr. NUSSLE changed his vote from "no" to "aye."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

MOTION TO ADJOURN

Mr. HILL. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The motion to adjourn offered by the gentleman from Indiana (Mr. HILL) is not debatable.

The question is on the motion to adjourn offered by the gentleman from Indiana (Mr. HILL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HILL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 253, not voting 19, as follows:

[Roll No. 41]

AYES—160

Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Becerra
Berkley
Berman
Berry
Bishop
Blagojevich
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Doyle
Eshoo
Farr
Fattah
Filner
Ford
Frank
Gephardt
Gonzalez
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Holden
Holt
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lowey
Lucas (KY)
Luther
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moran (VA)
Nadler
Napolitano
Olver
Ortiz
Owens
Pallone
Pascrell
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Schakowsky
Schiff
Serrano
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wynn

NOES—253

Abercrombie
Aderholt
Akin
Armey
Baker
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Biggert
Bilirakis
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Costello
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Deal
DeLay
DeMint
Diaz-Balart
Dicks
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoeffel
Hoekstra
Honda
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Kolbe
Kucinich
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (OK)
Manzullo
Matheson
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Murtha
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pence
Peterson (PA)
Petri
Pickering
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sawyer
Saxton
Scarborough
Schaffer
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Traficant
Udall (NM)
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NOT VOTING—19

Ackerman
Bachus
Bentsen
Bereuter
Cubin
Davis, Tom
Frost
Greenwood
Gutknecht
Knollenberg
Lewis (CA)
Maloney (CT)
Moakley
Morella
Pitts
Shows
Skelton
Spratt
Stupak

☐ 1400

Mr. PICKERING changed his vote from "aye" to "no."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair wishes to announce that those Members that are speaking are not allowed to wear badges while they are speaking, and the Chair will abide by that as one of the rules of the House. So if Members intend to speak, please do not wear a badge.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) will state his parliamentary inquiry.

Mr. THOMAS. My understanding of the rule is that we are not supposed to wear a button while we are speaking, but we can wear a button on the floor. Is my understanding correct, Mr. Speaker?

The SPEAKER pro tempore. That is what the Chair just indicated.

ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 83, I call up the bill (H.R. 3) to amend the Internal Revenue Code of 1986 to reduce individual income tax rates, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 83, the bill is considered read for amendment.

The text of H.R. 3 is as follows:

H.R. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) Short Title.—This Act may be cited as the "Economic Growth and Tax Relief Act of 2001".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) Section 15 Not To Apply.—No amendment made by section 2 shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SEC. 2. REDUCTION IN INCOME TAX RATES FOR INDIVIDUALS.

(a) In General.—Section 1 is amended by adding at the end the following new subsection:

"(i) Rate Reductions After 2000.—

"(1) New lowest rate bracket.—

"(A) In general.—In the case of taxable years beginning after December 31, 2000—

"(i) the rate of tax under subsections (a), (b), (c), and (d) on taxable income not over the initial bracket amount shall be 12 percent (as modified by paragraph (2)), and

"(ii) the 15 percent rate of tax shall apply only to taxable income over the initial bracket amount.

"(B) Initial bracket amount.—For purposes of this subsection, the initial bracket amount is—

"(i) $12,000 in the case of subsection (a),

"(ii) $10,000 in the case of subsection (b), and

"(iii) ½ the amount applicable under clause (i) in the case of subsections (c) and (d).

"(C) Inflation adjustment.—In prescribing the tables under subsection (f) which apply with respect to taxable years beginning in calendar years after 2001—

"(i) the Secretary shall make no adjustment to the initial bracket amount for any taxable year beginning before January 1, 2007,

"(ii) the cost-of-living adjustment used in making adjustments to the initial bracket amount for any taxable year beginning after December 31, 2006, shall be determined under subsection (f)(3) by substituting '2005' for '1992' in subparagraph (B) thereof, and

"(iii) such adjustment shall not apply to the amount referred to in subparagraph (B)(iii).

If any amount after adjustment under the preceding sentence is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.

"(2) Reductions in rates after 2001.—In the case of taxable years beginning in a calendar year after 2001, the corresponding percentage specified for such calendar year in the following table shall be substituted for the otherwise applicable tax rate in the tables under subsections (a), (b), (c), (d), and, to the extent applicable, (e).

"In the case of taxable years beginning during calendar year:	The corresponding percentages shall be substituted for the following percentages:				
	12%	28%	31%	36%	39.6%
2002	12%	27%	30%	35%	38%
2003	11%	27%	29%	35%	37%
2004	11%	26%	28%	34%	36%
2005	11%	26%	27%	34%	35%
2006 and thereafter	10%	25%	25%	33%	33%

"(3) Adjustment of tables.—The Secretary shall adjust the tables prescribed under subsection (f) to carry out this subsection."

(b) Repeal of Reduction of Refundable Tax Credits.—

(1) Subsection (d) of section 24 is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(2) Section 32 is amended by striking subsection (h).

(c) Conforming Amendments.—

(1) Subparagraph (B) of section 1(g)(7) is amended—

(A) by striking "15 percent" in clause (ii)(II) and inserting "the first bracket percentage", and

(B) by adding at the end the following flush sentence:

"For purposes of clause (ii), the first bracket percentage is the percentage applicable to the lowest income bracket in the table under subsection (c)."

(2) Section 1(h) is amended—

(A) by striking "28 percent" both places it appears in paragraphs (1)(A)(ii)(I) and (1)(B)(i) and inserting "25 percent", and

(B) by striking paragraph (13).

(3) Section 15 is amended by adding at the end the following new subsection:

"(f) Rate Reductions Enacted by Economic Growth and Tax Relief Act of 2001.—This section shall not apply to any change in rates under subsection (i) of section 1 (relating to rate reductions after 2000)."

(4) Section 531 is amended by striking "equal to" and all that follows and inserting "equal to the product of the highest rate of tax under section 1(c) and the accumulated taxable income.".

(5) Section 541 of such Code is amended by striking "equal to" and all that follows and inserting "equal to the product of the highest rate of tax under section 1(c) and the undistributed personal holding company income.".

(6) Section 3402(p)(1)(B) is amended by striking "7, 15, 28, or 31 percent" and inserting "7 percent, any percentage applicable to any of the 3 lowest income brackets in the table under section 1(c),".

(7) Section 3402(p)(2) is amended by striking "equal to 15 percent of such payment" and inserting "equal to the product of the lowest rate of tax under section 1(c) and such payment.".

(8) Section 3402(q)(1) is amended by striking "equal to 28 percent of such payment" and inserting "equal to the product of the third to the lowest rate of tax under section 1(c) and such payment."

(9) Section 3402(r)(3) is amended by striking "31 percent" and inserting "the third to the lowest rate of tax under section 1(c)".

(10) Section 3406(a)(1) is amended by striking "equal to 31 percent of such payment" and inserting "equal to the product of the third to the lowest rate of tax under section 1(c) and such payment.".

(d) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) Amendments to withholding provisions.—The amendments made by paragraphs (6), (7), (8), (9), and (10) of subsection (c) shall apply to amounts paid after the date of the enactment of this Act.

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 3, as amended, is as follows:

H.R. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) Short Title.—This Act may be cited as the "Economic Growth and Tax Relief Act of 2001".

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) Section 15 Not To Apply.—No amendment made by section 2 shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SEC. 2. REDUCTION IN INCOME TAX RATES FOR INDIVIDUALS.

(a) In General.—Section 1 is amended by adding at the end the following new subsection:

"(i) Rate Reductions After 2000.—

"(1) New lowest rate bracket.—

"(A) In general.—In the case of taxable years beginning after December 31, 2000—

"(i) the rate of tax under subsections (a), (b), (c), and (d) on taxable income not over the initial bracket amount shall be 12 percent (as modified by paragraph (2)), and

"(ii) the 15 percent rate of tax shall apply only to taxable income over the initial bracket amount.

"(B) Initial bracket amount.—For purposes of this subsection, the initial bracket amount is—

"(i) $12,000 in the case of subsection (a),

"(ii) $10,000 in the case of subsection (b), and

"(iii) ½ the amount applicable under clause (i) in the case of subsections (c) and (d).

"(C) Inflation adjustment.—In prescribing the tables under subsection (f) which apply with

respect to taxable years beginning in calendar years after 2001—

"(i) the Secretary shall make no adjustment to the initial bracket amount for any taxable year beginning before January 1, 2007,

"(ii) the cost-of-living adjustment used in making adjustments to the initial bracket amount for any taxable year beginning after December 31, 2006, shall be determined under subsection (f)(3) by substituting '2005' for '1992' in subparagraph (B) thereof, and

"(iii) such adjustment shall not apply to the amount referred to in subparagraph (B)(iii).

If any amount after adjustment under the preceding sentence is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.

"(2) REDUCTIONS IN RATES AFTER 2001.*—In the case of taxable years beginning in a calendar year after 2001, the corresponding percentage specified for such calendar year in the following table shall be substituted for the otherwise applicable tax rate in the tables under subsections (a), (b), (c), (d), and, to the extent applicable, (e).*

"In the case of taxable years beginning during calendar year:	The corresponding percentages shall be substituted for the following percentages:				
	12%	28%	31%	36%	39.6%
2002	12%	27%	30%	35%	38%
2003	11%	27%	29%	35%	37%
2004	11%	26%	28%	34%	36%
2005	11%	26%	27%	34%	35%
2006 and thereafter	10%	25%	25%	33%	33%

"(3) ADJUSTMENT OF TABLES.*—The Secretary shall adjust the tables prescribed under subsection (f) to carry out this subsection."*

(b) REPEAL OF REDUCTION OF REFUNDABLE TAX CREDITS.*—*

(1) Subsection (d) of section 24 is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(2) Section 32 is amended by striking subsection (h).

(c) CONFORMING AMENDMENTS.*—*

(1) Subparagraph (B) of section 1(g)(7) is amended—

(A) by striking "15 percent" in clause (ii)(II) and inserting "the first bracket percentage", and

(B) by adding at the end the following flush sentence:

"For purposes of clause (ii), the first bracket percentage is the percentage applicable to the lowest income bracket in the table under subsection (c)."

(2) Section 1(h) is amended—

(A) by striking "28 percent" both places it appears in paragraphs (1)(A)(ii)(I) and (1)(B)(i) and inserting "25 percent", and

(B) by striking paragraph (13).

(3) Section 15 is amended by adding at the end the following new subsection:

"(f) RATE REDUCTIONS ENACTED BY ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001.*—This section shall not apply to any change in rates under subsection (i) of section 1 (relating to rate reductions after 2000)."*

(4) Section 531 is amended by striking "equal to" and all that follows and inserting "equal to the product of the highest rate of tax under section 1(c) and the accumulated taxable income.".

(5) Section 541 is amended by striking "equal to" and all that follows and inserting "equal to the product of the highest rate of tax under section 1(c) and the undistributed personal holding company income.".

(6) Section 3402(p)(1)(B) is amended by striking "7, 15, 28, or 31 percent" and inserting "7 percent, any percentage applicable to any of the 3 lowest income brackets in the table under section 1(c),".

(7) Section 3402(p)(2) is amended by striking "equal to 15 percent of such payment" and inserting "equal to the product of the lowest rate of tax under section 1(c) and such payment".

(8) Section 3402(q)(1) is amended by striking "equal to 28 percent of such payment" and inserting "equal to the product of the third to the lowest rate of tax under section 1(c) and such payment".

(9) Section 3402(r)(3) is amended by striking "31 percent" and inserting "the third to the lowest rate of tax under section 1(c)".

(10) Section 3406(a)(1) is amended by striking "equal to 31 percent of such payment" and inserting "equal to the product of the third to the lowest rate of tax under section 1(c) and such payment".

(11) Section 13273 of the Revenue Reconciliation Act of 1993 is amended by striking "28 percent" and inserting "the third to the lowest rate of tax under section 1(c) of the Internal Revenue Code of 1986".

(d) EFFECTIVE DATES.*—*

(1) IN GENERAL.*—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.*

(2) AMENDMENTS TO WITHHOLDING PROVISIONS.*—The amendments made by paragraphs (6), (7), (8), (9), (10), and (11) of subsection (c) shall apply to amounts paid after the 60th day after the date of the enactment of this Act.*

SEC. 3. PROTECTION OF SOCIAL SECURITY AND MEDICARE.

The amounts transferred to any trust fund under the Social Security Act shall be determined as if this Act had not been enacted.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider a further amendment printed in House Report 107–12, if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered read, and shall be debated for 60 minutes, equally divided and controlled by a proponent and an opponent.

The gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes of debate on the bill, as amended.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. and Mrs. America, help is on the way, H.R. 3. This bill is only seven pages long. How ironic. The usual complaint about congressional bills is that they are about as long as "War and Peace" or they weigh between 10 or 12 pounds. Seven pages. What is inside these seven pages?

Before a Joint Session of Congress, President Bush asked Congress to make sure no hard-working income tax payer pays more than one-third of their income in taxes. It is here. It is in these seven pages.

President Bush said he wanted immediate relief for small business. Seventeen million individual returns are actually small businesses. It is here. It is in these seven pages. Small businesses will have more money this year to pay workers, buy inventory or pay heating or lighting bills.

President Bush said more low income workers should not have to pay any income tax. It is here in these seven pages. More than 4 million low-income workers are freed from their income tax burden. President Bush said the economy is faltering. In fact, a number of economists and all of the leading economic indicators say the economy is faltering.

President Bush said every hard-working American taxpayer should have some of their money returned. It is here. It is in these seven pages. Money so these hard-working Americans can pay their bills with more of their own money.

Mr. Speaker, today we offer the heart of President Bush's tax plan, lower taxes, permanently for all, H.R. 3. It is about time.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I agree with the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means, it is only seven pages, but what is in those seven pages?

This is not the tax bill that we hear the President talking about. This does not give relief to people who are married and suffer the marriage penalty. It does not take care of the estate tax. Who it takes care of politically are the top rollers in the United States.

Mr. Speaker, 60 percent of the relief that is in this part of the bill and the other parts that they will bring in tomorrow will go to the top 10 percent of the people in America, 43 percent of it goes to the top 1 percent. Yet they do not even have a budget.

They would have us to believe that they are working under last year's budget, and technically it is this year's budget. But one thing is clear that they waived all rules that would prevent them from having to say that there is a budget on the floor today.

We do hope that those of us who are concerned about Social Security, about Medicare, about prescription drugs, about improving the quality of education, about making certain our farmers and those young men and women who serve in the military, that they are protected. How would we ever know without a budget, but we can take a riverboat gamble that perhaps the CBO at one time is right and maybe the $5.6 trillion is going to be there, but all of this money that we will be saying that we are giving back to the people, we do not give them back their obligations for the $3.4 trillion of debt that we got in before because of reckless fiscal policy.

What we had hoped is that we could have a budget of measure and be able to make decisions in a framework of what our responsibilities are, but, unfortunately, the other side believes that the faster they go, the better it is, and so, therefore, we hope to slow down this train so the American people could take a good look at the fraud that is being perpetrated.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 1 minute the gentleman from Illinois (Mr. WELLER), a member of the Committee on Ways and Means.

Mr. WELLER. Mr. Speaker, I rise to support this legislation. It is vitally important legislation. In representing the Chicago area, we are seeing tens of thousands of layoffs.

I have families every day that tell me about their needs, their struggle to pay their high energy home heating bills. They are struggling to pay off their credit card bills. They are seeing their neighbors lose their jobs. And President Bush, as we know, inherited a weakening economy, and he is proposing that we move quickly to fix it and put some money back into the economy and protect jobs and help people pay off their bills.

This legislation will provide real money for real people. I am pleased to point out and thank the leadership of the gentleman from California (Mr. THOMAS). This tax relief is retroactive, which means it will be effective this year, giving taxpayers, every taxpayer who pays taxes, the opportunity to have some extra money. That is a fine point about this bill.

It is not targeted so that people are excluded or divided. It means if you pay taxes this rate reduction benefits everyone. It provides real money for real people.

Mr. Speaker, I would note for a married couple with two kids, a combined income of $75,000, a machinist and schoolteacher, it will provide $1,600 in tax relief once fully phased in, $400 this year.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I rise in opposition to this outrageous piece of legislation on which none of my Republican colleagues have the vaguest idea of what they are doing.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. MATSUI), a senior member of the Committee on Ways and Means.

Mr. MATSUI. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding the time to me.

Mr. Speaker, the whole basis of this Bush tax cut which ultimately will be $1.6 trillion, maybe $2 trillion or $3 trillion, when it is finished, no one knows what the total amount will be, the whole basis of this tax cut is based upon surplus projections over the next 10 years from the Congressional Surplus Budget Office that does estimates. In the document that said that we will have $5.6 trillion, the Congressional Budget Office also said that there is only a 50 percent probability that the 5-year projections will be correct, and they say in the 10-year projections they cannot even assess whether or not they will occur because they have no experience at it.

If you take away the fact that these projections are kind of guesswork, like whether the weather, in fact, will have snow next week or last week, and maybe it did not, then if you take away that, the whole basis of this tax cut then becomes illusionary, and that means if it does not happen, we are going to have to cut health care benefits. We are not going to be able to get prescription drug treatment to our senior citizens.

Mr. Speaker, I will guarantee that we will have to make significant cuts in Social Security, if, in fact, this tax cut occurs and these numbers do not come up, and we know these numbers are just based upon nothing but guesswork, and it is my hope that the Members will come to their senses and be very, very cautious, because the Democrats have a tax cut that basically is modest.

It is about $600 billion, which is a lot of money, but at the same time that tax cut is well within a budget framework and obviously will stay within these guesswork numbers.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), a member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means for yielding me the time.

Mr. Speaker, I listened with great interest to my friend from California (Mr. MATSUI) on the other side of the aisle acknowledging what we all know, none of us here have the gift of clairvoyance. Indeed, the other side did not have the gift of clairvoyance when they disregarded budget rules, waived budget rules and spent and spent and spent and spent more of your hard earned money.

Now to hear my friends on the other side with this born-again devotion to passing a budget first, I simply say, Mr. Speaker, what about the family budget? What about your constituents working hard to make ends meet? What about your constituents sending up to 40 percent of their income in taxation to some form of government? What about your constituents paying more in for taxes than for food, clothing and shelter combined? What about your constituents who you have asked time and time and time again to sacrifice so that Washington can do more?

Mr. Speaker, I would suggest that is exactly backwards. Washington should live within its means so that American families can have more in this year. For a married couple, an extra $400 this year, I know to big spenders it does not sound like much, but it helps pay down credit card debt. It helps buy new clothes for the kids or a new set of tires.

In short, it is real money for real people, and it is money that belongs to the people, not to the government.

Mr. Speaker, what we see here in this debate this afternoon is really a conflict in philosophy. Some folks here honestly believe Washington needs the people's money more than the people do. We respectfully submit that is exactly backwards.

The American people need more of their hard earned money especially in these times of economic uncertainty, and joining together with the passage of H.R. 3 this afternoon, we take this important step.

Mr. Speaker, I urge my colleagues to vote in the affirmative.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Washington (Mr. MCDERMOTT), a senior member of the Committee on Ways and Means.

Mr. MCDERMOTT. Mr. Speaker, I am here to oppose any tax cut until we get a budget.

Now, the last speaker, the gentleman from Arizona (Mr. HAYWORTH) said we do not need a budget. Let me tell you why we do. I sit on the Budget Committee, as well as on the Ways and Means Committee, and we had the wizard from Wisconsin appear before the Budget Committee.

That was former Governor Thompson who is now head of HHS. He did not answer a single question that comes from the budget book "A Blueprint For New Beginnings which the President sent to us and told us about.

On page 15, this book says that Medicare is going to be $645 billion in the hole over the next 10 years. On page 51, the President says we will put $153 billion into Medicare. Now that is $400 billion that will not be there for Medicare.

Better yet, the wizard says I am going to give you a prescription drug benefit. In that $153 billion they are sticking in, somewhere they are going to come up with $159 billion for the prescription drug benefit this House passed in the last session. Those numbers do not add up, and that is just one part of this budget.

I was in Seattle the other day listening about whether I should come back from the earthquake which nobody predicted. The projections on earthquakes are kind of bad. They said there was going to be 2 feet of snow here, so I got on the plane in Seattle, and I arrived here and walked off and there were two flakes.

Anybody who votes for this tax budget is reckless.

I will not support a tax cut without a budget.

I. NEED BUDGET FIRST ARGUMENT

I went to the Budget Committee hearing yesterday where Secretary Thompson testified. He could not answer a single question about how we are going to meet our financial obligations for Medicare.

The President allocates $153 billion to modernize Medicare—this includes a prescription drug benefit and his Immediate Helping Hand program. This "modernization" effort will not give the Medicare program the infusion of dollars it so desperately needs. This amount will not even be enough to fund a prescription drug benefit, let alone have any success in so-called modernization. Last year's House Republican plan alone carried a 10-year price tag of $159 billion. But according to many health care analysts, even this amount is inadequate.

The administration puts Part A HI surplus into a $842 billion contingency fund. This fund must be the same "one trillion additional reasons" to which the President referred in his speech last week as to why we should feel comfortable with his budget.

But the administration promises the HI fund will be used only for Medicare. So really, this fund is worth only about half of that amount.

The administration combines Part A and B and tells us we are really in a deficit. Using the administration's own numbers, I asked the Secretary, how are we going to meet these obligations—is it through increasing the payroll tax, decreasing benefits, decreasing payments to providers? He could not answer the question.

The program needs an infusion of money, but the Secretary does not know how to achieve that. Of course not—the administration is trying to ram a tax cut down our throats before considering the budget.

Where is the allocation of money for the President's tax credit proposal to help the uninsured? I suppose that is one of the trillion reasons why I should feel comfortable with his budget.

II. ECONOMIC STIMULUS ARGUMENT

We are told that the reason that this tax bill was rushed through the Ways and Means Committee, and rushed to the floor is because our economy is in dire need of a tax cut. We must stimulate the economy—we are told. But this tax cut was proposed in 1999. It had nothing to do with the economy then. Furthermore, the principle reason CBO's budget projections show larger surpluses in their latest estimates is that CBO now believes the economy generally will be stronger over the next 10 years than previously thought. This completely undermines the argument that a large, permanent, and growing tax cut is needed to help ward off the impending arrival of a weak economy.

His tax cut will give $360 to families in the first year—this is a dollar a day. If you're lucky, you can buy a cup of coffee. How can we expect one dollar a day to stimulate the economy?

Supporters claim that knowing your marginal rates will be increased will cause people to spend which will in turn stimulate the economy. All that will increase is their personal debt!

Not to mention, this tax bill is dead-on-arrival in the Senate, where they will wait until after they've passed their budget.

III. GOVERNMENT SPENDING IS GOOD ARGUMENT

There has been much focus on Chairman Greenspan's testimony and the peril of reaching zero debt. There is a misconception that government spending is a bad idea. Republicans ask—who needs the money more—the American people or Washington, DC. But this is a completely misleading question and not the choice with which we are faced.

Government spending is money spent for the people—for the welfare of our citizens and includes social goods that individuals independently would not have otherwise purchased.

Take for example the latest disaster in my district, in Seattle. We just experienced an earthquake registered at 6.8—6.8 in India leveled buildings and caused massive loss of life—thousands of people. But in Seattle, we were extremely lucky. There was no loss of life.

I was just there. I saw the extent of the damage with my own eyes. While there was an estimated $2 billion worth of damage, it could have easily been so much worse—had we not prepared.

But we did prepare—with the help of a government program called Project Impact. Seattle was one of seven cities chosen for $1 million pilot programs in 1998. This forward-looking program linked community leaders to corporations interested in blunting the economic fallout from natural disasters.

The government provides the initial seed money and suggestions to get various stakeholders involved and invested in prevention and investment efforts.

Project Impact began with seven pilot communities and quickly became a nationwide initiative as more communities began to see the value in disaster planning. Today there are nearly 250 Project Impact communities as well as more than 2500 businesses that have joined Project Impact as partners.

As I surveyed the damage myself, I said—"This initiative worked!"

This is a prime example of government spending for the public good. But unfortunately, this administration wants to abolish it to save $25 million, as they try and find the funds to pay for their $2 trillion tax cut.

This is also a perfect example of why government spending is good, and why I will not vote for a tax cut before I know the budget.

IV. TAX CUT IS BIASED AND UNFAIR ARGUMENT

The tax cut proposal from President Bush is biased and unfair, giving disproportionately less money to working poor families.

Bush supporters talk in terms of marginal tax rates and percentages, but not dollars. They will tell us that the poor receive a large reduction in marginal tax rates in order to help them obtain access to the middle class. But they do not tell us that one in three families receive no benefits.

Twelve million families with children would not receive any tax cut. One-third of all children and more than one-half of black and Hispanic children live in excluded families. But 80% of these families have workers. In other words, they pay taxes, payroll taxes. They have contributed to the very surplus President Bush is trying to raid.

Why shouldn't all Americans benefit from the economic growth and prosperity that has resulted in our surpluses?

Yes, I believe in a lockbox for both Social Security and Medicare, but there are ways to give breaks to lower income families with no tax liabilities.

If President Bush really wants to help hard-working individuals obtain access to the middle class, why does he reduce rates across only the first 25% of income within the 15% bracket income tax rates—to 10%, while all other income amounts within all other tax brackets experience the rate reduction. Why am I not surprised?

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentlewoman from Washington (Ms. DUNN), a member of the Committee on Ways and Means.

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Ms. DUNN. Mr. Speaker, there are two reasons for the tax relief bill that we are considering on the floor this afternoon. First, as the Federal Government continues to amass surpluses, we must share this reward with the people who produced it. The longer we delay providing tax relief, the less likely it will materialize. Because we know that it is a fundamental fact that, if that money stays in Washington, D.C., it will be spent.

Under this bill alone, a typical family of four with an income of $55,000 a year would see a tax cut of nearly $400 this year; and under the entire bill, which we will be addressing later on, $2,000 once the plan is fully implemented.

Second is, as the economy softens, tax relief will provide critical stimulus to prevent this country from going into a prolonged recession.

Wait for the budget. Sure, we could do that. But H.R. 3 would increase family income. It will boost economic activity, and it will contribute to job growth. We need to get this tax relief moving now. Why wait?

The critics and doomsayers claim that H.R. 3 is too large, it is reckless, it is unfair. I respectfully disagree on all counts. The bracket reduction represents 25 percent of the projected budget surplus. It is also fair. Under H.R. 3, every taxpayer will receive relief, every taxpayer. It targets no one in and no one out.

Indeed, those in the lowest bracket will garner immediate benefit retroactive to the beginning of this year. Mr. Speaker, I urge my colleagues to support this bill.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair asks Members not to have signs posted when they are not standing at the podium. The Chair would prefer that when Members come to the podium, they can put their exhibit up, but not before beginning their remarks.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. MCNULTY), the gentleman in the well who has the sign up there.

Mr. MCNULTY. Mr. Speaker, the American people have seen so many numbers recently. I know their eyes are glazing over. They do not know who to believe.

This is going to be the simplest chart my colleagues are going to see in this debate today. I am going to use all the President's numbers. You will see no McNulty numbers no Rangel numbers, no Gephardt numbers; all the President's numbers.

He says we are going to have a $5.6 trillion surplus in the next 10 years. We think it is like a weather forecast. But let us assume it happens. We get the $5.6 trillion. He pledged at the podium behind me very recently that we were going to reduce the national debt by $2 trillion. I like that. I support the President in that regard. That takes us down to $3.6 trillion.

He also pledged to protect Social Security and Medicare. Every person I am looking at on this floor voted to do that with the lockbox legislation just a couple of weeks ago. That is $2.9 trillion. All his numbers. That takes us down to less than 1 trillion, 700 billion dollars.

If one subtracts from that, not the 1.6, not the Rangel 2 trillion, not the Gephardt 2.2 trillion, just what we are doing today, just $900 billion. And subtract that from what is left, you have a deficit of $200 billion. All the President's numbers. Even if this projection comes true.

Mr. Speaker, we should not go back to the days of deficit spending. We owe more to our children and grandchildren than to drown them in a sea of red ink.

I urge my colleagues to reject this proposal, to support the Rangel substitute.

Mr. THOMAS. Mr. Speaker, those numbers are very bright, they are very bold, they are nicely drawn, they are absolutely wrong.

Mr. Speaker, I yield 15 seconds to the gentleman from Louisiana (Mr. MCCRERY) on how wrong the numbers are.

Mr. McCRERY. Mr. Speaker, the numbers of the gentleman from New York (Mr. MCNULTY) are incorrect. They are not the President's numbers. He double-counts $2 trillion of the $2.9 trillion of Social Security surplus.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, it is $363 billion over 5 years. So when one is talking in bigger numbers like that, one is absolutely wrong.

Do my colleagues know what? This is a great day for every American who pays taxes, because today we are going to give each and every American some of their own money back.

Unlike the Democrats, Republicans know that the surplus is the people's money, not the government's money. It is a tax surplus. With a slowing economy and public confidence slipping, we have got to act now because our failure to act could just make matters worse. That is irresponsible.

We do represent the people of the United States. That is why every Member of Congress should vote to approve this fair and responsible tax relief bill. It returns money to those who need it the most, low- and middle-income families. Do not deny them their own money. They worked hard to earn it, and we ought to work just as hard to give it back.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Speaker, I am one of the Blue Dog members on the Committee on Ways and Means, and I tell you, we want as large a tax cut as is responsible and consistent with protecting Social Security and Medicare and retiring the national debt, not to mention the needs of military, education and agriculture. The way you do that is you get a budget. I know of no prudent business person in this land who would make a critical operating decision in his company without a budget.

And, you know, people are overtaxed. Let me give my colleagues one reason why. Look at the debt of this country. Every person in this country is responsible for $20,300 of debt. For a family of four, that is $82,000 worth of debt that they have on them.

Retiring the debt is one of the priorities of the Blue Dogs. We think there is room to do both. But the way you do that and to make sure that you are in a position to do both is to have a budget first and then you get to where we want to go with the tax cut.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Minnesota (Mr. RAMSTAD), a member of the Committee on Ways and Means.

Mr. RAMSTAD. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, for the life of me, I cannot understand how those opposed to tax relief can make spending decisions based on projected revenues. You can spend the taxpayers' money based on projected revenues, but you cannot provide tax relief based on those same revenues?

All we are talking about, Mr. Speaker, is returning 1 of 4 surplus dollars back to the taxpayers. It is their overpayments that are creating the surplus. It is the taxpayers' money, not the government's money.

Let us put this into context. All we are talking about, those of us who support this much-needed tax relief, we are talking about returning 6 percent of the $28 trillion in government revenues over the next 10 years, 6 percent of $28 trillion in revenues. That is hardly a risky tax scheme or overgenerous to return 1 of 4 surplus dollars based on the same projections that you are spending money, that we are all spending money.

Our economy needs the stimulus of a tax cut. Every day in Minnesota, my constituents are telling me sales are slow, orders are slow, inventories are up, consumer confidence is down. More layoffs.

This tax relief will bring immediate relief to families who are pinched financially. It will lift consumer confidence and boost our sputtering economy. Our families need this tax relief, our overtaxed taxpayers deserve it, and economic growth in America depends on it.

People want to pay off credit-card debt. They want to make car and mortgage payments, pay energy bills. That is why we need to get this tax relief to them, as the President says, as soon as possible.

American people are paying the highest level of taxes in peacetime history. We need to return the surplus, the taxpayers' overpayments to them in the form of these marginal rate reductions. This tax cut will not threaten fiscal discipline, but it will mean real relief for American families and for our sinking economy. The taxpayers of America deserve this tax relief now.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, to the gentleman from Minnesota (Mr. Ramstad) and every single Member of this House who has talked about a surplus today, this is reality. I have challenged every one of you to say it is not true.

Our Nation is 5 trillion 700 billion dollars in debt. What the gentleman from California (Mr. THOMAS) will not tell us is that the people who benefit the most from this tax break are the same people who own this debt and the same people who are on the receiving end of $1 billion a day from the taxpayers in interest payments. They benefit the most.

What he will not tell us is that the people who benefit the most do not really care if we do not pay back the trillion dollars to Social Security, because they are not counting on that check. They do not need it. But the folks I represent do. They paid into that fund. We owe them a trillion bucks. I say we pay them back.

What the gentleman from California (Mr. THOMAS) will not tell us is that the folks who owe 228 billion to the Medicare Trust fund do not care if we do not pay it back, because they can afford private insurance. My folks cannot. They paid into this fund. I say let us pay it back. What the gentleman from California will not tell you is the folks who benefit the most on this tax bill do not care if we do not repay $165 million to military retirees because that is not what they are counting on to live. But the folks I represent did earn that money. I say let us pay them back.

Mr. THOMAS. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, what have the Republicans done for Americans. We reformed welfare, reduced capital gains tax. We have removed the earnings cap that penalized working seniors. We tried to repeal the estate tax and the marriage penalty; President Clinton rejected those proposals, however.

Mr. Speaker, today we say to American taxpayers, you earned it, you will get to keep more of it. Fairness and equity at work. Many of my Democrat colleagues, and I do not say this critically, promote a big, bloated Federal Government. Many of my Republican colleagues, conversely, encourage the maintenance of a small, lean Federal Government thereby freeing up more money for taxpayers. Yes, the debt has stopped being ignored. The debt will continue to be paid down gradually, but we are not turning a deaf ear or a blind eye to the American taxpayer who earned it in the first place. American taxpayers, this is a good day for you. This is a victory for you.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, there are many reasons to vote against this bill. First, the numbers do not add up. The bill is much more expensive than advertised. I hear my colleagues say that all taxpayers will benefit. We know unless we fix the alternative minimum tax, that is not true, the bill is going to cost more money. It is based upon 10-year projected surpluses. CBO has never been able to project a surplus 2 years accurately let alone 10 years accurately. The surplus could be $2.5 trillion less than we are advertising.

We know that the passage of this bill will make it much more difficult for us to deal with Social Security, Medicare, prescription drugs, paying down our national debt and investing in education.

This bill violates our own budget rules. Section 303 of the Budget Act says we are supposed to have a budget before we bring up any revenue bill. The Committee on Rules waived that budget violation. Section 311 of the Budget Act says all tax bills have to be within the existing budget. This violates that budget rule.

Then we are trying to work in a bipartisan way. I heard the President over and over again say let us work together. One would think the first thing we would want to do is work out a bipartisan budget instead of bringing forward piecemeal tax bills. This is not a good sign for us working together in a productive way. This bill is reckless. This bill is wrong, and I encourage my colleagues to vote against it.

Mr. THOMAS. Mr. Speaker, I think a good sign to the American taxpayer would be voting tax relief.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HERGER), a member of the Committee on Ways and Means.

Mr. HERGER. Mr. Speaker, I rise in support of H.R. 3, the Economic Growth and Tax Relief Act of 2001. This legislation will provide real tax relief for American families at a time when it is urgently needed. Simply put, Americans are overtaxed considering that Americans today face a higher tax burden than they have at any other time since World War II. In fact, on average families today pay more in taxes than they spend on food, clothing and shelter combined.

Once fully phased in, President Bush's plan will enable the typical family of four to keep at least $1,600 more of their own money. This is real help for families trying to make ends meet. $1,600 will pay the average mortgage for almost 2 months. This relief will pay for a year's tuition at a community college or the cost of gasoline for two cars for a year.

In my home State of California, families will be able to use their tax refund to help cope with our State's high energy costs.

Let us be clear. If we leave the tax surplus in Washington, it will be spent on bigger government. Americans have been overcharged, and it is time to give them their refund.

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The legislation before us is a critical first step in this process. I urge my colleagues to support this legislation.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentlewoman from New York (Ms. VELÁZQUEZ), the senior Democrat on the Committee on Small Business.

Ms. VELÁZQUEZ. Mr. Speaker, I rise today in strong opposition to the President's tax plan.

My colleagues, we are here today to talk about tax cuts, but let us spend a little time examining how the President is going to pay for this tax cut. The President says his budget will increase access to capital and expand opportunities for small businesses throughout America. But let us be clear. This tax proposal is paid for on the backs of this Nation's small businesses.

To pay for what we are voting on today, the President's budget tacks on exorbitant fees for SBA loans that increase the costs on small business owners by up to $2,400 for each loan and $7,000 over the life of the average loan. Ask any small business owner and they will tell you that "fee" is code word for "tax."

But small businesses needing access to capital are not only the only ones being taxed. To add insult to injury, the President's budget proposal goes after those small businesses that have their businesses destroyed through a natural disaster. Many of the Members of this body have seen the effects of natural disasters. The assistance provided through disaster loans gives hope for small businesses. But the President's budget effectively kicks them when they are down by forcing them to pay an additional $7,000, making it impossible for them to ever rebuild their businesses.

I ask and I urge the Members to vote "no" on this ill-conceived tax plan.

Mr. THOMAS. Mr. Speaker, may I inquire about the time remaining on each side.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from California (Mr. THOMAS) has 17 minutes remaining, and the gentleman from New York (Mr. RANGEL) has 18½ minutes remaining.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Wisconsin (Mr. KLECZKA), a senior member of the Committee on Ways and Means.

Mr. KLECZKA. Mr. Speaker, the question before the House today is not whether or not we should have a tax cut; the question is what size should a tax cut be.

This meager little 7-page bill before us has a price tag of almost $1 trillion. Well, that is fine, but I ask my colleagues, is the $1 trillion here today? And the answer is no. That is a 10-year projection. So what we are in essence doing is committing money today that we think and hope and pray will come to Washington in the years 2006, 2009, 2011.

How many of my colleagues would plan a vacation based on a 10-year weather forecast? Would they reserve the hotel room? Would they buy the airplane ticket because they were told that on a particular week or day in the year 2009 it is going to be good weather? We would all think that is sheer nonsense. Well, my friends, that is what we are doing today.

So the Democrats are saying, let us go slower, and if in the year 2006 the surpluses, the projectors, the crystal ball is right, we will cut taxes again. We did this only 20 years ago. A similar Congress with a Republican President cut taxes. And what happened to the country? We ballooned the national debt from $1 trillion to almost $4 trillion. So what I see happening today is deja vu.

We have not paid off the old national debt. In fact, I saw a friend of mine at the airport and he said, JERRY, vote to send my money. I want my money back. And, I said, I am going to do that. But, my friend, what should I do about your national debt, totaling $12,500?

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume to merely respond that someone once said that everyone talks about the weather, but no one can do anything about it. This is tax reduction. We can do something about it. We can vote aye on H.R. 3.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), a member of the committee.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of H.R. 3.

The time is right. The time is now to give hard-working Americans substantial tax relief. It simply amazes me that Americans spend more in taxes than they spend on food, clothing, and housing combined. The tax burden on ordinary working people in today's America is higher than it has been at any time since World War II, and the average household pays two and a half times more in taxes than it paid in 1985. This is unacceptable. It is unfair. It is just plain outright wrong.

Let us look at what is happening to those tax dollars that they are pouring into Washington. For one thing, they are building up a surplus faster than at any time in our history. Just yesterday, our Secretary of the Treasury said that right now, this month of March, our surplus is $75 billion. A year ago, in that economic year, at the same time, it was only $40 billion. So in spite of the leveling off of the economy, the surplus is growing more rapidly now than it was a year ago. The surplus dollars are our taxes. They are just the fruit of the hard labor of the American people.

We can reduce the debt; pay it right down. We can spend on our priorities like education and health care; and, yes, we can and must reduce people's taxes. It is their money. They deserve a portion of it back, and they deserve that today.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank the gentleman for yielding me this time.

Despite our President's promises to end the partisan tenor in Washington, our congressional Republicans continue to use the same old tactics. This does not match the procedure the President stated as his goal. For the last 2 days, Congress has debated two extremely divisive issues. Yesterday, after 1 hour, we undid job-safety standards we had been working on for 10 years; and today we are considering a tax bill that could wipe out the current surplus and our effort to reduce our $5 trillion national debt.

What is worse, we are doing this without a budget. We do not know what else we are doing with the people's money. We do not have any contingency funds. We are just racing around this process with the hope that when we are finished we will still have some money left over.

We should have a budget in place before we start either spending or cutting revenue. We need to protect Medicare, Social Security, we need to pay down the debt, and we need to make sure there is money for our children's education, health care costs and energy bills. We can cut taxes, but we need to look at it responsibly, Mr. Speaker.

I support a broad and even retroactive tax cut. I do not want our citizens too overburdened by a tax system any more than our Republican colleagues do, but we know the priorities of our citizens is not immediately to have a tax cut.

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. PORTMAN), a valuable member of the Committee on Ways and Means.

Mr. PORTMAN. Mr. Speaker, I thank the chairman for yielding me this time, and I applaud him for this tax bill, which is a great tax relief effort; and I will be strongly supportive.

I want to just respond briefly to what my colleague from Texas said. I have never seen any President, Republican or Democrat, reach out so much to the other side. I look at some of my Democrat colleagues over here, who have been down to the White House with me to meet with the President, and I know they have been down there without me too, so he has reached out. He has tried to bring Democrats and Republicans together, and he has put together, with the gentleman from California (Mr. THOMAS) and the Committee on Ways and Means, a very responsible bill here.

First of all, it fits within the budget. The President outlined the budget last week. We are protecting Social Security and Medicare as we never have before. For over 30 years, we raided that trust fund. We are not doing that. We are protecting Social Security and Medicare. We are paying down the debt in a way we never have before. We are paying down more debt in his budget than we ever have in the history of this country. In fact, we are going to pay down all the available debt. So I do not know what people are talking about in terms of the debt.

After all that, we are going to have some spending increases in places like education and the military, and still there is room for tax relief for the hard-working American people who created every dime of this big surplus we have.

People are overtaxed. We just heard earlier people spend more on taxes now than they do on food, shelter, and clothing combined. We have the highest tax burden since World War II. Taxpayers in Ohio need some relief. I know they do. And they ought to get it.

Finally, I want to say that we need to do this for the economy, even if it did not fit in the budget so neatly, even if taxpayers were not so overburdened with taxation. Do any of us want to see us go into a recession? Every economist will tell us that tax relief is going to help the economy. It did when President John Kennedy passed tax relief, which incidentally was much larger than this tax relief. This is about half the size of John Kennedy's tax relief. When Ronald Reagan did it again in 1981, and incidentally it was a lot more than this tax relief, it was about three times higher than this tax relief, it helped the economy.

We can disagree on the impact precisely, whether it will help a lot or a little; but we know it will help the economy. In Ohio, people are talking about layoffs. Around the country all the economic data is very troubling. We have to do this tax cut to give this economy a boost, to be sure we can keep the good jobs we have, and expand the economy and continue the prosperity this country has enjoyed over the last decade.

Vote for this bill. It is good tax policy, it fits in the budget, people need it, and it is necessary for the economy.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may need to just advise my colleagues that the House rules say that the House has to have a budget, not the White House. That is the House of Representatives. And that we do not have.

Mr. Speaker, I yield 1½ minutes to the gentlewoman from Florida (Mrs. THURMAN), a member of the Committee on Ways and Means.

Mrs. THURMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, America's families decide what they can spend based on their yearly income and not 10 years out. Should we in the people's House act differently? No. Congress has no idea how it will meet our national priorities, Medicare, prescription drugs, education, tax cuts and more, because we do not have our national family's budget planned.

But the House is willing to jeopardize all of these priorities if the projections are wrong. If a family's projections are wrong, they must dig into their savings or take out loans. If our projections are wrong, then Congress will have to take out loans or use our savings, Social Security and Medicare.

Quite frankly, I do not know about my colleagues, but I do not want to go back to the time when interest rates were 18 percent, when working families could not afford to buy homes, when unemployment was high and underemployment kept workers at low wages. I think it is time for prudence to guide us.

I think we should first look at the country and give us a real honest and responsible budget with tax cuts, just like we did in 1997. I do not think that is too much to ask for.

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. CAMP), a member of the committee.

Mr. CAMP. Mr. Speaker, I thank the chairman for yielding me this time.

Over the next 10 years, the Federal Government will collect more money than it needs to operate. Even after setting aside money to protect Social Security and Medicare, the government will collect much more than it needs. If that money is left in Washington, there is no doubt that it will be spent, when in all fairness it should be returned to the American people.

Today, the average American family pays more in taxes than on food, clothing, and shelter combined. Every dollar that passes through the taxpayers' hands on its way to Washington is a dollar that could be saved for a child's education, used for necessary living expenses or household repairs. In my district in Michigan, I know these dollars could be used to help with the high cost of gasoline and heating fuel.

High taxes are not only a tax on the ability to create wealth for working people, they are a tax on opportunity itself; the opportunity for Americans to determine their own destiny, make their own choices, and keep more of what they have worked so hard to earn. These values are the essence of democracy itself. It is the people's money. They worked hard for it, and they deserve it. They deserve a refund.

Today, we have a great opportunity. It has been 20 years, since Ronald Reagan was a new President, to see any significant Federal tax relief. Let us vote to give the American people a refund.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. DOGGETT), a member of the Committee on Ways and Means.

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Mr. DOGGETT. Mr. Speaker, the notion that this tax bill will correct the economic slowdown is truly a fantasy. This proposal was concocted during last year's Republican campaign primaries. It was not developed during hard times, and it is certainly not designed for hard times. The only reason that its supporters seem preoccupied with the thought of recession is that they cannot sell this distorted tax cut any other way.

This year, the daily benefit to the typical American family of this tax bill will be less than the cost of one good cup of coffee. That is pretty wimpy help when you get right down to it. And if your family does not want to share a cup of coffee, you can use your big tax savings to buy a can of beans every day. Or, down in Texas, black-eyed peas, with a few pennies to spare. And not just any beans, you can get Bush's Best black-eyed peas or beans. In fact, if they have got coupons at the grocery store, you can probably get a couple of cans of beans so everybody will have extra helpings every day as a result of this Bush's Beans tax cut.

For the average American family, it is not $1,600. This year this is the Bush's Best Beans tax cut. And that is all that it amounts to. But while you get so very little immediate tax relief, over time, over 10 years, the wealthiest Americans get a huge bonanza of benefits out of this bill. The disaster that will occur to Social Security and our children's educational opportunities is a very, very serious one, if we approve this bill without ensuring that it can fit within an overall balanced budget. I am for all the tax relief that fiscal sanity will permit, but even the Republican economists have made it clear that this Bush tax cut is not about the economy, it is about overpromising to the privileged at campaign time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

I anxiously await creating a larger tax cut so the gentleman can add to the canned beans something he is quite familiar with, canned ham.

Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Illinois (Mr. CRANE), the senior member of the Committee on Ways and Means.

Mr. CRANE. Mr. Speaker, I rise in strong support of the Economic Growth and Tax Relief Act of 2001. When Governor Bush released his tax relief proposal during the campaign with tax reductions as its centerpiece, I knew we had the right program at the right time. I congratulate the gentleman from California (Mr. THOMAS) for moving the rate reductions so quickly through the Committee on Ways and Means. I urge my colleagues to support it, and I urge the Senate to pass the same measure at the earliest possible occasion.

I know many of our friends on the other side of the aisle are concerned that we have moved this bill so quickly. Some, like my friend the gentleman from New York (Mr. RANGEL), have said we should wait until we have a budget resolution. I respectfully disagree. There is no question the surplus projections will permit the size of tax cut before us without endangering Social Security or Medicare and without endangering our other priorities, including debt reduction. The only information a budget resolution would provide us is how much additional tax relief the Congress can provide this year.

I also believe it is imperative that we pass this bill without delay. We must act quickly to build credibility with the American people that this Congress will make good on the President's promise to cut taxes. We have experienced a high degree of gridlock in recent years. The American people are waiting to see if President Bush can work with the Congress to enact important legislation. Nowhere is this more true than with respect to tax relief. We have talked about major tax relief for many years, with little to show for it because of President Clinton's opposition. The American people, naturally enough, are skeptical that we will really give them the tax relief that President Bush has promised.

With our economy struggling, timely tax relief is exactly the right complement to the interest rate cuts made by the Federal Reserve in recent weeks. But the real effect of these cuts is not that it puts cash in people's pockets today but that it promises to reduce their taxes tomorrow. It is the expectation of lower tax rates that alters decisions to invest and work today that increases economic activity today and tomorrow. Incentive effects like these, which are the real engine of a tax policy that strengthens the economy, are forward looking. But for these incentive effects to take hold, taxpayers must have some confidence that the tax cuts will be enacted. And that is why we must act so quickly, to build confidence in the minds of the taxpayers that we will enact the promised tax relief, so that they can build these lower tax rates into their plans, so that the economy will strengthen more rapidly.

I urge my colleagues to support the bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. PELOSI), a member of the Committee on Appropriations.

Ms. PELOSI. I thank the ranking member for yielding me this time.

Mr. Speaker, today the Republican majority rises to a new level of recklessness and irresponsibility by proposing a tax cut which benefits the wealthiest Americans, giving 44 percent of this tax cut to the highest 1 percent of our country. And who pays for this gift to the richest Americans? America's working families. We all know that the biggest and best tax cut is low interest rates. Low interest rates on our home payments, car payments, mortgage payments, credit card payments. If we instead would pay down the debt instead of giving this gift to America's wealthiest, we would be able to enable America's working families to have the best tax cut of all.

We do not have the surplus Members are talking about here. First of all, we are talking about a tax cut based on a budget we have not seen, on a surplus we cannot guarantee, at a time when we have unmet needs in our country. We have unmet needs in education, in prescription drug benefits. Why should our children and our seniors pay for this tax cut to the wealthiest? I urge our colleagues to vote no.

Mr. THOMAS. Mr. Speaker, it is with great pleasure that I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a member of the Committee on Ways and Means.

Mr. ENGLISH. Mr. Speaker, I think the time has come for candor. We need to recognize that America is experiencing a slowdown. After we have seen the smoke clear from last year's election campaign, it became increasingly obvious that the economy was not doing as well as some had claimed. And in the manufacturing sector that makes up so much of the economy of my district, we are clearly experiencing a recession. We have an opportunity to move forward right now and change those dynamics. But the only way we can do it is by recognizing that in this background, we are imposing the heaviest tax burden in peacetime ever on the American economy, and we need to recognize that if we are going into a recession, the last thing on earth we want to do is run a huge surplus.

Our tax bill would address that issue. Our tax bill would stimulate the economy, lower the tax burden and encourage growth, savings and investment.

A recent study by the Heritage Foundation of H.R. 3 suggests that this bill would clearly increase economic growth, increase investment, increase savings, increase family income and over 5 years create 500,000 new jobs. Now, our opponents are making phony procedural arguments against the bill and using strange numbers. But the fact is they want to spend the money. We want to give it back to the American public so it can stimulate the economy and get our economy back on a growth track. There is nothing more urgent facing this Congress than the right kind of economic policy. We should act swiftly to pass this tax cut and send the resources back to the economy.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Iowa (Mr. BOSWELL).

Mr. BOSWELL. Mr. Speaker, I will recall again, if I could, for all of us that the President came up to Nemacolin here a few weeks ago and he shared with us and we appreciated it very, very much. We asked him there, can we see a budget? And he said yes. And that has come forth. None of us expect that to be a perfect document. We have the gentleman from Iowa (Mr. NUSSLE) and the gentleman from South Carolina (Mr. SPRATT) to work on that. We would like to see what they will produce and come forward with.

So I am wondering, is this a criticism, what we are doing without a budget, is this a criticism of the President's ability to lead or is this a criticism of the folks to follow? We have got our work to do. We have not done it. Common sense would tell us we would not expect to do this with a business or a family. We have heard those comments made several times. We would not go ahead and do something to our family and plan a vacation and not have kids to have their shoes for school or whatever. We would not do that. Let us not gamble on our future. We do not have to. We have got a better situation. We do not have to do that.

A little bit ago, someone referred to 1981. We do not have the luxuries of 1981. We do not have a $1 trillion debt. We have got $5.7 trillion. We ought to deal with it.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN), one of the newer members of the Committee on Ways and Means.

Mr. RYAN of Wisconsin. Mr. Speaker, I thank the chairman for yielding me this time. I have been listening to this debate with a lot of wonder. I am a newer member to the committee and a newer Member to Congress. It is amazing to me the excuses we are hearing to further separate people from their own money. We hear that this tax cut is just too big, it is irresponsible, we cannot handle it. I refer Members to this chart which shows that this is six cents on the dollar, six cents on the dollar that every American taxpayer is sending to Washington over the next 10 years. $1.6 trillion out of $28 trillion.

More importantly, what is this all about? People are overpaying their taxes. Everybody who pays income taxes are overpaying their income taxes. That is why we are trying to pass this now. I hear this bizarre excuse that the process is wrong, that we should do this bill in October, not in March. I encourage Members of Congress to take a look at this chart. This was the cover of Newsweek not too long ago: "Laid Off, How Safe Is Your Job?" In the First District of Wisconsin, we are losing jobs by the thousands. We do not have time to wait to give people money back in their paychecks. Energy costs, job rates, they are chewing up the paycheck of working Americans. We are trying the highest tax burden we have in the peacetime history of this Nation.

It is time, it is more than time, that as people overpay their taxes, especially after we are paying off the debt and protecting Social Security and Medicare, as people continue to overpay their taxes, we give them some of their money back. That is what we are doing today. All of these excuses are other attempts to further separate people from their own money as they overpay their taxes, so, guess what, they can spend that money here in Washington.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Nevada (Ms. BERKLEY).

Ms. BERKLEY. Mr. Speaker, I came here today to vote for an across-the-board tax cut, but the tax cut that I support must be fair, it must be responsible, and it must ensure that this country pays down its national debt. Sadly, this tax bill does none of these things.

When my constituents in southern Nevada sit down to figure out how much of their paychecks they can afford to spend, they know better than to spend money they do not have, or money that they need to pay their bills, or money that they might earn in the future. Unfortunately, this Congress has not learned these simple lessons. We are getting ready to pass a very large tax cut. How will this tax cut affect our education system, our seniors, our prescription medication plan, our veterans, our military? We do not know, because we have not got a budget yet.

I want to pass a large tax cut but to do so without a budget, without protecting Social Security and Medicare, without paying off our national debt is irresponsible and inappropriate. We should be here voting on a bipartisan bill that fits our budget and helps American families. We are not. We are attempting to ram something through without hearings, without input, without reasoning.

It is very disappointing, Mr. Speaker. I cannot condone this process, and I am not going to be a party to it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, like most Members of this body, I support tax relief. But today we are debating this bill in clear violation of the budget law which states, quote, the concurrent resolution on the budget must be adopted before budget-related legislation is considered.

This body is in violation of sound budget procedure, and we are in violation of common sense. Who among us would dream of building a house without a blueprint? That is what we are being asked to do: to shout through a tax cut costing $1 trillion on the way to $2 trillion, benefiting mainly the richest 5 percent of taxpayers, before we have a budget resolution or a detailed budget proposal from the administration.

With this tax bill, we would bet the store on shaky surplus projections, more than two-thirds of which are more than 5 years away. If you need any lessons on the unpredictability of projections and forecasts, just ask the school children in my district about the snow day they were promised last Monday!

This bill would compromise our ability to pay off the national debt. And it would make it impossible to meet the obligations both parties have made without a high and unacceptable risk of deficit spending.

This is a case of putting the cart before the horse if there ever was one. Vote no.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, Abraham Lincoln called on the better angels of our nature. President Franklin Roosevelt asked us to set fear aside. President Kennedy asked for sacrifices to enhance the common good. But the rallying cry of the Bush administration is, "It's not the government's money, it's your money." That is a shriveled-up vision of what the American people care about. We are better than that. The American people want and deserve lower taxes, but not a cut so large that seniors still cannot afford their drugs, our kids are stuck in inadequate schools, and baby boomers lose benefits under Social Security and Medicare. This Republican tax cut is a clarion call for more spending on luxury goods by the wealthiest Americans.

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To those seniors who cannot afford their prescription drugs, this bill says forget it, they are on their own. To those students, teachers and parents who know that our schools need full funding of special education, this bill says, forget it, they are not a high priority.

To the baby-boom generation not far from Medicare and Social Security, this bill says forget any help from general revenues any time soon.

Support the Democratic alternative.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am just a little bit confused now. I thought all we were giving was a can of beans and now we are depriving virtually every American of a significant portion of their share of the American pie. I just really wish my colleagues on the other side would get together on their side in terms of which argument it is going to be.

Mr. RANGEL. Mr. Speaker, will the gentleman yield? It is as clear as it could be.

Mr. THOMAS. If the gentleman wants to yield on his time I would be more than willing to do that.

Mr. RANGEL. No, because I think it is very clear what we are doing. The gentleman is making it cloudy.

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS), a valued member of the committee.

Mr. LEWIS of Kentucky. Mr. Speaker, in the true spirit of bipartisanship, I want to be as partisan as my colleagues across the aisle. There they go again. They say they want tax relief, but actions speak louder than words. Their history: Big spending, big taxes, big government, and they are fighting with all their heart, mind, soul and body to stop tax relief. That is the bottom line.

The sad part about this is that the President offered a hand across the aisle in a true bipartisan spirit for their help to give the American people a refund on their money. What did he get in return? A partisan slap in the face.

I think that beyond a shadow of a doubt what has been displayed here today with the Democratic dilatory tactics, the American people can see what the Democrats are all about. They have never seen a tax cut that they like. They have never seen a tax increase that they have not liked. They have never seen a big government spending bill that they would not vote for.

Mr. Speaker, let us get the money, the tax money, out of Washington and in the pockets of the American people.

Families need help, not Washington bureaucrats. If the Democrats refuse to help and Republicans have to do it alone, so be it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I want to thank the distinguished ranking member, the gentleman from New York (Mr. RANGEL), for yielding me this time.

Mr. Speaker, I have to say if we get any more bipartisan than we are here today, it is going to be an absolute miracle. We will have to remove the center aisle.

We favor tax cuts, but we do not favor a bigger debt. We are not in favor of running up the debt another $5.7 trillion. We are not in favor of our children having to pay off this debt. We are not in favor of not having a budget, not having a spending plan that will protect our children and protect Social Security and Medicare like both parties have over and over promised to do; provide an education for our children; do a better job for our national defense; take care of our farmers and our agricultural industry in this country and provide better infrastructure.

We all know we have to do that to be a successful Nation, and at the same time we can have these tax cuts but we need to have a budget first. This is absolutely ridiculous.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, we have an historic opportunity to pay down the debt, cut taxes substantially for middle-class and working families, provide a Medicare prescription drug benefit for seniors and invest in the children of our country in education. Instead, we are snatching deficits from the jaws of surpluses.

Families watching this debate across America have to be scratching their heads. When they consider making major financial commitments, they first sit down at their kitchen tables with a pad and a calculator and see if they can afford it. When they cannot afford to repay their debts, they pay down those debts before using the money to buy new goodies. But some in this body, I guess, know better than the American people, because today we are passing a trillion dollar tax cut in a budget vacuum, and we are making excuses about why we cannot pay down the debt. Only in this Congress do we strap on a blindfold before making major fiscal policy decisions.

We can do better than this, and the American people know it. I urge a no vote on this bill.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, it has been said that those that refuse to learn from history are doomed to repeat their mistakes. I want to say that I support a fair, reasonable and affordable tax cut; but I cannot support this proposal because we have had no hearings; there is no budget; and there have been no opportunities for us to express our shortcomings with this proposal.

I want to also illustrate that if we are using the Texas model, and this is where history comes in, and President Bush has said over and over again he is using the Texas model, I want to point out that a Democrat and a Republican State Senator have said the following: Senator Chris Harris, Republican, said, we made tax cuts because we thought we had this huge surplus. I might have voted a little differently on all of these tax cuts had I realized that we were only funding 23 months of these programs.

A Democratic Senator said, we should have taken a harder look at the tax cuts. We did not look down the road and so now we find ourselves, as a result of these budget priorities, in a difficult hole.

This is what has happened to Texas because of two enormous tax cuts that then-Governor Bush proposed.

When he was asked about this on the campaign trail, then-Governor Bush said, I hope I am not here to deal with it.

Well, guess what? Texas is dealing with this hole today, a deficit that is as red as my tie. It is important that we not repeat the mistakes of the past.

I think it is more important that we realize that we must have a sensible, affordable tax cut proposal and not my way or the highway proposal.

I hope we do not repeat history again.

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. COLLINS), a member of the Committee on Ways and Means.

Mr. COLLINS. Mr. Speaker, for 8 long years I have waited to tell the people of Georgia that the President of the United States has sent a bill to Congress which will reduce the tax burden on every taxpayer in America. That day has come.

Mr. Speaker, the previous administration was not only taxing Americans' wallets but they taxed their patience as well.

We suffered through 8 years of either tax hikes or so-called targeted tax cuts which were awarded to selected Americans who met certain criteria, who agreed to jump through certain hoops.

This Washington-knows-best type of tax policy is ending. Today we are considering across-the-board tax relief to all Americans, to all taxpayers, of every level so that they can keep more of their earnings and spend those earnings as they wish. They can save the money or they can spend it. It is their money so it should be their decision and not Washington's, Mr. Speaker.

The same old, usual complaints from those who are pained to see this money escape from Washington unspent we are hearing over and over again today. They say tax relief is too expensive, but the President's tax relief amounts to only 6 percent of all Federal revenues over the next 10 years.

They say it is unfair, but what is fairer than returning the overpayment of taxation back to the people who paid the taxes in in the first place? What is fairer than including the tax relief as part of a plan which strengthens defense, improves education and sets aside payroll tax dollars for Medicare and Social Security? What is fairer to the future generations than passing this relief as part of a plan which will allow us to responsibly pay down the publicly held national debt?

Eight years and coming, Mr. Speaker. Today is the day; now is the time to act. I urge a yes vote on this tax reduction bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Speaker, the President's tax plan is a gamble. It is a risky gamble. It is true, it is the public's money. The Bush plan is gambling with the public's money. It is gambling because there is no budget, and there is no clear indication what it would mean for education, for prescription drugs and others. It is a gamble because it would use 75 percent of the projected surplus, 75 percent, and leave little else for other things. That is only a projected surplus.

We have learned in the past how risky those projections are.

It is a gamble because 1 percent would receive over 40 percent, the highest 1 percent in income would receive over 40 percent of this tax cut, and they have their own money all ready for a gamble.

Some gambled in 1981, and it resulted in the highest deficits in the history of the world. Our alternative is fiscally responsible. Let us pass it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana (Mr. JEFFERSON), a member of the Committee on Ways and Means.

Mr. JEFFERSON. Mr. Speaker, I just saw a member of our Chamber of Commerce from back home who urged me to vote for this bill, and I told him it was incredulous to me how a man could fiscally ask that sort of question of me, because I reported to him that if he had had a great year at his business and could look down the road and see 4 or 5 other great years but had a big debt at the bank, what would he do about it? Would he send a dividend down to his shareholders or would he pay off his debt in advance?

He had to admit he would pay his debt off because to do anything else would be irresponsible.

This debate is uninformed by the claim that this is the people's money. Of course it is, as are all the taxes which are paid by the people. Does that mean we send all the taxes back to the people because it is their money? Of course, it does not. It means that the folks have entrusted us to make some fiscally responsible decisions about the expenditure of that money for their government. The money is here to support the government, support things that people cannot do by themselves that we do collectively. That is the whole idea behind it. We are making fiscally imprudent choices, unwise choices for the people now, and we are violating the trust of the public in sending back their money to them when we need to have our money spent on priorities that will meet the needs of the people back home.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Rhode Island (Mr. KENNEDY).

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise in strong opposition to this Reaganesque, trickle-down tax cut that will not spur the economy and will further deficits.

We are debating here today more than what the IRS's next batch of forms will look like. President Bush is proposing a major shift in our national priorities. The real debate here is over the sort of society we want to have, about the degree of responsibility we as a community are prepared to accept—for each other, and for the future. The question of taxes is merely a vehicle for this larger question.

I believe that the President's tax plan is a betrayal of the rhetoric he has used to cloak himself as a moderate. He claims that he is determined to leave no child behind, but he will leave millions behind if his plan becomes law. He talks about instilling a sense of responsibility, but proposes to saddle future generations with tremendous deficit. He touts help for working Americans while dramatically widening the income gap.

This bill, and the tax plan of which it is a part, is bad for America. I understand the House leadership's desire to pass it as quickly as possible, before the American people take a close look.

Because if they examine it, they will see that it rests on pie-in-the-sky economic forecasts. No responsible family would commit itself to spending patterns based on guesses about its income in ten years, and neither should the government.

They will realize that we have been here before, we have experimented with enormous tax cuts with disastrous consequences. The country cannot afford a return to the discredited supply-side, trickle-down economics of the 1980s.

They will notice, as the Republicans wish they wouldn't, that the tax cuts are appallingly tilted to the wealthy. Our nation has rarely been as polarized between rich and poor as it is today, yet the Bush plan would direct 43 percent of the tax cuts to people earning more than $300,000 per year.

And they will, I believe, agree that we have higher priorities as a nation than unfair, economically suspect tax cuts that will return the country to deficits and prevent investment in our people and our future.

To put the choices that we face in context, I'd like to ask you to imagine you had a brother. Imagine your brother graduated from college and got a good job with a decent salary. But your brother has expensive taste. In the years that followed he lived high on the hog. His earnings weren't enough and he borrowed to keep that lifestyle going.

At 35, your brother was pretty much maxed out on the credit cards, the mortgages, and the car loans. He was swamped with debt and spending nearly twenty percent of his income just on the interest.

So your brother, bless his soul, changed his ways. He tightened his belt, reined in his extravagant taste. Over the next eight years, your brother was paying down his enormous credit card balances, slowly. Although he's a long way from paying off his debt, he's finally started bringing in more money than he's spending, by a little.

Of course, his new approach was not without cost. He has been unable to put money away for his kids' education, or save for retirement, or pay for needed home repairs. But at least he's now in a position to do so in the future.

And now imagine that your long, lost Aunt Millie has died and left him a big pile of dot-com stock options that vest in five to ten years. He calls you up, really excited. "I'm back in the money!" he says, imagining himself at the wheel of a Lexus, already plotting his new spending spree.

How are you going to respond to your brother? He's 43 now. He's spent eight years digging himself out of the mountain of debt created during his youthful indiscretions. He has been unable to provide adequately for his children or invest for the future. But in those stock options, he sees a big glittering pot of gold—never mind that you never know what the stock market might do.

So what will you tell him?

I've belabored this little story enough, but it does illustrate the juncture at which our country stands. The choices we make tell a lot about our values. This country is your fictional brother, poised to head off to Vail. What will we say?

The language of this debate is tax policy, but the substance of it runs much deeper. This debate is about priorities. It is about the sort of community we choose to make for ourselves. It is about our young children and our elderly parents, about the working poor and the uninsured, about creating an America we can be proud of.

We live in a national community that allows forty-three percent of its children to grow up poor enough to qualify for free or reduced lunches. Forty million of our citizens go without health insurance. Our public education system frequently consigns children to classes of thirty or more in crumbling buildings, without textbooks, where everyone including the students knows they will not learn what they need to know to escape poverty.

How can we possibly look at our society and conclude that addressing poverty and health insurance and education are less important than huge tax cuts? If we as a nation do reach that decision, what does it say about our American community? What does it say about us?

This choice is real. President Bush and the majority may try to spin it otherwise, but there is not room for both massive tax cuts and plans to address needs like health care, education, and Social Security in any meaningful way.

Underlying this new tax-cutting mania is the famous surplus. Let's look at that surplus. The Congressional Budget Office recently estimated the ten year surplus at five-point-six trillion dollars.

But nobody, including the CBO, knows what will happen five or ten years in the future. If you want proof, just go back to some old CBO projections. Only five years ago, the CBO was predicting deficits as far as the eye could see. The estimate for fiscal 2000 alone was off by almost half a trillion dollars! And that was only four years later. The prediction made five years ago for a single year, 2006, differs by nearly a trillion dollars from the estimate made this year.

As you can see, these numbers are not exactly rock solid. The estimated surplus is not money in the bank. In fact, more than 70% of the surplus that the President proposes to spend is projected in years six through ten. But if the CBO's five year projection is off by a half-trillion dollars again, there is no surplus.

So point one is that we are playing with dot-com stock options here. We are as reckless as your zany brother if we spend trillions of dollars now on the assumption that the ephemeral surplus will materialize as predicted.

It's also important to realize that more than half of the surplus predicted by the CBO belongs to the Social Security System and to Medicare. We shouldn't spend that money on tax cuts.

And we need to be prepared for future growth. The CBO estimates and the Bush tax plan assume that spending will increase only at the rate of inflation. This assumption is unrealistic because the population keeps growing. Every year there are more cars on the road, more travelers in airports, more students in college, more children eligible for Head Start, more kids in our public schools. We need to increase spending just to keep up with the increasing demand on government services.

The Bush tax plan ignores these considerations. Not only does it rely on untrustworthy numbers, it threatens to dip into Social Security and Medicare and it ignores the need for increased spending.

And nobody in Washington is talking about the ripple effect that this will have at the state level. As federal taxes are cut, state and local taxes, which are often at least partially tied to the federal tax rate, are going to have to be increased to make up the difference. In addition, because the federal government will have to cut back even further on services, pressure will mount on the states to pick up the slack. In a small state like Rhode Island, that prospect is particularly ominous.

So this bill and the Bush tax plan, first, rely on numbers nobody in their right mind would count on, and, second, spend even more than those numbers estimate to be available. If this sounds eerily familiar, that's because it is.

Like your hypothetical brother, this country has spent the better part of two decades trying to put its financial house back in order after the massive Reagan tax cuts of 1981. We have watched more and more kids wind up in poverty, counted the steady increase in the number of uninsured Americans, seen schools deteriorate, pleaded poverty as students struggled to keep up with escalating college costs, buried our heads in the sand about Social Security and Medicare's coming demographic crisis—all in order to slowly, painfully, clean up the mess caused by the last giant tax cuts.

But like your spendthrift brother, George W. Bush and the Republicans in Congress can't help themselves. The instant gratification of tax cuts overwhelms common sense borne of twenty years' experience.

We are witnessing the restoration of Reaganomics. The Republicans were wrong in the early '80s when Ronald Reagan promised that the huge tax cuts would balance the budget by 1984. Instead, we had the biggest deficits in history, the accumulation of a 4 trillion dollar debt, and higher interest rates. They were wrong again in 1993 when they insisted that raising the rates on the wealthiest taxpayers to pay down the deficit would cause economic disaster. Bill Clinton and the Democrats passed that budget without a single Republican vote and it began the biggest economic boom our country has ever seen.

For most people who lived through the last twenty years, supply-side economics has been thoroughly discredited. After the Reagan tax cut passed the House in 1981, short term interest rates shot up two full points in ninety days. The Dow fell 11 percent in the two months after the tax cuts became law. Within a year, four million Americans were out of work and the unemployment rate was in double digits.

Even David Stockman, who orchestrated the Reagan tax cuts, admitted in his 1987 book that the "fiscal wreckage" of that time was the result of the "basic assumptions and fiscal architecture of the Reagan Revolution itself."

It unfortunately appears, however, that George W. Bush missed the lesson about the folly of supply-side economics. Not only is he going back to the supply-side policies that brought on massive deficits, he is advertising this tax cut plan as tonic for the economy. But this is just old wine in a new bottle. Long before the warning flags went up about the slowdown of the economy, he was saying gargantuan tax cuts were needed.

You can tell his plan is not intended to be an economic stimulus by its structure. If you wanted to help the economy now, you would put more money in the pockets of working class people, the people who are having trouble meeting their bills, as soon as possible. Not only are the Bush tax cuts mostly backloaded, due to take effect six or more years down the road, but they are heavily tilted towards the wealthy. They are not economic medicine, they are economic poison.

It is a question of priorities. Are we going to rely on numbers that nobody thinks are accurate and then squander the entire surplus that might or might not materialize? Are we going to gamble away your future in the hopes that the budgetary roulette wheel comes up black? Are we going to tell the children on Head Start wait lists, the seniors unable to afford prescription drugs, the families made homeless by the lack of affordable housing that they have to wait another twenty years? What sort of community do we want?

And if we do cut taxes, we must ask for whom? Under the Bush tax plan, 43 percent of the tax savings would go to the wealthiest one percent of Americans. That means people earning more than $319,000 are receiving a huge windfall. What about working folks, the forty percent of our citizens who earn less than $25,000? They get a measly 4.3 percent of the President's largesse.

The President touts his big income tax rate cuts, but four out of five American workers pay more in payroll taxes than they do in income tax. In fact, most workers earning under $35,000 per year don't pay any income tax at all. Therefore, a typical family who could really benefit from a tax cut is left out. Even the Wall Street Journal, hardly the mouthpiece of the left, has written that the affluent stand the most to gain from the Bush tax cuts.

Take a home health aide in Woonsocket, in my district, struggling to make ends meet on $13,600 per year or less. The President's helping hand to her is a tax cut totaling $42—I hope she doesn't spend it all in one place. I know it's not a lot, but that's all that's left after giving Bill Gates, Ross Perot, and the rest of the richest one percent their average $46,000 tax cut.

Don't be misled by the $1,600 average tax cut that President Bush advertises. Remember, that includes the hundreds of thousands of dollars that the Bill Gateses of the world will save. You're not likely to see $1,600. Eighty-eight percent of taxpayers—or virtually every family making less than six figures—will receive less than that. In fact, a quarter of all taxpayers will see zero benefit from the Bush tax plan according to the Washington Post.

Another pillar of the Bush tax plan is the elimination of the estate tax, or inheritance tax. This tax is currently paid only by the wealthiest two percent of families. If a couple's estate is worth less than $1.3 million, they pay no estate tax. In other words, one of the Republicans' highest priorities is $50 billion per year in tax relief for millionaires.

By ending the estate tax, the President would be allowing the richest Americans to avoid paying any tax ever on over a third of their wealth, on average. Over half of the value of the average estate worth more than $10 million has never been taxed. A working, single mother here in Bristol has to pay tax on every dollar she earns, but the Republicans are proposing to let millionaires and billionaires go tax-free on a substantial portion of their earnings. Plus, eliminating the estate tax is likely to sharply curtail charitable giving, further hurting the poor. Some estimate that donations to charity could drop by 90 percent.

Even provisions that could help working people if done right are skewed towards more affluent taxpayers. The Republican plan to eliminate the marriage penalty in the last Congress was structured in such a way that 89 percent of the benefits would go to those making more than $75,000 per year. The increase in the child tax credit the President proposes is nonrefundable, which means most working class families will not see the benefit of it.

If you were serious about helping working people, why would you not make the child tax credit refundable? A credit against your income taxes isn't helpful if, like most working families earning less than $35,000, you don't pay income tax.

Again, it's a question of choices. As MIT Economics Professor and New York Times columnist Paul Krugman has written recently, it is not class warfare to point out that the Bush tax cut disproportionately benefits the very, very affluent. It is, instead, a debate over priorities.

George W. Bush ran like Bill Clinton but is already governing like Ronald Reagan. He talks a good game, but his actions belie his words. He trotted out working folks for photo ops, but if those appearances had anything to do with his tax plan, he should have been standing there with some of his wealthy friends who stand to gain twenty to sixty times the families brought in as props.

The Republicans justify this reverse Robin Hood approach by saying that the affluent get the biggest share because they pay the most in taxes. Well I say that they also gained the most from this economic expansion. The wealthy have already received the upside of the economic growth. It's time that the working men and women who made this surplus possible saw some of the benefit.

During the booming '90s, from 1988–89 to 1997–98, the poverty rate in Rhode Island increased by 3.9 percent. A far greater percentage of Rhode Island children qualify for free and reduced school lunches now than at the beginning of the '90s.

In other words, the benefits of the expansion have gone predominantly to the wealthy.

In fact, it wasn't until halfway through the expansion that regular working folks saw their incomes rise at all. And even today, the bottom twenty percent is still earning nearly nine percent less in real dollars than they did in 1979.

And now the President is proposing to give 43 percent of a multi-trillion dollar tax cut to people whose incomes average $900,000 per year. The income gap is already the widest it's been in decades. The wealth gap is even wider. I want to ask George Bush and the Republicans in Congress, how wide must that gap be before tax cuts are shared fairly?

This discussion is not just about the arcane minutiae of the federal budget. This discussion is about people's lives. It is about asking ourselves what matters most. Are we the kind of people who will cause our children to go without, who will blithely blindfold ourselves to the needs of the future, to gratify our short-term wants?

Before we pass any tax cuts, we first must take a long, national look in the mirror.

I look at our society and I am not satisfied. I see a failing education system, skyrocketing rents, uninsured children, and critical shortages of quality childcare. I see a retirement system that we know for a fact will soon require large infusions of cash to maintain the status quo. I see millions and millions of our fellow citizens working 160 hours more per year for less money than they earned a quarter of a century ago.

I see an America with many needs more pressing than massive tax cuts for the wealthy.

Medicare needs a prescription drug benefit. Students need help affording college. Children need day care and Head Start programs. Our schools need teachers and textbooks. Our workers need health insurance. Social Security needs reform. Families need affordable housing.

A community, like a garden, requires tending. We are finally in a position to give our garden some of the water and sunshine so long denied. We have labored for years to put our fiscal house in order, so that we would be able to do things like responsibly reform Social Security before it's too late or help communities build new schools. We are in a position to invest for the future, but like a happy-go-lucky big spender, the very prospect of money is burning a hole in some politicians' pockets.

Twenty years ago we closed our eyes to hopelessly optimistic economic predictions, and allowed an affable President to gamble our future on a dubious economic theory that promised us the moon. He told us we could afford to eat dessert before dinner, we could get big tax cuts and a balanced budget. We made some decisions about priorities that led to trillions of dollars in national debt, the biggest deficits in our nation's history, more poverty, and fewer federal investments in people. Are we going to make those decisions again?

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. HILL).

Mr. HILL. Mr. Speaker, my wife and I taught our three daughters to eat their dinner before they could have their desert. What this House is doing today is they are trying to have their dessert before they eat their dinner.

Now, the way we eat our dinner here in Congress is we write a budget. We sit down and we decide what our priorities are going to be. We answer some difficult questions, like how do we balance tax cuts against paying down the national debt? How do we balance tax cuts against protecting Social Security and Medicare? How do we balance tax cuts against supporting the men and women in our Armed Forces, our farmers, and our veterans? That is what budgets are for.

Mr. Speaker, we are going to get our dessert this year. We are going to have a tax cut this year, but we should eat our dinner first. We have to figure out how to fit this tax cut into a responsible budget framework. Let us pass the budget first, then cut taxes.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the problem is that the Federal Government has been eating the American taxpayers' dinner for too long. We would just like to give a little of it back.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a new member of the Committee on Ways and Means.

Mr. BRADY of Texas. Mr. Speaker, the American people are a lot smarter than folks in Washington give them credit for. They know that tax cuts do not cause deficit spending; spending causes deficit spending.

They understand that today they are footing the bill for a million dollar, two-hole outhouse, that is a million dollars for an outhouse the Parks Department recently built. They know that they are footing each year $2,000 a fish each year to help some salmon get back to their spawning ground. For $2,000, we could put each fish in a first class seat and fly them from the mouth of the river and back and still save money.

□ 1515

Common sense says the best way to pay down the debt and to keep these surpluses going is to keep our economy strong, and that is what this tax relief bill is about.

We are facing recession, and we are working hard to stay out of it; but we know if a recession occurs, that 3 million American families will lose their jobs. That is 3 million families that are going to have a lot of hurt.

Now, maybe we cannot save all of those jobs, but we can surely save some of them; and there is a good chance we can save a lot of them, and we ought to do our very best to do that. I know there is a lot of pressure on my Democratic friends to not go along with the

President, to not work with him; there is a lot of bitterness from the past election, But those who will be laid off are not Republicans or Democrats, and the small businesses and their employees are not Republicans or Democrats, they are Americans. I would ask them to work with us to try to save this economy.

Mr. RANGEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. SANDLIN) to close debate.

Mr. SANDLIN. Mr. Speaker, Herbert Hoover said, "Blessed are the young for they shall inherit the national debt."

We do not need another Herbert Hoover. Americans deserve tax cuts. We can afford tax cuts. We support tax cuts. But it is irresponsible to consider a tax bill before we have a budget. Not only is that course irresponsible, it is contrary to the law. The Congressional Budget Impoundment Control Act of 1974 says that a budget must be enacted before consideration of a tax bill. Congress makes laws and expects the public to follow the laws. We should do no less in the United States Congress.

Finally, make no mistake about it: across-the-board seems to indicate that everyone will share. That is a serious misnomer. Most people believe that they will share. The truth is under the Republican plan, across-the-board means 44.3 percent of the relief goes to the richest 1 percent of the people, and that is just not fair.

Mr. Speaker, I encourage my friends watching in Texas to look at their friends to the left and look at their friends to the right, behind them and in front of them. They have not seen one person who benefits by this plan. Not one person in Texas. We tried this trickle-down before. Trickle-down dried up at the Red River. Mr. Bush, Senior, knew what to call it. He called it voodoo economics. Here we go again.

Mr. THOMAS. Mr. Speaker, I yield myself the remainder of the time. I tell my friend, he probably ought not to use Herbert Hoover as an example. That President raised taxes and plunged us into the Depression. We are here cutting taxes.

Mr. Speaker, talk is cheap. We hear talk about the weather, we hear excuses about process, we see props like cans of beans. Please, why is it so hard for the folks on the other side to say yes? Yes to returning a little bit of the tax surplus to those who paid it: hardworking Americans. Every taxpayer gets exactly the same tax reduction; no matter what my Democratic colleagues say, it is true. It is in these seven little pages. It is here. Every American this year gets the same reduction.

Just say yes on H.R. 3 and relieve your pain.

Mr. BLUMENAUER. Mr. Speaker, the beginning of this Congress has been dominated by discussions of President Bush's massive tax cut proposal—a proposal which, after accounting for the true costs to government, is likely to cost close to $2.6 trillion rather than $1.6 trillion over the next 10 years.

It is also the most important issue that we'll face over the next six months. Not only will it dominate the news; whether and how much to reduce government revenue will also frame every policy debate in Congress. The decision will determine our ability to honor our health care commitments, protect our environment, educate our children, defend our country, or keep our economy strong.

For many in Washington, cutting taxes has become the popular mantra. Gone is concern for the 1997 Balanced Budget Agreement, which instituted spending caps to help reduce our national deficit. Now, however, Congressional leaders are winking and nodding at those unrealistic restrictions and empty past promises, hoping the American press and public won't notice.

Since coming to Congress in 1996, I have based my fiscal policies and budget decisions on five principles—principles that continue to guide my responses to the current tax cut proposals:

1. Tax reductions need to be fair. Every Oregonian should be positively affected by these tax reductions, not just a selected few. The Bush proposal ignores the largest burden for most Americans: payroll taxes. Hardworking families who need help the most should have their burden reduced as much as those who are the most well off. Approximately 146,000 Oregon families are left out.

2. We must honor our promise to fund Social Security and Medicare. These obligations are not diminishing over time; in fact, they are growing larger each year, as the baby boom generation retires and requires increased medical assistance.

3. We need to pay down our $6 trillion national debt. This single act is the most effective way to lower government spending—and reduce the long-term interest costs for American families and business.

4. We must avoid future funding shortfalls. The robust economy of the past few years has lured many states-Kansas, North Carolina, and President Bush's own state of Texas, among others—into cutting taxes and fees, only to find themselves struggling to fund basic services.

5. We need to honor the commitments we've made to provide health care for our seniors, education for our children, and a cleaner environment.

Time and again, my constituents tell me that honoring these obligations and commitments takes precedence over reduction in taxes.

Ms. LOFGREN. Mr. Speaker, I have received a lot of advice from my constituents about H.R. 3, President Bush's tax cut proposal. Mostly my constituents have told me not to vote for this plan, although some have urged support. I have listened carefully and read every letter and email. I've thought about what people back home have told me. I take very seriously my responsibility to act prudently in this matter.

I have heard President Bush and other proponents of H.R. 3 say that the surplus "belongs to the people" and that "the people have overpaid" and "the people deserve a refund." Well what about the accumulated national debt? That doesn't belong to some other group of people. What that phrase overlooks is that the accumulated national debt, over 4 trillion dollars, is also "the people's national debt." That debt needs to be paid, and if it is paid, it will be paid off with "the people's money".

In listening to my constituents, as well as economic experts, I have focused on several elements.

First, there is concern among many that a softening of the economy could be countered with a tax reduction that would stimulate consumer spending and help counter recessionary trends. I think it is important to underscore that the American economy is not in a recession, but it is also clear that softening has occurred. In addition to providing relief to taxpayers who want and need it, I agree that a tax reduction effort might well have a salutary impact.

To maximize this benefit, the tax cut should be quick, should be directed towards those who will spend it but must also avoid deficit spending. H.R. 3 falls short in these requirements.

Second, if we enact a tax reduction plan we must exercise care to insure that we avoid returning to the days of deficit spending, a phenomenon we have only recently escaped.

I have focused on the need for fiscal responsibility for the 22 years I have served in public office. As a member of the Board of Trustees of the San Jose-Evergreen Community College District in the late 1970's, I was part of the coalition that reduced administrative costs by more than 25%—and put the money into the classrooms. As a member of the Santa Clara County Board of Supervisors in the 1980's, I was part of the Board majority that cut spending dramatically and balanced the county's budget. This earned the county its excellent bond rating and saved taxpayers money on interest.

As a Member of Congress since 1995, I have supported policies that have helped this country to balance its operating budget and to begin to pay down the national debt. I'm proud of that and I believe that fiscal responsibility is good for America. Why? Deficit spending eats up revenue in interest rates. It leads to inflation, which eats up the budgets of families. In fact, some observers have predicted that if the Bush tax reduction plan results in a return to deficit spending, that most families will end up spending more on increased interest rates than they will see in a reduction of tax liability through the plan.

Finally, we need to make sure that a tax reduction plan, of an amount that is consistent with a balanced budget and deficit reduction, is constructed in a manner that advances the American principles of fairness and equity.

The Bush plan falls short. It postpones too much of the benefit to later years, defeating the effort to stimulate immediate economic activity. It directs 43% of the tax reduction benefit to those whose annual incomes are over $900,000 a year. I have nothing against those with incomes over $900,000 a year. In fact, I think it's terrific that we have a country where so many are able to prosper and to grow incomes. However, directing so much of the benefit to this income bracket is not the best way to stimulate economic activity nor is it perceived as equitable by the American people. People who have middle class incomes are having a harder go of it than those who have met with extraordinary financial success. Finally, there is geographic discrimination in this bill.

Because the economy of Silicon Valley has been so extraordinarily successful and because people have worked so hard and productively, median incomes are high. This is a wonderful thing. However, costs are also high in Silicon Valley. Families with incomes that would seem extraordinary in other parts of the country struggle with the costs of housing and childcare in Santa Clara County.

Because of the shortcomings in H.R. 3 to deal with the alternative minimum tax, many of my constituents will be denied the benefit of provisions of the bill that will help other middle class people. Let me give just one example: the increased child deduction is a good thing and something I support. Unfortunately, this promised benefit will be denied to my constituents whose annual income is $87,800 a year—just about the median income for the county under this bill. That's not fair and it's geographic discrimination.

I believe that it is wise to enact a tax cut, but I think President Bush's plan is not balanced and will damage America. There is broad consensus in this Congress that a major overhaul of the estate tax, correction of the so-called "marriage penalty tax" and increases in child deductions should be made. Nobody likes taxes, and many of us would like to see further reductions. But reductions have to be in harmony with debt reduction as well as realistic forecasts of spending. Many of my constituents have told me that they would prefer higher investments in energy research, education and transportation than this proposed tax cut.

That is one of the reasons why it is a terrible mistake (as well as violative of the rules of the House of Representatives) to take action on this proposed tax bill before we have even discussed, let alone adopted, our budget.

Unfortunately, the manner in which this tax plan has been handled by the Republican leadership of the House has precluded the possibility of give and take, compromise and a sound consensus bill that would serve America well.

CENTER ON BUDGET AND POLICY PRIORITIES,
MARCH 2, 2001

NEW JOINT TAX COMMITTEE ESTIMATES RAISE COST OF BUSH TAX PLAN

Cost now well over $2 trillion

New Joint Tax Committee cost estimates of several elements of the Bush tax plan, which were released March 1 in conjunction with House Ways and Means Committee action, show that the cost of the Bush tax cuts is mounting. The Joint Tax Committee estimates find that the cost of the plan's income tax rate reductions exceeds the cost listed in the Administration's budget.

The Joint Tax Committee estimates also show that the rate reduction in the Bush plan would raise the number of taxpayers subject to the Alternative Minimum Tax to a stunning 36 million by 2011—or about one of every three taxpayers. The Joint Committee found that enactment of the proposed rate reductions would increase the cost of fixing the problems in the AMT by nearly $300 billion over 10 years.

The budget the Administration issued on February 28 shows that the tax cut would consume $2.0 trillion in projected surpluses. The Administration's estimates show the tax cuts would lose a little more than $1.6 trillion in revenue over 10 years and would raise the cost of interest payments on the national debt by nearly $400 billion, for a total cost of $2.0 trillion.

The cost estimate the Joint Tax Committee released March 1 shows that the Bush proposal to reduce the 28 percent, 31 percent, 36 percent, and 39.6 percent tax rates would cost $59 billion more over 10 years than the Administration's budget estimates.

The Joint Tax Committee also provided a cost estimate for the Bush proposal that would create a new 10 percent tax bracket; the estimate includes the effects of the Ways and Means Committee action to accelerate the phase-in of this provision. Primarily because of the faster phase-in, the cost of this provision is $67 billion higher than the cost listed for this provision in the Administration's budget.

This additional $126 billion in tax reductions, shown by the Joint Tax estimates, results in additional interest costs of $54 billion. This brings the overall added cost to $180 billion, raising the cost of the tax cut from $2.0 trillion to $2.2 trillion.

Further increases in cost may occur when the Joint Tax Committee issues its estimates for the cost of other components of the Bush tax plan. A comparison of the estimate of the cost of the Bush plan that the Joint Tax Committee issued last May to the estimates in the Administration's budget suggests the Joint Committee's forthcoming estimate of other aspects of the plan also is likely to exceed the Administration's figures.

The Joint Tax Committee's shocking AMT estimates

Another new analysis the Joint Tax Committee released in conjunction with the Ways and Means Committee action finds that the rate reductions the Committee approved would result in 15 million additional taxpayers becoming subject to the Alternative Minimum Tax by 2011. To prevent the Bush tax cut from subjecting these additional 15 million taxpayers to the AMT would require changes in the AMT that, according to the JTC analysis, would cost $292 billion over the next ten years.

Since the Bush plan fails to address this problem, this nearly $300 billion in added cost is not included in the Administration's estimate of its plan. But this cost eventually will have to be paid; neither party will stand by and allow one of every three taxpayers to be hit with the complexities (and increased tax burdens) of the AMT. The Bush plan thus ultimately entails a cost of an additional nearly $300 billion, plus added interest costs. This raises to more than $2.5 trillion over ten years the likely amount of projected surpluses that ultimately will be consumed if the Bush plan becomes law.

The Alternative Minimum Tax was intended to prevent high-income taxpayers from using a combination of tax breaks that would eliminate most or all of an individual's income tax liability. Taxpayers must pay the larger of either their normal income tax bill or the income tax they would owe under the AMT.

Because of flaws in the AMT's design, growing numbers of taxpayers will become subject to the AMT unless the problems in the AMT are addressed. According to the new Joint Tax Committee analysis, the number of taxpayers subject to the AMT is expected to rise under current law from 1.5 million taxpayers in 2001 to 20.7 million in 2011.

The income tax rate cuts in the Bush plan, as reflected in H.R. 3 (the legislation the Ways and Means Committee approved March 1), would further increase the number of people subject to the AMT, because the income taxes these people would owe under the regular income tax would now be lower than what they would owe under the AMT. The Joint Tax Committee estimates show that under the Ways and Means bill, the number of taxpayers affected by the AMT would rise to 35.7 million in 2011. In other words, the bill would result in an additional 15 million taxpayers being thrown into the AMT (i.e., 15 million taxpayers on top of the filers who would become subject to the AMT under current law). Under the Ways and Means bill, approximately one-third of all people who would pay income taxes would be subject to the AMT by 2011.

The Joint Tax Committee estimates find it would cost $292 billion over ten years just to keep these additional 15 million taxpayers from becoming subject to the AMT as a result of the Bush tax-rate reductions. This estimate does not reflect the cost of addressing the underlying problems in the AMT that, if not fixed, will push the number of taxpayers subject to the alternative tax from 1.5 million to nearly 21 million by 2011 even in the absence of the Bush tax cuts. Fixing this underlying problem will entail additional costs beyond the $292 billion.

CENTER ON BUDGET AND POLICY PRIORITIES,
FEBRUARY 26, 2001

IS A LARGE TAX CUT NEEDED TO FORESTALL AN EXPLOSION IN SPENDING?

Some supporters of a large tax cut this year, such as the tax cut the Bush Administration has proposed, argue that a large tax cut is needed to prevent an explosion of federal spending. They state that the Congressional Budget Office has determined that action by Congress and the last Administration in the final half of 2000 increased federal spending by $561 billion over the next ten years. A $1.6 trillion tax cut is needed, this argument goes, or else further spending explosions will occur. There are several problems, however, with the use of these figures to make the case that a spending explosion has begun.

How much did spending increase last year?

CBO has reported that actions taken in the last session of Congress increased CBO's estimate of baseline spending on government programs by $434 billion over the next ten years. Since this $434 billion will be used for program expenditures rather than for paying down debt, CBO has estimated that interest payments on the debt will be $118 billion higher. The figure of "$600 billion in new spending" that some policymakers have cited as a reason for a large tax cut is reached by adding the $118 billion in interest payments to the $434 billion in projected increased spending, also adding (inappropriately) $9 billion in increased interest costs that CBO says will result from some modest tax cuts enacted last year, and rounding the resulting $561 billion figure up to $600 billion.

It may be noted that $368 billion of the $434 billion in projected increases in program spending—or 85 percent of the increases in program spending—consist of increases in discretionary spending. The remaining $66 billion includes $28 billion in increased entitlement spending for health care for military retirees, a net of $20 billion in increased Medicare spending as a result of scaling back some Medicare savings provisions enacted in 1997, and $18 billion in increases in spending for other entitlement programs.

Should all of these costs be considered as spending increases?

Upon closer examination, a question arises as to whether this $368 billion in discretionary spending should all be regarded as a spending increase. Whether, and to what extent, it constitutes a spending increase depends on the baseline against which the new discretionary spending levels are measured.

No adjustment for population growth

The baseline that CBO employs assumes the maintenance of discretionary spending at its level for the preceding fiscal year, adjusted only for inflation. Since the U.S. population increases each year but the CBO baseline contains no adjustment for population growth, the CBO baseline essentially assumes a decline each year in the purchasing power of discretionary programs on a per-person basis. Under the CBO baseline, simply keeping discretionary spending constant in real per capita terms (i.e., keeping it at the same level in its ability to provide goods and services per U.S. resident) is counted as a significant spending increase.

A number of analysts have argued over the years that a more appropriate baseline for discretionary spending would be one that adjusted for both inflation and population growth. Robert Reischauer, the former CBO director who now heads the Urban Institute, argued (unsuccessfully) when CBO was first etablished that the discretionary spending baseline should account for population growth as well as inflation. In addition, President Bush himself stated on a number of occasions during the presidential campaign that the right way to measure changes in spending in Texas during his tenure as governor was by comparing the actual spending that occurred to what spending would have been if it had kept pace with both inflation and population growth. Were the same approach used here, the magnitude of the increase in discretionary spending that policymakers approved last year would be significantly smaller.

Spending as a share of the economy to hit half-century low

Furthermore, when measured as a share of the Gross Domestic Product, federal spending declined this year, despite the spending actions the last session of Congress took. The new CBO report on the budget shows that between fiscal year 2000 and fiscal year 2001, federal spending will drop from 18.2 percent of GDP to 18.0 percent. The 18.0 percent level for fiscal year 2001 is the lowest level since 1966. The CBO report also projects that federal spending will decline further to 15.1 percent of GDP by 2011, which would be the lowest level since 1951.

In addition, CBO projects that discretionary spending will remain constant at 6.3 percent of GDP between 2000 and 2001, which is the lowest level ever recorded. (These data go back to 1962.) Under the CBO projections—which include the much-touted "explosion" of spending—discretionary spending will decline to 5.1 percent of GDP by 2011, a level that would be the lowest by far in at least half a century.

One wouldn't know from the claims of a spending explosion that federal spending is at its lowest level as a share of GDP in 35 years or that by 2011, it would—under the baseline that includes the $561 billion in added spending reach its lowest share as a percentage of GDP since 1951.

Defense constituted nearly one-third of spending increase

A fact not often mentioned by those decrying the "spending explosion" is that the spending added in the last session of Congress was disproportionately directed toward defense spending. Defense spending increases accounted for nearly one-third—31 percent—of the $434 billion in spending increases over ten years. Defense spending accounts for 18 percent of the federal budget, exclusive of interest payments, so defense's share of the spending increase was nearly twice its share of the budget.

CBO has estimated that as a result of action in the last session of Congress, defense discretionary spending in the baseline will be $106 billion higher over the next 10 years, while entitlement spending for military health will be $28 billion higher. This $134 billion total accounts for 31 percent of the $434 billion projected increase in program spending before the increased interest payments are added.

Conclusion

Proponents of a large tax cut frequently speak of revenues as being at or near their highest level as a share of GDP since World War II. In discussing trends in federal expenditures, however, tax-cut proponents typically eschew use of a standard that measures federal spending as a share of GDP. They measure trends in discretionary spending against a baseline that assumes reductions in such spending on a real per-capita basis and counts spending levels that keep discretionary spending constant in purchasing power per person as constituting spending increases. These definitions of what constitutes a spending increase underlie arguments that a spending explosion has taken place, arguments that overlook the reality that federal spending is at its lowest level in decades as a share of the economy.

CENTER ON BUDGET AND POLICY PRIORITIES,
REVISED MARCH 1, 2001

THE ADMINISTRATION'S BUDGET RESERVE: DO THE NUMBERS ADD UP?

(By Robert Greenstein, Richard Kogan, and Joel Friedman)

The budget is said to contain a $842 billion reserve. Closer examination, however, indicates that the numbers underlying the reserve do not add up.

1. Medicare: The budget fails to set to the side the surpluses in the Medicare Hospital Insurance trust fund and creates a fiction that Medicare has no surpluses and is in deficit. Tables in the budget show that OMB actually projects that the Medicare Hospital Insurance trust will run a $526 billion surplus over the next 10 years. The Medicare HI surplus, which policymakers of both parties have voted to set to the side and not to use to finance tax cuts or other programs, amounts to more than half of the so-called "reserve."

In the budget, the administration tries to make this surplus disappear through a clever but misleading budget display. Medicare Hospital Insurance (Part A) is financed by payroll taxes and, to a small degree, by a portion of the income taxes that are collected from the taxation of a portion of the Social Security benefits of higher-income beneficiaries. Medicare Hospital Insurance has its own trust fund. The physician's services part of Medicare (Part B) is funded separately and, unlike Part A, was never intended to be self-financing. One-fourth of its financing of Medicare Part B comes from monthly premiums that beneficiaries pay, but the other three-fourths comes from general revenues. This is how Medicare was designed.

The administration takes the unprecedented step of adding the total costs of Medicare Parts A and B and then comparing them to Medicare revenues just from payroll taxes and premiums. Since three-quarters of Medicare Part B is intended to be funded by general revenue, the effect is to make it look like Medicare's costs exceed Medicare's income. The administration then pronounces the Medicare HI surplus as meaningless and claims that Medicare is in deficit so it has no surpluses to save. This serves the politically convenient purpose of helping to justify what otherwise would seem politically unjustifiable—failing to set aside the Medicare HI trust fund surplus and instead using it to fund other items.

Using this device to claim that Medicare is in deficit is not justifiable. By this logic, all programs funded by general revenues—including the Pentagon, the military pension Program, and the education and health research programs that the administration proposes to expand—are in deficit and thus in need of reform, as is everything in the budget not specifically financed by an earmarked tax.

By camouflaging the Medicare HI trust fund surplus and artificially making it "disappear," the Administration can turn around and add the $526 billion Medicare HI surplus to the surplus in the rest of government to make it appear as though all of these funds are available to finance the tax cut and other programs. Through this maneuver, the Administration is able to make it look as though there is more room in the budget for its tax cut and to hide the troubling tradeoffs the large tax cut creates for the rest of the budget. Ironically, one of those troubling trade-offs is that if the tax cut is enacted, there will be less money available for an adequate Medicare drug benefit and for an infusion of more general revenue into Medicare as part of a Medicare reform package that restores long-term solvency to the program.

Once the Medicare HI surpluses are set to the side, only $316 billion of the Administration's $842 billion reserve remains.

2. Inevitable Costs that are Left Out. The budget leaves out a number of inevitable costs. These include:

Continuing current payments to farmers, at a cost of about $100 billion over 10 years (Table S–11 shows spending for agricultural programs plummeting from $26.1 billion in 2001 to $14.9 billion in 2003 and smaller amounts in subsequent years, because of the administration's failure to include the virtually inevitable costs of continuing these farm payments);

Fixing a well-known problem in the Alternative Minimum Tax so it does not subject millions of middle-class families to the AMT, which entails a cost of approximately $300 billion over 10 years if the Bush tax cut is passed; and

Extending the expiring tax credits for 10 years (the budget shows the cost of extending most of these credits for only one year), which adds about another $25 billion.

The more-than-$400 billion in costs just mentioned would also generate additional costs for interest payments on the debt. This would bring these costs to more than $500 billion, which exceeds the $316 billion left in the reserve when the Medicare HI trust fund surplus is set to the side.

3. Additional Costs the Administration has not specified. The administration's "helping hand" prescription drug proposal is supposed

to be only a first step; it is limited to low-income seniors. As a candidate, President Bush said this would then be broadened into a drug benefit for other seniors as well. The budget does not include resources that could accommodate a significant drug benefit for middle-income seniors.

The budget also does not include funds for a national missile defense or other defense spending increases that are likely to emerge from the Administration's defense review.

Conclusion

The "reserve" is a convenient way to avoid providing specifics in a number of areas. It obscures the fact that rather than creating a reserve for unforeseen contingencies, the budget lacks sufficient funds to avoid a return to deficits outside the Social Security and Medicare HI trust funds, unless large cuts in domestic programs—cuts that the Administration does not identify at this time—are enacted.

CENTER ON BUDGET AND POLICY PRIORITIES,
REVISED MARCH 1, 2001

THE ADMINISTRATION'S BUDGET: GAPS BETWEEN RHETORIC AND REALITY

(By Robert Greenstein, Richard Kogan, and Joel Friedman)

Initial analysis of the Administration's budget suggests substantial differences in key areas between the realities that underlie this budget and the comforting rhetoric surrounding it:

1. The supposed $842 billion contingency reserve is essentially an illusion.

First, the reserve is inflated by more than $500 billion through a misleading presentation that camouflages the surpluses in the Medicare Hospital Insurance trust fund, which both houses of Congress voted by nearly unanimous votes last year to set aside and not to use for tax cuts or other programs. The budget artificially makes the Medicare HI surpluses "disappear" in order to make the surpluses available for tax cuts and other initiatives appear to be larger than they actually are.

Second, the "extra" funds that constitute the reserve are generated by failing to include in the budget various costs that will inevitably occur, such as the costs of maintaining current payments to farmers, fixing the Alternative Minimum Tax so it doesn't hit millions of middle-class taxpayers, and extending a number of expiring tax credits for the full 10 years. The "extra funds" also are generated by the lack of inclusion in the budget of the costs of some key initiatives the President promised in the campaign and plans to pursue, such as a national missile defense.

Third, the math underlying the reserve assumes that a prescription drug benefit and Medicare reform can be accomplished for $153 billion over 10 years. This amount is far below what any drug benefit that provides even modest help to middle-income seniors will cost and ignores the fact that restoring long-term solvency will require large additional sums to be devoted to Medicare from general revenues, even if controversial changes like those in the Breaux-Frist or Breaux-Thomas packages are enacted. (The Breaux-Frist and Breaux-Thomas packages would close only a modest share of the long-term funding gap in the Medicare Hospital Insurance trust fund. The need for additional general fund revenues can be avoided only if Medicare payroll taxes are raised significantly, an approach the Administration clearly does not favor.)

Fourth, any use of the reserve for purposes other than debt reduction—i.e., for AMT relief, Medicare reform, farmers, extra defense costs, or the like—will generate extra interest costs that also must fit within the reserve.

Fifth, the existence of the reserve also rests upon an assumption contained in the budget that cuts of several hundred billion dollars will be needed over the next 10 years in non-defense discretionary programs outside education, health research, and a few other favored areas. Such cuts will be very difficult to secure political support for, especially in a period of surpluses. They are unlikely to occur.

When realistic accounting is done, the reserve disappears and a budget hole emerges. If this budget hole is not filled, the budget will entail a return of deficits outside Social Security and Medicare (and of the use of Social Security and Medicare surpluses to fund other programs). In other words, since the reserve is inadequate to cover the likely claims against it, deficits outside of Social Security and Medicare Hospital Insurance trust funds are likely to return unless still larger cuts in domestic programs can be achieved.

The reserve turns out, upon close inspection, to be a clever accounting device that obscures more than it illuminates and cloaks the budget trade-offs the Administration's large tax cut creates. By failing to disclose the costs of a number of items and distorting Medicare financing, the budget essentially "hides the ball" and prevents policymakers and the public from seeing the trade-offs the tax cut entails. (The reserve is discussed in more detail in our accompanying piece, "The Administration's Budget Reserve: Do the Numbers Add Up?.")

2. A careful reading of the tables in the budget reveals that the budget math depends upon significant, unspecified reductions in non-entitlement programs. Table S–4 shows that the budget proposes cuts of $12.1 billion in fiscal year 2002 in discretionary programs outside defense, education, health research, and a few other favored areas. Table S–4 also shows a reduction of $8.4 billion in FY 2002 appropriations below the FY 2001 level for one-time items and earmarked items. Reductions of this magnitude in earmarked and one-time items are unlikely—each year's appropriations bills have new earmarks and one-time items. The probable result would be reductions greater than $12.1 billion next year in discretionary programs outside the favored areas. Another table (S–6) provides data showing that fiscal year 2002 funding for discretionary programs in an array of departments and agencies would be cut below a "freeze" level—that is, below the FY2001 level even without an adjustment for inflation. Among the agencies in which overall funding for discretionary programs would be cut below a freeze level are the Departments of Agriculture, Commerce, Energy, Interior, Justice, and Labor, and the Environmental Protection Agency.

The budget also shows that the Administration's education, defense, health research, and other discretionary initiatives would add $260 billion over 10 years, without counting national missile defense, while total discretionary spending would rise just $30 billion over 10 years. This means non-defense discretionary spending outside education, health research, and a small number of other favored areas would have to be reduced $230 billion below the current year's level, adjusted for inflation. These cuts are left unspecified. And when the Administration eventually proposes increases for national missile defense and other defense spending increases, the size of the reductions needed in other discretionary areas could grow several hundred billion dollars larger—or, more realistically, constitute another claim against an already oversubscribed "reserve."

Also of note, Table S–7 shows that the Administration is proposing new caps on total discretionary spending, to be set approximately at this year's level adjusted for inflation. Table S–12 purports to show how much each area of the budget would receive under the caps. But the figures in Table S–12 are illusory; a footnote to the table shows that the defense numbers in the table do not include any of the defense spending increases the Administration will propose in the future. Providing more money for national missile defense and other defense programs, as the administration is expected to do, will mean that other departments need to be cut to lower levels than the levels shown in the table, in order for total discretionary spending to fit within the caps the Administration has proposed.

What emerges is that the Administration is using the "reserve"—along with the lack of specificity regarding what it will seek for national missile defense and various other defense spending increases and what specific cuts it ultimately will propose in an array of domestic discretionary programs—to camouflage the trade-offs and tough choices its tax cut entails. Indeed, the strategy may be to show the defense increases—along with some of the proposed cuts—in the budget released a year from now, after the tax cut has been enacted.

3. Another point that emerges from the budget is that the Administration's tax cut costs at least $2.0 trillion. Table S–2 shows the tax cut will lose $1.62 trillion in revenue. It also shows increased interest payments on the debt of $417 billion. The overwhelming bulk of this $417 billion in added interest costs results from the tax cut. (The $417 billion reflects the added interest costs due to $1.62 trillion in tax cuts and $173 billion in net spending increases.) Since about $375 billion of the $417 billion in interest costs results from the tax cut, that brings the overall cost of the tax cut to $2.0 trillion. This $2 trillion cost does not include added costs from fixing problems in the Alternative Minimum Tax or from accelerating some of the tax cuts, which the President has said he favors.

4. The budget pays down less debt than it could. The Administration's claim that $2 trillion is the maximum amount of debt that can be paid down over 10 years rests on an assertion that there is $1.2 trillion of publicly held debt that cannot be paid down in this period. This figure is disputed by other experts. CBO has estimated that the amount of debt left outstanding at the end of ten years would be about $800 billion if the Treasury simply continues its existing policy of buying back some marketable debt before it matures. In recent testimony, Federal Reserve Chairman Alan Greenspan used a figure of $750 billion (plus some modest amounts of debt the Fed may or may not need to hold on to). Gary Gensler, the former Treasury Undersecretary who managed the Treasury's debt operations, concludes in a new analysis that the amount of debt outstanding in 2011 could be reduced as low as $400 billion to $500 billion. The Administration's figure is conveniently above these other estimates.

5. Finally, in some areas, the Administration's press releases and the President's address to Congress risk creating misleading impressions. For example, the President said

last night that his budget would increase spending on Social Security, Medicare, and other entitlements by $81 billion in 2002. In fact, $68 billion of this increase represents no change in the operation, eligibility, or generosity of these programs; this $68 billion simply reflects costs that will automatically occur under current law as a result of the annual Social Security cost-of-living adjustment, increases in health care costs charged by medical providers, and an increase in the number of elderly beneficiaries. The true increase that the President is proposing in 2002 in these programs is $13 billion, about one percent of the cost of these programs, which would largely go for the "helping hand" prescription drug proposal.

CENTER ON BUDGET AND POLICY PRIORITIES,
MARCH 2, 2001

IN BUSH BUDGET, TAX CUTS FOR TOP ONE PERCENT ARE LARGER THAN HEALTH, EDUCATION, AND ALL OTHER INITIATIVES COMBINED

In the Presidential campaign, Vice President Gore contended that then-Governor Bush would provide more in tax cuts to the top one percent of taxpayers than he would provide for all of the initiatives he proposed. Mr. Bush replied that this was untrue. Both campaigns provided numbers to support their cases. In so doing, both campaigns engaged in some distortion of the numbers (as explained in the box on page 2), with Gore overstating and Bush understating the tax reductions that would go to the top one percent.

A new analysis, based on the Bush budget document issued February 28 and free of the distortions of both campaigns, finds the top one percent would get at least $555 billion in tax cuts over the next decade under the Bush plan. All initiatives in the budget—including a prescription drug proposal for seniors, increases in education, health research, defense, and other areas—would total less than $500 billion. (As explained below, these figures are based on a methodology that favors the president.) Thus, the tax cuts that would go to the one percent of taxpayers with the highest incomes—a group whose incomes have soared in recent years and have risen much more rapidly than the incomes of the rest of the population—would exceed the new resources proposed for all other national priorities combined.

Methodology

According to the Bush budget, the President is proposing tax cuts that would lose $1.62 trillion in revenue over the next ten years. This total includes both those tax cuts President Bush unveiled in the campaign that are often thought of as "the Bush tax cut" and about 20 other, mostly small, tax reduction proposals. Virtually all analyses of the proportion of the proposed tax cut that would go to the top one percent of taxpayers have examined the proposals in "the Bush tax cut" and not the additional, smaller proposals. In analyzing the amount of tax reductions that the top one percent would receive in the next ten years, we include only the tax proposals in "the Bush tax cut" and exclude the other Bush tax reductions. This understates the amount of tax cuts that would go to the top one percent.

The Bush budget shows a total of $1.494 trillion in tax cuts over ten years from the tax provisions in the "Bush tax cut" (see Table S–9 of the budget). This figure appears to understate the size of the tax cuts; on March 1, the Joint Tax Committee informed Congress that the income tax rate reductions in the Bush plan would cost $59 billion—or 12 percent—more over ten years than the Administration's budget estimates. Earlier Joint Tax Committee estimates suggest the Committee is likely to raise the price tag on other provisions of the tax cut as well. In this analysis, we use the Administration's estimates, which are lower than the Joint Committee's, because a Joint Committee estimate on the cost of the full Bush tax cut is not yet available.

We divide the administration's estimate of the cost of the tax cut into three categories: what the administration estimates the individual income tax reductions will cost; what it estimates the estate tax changes will cost; and what it estimates its corporate tax reductions (which are relatively small) will cost.

We multiply the income tax reductions by the percentage of the Bush income tax cuts that Citizens for Tax Justice has estimated would go to the top one percent of taxpayers. The CTJ estimate comes from the well-respected Institute for Taxation and Economic Policy model, which CTJ uses. In the past, CTJ estimates of the distribution of proposed income tax cuts among different income groups have been similar to those that the career staff at the Treasury Department has produced.

For estate tax repeal, we multiply the administration's estimate of the amount of tax reductions that this proposal would generate over the next ten years by the Treasury's own estimate of the proportion of the estate tax that the top one percent of taxpayers pay. Treasury issued a major study of this issue in September 1999 and since then has used the study's findings on this matter in analyzing how different income groups would be affected by tax proposals that include changes in the estate tax.

For the modest corporate tax changes in the Bush plan, we use the Treasury estimate (from the same September 1999 study) of the proportion of corporate taxes that are borne by the top one percent of taxpayers. The results on the corporate tax changes are essentially the same regardless of whether one uses the CTJ results from the ITEP model or the Treasury estimate.

The result is an estimate that $555 billion in tax cuts over the next ten years would go to the top one percent of taxpayers. This estimate understates the actual amount because, as noted, it excludes some tax reductions contained in the administration's budget and uses the administration's estimates for the cost of tax cut provisions that the Joint Tax Committee says carry a higher price tag.

The initiatives

The amounts the administration is proposing for initiatives in its budget are set forth in the tables at the back of the budget the administration issued on February 28.

The budget proposes $153 billion over ten years for Medicare, principally for a drug benefit (Table S–1).

The budget proposes $260 billion over ten years in discretionary spending increases in education, defense, health research, and seven other areas (Table S–5). The budget also proposes $230 billion offsetting savings from unspecified reductions in discretionary programs. In this analysis, we count the $260 billion in proposed increases without netting out the proposed decreases.

The budget contains $2 billion in mandatory spending initiatives outside Medicare. The budget also contains $20 billion in savings in mandatory programs. We count the $2 billion without subtracting the reductions.

This produces a total of $415 billion in spending initiatives. This is well below the $555 billion in tax reductions the top one percent of taxpayers would receive.

The administration may argue that the proposal it has included in the budget for health insurance tax credits should be considered more like a program initiative than a tax cut. According to the Office of Management and Budget, the budget includes $70 billion to $80 billion for this purpose, consisting of $50 billion to $60 billion in tax reductions and $20 billion in refundable tax credits to taxpayers with no remaining income tax liability. Including the $70 billion to $80 billion cost of this proposal brings the initiatives to $485 billion to $495 billion, still well below the tax reductions the top one percent of taxpayers would secure.

Finally, the budget also includes $63 billion to $73 billion for approximately 20 other tax incentives. Some of these appear to be proposals that would primarily benefit higher-income taxpayers; other of these proposals would not have that effect. The administration has not yet provided information that breaks out the cost of each of these tax proposals. An appropriate accounting would count these as tax reductions, a portion of which would go to the top one percent of taxpayers. Even if we assume that the bulk of these tax preferences should be treated as initiatives, like the health tax credit, the total for initiatives in the budget still would not exceed what the top one percent would receive through tax cuts.

CENTER ON BUDGET AND POLICY PRIORITIES,
MARCH 5, 2001

IS THE HOUSE TAX BILL NEEDED TO AVERT A RECESSION?

(By Peter R. Orszag)

On March 1, the House Ways and Means Committee passed the Economic Growth and Tax Relief Act of 2001, which reduces income tax rates roughly in line with the Bush administration's tax cut proposal. (The Ways and Means legislation includes one change from the Bush budget: It would create an interim 12 percent bracket this year, accelerating a small part of the income tax cut.)

Many advocates of the tax cut, including members of the Bush administration, have argued that it will help to spur the economy out of its current period of sluggish growth and avoid a possible recession. Most economists are dubious of this argument. Even Treasury Secretary Paul O'Neill stated in his confirmation hearings that "I'm not going to make a huge case that this is the investment we need to make sure we don't go into a recession."

The argument that the proposed tax cut is necessary to avoid a recession overlooks several key factors.

The tax cut is backloaded and does not provide much stimulus in short run

The tax plan the Ways and Means Committee has passed would do little to lift the economy in the short run because its tax cuts are backloaded. Indeed, only 0.5 percent (or $1 out of every $200) of the cost of the legislation between 2001 and 2011 would occur in 2001. Less than 5 percent of the total cost occurs before 2003, by which time economic conditions are very likely to be different than today. Fundamentally, such backloading is inconsistent with spurring the economy in the short run: The tax cuts would do little to boost families' spending power immediately and therefore do little to spur the economy in the months ahead.

Another perspective on the size of the tax cut in 2001 is that it amounts to just 0.05 percent (or roughly $1 out of every $2,000) of

Gross Domestic Product for the year, as estimated by CBO. This reduction is too small to have much macroeconomic impact in the short run.

As Alan Auerbach, a leading tax economist at the University of California, Berkeley, recently noted, the Bush tax package "was never designed to be a stimulus package, and it can't be made into a stimulus package unless you throw it away and start over. It has no effect in the short run." The Ways and Means Committee did not throw out the Bush tax proposal and start over; the legislation it passed was not designed to be, and is not, an effective stimulus package.

The reason that the Bush tax cut is not designed to stimulate the economy in the short run is not only that it is backloaded but also that it is heavily tilted toward high-income earners. When fully in effect, the Bush tax cut would deliver nearly 40 percent of its benefits (including its estate tax reductions) to the top one percent of the population. This substantially exceeds the share of federal taxes this group pays. (The top one percent pays 24 percent of all federal taxes.) Moreover, the share of the tax cuts the top one percent of the population would receive when the Bush proposal 5 is fully in effect is greater than the share the bottom 80 percent of the population would receive. The distribution of tax benefits is significant because higher-income families are more likely to save some portion of their tax cut than are lower- and middle-income families. If the objective is to spur the economy, the Bush tax cut is not well-designed for the task. Putting more money back in the hands of lower- and middle-income families would provide a greater "bang for the buck."

Tax cuts are not an effective tool for managing the economy

Whatever the design of the tax cut, a large majority of economists believe tax cuts are simply not an effective tool for managing the macro-economy. In many cases, such tax cuts take effect after the economy has already started to recover. Even if the Ways and Means Committee legislation were enacted, families would likely not receive any additional cash until the second half of the year. By then, as William McDonough, the President of the Federal Reserve Bank of New York, was recently quoted as saying, the economy is expected to be "quite strong" even in the absence of a tax cut. As discussed below, CBO similarly projects a strong, fairly prompt return to solid economic growth rates without a tax cut.

Most economists believe that monetary policy is more effective than fiscal policy in managing short-term problems in the economy. Alan Greenspan noted in testimony on January 25, "Lately there has been much discussion of cutting taxes to confront the evident pronounced weakening in recent economic performance. Such tax initiatives, however, historically have proved difficult to implement in the time frame in which recessions have developed and ended."

In most cases, the Federal Reserve can provide as much or more stimulus than Congress by increasing the money supply, which reduces interest rates. A tax cut is usually unnecessary, given the ability of the Federal Reserve to reduce interest rates and to act quickly. Paul Krugman, a well-known economist at Princeton, recently wrote, "almost all economists now agree with the position that monetary policy, not fiscal policy, is the tool of choice for fighting recessions."

It is far from clear that a recession looms

The seriousness of the economic slowdown remains uncertain. CBO projects that while economic growth will slow in 2001, the economy will avoid a recession, with GDP rising by 2.4 percent, after adjusting for inflation. CBO also projects that the economy will then rebound and grow at a solid rate of 3.4 percent in 2002 and a rate of 3.1 percent throughout the rest of the coming 10-year period. CBO forecasts that the economy will avoid a recession, rebound from its current, slower rate of growth, and enjoy a higher subsequent growth rate, without a tax cut.

The Federal Reserve itself, in its February 13 monetary policy report to Congress, also predicted a return to stronger growth later this year in the absence of any fiscal policy changes. As the report stated, "Although the economy appears likely to be sluggish over the near term, the members of the Board of Governors and the Reserve Bank presidents expect stronger conditions to emerge as the year progresses. For 2001 overall, the central tendency of their forecasts of real GDP growth is 2 percent to 2½ percent, measured as the change from the fourth quarter of 2000 to the fourth quarter of 2001."

Private-sector forecasters similarly are doubtful the economy will enter a recession. The Economist magazine's most recent poll of private-sector forecasters suggests an average projected growth rate of 1.8 percent in 2001. The average growth forecast for 2001 among the forecasters included in the latest Blue Chip Economic Indicators, published February 12, is 2.1 percent. While these rates of growth are lower than those of recent years, they indicate that most forecasters do not believe a recession will occur. The unofficial definition of a recession is two consecutive quarters of negative growth (that is, the economy contracts rather than continuing to grow)." Only five percent of the forecasters included in the Blue Chip report believed the economy is in a recession. Moreover, the average Blue Chip forecast is for a strong rebound from the current growth slowdown, with a growth rate of 3.5 percent in 2002.

This uncertainty regarding whether the economy is in, or will enter, a recession provides another motivation for leaving macroeconomic management to the Federal Reserve: the Federal Reserve is better equipped to monitor the economic situation as it evolves than Congress is.

Conclusion

The Ways and Means tax cut is not well designed to address a possible economic slowdown since it is backloaded. The tax cut in 2001 is too small to be of much macroeconomic benefit in the short run and is also unlikely to be passed in time to address the current sluggishness in the economy. Most economists believe that with the exception of a significant recession, macroeconomic fluctuations such as a decline in the growth rate should be addressed primarily by the Federal Reserve.

CENTER ON BUDGET AND POLICY PRIORITIES,
MARCH 6, 2001

IN MANY STATES, ONE-THIRD TO ONE-HALF OF FAMILIES WOULD NOT BENEFIT FROM BUSH TAX PLAN

(By Nick Johnson, Allen Dupree, and Isaac Shapiro)

A substantial number of families in every State would not benefit from tax plan

A substantial portion of families with children in each of the 50 states and the District of Columbia would receive no assistance from President Bush's tax plan submitted to Congress in early February. In some states, as high a portion as one in two children live in families that would receive no assistance under the provisions of the plan. In every state, the number of families that would not benefit from the plan is substantial.

Nationwide, an estimated 12.2 million low- and moderate-income families with children—31.5 percent of all families with children—would not receive any tax reduction from the Bush proposal. Approximately 24.1 million children—33.5 percent of all children—live in the excluded families. The vast majority of the excluded families include workers.

These families are distributed somewhat unevenly across the states. Among the states where high percentages of families and children would not benefit from the plan are Arizona, Arkansas, California, Georgia, Louisiana, Mississippi, Montana, New Mexico, North Dakota, Texas, and West Virginia, plus the District of Columbia. In each of those states, about 40 percent to 50 percent of all children live in the excluded families. In California alone, 1.7 million families with 3.7 million children would not benefit from the tax cut. Even in the states with the smallest proportion of low- and moderate-income families—such as Colorado, Connecticut, Maryland, Minnesota and Wisconsin—about one in five families would not benefit from the tax cut.

This analysis investigates these figures in more detail and examines the reason that so many families and children do not benefit—the families have incomes too low to owe federal income taxes. The Bush plan reduces only income taxes and taxes on large estates. This leads to a discussion of whether families that do not owe income taxes should benefit from a large tax-cut proposal and the extent to which they owe taxes other than income taxes, most notably the payroll tax. The large majority of the excluded families do pay payroll taxes and other federal taxes, plus substantial amounts of state and local taxes, and can have significant overall tax bills. Among all American families, three of every four pay more in federal payroll taxes than in income taxes.

FAMILIES AND CHILDREN THAT WOULD NOT BENEFIT FROM BUSH TAX PLAN, BY STATE

State	Number of families	Percent of families	Number of children	Percent of children
New Mexico	117,000	47	278,000	52
District of Columbia	25,000	43	54,000	48
Mississippi	194,000	42	339,000	45
West Virginia	99,000	42	161,000	45
Louisiana	270,000	41	496,000	44
Arizona	278,000	41	565,000	41
Tennessee	298,000	39	528,000	38
Montana	50,000	38	98,000	41
Texas	1,167,000	38	2,256,000	41
Georgia	431,000	38	859,000	41
Arkansas	140,000	37	276,000	40
New York	922,000	36	1,865,000	39
Alabama	227,000	36	436,000	38
North Dakota	30,000	36	61,000	40
California	1,742,000	35	3,744,000	40
Kentucky	198,000	35	326,000	35
Hawaii	58,000	34	108,000	33
South Carolina	190,000	34	338,000	37
Idaho	62,000	33	138,000	40
North Carolina	349,000	33	644,000	34
Florida	630,000	33	1,213,000	35
Oklahoma	144,000	32	282,000	35
Oregon	146,000	31	291,000	33
Wyoming	22,000	30	43,000	33
Missouri	236,000	30	435,000	30
Kansas	107,000	29	201,000	30
Delaware	32,000	29	70,000	34
Ohio	460,000	29	887,000	30
Maine	49,000	29	90,000	29
Nebraska	63,000	28	132,000	29
Massachusetts	224,000	28	471,000	31
Illinois	482,000	28	985,000	30
Michigan	396,000	28	807,000	28
Nevada	76,000	27	172,000	29
Vermont	23,000	27	43,000	28
South Dakota	27,000	27	50,000	27
Iowa	107,000	26	201,000	28

FAMILIES AND CHILDREN THAT WOULD NOT BENEFIT FROM BUSH TAX PLAN, BY STATE—Continued

State	Number of families	Percent of families	Number of children	Percent of children
Pennsylvania	413,000	26	835,000	29
Virginia	242,000	25	439,000	26
Washington	203,000	25	391,000	28
Rhode Island	34,000	25	68,000	26
Indiana	208,000	25	390,000	26
Alaska	25,000	24	50,000	25
New Jersey	247,000	23	486,000	24
Utah	78,000	23	171,000	24
New Hampshire	41,000	23	83,000	23
Maryland	136,000	21	255,000	21
Minnesota	134,000	20	297,000	22
Wisconsin	157,000	20	316,000	20
Connecticut	86,000	19	191,000	21
Colorado	106,000	18	233,000	20
U.S. Total	12,182,000	31	24,148,000	34

Source: Center on Budget and Policy Priorities tabulations from U.S. Census, Current Population Survey.

Who would be excluded?

We examined the latest data from the U.S. Census Bureau to estimate the number of families and children under 18 who would receive no assistance from the Bush tax plan. To ensure accurate estimates at the state level, we used data for the three years from 1997 to 1999; our analysis estimates the effects of the plan as if it were in full effect in those years. Using data for three years rather than data collected within a single year enlarges the sample size, thus increasing precision.

The table on page 2 shows how many of these families live in each state and in the District of Columbia. The figures indicate that throughout the country, there would be substantial numbers of children left out of the plan. In some states, extremely high numbers of children and families would receive no benefit.

An estimated 3.7 million children in California, 2.3 million children in Texas, 1.9 million children in New York, and 1.2 million children in Florida, along with their families, would receive no benefit from the tax proposal. In each of another eight states—Arizona, Georgia, Illinois, Michigan, North Carolina, Ohio, Pennsylvania, and Tennessee—the families of half a million children, or more, would fail to gain from the tax cut plan.

In less populous states, the numbers of children and families that would not benefit from the plan are smaller but still substantial. Even in the least populous states, such as Alaska, Vermont and Wyoming, tens of thousands of families with children would not benefit.

Approximately 52 percent of children in New Mexico live in families that would not benefit under the tax proposal. Other states where approximately 40 percent to 50 percent of children live in families that would not benefit include Alabama, Arizona, Arkansas, California, Georgia, Idaho, Louisiana, Mississippi, Montana, New York, North Dakota, Tennessee, Texas, and West Virginia, plus the District of Columbia. Not surprisingly, because the families that would be excluded under the Bush plan are those with incomes below the poverty line or modestly above it, these states tend to have relatively high levels of child poverty.

By contrast, families in wealthier states are least likely to be excluded from the Bush plan. Even in relatively low-poverty states, like Colorado, Connecticut, Maryland, Minnesota and Wisconsin, 18 percent to 22 percent of children and families would not benefit from the plan.

The finding that about one in three families nationwide does not benefit from the tax plan is consistent with the findings of independent analyses of who is left out of the Bush plan that have been conducted by researchers at the Brookings Institution, the Urban Institute, and the Institute on Taxation and Economic Policy. All three sets of analyses indicate that among all families with children, nearly one in three would not receive any assistance from the Administration's proposal.

Even the Bush proposal to double the child tax credit—the feature of the President's tax plan that one might expect to provide the most assistance to children in low- and moderate-income families—would be of little or no help to most of these children. This proposal would provide the largest tax reductions to families with incomes above $110,000 and confer a much larger share of its benefits on upper-income families than on low- and middle-income families.

Under the Bush plan, the maximum child credit would be raised from $500 per child to $1,000 in 2006.

All families with two children in the $110,000 to $250,000 range, however, would receive an increase in their child tax credit of more than $500 per child. For most of these affluent taxpayers, the child credit would rise from zero under current law to $1,000 per child under the Administration's plan. This is because the Bush proposal extends the child tax credit to many families with high incomes who currently receive no credit at all. (This outcome results from two provisions of the Bush plan. The plan both increases the point at which the child credit begins to phase out and slows the rate at which it phases out. Under current law, the credit for a married family with two children phases out between $110,000 and $130,000. Under the Bush plan, when fully in effect starting in 2006, the credit for such a family would phase out between $200,000 and $300,000. Families between $130,000 and $300,000 thus would be made newly eligible for the credit.)

By contrast, the Bush plan does not extend the credit to any low- and moderate-income families who currently receive nothing from the credit. Under the plan, increased coverage for high-income families with children is not accompanied by increased coverage for low-income families.

Why don't families benefit?

During 2000, Bush campaign officials touted their tax-cut plan as benefitting lower-income taxpayers substantially in two key ways—by doubling the child credit to $ 1,000 per child and by establishing a new 10 percent tax-rate bracket. Some married families also would benefit from the plan's two-earner deduction. None of these features, however, affect a family that owes no income taxes under current law.

A large portion of families with children fall into this category. As a result of the combination of the standard deduction (or itemized deductions if a family itemizes), the personal exemption, and existing credits such as the child tax credit, these families do not owe federal income taxes. (As described below in more detail, these families can pay substantial amounts in other taxes, such as payroll and excise taxes, even after the Earned Income Tax Credit is taken into account.)

The level at which families now begin to pay federal income taxes is well above the poverty line. For example, in 2001, a two-parent family of four does not begin to owe income tax—and thus does not begin to benefit from the Bush plan—until its income reaches $25,870, some 44 percent above the poverty line of $17,950. Families with incomes below the poverty line would receive no assistance from the tax cut, nor would many families with incomes modestly above the poverty line.

The framers of the Bush plan could have assisted low-income working families by improving the Earned Income Tax Credit, which provides tax relief and supplements wages for low- and moderate-income working families. Alternatively, the Bush plan could have expanded the dependent care tax credit—a credit that can offset a family's child care costs—and made it available to the low-income working families who now are denied access to this credit because it is not "refundable" (that is, it cannot exceed the income taxes a family otherwise owes). Or, the plan could have increased the now-limited degree to which the child tax credit is refundable and can be used to offset taxes other than income taxes. The plan takes none of these steps.

Which families should benefit?

Since the reason that millions of families and their children would not benefit from the Bush plan is that they do not owe federal income taxes, some have argued that it is appropriate they not benefit. "Tax relief should go to those who pay taxes" is the short-hand version of this argument. This line of reasoning is not persuasive for several reasons.

1. A significant number of these families owe federal taxes other than federal income taxes, often paying significant amounts. For most families, the biggest federal tax burden by far is the payroll tax, not the income tax. Data from the Congressional Budget Office show that in 1999, three-fourths of all U.S. families paid more in federal payroll taxes than in federal income taxes. (This comparison includes both employee and employer shares of the payroll tax; most economists concur that the employer's share of the payroll tax is passed along to workers in the form of lower wages.) Among the bottom fifth of households, 99 percent pay more in payroll than income taxes. Low-income families also pay federal excise taxes and state and local taxes, which are discussed further on the next page. While the Earned Income Tax Credit offsets these taxes for many working poor families, many families with incomes modestly above the poverty line who would not benefit from the Bush plan are net taxpayers.

Consider two types of families earning $25,000 a year in 2001, an income level President Bush has used in some of his speeches, including his first radio address to the nation about his tax package. In this radio address, the President used the hypothetical example of a waitress who is a single-mother with two children and earns $25,000 a year and indicated her family would be a prime beneficiary of the tax cut. The figures suggest otherwise.

A single mother with two children and income of $25,000 would pay $3,825 in payroll taxes (again, counting both the employee and employer share) and lesser amounts in gasoline and other excise taxes. The family pays various state taxes as well. The family would receive an Earned Income Tax Credit of $1,500, well under half of its payroll taxes.

As a result, even if just payroll taxes and the EITC are considered, the family's net federal tax bill would be $2,325. Nonetheless, this family might receive no tax cut under the Bush plan. If this single-mother waitress pays at least $170 a month in child care costs so she can work and support her family—an amount that represents a rather modest expenditure for child care—she would receive no tax cut under the Bush plan despite having a significant net tax burden. (The amount of child care costs affects the calculation due to the interaction between the dependent care credit and the child credit. If she had no child care costs, she would qualify for no dependent care credit and would receive a modest income tax cut, though it would be far below what she owes in payroll taxes.)

A two-parent family of four with income of $25,000 would not receive a tax cut under the Bush plan, whether or not the family has child care costs. For such families as well, their payroll taxes exceed their EITC by $2,325.

2. Low and moderate-income families in every state pay state and local taxes, often paying a larger percentage of income in such taxes than higher-income families. Families with incomes below or near the poverty line bear substantial state and local tax burdens. These taxes commonly include sales taxes, excise taxes on such items as gasoline, property taxes (passed on by landlords to tenants in the form of increased rent), various tax-like fees, and sometimes state or locality-specific taxes such as local taxes on wages. In addition, many states have income taxes that tax families at much lower income levels than the federal tax does. The Institute on Taxation and Economic Policy estimates that state and local taxes altogether equal anywhere from eight percent to 17 percent of the income of an average low-income married couple, depending on the state. Furthermore, these burdens are inequitably distributed; in almost every state, lower-income families pay a larger share of their incomes in state and local taxes than higher income families.

Although some states have taken steps to reduce the burden of taxes on low-income families in recent years, they are limited in their ability to do so. States that for many years have levied the sales, excise and property taxes that are most burdensome on the poor cannot simply eliminate those taxes without dramatic effects on state budgets. In addition, it is cumbersome for states to target relief to poor families that are burdened by these taxes. For example, the sales tax is collected by merchants from consumers without regard to their income level, and property taxes are passed through from property owners to renters as part of a rent payment. Moreover, states with higher levels of poverty often have the least fiscal resources with which to pay for tax relief for low-income families.

These state and local taxes that poor families pay often help finance federally required services or joint federal-state programs. For instance, state contributions to Medicaid typically are financed in whole or in part by general fund taxes such as state sales taxes and excise taxes. Similarly, state contributions to federal highway construction often are financed by gasoline and other motor vehicle taxes. In part because these and other federal programs rely on state and local taxes, it can be appropriate for the federal government to administer tax relief that helps offset the burden of those taxes.

3. An additional income boost would further the objective of helping working families lift themselves out of poverty. A key theme of welfare reform has been to prod, assist, and enable families to work their way out of poverty. The principle of helping families work their way out of poverty has gained support across the political spectrum. This principle is important for married families and single-parent families, and there is considerable evidence that welfare reform—in combination with a strong economy, low unemployment rates, and the EITC—has significantly increased employment rates among single mothers. Providing increased assistance to the working poor through the tax system could further the goal of "making work pay."

Such assistance is particularly important since much of the recent gain in the earnings of the working poor has been offset by declines in other supports. For example, from 1995 to 1999 the poorest 40 percent of families headed by a single mother experienced an average increase in earnings of about $2,300. After accounting for their decrease in means-tested benefits and increases in taxes, their net incomes rose only $292. (Both changes are adjusted for inflation.)

In addition, a study the Manpower Demonstration Research Corporation recently released finds that improving income—and not just employment—is important if the lives of children in poor families are to improve. The MDRC report examined five studies covering 11 different welfare reform programs. The report's central finding was that increased employment among the parents in a family did not by itself significantly improve their children's lives. It was only in programs where the parents experienced increased employment and increased income that there were positive effects—such as higher school achievement—for their elementary school-aged children.

4. The Bush approach fails to reduce the high marginal tax rates that many low-income families face. Throughout the campaign and early into the new Presidency, President Bush and his advisors have cited the need to reduce the high marginal tax rates that many low-income working families face as one of their tax plan's principal goals. They have observed that a significant fraction of each additional dollar these families earn is lost as a result of increased income and payroll taxes and the phasing out of the EITC. Yet a large number of low-income families that confront some of the highest marginal tax rates of any families in the nation would not have their rates reduced at all by the Bush plan

Analysts across the ideological spectrum have long recognized that the working families who gain the least from each additional dollar earned are those with incomes between about $13,000 and $20,000. For each additional dollar these families earn, they lose up to 21 cents in the EITC, 7.65 cents in payroll taxes (15.3 cents if the employer's share of the payroll tax is counted), and 24 cents to 36 cents if they receive food stamp benefits. They lose additional amounts if they receive housing assistance or a state child care subsidy on a sliding fee scale, or if they are subject to state income taxes. Their marginal tax rates are well above 50 percent. The Bush plan does not reduce these rates.

Ways to reduce marginal tax rates for such families are available and not especially expensive. One approach is to raise the income level at which the EITC begins to phase down as earnings rise and/or reduce the rate at which the EITC phases down. Bipartisan legislation that Senators Rockefeller, Jeffords, and Breaux introduced last year follows such a course, as does another proposal made by Rep. Ben Cardin. Another way to lower marginal rates would be to expand substantially the existing, very limited refundable component of the child credit.

5. The rewards from the surplus should be spread throughout the population. The Bush tax plan would take most or all of the surplus that is projected to occur over the next ten years outside Social Security and Medicare. Democratic leaders have proposed substantially smaller but still significant tax cuts. If tax cuts are to be provided as one of the principal uses of the surplus, as seems likely, it is appropriate to dedicate some portion of those tax cuts to people with the most pressing needs, such as low-income families with children.

Mr. CASTLE. Mr. Speaker, I rise today in strong support of H.R. 3, "The Economic Growth and Tax Relief Act of 2001." This $958 billion proposal to reduce income tax rates over the next ten years represents the centerpiece of President George W. Bush's tax plan for the American people. It also represents a very fair form of tax relief because it does not give tax relief to special interests. Instead, it gives money back to every American who paid more in income taxes than is necessary to operate the Federal Government. All working Americans of every income level deserve to have some of their tax dollars returned to them. I congratulate President Bush for his leadership putting tax relief for every American ahead of special interest groups. This proposal demonstrates his commitment to changing the culture in Washington, D.C.

The rate reductions in this bill would cut rates for taxpayers from 15% to 10% on the first $12,000 a couple earns; 15% for income from $12,000 to $45,200; from 28% or 31% to 25% for income from $45,200 to $109,250; and from 36% or 39.6% to 33% for income above $109,250. In addition, the plan adjusts the Alternative Minimum Tax to protect taxpayers from being penalized for claiming the child tax credits they are promised under the tax code.

In recent months, there has been much discussion about the fairness of tax cuts. When one looks beyond the rhetoric of class warfare, there is strong evidence that President Bush's tax cut proposal is truly fair. When the tax cut is fully implemented, families earning less than $18,000 [the bottom quintile (0%–20%) of income earners in this country] will see their after-tax income rise 1.1%. With the Earned Income Tax Credit program they receive an income tax credit without paying Federal income taxes. It is also important to keep in mind that we will continue to fund an important array of Federal programs that provide assistance to low-income Americans. More than $3.7 trillion in Federal funds will be spent over the next ten years on programs that are intended to help low-income Americans. We must help low-income Americans and we will continue to do so.

Mr. Speaker, taxpayers in my state of Delaware are large contributors to the Federal Government. Delawareans receive only 84 cents in return for every tax dollar they pay to the Federal Government. I am proud that I come from a successful and well-run state. However, when their Federal taxes will help create a true budget surplus of $2.7 trillion, it is proper for Delawareans to ask for some share back so they can use their hard-earned money to help their families and keep their local communities strong. According to one estimate, the rate reduction in this bill could return $3.8 billion to Delawareans as a whole. These funds will be invested in ways to create jobs and keep Delaware's economy strong and growing—helping all families.

The tax relief under this plan is intended to help lower income Americans. Families earning less than $35,000 [income earners representing second quintile (21%–40%)] currently pay 0.5% of all Federal income taxes. Under President Bush's rate reduction plan, their after tax income would rise 1.5%. In fact, if the President's child tax credit is enacted in addition to this rate cut, a married couple with two children living on one income, will pay no income taxes on the first $39,000 they earn.

Will the highest income taxpayers continue to pay their fair share? Yes, and a larger percentage of Federal taxes as well. Taxpayers at the top 10% of income levels, these families earning more than $140,000 currently pay 61.3% of all Federal income taxes. This is up from 57.3% in 1988. The reason is that in 1990 the top income tax rate was raised from 28% to 31%. Then, in 1993, it was raised again to 39.6%. The justification cited at that time was that these funds were needed to reduce the federal budget deficits. Those deficit spending days are gone and taxpaying families that shouldered the extra burden for the last decade also deserve some tax relief. Instead of returning the top income tax rate to 28%, President Bush's plan reduces it to 33%. Upper income taxpayers will continue to pay the largest portion of federal taxes, but they will receive some tax relief.

Apart from the question of fairness, is the question of the overall size of the tax cut and the soundness of the assumptions upon which the surplus projections rest. $958 billion over the next 10 years falls within the range of tax cuts that both Republicans and Democrats believe is reasonable within the projected $2.7 trillion surplus. However, 10-year surplus projections are inherently uncertain. One only needs to look at projections from a few years ago that predicted budget deficits. I support additional steps to ensure we achieve the predicted surpluses and continue to reduce the national debt.

One safeguard that should be considered is a trigger on the phase in of future tax cuts and new spending. Like Federal Reserve Chairman Alan Greenspan, I support adding a trigger that would delay the phasing in of these tax rate reductions if the surplus does not materialize as projected and the national debt is not reduced. Contrary to some interest groups' political spin, a trigger does not raise taxes. I also note that Chairman Greenspan's support for tax cuts is conditioned upon this surplus materializing. He still believes that debt reduction is the first priority. I agree with his views that debt reduction, used as a tool to decrease the interest many Americans pay on credit care debt, home mortgages, and education loans, is the best way to bring financial relief to our country and spur economic growth.

Mr. Speaker, even though this initial tax relief legislation does not contain a trigger, I still support its passage for three reasons. First, I recognize that this is the beginning of the 2001 tax debate, not the end. There will be other opportunities to improve the final budget and tax legislation and I look forward to that discussion with you. Second, the Federal Government has a spending problem. In budget negotiations with the previous Administration, there was a serious lack of fiscal control in both parties. Spending increases far exceeded the rate of inflation. If this were sustained, there would not be room in the surplus for a tax cut or debt relief. Third, triggers on tax cuts represent only half the story. Those who have listened carefully to Chairman Greenspan note that he supports both a trigger on tax cuts and on long-term spending. During the upcoming budget debate, there will be opportunity to discuss the value of a trigger on both spending and tax cuts. I believe Americans need to hear both sides of this story.

Mr. Speaker, again, I am proud to support "The Economic Growth and Tax Relief Act." It meets the tests of fairness by providing meaningful relief to all income levels. It is fair and brings relief to my state of Delaware. Its size is compatible with debt reduction goals. Finally, it sends the proper message to Washington, D.C. that broad-based tax relief is more important than ever-increasing levels of government spending. I will continue to work to ensure that the ultimate tax relief and budget legislation is fair to all Americans, protects the surplus and pays down the debt. I look forward to this effort.

Mr. UDALL of Colorado. Mr. Speaker, I regret that I cannot support this bill—but I am convinced that to vote for it today would be a serious mistake.

In fact, we should not even be considering the bill today. We have not yet even begun consideration of an overall budget resolution, let alone reached an agreement with the Senate on a budget framework.

We have not had a chance to weigh how this bill or any other bills to reduce taxes would affect other important priorities, including continued progress in reducing the publicly-held debt, strengthening Social Security and Medicare, and investing in our schools, our communities, and our country.

We do not yet have a complete budget proposal from the President, but already we can see he is proposing to make room for his tax bill by cuts in other areas, including important research and development programs. And the bill before us today is only the first installment on the President's plan.

That is why the law says, and what is provided for by the House's own rules. But that is not what we are doing—we are waiving the rules, so that we can rush to pass this bill before we have a chance to consider how—or whether—it would fit with every other part of the budget.

It may be politically important for the new Bush Administration to rush this process, but it is not a responsible way to make budgetary decisions that may have profound consequences for future generations of Americans. That is the way the budget process is supposed to work. That is not the way any family in America would go about making a budget, and it is not how we should go about doing our jobs either.

That is why I voted against the resolution to waive the normal rules and bring the bill to the floor today.

But since the Republican leadership insisted on going forward, regardless of the normal rules and common prudence, we should have at least proceeded more cautiously and with a better focus.

That is why I voted for the Democratic substitute—because it was the more prudent alternative.

Mr. Speaker, Colorado is an arid state. If you come to visit us in the summer you will find it is sunny almost every day. We like it that way, and do so our summer visitors. But that means we have to be careful about water. We watch the snowpack carefully, and we work to conserve water so we will be prepared for a dry season. We know how hard it is to accurately forecast the weather, and how risky it would be to drain our reservoirs prematurely because of a long-range forecast of surplus water in coming years.

And, Mr. Speaker, it is just as risky to rely too much on long-range forecasts of future budget surpluses—as the Republican bill does.

The Democratic alternative took a more cautious approach. The Democratic alternative would have lowered taxes for everybody, by lowering from 15 percent to 12 percent the tax on the first $10,000 for a single taxpayer, the first $18,000 for heads of households, and the first $20,000 for married couples filing jointly. It also would have addressed the "marriage penalty" by allowing married couples filing jointly twice the standard deduction used by single filers. And it would have adjusted the alternative minimum tax (AMT) to assure that all taxpayers who pay income taxes would receive the benefit of its reduction in rates and that everyone eligible for the Earned Income Tax Credit and the child credit would receive the full benefit of those provisions of the law.

But it would not have gone as far as the Republican bill to slow reduction of the publicly-held debt. It would not have gone as far to reduce our ability to strengthen Social Security and Medicare. I would not have bet as much on a 10-year forecast of good economic weather. In short, the Democratic alternative would have provided real tax relief for millions of Americans, without the same risks to the economy as the Republican bill.

It is very important that we continue on the path of fiscal responsibility and pay down the public debt, which will mean lower interest rates, lower mortgages, and lower student loan payments. That is first-class tax relief.

Today, my first choice would have been for us to first debate an overall budget resolution under normal rules, so that we could carefully frame real, substantial tax reductions in the full context of the debt and other important priorities. My second choice was to support the Democratic alternative.

The Republican leadership rejected both those courses and have left me only with the choice of an irresponsible vote or a vote against this bill.

That means I have no responsible choice except to vote no, and hope. I hope that the Senate will take a more cautious, responsible course than the Republican leadership here in the House. And I hope that the result will be a sounder, more balanced bill that all of us can and should support.

Mr. SANDLIN. Mr. Speaker, I want to take a moment to talk about today's vote on tax cuts and in so doing lay out what I believe is a responsible and balanced approach to fiscal policy. We have heard a great deal from the Republican Leadership and the Bush Administration about the importance of passing massive tax cuts now. Last week, the President came to this chamber to make his case for tax relief and I must say I found myself agreeing with a great deal of what he said. I support tax fairness for America's working families. We need tax relief and I support lower taxes—including complete repeal of the Federal Estate Tax and elimination of the Marriage Penalty.

It is, however, because of my desire to enact significant tax relief coupled with the fact that I am interested in working with President Bush on the items in his agenda, that I am so disappointed in how the Republican Leadership has chosen to proceed. To pass any massive tax cut without first setting a budget framework is simply irresponsible and does not set a positive tone. Debating, voting, and passing a budget resolution that balances the priorities of Congress and the President is not an argument about process or rules. Rather, it is the foundation from which all subsequent debates between Congress and the White House follow. To act on a tax proposal before enacting, let alone debating, a budget framework severly restricts Congress's ability to address other priorities, particularly strengthening Social Security and Medicare and paying off the national debt.

The submission of a budget blueprint by President Bush setting out how he proposes to balance priorities within an overall budget is an important first step. Congress should take the next step of adopting a budget resolution that balances the President's priorities with those of Members of Congress in both parties. The large projected surpluses by the Congressional Budget Office (CBO) are as tempting to squander on new spending programs as on passing a massive tax cut. We must remember that it was not that long ago, official forecasts predicted crushing budget deficits, which would make today's debate over the size of a tax cut seem reckless. A budget resolution, therefore, puts Congress on record to adhere to set spending levels. Rushing ahead with tax cut legislation before we have reached an agreement on a fiscally responsible budget framework that honestly balances all of the tax and spending priorities of both parties would be irresponsible and could have severe negative consequences for the budget and the economy.

A bipartisan budget is imperative because the budget sets the tone and tenor for the year, the Congress, and this administration. President Bush has spoken often of the need to change the tone in Washington and his early actions demonstrate a commitment to bipartisanship. As a member of the Blue Dog Coalition, a group of Members who support enacting a fiscally responsible budget plan, we have asked the President to insist that Congress consider a budget resolution before tax cuts. I am disappointed that to date all we have gotten from the White House is a budget outline, short on specific budget figures. Silence from the White House has lead us to where we are today—voting on a massive tax cut before anyone fully understands how such a measure impacts the budget. By putting the cart before the horse and passing a tax cut before a budget is in place, the President has squandered an opportunity to capitalize on the goodwill of his first few months in office.

Although I am disappointed by the handling of today's debate by the House leadership, I still believe that Congress can work together to pass significant tax relief. I ask my colleagues on the other side of the aisle to stop playing politics with tax cuts. The American people deserve tax relief; however, they expect Congress not to abandon the sound fiscal policies and risk a return to deficits. We can provide affordable tax cuts, strengthen Social Security and Medicare, and pay off the national debt, but we must be careful not to squander this momentous opportunity through irresponsible fiscal policy.

Mr. HOLT. Mr. Speaker, I strongly support the alternative tax cut package put forth by Congressman RANGEL and oppose the package by the President and the majority in the House.

People in New Jersey pay too much in taxes. That's why I have been one of the few Democrats in Congress who has been willing to cross party lines to vote for eliminating the estate tax, to vote for eliminating the marriage penalty, to vote for cutting taxes for small businesses, and to vote for cutting taxes for senior citizens. It's why I have pushed for tax breaks that will help local communities keep their property taxes low by helping with the costs of school construction. And it's why I have consistently supported making permanent job-producing tax credits like the Research and Development Tax Credit.

The Rangel tax cut proposal deserves our support. It cuts the tax rates for hard pressed New Jerseyans, adjusts the Alternative Minimum Tax, and expands the child tax credit for families with kids. It undertakes all of these tax cuts in a responsible way while protecting Social Security and Medicare, paying down our debt, and saving part of the budget surplus in the event of a "rainy day."

H.R. 3, the bill the majority has brought before us today, is simply too large, too irresponsible and based on projections that are just too uncertain.

The authors of this bill have rushed it to the floor without knowing what the rest of the budget holds. And they are basing their bill on financial projections that may or may not materialize. High tech forecasters can't predict the weather two days away as we have been reminded when forecasts earlier this week called for a historically large snowfall in New Jersey that never materialized. But supporters of H.R. 3 are betting that we can accurately predict the financial weather a decade from now. It is worth noting that economic projections that were made just three years ago have proven to be trillions of dollars off the mark. One can only guess how accurate these 10-year projections might be.

Parents in my central New Jersey district don't bet their children's financial future on rosy scenarios, and castle-in-the sky projections. They sit around the kitchen table and budget their bills, their income and their anticipated expenses. They make tough choices. They don't squander a lot of money to buy a lavish vacation home, counting on a raise the breadwinner hopes to get in future years, without first figuring out how to pay the medical bills, send their children to college and save for retirement. They expect from us the same type of honesty and responsibility when we make budget decisions that affect their families.

When this proposed tax cut is combined with the other elements of President Bush's entire tax plan, it costs well over $2 trillion, after adding in interest on the debt and other hidden costs. The entire available surplus is just $2.7 trillion. Spending that much of the surplus—that is, the projected surplus—is simply irresponsible. It leaves no room for the other important priorities that our Nation faces. And it is a recipe for huge budget deficits.

My constituents elected me to make decisions based on evidence, not partisan ideology. And the evidence is that this bill is all too likely to throw our economy into the same financial ditch that President Bush's Secretary of Treasury, Paul O'Neill, admits President Reagan's 1981 tax cut put the country in. Republicans and Democrats alike have labored long and so hard to pull us out of that ditch. Let's not repeat the mistakes of the past.

This plan is also unfair. It gives 45% of the tax benefits to the top 1%—those with an average income of $1.1 million—and fails to give a single dime to more than 12 million low- and middle-income families with 24 million children. We can do better than that.

By arriving at a tax cut in a responsible way and making sure that we can continue to pay down the national debt, we can generate confidence among investors and consumers, ensure lower interest rates, and put more money in the pockets of almost all Americans than they would get from the proposed tax cut.

Together, I know that we could come together to pass a responsible tax cut for Americans. But this bill is not responsible, and it has not been crafted in the bipartisan, civil way that President Bush has asked us to behave.

Let me also say that, like most Americans, I have been greatly encouraged by President Bush's promise to change the tone in Washington by ending the excessive partisan warfare in this city. It pains me to see that pledge undercut at the very beginning of the President's term. The administration and the leadership should not rush through on a partisan basis legislation embodying the President's top priority, without consulting with Democrats. They should work together with me and others in the minority who support tax cuts to craft a bipartisan, responsible tax cut.

I urge my colleagues to support the Rangel tax cut and oppose H.R. 3.

Mr. CUNNINGHAM. Mr. Speaker, I rise today in support of H.R. 3, the Economic Growth and Tax Relief Act of 2001. The plan that we are considering today reduces to 12% the current 15% tax rate on the first $12,000 of taxable income for couples ($6,000 for singles) to get money in the hands of those who need it most. The new rate is applied retroactively to January 1, 2001. This plan also consolidates by 2006 the current 5-rate tax structure (15%, 28%, 31%, 36% and 39.6%) into four new rates (10%, 15%, 25%, and 33%). This legislation is an important first step in returning tax overpayments to the American people.

The American people are working harder than ever, and they are spending 40 percent of their income in Federal, State, and local taxes. I think that it is unconscionable that families are paying more in taxes, than for food, clothing, and shelter combined, and that 4 months of every year, taxpayers are working to pay the federal government. The Congressional Budget Office (CBO) has estimated that over the next 10 years, Washington will collect a $5.6 trillion tax surplus. Taxpayers are sending us more than we need—and there is no doubt in my mind that if we don't return it, that money will be spent. It is time to return that money and let the American people spend their own money to meet their own needs.

When we return this tax surplus to American families, they will see more than just the benefit of a refund check. I am concerned that our economy is slowing down—consumer confidence, capital investment and growth are down, while layoffs, energy prices and anxieties are up. We need to give the economy a boost, and any credible economist can tell you that tax cuts will do that. So not only will the American people get their overpayment back, but they will also reap the benefit of a rejuvenated economy that will enhance their prosperity.

I look forward to working with President Bush and my colleagues in the House and Senate to build on this important first step to return the tax surplus to the American people. I rise today in support of H.R. 3, and also to voice my support for President Bush's other tax refund initiatives which include doubling the child tax credit, reducing the marriage penalty, eliminating the death tax, expanding the charitable tax deduction, and making the research and development tax credit permanent.

Mrs. CAPPS. Mr. Speaker, today I voted to cut taxes for all Americans. And I voted in support of fiscal responsibility.

I believe we need to cut taxes and have voted to do so repeatedly during my short time in Congress. At a minimum, we should lower overall tax rates, fix the marriage penalty, and reform the estate tax laws.

But tax cuts must be done in the context of an overall budget framework that will allow us to meet other pressing priorities. And we must remember that much of this surplus is still only a projection—it's not money in the bank.

We must continue paying down the $3.4 trillion national debt. Our progress in debt reduction has kept interest rates down and allowed families to pay less for their homes and cars. We must also ensure the long-term solvency of Social Security and Medicare, provide prescription drug coverage for our seniors, improve education and protect our environment.

The proposal I voted for today will allow us to do all these things, while providing tax cuts for all taxpayers.

I fear that the tax cut bill being pushed by the House leadership and President Bush is too big and won't allow us to accomplish these other important goals. I also fear that it could open the door to a new era of runaway deficits that would cripple our economy. And I am disappointed that the House leadership has chosen to bring tax cuts to a vote before we have a budget in place.

The prosperity we have enjoyed over the last decade has produced the record surpluses we have today and are projecting for the future. Let's take advantage of this moment and give American families the tax relief they deserve. But let's not squander this opportunity by passing irresponsible tax cuts that our families, and our nation, can ill afford.

Mr. CHAMBLISS. Mr. Speaker, our government is too big and spends too much money. Americans are over taxed and being asked to pay too much to the federal government. Tax relief is about freedom. Freedom for American families to save, spend or invest as they see fit. Tax relief is about returning dollars and decisions back home to families in Georgia and across the country.

Americans will send $5.6 trillion more to Washington over the next ten years than is needed to run the federal government. Some of these funds will be locked away to ensure that Social Security and Medicare are strengthened. Some of these funds will go toward reducing the national debt. And some of these funds will be spent on important priorities such as education, prescription drugs, and strengthen our military. But the rest of the federal budget surplus should be returned to the American people in the form of tax relief. Working Americans deserve relief now.

We worked hard over the past few years to enact tax relief for American people but were stymied by the previous president. President Bush has shown leadership in putting forward a plan that helps relieve the tax burden on working families, and I am pleased that we now have an opportunity to provide a refund to those people who work hard everyday to make the greatest country in the world productive.

The President's plan is balanced and fair; it reduces inequities in the tax code while at the same time providing for long term economic growth. This bill today will give tax relief to all taxpayers and return decision making power to families who know best how to spend their money.

I urge my colleagues to join me in supporting this bill because it is simple and fair and will provide powerful incentives to save and invest.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 3, the Economic Growth and Tax Relief Act of 2001.

H.R. 3 represents the first vote on a key component of the new President's campaign agenda; tax relief for American families. This legislation begins this process by providing for across-the-board reductions in the marginal rates of the Federal income tax.

Under H.R. 3, the current 15 percent rate would be reduced to 12 percent on the first $12,000 for couples and the first $6,000 for single filers. This provision would be applied retroactively to the beginning of 2001.

The bill further reduces and makes adjustments to rate brackets over the next five years, so that by 2006, the current five brackets (15 percent, 28 percent, 31 percent, 36 percent and 39.6 percent) would be replaced by four lower brackets set at 10 percent, 15 percent, 25 percent and 33 percent respectively.

Mr. Speaker, this House passed a number of important tax reduction bills over the past two years, only to see them fall victim to presidential vetoes. We are now in a position to break this pattern and offer real tax relief for hard working American families. It is refreshing to know that we now have a partner in the White House who is willing to work with us in achieving this goal, rather than dredging up the tired old class warfare excuses not to enact real reductions.

This change in political climate could not have come at a better time. After years of sustaining high levels of growth, the economy took a sharp downturn in the 4th quarter of last year. While it does not appear that it has slipped into recession, this possibility cannot yet be discounted. Given this, as well as the fact that the long-term budget surplus estimates continue to exceed expectations, it makes sense to use a tax cut to help boost our economy.

I have always strongly supported the premise that everyone who pays income taxes should benefit from an income tax cut. Therefore, I believe that this legislation to reduce the marginal rates across-the-board is appropriate. The higher rates were sharply raised in 1993 to help reduce the budget deficit. Since then, this increase accomplished what it set out to do. At the time there was no reason to believe that those tax increases were intended to be permanent. Given our current growing surplus, it is inappropriate not to repeal them.

This point cannot be overstated. Our Nation is currently enjoying a budget surplus, above and beyond the surplus provided by the Social Security Trust Fund. Over the next ten years this surplus is expected to substantially increase.

For those who cite the inaccuracies of long term projections as a reason to oppose tax cuts, it bears noting that the Congressional Budget Office is using very conservative numbers for economic growth assumptions in formulating these projections. The rate of economic growth has exceeded similar projections over the past five years, and should it continue to do so in the future, the size of the surplus will only grow.

Moreover, the last five years have shown that the Congressional Budget Office (C.B.O.) has consistently underestimated the level of economic growth and the size of the surplus. My colleagues may remember that the budget was not supposed to initially go into a surplus until 2002. The changeover actually occurred in 1999, three years early.

Yet, despite the President's assurances to the contrary, there are those on the other side of the aisle who charge that this tax cut is risky and reckless. Yet history has shown the minority's definition, and the numbers behind it, have shifted dramatically. In 1999, they charged that any tax cut over $250 billion was reckless. During last year's campaign, the Democratic candidate stated that any cut over $500 billion was risky. Now, less than four months later, the minority is willing to cut taxes by $900 billion, far more than the risky tax bill this House passed in the First Session of the 106th Congress.

Finally, it bears mentioning that whenever taxes have been cut, be it marginal rates or capital gains, tax receipts have subsequently grown. This has occurred despite the alarmist predictions of the opponents of tax cut reductions. If history is any guide, tax receipts will increase after this bill becomes law. When tax receipts increase, so does the surplus.

Accordingly, I urge my colleagues to support this tax reduction legislation.

Mr. HINOJOSA. Mr. Speaker, I am here today because I am greatly disturbed by the irresponsibility being displayed by the Republican Leadership in Congress today.

I cannot believe that the rules of Congress and the People have been violated once again, and now—we are going to vote on a tax cut before we pass a budget.

No family or business would make a decision that would have a major impact on their finances for the next ten years without first sitting down and working out a budget to figure out what they can afford. We owe it to the citizens of America to apply that same common sense principle to the Nation's budget and its security.

I am further outraged that the plan the Republicans have offered gives the lions share, 43 percent, of the peoples surplus to the wealthiest one percent and ignores the majority of the hard working Americans who greatly contributed to the creation of the surplus.

This outright robbery is further perpetuated when one realizes that most Americans will not be impacted by the tax cut, especially not the $25,000 a year waitress that the President speaks of with such conviction.

For this reason, I ask you to pass a measure that utilizes common sense and provides for all American families and American workers. This can only be done by passing the Rangel Amendment, an amendment that takes care of our families and our future.

The Rangel measure that cuts taxes responsibly and for everyone by increasing the earned income tax credit and helping our married families get tax relief.

Let there be no mistake; today we stand at a crossroad with two paths:

The first gives the surplus to the wealth for expanded purchases of luxury items. The second gives Americans the extra funds needed to live a better life. If a decision is to be made today, I hope we make the right one.

Mr, KNOLLENBERG. Mr. Speaker, passing H.R. 3, the Economic Growth and Tax Relief Act of 2001 is simply the right thing to do.

Whenever the federal government collects taxes, it takes money away from hard-working American people. The government isn't entitled to that money. It's the people's money and the government takes it away. We, as Members of Congress, have a responsibility to ensure the government doesn't take away any more than it needs.

Over the next ten years the federal government is expected to run a surplus of approximately five and a half trillion dollars. In other words, the federal government will be taking away from the American people five and a half trillion dollars more than it needs to pay its bills.

This is simply wrong. people need their money to pay their bills, put food on their tables, send their children to college, plan for their retirement, and meet all of the other challenges they face every day.

Under the President's plan, we will send a mere 30 percent of that tax overpayment back to the people who work hard to earn their money. Not the entire tax surplus, just 30 percent of it. And the legislation we're debating today is even less than that—roughly 17 percent.

Mr. Speaker, passing this bill is not only the right thing to do; we have a fundamental responsibility to do it for the people we represent.

This bill will increase fairness in the tax code, allow every American income tax payer to keep more of their own money, and provide support to our economy at a critical time.

I urge all Members to do the right thing tonight and vote in favor of this legislation.

Mr. ALLEN. I rise in opposition to this excessive, unfair Republican tax cut that will block our best opportunity to improve our education and health care systems for years to come.

Abraham Lincoln lifted America's spirits by calling on "the better angels of our nature."

President Franklin Roosevelt inspired a nation to set fear aside. President Kennedy and others asked for sacrifices to enhance the common good.

But the rallying cry of the Bush Administration is different: "It's not the government's money. It's your money."

What a shriveled up vision of what the American people care about! We are better than that.

This tax cut is a clarion call for more spending on luxury goods by the wealthiest Americans.

Those earning over $300,000 per year can buy a Lexus every year with this tax cut. Those earning about $35,000 would have difficulty getting a muffler.

This tax cut slams the door on spending for the common good.

To those seniors who cannot afford their prescription drugs, this bills says forget it, you're on your own.

To those students, teachers and parents who know that our schools need full funding of special education, this bill says forget it, you're not a high priority.

To the baby boom generation not that far from Medicare and Social Security, this bill says forget any help from general revenues any time soon.

The Democratic alternative is half this size and is fair to middle income Americans.

A tax cut half this size would allow us to put the medicines they need in the hands of our seniors.

A tax cut half this size leaves room to fully fund 40 percent of the special education mandate we imposed on the states.

A tax cut half this size leaves room to shore up Social Security and Medicare instead of privatizing both for the benefit of insurance companies and brokerage firms.

The American people want and deserve lower taxes, but not a cut so large that seniors still cannot afford their drugs, our kids are stuck in inadequate schools, and baby boomers lose confidence in Social Security and Medicare.

I urge my colleagues to reject this bill.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today in strong support of H.R. 3, the Economic Growth and Tax Relief Act of 2001.

The U.S. economy is currently experiencing a slowdown. In order to fend off a further downturn or recession, it is imperative that Congress act quickly to breath life back into the economy. By reducing income tax brackets retroactively to the beginning of this year, H.R. 3 provides immediate tax relief by decreasing withholding rates. This will result in an infusion of cash into the economy—up to $360 for a married couple in 2001—that our economy urgently needs. Some say that it is reckless to bring a tax relief bill to the floor of this body before we have adopted a budget resolution. I disagree. Rather, I commend Chairman THOMAS for recognizing the fact that undue delay would deaden the positive, restorative effects that lowering marginal rates would bring. Furthermore, this being a bicameral legislature, we must wait for the other body to do their part on this bill. It is even more imperative, then, that we spur them on by doing our work expeditiously. Before a final conference report comes before us, we will have the benefit of a budget resolution. But if we wait for the final budget resolution before we begin the process, the tax cut could lost its stimulative effect on the economy. We have a choice: Either take the necessary steps to return our country to the positive growth, or bring the danger of recession ever closer through indecision and delay.

H.R. 3, is only the first step in bringing tax relief to the American people. There are other areas of the tax code that Congress must fully address—the marriage penalty, the alternative minimum tax, higher savings levels for Individual Retirement Accounts, and the death tax; however, those must wait for a later date. Our focus now must be on keeping the economy healthy, keeping Americans working, keeping small businesses open, and ushering more and more people into the middle class through the prosperity that has blessed this country in recent years. Across-the-board cuts affect withholding rates now and give an immediate stimulus to the economy.

Finally, reducing marginal tax rates is an issue of fairness. I believe that is simply wrong that the government currently takes away up to 40 percent of an individual's income—and much more when other taxes are taken into account. We must encourage enterprise. We must encourage savings. Our policies must reflect the oft-touted belief in the American Dream that through hard work and sacrifice one might build a better life—not become the object of higher government tolls and the subject of vilification merely because of success. I have heard from many of my constituents who would be positively affected by the relief this bill would bring. They are not the "idle rich." They are individuals and couples who have mortgages to pay. They are parents trying to pay for their children's educations. They are making car payments. They are the people who tirelessly serve our federal government. They are the entrepreneurs whose small businesses are at the core of the high-tech revolution that has fueled our economy's growth over the past several years. I can assure you that they do not live lives of ease as has so often been portrayed by opponents of this plan. They deserve to get a small portion of the money that they have overpaid to the government back. It was their hard work and sacrifice that rescued the government from the massive debt it had accumulated over years of bloated excess. Now that they need a helping hand, we must not abandon them. I urge my colleagues to support this bill.

Ms. PELOSI. Mr. Speaker, as a Member of the Appropriations Committee, I am particularly concerned about the impact of the Bush tax cut on the overall federal budget. We must not sacrifice investments in education, infrastructure and health, which make our economy stronger, in order to provide excessive tax cuts.

In 1981, President Reagan passed a major tax cut, increased defense spending drastically, and supported cuts in investments in the American people. His policy marked the beginning of the worst economic downturn since the Great Depression and quadrupled the national debt.

Over the last eight years, the Clinton Administration has eliminated the budget deficit but we still have a $3.5 trillion national debt. Interest payments on the debt alone cost the United States more than $200 billion a year. A lower national debt means lower interest rates, lower mortgage payments, lower car payments, lower credit card payments, and more jobs. Paying down the national debt will put the U.S. government in the best possible position to meet the Social Security and Medicare needs of future generations, when the retirement of the "Baby Boom" generation places a significant strain on the federal budget.

Nearly $3 trillion of the $5.6 trillion projected surplus is supposed to be dedicated to Social Security and Medicare. Are the Republicans going to take those funds from seniors to pay for their tax cut? Increased debt service, farm payments, extending expiring tax credits, and emergency defense and non-defense spending will also need to be accounted for in a responsible budget.

Unfortunately, the Republican majority has jammed this tax cut through before we even have a budget resolution. Therefore, we are forced to have this debate without any budgetary framework. However, we do know that of the nearly $2 trillion of the surplus that remains after we protect Social Security and Medicare, funding a tax cut must compete with providing a prescription drug benefit for seniors and the modernization of our schools, two of the top priorities of the American people. Do we want to underwrite an unaffordable tax cut at the expense of our children's education and our seniors' and veterans' health?

I urge my colleagues to oppose the Bush tax rate plan.

Mr. COSTELLO. Mr. Speaker, I rise in opposition to the $1.6 trillion tax cut package proposed by President Bush as well as the Democratic substitute that will be voted upon today with the Bush tax cut plan.

I believe that the Congress can and should pass legislation giving tax relief to the American people. That is why last year I voted to eliminate the death-inheritance tax and the marriage penalty. Unfortunately, President Clinton vetoed both bills. However, when these bills come back before the Congress in this session, I will vote to again eliminate the inheritance tax and the marriage tax penalty. The Congress can and should give tax relief to the American people after President Bush lays out his spending plan to the Congress and the American people and after we put a mechanism in place to adjust the plan if revenue projections prove to be wrong.

Most of us remember the 1981 tax cut proposed by President Ronald Reagan and approved by the Congress cutting taxes for the American people with the promise that the tax cut would help the economy and balance the federal budget within three years. Then candidate George Herbert Walker Bush called the Reagan plan voodoo economics. Republican Senator Howard Baker called the Reagan plan a river boat gamble. Unfortunately for the American people, George Herbert Walker Bush and Senator Baker were right.

In fact, taxes were cut but spending continued to increase and the American people saw two decades of huge budget deficits and saw the national debt explode to $5.7 trillion. President Reagan and the Congress were successful in cutting taxes but not holding down spending.

Last week, former Chairman of the House Ways and means Committee Republican Bill Archer said that if anyone believes that we will have a surplus eight or ten years from now with this tax cut plan is "hallucinating". Others have questioned the ability of this President and this Congress to control spending. They fear a repeat of the Reagan years with taxes being cut and spending continuing to increase resulting in a return to the days of huge deficits that will hurt interest rates and the economy.

Today I intend to vote against the Bush tax cut plan as well as the Democratic substitute. I believe that we should force the President to lay out his spending plan so that we can see how the President intends to fund critical programs important to the American people like Social Security, Medicare/Medicaid, national defense and other important programs. After the President lays out his budget to the Congress and the American people then we should bring a tax relief package before the Congress that is realistic and that has a mechanism that directly ties tax cuts to controlled spending and the amount of revenue that will come to the federal treasury each year.

Mr. Speaker, today we should reject both the Bush tax plan and the Democratic substitute and come back to pass a bill that gives tax relief to the American people later this spring after the President lays out his detailed budget to the American people.

Ms. SOLIS. Mr. Speaker, I rise today in adamant opposition of H.R. 3, the Economic Growth and Tax Relief Act which was proposed by President Bush.

In the past few months, the Bush Administration has desperately tried to convince the American public that their planned tax cuts are fair, that their tax cuts rightfully return money to those who have paid the most, that their tax cuts will help spur our economy.

Evidently, the Bush Administration's attempts have failed. In a Los Angeles Times poll released today, the majority of Americans support the alternative Democratic tax bill—and for good reason. The public is not gullible. No matter how you skew the numbers, no one can deny that the richest Americans stand to gain the most from this plan, while virtually no money will be returned to the working poor.

In addition, the public understands that our projected budget surplus is not stable; we need to pay down our deficit and not repeat the disastrous tax policies of the 1980's which plunged us further into debt. President Bush wants us to risk slashing funds for Social Security, housing, health care, environmental protection and a slew of other vital programs for the sake of making the rich even richer. How can these cuts possibly better our society?

Under President Bush's proposal, the richest one percent of the U.S. population will receive more in tax cuts than the bottom 80 percent of the population combined. This high-income group pays 20% of all federal taxes, yet they would receive at least 36% of the tax cuts under the Bush plan. That means that the amount in tax cuts that these individuals would get back would be nearly double the share of federal taxes that they pay.

On the other hand, the bottom 40 percent of tax filers, a group that makes up a significant population in my district, will only get four percent in tax cuts—an average of about $115. Moreover, 12 million low and moderate income families will get absolutely nothing in return—that is almost one-third of all families in the United States and includes 24 million children.

Among African-American and Hispanic children, the percentage rises to over 50% who will not see one penny of the Bush tax cut. Even the much hyped increase in the child tax credit from $500 to $1,000 would not assist those who need it the most. How can President Bush justify increasing the income required for families to qualify for this child tax credit to $200,000, rather than expanding the Earned Income Tax Credit for those struggling families who can barely feed their children?

This tax plan grossly neglects the needs of honest, hard working citizens whose toil and sweat are the source of America's greatness. Where is the support for the seniors and veterans of my district who helped create the surplus that we are squandering today? This plan proposes an estate and gift tax repeal—a tax which, according to some figures, would go to only the top 5% of the country's population! Yet, our seniors and veterans, who dedicated their youth to the growth of our nation's wealth and security, will receive no specific tax cut whatsoever. They will have to be content with insufficient assistance from federal programs that are in danger of being cut due to President Bush's exorbitant tax reductions.

The bottom line is that the Republican tax plan is bad policy. President Bush's proposal does nothing but deplete our hard earned surplus for the benefit of those who need it the least. I vehemently urge my colleagues to act responsibly and block this disastrous measure from becoming law.

Mr. OTTER. Mr. Speaker, I rise today to voice my strong support for H.R. 3, the "Economic Growth and Tax Relief Act of 2001." This bill will ease the terrible yoke of federal taxation that is crushing the people of Idaho and the rest of the United States. I am proud of President Bush for proposing this bill, proud of our House leadership for bringing it to the floor so quickly, and proud to say that I will vote for it.

This bill takes the common sense view that taxpayers deserve their money. The people of Idaho can better prioritize what to do with their hard earned money than bureaucrats in Washington, D.C. Passing this bill says that we trust the people in the states. We trust hardworking people. They are smart enough to make the money. Aren't they smart enough to spend it?

By reducing the number of tax rates and the rate of taxation this bill will lower our record high tax burden. Right now America pays more of its GDP in taxes than it ever has in peacetime. Currently Americans are paying Uncle Sam more in taxes than they spend on food, clothing, housing, and energy costs combined. This legislation provides a fair, needed refund of tax overpayments to all Americans. It is a great first step.

It is a first step, but not the only step. Farmers and small businessmen in my state are looking forward to repealing the estate tax. Without estate tax repeal the money we return to the American people today will only be stolen from their heirs. Our farmers and small businessmen are already suffering from drought, electricity shortages and record low commodity prices. The least we can do is say "If you are successful, your children can inherit what you worked for."

The people of Idaho are waiting for us to pass lower, fairer taxes to help them in their time of need. The people of America are waiting for us to pass lower, fairer taxes to get the economy moving again. Let's vote for the Economic Growth and Tax Relief Act and give the people what they want.

Ms. KILPATRICK. Mr. Speaker, today I rise in strong opposition to the tax proposal submitted by President Bush. I do so for many reasons, none of which are founded on the "myth" so blatantly pushed by the President, that the Democrats are engaged in class warfare.

We are not here to engage in warfare between the rich and the not-so-rich. We are here today to preserve those things which most of us here in Congress have fought so hard to promote over the course of the past 8 years. We are here to maintain the fiscal discipline that has given us unprecedented prosperity in good times. We are here to maintain the fiscal discipline necessary to insure that in uncertain times, the nation does not slip into recession.

Today we should be mindful of the state of the nation back in 1992. Just a little more than 8 years ago we saw an economy that was faltering. Unemployment peaked at nearly 7%, as layoffs spread throughout the land. Consumer confidence was low. In the political arena fingers were pointed in all directions. President George H.W. Bush's administration blamed the voodoo economics of the previous Reagan era. Democrats agreed. The Republican faithful argued that the excesses of the Democrat Congress resulted in the sharp economic downturn.

In this context, former President Bush chose to do what he believed was the responsible thing. He chose to raise taxes—and he suffered the consequences. He suffered the scorn of his political opponents, but more importantly, he suffered the scorn of the majority of the Republican establishment. Although he was trying to do the responsible thing and mitigate the increasing federal deficit, he violated the cardinal rule for which Republicans claim to stand. He violated that often repeated Republican refrain, that "God created Republicans to cut taxes"—not increase them.

Well today we stand before the American people because President George W. Bush faces a choice similar to the one his father made: whether to do the responsible thing, or to do what history has so vividly illustrated is the wrong thing to do. I am sure his father's experience resonated prominently in his decision to forward this tax proposal we consider today. His father made a tough choice to increase taxes. Former President Bush chose to counter the policies of his predecessor, Ronald Reagan, whose history I am sure also resonates prominently in President Bush's decisions today.

After all, President Reagan drastically cut taxes during the 1980's and he is revered by the Republican establishment. Republicans loved his execution of Republican ideals and credit him with the restoration of hope and optimism to the American people. Most importantly, however, in the Reagan lesson, is the fact that he was reelected for a second term.

Today, I stand here to remind the American people of the cost of Mr. Reagan's policies. I come from the city of Detroit. I represent a population that was devastated in many ways by the policies of the Reagan administration. I watched as services critical to my city's youth were cut. No longer were funds made available for successful after school programs. Budgets for parks and recreation stagnated, leaving few alternatives for youth activity. The loss of these benefits soon led to the feelings of despair and desperation. Drugs plagued the inner city and the introduction of crack cocaine into our neighborhoods devastated the community. Today the City of Detroit is still digging out from the plague of crack-cocaine in the 1980s.

I point this out to say there are consequences to this tax-proposal—both in economic, and most importantly, in human terms. Sure I am for a tax cut. I am not, however, for irresponsibility.

I ask the American People to reflect on what we consider here today. Today, there are projected surpluses of approximately $5.6 trillion. Of this amount, $2.5 trillion in attributable to the Social Security Trust Fund and $.4 trillion or $400 billion is attributable to the Medicare Trust Fund, leaving the Non-Social Security, Non-Medicare Surplus at $2.7 trillion.

President Bush has proposed a tax-cut across all income brackets. The cost of which is $1 trillion dollars not including other tax proposals he plans to introduce. If we include these other proposals, the tax cut could cost anywhere from $1.6 trillion to upwards of $2 trillion.

Additionally, the Joint Committee on Taxation, a bipartisan committee on taxation, recently released estimates that show that the true cost of President Bush's Proposal exceeds the cost listed in the Administration's Budget. Their study also shows that the cost of remedying the problems associated with the Alternative Minimum Tax would increase to $300 billion over 10 years under the Bush proposal. This would raise the cost of the Bush tax cuts to nearly $2.5 trillion over the next ten years. This would mean that only $200 billion dollars of the surplus would remain for other national priorities.

In order to put this in perspective, I would like to point out that the cost of the proposed national missile defense system is estimated to be nearly $30.2 billion. Improving the lives of our military personnel is estimated to cost nearly $100 billion. We do not know the cost of privatizing a portion of Social Security, or other increases in spending promised by President Bush during the campaign. And even after we address these concerns this bill does not even consider the cost of reforming Medicare, the cost of a prescription drug benefit (estimated at nearly $200 billion) or the cost of addressing this nation's education needs.

I would also like the American people to ask themselves a question. Would you in your own personal finances write checks based on money that you did not have in your account? I would bet that most Americans would never be so careless with their expenses and the expenses of their families. So how can we today afford to be so careless with surpluses that are not yet in treasury accounts?

Nor would you spend money for a vacation, or new car, without looking at how such an expenditure would affect the rest of your budget. You would not go out and buy a car knowing that the payment may prevent you from being able to pay your rent or mortgage. Yet here, we will not have the opportunity to debate the full budget in Congress prior to voting on this tax bill. Forget about the fact that by law (the Congressional Budget Act) Congress must pass a budget before it passes tax breaks.

We were told that the President's priority was education. You would think that as a body, we would consider education legislation first. Today we see the true priorities of the administration and the leadership of this Congress. President Bush and the Republican leadership tell the American people that they care about education, yet they are willing to pass a tax cut that may jeopardize that very priority. Don't be surprised if we later learn that in order to accommodate today's tax cut, we must make sacrifices in education and other national priorities.

I do not stand here today to criticize without offering a credible alternative. Moreover, I would like the public to know that there are a number of alternative proposals from both Democrats and Republicans. However the leadership, through the rules committee, has limited the consideration of many of these proposals—this all in the so called spirit of transparency and bipartisanship.

Do not be led to believe that Democrats do not believe in tax relief. There is an alternative Democrat tax-cut proposal. The Democrat proposal is a simple budget plan that directs ⅓ of the Non Medicare, Non-Social Security surplus towards a tax cut, ⅓ toward our national priorities like education and a prescription drug benefit and ⅓ of the surplus to paying down the national debt. This tax cut is responsible in its scope and addresses the other priorities expressed by the American people. More importantly, the Democratic alternative would provide tax relief where tax relief is needed most—to the working families of this country.

Ms. BALDWIN. Mr. Speaker, I rise today in strong opposition to H.R. 3, the Economic Growth and Tax Relief Act. This $958 billion tax cut, which is part of a larger $1.6 trillion tax cut package, does not focus relief on those who need our help the most.

I support responsible tax cuts for working families, which is why I am voting for the substitute being offered on the floor today. The substitute offers marriage penalty tax relief, and provides larger refunds to low and middle-income families with children.

Two weeks ago I held listening sessions across the Second District of Wisconsin. I heard from many who are struggling to pay their bills. Some showed me their prescription drug receipts as evidence for the increasing costs they must pay. Others told me about the tremendous increases in their home heating bills, which have jumped dramatically due to the recent increases in the price of natural gas and other energy sources.

Many of the families I heard from during my listening tour do not make enough money to benefit substantially from this tax cut plan. Some have incomes so low they do not owe federal income taxes. Those families would receive nothing from the tax cut proposed in H.R. 3. Other middle income families will receive very small tax cuts that pale in comparison to their increased expenses.

In addition to the fact that many middle and lower income families would not benefit substantially from this legislation, the magnitude of this tax cut would limit resources that could go to programs to address their very real needs. I believe a tax cut this large puts at jeopardy the funds needed to add a Medicare prescription drug benefit. This means that the seniors I represent will not see adequate relief in addressing their health care needs. If this tax cut is passed, the Low Income Heating and Energy Assistance Program (LIHEAP) could face a freeze on its level of funding, or even worse, a cut. This would be devastating for people with low incomes in my district who are confronting enormous heating bills during this frigid Wisconsin winter.

Today's tax-cut legislation does not address the needs of families struggling to pay their increasing bills every month. Those who genuinely need relief will not receive the real fruits of this legislation. We must place a higher priority on a tax cut that provides relief to those who need it most. We must pass a responsible tax cut that does not jeopardize the fiscal health of this nation.

Mr. STARK. Mr. Speaker, I vehemently oppose President Bush's tax cut plan and encourage my colleagues to do the same.

I did not support the bill in the Ways and Means Committee markup because the House has not adopted a budget; the tax cut is one piece of a larger tax plan that imperils Social Security and Medicare; the bill leaves no room for more deserving priorities like a Medicare prescription drug benefit for seniors and better education for our children; and it provides far greater tax breaks to wealthy Americans—like members of Congress—than it does to the vast majority of working families.

A prudent family who has just experienced an increase in their annual salary would not run out to buy a yacht before they figure out how much debt they have on their credit cards, whether or not they're saving enough for the kids' college education, and if their retirement savings plan is in order. Likewise, Congress is acting irresponsibly by not setting spending priorities before blowing all our forecasted resources on a massive—not requested—tax cut.

President Bush did not send Congress a budget proposal. He sent Congress a blueprint for disaster dressed up in partisan rhetoric. The Bush "budget" is merely the rationale for a bloated tax cut. There are also some $20 billion in domestic spending cuts for next year alone that the President has yet to detail in his budget. These cuts could result in fewer cops on the street, less relief for over-crowded schools, less research and development for alternative energy, and reductions in federal emergency assistance.

Nor, does the President take into account all of the obligations that Congress is required to calculate when we devise a real budget. Congress is forced to account for an increase in population and therefore an increase in spending programs. Congress must account for additional interest on the debt when the debt isn't paid down and instead spent on a $2.5 trillion tax cut. Congress must account for the annual tax extenders that are renewed every single year. However, this Administration seems to think itself immune from taking into account these real costs to the federal government. This Congress isn't remotely ready to debate—much less vote on—a nearly $1 trillion tax cut which is only the smaller portion of an eventual $2.5 trillion tax cut.

President Bush is attempting to persuade the American public that his number one priority is education and that he also wants to protect Medicare and provide a new prescription drug benefit in the program. This is a blatant attempt to mislead America's seniors and parents alike.

The $2.4 billion in education spending increases pales in comparison to the $2.6 trillion cut the President plans to give primarily to the wealthiest Americans. The Administration's budget blueprint calls for a 12% increase in education spending. But once again, this figure is completely misleading. Bush calculates $2.1 billion in funds that Congress already provided for 2002 appropriations and already designated for specific education programs. You can't truthfully count these funds twice.

Likewise, the President is double-counting on Medicare and Social Security. His rhetoric states that he's protecting the Medicare and Social Security trust funds. In fact, his budget raids both trust funds—that Congress has consistently voted to put into a "lock box" to be used only to extend the solvency of Medicare and Social Security—as a resource to fund the wrong-headed priorities of his budget.

Because of the overwhelming size of the tax cut he's proposing, he also fails to provide the necessary resources to create a Medicare prescription drug benefit. Make no bones about it—the funds don't exist in President Bush's budget to provide seniors with an adequate and affordable Medicare prescription drug benefit. And, his use of the Trust Fund to finance other parts of his budget could imperil the program's future.

Finally, the President attempts to sell his tax package to the American people by advertising it as an economic stimulus. The problem with this misleading advertisement is that the entire tax plan isn't fully phased in until 2006. Most economists agree that most of the tax relief that has been promised by the President won't take effect until the economy has recovered.

I want my constituents to know the real substance of what I am about to vote on. This rate reduction tax bill is a small part of a larger problem. There is no real budget in place that spells out the realities of our spending priorities. The bill before us today sets up the federal government for increasing deficits. The tax benefits of this bill—which are wrongly directed to disproportionately assist the wealthy—arrive too late to provide any real stimulus for the economy. This will then force Congress to make drastic cuts to the programs that low and middle-income workers rely on like Medicare, Social Security and quality public education. It is unfair to leave our children with the burden of our federal debt so that the GOP can give away trillions of dollars to America's wealthiest taxpayers. I urge my colleagues to vote no on H.R. 3.

Mrs. CHRISTENSEN. Mr. Speaker, I rise in strong opposition to the Bush Tax cut plan and in support of the Rangel Democratic Substitute because H.R. 3 is misguided and just plain wrong. The Democratic proposal, however, would provide immediate and fair tax relief, while not threatening the surplus that so many of us worked hard to make possible.

Instead of following the law which requires that a budget be passed before tax cuts, the Republican Leadership has decided to ignore the law and rush to the floor a tax cut proposal which if it is adopted, will preclude us addressing some of the critical needs of the people of this country.

By the President's own admission, this tax cut is designed to make sure there is no money for spending; meaning they would take this unprecedented surplus and unique opportunity to secure our future and do good for those who need it most, and give it away to those who need it least.

Regardless of what my friends on the other side of the aisle say, Mr. Speaker, independent organizations report that an estimated 12.2 million low and moderate income families with children—31.5 percent of all families with children—the majority of them headed by hard working adults, would not receive any tax reduction at all.

That means primarily African Americans and other people of color. We won't benefit from the tax cut, that is clear. But what is the President talking about when he says he wants to cut government spending?

Today, with the sure passage of the Bush tax cut, the House begins the first step in dismantling all of our hard work and the progress that we have made in education, health care, housing, economic opportunity and the many other needs of our constituents.

He is in essence, talking about leaving many Americans, especially Black and Hispanic behind.

He is talking about inadequate spending for education, the issue Americans care about most. But others will talk about that.

He is talking about closing the doors of economic opportunity. For example, he proposes no New Markets initiative, a program that would be the first ever by SBA to actually provide the venture capital needed in our communities so that our constituents can open a business, create jobs, and pull our communities out of economic distress.

The Bush tax cut will also mean that 45 million Americans will continue to be without health insurance, and that HMO's will continue to make profits by denying care. It also means that over 25 million seniors will still be denied prescription drug coverage, and that Americans living in the territories and others living in the states will be denied access to health care because Medicaid will be cut so that those who are in the top 10% of incomes in this country can get more.

Mr. Speaker, we applaud the almost $3 billion increase for research, but African Americans, Latino Americans, native Americans, and Asian and Pacific Islanders need health care now.

I need not remind you, my colleagues, that health care is a right not a privilege—not for some, but for all.

We have the resources today to right many of the negative commissions and omissions of the past. On behalf of the people of this country, we must insist that President Bush and the leadership of this Congress not to squander our wealth, but invest it in the people of this nation instead.

Today portends not to be America's finest hour. But there is still an opportunity to help her live up to her legacy by passing the Democratic Substitute.

Under the Democratic Substitute, a new 12% tax bracket would be created, giving an across the board rate cut for all Americans and overwhelmingly benefit middle income taxpayers. Additionally, and most importantly, the Democratic alternative will give those working families who only pay payroll and federal excise taxes a refund through expansion of the Earned Income Tax Credit.

Finally, the Democratic alternative would provide families with children who earn less than $65,000 within most cases larger tax breaks than under the Bush proposal.

My colleagues we must tell the President and the Congress: "No tax cut until our Seniors are secure, our children have access to a quality public school education, and until everyone—everyone—has access to quality health care."

Mr. BALLENGER. Mr. Speaker, President George W. Bush and the Republican Congress understand that we can achieve our budget objectives while providing this long overdue tax relief—while, simultaneously, protecting Social Security, Medicare and retiring the public debt. My constituents share this vision, and have written the following to me in support of our efforts:

"The bottom line is, we are a low to moderate income working class family with a college age daughter. We pay huge amounts of income tax in comparison to our net worth and earnings, and we do not qualify for any assistance. $1,600 is a lot of money to us. Let us keep more."

"Two of our children are in college while the other two are still at home. My husband and I both work. I prepare the payroll at my job and see how much is withheld from every paycheck. The American people already pay too much in taxes."

"We are not in the top half or the bottom—we are caught in the middle. We get no extra help, nor do we want any, but we pay one-third of our income in taxes. Please help."

"Please remember Mr. Ballenger, it's our money."

"As a mother of three, I feel this package would greatly help our family and allow my husband and myself to better provide for our children."

"As a Navy retiree and the father of two school age children, I would greatly benefit from this refund of my 'overpayment' of taxes."

"It really does not matter to me if Bill Gates gets a big enough tax refund to buy himself a whole fleet of Lexus cars, my only concern is what I'm going to do with my tax refund."

"Please hold the Democrats accountable for their distortions about the Reagan-era tax cuts—remind them of the late 70's under a Democrat president and the inflation of that time."

My colleagues, let's vote for H.R. 3, the first installment in our tax relief agenda.

Mr. STUPAK. Mr. Speaker, unfortunately I am not able to vote on this issue because of a prior family commitment. With all that has happened to my family in the past nine months, this was a commitment I vowed to keep!

In our current times of economic surplus, and in light of Federal Reserve Chairman Greenspan's recent statements, I am in favor of tax cuts and believe that we need to use this opportunity to return money to hard-working Americans. Furthermore, with some signs of an economic slowdown, I hope that we can examine ways that a tax cut can act quickly to boost the economy. However, I cannot support President Bush's tax cut plan; it is simply too expensive and too speculative, will jeopardize vital programs such as Social Security and Medicare and will prevent us from taking aggressive action to reduce our nation's outstanding debt.

President Bush's $1.6 trillion tax cut package will actually cost more than $2 trillion when other hidden costs are taken into account, such as the costs of making it retroactive and additional interest costs of the national debt. This is simply too expensive. It leaves no room to ensure the future solvency of Social Security and Medicare, to reduce the debt and to account for future budgetary needs, such as our children's education or a prescription drug benefit for our nation's seniors.

I believe we must plan responsibly. Our first priorities must be to use the surpluses to protect Social Security and Medicare and pay down our national debt. In addition, we must leave room for the budgetary needs that inevitably occur, be they unforeseen needs for emergency relief, or because of an increase contained in the budget that President Bush has indicated he will propose. It is important to note that while Republicans in the House are rushing to vote on this issue, the Senate has indicated that it will hold off on any tax cut votes until the President's full budget is set forth. As any business or family would do, Congress needs to know its budget before determining how much it can afford to spend on a tax cut. The President has not yet offered Congress a complete budget to review. When he does so, we can rationally study this issue.

Furthermore, the current projected surplus is just that, a projection, and we cannot recklessly spend it, even with the best intentions. I would not plan my own family's budget that way, and I will certainly not invest the nation's future that way. As Chairman Greenspan said, "We need to resist those policies that could readily resurrect the deficits of the past and the fiscal imbalances that followed in their wake."

With responsible planning, I believe that we can promote the priorities of paying down the national debt, protecting our seniors' retirement and health security, and enacting tax cuts. I want to work in a bi-partisan manner with the president and members of both parties on Capitol Hill to pass a sensible budget that includes tax relief for America's working families. Unfortunately, this is not the approach being taken by the President and the Republican leadership; therefore, I oppose this package.

Mr. BEREUTER. Mr. Speaker, this Member rises today in support of H.R. 3, the Economic Growth and Tax Relief Act of 2001, a bold and fair tax relief plan that will reduce the inequities of the current tax code and help ensure that America remains prosperous. This measure will reduce taxes for everyone who pays income taxes, and it will encourage enterprise by lowering marginal tax rates.

This Member would also like to thank the gentleman from California (Representative BILL THOMAS) the Chairman of the Ways and Means Committee for his efforts in bringing H.R. 3 to the House Floor as it provides tax relief to all hardworking taxpayers. However, this Member must lament the fact that, in what appears to be a partisan decision, none of the Minority Members of the Committee were willing to support refunding these surplus tax dollars back to the people who paid the taxes—our constituents.

This Member strongly believes that some considerable portions of the Federal budget surplus should be returned to the American taxpayer, especially to middle income Americans. And, this Member also believes it is symbolically and financially important to use part of the surplus to at least make significant reductions in the national debt. Therefore, this Member is pleased to support the President's common sense plan that funds our nation's top priorities, pays down our national debt and gives tax relief to every taxpayer. Overcharged taxpayers deserve some of their own money back. It is interesting to note that in the first four months of fiscal year 2001, the surplus generated $74 billion. Clearly, the American people are being taxed too much.

In fact, Federal taxes are at the highest peacetime rate in history. Americans currently pay more in taxes than they spend on food, clothing and housing combined. This year, it will take most Americans more than four months of paychecks to pay their tax burden.

This Member is supportive of this tax cut because George W. Bush is President and we have a Republican Congress to check truly excessive levels of Federal spending. The legislation will help strengthen our economy, create jobs, and put money back in the pockets of those who earned it and need it most.

The measure provides immediate tax relief by reducing the current 15 percent tax rate on the first $12,000 of taxable income for couples ($6,000 for singles). A new 12 percent rate would apply retroactively to the beginning of 2001 and also for 2002. The rate would be reduced even further to 10 percent as follows; 11 percent in 2003 through 2005 and 10 percent in 2006. The reduction in the 15 percent bracket alone provides a tax reduction of up to $360 for couples in 2001 ($180 for singles), increasing to as much as $600 for couples in 2006 ($300 for singles).

Furthermore, in accordance with President Bush's income tax rate reductions, H.R. 3 reduces other income tax rates and consolidates rate brackets. By 2006, the present-law structure of five income tax rates (15 percent, 28 percent, 31 percent, 36 percent and 39.6 percent) would be reduced to four rates of 10 percent, 15 percent, 25 percent and 33 percent. No American will pay over one-third of his or her income in income taxes.

This Member supports the reduction in the tax rates provided in H.R. 3 because the bill reduces taxes for all Americans who pay income taxes, spurs economic and job growth for all Americans and provides an average of $1,600 in tax relief for the average American family (family of four) phased-in over a 5-year period. The $1,600 amount represents the average mortgage payment for almost two months, one year's tuition cost at most community colleges, and the average gasoline costs for two cars for one year.

The legislation will also begin to address the growing problem of the alternative minimum tax by repealing the current-law provisions that offset the refundable child credit and the earned income credit by the amount of the alternative minimum tax. In addition, it should be remembered that this is only the first element of the Bush tax plan—additional tax relief is in sight for married couples and others that will benefit from more targeted tax cuts.

According to the non-partisan Joint Committee on Taxation, savings to taxpayers over ten years would be $958 billion under the provisions of H.R. 3.

In closing, Mr. Speaker, this Member would like to express his appreciation to our President, George W. Bush, for his willingness to steadfastly "demand a refund" for the American taxpayer. This Member urges his colleagues to support H.R. 3 as an important step toward tax relief for all Americans.

Mr. COYNE. Mr. Speaker, I rise in opposition to this legislation. I oppose this bill because it is irresponsibly large. I also oppose this legislation because it does not provide enough of its tax relief to working- and middle-class households. And I oppose it because we shouldn't pass a major tax bill before we pass a budget.

In my opinion, Congress shouldn't pass a major tax cut until we see how it affects the rest of the Federal budget. We received an outline of the President's budget plan only last week, but even this outline has caused me great concern. This document raised as many questions as it answered.

Normally, Congress doesn't take up a tax bill until after it has passed its annual budget resolution. The whole point of the process laid out under the Budget Act of 1974 was to avoid making decisions about major tax and spending proposals piecemeal—but, rather, to make major decisions about taxes and spending as part of the annual budget process. I strongly believe that abandoning this process is a recipe for disaster. It could well undermine future efforts to address pressing national problems like paying down the national debt, keeping Social Security solvent, creating a Medicare prescription drug benefit, improving education, fighting crime, and preserving our environment.

I am concerned that if we pass the tax cuts that the President is proposing, we might not have enough money left to pay down the national debt, keep Social Security and Medicare solvent, and pay for important Federal priorities like education and health care—especially because the surpluses that he is counting on to pay for his tax cut don't exist. They are only estimates that may or may not materialize over the next 10 years.

However, I understand that the Majority in the House will approve this bill later today. Consequently, I will do what I can to limit the damage that I believe that this bill would do. I will support the Democratic substitute, which would lose less revenue than the mark—and which would result in more of the tax relief provided by the bill to low-income taxpayers, the people who need help the most. The Democratic alternative reduces the lowest tax bracket from 15 percent to 12 percent. It also contains $60 billion in Alternative Minimum Tax relief and contains $60 billion in tax relief for American working families through expansion of the earned income tax credit.

To those of my colleagues who argue that the earned income tax credit is too vulnerable to error, fraud, and abuse, I would only observe that it is remarkable that they have not expressed the same concern about the much higher error, fraud, and abuse rate for small businesses and sole proprietorships—which has been reliably estimated at 40 percent. That apparent inconsistency suggests to me that the disagreement over expanding the EITC really is a disagreement over who needs tax relief the most—and that is a debate I feel confident about winning.

To sum up, Mr. Speaker, I don't think that we should be considering this bill today. We shouldn't mark up major tax legislation until after we finish work on the budget resolution. But since the majority intends to ram this bill through the House this afternoon, I will do what I can to ensure that most of the tax relief this provides will go to the hard-pressed middle-class families that Governor Bush talked so much about during the recent Presidential campaign.

I urge my colleagues to support the Democratic substitute.

Mr. CROWLEY. Mr. Speaker, I rise in strong opposition to the Bush Republican tax cut. I oppose this misguided plan to provide tax cuts to a select few while leaving working New Yorkers holding the bag.

Though, unlike the rhetoric you have heard on the other side of the aisle—Democrats, like myself, support cutting taxes—they are too high and stifling.

I am a strong believer in tax cuts—as a married man with two infants at home, I personally know how devastating the marriage penalty tax is—and I have voted in the past to eliminate this onerous tax.

I have worked with my colleagues in both parties to eliminate the regressive tax on talking that levies a tax on every phone call you make.

And as the representative of a middle and working class district comprised of a diverse swath of neighborhoods in Queens and the Bronx, NY, I know how punitive the estate tax is on the Mom and Pop enterprises that dot my district.

Estate taxes are too high and they must come down.

I spoke out just yesterday in the Committee on Financial Services for legislation that would lower the tax burden on the investing public via taxes levied on individuals' 401(k) plans, mutual funds and retirement accounts.

So for people to claim that I, or the majority of my colleagues, are opposed to any form of tax relief is ludicrous and out right wrong. I am for tax cuts—but responsible tax cuts.

In 1993, without one single Republican vote, Congress passed an austere plan for cutting spending, raising taxes on a targeted few wealthy individuals and injecting real fiscal discipline into our economy.

The other side cried that this bill would be the death knell of the American economy—but the facts bear them wrong, again. In fact, our nation then began to see annual budget surpluses instead of deficits, deficits created mostly by fiscal irresponsibility of the Reagan and Bush White Houses.

Now, thanks to the fiscal discipline of the Democratic Party, we are in a situation where we have experienced several years of back to back annual budget surpluses with more surpluses predicted into the future.

I am proud to prove the pundits wrong and stand before you today and say the Democrats are the party of fiscal responsibility while the Republican majority has become the party of fiscal irresponsibility.

We have seen a decade of incredible economic growth and expansion. The virtual elimination of inflation and the smallest interest rates in a generation.

Unemployment went from 8 percent under the last President Bush in 1992, down to 7 percent, then 6 percent, then 5 percent and then 4 percent and then a historically low 3.9 percent—unheard of.

All the while, real incomes rose—again, something not seen during the Reagan and Bush Administrations. Home ownership skyrocketed and consumer confidence was sky-high. but Americans didn't just spend, they invested, and the stock market exploded.

Coincidence—I think not. It was a careful economic plan worked on by the Democrats in Congress—the Republicans continually refused to work with us—and the White House as well as the Federal Reserve Bank.

Democrats cut spending and erased the deficit—all the while the percentage of income sent to the Federal government in the form of income taxes continued to decline. Now, we want to throw the gains of the most prosperous decade in American history out the door to pass a backward tax cut plan that will primarily benefit the wealthy.

Even President Bush himself says a large share of the tax cut benefits will go to the rich—finally something we can all agree on.

We are basing economic forecasts for the next 10 years on data that is as reliable as weather reports. A year ago, the Government estimated our Nation's 10-year surpluses at a little over three trillion dollars—now they "revised" it to over $5 trillion—Guess they forgot to carry a one. Or, instead of being a mathematical goof, these 10 year projections are very flawed. Everyone from Alan Greenspan to the CBO agrees on this point.

No family could budget itself like this, no company would dare give away bonuses based for the next 10 years under the guise of favorable 10-year projections.

But that's the way the Republicans like to think when it comes to our future—they are gambling with Social Security and Medicare. This Bush Republican plan represents fiscal irresponsibility at its worst.

In fact, the President and the Republican Congress refuse to even consider an idea of providing triggers in their tax plan in case these projected surpluses do not happen. Triggers on these tax cuts are the only sensible option to prevent us from returning to the staggering Reagan-Bush deficits of the near past.

But instead, the Republicans want the go-go parties of the 1980's to continue whereby we spend all of our children's inheritance and leave them with the bill—that stinks both economically and morally, and that is why I oppose this foolish and reckless tax cut.

Congress and the President should work together, with guidance from the Fed, to address our Nation's fiscal concerns. I believe the economic priorities of the last Administration and of the Democrats in Congress are the right ones.

The expected Federal surplus is the people's money—it is not the government's money. Therefore, these funds should be used to benefit the people.

That is why I support a budget strategy commonly referred to as ⅓, ⅓, ⅓—where our country would use ⅓ of the surplus for tax cuts; ⅓ for debt reduction; and ⅓ for increased spending.

I believe one-third of our surplus should be returned to the American people in the form of a tax cut. Not one like the President supports which would reward almost $1 trillion of his $2 trillion plan to the richest one percent of Americans—but a fair tax plan.

I support and have voted for the elimination of the marriage penalty—something that will not occur even if Congress passed the President's plan exactly as written. Using just one-third of our surplus will allow for the elimination of this onerous tax. Also we can provide families and small businesses estate tax relief.

Another ⅓ of our surplus must be used to pay down our national debt. I have two young children, I do not want them and millions of other children to inherit a multi-Trillion dollar debt because I would not provide any fiscal discipline.

That is morally and economically wrong. The past 8 years America has borne witness to the wonders debt relief and deficit elimination will have on our Nation's overall economy and growth rates—this is undisputed, regardless of what some of my Republican colleagues insist.

If a family ran its budget like the Republicans want America to run its budget, they'd be in bankruptcy court, losing everything they worked for—and this will happen to our Nation if we pass these economically foolish tax cuts. We cannot let this happen.

The other third of the surplus should be used to provide for our Nation's critical investments, such as providing a prescription drug benefit under Medicare or shoring up Social Security or providing a well deserved pay raise to the hard working men and women of the U.S. military.

In my own district I know of too many people who ration their own medications because they cannot pay for their doses.

I also support increased public investments in our nation's crumbling schools. I released a study several weeks ago showing 97 percent of the school children in my district studying in overcrowded and antiquated classrooms.

I believe our children should be introduced to the Internet and computers at a young age. It is universally noted that the Internet economy has sparked much of our Nation's boom over the last decade, and this high technology has greatly improved our Nation's economic output and productivity levels, a reason why inflation has been virtually nonexistent.

Congress can and should provide tax relief, but we should not abandon our basic values, like Medicare or Social Security, or risk the reemergence of ballooning deficits to achieve this goal.

Democrats have a plan to accomplish this goal. This Republican bill will not accomplish this goal.

We need an economic policy for all of America—not just the richest of America.

Mr. SERRANO. Mr. Speaker, I rise in vehement opposition to H.R. 3, the so-called "Economic Growth and Tax Relief Act of 2001".

There is no need to rush into the tax issue today. Indeed, it is foolish to move forward with any bill cutting taxes until we can put it in the context of the entire budget. For that reason, I will not support the Democratic substitute either at this time.

Before we cut taxes, we need to know how much we will need to spend to meet national needs—education, which is top priority of the American people, Social Security and Medicare, including a prescription drug benefit, universal access to health care, a cleaner environment, more effective law enforcement, a robust foreign policy, and all the necessary activities of the Federal Government.

We need to decide how we will respond to the American Society of Civil Engineers' 2001 Report Card for America's Infrastructure, issued today, which gives our public works a grade of D+ and estimates that we will need to invest $1.3 Trillion over five years in our roads, bridges, aviation system, schools, water, waste, and energy systems.

We need to reach agreement on paying down the Federal debt to prepare for the pending retirement of the Baby Boom generation, which will place enormous strains on the Federal budget and the national economy.

Just as important, because we know that the Bush tax plan will cost far more than the $1.6 Trillion he claims, and that his budget won't add up without cuts (or deficits), we need to understand what areas of the Federal budget President Bush proposes to cut to make his numbers work. And that's assuming the ten-year surplus projections come true, which is a very risky assumption.

Apart from the timing and the lack of a budgetary context, the substance of H.R. 3 is not worthy of support.

The Bush tax proposals, those in this bill and those yet to come, are unfairly skewed away from the neediest families. The wealthiest 1 percent of the income distribution, with incomes averaging $900,000, pay about 21 percent of federal taxes but would receive 43 percent of the benefits, an average tax cut of $46,000.

Many working families, including those who pay more in payroll taxes than in income taxes, would get nothing. On Tuesday, the Center on Budget and Policy Priorities released a study which indicates that if Congress approves the Bush tax plan, an estimated 12.2 million low- and middle-income families, with 24.1 million children, would not receive any tax reduction at all.

Mr. Speaker, I represent the South Bronx in New York. There are many people in my district who work two or more jobs just to make ends meet. Just think what these families could do with some extra money. They, and low- and moderate-income families like them, need and deserve tax relief as much as anyone, and they are likely to put any money they get from tax relief into the local economy.

The Republicans keep saying the rich deserve the biggest tax breaks because they pay the most taxes. But don't forget, the rich pay the most taxes because they have the most money.

Don't get me wrong, Mr. Speaker. I believe Americans should get a tax cut, but I also believe a tax cut package should be reasonably sized, fairly distributed, and achievable within a budget that addresses national needs, especially education.

I urge my colleagues to vote against H.R. 3.

Mr. SHAYS. Mr. Speaker, I rise in strong support of the tax reduction legislation before the House.

We've heard a number of our colleagues come to the floor today to brand this tax cut as irresponsible. Let me state nothing could be further from the truth.

We need to put this legislation in perspective, not simply in terms of the enormous surplus projections for the next 10 years, but also in terms of federal revenue and spending over that same period.

Consider the following: over the next decade, the U.S. Government is anticipated to collect $28 trillion in taxes. We are asking that $1.6 trillion be returned to the American people.

Of the $28 trillion in revenue, total federal spending is already expected to be $22.3 trillion over the next 10 years, unless, of course, Congress finds new ways to spend taxpayers' money.

When we compare the $1.6 trillion tax package to our other commitments over the next 10 years this tax cut seems rather modest. We anticipate spending $3.6 trillion for our military; $4.2 trillion for discretionary non-defense programs; $5.8 trillion for Social Security; $3.0 trillion for Medicare; and $2.1 trillion for Medicaid.

We've heard today, like a broken record, that this is a tax cut for the rich.

The reality is this is a tax cut for those who pay taxes. If you pay taxes, you will receive a tax cut. In fact, 6 million of the lowest income earners will be taken off the income tax rolls by this legislation. They will pay no income tax.

Some of my colleagues don't want you to know that the top 5 percent of taxpayers pay more than 50 percent of personal income taxes, and the top 50 percent of taxpayers pay more than 95.8 percent. That's a very progressive tax system, and if the President's tax package is enacted, the tax code will become even more progressive.

A married couple who both work making $55,000 with two children would receive a

$1,930 tax cut. Yet a similar household making an additional $20,000 would receive only $120.

Mr. Speaker, the bottom line for me remains this: if we don't return some of the $5.6 trillion in tax surplus that the U.S. Treasury is estimated to collect over the next 10 years, it will be spent and the growth in the size of government will increase.

I am convinced the natural tendency to spend more money will only worsen with annual surpluses rolling in every year.

The President's proposal is very consistent with my long-standing efforts to limit the growth of government, cut wasteful federal spending and move power, money and influence out of Washington and back to local communities where it belongs.

I am pleased to support this bill, and urge my colleagues to do the same.

Mr. LAFALCE. Mr. Speaker, I rise today in strong support of fiscal responsibility. Unfortunately, the bill before us today is not fiscally responsible, and it is also not fair. It is unfair because it will exclude millions of working families from receiving any tax relief. In my state of New York alone, one in three families will get nothing from this bill. Nearly 1 million families and 1.9 million children in New York will receive absolutely no benefit from this tax cut. And these are the poorest of our working families, those who pay substantial payroll and other federal taxes but have no income tax liability.

The bill before us today delivers fully 44 percent of its benefits to the wealthiest 1 percent of Americans. It is the first and largest installment of the President's $2 trillion tax cut plan—a plan whose tax cuts for the wealthiest 1 percent would cost more than all of the President's new spending initiatives combined; and a plan that would force us to raid the Social Security and Medicare Trust Funds. The Republican Leadership has chosen to introduce the most expensive element of the President's plan first; it is also the component that (with the exception of the repeal of the estate tax) most favors the wealthiest Americans, which seems to reflect their priorities.

In short, Mr. Speaker, this bill and the overall Bush tax plan have three glaring problems, any one of which should cause us to reject them resoundingly.

First, it is the wrong kind of tax cut, providing the lion's share of benefits to the wealthiest Americans. It does nothing for the most vulnerable taxpayers who need the most help, while providing substantial help to the wealthy who need it least.

Second, it is much too expensive and will crowd out important federal spending priorities, many of which the President himself claims to support. It will also derail our efforts to eliminate the national debt, which poll after poll shows is a clear priority for the American people.

Finally, we are putting the cart before the horse in considering this tax cut today, prior to laying out a budget for the year.

THE WRONG KIND OF TAX CUT

Promoters of this tax cut have a peculiar notion of fairness. They believe it is fair that the wealthiest 1 percent of Americans get 44 percent of the benefits from this tax cut. In the old days, they might have argued that these benefits would ultimately trickle down to the rest of America through dramatic surges in economic growth. In 1981, we were asked to suspend disbelief and watch as a tax windfall for the wealthy would supposedly bring dramatic benefits to even the poorest Americans. Of course, these benefits never trickled down and we learned an important, if obvious, lesson: a tax windfall for the wealthy is nothing more than a tax windfall for the wealthy.

Now, the Republicans are trying a different tack, arguing that the wealthy face the highest burden from taxes, so they deserve the lion's share of a tax cut. But this just isn't true. After-tax income for the wealthiest 1 percent of Americans grew by a whopping $171,000 (or 40 percent) per family over the past decade, while after-tax income for the bottom 90 percent of families grew by just $1,241 (or 5 percent) per family. In light of this growing disparity in after-tax income, it should be obvious who is feeling the real burden of taxes today, and it is not the very wealthy. Yet, working families will get little or no relief from this tax bill. Again, 1 in 3 families in my state will get zero benefit from this bill or the President's overall tax plan. And these are the very families who need the help the most—the working poor and lower middle class. The conclusion from these numbers is unassailable: this tax cut will further widen the gap between the very wealthy and the rest of America. What definition of tax fairness could possibly apply to this bill?

THIS TAX CUT WILL CROWD OUT SPENDING AND DEBT REDUCTION PRIORITIES

In his address before Congress last week, President Bush repeatedly assured us that his massive tax cut plan could easily be paid for by what was "left over" after meeting spending and debt reduction obligations. Now his own sketchy budget proposal shows that nothing could be further from the truth. As many of us have been warning for weeks now, the President's tax plan, and today's bill, will come at the expense of federal budget priorities and debt reduction.

The President's budget director said we would have to look long and hard to find any cuts in the budget proposal. It took me less than 30 seconds: a 20% cut at the Federal Emergency Management Agency, a 17% cut at the Environmental Protection Agency, a 15% cut at the Department of Transportation, and so on. In fact, the President's so-called "budget blueprint" is nothing more than a tax cut masquerading as a budget. And today's vote for the biggest piece of this tax cut is effectively a vote to slash federal programs, raid the Social Security and Medicare trust funds, and reverse progress toward eliminating the national debt.

Among the many program cuts in the President's budget, I find two areas particularly egregious. President Bush would dramatically cut the budgets of the Department of Housing and Urban Development and the Small Business Administration. I have played a lead role in the oversight of these two agencies during the past decade, and I can attest to the tremendously important work they do in serving American families and small businesses.

Yet, at a time when our affordable housing needs are growing, the proposed HUD budget would cut housing funding by $2.2 billion in real terms. Included in these cuts is the elimination of the Drug Elimination Program for public housing, as well as a $700 million cut in the public housing Capital Fund, a critical source of funds for upgrades and repairs to ensure that low income and senior citizens' housing remains safe and accessible.

The budget of the Small Business Administration would be decimated under the Bush plan, with cuts totaling over 46% next year. The President proposes to sustain the Small Business Development Centers program and the General Business Loan and Small Business Investment Company programs by raising fees or introducing new fees charged to small businesses. He is effectively proposing to impose new taxes on America's small business in order to finance his tax windfall for the very wealthy—in short, a windfall for Wall Street paid for on the backs of America's Main Streets. Worse yet, he proposes to completely eliminate key elements of the New Markets Initiative, which is successfully realizing the untapped productive potential of America's under-served communities.

I am also concerned about our ability to meet critical infrastructure needs in light of this expensive tax cut. According to the American Society of Civil Engineers, the United States must spend a staggering $1.3 trillion over the next 5 years to meet our infrastructure needs. Much of the burden of that spending will fall on the federal government, and we must be prepared for it. Infrastructure investments are desperately needed to ensure that the water we drink is clean, that the roads and bridges we drive on are safe, that we can accommodate increased air traffic and alleviate airport congestion, and that we can continue to clean up our environment.

In the City of Buffalo, alone, the critical need to fix crumbling schools will likely cost $1 billion over the next decade. Multiply this amount by the countless number of other cities, large and small, that face similar school repair needs. The needs are substantial and real, and we will not be able to meet them if we pass this bill.

Finally, there are substantial human needs, which continue to go unaddressed by the federal government. 45 million Americans continue to go without any form of health insurance. And none of 39 million senior citizens on Medicare receive any prescription drug benefit from that program, at a time when drugs offer great hope for healthier and longer lives. Again, we simply will not be able to meet these needs if we pass this bill and follow the President's path for tax cuts.

In short, in passing this bill, we are incapacitating and emasculating the federal government's ability to meet all of these pressing needs. And we are re-digging the deficit ditch, after spending a long and difficult 18 years extricating ourselves from it.

THIS TAX CUT PUTS THE CART BEFORE THE HORSE

Poll after poll indicates that the American people do not support a massive tax cut that would jeopardize federal spending priorities and debt reduction. Congressional Republicans know this, which is why they are now rushing to put the cart before the horse, by passing the President's tax plan before we even know what our budget will be for the year. Mr. Speaker, we tried this approach before, and it was a disaster. In 1981, President

Reagan assured us that we could first pass a massive tax cut and then meet federal spending priorities, all the while keeping the federal deficit in check. In reality, the 1981 tax cut plunged us into a decade of mounting debt, while putting the squeeze on important federal programs.

This experience should have taught us that we cannot rely on magic asterisks and vague promises to meet federal budget priorities. It is critical that we consider tax cuts after we give serious consideration to a detailed budget for the year. In adopting the Republicans' plan, we would be turning the President's message on its head—he told us that tax cuts would be paid for by what was "left over" after budget priorities and debt reduction goals were met. But today, we are, in fact, moving headlong into a fiscal plan that will pay for all of the federal government's spending obligations, as well as debt reduction, out of what is left over from a massive tax cut.

Mr. BENTSEN. Mr. Speaker, I rise in strong opposition to H.R. 3, the first installment of President Bush's proposed tax cut package.

Having voted for tax cuts many times, I support an income tax rate cut, but not outside a sensible budget framework. By rushing H.R. 3 to the floor even before we've adopted next year's budget, the Republican Leadership has abandoned even the semblance of fiscal prudence. Mr. Speaker, I cannot support a tax cut of this magnitude before we have had an opportunity to engage in a full and fair debate on the competing budgetary priorities, including those of the President. The Republican Leadership has rushed the $1 trillion tax cut to the floor before deciding how much will go to debt reduction, funding the President's own spending increases, and reforming Social Security and Medicare. This is a classic case of putting the cart before the horse.

In all the euphoria over the projected budget surplus of $5.6 trillion over ten-year projection, released by the Congressional Budget Office, we run the risk of failing to continue the fiscal restraint which has brought us to this point today. In just eight years, the baby boomers begin retiring and place unprecedented stresses on Social Security and Medicare. All the major economic forecasters, including CBO, OMB, GAO, as well as independent analysts, agree that the long-term budget picture shows deficits returning in due course and ultimately rising to unsustainable levels. The Republican Leadership is today throwing fiscal responsibility to the wind for short-term political gain and are denying the lessons of the past about relying on speculative economic and political assumptions.

I also think it is irresponsible to structure a tax cut against the entire on 10-year surplus projections, the bulk of which are projected to materialize after 2006. History has taught us that it is far easier to enact additional tax cuts in future years of economic projections hold up or improve, while it is far more difficult to enact tax increases or budget cuts in the future if the projections go unrealized. CBO itself acknowledges that current projections may substantially overstate projected surpluses and has concluded that "the estimated surpluses could be off in one direction or the other, on average, by about $52 billion in 2001, $120 billion in 2002, and $412 billion in 2006." While there is significant doubt about whether surpluses will be realized, the coming retirement of the baby generation is a certainty for which we must plan.

I also have serious reservations about some of the contortions in the President's Budget Blueprint. The Administration plans to dedicate $2 trillion of the surplus, attributable to Social Security Trust Fund, to debt reduction and reserve the remaining $600 billion of Trust Fund receipts for Social Security privatization.

Futhermore, the President's Budget assumes dramatic spending increases in some accounts with unrealistic spending cuts in others. In recent days, the Administration has reversed itself on some of its proposed cuts and the Republican Chairman of the Senate Budget Committee has called into question the President's discretionary budget assumptions. Finally, in recent days of hearings before the Budget Committee, we have learned that the President's proposed "contingency fund," which is supposed to offset additional spending, tax cuts or unrealized surpluses, is actually not $842 billion, but less than $200 billion, once you subtract the projected Medicare Trust Fund balance and add the increased cost of the H.R. 3 over the President's estimate.

Thus, Mr. Speaker, I must oppose H.R. 3. This House is moving too fast to gain political advantage before determining how we can meet our longterm obligations, including paying down the debt.

Mr. McGOVERN. Mr. Speaker, I rise today in strong opposition to H.R. 3, the Economic Growth and Tax Relief Act of 2001. While I strongly support giving money back to hard-working Americans and to the families that need a tax cut, this is not the right way to do it.

While current economic projections show that we might see a significant budget surplus, the projections are just that—projections. We must be very cautious with these forecasts because the money we spend today—on tax cuts or on necessary programs—will be directly drawn from the projected surplus. Before Congress and the new Administration begin spending this surplus, we must take steps to ensure that our economy does not return to the budget deficits of the 1980s and early 1990s.

There are several reasons I am opposed to and will vote against H.R. 3.

First and foremost, this tax cut does not provide the necessary relief to the people who need it most. Instead of providing tax relief to middle-income families and working Americans, this bill benefits the most affluent of Americans. The top one percent of the income distribution would receive 43 percent of the tax benefits. This means that people whose incomes average over $900,000 per year would receive an average annual tax cut of $46,000! Yet many moderate- and low-income families will receive little or no benefit.

For example, while the top one percent of income earners receive tax breaks, an estimated 224,000 low and moderate income families in Massachusetts will not benefit from this plan. 28 percent of families living in Massachusetts will not benefit from this tax cut because their incomes are too low to owe federal income taxes.

Second, the U.S. House of Representatives is considering this tax cut without having considered or approved a budget. Instead of crafting and debating a budget for the next fiscal year, the majority party has rushed this tax bill for a vote at the expense of other priorities. The budget is the framework for all spending in the next fiscal year, including tax policy. Without a budget, we are endangering important priorities like education, health care, public safety, environmental protection, Social Security and Medicare.

This tax cut is nothing more than a replay of Reaganomics—the rich will get the tax cut, promises will be made that the money the rich receive will trickle down to the rest of us, and the nation will return to deficit spending.

Instead, we should move forward with a blueprint that has provided us with record surplus projections and has allowed us to consider such vital programs as a prescription drug benefit. We must protect and extend the Social Security and Medicare Trust Funds. We must continue to pay down the debt. As we pay down the debt, the surplus will continue to grow and we will be better able to pay for the priorities that are vital to all Americans.

We must not ignore our responsibilities to all Americans by providing tax breaks to just a few. I urge a no vote on H.R. 3.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer an amendment in the nature of a substitute on behalf of myself, the gentleman from North Dakota (Mr. POMEROY); the gentleman from Rhode Island (Mr. LANGEVIN); the gentleman from California (Mr. HONDA); the gentlewoman from California (Mrs. DAVIS); the gentleman from Oklahoma (Mr. CARSON); and the gentleman from Missouri (Mr. GEPHARDT), the Democratic leader.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. RANGEL:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the "Tax Reduction Act of 2001".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

TITLE I—INDIVIDUAL INCOME TAX RATE REDUCTIONS; EXPANSION OF EARNED INCOME CREDIT ASSISTANCE

SEC. 101. INDIVIDUAL INCOME TAX RATE REDUCTIONS.

(a) IN GENERAL.—Section 1 is amended by adding at the end the following new subsection:

"(i) 12 PERCENT RATE BRACKET.—

"(1) In general.—In the case of taxable years beginning after December 31, 2000—

"(A) the rate of tax under subsections (a), (b), (c), and (d) on taxable income not over the initial bracket amount shall be 12 percent, and

"(B) the 15 percent rate of tax shall apply only to taxable income over the initial bracket amount.

"(2) Initial bracket amount.—For purposes of this subsection—

"(A) In general.—Except as provided in subparagraph (B), the initial bracket amount is—

"(i) $20,000 in the case of subsection (a),

"(ii) 80 percent of the dollar amount in clause (i) in the case of subsection (b), and

"(iii) 50 percent of the dollar amount in clause (i) in the case of subsections (c) and (d).

"(B) Phasein.—The initial bracket amount is—

"(i) ¼ the amount otherwise applicable under subparagraph (A) in the case of taxable years beginning during 2001, and

"(ii) ½ such amount otherwise applicable under subparagraph (A) in the case of taxable years beginning during 2002.

"(3) Inflation adjustment.—

"(A) In general.—In the case of any taxable year beginning in a calendar year after 2003, the $20,000 amount under paragraph (2)(A)(i) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under subsection (f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2002' for 'calendar year 1992' in subparagraph (B) thereof.

"(B) Rounding rules.—If any amount after adjustment under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.

"(4) Adjustment of tables.—The Secretary shall adjust the tables prescribed under subsection (f) to carry out this subsection."

(b) Adjustment in Computation of Alternative Minimum Tax.—Paragraph (2) of section 55(a) is amended to read as follows:

"(2) the sum of—

"(A) the regular tax for the taxable year, plus

"(B) in the case of an individual, 3 percent of so much of the individual's taxable income for the taxable year as is taxed at 12 percent."

(c) Repeal of Reduction of Refundable Tax credits.—

(1) Subsection (d) of section 24 is amended by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(2) Section 32 is amended by striking subsection (h).

(d) Conforming Amendment.—Subclause (II) of section 1(g)(7)(B)(ii) is amended by striking "15 percent" and inserting "12 percent".

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(f) Protection of Social Security and Medicare.—The amounts transferred to any trust fund under the Social Security Act shall be determined as if this Act had not been enacted.

SEC. 102. MODIFICATIONS TO EARNED INCOME TAX CREDIT.

(a) Increases in Percentages and Amounts Used to Determine Credit; Marriage Penalty Relief.—

(1) In general.—Subsection (b) of section 32 is amended to read as follows:

"(b) Percentages and Amounts.—

"(1) Percentages.—The credit percentage, the initial phaseout percentage, and the final phaseout percentage shall be determined as follows:

"In the case of an eligible individual with:	The credit percentage is:	The initial phaseout percentage is:	The final phaseout percentage is:
1 qualifying child	34	15.98	18.98
2 or more qualifying children ...	40	21.06	24.06
No qualifying children	7.65	7.65	7.65

"(2) Amounts.—

"(A) In general.—The earned income amount and the initial phaseout amount shall be determined as follows:

"In the case of an eligible individual with:	The earned income amount is:	The initial phaseout amount is:
1 qualifying child	$8,140	$13,470
2 or more qualifying children	$10,820	$13,470
No qualifying children	$4,900	$6,130.

In the case of a joint return where there is at least 1 qualifying child, the initial phaseout amount shall be $2,500 greater than the amount otherwise applicable under the preceding sentence.

"(B) Final phaseout amount.—The final phaseout amount is $26,000 ($28,500 in the case of a joint return)."

(2) Modification of computation of phaseout.—Paragraph (2) of section 32(a) is amended to read as follows:

"(2) Phaseout of credit.—The amount of the credit allowable to a taxpayer under paragraph (1) for any taxable year shall be reduced (but not below zero) by the sum of—

"(A) the initial phaseout percentage of so much of the total income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds the initial phaseout amount but does not exceed the final phaseout amount, plus

"(B) the final phaseout percentage of so much of the total income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds the final phaseout amount."

(3) Total income.—Paragraph (5) of section 32(c) is amended to read as follows:

"(5) Total income.—The term 'total income' means adjusted gross income determined without regard to—

"(A) the deductions referred to in paragraphs (6), (7), (9), (10), (15), (16), and (17) of section 62(a),

"(B) the deduction allowed by section 162(l), and

"(C) the deduction allowed by section 164(f)."

(4) Conforming amendments.—

(A) Subsection (j) of section 32 is amended to read as follows:

"(j) Inflation Adjustment.—

"(1) In general.—In the case of any taxable year beginning after 2002, each of the dollar amounts in subsection (b)(2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3), for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) Rounding.—If any dollar amount, after being increased under paragraph (1), is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10."

(B) Subparagraph (C) of section 32(c)(1) is amended by striking "modified adjusted gross income" and inserting "total income".

(C) Paragraph (2) of section 32(f) is amended to read as follows:

"(2) Requirements for tables.—

"(A) In general.—The provisions of subsection (a)(1) and the provisions of subsection (a)(2) shall be reflected in separate tables prescribed under paragraph (1).

"(B) Subsection (a)(1) table.—The tables prescribed under paragraph (1) to reflect the provisions of subsection (a)(1) shall have income brackets of not greater than $50 each for earned income between $0 and the earned income amount.

"(C) Subsection (a)(2) table.—The tables prescribed under paragraph (1) to reflect the provisions of subsection (a)(2) shall have income brackets of not greater than $50 each for total income (or, if greater, the earned income) above the initial phaseout threshold."

(b) Repeal of Denial of Credit Where Investment Income.—Section 32 is amended by striking subsection (i).

(c) Earned Income To Include Only Amounts Includible in Gross Income.—

(1) In general.—Section 32(c)(2)(A)(i) (defining earned income) is amended by inserting ", but only if such amounts are includible in gross income for the taxable year" after "other employee compensation".

(2) Conforming amendment.—Section 32(c)(2)(B) is amended by striking "and" at the end of clause (iv), by striking the period at the end of clause (v) and inserting ", and", and by adding at the end the following new clause:

"(vi) the requirement under subparagraph (A)(i) that an amount be includible in gross income shall not apply if such amount is exempt from tax under section 7873 or is derived directly from restricted and allotted land under the Act of February 8, 1887 (commonly known as the Indian General Allotment Act) (25 U.S.C. 331 et seq.) or from land held under Acts or treaties containing an exception provision similar to the Indian General Allotment Act."

(d) Modification of Joint Return Requirement.—Subsection (d) of section 32 is amended to read as follows:

"(d) Married Individuals.—

"(1) In general.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and his spouse file a joint return for the taxable year.

"(2) Marital status.—For purposes of paragraph (1), an individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.

"(3) Certain married individuals living apart.—For purposes of paragraph (1), if—

"(A) an individual —

"(i) is married and files a separate return, and

"(ii) has a qualifying child who is a son, daughter, stepson, or stepdaughter of such individual, and

"(B) during the last 6 months of such taxable year, such individual and such individual's spouse do not have the same principal place of abode,

such individual shall not be considered as married."

(e) Expansion of Mathematical Error Authority.—Paragraph (2) of section 6213(g) is amended by striking "and" at the end of subparagraph (K), by striking the period at the end of subparagraph (L) and inserting ", and", and by inserting after subparagraph (L) the following new subparagraph:

"(M) the entry on the return claiming the credit under section 32 with respect to a child if, according to the Federal Case Registry of Child Support Orders established under section 453(h) of the Social Security Act, the taxpayer is a noncustodial parent of such child."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—MARRIAGE PENALTY RELIEF

SEC. 201. MARRIAGE PENALTY RELIEF.

(a) STANDARD DEDUCTION.—

(1) IN GENERAL.—Paragraph (2) of section 63(c) (relating to standard deduction) is amended—

(A) by striking "$5,000" in subparagraph (A) and inserting "twice the dollar amount in effect under subparagraph (C) for the taxable year",

(B) by adding "or" at the end of subparagraph (B),

(C) by striking "in the case of" and all that follows in subparagraph (C) and inserting "in any other case.", and

(D) by striking subparagraph (D).

(2) INCREASE ALLOWED AS DEDUCTION IN DETERMINING MINIMUM TAX.—Subparagraph (E) of section 56(b)(1) is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to so much of the standard deduction under subparagraph (A) of section 63(c)(2) as exceeds the amount which would be such deduction but for the amendment made by section 201(a)(1) of the Tax Reduction Act of 2001.

(3) TECHNICAL AMENDMENTS.—

(A) Subparagraph (B) of section 1(f)(6) is amended by striking "(other than with" and all that follows through "shall be applied" and inserting "(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied".

(B) Paragraph (4) of section 63(c) is amended by adding at the end the following flush sentence:

"The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 83, the gentleman from New York (Mr. RANGEL) and a Member opposed each will control 30 minutes.

Mr. THOMAS. Mr. Speaker, I do rise, along with the entire Republican leadership and every Republican member of the Committee on Ways and Means and the vast majority of Republicans in opposition to the substitute.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) claims the time in opposition.

The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume. I would note that the gentleman from California (Mr. THOMAS) did not mention the Republican President that I assume is still trying to be bipartisan.

Mr. Speaker, as we have said, we all would like to have a tax cut. Some of us believe that it should be responsible; all of us hope that it would be bipartisan. We want it to be fair, we want it to be honest, we do not want the hidden costs, as we see with the major bill that is on this floor today.

We think that it is unfair that 44 percent of the tax bill that is before us would go to 1 percent of the taxpayers, and those other people who make over $373,000 each year. What we have done is created a new 12 percent rate bracket for the first $20,000 of taxable income; and truly, all people would enjoy some type of tax relief.

But another issue which I hope will be discussed during the debate is that Republicans like to say, if you do not pay income taxes, do not expect an income tax return. Well, for 80 percent of the hard-working people that pay payroll taxes, they think it is a tax on their income. They work hard every day, and they do not get any relief under this bill. So we do not tinker and stop the flow of the money to Social Security or to Medicare, but we do create in our substitute an expansion of the earned income tax credit, so that we would provide a cushion for these hard-working people. The Republican bill does not deal with the marriage penalty. What we do is create a double standard deduction that is twice the standard deduction that would be available to the single people.

I admit that we are concerned about the people that are in high-income States too, because under the Republican bill, the deductibility of local and State taxes will be prevented by a mechanism that is referred to as the alternative minimum tax. We raised this to the chairman, but the Republicans obviously say "manana," or tomorrow, they will take care of it. They will take care of the estate taxes, they will take care of the marriage penalty, they will take care of the deficit that might result as a result of their bill.

So I am hoping that at this time we would reject the Republican bill that is before us. It is not bipartisan; it has not been discussed with us. We think that this substitute is fiscally responsible; we think it is fair; we think it is honest; and, unlike H.R. 3, we think that it warrants the support of Republicans and Democrats, and we urge our colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Again, I guess I am just a little bit confused. I thought that what we heard for the last hour was how quickly Republicans were moving, and that we just should not really move this quickly on a tax cut. I thought I just heard my friend and colleague from New York now indicate that we are not moving in this tax bill on the marriage penalty, on the death tax, on child credit, on alleviating the alternative minimum tax; and they just wonder if we are ever going to move.

I would tell the gentleman that, just as the President in the joint session in the well said that he wanted immediate tax relief for all Americans, which we are providing today, he also mentioned that we should have a child credit increase; that we should fix the marriage penalty; that we should eliminate the death tax. And we are going to do all of those.

I look forward to working with my colleague as we go forward in putting those tax packages together. It is March, and I do apologize to the gentleman because we do not have all of those other portions of the President's plan in front of us today, but I know that we will work diligently in committee; and before this month is out, very likely, we will be able to present the rest of the President's package.

So I do take the admonition about moving quickly for the other parts of the package, and I look forward to the gentleman working with us. Today is not the day, however; and today is to pass the heart of the President's program, and that is the rate reductions, the lowering of the fundamental structure of taxes for all income tax payers. That is what H.R. 3 does, and that is why we support the bill rather than this quickly conceived, hastily thrown together substitute.

Mr. RANGEL. Mr. Speaker, would the distinguished and articulate chairman of the Committee on Ways and Means yield?

Mr. THOMAS. Mr. Speaker, I would certainly yield to the gentleman from New York on his time.

Mr. RANGEL. Well, the gentleman is not yielding then. That is parliamentary. It is impossible for him to do that. Has the gentleman from California no sense of how this House is supposed to operate? How can the gentleman yield to me on my time? I asked the gentleman to yield. That is unfair.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from New York (Mr. HOUGHTON), a valued member of the Committee on Ways and Means, and a gentleman who understands the rules.

Mr. HOUGHTON. Mr. Speaker, I wish this were a little more evenly balanced in terms of a bipartisan approach, but evidently we are dealing with things which have been triggered by the White House, and we have to follow that route.

Look, there are certain things about the Republican bill that I do not particularly like. It is a very uncertain future. Who knows what is going to happen in 10 years? Also, there are some things in terms of child credits and in terms of a whole variety of things such as alternative minimum taxes that maybe should be considered, but there are certain things we do know. We know we are dealing with a huge surplus, a gargantuan surplus; and irrespective of what happens here in terms of the economy, we have a lot of area to play with. And it seems to me that what we want to do is to stretch and give as much as possible back to the people, where this money came from.

I used to be in business, and if one said to the stockholders and the employers in the business, look, we have been losing money for 30 years, which is exactly what the Federal Government has done, and now we are beginning to make a little bit, and what we want to do is to thank you for holding with us and we want to give you a dividend increase, we want to give you a salary increase; we are going to pay back our debts, but we are not going to pay them back all at once without taking care of you, we are going to do it in a balanced way. It seems to me that this is the whole premise of the Republican budget, and I support it.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. STARK), a senior member of the Committee on Ways and Means.

Mr. STARK. Mr. Speaker, I am so happy to follow my distinguished colleagues on the other side of the aisle from California and from New York. The gentleman who preceded me is arguably somewhat more wealthy than I am, and I think I would just like to explain in terms he and I can understand.

Mr. THOMAS. Mr. Speaker, will the gentleman yield briefly?

Mr. STARK. No.

Mr. THOMAS. Mr. Speaker, I do not believe there is any argument.

Mr. STARK. Regular order, Mr. Speaker.

It is pretty clear, because I talked to my colleagues a few months ago about why I did not intend to support removing the inheritance tax to make my children even richer than they will be, and so I am here today to explain to my colleagues in the simplest terms about what greed has done.

I know the gentleman from New York (Mr. HOUGHTON) will do far better than I will on this, but my accountant tells me that under the Republican plan, I will save $28,253.82. Under the Democratic alternative as proposed by our distinguished ranking member and the Democrats, I would save $737, a difference of $27,500.

My father-in-law is a retired teamster in San Marino, California. He has had a small business. He and people under $44,000 a year will receive $316 under the Bush plan, $289 under ours, a $25 difference. The $27,500 that my Republican colleagues are giving to Members of Congress is going to us instead of paying for a drug benefit for seniors. That is what is the issue today. The Republicans would destroy Medicare and Social Security by giving the money to the gentleman from New York (Mr. HOUGHTON) and to me who arguably do not need it and deny decent benefits to the seniors in this country. It is clear.

Mr. THOMAS. Mr. Speaker, as someone who clearly does not have that dilemma in front of him, I yield 2 minutes to the gentleman from Oklahoma (Mr. WATKINS), a valued member of the Committee on Ways and Means.

Mr. WATKINS. Mr. Speaker, I have a great deal of respect for the gentleman from New York (Mr. RANGEL). I support this bill because I truly believe we must stimulate the economy.

□ 1530

When you have Alan Greenspan, Chairman of the Federal Reserve, lowering the interest rates twice in January, and the economic indicators have been down. They need to be stimulated in order for us to build jobs and build the economy. We must not let the economy go into a tailspin.

There are a lot of people that like to point out that it does not go far enough. I agree there. And let me say to the gentleman from New York (Mr. RANGEL), if he does not believe in tax reduction, let me have the gentleman's capital gains tax reductions that the gentleman has with the empowerment zones.

Let me also have the gentleman's tax credits that the gentleman has in Harlem and also the accelerated depreciation, and if the gentleman gives me all of those, I will back off because I know tax reduction works.

The gentleman from New York (Mr. RANGEL), my good friend, knows it works, because that is the only hope to stimulate that economy in Harlem. Just like I have high hopes that I can get industry into the lower income rural economic depressed areas of Oklahoma where we have had out-migration. We have lost our population. We have had welfare, low per capita income.

The tax reductions do work, because we have to have the economic opportunities to stimulate jobs. Some people like to point back and say look at Ronald Reagan's time. That was totally a different time 20 years ago.

If my colleagues remember, that budget was built by David Stockman with inflated figures. Does the gentleman remember that? They were out of bounds. We did not have a balanced budget.

Today we have a balanced budget. In fact, we are paying down debt. We do not have a huge military buildup like we had back at that time either. Circumstances are a lot different.

Let me say I stand in support of this tax bill and let us send part of this surplus back to our taxpayers.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the chairwoman of the Congressional Black Caucus.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding the time to me.

The Congressional Black Caucus supports the Democratic alternative to the Bush tax plan, because it really is better. However, the Congressional Black Caucus believes that before we do any tax cut, we do need a budget plan.

I just heard the gentleman, a friend, talk about wanting to stimulate jobs. The last administration stimulated 22 million jobs. We are not in a crisis for a tax break.

The Democratic plan calls for a $900 billion tax cut that is fiscally responsible and fair to the average American. The Democratic plan contains a new 12 percent bottom bracket that would cut taxes on all individuals up to $300 and to all couples $600 annually, not just the top 1 percent.

The plan contains a married penalty relief for couples who use the standard deduction and for the tax relief for married couples who utilized the earned income tax credit.

Mr. Speaker, the Congressional Black Caucus supports the Democratic alternative to the Bush tax plan, because it is better. However, the Congressional Black Caucus believes that before we do any tax cut we need to have a budget plan.

The Democratic plan calls for a $900 billion tax cut that is fiscally responsible and fair to average Americans.

The Democratic plan contains: a new 12 percent bottom bracket that would cut taxes on all individuals up to $300 and to all couples up to $600 annually; the plan also contains marriage penalty relief for couples who use the standard deduction and further tax relief to married couples who utilize the earned income tax credit; and the plan includes estate tax relief that would eliminate this tax for over two-thirds of all estates that are currently subject to this tax.

The Democratic plan protects Social Security and Medicare. It reserves one-third of the projected $2.7 billion surplus so that we can meet our obligations to the Baby Boomers when they start to retire in 2008.

This Democratic plan leaves enough money for investment priorities that even the administration has said they support, such as improving education and providing a real prescription drug benefit for senior citizens.

The Democratic tax cut also lets us pay down the debt rapidly by setting aside one-third of the projected surplus for debt reduction. Every American benefits from this because everyone will at some point want to own a home, or buy a new car. Paying down the debt ensures that interest rates on loans will stay low, meaning lower monthly mortgage and car payments.

The slowdown in the economy does require a tax cut to ensure that a full scale recession does not occur.

Tax cuts should be fair to the average American family. The President's plan is not. The Citizens for Tax Justice organization performed independent analysis that found that the President's plan provides an average $46,000 tax cut to the top 1 percent of taxpayers while leaving only an average tax cut of $227 for the lowest 60 percent of working families.

The President's plan is also fiscally irresponsible. It raids the surplus, threatens Social Security and Medicare, and leaves no room for important investments like education and health care.

The President's plan threatens economic prosperity by reversing all the progress that was made during the last administration. It will plunge the country back into deficit spending just like President Reagan's tax cuts of the 1980s.

The President's plan even threatens Medicare and Social Security because it leaves no room for error if the economy does not grow as quickly as current projections.

Mr. Speaker, we need a budget plan before voting on any tax cuts. However, the Democratic alternative is the better tax approach.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means, for yielding the time to me and for his strong leadership in bringing this bill to the floor.

Mr. Speaker, I rise in opposition to the Democratic substitute and in support of H.R. 3, the Economic Growth and Tax Relief Act. This is very simple, what we are about here. This is money that was earned by the American people. They have paid it.

The government is taking in far more, far more than we are spending, and it is appropriate to give it back. It is a lot like if someone baked a batch of cookies and put them all out on a plate on the table at one time, watch and see what happens to it. In most families, they are going to go just like that. That is why we have to give this money back to the taxpayers, and we need to do it in a responsible way, because if we leave that money here, that plate of cookies right here, they are going to spend it.

It is entirely appropriate that instead of doing that, we provide for a reduction in statutory tax rates under the individual income tax. A vital step towards reducing the complexity of our tax process is reducing taxes in general. Instead of squandering the surplus on wasteful government spending, the Bush administration and Congress are working to ensure that government provides tax relief to all Americans.

Mr. Speaker, by reducing the current five tax brackets into four and making the new 12 percent rate retroactive, Washington will return hard earned dollars to those who earned it, the American citizens. This bill allows people to make choices on how to best spend their money.

The government should not be making that decision for them. This is the heart, the heart of President Bush's tax plan, and I urge my colleagues to support this bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Missouri (Ms. MCCARTHY).

Ms. MCCARTHY of Missouri. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me the time.

Mr. Speaker, I rise in opposition to the Republican tax cut plan, H.R. 3, and in support of the Democratic substitute. I support tax cuts for all Americans. Under the President's plan, many of American working families would still be left behind.

The President's tax plan provides each of the wealthiest 1 percent of the taxpayers $46,000 in relief with the lowest 60 percent of working families getting a tax cut of just $227, or less than a dollar a day. This plan leaves working families and children behind.

Mr. Speaker, 30 percent of Missouri's families will be left behind, a third of Missouri's children will be left behind. I support a tax plan that focuses its relief on workers and families with children. This is fairness.

I support a budget that protects Social Security and Medicare and continues to reduce the national debt. This is fiscal responsibility. Supporting a tax cut of such magnitude as the President's will leave us unable to meet the needs of the economy of the American people and especially the educational needs of our children.

It is not a fair plan nor a responsible fiscal policy, and I urge my colleagues to vote no on H.R. 3 and support the Democratic alternative.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 1 minute to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman from California (Mr. THOMAS), chairman of the Committee on Ways and Means, for yielding the time to me.

Mr. Speaker, the most important reason to have a tax cut is to get some of this money out of town. It has been mentioned that spending is the danger.

There are a lot of problems in this country. There are a lot of problems in the world, and it is easy for politicians to say let us spend a little more of that available money.

Let me just give my colleagues a quick example, Mr. Speaker, in the last one, if we would have stuck to the caps that we set on ourselves for 1997, the baseline for the next 10 years would be $1.7 trillion less spending than the baseline that exists because of our expanded spending.

The danger is more and more spending from this body, and it has been said many times how many people believe that if you leave it on this political counter in Washington most of it is going to be spent for an expanded government; that is the worst thing we can do for the future of the economy.

It is the worst thing we can do for the liability that our kids are going to have to bail us out of. Let us get some of the money out of town. Let us be fiscally responsible and start setting priorities.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it amazes me the lack of confidence that these Republicans have in their leadership as relates to spending, but they know best.

Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. LEE), who served in the State Finance Committee before she came to the Congress.

Ms. LEE. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me the time.

Mr. Speaker, I rise today to oppose the Bush tax cut plan, which discriminates against millions of families with children, especially minority families.

According to the Center for Budget and Policy Priorities, 55 percent of African American families and 56 percent of Latino families, including 12 million children, would not receive 1 penny of tax relief under the Bush tax plan.

Let me read you a quote from a full page ad in the West Coast edition of the New York Times that ran last week. It says your proposed $1.6 trillion tax cut inadvertently puts our children at risk.

Now this ad, this full page ad, was taken out by a multi-ethnic coalition of 38 church, community and small business associations in California, including the California Hispanic Chamber of Commerce, the California Black Chamber of Commerce, and the National Council of Asian American Business Associations.

President Bush states that he wants to unify the Nation, but his tax plan is not a unifying plan. It leaves out many minority families. Instead of huge tax breaks, we should spend any surplus on education, on housing, Social Security and paying off the debt.

Mr. Speaker, I submit the following ad I mentioned in my remarks for the RECORD:

[From the New York Times, Mar. 1, 2001]

OPEN LETTER TO THE PRESIDENT—WE SUPPORT YOUR PRO-CHILD INAUGURAL ADDRESS: PLEASE CREATE A PRO-CHILD TAX CUT

"And whatever our views of [poverty's] cause, we can agree that children at risk are not at fault. Abandonment and abuse are not acts of God, they are failures of love." (Inaugural Address, Jan. 2001)

DEAR PRESIDENT BUSH: Your eloquent and compassionate Inaugural Address will long be remembered if your tax policies follow the pro-children theme of this address.

Your proposed 1.6 trillion-dollar tax cut inadvertently puts our children at risk. By its sheer size and focus on the wealthiest one percent of families (average income of one million dollars) it jeopardizes the children-at-risk theme of your compassionate educational and health care projects.

Over half (56%) of all Latino and African American children live in families that will receive no tax cuts.

Only one in 25 children live in families that will receive any significant benefits, and virtually all of these families can presently fully provide for all their children's needs and wishes.

PROTECT OUR MOST PRECIOUS RESOURCE: A $1,200 ANNUAL TAX REBATE FOR A FAMILY OF FOUR

Consistent with the compassionate theme of your Inaugural Address we support an annual $300 per person tax rebate for all U.S. residents, including senior citizens. A family of four would receive $1,200 a year.

Over 95% of children and their families would receive more under this proposal than under your proposal. And, only the top one percent of families (average income of one million dollars) would receive significantly less from the pro-child proposal than from your proposal. Your proposal gives these families $63,000 a year in tax cuts in the first year and close to a million dollars over a ten year period.

Even the typical senior citizen would benefit. Under your proposal a widow earning $20,000 would get a rebate of just $60. Under the $300 per person proposal, she would receive five times as much.

And, the typical family earning under $80,000 would receive $233 more per year under this proposal than from your tax cut proposal.

Unlike your proposal, the $1,200 per family of four proposal will not jeopardize social security, Medicare, military spending, or environmental protection, since it will cost fewer than 90 billion dollars a year and can be adjusted upward or downward depending on the size of our national surplus.

This $1,200 rebate will directly and immediately stimulate the economy and work in tandem with Federal Reserve Chairman Greenspan's interest rate cuts. It will do so because it can be provided immediately and 95% of the beneficiaries will use it for domestic spending such as health care, food, clothing and housing. In contrast, a tax cut for the super-rich will either not be spent or expended largely on foreign luxury goods such as Ferraris.

Mr. President, do not forget our children! Do not put our most precious resource at risk! Let their families, not the super-rich determine their future.

"African Americans fully understand the distinction between complex tax cuts for the super rich and a sweeping and simple across-the-board cut that equally benefits every American, including the humble and hardworking factory, hospital and restaurant workers of America." (Reverend J. Alfred Smith, Jr., co-pastor, Allen Temple Baptist Church)

"Latinos future success is largely dependent upon tax policies that promote and protect our most precious resource, our children." (Raul Medrano, Chairman, California Hispanic Chamber of Commerce)

Reverend Mark Whitlock, First AME Church, Los Angeles; Raul Medrano, California Hispanic Chamber of Commerce; Aubry Stone, California Black Chamber of Commerce; Gelly Borromeo, National Council of Asian American Business Associations; George Dean, Greater Phoenix Area Urban League; Reverend J. Alfred Smith, Jr., Allen Temple Baptist Church; Jorge Corralejo, Latin Business Association; Angelina Casillas-Corona, Hermandad Mexicana Nacional; Leo Avila, American GI Forum; Mary Ann Mitchell, National Black Business Council; Stanley H. Hall, Bay Area Urban League; Darlene Mar, Council of Asian American Business Association; Reverend Stephen McGlover, Black Business Association; Ben Benavidez, Mexican American Political Association; George Bivins, Black Business Association of Los Angeles; Lisa Yuchengco, Asian Pacific Publishers Association; Gayle Orr-Smith, San Francisco Business and Professional Women; Calvin Louie, CAABA; Ray Uzeta, Chicano Federation of San Diego; Manuel Pena, Orange County Minority Business Council; Arabella Martinez, Spanish Speaking Unity Council; John Gamboa, The Greenlining Institute.

PREPARED BY THE GREENLINING INSTITUTE, A MULTI-ETHNIC COALITION OF 38 CHURCH, COMMUNITY, AND SMALL BUSINESS ASSOCIATIONS, 785 MARKET STREET, 3RD FLOOR, SAN FRANCISCO, CA

Mr. THOMAS. Mr. Speaker, I yield myself 45 seconds.

Mr. Speaker, I believe that pretty well clears the air in terms of what some folks want to do with other people's money.

I believe that the point of the gentlewoman from California (Ms. LEE) was that there are a number of Americans who do not pay income taxes. This is a reduction, a permanent reduction in the income tax rate. More than 60 million women income tax payers will be benefitted. More than 16 million African American income tax payers will be benefitted. More than 15 million Hispanic American income taxpayers will be benefitted.

Those African Americans, Hispanics and women who will be benefitted are income taxpayers. The concern of the gentlewoman about those who do not pay income taxes was addressed by the President when he talked about needed reform in Social Security.

We will be doing that, and we will be doing it soon.

Mr. Speaker, it is my pleasure to yield 2½ minutes to the gentleman from California (Mr. COX), chairman of the Republican Policy Committee.

Mr. COX. Mr. Speaker, I thank the gentleman from California (Mr. THOMAS), the distinguished chairman of the Committee on Ways and Means.

Mr. Speaker, the gentleman could not have said it better. Higher tax rates do not produce jobs. Lower tax rates do.

High tax rates do not help single moms. Lower tax rates do.

High tax rates do not help our kids and our families. Lower tax rates do.

Mr. Speaker, today, for the first time in 20 years, we had on this floor a bill that will provide across the board tax rate relief for every working American, everyone. And, of course, the greatest percentage relief goes to the lowest end of the income scale.

The last time we did this was the Economic Recovery Tax Act of 1981. That was the catalyst for the staggering economic growth of the 1980s, the 1990s, the growth that we are still enjoying today. By reducing tax rates, we found during the decade of the 1980s that income tax revenues to the government more than doubles.

The problem was, of course, congressional spending at that time which more than doubled, but now a fiscally responsible Congress is prepared to keep a lid on spending.

I do expect that we will live within the 4 percent growth in discretionary spending that President Bush has laid out for us.

Mr. Speaker, what better time for a tax rate reduction than when we are enjoying record surpluses, something we were not blessed with back in the 1980s. Since the 1981 tax rate reduction, the American people have suffered eight tax hikes, so that today the tax burden on the American people and the tax burden as a share of this largest economy in our history is, in fact, the greatest in American history, eclipsing even the tax burden of World War II, when we were facing a death struggle with Nazi Germany and imperial Japan.

The need is clear. It is time to reduce tax rates which are placing a burden on our economy right now, which is the greatest since the largest war in the history of man.

Mr. Speaker, $2,000 that the average family of four will save because of this bill will go a long way towards setting this economy back on the path of economic growth and prosperity for every American.

Mr. Speaker, I want to thank the gentleman from California (Mr. THOMAS), chairman of the Committee on Ways and Means, for his leadership in bringing this bill to the floor and commend this bill to my colleagues who I know will vote in its support.

Mr. RANGEL. Mr. Speaker I yield 1½ minutes to the distinguished gentleman from Massachusetts (Mr. NEAL), a member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, what we are essentially being asked to do today is this, to vote on what economic conditions are going to be like in 10 years. The gentleman from New York (Mr. HOUGHTON) had it right on target when he suggested that.

Let me take my colleagues back 10 years. What we were told that we had to replicate in America 10 years ago were simply Japanese management practices. If every businessman and businesswomen in America simply did what the Japanese did, we would be in great shape, and the prosperity would be just around the corner.

Who among us would argue that today? We were told we were going to have deficits for the next 25 years. Who would argue that today?

□ 1545

We were told by Paul Kennedy at Yale with his popular book 10 years ago that America's best days were behind; and it was widely read and on the best seller list forever. Who would argue that today? But yet we are being asked to do precisely that by projecting what economic conditions will be like a decade from now.

Then we are being told we better do this today so we can stimulate the economy. The Senate is not going to take this up until spring or summer, but we are told it has got to be done today. Minimal debate. Shove it through. Ram it down the minority's throat.

Let me tell my colleagues what we are going to do with AMT. We are going to make the matter even worse today. Currently, there are 1.5 million taxpayers who are caught in the AMT net. Under current law, that increases to 20 million in 2011, some with incomes as low as $50,000. Because of the bill that we have before us today, 15 million more people are about to pay AMT over the next 10 years. The problem, cost, $292 billion.

Reject this sham today. We will offer a tax cut here. A reasonable tax cut targeted to middle-income Americans is where we should be headed.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Georgia (Mr. LEWIS), a member of the Committee on Ways and Means.

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, I rise today in support of the Democratic substitute. The Republican bill is not the way to go. It is going to take the country down the wrong road.

This whole thing is unbelievable. It is unreal. In my 15 years in Congress, I have never seen such a thing. We are now debating the first part of a $2 trillion tax bill, and we are doing it before we have a budget. $2 trillion is a lot of money, especially when it is based on an unreliable 10-year forecast. There are no assurances. There are no guarantees.

What if we are wrong? What if the surplus does not happen? The administration, the Republicans, somebody, somebody is not telling the whole story. They need to be honest with the American people, honest about the true cost of the bill, honest about what will happen if the surplus does not materialize, honest about what will happen to Social Security, to Medicare and other priorities. It is time to tell the truth, the whole truth, nothing but the truth.

The Republicans are playing with the numbers. It is deceptive. It is a sham. It is a shame. We should be paying down the debt, saving Social Security and Medicare, taking care of the basic human needs of all of our people.

The Republican bill is not right for America. It is not fair, and it is not just. I urge all of my colleagues to vote against it and vote for the Democrat substitute.

Mr. THOMAS. Mr. Speaker, it is my real pleasure to yield 2½ minutes to the gentleman from Louisiana (Mr. MCCRERY), a very valuable member of the Committee on Ways and Means.

Mr. MCCRERY. Mr. Speaker, I want to talk about debt, because we have heard from a lot of folks on the other side of the aisle that they are concerned about debt. They are concerned that this tax cut is too big; and because it is too big, we will not be able to pay down the debt that is going to be a burden on our children and grandchildren.

Well, I am glad they are concerned about the debt. It is about time. But the fact is that we have been paying down debt. The best way to gauge the level of debt held by the public is to compute that debt as a percentage of our national income; our Gross Domestic Product.

The Congressional Budget Office baseline, which assumes no tax cut, some spending increases and everything else going to debt reduction, tells us the debt in 2006, just 5 years from now, will be 9.4 percent of our national income, the lowest level since 1917.

Using that same baseline, but assuming we pass the President's $1.6 trillion tax cut, the publicly held debt in 2006 will be about 14 percent of our national income, again, the lowest our debt will have been since 1917.

Now, let us say that we give the President his $1.6 trillion tax cut and we spend the rest of the surplus except for that that is attributable to Social Security and Medicare. Well, the publicly held debt in 2006 would be 15.1 percent of GDP, the lowest level since 1917.

Well, let us say we will use only the Social Security surplus to buy down the publicly held debt. In 2006, it would be 16.6 percent of GDP, except for 1 year, 1929, the lowest level since 1917.

But in his address to Congress just last week, President Bush said he would like for us to pay down only $2 trillion of debt over the next 10 years. Well, where would that leave us? It would leave the debt at 21.5 percent of GDP, and that would be the lowest level since 1930. And that is counting the President's tax cut plus increased spending for education, the military, health research, and Medicare.

We have been paying down the debt. Even with the tax cut and increased spending over the next 5 years, our debt will be lower than it has been since 1930. Since 1930, we have lived through the great depression, World War II, the Korean conflict, the Vietnam war, the boom times of the 1980s and the 1990s, and it will be the lowest since any of that occurred.

We can afford a tax cut and pay down the debt. Let us do it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Speaker, about 2 weeks ago, our President stood right here and gave a very eloquent and moving address to the country, painting a canvas with a brush of statistics about two Americas, an American with surpluses and promise and hope, an America with too many deficits and failing schools.

So the question before this body today is: What do we do with those surpluses if they show up? Well Alan Greenspan has said urge caution on tax cuts, both on spending and on tax cuts. Let us make sure that we do not either spend our way back into deficits or tax our way back into deficits.

Secondly, this should be a fair process. According to the accounting firm of Deloitte & Touche, a millionaire with grown children gets a $47,000 tax break. A middle-class family with two children earning $55,000 gets $1,900. Let us work in a bipartisan way to get a real tax cut that we can afford that does not challenge our debt and paying down that debt and is fair to all Americans.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Speaker, I rise today with mixed feelings about the President's tax bill. Make no mistake, I am in favor of cutting taxes; and I support making our Federal tax code more fair. In fact, I have written legislation to reinstate sales tax deductibility. I support elimination of the marriage penalty and reform of estate taxes.

While it is important that we provide a tax cut, that tax cut must be passed within the context of a balanced budget. We must pay down the national debt. We must honor our commitment to Social Security and Medicare, and we must make important investments in education, health and defense. Those priorities must not be sacrificed in the name of a tax cut.

Under the President's plan, vital programs will have to be cut back, and let me give you a couple of examples: The Federal Emergency Management Agency and the Small Business Administration are right now in my district in Washington State helping people recover from a terrible, devastating earthquake. We must not cut programs to FEMA, to SBA and other critical investments. How many small businesses will not get support if we pass this excessively large tax cut. I support tax cuts, but the President's plan does not do the job the proper way. Support the Democratic alternative.

Mr. Speaker, I rise today with mixed feelings about the President's tax relief bill. Make no mistake—I am in favor of cutting taxes and I support making our federal tax code more fair.

I not only favor tax cuts and tax fairness, I have written legislation that will reinstate the sales tax deduction for citizens of states that do not have an income tax. I support relief for those penalized by the marriage tax. I support estate tax relief. I support tax cuts that will benefit each and every American. However, we in Congress have a duty to have an honest, thoughtful debate on the consequences of a tax cut as large as the one we are considering today, and that has not happened.

While it's important that we provide a tax cut, I feel strongly that such tax relief must be passed within the context of a balanced budget—we must be able to pay down the national debt, we must be able to honor and strengthen our commitment to Social Security and Medicare, and we must be able to make important investments in education, health, conservation, and defense. These priorities cannot be sacrificed.

I also believe it is unwise for the House to pass a large tax cut before we pass a budget. It just doesn't make sense to talk about spending trillions of dollars on a tax cut before we have established a budget that takes into account both spending and revenues. No small business could operate that way; no family could sustain that kind of spending—and we in Congress shouldn't do it either.

As I said before, I support eliminating the marriage tax. I support changing the estate tax system. I want to restore fairness to the tax code by restoring the sales tax deduction.

But the bill before us makes none of those changes. And worse, I am afraid that passage of this bill will cause serious hardships for residents of my home state.

Under the President's plan, the Commerce Department, the Transportation Department, the Corps of Engineers and the Small Business Administration will all have to be cut back—some drastically—to pay for this tax bill.

The Federal Emergency Management Agency (FEMA), which was sent into action just last week in my district following a devastating earthquake, is one of those agencies slated for a number of deep cuts. Let me tell you, we cannot afford to strip down agencies like FEMA, because if your home or business is wiped out in an earthquake, I don't care how big a tax cut you get, you're going to need agencies like FEMA and SBA to be there to help you rebuild your neighborhood and to rebuild your life.

How many small businesses won't get the SBA loan they need to stay in business? How many construction projects will the Corps of Engineers have to defer or abandon because they don't have adequate funding to move forward? How many roads and bridges will fall into disrepair because we could not fund transportation projects?

For these reasons, although I support fair and reasonable tax cuts that would stimulate the economy, I must oppose the tax bill before us today.

Mr. Speaker, when we make a rush to judgment, we can place vital programs at-risk. When we spend $1.6 trillion or more without a budget to show us the impact of that spending, we place our nation's future at risk.

Vote no on this bill today and let's bring up a tax relief bill that we can all stand behind.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH), who is the Chair of the Progressive Caucus in the House.

Mr. KUCINICH. Mr. Speaker, we can be for tax relief, but it makes sense to see the budget first. The government should not spend money that it does not have and should not give away money it might need. I know there are some people with great resources who do not need public education, Social Security, Medicare, or prescription drug benefit. Some do not need these programs because they can take care of themselves.

Mr. Speaker, why give away 43 percent of the tax cuts to the top 1 percent when we may need that money for education, Social Security and Medicare needed by most Americans. Basic American fairness requires that we should give the most to the many. Under our alternative, millions of waitresses, mechanics, nurses, home health aides, teachers and factory workers would get about $300. Families would get between $600 and $800.

Mr. Speaker, that proud eagle above our heads spreads its wings to protect the entire Nation. It is not some bird to be plucked and stuffed and eaten by a few.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from North Dakota (Mr. POMEROY), a new, but valuable member of the Committee on Ways and Means.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me this time.

The Rangel substitute represents a better way to proceed on getting tax relief to the American people, in sharp contrast to the majority bill which we know is step one of a series of measures committing all of the general fund surplus based on an optimistic revenue forecast stretching out 10 years. The Rangel bill is responsible; it fits within a framework that commits nearly a trillion dollars of the projected surplus to tax relief, but also recognizes there are other budget priorities like paying down the debt.

The majority bill backs off of debt retirement. It poses the prospect that we might dissipate the surplus now and leave the national debt behind for our children to take care of. The Rangel substitute focuses tax relief on middle-income families, and as a result, does a better job of giving them relief than the majority bill. It also gets relief to the millions of Americans who pay payroll taxes but earn at levels so modest they do not have income tax liability. They get nothing under the majority bill; they get relief under the Rangel substitute.

Mr. Speaker, a final strength of the Rangel substitute is that unlike the majority bill, it fully protects the Social Security and Medicare trust funds. Folks think the money they pay in payroll taxes and Social Security and Medicare ought to be used exclusively for those purposes, but only the Rangel substitute makes that so.

It is time for tax relief, and the Rangel substitute is the right way to do it.

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. SHAW), a very valuable member of the Committee on Ways and Means.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me this time.

I have been sitting on the floor for the last few minutes, and I heard one Member say we cannot predict with absolute certainty what the economy is going to be, what revenue is going to be, what spending is going to be 10 years from now, and then from that come to a conclusion that the American people do not need a tax reduction.

If we are waiting for absolute certainty in our projections, the American people will never get anything back, but then what disturbs me most is a comment that was just made on the floor a few moments ago when one Member said the government should not give away money it may need. The government may not give away money it may need.

Mr. Speaker, this is the taxpayers' money. It is not the government's money. When the government has enough to operate and to pay down the debt and to act in a responsible way for the foreseeable future, it is our obligation to let the American taxpayers keep more of what they earn.

There are things that we do know with certainty. We do know that Federal taxes are at the highest level ever since peacetime. Americans work for more than 4 months just to pay their taxes. We know that with certainty. The typical American family pays more than 38 percent of its income in total taxes. We know that. On top of that, households are facing higher energy prices. My colleagues from the Northeast know that. The price of oil has doubled over the last 18 months. Manufacturing activity is at its lowest level since the 1990 recession. We know that. These are things we know and these are things that we have to operate on.

The Congress is not going away. We are going to be back year after year after year. The miracle of our democracy is that we are able to adjust to the times. We are able to adjust to current circumstances. We are able to adjust to our economy. Let us pass this tax bill. It is the taxpayers' money, it is not the government's money.

□ 1600

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, before we pass a series of tax cuts totaling over $2 trillion, we need to know what we can afford. The Republican plan is based on unreliable projections, no budget resolution, no administration budget.

Mr. Speaker, this is what a budget for the Federal Government looks like; yet what we have been given by the administration is this. Scarcely more than a long political pamphlet. In fact, it is skimpy compared to the budget of the State of Rhode Island. Mr. Speaker, perhaps the fuzziest of fuzzy math is to provide no numbers at all.

My colleagues, the President stood where the Speaker stands now and asked us to think of a struggling unmarried waitress with two kids. Yet most waitresses, raising two children, get nothing under the President's plan. Not even a one cent insult tip is left on the table. The Democratic substitute provides such waitresses with $539 and leaves $1.5 trillion more to pay off the national debt by 2008.

Let us stand up for Social Security, Medicare, and fiscal responsibility, and vote for the Democratic substitute.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the Republican proposal is grossly unfair and grossly irresponsible. At a time when millions of middle-class families are struggling to keep their heads above water, the Republican proposal provides 43 percent of the tax breaks to the wealthiest 1 percent, the people who need it the least, and 12 percent of the benefits to the bottom 60 percent of the people who need it the most.

Equally important, by providing a huge $1.6 trillion tax break, there will not be money available in future years to help us in Social Security, Medicare, Medicaid, veterans needs, and education. Can we afford a tax cut? Yes. It should be smaller than the President's, and it should be geared to the middle class and not the wealthy. Support the Rangel substitute.

Mr. THOMAS. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. HULSHOF), a very valuable member of the Committee on Ways and Means.

Mr. HULSHOF. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, in a few moments, I expect my colleague from Missouri, the Democratic leader, will be coming to the well of the House and closing on the Democratic alternative. I find it noteworthy that over the last 4 years we have had 12 occasions to debate a substantive tax relief measure, and these are the CONGRESSIONAL RECORDS from those debates. I note that my colleague from Missouri, who is likely to join us in a few moments, has spoken in opposition on each and every occasion save one. My good friend from Missouri has never met a tax cut that he did not spike.

I go back to the Taxpayer Relief Act of 1997, and we were in the midst of deficits. As we were debating as a body whether to create an education savings account, cutting the capital gains tax rates, putting into place the Roth IRA, here are the statements from my good friend from Missouri. Let me say this, and I am quoting from the RECORD, "I am a tax reformer. I believe we ought to get less deductions and exemptions and special treatment. I think we need to get lower rates for everybody." Amen, I say, Mr. Speaker. Vote for H.R. 3. This is across-the-board relief, where the greatest reductions are going to those who pay in the lower income tax brackets.

Let us fast-forward a year to 1998, as we were considering the Taxpayer Relief Act of 1998. On that occasion the gentleman from Missouri argued against the bill primarily because of his concern about raiding the Social Security Trust Fund. Again I go to the RECORD: "I am from Missouri. We have a saying in Missouri. Show me. Show me the trust fund." Well, we took that comment to heart as well. I think that everyone in this Chamber recognizes that this Republican majority has locked away every penny of the Social Security and Medicare trust funds and payroll taxes. What we are talking about in this tax relief measure today is the overpayment of income tax surpluses.

If the Chair would permit me one final example. As we were debating a year ago the tax relief measure, again I think the gentleman from Missouri, with his usual rhetorical flourish, came before us and cried foul about the Republican plan for tax relief, talking about needing to pay down the debt and pointing out that a family of four earning $50,000 a year would only receive a refund of about $250. Once again, we have taken those constructive comments to heart. We are making unprecedented progress on paying down the national debt. And when the President's tax plan is fully phased in, that working family of four making $50,000 a year, that the gentleman from Missouri defended so vigorously; they will see their tax bill reduced by $1,600 annually.

I suppose through these congressional pages the arguments against tax relief are myriad and numerous. And I suppose my colleagues could conjure up any number of reasons to vote "no." Here is a compelling reason to vote "yes": it is not the government's money. On behalf of hard-working American taxpayers, I join with our President in asking for a refund, urging my colleagues to vote "no" on the Democratic alternative and "yes" on H.R. 3.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. LUTHER).

Mr. LUTHER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, Americans deserve to know the truth about the Federal budget, and they need to know that the surplus money, loosely being talked about, does not exist. In fact, what is occurring today are budget projections. That is what is being talked about.

As my colleagues can see from this chart, this shows the surplus projections from the nonpartisan Congressional Budget Office, that the current projection could easily be nearly $.5 trillion off in just 5 years. We have a tremendous opportunity here today. Let us not make the mistakes of the past, but rather let us use common sense and develop a national budget before we begin to allocate future projections for the next 10 years.

Let us change the way Washington operates today. Let us function like real families in the real world. Real families would not risk the future of this country with deficit financing like what was done in this country by this Congress just a few years ago.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. HOYER), a distinguished member of our delegation here.

Mr. HOYER. Mr. Speaker, welcome to the Great River Boat Gamble of 2001. Today our Republican friends are urging the American people to take a luxurious vacation into the tax cut casino. But let us remember, we have not even written our budget yet and do not have any idea whether or not we can afford it.

Everyone agrees that we ought to have a tax cut, and in 1997 I voted for that bill to which the gentleman referred. We need tax relief. It is clear from this fiscally irresponsible bill, however, that the GOP has not learned a thing from the mistakes of the past.

Twenty years ago, President Reagan assured America we could have it all, a huge tax cut, a major defense buildup, and a balanced Federal budget, which he guaranteed us in August of 1981 when he signed the tax cut. He said it would be balanced by October 1, 1983. We had about a $100 billion deficit that year alone.

George Bush, our current President's father, said that was voodoo economics. He was right. It is the taxpayers' money; and, my friends, the debt is also the taxpayers. Let us be responsible. Let us vote for the Democratic alternative. Let us make sense for America.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. BONIOR), our distinguished minority whip, under the very restrictive time that we have.

Mr. BONIOR. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, many of us here have served through a number of administrations. We have seen how each President has had his own agenda. But they all understood one thing, and that is that they could not ask Congress to make decisions about taxes unless they had a budget. It is a matter of fiscal responsibility. Yet this White House has decided that that rule does not apply to them.

Democrats, as we have heard, want to cut taxes. But what is the White House response when we point out the

President's scheme will cost over $2 trillion, or when we ask how they are going to pay for improving Social Security or education or Medicare, or when we ask how we are supposed to pay down the debt? Trust us, they say. They say trust us, the money is going to be there. Well, if I can paraphrase former President Reagan: it is good to trust, but it is better to verify.

It took years to pull ourselves out of the financial hole created by the last two Republican Presidents, and now this one is proposing that America jump right back into it. And for what, a tax cut that gives the richest 1 percent of Americans 43 percent of the breaks, while a waitress, who has maybe a couple of kids and is making $22,000 a year, gets nothing at all?

We can provide families with the tax cuts they have earned and still strengthen Social Security and modernize Medicare and provide for education and prescription drug care. That is what our substitute does. Our plan is backed by real numbers, not by empty promises. And unlike the President's scheme, it will not break the back, it will not burn up the surplus and plunge America deeper into debt. This country has been down that road before, Mr. Speaker. Why would we ever want to go back down that path?

I urge my colleagues to vote "yes" for the substitute by the gentleman from New York, and, if it fails, to vote "no" on final passage.

Mr. THOMAS. Mr. Speaker, I yield 2 minutes and 10 seconds to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Speaker, I have to say, that the Democrat leadership has no credibility when it comes to fiscal responsibility. They are the ones that were in charge and who drove up the debt.

They point to Reaganomics as the reason for the debt going up, but what they do not point out is that because of the Reagan tax cuts revenues went up twice, two times as much. The problem was that the Democrat-controlled House drove spending up three times as much. It is spending, stupid. It is spending that creates the deficit. It is spending.

And now, Mr. Speaker, the Democrat substitute amendment is a paltry half measure that falls far short of the important tax relief that the American taxpayers deserve and should demand from this Congress. But there is more at stake here than the simple math of reducing the unfair tax burden on the American people, and that is that taxes are simply too high.

Clearly, whenever the Federal Government runs a surplus, taxes are, by definition, too high. But our opponents would have us believe that a budget surplus only proves that the Federal Government is not spending enough. And listening to the debate this afternoon, we have been warned in a hundred different ways that the sky is going to fall if we simply allow the taxpaying American public to keep more of what they earn.

Let us just sweep aside all those empty arguments, because this debate raises a fundamental question: Will we let the Federal Government spend first and then stick the taxpayers with the bill? They want to spend the tax surplus; we want to let America keep it. Will we let the American people determine how high their taxes should be and then require the Congress to live within its means? That is how it works for every American family. That is how America runs its small businesses, and that is how the Federal Government should keep its books. Only in Washington do we spend the taxpayers' hard-earned money first and ask questions later.

Our opponents argue that we cannot offer tax relief because the budget for the next fiscal year has not been completed. But we have a surplus this year, and we want to help American families this year. We can do it, we should do it, and we will do it by allowing every American taxpayer to keep more of what they earn.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from Maryland (Mr. HOYER) to correct the record.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the majority whip has the same tired bogus argument. Let me remind my Republican friends that from 1981 to 1987 the Senate was a Republican United States Senate. Let me remind my friends, if they have forgotten, that Ronald Reagan was President of the United States. Let me remind my colleagues further that not one bill was vetoed by Ronald Reagan and had his veto overridden to spend more money. Not one.

So get rid of this bogus argument as to who upped the debt of this Nation.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. BECERRA), a valued member of the Committee on Ways and Means.

□ 1615

Mr. BECERRA. I thank the ranking member for yielding me this time.

Mr. Speaker, we need a plan to cut taxes that will be responsible, that will be fair and will invest in our future. We would not be allowed to buy a house anywhere in America if we could not prove that we could pay that mortgage on that home. Yet today Congress is telling America, we can buy a house, we do not have to tell you where the budget is, nor do we have to tell you how in the next 10 years we will get the money. We just have projections and we will assume we will have the money. Now, if that is considered responsible, then you will see how we get back to those deficits that we had for years and years and years.

We finally have a surplus. Let us stick with those surpluses that we have and not get back into deficit spending. Is it fair? One in three California families with children will not get anything out of this Bush tax plan. Does it invest in our future? Well, there will not be enough money to strengthen Social Security and Medicare. There will not be enough money to invest in education. There will not be enough money to promote economic growth in our neighborhood and certainly there will not be the money to pay down the national debt which will be now hoisted on our children in the future who will have to pay for our sins and for our work if we pass this bill.

Let us be fair, let us be responsible, and let us invest in our future. Let us vote for the Democratic substitute and bring down the Bush tax plan.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2½ minutes to the gentleman from Oklahoma (Mr. WATTS), the Conference chairman.

Mr. WATTS of Oklahoma. Mr. Speaker, I would encourage everyone to take off their Republican and Democrat caps here and just consider something. We tax the American people from the time they wake up until the time they go to bed.

When you get up in the morning and you go take a shower, you get taxed on the water. When you go and eat your breakfast, you get taxed on your food. When you go and put your clothes on, you get taxed on your clothes. When you get in your car and go to work and buy fuel, you get taxed on your fuel. When you go to work and punch the clock you get taxed on your income. When you come home in the evening, turn on the TV and you watch Fox News Network or Fox Sports Network or CNN or ESPN, you get taxed on your cable. And then you go and you fall to your knees at night, you pray to the true and living God, thank him for the day you have had, then you get off your knees, kiss your bride good night and you think that is free, but it is not. You get taxed. You have a marriage tax. Then if you say I am going to get out of all this and die, we still get you. We tax death. It is unfair.

The American people are overtaxed. What we are saying in this $1.6 trillion tax relief package, let us take six pennies that comes into Washington over the next 10 years and give it back to the taxpayers, give it back to the people that pay the bills in Washington and pay the bills at home. And then we are going to take 94 cents and put more money in education, build national defense, take care of Social Security, pay down the debt, which we have done over the last 3 years. When the Democrats were in control, I will remind my friends that for 35 years they paid not one dime on the national debt. They spent the Social Security surplus. We protected that.

What is so bad about giving people some of the money back to help them buy groceries, pay the utility bills, help buy the kids school clothes, help pay for the car insurance? What is bad about that? What is bad about eliminating all of the marriage tax, to say we should not penalize people simply for saying "I do." That is wrong. We should not penalize small businesspeople and people who own farms and pay taxes on them every year and then when they die, the government gets 55 percent of the farm. Why would we be supportive of that? What is bad about allowing people who have kids to not write off $500 per child, but $1,000 per child? What is bad about that? I do not understand this.

There are two philosophies here in play. One says we want to keep the money in Washington and spend it on Washington programs to create power for ourselves. There is another philosophy that says we want to take six pennies of every dollar that comes into the system and give it back to the American people. Vote no on this substitute and yes on final passage.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Speaker, I rise today in strong opposition to H.R. 3 because it flies in the face of the disciplined approach to spending, commitment to paying down the national debt and responsible tax relief that I have always advocated.

In my home State of Rhode Island, the Republican plan will leave out an estimated 34,000 families and their 68,000 children because they do not have Federal income tax liability. A full 25 percent of Rhode Island's families with children would not see a cent under H.R. 3.

That is why I have cosponsored and will vote today for the Democratic substitute. I support a tax package that provides relief to everyone who pays Federal income or payroll taxes. This plan is fiscally responsible and offers immediate and fair relief for middle- and low-income families. What is more, the Rangel substitute will leave enough room for us to make substantial progress in paying down the national debt, a goal which should inform every aspect of our budget policy.

Therefore, I urge my colleagues to support the Democratic substitute and vote against the underlying bill.

Mr. Speaker, I rise today in strong opposition to H.R. 3, the Economic Growth and Tax Relief Act, because it flies in the face of the disciplined approach to spending, commitment to paying down the national debt, and responsible tax relief that I have advocated since I entered public service 15 years ago. Instead, as a co-sponsor of the Democratic substitute, I support a tax package that would give relief to those who need and deserve it the most.

As rosy as the budget surplus projections look now, it is important to remember that they are in fact only that: projections. We cannot assume that these projections guarantee a decade or more of windfall revenues, and such a rash conclusion could lead to our debt spiraling further out of control. A simple trigger mechanism would halt the implementation of tax cuts if the surplus does not materialize. This precaution would safeguard our budget against inaccurate projections, but H.R. 3 fails to include such commonsense protection.

I would also remind my colleagues that Congress is required to pass a budget resolution at the beginning of each year precisely because Members need to know what funding levels are feasible for a broad range of critical federal programs. Otherwise, Congress risks spending money the government does not have, which is exactly what will occur with the passage of H.R. 3.

Let us not forget that just recently we struggled with annual deficits of up to $290 billion, a national debt of $5.6 trillion, and interest-only payments on that debt of $300 billion annually. Put into perspective, those interest payments represented more than we were spending on Medicare, and almost as much as our entire national defense budget.

Retiring the national debt is a paramount concern that should inform every aspect of our budget policy. I want to be secure in the knowledge that our debt will continue to be reduced and our children and grandchildren will not have to shoulder the burden of our recklessness. In addition, paying down the debt will result in one of the best tax cuts we can provide to America's working families. Reduction and elimination of the debt will ensure low interest rates and a sound long-term economic future for the nation.

We all want to reward hard-working families by returning some of their tax dollars, but this cannot come at the expense of our nation's future fiscal well-being, nor should we adopt an approach that is so disproportionately skewed toward the wealthy. I have strong reservations about the size of the across-the-board tax cut included in H.R. 3 and the inadequate number of taxpayers who would benefit from it. Under this measure, an estimated 34,000 families with children, 68,000 children to be exact, in my home state of Rhode Island would not benefit from the proposed rate cut because they do not have federal income tax liability. In other words, 25 percent of Rhode Island families with children would not see a cent of the Republican tax cut!

While they would see no benefit from an income tax cut, these struggling families would still be required to pay the same payroll tax as wealthier Rhode Islanders, which is a significantly higher percentage of their income. For most families, the largest federal tax burden is their payroll tax, not the income tax. Furthermore, all families must pay state and local taxes—again, low-income families pay a considerably larger percentage of their income in such taxes than wealthier families. That is why H.R. 3 is not a tax cut for all but rather the few. And that is why I cannot support this bill in its current form.

Instead, I am cosponsoring the Democratic substitute with the Ranking Member of the Ways and Means Committee, because it is fiscally responsible and offers immediate and fair tax relief for middle- and lower-income families. This measure would create a new 12 percent tax bracket, give all Americans an across-the-board tax cut, and give those working families who pay only payroll and federal excise taxes a refund through expansion of the Earned Income Tax Credit. It also provides marriage tax penalty relief by doubling the standard deduction for married couples and leaves room in the budget for consideration of estate tax relief in the future. Most important of all, under our alternative, families with children who earn less than $65,000 will receive equal or larger tax breaks than under the Administration's proposal.

I ask my colleagues to consider all of our nation's needs. Without a doubt, taxpayers deserve relief. But they also deserve a strengthened Social Security system, a Medicare program that covers necessary prescription drugs, a military that is equipped to protect our nation, a quality health care system that is affordable and accessible to every family, and a world-class educational system that prepares our children for the 21st century. These needs are great and they must not be ignored. Because—at the end of the day—I refuse to look into the eyes of our elderly, our children, our soldiers and our working families and tell them that I traded their futures for those of the wealthy.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Speaker, here we go again, another round of voodoo economics and another huge tax cut for the rich. I encourage my colleagues to consider the terrible situation in my home State of Florida, where massive tax breaks for the rich have come at the expense of much needed services for the poor.

Yesterday, Florida Governor Bush called for even more tax breaks for the rich while continuing to neglect some of the most pressing issues facing Florida residents. The Bush tax cuts are like the Reagan cuts that devastated our economy with huge debts, skyrocketing unemployment and high interest rates. We have been down that road before and it took us 20 years to crawl out of that mess.

I would like to remind my Republican colleagues that the American people did not support the Bush plan. We would not be in this mess if the coup had not taken place in Florida. There is no mandate for the Bush plan. He did not win the election. And the majority of the people did not vote for this irresponsible action of this Congress.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT), the ranking Democrat on the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, in 1 minute this chart says it all. These are the reasons we cannot support this tax bill. It starts with the surplus, a blue sky surplus estimated at $5.6 trillion.

We then back out what everybody agrees we should back out, the surplus in Social Security, the surplus in Medicare. That gives us an available surplus of $2.527 trillion. And what is the cost of this tax cut? When we add debt service, associated debt service, and when we also add the cost of extenders we know will be provided and the cost of fixing the AMT, it is $2.3 trillion. That leaves $207 billion to cover other priorities and Social Security. It leaves no room for error, no room for other priorities, no room for Social Security and Medicare.

That is why we are offering a much more moderate substitute that is balanced and will provide for all of these things, including tax reduction.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Texas (Mr. ARMEY), the majority leader.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding me this time, and I want to thank the gentleman from California for his leadership as well.

Mr. Speaker, I have to say I chuckle at what I am hearing here today. Actually I am amazed. I am hearing all these reasons why we should not give people tax relief. Have we ever before heard so many reasons for not doing the right thing?

"It's too big." "It's too soon." "What's the rush?" "It's too risky." "People don't want it." "We can't afford it." "You've got the cart before the horse."

Beam me up, Mr. Speaker.

This bill, Mr. Speaker, is the least we can do.

The American people are paying the highest taxes in peacetime history. Families pay more in taxes than they do on food, clothing and shelter combined. We have had 15 years of tax rate increases and retroactive tax hikes. Americans now work 1 hour and 57 minutes out of each working day just to pay taxes to Washington. The American people are working hard. They produced these huge tax surpluses. They have earned some relief. They now deserve something, this year.

Mr. Speaker, this tax relief is the least we can do.

Mr. Speaker, the American people are nervous. They see the economy slowing, they see their neighbors losing their jobs, they see their 401(k)s and their mutual funds shrinking, while their energy bills double, triple and even, in California, quadruple. Their credit card debts are going up. They expect us to do something.

Mr. Speaker, this tax relief is the least we can do.

Over the next 10 years, taxpayers will be overcharged by a staggering $5.6 trillion. Even after paying down the payable debt, and funding all our priorities, Washington will still be awash in cash surpluses. If we do not get that money out of town, it will either be spent or it will be used to start buying into the private economy. Either way, the government will grow and personal freedom will suffer, unless we get our fiscal house in order now. We need to get that money out of Washington and in the pockets of the American people, and we need to do this as soon as possible.

And, Mr. Speaker, this tax relief is the least we can do.

Eight years ago, President Clinton raised taxes, retroactively. Two years ago, he vetoed $792 billion worth of tax reduction that would have stimulated this economy and would have helped to avoid the current malaise. He later vetoed marriage tax relief. He vetoed death tax relief. He even vetoed the repeal of the Spanish-American War telephone tax. And last year some in the House Democrat leadership actually opposed our bill to promote retirement savings, a bill that passed with over 400 votes. Obviously the Beltway liberal elites just do not want tax relief. They have delayed and obstructed long enough. The time for action, Mr. Speaker, is now.

And, Mr. Speaker, this tax relief is the least we can do.

But it is not all we should do. This is just the beginning. We are going to do a lot more. We are going to eliminate the unfair marriage penalty tax. We are going to eliminate the immoral death tax. We are going to promote retirement savings. We are going to help people afford health insurance. And as we fight for fairness, we should not be bound by some artificial number. We should do what is right for the American people. Because, Mr. Speaker, it is their money. They earned it. They produced it. It is theirs.

And this tax relief, Mr. Speaker, is the least we can do.

Mr. Speaker, some people here are saying, "Enough already." Let me tell you, there is a whole lot more to come.

Mr. RANGEL. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri (Mr. GEPHARDT), a voice of reason, the minority leader of the Democratic Party.

Mr. GEPHARDT. Mr. Speaker, I rise to ask Members to vote against the tax bill offered by the Committee on Ways and Means and to vote for the substitute offered by the gentleman from New York (Mr. RANGEL). I arrive at that position for a number of reasons.

First, I think that it is wrong to be taking up a tax bill without a budget. In fact, without even spending a moment deciding what the budget will say. By assigning 900 and some odd billion dollars to a tax cut that this bill encompasses, we are making decisions that will make it difficult, or different at least, to make other decisions that we might want to make in the budget, how much debt we are going to pay down, how much we are going to assign to defense or education or health care or all the other functions that are in the budget.

□ 1630

So the cart is in front of the horse, and we should be waiting for this tax bill until we have considered the budget.

A second reason that I urge Members to look at the Democratic alternative is because the forecasts that are the premise of the context for this tax cut bill so often are wrong. In fact, CBO recently said that they are always wrong. Now, sometimes they are better than we thought they were going to be; sometimes they are worse.

The other day the weather forecasters said we were going to have a big snowstorm in the Northeast. A lot of us listened to that forecast. People decided not to fly. Flights were cancelled. Airports were closed. People stayed home from work. People went and got shovels and bought water and flour and bread. Then it did not snow. When it did not snow, none of us were surprised because often weather forecasts are wrong.

We are taking an action today, if we vote for this bill, that really leaves us less alternatives in case the forecasts are wrong. Why would we want to do that?

The third argument I would make is that the thing we have to keep most on our mind is what action can we take that will best help the economy, that will make the economy go forward?

I had lunch the other day with a very wealthy individual, and he said why are you doing this big tax cut?

I used a lot of the arguments that my friends on the other side of the aisle make, and that I believe and we all believe, and that is we have a big surplus and we ought to give taxpayer money back to taxpayers. That is the right thing to do. That will help the economy.

He said, yes, a tax cut of a reasonable size will be helpful to people, but he said remember the most helpful thing to all of us is keeping the economy working. Then he said, think about this: 1 percent off interest rates would pick up for an average family of four about $1,500 a year savings in car payments and house payments. If we add that to a reasonable tax cut, he said, maybe $800 a year, we are going to wind up putting more money in those people's pockets than by the larger tax cut that would probably keep interest rates up.

We have to keep in our mind that the goal here is to keep the economy moving, to keep unemployment down, to keep growth up, and one of the best ways to do that is to keep interest rates down.

So I argue today, think about what this does to the economy and to ordinary families in this country who pay interest rates every month.

Another reason that I think we need to reconsider this tax cut and to go for the smaller alternative is because it allows us to take care of other alternatives in the budget.

The President has talked very dramatically about what he wants to do in education. Query: Will we have the funds to do what he wants to do, what we want to do, in education? Will we be able to take care of Medicare and Social Security?

KEN CONRAD, the other day, made a very important statement. He said we could make a mistake on a tax cut in 1981 but we did not have $4 trillion in debt at the time and we did not have the baby boomers come into the Social Security fund 9 years from now. We all voted 2 weeks ago to put Medicare in a lockbox. The budget the President sent that encompasses the tax bill, part of which is on the floor today, invades the Medicare Trust Fund. The lockbox has already been picked if we vote for this kind of a tax bill.

Do we really want to do that? I do not think so.

Then there is the issue of fairness. If we are going to deliver tax relief, let us deliver it to the people who most need it. We have 12 million families in this country with 24 million children who will not get one red cent out of the Republican tax cut. They pay payroll taxes. They do not pay a lot of income taxes. Our tax bill, on the other hand, delivers real help to them.

Finally, let me simply say this: President Bush came just a few days ago to this Chamber. He came to Washington just a few weeks ago to be inaugurated, and he said he wants to be the uniter and not the divider. He said he wants to change the culture in this town; he wants to compromise; he wants to work with all parties and all people to put together compromise, bipartisan solutions to our problems. His rhetoric has been welcome. The American people want us to work together in the middle to get things done, but I must say with all due respect that this tax-cut bill, coming without a budget, is another my-way-or-the-highway approach to legislating in this Congress.

The President, my friends on the other side of the aisle, could easily sit down with the Democrats on the Committee on Ways and Means, and we could reach an honest compromise on taxes.

Everybody in this Chamber is for tax cuts. It is a question of how much they cost and to whom they go. Surely in the spirit of real compromise, we could come together and find an answer to this question that would get 400 votes on this floor today. We could do that. I believe that with all my heart.

So I say to my friends on the other side of the aisle, let us stop this approach to legislating. We are going to have a bipartisan retreat this weekend and we go in the spirit of trying to find bipartisan answers, but we cannot just be bipartisan in West Virginia. We have to be bipartisan in this building, and we have to work together and do the hard work of finding those compromises that we can both live with. We should have a tax bill on this floor today that gets over 400 votes. The American people would appreciate it, and I believe that it is what the American people told us they want us to do in the election of November. Vote against this bill. Vote for the Democratic alternative. Let us do better the next time.

Mr. THOMAS. Mr. Speaker, I yield the remainder of the time to the gentleman from Illinois (Mr. HASTERT), the leader of the House of Representatives, the Speaker of the House, who has decided with his leadership that there does not need to be another time.

Mr. HASTERT. Mr. Speaker, I rise today in support of the Economic Growth and Tax Relief Act of 2001. The name of this legislation is significant for two reasons. First, this bill promotes economic growth by returning money to the private sector, alias the American taxpayer.

Who among us can say that the economy does not need a little encouragement? Consumer confidence is down. Energy prices are up. Economic growth is stagnant. The economy needs a boost, and this tax relief will provide that boost.

It will give consumers more money to pay off credit card bills. It will give families more resources to pay off high energy bills, and it will give parents more money to pay for education expenses.

It will give the private sector more money so it can grow more.

Second, this tax bill gives taxpayers some relief also. Mr. Speaker, taxpayers need some relief. They need relief from the highest tax burden put on taxpayers since the end of the second world war.

Many of these tax incentives were put on taxpayers to help balance the budget. Well, the budget is balanced. In fact, we now have the largest tax surplus in our Nation's history. That means the American people are paying too much in taxes, giving too much of their money to the government and not enough money to their families. Now is the time to give taxpayers some relief.

I have heard criticism on this floor from some of our friends on the other side of the aisle and it is based on that we do not have the process right. Well, let me say, when we talk about process and we look at giving people a retroactive tax cut this year, I remember this year's budget, we passed it last year. We set aside 90 percent of that surplus, non-Social Security Medicare surplus, 90 percent of it, to pay down the debt. We took 10 percent of it to give people a tax break. Well, we passed tax relief out of this House and out of the Senate and we sent it down to the other end of Pennsylvania avenue, and President Clinton vetoed that.

We have $8 billion set aside in this year's budget to give people a retroactive tax break. We ought to do it. It is there. We owe it to the American people. It is the right thing to do.

I have heard that the argument is based on process and not on substance. Well, we need to look at substance. I know that many of my colleagues really want to be for tax relief, but for political reasons they are now opposed to it. Tax relief goes to the heart of what this country is all about. There are three things that can be done with a surplus. Some of it we need to spend. We are going to spend some money on education and defense and the needs of our people across this country. We are going to take some of that money, and as of September 30 of this year we will pay down $600 billion in public debt. We need to do that, but we need to take a fraction of that surplus and we need to give it back to the American people so that they have it in their pocket, so that they can make decisions how they are going to spend that money for their families and their future and education and the needs of their debt, their credit card debt.

I do not think we ought to let politics get in the way of taking care of the needs of the American people.

I remember in 1996 standing in this Chamber. In 1996, we were able to pass one of the first tax relief bills in a long time, almost over a decade. As we finished the business of the day and we went into special orders, I stood over there underneath the balcony and one of my colleagues who happened to be from Illinois on the other side of the aisle stood up and he was giving a very, very impassioned speech why we should not have tax relief for the American people; that we had a lot of responsibilities; we need to spend that money.

He made a statement and said, the American government cannot afford to give this money back to the American people. There was a fellow that stood right up there in that gallery and he came to the front of the gallery and said, "What do you mean? It is our money."

Well, Mr. Speaker, the guards came up and dragged that guy out and we never heard from him again; but I will say something, that that gentleman was right, it is their money. It is the money of the American taxpayers. They deserve some of it back. When we pay too much to Uncle Sam, he ought to give some back. Do not let politics get in the way of economic growth. Vote for this common sense tax bill. Vote for a growing economy and tax relief for the American people.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition of H.R. 3 which provides for only one amendment of this major piece of legislation. The Republican Leadership has simply pushed this legislation to the floor with irresponsible tax proposals that will exceed $2 trillion. I must oppose this legislation which disproportionately and overwhelmingly benefits the wealthiest Americans.

Mr. Speaker, these tax cuts would go to one percent of taxpayers with the highest incomes—a group whose incomes have soared in recent years and have risen much more rapidly than the incomes of the rest of the population—and would exceed the new resources proposed for all other national priorities combined.

The bill reduces federal revenues by $958.2 billion over 10 years, and represents the first installment of President Bush's proposed $1.62 trillion tax cut plan, accounting for 60 percent of the total cost of the president's proposal. If enacted, Mr. Speaker, it would effect the first reduction in federal income tax rates since 1981.

H.R. 3 reduces and restructures federal income tax rates by consolidating, over a period ending in 2006, the five current rates of 15 percent, 28 percent, 31 percent, 36 percent and 39.6 percent into four rates—10 percent, 15 percent, 25 percent and 33 percent. The net effect of these changes, however, would have a number of adverse consequences for Americans.

For example, a third to one-half of children in many states live in families that would not receive any tax reduction from the President's tax proposal, according to a new analysis from the Center on Budget and Policy Priorities. In 12 states plus the District of Columbia, at least 40 percent of children live in such families. The analysis uses Census Bureau data to estimate, on a state-by-state basis, the number of families' whose incomes are too low for them to owe federal income taxes. The large majority of these families, however, work and pay payroll taxes and other taxes unaffected by President Bush's proposal. H.R. 3 reduces only income taxes and taxes on large estates.

This legislation simply is inadequate because substantial numbers of children in every state would not benefit from the President's plan. Some states would have especially high numbers of unaffected children. These states include my state of Texas (2.3 million children unaffected), California (3.7 million), New York (1.9 million), and Florida (1.2 million). In each of another eight states—Arizona, Georgia, Illinois, Michigan, North Carolina, Ohio, Pennsylvania, and Tennessee—families with at least half a million children would gain nothing from H.R. 3, the proposed tax plan.

Nationwide, an estimated 12.2 million low- and moderate-income families with children—31.5 percent of all families with children—would not receive any tax reduction from the Bush proposal. This funding is consistent with independent analyses conducted by the researchers from the Brookings Institution, the Urban Institute, and the Institute on Taxation and Economic Policy. The vast majority of the excluded families include workers.

The tax plan under consideration would squander all of the funds necessary for critical investments in the future. We cannot afford to forgo a surplus that needs to be used for education, prescription drugs, and ensuring the solvency of Social Security and Medicare.

For these reasons, I look forward to supporting the Democratic Substitute that provides immediate and fair tax relief for middle income families and is also fiscally responsible. A new 12 percent tax bracket would be created, thereby giving an across-the board rate cut for all Americans—but one which will overwhelmingly benefit middle income taxpayers.

The tax plan numbers contained in H.R. 3 just do not add up, and the surplus estimates that have been used are completely unreliable. Accordingly, I want to urge my colleagues to oppose H.R. 3 and support the Democratic Substitute that will be offered.

Mr. HONDA. Mr. Speaker, the Majority today is shortchanging middle and lower income families by giving $688 billion to the wealthiest 1 percent of Americans. Imagine if we gave $688 billion to the poorest individuals in our nation? Why does this budget seem any less extreme? Our budget surplus is money that belongs to the American people. Let us also remember that the deficits and damage that will be caused by this plan will belong to all of us as well.

Budgets are about choices. American families make these important choices every day as they plan for the future. On behalf of the American people I urge my colleagues to think about our budget as families think about theirs—as if the lives of your children depended upon it. Imagine if you had not saved for your retirement, that you owed money on your credit cards and you could not afford health insurance and then you came into some extra money that could pay off most of these obligations. Would you spend the money on a new sports car or secure your family's future by living up to your obligations? Fiscal discipline and common sense tell us that we must take care of these important obligations to secure the future of this great nation—we have no greater obligation to the families of the United States of America. For their sake, I urge all of you not to buy the sports car by voting for the majority plan and instead meet your obligations by voting for the prudent and balanced alternative.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to House Resolution 83, the previous question is ordered on the bill, as amended, and on the amendment in the nature of a substitute by the gentleman from New York (Mr. RANGEL).

The question is on the amendment in the nature of a substitute by the gentleman from New York (Mr. RANGEL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. RANGEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on any question incidental to questions on adopting the amendment.

The vote was taken by electronic device, and there were—yeas 155, nays 273, not voting 5, as follows:

[Roll No. 42]

YEAS—155

Abercrombie
Allen
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Boswell
Boucher
Boyd
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Condit
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Filner
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Payne
Pelosi
Pomeroy
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Scott
Sherman
Slaughter
Smith (WA)
Solis
Spratt
Stark
Strickland
Tierney
Turner
Udall (CO)
Udall (NM)
Velázquez
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—273

Aderholt
Akin
Andrews
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bentsen
Bereuter
Berry
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Brady (PA)
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Clyburn
Coble
Collins
Combest
Conyers
Cooksey
Costello
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doggett
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Fattah
Ferguson
Flake
Fletcher
Foley
Ford
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastert
Hastings (WA)

Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoeffel
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jackson (IL)
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lee
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCrery
McDermott
McHugh
McInnis
McKeon
Meeks (NY)

Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sanchez
Sandlin
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Sensenbrenner

Serrano
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Towns
Traficant
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Ackerman
Lewis (CA)

Shows
Skelton

Stupak

□ 1707

Messrs. MILLER of Florida, SIMMONS, TIBERI, NUSSLE, SERRANO, MEEKS of New York, and CONYERS changed their vote from "yea" to "nay."

Ms. ROYBAL-ALLARD and Mr. ORTIZ changed their vote from "nay" to "yea."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

MOTION TO RECONSIDER OFFERED BY MR. BERRY

Mr. BERRY. Mr. Speaker, I move to reconsider the vote whereby the amendment in the nature of a substitute was rejected.

MOTION TO TABLE OFFERED BY MR. THOMAS

Mr. THOMAS. Mr. Speaker, I move to lay the motion to reconsider on the table.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion to table offered by the gentleman from California (Mr. THOMAS).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BERRY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 228, nays 197, not voting 8, as follows:

[Roll No. 43]

YEAS—228

Aderholt
Akin
Bachus
Baker
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham

Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul

Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—197

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez

Hall (OH)
Harman
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moran (VA)
Murtha

Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—8

Ackerman
Armey
Ballenger

Lewis (CA)
Sessions
Shows

Skelton
Stupak

□ 1716

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. STENHOLM

Mr. STENHOLM. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. LAHOOD). Is the gentleman opposed to the bill?

Mr. STENHOLM. I most certainly am in its current form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. STENHOLM moves to recommit the bill H.R. 3 to the Committee on Ways and Means with instructions not to report the same back to the House before April 15, 2001 (the date set forth in section 300 of the Congressional Budget Act of 1974 as the date that Congress completes action on the concurrent resolution on the budget) unless Congress has completed action on the concurrent resolution on the budget for fiscal year 2002 before that date.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. STENHOLM) is recognized for 5 minutes on his motion to recommit.

Mr. STENHOLM. Mr. Speaker, this motion to recommit is very straightforward. It simply requires that we do what the law requires us to do, what any family or small business has to do, put in place a budget before we make decisions that will affect our Nation's finances for the next decade and beyond.

This debate is not about whether we should cut taxes. Everyone in this body agrees that the American people deserve tax relief. The Blue Dogs have repeatedly called for the largest tax cut we can afford that fits within the context of a fiscally responsible long-term budget framework.

Within an honest and responsible budget, we can eliminate the marriage penalty, provide estate tax relief for small businesses, family farmers and ranchers, and provide tax relief for every family across the Nation.

I wanted to provide tax relief through cuts in income taxes, but I also want to provide for cuts in our taxes for our children and grandchildren by eliminating the debt burden we have placed on them and leaving them with Social Security and Medicare programs that are financially sound.

But the folks I represent at home told me that their top priority for the surplus is paying down our national debt and strengthening Social Security and Medicare. They understand that the best tax cut we can give them is lower interest rates on their credit cards, car loans and mortgages by paying down the debt.

Last week, the President came to this very Chamber and spoke to us about his plans for our Nation's budget. I found myself in substantial agreement with most of what he had to say. I support many of the goals he outlined in his speech, including debt reduction, strengthening Social Security and Medicare, and tax relief for all Americans. I particularly appreciated his call for cooperation and civility.

Those of us in the Blue Dog Coalition have expressed our desire to work with the President, and we have given him our pledge to be honest brokers in dealing with the issues before this Nation.

I deeply regret that this bill is being rushed to a vote under a process that contradicts the spirit of bipartisanship that the President spoke about so eloquently last week.

Many of us spent many years working extremely hard in and casting many tough votes to eliminate the deficit and put us in the position to pay down the debt. I for one do not wish to squander the opportunity and return to the era when deficit spending placed a tremendous drag on our economy and ran up 5 trillion 700 billion dollars of national debt that is still with us today.

The budget blueprint the President submitted last week is the first step of the budget process. Now, those of us who were elected to represent our constituents in Congress have a responsibility and an obligation to thoroughly examine the details of the President's budget and have a full debate on the overall priorities as part of the regular congressional budget process before we vote on any individual elements of the plan.

The President's plan is an important voice in this process, but it is not the only voice. There are a lot of questions about how the priorities the President identified in his budget will add up without borrowing from the Social Security and Medicare Trust funds.

Likewise, many questions have been raised about what his budget means for other priorities, such as debt reduction, protecting Social Security and Medicare and deal with the needs in the areas of defense, education, health care prescription drugs, agriculture, and energy policy.

Some of us are concerned about enacting a tax cut based on projected surpluses, especially since over 70 percent of the projected surpluses will not even materialize until 2007 and beyond.

USA Today reported that the President's budget would slow down the path of debt reduction by almost $600 billion over the next several years.

Our insistence that Congress act on a budget resolution before voting on tax or spending legislation is not an argument about process or arcane budget rules; rather, it is about acting responsibly to balance priorities important to our constituents. Before we enact a tax cut, the American people deserve to know what the tax cut means for other priorities that are important to them.

I was one of the Democrats who supported President Reagan in 1981 when Congress passed a large tax cut before agreeing on the spending cuts to pay for the tax cut. The result was $4 trillion in national debt increase and increased spending of $600 billion in the 1980s alone on interest.

We cannot afford to repeat the mistake of rushing to cut taxes before considering how they will fit within a fiscally responsible budget. I lived through that experience where we allowed ourselves to believe words that sounded too good to be true. It pains me to think that we have learned nothing from our mistakes.

No family would make a major financial decision such as buying a new home without first sitting down and working out a budget to figure out whether they will be able to afford the mortgage and still meet household expenses and leave flexibility to deal with family emergencies in the future. We owe it to our constituents to follow that common sense approach to the Nation's budget by agreeing on a budget.

Mr. Speaker, Americans have become cynical of government because they are tired of politicians telling them one thing and doing another. By putting a budget in place first, Congress can ensure that it maintains fiscal discipline.

The SPEAKER pro tempore. Is the gentleman from California (Mr. THOMAS) opposed to the motion to recommit?

Mr. THOMAS. I am, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) is recognized for 5 minutes in opposition to the motion to recommit.

Mr. THOMAS. Mr. Speaker, as is the tradition on major pieces of legislation, we had the minority leader close on H.R. 3, and we had the Speaker be the final speaker. I hope Members were listening to what both the minority leader and the Speaker had to say. One of the phrases that struck my ear from the minority leader was as far as taxes are concerned, it appears that it is going to be my way or the highway.

Mr. Speaker, one of the difficulties we have with that is that when you look at this motion to recommit, it really seems that the line ought to be as far as permanent rate reduction is concerned, no way.

Let us look at the motion to recommit. It says that we have to send it back to committee and wait until the budget for fiscal year 2002 is completed.

Now I know that my colleagues on the other side of the aisle had trouble with a 7-page bill. It is 7 pages. But actually you only had to get to page 2. You only had to get to page 2. Look at line 17 on page 2, what does it say. On page 2, line 17 as far as rate reductions, it says, "In case of taxable years beginning after December 31, 2000." Let us see. If it is after December 31, 2000, that means 2001.

What you heard the Speaker of the House say in the well is that we are currently in fiscal year 2001. If you are concerned about paying down the debt, then God bless you if you voted for the budget in 2001, because by the end of this fiscal year we will have paid down an additional $650 billion on the debt.

If you are so worried about the Medicare lockbox and the Social Security lockbox, if you voted for the 2001 budget, you voted for the Medicare lockbox, and you voted for the Social Security lockbox. So guess what, if you want permanent rate reduction now, all you have to do is vote down this motion to recommit.

Vote H.R. 3. We have a budget in place. It is called this year's budget because if Members ever looked at the bill, it would have told them it starts now if they vote yes. Vote down the motion to recommit. Reduce taxes now, vote yes.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. STENHOLM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

The vote was taken by electronic device, and there were—ayes 204, noes 221, not voting 8, as follows:

[Roll No. 44]

AYES—204

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—221

Aderholt
Akin
Armey
Bachus
Baker
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp

NOT VOTING—8

Ackerman
Ballenger
Bishop
Kaptur
Lewis (CA)
Shows
Skelton
Stupak

☐ 1746

Mr. LATHAM changed his vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 230, nays 198, not voting 5, as follows:

[Roll No. 45]

YEAS—230

Aderholt
Akin
Armey
Bachus
Baker
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Clement
Coble
Collins
Combest
Condit
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam

Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—198

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Sisisky
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—5

Ackerman
Ballenger
Shows
Skelton
Stupak

□ 1754

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of H.R. 3, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, I yield to the gentleman from Ohio (Mr. PORTMAN) for the purpose of apprising us of next week's schedule.

Mr. PORTMAN. I thank my friend from Maryland for yielding to me.

Mr. Speaker, I am pleased to announce that the House has now completed its legislative business for this week.

The House will next meet for legislative business on Tuesday, March 13, at 12:30 p.m. for morning hour and 2 p.m. for legislative business. The House will consider a number of measures under suspension of the rules, a list of which will be distributed to the Members' offices tomorrow, Friday. On Tuesday, no recorded votes are expected before 6 p.m.

On Wednesday, March 14, and Thursday, March 15, the House will consider at least the following measures:

H.R. 223, the Clear Creek County Land Disposal Act,

H.R. 880, the Washington County Land Acquisition Act, and

H.R. 725, the Made in America Information Act.

Mr. Speaker, again I thank the gentleman for yielding. Of course many of us will be together at the bipartisan retreat this weekend. I hope I will see the gentleman there.

Mr. HOYER. I thank the gentleman. We are all looking forward to that opportunity, or at least some few of us are looking forward to that opportunity, hopefully more than the last.

In any event, Mr. Speaker, if I can ask the gentleman from Ohio another question. Ergonomics came up this week. As he knows, we were somewhat concerned because that had not been on the calendar and we expressed that concern.

Does the gentleman know of any possible items like that that might come up next week that are not noticed at this point in time that may or may not be up?

Mr. PORTMAN. We would expect no such major or what some might consider controversial provisions. That, of course, was waiting for the Senate to act. Once the Senate acted, we acted. There may be, it is my understanding, some other legislative activity that committees are still working to see whether some other things might come to the floor next week, but we would expect nothing along those lines.

Mr. HOYER. I thank the gentleman. One additional question. As he knows, we have been talking for some period of time now about the creation of a select committee on election reform.

Does the gentleman have any idea whether we might have a proposal on the floor for an equally balanced committee being appointed for the purposes of considering election reform?

Mr. PORTMAN. I am not aware of any legislation that would be on the floor next week in that regard, although I suppose it is possible. I know that the Speaker and the minority leader are in discussions with regard to the select committee on election reform, but I do not know that there will be anything on the floor next week nor do I think anyone on our side knows at this point.

Mr. HOYER. I thank the gentleman for his response. I would simply say that clearly this is a critical issue which I do not think is a partisan issue. I think there is not a Member on the House floor of either side of the aisle or our two Independents who do not believe that citizens ought to be encouraged to vote, facilitated in casting their vote and to having the technology available that will make sure that they count their votes. We focused on Florida, but as we have learned, this problem exists in many jurisdictions. It is not a partisan problem, it is in some respects a technological problem and in some respects election officials are not trained as well as they ought to be, not through any fault of their own but just we have not had the mechanisms to do that, to reach out and to make sure that citizens have access to the polling places.

I know the Speaker is focused on it. I know the minority leader is focused on it. I hope that we could accomplish this in the short term so that we might effect reforms prior to the next election. That is our concern about timing.

I would be glad to yield to the gentleman for any comments he might want to make.

Mr. PORTMAN. Mr. Speaker, I wholeheartedly agree with what the gentleman said with regard to the need to take a look at our election systems. I know that the leadership on this side concurs with that. The hope is that we can soon move forward with a select commission in that regard.

Mr. HOYER. I thank the gentleman for his comments.

□ 1800

RANKING OF MEMBER ON COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. PORTMAN. Mr. Speaker, I offer a resolution (H. Res. 85), and I ask unanimous consent for its immediate consideration in the House.

The SPEAKER pro tempore (Mr. LAHOOD). The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 85

Resolved, That on the Committee on Transportation and Infrastructure, Mr. Pombo shall rank immediately after Mr. Moran of Kansas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADJOURNMENT TO MONDAY, MARCH 12, 2001

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 13, 2001

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, March 12, 2001, it adjourn to meet at 12:30 p.m. on Tuesday, March 13, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

APPOINTMENT OF MEMBERS TO JAMES MADISON COMMEMORATION COMMISSION

The SPEAKER pro tempore. Without objection, and pursuant to section 5(a) of the James Madison Commemoration Commission Act (P.L. 106–550), the Chair announces the Speaker's appointment of the following Members of the House to the James Madison Commemoration Commission:

Mr. GOODLATTE of Virginia;

Mr. CANTOR of Virginia.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PENCE). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

AMERICA'S VETERANS ARE ENTITLED TO THEIR DAY OF CELEBRATION AND REMEMBRANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PLATTS) is recognized for 5 minutes.

Mr. PLATTS. Mr. Speaker, I rise today to speak on behalf of over 1.3 million veterans in Pennsylvania and to express my strong opposition to legislation which I consider an affront to the heroic service to our Nation.

As introduced, H.R. 62 would move Veterans' Day to election day in Presidential election years. The intended purpose of this legislation is to increase voter turnout by establishing election day as a national holiday in conjunction with Veterans' Day.

Although I agree action needs to be taken to help convince our Nation's citizens to take a more active role in the political process, this particular solution troubles me. I believe we need to take necessary steps to increase voter awareness and participation, but depriving our veterans of the day set aside historically to honor their sacrifice is not the way to do it.

By designating November 11 of each year as Veterans' Day, we give thanks and pay tribute to the soldiers who fought and gave their lives to preserve the freedoms we know today.

In 1918, at the 11th hour on the 11th day of the 11th month, the Treaty of Versailles was signed between the Allies and Central powers to end the fighting of World War I, the war to end all wars. In the years immediately following 1918, memorial gestures were made on that day worldwide. In 1926, Congress passed legislation to commemorate this date with, quote, "thanksgiving and prayer and exercises designed to perpetuate peace through goodwill and mutual understanding between nations."

In 1938, Congress officially designated November 11 as Armistice Day. It was a day to honor the bravery of our veterans and celebrate the cause of world peace.

In 1954, one of our greatest veterans, President Dwight Eisenhower, declared Armistice Day as Veterans' Day so that all Americans would, quote, "solemnly remember the sacrifices of all those who fought so valiantly to preserve our heritage of freedom."

Mr. Speaker, I give this brief history of Veterans' Day because it serves as proof that November 11 was not randomly selected as a day on which to honor veterans. Moving Veterans' Day, even if it is only once every 4 years, does a great disservice to our veterans and the freedoms for which they fought so hard to secure and defend.

Congress learned its lesson on moving Veterans' Day once already. In the 1970s, Congress moved Veterans' Day to the Monday closest to November 11 to allow for a 3-day holiday weekend. The movement of Veterans' Day was met with so much outrage that President Ford returned the observation of Veterans' Day to November 11.

Mr. Speaker, I have heard from countless individuals in my district that are outraged that legislation is once again pending before Congress to move Veterans' Day. These citizens, veterans and nonveterans alike, do not understand why their government wants to diminish the opportunity of this Nation to remember the sacrifices of our veterans. Veterans and the families of those who have given the ultimate sacrifice certainly do not understand why Congress would even consider legislation that would lessen the tribute paid to our brave sons and daughters who have served in all branches of our armed services.

In my opinion, we should not diminish the observance of Veterans' Day. On the contrary, we should be promoting the reason we mark this day. There are over 26 million veterans in this country, including nearly a half million who are permanently disabled. The Veterans Administration estimates that we are losing approximately 1,100 veterans a day. It is extremely important that we not only remember their service but honor it as well.

The best way to do that is to pass meaningful legislation which will improve benefits and ensure that every veteran has access to the best health care possible. It is imperative that we demonstrate our commitment to those who served us with dedication and valor.

Mr. Speaker, let me reiterate that I stand ready and willing to work with my colleagues to find ways to get more of our citizens to the polls, not just in Presidential elections but in all elections.

However, we must not attempt to solve the problem of voter apathy by showing disrespect to our fellow citizens who have gone into harm's way on behalf of our great Nation. Our veterans have fought courageously to secure and preserve the freedoms we enjoy today. Without the efforts of our heroic veterans, our citizens would not have the right to vote.

Our veterans have fought, and many have died, so we can live in a county with free and fair elections, a country where even in an election as close as the last Presidential contest, the winner is decided by the rule of law, and not with violence.

Mr. Speaker, our veterans have fearlessly put their lives on the line for this country. This country can surely give them their own day of remembrance. Veterans' Day is and always should remain November 11. I for one pledge to do my utmost to preserve this day of recognition for our patriotic men and women of our armed services.

THE TROJAN HORSE STRATEGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DeFazio) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, I regret that the leadership, the Republican leadership, saw fit to have such a limited debate on a $2 trillion tax cut today. Basically, it worked out, for the portion of the tax cut adopted today, to about $5 billion a minute. I was one of many Members who is not a member of the Committee on Ways and Means who did not have an opportunity to speak and give my reasons for opposing this tax cut so I am going to lay them out now, because we know that this is not the end of the debate.

The Senate will not even take this bill up until late this spring, if then.

Now first, the tax cut is predicated upon a wish, a dream, a projection, a prediction, a prediction. Now, remember all the economists 10 years ago said we see deficits as far as the eye can see, huge and growing deficits. We were supposed to have a $400 billion deficit this year, but here we are fighting about how to spend the surplus. There is an actual real surplus this year. How long will it last? What are the assumptions behind it?

This is a very interesting chart which comes from the official Congressional Budget Office chaired and headed up by a Republican appointee. This is what we are predicating a $2 trillion tax cut on. These are future projections. If one notices, there is a little bit of uncertainty here. In fact, when we get to the year 2006, according to the official projections of the Congressional Budget Office, we could be running anything from a $100 billion deficit to a $1.1 trillion surplus, but today the Republican leadership locked into place tax cuts that are going to spend this surplus even if it does not exist, and they did it under the rationale it is a stimulus for the economy.

Now remember, the tax cuts do not even begin until next year. Well, they added a little bit for this year.

Mr. Speaker, 1/100th of 1 percent of the GNP will be devoted to a so-called retroactive tax cut this year; minuscule amount, totals just tens of dollars, for most families, $15 or $20. Yet what they have done here is begun the same strategy that fooled this Congress before I served here in the early 1980s, the Trojan horse strategy. Dress it up, get it inside the gate and then out pops a big surprise.

The big surprise is most likely to be a return to huge and growing deficits a few years out.

No, we should base tax cuts on actual surpluses received, not on projections by pointy-headed economists who are wrong a lot more times than they are right. If they can project the economy 10 years out, they would not be working at the Congressional Budget Office for a government salary. They would be living on their private island somewhere if they had that much knowledge about the future of our economy, and even they, with this chart, admit they really do not have a clue.

So this Congress is being incredibly irresponsible in locking in place those tax cuts now heavily weighted toward people who earn over $329,000 a year, on the bet that these surpluses might exist or maybe knowing that the surpluses will not exist and not really caring that we could return to the huge days of deficits.

Now, this is reality, folks, right here. This is reality. The United States of America's debt, that is black and white. We owe that. Every American from the tiniest baby to the oldest senior citizen owes a share of that, and if we divided it up equally it would be over $20,000 per person.

They are going to not even address that as effectively as the budget last year. They are proposing under their optimistic projections to leave a much bigger debt for future generations, not to reduce it as much. Under a worst case scenario, they are going to increase that debt and leave it as a gift or a burden to future generations. That is irresponsible.

I have supported the plan to do one-third, one-third, one-third, once we have a surplus in hand. One-third to reduce the debt, and if these wild projections come true we could pay off the debt in 12 years; one-third to invest, to invest in education, in infrastructure. I just got a report today from the National Society of Civil Engineers. We have a $1.3 trillion shortfall in infrastructure. Our infrastructure is crumbling over the next 5 years. That is about what they are spending here, betting that we are going to have these surpluses. We could be investing it. We could be investing it in education.

Then finally, yes, let us have responsible tax relief. There was an alternative today. I voted and proposed other alternatives in the past. A tax relief based on reality, targeted at those who carry the heaviest burden, and that is middle-income families and lower-income families. When we look at the burden of the FICA tax, about more than half of American families pay more in Social Security taxes than they do income tax, they will get no relief under this proposal, even if it puts us massively in debt for the future. This was not a proud day for the United States House of Representatives.

□ 1815

INTERNATIONAL WOMEN'S DAY AND THE UNITED NATIONS POPULATION FUND ACT OF 2001

The SPEAKER pro tempore (Mr. Pence). Under a previous order of the House, the gentlewoman from New York (Mrs. Maloney) is recognized for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay special tribute to women around the world for being honored on International Women's Day. International Women's Day, today, recognizes the achievements and successes of women around the world. It is also a day on which we work to advance the status of women everywhere. This is why I, along with my colleagues, the gentleman from Illinois (Mr. Kirk); the gentleman from New York (Mr. Crowley); and the gentleman from Iowa (Mr. Leach), and over 60 original cosponsors, we are announcing that we will introduce our bill, the United Nations of 2001 on this important day.

This bill will help save the lives of millions of women and children around the world and will work to bring equality to all people by restoring funding for UNFPA. Equal rights and equality for all people is crucial, whether they live in sub-Saharan Africa or Southeast Asia or the United States.

Over the last 20 years, we have seen a commitment from countries around the world to honor women's rights, and women's voices are finally beginning to be heard. However, this success and the many others we have had is overshadowed by the millions of women around the world who do not even have the most basic rights. There are more than 600,000 women who are dying each year because of complications from pregnancy and childbirth. The inequality of girls and women around the world is real, but there are very real steps we can take to work together toward equality. Over 182 nations support funding for UNFPA, and the United States should likewise support it.

We know that UNFPA works, that it saves lives. Each day we in Congress are confronted by many challenges for which we do not have answers: the answer to global warming, to the AIDS crisis, to Alzheimer's and Parkinson's. But we know what to do to save the lives of women around the world, and that is to fund international family planning through the United Nations Population Fund.

UNFPA has been and continues to be a leader in the renewed commitment of the world community to stabilize global population and improve the status of women. UNFPA is the world's largest internationally funded provider of family planning and reproductive health services. UNFPA serves women, children, and families in 160 developing countries around the world where health care structures are fragile and unable to address the specific health needs of mothers and children.

By funding UNFPA this year, in 1 year alone, 870,000 women will not be deprived of effective contraceptives; more than 520,000 women will be provided with health care support; and there will not be 500,000 unwanted pregnancies. There will not be 1,200 additional maternal deaths, 22,000 additional infant deaths, and 15,000 additional life-threatening illnesses and injuries to mothers during pregnancy and childbirth.

So, on this day, March 8, International Women's Day, I am proud to introduce this bill, which will help bring equality to women everywhere and certainly help save lives.

POWER IN WASHINGTON OR POWER AT HOME?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. THUNE) is recognized for 5 minutes.

Mr. THUNE. Mr. Speaker, about this time, President Bush is landing in the Dakotas for his first visit to my part of the country. He is landing in Fargo tonight and will be proceeding to South Dakota tomorrow. I think it is significant, Mr. Speaker, that as he makes that landing there, that today we have passed the cornerstone of his tax plan: reduction in marginal rates and real tax relief for working families in this country.

Mr. Speaker, this is the start of what I think will be a great debate to have in this Congress, and that is, who has the power? Does Washington, D.C. have the power, or do the American people have the power? Because the more of this that Washington takes from the American people, the less they have to spend. The more of this that Washington takes, the more power Washington has, and the less power the American family has.

Mr. Speaker, this is a debate about whether we want to consolidate power in Washington or whether we want to distribute power back to our families, individuals, and communities. We have heard a debate today about whether or not to spend the surplus, and our friends on the other side have raised concerns about whether or not we ought to be proceeding down this track. Well, Mr. Speaker, the same people who are making that argument have no such constraint when it comes to spending the surplus on new government programs. That is an entirely different argument that they make.

If we look at the arguments that are made by the opponents of the President's proposal, they really revolve around a couple of basic points. One is that it is too big in the actual size of this tax cut. Well, Mr. Speaker, if we look at it in terms of actual size as a percentage of the total surplus, it is about one-quarter of that surplus, or 6 percent of government revenues over the course of the next 10 years. So in terms of actual size, I would argue, Mr. Speaker, that it is a very responsible number in that it recognizes the commitment that we have to protecting Social Security and Medicare, paying down the Federal debt, and making those necessary investments that are critical to our future, and at the same time, it allows us to get some of that money back into the hands of the American people.

What about the proportional size of this tax cut? Well, if we look at it relative to previous tax cuts, during the Reagan administration, during the Kennedy administration, it is about half the size of the Kennedy tax cuts, and about one-third of the size of the Reagan tax cuts, as a percentage of the gross domestic product and also as a percentage of total government revenues. So proportionally, Mr. Speaker, I would argue as well that this is a balanced and responsible way to go about giving the American people more of their hard-earned money.

Well, the other question is, what about spending? Are we going to be able to have those resources that are necessary? Mr. Speaker, the President's proposal sets aside $1 trillion for contingencies. I care about agriculture in my part of the country. The President has said we recognize there are going to be emergencies that are necessary to come up with additional dollars. So he has accounted for that in the form of a contingency fund of about $1 trillion. Government spending is going to increase 4 percent this next year on the discretionary side; that is the part that the Congress appropriates, and if we add in the total amount of entitlement spending combined, it is about $100 billion over this year's funding levels. That is a significant amount of additional spending. Four percent is higher than the proposed rate of inflation for this next year.

So, Mr. Speaker, I would also say that if we look at it in relative amounts and what it does to allow us to continue to make the investments that we need to make, this plan enables us to do that.

The other argument that is often made, Mr. Speaker, and if we listen to the grim reapers and the prophets of doom, is that the Reagan tax cuts led to the deficits. The fact is, that is not true. After the Reagan tax cuts in 1981, government revenues went up, but the rate of spending exceeded that. Congress could not control, curb, its appetite to spend those dollars; and that, Mr. Speaker, is what led to the deficits during those years. In fact, if Congress had been able to control its spending and only spent at a rate of 5.6 percent average increase per year between 1981 and 1991, the budget would have been balanced in 1991, instead of just a few years ago.

So as we engage in this debate, Mr. Speaker, I hope the American people will listen clearly and understand that this is a great day for the American taxpayers. I am proud to be able to vote in favor of allowing them to keep more of their hard-earned dollars. It is good for the American taxpayers, it is good for the people of South Dakota, and tomorrow will be a day of celebration as the President makes this stop in my great State; and I hope that we will be able to welcome him and deliver to him a message that we care about the people of this country, about the taxpayers, and about giving them more freedom and more liberty.

PROUD TO SUPPORT THE ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GRUCCI) is recognized for 5 minutes.

Mr. GRUCCI. Mr. Speaker, I rise today proud to have supported the Economic Growth and Tax Relief Act of 2001. With an economy sputtering, the time is now for us to act proactively and implement a reasonable and fair tax relief package that will benefit our hard-working, middle-class families and small businesses.

In New York's First Congressional District, where the cost of living is higher than in many regions of our Nation, the Economic Growth and Tax Relief Act of 2001 will jump start our local economy and put the money back where it belongs: in the pockets of the taxpayers. They created the tax surplus; they should get it back.

This much-needed tax relief will be put to better use by offsetting costs for our families, costs like a college education for a young person, a mortgage payment, or they will be able to support our small businesses and our local economy. Those middle-class working families earning $50,000 will see a $1,600 tax cut in their taxes. That is a 50 percent cut. A family of 4 earning $35,000 would see 100 percent tax cut. Now, that is fair. And that is reasonable tax relief, and that is real tax relief for middle-class working families.

In addition, this tax package will leave more money in New York State.

New York already contributes about $17 billion more in taxes to Washington than it gets back.

The Economic Growth and Tax Relief Act of 2001 will cut that deficit by $9.7 billion. As a former town supervisor, I know firsthand how reasonable tax relief can help families and local economies create thousands of new jobs, provide essential services, and still maintain a multimillion dollar annual surplus. The hard-working, middle-class families of Long Island's First Congressional District and throughout our Nation should have their tax dollars back. We have accomplished this while we protected and locked away Social Security and Medicare funds and reduced our national debt by a historic rate.

IRRESPONSIBLE TAX CUT MEANS SERIOUS REPERCUSSIONS FOR ESSENTIAL GOVERNMENT PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. BROWN) is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, here we go again, another round of voodoo economics, and another huge tax cut for the rich.

Passing this $2 trillion tax cut before voting on the budget is irresponsible and will jeopardize the future of Social Security, Medicare, and public education. This bill is like taking a vacation before you pay your rent and utility bills.

I encourage my colleagues to consider the terrible situation in my home State of Florida where massive tax breaks for the rich have come at the expense of much-needed services for the poor, year after year after year. Yesterday, Florida Governor Jeb Bush called for even more tax breaks for the rich while continuing to overlook the most pressing issues facing Florida residents, for example, a $1 billion hole in the Medicaid program that funds health services for poor pregnant women, children, the elderly, and the disabled; a school crisis that includes teacher retention problems and budget cuts that eliminate some of the most innovative teaching programs; a senior population whose health care is at risk because they cannot afford to pay for their prescription drugs; and the Nation's oldest veterans' population with nowhere to bury them with the dignity they deserve.

Mr. Speaker, mark my words. The rest of the country will face the same problems we have in Florida if President Bush's tax cut becomes a reality. The Bush tax cut is like the Reagan cuts that devastated our economy with huge debts, skyrocketing unemployment, and high interest rates. We have been down this road before, and it took us 20 years to get out of this mess that the Reagan tax cuts put us in.

One of the immediate effects of his plan was the homeless problem. By cutting housing and community-based programs, Reagan eliminated the most critical programs for the people at the bottom of the economic ladder. As a result, this country witnessed record numbers of homeless people, and our deficit grew by leaps and bounds. We will see the same problem with health care and senior programs if these tax cuts are allowed.

My constituents do not deserve to relive this nightmare again. I would like to remind my Republican colleagues that the American people did not vote for the Bush plan.

□ 1830

We would not be in this mess if the coup had not taken place in Florida. There is no mandate for the Bush plan; I can tell my colleagues coming from Duvall County, where 27,000 votes were thrown out, 16,000 of them African Americans, 16,000 African Americans, 27,000 votes thrown out.

The sad thing is that this election is not about a few hundred votes. It is about thousands of votes, thousands of votes that were thrown out in the State of Florida. We must commit ourselves that this will never happen again in this history of this country. The last time it happened was in 1877, and Florida was involved in that coup also.

Mr. Speaker, a lot of people think it does not matter what party is in charge. Clearly, today it is an example of it does matter what party is in charge. The parties are not all the same. Some look out for the wealthy and the others look out for the working people and the poor people of this country.

I am happy to be a party of that party, that cares about Medicaid and education and looks at it as investing in our future and not doing away with the surplus, that we take most of it out of health care, health care.

I tell my colleagues it is not a free ride in this country, and the American people, we will fight this fight again and we will welcome President Bush Monday when he comes to Florida.

INTERNATIONAL FAMILY PLANNING AND HIV/AIDS

The SPEAKER pro tempore (Mr. PENCE). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, today is International Women's Day. Women of the world have very little to celebrate. Tragically, the new President withdrew family planning counseling across the developing world, where family planning had begun to have a structural effect on life for men, women and children.

The average family size where people have had access to family planning assistance has been reduced in a very short period of time from six to four. Now, we see the closing of clinics.

Mr. Speaker, what troubles me most this evening is the effect on the spread of AIDS. Just this week, we learned that India is about to experience the same tragedy that has overtaken Africa, as AIDS spreads like wildfire across the Indian continent.

When we in this country think of AIDS, we think of it as a male disease, but worldwide, 50 percent of those or almost 50 percent of those with AIDS are women. Seven percent of the people with AIDS are in sub-Saharan Africa. Ninty-five percent of the AIDS worldwide are orphans. Eighty percent of women with AIDS worldwide are in sub-Saharan Africa.

If this epidemic moves, as it now seems to be, to India, what we will be seeing is the engulfing of continents where most of the world's people live with AIDS. How do we stop that? We know that the drugs, the expensive drugs, are simply not going to millions upon millions of poor people.

Family planning is a preventive low cost way, not only of planning family size with all of the effects that has on development, but it is a way to stop the spread of this deadly disease. Integration of AIDS treatment and detection and prevention with family planning is a critical way to go at this epidemic.

In the same place, counseling for family planning, counseling about AIDS prevention can be the most essential one-stop health service in the world today. It eases significant costs.

And perhaps most poignantly, we can begin to prevent mother-to-child transmission of AIDS, the most tragic consequence of this epidemic.

Did we know that girls, little girls, are far more likely to become infected than little boys? It is probably because it is far easier to take advantage of little girls.

Preventing AIDS and controlling childbirth must take place in the same orbit and in the same place. We, of course, have made that much more difficult at a time when we should be embracing ways to conquer the AIDS epidemic.

On this International Women's Day, I call upon the administration to look for ways to increase both AIDS funding and family counseling. Family planning counseling, and certainly the availability of contraceptives, the way we have thought necessary in this country, the double standard that we have used to make contraceptives available here but deny it in developing countries is having tragic effects well beyond anything we imagined.

This evening I cannot stand here and say that there is an answer to the world spread of AIDS. I can say that this country has within its grasp the tools to keep this epidemic from completely overwhelming developing countries.

Mr. Speaker, if we do nothing else this International Women's Day, I ask that we think about women in the Third World who have been abandoned by our contraceptive counseling policy, and I think we, at best, have an obligation to think seriously about how to make our way back to the inroads we were beginning to make.

RADIO FREE SPEECH IS BEING DENIED IN NEW YORK CITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. OWENS) is recognized for 5 minutes.

Mr. OWENS. Mr. Speaker, tyrants in control of totalitarian countries like China, Serbia and Iraq consider control of the airwaves an absolute necessity. They ruthlessly enforce censorship of a kind few of us can imagine in America.

Last Monday, however, I had the weird and frightening experience of being gagged by a radio station manager in my own home City of New York. It started with a routine request that I call in for a phone interview on a show hosted on Radio Station WBAI by Ken Nash which focuses on union and labor news and features.

The name of the show which commences at 2 p.m. was Building Bridges. As the ranking member on the Subcommittee on Workforce Protections, I welcome the chance to appear on shows related to working families or unions.

It is important to note that Radio Station WBAI is a nonprofit station. It runs primarily on contributions solicited from its mass of diverse listeners. Since last December, this station has experienced considerable turmoil internally and long-term producers and hosts have been fired or locked out of the station.

Like many New Yorkers, I am concerned about the present and future of this vital outlet for free speech on the radio. Without knowing all of the specific tensions and confrontations within the station, I have indicated my interests in working towards the resolution of the problems hampering the continuation of the unique and robust programming of WBAI.

It is important to note that I am presently seeking ways to get more avenues opened for radio free speech in my city in general.

Five low-powered Haitian stations have been shut down. The survival of WBAI is vital for the entire movement seeking more access to the airwaves. The bully monopolies of commercial radio provide the continuing roadblocks to these stations. My knowledge of the reputation of certain recent appointments to the board of Pacifica Network, which is the parent nonprofit institution responsible for WBAI, leads me to conclude that there is a clear and immediate danger that attempts will be made to sell WBAI to a commercial owner. Such a sale would mean the loss of a vital voice for working families in New York City.

My beliefs and point of view are considered heresy by Station Manager Utrice Leid. Without explanation or apology, she shut down the microphones and proclaimed that she had to intervene because it was her job to allow only the truth over the airwaves.

The following is a summary of the statement I would have made had I not been censored and shut off:

The situation at WBAI has implications far beyond this one station. Freedom of speech over the airwaves via radio, broadcast television and cable television is presently quite limited for the majority of Americans, and they are not aware of this. We have a problem of great magnitude that is not being appropriately addressed. The WBAI arrangement and structure offered one model to be emulated. As a listener supported station with a very diverse set of programs, procedures and guests, WBAI represents the optimum use of radio in the service of ordinary people.

When I attended the memorial service of the late Samori Marksman, who is a former WBAI station manager, last year in the great hall of St. John's Cathedral, I saw at that funeral a more diverse assembly than I have seen anywhere in New York City. Folks from all races, religions, income levels, and political persuasions were there. There were intellectual snobs who support programs broadcasting esoteric operas mingling with radical, grassroots political activists. Indeed, as a politician, one immediate reaction I experienced as I contemplated all of the diversity and the solidarity was at that funeral I felt that some of the powerful people in powerful places would see WBAI as a threat and seek to destroy it.

Mr. Speaker, WBAI represents radio freedom of speech that does not make profit for anyone. There are those who see profits being made via WBAI and other Pacifica stations. There are others in powerful stations who feel that only commercial stations should exist; or if there are public stations, they should be indirectly controlled by corporate grants and benign corporate advertisements.

Some of the persons who have recently been appointed to the Pacifica Board represent such powerful commercial interests and, in my opinion, WBAI is an endangered station as long as such business predators are on the Pacifica Board. Persons far removed from the original ideals and philosophy of the founders of the Pacifica chain are not likely to promote the original intent of this very well conceived system.

The basic question which must be tested as soon as possible in the courts is who owns a nonprofit entity? Who has a right to sell a nonprofit radio station? Does the original charter or licensing by the FCC permit any group of trustees or directors to treat Pacifica and WBAI as if they were commercial entities?

While the Pacifica turmoil is raging, I strongly urge WBAI to seek to preserve its freedom by exploring the necessary steps to become independent of Pacifica. As a nonprofit entity, WBAI should use the university structure as a model. It should elect the board of trustees through a voting process utilizing its contributors and supporters as the voters. The trustees should be responsible for basic business operations while the producers and staff should be given a role similar to the faculty of a university. Basic freedom similar to academic freedom and tenure should be conferred upon the long-standing producers and long-term paid and unpaid staff participants.

We want to preserve WBAI in New York City.

INTERNATIONAL WOMEN'S DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, as the cochair of the Congressional Caucus on Women's Issues, I am proud to rise today to acknowledge International Women's Day.

This day is a symbolic recognition of the great contributions that women around the world make everyday in society as mothers, teachers, farmers, doctors, maids, engineers, accountants, social workers, lawyers and activists. It is also a time to review the progress of women in the public arena and the workplace, as well as their struggle for equal status and full participation in society, justice and peace.

International Women's Day is celebrated in the United States, United Nations and in many countries throughout the world. International Women's Day was declared in August 1910 at a meeting in Copenhagen. The Women's Socialist International Organization decided to commemorate March 8 as Women's International Day due to the strikes by hundreds of women workers in garment and textile factories in New York. The strike was against low wages, 12-hour workdays and inhumane working conditions.

In 1975, during International Women's Year, the United Nations began celebrating March 8 as International Women's Day. Two years later, in December 1977, the General Assembly adopted a resolution proclaiming a United Nations Day for Women's Rights and International Peace to be observed on a date to be chosen by each Member State.

Women around the world have assumed positions of influence in all sectors of society, Mr. Speaker, and also have contributed to economic and social advancement. Yet, women face discrimination in many areas of society, and violence against women is part of everyday life for many.

Women constitute the majority of the world's poor. Eighty percent of all refugees are women. One in every three women have been beaten or abused in some way.

□ 1845

Two million young girls are introduced into the commercial sex market each year. 130 million girls have undergone female genital mutilation. Every year 5,000 women and girls are victims of the so-called "honor killings." Four million women and girls are bought and sold worldwide, either into prostitution, marriage or slavery. Two-thirds of the 300 million children worldwide without access to education are girls.

In Africa, HIV-positive women now outnumber infected men by 2 million. In India, it is estimated that more than 5,000 women are killed each year because their dowries are not enough. Women are still underrepresented in governments and political parties.

Despite slow progress in some areas, the advances that have been made in the status of women in society must not be underestimated. Female genital mutilation has been outlawed in several African countries. Many Latin American countries have modified legislation to improve women's access to resources, education and health services. Several countries have adopted or amended their constitutions to prohibit discrimination on the basis of sex. Bermuda, the Dominican Republic, Honduras, Mexico, Peru, South Africa and Venezuela adopted various forms of domestic violence legislation. Chile, Cyprus, the Sudan, and Zambia outlawed discrimination on the basis of pregnancy or childbirth. Egyptian women gained divorce rights similar to men's.

Mr. Speaker, tonight I ask my colleagues to join me in celebrating the gains that women have made internationally and to acknowledge that we still have much to do in the struggle for equity and justice.

SPECIAL EDUCATION FUNDING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Maine (Mr. ALLEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. ALLEN. Thank you, Mr. Speaker. I rise tonight to participate in a discussion with my Democratic colleagues on the subject of special education. All of us have been traveling through our districts talking to teachers and parents and students and school administrators, and we have found over and over again that the number one concern is the failure of the Federal Government to live up to its responsibility to pay the full 40 percent of the special education costs that were mandated by the Federal Government 26 years ago.

But we need to set this debate about special education in context, and particularly in the context of the debate over taxes we had here today. For all of the sound and fury of the debate this afternoon, the differences were fairly simple. On the one hand the Republicans were advocating for an important part of what is an overall $1.6 trillion tax cut over the next 10 years. $1.6 trillion.

On the other hand, the Democrats were arguing for a corresponding part of what overall would be an $800 billion tax decrease over 10 years, half the size of the Republican tax cut.

Now, the reason the debate was so intense and the reason Members on the Democratic side of the aisle felt so strongly about this subject is that the numbers were not being put forth accurately.

For example, if we are going to give back either $800 billion as the Democrats proposed in terms of tax cuts or $1.6 trillion in tax cuts as the Republicans proposed, those are not the amounts by which the debt is reduced because if you have a substantial tax cut, then that money is not available to pay down the Federal debt and, therefore, interest on the Federal debt would be higher than it would be otherwise.

On the Republican side, that $1.6 trillion tax cut, if enacted as passed by the House today, means that we will have over 10 years $400 billion of interest that we have to pay on the national debt that we would not have to pay if that tax cut were not enacted. On the Democratic side the corresponding number is about $100 billion to $150 billion extra in interest that we will have to pay, and what is true for tax cuts is true for spending.

Here is the fundamental problem. If you set aside the Social Security trust fund and the Medicare trust fund, the Bush tax cut, $1.6 trillion in tax cuts plus $400 billion in additional interest on the national debt plus $300 billion in order to fix the alternative minimum tax, very quickly you find that the Bush tax cut reduces the surplus by about $2.4 trillion to $2.5 trillion.

If that tax cut passes the other body in the form that it passed here today, we are in trouble as a country because that tax cut slams the door on any effort to provide a Medicare prescription drug benefit for our seniors any time in the next 10 years if current projections hold. That tax cut, the Republican tax cut, slams the door on the use of general revenues at any time in the next 10 years to shore up Medicare and Social Security and extend the life of those two vital programs.

Mr. Speaker, with respect to the program that we are here to talk about tonight, the Republican tax cut slams the door on any ability to fully fund special education.

I know we have a number of Members on our side wanting to speak, but just to lay this in context and say it simply, right now in the year in which we are in, we spent $6.3 billion on special education. The mandate that we required the States to meet 26 years ago to provide a free and appropriate education for children with disabilities, and when we said 26 years ago that the Federal Government would meet 40 percent of the cost of that program, we do not even come close. This year $6.3 billion represents just under 15 percent of the total cost of special education in this country. That is a long way from the 40 percent that this Congress talked about when the mandate was imposed.

In our districts, teachers, school administrators, parents, and even students understand that there is not enough money for special education, that local funds are being drained out of regular education programs in order to pay for special education, and that the local property taxpayers are taking a hit. We can help all of these groups if we would simply step up to the plate this year, reduce the tax cut and fully fund special education.

The last thing I will say is this. If we do not do it this year, it is not likely to happen any time in the next 10 years. The reason is that full funding is an extra $11 billion. We do not run surpluses most years. It has taken a hard climb to get to them, and now we have the opportunity to use some portion of this Federal surplus to meet the Federal Government's obligations. This is not a new program. It is simply doing what we are obligated to do, what we ought to do for our children and for our school districts, our parents and teachers around the country.

Mr. Speaker, I am joined tonight by a number of Members, and it is a particular pleasure to recognize the gentleman from New Jersey (Mr. HOLT) who helped organize this special order tonight.

Mr. HOLT. Mr. Speaker, I am pleased to join my colleague from Maine, and I thank you for yielding.

The gentleman from Maine set the stage very well. What happened on the floor here just a matter of a couple of hours ago was really putting the cart before the horse. There are certainly justifiable tax cuts. I know that my constituents back in New Jersey are only too eager, as the President says, to get a refund on overpayments. The President came here and said in the joint session when he gave what would be called a State of the Union address that he was asking for a refund. But the reason this was the cart before the horse is because it is hard to know what the amount of overpayment is because we have no budget proposal that comes in advance of this tax cut vote. We have had no debate about really what are the obligations that this Federal Government has in front of us and which of those obligations are we going to honor and in which order.

Certainly our obligations are more than what some Members would say, and that is the obligation of the Federal Government is only to provide national defense. No, we have many other important obligations as well. For example, we have an obligation, a promise, to America's veterans to provide health care for them. We have made a promise to seniors to provide health care, and that certainly should include in this day and age prescription medicine. And we have made a promise, a national commitment to excellent education for all. And that is where we get to the subject at hand here.

Education has not been discussed in advance of today's vote on changing the tax rates. But, in fact, to really provide a free, appropriate public education for America's children is an expensive proposition. School districts are discovering this. Property taxpayers have certainly discovered it. As my colleague has pointed out so clearly, for the Federal Government to provide funding at the level of 40 percent of the cost of educating the special education students under the IDEA program would, over the 10-year period that we are talking about in all of these estimates about tax cuts and so forth, we have been talking about a 10-year period, in that period it would be on the order of a hundred billion dollars.

This is not a footnote. This is not lost somewhere down the decimal point line. This is real money, and it is something that we have, I believe, an obligation to provide and to provide now. For years, since 1975, the Federal Government has made excuses about why it could provide only 5 or 7 percent; or now, as we have in the current year, provide about 14 percent of the cost of educating the special education students, but those excuses do not apply any more when we have a surplus, an honest-to-goodness surplus, and we are debating what we should do with it.

Well, we have obligations; and we should have those obligations out on the table along with the obligation of paying down the national debt, along with the obligation of returning any surplus funds to America's taxpayers.

I am pleased that we have the opportunity to get this out on the floor for discussion now at least before the other body makes its decisions so we can have a good debate about America's obligations.

Mr. ALLEN. Mr. Speaker, I thank the gentleman for his comments; and I appreciate all that the gentleman from New Jersey has been doing in his State to try to, there as well as here, to try to get full funding for special education students.

I do not know if you heard during the debate how many times our friends on the other side of the aisle said what they were trying to prevent was having the Federal Government spend money here in Washington. Special education funds are not spent in Washington, they are spent in our districts and States across this country. They are not wasted and put away here in Washington. Special education funds go to teachers, school districts, in our States in our districts across this country. They make it better and easier to provide a good education for special education students, provide a good education for regular students, and they help. If we could ever fully fund this program, they would help to relieve the stress that property taxpayers feel all across this country right now.

□ 1900

And it is not even a new program. This is money that goes back to our States and back to our districts. But when we listened to the other side during the tax debate today, it sounded as though this money is buried somewhere here under the Capitol and never gets out to the districts.

Mr. Speaker, I yield to my good friend, the gentlewoman from Oregon (Ms. HOOLEY). It is very good to have her here tonight.

Ms. HOOLEY of Oregon. Mr. Speaker, I thank the gentleman for yielding to me.

As we talk about this issue, the gentleman is right when he talks about our not burying this pot of money somewhere in Washington, D.C. We send it out to our districts, and we send it out to our States and to our local school districts. And as we talk about the needs of special education, again the gentleman mentioned that this is a program that is 26 years old. We have said that we should fund 40 percent of the excess costs; yet we are up to under 15 percent. And this is the best we have ever done. And if we do not pay our fair share, then the burden goes someplace else.

Again, as the gentleman has gone across and talked throughout his district and throughout his State about what is important to them, I too have talked to people in my district. This is important to school administrators, it is important to teachers, it is important to those that have special-needs children, it is important to the general population because we are all impacted by this.

This issue, plus the issue of smaller classroom sizes. We know if we have fewer students in a classroom between kindergarten and third grade that kids do better, and when they do better in those grades they also do better in the upper grades, high school and even into college.

But tonight we are talking about special-needs children, children with disabilities. And one of the things that is happening, particularly in our rural communities, and I represent a lot of small rural communities, is that there can be a special-needs child that will cost over $100,000 if they have multiple disabilities. I have one with autism and also has other disabilities that costs about $120,000 a year. If this is a small rural community and there is only one student with disabilities, all of a sudden, to give that child a free and appropriate education, which is what we should be doing, we have to hire a teacher for that child, and we have to provide transportation for that child. For some of our small schools, it really does break the bank.

The reason it breaks the bank is because we are not paying our fair share. It is a little easier for some of the larger schools, where they may have several students and so they can have one teacher for several students, or transportation for several students. But it is still expensive and we have to acknowledge that. I think no one can deny that it is an expensive program, but it is an important program. And some of the special-needs children are not that expensive, some are $400 or $500 or $600 a year.

What has also happened is we have waiting lists in our schools. Now, we have guaranteed a free and appropriate education for every child, including those with disabilities; but we have a waiting list where some children cannot get their needs taken care of because we have not paid our fair share. As a result, all of us have to deal with this problem. Again, this is a huge unfunded mandate that we made an obligation to fund. I think we need to do it, and this is the time to do it.

I have introduced a bill, and I know there are a lot of bills with special education trying to get IDEA funding, Individuals With Disabilities Education Act, but the bill I have introduced is H.R. 659. I have introduced it with the gentlewoman from Connecticut (Mrs. JOHNSON). And what we are trying to do in our piece of legislation, and the gentleman talked about we need $11 billion this year, this piece of legislation would ask that over the next 5 years we get up to the point that we are paying the full 40 percent of our obligation. That takes about $3 billion a year. Is that a lot of money? Absolutely. Do we need to do it? Yes.

This is a promise we made. And I am one of these people that believe when promises are made, they should be kept. So we made this promise 26 years ago, and I think it is time that we invest in every single child and make sure that they have an appropriate education.

Mr. ALLEN. Mr. Speaker, I thank the gentlewoman for her commitment to this issue. The gentlewoman was talking about the importance of driving the special education to full funding either this year or over a period of years. All of us would love it to happen this year. It may or may not.

The important point that I want to make right now is that if we look at the proposal from the Bush administration, there is only one sentence dealing with special education and it says special education will be increased. Maybe by $10. Who knows? Maybe by $100; maybe by $10 million. Who knows? What is clear is that in his proposed increases for the education department there is not enough money to even come close to what the Clinton administration did in each of the last 3 years. Because in each of the last 3 years we increased special ed funding by about $1 billion a year, and that simply cannot happen unless we finally get some real numbers.

Maybe we will be pleasantly surprised. But looking at what the President has sent to us so far, it looks like this is an area that could easily be shortchanged when, in fact, it should be fully funded.

Ms. HOOLEY of Oregon. Let me try to put that in some perspective. I talked about my piece of legislation. Whether it is this or something else, it really does not matter as long as we live up to the obligation. If we look at fully funding it over the next 5 years, it costs an additional $3 billion a year. In the budget this year that was presented to us, the number in there to take care of inflation, just sheer numbers of additional people in the entire Department of Education, is $2.4 billion, and there are several new proposals that President Bush has for education. So it gives you an idea, just to fund this is $3 billion. In the budget for everything is $2.4 billion.

So we have not really put our money where our mouths are, and we need to do that and to live up to those commitments.

Mr. ALLEN. I thank the gentlewoman.

Mr. Speaker, I yield now to the gentlewoman from California (Mrs. CAPPS), who has been a real leader on this issue, fighting for her constituents back home, trying to make sure that we can make some real progress and get full funding for special education. I yield to her.

Mrs. CAPPS. I thank the gentleman for yielding, and I am honored to be here with my colleagues from Maine, from New Jersey, from Oregon, and from California; all across the country.

Mr. Speaker, we are disappointed that we spent the entire day discussing a tax package that is not right for this country; and the passage of such a large tax reform bill out of a budget context will mean, no doubt, that we will have fewer dollars to pay down our national debt, to strengthen Social Security and Medicare, and to improve our education system. And of course a centerpiece of education in our country today and for the past 26 years has been IDEA, Individuals with Disabilities Education Act.

I travel up and down the central coast of California, which I am proud to represent, and I spend time on school campuses. And when I do, I hear a common refrain: we need to fully fund IDEA. I hear this from parents, I hear it from classroom teachers, from administrators, from school boards, and I hear it from the community. The Individuals with Disabilities Education Act requires the inclusion and equality of one of our most disenfranchised groups, kids with disabilities.

IDEA ensures, and this is a good thing, it ensures that children with disabilities can attend a public school in their hometown alongside their peers. In my years of being a school nurse, I saw the value and the importance of this wonderful idea, IDEA, that we in Congress, our predecessors in Congress, put into place. This is a value for families and for a community, for children with and without disabilities, to have this kind of education within the least-restricted environment.

With over 6 million students in our schools who have special needs, we should be appropriating over $17 billion in Federal funds each year. We promised that when we authorized this education act. And what are we giving them? Only $6 billion, as the gentleman said. Because this is a right that we declared, that these children will have this opportunity, local and State budgets are forced to absorb the shortfall. That is a terrific cost to our communities.

While the Federal Government is authorized to pick up the tab for fully 40 percent of these costs associated with special education, currently we are only paying 14 percent of these costs. It was in 1975 that this law mandated that all children receive a free and appropriate education, public education, and that 40 percent would be attached to it; that that was our fair share as a Federal Government. But in the last 25 years, we have failed to provide the necessary funding to support this pledge that we made to local school districts. I believe, along with my colleagues, that it is time to put our money where our mouths are and to fully fund the Individuals with Disabilities Education Act.

When States and schools, local schools, are forced to pick up the difference in the costs for the needs of these children, they often have to shortchange other children. We should not have to be forcing them to make such a choice in providing an appropriate education for one group of children and not for the other. It is our responsibility to provide a good, free education to all of the students in this country.

I want to share a local story to tell my colleagues about a situation in San Luis Obispo County and their school district. They are currently working with and providing resources for 13 children with autism. These children need special assistance to be able to reach their educational goals. In my district, the minimum cost of service for a child with autism is $40,000 per child per year, and the San Luis Obispo school system has only $200,000 for this program. They need more than twice that amount to adequately provide the educational resources for these children.

Because of situations like this, this particular school district, San Luis Obispo, ends up spending 25 to 30 percent of their general funds for children with disabilities. The kind of resentment and tension that that creates within a local school setting is one of the unfortunate by-products of our lack of taking on our own responsibility. So school districts across this Nation are facing these terrible choices. It is putting an unnecessary burden on the local school district, costing them precious dollars, and it is pitting parents with students who have disabilities against parents of children who do not. What an unnecessary and unfair burden.

I am committed to working with all my colleagues here in Congress so that we can assure that all of our children get the best education, the best resources that our public schools have to offer them. One way, one very specific and concrete way that we can do that is to own up to our own responsibilities here in Congress and to fully fund the Individuals with Disabilities Education Act.

So I thank the gentleman for holding this session so that we can express our concerns about this matter, particularly timely, I believe today, in the face of this enormous tax budget cut, which is really going to wreak havoc on our opportunity to do this very thing.

Mr. ALLEN. I thank the gentlewoman for her comments, and I appreciate the point she has made, which is so important, that when the Federal Government fails to live up to its funding responsibilities there are real consequences for real people. The tensions the gentlewoman describes between parents of special ed kids and parents of other kids in a school district can be really quite serious.

In my State of Maine we have about 230 or 240 school districts. We only have 1.25 million people in the State of Maine; but we are geographically so large, we are so spread out, we have relatively small school districts, certainly compared to Virginia or Maryland or California.

□ 1915

It is a tremendous burden. I really thank the gentlewoman for making that point.

Mrs. CAPPS. If I could just respond in saying that when we are doing this in Congress, when we fund to 14 percent, we are not saving money by doing that. These are obligations and responsibilities that local school districts have. They bear the bottom line. It is the children in the local communities who have the right and come up to the school door and say, or the family say, here is my child, these are the needs, now you provide the resources. We ask them to do that, sometimes in very difficult circumstances.

When we do not meet our needs, it just foists that responsibility on overburdened districts that have many other obligations to make as well.

Mr. ALLEN. I thank the gentlewoman for her comments. That is also why we did not hear our friends on the Republican side of the aisle mention special education today, because they really do not want it to be part of this debate. But in truth if you pass a tax cut, as we did today, if the tax cut passed today by the House Republican majority becomes law, where will we ever in the next 10 years find the money to meet our responsibilities created when the Federal Government laid down the special education mandate 26 years ago?

I yield now to one of our outstanding freshman Members on the Democratic side of the aisle, Mrs. SUSAN DAVIS, who now represents San Diego, California.

Mrs. DAVIS of California. I thank the gentleman from Maine (Mr. ALLEN) for giving me the opportunity to rise today and urge Congress to make a priority in this session of budgeting sufficient funds for special education costs. I know it has been suggested that we look at the first of five annual steps this year, so that we work towards funding 40 percent of these special education costs.

This is about children. It is about children who have been challenged orthopedically, challenged physically in the full use of their senses or in the thinking processes that block their learning. We owe them a free education that accommodates their needs, even when these are in the high cost/small incidence category. We know that the effect on school district budgets of providing this court-ordered civil right can be enormous. Inevitably, meeting these moral and these local obligations leaves fewer resources for all the other educational purposes that we have.

In the California legislature, I worked for many months with educators and concerned groups to author a formula for California to distribute its available funds more equitably. It was about 17 years that they have been trying to find a way to do this. The goal for Federal funding would only reach 40 percent of the assumed average additional cost, and it would only reach this level in a way that we are talking about today several years down the road.

Some have argued that this might be too much money in some districts or that if the Federal Government assures these funds that a district might somehow identify more students as qualifying. I just do not believe that these are legitimate concerns. From my work in the California legislature, I know that the actual costs of educating special needs students varies a great deal. To receive an appropriate education, some children need full-time assistance or must be taught in special, sometimes private facilities. Children with severe disabilities may be a higher percentage of the disabled student population in one district than in the average nationally. I know that as a school board member in San Diego, we were always aware that military families were stationed in San Diego because of our special ed program, so that in many ways we attracted children to the district, and other children should not have to pay that price. We ought to fund the program properly.

Costs for special needs students can differ, we know, from community to community, because many States and communities have high costs of cost of living and spend a great deal annually on the costs for each pupil. Teacher salaries we know too may reflect that high cost of living and certified special education teachers are in short supply in many communities of our country. Such limited resources in other States and communities provide much less money per child on average and even after the Federal contribution, the unmet needs of disabled students create a much larger debt in their budgets.

I have yet to see a school district that would consider even 40 percent of additional special education funding as an incentive to identify students inappropriately, because doing so commits them to an extensive and expensive program of evaluating and meeting these children's needs. I believe that it is our fundamental responsibility, and I am pleased that my colleagues have spoken to this as well, that we commit today to a plan for meeting the 40 percent funding goal without taking the dollars from other ongoing educational programs.

I thank the gentleman from Maine for bringing this to us. In truth, this is a bipartisan issue. We know that, because there are a number of bills that have been introduced in the Congress from both Democrats and Republicans. We all recognize there is a need. We have heard from our communities for years and years and years on this issue. But we must look at it within the context of the larger budget and our tax debate. I thank the gentleman very much for bringing this to our attention and for being part of the dialogue today.

Mr. ALLEN. I thank the gentlewoman very much. Her comments certainly are correct. There are certainly many on the Republican side of the aisle who believe this is an important issue and who have joined with us in legislation to encourage full funding. The problem is that when it comes time to do the appropriation bill, the money turns out just not to be there. Now for one of the few times in our history as a country, we are sitting with a surplus, driven by the hard work of the American people and the fact that this economy has been growing extraordinarily rapidly by historical standards over the last 8 years. This is a moment of opportunity, a moment of opportunity to meet our obligations as a Federal Government to the States, to the school districts, to the children, to the parents and to the teachers to provide a better education not just for special ed students but for all students. If the Republican tax cut becomes law in the form in which it passed the House today, that opportunity will be lost and it may be lost for a decade. That is why this is such an important issue. I really thank the gentlewoman very much for being here today.

I would like to turn now to my good friend the gentleman from Arkansas (Mr. SNYDER), who has been a real leader on a variety of education issues and a variety of other issues in this Congress.

I yield to the gentleman.

Mr. SNYDER. I can assure the people of Maine that the gentleman cares so much about this topic that we were discussing it at 6:30 this morning as he was bench pressing several hundred pounds, which I thought was very impressive.

Let me just make several points here. First of all, this is about unmet needs and there are a lot of unmet needs in our country and in our States and in our towns. But it is also about unmet responsibilities. Not only is the need there but the responsibility is there, and we have not met it, as my colleagues have so eloquently been discussing. We see this several places in this process here, in this budget. I am on the Committee on Veterans' Affairs. On Tuesday we had our new Secretary of Veterans Affairs, a fine guy, a Vietnam veteran, he was there to discuss the overall budget number in the President's budget. It is the feeling of everyone on the committee and every veteran services organization, VFW, the American Legion, that that number is clearly not adequate, the budget number for veterans, for the veterans health care system and the other veterans responsibilities. There is a need there but it is also not just a need, it is a responsibility. We have not kept our responsibilities to veterans. The following days the Committee on Veterans' Affairs met and unanimously, Republican and Democrat, passed a resolution to send to the powers that be in primarily the Republican leadership that we need to add money, that this is our recommendation, higher than what the President recommended, because we think that not only are there unmet needs in the veterans community but there are unmet responsibilities. This is another example, this funding for IDEA for those kids in school districts that have these special needs.

In Arkansas, we have 310 school districts spread over our almost 2.5 million people. A lot of them are very small districts. A lot of them struggle. I was talking recently with one of the school superintendents. I brought up this topic of IDEA. It was actually a very moving conversation because he told me, he said, they absolutely know that they have a responsibility to do a good job with these kids, and they are going to do whatever it takes to do a good job with those kids. But because we the Federal Government do not meet our responsibilities, they have to pull money from other programs. For every Federal dollar that is not there, a State sales tax dollar, or a local property tax dollar has to go in to meet the responsibilities on those kids. These are all great people, they do a good job, but you can also sense there is some, I do not want to use the word bitterness but they are very uncomfortable with the fact that they know that they have agreed to this partnership with the Federal Government and we have not kept that responsibility.

The third point I would make is there is a long-range benefit to us all to meet this responsibility, because these are special needs kids, and these are kids if we make that investment now in their education and in the things that they can learn, it will be better for them and their families and for us in the future. Working with these kids, the earlier the better, with the best resources, the best technology, the best teachers, all that takes money.

The fourth point I want to make, and this is where I get a little bit baffled here, because it seems to me that what could happen is that we all just converge one day, Republican and Democrat, right down here on the floor of the House and say, by gosh, if we want to do nothing more in education but meet this commitment overnight to fund IDEA, we would accomplish what both sides of the aisle want and what our school districts want.

What do I mean by that? I think there is some bipartisan interest in putting additional money into education. I think that is great. I attended a forum with the President in Arkansas last week at a school, a grade school, and it was a great forum. He is talking about he wants to put additional money in education. Where we are arguing about is, well, will it be money that goes in kind of in the form of a block grant or will it be money that goes in with a little more control and how do you account for it? We are going to have that discussion and debate and I think it is a good debate, but one way to resolve it is to say, wait a minute, if we did nothing more than to make this commitment of resources to IDEA, both those ideas would be met, because the school districts are going to have flexibility because those Federal dollars would free up their State dollars to do with them what they want to. Right now their hands are tied. They do not have the flexibility to use their own State dollars because they are obligated to put them into this program that we have mandated on them, and they are also having to do our Federal share.

I think also folks from this side of the aisle that sometimes want more accountability, they would say, "Wait a minute. We understand the school districts. We told them that we would give them this money. Let's step forward and give them this money because it is going for these special needs kids and that frees up money in the whole district."

I think that this is an area that if the President wants to improve flexibility for school districts and how they can spend their dollars, all we have to do is just dramatically increase our commitment on IDEA, as we should do, as we are morally obligated to, and that would help kids, help all kids, help those special needs kids, give school superintendents flexibility and free up those State and local dollars that are in such short supply.

I appreciate the gentleman's efforts in this regard and I proudly have signed on to the bill of the gentlewoman from Oregon (Ms. HOOLEY) today that attempts to do this.

Mr. ALLEN. I thank the gentleman for his comments. His point about the Committee on Veterans' Affairs, looking at the proposed budget for veterans and finding it falling short is a real lesson to all of us. The one thing that is absolutely clear about this tax bill that the Republicans brought to the floor today is they brought it to the floor before the needs of our veterans, the needs of our kids, the needs of our transportation infrastructure, our defense requirements. None of that has even been laid out by this administration. Yet they are rushing through a tax cut which would basically eat up all, when you make the proper, reasonable assumptions, eats up all of the surplus for the next 10 years. I think a lot of the debate today was the concern that that is simply going at this backwards. It is dessert first, as some have said. We needed a much more responsible, more fiscally disciplined approach. We did not get it today, but we will hope for the best. I thank the gentleman for coming down here.

I would like to yield again to the gentleman from New Jersey (Mr. HOLT) for additional comments that he may have.

Mr. HOLT. The gentleman and our colleagues have made some very good points. I would just like to emphasize that someone has to pay for this. I actually take issue with this phrase that we hear so often, unfunded mandate. This is not something imposed by the U.S. Congress. What happened was in 1975 there had been a series of court cases that made it clear that the local schools had an obligation to provide education, had an obligation to provide free, appropriate, excellent education.

□ 1930

Among those cases was Park versus State of Pennsylvania, Mills versus D.C. Board of Education. Schools understood that this meant enormous expenses for them because more than 25 years ago, when Congress passed IDEA, it was to give hope to children with disabilities, and the law has been really very successful in that respect.

Before its passage, children with disabilities were either segregated from other students, given inferior education or too often received no education at all.

There is an American ideal of excellent education for all, and the courts made that clear. What Congress did in 1975 was to look around the country, find the average cost of educating students, the average cost of educating students with special needs, and made the average estimate that it was about twice as expensive on average to educate the students with special needs. So Congress codified this already-existing need. It was a moral obligation, as well as a legal obligation, and Congress said to help the States and the local school districts meet this need that was clearly going to be expensive, Congress would over time fund up to 40 percent of the cost, and this was codified in the bill called Individuals With Disability Education Act, IDEA.

As I mentioned earlier and as our colleagues have said, now we are up to only about 14 percent, a little over 14 percent, of funding the costs according to this formula that was laid out in IDEA. So someone has to pay for it.

We have an obligation to educate these children, and we have learned so much. As the gentleman from Arkansas (Mr. SNYDER) said, Federal research shows that investment in education of our children with disabilities, starting in the very earliest years, starting from birth, throughout their school years, has rewards and benefits that are not only for those children themselves but for our whole society, and research shows that promoting educational opportunity for children with disabilities directly affects their ability to live productive lives and to be productive, contributing members of our society.

Research also has taught us a lot about how to provide excellent education for these children. So through better diagnostics and through what we have learned about remedial activities, as well as what we have learned about how all children learn, of course, there are enormous variations. Today, because of IDEA, infants and toddlers are receiving early intervention and special education is working. It is helping all of society. So I take exception to this phrase, unfunded mandate. There is an obligation here. The Federal Government can and should help. Certainly, in a State like mine where almost all of the school expenses are paid through property taxes, the property owners feel the burden of this and are crying for help.

It is an important and a tough subject. The gentleman has put it in perspective very well. Today is a good day to be speaking about this. It is not a good day because I am not happy with what we have seen on the floor here earlier, but it is an appropriate time to be talking about it.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from New Jersey (Mr. HOLT) for his contribution to this discussion tonight.

It might be worth just revisiting sort of the basic numbers. Right now the current level of funding for special education from the Federal Government to the States, through the grants to States program, is a bit over 14 percent. It is the highest it has ever been, largely because in the last 3 years we increased that number by about $1 billion a year to get to the $6.3 billion in the current fiscal year.

Now, to do full funding, what we mean by full funding is that the Federal Government would fund 40 percent of the costs of special education. We would need an additional $11.4 billion in fiscal year 2001 for a total of $17.7 billion. The reason this is appropriate to be discussing tonight is, we just passed, over our objection, a trillion dollar component of a $1.6 trillion tax cut with no effort, no discussion, and nothing in the President's proposed outline of a budget that would suggest there is going to be anything like full funding of special ed.

Here we are at a moment of our history when we could meet that mandate, help out our towns, help out our cities, help out our kids, parents and educators, and we are just passing it by as if this topic were not to be discussed until the tax cut was passed. If the Republican tax cut passes in the form in which it went through this House today, I think it is safe to say that it will be a decade before we will be close to full funding of this mandate.

I would like now to turn to the gentleman from Guam (Mr. UNDERWOOD), who has been actively interested in this particular area and with whom I sit on the Committee on Armed Services.

Mr. UNDERWOOD. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN) for yielding.

Mr. Speaker, I want to congratulate the gentleman from Maine (Mr. ALLEN) for his excellent leadership on this particular issue. This is exactly an appropriate time to raise concerns like this, especially those areas of educational activities which we have passed into national law. What a time to raise this, when in effect we have squandered an opportunity to take care of this amongst many other issues.

I would like to add my own personal support for full funding of IDEA. This is an issue which has come to me as a professional; I am a professional educator by trade. My wife in particular, Lorraine, also worked in special ed for a number of years in Guam, and in dealing with children with the severest conditions, particularly infant children, one of the unfortunate dimensions of not fully funding an activity like this is when one is in an isolated community like Guam, they are unable to secure the kinds of financial resources and professional attention that they need.

When they have a small community but they have these very strong needs and these are human beings and these are people that we have made a national commitment to, it is exactly the appropriate day today to raise this in the context of the fact that we have let an opportunity go by to raise this.

Again, I want to congratulate the gentleman from Maine (Mr. ALLEN) on his leadership, very fine leadership, on this issue.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Guam (Mr. UNDERWOOD) for his support.

Mr. Speaker, I would just like to add a few comments about my recent experience. In the first 2 months of this year, I organized a couple of forums with educators who are expert in K through 12 in Maine and we had conversations. Some of them were principals. Some of them were businessmen and women. Some of them were university professors, and we talked about the problems in Maine with special education. Sixteen percent of our kids in Maine are identified as special ed. We take the obligation to give them a free and appropriate and excellent education very seriously, and, in fact, they are doing well. I mean, by the measures of the tests that we use to assess progress as students go through, our special ed kids are doing very, very well. We are proud of what they are doing.

As a number of Members tonight were saying, the cost of educating special ed students is really substantial. On average, it may be about twice, that is $12,000 as compared to $6,000 per year but, in fact, some students require very special services and one can be looking at $40,000 or $50,000 or sometimes even $100,000 a year to provide that free and appropriate education to someone with significant disabilities.

I then went out into my district and organized four forums in four different communities through the local PTA or through other volunteer groups, groups of volunteers in our schools. I sat at these meetings with parents who were volunteers typically, with school administrators, with superintendents of schools, a few teachers and a few students. It was interesting.

When one goes back to the grassroots and talks with people involved in education on a day-to-day basis, they really are not talking about testing as much as they are talking about three things. Number one, always number one, is the plea to give full funding for special education because so many other things fall into place if they can simply use some additional amount of the increased funds each year at the local level for the regular education programs and not have so much drainoff by special education activities.

The second plea they made over and over was a plea for assistance in finding, recruiting and retraining teachers, particularly in the math and sciences. Our school districts in Maine are having a very hard time finding, recruiting and holding teachers. The salaries are not high enough in many cases to attract the kind of people they want.

Third, school construction, we have a lot of snow up in Maine. Our buildings need to be very solid, very secure and they need to be well insulated. The fact is that many of our schools are old. As I mentioned earlier, we have about 230 school districts and we have some excellent schools in terms of facilities, some new schools. Then we have some which, frankly, really need help.

So the proposal that President Clinton made in the last couple of years of his term that the Federal Government pick up some of the interest costs on bonds that are floated for school renovation or construction was something that really resonated among people who are involved in education in my home State of Maine. I am not sure we are going to see the same kind of interest or commitment from this administration, but I will reserve judgment until we see a budget in some detail.

Mr. HOLT. Mr. Speaker, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from New Jersey.

Mr. HOLT. On that point, the gentleman talks about the needs for school construction. It is clearly a national need to find and recruit and train teachers and give them good, continual professional development, and there is IDEA and special education.

In his campaign, President Bush promised to increase the resources for special education, moving toward, as he said, full funding of the average per-pupil expenditures. Let me hasten to say, as I said earlier, I believe that there is money available to give people of this country a significant tax cut. I want to do that, but we want to get the horse before the cart, get our obligations out in front of us, talk about the debt, and then make our decisions. But to make room for this huge tax cut, President Bush's budget would provide $44.5 billion for the U.S. Department of Education, a 2.4 percent increase, which is only 6 percent, which does not keep pace with the increase in the Department of Education over the past 5 years. In fact, compared with last year, which was 18 percent, it is a very small increase.

As our colleague, the gentlewoman from Oregon (Ms. HOOLEY) pointed out, that increase is not enough to deal with special education only; even that, not counting school construction, not counting after school and summer school programs, not counting teacher recruitment.

There is, in the sketchy numbers we have about the budget from the President, for the Department of Education, it looks like it does not add up. Something has to give.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from New Jersey (Mr. HOLT) for his comments.

Mr. Speaker, we started this conversation about the discrepancy between a tax cut of $1.6 trillion over 10 years and what that does to all of our other priorities. I thought that Democrats on our side of the aisle made the case very well today for a more balanced approach so that some money was there, both to protect against the uncertainty of future projections but some funds there to pay down the debt more than the President proposes, some funds there for spending priorities like a Medicare prescription drug benefit and for special ed. This is an opportunity that we will lose, we will lose for years, if we do not deal with it right now, before a tax cut is passed that will just simply slam the door on the opportunity for full funding for special education.

□ 1945

Mr. HOLT. If the gentleman will yield, in a conversation with school board members today in my office here in Washington, I said what is going on over on the floor right now is eating your lunch, not the school lunch program. Come back a month from now and they will say, I would like to help with special ed; but it is just not there, the money is not there.

Mr. ALLEN. Mr. Speaker, we have been joined by the gentleman from Washington (Mr. INSLEE), and we are very pleased to have the gentleman here at the tail end of this Special Order on special education, and I am happy to yield to the gentleman.

Mr. INSLEE. Mr. Speaker, I appreciate the chance to express a view from the northwest on this subject. I have a child who went through special education, so I am particularly interested on a personal level in this. I just want to make a comment about what happened today with the tax cut as it broadly relates to a lot of issues, and not just special ed. I think it was a great opportunity missed by our new President, our new President who certainly has talked a lot about uniting the country; and yet we found today, with this tax cut brought to the floor of this House with no opportunity to talk to the Democratic Party about the tax cut, or the budget, whatsoever; it was rammed through this House. Frankly, the new President's tax cut had all the uniting qualities of a guillotine in cleaving this House right down the middle with no discussion with the Democrats or the Republicans, for that matter, on a budget, special ed or otherwise. I just want to note that I think it was a tremendous opportunity lost.

We are now going to hope that the President talks with us about special ed and some other issues.

Let me just mention one of the other casualties of this tax cut, without a budget first. On the very day we had a 6.8 on the Richter scale earthquake in Seattle, the President announced that as part of his efforts to make room for the tax cut, he wanted to kill Project Impact, which is a project that we used in Seattle to help get ready for earthquakes and have earthquake preparedness. We had efforts that went on in Seattle that helped us avoid any loss of life in Seattle as a result of that.

But in blind observance of this tax cut, without any consultation with the rest of his government, he wanted to zero out this $25 million project. Why did he do it? The Vice President told us he thought it was an ineffective program. I went to Stevens Elementary School where a one-ton tank of water was over these kids' heads, it was secured and did not collapse, partially as a result of this earthquake preparedness money. Those kids thought it was an effective program. So it is interesting. We asked the FEMA director, Joe Allbaugh, what he thought of this, and he said, well, you know, nobody asked me about this project. They zeroed out a project in the FEMA budget and nobody asked the FEMA director appointed by President Bush and, on educational issues, this was rehab money for school districts, and in the seven schools where this money was used, nobody got hurt and no structures collapsed.

Mr. Speaker, I would just point out it is one instance where we had a loss today.

Mr. ALLEN. Mr. Speaker, I thank all of my colleagues for participating.

INTERNATIONAL WOMEN'S DAY

The SPEAKER pro tempore (Mr. PENCE). Under the Speaker's announced policy of January 3, 2001, the gentleman from Guam (Mr. UNDERWOOD) is recognized for 60 minutes.

Mr. UNDERWOOD. Mr. Speaker, I rise today in support of March's Women's History Month and March 8 as International Women's Day, which is today, here in Washington, D.C.; and I would also like to honor the late Honorable Cynthia Johnston Torres, a distinguished member of the Third Guam Legislature.

Women's history month is a time to pay tribute to the women of our Nation, an appreciation for their contributions to the political, social, economic and cultural development of our country, in recognition of the many struggles and obstacles that women face, and in honor of the integral role that women have played in American history. Women make up, of course, over half of our country's population and have changed our Nation in many positive ways, and women have made their mark in various fields such as science and business, education, health, the public sector, the arts and entertainment, and the list goes on and on.

The progress of women today must be considered in conjunction with continuing challenges. Today, women are affected by the major issues on our Nation's agenda, including and especially health care, Social Security, Medicare, tax reform, et cetera. Most recently, ergonomic issues impact women the most who represent 64 percent of the repetitive motion injuries that result in lost work time and, regrettably, the House voted to eliminate the most recent progress we have made on this issue.

It is encouraging that 6 out of 10 women participate in the labor force. However, employment discrimination and unequal pay still exists. The future, however, looks promising as women are demonstrating increased participation in all levels and branches of government. Unfortunately, we still have many who have unrealistic and outmoded expectations about so-called traditional roles.

Women's History Month has its own history that illustrates the gains that women have made in the last century. In order to reflect on international connections among women, some European nations have been celebrating International Women's Day on March 8 since 1911, following women's suffrage in 1920 and the valuable contributions made by women to the war industries during the 1940s and World War II. Women's issues were pushed to the forefront during the 1960s. The history of women has been finally acknowledged in schools and has become part of the regular curriculum in the 1970s; and in 1981, the National Women's History Project spearheaded the initiative for National Women's History Week. The U.S. Congress passed a resolution in recognition of this week; and in 1987, this week has been expanded to National Women's History Month.

Mr. Speaker, my own island of Guam proudly takes part in celebrating Women's History Month. The Bureau of Women's Affairs holds events recognizing women's accomplishments, addressing women's issues, and empowering women to be the best that they can be. The theme for 2001 is "Celebrating Women of Courage and Vision," and there will be a proclamation-signing not only for Women's History Month, but also for the Year of the Family.

Today, the spirit of community and attention to women's issues in Guam is alive and well, as the Bureau of Women's Affairs and the Guam Council of Women's Clubs celebrated International Women's Day ahead of us, a day ahead of us, because Guam is always ahead, in an event involving the participation of various women's clubs and organizations from the government of Guam and the private sector. These organizations learned more about each other and shared information while many contributions from various cultures that are represented in Guam and artwork of Guam were showcased for all to see.

The children of Guam are also active during Women's History Month, as they have participated in a poster and essay competition in promotion of this year's theme, "Celebrating Women of Courage and Vision." Elementary school children have submitted posters and middle school and high school students have entered an essay contest, all of which are displayed at the center court of the Micronesian Mall. Such an event raises early awareness of women's issues and fosters early recognition of women's contributions to Guam's development.

Finally, at the end of the month the outstanding women for the year 2000 will be honored at the seventh annual awards banquet at the Guam Marriott Resort. Winners from the categories of non-traditional role; grandmother, GovGuam/Federal civil service; mother; community private sector will be announced. The influx of nominations illustrates that, indeed, the island does embrace women of courage and vision.

In the executive branch of the government of Guam, Lieutenant Governor Madeleine Bordallo holds the highest position ever held by a woman in the government of Guam, and she currently serves her second term at this most important post. Out of the 60 agencies of the government of Guam, 11 are headed by women, including Andrea Finona of the Guam Passport Office; Sheila Torres of the Agency for Human Resources and Development; Jeanette R. Yamashita of the Chamorro Affairs Department; Isabel Lujan of the Department of Commerce; Rosie R. Tainatongo of the Department of Education; Borah J. Bordallo of the Guam Council on the Arts and Humanities; Geraldine "Ginger" S. Underwood of the Guam Educational Telecommunication Corporation, KGTF; Taling Taitano of the Guam Housing and Urban Renewal Authority; Dr. Davina Lujan of the Guam Memorial Hospital; Thelma Ann Perez of the Guam Power Authority; and Christine K. Scott-Smith of the Guam Public Library.

In addition, six of these 40 deputy directors are women.

While others have served in acting capacities, Lourdes T. Pangelinan is the only woman who has served as the permanent chief of staff for the Governor of Guam.

As we can see, political representation by women in Guam is encouraged. In fact, Guam law requires that all government of Guam boards and commissions maintain at least two female members in every board and commission. Several key boards have female chairpersons, such as the former Senator, Pilar Cruz Lujan, at the Guam Airport Authority; Lillian Opena at the Guam Council on Youth Affairs; Dr. Heidi San Nicolas at the Guam Development Disabilities Council; Miriam S. Gallet at the Guam Environmental Protection Board of Directors; Corina G. Ludwig at the Guam Mass Transit; Ann Muna at the Guam Memorial Hospital; Bernadita Quitugua at the Guam Museum; and Arlene P. Bordallo at the Port Authority of Guam Board of Directors.

Women's participation in the legislative branch has also increased over the years and is the highlight of Guam's political history. The first elected female to public office was Rosa T. Aguigui of Merizo who was elected to the Guam Congress in 1946; and since 1986, women represent approximately one-third of the membership of the Guam legislature. Female membership was at its peak in 1990 when seven women were elected to serve in the 22nd Guam legislature which consists of 21 members. During 3 separate years, women were the highest vote-getters for a legislative campaign. In 1986, Mayor Marilyn D.A. Manibusan had the most votes. In 1988, it was Madeleine Z. Bordallo, and in 1990, Doris Flores Brooks. Female legislators that have held the highest offices are Vice Speaker Katherine B. Aguon; Legislative Secretaries Pilar C. Lujan, Elizabeth Arriola, Judith Won Pat-Borja, and Joanne Brown; and Rules Committee Chairperson Herminia Dierking.

In 1954, Lagrimas Leon Guerrero Untalan and Cynthia Johnston Torres were the first women elected to the Guam legislature. Currently, three of the 15 members are women: Senator Joanne M.S. Brown, who is legislative secretary and chairperson of the committee on Natural resources; Senator Lou A. Leon Guerrero, who is the assistant minority leader; and Senator Judith "Judy" T. Won Pat, the assistant minority whip. Past members have included Lagrimas Leon Guerrero Untalan, Cynthia Johnston Torres, Katherine B. Aguon, Carmen Artero Kasperbauer, Madeleine Z. Bordallo, Elizabeth P. Arriola, Pilar C. Lujan, Marilyn D.A. Manibusan, Hermina Duenas Dierking, Marcia K. Hartsock, Martha Cruz Ruth, Doris Flores Brooks, Marilyn Won Pat, Senator Hope A. Cristobal, Senator Carlotta Leon Guerrero, and Senator Elizabeth Barrett-Anderson, who is currently a Superior Court judge. The highest staff position held by a female in the Guam Legislature is deputy director, held by Dorothy Perez.

Women have also made promising gains in the judicial branch as well. Two out of the seven judges of the superior court are women: Frances Tydingco-Gatewood and Judge Katherine A. Maraman. In the past, two out of the three full-time supreme court justices have been women: Justice Janel Healy-Weeks, who retired about 2 years ago, and the late justice Monessa Lujan. Three out of the island's 19 village mayors are women, including Isabel Haggard, who is in her 4th term as the mayor of Piti and is also a former vice president of the mayor's council; Mayor Rita Tainatongo of Merizo, who is serving her first term; and Concepcion B. Duenas, mayor of Tamuning-Tumon, who is also serving her first term. Three out of the five vice mayors are women, including June U. Blas of Barrigada; Melissa B. Savares of Dededo; and Nancy T. Leon Guerrero of Tamuning-Tumon, who are all serving their first term.

Women have also held high positions in political parties. Marilyn D.A. Manibusan was the first and, to date, the only female chairperson of the Republican Party.

As a native of Chamorro from Guam, I am proud to announce some of the "firsts" for Chamorro women, a few of which I have mentioned already. Dr. Olivia Cruz was the first Chamorro woman licensed by the Medical Licensure Board; Frances Marie Tydingco Gatewood was the first Chamorro woman judge of the superior court; Elizabeth Gayle was the first Chamorro woman to be civil engineer; Dr. Rosa Robert Carter was the first Chamorro woman president and the only female president of the University of Guam; Mary Inez Underwood was the first woman of Chamorro ancestry to enter the religious life; Elizabeth Barrett Anderson was the first Chamorro woman attorney general; Rosa T. Aguigui Reyes was the first Chamorro woman elected to public office, as a member of the Guam Congress; Dr. Katherine B. Aguon was the first Chamorro woman to earn a Ph.D.

□ 2000

These women in public service have been exemplary for the entire island and for our navigation, and I am truly honored to represent a district with such strong women.

Historically, the women of Guam have always played an important role in Guam society. In pre-Western times in Guam society, the Chamorro society was based on a matrilineal clan system in which women performed important and powerful roles in the lives of the people. Lineage was traced through the female line, and it was the relationships via the mother which determined wealth, social standing and power.

Even with the onset of Western contact, which was patrilineal in nature, particularly the kind of Western contact that was experienced in Guam, which came primarily from Spain. Despite that, the Chamorro female retained much formal and informal power in Guam society. This has carried itself to the present, and girls and women continue to be influential in some social settings in Guam and quite dominant in others.

Openness to female leadership and women in influential roles have been part of the Guam scene, not because of, because in spite of Western contact.

Mr. Speaker, we must also pay tribute to the women whom I have not mentioned by name, yet who have also had a significant impact on our lives: Working women, who fight for equal pay and nondiscriminatory treatment; the women who stand up against domestic and family violence; the women who teach our children to become future leaders; like my mother and my wife Lorraine and even my own daughter Sophia, all of whom have been and still continue to be teachers in more ways than one, and the women who continue to learn in higher education institutions; the female community leaders who advocate for women's issues, lesbian women who are still fighting for the acceptance that they rightfully deserve.

Last but certainly not least, let us pay tribute to mothers, who provide love and direction so our children are raised to become citizens with decency and values; single mothers who make sacrifices everyday so their children can live good lives; daughters who grow up to become independent women of integrity and diligence; and wives who provide companionship and stability.

These are the women we celebrate in March for Women's History Month, and these are the women that we should celebrate all year round.

Mr. Speaker, I urge my colleagues to recognize Women's History Month, not only because women's history is key to American history, but because women have contributed so much to our Nation through their strength, courage and vision.

Mr. Speaker, I would like to make particular note about the passing of a woman who has provided inspiration to all the people of Guam, the Honorable Cynthia Johnston Torres. It is with a great sense of loss that we commemorate Former Senator Torres, a distinguished member of the 3rd Guam legislature, who passed away 2 days ago at the age of 89 on March 6, 2001.

Senator Torres is a noted figure in Guam politics and society. She holds the distinction of being one of the first women to be elected to public office on the Island of Guam. Along with Lagrimas L.G. Untalan, the late senator was elected to serve in the 3rd Guam legislature in 1954.

They were the first and only women elected to Guam's unicameral assembly during the first 10 years of civil government on Guam.

Although women have previously served as appointees to the Guam Congress, an advisory board to Guam's naval governors during the first half of the last century, Senators Torres and Untalan's election marked the first time that women would serve as elected representatives for the people.

Foremost among the reasons behind the candidacy of Guam's first women senators were two specific objectives. These objectives were to define the character of Guam in and the years to come. The candidates intended to set a precedent. They wanted to have Guam's women involved in civic and political affairs. They believed that women should be independent, assertive and outspoken, just like these two women were.

The significant number of women who have since served in key positions and elected to public office demonstrates the fulfillment of this goal and reflects the contributions of these two women, in particular the woman I want to draw attention to today, Ms. Cynthia Johnston Torres.

The other objectives set forth in the 1954 elections was to break the concept of blocked voting, a practice whereby an X placed by a voter on a large box within the ballot automatically casts votes for an entire slate of candidates. During the elections for the first and second Guam legislatures, the forerunner of the Guam Democratic party, the Popular Party, was the only major political party in existence.

Members of this party had absolute control of the first two legislatures. In 1954, Senator Torres' election as an independent to the legislature earned her a prominent position which ensured leadership status when the Territorial Party, which is commonly assumed to be the forerunner of the Guam Republican party, was formed in 1956. Guam voters have since been known to cross party lines and cast votes for candidates they feel most qualified rather than simply for party affiliations.

Mr. Speaker, as a Member of the 3rd Guam legislature, Senator Torres played a vital role in the passage of important legislation, the most notable being Public Law 42, which established trial by jury in certain cases within the jurisdiction of the District Court of Guam. In addition to a wide range of bills, which codified the island of Guam's administrative and corporate procedures, the establishment of the Guam Memorial Hospital, the only civilian hospital, took effect during the senator's tenure and occurred as a result of her efforts.

Although, undoubtedly, a very distinguished political figure, Senator Torres left a more distinct mark in the field of education. Born on July 27, 1911 to William G. and Agueda Iglesias Johnston, the senator took a path not much different from the ones taken by her parents.

As the daughter of prominent educators, her parents' profession led her to devote her life to the field of education. Having received an education in California, Senator Torres returned to Guam in 1932 to become a teacher.

She married a local successful entrepreneur, Jose Calvo Torres shortly thereafter. Mr. Torres passed away in 1946. The senator took over his business ventures and quickly became a respected member of the local business community.

Having noted the lack of educational opportunities for Guam's handicapped children, Senator Torres decided to sell her business interests in 1958 in order to pursue a degree in education and special education, in particular.

Upon completing her master's degree at the University of California in San Diego, she came back to Guam to become a consultant for the island's only school for physically and mentally handicapped children. She later became principal of the Chief Brodie Elementary School. Under her direction, this school developed and implemented educational and vocational programs which she added to the customary custodial care previously provided by the school to handicapped children.

She retired from government service in 1975, and in recent years, she has served the community through her involvement in civic organizations.

She was a member of the University of Guam Board of Regents, the Guam Economic Development Authority, the Marianas Association of Retired Citizens. She was a cofounder and charter member of the Guam Lytico-Bodig Association. She has served as chair to the Guam Memorial Hospital's Board of Trustees and was a past President of the Guam Association of Retired Persons.

For all her work and accomplishments, Senator Torres was conferred numerous awards and commendations, and she has received commendations in the Guam legislature, which has recognized her and commended her for her love and service for the people of Guam.

Mr. Speaker, in addition, she was awarded an honorary Doctor of Law Degree from the University of Guam in 1981, and the distinguished leadership award from the American Biographical Institute for Outstanding Education.

Senator Cynthia Johnston Torres leaves a great legacy of service and devotion to the island and the people of Guam. A pioneer in the field of politics and education, her endeavors and accomplishments provided inspiration to the men and women of Guam.

As we mourn her passing, perseverance and energy will live forever in our hearts.

Mr. Speaker, adios, Senator Torres, yan gof dangkalo na si Yu'os Ma'ase ginen todos I taotaon Guam. You are an inspiration to the people of Guam and to our Nation. During women's history month and beyond, we will celebrate your life and your legacy.

Mr. Speaker, March is more than just Women's History Month in Guam. It is also the month in which we celebrate the indigenous roots of the islands. It started off as Chamorro Week. It has now been expanded to Chamorro Month. And, ironically, it was connected to an event which occurred in 1521, which on March 6, 1521, Ferdinand Magellan, Magallanes, one of the world's most famous explorers, who has since become as the first European to lead a circum-navigation of the earth landed on Guam on March 6, 1521.

In observance of this landing, the people of Guam celebrate what has been known as Discovery Day, and this past Tuesday, March 6, 2001, Guam celebrated the 480th anniversary of Discovery Day.

Mr. Speaker, of course, since that time, there has been much soul searching about the meaning of being discovered, the meaning of contact with the West, and the fact that the people of Guam and, indeed, the people of the Pacific Islands as they interacted with Europeans experienced a number of tragedies, including immediate depopulation, either caused by armed conflict or diseases for which there was no natural immunity in these relatively isolated islands. As a consequence, there has been an attempt to balance how we remember these events.

Indeed, when Ferdinand Magellan first came to Guam in March 6th, 1521, he was at the tail end of his move across the Pacific, had rounded the Cape in South America. By the time they arrived in Guam, his crew was reduced to eating all the rats aboard ship and actually boiling some of the leather in their shoes so that they could perhaps get some sustenance from that, and so it was fortunate for the crew. It was fortunate for Magellan that they happened upon to the island of Guam and indeed the people of Guam replenished them, gave them food and water.

Mr. Speaker, an incident occurred at the time in which the Spaniards claimed that the Chamorro people were trying to steal a little boat, a little skiff, which in the old days of these galleon-type vessels, there would all be like a little boat kind of trailing behind. In retaliation, Magellan landed a crew of people and with crossbows proceeded to kill seven Chamorros.

It is of great irony that many, many centuries later the people of Guam who had this experience, first-time experience with Europeans would actually commemorate Discovery Day, although, somewhat in tongue and cheek these days when this landing is recreated as it was earlier this week, it is the Chamorros who in turn killed the Spaniards. So it has taken on different dimensions.

It is part of a constellation of events, which has come to be known as Chamorro Week and Chamorro Month. I have been intimately involved in this process, because as a young teacher in the 1970s, I, along with a fellow teacher at George Washington High School in Guam, first conceptualized the idea of celebrating the indigenous culture and language and food and customs and art of the people of Guam.

Mr. Speaker, at that time, many of these items were thought to be of little social value, of absolutely minimal educational value. It was our intent at that time to not only highlight and celebrate and commemorate this beautiful culture, which had been 4,000 years in the making and which we have inherited for generation upon generation, to try to reflect upon it and the changes which have occurred on it and find room for it in the curriculum of the public schools and, indeed, all the schools of the island.

At the time that we did it, it was not originally widely accepted. Since that time, Chamorro Week celebration has become very widely accepted and is now practiced throughout the schools, and in many ways was part of a larger effort to reintroduce the essence of the culture and the language of the people of Guam into the public schools.

Today children in Guam are learning the Chamorro language and learning much about their heritage and much about their past in ways that would have been thought unthinkable when I was in elementary school. We feel very good about that, and we feel that March is a good time to reflect upon that and as we juxtapose the circumstances surrounding the arrival of Ferdinand Magellan and all those things, all of the events which followed that so-called discovery and the changes of this culture that has come to be known as the Chamorro culture of the Mariana Islands, of which Guam is the largest islands, more probably appropriately called the culture of the taotaomonas, the people of the land.

□ 2015

Now, throughout this whole time period, if we go back this 480 years, I take this opportunity to raise the historical background to the House, and I do this annually in order to draw attention to the fact that the people of Guam and, indeed, the people of all small Pacific island societies have a great challenge ahead of them; and that challenge is to survivor this century.

In many ways, the people, the indigenous Pacific islanders of the world feel impinged upon and feel that many of the things that they find familiar will be so dramatically altered over time that they will cease to exist as peoples, not just cease to exist as individuals, but that maybe three or four or five generations from now there will be no one who will identify themselves proudly as Chamorros and understand the meaning of that.

It is with some note of melancholy that I draw attention to this, because one of the most beautiful parts of it is the fact of the use of the Chamorro language, a language which I grew up with and which I know reasonably well. Yet, it pains me to know that succeeding generations do not know it as well.

So we use this opportunity to reflect upon the condition, the cultural condition and the social condition of our people as we engage upon this celebration and as we engage upon this commemoration.

It also provides some understanding to the kinds of legislation which I have introduced, including H.R. 308, an act to establish a Guam War Claims Review Commission which speaks to the experience of the Chamorro people during World War II, and a House concurrent resolution which I introduced in the past Congress and which I will introduce in this Congress, a resolution to reaffirm the commitment of the United States to help Guam achieve full self-governance.

After more than four centuries of colonial rule under Spain, under Japan, indeed under America, the people of Guam are entering a new world of self-discovery. Discovery by others is not nearly as important as discovery of oneself. And definition by others is meaningless if you cannot initially define yourself. And determination of your future pales in significance to self-determination.

So Guam in full partnership with the United States and in its strong desire to remain an integral part of the United States is now undergoing a process of self-discovery and self-definition and ultimately self-determination.

This process will eventually wind its way through this body as it has through the hearts and minds of the people of Guam, and it will call upon each and every one of us to, not only treat with respect the experiences of Guam, but to apply fully the best principles of democracy which makes America the great Nation that she is.

In the coming weeks, I will explain in greater detail H.R. 308 and the concurrent resolution which reaffirms the United States' commitment to help Guam achieve full self-governance. Both of these proposals seek justice for the people of Guam and true and full democracy and fair play as unique members of the American family.

In conclusion, I must believe that the people of Guam celebrate Discovery Day, this ironic holiday for us. It is a holiday in Guam, I might add, to recognize our rich culture and understand our unique history. This will enable us to understand how we are perceived and allow us to articulate our true history so that we, along with the United States, in this new century can redefine and maintain our strong relationship and allow Guam a greater voice in how the island is governed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SHOWS (at the request of Mr. GEPHARDT) for today on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. HOOLEY of Oregon) to revise and extend their remarks and include extraneous material:)

Mrs. MALONEY of New York, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mrs. JONES of Ohio, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. KILPATRICK, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Ms. ESHOO, for 5 minutes, today.

(The following Member (at the request of Mr. PLATTS) to revise and extend his remarks and include extraneous material:)

Mr. THUNE, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GRUCCI, for 5 minutes, today.

ENROLLED JOINT RESOLUTION SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 19. Joint resolution providing for the appointment of Walter E. Massey as a citizen regent of the Board of Regents of the Smithsonian Institution.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 6. A joint resolution providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House, reports that on March 8, 2001 he presented to the President of the United States, for his approval, the following bill:

H.J. Res. 19. Providing for the appointment of Walter E. Massey as a citizen regent of the Board of Regents of the Smithsonian Institution.

ADJOURNMENT

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until Monday, March 12, 2001, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1144. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Olives Grown in California; Increased Assessment Rate [Docket No. FV01-932-1 IFR] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1145. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Tomatoes Grown in Florida; Change in Size Designation [Docket No. FV00-966-1 FIR] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1146. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Sweet Onions Grown in the Walla Walla Valley of Southeast Washington and Northeast Oregon; Revision of Administrative Rules and Regulations [Docket No. FV00-956-1 FIR] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1147. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Hazelnuts Grown in Oregon and Washington; Establishment of Interim and Final Free and Restricted Percentages for the 2000-2001 Marketing Year [Docket No. FV01-982-1 IFR] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1148. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the annual report on proliferation of missiles and essential components of nuclear, biological, and chemical weapons, pursuant to 22 U.S.C. 2751 nt. Public Law 102—190; to the Committee on Armed Services.

1149. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 04-01, concerning a proposed project certification for Annex E on Lethality to the Memorandum of Agreement (MOA) Between the United States and Germany concerning a cooperative program for extended air defense, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1150. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 06-01 which informs of plans to Conclude Amendment One to the Memorandum of Understanding with the NATO HAWK Production and Logistics Organization for the Fire Direction Operation Center Project, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1151. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

1152. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report entitled, "Report of U.S. Citizen Expropriation Claims and Certain Other Commercial and Investment Disputes"; to the Committee on International Relations.

1153. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued or released in January 2001, pursuant to 31 U.S.C. 719(h); to the Committee on Government Reform.

1154. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the Annual Inventory of Commercial Activities for 2000; to the Committee on Government Reform.

1155. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on FY 2000 Accountability; to the Committee on Government Reform.

1156. A letter from the Inspector General, Nuclear Regulatory Commission, transmitting a report on the Federal Activities Inventory Reform Act Inventory of Potential Commercial Activities; to the Committee on Government Reform.

1157. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting a report on the Status of Fisheries of the United States; to the Committee on Resources.

1158. A letter from the Chief Justice, Supreme Court of the United States, transmitting a copy of the Report of the Proceedings of the Judicial Conference of the United States, held in Washington D.C., on September 19, 2000, pursuant to 28 U.S.C. 331; to the Committee on the Judiciary.

1159. A letter from the Chairman, Federal Maritime Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2000, pursuant to 5 U.S.C. 552b(j); to the Committee on Transportation and Infrastructure.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. EVANS (for himself, Mr. Filner, Mr. Gutierrez, Ms. Brown of Florida, Mr. Peterson of Minnesota, Ms. Carson of Indiana, Mr. Reyes, Mr. Rodriguez, Mr. Shows, Ms. Berkley, Mr. Udall of New Mexico, Mrs. Jones of Ohio, Mr. Sanders, Mr. Lucas of Kentucky, Mr. Etheridge, Mr. Kildee, Mr. Ackerman, Mr. McGovern, Mr. Hinojosa, Mr. Rahall, Mr. Bonior, Ms. McKinney, Mr. Lipinski, Mr. Weiner, Mr. Boucher, Mr. Stupak, Ms. Hooley of Oregon, Mr. Frost, Mr. Tierney, Mrs. Meek of Florida, Mr. King, Mr. Oberstar, Mr. Bishop, Mr. Davis of Florida, Mr. Hastings of Florida, Mr. Langevin, Mr. DeFazio, Mr. Holden, Mr. Murtha, Mrs. McCarthy of New York, Mr. Hall of Ohio, Ms. Woolsey, Mr. Coyne, Mr. Taylor of Mississippi, Mr. Blagojevich, Mr. Edwards, Ms. Baldwin, Mr. Cramer, Mrs. Mink of Hawaii, Ms. DeLauro, Mr. Brady of Pennsylvania, Mr. Isakson, Mr. Gordon, Mr. Allen, Mrs. Kelly, Mr. Pallone, Mr. Frank, Mr. Payne, Mr. Pascrell, Ms. McCollum, Mr. Faleomavaega, Mr. Borski, Mr. Phelps, Mrs. Clayton, Mr. Hinchey, Ms. Rivers, Ms. Schakowsky, Mr. Lucas of Oklahoma, Mr. Lampson, Mr. Strickland, Ms. Lofgren, Mr. Price of North Carolina, Mr. Upton, Mr. Sandlin, Mr. Ortiz, Mr. Quinn, Mr. Becerra, Ms. Millender-McDonald, Mr. Wexler, Mr. Wu, Ms. Kaptur, Mr. Kennedy of Rhode Island, Mr. Thompson of California, Ms. Waters, Mr. Clyburn, Ms. Jackson-Lee of Texas, Mr. Gonzalez, Mr. Fletcher, Mr. Snyder, Mr. Rangel, and Mr. Capuano):

H.R. 936. A bill to amend title 38, United States Code, to improve programs for homeless veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. POMBO:

H.R. 937. A bill to prohibit the use of Federal funds for any program that restricts the use of any privately owned water source; to the Committee on Transportation and Infrastructure.

By Mr. McGOVERN (for himself, Mr. Houghton, Mr. Lewis of Georgia, Ms. Pelosi, Mr. Frank, and Ms. Millender-McDonald):

H.R. 938. A bill to enhance the capability of the United Nations to rapidly respond to emerging crises; to the Committee on International Relations.

By Mr. KNOLLENBERG:

H.R. 939. A bill to reaffirm and clarify the Federal relationship of the Swan Creek Black River Confederated Ojibwa Tribes of Michigan as a distinct federally recognized Indian tribe and to restore aboriginal rights, and for other purposes; to the Committee on Resources.

By Mr. CHABOT (for himself, Ms. Kaptur, Mr. Gekas, and Mr. Shimkus):

H.R. 940. A bill to establish a statute of repose for durable goods used in a trade or business; to the Committee on the Judiciary.

By Mr. CLYBURN:

H.R. 941. A bill to require the use of adjusted census data in the administration of any law of the United States under which population or population characteristics are used to determine the amount of benefits received by State or local governments, and for other purposes; to the Committee on Government Reform.

By Mr. COLLINS:

H.R. 942. A bill to amend the Internal Revenue Code of 1986 to reduce individual income tax rates and increase the standard deduction; to the Committee on Ways and Means.

By Mr. CONDIT (for himself, Mr. Udall of New Mexico, and Mrs. Emerson):

H.R. 943. A bill to amend the Public Health Service Act with respect to the availability of influenza vaccine through the program under section 317 of such Act; to the Committee on Energy and Commerce.

By Ms. DeGETTE (for herself and Mr. Udall of Colorado):

H.R. 944. A bill to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes; to the Committee on Resources.

By Mr. DIAZ-BALART (for himself, Mr. Crowley, Ms. Ros-Lehtinen, Mr. Menendez, Mr. Blagojevich, Ms. Brown of Florida, Mr. Capuano, Mr. Tom Davis of Virginia, Mr. Delahunt, Mr. Deutsch, Ms. Eshoo, Mr. Farr of California, Mr. Filner, Mr. Foley, Mr. Gilman, Ms. Jackson-Lee of Texas, Mr. Lantos, Ms. Lee, Ms. Lofgren, Mr. Markey, Mr. McGovern, Ms. McKinney, Mr. Meehan, Mrs. Meek of Florida, Mr. Moakley, Mr. Moran of Virginia, Mrs. Morella, Mr. Pascrell, Mr. Rothman, Mr. Serrano, Mr. Smith of New Jersey, Mr. Towns, Mr. Wexler, and Mr. Wynn):

H.R. 945. A bill to adjust the immigration status of certain Colombian and Peruvian nationals who are in the United States; to the Committee on the Judiciary.

By Mr. DUNCAN:

H.R. 946. A bill to amend the Internal Revenue Code of 1986 to allow drug manufacturers a credit against income tax if they certify that the price of a drug in the United States market is not greater than its price in the Canadian or Mexican market; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 947. A bill to amend the Internal Revenue Code of 1986 to allow individual retirement accounts to exclude income with respect to certain debt-financed real property from the tax on unrelated business taxable income; to the Committee on Ways and Means.

By Mr. EVANS (for himself, Mr. Quinn, Mr. McGovern, Ms. Baldwin, Mrs. Maloney of New York, Mr. Markey, Mr. Luther, Mr. LaHood, Mr. Barrett, Mr. Udall of Colorado, Ms. Waters, Mr. Meehan, Mr. Gutierrez, Mr. Capuano, Mr. Filner, Mr. Tierney, Mr. Hall of Ohio, Ms. Pelosi, Mr. Boucher, Mr. Sanders, Mr. Allen, Mrs. Morella, Mrs. Roukema, Mr. Moran of Virginia, Mr. Hoeffel, Mr. Cooksey, Mr. Nadler, Mr. Abercrombie, Ms. Woolsey, Mrs. Mink of Hawaii, and Mr. Moakley):

H.R. 948. A bill to express the sense of Congress that the Department of Defense should field currently available weapons and other technologies, and use tactics and operational concepts, that provide suitable alternatives to anti-personnel mines and mixed anti-tank mine systems and that the United States should end its use of such mines and join the Convention on the Prohibition of Anti-Personnel Mines as soon as possible, to expand support for mine action programs including mine victim assistance, and for other purposes; to the Committee on International Relations, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FOSSELLA:

H.R. 949. A bill to provide funds to States to establish and administer periodic teacher testing and merit pay programs for elementary and secondary school teachers; to the Committee on Education and the Workforce.

By Mr. HOSTETTLER (for himself, Mr. Goode, Mr. Shows, Mr. Shadegg, Mr. Young of Alaska, Mr. Schaffer, Mr. Cannon, Mr. Hall of Texas, Mr. Cantor, Mr. Hilleary, Mr, Souder, and Mr. Gibbons):

H.R. 950. A bill to amend title 18 of the United States Code to provide for reciprocity in regard to the manner in which nonresidents of a State may carry certain concealed firearms in that State; to the Committee on the Judiciary.

By Mr. HOUGHTON (for himself and Mr. Neal of Massachusetts):

H.R. 951. A bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financings to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes; to the Committee on Ways and Means.

By Mr. HOYER (for himself, Mr. Ehrlich, Mr. Meehan, Mr. Shimkus, Mr. Boucher, Mr. Reyes, and Mr. Walsh):

H.R. 952. A bill to grant a Federal charter to Korean War Veterans Association, Incorporated; to the Committee on the Judiciary.

By Mr. INSLEE (for himself, Mr. Spence, and Mr. Cantor):

H.R. 953. A bill to amend the Public Health Service Act to authorize grants to carry out programs to improve recovery rates for organs in eligible hospitals; to the Committee on Energy and Commerce.

By Mr. INSLEE (for himself, Mr. Bartlett of Maryland, Mr. Ehlers, Mrs. Mink of Hawaii, Ms. Slaughter, Mr. Baird, Mr. Udall of Colorado, Mr. Tierney, Mr. Kucinich, Mr. Leach, Mr. Gutierrez, Mr. Hinchey, Mr. McDermott, Mr. Lewis of Georgia, and Ms. Baldwin):

H.R. 954. A bill to amend the Federal Power Act to promote energy independence and self-sufficiency by providing for the use of net metering by certain small electric energy generation systems, and for other purposes; to the Committee on Energy and Commerce.

By Mr. INSLEE:

H.R. 955. A bill to amend the Public Health Service Act to provide for a National Living Organ Donor Registry; to the Committee on Energy and Commerce.

By Mrs. JOHNSON of Connecticut (for herself, Mr. Levin, Mr. Cardin, Mr. Maloney of Connecticut, Mr. Larson of Connecticut, Mr. Hilliard, Mr. Shays, Mr. Watkins, Mr. Strickland, Mr. Hinchey, Mr. Cramer, Mrs. Maloney of New York, Mr. Rangel, Mr. English, Mr. Frost, Mr. McNulty, Mr. Jefferson, Mr. Houghton, Ms. Roybal-Allard, Mr. Frank, Mr. Baldacci, Mr. Camp, Mr. Davis of Illinois, Mr. Shimkus, Mr. Coyne, Mr. Matsui, Mr. Walsh, Mr. Saxton, Mr. McDermott, Mr. George Miller of California, Mr. Gutierrez, Ms. Kilpatrick, Mr. Menendez, Ms. Baldwin, Mr. Ramstad, Mrs. Morella, Mr. Barrett, Ms. Schakowsky, Ms. Lee, Mr. Abercrombie, Mr. Hayworth, Ms. DeLauro, Mr. Hall of Ohio, Mr. Engel, Mr. Simmons, Mr. Sandlin, Mr. Kleczka, and Mr. Shaw):

H.R. 956. A bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, and restore for fiscal year 2002 the ability of States to transfer up to 10 percent of funds from the program of block grants to States for temporary assistance for needy families to carry out activities under the Social Services Block Grant; to the Committee on Ways and Means.

By Mr. KELLER:

H.R. 957. A bill to improve the prevention and punishment of criminal smuggling, transporting, and harboring of aliens, and for other purposes; to the Committee on the Judiciary.

By Mr. KILDEE (for himself, Mr. Scott, Mr. George Miller of California, and Mrs. McCarthy of New York):

H.R. 958. A bill to assist local educational agencies in financing and establishing alternative education systems, and for other purposes; to the Committee on Education and the Workforce.

By Mr. KLECZKA (for himself, Mr. Herger, Mr. Blumenauer, Mr. Matsui, Ms. Woolsey, Ms. Baldwin, Ms. Roybal-Allard, Mr. Lampson, and Mr. Cunningham):

H.R. 959. A bill to amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage revenue bond financing, and for other purposes; to the Committee on Ways and Means.

By Mr. KOLBE:

H.R. 960. A bill to amend the Internal Revenue Code of 1986 to expand the incentives for transferring land or easements therein for conservation purposes; to the Committee on Ways and Means.

By Mr. LANTOS (for himself, Mr. Ackerman, Mr. Barrett, Mr. Berman, Mr. Bonior, Mr. Brady of Pennsylvania, Mr. Brown of Ohio, Ms. Carson of Indiana, Mr. Delahunt, Ms. Eshoo, Mr. Evans, Mr. Filner, Mr. Frank, Mr. Frost, Mr. Gutierrez, Mr. Hastings of Florida, Mr. Hinchey, Mr. Jackson of Illinois, Ms. Kaptur, Ms. Kilpatrick, Mr. Kucinich, Mr. Lewis of Georgia, Mr. Lipinski, Mrs. Lowey, Mrs. Maloney of New York, Mr. McGovern, Ms. McKinney, Mr. McNulty, Mr. Matsui, Mr. George Miller of California, Mr. Neal of Massachusetts, Ms. Norton, Mr. Oberstar, Mr. Olver, Mr. Owens, Ms. Pelosi, Mr. Phelps, Mr. Rangel, Mr. Rush, Mr. Sanders, Ms. Schakowsky, Mr. Sherman, Mr. Stark, Mr. Thompson of Mississippi, Mr. Towns, Mr. Underwood, Ms. Velázquez, Ms. Woolsey, and Mr. Wynn):

H.R. 961. A bill to amend the Fair Labor Standards Act of 1938 to reform the provisions relating to child labor; to the Committee on Education and the Workforce.

By Mrs. MALONEY of New York (for herself, Mr. Maloney of Connecticut, Mr. Honda, Mr. Bonior, Mr. Blagojevich, Ms. Baldwin, Ms. Carson of Indiana, Mr. Serrano, Mr. Capuano, Mr. Baldacci, and Mrs. McCarthy of New York):

H.R. 962. A bill to amend the Mineral Leasing Act to make available for the low-income home energy assistance program 5 percent of moneys received by the United States from onshore Federal oil and gas development; to the Committee on Resources, and in addition to the Committees on Education and the Workforce, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MICA:

H.R. 963. A bill to provide compensation for certain World War II veterans who survived the Bataan Death March and were held as prisoners of war by the Japanese; to the Committee on Armed Services.

By Mr. NADLER:

H.R. 964. A bill to amend the Immigration and Nationality Act to exempt certain elderly persons from demonstrating an understanding of the English language and the history, principles, and form of government of the United States as a requirement for naturalization, and to permit certain other elderly persons to take the history and government examination in a language of their choice; to the Committee on the Judiciary.

By Ms. NORTON:

H.R. 965. A bill to amend title 23, United States Code, to require States to adopt and enforce standards that prohibit the use of racial profiling in the enforcement of State laws regulating the use of Federal-aid highways; to the Committee on Transportation and Infrastructure.

By Mr. PAUL (for himself, Mr. Graham, Mr. Hilleary, Mr. Tancredo, Mr. Shadegg, Mr. Doolittle, Mr. Burton of Indiana, Mr. DeMint, and Mr. Sam Johnson of Texas):

H.R. 966. A bill to prohibit the Federal Government from planning, developing, implementing, or administering any national teacher test or method of certification and from withholding funds from States or local educational agencies that fail to adopt a specific method of teacher certification; to the Committee on Education and the Workforce.

By Ms. PRYCE of Ohio (for herself, Mrs. Maloney of New York, Mrs. Myrick, and Mr. Bentsen):

H.R. 967. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require group and individual health insurance coverage and group health plans to provide coverage for individuals participating in approved cancer clinical trials; to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RAMSTAD (for himself, Mr. Tanner, Mr. Houghton, Mr. Lewis of Kentucky, Mr. Buyer, Mr. Taylor of Mississippi, Mr. Watkins, Mr. Simmons, and Mr. Cooksey):

H.R. 968. A bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States; to the Committee on Ways and Means.

By Mr. STUMP (for himself, Mr. Paul, Mr. Tancredo, Mr. Rohrabacher, Mr. Norwood, Mr. Riley, Mr. Doolittle, Mr. Coble, Mr. Bartlett of Maryland, Mr. King, Mr. Traficant, Mr. Goode, Mr. Everett, Mr. Deal of Georgia, Mr. Baker, Mr. Goodlatte, Mr. Flake, Mr. Istook, Mr. Crane, Mr. Callahan, Mr. Duncan, Mr. Sensenbrenner, Mr. Hostettler, Mr. Ryun of Kansas, Mrs. Roukema, Mrs. Cubin, Mr. Collins, Mr. Hefley, Mr. Culberson, Mr. Hansen, and Mr. Burton of Indiana):

H.R. 969. A bill to provide that Executive Order 13166 shall have no force or effect, and to prohibit the use of funds for certain purposes; to the Committee on Government Reform.

By Mr. TIERNEY (for himself, Mr. George Miller of California, Mr. Sandlin, Mr. Wu, Mr. Ford, Mr. Allen, Mr. Crowley, Mr. Fattah, Mr. Green of Texas, Mr. Meehan, Mr. Andrews, Mr. Brown of Ohio, Mr. Capuano, Ms. Carson of Indiana, Mr. Delahunt, Mrs. Jones of Ohio, Mr. Kildee, Mrs. McCarthy of New York, Mr. McGovern, Mr. Olver, Mr. Scott, Mrs. Christensen, Ms. DeLauro, Mr. Frank, Ms. Kilpatrick, Ms. McKinney, Ms. Millender-McDonald, Mr. Nadler, Mr. Hinchey, Mr. Kennedy of Rhode Island, Mr. Moakley, Mr. Payne, Mr. Jefferson, Mr. Kind, Mr. Kucinich, Ms. Lee, Mr. Markey, Mrs. Mink of Hawaii, Mr. Neal of Massachusetts, Mr. Owens, Mr. Pascrell, Ms. Sanchez, Mr. Sawyer, Mr. Stupak, Mr. Waxman, Ms. Woolsey, Mr. Frost, Mr. Stark, Ms. Eshoo, Mr. Lantos,' Mr. Clement, Ms. Pelosi, Mr. Bonior, and Ms. Solis):

H.R. 970. A bill to amend the Safe and Drug-Free Schools and Communities Act of 1994 to provide comprehensive technical assistance and implement prevention programs that meet a high scientific standard of program effectiveness; to the Committee on Education and the Workforce.

By Mr. WALDEN of Oregon (for himself, Mr. Simpson, and Mr. Inslee):

H.R. 971. A bill to require that payment be guaranteed whenever any supplier of electric energy is required to sell electric energy to a purchaser under the emergency authority of section 202(c) of the Federal Power Act, and for other purposes; to the Committee on Energy and Commerce.

By Ms. WOOLSEY:

H.R. 972. A bill to amend the Elementary and Secondary Education Act of 1965 to strengthen the involvement of parents in the education of their children, and for other purposes; to the Committee on Education and the Workforce.

By Mr. HUNTER (for himself, Mr. Cunningham, Mr. Issa, Mrs. Davis of California, Mrs. Bono, Mr. Lewis of California, Mr. Herger, Mr. Dreier, Mr. Calvert, Mr. Gary Miller of California, Mr. Doolittle, Mr. Radanovich, Mr. Horn, Mr. Rohrabacher, Mr. Pombo, Mrs. Tauscher, Mr. Thomas, Mr. Matsui, Mr. Filner, Mr. Sherman, Mr. McKeon, Mr. Ose, Mr. Berman, and Mr. Lantos):

H. Con. Res. 57. Concurrent resolution condemning the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California; to the Committee on Education and the Workforce.

By Ms. KAPTUR (for herself and Mr. WELDON of Pennsylvania):

H. Con. Res. 58. Concurrent resolution urging the President of Ukraine to support democratic ideals, the rights of free speech, and free assembly for Ukrainian citizens; to the Committee on International Relations.

By Mr. McKEON:

H. Con. Res. 59. Concurrent resolution expressing the sense of Congress regarding the establishment of National Shaken Baby Syndrome Awareness Week; to the Committee on Government Reform.

By Mr. PORTMAN:

H. Res. 85. A resolution designating majority membership on certain standing committees of the House; considered and agreed to.

By Ms. SCHAKOWSKY (for herself, Mr. LANTOS, Mrs. LOWEY, Ms. PELOSI, Ms. MILLENDER-McDONALD, Mrs. MALONEY of New York, Mr. CONYERS, Mr. BLAGOJEVICH, Ms. WOOLSEY, Mrs. MINK of Hawaii, Mrs. MEEK of Florida, Ms. ROYBAL-ALLARD, Ms. ESHOO, Mrs. JONES of Ohio, Ms. BALDWIN, Ms. McCOLLUM, Ms. McCARTHY of Missouri, Mrs. NAPOLITANO, Mr. BARRETT, Ms. CARSON of Indiana, Ms. NORTON, Ms. McKINNEY, Mrs. DAVIS of California, Mrs. JOHNSON of Connecticut, Mrs. CHRISTENSEN, Mrs. BIGGERT, and Ms. CAPITO):

H. Res. 86. A resolution supporting the goals of International Women's Day; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Ms. LOFGREN, Mr. KELLER, Mr. BOEHLERT, and Mr. FORD.

H.R. 25: Mr. CAPUANO and Mr. REYNOLDS.

H.R. 31: Mr. OTTER.

H.R. 40: Ms. CARSON of Indiana, Mrs. JONES of Ohio, Ms. JACKSON-LEE of Texas, and Mr. McDERMOTT.

H.R. 87: Ms. CARSON of Indiana, Ms. VELÁZQUEZ, and Mr. BONIOR.

H.R. 97: Mrs. JO ANN DAVIS of Virginia, Mr. EVANS, Mr. TOWNS, Mr. FERGUSON, Mr. MICA, and Mr. TRAFICANT.

H.R. 116: Ms. WOOLSEY and Mr. JEFFERSON.

H.R. 117: Ms. WOOLSEY.

H.R. 126: Mr. GUTIERREZ, Mr. EVANS, Mr. HINCHEY, Mr. OBERSTAR, Mr. SANDERS, Mr. BLUMENAUER, Ms. VELÁZQUEZ, and Mr. DeFAZIO.

H.R. 128: Mr. GONZALEZ, Mr. STARK, Ms. CARSON of Indiana, Mr. TOWNS, and Mr. LANTOS.

H.R. 147: Mr. KILDEE and Mr. PETERSON of Pennsylvania.

H.R. 152: Mrs. JO ANN DAVIS of Virginia.

H.R. 159: Mr. GOODLATTE, Mr. HORN, and Mr. RAMSTAD.

H.R. 174: Mr. FRANK.

H.R. 175: Mr. WELDON of Florida, Mr. BEREUTER, Mr. SAM JOHNSON of Texas, Mr. PAUL, Mr. HOEKSTRA, and Mr. DOOLITTLE.

H.R. 179: Mr. DIAZ-BALART, Mr. EVANS, Mr. LEWIS of Kentucky, Mrs. MINK of Hawaii, Mr. RANGEL, and Mr. BARR of Georgia.

H.R. 183: Mr. PASCRELL, Mrs. MALONEY of New York, Ms. LEE, Mrs. MEEK of Florida, Mrs. MORELLA, Mr. FROST, Mr. WEXLER, Ms. VELÁZQUEZ, Mr. BRADY of Pennsylvania, and Ms. CARSON of Indiana.

H.R. 184: Mr. DeFAZIO.

H.R. 214: Ms. HARMAN.

H.R. 219: Mr. GOODE.

H.R. 241: Mr. LEWIS of Kentucky.

H.R. 244: Ms. HART.

H.R. 253: Mr. FILNER and Mr. CLAY.

H.R. 257: Mr. RYUN of Kansas, Mr. HOEKSTRA, Mr. BARTLETT of Maryland, Mr. HOSTETTLER, Mr. SCHAFFER, Mr. TANCREDO, Mr. CRENSHAW, and Mr. SENSENBRENNER.

H.R. 267: Mr. HERGER, Mr. SCHAFFER, and Mr. OTTER.

H.R. 268: Ms. LEE, Ms. McKINNEY, and Mr. HUNTER.

H.R. 281: Mr. GUTIERREZ and Mr. LANTOS.

H.R. 301: Mrs. THURMAN.

H.R. 302: Mrs. THURMAN.

H.R. 303: Mr. MOAKLEY, Mr. KENNEDY of Rhode Island, and Mrs. ROUKEMA.

H.R. 308: Mr. RAHALL.

H.R. 336: Mr. RANGEL.

H.R. 340: Mr. ACEVEDO-VILA.

H.R. 356: Mrs. JO ANN DAVIS of Virginia.

H.R. 367: Mr. ANDREWS, Mr. GUTIERREZ, Ms. CARSON of Indiana, and Mr. PAYNE.

H.R. 384: Mr. KUCINICH.

H.R. 399: Mr. ROEMER, Mr. NADLER, Mr. CUMMINGS, Mr. COLLINS, Ms. BROWN of Florida, Mr. HILLIARD, Mr. LaFALCE, Mr. CONYERS, and Ms. WATERS.

H.R. 425: Mr. UDALL of Colorado.

H.R. 427: Ms. HOOLEY of Oregon.

H.R. 428: Mr. LEWIS of California, Ms. PELOSI, Mr. FRANK, Mr. BARTON of Texas, Mr. HILLEARY, Mr. FALEOMAVAEGA, and Mrs. JO ANN DAVIS of Virginia.

H.R. 436: Mrs. KELLY.

H.R. 437: Mr. CRENSHAW and Mr. CALVERT.

H.R. 443: Mr. KUCINICH.

H.R. 445: Mr. POMBO, Mr. RADANOVICH, Mr. SHADEGG, Mr. ROHRABACHER, Mr. DOOLITTLE, Mr. HEFLEY, and Mr. SCHAFFER.

H.R. 453: Ms. CARSON of Indiana.

H.R. 459: Mr. SHERMAN and Mr. KUCINICH.

H.R. 471: Ms. SCHAKOWSKY.

H.R. 499: Mr. KIRK.

H.R. 503: Mr. BARTLETT of Maryland, Mr. DUNCAN, and Mr. CRANE.

H.R. 510: Mr. SMITH of Texas, Mr. LEWIS of Kentucky, Mr. ROSS, Mr. FRANK, Mr. STEARNS, Mrs. LOWEY, and Mr. SANDERS.

H.R. 511: Mr. ROSS, Mr. FRELINGHUYSEN, Mr. CLEMENT, Mr. LEVIN, and Mr. SCHIFF.

H.R. 516: Mr. CLEMENT, Mrs. JO ANN DAVIS of Virginia, Mr. TURNER, Mr. FRANK, Mr. LIPINSKI, Mr. SENSENBRENNER, and Mr. BALDACCI.

H.R. 521: Mr. RAHALL and Mr. CONYERS.

H.R. 526: Mr. BRADY of Pennsylvania, Ms. HOOLEY of Oregon, Mr. OLVER, Mr. FILNER, and Ms. WOOLSEY.

H.R. 539: Mr. GIBBONS, Mr. KELLER, and Mr. LaHOOD.

H.R. 572: Mr. WAMP and Mr. SAXTON.

H.R. 573: Ms. DeLAURO, Mr. McGOVERN, Mrs. MALONEY of New York, Ms. JACKSON-LEE of Texas, Ms. NORTON, and Mr. DEUTSCH.

H.R. 577: Mr. GOODE.

H.R. 582: Mrs. NORTHUP.

H.R. 600: Mr. WELDON of Pennsylvania.

H.R. 602: Mr. ENGEL, Mr. FERGUSON, Mr. TURNER, Mr. BAIRD, and Ms. SOLIS.

H.R. 606: Mr. FRANK, Mr. BRADY of Pennsylvania, Mr. ANDREWS, Mr. FILNER, Mr. BERMAN, Mr. SHAW, Mrs. KELLY, Mr. LANGEVIN, and Mr. ROTHMAN.

H.R. 612: Ms. McCARTHY of Missouri, Ms. SOLIS, Mr. BOUCHER, Mr. DAVIS of Illinois, and Mr. ISAKSON.

H.R. 620: Ms. LEE, Ms. CARSON of Indiana, and Mr. FATTAH.

H.R. 622: Mr. BALLENGER, Mr. BOEHNER, Mr. CASTLE, Mr. COBLE, Mr. DREIER, Mr. LINDER, Mr. MANZULLO, Mr. MORAN of Kansas, Mr. GREEN of Wisconsin, Mr. HASTINGS of Washington, Mr. HOEKSTRA, Mr. HULSHOF, Mr. ROHRABACHER, and Mr. WATTS of Oklahoma.

H.R. 630: Ms. RIVERS, Mr. KILDEE, Mrs. McCARTHY of New York, and Mr. EVANS.

H.R. 631: Mr. SOUDER, Mr. WATT of North Carolina, and Mr. ROSS.

H.R. 638: Mrs. MINK of Hawaii, Mr. GUTIERREZ, Mr. WAXMAN, and Ms. VELÁZQUEZ.

H.R. 641: Mr. CAPUANO, Mr. DEUTSCH, Mr. FILNER, Mr. FORD, Mr. FROST, Mr. HOEFFEL, Mrs. JONES of Ohio, Mr. LEWIS of Georgia, Mrs. LOWEY, Mr. MATSUI, Mr. MEEKS of New York, Mrs. NAPOLITANO, Ms. SCHAKOWSKY, Mr. SHERMAN, Mr. THOMPSON of Mississippi, Mr. TOWNS, Mr. REYES, Mr. DELAHUNT, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. WEINER, Ms. NORTON, Mr. BOEHNER, Mr. YOUNG of Alaska, Mr. OSBORNE, Mr. DOOLITTLE, Mr. REHBERG, Mr. HOUGHTON, and Mr. GANSKE.

H.R. 642: Mr. BARTLETT of Maryland.

H.R. 659: Mr. BURTON of Indiana, Ms. SCHAKOWSKY, Mrs. JO ANN DAVIS of Virginia, Ms. NORTON, Mrs. TAUSCHER, Mr. BLAGOJEVICH, Mr. BONIOR, Mr. SHAYS, Mr. WALSH, Mrs. JONES of Ohio, Ms. DeGETTE, Ms. RIVERS, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. MILLENDER-McDONALD, Ms. LEE, Mrs. LOWEY, Mr. BAIRD, Mr. SNYDER, Mr. SANDLIN, Mr. HASTINGS of Florida, Mr. BALDACCI, Mr. MEEKS of New York, Mr. REYES, Mr. PHELPS, Mr. CAPUANO, and Mr. LANTOS.

H.R. 661: Mr. McINNIS and Mr. BRADY of Texas.

H.R. 664: Mr. FERGUSON, Ms. ROYBAL-ALLARD, Mr. LIPINSKI, Mr. KLECZKA, Mr. HALL of Ohio, and Mr. TRAFICANT.

H.R. 665: Ms. CARSON of Indiana, Mr. CONYERS, Mr. SCOTT, Mr. ROSS, and Mr. WATT of North Carolina.

H.R. 673: Mr. EHLERS and Mr. HILLEARY.

H.R. 680: Mr. CLAY.

H.R. 681: Mr. CLAY.

H.R. 690: Ms. DeLAURO, Mr. EVANS, Mr. TIERNEY, Ms. VALÁZQUEZ, Mr. MATSUI, Mr. GEORGE MILLER of California, Mr. HONDA, Ms. ESHOO, and Ms. LOFGREN.

H.R. 692: Mr. LATHAM and Mr. BEREUTER.

H.R. 693: Mr. KENNEDY of Rhode Island, Ms. CARSON of Indiana, Mr. LANTOS, and Mr. GUTIERREZ.

H.R. 694: Mr. TANCREDO.

H.R. 721: Mr. CLYBURN, Ms. DeLAURO, Mr. MASCARA, Mr. GEPHARDT, Mr. JEFFERSON, Mr. ANDREWS, Mr. LEWIS of Kentucky, Mr. BORSKI, Mr. LUTHER, Mr. REYES, Mr. PETERSON of Minnesota, Ms. ROYBAL-ALLARD, Mr. RANGEL, and Mr. BAIRD.

H.R. 747: Mr. KUCINICH.

H.R. 755: Mr. PASTOR and Mr. ENGEL.

H.R. 760: Mr. BACA, Mr. THOMPSON of California, Mr. SCHIFF, Ms. KAPTUR, Mr. HERGER, and Mr. BARTLETT of Maryland.

H.R. 761: Mr. SABO.

H.R. 786: Ms. CARSON of Indiana and Mr. WATT of North Carolina.

H.R. 790: Ms. CARSON of Indiana.

H.R. 801: Mr. STUMP, Mr. BILIRAKIS, Mr. BUYER, Mr. SIMPSON, Mr. SIMMONS, Mr. BROWN of South Carolina, Mr. HANSEN, and Mr. SPENCE.

H.R. 811: Mr. SPENCE.

H.R. 822: Mr. LANTOS.

H.R. 827: Mr. McNULTY, Ms. McKINNEY, Mr. WYNN, and Mr. McHUGH.

H.R. 830: Ms. HART, Mr. GUTKNECHT, Mr. STEARNS, Mr. DOOLITTLE, Mr. ARMEY, and Mrs. JO ANN DAVIS of Virginia.

H.R. 835: Mr. CLEMENT, Mr. BLAGOJEVICH, Mr. PALLONE, and Mr. BOUCHER.

H.R. 839: Mr. TURNER, Mr. MCINTYRE, Mr. GORDON, and Ms. BROWN of Florida.

H.R. 844: Mr. WALSH and Mr. NADLER.

H.R. 853: Mr. MASCARA, Mr. BONIOR, Mr. TURNER, and Mrs. JONES of Ohio.

H.R. 876: Mr. WALDEN of Oregon and Mr. LEWIS of Georgia.

H.R. 877: Mr. CALVERT.

H.R. 899: Mr. TOWNS and Mr. SCHROCK.

H.R. 908: Mr. GALLEGLY.

H.R. 911: Mr. SMITH of New Jersey.

H.R. 918: Mr. NEAL of Massachusetts, Mr. BARRETT, Mr. LIPINSKI, Mr. GUTIERREZ, Mr. BERMAN, Ms. SLAUGHTER, Mr. WALSH, and Mr. HOEFFEL.

H.R. 919: Mr. DAVIS of Florida.

H.R. 923: Mr. BOEHLERT and Mr. CUNNINGHAM.

H.R. 930: Mr. HERGER and Mr. HILLEARY.

H.J. Res. 22: Mr. OSE.

H. Con. Res. 3: Ms. WOOLSEY.

H. Con. Res. 4: Mr. PICKERING, Mr. NEAL of Massachusetts, Mr. SMITH of New Jersey, Mr. FROST, and Mr. WEXLER.

H. Con. Res. 23: Mr. RYUN of Kansas.

H. Con. Res. 29: Mr. WEINER, Mr. LEVIN, and Ms. ROYBAL-ALLARD.

H. Con. Res. 34: Mr. KIND, Mr. WATT of North Carolina, and Mr. LAMPSON.

H. Con. Res. 41: Mrs. JO ANN DAVIS of Virginia.

H. Con. Res. 42: Mr. BORSKI and Ms. ROYBAL-ALLARD.

H. Con. Res. 45: Mr. DREIER, Mr. FROST, Mr. RUSH, Mr. BEREUTER, Mr. BRADY of Texas, Mr. SKEEN, Mr. WHITFIELD, Mr. SHIMKUS, Mr. JOHNSON of Illinois, Mr. BOSWELL, and Mr. HOUGHTON.

H. Con. Res. 52: Mr. OXLEY, Ms. HART, Mr. RANGEL, and Mr. NADLER.

H. Res. 72: Ms. SLAUGHTER and Mr. PRICE of North Carolina.

EXTENSIONS OF REMARKS

HONORING DR. MICHAEL DEBAKEY

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. BENTSEN. Mr. Speaker, I rise to honor Dr. Michael DeBakey on the occasion of the dedication of the Methodist DeBakey Heart Center. For 50 years, Methodist has been the home of internationally acclaimed heart surgeon Dr. Michael DeBakey, thereby attaining worldwide recognition for its state-of-the-art cardiovascular care. Dr. DeBakey has been a pioneer of modern medicine, and has helped raise the standard of health care for all mankind. His list of accomplishments, from his innovations in open-heart surgery to his recent pioneering work in the field of telemedicine, is a catalog of many of the greatest accomplishments in the history of medicine.

Dr. DeBakey serves as Chancellor Emeritus of Baylor College of Medicine, and is internationally recognized as the most famous heart surgeon in the world and a living legend. He is a senior attending surgeon at the Methodist Hospital, the largest hospital in the Texas Medical Center in my District. This prolific surgeon and humanitarian has performed more than 60,000 cardiovascular procedures and has trained thousands of surgeons who practice around the world. Dr. DeBakey's name is affixed to a number of organizations, centers for learning, and projects devoted to medical education and health education for the general public. It is an honor to the Heart Center that the institution being dedicated on this occasion bears his name.

The Methodist DeBakey Heart Center is a leader in the prevention, diagnosis, treatment, and research of heart disease. The Center has attracted world-renowned physicians who are continuing the ground-breaking work of Dr. DeBakey and his associates, who developed many of the life-saving techniques at the Methodist Hospital. Annually, the Center performs more than 6,000 cardiac catheterizations, 2,500 angioplasties, 1,300 open heart surgeries, and has performed more than 425 heart transplants in the last 10 years. The Center is a joint effort between the Methodist Hospital and Baylor College of Medicine, which share the common goal of improving quality of life and satisfaction among heart patients.

While Dr. DeBakey's life-saving inventions and trailblazing techniques have awed the medical community over the years, his most treasured accomplishments are the family bonds he and his wife Katrin have managed to maintain despite a rigorous schedule. He is close to his four grown sons and daughter, as well as to his own siblings.

Mr. Speaker, throughout his career, Dr. DeBakey has distinguished himself as a spectacular surgeon and a caring humanitarian to his patients. I commend him on his inspiring five decades of service to the Houston Medical community, and I look forward to the medical advances that will continue to emanate from the Methodist DeBakey Heart Center.

PERSONAL EXPLANATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. OXLEY. Mr. Speaker, I returned to Ohio yesterday afternoon for the funeral of former Ohio Governor James A. Rhodes, under whom I served as a member of the Ohio House of Representatives. Consequently, I was absent from the House floor during yesterday's rollcall votes on H. Con. Res. 31, H.R. 624, and H. Con. Res. 47. Had I been present, I would have voted "yea" on each of those bills.

TRIBUTE TO ROGER FONTES

HON. DOUG OSE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. OSE. Mr. Speaker, today, all eyes are turned to California and the current electricity crisis. While there are many problems and many causes, it is important that we also take a moment to give credit to the individuals and entities that have helped meet our State's energy needs and helped chart a path out of this current crisis. Roger Fontes is one of those individuals.

For the past 13 years, Mr. Fontes has served as the Assistant General Manager of the Northern California Power Agency (NCPA), a joint action agency that serves the wholesale power needs of 15 public power systems, including the City of Gridley in my District. NCPA has been a shinning star within the State, and Roger Fontes has played a critical role in that success. Under Roger's supervision, NCPA constructed geothermal, hydroelectric and gas-fired power plants to meet their communities' needs in a reliable and cost-effective fashion. In the midst of the current crisis, it is worth nothing that these municipal utilities are islands of stability. Roger also over saw NCPA's legislative and regulatory programs, advancing sound energy policies for the consumers and businesses they serve.

Prior to joining NCPA, Mr. Fontes was responsible for state-wide generation and transmission planning at the California Energy Commission. He also worked at the Los Angeles Department of Environmental Quality and the Los Angeles Department of Water and Power.

While Roger is retiring from NCPA, he is not leaving the field. Roger and his family are moving to Orlando, where he will be the general manager of the Florida Municipal Power Agency. We will miss him in California, but are heartened by the knowledge that his sound public policy counsel will continue to be available. I ask my colleagues to join me in thanking Roger Fontes for his service to California electricity consumers and to with him and his family the best in his future endeavors.

LOS ANGELES SCHOOL OF MAKE-UP

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. GARY MILLER of California. Mr. Speaker, it is with great pleasure that I rise to celebrate the Los Angeles School of Make-Up and their contributions to our community. The Los Angeles School of Make-Up, also known as the Make-Up Designory or MUD, has a strong reputation of supporting education and human rights throughout Southern California.

The founders of the Make-Up Designory Tate P. Holland, John R. Bailey, and Karl E. Zundel, believe that in order to improve their community, one must be an active participant in it. This believe is realized through their involvement in numerous philanthropic activities and educational partnerships.

In addition to serving as educational partners with the Hollywood Entertainment Museum and the Los Angeles County Sheriffs' Juvenile Honors Program, the Make-Up Designory also participates in many local events. Annually, the Make-Up Designory commits to supporting the Kid's Day L.A., KIEV's Special Children's Christmas Program & Party, the Santa Clarita Youth Organization, the Burbank International Children's Film Festival, the Deidre Hall Mother's Day Festival, and the Juvenile Diabetes Foundation Walks. In addition, the Make-Up Designory has actively participated in and donated to many other events, including the CBS "Running Scared" Educational Programs, the March of Dimes, the Revlon Run/Walk, the American Cancer Society Walk, the Mesothelioma Applied Research Fund, the Toluca Lake Lion's Charity, the Toluca Lake Garden Club, and the Charter Oak Elementary School Benefit Silent Auction.

Despite their many commitments, the Make-Up Designory has also found time to work with the Diamond Bar Sister City Program. Their generosity has permitted an orphaned, indigent high school honors student to continue his education, thus gaining the ability to continue the circle of community service. Moreover, the Make-Up Designory has joined the Diamond Bar Sister City Program in sponsoring a foreign exchange student by granting him a full scholarship. As a result of this scholarship, a gifted student will be able to realize his life-long dream of becoming a professional Make-Up Artist, a highly valuable skill-set in Southern California.

Tate P. Holland, John R. Bailey, and Karl E. Zundel continue to demonstrate that when individuals take the time to help others, they better not only individual lives, but our community as a whole. Mr. Speaker, I ask this 107th Congress to join me in offering our praise and accolades to the Make-Up Designory and its founders.

INTRODUCTION OF "HEATHER FRENCH HENRY HOMELESS VETERANS ASSISTANCE ACT", H.R. 936

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. EVANS. Mr. Speaker, I rise today to introduce the Heather French Henry Homeless Veterans Assistance Act. This important legislation establishes a national goal of ending homelessness among our nation's veterans within a decade. Mr. Speaker, I firmly believe if 40 years ago we as a nation had the resolve and resources to send men to the moon and return them safely to Earth within a decade, today our great nation can end homelessness among veterans with adequate resolve and resources within ten years.

The measure I introduced today for myself, and almost 100 of my colleagues, is named to recognize and honor Heather French Henry, Miss America 2000. During her year of service to America, Heather French Henry committed the full measure of her time, talents and energy to addressing the needs of homeless veterans. She was our national conscience, calling on us to do more, to do enough to help veterans escape the prison of homelessness. She encouraged homeless veterans to break free from their chains of homelessness. She seems to be everywhere at once advocating for our homeless veterans. Homeless veterans have no better friend and voice.

If we consider how much one young woman accomplished during her year of service as Miss America on behalf of our nation's homeless veterans, there can be no doubt this nation can end homelessness among veterans within a decade. If our nation demonstrates the care, compassion, and fidelity to ending homelessness among veterans as Heather French Henry did during her year of service as Miss America, a decade from now there will be no homelessness among veterans.

The end of veteran homelessness and prompt action on the Heather French Henry Homeless Veterans Assistance Act are a high priority for many. These goals are strongly supported, for example, by the National Coalition of Homeless Veterans and its hundreds of member organizations throughout the nation who daily provide essential services to homeless veterans. I am also pleased the Veterans Organizations Homeless Council which represents many major military and veterans service organizations strongly supports the legislation I am introducing today.

Homelessness is a complex problem for which there is no "quick fix." Homeless veterans are likely to face more than one serious challenge. They are more likely to have serious chronic mental illness, substance use disorders, significant chronic illnesses or disease, to lack the social networks that help most of us through our difficulties and to lack job and even basic living skills. The programs provided by the Heather French Henry Homeless Veterans Assistance Act addresses these problems with comprehensive solutions.

Programs that have demonstrated effectiveness in assisting homeless veterans should be expanded. Better coordination among the services offered by the Department of Veterans Affairs and those offered by other federal, state and local agencies is also needed. Support for private-sector programs serving homeless veterans must be affirmed. We must also make full use of leading experts to enrich current services to homeless veterans and assess program effectiveness and develop needed innovations. A new VA Advisory Committee on Homeless Veterans and an effective federal interagency taskforce on homeless are important parts of the solution.

Many programs provided or funded by VA have demonstrated their effectiveness. Mental health professionals agree, for example, that placement in the community can work, but only with careful monitoring and support of vulnerable populations. This legislation creates incentives for VA to make these services—called Mental Health Intensive Community Management programs—more widely available to veterans with serious mental illness.

Supportive, therapeutic housing is necessary for a veteran's recovery from substance abuse. These "safe havens" must be provided and available to help a veteran in transition from homelessness to a more rewarding life. Community-based providers and more VA domiciliaries are needed to help meet the needs for transitional housing. Comprehensive services for homeless veterans must be more available in our major metropolitan areas to assure that veterans receive services in addition to full information about resources available to them. In our nation's Capital veterans have neither a VA domiciliary nor a comprehensive homeless veterans service program. Both are clearly needed now.

Community-based organizations must receive more assistance to achieve the goal of ending homelessness among veterans. VA's Homeless Grant and Per Diem Providers are a critical source of support to the mission of caring for our nation's homeless veterans. Community-based providers use a collaborative approach to funding and caring for homeless veterans—many of the programs draw from a complex array of funding streams. The cost of caring for veterans is often subsidized by the other funding sources from local, state, and private entities these

VA can and must do more to establish formal agreements with other agencies in and outside of the government in order to ensure that various agencies carefully coordinate services to ensure that veterans at risk of homelessness do not become homeless. The Departments of Defense, Labor and VA cooperatively provide a Transitional Assistance Program (TAP) for servicemembers who are about to be discharged from the military. This cooperative program could be a model for veterans who are leaving penal institutions or hospital settings. VA should work with a variety of community and other government programs to ensure a safety net is in place.

Finally, my bill advocates a small demonstration program to offer transitional assistance to veterans making the very difficult transition from institutionalization to independent living. These veterans must be provided every chance possible to make it on their own. A one-time, limited grant will provide our veterans a better opportunity to obtain work and housing and avoid becoming homeless and living on the nation's streets.

Mr. Speaker, a member of my staff recently visited a program in Las Vegas, Nevada, where she was told that VA staff can "usually" find a bed for a dying homeless veteran within his or her last week of life. As a nation, we should be outraged and shamed by this treatment of men and women who have served our nation in uniform. Surely we owe our veterans more. I strongly urge my colleagues to join me in supporting homeless veterans on their path to recovery and their full integration into mainstream society to the extent possible. Join me by supporting the Heather French Henry Homeless Veterans Assistance Act.

TAX CREDIT FOR WIND ENERGY PRODUCTION

HON. MARK FOLEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. FOLEY. Mr. Speaker, I wanted to bring to the attention of the House a measure that has been introduced to extend the current, and very important, tax credit for wind energy production (the PTC) until the year 2007.

I introduced this legislation with my Ways and Means colleagues JERRY WELLER, BOB MATSUI and KAREN THURMAN—as well as JIM MCCRERY, ROB PORTMAN, WES WATKINS, and JIM RAMSTAD—because of the pressing need to get this issue addressed. If we do not extend the credit, the current PTC will expire at the end of the year—a situation that would deliver a stunning setback to a form of alternative energy development that is needed more now than ever, given our growing energy difficulties.

Mr. Speaker, wind energy production credit was originally enacted under the bipartisan Energy Policy Act of 1992 and has enjoyed strong, bipartisan support every since. In fact, during the 106th Congress, 197 House members cosponsored H.R. 750 to extend the credit.

What the credit itself does is to provide an inflation-adjusted 1.5 cents per kilowatt-hour credit for electricity produced with wind power equipment. The credit is only available if the wind energy equipment is located in the United States and electricity is generated and sold by a U.S. taxpayer.

There should be no question, given the current domestic energy crisis, that the need for fostering alternative energy sources in the United States is critical—and wind energy has phenomenal potential. As of now, the majority of domestic wind development has been located in California, but there are numerous other states that have great natural potential, including North Dakota, Texas, Kansas, South Dakota, Montana, Nebraska, Wyoming, Oklahoma, Minnesota, Iowa and

Wind energy projects also offer a boon to farmers, particularly those in the Farm Belt—one of the most promising areas for the development of domestic wind resources. Wind power projects and ranching and farming are fully compatible; wind plants can be located and operated with little or no displacement or interference with crops or livestock. And for farmers and ranchers, the lease payments paid to them by wind operators serve as a stable source of extra income.

Wind projects also create important new economic opportunities in the communities in which they are located. New wind facilities lead to increased local tax bases, new manufacturing opportunities, rental income for farmers and ranchers and new construction, and ongoing operational and maintenance jobs. This leads to more jobs and other economic opportunities in rural areas where those things can be scarce.

Equally important, wind energy is an environmentally friendly form of energy that produces no air or groundwater pollution.

Unfortunately, none of these benefits are possible without the production tax credit.

Wind energy is viable and working, but without the credit, development would be hindered dramatically. As we know all too well, energy prices are in a terrible state of flux now. This sort of fluctuation makes the financing and development of wind projects terrifically difficult. Put simply, the production tax credit abrogates this problem by leveling the costs of production through a guaranteed revenue stream. In the end, such a guarantee—which must be at least five years to ensure viability—will foster a cost-effective and environmentally sensitive energy sector. And that is exactly what we need.

For all these reasons, we owe it to ourselves to pass a five-year extension of the wind energy production tax credit. And I urge my colleagues in both the House and Senate to continue to support this important fledgling industry.

HONORING ROHM AND HAAS TEXAS, INCORPORATED

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. BENTSEN. Mr. Speaker, I rise to congratulate Rohm and Haas Texas, Incorporated for its participation in the Occupational Safety and Health Act (OSHA) Star Voluntary Protection Program (VPP). Rohm and Haas employees and management should be commended for maintaining excellent safety and health programs in their workplace that is recognized by OSHA as a model for the industry. The fact that Rohm and Haas has achieved Star Program status demonstrates that the company is capable and willing to meet all VPP requirements of excellence in safety.

Rohm and Haas Texas Incorporated has been a responsible member of the Deer Park community for 50 years, safely manufacturing chemicals for use in the disposable diaper, automobile, paint, coatings and communication industries. Construction on the Deer Park Plant began in 1947 and in July of the following year, the first shipment of acetone cyanohydrin was made to another Rohm and Haas plant in Pennsylvania to produce acrylic sheet.

The Deer Park Plant would become the company's largest and most productive with five major expansions in the fifties, followed by four in the sixties, two in the seventies, two in the eighties and six in the nineties. Employment has climbed from 132 in 1948 to more than 850 today, making the plant one of the largest industrial employers in the area. When wages, purchases and taxes are considered, the plant and employees are responsible for adding more than $85 million each year to the local economy which, in turn, creates an estimated 4,500 jobs for others in the community.

Rohm and Haas' Deer Park plant has demonstrated a proven commitment to improving worker safety and health. By joining the VPP Association, Rohm and Haas' Deer Park plant has taken a leadership role in achieving safety, health, and environmental excellence through cooperation among communities, workers, industries, and governments in the United States.

Employees at Rohm and Haas are enjoying the benefits of a safer worksite through VPP. Since the VPP's inception in 1983, participation in the program has grown from three to more than 500 sites. By participating in this program, Rohm and Haas has chosen to improve safety at its worksite and to reduce injury and illness rates. Rohm and Haas employees are true partners in these improvement efforts and take on critical roles in helping their workplaces to achieve safety excellence. The total workforce of Rohm and Haas should be proud of the recognition by the industry and community that comes with being an OSHA Star worksite.

Mr. Speaker, I congratulate Rohm and Haas Texas, Incorporated for recognizing that compliance enforcement alone can never fully achieve the objectives of OSHA.

PERSONAL EXPLANATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. OXLEY. Mr. Speaker, I was unavoidably detained from the House floor during last night's vote on S.J. Res. 6 (rollcall vote No. 33). Had I been present, I would have voted "aye," as I did on the rule earlier in the day.

OSHA's burdensome and excessively costly ergonomics regulations were not based on sound science, and were not subjected to the requisite legislative consideration. The estimated cost of compliance for their 600-page plan to regulate every nook and cranny of American workplaces ranged into the hundreds of billions of dollars. No one could even guarantee that OSHA's proposal would protect workers from injury—but we do know that businesses would have to terminate employees just to be able to afford to implement the plan.

Mr. Speaker, owners of small and large businesses through the Fourth Ohio District know the vital importance of maintaining a safe and healthy workplace for their employees. Without exception, all of them have voluntarily taken steps to protect their workers—without the heavy hand of government forcing them to do so. Employers know that their productivity will suffer otherwise, as will their workers' paychecks.

I am gratified that our first use of the Congressional Review Act will stop these new rules from going into effect, and look forward to President Bush's signature on this joint resolution of disapproval.

OTPOR

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. SMITH of New Jersey. Mr. Speaker, a few weeks ago I had the opportunity to meet five representatives from the independent, non-governmental organization Otpor. "Otpor," in Serbian, means "resistance," and the organization was founded in the mid-1990s by students from Belgrade University and elsewhere in Serbia, who had enough of Slobodan Milosevic's choke-hold on the neck of Serbian society.

Their efforts have forged a strong bond between idealism and realism. Otpor members engaged in passive resistance, never advocating violence nor returning the blows they received from the police and other thugs under Milosevic's control. Instead, they had a stronger weapon—determination and persistence. Fear would not keep them from putting up their posters, from wearing their black-and-white emblem of a clenched fist. Moreover, they kept their eye on the goal of a democratic and tolerant Serbia at peace with its neighbors and with itself. The organization appointed no specific leader, in a strategy to thwart any attempt to compromise the individual—they had learned the lesson from observing the many opposition politicians in Serbia who had been compromised.

During the past two years, more than 1,500 Otpor activists, of about 50,000 based in over 10 Serbian cities, were arrested and interrogated by security forces under Milosevic's control. One of the five who visited my office had himself been arrested on 17 occasions. Prior to the September 2000 elections, Otpor worked closely with the democratic political opposition, independent trade unions, NGOs and other youth groups to mobilize voters. Otpor's activists played a crucial role in the street demonstrations that began immediately following the elections and led to Milosevic's downfall.

The impressive delegation of five Otpor activists visiting Washington included Slobodan Homen, Nenad Konstantinovic, Jovan Ratkovic, Jelena Urosevic and Robertino Knjur, all in their mid- to late-20s and very good English speakers. It is amazing to realize that they all grew up in the cruel, hateful and impoverished world Slobodan Milosevic had created for them in the 1990s. In the meeting, they provided one piece of very good news. One Otpor activist, Boris Karajcic, had testified in 1998 before the Helsinki Commission which I co-chair and was beaten up on the streets of Belgrade a few weeks later. Today, Boris is a member of the Serbian parliament. He is an active part of Serbia's future.

Otpor itself will also be part of Serbia's future. While Milosevic is out of power, there is much to be done to recover from the nightmare he created. First, they are investigating and compiling complaints about the police officers who brutalized them and other citizens of Serbia who opposed the regime, and they will seek to ensure that officers who seemed to take a particular delight in beating people for exercising their rights are held accountable. They want to see Milosevic himself arrested, both for his crimes in Serbia and the war crimes for which he faces an international indictment. The Otpor group also advocates the founding of a school of public administration, which does not exist in Serbia and is desperately needed as the government bureaucracies are swollen with Milosevic cronies who have no idea how to implement public policy. Along similar lines, they hope to begin an anti-corruption campaign. Finally, they pointed out that, with the fall of Milosevic, the united opposition now in power has no credible, democratic political opposition to it. Until Serbian politics develop further, they intend to serve some of that role, being a watchdog of the new leaders.

In conclusion, Mr. Speaker, the Otpor group with which I met has a track record of accomplishment, ideas for the future, and a good sense of how to bring those ideas into reality. While they have had the heart and the courage, they also have had the assistance of the United States through the National Endowment of Democracy and other organizations which promote democratic development abroad. I hope my colleagues will continue to support this kind of assistance, for Serbia and other countries where it is needed, which serves not only the interests of the United States but the cause of humanity.

COLEMAN INDUSTRIAL CONSTRUCTION OF KANSAS CITY, MISSOURI

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. GRAVES. Mr. Speaker, I rise today to congratulate the owners, Don and Diane Coleman, and the employees of Coleman Industrial Construction of Kansas City, Missouri, for their recognition by the National Railroad Construction Maintenance Association (NRC). Coleman Industrial Construction has been presented with the NRC's Contractor Safety Award. The NRC annually recognizes one firm with less than 25 employees from among more than 200 firms nationwide for their outstanding, accident-free record among small railroad contractors.

This distinction does not come about easily. It is the result of many hours of work, seminars, and training provided by Coleman Industrial Construction coupled with the tireless efforts of all its employees to focus on reducing the risks of accidents and injury. Due to the work of the experienced and professional employees and their "safety-first" attitude, Coleman Industrial Construction has been able to go 14 years without a "lost time" accident.

While Coleman Industrial Construction is being recognized among other small railroad contractors, their performance is a standard for all industries. Their continued emphasis on job safety serves as a worthy model nationwide.

Again, I congratulate and commend the owners and employees of Coleman Industrial Construction on their outstanding performance in reducing injuries at the workplace.

A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO REPEAL THE REQUIRED USE OF CERTAIN PRINCIPAL REPAYMENTS ON MORTGAGE SUBSIDY BOND FINANCINGS TO REDEEM BONDS, TO MODIFY THE PURCHASE PRICE LIMITATION UNDER MORTGAGE SUBSIDY BOND RULES BASED ON MEDIAN FAMILY INCOME, AND FOR OTHER PURPOSES

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. HOUGHTON. Mr. Speaker, I am pleased to join my colleague from Massachusetts, Mr. NEAL, in introducing our bill, "The Housing Bond and Credit Modernization and Fairness Act." Our joining together in introducing this bill today is indicative of the broad bipartisan support Housing Bonds and the Low Income Housing Tax Credit (Housing Credit) programs enjoy.

The Congress has an unusual opportunity, without creating any new program, to create new housing opportunity for tens of thousands of low- and moderate-income families every year. All it will take is enactment of minor legislative changes to eliminate obsolete provisions in the two principal Federal programs that finance the production of affordable housing: Housing Bonds, or single family Mortgage Revenue Bonds (MRBs), as they are commonly known, and the Housing Credit.

This bill builds on important legislation Representative NEAL and I introduced and supported in the last two Congresses to increase the Housing Bond authority by nearly 50 percent to make up for the effects of inflation. In the 106th Congress this piece of legislation, as well as the Housing Credit legislation, had the phenomenal support of 375-plus House cosponsors from both parties, from all regions of the country, and from rural and urban districts. Finally, in late 2000, legislation applicable to both the Housing Bonds and Housing Credit was enacted into law.

The Housing Bond and Credit Modernization and Fairness Act does three things. First, the bill would repeal the Ten-Year Rule, a provision added to the MRB program in 1988 that prevents States from using homeowner payments on such mortgages to make new mortgages to additional qualified purchasers. States estimate that, between 1998 and 2002, the Rule will mean the loss of over $8.5 billion in mortgage authority, denying tens of thousands of qualified lower income homebuyers each year the ability to obtain affordable MRB-financed mortgages. Second, the bill would replace the present unworkable limit on the price of the homes these mortgages can finance with a simple limit that works. No reliable comprehensive data exists in all areas of the country to determine average area home prices. The current price limits were issued in 1994 based on 1993 data. They are obsolete and well below current home price levels in most parts of the country. Many qualified buyers simply cannot find homes that are priced below the outdated limits.

The answer is to modify the present limit, set in Washington, with a simple formula limiting the purchase price to three and a half times the qualifying income under the program.

We would like to acknowledge the leadership and support of our colleague Representative BEREUTER, who introduced last year and reintroduced in this Congress this element of our legislation as a freestanding bill.

Finally, the bill makes Housing Credit apartment production viable in rural areas by allowing statewide median incomes as the basis for the income limits in that program. This change would apply the same methodology in determining qualifying income levels that is used in the MRB Program. HUD data shows that current income limits inhibit Housing Credit development in at least 1,700 of the 2,364 non-metropolitan counties across the country.

It is noteworthy that the changes proposed by The Housing Bond and Credit Modernization and Fairness Act were endorsed by the bipartisan National Governors Association at its recently concluded meeting. The governors know how important the Housing Bond and Housing Credit programs are in giving states the ability to meet the housing needs of low- and moderate-income families. The governors know that we need to do more to ensure that the important increase in authority that over 375 House Members cosponsored last year really can reach as many qualified people as possible.

Even after the passage of last year's legislation, over 100,000 qualified lower income homebuyers are not able to get an affordable MRB funded mortgage and over 70 percent of non-metropolitan counties across the country will be inhibited in full use of the Housing Credit program.

For those of you that cosponsored those bills last year, and those of my colleagues who are new to the Congress, we hope you will join our bipartisan effort to see that these important provisions are enacted as part of tax legislation this year.

HOUSING BONDS AND CREDITS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. NEAL of Massachusetts. Mr. Speaker, Representative AMO HOUGHTON and I are today introducing legislation to make three important changes to two of the most popular and efficient housing programs before Congress, the single family Mortgage Revenue Bond (MRB) program and the Low Income Housing Tax Credit program.

First, this bill repeals the ten-year rule, a provision added to the MRB program in 1988 that prevents the states from fully using mortgage bonds by limiting the extent to which new mortgages can be made on outstanding bonds on which prepayments have been made by the original beneficiaries. States estimate that, between 1998 and 2002, the ten-year rule means the loss of over $8.5 billion in mortgage authority, denying over 100,000 qualified lower and moderate income home buyers affordable MRB mortgages.

Second, the bill replaces the present limit on the price of homes these mortgages can finance with one that works better given the fact that there is no reliable comprehensive data that exists to determine average area home prices. The current price limits were issued in 1994 based on 1993 data. They are, obviously, obsolete and well below current home price levels in most parts of the country. We propose a simpler formula limiting the purchase price to three and a half times the qualifying income under the program. This will work to preserve the goals of current law while providing a realistic limit on the program for almost all areas of the nation.

Finally, the bill makes housing credit apartment production more viable in rural areas by allowing statewide medium incomes as the basis for the income limits in that program. While this provision may need some technical adjustment, it is clear that the current rules do not provide sufficient incentives to build apartments in very low income rural areas.

Mr. HOUGHTON and I believe these changes, when combined with the increase in the caps on these programs enacted last year, will ensure a strong, effective housing program that will meet the needs of our constituents now, and well into the future. We hope these changes will be adopted in the near future.

CONGRATULATING THE 2000 PRESIDENTIAL AWARD FOR EXCELLENCE IN MATHEMATICS AND SCIENCE TEACHING WINNER, JOLYNN MELLIS FROM COLLEGE PARK ELEMENTARY SCHOOL IN LADSON, SC

HON. HENRY E. BROWN, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. BROWN of South Carolina. Mr. Speaker, today Mrs. JoLynn Mellis, a teacher from College Park Elementary School in Ladson, South Carolina, was awarded the 2000 Presidential Award for Excellence in Mathematics and Science Teaching Award by the National Science Foundation. I rise today to congratulate Mrs. Mellis on this prestigious award. This award, the nation's highest commendation for K–12 math and science teachers, recognizes sustained and exemplary work, both inside the classroom and out. These outstanding teachers serve as role models for their colleagues.

Mrs. Mellis exemplifies what is great about America's public schools. Mrs. Mellis recognizes that our children are our future; she has taken on the crucial responsibility to ensure her students master the math and science skills they require to make that future a bright one for South Carolina and for the United States of America. She has fulfilled this responsibility in outstanding fashion. I commend Mrs. Mellis for her hard work and dedication. Thank you, Mrs. Mellis.

PRESCRIPTION DRUGS

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. DUNCAN. Mr. Speaker, today I introduced a bill that will create incentives to reduce the price of prescription drugs for American consumers.

As I travel around the Second Congressional District of Tennessee, I speak with many people. One concern I hear over and over again is the high cost of medications. Many seniors, in particular, often face a choice between things like medicine, food and heat.

However, this problem is not isolated only to the elderly. All Americans face these steep prices. For example, single mothers and poor working families also have to buy medications. As a father, I cannot imagine anything worse than not being able to afford medicine for a sick child.

As has been discussed many times, there are a lot of complex reasons that prices are so high, and it goes far beyond greedy manufacturers as some have suggested. I believe the primary culprit is a bloated federal bureaucracy that adds years and literally tens of millions of dollars to the development cost of new drugs.

Some new drugs can cost more than a billion dollars to bring to market. In exchange, these drugs have a profound impact on the health of Americans and hundreds of millions of people worldwide. Fundamentally, we need to find ways to reduce these development costs.

The second great inequity is that many countries have draconian cost controls. While these formularies may be sufficient to pay the price to physically produce a pill or medicine, they rarely take into account the phenomenal expenses that went into the development of the drug. These development costs are then shifted to a much smaller consumer base of consumers who end up paying outrageously high prices. If manufacturers and researchers were ever completely stripped of the ability to recover these costs, the flow of new drugs would slow dramatically, if not end completely.

Nevertheless, it is wrong that Americans are so often asked to pay the price for drugs that benefit all mankind. It is particularly frustrating to consumers when they see our neighbors to the North and South paying much lower prices for exactly the same drug.

I believe that this situation needs to be examined and addressed. In the meantime, my proposal would extend a new tax incentive to domestic manufacturers who could demonstrate that they are offering drugs to American consumers at the same average price the drugs are offered to citizens in Canada and Mexico. Hopefully this tax provision will strongly encourage drug makers to reduce their prices for average American consumers.

American ingenuity is fueling the greatest health revolution in the history of mankind. We need to do everything possible to fulfill the promise of this research and alleviate suffering for everyone. However, American consumers deserve fair access to the products of our Nation's research engine, and I hope my legislation will encourage manufacturers to find innovative ways to reduce domestic prices or more equitably spread development costs among a larger base of consumers abroad.

I urge my colleagues to support this bill and improve healthcare for all American consumers.

INTRODUCTION OF VETERANS AMERICAN DREAM HOMEOWNERSHIP ASSISTANCE ACT OF 2001

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. KLECZKA. Mr. Speaker, thousands of former servicemen and servicewomen in five states are currently prohibited from receiving state-financed home mortgages. That is why Congressman HERGER and I, along with seven of our colleagues, are introducing the Veterans American Dream Homeownership Assistance Act. This legislation is similar to bills we introduced in the 104th, 105th, and 106th Congresses.

In order to help veterans own a home, Congress created a program where states could issue tax-exempt bonds in order to raise funds to finance mortgages for owner-occupied residences. Five states—Wisconsin, Alaska, Oregon, California, and Texas—implemented such a program for their veterans. Under a little-known provision in the 1984 tax bill, Congress limited the veterans eligible for this program to those who began military service before 1977.

As a result of the 1984 tax bill, veterans who entered military service after January 1, 1977 are prohibited from receiving a state-financed veterans mortgage. This means veterans who served honorably in Panama, Grenada, or the Gulf War cannot get veterans home mortgages from their state government. Are those who began serving our country after January 1, 1977 any less deserving than those who served before?

This arbitrary cutoff was created to raise additional revenue in the 1984 tax bill by limiting the issuance of tax-exempt bonds. When this provision was enacted, post-1976 veterans were a small percentage of all veterans, without much voice to protest this discriminatory change. But, nineteen years later, there are thousands of veterans who have served our nation honorably.

Mr. Speaker, as time goes by, this legislation takes on increasing importance. The State of Wisconsin Department of Veterans Affairs has informed me that if the cap on veterans bonds is not lifted this year, the State will be forced to disband the program because too few veterans are eligible for the program.

This legislation would simply eliminate the cutoff that exists under current law. Under our proposal, former servicemen and servicewomen in the five states who served our country beginning before or after January 1, 1977 will be eligible to qualify for a state-financed home mortgage. This legislation does not increase federal discretionary spending by 1 cent. It simply allows the five states that have a mortgage finance program for their veterans to provide mortgages to all veterans regardless of when they served in the military.

There is no justification to allow some veterans to qualify for a home mortgage while others cannot. Mr. Speaker, I urge the House to help those veterans who have served after January 1, 1977 to own a home and pass this important legislation into law.

CELEBRATING THE CALIFORNIA POLYTECHNIC STATE UNIVERSITY CENTENNIAL

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mrs. CAPPS. Mr. Speaker, it is with great pleasure that I rise today to recognize an educational institution that deserves praise for a century of distinguished teaching, research, and public service to the state of California and the nation. On March 8, 2001, California Polytechnic State University in San Luis Obispo will begin an 18-month celebration of its centennial.

Indeed, Cal Poly, as the university is often called, has a great deal to celebrate. In the 1890's, Myron angel, a San Luis Obispo County chronicler, was dismayed by the practical ineptness he experienced in spite of his college education. He campaigned for a local facility that would "teach the hand as well as the head, so that no young man or young woman would be sent off in the world to earn their living poorly equipped for any task." Angel's prominence reinforced an earlier proposition of the district state senator, Sylvester C. Smith, to build a polytechnic institute in San Luis Obispo. Southern Pacific Railroad had just completed the last link in its coastal route and subsequently backed the proposal as an effort to increase business for the new line. On March 8 in the first year of the 20th century, legislation founding the California Polytechnic School was signed into law after six years of debate.

The law included the practical mandate of its founders, "To furnish the young of both sexes mental and manual training in the arts and sciences, including agriculture, mechanics, engineering, business methods, domestic economics, and others such branches as will fit the students for non-professional walks of life." A great deal changed in the ensuing decades—including the definition of a professional—California Polytechnic School, a vocational high school, grew into California Polytechnic State University, a premier undergraduate institution. The essence of the original charge is still part of the state law, and has remained constant in the university's present philosophy.

A tour of the modern Cal Poly campus traces the progression of ten decades, and confirms the strength of the original "learn by doing" philosophy. Among the facilities spread across the university's 5,051 acres are fourteen research centers and institutes. The founders would be pleased to observe the activity, for example, in the Urban Forest Ecosystems Institute, where students apply their knowledge and research to assist the community's landowners and public agencies in improved urban forest management. They would also marvel at the Dairy Products Technology Center, where hands-on student research provides new and improved safety methods and technologies for the dairy products used by all Americans.

Mr. Speaker, there are a number of relevant facts about Cal Poly that warrant recognition. Its first enrollment of 20 students has grown to 17,000, and the institution has bestowed more than 107,000 bachelor's and master's degrees since 1942. And during World War II, 4,700 cadets were trained at the Navy's pre-flight programs located at Cal Poly. Remarkably, 97 percent of Cal Poly graduates are successfully employed or admitted to graduate school within a year of graduation.

Cal Poly nears the end of its first century still focused on its founding purpose, which is an achievement that has not gone unnoticed. Last year, US News and World Report named California Polytechnic State University the Top Regional Public University in the Western United States for the eighth consecutive year. Cal Poly also received the 2001 designation for Best Undergraduate Computer Engineering Department without a Ph.D. Program awarded by the same publication. The National Science Foundation has recognized Cal Poly's science program as among the most innovative in the nation. And the University Center for Teach Education is the only program in the state selected to join the prestigious National Network for Education renewal.

As California Polytechnic State University rises among the ranks of major American universities, time continues to test and prove the worth of a Cal Poly education. The centennial slogan, "A Century of Achievement, A Tradition for the Future" clearly expresses the school's pride as an evolving institution, while remaining true to the school's original vision. Cal Poly graduates possess the knowledge and skills to step right into professional careers of planning, designing, building, operating and improving whole structures as well as entire communities, of managing farms and businesses, of developing minds and expanding knowledge. In short, Cal Poly and its graduates are making a profound contribution to the quality of life in California, the nation, and the world.

Mr. Speaker I hope my colleagues will join me in congratulating California Polytechnic State University on a century of remarkable achievements.

NATIONAL SHAKEN BABY SYNDROME AWARENESS WEEK

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. MCKEON. Mr. Speaker, today I am introducing a bill to establish the last week in April as National Shaken Baby Syndrome Awareness Week.

This cause was presented to me by one of my constituents, Joyce Edson. Joyce's son, James, was shaken by his licensed child care provider between March and April of 1998. As a result, James was sent to the emergency room with a skull fracture, subdural hematoma, bilateral retinal hemorrages and a broken right femur. He was only five months old.

While James survived this tragic period, he unfortunately still experiences periodic seizures, and is under the continual care of a pediatric neurologist and opthamologist.

Mr. Speaker, many other children are not so lucky. Each day, more than three children in the United States die from abuse and neglect. Furthermore, over 3,000 babies under the age of one are diagnosed with Shaken Baby Syndrome annually, while thousands more are misdiagnosed or go completely undetected.

Mr. Speaker, it saddens me that this situation even exists. However, I am hopeful with the designation of National Shaken Baby Syndrome Awareness Week, Congress can increase the knowledge of and ultimately prevent this dreadful occurrence.

TRIBUTE TO THE HONORABLE THOMAS P. EICHLER, FORMER SECRETARY OF THE STATE OF DELAWARE HEALTH AND SOCIAL SERVICES AND SERVICES FOR CHILDREN YOUTH AND THEIR FAMILIES

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today as Delaware's lone Member of Congress to honor and pay tribute to a leader in the Delaware community, Thomas P. Eichler. Tom Eichler is a dedicated, caring, compassionate, and effective individual who led two state agencies in Delaware during my tenure as Governor and after my departure. I felt fortunate to have him serve with me and I am proud to call him my friend.

As Secretary of Health and Social Services for Delaware, Tom Eichler instituted Welfare Reform before it became popular. Under Tom Eichler's leadership, Delaware's First Step Program was initiated to assist welfare recipients transition from welfare to work. Many of the individuals who participated in this program are now working and providing a brighter future for their families and our communities. In addition, Tom was a leader in health care reform and helped to pave the way for all children in Delaware to have access to health care.

As the Secretary of the Department of Children, Youth and Their Families, Tom helped guide and develop improvements for the Ferris School and Juvenile Justice programs. His efforts to provide better programming and educational facilities for juvenile delinquents at the Ferris School has been seen as a national model that other communities are attempting to emulate. He also established Child Mental Health programs that assist many young members of our community.

Tom Eichler's impact on the State of Delaware has touched many people, and most importantly in a positive manner. I first came to know Tom when he was attempting to change individuals' views on ocean dumping and he assisted me with testimony before Congress. From there he went to work as Regional Administrator for Region III, EPA. In the mid-1980's I asked him to serve in my cabinet where his assistance was outstanding. After my departure he continued to serve Delaware in the Department of Children, Youth and Their Families. He was called upon to serve several Governor's, to assist in difficult situations, and he served the people of Delaware admirably. His ability to take on the toughest jobs, reach consensus and have positive outcomes for our community were unsurpassed.

As he retires from working for the State of Delaware I want to honor and thank him on behalf of the people of Delaware for his commitment to making our state a better place for all of us to live and work.

PERSONAL EXPLANATION

HON. JAMES H. MALONEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. MALONEY of Connecticut. Mr. Speaker, due to the weather I was unavoidably detained on Tuesday, March 6, 2001, and missed rollcall votes 26 and 27. Had I been present, I would have voted "aye" on rollcall vote 26 and "aye" on rollcall vote 27.

Additionally, I was detained on Wednesday, March 7, 2001, and missed rollcall vote 28. Had I been present, I would have voted "aye" on rollcall vote 28.

ARMY RESERVE OFFICER NOT ALLOWED TO WEAR RELIGIOUS SYMBOL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. TOWNS. Mr. Speaker, Dr. Trilok Singh Puniani is a member of the Army Reserve who is being denied the right to wear the symbol of his religion. Dr. Puniani is a Sikh and is required by his religion to wear his turban. It is one of the five symbols of Sikhism. Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, has written to the President on Dr. Puniani's behalf.

Dr. Puniani joined the Army reserve in 1999. There had been a exemption granted that permitted the wearing of a turban while in uniform and there are three Sikhs who have achieved the rank of Colonel who wear their turbans. However, new regulations adopted in July 1999, just a month before Dr. Puniani joined the Army Reserve, denied this exemption for those who joined the service after 1984.

Mr. Speaker, the turban is not a hat. It is a religious symbol like the cross or the star of David. It should be afforded the same treatment.

One concern about this regulation is that it might discourage Sikhs and other minorities from joining the military services of the United States. Our armed services need manpower. We should not be discouraging anyone from joining. These minority Americans are important to our country and to the Army.

Canada and Britain have significant numbers of Sikhs in their military. They both allow these Sikhs to wear their turbans. Why can't we?

Whatever your religious beliefs, the military should treat you equally. This is about civil rights and equal treatment. We cannot give a preference to any religion, but we also cannot discriminate against any religion. I strongly urge the Secretary of Defense to restore the exemption so that the religious expression of Dr. Puniani and others will be respected.

I insert Dr. Puniani's complaint and Dr. Aulakh's letter to the President into the RECORD.

COUNCIL OF KHALISTAN,
Washington, DC, February 20, 2001.

Hon. GEORGE W. BUSH,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Today I received by email a letter from Dr. Trilok Singh Puniani, who is a practicing physician and a member of the Army Reserve. He wrote to me about the regulation of July 1999 denying Sikhs who joined the military after 1984 the ability to wear their turbans.

The turban is a symbol of the Sikh religion. A practicing Sikh is symbolized by five symbols, one of which is uncut hair covered by a turban. In view of this, Dr. Puniani writes that "this new regulation will deprive the opportunity of joining the US Armed Forces of many aspiring Sikhs who have tremendous potential to serve the country." I agree with him. This would be a loss for America and for its armed forces.

Today there are over half a million Sikh citizens in the United States. They would be deprived of the opportunity to serve their country, the United States of America.

Not to allow Sikhs in the military to practice their Sikh religion is discriminatory and bad for morale. Sikhs fought valiantly in World Wars I and II along with the Allied forces in Europe and Africa. They suffered heavy casualties. The Sikh soldiers wore their turbans. Belgium erected a special monument to the Sikh forces in Ypres.

The British and Canadian forces encourage Sikhs to maintain their Sikh appearance. I respectfully urge you to follow their lead and order the armed forces of the United States to allow Sikhs to practice their religion. By so doing, you would raise the morale and effectiveness of the armed forces. America allows freedom of religion and the armed forces would be the best place to put it into practice.

Thank you for your attention to this problem. God bless you and God bless America.

Sincerely,

GURMIT SINGH AULAKH,
President.

Enclosure: Email from Dr. Puniani.

[Received by email, February 20, 2001]

Re Denial of Sikh attire in the U.S. Army.

RESPECTED DR. AULAKH, I would like to bring to your attention that I am in the U.S. Army Reserve since Aug. 1999. According to army regulation there was a provision to an exception for religious accommodation to wear turban while in the uniform. However, with new regulation published in July 1999 retroactive as of 1984, the request for religious accommodation will not be entertained, with exception of Sikhs who joined the U.S. Army prior to 1984.

To my knowledge, there are three other turbaned Sikhs in the US Army in the rank of Colonels. I am not sure about their date of commission. Those of us who joined the army after 1984 may have to separate honorably.

My concern is that this new regulation will deprive the opportunity of joining the US Armed Forces of many aspiring Sikhs who have tremendous potential to serve the country. America is the champion of democracy and we are being discriminated. I believe as physicians and in other fields we are a valuable asset to the US Army.

The Sikh soldiers are well respected in the British and Canadian Royal Armed Forces and encouraged to maintain their Sikh appearance. Why this discrimination in the US?

I think that this matter be brought to the attention of the Senators and the Congress in Washington for us Sikhs to be part and parcel of this nation and allowed to serve the country with pride.

I am also writing to my local congressman and the unit commanders of the US Army Reserve.

I am looking forward to seeing you in person when you visit us in Fresno. I will be happy to provide you with more information if needed.

Wish you all the best and a long life.

TRILOK S. PUNIANI,
Fresno, CA.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. BECERRA. Mr. Speaker, on March 6 and 7, I was unable to cast my votes on rollcall votes: No. 26 on motion to suspend the rules and pass H.R. 724; No. 27 on motion to suspend the rules and pass H.R. 727; No. 28 on approving the journal; No. 29 on agreeing to the resolution H. Res. 79; No. 30 on motion to suspend the rules and agree on H. Con. Res. 31; No. 31 on motion to suspend the rules and pass H.R. 624 as amended; No. 32 on motion to suspend the rules and agree on H. Con. Res. 47; and No. 33 on passage of S.J. Res. 6. Had I been present for the votes, I would have voted "aye" on roll call votes 26, 27, 28, 30, 31, and 32; and "nay" on roll call votes 29, and 33.

IN MEMORY OF STEVEN S. CAUDLE

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. CANTOR. Mr. Speaker, the Henrico County Division of Police has lost one of its best. Steven S. Caudle was suddenly taken from his wife, Susan, and two daughters, Kristen, 19, and Jamie, 15 when the car in which he was riding veered off the road on January 26, 2001.

A Richmond native, Mr. Caudle was a 21-year veteran of the Henrico County Division of Police. Upon graduating from Highland Springs High School, he served four years in the army as a military policeman. He then returned home to Henrico County and began his law enforcement career. He worked for a number of years in the Street Crimes Unit before moving to a job providing technical support on narcotics investigations. Eventually, he returned to his roots and served an additional four years with the Uniform Division.

Described by friends and family as a soft-spoken southern gentleman with a great sense of humor and an incredible laugh, Mr. Caudle was an enthusiastic collector of Civil War artifacts. During his free time he liked to play pool, go fishing for rockfish in the Chesapeake Bay, and spend time with his daughters skiing and tubing on the Pamunkey River.

Those who knew him best lauded his skills as an officer, a person, and most importantly as a father. According to Sgt. J.J. Riani, "the thing that came most naturally to him was being his daughters' father." His wife of nearly 25 years described Mr. Caudle as "the best detective there ever was. If there was a crime out there, he could solve it. He lived life to its fullest. He didn't waste a moment of living. He was always there for his friends, willing to help anybody at anytime for anything."

Perhaps Mr. Caudle's legacy can best be described by his children. Daughter Jamie, 15, said, "I think my dad was like probably the coolest parent ever. I could tell him anything. He was not only my father but my best friend. I loved him and he loved me and I know I made him proud." Older daughter Kristen, 19, said, "Daddies are supposed to be heroes. They're supposed to be strong. They're not supposed to die."

Today we remember a true hero. Steve Caudle put service before self and family ahead of all others. Steve will be missed not only by the people who knew him, but by those in the community that he served with dignity, respect and true heroism.

TRIBUTE TO THE SOMERVILLE ARTS COUNCIL

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. CAPUANO. Mr. Speaker, I rise to pay tribute to the Somerville (Massachusetts) Arts Council and to Cecily Miller, who served as its director for fifteen years. Ms. Miller transformed a small, under-funded coterie of art lovers into a powerful community force. It is no exaggeration to say that Ms. Miller used art to forge community. Somerville has historically been a city of immigrants and working people. During the decade I served as Mayor, Somerville experienced some gentrification but no loss of neighborliness. Cecily Miller played no small part in that achievement. To bring people together, she created ART BEAT, an annual celebration of arts, crafts, music, and dance that draws large, orderly, and animated crowds to our public squares.

In addition to the public festivals, I would like to cite three of her most imaginative projects:

(1) The Garden Awards—each year Somerville gardens are displayed in brilliant photographs, and the gardens are as different as our citizens. Some of the backyards are restrained and minimalist, some explode with flowers and vegetables bursting through chain-link fences. The photograph in my Longworth office shows an exuberant man, in ripe middle age, holding aloft dahlias. People have different ideas of the way they want their own yard to look, but no difficulty in recognizing the beauty of their neighbors'.

(2) The Illumination Tour—Somerville householders illuminate their homes and gardens for the winter holidays. Cecily Miller recognized these decorations as a genuine art form, and organized a trolley tour of the most spectacular installations. Again, she helped citizens to share and celebrate their neighbors' observances.

(3) The Mystic River Mural—a public housing projects abuts an inter-state highway that obscures the Mystic River. Cecily Miller raised grant money so that teenagers from the project could work with professional artists on a mural. They covered the barrier with imaginative approaches to the water. Now, instead of graffiti, we see a river and a riverbank: reeds, herons, people fishing, swimming, chatting. Most important, young people learned that they could transform an ugly scene into a thing of beauty.

I regret that Cecily Miller is leaving the Somerville Arts Council. I am deeply grateful for all that she has done for the people of Somerville.

HONORING 21 MEMBERS OF NATIONAL GUARD KILLED IN CRASH ON MARCH 3, 2001

SPEECH OF

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 7, 2001

Ms. BROWN of Florida. Mr. Speaker, our thoughts and prayers are with the families and loved ones of the 21 brave men who died while serving their nation. Serving in the military is a tough and demanding job not only for those who choose to serve, but the families who are forced to live without them, who wave goodbye knowing they may never see them again.

I met recently with General Harrison with the Florida National Guard, and we talked about the great work the Guard was doing, all while being called for more and more missions. We are particularly thankful for the Guard in my home state of Florida because of the great support they offer. Whether it's fighting our wildfires or preparing for our hurricanes, the Guard is always there for us in our time of need.

I speak for my colleagues and all my constituents in thanking every man and woman who puts their life on the line for this country. Not just when tragedy strikes, but for every day that you protect us from harm.

TRIBUTE TO BILL AND CLAUDIA COLEMAN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize Bill and Claudia Coleman for their gracious donation to the University of Colorado. On January 16, 2001, University of Colorado president Elizabeth Hoffman accepted their donation, the single largest gift ever given to an American University. The gift, totaling $250 million, will be used to establish the University of Colorado Coleman Institute for Disabilities. The program will fund advanced research and development of innovative technologies intended to enhance the lives of people with cognitive disabilities.

Cognitive disabilities are associated with a number of conditions, such as mental retardation and developmental retardation. "This will make CU the international center of excellence in developing adaptive assistance technologies, based on advanced biomedical and computer science research and computer science research, for people with congnitive disabilities," Hoffman said.

Bill is the founder and chairman of BEA Systems of San Jose, California, and his wife Claudia, is a former manager with Hewlett Packard. An Air Force Academy graduate and former executive with Sun Microsystems, Bill said the idea for the donation came from a tour of CU's Center for LifeLong Learning and Design. Bill and Claudia are no strangers to cognitive disabilities. They have a niece with the disability, and they understand the benefits and the promise new technologies offer.

The Coleman's plan to play an active role in the institute. They said the "incredibly strong" team of researchers at CU played a decisive role in the decision to give the University the endowment. "We have witnessed the challenges this population faces every day with problem solving, reasoning skills and understanding and using language," Bill said. "I passionately believe that we as a society have the intelligence and the responsibility to develop technologies that will expand the ability of those with congnitive disabilities to learn, to understand and to communicate," he added.

Mr. Speaker, this is an unprecedented gift by both Mr. and Mrs. Coleman. Their generosity and vision will help countless Americans now and in the future. For that, they deserve the thanks and praise of this body.

RECOGNIZING THE ENERGY TECHNOLOGY AGREEMENT RECENTLY SIGNED BY THE STATE OF WEST VIRGINIA, TOGETHER WITH PARTNERS IN ACADEMIA AND INDUSTRY

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. MOLLOHAN. Mr. Speaker, over the past several weeks, we have been painfully reminded of how heavily our economy relies on affordable, abundant energy. The events that we've experienced—from massive supply disruptions in the west to sharp price increases in the east—also have opened many eyes to the need to devise a sound national energy policy.

Along with a number of my colleagues in this House, I have long advocated the benefits of more fully incorporating coal into America's energy mix. The abundance and value of our nation's coal reserves are well-documented, and are absolutely key to moving our country toward the desirable goal of greater energy independence.

That is why I am pleased by the memorandum of understanding signed January 30, 2001, in Morgantown, W.Va., between partners in government, industry and academia. They have pledged to team together on coal research, development and commercialization initiatives—initiatives which will enable West Virginia to build on its role as a leader in the search for national and international energy solutions.

I would like to recognize the signatories to this memorandum, beginning with our distinguished former colleague, the Honorable Robert E. Wise Jr., who now serves as governor of the State of West Virginia. Joining Governor Wise in ratifying this landmark agreement were David C. Hardesty Jr., the president of West Virginia University; Patrick R. Esposito Sr., the president of Augusta Systems Inc., on behalf of the tenants of the Collins Ferry Commerce Center; and Ralph A. Carabetta, deputy director of the National Energy Technology Laboratory, or NETL.

These officials, and the organizations they serve, are to be commended on their efforts to more fully integrate NETL-developed technologies into the marketplace. Their memorandum of understanding re-affirms Senator ROBERT C. BYRD's foresight in promoting energy research, and will further capitalize on his success in building a strong fossil-fuel portfolio at NETL.

Mr. Speaker, I am pleased to salute the partners in this agreement, and to wish them much success in their new collaboration.

IN HONOR OF THE SUCCESS OF ST. MICHAEL AND UNIVERSITY HOSPITALS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. KUCINICH. Mr. Speaker, I ask my colleagues to rise in congratulations to the success of St. Michael Hospital in maintaining the tradition of high quality, community health care.

Last year, the life of St. Michael Hospital, a full service community hospital, was threatened by a buyer who sought to close it. Without notice, patients were told to find other physicians, wards were closed, ambulance service was stopped and units were shut down. Once the community learned of the pending closure, they sprang into action to save St. Michael. A massive effort began. Neighborhood residents spoke out, the City Council supported, doctors and nurses worked tirelessly and my office filed an amicus brief to prevent the closure, supported by hundreds of constituents.

Today, St. Michael Hospital is not only in stable condition, but growing its services and expanding its facility. Not even a year after it stood at the brink of closure, it is now in the middle of plans to increase the size of the emergency room by 50 percent. Construction will begin in a few months to allow the hospital to create more treatment areas for trauma patients. Later this month, two renovation projects are slated to begin. A new inpatient gero-psychiatric ward was opened last December after renovation was completed on the fourth floor. St. Michael has even started a shuttle service for patients without transportation.

For 117 years, St. Michael Hospital (formerly St. Alexis) has done a remarkable job of tending to the health of Clevelanders. It has provided high quality health care to hundreds of thousands of patients, no matter their color, country of origin, age or ability to pay. Over 20 percent of its patients are unable to afford health care, but they are treated at St. Michael.

Our community has long known the institution's strength of compassion, and we are now so lucky to witness its strength of determination and resilience. St. Michael has rebounded with new medical care programs, an increase in patient volume and an improved financial situation. I ask my colleagues to join me in honoring the work of St. Michael Hospital and the University Hospital Health Network which came to its rescue. I ask that you join with me in congratulating all who have brought St. Michael Hospital back to life.

CONGRATULATING WORLD BOXING ASSOCIATION HEAVYWEIGHT CHAMPION JOHNNY "THE QUIET MAN" RUIZ

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. CAPUANO. Mr. Speaker, I rise today to congratulate, Johnny "The Quiet Man" Ruiz, a young man from my district, for winning the World Boxing Association Heavyweight title this past weekend in Las Vegas. I do not stand here today to boast about the athletic prowess of a world class champion but rather to commend Johnny for the grace and dignity with which he has carried himself throughout his climb to the upper echelons of the boxing world.

As the first Latino heavyweight world champion, Johnny is truly a hometown hero to the people of Chelsea, Massachusetts. Johnny was a hero long before his upset victory over four-time champion Evander Holyfield on Saturday evening. Last August, after losing a very close and controversial decision to Holyfield, Johnny came home from Las Vegas to find hundreds of his supporters waiting on his doorstep to cheer his arrival. They knew they already had a champion among them.

Like many young husbands and fathers throughout the country; Johnny spends his free time coaching Little League baseball, Pop Warner Football and is actively involved in the parent's group at his children's school. That is the man that is the new heavy weight champion. That is Johnny Ruiz. Like many of his neighbors, Johnny Ruiz is a hardworking family man, who proudly represents a city of hard working people. Johnny just happens to go to work at the Somerville Boxing Club under the watchful eye of his trainer Norman Stone.

Years from now we will surely be hearing many stories about the boxing triumphs of this heavyweight champion from Chelsea. People will talk about how they used to watch him run by their house or storefront while he was training. We will hear about rematches and world rankings. However, there is one story that stands out in my mind. On the evening of the first Holyfield-Ruiz fight, the then-WBA champion Holyfield was hosting a postfight victory party at the Paris Hotel. Accompanied by his boyhood friends, Ruiz, an exhausted and defeated challenger walked through the many reporters, cameras and Holyfield fans to extend a congratulatory hand to his most recent opponent. This gesture caught Holyfield by surprise more than Johnny's overhand right last Saturday night. The champion told Johnny "that was the most class an opponent has ever shown after a fight". That story truly embodies Johnny Ruiz.

It is reassuring to know that behind all the hype and trash talking in professional sports there are still athletes out there who are true gentlemen. There are still men like Johnny "The Quiet Man" Ruiz: a neighborhood kid who had a little bit more talent and worked a little bit harder to get his shot. More importantly, he never forgot his roots—he never forgot the neighborhood and city he was fighting from. Mr. Speaker, I congratulate "the neeewww WBA heavyweight champ of the worllllld Johnny Ruiz!!!"

40TH ANNIVERSARY OF THE PEACE CORPS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay special tribute to the Peace Corps as it celebrates its 40th Anniversary.

The Peace Corps is a powerful symbol of America's commitment to encourage progress, create opportunity, and expand development at the grass roots level in the developing world and at home.

Today, its volunteers are working to bring clean water to communities, teach children, help start new small businesses, and stop the spread of AIDS.

Since its beginning, in 1961, more than 161,000 Americans have served as Peace Corps Volunteers in 134 countries. These are people who are dedicated and committed to making this a better world.

After serving and teaching in other countries, Peace Corps volunteers return to the U.S. with a greater understanding of other cultures and peoples.

It is truly a mutually beneficial cross-cultural exchange.

I ask my colleagues to join me in saluting the thousands of Peace Corps volunteers, past, present, and future, and in commending the Peace Corps for empowering and encouraging progress around the world for the past four decades.

PERSONAL EXPLANATION

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. HOEFFEL. Mr. Speaker, on Tuesday March 5, 1 missed two votes numbered 26 and 27. I missed these votes on account of illness. If present, I would have voted "yea" on both suspension bills.

OPPOSING NATIONAL TEACHER CERTIFICATION OR NATIONAL TEACHER TESTING

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. PAUL. Mr. Speaker, I rise to introduce legislation to forbid the use of federal funds to develop or implement a national system of teacher certification or a national teacher test. My bill also forbids the Department of Education from denying funds to any state or local education agency because that state or local educational agency has refused to adopt a federally-approved method of teacher certification or testing. This legislation in no way interferes with a state's ability to use federal funds to support their chosen method of teacher certification or testing.

Federal control of teacher certification will inevitably lead to a national curriculum. National teacher certification will allow the federal government to determine what would-be teachers need to know in order to practice their chosen profession. Teacher education will revolve around preparing teachers to pass the national test or to receive a national certificate. New teachers will then base their lesson plans on what they needed to know in order to receive their Education Department-approved teaching ceirtificate. Therefore, I call on those of my colleagues who oppose a national curriculum to join me in opposing national teacher testing and certification.

Many educators are voicing opposition to national teacher certification and testing. The Coalition of Independent Education Associations (CIEA), which represents the majority of the over 300,000 teachers who are members of independent educators associations, has passed a resolution opposing the nationalization of teacher certification and testing. As more and more teachers realize the impact of this proposal, I expect opposition from the education community to grow. Teachers want to be treated as professionals, not as minions of the federal government.

In conclusion, Mr. Speaker, I once again urge my colleagues to join me in opposing national teacher certification or national teacher testing. Training and certification of classroom teachers is the job of state governments, local school districts, educators, and parents; this vital function should not be usurped by federal bureaucrats and/or politicians. Please stand up for America's teachers and students by signing on as a cosponsor of my legislation to ensure taxpayer dollars do not support national teacher certification or national teacher testing.

DON'T FORGET THE MUSTANG FREEDOM FIGHTERS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. GILMAN. Mr. Speaker, March 10th is the 42nd anniversary of the Tibetan Uprising Day and the Chinese occupation of Tibet. Every year we appropriately celebrate this solemn day by recognizing and remembering the thousands of Tibetan people who gave their lives on March 10th struggling for their freedom. This past year the brutality of the Chinese occupation government has been exceptionably cruel to Tibetan Buddhist religious practitioners. Many monks and nuns have been executed and tortured to death for their beliefs while the Panchen Lama still remains under detention. Accordingly, it is fitting that this month the Bush administration will introduce a resolution in Geneva at the United Nations Human Rights Commission condemning the Chinese government's contemptible lack of concern for the rights of the Tibetan and Chinese people.

We welcome the Bush administration's open-eyed approach to dealing with the Chinese government on human rights issues and its signals that it is willing to assist our friends on Taiwan. We are therefore hopeful that our government's policy toward Tibet will be brought in line with this refreshing pragmatism. A good start would be by remembering and recognizing the people of Kham who began their resistance against Chinese expansionism almost 51 years ago when the Communists launched their invasion of eastern Tibet in 1950. The brave Khampas and people from Amdo being intensely loyal to His Holiness the Dalai Lama and willing to sacrifice their lives to protect their religious beliefs and institutions, bore the brunt of the PLA's brutal effort to conquer Tibet. Years before Mao's hardened shock troops marched into Lhasa, the people of Kham and Amdo struggled against all odds to turn back the atheist Communist invaders. To this day they still pay dearly for their religious beliefs and struggle for their rights. Their lands and their monasteries have yet to be completely returned to them and the Chinese government has yet to pay reparations.

During the 1950's and up until the early 1970's our government supported the Tibetan cause by training and equipping their fighters and by drawing attention in the international community to the Tibetan plight. When our government ended our assistance to the Tibetan fighters in the early 70's who were then operating out of Mustang, a remote area of northern Nepal, many of them stayed in Nepal. To this day, a number of these men and women still struggle for their survival while some have passed on.

Fourteen years ago, the Congress passed a resolution condemning China's occupation of Tibet. When President Reagan signed it, Lodi Gyaltsen Gyari, a great Khampa, a good friend and His Holiness the Dalai Lama's Special Envoy urged Congressman Charlie Rose and myself to send two of our staff assistants to travel to India and Nepal to learn more about the Tibetan issue. Towards the end of that visit, they met with a number of the Mustang fighters in a small camp in Pokara, Nepal. Our congressional staff reported back to us that these Khampas were still prepared to give their lives for their nation and remained intensely loyal to the United States. They continued to believe that we would never abandon them although it appeared to the outside world that that was exactly what we had done. The camp leader remarked to our staff, "friends don't abandon friends and America stands up for what is right."

When the Congress heard about these brave, earnest Khampas, we committed ourselves to renewing our Nation's contact with the Tibetan people. We passed the historic sense of the Congress resolution stating that Tibet is an occupied country and His Holiness the Dalai Lamia and the Tibetan Government-in-Exile are the true representatives of the Tibetan people. In addition, we directed the Voice of America to transmit into Tibet, thus giving the Tibetan people their first clear window to the outside world. Moreover, we ensured that various forms of political and material assistance began to flow to the Tibetan diaspora.

Accordingly, on this March 10th anniversary, may the Khampa fighters and all the elderly men and women of Tibet who continue their struggle inspire us today by their courage and enduring devotion to the cause of Tibetan freedom. As America—who offered them hope and then withdrew its promise—is especially indebted to the freedom fighters, I will look into how we might offer them more than just our sincere thanks. I have learned that many Tibetan elders are living in destitute conditions in Nepal and India. Let us all bear in mind the Mustang freedom fighters on this occasion and begin to consider how we can demonstrate in real terms that their cause remains our own.

DISAPPROVING DEPARTMENT OF LABOR RULE RELATING TO ERGONOMICS

SPEECH OF

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 7, 2001

Mr. ROEMER. Mr. Speaker, the ergonomics issue is not new. It was first proposed by Secretary Elizabeth Dole under the Bush administration and has since been subjected to over a decade of intense scientific analysis. It did not surprise anyone last year, because we have had many hearings on the topic, received hours of testimony, gone through a lengthy public rulemaking process, and debated the matter extensively here on the floor of the House.

This joint resolution, on the other hand, has been launched with no public hearings, no committee markups, no committee reports, no committee study, and almost no debate. Forcing this resolution through is a backdoor attempt to undermine the legitimate public rulemaking process in a way that has never been done before.

Thousands of employers have successfully implemented ergonomics programs resulting in the significant reduction of ergonomic injuries and illnesses and the savings of millions of dollars. Companies as diverse as 3M, Ford Motor Co., Fieldcrest-Cannon, Red Wing Shoes, Perdue Farms, and the Fresno Bee have implemented ergonomics programs that not only substantially reduced injuries and illnesses, but produced significant productivity improvements as well.

The fact is that ergonomics works. The National Academy of Sciences has said so, hundreds of successful businesses have said so, and the American public has said so.

If there are problems with the existing ergonomics standard, then the appropriate way to address them is through rulemaking. Passage of a CRA resolution not only dooms the existing standard, but delays for years and perhaps indefinitely the development of any general ergonomics standard. This is not just bad for workers, it is bad for business, and it is bad government.

I urge my colleagues to vote "no" on this resolution.

REPEAL OF EXECUTIVE ORDER 13166

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. STUMP. Mr. Speaker, on August 11, 2000, former President Clinton signed Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency."

When signing Executive Order 13166, former President Clinton cited concerns that "language barriers are preventing the federal government and recipients of federal financial assistance from effectively serving a large number of people in this country." His main concern was that those who do not speak English are not able to apply for and receive federal assistance.

Mr. Speaker, Executive Order 13166 requires all federal agencies to examine the services they provide, as well as identify any need for services to those with limited English proficiency (LEP). The Executive Order requires federal agencies to develop and implement a system to provide those services in any language that LEP individuals may speak.

Mr. Speaker, we are already beginning to witness the potential costs associated with the implementation of Executive Order 13166. On January 10, 2001, the Department of Justice released a plan to implement Executive Order 13166. This Departmental plan not only creates new services that the federal goverment must provide, but the plan also imposes a remarkable number of new and costly requirements on every federal agency.

In addition, the Department of Justice has announced plans to develop translations of documents into 30 languages. Now, the Department of Transportation believes that traffic signs in English are problematic. Mr. Speaker, we must stop this tremendous cost burden on the United States taxpayer.

Today, I join several colleagues in introducing legislation to rescind Executive Order 13166. Rescinding this burdensome executive order will not only alleviate a costly mandate on federal agencies, but also protect our great nation from further language barriers.

Implementing Executive Order 13166 will only reinforce language barriers in the United States. Rather than discourage people from learning English and enjoying the benefits associated with English proficiency, the United States should encourage all individuals united by one government to join in a single language. Executive Order 13166 does not encourage those seeking benefits from developing English proficiency.

Mr. Speaker, I urge my colleagues to support the repeal of Executive Order 13166.

RECIPIENT OF THE DAILY POINTS OF LIGHT AWARDS, NETTIE REYNOLDS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. McINNIS. Mr. Speaker, I wish to take this moment to recognize Nettie Reynolds of Gypsum, Colorado, The Points of Light Foundation recipient of The Daily Points of Light Award. The Daily Points of Light Award honors an individual or organization that makes a positive and lasting difference in the lives of others. The award is a fitting tribute to a woman who has given of herself immeasurably during the course of her distinguished life.

For more than 30 years, Nettie Reynolds has volunteered to serve her community. She first served her community as a teen member of the Civil Defense League. Then, in 1969, she organized the town of Gypsum's Ladies' Volunteer Fire Department, where she held the position of Fire Chief until she retired in 1997. She also managed and ran emergency medical calls with the Western Eagle County Ambulance District for many years. In addition, Nettie has been active in health care organizations and various other emergency medical service agencies. And in her "spare time" Nettie still finds time to visit with seniors and disabled citizens, giving them affection and making them feel loved.

Mr. Speaker, Nettie Reynolds is a role model that people of all ages can and should look up to. It is obvious why Nettie Reynolds was chosen as The Points of Light Award recipient, I think that we all owe her a debt of gratitude for her service and dedication to the community.

Nettie, your community, state and nation are proud of you and grateful for your service.

RECOGNIZING INTERNATIONAL WOMEN'S DAY

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Ms. SCHAKOWSKY. Mr. Speaker, I am proud today to introduce a resolution recognizing and supporting the goals of International Women's Day. Women in the United States organized the first Women's Day in 1908 and helped inspire the International movement. International Women's Day celebrated on March 8th, began as a movement for voting rights and labor rights. Over the years, it has grown, and today, it is seen as a day for asserting women's political, economic, and social rights, for reviewing the progress that women have made, as a day for celebration, and as a day for demonstration.

In the early 1900's, the solidarity of women working on suffrage and improved labor conditions led to the formation of the first women's labor union, the Women's Trade Union League. Almost a century later, we have much to celebrate, yet we also have much work left to do to advance the status of women worldwide.

Women all over the world are contributing to the growth of economies, participating in the world of diplomacy and politics, and improving the quality of lives of their families, communities, and nations. And we should honor the women who have led us this far. Women like, Jane Addams, Coretta Scott King, Gloria Anzaldua, Maya Lin, Aung San Suu Kyi from Burma (now Mynamar), the Mirabel sisters from the Dominican Republic, Shabana Azmi from India, Rigoberta Menchu from Guatemala, Eleanor Roosevelt, Oprah Winfrey, Eve Ensler, Dorothy Cotton, Wangari Maathai from Kenya, and Fatou Sow from Senegal. Women around the globe, from the Americas, Africa, the Middle East, Asia, South Asia, and Europe have all contributed enormously to the struggle for gender equality and the advancement of women.

We must continue the struggle. While the right to vote has been won here in the United States, there still remain women in many countries fighting for their voices to be heard and for representation in their political process. Furthermore, women still earn less, own less property, and have less access to education, employment, and health care than men.

The statistics of violence against women are appalling. Globally, one out of every three women and girls has been beaten or sexually abused in her lifetime. Each year, there are 1,000,000 to 2,000,000 women and children illegally trafficked across international borders, with 50,000 women and children transported to the United States. It is estimated that 130,000,000 girls and young women have been subjected to female genital mutilation, with at least 10,000 girls at risk of this practice in the United States. These statistics are unacceptable. We are in the midst of a global crisis and we can not afford to continue passing on this crisis of violence to our sons and daughters.

It is promising that for the first time, the international community has declared that sexual crimes against women during times of war will no longer be considered natural occurrences of war but will be punishable as a crime against humanity. Crimes against humanity are less in severity to only those of genocide.

I applaud and honor the work of women all over the world who live and fight the struggle every day. I also urge Congress to pass my resolution which will reaffirm the United States government's commitment to pursue policies to end discrimination and violence against women and pursue policies that guarantee basic rights for women both in the United States and in countries around the world.

INTRODUCTION OF THE LANDMINE ELIMINATION AND VICTIMS ASSISTANCE ACT OF 2001

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. EVANS. Mr. Speaker, today I am introducing the Landmine Elimination and Victims Assistance Act of 2001.

I am proud that I am joined in this effort by Representatives QUINN and MCGOVERN. They have been strong leaders in our fight to eliminate the scourge of landmines around the world and I look forward to continuing our work together. We are also joined by a bipartisan group of nearly 30 other Members of Congress. Our legislation is the companion to Senator LEAHY's bill which he will be introducing shortly as well with a bipartisan cast of sponsors.

The legislation accomplishes four things. It expresses the sense of Congress that the Department of Defense should field currently available weapons, other technologies, tactics and operational concepts which provide suitable alternatives to landmines. I believe that alternatives exist that are more effective and less costly than mixed mine systems and that also match more closely our country's doctrine of mobility warfare. This view is shared by many active and retired military officers.

It also calls on our nation to end its use of mines, and to join the Convention on the Prohibition of Anti-Personnel Mines as soon as possible. In addition, it also codifies the Leahy-Evans U.S. moratorium on mine exports, which has been in effect since 1992 and is official United States policy.

Finally, it establishes an inter-agency working group, involving the Departments of State, Defense, Health and Human Services, Education and the VA, to develop a comprehensive plan for expanded mine action programs, including programs to assist mine victims.

The bill is the latest chapter in the work of many members of Congress to address the tragedy surrounding the proliferation of landmines. The carnage caused by landmines is well-known. Too many poor and developing countries have suffered tens of thousands of civilian casualties. The crisis that has afflicted much of the third world led to an outcry that forced the world to act.

The resulting international treaty, the Convention on the Prohibition of Anti-Personnel Mines has gained international acceptance more quickly than any other arms control treaty in history. The treaty, which came into force in 1998, has been signed by 139 countries and ratified by 110. However, our nation has not signed the treaty. It is a glaring absence considering our role as the world's remaining superpower.

President Bush has not indicated how he wants to proceed on the landmine issue. However, I hope that he sees that he has a tremendous opportunity in front of him. First he has the chance to reclaim US leadership and achieve the distinction of blazing the way to a truly landmine free world. It is a role that could help achieve universalization of the treaty which in turn would not only limit the threat of these weapons to civilians but also to our own soldiers who too often face landmines in peacekeeping duties around the world.

Second, he can eliminate a weapon which actually hinders our forces instead of helps them. Our current military doctrine emphasizes mobility on the battlefield. This will become even more of a focus as we move towards the more mobile forces that the Army has envisioned in its efforts at "Transformation". However, deploying "mixed" mine systems comprised of anti-tank mines deployed with anti-personnel mines actually restricts the movement of US forces on the battlefield. Even with self destructing mines that destroy themselves within hours, our forces may need to move through an area that was just mined minutes before. That is the essence of mobility warfare—being able to move at a moments notice as the battlefield changes. It is why former Marine Corps Commandant Al Gray once stated "What the hell is the use of sowing all this if you're going to move through it . . . We have many examples of our own young warriors trapped by their own minefields . . . We even had examples in Desert Storm."

However, this does not mean we have to give away military capability. We also have "smart" weapons currently in the inventory that can more effectively deal with armored threats and that do not have the "side" effects of landmines on our mobility doctrine and the safety of our fighting men and women. The US has been developing alternatives with the support of myself and Senator LEAHY. While these technologies show great promise, we must remember that we do have the ability today to have a landmine free military that is more capable and effective.

Mr. Speaker, it is clear to me that moving towards a landmine free military is a win-win for our nation and the world. We can help eliminate the scourge that has cost tens of thousands of innocent men, women and children their lives and limbs while better protecting our own military and achieving a more effective fighting force. However, it will take leadership.

We will fight hard to move this legislation. It will help demonstrate the will of Congress to show leadership on this issue, make permanent the export moratorium and establish an interagency working group that will more effectively provide the expertise of our own government in dealing with the staggering human costs that mine have already inflicted and will continue to inflict. Above all, I hope it is seen by the President as an invitation to strengthen US policy so we may see the day of a landmine free world sooner rather than later. I look forward to working with the President and his Administration.

RESOLUTION OF THE CONGRESSIONAL BLACK CAUCUS CONDEMNING RACIAL SLANDER BY SENATOR ROBERT BYRD

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I submit the following on behalf of the Congressional Black Caucus:

RESOLUTION OF THE CONGRESSIONAL BLACK CAUCUS CONDEMNING RACIAL SLANDER BY SENATOR ROBERT BYRD OF WEST VIRGINIA

Whereas, the members of the Congressional Black Caucus regret the many years, in the not so distant past, when certain members of the House and Senate freely used racial slurs on the floor and in other public places; and,

Whereas, our great nation has made great strides in both de jure and de facto race relations and has established a new moral standard in public discourse; and,

Whereas, the administration of William Jefferson Clinton greatly advanced progress in race relations through his policies of inclusion and the President's demonstration of great personal comfort among all racial, religious, and ethnic groups; and,

Whereas, the current political environment is such that negative and derogatory sentiments, attitudes, and practices of the past are being resurrected as new, caring, and compassionate versions of sanctioned segregation; and,

Whereas, the sentiments, attitudes and behaviors of the Ku Klux Klan have long ago been condemned by the majority of Americans and outlawed by the U.S. Constitution; and,

Whereas, United States Senator Robert Byrd of West Virginia recently made a statement using a racial slur regurgitated from the painful past Ku Klux Klan era, that was hurtful, incendiary, and counterproductive; and,

Whereas, the members of the Congressional Black Caucus consider it one of our priority duties to offer moral leadership on behalf of our constituents and to the American people in general, and to resist any attempt to move our great nation back in time to our ugly legacy of racial injustice, insensitivity and intolerance, now therefor be it

Resolved That the members of the Congressional Black Caucus hereby, without rancor or malice, condemn Senator Byrd's racist statement and the sentiment of lingering intolerance it reflects. We respectfully request all members of the House and Senate to publicly and privately convey a similar condemnation; be it further

Resolved That this proclamation of Condemnation be printed in the CONGRESSIONAL RECORD; and be it further

Resolved, That United States Senator Robert Byrd make his statements of apology from the floor of the U.S. Senate.

THE INDIVIDUAL INCOME TAX RATE REDUCTION ACT OF 2001

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. COLLINS. Mr. Speaker, today I rise to introduce the Individual Income Tax Rate Reduction Act. This legislation will provide immediate, across the board marginal income tax rate reductions for all wage earners in this country, while reducing the marriage tax penalty.

A new day has arrived in Washington. The new President is leading the effort to focus national attention on the issues that Americans support. This week, Congress has taken the first step to implement tax code changes that will benefit all wage earners. The marginal income tax rate reductions proposed by the President, reported by the Committee on Ways and Means, on which I serve, and recently passed by the House of Representatives, will have a tremendous impact on providing individuals and families with greater financial security. At a time when the federal coffers have billions of dollars in excess revenues, coupled with the slowing growth of the economy, is more appropriate than ever to provide a refund to taxpayers who have overpaid the bill.

Mr. Speaker, I fully support the legislation that has been passed by the House of Representatives. But frankly I believe we can do more. Today I introduce legislation that will reduce the marginal income tax rates. However, at the center of this legislation is my belief that we must reduce the amount of taxes taken out of paychecks today. My legislation makes effective immediately a reduction in all of the marginal rates. In addition, over the next few years, the number of rates will be reduced from 5 to 4.

Current law	Collins bill	Effective
15 percent	12 percent	Jan. 1, 2001.
28 percent	25 percent	Jan. 1, 2001.
31 percent	28 percent	Jan. 1, 2001.
36 percent to 39.6 percent	33 percent	Phased down Jan. 1, 2001 to Jan. 1, 2006.

My legislation will also reduce the marriage tax penalty by increasing the standard deduction for all taxpayers, and making the married deduction twice that of the single taxpayer's deduction.

Current law	Collins bill	Effective date
$7,600	$12,000	Jan. 1, 2001.
$4,500	$6,000	Jan. 1, 2001.
$6,650	$8,500	Jan. 1, 2001.

This legislation will provide taxpayers with over $30 billion in tax relief this year alone. Over the next ten years, wage earners will see their income tax bills reduced by over $1.5 trillion. It is anticipated that the Congressional Budget Office will soon update their projected budgetary estimates and report that there will be billions more available in unanticipated non-Social Security excess revenues. That is more reason than ever to provide taxpayers with meaningful tax reductions. Please join me in cosponsoring the Individual Income Tax Rate Reduction Act of 2001, so that we can provide tax relief as soon as possible.

DISAPPROVING DEPARTMENT OF LABOR RULE RELATING TO ERGONOMICS

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 7, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today in strong opposition to this harmful resolution which will prevent America's workers from safer working conditions.

Over two years ago, Congress mandated that the National Academy of Sciences conduct a study to review the impact of repetitive workplace motions. Now that the results are back, the Republican majority is disappointed. They don't like the results. So, they are trying to kill the rule entirely.

This Disapproval Resolution is simply another attempt to delay and ultimately block implementation of critical ergonomic workplace guidelines. These reasonable standards, already issued by the Department of Labor, will ensure that workplace safety guidelines are in place to prevent increasingly common workplace injuries.

More than 647,000 Americans suffer serious injuries and illness due to musculo-skeletal disorders each year. These injuries are currently costing businesses $15 to $20 billion annually in workers' compensation costs. Yet, it has been estimated that the ergonomics standards will prevent 4.6 million injuries over the next decade, and will actually save employers and workers $9 billion each year.

Tragically, these injuries disproportionately affect women workers. Although women make up 46 percent of the workforce and 33 percent of those injured, 63 percent of repetitive motion injuries happen to women.

Women experience 70 percent of carpal tunnel syndrome injuries that result in lost work time. This is unacceptable and we must act now to prevent these injuries.

Americans who are willing to work hard each day to support themselves and their families deserve reasonable standards to prevent workplace injuries.

Many of the workers who will be covered by these common sense guidelines often work more than one job just to make ends meet. They work long hours loading trucks, moving boxes, and delivering packages. Their jobs aren't easy, but they are willing to show up every day and do their best.

The last thing these hard-working Americans want is to get hurt. These sensible standards will keep them on the job and prevent costly workplace injuries.

Opponents of these common-sense guidelines claim that they will "regulate every ache and pain in the workplace." This is simply not true. These standards will only ensure that companies make someone responsible for ergonomics standards and that employees are not afraid to report these injuries. This is hardly an overwhelming request.

We must keep the Ergonomics standards in place. These standards protect hard-working Americans who deserve to work without the threat of injury.

I urge all of my colleagues to stand with hard-working Americans and to oppose this harmful legislation.

SAINT PATRICK'S DAY MARCH 17, 2001

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. GILMAN. Mr. Speaker, on March 17th, again we approach another glorious, joyous Saint Patrick's Day. The Irish people around the globe, along with the millions here in our nation linked to the Emerald Isle by heritage, as well as their friends worldwide, join in celebrating this glorious day honoring the patron saint of that beautiful country of so many warm and generous people.

The American experience is linked closely with the Irish people. Ireland has given us numerous Presidents with links to both the north and south. Its diaspora fought for our nation as early as with General George Washington as we gained our own independence from Great Britain. Today, more than 44 million Americans claim Irish heritage.

It is only fitting that our nation assist the Irish people in finding lasting peace and justice in the north of Ireland and in ending the bitter, divisive, and tragic conflict, that the Irish call the "Troubles." For the past eight years the U.S. Congress in a bipartisan way fully supported President Clinton in all of his Irish peace process initiatives which eventually helped produce the Good Friday Accord of April 1998, under the guidance and steady hand of former U.S. Senator George Mitchell.

The Good Friday Accord is the road map for lasting peace and justice in the north of Ireland, which we and all the parties to that accord, as well as both governments in the region should honor, abide by, and use for the new shared governance created so that both traditions can live in harmony, peace, and equality in the north under the concept of mutual consent. The Irish people north and south approved the accord in referendum. They want peace!

Now, with a new Administration coming to power in Washington, many wonder if the Irish peace process will be given the same priority by the Administration of George W. Bush. We in the Congress stand ready to provide the same kind of across the board bi-partisanship support for the new Administration in the continuing search for a lasting peace and justice in Ireland. We owe that to the new Administration, as well as to the Irish people, who have given so much to this nation of ours from its very founding until today.

Candidate George W. Bush supported the GOP platform in Philadelphia in 2000 which said: "The next President will use the prestige and influence of the United States to help the parties achieve a lasting peace." Candidate Bush himself went on to set out his own approach in a letter to the Irish Prime Minister Bertie Ahern on September 8, 2000, stating ". . . the entire island of Ireland have a friend in George W. Bush. America should remain engaged in the Irish peace process, and I will work hard and pray always for a lasting peace in Northern Ireland."

For those of us who have observed President George W. Bush in his first weeks of office abiding by and living up to his 2000 campaign promises and pledges, no one doubts that Ireland will be high on his foreign policy agenda, and that the Congress will support him.

Mr. Speaker, I submit the letter from George W. Bush to the Irish Prime Minister at this point in the RECORD and I invite my colleagues to join in wishing our Irish-American friends and all of Ireland a Happy Saint Patrick's Day!

GOVERNOR OF TEXAS,
Austin, TX, September 8, 2000.

Hon. BERTIE AHERN, T.D.,
Taoiseach, Republic of Ireland.
Dublin, Ireland.

DEAR BERTIE: I want to extend my personal greetings to you, and to express my admiration for your commitment to peace in Northern Ireland. The road has been long, and it has not been easy, but you have succeeded in furthering reconciliation and bringing an elected representative Assembly to Northern Ireland.

You may be assured of my personal interest and full commitment to helping move the peace process forward. I believe that the support of the United States was an important element in helping the parties achieve the Good Friday Agreement, and that America should be ready, if necessary, to appoint a special envoy to further facilitate the search for lasting peace, justice, and reconciliation.

I am encouraged by the very real economic growth that has come to the entire island of Ireland. At least part of this growth can be credited to the strengthening of business ties between the United States and Ireland, and I strongly support continued and increased private American investment in both Northern Ireland and the Republic.

I am also encouraged by the work of Chris Patten and his Commission in reviewing and recommending reforms of the police authorities in Northern Ireland. I appreciate the importance of tradition and symbols, and the sensitivities of the communities in Northern Ireland on this issue, and support the full implementation of the Commission's recommendations.

Please know that you and the people of the entire island of Ireland have a friend in George W. Bush. America should remain engaged in the Irish peace process, and I will work hard and pray always for a lasting peace in Northern Ireland.

Sincerely,
GEORGE W. BUSH.

EUROPEAN COURT OF JUSTICE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. BEREUTER. Mr. Speaker, earlier this week the European Court of Justice, the supreme judicial body of the European Union, ruled that a former employee of the European Commission (EC), Mr. Bernard Connolly, was legitimately fired by the Commission after he published a book critical of the European Monetary Union. Although the court, in ruling against Mr. Connolly's appeal of his sacking, attempted to cloak its decision in the right of the EC to take disciplinary action when an employee's behavior undermined the trust and confidence that needs to exist between employee and employer (Connolly had published his book without prior permission from the EC), it went on to ascribe to the EC the right to curb dissent and punish individuals who "damaged the institutions image and reputation." In making this kind of argument, the Court comes disturbingly close to harkening back to the discredited concept of seditious libel.

The European Union is already under fire because of the lack of democracy in the way many of its institutions, particularly the European Commission, has operated. There is a lack of transparency in the manner in which regulations are established and promulgated, there is said to be a significant lack of accountability on the part of certain important categories of senior EU officials, there is said to be too little oversight exercised by institutions representing the citizens of Europe, and the legislative branch, the European Parliament, which under a regular democracy would fulfill such functions, is still in only the initial stages of asserting such prerogatives more than a quarter of a century after its establishment. In the light of this remaining democratic deficit, the European Court of Justice's ruling against Mr. Connolly is not so much surprising as it is alarming.

Mr. Speaker, it has been longstanding policy of the United States to support the creation of first, the European Economic Community, which became the European Community, and then in 1992, the European Union. It made sense from the standpoint of our own interests to have an overarching institution which could serve as a brake upon the possible resurgence of nationalism and conflict on the European continent, and to have our closest trading partners organized as a single market with a single set of regulations for us to do business on the other side of the Atlantic.

Now, however, we are seeing much more ambitious and far reaching efforts aimed at creating, if not a "United States of Europe," then a federated Europe with as many of the attributes of a single state as can be agreed upon by its member nations. The European Security and Defense Policy is one manifestation of these efforts, and it has certainly caused a great deal of concern because of the potential to weaken NATO and undermine the solidarity of the North Atlantic Alliance. Another manifestation is the emergence within the European Commission of much more strident economic and trade policies which have fostered increasingly bitter and divisive disputes between the U.S. and our European trading partners.

The ruling of the European Court of Justice in the Connolly case strikes at the heart of our common traditions and institutions which are pinned upon basic precepts of human rights. None of which is more fundamental than freedom of speech. If the EU truly believes that it can set itself up to be beyond the reach of spoken or written criticism of its policies, then Mr. Connolly's statement, "The Court is acting as the sinister organ of a tyranny in the making" is completely accurate, and those of us who value the trans-Atlantic relationship need vigorously to speak out against it. Our relationship with our friends in Europe will only ensure so long as we continue to hold in common our belief that human rights are fundamental in our society, and our faith in the traditions and institutions that underpin our democratic form of governance.

CERRO GRANDE FIRE ASSISTANCE

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mrs. WILSON. Mr. Speaker, last year was a difficult one for our country's public lands and the people and communities who live near them. It was dry and hot and firefighters worked long, back-breaking hours to extinguish flames that seemed to go on without end. My colleagues in this House know of the tragedies Americans experienced last year because of forest fires. It was a very hard year.

But some situations were made even worse when the fires weren't natural disasters. Some were started by the very people we trusted to steward the land. The National Park Service started a fire in my home state of New Mexico during a particularly dry and windy week. More than 400 people lost homes and businesses to the Cerro Grande fire, and hundreds of acres of tribal lands were also devastated.

Congress acted quickly, though, and passed The Cerro Grande Fire Assistance Act, S. 2736. It was attached to the Military Construction Appropriations bill and was signed into law on July 13, 2000. This legislation made up to $455 million available to fire victims so they would be quickly compensated for their losses and could begin rebuilding their lives.

Things seemed to progress well, save for a few kinks that were worked out. But it's tax season, and there are hundreds of people in my home state of New Mexico who are waiting to file their taxes because they need information about how to characterize federal government compensation for the May 2000 Cerro Grande fire.

The Federal Emergency Management Agency (FEMA) has issued and will continue to issue hundreds of payments in response to filed claims for compensation. However, there remain several unresolved questions regarding this compensation. As the April tax-filing deadline quickly approaches, taxpayers need to know what portions of the compensation they receive are taxable and how that will be determined. In spite of repeated requests from the New Mexico congressional delegation, the Internal Revenue Service (IRS) has still not issued a written decision resolving these questions. These Americans deserve answers now.

The Internal Revenue Service is not playing fair. Although very clear about its tax filing deadlines and penalties for noncompliance, the IRS is not extending the same courtesy it requires. How can taxpayers meet deadlines when they lack information the IRS must provide?

The federal government started this fire and must continue to take responsibility for it. This disaster never should have happened. I am committed to doing everything I can to ensure that the federal government moves quickly, makes the necessary decisions, and allows the victims of this horrendous fire to rebuild their lives.

RECOGNITION OF WOMEN'S HISTORY MONTH, AND A TRIBUTE TO SENATOR CYNTHIA JOHNSTON TORRES

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. UNDERWOOD. Mr. Speaker, I rise today in support of March as Women's History Month and March 8 as International Women's Day. I would also like to honor the late Honorable Cynthia Johnston Torres, a distinguished member of the Third Guam Legislature.

Women's History Month is a time to pay tribute to the women of our nation, in appreciation for their contributions to the political, social, economic, and cultural development of our country, in recognition of the many struggles and obstacles that they face, and in honor of the integral role that women have played in American history. Women make up over half of our country's population, or about 139 million in 1999, and have changed our nation in positive ways. Women have made their mark in various fields such as science, business, education, health, the public sector, the arts, entertainment, and the list goes on.

The progress of women today must be considered in conjunction with continuing challenges. Today women affect and are affected by the major issues on our nation's agenda, including health care, Social Security, Medicare, tax reform, etc. Most recently, ergonomics issues are impacting women, who represent 64 percent of repetitive motion injuries that result in lost work time. It is encouraging that six in ten women participate in the labor force, however employment discrimination and unequal pay still exist. The future looks promising as women are demonstrating increased participation in all levels and branches of government. Unfortunately, expectations still exist about their "traditional" roles.

Today, women are marrying at later ages, yet domestic and family violence continues throughout the country. Also across the nation, women's studies and gender studies are on the rise in higher education institutions, however women still need to be acknowledged as critical players in the history of America. Today I would like the opportunity to recognize the achievements of women amidst such challenges, challenges that our entire nation must face from within the fifty states to the five territories.

Women's History Month has its own history that illustrates the gains women have accomplished in the last century. In order to reflect on international connections among women, some European nations have been celebrating International Women's Day on March 8 since 1911. Following women's suffrage in 1920 and the valuable contributions made by women to the war industries during the 1940's, women's issues were pushed to the forefront during the 1960's. The history of women was finally acknowledged in schools during the 1970s, and in 1981, the National Women's History Project spearheaded the initiative for National Women's History Week. The U.S. Congress passed a resolution in recognition of this week, and in 1987, the week was expanded to National Women's History Month. In keeping with the annual

My district of Guam proudly takes part in celebrating Women's History Month. The Bureau of Women's Affairs holds events recognizing women's accomplishments, addressing women's issues, and empowering women to be the best that they can be. The theme for 2001 is "Celebrating Women of Courage and Vision," and there will be a proclamation signing not only for Women's History Month but also for the Year of the Family.

Today, the spirit of community in Guam was alive and well, as the Bureau of Women's Affairs and the Guam Council of Women's Club celebrated International Women's Day. In an event involving the participation of various women's clubs and organizations from the government of Guam and the private sector, organizations learned more about each other and shared information while cultural delicacies and artwork of Guam were showcased for all to see.

The children of Guam are also active during Women's History month, as they participate in a poster and essay competition in promotion of this year's theme "Celebrating Women of Courage and Vision." Elementary school children submit posters, and middle school and high school students enter essays, all of which are displayed at the Center Court at Micronesian Mall. Such an event raises early awareness on women's issues and fosters early recognition of women's contributions to Guam.

Finally, at the end of the month, the outstanding women of Guam for the year 2000 will be honored at the 7th Annual Awards Banquet at the Guam Marriott Resort. Winners from the categories of non-traditional role; grandmother; GovGuam/Federal (civil service); mother; community (local/military); and private sector will be announced. The influx of nominations illustrates that indeed the island embraces women of courage and vision.

Although this year's award recipients have not yet been named, the numerous women before them can again be recognized for paving the way in demonstrating leadership skills and commitment to our community and to our nation. For example, women in the public sector in Guam have made great strides over the past half century. They continue to be role models for our youth while encouraging political participation for all of the people of Guam.

In the Executive Branch, Lieutenant Governor Madeleine Bordallo holds the highest position held by a women in Guam, and she currently serves her second term at this important post. There are 11 out of 60 female heads of agencies, including Andrea Finona of the Guam passport Office; Sheila Torres of the Agency for Human Resources and Development; Jeanette R. Yamashita of the Chamorro Affairs Department; Isabel Lujan of the Department of Commerce, Rosie R. Tainatongo of the Department of Education; Deborah J. Bordallo of the Guam Council on the Arts and Humanities; Geraldine "Ginger" S. Underwood of the Guam Educational Telecommunication Corporation, KGTF; Taling Taitano of the Guam Housing and Urban Renewal Authority; Dr. Davina Lujan of the Guam Memorial Hospital; Thelma Ann Perez of the Guam Power Authority; and Christine K. Scott-Smith of the Guam Public Library.

In addition, 6 out of 40 deputy directors are women. They are: Rosanna San Miguel of the Agency for Human Resources and Development; Tina Muna-Barnes of the Department of Integrated Services for Individuals with Disabilities; Jamema G. Maravilla of the Guam Energy Office; Cil P. Orot of the Guam Public Library; Theresa R. Cruz of the Guam Visitors Bureau; and Aurora F. Cabanero of the Mental Health and Substance Abuse Agency.

While others have served in acting capacities, Lourdes T. Pangelian is the only woman who has served as the permanent Chief of Staff for the Governor of Guam. Another noteworthy woman is Doris Flores Brooks, a former Senator in the Guam Legislature who is the first woman to be elected as Public Auditor.

As you can see, political representation by women is encouraged on Guam. Guam law requires all Government of Guam boards and commissions to maintain at least two female members. Several key boards have female chairpersons, such as former Senator Pilar Cruz Lujan at the Guam Airport Authority; Lilian Opena at the Guam Council of Youth Affairs; Dr. Heidi San Nicolas at the Guam Development Disabilities Council; Miriam S. Gallet at the Guam Environmental Protection Board of Directors; Corina G. Ludwig at the Guam Mass Transit; Ann Muna at the Guam Memorial Hospital; Bernadita Quitugua at the Guam Museum; and Arlene P. Bordallo at the Port Authority of Guam Board of Directors.

Women's participation in the Legislative Branch has also increased over the years. The first elected female to public office was Rosa T. Aguigui of Merizo, who was elected to the Guam Congress in 1946. Since 1986, women represented nearly ⅓ of the membership of the Guam Legislature. Female membership was at its peak in 1990 seven women were elected to serve in the 22nd Guam Legislature, which consisted of 21 members. During three separate years, women were the highest vote-getters for a legislative campaign:

in 1986, Marilyn D.A. Manibusan had the most votes, in 1988, it was Madeleine Z. Bordallo; and in 1990, Doris Flores Brooks captured the largest number of votes. Female legislators that have held the highest offices are Vice Speaker Katherine B. Aguon; Legislative Secretaries Pilar C. Lujan, Elizabeth Arriola, Judith Won Pat-Borja, and Joanne Brown; and Rules Committee Chairperson Herminia Dierking.

In 1954, Largimas Leon Guerrero Untalan and Cynthia Johnston Torres were the first women to be elected to the Guam Legislature. Currently, 3 out of the 15 Members are women: Senator Joanne M.S. Brown, who is Legislative Secretary and Chairperson of the Committee on Natural Resources; Senator Lou A. Leon Guerrero, who is the Assistant Minority Leader; and Senator Judith "Judy" T. Won Pat, the Assistant Minority Whip. Past members include: Lagrimas Leon Guerrero Untalan, Cynthia Johnston Torres, Katherine B. Aguon, Carmen Artero Kasperbauer, Madeleine Z. Bordallo, Elizabeth P. Arriola, Pilar C. Lujan, Marilyn D.A. Manibusan, Hermina Duenas Dierking, Marcia K. Hartsock, Martha Cruz Ruth, Doris Flores Brooks, Marilyn Won Pat, Senator Hope A. Cristobal, Senator Carlotta Leon Guerrero, and Senator Elizabeth Barrett-Anderson, who is currently a Superior Court Judge. The highest staff position held by a female in the Guam Legislature is Deputy Director, held by Dorothy Perez.

Women have made promising gains in the Judicial Branch as well. Two out of 17 judges of the Superior Court are women: Judge Frances Tydingco-Gatewood and Judge Katherine A. Maraman. In the past, 2 our of 3 full-time Supreme Court Justices were women: Justice Janet healy-Weeks, who retired about two years ago, and the late Justice Monessa Lujan. Three out of 19 Mayors are women, including Isabel S. Haggard, who is in her fourth term as the Mayor of Piti and is also a former Vice President of the Mayor's Council; Mayor Pita Tainatongo of Merizo, who is serving her first term;a nd Concepcion B. Duenas, Mayor of Tamuning-Turnon, who is also serving her first term and is a former Vice Mayor. Three out of 5 Vice Mayors are women, including June U. Blas of Barrigada; Melissa B. Savares of Dededo; and Nancy T. Leon Guerrero of Tamuning-Turnon, who are all serving their first term.

Past female mayors include: Rossana D. San Miguel of Chalan Pago; Patricia S. Quinata of Dededo; Nieves F. Sablan of Piti; and Cecilia Quinata Morrison of Umatac. Past Vice Mayors include Doris S. Palacios of Dededo; Teresita B. Umagat of Dededo; Margaret D. Mendiola Mayor of Sinajana; and Marie S. N. Leon Guerrero of Tamuning-Tumon.

Women have also held high positions in political parties. Mayilyn D.A. Manibusan was the first and to date the only female chairperson of the Republican Party, holding office in 1986, and Priscilla Tenorio Tuncap was the first female chairperson for the Democratic Party from 1990 to 1992. Pilar Cruz Lujan was elected last year and currently serves as the Democratic chairperson. Pilar Cruz served as the Vice Chairperson of Guam's Republican Party in the past. Nationwide, Madeleine Z. Bordallo is the longest-serving national committee woman on the Democratic National Committee and has served in this capacity since the Kennedy Administration.

In addition, Antoniette Duenas Sanford is the only woman to have served as Chairperson of the Guam Chamber of Commerce, and Eloise Baza has served as the first female President of the Guam Chamber of Commerce for the last several years.

As a native Chamorro from Guam, I am proud to announce some of the "firsts" for Chamorro women, a few of which I have mentioned already. Dr. Olivia Cruz was the first Chamorro woman licensed by the Medical Licensure Board; Frances Marie Tydingco Gatewood was the first Chamorro woman judge of the Superior Court; Elizabeth Gayle was the first Chamorro woman to be civil engineer; Dr. Rosa Robert Carter was the first Chamorro woman president and the only female President of the University of Guam; Mary Inez Underwood was the first woman of Chamorro ancestry to enter the religious life; Elizabeth Barrett Anderson was the first Chamorro woman Attorney General; Rosa T. Aguigui Reyes was the first Chamorro woman elected to public office, as a member of the Guam Congress; Dr. Katherine B. Aguon was the first Chamorro woman to earn a doctor of philosophy degree and the first female vice speaker of the Guam Legislature; Cynthia Torres and Lagrimas Leon Guerrero Untalan were the first Chamorro women elected as senators, both serving in the 3rd Guam Legislature; and Asuncion Flores was the first Chamorro woman appointed member of the assembly of the Guam Congress.

These women in public service have been exemplary for the entire island and for our nation. I am truly honored to represent a district with such strong women leaders.

Historically, the women of Guam have always played an important role in Guam society. In pre-Western contact times, the Chamorro society was based on a matrilineal clan system in which women performed important and powerful roles in the lives of the people. Lineage was traced through the female line and it was the relationships via the mother which determined wealth, social standing and power. Even with the onset of Western contact which was patrilineal in nature (particularly from Spain), the Chamorro female retained much formal and informal power in Guam society. This has carried itself to the present and girls and women continue to be influential in some social settings and dominant in others. Openness to female leadership and women in influential roles have been part of the Guam scene in spite of Western contact.

We must also pay tribute to the women who I have not mentioned by name, yet who have also had a significant impact on our lives: working women, who fight for equal pay and non-discriminatory treatment; the women who stand up against domestic and family violence; the women who teach our children to become future leaders and the women who continue to learn in higher education institutions; the female community leaders who advocate for women's issues and for all important issues; lesbian women who are still fighting for the acceptance that they rightfully deserve. Last but not least, let us pay tribute to mothers, who provide love and direction so that our children are raised to become citizens with decency and values; single mothers, who make sacrifices every day so their children can live good lives; daughters, who grow up to become independent women of integrity and diligence; and wives, who provide companionship and stability.

These are the women we celebrate in March for Women's History Month, and these are the women we should celebrate all year round. I urge my colleagues to recognize Women's History Month, not only because women's history is key to American history, but because women have contributed so much to our nation through their strength, courage, and vision.

At this time, I would like to make note of the recent passing of a woman who has provided inspiration to all of the people of Guam, the Honorable Cynthia Johnston Torres. It is with a great sense of loss that we commemorate Senator Torres, a distinguished member of the Third Guam Legislature who passed away two days ago at the age of 89 on March 6, 2001.

Senator Torres is a noted figure in Guam politics. She holds the distinction of being one of the first women to be elected to public office on the island of Guam. Along with Lagrimas L.G. Untalan, the late senator was elected to serve in the Third Guam Legislature in 1954. They were the first and only women elected to the Guam's unicameral Assembly during the first ten years of civil government on Guam. Although women had previously served as appointees to the Guam Congress, an advisory board to Guam's Naval governors during the first half of the last century, Senators Torres and Untalan's election marked the first time that women would serve as "elected" representatives to the people of Guam.

Foremost among the reasons behind the candidacy of Guam's first women senators were two specific objectives—these objectives were to define the character of Guam politics in the years to come. The candidates intended to set a precedent. They wanted to have Guam's women involved in civic and political affairs. They believed that women should be independent, assertive and outspoken. The significant number of women on Guam who have since served in key positions and elected to public office demonstrates the fulfillment of this goal.

The other objective set forth in the 1954 elections was to break the concept of block voting—a practice where an "X" placed by a voter on a large box within the ballot automatically casts votes for a certain party's slate of candidates. During the elections for the First and Second Guam Legislatures, the forerunner of the Guam Democratic Party, the Popular Party, was the only major political party in existence. Members of this party had absolute control of the First and Second Legislatures. In 1954, Senator Torres' election as an independent to the legislature earned her a prominent position which ensured leadership status when the Territorial Party—the forerunner of the Guam Republican Party—was formed in 1956. Guam voters have since been known to cross party lines and cast votes for candidates they feel most qualified rather than for party affiliations.

As a member of the Third Guam Legislature, Senator Torres played a vital role in the passage of important legislation—the most notable being Public Law 42, which established trial by jury in certain cases within the jurisdiction of the District Court of Guam. In addition to a wide range of bills which codified the island of Guam's administrative and corporate procedures, the establishment of the Guam Memorial Hospital, the only civilian hospital, took effect during the Senator's tenure.

Although undoubtedly a very distinguished political figure, Senator Torres left a more distinct mark in the field of education. Born on July 27, 1911, to William G. and Agueda Iglesias Johnston, the senator took a path not much different from the ones taken by her parents. As the daughter of prominent educators, her parents' profession led her to devote her life to the field of education. Having received training in California, Senator Torres returned to Guam in 1932 to be a teacher, She married a successful local entrepreneur, Jose Calvo Torres, shortly thereafter. Mr. Torres passed away in 1946. The Senator took over his business ventures and quickly became a respected member of the local business community.

Having noted the lack of educational opportunities for Guam's handicapped children, Senator Torres decided to sell her business interests in 1958 in order to pursue a degree in elementary and special education. Upon completing her Master's Degree at the University of California in San Diego, she came back to Guam to become a consultant for the island's only school for the physically and mentally handicapped children. She later became its principal. Under her direction, the school developed and implemented educational and vocational programs which she added to the customary custodial care provided by the school to handicapped children.

She retired from government service in 1975 and, in recent years, has served the community through her involvement in civic organizations. She was a member of the University of Guam Board of Regents, the Guam Economic Development Authority, the Marianas Association of Retired Citizens. She was a co-founder and charter member of the Guam Lytico-Bodig Association, she has served as chair to the Guam Memorial Hospital's Board of Trustees and she was a past-president of the Guam Association of Retired Persons.

For all her work and accomplishments, Senator Torres was conferred numerous awards and commendations. She has received several commendations from the Guam Legislature including Resolution 282 from the 20th Guam Legislature which recognized and commended her love and service for the people of Guam. In addition, she was also awarded an honorary Doctor of Law Degree from the University of Guam in 1981 and the Distinguished Leadership Award from the American Biographical Institute for Outstanding Education.

Senator Cynthia Johnston Torres leaves a great legacy of service and devotion to the island and people of Guam. A pioneer in the field of politics and education, her endeavors and accomplishments provide inspiration to the men and women of Guam. As we mourn her passing, her perseverance and energy will forever live in our hearts.

Adios, Senator Torres, yan gof dangkalo na si Yu'os Ma'ase ginen todos I taotaon Guam. You are an inspiration to the people of Guam and to our nation. During Women's History Month and beyond, we will celebrate your life and your legacy.

THE “VETERANS AMERICAN DREAM HOMEOWNERSHIP ASSISTANCE ACT”

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. HERGER. Mr. Speaker, I rise today to join with my Ways and Means colleague Congressman KLECZKA in introducing the Veterans American Dream Homeownership Assistance Act. This very worthy legislation will help veterans in five states, including California, to achieve their dream of home ownership.

Five states—Wisconsin, California, Texas, Oregon, and Alaska—have a program in which the states issue tax-exempt bonds to finance home mortgage loans to veterans. Under a little-known provision in the 1984 tax bill, veterans living in those five states who began military service after 1976 are prohibited from receiving a state-financed veterans home mortgage.

This means that our servicemen and servicewomen who served in Grenada, Panama, and the Gulf War cannot get veterans home mortgages from their own state government while veterans who served before that time are fully eligible. Are those who began serving their country after 1976 any less deserving than their predecessors?

This arbitrary cutoff was created to raise revenue for the 1984 tax bill by limiting the use of tax-exempt bonds to finance state veterans mortgage programs. In 1984, there were very few veterans who entered service after 1976. Because of their small numbers, the affected veterans were unable to stop this unfair change in the law. But, fifteen years later, there are hundreds of thousands of veterans who have served our country honorably in that period and they are calling for a change in the law. The state veterans affairs departments believe that if this bill becomes law, they can help a great number of the post-1976 veterans purchase their own home.

Our bill will simply eliminate the arbitrary cutoff that exists under current law. Under our proposal, former servicemen and servicewomen who served our country beginning in 1977 or any other year after that will be eligible to apply for a home mortgage loan provided by their state. This legislation does not increase federal discretionary spending one cent—it simply allows the states to help their veterans own a home regardless of when they served.

Mr. Speaker, arbitrary rules in the tax code should not stop our states from helping all veterans who served our nation honorably. I urge my colleagues on both sides of the aisle to join with us in supporting this measure to assist those who have spent so much of their lives defending our freedom.

EXPANDING HOMEOWNERSHIP

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. LAFALCE. Mr. Speaker, this week, I introduced two bills designed to strengthen the Federal Housing Administration (FHA) single family mortgage loan program. The two bills, H.R. 859, the “FHA First-time Homebuyer Act” and H.R. 858, the “FHA Down Payment Simplification Act,” would expand homeownership, reduced defaults on FHA loans, and simplify the process of securing an FHA loan.

The first bill, the “FHA First-time Homebuyer Act” would pass along to first-time homebuyers the saving from HUD's recent cut in the FHA up-front loan fee into a dollar for dollar reduction in the required down payment. In addition, by conditioning this down payment reduction on a requirement of homeownership counseling, the legislation would reinstate the financial incentive for first-time homebuyers to undergo pre-purchase homeownership counseling, thus reducing default rates for these borrowers.

Late last year, HUD reduced the up-front premium customarily charged on single family FHA loans from 2.25% to 1.50% of the loan amount. However, because of a quirk in the statutory formula which sets maximum loan limits, not a single dollar of this premium reduction accrues to the borrower with respect to lowering the down payment. Thus, a major portion of the benefit of the fee reduction benefit is deferred until the loan is paid off or prepaid—which could be years or even decades later.

My legislation would allow 100% of the recently announced FHA fee reduction to be passed along to a first-time homebuyer in the form of a reduced down payment. This will have the effect of reducing a borrower's down payment by as much as $1,755, depending on the loan size. Reduced down payments will make it easier for young families to buy a home.

Moreover, this down payment reduction will not pose a risk to the FHA single family mortgage fund, since maximum loan-to-value levels, even with this change, will not be any higher than they were prior to last year's fee reduction. In practice, the legislation would have the effect of reducing defaults, because the lower down payment option is conditioned on the borrower competing a course in homeownership counseling.

The second bill, the “FHA First-time Homebuyer Act” would make permanent the temporary FHA down payment simplification formula, which is scheduled to expire in December of next year. The FHA down payment simplification formula is widely considered to be a tremendous improvement over the confusing, two-part down payment formula that preceded it.

Unfortunately, our recent practice of providing only a periodic extension of this improved down payment formula has resulted in unneeded uncertainty. Lat year, as its interim status was about to expire, the FHA Commissioner was forced to issue a clarification that loans closed before October 1, but insured after October 1 were eligible for the simplified treatment. Subsequently, Congress was forced to step in to pass a stop-gap 30-day extension, and then a further 26 month extension of the simplified formula, through December, 2002. A permanent extension, supported by the major real estate organizations, would avoid these periodic crises.

FHA is an effective program which helps middle class and low-income families buy a home, and makes a $2.4 billion annual profit for the government. These two bills will make it even better.

SOUTH BAY WOMEN'S SUMMIT

HON. JANE HARMAN

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 8, 2001

Ms. HARMAN. Mr. Speaker, in honor of International Women's Day, I would like to highlight an event occurring in California's 36th District in April. To recognize women throughout my district, the Women's Coalition South Bay is sponsoring the South Bay Women's Summit.

This Summit will give us the opportunity to discuss issues important to women around the world, such as workplace and pay equity and improved childcare.

Mr. Speaker, another critical issue that will be discussed is reproductive choice. I respect every woman's personal decision on choice, and feel strongly that Congress should not dictate to women how that choice should be exercised. This right is coming under attack around the world, and here in the United States. The South Bay Women's Summit will give women the chance to talk about ways we can protect this right, including ensuring access to Mifepristone and allowing U.S. funding of overseas family planning clinics.

The women of the South Bay provide networking opportunities, a shoulder to lean on, and the chance to relax with good friends. I am proud to be participating in the South Bay Women's Summit, which will illuminate issues that deserve our attention, and provide a framework for future action.

OUR SERVICEMEN DESERVE MORE

HON. JO ANN DAVIS

OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 8, 2001

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I rise today to address the needs of our servicemen. Often, we will hear that our servicemen require a pay raise. That is absolutely true, however, not for the reasons usually cited. They simple deserve it.

Mr. Speaker, over the past several months I have had the opportunity to visit the military bases in my district and to speak with many of the junior solders, sailors, and Marines about their service. Without hesitation, they have all told me that they love serving the country, but are frustrated by the constant deployments, poor housing, and a constant lack of spare parts.

I realize that we have addressed some of these problems, but we have much more to do. If we do not more fully address them, we will shortchanging not only ourselves, but actively endangering our grandchildren. However, the issue remains, our servicemen deserve more.

Mr. Speaker, I am proud to say that our President has forwarded a budget that will allow us to substantively increase our servicemen's pay and benefits. This is good for the present, however, more needs to be done in the long term.

The realities are ugly. Our servicemen are underpaid. Furthermore, over the past several years, we have set military pay .5% below the Employment Cost Index. This was wrong. It shouldn't have happened. But worst of all, it treats our servicemen as second-class citizens. While civil service has never paid as much as the civilian sector, we should at least ensure that those who provide the most important civil service, defense of our nation, the same level of compensation as other government employees.

This is an issue of justice, and an issue of fundamental fairness. It is not acceptable to ignore this issue any longer.

Mr. Speaker, now I realize that this is something that cannot be solved overnight. However, it is an issue that we must address for the future. For, if we continue to treat our soldiers, sailors, airmen and Marines in such a manner, they will eventually realize that our servicemen will vote with their feet.

While they won't rank it first among their problems, our servicemen do cite this injustice. But, let me take a minute to cite why this is even more urgent. Our services, with our encouragement, have fundamentally transformed to become more family friendly. As a result, the pressure on many servicemen increases when they are forced to move overseas. Oftentimes, their spouse is unable to find employment, and as result, these families lose a significant part of their income.

Mr. Speaker, families are a force multiplier when you deal with an all volunteer force. They are a motivator and an integral part of our defense strategy. Because of this, we must address inadequate pay. The time has come. We need to address this now and for the future. We have waited too long.

We must raise our servicemen's pay.

TRIBUTE TO LARRY MAZZOLA

HON. NANCY PELOSI

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 8, 2001

Ms. PELOSI. Mr. Speaker, I rise to pay tribute to a great San Francisco leader, Larry Mazzola, for his years of dedicated service to the community. The Bay Area Union Labor Party is honoring Larry, and it is my privilege to join them in praising this outstanding San Franciscan.

When Larry entered the workforce in 1961, he began as an apprentice in the UA. Upon his graduation, he became an Assistant Apprenticeship Coordinator. Working with the UA's Local Union 38 in San Francisco, he became a Business Agent in 1972. By 1980 he had risen to be Business Manager of Local 38 as his father had before him. In addition to his responsibilities as Business Manager, he currently serves on the UA's General Executive Board.

Outside of his work with the UA, Larry has been active in a broad array of positions in the labor movement. For more than twenty years, he has served as the President of the San Francisco Building and Trades Council and serves on the Executive Committee of the San Francisco Labor Council. In both of these roles, Larry's leadership has helped to unify and develop San Francisco's labor movement. Larry has also been a member of the advisory board of San Francisco Community College's Labor Studies Program since 1972.

Larry has also twice served as an official for the City and County of San Francisco. He has brought a consistently thoughtful voice to his service on the San Francisco Airport Commission since his appointment in 1994. From 1993–1995, he served with distinction as a Commissioner on the San Francisco Recreation and Parks Commission.

Not only has Larry given much of his own life to the labor movement, but he has givenit the next generation of leadership as well. As he once followed in his father's footsteps, Larry's sons are now following in his. Larry Jr. is now the Business Agent for UA Local 38 and Stephen is the Assistant Apprenticeship Coordinator.

Larry Mazzola has been an outstanding leader for San Francisco. His work in the labor movement and in the community has earned him the respect and appreciation of our City. I join his mother, Vera; his wife, Stephanie; and his children, Lori, Larry Jr., and Stephen in Congratulating him on this award.

IN HONOR OF SADIE VILENSKY'S 103RD BIRTHDAY

HON. LORETTA SANCHEZ

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 8, 2001

Ms. SANCHEZ. Mr. Speaker, today I pay tribute to a very prominent and inspirational woman on her 103rd birthday—Sadie Vilensky.

Sadie was born on March 8, 1898, in Henry Street Hospital in New York City, New York. She and her family moved to Jersey City, New Jersey in 1904. As a beautiful, young woman (she still is today), she married and moved with her husband to Scranton, Virginia in 1922. In 1929, she and her husband moved with their son and daughter to Los Angeles, California where they reside today.

In the 1930's Sadie and her family joined the Beth Jacob Synagogue, an orthodox sect of the Jewish religion. She served as the secretary to the Sisterhood for many years. Today, she is the oldest member of the synagogue. Her other affiliation is with the Jewish War Veterans Ladies Auxiliary. Sadie served in many offices in the organization include being elected President of Auxiliary #66.

During the 1940's Sadie was an office manager of the Mount Sinai Hospital Clinic which is now Cedars-Sinai Medical Center. The hospital is a cancer treatment center for the terminally ill. Throughout the 1950's and 1960's, Sadie opened the Los Angeles Council of Mizrachi Women of America which is part of the Jewish Federation. The Los Angeles Council is the Israelis' official network for religious, secondary, and technical education. Under her guidance as the Executive Secretary, the Council assisted over 14,000 Israeli children throughout a network of 55 schools, children's homes and youth villages throughout Israel.

Just before Sadie retired in the early 1970's, she was recognized for her years of commitment and service to the Jewish Federation, the Los Angeles Council of Mizachi Women of America, by being named Honorary Executive Secretary. Her national office then asked her to lead a tour of 36 men and women for a three-week Passover Tour. Sadie proclaimed that "[the trip] fulfilled a dream of a lifetime."

Sadie is an incredible woman who has served the community in many exceptional ways. She is a beautiful, strong, and very inspirational woman who is young at heart and full of the spirit of life. Colleagues, please join with me today in wishing a very Happy Birthday to Sadie Vilensky.

HONORING THE ULTIMATE SACRIFICE MADE BY 28 UNITED STATES SOLDIERS KILLED DURING OPERATION DESERT STORM

SPEECH OF

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 2001

Mrs. WILSON. Mr. Speaker, I support H. Con. Res. 39, a resolution that honors the ultimate sacrifice made by 28 United States soldiers killed by an Iraqi missile attack on February 25, 1991, during Operation Desert Storm, and resolving to support appropriate and effective theater missile defense programs.

I was delayed from making it to the House floor last week and unable to record my vote in favor of H. Con. Res. 39 due to airline problems and delays.

ALTERNATIVE EDUCATION FOR SAFE SCHOOLS AND SAFE COMMUNITIES ACT OF 2001

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. KILDEE. Mr. Speaker, today I am introducing the Alternative Education for Safe Schools and Safe Communities Act of 2001. This legislation will assist States and school districts in their efforts to fund alternative education programs and services for students who have been suspended or expelled from school and reduce the number of suspensions and expulsions. This legislation will provide our schools with an important tool in their efforts to ensure safer schools and safer communities while providing vital educational opportunity.

Presently, numerous students are suspended or expelled from school annually. Regardless of the reason these students received a suspension or expulsion—disruptive behavior, verbal abuse, a violent act—they are often left to fend for themselves without any educational services, or worse yet no supervision or guidance. The loss of educational services for these students is a destructive force to their chances to advance academically, be promoted from grade to grade, or to resist the temptation to drop out of school. In addition, students not in school and without any supervision can bring the problems which necessitated their suspension or expulsion to the community—increasing juvenile delinquency and possibly other violence and crime.

Under the Gun-Free Schools Act, schools are required to expel a student for one-year if they bring a firearm to school. In school year 1997–1998, that amounted to 3,507 expulsions. Unfortunately, fewer than half of these students were referred for alternative education placements. In fact, students expelled for firearm violations often do not receive education services through alternative programs or schools. This lack of continuing education and supervision may put the community at risk of gun violence from these children.

While there are times when students may need to be removed from their school due to behavior, whether violent or non-violent, little is accomplished by risking their academic future through a lack of educational services. This legislation will promote alternative placements for suspended or expelled students so the problems they brought to school do not become problems of the community. The legislation would also require school districts to reduce the numbers of suspensions or expulsions of students. I would like to make it clear that this program's funding should not make it easier to remove students from the classroom in greater numbers, but rather should enhance the ability of school districts to provide continuing educational services for the students they do remove from the classroom.

. Specifically, the Alternative Education for Safe Schools and Safe Communities Act of 2001 would authorize $200 million to assist school districts in reducing the number of suspensions and expulsions and establishing or improving programs of alternative education for students who have been suspended or expelled from school. Additional specifics of the program include:

States would receive allocations based on the amount of Title I, Part A dollars they receive. States would then distribute 95 percent of this funding to local school districts.

School districts would use funding to both reduce the number of suspensions and expulsions and establish or develop alternative education programs.

Students participating in alternative education programs would be taught to challenge State academic standards.

Students would be provided with necessary mental health, counseling services and other necessary supports.

States and school districts would be required to coordinate efforts with other service providers including public mental health providers and juvenile justice agencies.

School districts would have to plan for the return of students participating in alternative education programs to the regular educational setting, if it is appropriate, to meet the needs of the child and his or her perspective classmates.

School districts would have to meet continually increasing performance goals to maintain funding. These performance goals include: reductions in the number of suspensions and expulsions, reduction in the number of incidents of violent and disruptive behavior, and others.

The Department of Education would be required to identify or design model alternative education programs for use by school districts and then disseminate these examples of "best practices."

The future of all our children is too critical to allow those who have been suspended or expelled from school to become the future burdens on our social welfare system, or to have the disruptive and unsafe acts they did in schools take place in the greater community. I urge Members to cosponsor this legislation.

GUAM'S 480TH ANNIVERSARY OF DISCOVERY DAY

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. UNDERWOOD. Mr. Speaker, Ferdinand Magellan, one of the world's most famous explorer's, who also became known as the first European to circumnavigate the Earth, landed on Guam on March 6, 1521. In observance of this landing, the people of Guam celebrate Discovery Day. This past Tuesday, March 6, 2001, Guam celebrated the 480th year anniversary of Discovery Day.

When Ferdinand Magellan landed on Guam, he brought with him a crew dying of starvation and suffering from scurvy. The Chamorro people, the indigenous people of Guam and the original inhabitants of the island, welcomed the explorer and his crew to the shores of Guam and extended their hospitality. They replenished their water supply, restocked the ship with fresh fruits, vegetables and other food items the explorer and his crew needed.

It is important to know that prior to Ferdinand Magellan landing on Guam, the Chamorro people lived a communal life. When someone extended a lending hand, reciprocity was an unspoken understanding among the Chamorro people—to ask for something that one needed was not viewed the way someone from the western world would view it. An islander did not need to ask, they simply went to their neighbor and took what they needed. In western society this would be seen as stealing, in the ancient communal society this was seen as sharing. Everybody owned everything and shared whatever they had with others in the community—nobody was left to want for anything. This was a structured and a highly organized society with a people who had customs and beliefs of their own, were excellent craftsmen, fishermen and seafarers.

Historians are not clear on the exact date or reason the ensuring event took place, but to punish the Chamorro people for taking his skiff, Magellan killed several Chamorro male villagers and burned many of their homes. It may have been that the Chamorro people only expected reciprocity for their hospitality and as seafarers they were curios in the skiff. It may also have been the lack of knowledge and understanding of a different society's structure and beliefs that led to Magellan punishing the people of Guam. What the Chamorro people believed as payment for their hospitality was more than likely viewed as theft from the perspective of Magellan and his crew. Soon after this unfortunate event Magellan and his crew left.

It seems ironic that Guam would celebrate a day which actually led to death and destruction on the island, and it seems ironic that Guam would celebrate a day alleging its discovery, when in fact, Guam was not a desolate island; it was a populated island, with organized societal structures and a full and robust civilization.

The commemoration of Magellan's visit is now ironically merged with the celebration of Guam's native culture. During the month of March schools, businesses, and community organizations take the time to reflect upon the meaning, the spirit, and the survival of the Chamorro people. As one of the originators of the celebration in Guam schools, I take great pride in acknowledging the spirit of self-renewal and self-discovery which Guam is currently undergoing. I also must take note of the historical disaster which befell the Chamorro people of Guam as a result of contact with the Europeans. In the century after Magellan, Spainish missionaries decided to settle the Mariana islands. As a result of this decision, war and disease reduced the native population by an estiamted 90 percent. Miraculously, the people survived so that their descendants, I among them, can proudly say 'we survived.'

A great Chamorro leader of the 17th century saw the meaning of colonialism and the physical, as well as mental, consequences of domination. hurau is commemorated in history as having made a speech to his warriors. I want his speech to be inserted in the RECORD so that his generation of Chamorros can be remembered for their heroism, and so that future generations of Chamorros will be reminded of his herosim, and so that all Americans will become knowledgeable of the history and trials of a great people.

A great Chamorro leader of the 17th century saw the meaning of colonialism and the physical, as well as mental, consequences of domination. Hurau is commemorated in history as having made a speech to his warriors. I want his speech to be inserted in the RECORD so that his generation of Chamorros can be remembered for their heroism, and so that future generations of Chamorros will be reminded of this heroism, and so that all Americans will become knowledgeable of the history and trials of a great people.

HURAU'S SPEECH TO HIS WARRIORS

The Europeans would have done better to remain in their own country. We have no need of their help to live happily. Satisfied with what our islands furnish us, we desire nothing else. The knowledge which they have given us has only increased our needs and stimulated our desires. They find it evil that we do not dress. If that were necessary, nature would have provided. They treat us as gross people and regard us as barbarians. But do we have to believe them? Under the pretext of instructing us they are corrupting us. They take away from us the primitive simplicity in which we live. They dare to take away our liberty which should be dearer to us than life itself. They try to persuade us that we will be happier and some of us have been blinded into believing their words. But can we have such sentiments if we reflect that we have been covered with misery and maladies ever since these foreigners have come to disturb our peace? Before they arrived on the island we did not know insects. Did we know rats, flies, mosquitoes and all the other little animals which constantly torment us? These are the beautiful presents they have made to us. And what have their floating machines brought us? Formerly we did not have rheumatism and inflammations. If we had sicknesses we had remedies for them. But they have brought us their diseases but do not teach us the remedies. Is it necessary that our cupidity and evil desires make us want to have iron and other bagatelles which only render us unhappy? The Spaniards reproach us because of our poverty, ignorance and lack of industry. But if we are poor, as they claim, then what do they search for here? If they didn't have need of us, they would not expose themselves to so many perils and make such great efforts to establish themselves in our midst. For what purpose do they teach us except to make us adopt their customs and subject ourselves to their laws and lose the precious liberty left to us by our ancestors? In a word they try to make us unhappy in the hope of an ephemeral happiness which can be enjoyed only after death.

They treat our history as fables and fictions. Haven't we the same right concerning that which they teach us as incontestable truths? They abuse our simplicity and good faith. All their skill is directed towards tricking us; all their knowledge tends only to make us unhappy. If we are ignorant and blind, as they would have us believe, it is because we have learned their evil plans too late and have allowed them to settle here. Let us not lose courage in the presence of our misfortune. They are only a handful. We can easily defeat them. Even though we don't have their deadly weapons which spread destruction all over, we can overcome them by our number. We are stronger than we think and we can quickly free ourselves from these foreigners and regain our former freedom.

I take the opportunity to bring this historical background to the House in order to provide the basis of understanding for legislation I recently introduced, H.R. 308, An Act to Establish the Guam War Claims Review Commission, and a House Concurrent Resolution, A Resolution to Reaffirm the Commitment of the United States to help Guam achieve full Self-Governance, I will soon introduce.

After more than four centuries of colonial rule, Spanish, Japanese, and American, the people of Guam are entering a new world of self-discovery. Discovery by others is not nearly as important as discovery of one's self, definition by others is meaningless if you cannot initially define yourself, and determination of your future pales in significance to self-determination. Guam, in full partnership with the United States, and in strong desire to remain an integral part of the United States, is now undergoing a process of self-discovery, self-definition, and self-determination. This process will eventually wind its way through this body and call upon each and everyone of us, not only to treat with respect the experiences of the people of Guam, but to fully apply the best principles of democracy and fair play which makes America the great Nation that she is.

In the coming weeks, I will explain in greater detail H.R. 308, the Guam War Claims Review Commission and the Concurrent Resolution that reaffirms the United States Commitment to help Guam achieve full-self-governance. Both of these proposals seek justice for the people of Guam and true democracy and fair play as unique members of the American family.

In conclusion, I must believe that the people of Guam celebrate Discovery Day to recognize our rich culture and understand our unique history. This will enable us to understand how we are perceived and allow us to articulate our true history so that we, along with the United States, in this New World order era, can redefine and maintain our strong relationship, and allow Guam to a greater voice in how Guam is governed.

SENATE—*Friday, March 9, 2001*

The House was not in session today. Its next meeting will be held on Monday, March 12, 2001, at 2 p.m.

The Senate met at 10:01 a.m., and was called to order by the Honorable JAMES M. JEFFORDS, a Senator from the State of Vermont.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Sovereign of history, we join with Jews throughout the world in the joyous celebration of Purim. We thank You for the inspiring memory of Queen Esther who, in the fifth century B.C., threw caution to the wind and interceded with her husband, the King of Persia, to save the exiled Jewish people from persecution. The words of her uncle, Mordecai, sound in our souls: "You have come to the kingdom for such a time as this."—Esther 4:14.

Lord of circumstances, we are moved profoundly by the way You use individuals to accomplish Your plans and arrange what seems like coincidence to bring about Your will for Your people. You have brought each of us to Your kingdom for such a time as this. You whisper in our souls, "I have plans for you, plans for good and not for evil, to give you a future and a hope."—Jeremiah 29:11.

Grant the Senators a heightened sense of the special role You have for each of them to play in the unfolding drama of American history. Give them a sense of destiny and a deep dependence on Your guidance and grace.

On Purim, we renew our commitment to fight against sectarian intolerance in our own hearts and religious persecution in so many places in the world. This is Your world; let us not forget that "though the wrong seems oft so strong, You are the Ruler yet." Amen.

PLEDGE OF ALLEGIANCE

The Honorable JAMES M. JEFFORDS led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 9, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JAMES M. JEFFORDS, a Senator from the State of Vermont, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. JEFFORDS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized.

SCHEDULE

Mr. HATCH. Mr. President, today the Senate will immediately resume consideration of S. 420, the Bankruptcy Reform Act. There are several amendments pending, and others are expected to be offered. Any votes ordered during today's and Monday's session will be scheduled to occur on Tuesday, at 11 a.m. Senators with amendments are, again, encouraged to come to the floor today and Monday to offer their amendments. As previously announced, it is hoped that all action on this bill can be completed by midweek next week. I thank my colleagues for their cooperation.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BANKRUPTCY REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 420, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Schumer amendment No. 25, to ensure that the bankruptcy code is not used to exacerbate the effects of certain illegal predatory lending practices.

Feinstein amendment No. 27, to place a $2,500 cap on any credit card issued to a minor, unless the minor submits an application with the signature of his parents or guardian indicating joint liability for debt or the minor submits financial information indicating an independent means or an ability to repay the debt that the card accrues.

Leahy amendment No. 20, to resolve an ambiguity relating to the definition of current monthly income.

Conrad modified amendment No. 29, to establish an off-budget lockbox to strengthen Social Security and Medicare.

Sessions amendment No. 32, to establish a procedure to safeguard the surpluses of the Social Security and medicare hospital insurance trust funds.

Mr. REID addressed the Chair.

The ACTING PRESIDENT pro tempore. The assistant minority leader is recognized.

Mr. REID. Mr. President, I see the manager of the bankruptcy bill coming on the floor. If there are matters dealing with bankruptcy that the Senator wants to take care of at this time, I will be happy to yield to him. I know Senator CONRAD wishes to speak some time this morning.

I yield to my friend from Utah.

The ACTING PRESIDENT pro tempore. The senior Senator from Utah.

Mr. HATCH. Mr. President, we are now on the 4th day of debating the bankruptcy reform legislation. Yesterday we were given a list of some 100 Democratic amendments to this bill. If Members are serious about their amendments, then I ask that they come down and offer them, and that they do so now, so we can see the actual text and avoid any further undue delays and move forward with this much needed reform legislation. There may be one or two amendments on our side, but I do not think much more than that. So it comes down to getting our friends on the other side to come and offer their amendments and we will go from there.

I understand Senator CONRAD will be here in a few minutes to speak to one of his amendments. With that, I yield back to the senior Senator from Nevada.

Mr. REID. Mr. President, I say to my friend, the senior Senator from Utah, I thought we made headway yesterday, with the majority leader, where he indicated he thought it was important that we work our way through these amendments. He and Senator DASCHLE thought that was the best way to proceed. I agree.

They have a goal of finishing this bill next week. There are other matters because of calendar obligations that we have that must be taken up the following week. I think we can work our way through these amendments.

I agree with my friend from Utah, the manager of this bill, that we should move on some of these amendments. We have all day today and all day Monday. After Monday there are going to be people saying: I don't have time to debate this. I don't have time to offer this. Here are 2 full days uninterrupted. They can talk as long as they want. So I hope we can have some of these amendments offered.

Mr. President, I recognize that Senator CONRAD will be here shortly. With the consent of my friend from Utah, I ask unanimous consent to proceed, for the purposes of introducing a bill, as in morning business.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. REID. I say to Senator HATCH, I will, with your permission, until Senator CONRAD gets here, be as in morning business to introduce a bill.

Mr. HATCH. Fine.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. REID pertaining to the introduction of S. 503 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. REID. Mr. President, I know my friend from North Dakota is going to address the Senate on a very important amendment. But I wanted to say—for I have not had an opportunity publicly for some time—that Senator CONRAD and I came to the Senate together; we were elected in 1986. We both had tough, hard-fought elections, and we were grateful for the people of our respective States allowing us to serve in the Senate. We have gotten to know each other very well in the years since 1986.

I have been in public life all my adult life—they were all part-time jobs until I came here in 1982 to the House of Representatives—so I have seen a lot of people and worked with people in many different capacities in government. During my career, I have never known anybody who has a better grasp of finances than KENT CONRAD. He not only understands them, but he can articulate them. I speak for the entire Democratic caucus, and I think most Republicans, in indicating how good he is and how well he understands numbers. The people of North Dakota and this country are so fortunate to have someone who understands money. It is easy to understand the more sexy issues, for lack of a better description, such as crime and punishment and education. But money is hard to explain. Dollars are hard to explain. Budgets are hard to explain. Taxes are hard to explain.

I repeat that I have never known anybody in my career who better understands and can better express himself in his understanding than KENT CONRAD.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank my colleague for nice, kind words this morning. I appreciate that. I rise this morning to talk about what I think is a very important amendment. It is an amendment I offered yesterday to provide protection to the trust funds of Social Security and Medicare. We call it the Social Security and Medicare off-budget lockbox. It is designed to save both the trust funds of Social Security and Medicare.

Mr. President, this is critically important because it is right at the heart of the debate that is going to occur this year over our budget priorities. My Social Security and Medicare lockbox amendment protects Social Security surpluses in each and every year, takes the Medicare Part A trust fund off budget, gives Medicare the same protections as the Social Security trust fund, and it contains strong enforcement provisions.

This is the amendment we voted on last year on the floor of the Senate. We had 60 votes, a strong bipartisan vote, to protect both the Social Security trust fund and the Medicare trust fund.

Speaker HASTERT, in speaking on a bill offered in the House said:

> We are going to wall off Social Security trust funds and Medicare trust funds . . . and consequently, we pay down the public debt when we do that. So we are going to continue to do that. That's in the parameters of our budget and we are not going to dip into that at all.

In other words, the Speaker is endorsing the principle, at least, of what is contained in this amendment, this legislation. Unfortunately, if you look at the lockbox they passed in the House, it has a giant trapdoor. It is not really protecting the two funds, the Social Security and the Medicare trust fund. I think we can do better here in the Senate. We did last year, and I think we can again this year.

Really, what they passed is what I call a "leaky lockbox." It doesn't really protect Social Security and Medicare trust funds because it has a big exception that will allow them to be used for other purposes, to be used for new commitments for Social Security and Medicare.

I think all of us know we need the Social Security and Medicare trust funds to keep the promises that have already been made. We have additional challenges, no question about that. We have a long-term challenge of Social Security that will not be solved even by saving every penny of the trust fund. We are going to have to put more money into it. But I don't believe we should set those funds up to be raided for any other purpose.

Some will say if you save the Social Security and Medicare trust funds, you are going to build up cash, and then the Government will have to figure out what to do with that cash. Let me just say that we have done a detailed cashflow analysis. You can save every penny of the Social Security and Medicare trust funds and have no buildup of surplus cash until the year 2010—2010 is 9 years from now. That gives us plenty of time to adjust to that, if indeed it begins to happen.

If these forecasts that have been made actually develop, if we actually see them coming true, we will have plenty of additional time to adjust.

I go back to a statement made by a fellow Budget Committee member, Senator PHIL GRAMM of Texas, who is also on the Finance Committee. He said, back in 1998, in the Budget Committee deliberations:

> But the fundamental strength of it is, whether they are Democrats or Republicans who have gotten together in these dark corners of very bright rooms and said, what would we do if we had a half trillion dollars to spend? The obvious answer that cries out is Medicare. I think it is logical. People understood the President on save Social Security first, and I think they will understand save Medicare first. Medicare is in crisis. We want to save Medicare first.

What we are saying in this legislation is, we want to save Social Security and Medicare. We ought to treat the trust funds of Social Security and Medicare in the same way. We ought to protect them both, give them the same protections. We don't in current law. In current law, we give much more protection to the Social Security trust fund than we do the Medicare trust fund.

We all know the Medicare trust fund is in greater danger; we face insolvency in a more recent timeframe than we do with Social Security. So what we are saying is, let's protect them both. That just makes common sense.

The chairman of the Budget Committee said this at that same time back in 1998:

> For every dollar you divert to some other program, you are hastening the day when Medicare falls into bankruptcy and you are making it more and more difficult to solve the Medicare problem in a permanent manner into the next millennium.

That is absolutely right. The chairman of the Budget Committee was right then, and this same sentiment is right now. We should not raid the Medicare trust fund for other purposes. That hastens its insolvency.

Let me say the proposal the Republicans have made that will be the competing proposal to what I have offered, which will be voted on on Tuesday, I refer to as the "Republican broken safe." Under the President's budget plan that he has sent us, not a penny is reserved for the Medicare trust fund, not a penny. That is kind of startling and almost hard to believe, but it is true.

So their broken safe has a wide open door on it. It has a wide open door because the President doesn't reserve any money for the Medicare trust fund. It has a wide open door because the proposal that has come over from the House is very leaky. It has a huge, "we will protect the Medicare trust fund, unless we don't." That is not going to work, or sell, and it should not because it is not right.

One of the reasons this proposal is necessary is because, if you look at the President's budget proposal, it simply does not add up. As I have gone through the numbers and tried to determine the President's plan and the effect of the President's plan, here is what I have found: The projected surplus is $5.6 trillion. That is what the CBO says and what the OMB says, and we all know that is a 10-year forecast, and we all know it is highly uncertain. We all know there is only a 10-percent chance that is really going to come true. The people who made the forecast told us there is a 45-percent chance it will be greater than that. There is a 45-percent chance it will be lower than that.

That counsels to many of us that we ought to use caution here. The President says the Social Security trust fund is $2.6 trillion out of that $5.6 trillion. His documents say the Medicare trust fund is $500 billion of that $5.6 trillion.

If you subtract out the Social Security and the Medicare trust funds, you wind up with an available surplus of $2.5 trillion.

If we look at the cost of the Bush tax cut, here is what we find. It has been advertised as a tax cut of $1.6 trillion, but when the House considered parts of the President's tax cut, they reestimated the cost, and they increased the cost by over $100 billion. For just part of what the President has proposed, they have increased the cost by over $100 billion.

Part of that is moving up the effective date. Part of it is a reestimate of the true cost of parts of the President's proposal. Instead of a $1.6 trillion tax cut, it is a $1.7 trillion tax cut.

In that same reestimate done for the House, we learn that there is a very serious problem that will be created or made worse by the President's proposal, and that is the alternative minimum tax. The alternative minimum tax today affects about 2 million taxpayers. The Joint Tax Committee has now told us if we pass the President's plan, the alternative minimum tax will affect not 2 million people, but over 30 million people.

Let me repeat that. The Joint Tax Committee has now told us that if we pass the President's tax plan, it will affect not 2 million people in the alternative minimum tax, which is currently the case, but over 30 million people, and that it will cost $300 billion to fix it.

That has to be added to the President's plan. It is not in the President's plan. It is not there, but this is made more necessary by the President's plan, and it will cost $300 billion to fix.

The interest cost associated with this tax cut and the alternative minimum tax reform is another $500 billion because anytime you spend money or cut taxes, that means you have greater interest costs and the interest cost associated with that tax cut and the alternative minimum tax reform that it makes more necessary is $500 billion.

Then we have the President's spending initiatives over the baseline. That is $200 billion. If you add up the President's tax cut, his spending initiatives, it is $2.7 trillion, but if you are protecting the Social Security and Medicare trust funds, you only have $2.5 trillion available. He is, by my calculation, $200 billion in the hole already and counting, and it will be more because we have yet to have the estimate of what his estate tax elimination costs. We can be confident it is going to be far higher than the previous estimate because of the economic changes that have occurred in the interim.

They have not reestimated his marriage penalty proposal, which we know is going to be higher, again because of changes that have occurred in the economy since the previous estimate. This is before any defense initiative sent forward by the President. Does anybody in this Chamber not believe the President is going to send up a major defense initiative next year? We all know he is. I personally believe he should. I think we are going to need more money in defense, but it does not end there.

Some of the tax extenders are included in the President's baseline; others are not. We all know the provisions that affect energy are going to be extended in the Tax Code. There is a cost to that. That is not in these calculations, and it does not stop there because we now know the President's prescription drug proposal is badly deficient in terms of the resources he has dedicated to a prescription drug benefit.

The Republican chairman of the Finance Committee said to us the number is going to have to be much higher to have a serious prescription drug benefit; it is going to be much higher than what is in the President's budget. The President has $153 billion in his estimate for a prescription drug benefit. The Congressional Budget Office is telling us the estimates on all the prescription drug proposals are being increased by about one-third because of new information on what is happening to the cost of pharmaceuticals.

I am saying this to my colleagues and I am saying this to anybody who is listening because when you add these things up, the President's proposal simply does not make it. There is this tremendous gap between what is available if we are protecting the Social Security and Medicare trust funds and what is being used. In fact, it is very clear that the President is using all of the non-trust-fund money for his tax cut and its related expenses.

It is clear, I just do not know how any of this can be in any serious question. We all agree on the projected surplus, and I think most of us understand it is highly uncertain. It is a 10-year number. The forecasting agency itself has told us it is highly uncertain. This is the President's own number for the Social Security trust fund. This is his number for the Medicare trust fund.

The Bush tax cut—this is the reestimate done on the House side of just part of his plan, and it added $100 billion to the $1.6 trillion that has been so much discussed. We know there is an interest cost associated with any tax cut or any spending proposal. The spending initiatives of the President are not in dispute. It is $200 billion above the so-called baseline.

The only question there can be of these figures is this one, fixing the alternative minimum tax. The President has not included it in his plan, but it is clearly made necessary by his plan. We cannot take 2 million people who are currently caught up in the alternative minimum tax and have it affect 30 million people. That will never be tolerated in this country, and it should not be. It would be unfair for 30 million taxpayers. And they are not saying 30 million, they are saying substantially in excess of 30 million people will be caught up in the alternative minimum tax if the Bush tax cut proposal is passed. It costs $300 billion to fix. That is not Kent Conrad's number. That is the number of the Joint Committee on Taxation.

There is something else people should know in this Chamber that I call the dirty little secret of the President's budget proposal. The President's budget is in deficit in the year 2005 if he does not raid the Medicare trust fund. The reason I believe his proposal does not protect the Medicare trust fund is that he needs the money in the year 2005 to avoid being in deficit.

These are the numbers from his proposal. What they show is that in the year 2005, the President's budget is in deficit unless he is using the full Medicare trust fund surplus. Some of us believe that is a profound mistake, that that is not a place we should go; we should not raid the Social Security trust fund surplus for any other purpose; we should not raid the Medicare trust fund for any other purpose; we should hold those funds for the purposes intended. We should protect the Social Security trust fund. We should protect the Medicare trust fund. We should not allow them to be raided for any other purpose.

This year, certain Republicans have asserted there is no trust fund surplus in Medicare. It is a bizarre argument, is the only thing I can say. Their argument is there is a Part A trust fund to Medicare and there is a Part B trust fund. They say the trust fund of Part A is in surplus by $500 billion. They say the Part B surplus is in deficit.

As I said yesterday, there is no Part B trust fund deficit. There is none.

They are arguing there is a surplus in Part A, there is a deficit in B, so let's not count the trust funds at all in Medicare.

What a bizarre argument. No. 1, they are factually wrong. There is no deficit over the 10 years in Part B. I direct them to page 19 of the Congressional Budget Office report. Page 19 of this report, available to every Member of Congress, makes it very clear in table 1. It is titled "Trust Fund Surpluses." First is Social Security. We all know Social Security has a trust fund and it is in surplus. That is, it is in surplus during this period of time. It is needed when the baby boomers start to retire. So "surplus" is a little misleading. It is in surplus temporarily, but it is committed to future liability.

The next trust fund mentioned is the Medicare trust fund's Part A. The Congressional Budget Office showed over a $400 billion surplus. Their numbers are somewhat different from the President's numbers. The President has an even larger surplus in trust fund Part A. He has a $500 billion surplus.

In Part B, where some are claiming it is in deficit, the Congressional Budget Office shows very clearly there is no deficit over the 10-year period in Part B, it is roughly in balance.

The argument that some on the other side are making is, since only 25 percent of the Part B trust fund is for premiums and 75 percent comes from the general fund, that means it is in deficit. That isn't what the law says. That isn't what the actuaries say. That isn't what the Congressional Budget Office reports. They report the Part A trust fund is in surplus. They report that the Part B is in balance over the 10-year period. There is no justification for making the claim that if you put the two together there is no surplus at all, because there clearly is.

Even if there weren't, if there were a deficit in Part B, what earthly sense would it make to move the Part A trust fund surplus to a category called "undesignated," called "contingency fund" in the President's plan? That is what he has done. He has taken all of the Medicare trust fund money and moved it from a committed category, a trust fund category, to an undesignated category, a category available for every other kind of spending.

In my State yesterday, he stated he has this fund, this uncategorized fund, this undesignated fund, and if you need more money for agriculture, go to that fund. It is kind of the magic asterisk.

There is no such fund. There is no such fund unless you raid every penny of the Medicare trust fund. If somebody does it, they will be held to account, because some of us are going to tell the truth and we are going to remind people there is a trust fund of Medicare and a trust fund of Social Security and that both of them deserve protection and both of them deserve support and both of them should not be used for other purposes.

I frankly think we ought to put more money in agriculture, but I am not for taking it out of the Medicare trust fund. Any move to use the Medicare trust fund money for other purposes moves up the date of insolvency, and in fact the President's plan to take the $500 billion from the Medicare trust fund and use it for his so-called contingency fund that is available for defense spending or agriculture spending or any other kind of spending, that moves up the date of insolvency of the Medicare trust fund.

In fact, the actuaries say if we do what the President has proposed and take the money from the Medicare trust fund, put it in the contingency funds, and make it available for other spending, we move up the date of insolvency of the Medicare trust fund by 16 years and it goes broke in the year 2009.

Some of us will not have any part of that plan because it is wrong. It is wrong for the country. It is wrong for Medicare. It is wrong to take trust fund money that has been designated for a specific purpose and seek to raid it for other purposes. That is what has gotten us into financial trouble in the past. That is what would get us into financial trouble in the future, if we permitted it to happen.

This is a debate that deserves to be heard all across this country. It is fundamental to the economic future of America. Do we raid the trust funds to try to provide an oversized tax cut, or do we protect them? That is the question.

I believe our colleagues will rally around a principle they have rallied around before, which is the fundamental notion, you don't raid trust funds: You don't raid Social Security trust funds, you don't raid Medicare trust funds; those funds ought to be lockboxed, they ought to be walled off, they ought to be protected. That is what this amendment is all about. I believe this is what the American people support.

On Thursday, the Los Angeles Times reported that the American people, if they are asked: Are you for the Bush tax cut? Are you against it? overwhelmingly, they say they are for it. If you ask the American people about the choices, they give quite a different answer. When The Los Angeles Times asked in a nationwide poll if they would prefer the Bush tax cut or the Democratic proposal that had a tax cut half as big as the President proposed, with more money for Medicare, more money for education, and more money to pay down debt—which would they prefer—then the American people gave this answer: 30 percent said they were for the Bush tax cut; 55 percent said they were for the alternative plan to reduce the size of the President's tax cut in half and to have more money to strengthen Medicare, to improve education, and to pay down more of the debt.

That is what the American people are supporting. Yes, they want a tax cut, but they want one that is affordable. They want one that gives room to strengthen Social Security, improve Medicare, enhance education, strengthen defense, and pay down more of our national debt. That is where the American people are. That is where I hope this Chamber will be.

The first fundamental test is on Tuesday. The basic question: Do we protect the Social Security and Medicare trust funds? I hope very much we get the same result this year as we got last year. The result last year was 60 votes, on a strong bipartisan basis, for the fundamental principle that we do not permit a raid of the Social Security or the Medicare trust funds. That is important for the future of our country. It is important for the future of our economy. I hope very much this Chamber will say we are not going to abandon fiscal discipline.

We are not going to abandon the notion that we ought to pursue the maximum paydown of both our short-term and long-term debt. That is in America's interest. That is what is at stake on Tuesday.

I thank the Chair. I yield the floor. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Mr. HATCH. Mr. President, I was sitting here mulling things over after I listened to my colleague from North Dakota and his very erudite comments about the budget, about President Bush's budget, the tax cut package, and so forth.

It is kind of amazing to me because, in all honesty, I am afraid our colleagues on the other side completely ignore what happened during the Reagan years. In their zeal to say that President Reagan caused the budget deficits, they ignore the impact of the marginal tax rate reductions that occurred during those years.

The reason I know a little bit about this is because I was one of a handful who worked very hard to convince President Reagan to cut the marginal tax rates, which at that point topped out at 70 percent in this country. He cut the maximum rate down to 28 percent by 1986.

I remember all the arguments that were raised then by our colleagues on the other side; and they basically centered on the fact that if you cut taxes like that, you will run us into huge deficits because by cutting taxes, you will cut revenues. Those were the arguments made by our colleagues on the other side. They have completely glossed over what really happened in saying that all of the subsequent deficits occurred because of Ronald Reagan and his tax cuts.

The real facts are that Ronald Reagan's tax cuts—those marginal tax rate reductions from 70 percent down to 28 percent, by 1986—helped to lead us into an unprecedented era of prosperity we still enjoy today, and that the resulting federal revenues that came about after those cuts did not decrease, except for one single year. In fact, annual revenue to the Treasury actually almost doubled during the Reagan years. The fact is, those tax cuts led to greater revenues because more people saved their money. Instead of the federal Government spending it, most people invested their money, created businesses, opportunities, and jobs for others. In the end, we actually received more tax revenues.

Well, then, how did we get the big deficits? In part, the deficits came from Reagan's increases in military spending. But let's stop and think about that for a minute. That spending has been highly criticized. But defense is the only area where he literally increased spending that I can recall. All of the other increases in spending came from our friends on the other side and liberal Republicans.

Let's quit talking about Democrats and Republicans. Let's talk about liberals and conservatives. The fact is, we enacted the marginal tax rate reductions, and revenue jumped to almost double as a result. But spending went up dramatically during those years because, in order to get the marginal tax rate reductions, Ronald Reagan had to agree to Democrat spending because Tip O'Neill was the Speaker of the House at that time, and the House was controlled by Democrats, or should I say, by the liberals, and they just kept spending. That was part of the payoff in order to get tax rate reductions.

But we should not lose sight of the fact that we had a tremendous increase in revenues as a result of tax rate reductions.

The same revenue effect occurred when Senator LIEBERMAN and I pushed through the Hatch-Lieberman capital gains rate reduction in 1997. I can remember our friends, our liberal friends in this body, saying: If you cut capital gains rates, we will lose revenues. We said: No. If you cut capital gains rates, people will save more, invest more, create more businesses, more jobs, more opportunities, we will have more people working, with more people paying taxes into the system. We will actually increase revenues.

Some of them even laughed at us until the DRI econometricians came out with their analysis, and they are hardly a conservative group. They came out and made it clear that not only did we not lose revenues as a result of reducing capital gains rates from 28 percent down to 20 percent, but we actually gained revenues. We did not gain as much as I thought we would, but we gained revenues. That is what happened with the Reagan marginal tax rate reductions.

But the spending increases were phenomenal during those years. True, military spending went up during the Reagan years. And I am sure Ronald Reagan would be the first to take credit for spending more on the military. In fact, during John F. Kennedy's tenure as President, we were spending almost 50 percent of the budget on the military. Over the next years, it greatly decreased. Reagan finally got it up to higher levels, but it was far cry from where John F. Kennedy had it as a percentage of budget expenditures.

Today, under the Clinton budget, it has gone down to somewhere below 3 percent, virtually half or less of where Ronald Reagan had it.

But what people seem to ignore, when they complain about military spending, is that because of the increase in the budget for the military, the cold war was ended because the Soviets had to throw in the towel because they could not compete with the United States of America. The fact is, we probably have saved trillions of dollars by ending the cold war, with the United States emerging as the No. 1 power in the world today.

So even with that additional spending, which was not anywhere near as high as the percentage of the budget that John F. Kennedy was spending, we have probably saved trillions of dollars over the years since the cold war came to an end.

I never cease to be amazed at how our liberal friends in this body are constantly talking about balancing the budget. It never ceases to amaze me because in 1994, when they controlled both Houses of Congress, and President Clinton was President, their budget projections showed $200 billion in deficits every year ad infinitum. Tell me that isn't true. I know it is. I was here—$200 billion every year, henceforth in the future. Basically, President Clinton said there was not much we could do about it.

And then, all of a sudden, the first Republican Congress in almost 40 years came into being, and we started pushing for a balanced budget, which we shortly after achieved. And now our liberal friends are trying to claim they balanced the budget. Give me a break.

I am talking about liberals on both sides of the aisle. If you just look at last year, the people in these two bodies could not control spending and it went up in whopping fashion. The reason it went up is because there was no pressure to control spending because we had a surplus, and we could just tap into that surplus at will.

I might also add that President Clinton used the surpluses for "emergency" spending that exceeded $20 billion a year. Frankly, almost everything they wanted to spend on, from a liberal perspective, suddenly became an emergency. Some of those programs were emergencies, but certainly not all.

I guess what I am saying is, if we do not give the taxpayers back some of this $5.6 trillion projected surplus—and I have to say $1.6 trillion of the $5.6 trillion isn't very much—if we do not give them back some of that surplus, I guarantee you the wonderful Members of Congress, especially those on the liberal side—but I have to say some conservatives, too; all of us are to blame—we will spend every stinking dime of it. And the American people will be the worse off for it.

When I hear these analyses done by our friends on the other side, they never give credit for the dynamic effects of cutting marginal tax rates. They always use static budgetary figures that never take into consideration economic stimuli that comes from cutting taxes and giving people a break.

Of course, they have been able to get away with it for years because, for all of the time I have been here—and I have been here for 25 years—there has never been a conservative control of either House of Congress. It has always been under the control, if you look at the numbers, of the left. And the left believes in spending. They believe the Federal Government is the last answer to everything.

They believe the Federal Government, like a great big all-consuming nanny, is going to take care of all of us. They ignore the economic fact that there are some dynamics in economics that do occur when you give incentives to the American people.

We have a $5.6 trillion projected surplus. Most economists, including OMB, including CBO, indicate that this may be a conservative figure. It may be even beyond that if we do what is right. One of the things we can do to make sure it is a conservative figure and to make sure we might even get more money in revenue is to cut marginal tax rates because it does work to do so. If we have the guts and the brains and the ability to do that, the American economy is going to be much better off.

President Bush has said he doesn't want a spending increase of more than 4 percent in the total budget. He has also said he will be reasonable with regard to the spending needs of Congress. He has also said he only wants $1.6 trillion from the $5.6 trillion projected budget in tax cuts. That leaves $4 trillion more, and he is going to put $2.6 trillion away for Social Security and Medicare.

I get such a kick out of the lockbox arguments on both sides because there is no lockbox. There is never going to be a lockbox. The fact is, if we save that money, unless we reform Medicare and Social Security, we are going to have to take that money and either spend it, which is what Congress will probably do, or we are going to pay down the national debt, which is what we should do to an extent.

Even if you save the $2.6 trillion for Social Security and Medicare, that is not going to do much good unless we reform those programs. Everybody knows there are approximately 40 million people on Medicare now. That is going to rise to 80 million people by the year 2035. If we don't do something now to reform Medicare, it won't make any difference how much money we put in there. It will not be enough. Social Security has some of the same problems.

When Social Security came into existence, there were 46 workers, if I recall correctly, for everybody receiving Social Security. Today, it is 3.4 workers for everybody on Social Security, going down to 3, maybe 2.9 in the next 10 years, 2.9 workers for everybody receiving Social Security.

What future do our kids have unless we reform these programs and make them work and make them live within their means? I hear all these comments about a lockbox and how we have to save Medicare and Social Security. Yet I don't see a lot of effort being made, at least by the left and maybe some of us on the right, being made to save these programs, to reform them, and make them work. I am very concerned about these issues.

President Bush is willing to set aside $2.6 trillion of the projected surplus. He wants $1.6 trillion for a tax cut, and that still leaves a considerable amount of money to take care of other problems we have. That surplus won't be there if we keep taxing and spending as we have a tendency to do.

Last year was a perfect illustration, as we just spent ourselves into a blind fit of passion. Those who actually handle the budget, those who handle the appropriations process, are having a heck of a time trying to hold the more moderate-to-liberal members among us from spending this Nation into bankruptcy.

Yet all we hear is, we shouldn't cut taxes. When you have a $5.6 trillion projected surplus, by gosh, you know the taxpayers are paying too much in taxes. It is the time to give them some of these taxes back. Is this $1.6 trillion tax cut exorbitant? Hardly. It is about half in relative terms what John F. Kennedy did and only a third of what Ronald Reagan did. It is not a great big ballooning tax cut. The fact is, if we cut taxes, this economy will be stimulated and spurred on to higher revenue.

The so-called "budget surplus" is really an overcollection of taxes which belongs to the American people. There is no question about it.

One other point we need to understand is that the budget surplus is not the result of some brilliant new goods or services the Federal Government sells. The Government's revenues come from collections from the American people. The Federal Government hasn't created this surplus.

Some on the other side would say their massive increases of taxes, such as the 1993 tax increase, have helped. I suspect that is possibly true. Then again, doesn't that argue in my favor and make the point I have been making: we are taxing the American people far too much when you have these kind of surpluses? There are some on the other side who have never seen a spending bill they didn't fall in love with. There are some on the other side who have never said, in the whole time I have known them—and I think we could pick them out rather easily—they have never said: Where are we going to get the money to pay for these programs?

There are some on the other side who really do want us to have the Federal Government take care of everybody from the cradle to the grave. That sounds wonderful except it would make the United States an also-ran country like so many others that have taken that type of philosophy and put it into practice.

What we have to do as Members of Congress is to support this President. The American people did elect him, in spite of all the moaning and groaning about Florida. The facts are that George Bush did win Florida. He probably won New Mexico, too. Because Florida was where it was at, they didn't contest New Mexico. He probably won a few other States. If you look at some of the reports that have come in, there is no reason for anybody on the other side to be complaining at this particular point.

Some have said Gore received a half million more votes. Well, that is irrelevant because we have an electoral college system where we have a direct election by 50 States, not by 280 million people, except insofar as they vote for a particular candidate in their respective States. There is a genius to that system because it makes our system for running for President a truly national election rather than a series of regional elections. Under this system, a candidate can't afford to ignore any State, any of the 50 States, when he or she is running for President.

If you need any further proof, just look at the last election. Wyoming, with three electoral college votes, made the difference. I might add, Vermont would have made the difference with three. North Dakota would have made the difference with three, or Alaska with three votes. Every State was in play. There was a genius to the Founding Fathers.

Our electoral college system requires a national, not a regional, campaign. Why is that important? Because the Founding Fathers were afraid, in fact terrorized, that the small States, the more rural States, would be completely obliterated by those who had all the money and the population. So they gave a little advantage to the small States by having the House of Representatives elected proportionately but the Senate with equal rights of suffrage for every State. In other words, Utah, with 2.1 million people, has the same number of Senators as California with 32 million. The reason was because they wanted to have the Senate protect the country. That is why Senators have 6-year terms, so they can rise above politics occasionally.

The fact is, our electoral college system works very well because Presidential campaigns have to be national, not regional. The media would not control the Federal election completely, which they would, because only the 10 or 12 largest States would control the country. What it means is that George Bush, if we had a direct popular election, would have spent a lot more time in New York, a lot more time in California, a lot more time in Michigan, a lot more time in Illinois. He would have picked up those 500,000 votes or more. He didn't spend a lot of time in States he knew he was going to lose. He had to try to make sure he ran a national campaign and picked up enough votes to win the electoral college, so that no 6, or 8, or 10, or 12 States, at the most, would control everything in this country. The media would not control the major centers that disseminate all the news in this country. Nobody doubts for a minute that the media is one-sided. Everybody in America knows the media are certainly tilted to the left. It is awfully hard to even get a job in the media unless you are on the left. We all know that; the media knows that; there isn't even a question about it.

So our electoral college system does work. It makes it a national election, not a regional election. The media can't control the election. You have to campaign in all of the respective States, and, literally, it makes a lot of sense. This last election proved that more than ever before.

I hear these arguments that George Bush is taking us down the road to destruction because he wants to give the American people some of their money back. George Bush is absolutely right on his tax cut. There should not be a $5.6 trillion surplus without a realization that the American people are being taxed and overtaxed. I have to tell you, if we don't do something about it and give some of that money back, our wonderful friends in both bodies here—and they are good people; they just can't help themselves—are going to spend all that money and we are going to try to "do good" with all that money. In the end, we will kill this economy deader than a doornail.

So what President Bush is fighting for out in the hinterland right now is extremely important. It will make the difference as to whether we have another 17 or 18 years of economic prosperity, with continual rises in productivity and other benefits that are economic in nature, or whether we start to descend and retrogress as a nation. I believe that is one reason he was elected. I believe that is one reason we need to support him.

I have heard a lot about bipartisanship around here. In all honesty, this is a good chance for everybody to show bipartisanship and support the President in the one program that he really thinks is the centerpiece of his agenda. We are going to try to do something on education, but let's be honest about that: The Federal Government affects only about 7 percent of all of public education in this country; 93 percent of all educational funds come from the States. That is where they ought to come from, and that is where the power ought to be, and that is where the authority ought to be. But President Bush is going to do what he can in education. That will probably be the next bill on the floor after bankruptcy.

The hallmark of the Bush tax cut legislation is the same as Ronald Reagan's. When Reagan came in, people laughed at first when he started talking about a 25-percent marginal tax rate reduction over a 3-year period. But you can't laugh at it today. It was the Reagan marginal tax rate reductions that almost doubled the revenues. It was Congress' spending that put us into the huge deficits we had. Plus, he did increase the military, but we ended the cold war, which saved us trillions of dollars over the years.

Then we had a battle for the balanced budget amendment year after year. We knew we would always lose that battle. There was only one time we had a chance of winning. It had to be waged, and it got the American people thinking, my gosh, they are right, we should balance the budget. It was the 1997 capital gains rate reductions, that Senator LIEBERMAN and I and a whole raft of others in the Congress fought so hard to get, which helped to stabilize the economy. It helped in so many ways. It was the productivity that grew out of those issues. I think Alan Greenspan, to a large degree, has done very remarkable work at the Fed. I think Bob Rubin did a very good job in stabilizing world markets as Treasury Secretary. But it was the first Republican Congress in almost 40 years that insisted on balancing the budget, and President Clinton was brought reluctantly with us. We insisted on balancing the budget, and we were able to finally do it. Our colleagues on the left are now claiming they are the ones who did it. Give me a break.

As bad as spending was last year, it could have been far worse. We had to fight every inch of the way to control it, to the extent that we could. It would have gone completely out of control. It is not all the left's fault; some of the blame is on the right as well.

All of these factors came together to bring us to the point now where we have a balanced budget and a projected $5.6 trillion surplus. I suggest there will be a lot more if we cut tax rates by $1.6 trillion, as President Bush would like to.

I get a little tired of this class warfare that goes on around here, too. It gets very old to hear that "the upper 1 percent" is going to benefit so much and those making $25,000 a year will get no benefits out of this program. That is not true. All levels of taxpayers are going to get tax cuts from the Bush plan.

A family of four earning $35,000 a year or less will pay nothing in taxes. There is a good reason that taxpayers with even lower incomes are not going to get much benefit from the tax cut they don't pay any taxes to begin with, as far as income taxes are concerned. They do pay through the nose, especially if they are self-employed, on Social Security, FICA taxes, there is no question about it. We need to do something about that, but not without some reform of the Social Security system.

When you stop and think about it, the upper 5 percent of income-taxpayers pay 50 percent of all the income taxes in this country. All Bush wants to do is reduce the top rate from 39.6 percent down to 33 percent, and the other three brackets correspondingly, with the lower ones being reduced the most.

Guess what the bottom 50 percent pay in Federal income taxes. Less than 5 percent of Federal income taxes.

So, naturally, those who benefit from marginal rate reductions will be those who pay taxes. Naturally, there will be people who are wealthy and who will benefit from that tax rate reduction. But these people don't take that money and put it into socks or mattresses, they put it into productive uses, by and large, and in the process create more opportunity, jobs, high-technology, and they keep the United States in the forefront of all of these economic programs that have made us the greatest Nation in the world.

Yes, those who pay taxes are going to get tax reductions. Those who don't are still going to get plenty of benefits from the Federal Government. We do need to do something to save Social Security and Medicare, no question about it. I, for one, hope we have the guts to do something about that over the next few years. But when I hear these comments all based on a static economic analysis, never considering the dynamism we have all seen occur since 1982, just completely ignoring that and acting as though it doesn't exist, and coming out with these doomsday scenarios that are trying to undermine what President Bush is trying to do, which is to just get the taxpayers a little bit back. In comparison to John F. Kennedy and Ronald Reagan, the Bush tax cut is half of the Kennedy tax cut and one-third of the Reagan tax cut, if you want to put it in relative terms.

I hear these doomsday scenarios that we should not cut taxes because we have so much for which we need to spend that money. I am not speaking of my friend from North Dakota. I think he literally wants to do what is right, but he is using the static economic analyses that aren't necessarily accurate.

You can use figures to make any point you want. But there is one figure you can't ignore, and that is a $5.6 trillion surplus that virtually all of the major economic analytical groups say is going to be there. If that is so, then you have to draw the conclusion that the American people are paying too much in taxes and that they deserve tax breaks under these circumstances.

I want to see us go toward a more dynamic economic analysis, at least have both sides of it so we do not just have this stultification to any kind of tax rate reduction that is being argued by our friends on the other side.

I hope they are not arguing these basic budgetary principles, that I think are wrong, just so they can politically make it tough for President Bush. He has only been in office a couple months.

Frankly, it would be a crime to not give his program a chance to work since he is our President. It would be a crime to not work in a bipartisan fashion to do what needs to be done. Literally, it would be a crime not to give this President some support. We have done it for President Clinton, and it is time to do it for President Bush. It is not President Bush for whom we are doing it in the final analysis, it is for everybody in our society, and really for many places in the world that depend upon the economic stability of the United States of America.

I make these points because I get concerned when I hear one-sided arguments on the budget, one-sided arguments on tax rate reductions, one-sided arguments on Medicare and Social Security, one-sided arguments based on static analyses that never take into consideration actual real-world results, one-sided arguments that ignore the facts in this country that tax rate reductions work, and one-sided arguments in complete derogation and ignorance of the last 18 years.

The fact is, we all have to do our best to analyze this the best we can, but we should not ignore the econometricians, though not conservative, who have proven that tax rate reductions do work, and we should not ignore the fact that restraint in spending does work, too. We have not had much of that around here, even with a Republican Congress.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I want to take a few more minutes to respond to some of the comments of my friend and colleague from North Dakota.

The Senator from North Dakota keeps talking about a Bush tax cut of more than $1.6 trillion. He can talk about any number he wants, but the President has made it clear that he is committed to a budget that would reduce Federal revenue collections by $1.6 trillion over the next 10 years. Budget Committee Chairmen DOMENICI and NUSSLE have committed to producing a budget that reduces tax collections by $1.6 trillion over 10 years.

The House and Senate Republican leadership are determined to allow taxpayers to keep more of their own money—$1.6 trillion—over the next 10 years. All the above have agreed that any changes to the President's tax relief proposal—adding provisions, removing provisions, changing provisions—would have to be accommodated within a budget that reduces Federal revenues by $1.6 trillion over the next 10 years.

Let's now look at why the number is not $2.4 trillion, $2.5 trillion or $2.6 trillion.

The claimed additional interest cost of $500 billion to the tax cut is a red herring argument; interest is included in the budget; trying to tie interest cost to the tax cut is inconsistent with past practice on spending increases and tax cuts.

Moreover, Mr. President, adding interest to these tax cuts assumes that the every dollar of the tax cut would be used to pay down the debt if the taxes were not cut. In reality, every Member of this Chamber very well knows that if we do not send this money home to the taxpayers who were overcharged in the form of too high of taxes, most of the surplus will be spent by Congress. There is no interest savings when the alternative to tax cuts is spending increases. All one has to do is look at last year for an illustration.

The claimed additional revenue loss of $200 billion connected with the alternative minimum tax will have to be addressed within the context of the $1.6 trillion figure; with respect to the child tax credit, it is already accounted for in the President's budget. The President, the Vice President, and the Secretary of the Treasury have made it clear that if the AMT is taken care of, some other feature of the President's tax plan would be reduced to make it fit in the $1.6 trillion number.

The claimed additional revenue loss of $200 billion for the retroactive portion of the tax cut will also have to be addressed within the context of the $1.6 trillion figure.

The claimed additional revenue loss of $100 billion for tax extenders is an example of double counting; extenders are already addressed in the President's budget.

The bottom line is that the numbers used by the other side are bogus arguments to support their ultimate goal: very little tax cut and much higher spending.

The President's budget shows that you can pay down the Federal debt, return some of the surplus to the people as tax relief, and provide targeted spending increases. I think we ought to talk facts, not fiction. That is what I am trying to do.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATCH). Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. LUGAR pertaining to the introduction of S. 508 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

AMENDMENT NO. 28

Mr. DORGAN. Mr. President, I rise in strong support of amendment No. 28. This amendment will increase the authorization of appropriations for LIHEAP assistance, weatherization programs, and State conservation grants. It also will expand the Federal energy efficiency program to include water, as well as energy, conservation.

This provision is critical. In my part of the country, and elsewhere around the Nation, we have experienced record cold temperatures, and record-high natural gas prices. I have received letters from people who have to choose between heating their homes and eating, because they can't afford both. I also heard from a couple that can't afford to keep their retirement home, because the heating bills have been so high. We must do something to rectify this terrible situation now.

Under current law, States have the flexibility to establish, or raise, the threshold for LIHEAP eligibility at 60 percent of the State's median income level. Because of limited resources, States rarely reach that threshold.

Specifically, ⅔ of LIHEAP funds currently go to individuals who earn $8,000 per year or less. One-third goes to those who earn approximately $15,000 per year. That is, only 19 percent of people that could qualify for eligibility to receive LIHEAP funds actually receive such funds. Eighty-one percent of those eligible, therefore, do not receive LIHEAP funding.

This amendment would expand the LIHEAP program to attempt to reach the 81 percent not currently receiving LIHEAP assistance.

This amendment also is critical because it would increase the eligible income levels, so that LIHEAP assistance would be provided to a broader group of people, who cannot pay their exorbitant energy bills. This amendment would enable States to provide LIHEAP assistance to households with incomes up to and including 200 percent of the poverty level for each State.

We also need to place a greater emphasis on conservation, and on renewable energy. Unfortunately, the President's budget cuts these critical program elements.

As yesterday's Washington Post reported, "The Bush plan calls for a $700 million reduction from this year's $19.7 billion Energy Department spending." Nearly half "of those proposed cuts were aimed at the efficiency and renewable-energy programs. They are currently budgeted at $1.18 billion. The research is focused on a range of programs, from high-mileage, hybrid motor-engines and more energy-efficient industrial processes to new building designs that conserve energy."

I hope the Bush administration will realize the impracticality of cutting alternative energy and energy conservation programs at a time when we have a shortage of domestic energy supply sources and are overly reliant on foreign energy supplies.

Beyond the short-term, emergency measures we are working to pass today, we need to develop a broader, long-term energy policy that will attempt to address the multiple energy problems we are facing. I will work with my colleagues to develop such legislation, legislation that must include renewable energy and conservation measures, including improved vehicle efficiency, as well as efforts to diversify our fuel supply sources in an environmentally sustainable manner. This would include advancing clean coal technologies, for example.

I have introduced legislation to provide a 5-year extension of the wind energy production tax credit. This will help develop a non-fossil infrastructure to relieve burden on other fuel sources and help bring overall energy prices down. I understand that President Bush has announced his support for this type of incentive.

I also am considering legislation to pursue exploration not of the Arctic Refuge, but of Alaska's North Slope, where 35 trillion cubic feet of natural gas have already been identified as readily available. Such legislation would include provisions to develop the pipeline infrastructure to bring that natural gas to the lower 48 States. We must pursue exploration and development, but must do so in a safe and environmentally sustainable manner.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBERTS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. DEWINE. Mr. President, on behalf of the majority leader, I ask unanimous consent that the Senate now be in a period of morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RULES OF THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MCCAIN. Mr. President, the Committee on Commerce, Science, and Transportation has adopted rules governing its procedures for the 107th Congress. Pursuant to rule XXVI, paragraph 2, of the Standing Rules of the Senate, on behalf of myself and Senator HOLLINGS, I ask unanimous consent that a copy of the Committee rules be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

I. MEETINGS OF THE COMMITTEE

1. The regular meeting dates of the Committee shall be the first and third Tuesdays of each month. Additional meetings may be called by the Chairman as he may deem necessary or pursuant to the provisions of paragraph 3 of rule XXVI of the Standing Rules of the Senate.

2. Meetings of the Committee, or any subcommittee, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the Committee, or any subcommittee, on the same subject for a period of no more than 14 calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in subparagraphs (A) through (F) would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the members of the Committee, or any subcommittee, when it is determined that the matter to be discussed or the testimony to be taken at such meeting or meetings—

(A) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(B) will relate solely to matters of Committee staff personnel or internal staff management or procedure;

(C) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(D) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interest of effective law enforcement;

(E) will disclose information relating to the trade secrets of, or financial or commercial information pertaining specifically to, a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(F) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

3. Each witness who is to appear before the Committee or any subcommittee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

4. Field hearings of the full Committee, and any subcommittee thereof, shall be scheduled only when authorized by the Chairman and ranking minority member of the full Committee.

II. QUORUMS

1. Twelve members shall constitute a quorum for official action of the Committee when reporting a bill, resolution, or nomination. Proxies shall not be counted in making a quorum.

2. Eight members shall constitute a quorum for the transaction of all business as may be considered by the Committee, except for the reporting of a bill, resolution, or nomination. Proxies shall not be counted in making a quorum.

3. For the purpose of taking sworn testimony a quorum of the Committee and each subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a majority of the members being present, a member who is unable to attend the meeting may submit his/her vote by proxy, in writing or by telephone, or through personal instructions.

IV. BROADCASTING OF HEARINGS

Public hearings of the full Committee, or any subcommittee thereof, shall be televised or broadcast only when authorized by the Chairman and the ranking minority member of the full Committee.

V. SUBCOMMITTEES

1. Any member of the Committee may sit with any subcommittee during its hearings or any other meeting but shall not have the authority to vote on any matter before the subcommittee unless he/she is a Member of such subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the chairmanship, and seniority on the particular subcommittee shall not necessarily apply.

VI. CONSIDERATION OF BILLS AND RESOLUTIONS

It shall not be in order during a meeting of the Committee to move to proceed to the consideration of any bill or resolution unless the bill or resolution has been filed with the Clerk of the Committee not less than 48 hours in advance of the Committee meeting, in as many copies as the Chairman of the Committee prescribes. This rule may be waived with the concurrence of the Chairman and the Ranking Member.

RULES OF THE COMMITTEE ON FINANCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that a copy of the Rules of Procedure, adopted by the Committee on Finance for the 107th Congress be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FINANCE

I. RULES OF PROCEDURE

Rule 1. Regular Meeting Days.—The regular meeting day of the committee shall be the second and fourth Tuesday of each month, except that if there be no business before the committee the regular meeting shall be omitted.

Rule 2. Committee Meetings.—(a) Except as provided by paragraph 3 of Rule XXVI of the Standing Rules of the Senate (relating to special meetings called by a majority of the committee) and sub-section (b) of this rule, committee meetings, for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the chairman. Members will be notified of committee meetings at least 48 hours in advance, unless the chairman determines that an emergency situation requires a meeting on shorter notice. The notification will include a written agenda together with materials prepared by the staff relating to that agenda. After the agenda for a committee meeting is published and distributed, no nongermane items may be brought up during that meeting unless at least two-thirds of the members present agree to consider those items.

(b) In the absence of the chairman, meetings of the committee may be called by the ranking majority member of the committee who is present, provided authority to call meetings has been delegated to such member by the chairman.

Rule 3. Presiding Officer.—(a) The chairman shall preside at all meetings and hearings of the committee except that in his absence the ranking majority member who is present at the meeting shall preside.

(b) Notwithstanding the rule prescribed by subsection (a) any member of the committee may preside over the conduct of a hearing.

Rule 4. Quorums.—(a) Except as provided in subsection (b) one-third of the membership of the committee, including not less than one member of the majority party and one member of the minority party, shall constitute a quorum for the conduct of business.

(b) Notwithstanding the rule prescribed by subsection (a), one member shall constitute a quorum for the purpose of conducting a hearing.

Rule 5. Reporting of measures of Recommendations.—No measure or recommendation shall be reported from the committee unless a majority of the committee is actually present and a majority of those present concur.

Rule 6. Proxy Voting; Polling.—(a) Except as provided by paragraph 7(a)(3) of Rule XXVI of the Standing Rules of the Senate (relating to limitation on use of proxy voting to report a measure or matter), members who are unable to be present may have their vote recorded by proxy.

(b) At the discretion of the committee, members who are unable to be present and whose vote has not been cast by proxy may be polled for the purpose of recording their vote on any rollcall taken by the committee.

Rule 7. Order of Motions.—When several motions are before the committee dealing with related or overlapping matters, the chairman may specify the order in which the motions shall be voted upon.

Rule 8. Bringing a Matter to a Vote.—If the chairman determines that a motion or amendment has been adequately debated, he may call for a vote on such motion or amendment, and the vote shall then be taken, unless the committee votes to continue debate on such motion or amendment, as the case may be. The vote on a motion to continue debate on any motion or amendment shall be taken without debate.

Rule 9. Public Announcement of Committee Votes.—Pursuant to paragraph 7(b) of Rule XXVI of the Standing Rules of the Senate (relating to public announcement of votes), the results of rollcall votes taken by the committee on any measure (or amendment thereto) or matter shall be announced publicly not later than the day on which such measure or matter is ordered reported from the committee.

Rule 10. Subpoenas.—Subpoenas for attendance of witnesses and the production of memoranda, documents, and records shall be issued by the chairman, or by any other member of the committee designated by him.

Rule 11. Nominations.—In considering a nomination, the Committee may conduct an investigation or review of the nominee's experience, qualifications, and suitability, to serve in the position to which he or she has been nominated. To aid in such investigation or review, each nominee may be required to submit a sworn detailed statement including biographical, financial, policy, and other information which the Committee may request. The Committee may specify which items in such statement are to be received on a confidential basis. Witnesses called to testify on the nomination may be required to testify under oath.

Rule 12. Open Committee Hearings.—To the extent required by paragraph 5 of Rule XXVI of the Standing Rules of the Senate (relating to limitations on open hearings), each hearing conducted by the committee shall be open to the public.

Rule 13. Announcement of Hearings.—The committee shall undertake consistent with the provisions of paragraph 4(a) of Rule XXVI of the Standing Rules of the Senate (relating to public notice of committee hearings) to issue public announcements of hearings it intends to hold at least one week prior to the commencement of such hearings.

Rule 14. Witnesses at Hearings.—(a) Each witness who is scheduled to testify at any hearing must submit his written testimony to the staff director not later than noon of the business day immediately before the last business day preceding the day on which he is scheduled to appear. Such written testimony shall be accompanied by a brief summary of the principal points covered in the written testimony. Having submitted his written testimony, the witness shall be allowed not more than ten minutes for oral presentation of his statement.

(b) Witness may not read their entire written testimony, but must confine their oral presentation to a summarization of their arguments.

(c) Witnesses shall observe proper standards of dignity, decorum and propriety while presenting their views to the committee. Any witness who violates this rule shall be dismissed, and his testimony (both oral and written) shall not appear in the record of the hearing.

(d) In scheduling witnesses for hearings, the staff shall attempt to schedule witnesses so as to attain a balance of views early in the hearings. Every member of the committee may designate witnesses who will appear before the committee to testify. To the extent that a witness designated by a member cannot be scheduled to testify during the time set aside for the hearing, a special time will be set aside for the witness to testify if the member designating that witness is available at that time to chair the hearing.

Rule 15. Audiences.—Persons admitted into the audience for open hearings of the committee shall conduct themselves with the dignity, decorum, courtesy and propriety traditionally observed by the Senate. Demonstrations of approval or disapproval of any statement or act by any member or witness are not allowed. Persons creating confusion or distractions or otherwise disrupting the orderly proceeding of the hearing shall be expelled from the hearing.

Rule 16. Broadcasting of Hearings.—(a) Broadcasting of open hearings by television or radio coverage shall be allowed upon approval by the chairman of a request filed with the staff director not later than noon of the day before the day on which such coverage is desired.

(b) If such approval is granted, broadcasting coverage of the hearing shall be conducted unobtrusively and in accordance with the standards of dignity, propriety, courtesy and decorum traditionally observed by the Senate.

(c) Equipment necessary for coverage by television and radio medial shall not be installed in, or removed from, the hearing room while the committee is in session.

(d) Additional lighting may be installed in the hearing room by the media in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(e) The additional lighting authorized by subsection (d) of this rule shall not be directed into the eyes of any members of the committee or of any witness, and at the request of any such member or witness, offending lighting shall be extinguished.

(f) No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be subjected to radio or television coverage, all equipment used for coverage shall be turned off.

Rule 17. Subcommittees.—(a) The chairman, subject to the approval of the committee, shall appoint legislative subcommittees. All legislation shall be kept on the full committee calendar unless a majority of the members present and voting agree to refer specific legislation to an appropriate subcommittee.

(b) The chairman may limit the period during which House-passed legislation referred to a subcommittee under paragraph (a) will remain in that subcommittee. At the end of that period, the legislation will be restored to the full committee calendar. The period referred to in the preceding sentences should be 6 weeks, but may be extended in the event that adjournment or a long recess is imminent.

(c) All decisions of the chairman are subject to approval or modification by a majority vote of the committee.

(d) The full committee may at any time by majority vote of those members present discharge a subcommittee from further consideration of a specific piece of legislation.

(e) Because the Senate is constitutionally prohibited from passing revenue legislation originating in the Senate, subcommittees may mark up legislation originating in the Senate and referred to them under Rule 16(a) to develop specific proposals for full committee consideration but may not report such legislation to the full committee. The preceding sentence does not apply to nonrevenue legislation originating in the Senate.

(f) The chairman and ranking minority members shall serve as nonvoting ex officio members of the subcommittees on which they do not serve as voting members.

(g) Any member of the committee may attend hearings held by any subcommittee and question witnesses testifying before that subcommittee.

(h) Subcommittee meeting times shall be coordinated by the staff director to insure that—

(1) no subcommittee meeting will be held when the committee is in executive session, except by unanimous consent;

(2) no more than one subcommittee will meet when the full committee is holding hearings; and

(3) not more than two subcommittees will meet at the same time.

Notwithstanding paragraphs (2) and (3), a subcommittee may meet when the full committee is holding hearings and two subcommittees may meet at the same time only upon the approval of the chairman and the ranking minority member of the committee and subcommittees involved.

(i) All nominations shall be considered by the full committee.

(j) The chairman will attempt to schedule reasonably frequent meetings of the full committee to permit consideration of legislation reported favorably to the committee by the subcommittees.

Rule 18. Transcripts of Committee Meetings.—An accurate record shall be kept of all markups of the committee, whether they be open or closed to the public. This record, marked as "uncorrected," shall be available for inspection by Members of the Senate, or members of the committee together with their staffs, at any time. This record shall not be published or made public in any way except:

(a) By majority vote of the committee after all members of the committee have had a reasonable opportunity to correct their remarks for grammatical errors or to accurately reflect statements made.

(b) Any member may release his own remarks made in any markup of the committee provided that every member or witness whose remarks are contained in the released portion is given a reasonable opportunity before release to correct their remarks.

Notwithstanding the above, in the case of the record of an executive session of the committee that is closed to the public pursuant to Rule XXVI of the Standing Rules of the Senate, the record shall not be published or made public in any way except by majority vote of the committee after all members of the committee have had a reasonable opportunity to correct their remarks for grammatical errors or to accurately reflect statements made.

Rule 19. Amendment of Rules.—The foregoing rules may be added to, modified, amended or suspended at any time.

THE ADMINISTRATION'S REFUSAL TO ADJUST 2000 CENSUS DATA

Mr. AKAKA. Mr. President, I rise today to express my disappointment over the decision announced this week by Commerce Secretary Donald Evans to release raw census data without adjustment for the undercount of an estimated three million Americans.

By law, the Census Bureau is required to provide census figures to the States for the purpose of redistricting by April 1, 2001; a deadline that is nearly four weeks away. Only last week, I joined with 47 of my Senate colleagues in a letter to Secretary Evans urging him to delay a decision to release the 2000 census figures until after the Commerce Department's self-imposed March 5, 2001, deadline to allow the appropriate Senate Committees an opportunity to hold hearings. My intent in signing the letter was not to delay the statutory deadline, but rather to request that there be Congressional input.

I was interested that the President, in his first budget proposal, said, "our Nation has a long and honorable commitment to assisting individuals, families, and communities who have not fully shared in America's prosperity." I believe this is true, which is why failing to count all Americans has serious consequences for State, local, and Federal Government.

There are approximately 1,327 Federal domestic assistance programs that use population data in some way. The breadth of the programs affected that touch families and businesses throughout the nation clearly spells out the need to ensure that all Americans are counted. Federal and State funds for schools, employment services, housing assistance, road construction, day care facilities, hospitals, emergency services, programs for seniors, and much more are distributed based on census figures. The use of raw census data, without adjustment for the differential undercount, will result in the unfair distribution of Federal funds.

A March 1, 2001 memorandum to Secretary Evans from the acting director of the Census Bureau recommended using unadjusted census data for redistricting purposes. According to the memo, "The primary reason for arriving at this conclusion is the apparent inconsistency in population growth over the decade as estimated by the Accuracy and Coverage Evaluation, ACE, and demographic analysis. These differences cannot be resolved in the time available for the Committee's work." In other words, the Executive Steering Committee for ACE Policy ran out of time and could not determine whether the uncorrected data is more accurate than corrected data.

As a member of the Committee on Governmental Affairs, I provide legislative support and oversight over the decennial census and the Census Bureau. Moreover, as a Senator from Hawaii, I knew that the percentage of people undercounted in my state during the 1990 Census, 1.9 percent, was higher than the national average. The largest component of my state's undercount by race was projected to be Asians and Pacific Islanders. I was so concerned that Hawaii would once again have a higher than average undercount that, last March, I held a forum in Hawaii on issues facing Native Hawaiians and other Pacific Islanders related to the 2000 Census. I urged Native Hawaiians and other Pacific Islanders to participate in the 2000 Census in order to ensure accurate data and statistics especially since this information directly impacts our lives for the next ten years.

I call upon the Secretary to make available to the public the detailed information that the Census Bureau has compiled to date, including overcounts and undercounts. Again, I am disappointed with the Administration's decision in this matter.

ADDITIONAL STATEMENTS

TRIBUTE TO LAURIE LAWSON

• Mr. HOLLINGS. Mr. President, Laurie Lawson comes from a long line of farmers in Darlington, SC, and he drew upon that experience as our State's executive director of the Farm Service Agency. After 8 years at the helm, he has stepped down. Farmers knew that Mr. Lawson would respond to their needs with knowledge and compassion and work effectively to open lines of communication between the farming community and Federal agencies. Whatever the matter at hand—whether it was drought relief or the tobacco settlement—Laurie Lawson played an important role on behalf of South Carolina farmers. I know he is looking forward to spending more time with his grandchildren and keeping up with his beloved Clemson Tigers. However, my staff and I will greatly miss his expertise on agricultural issues and feel honored to have worked with such a dedicated public servant.•

A TRIBUTE TO HAROLD HOWRIGAN

• Mr. LEAHY. Mr. President, I am very fortunate to be one of only one hundred individuals chosen to represent my fellow Americans here in the Senate. As a result of this work, I have the opportunity to meet many, many people. Occasionally I have come to know people who are so giving of themselves, so devoted to their life's work, that they truly serve as an inspiration. I would like to take a few moments to recognize one such individual, Harold Howrigan of Fairfield, VT.

Harold has been a dairy farmer in Vermont his entire life and has been a Director of the St. Albans Cooperative Creamery for over 20 years, as well as the long-time President of the co-op. He has been actively involved with dairy promotion on State, national, and international levels, and has worked with practically every dairy farm organization that I know, including Dairy Management Inc., the National Milk Producers Federation, the U.S. Dairy Export Council, the National Dairy Board, the Vermont Farm Bureau, and the Northeast Interstate Dairy Compact Commission.

Harold and his wife, Anne—a former school teacher, who is still a very active tutor, mentor and volunteer in the cause of education have also devoted themselves to educating future generations about agriculture, starting with their five children—Harold, Lawrence, Michael, Bridget and Ellen—and their 12 grandchildren. They are very special friends of my wife Marcelle, my children and me.

Most recently, Harold has been honored as the recipient of what some call the "Nobel Prize" of the dairy industry, the Richard E. Lyng award from the National Dairy Promotion and Research Board. This award recognizes an individual for their "distinguished service to dairy promotion and research." I can't think of another individual more deserving of this honor than Harold Howrigan.

In a recent interview Harold said "family farmers are the best, hardest working people in the world . . . it's a business and a way of living that is second to none in this country." I couldn't agree more and I thank Harold for the tremendous work he has done for the dairy industry in Vermont and across America, as well as the expert and unselfish counsel on agriculture he has provided to me and my staff over many years.

I ask that an article about Harold be printed in the RECORD.

The article follows:

[From the St. Albans (VT) Messenger, Feb. 26, 2001]

TO HAROLD HOWRIGAN: CONGRATULATIONS

(By Emerson Lynn)

Occasionally, something happens that is so right that when you learn about it, you pound the table and say, yes, that's what should have happened.

That's our response to the news that Harold Howrigan was the recipient of the Richard E. Lyng Award for "distinguished service to dairy promotion and research." The award, which is only given out periodically, is the industry's equivalent to the Nobel Prize.

There is not a person in the industry, anywhere, who deserves the award more. That there may not be a kinder, more professional person alive is an aside, what made the award so appropriate is the incredible level of dedication he has made toward his profession, or, as he would say, his way of life.

His name and the St. Albans Cooperative Creamery are synonymous. He's its president and has sat on its board for two decades. If there is an issue that involves the industry he is there, as he has been for all rounds with the Northeast Interstate Dairy Compact. He knows the politics of Washington and Montpelier as well as any insider and he is as respected there as he is here.

But what shines through all this is the understanding that if the awards were not there his commitment would be no less. He's a fortunate man; he believes in what he does and would choose no other way of life. To Harold Howrigan, there is no higher calling than producing food for a hungry world and, in the process, keeping alive and vibrant a livelihood that's as healthy as the milk he produces.

He knows better than most the value of the industry's $350 million that sustains our communities. And he understands the importance of pushing the industry's efforts far past Franklin County's borders.

But what he understands best is the meaning of the words he once heard from his school's nun: "Much has been given to you, and much will be expected from you."

It can be safely said that he has met her expectations.●

SALUTING DOVER'S POLICE CHIEF

● Mr. BIDEN. Mr. President, I rise today to honor a true local hero in my State, Dover's Police Chief Keith Faulkner.

Chief Faulkner retired his badge earlier this month after an unprecedented 28 years of service on the Dover Police Department. His service and leadership truly were unique. He joined the police force as a student cadet and is the first and only such officer to rise to the rank of Chief of Police.

Personally, I have to admit I know what it must feel like when a police officer's long-serving, trusted partner retires. Keith Faulkner proudly first put on his Dover Police uniform the same year I took office as a U.S. Senator. Chief Faulkner and I have been through a lot together, and I will greatly miss his advice, counsel and support.

Fortunately, Chief Faulkner isn't going far. He already has started a new venture at nearby Delaware State University in Dover as associate director of public safety. DSU just formed a police department last year, and I am confident the University, its students and faculty will benefit immensely from his nearly three decades of law enforcement experience.

Chief Faulkner is widely credited with restoring and strengthening the Dover Police Department's reputation as a leading law enforcement agency in our State. Under his command, Dover achieved the coveted national accreditation, a distinction shared by only about 700 police forces nationwide. He also presided over the institutionalization of community policing on the Dover police force, which has contributed to reducing crime and boosting the confidence of local residents in the police. In fact, for the first time ever, crime rates for violent and non-violent crimes are down for the past two straight years.

And his commitment to public service goes beyond Dover. Keith has served as Vice-Mayor on the Smyrna Town Council, Chair of the Delaware Police Chiefs' Council, and sits on my independent Military Academy Review Board to interview and select the high school students I appoint to our national military service academies.

To be honest, the real purpose of this tribute to Chief Faulkner is not to wish him a "happy retirement!" I am confident he will continue to be a leader in our State on law enforcement issues. And I am hopeful that his role as a public servant has only just begun.

I wish Keith and his family many more years of good health, safety and good fortune.●

MESSAGE FROM THE HOUSE

At 10:01 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3. An act to amend the Internal Revenue Code of 1986 to reduce individual income tax rates.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 6. Joint resolution providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics.

The enrolled joint resolution was signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3. An act to amend the Internal Revenue Code of 1986 to reduce individual income tax rates; to the Committee on Finance.

ENROLLED RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, March 9, 2001, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 6. A joint resolution providing for congressional disapproval of the rule submitted by the Department of Labor under chapter 8 of title 5, United States Code, relating to ergonomics.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-955. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clethodim; Pesticide Tolerance" (FRL6770-8) received on March 8, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-956. A communication from the Acting Chief of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Final Rule Establishing the West Elks Viticultural Area (2000R-257P)" (RIN1512-AA07) received on March 8, 2001; to the Committee on Finance.

EC-957. A communication from the Acting Chief of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Distribution and Use of Tax-Free Alcohol (2000R-294P)" (RIN1512-AB57) received on March 8, 2001; to the Committee on Finance.

EC-958. A communication from the Acting Chief of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Formulas of Denatured Alcohol and Rum (2000R-295P" (RIN1512-AB60) received on March 8, 2001; to the Committee on Finance.

EC-959. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Second Quarter Quarterly Interest Rates April 1, 2001" (Rev. Rul. 2000-16) received on March 8, 2001; to the Committee on Finance.

EC-960. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (39)" ((RIN2120-AA65)(2001-0018)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC-961. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (43)" ((RIN2120-AA65)(2001-0019)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC-962. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Monroe City, MO; Direct Final Rule; Request for Comments" ((RIN2120-AA66)(2001-0058)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC-963. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of a Class E Enroute Domestic Airspace Area, El Centro, CA: Direct Final Rule; Request for Comments" ((RIN2120–AA66)(2001–0059)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–964. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class D and E Surface Areas; Ex Airport, CA" ((RIN2120–AA66)(2001–0060)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–965. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class D Airspace; Sacramento Mather Airport, CA" ((RIN2120–AA66)(2001–0061)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–966. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Legal Descriptions of Multiple Federal Airways in the Vicinity of Douglas; WY" ((RIN2120–AA66)(2001–0062)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–967. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SOCATA Groups Aerospatiale Model TBM 700 Airplanes" ((RIN2120–AA64)(2001–0149)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–968. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL 600 2B19 Series Airplanes" ((RIN2120–AA64)(2001–0150)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–969. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Empresa Brasilleria de Aeronautica SA Model EMB–145 Series Airplanes" ((RIN2120–AA64)(2001–0151)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–970. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAe Systems Limited Model BAe 146 and Model Avro 146RJ Series Airplanes" ((RIN2120–AA64)(2001–0152)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–971. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 100, 200, and 300 Series Airplanes" ((RIN2120–AA64)(2001–0153)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–972. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B4 Series Airplanes and Model A300 B4 600, A300 B4 600R, and A300 F4 600R Series Airplanes" ((RIN2120–AA64)(2001–0154)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–973. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: British Aerospace Model 4101 Airplanes" ((RIN2120–AA64)(2001–0155)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

EC–974. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–100, 200, 300, 400, and 747SR Series Airplanes" ((RIN2120–AA64)(2001–0156)) received on March 8, 2001; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. CAMPBELL (for himself, Mr. Bingaman, and Mr. Inouye):

S. 502. A bill to provide for periodic Indian needs assessments, to require Federal Indian program evaluations, and for other purposes; to the Committee on Indian Affairs.

By Mr. REID (for himself and Mr. Ensign):

S. 503. A bill to amend the Safe Water Act to provide grants to small public drinking water systems; to the Committee on Environment and Public Works.

By Mr. CAMPBELL (for himself, Mr. Inouye, and Mr. Bingaman):

S. 504. A bill for administrative procedures to extend Federal recognition to certain Indian groups, and for other purposes; to the Committee on Indian Affairs.

By Mrs. FEINSTEIN (for herself, Mr. Schumer, and Mr. Kennedy):

S. 505. A bill to amend the Internal Revenue Code of 1986 to regulate certain 50 caliber sniper weapons in the same manner as machine guns and other firearms, and for other purposes; to the Committee on Finance.

By Mr. MURKOWSKI:

S. 506. A bill to amend the Alaska Native Claims Settlement Act, to provide for a land exchange between the Secretary of Agriculture and the Huna Totem Corporation, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI (for himself, Mr. Akaka, and Mr. Bingaman):

S. 507. A bill to implement further the Act (Public Law 94–241) approving the covenant to establish a commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LUGAR:

S. 508. A bill to authorize the President to promote posthumously the late Raymond Ames Spruance to the grade of Fleet Admiral of the United States Navy, and for other purposes; to the Committee on Armed Services.

By Mr. MURKOWSKI:

S. 509. A bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SANTORUM:

S. 510. A bill to amend the Caribbean Basin Economic Recovery Act to provide trade benefits for certain textile covers; to the Committee on Finance.

By Ms. SNOWE:

S. 511. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel AJ; to the Committee on Commerce, Science, and Transportation.

By Mr. DORGAN (for himself, Mr. Enzi, Mr. Graham, Mr. Voinovich, Mr. Breaux, Mr. Thomas, Mr. Durbin, Mr. Chafee, Mrs. Lincoln, Mrs. Hutchison, and Mr. Rockefeller):

S. 512. A bill to foster innovation and technological advancement in the development of the Internet and electronic commerce, and to assist the States in simplifying their sales and use taxes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. VOINOVICH (for himself and Mr. DeWine):

S. Res. 56. A resolution honoring the memory of James A. Rhodes as a gifted political servant and statesman; considered and agreed to.

By Mr. BOND (for himself, Mr. Hollings, Mr. Hutchinson, Mr. Kennedy, Mr. DeWine, Mr. Daschle, Mr. Cochran, Mr. Dodd, Mr. Breaux, Ms. Collins, Mr. Durbin, Mrs. Feinstein, Mr. Kerry, Mr. Kohl, Mrs. Lincoln, Mr. Lugar, Mrs. Murray, and Mr. Wellstone):

S. Res. 57. A resolution to express the sense of the Senate that the Federal investment in programs that provide health care services to uninsured and low-income individuals in medically under-served areas be increased in order to double access to care over the next 5 years; to the Committee on Appropriations.

ADDITIONAL COSPONSORS

S. 250

At the request of Mr. Baucus, his name was withdrawn as a cosponsor of S. 250, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 366

At the request of Mr. Murkowski, his name was added as a cosponsor of S. 366, a bill to amend the Agricultural Trade Act of 1978 to increase the amount of funds available for certain agricultural trade programs.

S. 393

At the request of Mr. Frist, the name of the Senator from Texas (Mrs. Hutchison) was added as a cosponsor of S., 393, a bill to amend the Internal Revenue Code of 1986 to encourage charitable contributions to public charities for use in medical research.

S. RES. 43

At the request of Mr. MURKOWSKI, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. Res. 43, a resolution expressing the sense of the Senate that the President should designate the week of March 18 through March 24, 2001, as "National Inhalants and Poisons Awareness Week."

S. RES. 45

At the request of Mr. HUTCHINSON, his name was added as a cosponsor of S. Res. 45, a resolution honoring the men and women who serve this country in the National Guard and expressing condolences of the United States Senate to family and friends of the 21 National Guardsmen who perished in the crash on March 3, 2001.

At the request of Mrs. CARNAHAN, her name was added as a cosponsor of S. Res. 45, supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CAMPBELL (for himself, Mr. BINGAMAN, and Mr. INOUYE):

S. 502. A bill to provide for periodic Indian needs assessments, to require Federal Indian program evaluations, and for other purposes; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, today I am pleased to be joined by Senator BINGAMAN and Senator INOUYE in introducing the Indian Needs Assessment, Program Evaluation and Policy Coordination Act of 2001 to bring about needed reforms in the way Indian programs are designed and funded.

As the annual funding debates over Indian programs show us year after year, rational and equitable funding decisions are made more difficult because of the lack of accurate and up-to-date information about the needs of tribal governments and tribal members.

The ability of the Congress to target unmet needs and make available adquate funds for tribes and tribal members is directly related to the quantity and quality of information available about the type and degree of demand for federal programs and services.

Within two years of the enactment of this act, and every 5 years thereafter, each Federal agency or department is required to conduct an "Indian Needs Assessment", INA, aimed at determining the needs of tribes and Indians eligible for programs and services administered by such agency or department.

To facilitate information collection and analysis, the bill requires the development of a uniform method, criteria and procedures for determining, analyzing, and compiling the program and service needs of tribes and Indians.

The resulting "Indian Needs Assessments" are to be filed with the Committees on Appropriations and Indian Affairs of the Senate, and the Committees on Appropriations and Resources of the House of Representatives.

In addition to a Needs Assessment, the bill also requires that each Federal agency or department responsible for providing services to Indians file an "Annual Indian Program Evaluation", AIPE, with these same committees. The AIPE will measure the performance and effectiveness of the programs under the jurisdiction of that agency or department, and include recommendations as to how such programs can be improved.

I ask unanimous consent that the text of the bill be printed in the RECORD and urge my colleagues to join me in supporting this measure.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 502

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Needs Assessment and Program Evaluation Act of 2001".

SEC. 2. FINDINGS, PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the United States and the Indian tribes have a unique legal and political government-to-government relationship;

(2) pursuant to the Constitution, treaties, statutes, Executive orders, court decisions, and course of conduct, the United States has a trust obligation to provide certain services to Indian tribes and to Indians;

(3) Federal departments and agencies charged with administering programs and providing services to, or for the benefit of, Indians have not furnished Congress with adequate information necessary to assess such programs on the needs of Indians and Indian tribes;

(4) such lack of information has hampered the ability of Congress to determine the nature, type, and magnitude of such needs as well as its ability to respond to them; and

(5) Congress cannot properly fulfill its obligation to Indian tribes and Indian people unless and until it has an adequate store of information related to the needs of Indians nationwide.

(b) PURPOSES.—The purposes of this Act are to—

(1) ensure that Indian needs for Federal programs and services are known in a more certain and predictable fashion;

(2) require that Federal departments and agencies carefully review and monitor the effectiveness of the programs and services provided to Indians;

(3) provide for more efficient and effective cooperation and coordination of, and accountability from, the Federal departments and agencies providing programs and services, including technical and business development assistance, to Indians; and

(4) provide Congress with reliable information regarding Indian needs and the evaluation of Federal programs and services provided to Indians nationwide.

SEC. 3. INDIAN TRIBAL NEEDS ASSESSMENT.

(a) INDIAN TRIBAL NEEDS ASSESSMENTS.—

(1) IMMEDIATE ASSESSMENT.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall contract with an appropriate entity, in consultation and coordination with the Indian tribes, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Labor, the Secretary of the Treasury, the Secretary of Transportation, the Secretary of Veterans Affairs, the Attorney General, the Administrator of the Environmental Protection Agency, and the heads of any other relevant Federal departments or agencies, for the development of a uniform method and criteria, and uniform procedures for determining, analyzing, and compiling the program and service assistance needs of Indian tribes and Indians by each such department or agency. The needs assessment shall address, but not be limited to, the following:

(i) The location of the service area of each program.

(ii) The size of the service area of each program.

(iii) The total population of each tribe located in the service area.

(iv) The total population of members of other tribes located in the service area.

(v) The availability of similar programs within the geographical area to tribes or tribal members.

(vi) The socio-economic conditions that exist within the service area.

(B) CONSULTATION.—The contractor shall consult with tribal governments in establishing and conducting the needs assessment required under subparagraph (A).

(2) ONGOING FEDERAL NEEDS ASSESSMENTS.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, and every 5 years thereafter, each Federal department or agency, in coordination with the Secretary of the Interior, shall conduct an Indian Needs Assessment (in this Act referred to as the "INA") aimed at determining the actual needs of Indian tribes and Indians eligible for programs and services administered by such department or agency.

(B) SUBMISSION TO CONGRESS.—Not later than February 1 of any year in which an INA is required to be conducted under subparagraph (A), a copy of the INA shall be submitted to the Committee on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Appropriations and the Committee on Indian Affairs of the Senate.

(b) FEDERAL AGENCY INDIAN TRIBAL PROGRAM EVALUATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall develop a uniform method and criteria, and uniform procedures for compiling, maintaining, keeping current, and reporting to Congress all information concerning—

(A) the annual expenditures of the department or agency for programs and services for which Indians are eligible, with specific information regarding the names of tribes who are currently participating in or receiving each service, the names of tribes who have applied for and not received programs or services, and the names of tribes whose services or programs have been terminated within the last fiscal year;

(B) services or programs specifically for the benefit of Indians, with specific information regarding the names of tribes who are currently participating in or receiving each service, the names of tribes who have applied for and not received programs or services, and the names of tribes whose services or programs have been terminated within the last fiscal year; and

(C) the department or agency method of delivery of such services and funding, including a detailed explanation of the outreach efforts of each agency or department to Indian tribes.

(2) Submission to Congress.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, each Federal department or agency responsible for providing services or programs to, or for the benefit of, Indian tribes or Indians shall file an Annual Indian Program Evaluation (in this Act referred to as the "AIPE") with the Committee on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Appropriations and the Committee on Indian Affairs of the Senate.

(c) Annual Listing of Tribal Eligible Programs.—Not later than February 1 of each calendar year, each Federal department or agency described in subsection (b)(2), shall develop and publish in the Federal Register a list of all programs and services offered by such department or agency for which Indian tribes or their members are or may be eligible, and shall provide a brief explanation of the program or service.

(d) Confidentiality.—Any information received, collected, or gathered from Indian tribes concerning program function, operations, or need in order to conduct an INA or an AIPE shall be used only for the purposes of this Act set forth in section 2(b).

SEC. 4. REPORT TO CONGRESS.

(a) In General.—Not later than 2 years after the date of enactment of this Act, the Secretary of the Interior shall develop and submit to the Committee on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Appropriations and the Committee on Indian Affairs of the Senate a report detailing the coordination of Federal program and service assistance for which Indian tribes and their members are eligible.

(b) Strategic Plan.—Not later than 30 months after the date of enactment of this Act, the Secretary of the Interior, in consultation and coordination with the Indian tribes, shall file a Strategic Plan for the Coordination of Federal Assistance for Indians (in this Act referred to as the "Strategic Plan").

(c) Contents of Strategic Plan.—The Strategic Plan required under subsection (b) shall contain the following:

(1) Identification of reforms necessary to the laws, regulations, policies, procedures, practices, and systems of the Federal departments or agencies involved.

(2) Proposals for implementing the reforms identified in the Strategic Plan.

(3) Any other recommendations that are consistent with the purposes of this Act set forth in section 2(b).

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for fiscal year 2002 and each fiscal year thereafter, such sums as are necessary to carry out this Act.

By Mr. REID (for himself and Mr. Ensign):

S. 503. A bill to amend the Safe Water Act to provide grants to small public drinking water systems; to the Committee on Environment and Public Works.

Mr. REID. Mr. President, we have spent a great deal of time, as we should, focusing on President Bush's tax cut. There are some differences that have been noted on numerous occasions. My point is, there are many other issues about which we need to be engaged.

Yesterday in the Environment and Public Works Committee, we did some very good work. We reported a bill out of that committee' dealing with brownfields. The Acting President pro tempore, who is presiding, was a cosponsor of that legislation last year. It is very important legislation. It will allow the cleanup of about 450,000 sites that now are blighted sites, most of them in city centers—where there may have been a dry cleaner there before, or there may have been some business—and there may be some toxic substances in the ground.

This legislation will allow the cleanup to go forward. It will allow these places to become productive.

We have already identified, for example, in Nevada, some 30 sites that need to be cleaned up, producing hundreds of jobs and millions and millions of dollars on the tax rolls. We did this. It shows that we can do things on a bipartisan basis.

The subcommittee is run by Senators Boxer and Chafee. They work very well together. There was bipartisan support for this legislation. I am very proud of what the committee did.

I hope, with the schedule that we have, we can have this on the floor, and we can pass this out of here, and send it to the House, within the next month. It is good legislation.

Mr. President, communities in Nevada and nationwide are facing a crisis in their ability to provide clean, affordable drinking water to the public.

Dramatic population growth in some areas of the country has only increased the demand for more drinking water.

At the same time, standards are being adopted by local, State, and Federal Governments to assure the safety of drinking water supplies.

Because of this, communities all across the country are facing the need to install, upgrade, and replace their drinking water infrastructure. That is why I and Senator Ensign are introducing the Small Community Safe Drinking Water Funding Act.

However, the cost of putting this infrastructure in place is staggeringly high. The Environmental Protection Agency has recently estimated that to meet the Nation's needs, our communities' drinking water infrastructure will require an investment of more than $150 billion over the next 20 years.

While communities of all sizes face the crisis in drinking water infrastructure, the greatest burden is on small communities.

For example, the per-household cost for water infrastructure improvements is almost four times higher for small systems than for large ones.

One reason for this disproportionate impact is that small public drinking water systems are so numerous—representing nearly 95 percent of all systems. It is that way in Nevada and most Western States.

In my home State of Nevada, the percentage is even greater. Upwards of 98 percent of public drinking water systems in the Silver State are small systems.

Also, because small communities lack the tax base and economies-of-scale of larger communities, they typically incur much higher per-household costs in upgrading their drinking water infrastructure improvements.

In Nevada alone, small communities will need to invest hundreds of millions of dollars over the next 20 years in drinking water infrastructure.

The dilemma faced by small communities has been highlighted recently by EPA's new drinking water standard for arsenic.

Arsenic is a naturally occurring contaminant that impacts drinking water supplies in Nevada, and other States throughout the west and northeast.

The public health threat posed by arsenic in drinking water is well-established by scientists.

Despite the public health need, many small communities will find it extremely difficult to finance improvements needed to meet the arsenic standard.

This is because EPA estimates that compliance with this standard will increase annual household water costs in communities of less than 10,000 people from between $38 to $327—an increase in water costs roughly 10 times greater than for communities with more than 10,000 people.

In Nevada, we have very few communities of more than 10,000. We have Las Vegas, Reno, Henderson, Sparks, Elko, and Carson City. This has a tremendous impact in Nevada.

Due to these costs to small communities, some have called for the standard to be rolled back. In fact, the Bush administration has held up the implementation of the regulation, and is currently considering whether or not to nullify it.

A roll-back of the new arsenic drinking water standard would be a serious mistake.

The old drinking water standard for arsenic had not been revised in over 55 years.

In 1999, the National Academy of Sciences reviewed the scientific data on arsenic and urged EPA to implement a lower, more protective standard as quickly as possible.

The new EPA arsenic standard—the one currently under review by the Bush administration—was set at the very level as the standard adopted by the World Health Organization almost a decade ago.

Undoing EPA's new arsenic standard would deny millions of American families access to safe drinking water.

Rolling back this standard is simply the wrong way to ensure clean, reliable, and affordable water to all Americans.

The right way to address the new arsenic standard, as well as the crisis this country faces with its drinking water infrastructure, is for the Federal Government to provide a helping hand to communities to meet their drinking water needs.

Take my home State of Nevada for example. The city of Fallon, a small, rural community in the northwest part of the State, has been wrestling with high levels of naturally-occurring arsenic in its public water supply for decades. When I served in the State legislature in the 1960's, this was a problem. It still is.

Despite the difficulties involved in solving its arsenic problem, the city is not asking for a roll-back of EPA's new arsenic standard.

On the contrary, the city very much wants to meet the new standard so that it can provide safe drinking water to its citizens.

What the city needs, in order to accomplish this, is our financial help. It is a national problem, and we should help.

I should add, even though there is naturally occurring arsenic in the water in Fallon, it may have been exacerbated by a Federal project, the first Bureau of Reclamation project in the history of the country, in 1902, when it sent water from the Truckee River into Churchill County. It may have raised the arsenic level higher than it would have been otherwise.

Currently, the primary source of Federal assistance for local drinking water projects is the EPA's Drinking Water State Revolving Loan Fund.

This fund—which I, along with others on the Senate Environment and Public and Works Committee, helped add to the Safe Drinking Water Act when it was amended in 1996—has been an overwhelming success.

Since its inception, the fund has allowed States to provide more than 1,200 low-interest loans totaling over $2.3 billion for upgrading and installing drinking water systems.

However, many small and disadvantaged communities are left out of the State revolving fund program.

Many of these communities do not attempt to participate in the program because they lack the financial resources to meet the terms of loans.

Although we added a provision to the act in 1996 allowing loans to be subsidized for disadvantaged communities, a significant number of States have not taken advantage of it.

Therefore, many small, cash-strapped communities receive little or no financial assistance form the Federal Government, at a time when they are faced with costly improvements to systems like that of Fallon, NV.

Today, I and Senator ENSIGN introduce a bill to address the needs of communities that face the greatest difficulties in ensuring clean drinking water for their residents.

It will ensure that our Nation's small, disadvantaged communities have access to the financial help they need to provide safe, reliable, and affordable drinking water.

This bill, the Small Community Safe Drinking Water Funding Act, accomplishes this goal by establishing a program to provide almost $750 million annually to Indian tribes and States, so they can make grants to public water systems that serve small communities.

I would like to highlight several key aspects of the bill:

First, the Small Community Safe Drinking Water Act provides substantial flexibility to States.

Each State choosing to participate in the grant program will receive an allocation of money from EPA, based on the drinking water infrastructure needs of that State.

The State can then distribute this money as grants according to the State's own prioritization of communities' needs.

Second, the act streamlines the workload associated with a new grant program by taking advantage of procedures already in place through the Drinking Water State Revolving Fund program.

The identification of communities in most need of grant support is coordinated with the annual "Intended Use Plans" already required of States by the State revolving fund.

States can also administer grants through the same agencies that currently administer State revolving fund loans.

Third, the drinking water treatment needs of Indian tribes and Alaskan native villages are addressed through a $22.5 million EPA-administered grants program modeled after the one established for States.

This money will be targeted, in the form of grants, to those small communities determined to be in most need of drinking water system improvements.

Finally, the act ensures that small, disadvantaged communities receiving grants have access to technical assistance through non-profit organizations.

These organizations have established relationships with small communities, as well as a solid track record in helping these communities to solve their drinking water problems.

These organizations will be able to assist small communities to plan, implement, and maintain the drinking water projects funded through grants.

Nevada's small communities are facing a drinking water infrastructure crisis.

These communities, and other small communities nationwide, confront increasing demand for clean, reliable, and affordable drinking water.

But it is simply too costly for small communities, alone, to address this water infrastructure crisis.

They need a financial helping hand from the Federal Government.

The bill I and Senator ENSIGN are introducing today will provide this much-needed Federal helping hand.

I urge my colleagues to cosponsor this important legislation and work with us to see that it is swiftly enacted.

By Mr. CAMPBELL (for himself, Mr. INOUYE, and Mr. BINGAMAN):

S. 504. A bill for administrative procedures to extend Federal recognition to certain Indian groups, and for other purposes; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, I am pleased to be joined by Senators INOUYE and BINGAMAN in introducing the Indian Tribal Federal Recognition Administrative Procedures Act of 2001. From the first days of the republic, the Congress has acted to recognize the unique legal and political relationship the United States has with the Indian tribes. Reforming the process of Federal recognition is the purpose of the legislation I am introducing today.

Federal recognition is critical to tribal groups because it triggers eligibility for services and benefits provided by the United States because of their status as members of federally recognized Indian tribes.

I want to be clear, I am not advocating for the approval of every petition for recognition, and I am not proposing that the petitions receive a limited or cursory review. I am concerned with the viability of the current recognition process and am interested in seeing fairness, promptness, and finality brought into that process while providing basic assurances to already-recognized tribes regarding their inherent rights.

Federal recognition may be accomplished in two ways: through the enactment of federal legislation; or through the administrative process that occurs, or more accurately does not occur, within the Branch of Acknowledgement and Research, BAR.

Over the years, the length of time the Bureau has taken to process certain petitions and the process for which applications for recognition are considered has increased. At a hearing on similar legislation in 2000, one group testified that its petition has been pending since 1970!

The process in the Department of the Interior is time consuming and costly, although it has improved from its original state. It has frequently been hindered by a lack of staff and resources which are needed to fairly and promptly review all petitions.

The cases on active consideration, including those with proposed findings, have been in the process for anywhere from 2 to 9 years.

As with any decision-making body, fairness and timeliness are the keys to maintaining a credible system which holds the confidence of affected parties. I believe that it is in the interests of all parties to have a clear deadline for the completion of the recognition process.

In 1978, the Department of the Interior promulgated regulations to establish criteria and procedures for the recognition of Indian tribes by the Secretary of Interior.

Since that time tribal groups have filed 250 letters of intent and petitions for review and consideration. Of those, 51 have been resolved, 34 by the BAR.

The remainder are in various stages of consideration by the Department either ready for active status or are already placed on active status.

In the last twenty years, the Committee on Indian Affairs has held several oversight hearings on the Federal recognition process. At those hearings the record clearly showed that the process does not work. At a Committee on Indian Affairs hearing in 1995, the Bureau testified that at the current rate of review and consideration, it would take several decades to eliminate the entire backlog of tribal petitions. The record from numerous previous hearings reveals a clear need for the Congress to address the problems affecting the recognition process.

The bill I am introducing today will go a long way toward resolving the problems which have plagued both the Department of the Interior and tribal petitioners over the years.

This bill, the Indian Tribal Federal Recognition Administrative Procedures Act of 2001, provides the required clarification and changes that will help tribal petitioners and the United States in providing fair and orderly administrative procedures to extend Federal recognition to eligible Indian groups. The principal purpose is to remove the Federal acknowledgment process from the BAR and transfer the responsibility for the process to a temporary and independent Commission on Indian Tribal Recognition.

This bill provides that the Commission will be an independent agency, composed of three members appointed by the President, and authorized to hold hearings, take testimony, and reach final determinations on petitions for recognition.

The bill provides strict but realistic time-lines to guide the Commission in the review and decision-making process. Under the existing process, some petitioners have waited ten years or more for even a cursory review of their petition.

This bill will allow for a cost-effective process for the BIA and the petitioners, it will provide definite timelines for the administrative recognition process, and sunsets the Commission in 12 years.

To ensure fairness, the bill provides for appeals of adverse decisions to the federal district court here in the District of Columbia.

To ensure that the views and comments of all affected parties are considered, the bills directs the Commission to consider evidence and materials submitted by states, local communities, and State attorneys general.

To ensure promptness, the bill authorizes adequate funding for the costs of processing petitions through the Commission.

The bill also provides finality for both the petitioners and the Department by requiring all interested tribal groups to file their petitions with 8 years after the date of enactment and requiring the Commission to complete to work within 12 years from enactment.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, and urge my colleagues to join me in enacting this much-needed reform legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 504

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Tribal Federal Recognition Administrative Procedures Act of 2001".

SEC. 2. PURPOSES.

The purposes of this Act are as follows:

(1) To remove the Federal acknowledgment process from the Bureau of Indian Affairs and transfer the responsibility for the process to an independent Commission on Indian Tribal Recognition.

(2) To establish a Commission on Indian Tribal Recognition to review and act upon documented petitions submitted by Indian groups that apply for Federal recognition.

(3) To establish an administrative procedure under which petitions for Federal recognition filed by Indian groups will be considered.

(4) To provide clear and consistent standards of administrative review of documented petitions for Federal acknowledgment.

(5) To clarify evidentiary standards and expedite the administrative review process by providing adequate resources to process documented petitions.

(6) To ensure that when the Federal Government extends acknowledgment to an Indian tribe, the Federal Government does so with a consistent legal, factual, and historical basis.

(7) To extend to Indian groups that are determined to be Indian tribes the protection, services, and benefits available from the Federal Government pursuant to the Federal trust responsibility with respect to Indian tribes.

(8) To extend to Indian groups that are determined to be Indian tribes the immunities and privileges available to other federally acknowledged Indian tribes by virtue of their status as Indian tribes with a government-to-government relationship with the United States.

SEC. 3. DEFINITIONS.

In this Act:

(1) ACKNOWLEDGMENT.—The term "acknowledgment" means a determination by the Commission on Indian Tribal Recognition that an Indian group constitutes an Indian tribe with a government-to-government relationship with the United States.

(2) AUTONOMOUS.—

(A) IN GENERAL.—The term "autonomous" means the exercise of political influence or authority independent of the control of any other Indian governing entity.

(B) CONTEXT OF TERM.—With respect to a petitioner, the term shall be understood in the context of the history, geography, culture, and social organization of the petitioner.

(3) BUREAU.—The term "Bureau" means the Bureau of Indian Affairs of the Department.

(4) COMMISSION.—The term "Commission" means the Commission on Indian Tribal Recognition established under section 4.

(5) COMMUNITY.—

(A) IN GENERAL.—The term "community" means any group of people, living within a reasonable territory, that is able to demonstrate that—

(i) consistent interactions and significant social relationships exist within the membership; and

(ii) the members of that group are differentiated from and identified as distinct from nonmembers.

(B) CONTEXT OF TERM.—The term shall be understood in the context of the history, culture, and social organization of the group, taking into account the geography of the region in which the group resides.

(6) CONTINUOUS OR CONTINUOUSLY.—With respect to a period of history of a group, the term "continuous" or "continuously" means extending from 1900 throughout the history of the group to the present substantially without interruption.

(7) DEPARTMENT.—The term "Department" means the Department of the Interior.

(8) DOCUMENTED PETITION.—The term "documented petition" means the detailed, factual exposition and arguments, including all documentary evidence, necessary to demonstrate that those arguments specifically address the mandatory criteria established in section 5.

(9) HISTORICALLY, HISTORICAL, HISTORY.—The terms "historically", "historical", and "history" refer to the period dating from 1900.

(10) INDIAN GROUP.—The term "Indian group" means any Indian band, pueblo, village, or community that is not acknowledged to be an Indian tribe.

(11) INTERESTED PARTIES.—The term "interested parties" means any person, organization, or other entity who can establish a legal, factual, or property interest in an acknowledgement determination and who requests an opportunity to submit comments or evidence or to be kept informed of Federal actions regarding a specific petitioner. The term includes the government and attorney general of the State in which a petitioner is located, and may include, but is not limited to, local governmental units, and any recognized Indian tribes and unrecognized Indian groups that might be affected by an acknowledgement determination.

(12) LETTER OF INTENT.—The term "letter of intent" means an undocumented letter or resolution that—

(A) is dated and signed by the governing body of an Indian group;

(B) is submitted to the Commission; and

(C) indicates the intent of the Indian group to submit a documented petition for Federal acknowledgment.

(13) PETITIONER.—The term "petitioner" means any group that submits a letter of intent to the Commission requesting acknowledgment.

(14) POLITICAL INFLUENCE OR AUTHORITY.—

(A) IN GENERAL.—The term "political influence or authority" means a tribal council, leadership, internal process, or other mechanism that a group has used as a means of—

(i) influencing or controlling the behavior of its members in a significant manner;

(ii) making decisions for the group which substantially affect its members; or

(iii) representing the group in dealing with nonmembers in matters of consequence to the group.

(B) CONTEXT OF TERM.—The term shall be understood in the context of the history, culture, and social organization of the group.

(15) RESTORATION.—The term "restoration" means the reextension of acknowledgment to any previously acknowledged tribe with respect to which the acknowledged status may have been abrogated or diminished by reason of administrative action by the Executive Branch or legislation enacted by Congress expressly terminating that status.

(16) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(17) TREATY.—The term "treaty" means any treaty—

(A) negotiated and ratified by the United States on or before March 3, 1871, with, or on behalf of, any Indian group or tribe;

(B) made by any government with, or on behalf of, any Indian group or tribe, from which the Federal Government or the colonial government which was the predecessor to the United States Government subsequently acquired territory by purchase, conquest, annexation, or cession; or

(C) negotiated by the United States with, or on behalf of, any Indian group in California, whether or not the treaty was subsequently ratified.

(18) TRIBAL ROLL.—The term "tribal roll" means a list exclusively of those individuals who—

(A)(i) have been determined by the tribe to meet the membership requirements of the tribe, as set forth in the governing document of the tribe; or

(ii) in the absence of a governing document that sets forth those requirements, have been recognized as members by the governing body of the tribe; and

(B) have affirmatively demonstrated consent to being listed as members of the tribe.

SEC. 4. COMMISSION ON INDIAN TRIBAL RECOGNITION.

(a) ESTABLISHMENT.—There is established the Commission on Indian Tribal Recognition. The Commission shall be an independent establishment, as defined in section 104 of title 5, United States Code.

(b) MEMBERSHIP.—

(1) IN GENERAL.—

(A) MEMBERS.—The Commission shall consist of 3 members appointed by the President, by and with the advice and consent of the Senate.

(B) INDIVIDUALS TO BE CONSIDERED FOR MEMBERSHIP.—In making appointments to the Commission, the President shall give careful consideration to—

(i) recommendations received from Indian groups and Indian tribes; and

(ii) individuals who have a background or who have demonstrated expertise and experience in Indian law or policy, anthropology, genealogy, or Native American history.

(C) BACKGROUND INFORMATION.—No individual shall be eligible for any appointment to, or continue service on the Commission, who—

(i) has been convicted of a felony; or

(ii) has any financial interest in, or management responsibility for, any Indian group.

(2) POLITICAL AFFILIATION.—Not more than 2 members of the Commission may be members of the same political party.

(3) TERMS.—Each member of the Commission shall be appointed for a term of 6 years.

(4) VACANCIES.—Any vacancy in the Commission shall not affect the powers of the Commission, but shall be filled in the same manner in which the original appointment was made. Any member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of the member was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of the term of that member until a successor has taken office.

(5) COMPENSATION.—

(A) IN GENERAL.—Each member of the Commission shall receive compensation at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day, including traveltime, that the member is engaged in the actual performance of duties authorized by the Commission.

(B) TRAVEL.—All members of the Commission shall be reimbursed for travel and per diem in lieu of subsistence expenses during the performance of duties of the Commission while away from their homes or regular places of business, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(6) FULL-TIME EMPLOYMENT.—Each member of the Commission shall serve on the Commission as a full-time employee of the Federal Government. No member of the Commission may, while serving on the Commission, be otherwise employed as an officer or employee of the Federal Government. Service by a member who is an employee of the Federal Government at the time of nomination as a member shall be without interruption or loss of civil service status or privilege.

(7) CHAIRPERSON.—At the time appointments are made under paragraph (1), the President shall designate a Chairperson of the Commission (referred to in this section as the "Chairperson") from among the appointees.

(c) MEETINGS AND PROCEDURES.—

(1) IN GENERAL.—The Commission shall hold its first meeting not later than 30 days after the date on which all members of the Commission have been appointed and confirmed by the Senate.

(2) QUORUM.—Two members of the Commission shall constitute a quorum for the transaction of business.

(3) RULES.—The Commission may adopt such rules (consistent with the provisions of this Act) as may be necessary to establish the procedures of the Commission and to govern the manner of operations, organization, and personnel of the Commission.

(4) PRINCIPAL OFFICE.—The principal office of the Commission shall be in the District of Columbia.

(d) DUTIES.—The Commission shall carry out the duties assigned to the Commission by this Act, and shall meet the requirements imposed on the Commission by this Act.

(e) POWERS AND AUTHORITIES.—

(1) POWERS AND AUTHORITIES OF CHAIRPERSON.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson may—

(A) appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director of the Commission and of such other personnel as the Chairperson considers advisable to assist in the performance of the duties of the Commission, at a rate not to exceed a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(B) procure, as authorized by section 3109(b) of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch, but at rates not to exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of that title.

(2) GENERAL POWERS AND AUTHORITIES OF COMMISSION.—

(A) IN GENERAL.—The Commission may hold such hearings and sit and act at such times as the Commission considers to be appropriate.

(B) OTHER AUTHORITIES.—As the Commission may consider advisable, the Commission may—

(i) take testimony;

(ii) have printing and binding done;

(iii) enter into contracts and other arrangements, subject to the availability of funds;

(iv) make expenditures; and

(v) take other actions.

(C) OATHS AND AFFIRMATIONS.—Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(3) INFORMATION.—

(A) IN GENERAL.—The Commission may secure directly from any officer, department, agency, establishment, or instrumentality of the Federal Government such information as the Commission may require to carry out this Act. Each such officer, department, agency, establishment, or instrumentality shall furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon the request of the Chairperson.

(B) FACILITIES, SERVICES, AND DETAILS.—Upon the request of the Chairperson, to assist the Commission in carrying out the duties of the Commission under this section, the head of any Federal department, agency, or instrumentality may—

(i) make any of the facilities and services of that department, agency, or instrumentality available to the Commission; and

(ii) detail any of the personnel of that department, agency, or instrumentality to the Commission, on a nonreimbursable basis.

(C) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(g) TERMINATION OF COMMISSION.—The Commission shall terminate on the date that is 12 years after the date of the first meeting of the Commission.

(h) Appointments.—Notwithstanding any other provision of this Act, the Secretary shall continue to exercise those authorities vested in the Secretary relating to supervision of Indian recognition regulated under part 83 of title 25 of the Code of Federal Regulations until such time as the Commission is organized and prescribes regulations. The Secretary shall provide staff and support assistance to facilitate an orderly transition to regulation of Indian recognition by the Commission.

SEC. 5. DOCUMENTED PETITIONS FOR RECOGNITION.

(a) In General.—

(1) Letters of intent and documented petitions.—Subject to subsection (d) and except as provided in paragraph (3), any Indian group may submit to the Commission letters of intent and a documented petition requesting that the Commission recognize the group as an Indian tribe.

(2) Hearing.—

(A) In general.—Indian groups that have been denied or refused recognition as an Indian tribe under regulations prescribed by the Secretary shall be entitled to an adjudicatory hearing under section 9 before the Commission, if the Commission determines that the criteria established by this Act changes the merits of the Indian group's documented petition submitted to the Department.

(B) Hearing record.—For purposes of subparagraph (A), the Commission shall review the administrative record containing the documented petition that formed the basis of the determination to the Indian group by the Secretary.

(C) Treatment of secretary's final determination.—For purposes of the adjudicatory hearing, the Secretary's final determination shall be considered a preliminary determination under section 8(b)(1)(B).

(D) Official government actions to be considered concerning evidence of criteria.—A statement and an analysis of facts submitted under this section may establish that, for any given period of time for which evidence of criteria is lacking, such absence of evidence corresponds in time with official acts of the Federal or relevant State Government which prohibited or penalized the expression of Indian identity. For such periods of time, the absence of evidence shall not be the basis for declining to acknowledge the petitioner.

(3) Exclusion.—The following groups and entities shall not be eligible to submit a documented petition for recognition by the Commission under this Act:

(A) Certain entities that are eligible to receive services from the bureau.—Indian tribes, organized bands, pueblos, communities, and Alaska Native entities that are recognized by the Secretary as of the date of enactment of this Act as eligible to receive services from the Bureau.

(B) Certain splinter groups, political factions, and communities.—Splinter groups, political factions, communities, or groups of any character that separate from the main body of an Indian tribe that, at the time of that separation, is recognized as an Indian tribe by the Secretary, unless the group, faction, or community is able to establish clearly that the group, faction, or community has functioned throughout history until the date of the documented petition as an autonomous Indian tribal entity.

(C) Certain groups that have previously submitted documented petitions.—Groups, or successors in interest of groups, that before the date of enactment of this Act, have petitioned for and been denied or refused recognition based on the merits of their petition as an Indian tribe under regulations prescribed by the Secretary (other than an Indian group described in paragraph (2)(A)). Nothing in this subparagraph shall be construed as excluding any group that Congress has identified as Indian, but has not identified as an Indian tribe.

(D) Indian groups subject to termination.—Any Indian group whose relationship with the Federal Government was expressly terminated by an Act of Congress.

(4) Transfer of documented petition.—

(A) In general.—Notwithstanding any other provision of law, not later than 30 days after the date on which all of the members of the Commission have been appointed and confirmed by the Senate under section 4(b), the Secretary shall transfer to the Commission all documented petitions and letters of intent pending before the Department that request the Secretary to recognize or acknowledge an Indian group as an Indian tribe.

(B) Cessation of certain authorities of secretary.—Notwithstanding any other provision of law, on the date of the transfer under subparagraph (A), the Secretary and the Department shall cease to have any authority to recognize or acknowledge, on behalf of the Federal Government, any Indian group as an Indian tribe.

(C) Determination of order of submission of transferred documented petitions.—Documented petitions transferred to the Commission under subparagraph (A) shall, for purposes of this Act, be considered as having been submitted to the Commission in the same order as those documented petitions were submitted to the Department.

(b) Documented Petition Form and Content.—Except as provided in subsection (c), any documented petition submitted under subsection (a) by an Indian group shall be in any readable form that clearly indicates that the documented petition is a documented petition requesting the Commission to recognize the Indian group as an Indian tribe and that contains detailed, specific evidence concerning each of the following items:

(1) Statement of facts.—A statement of facts and an analysis of such facts establishing that the petitioner has been identified as an American Indian entity on a substantially continuous basis since 1900. Evidence that the character of the group as an Indian entity has from time to time been denied shall not be considered to be conclusive evidence that this criterion has not been met. Evidence that the Commission may rely on in determining the Indian identity of a group may include any 1 or more of the following items:

(A) Identification of petitioner.—An identification of the petitioner as an Indian entity by any department, agency, or instrumentality of the Federal Government.

(B) Relationship of petitioner with state government.—A relationship between the petitioner and any State government, based on an identification of the petitioner as an Indian entity.

(C) Relationship of petitioner with a political subdivision of a state.—Dealings of the petitioner with a county or political subdivision of a State in a relationship based on the Indian identity of the petitioner.

(D) Identification of petitioner on the basis of certain records.—An identification of the petitioner as an Indian entity by records in a private or public archive, courthouse, church, or school.

(E) Identification of petitioner by certain experts.—An identification of the petitioner as an Indian entity by an anthropologist, historian, or other scholar.

(F) Identification of petitioner by certain media.—An identification of the petitioner as an Indian entity in a newspaper, book, or similar medium.

(G) Identification of petitioner by another Indian tribe or organization.—An identification of the petitioner as an Indian entity by another Indian tribe or by a national, regional, or State Indian organization.

(H) Identification of petitioner by a foreign government or international organization.—An identification of the petitioner as an Indian entity by a foreign government or an international organization.

(I) Other evidence of identification.—Such other evidence of identification as may be provided by a person or entity other than the petitioner or a member of the membership of the petitioner.

(2) Evidence of community.—

(A) In general.—A statement of facts and an analysis of such facts establishing that a predominant portion of the membership of the petitioner—

(i) comprises a community distinct from those communities surrounding that community; and

(ii) has existed as a community from historical times to the present.

(B) Evidence.—Evidence that the Commission may rely on in determining that the petitioner meets the criteria described in clauses (i) and (ii) of subparagraph (A) may include 1 or more of the following items:

(i) Marriages.—Significant rates of marriage within the group, or, as may be culturally required, patterned out-marriages with other Indian populations.

(ii) Social relationships.—Significant social relationships connecting individual members.

(iii) Social interaction.—Significant rates of informal social interaction which exist broadly among the members of a group.

(iv) Shared economic activity.—A significant degree of shared or cooperative labor or other economic activity among the membership.

(v) Discrimination or other social distinctions.—Evidence of strong patterns of discrimination or other social distinctions by nonmembers.

(vi) Shared ritual activity.—Shared sacred or secular ritual activity encompassing most of the group.

(vii) Cultural patterns.—Cultural patterns that—

(I) are shared among a significant portion of the group that are different from the cultural patterns of the non-Indian populations with whom the group interacts;

(II) function as more than a symbolic identification of the group as Indian; and

(III) may include language, kinship, or religious organizations, or religious beliefs and practices.

(viii) Collective indian identity.—The persistence of a named, collective Indian identity continuously over a period of more than 50 years, notwithstanding changes in name.

(ix) Historical political influence.—A demonstration of historical political influence pursuant to the criteria set forth in paragraph (3).

(x) Extended kinship ties.—Not less than 50 percent of the tribal members exhibit collateral kinship ties through generations to the third degree.

(C) CRITERIA FOR SUFFICIENT EVIDENCE.—The Commission shall consider the petitioner to have provided sufficient evidence of community at a given point in time if the petitioner has provided evidence that demonstrates any one of the following:

(i) RESIDENCE OF MEMBERS.—More than 50 percent of the members of the group of the petitioner reside in a particular geographical area exclusively or almost exclusively composed of members of the group, and the balance of the group maintains consistent social interaction with some members of the community.

(ii) MARRIAGES.—Not less than ⅓ of the marriages of the group are between members of the group.

(iii) DISTINCT CULTURAL PATTERNS.—Not less than 50 percent of the members of the group maintain distinct cultural patterns including language, kinship, or religious organizations, or religious beliefs or practices.

(iv) COMMUNITY SOCIAL INSTITUTIONS.—Distinct community social institutions encompassing 50 percent of the members of the group, such as kinship organizations, formal or informal economic cooperation, or religious organizations.

(v) APPLICABILITY OF CRITERIA.—The group has met the criterion in paragraph (3) using evidence described in paragraph (3)(B).

(3) AUTONOMOUS ENTITY.—

(A) IN GENERAL.—A statement of facts and an analysis of such facts establishing that the petitioner has maintained political influence or authority over its members as an autonomous entity from historical times until the time of the documented petition. The Commission may rely on 1 or more of the following items in determining whether a petitioner meets the criterion described in the preceding sentence:

(i) MOBILIZATION OF MEMBERS.—The group is capable of mobilizing significant numbers of members and significant resources from its members for group purposes.

(ii) ISSUES OF PERSONAL IMPORTANCE.—Most of the membership of the group consider issues acted upon or taken by group leaders or governing bodies to be of personal importance.

(iii) POLITICAL PROCESS.—There is widespread knowledge, communication, and involvement in political processes by most of the members of the group.

(iv) LEVEL OF APPLICATION OF CRITERIA.—The group meets the criterion described in paragraph (2) at more than a minimal level.

(v) INTRAGROUP CONFLICTS.—There are intragroup conflicts which show controversy over valued group goals, properties, policies, processes, or decisions.

(vi) CONTINUOUS LINE OF GROUP LEADERS.—A continuous line of group leaders with a description of the means of selection or acquiescence by a majority of the group's members.

(B) EVIDENCE OF EXERCISE OF POLITICAL INFLUENCE OR AUTHORITY.—The Commission shall consider that a petitioner has provided sufficient evidence to demonstrate the exercise of political influence or authority at a given point in time by demonstrating that group leaders or other mechanisms exist or have existed that accomplish the following:

(i) ALLOCATION OF GROUP RESOURCES.—Allocate group resources such as land, residence rights, or similar resources on a consistent basis.

(ii) SETTLEMENT OF DISPUTES.—Settle disputes between members or subgroups such as clans or lineages by mediation or other means on a regular basis.

(iii) INFLUENCE ON BEHAVIOR OF INDIVIDUAL MEMBERS.—Exert strong influence on the behavior of individual members, such as the establishment or maintenance of norms and the enforcement of sanctions to direct or control behavior.

(iv) ECONOMIC SUBSISTENCE ACTIVITIES.—Organize or influence economic subsistence activities among the members, including shared or cooperative labor.

(C) TEMPORALITY OF SUFFICIENCY OF EVIDENCE.—A group that has met the requirements of paragraph (2)(C) at any point in time shall be considered to have provided sufficient evidence to meet the criterion described in subparagraph (A) at that point in time.

(4) GOVERNING DOCUMENT.—A copy of the then present governing document of the petitioner that includes the membership criteria of the petitioner. In the absence of a written document, the petitioner shall be required to provide a statement describing in full the membership criteria of the petitioner and the then current governing procedures of the petitioner.

(5) LIST OF MEMBERS.—

(A) IN GENERAL.—A list of all then current members of the petitioner, including the full name (and maiden name, if any), date, and place of birth, and then current residential address of each member, a copy of each available former list of members based on the criteria defined by the petitioner, and a statement describing the methods used in preparing those lists.

(B) REQUIREMENTS FOR MEMBERSHIP.—In order for the Commission to consider the members of the group to be members of an Indian tribe for the purposes of the documented petition, that membership shall be required to consist of established descendancy from an Indian group that existed historically, or from historical Indian groups that combined and functioned as a single autonomous entity.

(C) EVIDENCE OF TRIBAL MEMBERSHIP.—Evidence of tribal membership required by the Commission for a determination of tribal membership shall include the following items:

(i) DESCENDANCY ROLLS.—Descendancy rolls prepared by the Secretary for the petitioner for purposes of distributing claims money, providing allotments, or other purposes.

(ii) CERTAIN OFFICIAL RECORDS.—Federal, State, or other official records or evidence identifying then present members of the petitioner, or ancestors of then present members of the petitioner, as being descendants of a historic tribe or historic tribes that combined and functioned as a single autonomous political entity.

(iii) ENROLLMENT RECORDS.—Church, school, and other similar enrollment records identifying then present members or ancestors of then present members as being descendants of a historic tribe or historic tribes that combined and functioned as a single autonomous political entity.

(iv) AFFIDAVITS OF RECOGNITION.—Affidavits of recognition by tribal elders, leaders, or the tribal governing body identifying then present members or ancestors of then present members as being descendants of 1 or more historic tribes that combined and functioned as a single autonomous political entity.

(v) OTHER RECORDS OR EVIDENCE.—Other records or evidence based upon firsthand experience of historians, anthropologists, and genealogists with established expertise on the petitioner or Indian entities in general, identifying then present members or ancestors of then present members as being descendants of 1 or more historic tribes that combined and functioned as a single autonomous political entity.

(c) EXCEPTIONS.—A documented petition from an Indian group that is able to demonstrate by a preponderance of the evidence that the group was, or is the successor in interest to, a—

(1) party to a treaty or treaties;

(2) group acknowledged by any agency of the Federal Government as eligible to participate under the Act of June 18, 1934 (commonly referred to as the "Indian Reorganization Act") (48 Stat. 984 et seq., chapter 576; 25 U.S.C. 461 et seq.);

(3) group for the benefit of which the United States took into trust lands, or which the Federal Government has treated as having collective rights in tribal lands or funds; or

(4) group that has been denominated a tribe by an Act of Congress or Executive order,

shall be required to establish the criteria set forth in this section only with respect to the period beginning on the date of the applicable action described in paragraph (1), (2), (3), or (4) and ending on the date of submission of the documented petition.

(d) DEADLINE FOR SUBMISSION.—

(1) DOCUMENTED PETITIONS.—No Indian group may submit a documented petition to the Commission after 8 years after the date of the first meeting of the Commission.

(2) LETTERS OF INTENT.—In the case of a letter of intent, the Commission shall publish in the Federal Register a notice of such receipt, including the name, location, and mailing address of the petitioner. A petitioner who has submitted a letter of intent or had a letter of intent transferred to the Commission under section 5 shall be required to submit a documented petition within 3 years after the date of the first meeting of the Commission to the Commission. No letters of intent will be accepted by the Commission after 3 years after the date of the first meeting of the Commission.

SEC. 6. NOTICE OF RECEIPT OF DOCUMENTED PETITION.

(a) PETITIONER.—

(1) IN GENERAL.—Not later than 30 days after a documented petition is submitted or transferred to the Commission under section 5(a), the Commission shall—

(A) send an acknowledgement of receipt in writing to the petitioner; and

(B) publish in the Federal Register a notice of that receipt, including the name, location, and mailing address of the petitioner and such other information that—

(i) identifies the entity that submitted the documented petition and the date the documented petition was received by the Commission;

(ii) indicates where a copy of the documented petition may be examined; and

(iii) indicates whether the documented petition is a transferred documented petition that is subject to the special provisions under paragraph (2).

(2) SPECIAL PROVISIONS FOR TRANSFERRED DOCUMENTED PETITIONS.—

(A) IN GENERAL.—With respect to a documented petition that is transferred to the Commission under section 5(a)(4), the notice provided to the petitioner, shall, in addition to providing the information specified in paragraph (1), inform the petitioner whether the documented petition constitutes a documented petition that meets the requirements of section 5.

(B) AMENDED PETITIONS.—If the petition described in subparagraph (A) is not a documented petition, the Commission shall notify the petitioner that the petitioner may, not later than 120 days after the date of the notice, submit to the Commission an amended petition that is a documented petition for review under section 7.

(C) EFFECT OF AMENDED PETITION.—To the extent practicable, the submission of an amended petition by a petitioner by the date specified in this paragraph shall not affect the order of consideration of the petition by the Commission.

(b) OTHERS.—In addition to providing the notification required under subsection (a), the Commission shall notify, in writing, the Governor and attorney general of, and each federally recognized Indian tribe within, any State in which a petitioner resides.

(c) PUBLICATION; OPPORTUNITY FOR SUPPORTING OR OPPOSING SUBMISSIONS.—

(1) PUBLICATION.—The Commission shall publish the notice of receipt of each documented petition (including any amended petition submitted pursuant to subsection (a)(2)) in a major newspaper of general circulation in the town or city located nearest the location of the petitioner.

(2) OPPORTUNITY FOR SUPPORTING OR OPPOSING SUBMISSIONS.—

(A) IN GENERAL.—Each notice published under paragraph (1) shall include, in addition to the information described in subsection (a), notice of opportunity for other parties involved with the petitioners to submit factual or legal arguments in support of, or in opposition to, the documented petition.

(B) COPY TO PETITIONER.—A copy of any submission made under subparagraph (A) shall be provided to the petitioner within 90 days upon receipt by the Commission.

(C) RESPONSE.—The petitioner shall be provided an opportunity to respond within 90 days to any submission made under subparagraph (A) before a determination on the documented petition by the Commission.

SEC. 7. PROCESSING THE DOCUMENTED PETITION.

(a) REVIEW.—

(1) IN GENERAL.—Upon receipt of a documented petition submitted or transferred under section 5(a) or submitted under section 6(a)(2)(B), the Commission shall conduct a review to determine whether the petitioner is entitled to be recognized as an Indian tribe.

(2) CONTENT OF REVIEW.—The review conducted under paragraph (1) shall include consideration of the documented petition, supporting evidence, and the factual statements contained in the documented petition.

(3) OTHER RESEARCH.—In conducting a review under this subsection, the Commission may—

(A) initiate other research for any purpose relative to analyzing the documented petition and obtaining additional information about the status of the petitioner; and

(B) consider such evidence as may be submitted by interested parties.

(4) ACCESS TO LIBRARY OF CONGRESS AND NATIONAL ARCHIVES.—Upon request by the petitioner, the appropriate officials of the Library of Congress and the National Archives shall allow access by the petitioner to the resources, records, and documents of those entities, for the purpose of conducting research and preparing evidence concerning the status of the petitioner.

(b) CONSIDERATION.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, documented petitions submitted or transferred to the Commission shall be considered on a first come, first served basis, determined by the date of the original filing of each such documented petition with the Commission (or the Department if the documented petition is transferred to the Commission pursuant to section 5(a)(4) or is an amended petition submitted pursuant to section 6(a)(2)(B)). The Commission shall establish a priority register that includes documented petitions that are pending before the Department as of the date of the first meeting of the Commission.

(2) PRIORITY CONSIDERATION.—Each documented petition (that is submitted or transferred to the Commission pursuant to section 5(a) or that is submitted to the Commission pursuant to section 6(a)(2)(B)) of an Indian group that meets 1 or more of the requirements set forth in section 5(c) shall receive priority consideration over a documented petition submitted by any other Indian group.

SEC. 8. PRELIMINARY HEARING.

(a) IN GENERAL.—Not later than 60 days after the receipt of a documented petition by the Commission submitted or transferred under section 5(a) or submitted to the Commission pursuant to section 6(a)(2)(B), the Commission shall set a date for a preliminary hearing, which shall in no instance be held later than 180 days after receipt of the documented petition. At the preliminary hearing, the petitioner and any other interested party may provide evidence concerning the status of the petitioner.

(b) DETERMINATION.—

(1) IN GENERAL.—Not later than 30 days after the conclusion of a preliminary hearing under subsection (a), the Commission shall make a determination—

(A) to extend Federal acknowledgment of the petitioner as an Indian tribe to the petitioner; or

(B) that the petitioner should proceed to an adjudicatory hearing.

(2) NOTICE OF DETERMINATION.—The Commission shall publish in the Federal Register a notice of each determination made under paragraph (1).

(c) INFORMATION TO BE PROVIDED PREPARATORY TO AN ADJUDICATORY HEARING.—

(1) IN GENERAL.—If the Commission makes a determination under subsection (b)(1)(B) that the petitioner should proceed to an adjudicatory hearing, the Commission shall—

(A)(i) not later than 30 days after the date of such determination, make available appropriate evidentiary records of the Commission to the petitioner to assist the petitioner in preparing for the adjudicatory hearing; and

(ii) include such guidance as the Commission considers necessary or appropriate to assist the petitioner in preparing for the hearing; and

(B) not later than 30 days after the conclusion of the preliminary hearing under subsection (a), provide a written notification to the petitioner that includes a list of any deficiencies or omissions that the Commission relied on in making a determination under subsection (b)(1)(B).

(2) SUBJECT OF ADJUDICATORY HEARING.—The list of deficiencies and omissions provided by the Commission to a petitioner under paragraph (1)(B) shall be the subject of the adjudicatory hearing. The Commission may not make any additions to the list after the Commission issues the list.

SEC. 9. ADJUDICATORY HEARING.

(a) IN GENERAL.—Not later than 180 days after the conclusion of a preliminary hearing under section 8(a), the Commission shall afford a petitioner who is subject to section 8(b)(1)(B) an adjudicatory hearing. The subject of the adjudicatory hearing shall be the list of deficiencies and omissions provided under section 8(c)(1)(B) and shall be conducted pursuant to sections 554, 556, and 557 of title 5, United States Code.

(b) TESTIMONY FROM STAFF OF COMMISSION.—In any hearing held under subsection (a), the Commission shall require testimony from the acknowledgement and research staff of the Commission or other witnesses involved in the preliminary determination. Any such testimony shall be subject to cross-examination by the petitioner.

(c) EVIDENCE BY PETITIONER.—In any hearing held under subsection (a), the petitioner may provide such evidence as the petitioner considers appropriate.

(d) DETERMINATION BY COMMISSION.—Not later than 60 days after the conclusion of any hearing held under subsection (a), the Commission shall—

(1) make a determination concerning the extension or denial of Federal acknowledgment of the petitioner as an Indian tribe to the petitioner;

(2) publish the determination of the Commission under paragraph (1) in the Federal Register; and

(3) deliver a copy of the determination to the petitioner, and to every other interested party.

SEC. 10. APPEALS.

(a) IN GENERAL.—Not later than 60 days after the date that the Commission publishes a determination under section 9(d), the petitioner may appeal the determination to the United States District Court for the District of Columbia.

(b) ATTORNEY FEES.—If the petitioner prevails in an appeal made under subsection (a), the petitioner shall be eligible for an award of reasonable attorney fees and costs under section 504 of title 5, United States Code, or section 2412 of title 28, United States Code, whichever is applicable.

SEC. 11. EFFECT OF DETERMINATIONS.

A determination by the Commission under section 9(d) that an Indian group is recognized by the Federal Government as an Indian tribe shall not have the effect of depriving or diminishing—

(1) the right of any other Indian tribe to govern the reservation of such other tribe as that reservation existed before the recognition of that Indian group, or as that reservation may exist thereafter;

(2) any property right held in trust or recognized by the United States for that other Indian tribe as that property existed before the recognition of that Indian group; or

(3) any previously or independently existing claim by a petitioner to any such property right held in trust by the United States for that other Indian tribe before the recognition by the Federal Government of that Indian group as an Indian tribe.

SEC. 12. IMPLEMENTATION OF DECISIONS.

(a) ELIGIBILITY FOR SERVICES AND BENEFITS.—

(1) IN GENERAL.—Subject to paragraph (2), upon recognition by the Commission of a petitioner as an Indian tribe under this Act, the Indian tribe shall—

(A) be eligible for the services and benefits from the Federal Government that are available to other federally recognized Indian tribes by virtue of their status as Indian tribes with a government-to-government relationship with the United States; and

(B) have the responsibilities, obligations, privileges, and immunities of those Indian tribes.

(2) PROGRAMS OF THE BUREAU.—

(A) IN GENERAL.—The recognition of an Indian group as an Indian tribe by the Commission under this Act shall not create an immediate entitlement to programs of the Bureau in existence on the date of the recognition.

(B) AVAILABILITY OF PROGRAMS.—

(i) IN GENERAL.—The programs described in subparagraph (A) shall become available to the Indian tribe upon the appropriation of funds.

(ii) REQUESTS FOR APPROPRIATIONS.—The Secretary and the Secretary of Health and Human Services shall forward budget requests for funding the programs for the Indian tribe pursuant to the needs determination procedures established under subsection (b).

(b) NEEDS DETERMINATION AND BUDGET REQUEST.—

(1) IN GENERAL.—Not later than 180 days after an Indian group is recognized by the Commission as an Indian tribe under this Act, the appropriate officials of the Bureau and the Indian Health Service of the Department of Health and Human Services shall consult and develop in cooperation with the Indian tribe, and forward to the Secretary or the Secretary of Health and Human Services, as appropriate, a determination of the needs of the Indian tribe and a recommended budget required to serve the newly recognized Indian tribe.

(2) SUBMISSION OF BUDGET REQUEST.—Upon receipt of the information described in paragraph (1), the appropriate Secretary shall submit to the President a recommended budget along with recommendations, concerning the information received under paragraph (1), for inclusion in the annual budget submitted by the President to the Congress pursuant to section 1108 of title 31, United States Code.

SEC. 13. ANNUAL REPORT CONCERNING COMMISSION'S ACTIVITIES.

(a) LIST OF RECOGNIZED TRIBES.—Not later than 90 days after the first meeting of the Commission, and annually on or before each January 30 thereafter, the Commission shall publish in the Federal Register a list of all Indian tribes that—

(1) are recognized by the Federal Government; and

(2) receive services from the Bureau.

(b) ANNUAL REPORT.—

(1) IN GENERAL.—Beginning on the date that is 1 year after the date of the first meeting of the Commission, and annually thereafter, the Commission shall prepare and submit a report to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives that describes the activities of the Commission.

(2) CONTENT OF REPORTS.—Each report submitted under this subsection shall include, at a minimum, for the year that is the subject of the report—

(A) the number of documented petitions pending at the beginning of the year and the names of the petitioners;

(B) the number of documented petitions received during the year and the names of the petitioners;

(C) the number of documented petitions the Commission approved for acknowledgment during the year and the names of the acknowledged petitioners;

(D) the number of documented petitions the Commission denied for acknowledgment during the year and the names of the petitioners; and

(E) the status of all pending documented petitions on the date of the report and the names of the petitioners.

SEC. 14. ACTIONS BY PETITIONERS FOR ENFORCEMENT.

Any petitioner may bring an action in the district court of the United States for the district in which the petitioner resides, or the United States District Court for the District of Columbia, to enforce the provisions of this Act, including any time limitations within which actions are required to be taken, or decisions made, under this Act. The district court shall issue such orders (including writs of mandamus) as may be necessary to enforce the provisions of this Act.

SEC. 15. REGULATIONS.

The Commission may, in accordance with applicable requirements of title 5, United States Code, promulgate and publish such regulations as may be necessary to carry out this Act.

SEC. 16. GUIDELINES AND ADVICE.

(a) GUIDELINES.—Not later than 90 days after the date of the first meeting of the Commission, the Commission shall make available to Indian groups suggested guidelines for the format of documented petitions, including general suggestions and guidelines concerning where and how to research information that is required to be included in a documented petition. The examples included in the guidelines shall not preclude the use of any other appropriate format.

(b) RESEARCH ADVICE.—The Commission may, upon request, provide suggestions and advice to any petitioner with respect to the research of the petitioner concerning the historical background and Indian identity of that petitioner. The Commission shall not be responsible for conducting research on behalf of the petitioner.

SEC. 17. ASSISTANCE TO PETITIONERS.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services may award grants to Indian groups seeking Federal recognition as Indian tribes to enable the Indian groups to—

(A) conduct the research necessary to substantiate documented petitions under this Act; and

(B) prepare documentation necessary for the submission of a documented petition under this Act.

(2) TREATMENT OF GRANTS.—The grants made under this subsection shall be in addition to any other grants the Secretary of Health and Human Services is authorized to provide under any other provision of law.

(b) COMPETITIVE AWARD.—The grants made under subsection (a) shall be awarded competitively on the basis of objective criteria prescribed in regulations promulgated by the Secretary of Health and Human Services.

SEC. 18. PROTECTION OF CERTAIN PRIVILEGED INFORMATION.

Notwithstanding any other provision of law, upon the effective date of this Act, when responding to any requests for information on petitions and related materials filed by a group seeking Federal recognition as an Indian tribe pursuant to part 83 of title 25 of the Code of Federal Regulations, including petitions and related materials transferred to the Commission from the Department under section 5(a)(4), as well as related materials located within the Department that have yet to be transferred to the Commission, the Department and the Commission shall exclude materials identified by the petitioning group as information related to religious practices or sacred sites, and which the group is forbidden to disclose except for the limited purpose of Department and Commission review.

SEC. 19. AUTHORIZATION OF APPROPRIATIONS.

(a) COMMISSION.—There are authorized to be appropriated to the Commission to carry out this Act (other than section 17) such sums as are necessary for each of fiscal years 2002 through 2014.

(b) SECRETARY OF HHS.—There are authorized to be appropriated to the Secretary of Health and Human Services to carry out section 17 such sums as are necessary for each of fiscal years 2002 through 2014.

By Mrs. FEINSTEIN (for herself, Mr. SCHUMER, and Mr. KENNEDY):

S. 505. A bill to amend the Internal Revenue Code of 1986 to regulate certain .50 caliber sniper weapons in the same manner as machine guns and other firearms, and for other purposes; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, I rise on behalf of myself, Senator SCHUMER, and Senator KENNEDY to re-introduce the Military Sniper Weapon Regulation Act. This bill, which I first introduced with Senator Lautenberg in 1999, will reclassify powerful .50 caliber military sniper rifles under the National Firearms Act, thus making it much more difficult for terrorists, doomsday cults, and criminals to obtain these guns for illegitimate use. It is my sincere hope that in this new, 50–50 Senate, we can finally make some progress on this bill and limit the use of these powerful guns.

Fifty caliber sniper rifles, manufactured by a small handful of companies and individuals, are deadly, military style assault weapons, designed for armed combat with wartime enemies. They weigh up to 28 pounds and are capable of piercing light armor at more than 4 miles. The guns enable a single shooter to destroy enemy jeeps, tanks, personnel carriers, bunkers, fuel stations, and even communication centers. As a result, their use by military organizations worldwide has been spreading rapidly.

But along with the increasing military use of the gun, we have also seen increased use of the weapon by violent criminals and terrorists around the world. The weapons are deadly accurate up to 2,000 yards. This means that a shooter using a 50 caliber weapon can reliably hit a target more than a mile away. In fact, according to a training manual for military and police snipers published in 1993, a bullet from this gun "even at one and a half miles crashes into a target with more energy than Dirty Harry's famous .44 magnum at point-blank" range.

And the gun is "effective" up to 7,500 yards. In other words, although it may be hard to aim at that distance, the gun will have its desired destructive effect at that distance—more than 4 miles from the target.

The weapon can penetrate several inches of steel, concrete, or even light armor. In fact, many ranges used for target practice do not even have enough safety features to accommodate these guns, it is just too powerful.

Recent advances in weapons technology allow this gun to be used by civilians against armored limousines, bunkers, individuals, and even aircraft, in fact, one advertisement for the gun apparently promoted the weapon as able to "wreck several million dollars' worth of jet aircraft with one or two dollars' worth of cartridge."

This gun is so powerful that one dealer told undercover GAO investigators "You'd better buy one soon. It's only a matter of time before someone lets go a round on a range that travels so far, it hits a school bus full of kids. The government will definitely ban .50 calibers. This gun is just too powerful."

When I first introduced this bill, I commented that a study by the General Accounting Office revealed some eye-opening facts about how and where this gun is used, and how easily it is obtained. The GAO reports that many of these guns wind up in the hands of domestic and international terrorists, religious cults, outlaw motorcycle gangs, drug traffickers, and violent criminals.

One doomsday cult headquartered in Montana purchased 10 of these guns and stockpiled them in an underground bunker, along with thousands of rounds of ammunition and other guns. At least one .50 caliber gun was recovered by Mexican authorities after a shoot-out with an international drug cartel in that country. The gun was originally purchased in Wyoming, so it is clear that the guns are making their way into the hands of criminals worldwide.

Another .50 caliber sniper rifle, smuggled out of the United States, was used by the Irish Republican Army to kill a large number of British soldiers.

And ammunition for these guns is also readily available, even over the Internet. Bullets for these guns include "armor piercing incendiary" ammunition that explodes on impact, and even "armor piercing tracing" ammunition reminiscent of the ammunition that lit up the skies over Baghdad during the Persian Gulf war.

Several ammunition dealers were willing to sell armor piercing ammunition to an undercover GAO investigator even after the investigator said he wanted the ammunition to pierce an armored limousine or maybe to "take down" a helicopter. In fact, our own military helps to provide thousands of rounds of .50 caliber ammunition, by essentially giving away tons of spent cartridges, many of which are then refurbished and sold on the civilian market.

This bill will begin the process of making these guns harder to get and easier to track.

Current law classifies .50 caliber guns as "long guns," subject to the least government regulation for any firearm. Sawed-off shotguns, machine guns, and even handguns are more highly regulated than this military sniper rifle. In fact, many states allow possession of .50 caliber guns by those as young as 14 years old, and there is no regulation on second-hand sales.

Essentially, this bill would re-classify .50 caliber guns under the National Firearms Act, which imposes far stricter standards on powerful and destruction weapons. For instance:

NFA guns may only be purchased from a licensed dealer, and not second-hand. This will prevent the sale of these guns at gun shows and in other venues that make it hard for law enforcement to track the weapons.

Second, purchasers of NFA guns must fill out license transfer applications and provide fingerprints to be processed by the FBI in detailed criminal background checks. By reclassifying the .50 caliber, Congress will be making a determination that sellers should be more careful about to whom they give these powerful, military guns.

ATF reports that this background check process takes about 60 days, so prospective gun buyers will face some delay. However, legitimate purchasers of this $7,000 gun can certainly wait that long.

Clearly, placing a few more restrictions on who can get these guns and how is simply common sense. This bill will not ban the sale, use or possession of .50 caliber weapons. The .50 caliber shooting club will not face extinction, and "legitimate" purchasers of these guns will not lose their access—even though that, too, might be a reasonable step, since I cannot imagine a legitimate use of this gun.

The bill will simply place stricter requirements on the way in which these guns can be sold, and to whom. The measure is meant to offer a reasoned solution to making it harder for terrorists, assassins, and other criminals to obtain these powerful weapons. If we are to continue to allow private citizens to own and use guns of this caliber, range, and destructive power, we should at the very least take greater care in making sure that these guns do not fall into the wrong hands.

I urge my colleagues to support this bill.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military Sniper Weapon Regulation Act of 2001".

SEC. 2. FINDINGS.

The Congress finds that—

(1) certain firearms originally designed and built for use as long-range 50 caliber military sniper weapons are increasingly sold in the domestic civilian market;

(2) the intended use of these long-range firearms, and an increasing number of models derived directly from them, is the taking of human life and the destruction of materiel, including armored vehicles and such components of the national critical infrastructure as radars and microwave transmission devices;

(3) these firearms are neither designed nor used in any significant number for legitimate sporting or hunting purposes and are clearly distinguishable from rifles intended for sporting and hunting use;

(4) extraordinarily destructive ammunition for these weapons, including armor-piercing and armor-piercing incendiary ammunition, is freely sold in interstate commerce; and

(5) the virtually unrestricted availability of these firearms and ammunition, given the uses intended in their design and manufacture, present a serious and substantial threat to the national security.

SEC. 3. COVERAGE OF 50 CALIBER SNIPER WEAPONS UNDER NATIONAL FIREARMS ACT.

(a) In General.—Section 5845(a) of the Internal Revenue Code of 1986 (defining firearm) is amended by striking "(6) a machine gun; (7) any silencer (as defined in section 921 of title 18, United States Code); and (8) a destructive device." and inserting "(6) a 50 caliber sniper weapon; (7) a machine gun; (8) any silencer (as defined in section 921 of title 18, United States Code); and (9) a destructive device."

(b) 50 Caliber Sniper Weapon.—

(1) In general.—Section 5845 of the Internal Revenue Code of 1986 is amended by redesignating subsections (d) through (m) as subsections (e) through (n), respectively, and by inserting after subsection (c) the following new subsection:

"(d) 50 Caliber Sniper Weapon.—The term '50 caliber sniper weapon' means a rifle capable of firing a center-fire cartridge in 50 caliber, .50 BMG caliber, any other variant of 50 caliber, or any metric equivalent of such calibers."

(2) Modification to definition of rifle.—Subsection (c) of section 5845 of such Code is amended by inserting "or from a bipod or other support" after "shoulder".

(3) Conforming amendment.—Section 5811(a) of such Code is amended by striking "section 5845(e)" and inserting "section 5845(f)".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

By Mr. MURKOWSKI:

S. 506. A bill to amend the Alaska Native Claims Settlement Act, to provide for a land exchange between the Secretary of Agriculture and the Huna Totem Corporation, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Mr. President, I rise to introduce legislation today on behalf of the Huna Totem Corporation and the residents of Hoonah, Alaska.

This bill would require the Huna Totem Corporation to convey ownership of approximately 1,999 acres of land to the United States Forest Service. In exchange for these lands the Huna Totem Corporation will be allowed to select other lands readily accessible to Hoonah in order to fulfill their ANCSA entitlement. This legislation also requires the exchange of lands to be of equal value and provides for additional compensation if needed. Lastly, the legislation requires that any potential timber harvested from land acquired by Huna Totem Corporation not be available for export.

The city of Hoonah is located in Southeast Alaska on the northeast part of Chichagoff Island. Hoonah has been the home of the Huna people since the last advance of the great ice masses into Glacier Bay, forcing the Huna people to look for new homes. Since the Huna people had traditionally used the Hoonah area each summer as a subsistence harvesting area, it was natural for them to settle in the area now called Hoonah. The community has a population of approximately 918 residents and is located forty miles from Juneau; Alaska's capital city.

Within the city of Hoonah is located the Huna Totem Corporation, an Alaska Native Corporation formed pursuant to the Alaska Native Claims Settlement Act, ANCSA. Huna Totem is the largest Tlingit Indian Village Corporation in Southeast Alaska. Under the terms of ANCSA each village corporation had to select lands within the core township or townships in which all or part of the Native village is located.

In 1975, Huna Totem filed its ANCSA land selections within the two mile radius of the city of Hoonah as mandated by ANCSA. Since the community of Hoonah is located along the shoreline at the base of Hoonah Head Mountain, the surrounding lands are steep hillsides, cliffs, or are designated watershed for the municipal water sources. Most of the acres, approximately 1,999, of this land are not suitable for economic purposes due to the topography and watershed limitations.

Therefore in order for the Huna Totem Corporation to receive full economic benefit of the lands promised to them under ANCSA, and for the city of Hoonah to protect its watershed, alternative lands must be sought for Huna Totem to seek revenue from.

The legislation I am offering today would achieve these goals. By authorizing a land exchange between the Huna Totem Corporation and the U.S. Forest Service the residents of Hoonah will be able to fully recognize the benefits promised under the Alaska Native Claims Settlement Act.

By Mr. MURKOWSKI:

S. 509. A bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Mr. President, I rise today to introduce a bill to establish the Kenai Mountains-Turnagain Arm National Heritage Corridor in my State of Alaska.

The national heritage corridor, when enacted, will include the first leg of the Iditarod National Historic Trail and most of the Seward Highway National Scenic Byway. National heritage designation will give us the ability to tell the American public about the critical role that this transportation corridor played in shaping the traditions and values of the residents of south-central Alaska. From native trade-routes to shipping ports, from trails to railroads and later highways, these are the themes of our national heritage and the settling of the North.

This would be the first among the 16 existing national heritage areas that highlights the experience of settling the northern frontier. The fact that it would be one of a kind strengthens the case for designation.

Unlike any of the existing national heritage areas, the Kenai Mountains-Turnagain Arm National Heritage Corridor will highlight the experience of the northern frontier—of transportation and settlement in a harsh landscape, of the gold rush and resource development in a remote area. These are the themes of the proposal, themes that form our perception of ourselves as a nation. The proposed heritage corridor wonderfully expresses these themes.

Within the proposed heritage corridor there are a number of small historic communities that developed around transportation and the gold rush. Dwarfed by the sweeping landscapes around them, these small communities are today still tied to cycles of nature: summer runs of salmon, the fall migration of wildlife, the deep snows of winter, and the rush of springtime melt. National heritage designation is about the relationship that people develop with their surroundings. This relationship remains intact in the proposed corridor and has had a lasting impact on the values of the residents who live there today.

Turnagain Arm, once a critical transportation link, has the world's second largest tidal range. Visitors can stand along the shore lines and actually watch 30 foot tides move in and out of the arm. On occasion, the low roar of an oncoming bore tide can be heard as a wall of water sweeps up the Turnagain.

A traveler through the alpine valleys and mountain passes of the heritage corridor can witness a landscape shaped by powerful geologic forces: retreating glaciers, earthquake subsidence, and avalanche scars. The area is home to variety of wildlife: Dall sheep, Beluga whales, moose, bald eagles, trumpeter swans, and Arctic terns to name a few.

Bounded by saltwater on either side, the proposed corridor has been an important transportation route from the resource rich Kenai Peninsula into the rest of Alaska. Alaskan natives established trade routes following river valleys and around like the fjord-like lakes. Later, Russian fur-traders, gold rush stampeders, missionaries, and others arrived all seeking access into the resource-rich land. The famous Iditarod Trail to Nome, which was used to haul mail in and gold out, started on the Kenai Peninsula.

A series of starts and stops by railroad entrepreneurs eventually culminated in the completion of the Alaska Railroad from Seward to Fairbanks by the federal government. President Harding boarded the train in Seward in 1923 to drive the golden spike at Nenana (and died on the boat returning to Seattle). It was only in the last half of this century that the highway from Seward to Anchorage was opened. Before then the small communities of the area were linked to the rest of Alaska by wagon trail, rail, and by boat across Turnagain Arm and the Kenai River.

The Heritage corridor contains one of the earliest mining regions in Alaska. Russians left evidence of their search for gold at Bear Creek near Hope. In 1895, discovery of a rich deposit at Canyon Creek precipitated the Turnagain Arm Gold Rush, predating the stampede to the Klondike.

The early settlements and communities of the area are still very much as they were in the past. But, as in the early days, this is a region where "nature is boss," and historic trails and evidence of mining history are often embedded and nearly hidden in the landscape. What can be seen stands as powerful testimony to the human fortitude, perseverance, and resourcefulness that is America's proudest heritage from the people who settled the Alaskan frontier.

People living in the Kenai Mountains-Turnagain Arm Corridor share a sense that it is a special place. In part, this is simply because of the sheer natural beauty; but it is also because the Alaska frontier is relatively recent. Memories of the times when the inhabitants were dependent on their own resources, and on each other, are still very much alive.

Communities are small, but they are alive with volunteerism. All have active historical societies. Groups in Seward and Girdwood have organized to rebuild the Iditarod Trail. In town of Hope citizens constructed a museum of mining history, building it themselves out of logs and donated materials. Local people have conducted historic building surveys, written books and short histories, collected and published old diaries, and created web pages to record and share the history of their communities. Seward, the corridor's gateway, has created a delightful array of visitor opportunities that display and interpret the region's natural setting, Native culture, and history. National heritage area designation would greatly encourage and expand these good efforts.

Mr. President, it is important to note that this national heritage area is a local grass roots effort and it will remain a locally driven grass roots effort. Decisions will be made by locals, not by Federal bureaucrats. The only role of the Federal Government is to provide technical expertise, mostly in the areas of the interpretation of the many historic sites and tremendous natural resource features that are found throughout the entire region. There will be no additional land ownership by the Federal Government or by the local management entity that is charged with putting together a coordinated plan to interpret the heritage area. The heritage area is about local people working together.

Mr. President, I ask unanimous consent the bill be printed in the RECORD, in its entirety, immediately after my remarks and I urge my colleagues to support this legislation.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 509

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Kenai Mountains-Turnagain Arm National Heritage Area Act of 2001".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress find that—

(1) The Kenai Mountains-Turnagain Arm transportation corridor is a major gateway to Alaska and includes a range of transportation routes used first by indigenous people who were followed by pioneers who settled the nation's last frontier;

(2) the natural history and scenic splendor of the region are equally outstanding; vistas of nature's power include evidence of earthquake subsidence, recent avalanches, retreating glaciers and tidal action along Turnagain Arm, which has the world's second greatest tidal range;

(3) the cultural landscape formed by indigenous people and then by settlement, transportation and modern resource development in this rugged and often treacherous natural setting stands as powerful testimony to the human fortitude, perseverance, and resourcefulness that is America's proudest heritage from the people who settled the frontier;

(4) there is a national interest in recognizing, preserving, promoting, and interpreting these resources;

(5) the Kenai Mountains-Turnagain Arm region is geographically and culturally cohesive because it is defined by a corridor of historic routes—trail, water, railroad, and roadways through a distinct landscape of mountains, lakes, and fjords;

(6) national significance of separate elements of the region include, but are not limited to, the Iditarod National Historic Trail, the Seward Highway National Scenic Byway, and the Alaska Railroad National Scenic Railroad;

(7) national heritage area designation provides for the interpretation of these routes, as well as the national historic districts and numerous historic routes in the region as part of the whole picture of human history in the wider transportation corridor including early Native trade routes, connections by waterway, mining trail, and other routes;

(8) national heritage area designation also provides communities within the region with the motivation and means for "grass roots" regional coordination and partnerships with each other and with borough, State, and Federal agencies; and

(9) national heritage area designation is supported by the Kenai Peninsula Historical Association, the Seward Historical Commission, the Seward City Council, the Hope and sunrise Historical Society, the Hope Chamber of Commerce, the Alaska Association for Historic Preservation, the Cooper Landing Community Club, the Alaska Wilderness Recreation and Tourism Association, Anchorage Historic Properties, the Anchorage Convention and Visitors Bureau, the Cook Inlet Historical Society, the Moose Pass Sportsman's Club, the Alaska Historical Commission, the Girdwood Board of Supervisors, the Kenai River Special Management Area Advisory Board, the Bird/Indian Community Council, the Kenai Peninsula Borough Trails Commission, the Alaska Division of Parks and Recreation, the Kenai Peninsula Borough, the Kenai Peninsula Tourism Marketing Council, and the Anchorage Municipal Assembly.

(b) PURPOSES.—The purposes of this Act are—

(1) to recognize, preserve, and interpret the historic and modern resource development and cultural landscapes of the Kenai Mountains-Turnagain Arm historic transportation corridor, and to promote and facilitate the public enjoyment of these resources; and

(2) to foster, through financial and technical assistance, the development of cooperative planning and partnerships among the communities and borough, State, and Federal Government entities.

SEC. 3. DEFINITIONS.

In this Act:

(1) HERITAGE AREA.—The term "Heritage Area" means the Kenai Mountains-Turnagain Arm National Heritage Area established by section 4(a) of this Act.

(2) MANAGEMENT ENTITY.—The term "management entity" means the 11 member Board of Directors of the Kenai Mountains-Turnagain Arm National Heritage Corridor Communities Association.

(3) MANAGEMENT PLAN.—The term "management plan" means the management plan for the Heritage Area.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. KANAI MOUNTAINS-TURNAGAIN ARM NATIONAL HERITAGE AREA.

(a) ESTABLISHMENT.—There is established the Kenai Mountains-Turnagain Arm National Heritage Area.

(b) BOUNDARIES.—The Heritage Area shall comprise the lands in the Kenai Mountains and upper Turnagain Arm region generally depicted on the map entitled "Kenai Peninsula/Turnagain Arm National Heritage Corridor", numbered "Map #KMTA—1, and dated "August 1999". The map shall be on file and available for public inspection in the offices of the Alaska Regional Office of the National Park Service and in the offices of the Alaska State Heritage Preservation Officer.

SEC. 5. MANAGEMENT ENTITY.

(a) The Secretary shall enter into a cooperative agreement with the management entity, to carry out the purposes of this Act. The cooperative agreement shall include information relating to the objectives and management of the Heritage Area, including the following:

(1) A discussion of the goals and objectives of the Heritage Area;

(2) An explanation of the proposed approach to conservation and interpretation of the Heritage Area;

(3) A general outline of the protection measures, to which the management entity commits.

(b) Nothing in this Act authorizes the management entity to assume any management authorities or responsibilities on Federal lands.

(c) Representatives of other organizations shall be invited and encouraged to participate with the management entity and in the development and implementation of the management plan, including but not limited to: The State Division of Parks and Outdoor Recreation; the State Division of Mining, Land and Water; the Forest Service; the State Historic Preservation Office; the Kenai Peninsula Borough; the Municipality of Anchorage; the Alaska Railroad; the Alaska Department of Transportation; and the National Park Service.

(d) Representation of ex-officio members in the non-profit corporation shall be established under the bylaws of the management entity.

SEC. 6. AUTHORITIES AND DUTIES OF MANAGEMENT ENTITY.

(a) MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 3 years after the Secretary enters into a cooperative agreement with the management entity, the management entity shall develop a management plan for the Heritage Area, taking into consideration existing Federal, State, borough, and local plans.

(2) CONTENTS.—The management plan shall include, but not be limited to—

(A) comprehensive recommendations for conservation, funding, management, and development of the Heritage Area;

(B) a description of agreements on actions to be carried out by Government and private organizations to protect the resources of the Heritage Area;

(C) a list of specific and potential sources of funding to protect, manage, and develop the Heritage Area;

(D) an inventory of the resources contained in the Heritage Area; and

(E) a description of the role and participation of other Federal, State, and local agencies that have jurisdiction on lands within the Heritage Area.

(b) PRIORITIES.—The management entity shall give priority to the implementation of actions, goals, and policies set forth in the cooperative agreement with the Secretary and the heritage plan, including assisting communities within the region in—

(1) carrying out programs which recognize important resource values in the Heritage Area;

(2) encouraging economic viability in the affected communities;

(3) establishing and maintaining interpretive exhibits in the Heritage Area;

(4) improving and interpreting heritage trails;

(5) increasing public awareness and appreciation for the natural, historical, and cultural resources and modern resource development of the Heritage Area;

(6) restoring historic buildings and structures that are located within the boundaries of the Heritage Area; and

(7) ensuring that clear, consistent, and appropriate signs identifying public access points and sites of interest are placed throughout the Heritage Area.

(c) PUBLIC MEETINGS.—The management entity shall conduct 2 or more public meetings each year regarding the initiation and implementation of the management plan for the Heritage Area. The management entity shall place a notice of each such meeting in a newspaper of general circulation in the Heritage Area and shall make the minutes of the meeting available to the public.

SEC. 7. DUTIES OF THE SECRETARY.

(a) The Secretary, in consultation with the Governor of Alaska, or his designee, is authorized to enter into a cooperative agreement with the management entity. The cooperative agreement shall be prepared with public participation.

(b) In accordance with the terms and conditions of the cooperative agreement and upon the request of the management entity, and subject to the availability of funds, the Secretary may provide administrative, technical, financial, design, development, and operations assistance to carry out the purposes of this Act.

SEC. 8. SAVINGS PROVISIONS.

(a) REGULATORY AUTHORITY.—Nothing in this Act shall be construed to grant powers of zoning or management of land use to the management entity of the Heritage Area.

(b) EFFECT ON AUTHORITY OF GOVERNMENTS.—Nothing in this Act shall be construed to modify, enlarge, or diminish any authority of the Federal, State, or local governments to manage or regulate any use of land as provided for by law or regulation.

(c) EFFECT ON BUSINESS.—Nothing in this Act shall be construed to obstruct or limit business activity on private development or resource development activities.

SEC. 9. PROHIBITION ON THE ACQUISITION OR REAL PROPERTY.

The management entity may not use funds appropriated to carry out the purposes of this Act to acquire real property or interest in real property.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) FIRST YEAR.—For the first year $350,000 is authorized to be appropriated to carry out the purposes of this Act, and is made available upon the Secretary and the management entity completing a cooperative agreement.

(b) IN GENERAL.—There is authorized to be appropriated not more than $1,000,000 to carry out the purposes of this Act for any fiscal year after the first year. Not more than $10,000,000 in the aggregate, may be appropriated for the Heritage Area.

(c) MATCHING FUNDS.—Federal funding provided under this Act shall be matched at least 25 percent by other funds or in-kind services.

(d) SUNSET PROVISION.—The Secretary may not make any grant or provide any assistance under this Act beyond 15 years from the date that the Secretary and management entity complete a cooperative agreement.

By Mr. LUGAR:

S. 508. A bill to authorize the President to promote posthumously the late Raymond Ames Spruance to the grade of Fleet Admiral of the United States Navy, and for other purposes; to the Committee on Armed Services.

Mr. LUGAR. Mr. President, at 10:25 a.m. on June 4, 1942, a Japanese armada including four carriers was steaming east towards Midway Island, 1150 miles west of Pearl Harbor in the Central Pacific. Its objectives: Invade the strategically situated atoll, seize the U.S. base and airstrip, and, if possible, destroy what remained of our Pacific fleet after the surprise attack on Pearl Harbor the preceding December.

At 10:30 a.m. three of the four Japanese carriers and their aircraft were a flaming shambles. Moments before, Japanese fighter cover had swatted down torpedo bomber squadrons from the U.S. carriers *Enterprise, Hornet,* and *Yorktown*—the final, fatal mission for 35 of 41 American planes and 68 of 82 pilots and gunners. But their courageous attack had drawn the fighters down to deck level, leaving the skies nearly empty for the 37 U.S. dive bombers who then appeared and, in five fateful minutes, changed the course of history. By nightfall, the fourth Japanese carrier, too, was a blazing wreck, a fitting coda to a day that reversed forever the military fortunes of Imperial Japan.

"So ended," wrote Churchill, "the battle of June 4, rightly regarded as the turning point of the war in the Pacific." With Sir Winston, of course, the question at times was whether the event could rise to the level of his prose. Midway measured up. "The annals of war at sea," he intoned, "present no more intense, heart-shaking shock" than Midway and its precursor in the Coral Sea—battles where "the bravery and self-devotion of the American airmen and sailors and the nerve and skill of their leaders was the foundation of all."

Few today pause to remember Midway, now six decades past. Fewer still recall the American leader whose nerve and skill were paramount in what historians consider one of the two or three most significant naval battles in recorded history. He was an unlikely figure, a little-known, soft-spoken, publicity-averse 56-year-old Rear Admiral from Indiana named Raymond Ames Spruance. Yet it is doubtful that any other American in uniform contributed more than this quiet Hoosier to our World War II triumph—a foundation for every blessing of peace and prosperity we now enjoy.

I heard Admiral Spruance speak in February 1946, when I was 13 years old and he visited Shortridge High School in Indianapolis, his alma mater and soon to be mine. Our teachers were excited as they shepherded my junior high classmates and me into the auditorium for a joint assembly with the high schoolers. But nothing about the speech was particularly vivid or exciting to this member of the youthful audience. I recall little more than the talk about our recent victory in the Pacific—with little hint from the modest man on stage about his personal involvement, at one crucial juncture after another, in making that victory possible.

Only years later did I really understand how large a role Raymond Spruance had played on the stage of actual events, starting at Midway. His very presence at the battle—replacing the flamboyant William "Bull" Halsey, temporarily shore-bound with a skin ailment—had been happenstance. Yet it was Spruance, with no prior carrier combat experience, who at the key moment made the crucial command decision to launch all available aircraft, which led to the devastation of the enemy carriers. It was Spruance who then preserved that turning-point victory, instinctively resisting Japanese attempts over the next two days to lure the American fleet into a trap—a trap subsequent U.S. intelligence would confirm was indeed waiting. It was Spruance, as famed Navy historian Samuel Eliot Morison would write, who "emerged from the battle one of the greatest admirals in American naval history."

It was also Spruance who, when complimented on Midway years after the War, would say, "There were a hundred Spruances in the Navy. They just happened to pick me for the job." Herman Wouk's masterful "War And Remembrance" has the best rejoinder, which the author puts in the mouth of a fictional wartime adversary: "In fact, there was only one Spruance and luck gave him, at a fateful hour, to America." Speaking in their own voices, Wouk and other Americans of faith would quarrel only with the word "luck."

Midway would prove but the first of many Spruance-led successes. As Commander of the newly formed Fifth Fleet, he would lead American operations in the Gilberts, then in the Marshalls, and then in the Marianas, including the invasion of Saipan. (Among the fighting men under Spruance's overall command during this 1943–44 period was a young aviator—the war's youngest commissioned Naval pilot—named George Bush). Spruance would then command 1945's crucial, hard-fought invasions of Iwo Jima and Okinawa, the latter involving some 1,200 vessels and 548,000 men, an amphibious operation on a scale surpassed only by Normandy.

Throughout, he maintained the unassuming attitude that downplayed his own role at Midway. Unlike some of his contemporaries (and in marked contrast to the spirit of our own age), Spruance avoided publicity and abjured self-promotion, which he saw as a threat to effective command. "A man's judgment is best," said Spruance, "when he can forget himself and any reputation he may have acquired, and can concentrate wholly on making the right decision." These are words to live by for any leader. Spruance, both during the war and in his later service as President of the Naval War College and Ambassador to the Philippines, lived them as few other leaders in any age and any field of endeavor have managed.

One consequence was that he forwent levels of recognition and reward accorded others who, though fully worthy, were certainly no more worthy than he. Serious historians and scholars, however, never doubted the merits of the man whose biography is aptly titled "The Quiet Warrior." Among all the war's combat admirals "there was no one to equal Spruance," wrote Morison. "He envied no man, regarded no one as rival, won the respect of all with whom he came in contact, and went ahead in his quiet way winning victories for his country."

That was surely enough for Spruance, who passed away in December 1969. But I do not think it should be enough for us, his countrymen, who are the beneficiaries of the victories he won. That is why I have introduced legislation authorizing and requesting President Bush to promote Raymond Spruance—the "quiet warrior" under whom the President's father once served—to the five-star rank of Fleet Admiral of the United States Navy. I believe this posthumous honor should be the fitting, and final, promotion among America's World War II Armed Forces, even as we anticipate dedication of a national memorial honoring all who served in that conflict.

It is fitting, first of all, because it corrects an oversight. Near the end of the war, Congress authorized four five-star positions each in the Army and in the Navy. The new generals of the Army were George Marshall, Douglas MacArthur, Dwight Eisenhower and Henry "Hap" Arnold—later redesignated general of the Air Force. The first three five-star admirals were Pacific commander-in-chief Chester Nimitz, wartime CNO Ernest King, and William Daniel Leahy, President Roosevelt's chief of staff and Chairman of the Joint Chiefs. But an internal battle raged for months over whether the fourth fleet admiral would be the colorful Halsey—who was ultimately selected—or his more reticent colleague, the victor at Midway. Later, when Congress authorized another five-star post for the "GI General," Omar Bradley, it overlooked creating a fifth Navy five-star opening, which unquestionably would have gone to Bradley's ocean-going counterpart, Raymond Spruance.

Typically, Spruance stayed away from these controversies. His one comment came in 1965, when he wrote a friend:

> So far as my getting five-star rank is concerned, if I could have had it along with Bill Halsey, that would have been fine; but, if I had received it instead of Bill Halsey, I would have been very unhappy over it.

Well, Raymond Spruance can now have five-star rank "along with Bill Halsey." He deserves it, the more so because he did not seek it. It is an oversight that he was not given it earlier. But these are reasons enough to correct that oversight now.

And there are other reasons we should pay Raymond Spruance this posthumous honor, reasons that have as much to do with us as with him. What we choose to honor says a great deal about who we are. Much of what our political and popular culture "honors" today—with celebrity and fortune and swarms of media attention is the foolish and flighty, the sensational and self-indulgent. Too often, the pursuits made possible by freedom are unworthy of the sacrifices that preserved freedom itself.

Those sacrifices were made by earlier generations inspired by a simpler, sturdier set of values, values that included duty to country and, when necessary, self-sacrifice on her behalf. If we cherish and would preserve the blessings of freedom, we must hold up before our children—who daily see too many less worthy models—those who willingly made the sacrifices that kept freedom alive.

No one served the values of freedom more fully or nobly, and with less thought of personal praise or fame, than Raymond Spruance. On any list of the great Allied military leaders of World War II, his character and his contributions to victory stand in the very first rank. It is simple justice to him, and fitting and proper for us, now to award him actual rank commensurate with such character and contributions. My hope is that my colleagues and the President will agree—so that history henceforth will honor Fleet Admiral Raymond Ames Spruance, the quiet Hoosier warrior whose triumph at Midway opened the door to America's triumph in the Pacific.

By Mr. SANTORUM:

S. 510. A bill to amend the Caribbean Basin Economic Recovery Act to provide trade benefits for certain textile covers; to the Committee on Finance.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN TEXTILE COVERS.

Section 213(b)(2)(A) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)(2)(A)) is amended by adding at the end the following:

"(ix) Certain textile covers.—Certain textile covers classifiable under subheading 6302.31.90 or 6302.32.20 of the HTS—

"(I) assembled in a CBTPA beneficiary country from fabric wholly formed and cut in the United States, from yarns wholly formed in the United States, that are entered under subheading 9802.00.80 of the HTS; or

"(II) assembled from fabric cut in a CBTPA beneficiary country from fabric wholly formed in the United States, from yarns wholly formed in the United States, if the covers are assembled in a CBTPA beneficiary country with thread formed in the United States.".

By Ms. SNOWE:

S. 511. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *AJ*; to the Committee on Commerce, Science, and Transportation.

Mr. President, I ask unanimous consent that the text of bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 511

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *AJ*, United States official number 599164.

By Mr. DORGAN (for himself, Mr. Enzi, Mr. Graham, Mr. Voinovich, Mr. Breaux, Mr. Thomas, Mr. Durbin, Mr. Chafee, Mrs. Lincoln, Mrs. Hutchison, and Mr. Rockefeller):

S. 512. A bill to foster innovation and technological advancement in the development of the Internet and electronic commerce, and to assist the States in simplifying their sales and use taxes; to the Committee on Finance.

Mr. DORGAN. Mr. President, today I'm joined by Senators Enzi, Graham, Voinovich, Breaux, and a number of our colleagues in re-introducing the Internet Tax Moratorium and Equity Act. This legislation is nearly identical to legislation we sponsored in the last Congress. We believe that it is absolutely imperative that Congress move quickly this year to consider this legislation and the difficult tax issues relating to Internet sales that it seeks to address.

First, most everyone who is familiar with this issue knows that the current expiration date for the moratorium on Internet access and discriminatory taxes is fast approaching. We believe the moratorium should be extended. Also, this legislation moves toward a solution to the growing web of tax compliance problems that faces virtually everyone who would do business across State lines, sellers and customers alike.

Despite some setbacks, Internet technology and commerce will continue to be a real growth engine for our economy. The past holiday season, retail sales over the Internet jumped 76 percent from the same period a year earlier. A recent University of Texas study estimated that $830 billion in revenues were generated by the Internet economy in 2000, up 58 percent from 1999 levels. Together, this information suggests that Internet sales are not going to be either temporary or insignificant, and neither are the compliance problems.

We believe that the approach embraced in our bill would help create a climate in which Web-based firms and Main Street businesses can co-exist and compete on fair and even terms. Any new form of commerce presents a challenge to the rules and structures that have grown up around the old. The automobile required the reform of traffic-control rules designed for the horse-and-buggy era. And the Internet is no exception. The Internet has raised vexing questions about privacy and property rights. It has raised similarly vexing questions regarding the revenue systems of the States and localities of this nation. Clearly, the Internet does not fit neatly into these systems as they have evolved over the last two hundred years.

This disconnect has created tensions on all sides. On one side are the vital new businesses, Internet service providers, Web-based businesses and the rest, worried that they will be singled out as cash cows and subjected to new and unfair taxes. On the other side are State and local governments worried about the erosion of their tax bases and their ability to pay for the schools, police, garbage collection and more that their taxpayers need and expect. In between are Main Street merchants who collect sales taxes from their customers and worry about unfair competition from Web-based business that do not have to collect these taxes. And we shouldn't overlook the citizens and taxpayers, who appreciate the convenience and opportunities of the Web but who also care about their Main Street merchants, and about their schools and other local services.

All of these concerns are understandable and valid. Our job in Congress is to try to address the problem in a fair and constructive way.

The solution begins with a recognition of the problem. Collecting a sales tax in a face-to-face transaction on Main Street or at the mall is a relatively simple process. The seller collects the tax and remits it to the State or local government. But with remote sales—such as catalog and Internet sales, it's more difficult. States cannot require a seller to collect a sales tax unless the business has an actual location or sales people in the State. So most States, and many localities, have laws that require the local buyer to send an equivalent "use tax" to the State or local government when he or she did not pay taxes at the time of purchase.

The reality, of course, is that customers almost never do that. It would be a major inconvenience, and people are not accustomed to paying sales taxes in that way. So, despite the requirement in the law, most simply don't do it. This tax, which is already owed, is not paid. For years, State and local governments could accept this loss because catalog sales were a relatively minor portion of overall commerce. The rapid growth of Internet sales is changing all that.

Internet and catalog sellers correctly argue that collecting sales taxes would be a significant burden for them. Understandably, they contend that it would be difficult for them to have to comply with tax laws from thousands of different jurisdictions, 46 States and thousands of local governments have sales taxes, with different tax rates and all of the idiosyncracies regarding what is taxable and what is non-taxable. They have a point.

However, there are some remote sellers who know they enjoy an advantage over Main Street businesses and simply do not want to lose it. They can sell a product without collecting the tax, whereas Main Street businesses must collect the local sales tax. Main Street businesses claim that is unfair, and they have a point, too.

As I have said before, all sides in this debate have valid points, and that is the premise of the bill we introduce today. There are three basic principles underlying the Internet Tax Moratorium and Equity Act.

First, we believe that this new Internet technology will remain a real growth engine for our economy, and the solution must begin by putting the worries of Web-based entrepreneurs to rest. They should not be concerned about new and discriminatory tax burdens, and they should not be singled out as cash cows. Congress should make this clear. That's why our bill would extend the existing moratorium, which is set to expire on October 21st, through December 31, 2005. That will help remove some of the anxiety about the approaching expiration date, while giving all stakeholders—State and local governments, Internet sellers, and the bricks and mortar retail community, time to work together to develop a real solution for the sales and use tax compliance problems now facing many businesses and their customers.

Second, State and local governments should be encouraged to simplify their sales tax systems as they apply to remote sellers. And third, once States have reduced the burden on sellers by simplifying their sales and use tax systems, then it is only fair that remote sellers do their part and collect any use tax that is owed, just as local merchants collect sales taxes. This simple step would free the consumer from the burden of having to report such taxes individually. It would level the playing field for local retailers and others that already collect and remit such taxes, and it would protect the ability of State and local governments to provide necessary services for their residents in the future.

Specifically, the Internet Tax Moratorium and Equity Act would do the following:

Extend the existing moratorium on Internet access, multiple and discriminatory taxes through December 31, 2005.

Put Congress on record as urging States and localities to streamline their sales and use tax systems. Among other things, a dramatically simplified sales and use tax system would allow remote sellers to use information provided by the States to easily identify the single applicable rate for each sale, as well as provide sellers relief from liability for relying on such information.

Require such a simplified tax system to include: uniform definitions for goods and services, uniform procedures for the treatment of exempt purchasers, and uniform rules for attributing transactions to particular tax jurisdictions, as well as uniform audit procedures and a seller's option for a single audit.

Authorize States to enter into an Interstate Sales and Use Tax Compact through which member States would adopt the streamlined sales and use tax system. Congressional authority and consent to enter into such a Compact would expire if it has not occurred by January 1, 2006.

Authorize States that adopt the Compact to require remote sellers with more than $5 million in annual gross sales to collect and remit sales and use taxes on remote sales, once twenty States have adopted such a Compact, unless Congress has acted to disapprove the Compact by law within a period of 120 days after the Congress receives it.

Prohibit States that have not adopted the simplified sales and use tax system from gaining benefit from the authority extended in the bill to require sellers to collect and remit sales and use taxes on remote sales.

In my judgment, it would be a serious mistake for Congress to adopt a lengthy extension of the current Internet tax moratorium without addressing these underlying problems. If we don't address the problems, then the growth of the Internet, which should be a benefit to Americans, will instead mean a major erosion of funds available to build and maintain schools and roads, finance police departments and garbage collection, and all the other services that citizens in this country want and need.

Moreover, the competitive crisis facing local retailers is also growing more urgent. In testimony before the Commerce Committee in the last Congress, a representative from a large retailer testified that his company is incorporating a separate business to put the business on the Internet. It will do so in a manner that will enable them to avoid sales and use taxes. Even though the retailer has locations in every

State and therefore would be required to collect such taxes on Internet sales, it believes that such avoidance is needed to compete with other large competitors that will be making those sales tax-free. This scenario could play out over and over again unless we act quickly and decisively. If we don't act, the large retailers will survive, the small Main Street businesses will continue to struggle, and there will be a massive loss of revenues to fund schools and other basic services.

Let me conclude by reiterating that this is an issue that Congress must address now. It is important for Congress to begin the process of finding a long-term solution to the problem this year before the moratorium expires. We believe that our legislation strikes a proper balance between the interests of the Internet industry, State and local governments, local retailers and remote sellers. It is workable and fair, and I urge my colleagues to cosponsor this much-needed bipartisan legislation.

I ask unanimous consent to have the following two statements put in the RECORD, one from a group of organizations representing States and localities, and the other from the E-Fairness Coalition.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From National Governors' Association, National Conference of State Legislatures, Council of State Governments, National Association of Counties, United States Conference of Mayors, and International City/County Management Association, March 9, 2001]

STATEMENT ON THE INTRODUCTION OF THE "INTERNET TAX MORATORIUM AND EQUITY ACT" SPONSORED BY SENATORS DORGAN, ENZI, VOINOVICH, GRAHAM, BREAUX, HUTCHISON, CHAFEE, THOMAS, LINCOLN, DURBIN AND ROCKEFELLER

Our organizations representing the nation's state and local governments support the goals of Senators Dorgan, Enzi, Voinovich, Graham, Breaux, Hutchison, Thomas, Chafee, Lincoln, Durbin and Rockefeller to provide for a level playing field for all retail sales through state based simplification of sales and use tax structures that allows for the collection of the appropriate applicable state and local sales and use tax.

State and local governments recognize the need to simplify the current sales and use tax collection systems to benefit the national economy through the removal of unnecessary complexity. The nation's state and local sales and use taxes are the single most important source of support for public education in America. We regard it as critical that the Congress support efforts to prevent erosion of this revenue source essential to funding our education systems.

The efforts of the more than 30 states to simplify their systems to dramatically reduce the complexity and cost of collection for all sellers is evidence of our commitment to adapt to the new economy. We would oppose any effort to extend the moratorium, unless and until, Congress acts to restore the authority of states and local governments to ensure that all vendors are treated equally.

We support federal legislation that ensures that any sales and use tax simplification process would be developed and implemented on the state and local level and grant to those states the authority to require out of state sellers to collect and remit sales and use taxes. Preservation of state and local sovereignty is a cornerstone of our federal system; this legislation promises an important opportunity to restore this element.

We look forward to working with Senators Dorgan, Enzi, Voinovich, Breaux, Graham, Hutchison, Thomas, Chafee, Lincoln, Durbin, Rockefeller and others to further refine legislative language to achieve this end.

E-FAIRNESS,
Washington, DC, March 7, 2001.

Hon. BYRON DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: I am writing to congratulate you on the introduction of the "Internet Tax and Moratorium Equity Act."

The e-Fairness Coalition includes brick-and-mortar and online retailers, realtors, retail and real estate associations, as well as publicly and privately owned shopping centers, the Newspaper Association of America, and members of the high-tech community such as Gateway and Vertical Net. The Coalition advocates a level playing field with respect to sales and use tax collection for all retailers, including bricks-and-mortar as well as Internet-based.

We have been working for over 18 months to help provide a comprehensive solution to the questions surrounding Internet taxation. We continue to believe that federal legislation is necessary in order to provide for tax equity amongst all retailers. Your bill is important because it promotes the continued growth of the Internet by extending the current moratorium on Internet access fees and multiple and discriminatory taxes. However, it also provides clear and reasonable simplification guidelines that once adopted would allow the states to require that remote sellers collect use taxes just as Main Street retailers collect sales taxes.

On behalf of the nation's retailers and real estate interests—and the 1 in 5 American workers our members represent—I applaud you for your leadership on this important issue. Our Coalition looks forward to continuing to work with you to provide a level playing field for all retailers and all consumers.

Sincerely,

LISA COWELL,
Executive Director.

On behalf of:
Alabama Retail Association.
American Booksellers Association.
American Jewelers Association.
Ames Department Stores.
Atlantic Independent Booksellers Association.
CBL & Associates Properties, Inc.
Circuit City Stores, Inc.
Electronic Commerce Association.
First Washington Realty Trust, Inc.
Florida Retail Federation.
Gateway Companies, Inc.
General Growth Properties, Inc.
Georgia Retail Association.
Great Lakes Booksellers Association.
Home Depot.
Illinois Retail Merchants Association.
International Council of Shopping Centers (ICSC).
International Mass Retail Association (IMRA).
Kentucky Retail Association.
Kimco Realty Corporation.
K-Mart Corporation.
Lowe's Corporation, Inc.
The Macerich Company.
Michigan Retailers Association.
Mid-South Booksellers Association.
Missouri Retailers Association.
Mountains & Plains Booksellers Association.
National Association of College Stores.
National Association of Convenience Stores.
National Association of Industrial and Office Properties (NAIOP).
National Association of Real Estate Investment Trusts (NAREIT).
National Association of Realtors (NAR).
National Community Pharmacists Association.
National Retail Federation.
New England Booksellers Association.
Newspaper Association of America.
North American Retail Dealers Association.
Northern California Independent Booksellers.
Pacific Northwest Booksellers Association.
Performance Warehouse Association.
RadioShack Corporation.
Regency Realty Corporation.
Retailers Association of Massachusetts (RAM).
ShopKo.
Simon Property Group.
Southeast Booksellers Association.
Southern California Booksellers Association.
South Carolina Merchants Association (SCMA).
Target, Inc.
Taubman Centers, Inc.
The Gap, Inc.
The Macerich Company.
The Musicland Group, Inc.
The Real Estate Roundtable.
The Rouse Company.
Variety Wholesalers.
VerticalNet, Inc.
Virginia Retail Merchants Association.
Wal-Mart.
Weingarten Realty Investors.
Westfield America, Inc.

Mr. ENZI. Mr. President, I rise in strong support of the Internet Tax Moratorium and Equity Act introduced today by Senator DORGAN. I am an original cosponsor and I encourage each of my colleagues to join me as a cosponsor of this bill. We had to take a look at the Internet sales tax issue for people who might be using legislative vehicles to develop huge loopholes in our current system. We are federally mandating states into a sales tax exemption. We need to preserve the system for those cities, towns, counties, and states that rely on the ability to collect the sales tax they are currently getting.

There are some critical issues here that have to be solved to keep the stability of state and local government—just the stability of it—not to increase sales tax, just protect what is there right now. I believe the Internet Tax Moratorium and Equity Act is a monumental step forward in protecting, yet enhancing, the current system.

Certainly, no Senator wants to take steps that will unreasonably burden the development and growth of the

Internet. At the same time, we must also be sensitive to issues of basic competitive fairness and the negative affect our action or inaction can have on brick-and-mortar retailers, a critical economic sector and employment force in all American society, especially in rural states like Wyoming. In addition, we must consider the legitimate need of state and local governments to have the flexibility they need to generate resources to adequately fund their programs and operations.

If the loophole exists, I can share a method for local retailers to avoid sales tax collection too—but creating this loophole will lead to others—pay attention here. Sales tax collection and federal and state income tax could be in the same boat, if sales tax collection is no longer necessary on Internet sales purely by virtue of the sale over the Internet. Why shouldn't an employee whose check is written on the Internet and transmitted directly to his bank account not owe any income tax? Both would be Internet tax loopholes—tax collection exemptions forced by an all-knowing federal government.

As the only accountant in the Senate, I have a unique perspective on the dozens of tax proposals that are introduced in Congress each year. In addition, my service on the state and local level and my experiences as a small business owner enable me to consider these bills from more than one viewpoint.

I understand the importance of protecting and promoting the growth of Internet commerce because of its potential economic benefits. It is a valuable resource because it provides access on demand. In addition, it is estimated that the growth of online businesses will create millions of new jobs nationwide in the coming years. Therefore, I do not support a tax on the use of Internet itself.

I do, however, have concerns about using the Internet as a sales tax loophole. Sales taxes go directly to state and local governments and I am very leery of any federal legislation that bypasses their traditional ability to raise revenue to perform needed services such as school funding, road repair and law enforcement. I will not force states into a huge new exemption. While those who advocate a permanent loophole on the collection of a sales tax over the Internet claim to represent the principles of tax reduction, they are actually advocating a tax increase. Simply put, if Congress continues to allow sales over the Internet to go untaxed and electronic commerce continues to grow as predicted, revenues to state and local governments will fall and property taxes will have to be increased to offset lost revenue or states who do not have or believe in state income taxes will be forced to start one.

After months of hard work, negotiations, and compromise, the Internet Tax Moratorium and Equity Act has been introduced. I would like to commend Senator DORGAN on his commitment to finding a solution and working with all parties to find that solution. The bill extends the existing moratorium on Internet access, multiple, and discriminatory taxes for an additional four years through December 31, 2005.

Throughout the past several years, we have heard that catalog and Internet companies say they are willing to allow and collect sales tax on interstate sales (regardless of traditional or Internet sales) if states will simplify collections to one rate per state sent to one location in that state. I think that is a reasonable request. I have heard the argument that computers make it possible to handle several thousand tax entities, but from an auditing standpoint as well as simplicity for small business, I support one rate per state. I think the states should have some responsibility for redistribution not a business forced to do work for government. Therefore, the bill would put Congress on record as urging states and localities to develop a streamlined sales and use tax system, which would include a single, blended tax rate with which all remote sellers can comply. You need to be aware that states are prohibited from gaining benefit from the authority extended in the bill to require sellers to collect and remit sales and use taxes on remote sales if the states have not adopted the simplified sales and use tax system.

Further, the bill would authorize states to enter into an Interstate Sales and Use Tax Compact through which members would adopt the streamlined sales and use tax system. Congressional authority and consent to enter into such a compact would expire if it has not occurred by January 1, 2006. The bill also authorizes states to require all other sellers to collect and remit sales and use taxes on remote sales unless Congress has acted to disapprove the compact by law within a period of 120 days after the Congress receives it.

We introduce this bill because we do not think there is adequate protection now. It is very important we do not build electronic loopholes on the Internet, an ever-changing Internet, one that is growing by leaps and bounds, one that is finding new technology virtually every day. What we know as the Internet today is not what we will be using by the time the moratorium is finalized. More and more people are using the Internet everyday.

Mr. President, I recognize this body has a constitutional responsibility to regulate interstate commerce. Furthermore, I understand the desire of several Senators to protect and promote the growth of Internet commerce. Internet commerce is an exciting field. It has a lot of growth potential. The new business will continue to create millions of new jobs in the coming years.

The exciting thing about that for Wyomingites is that our merchants do not have to go where the people are. For people in my state, that means their products are no longer confined to a local market. They do not have to rely on expensive catalogs to sell merchandise to the big city folks. They do not have to travel all the way to Asia to display their goods. The customer can come to us on the Internet. It is a remarkable development, and it will push more growth for small manufacturers in rural America, especially in my state. We have seen some of the economic potential in the Internet and will continue this progress. It is a valuable resource because it provides access on demand. It brings information to your fingertips when you want it and how you want it.

I was the mayor of a small town, Gillette, Wyoming, for 8 years. I later served in the State House for 5 years and the State Senate for 5 years. Throughout my public life, I have always worked to reduce taxes, to return more of people's hard-earned wages to them.

I am not here to argue in favor of taxes. There were times in Gillette when we had to make tough decisions. I was mayor during the boom time when the size of our town doubled in just a few years. We had to be very creative to be sure that our revenue sources would cover the necessary public services—important services like sewer, water, curb and gutter, filling in potholes, shoveling snow, collecting garbage, and mostly water. It is a tough job because the impact of your decision is felt by all of your neighbors. Hardly any of those problems is solved without money. When you are the mayor of a small town, you are on call 24 hours a day. You are in the phone book. People can call you at night and tell you that the city sewer is backing up into their house. I was fascinated how they were always sure that it was the city's sewer that was doing it. Therefore, it is important that we do not cut towns out of a historic source of revenue. They provide services you really depend on. Remember you cannot flush your toilet over the Internet.

The point is that the government that is closest to the people is also on the shortest time line to get results. I think it is the hardest work. I am very concerned with any piece of legislation that mandates or restricts local government's ability to meet the needs of its citizens. This has the potential to provide electronic loopholes that will take away all of their revenue. The Internet Tax Moratorium and Equity Act would designate a level playing field for all involved—business, government, and the consumer.

I do strongly support this bill. The current system of collecting revenues for those towns and states should be preserved—preserved on a level playing field for all involved. I do not think we have all the answers, or we would not be asking for this bill. So whatever we do, we have to have a bill that will preserve the way that small business and small towns function at the present time. Our bill is critical for towns, small businesses, and you and me. I urge my colleagues to support it. I yield the floor.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 56—HONORING THE MEMORY OF JAMES A. RHODES AS A GIFTED POLITICAL SERVANT AND STATESMAN

Mr. VOINOVICH (for himself and Mr. DEWINE) submitted the following resolution; which was considered and agreed to:

S. Res. 56

Whereas the Senate notes with great sorrow the death of James A. Rhodes on March 4, 2001, at the age of 91;

Whereas James A. Rhodes was born the son of a coal miner in Coalton, Ohio, in 1909;

Whereas in 1934, James A. Rhodes launched his first campaign for political office at the age of 25, and was elected ward committeeman at The Ohio State University, thereby commencing a successful public career that would span one-half century;

Whereas James A. Rhodes rose through a succession of positions of public trust to rank as one the greatest public servants of the State of Ohio;

Whereas James A. Rhodes was elected to 4 terms as Governor of Ohio, more than any other Governor in the history of the State;

Whereas James A. Rhodes was gifted not only as a public servant, but as an educator, mentor, and businessman;

Whereas James A. Rhodes was instrumental in the expansion of State supported universities, community colleges, and technical colleges in the State of Ohio;

Whereas James A. Rhodes bolstered the economic development of the State of Ohio and provided leadership for successful building programs throughout the State;

Whereas James A. Rhodes' love and devotion to the State of Ohio was nonpareil;

Whereas the quality of life of the citizens of Ohio continues to be significantly elevated because of the life led by James A. Rhodes;

Whereas James A. Rhodes' service to the State of Ohio and its people, regardless of stature in life, economic status, religion, or race, has inspired many young men and women to follow his example: Now, therefore, be it

Resolved, That the Senate—

(1) honors the life of James A. Rhodes, former Governor of the State of Ohio;

(2) is thankful that James A. Rhodes touched the lives of many men and women during his years of public service;

(3) notes that James A. Rhodes' greatest achievement is his family, including his late wife, Helen, his surviving daughters, Suzanne and Sharon, his 9 grandchildren, and his 13 great-grandchildren; and

(4) extends support and condolences to the friends and family of James A. Rhodes upon the sad occasion of his death.

SENATE RESOLUTION 57—TO EXPRESS THE SENSE OF THE SENATE THAT THE FEDERAL INVESTMENT PROGRAMS THAT PROVIDE HEALTH CARE SERVICES TO UNINSURED AND LOW-INCOME INDIVIDUALS IN MEDICALLY UNDER-SERVED AREAS BE INCREASED IN ORDER TO DOUBLE ACCESS TO CARE OVER THE NEXT 5 YEARS

Mr. BOND (for himself, Mr. HOLLINGS, Mr. HUTCHINSON, Mr. KENNEDY, Mr. DEWINE, Mr. DASCHLE, Mr. COCHRAN, Mr. DODD, Mr. BREAUX, Ms. COLLINS, Mr. DURBIN, Mrs. FEINSTEIN, Mr. KERRY, Mr. KOHL, Mrs. LINCOLN, Mr. LUGAR, Mrs. MURRAY, and Mr. WELLSTONE) submitted the following resolution; which was referred to the Committee on Appropriations:

S. Res. 57

Whereas the uninsured population in the United States is approximately 43,000,000 and is estimated to reach over 53,000,000 people by 2007;

Whereas nearly 80 percent of the uninsured population are members of working families who cannot afford health insurance or cannot access employer-provided health insurance plans;

Whereas minority populations, rural residents, and single-parent families represent a disproportionate number of the uninsured population;

Whereas the problem of health care access for the uninsured population is compounded in many urban and rural communities by a lack of providers who are available to serve both insured and uninsured populations;

Whereas community, migrant, homeless, and public housing health centers have proven uniquely qualified to address the lack of adequate health care services for uninsured populations, serving over 4,900,000 uninsured patients in 2000, including over 1,000,000 new uninsured patients who have sought care from such centers in the last 3 years;

Whereas health centers care for almost 12,000,000 patients, nearly 8,000,000 minorities, nearly 650,000 farmworkers, and almost 600,000 homeless individuals each year;

Whereas health centers provide cost-effective comprehensive primary and preventive care to uninsured individuals for less than $1.00 per day, or $350 annually, and help to reduce the inappropriate use of costly emergency rooms and inpatient hospital care;

Whereas current resources only allow health centers to serve more than 10 percent of the Nation's 43,000,000 uninsured individuals;

Whereas past investments to increase health center access have resulted in better health, an improved quality of life for all Americans, and a reduction in national health care expenditures;

Whereas Congress can act now to increase access to health care services for uninsured and low-income people together with or in advance of health care coverage proposals by expanding the availability of services at community, migrant, homeless, and public housing health centers; and

Whereas President George W. Bush has proposed to double the number of people served at health centers: Now, therefore, be it

Resolved,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "Resolution to Expand Access to Community Health Centers (REACH) Initiative".

SEC. 2. SENSE OF THE SENATE.

It is the sense of the Senate that appropriations for consolidated health centers under section 330 of the Public Health Service Act (42 U.S.C. 254b) should be increased by 100 percent over the next 5 fiscal years in order to double the number of individuals who receive health care services at community, migrant, homeless, and public housing health centers.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Jack Hess, a congressional fellow in my office, be granted floor privileges today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

JAMES A. RHODES, A GIFTED POLITICAL SERVANT AND STATESMAN

Mr. DEWINE. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 56, submitted earlier by Senator VOINOVICH and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 56) honoring the memory of James A. Rhodes as a gifted political servant and statesman.

The Senate proceeded to consider the resolution.

Mr. DEWINE. Mr. President, I rise today to pay tribute to one of Ohio's greatest and most dedicated public servants, a former four-term Ohio Governor, James A. Rhodes, who passed away on March 4 of this year at the age of 91.

Though Jim Rhodes will be deeply missed, he will always, always, be remembered. My friend and colleague from Ohio, Senator VOINOVICH, and I have introduced a resolution to honor the memory of Governor Rhodes as a gifted political servant and statesman.

I thank my colleague from Ohio for his work in crafting this resolution. I know Senator VOINOVICH shares my admiration and deep respect for Governor Rhodes. In fact, both Senator VOINOVICH and I traveled back to Ohio this past week to attend the final ceremony for Governor Rhodes in the rotunda of the State Capitol of Ohio.

Governor Rhodes was one of a kind—a one-of-a-kind leader, politician, husband, father, grandfather, great-grandfather, and friend. No one—no one—loved Ohio more than Gov. Jim Rhodes.

No one was more dedicated to making Ohio bigger, better, stronger, and safer. Jim Rhodes was a visionary. And though a lot of politicians have big visions, Governor Rhodes was different. He turned those visions into reality. That is what set him apart. That is what made him one of Ohio's most influential political figures of the 20th century. That is what made him a legend.

Whether it is buildings, roads, airports, parks, vocational schools, community colleges, or universities, most physical infrastructure in Ohio today is attributable directly to Gov. Jim Rhodes. The simple fact is that you can't drive anywhere in Ohio without driving on or driving past something that Jim Rhodes built—something with which he had a role to play. Without question, he will continue to touch lives every day in many, many ways.

Most people don't realize that when Ohio first elected James Rhodes as Governor, it was his 13th political race. It was because of this, because of the vastness of his experience, that he was able to govern so effectively for all of us in Ohio.

It is often said that the greatness of a man can be measured by the extent and the breadth of his interests and then how he acts on those interests to turn them into reality. By that test, Governor Rhodes was indeed a great man. His interests were Ohio's interests and, because of that, he was passionate in promoting Ohio's economy, its tourism, its natural resources, its schools, and its universities.

While that was such an important part of his legacy, we must remember that Governor Rhodes was also equally passionate in his concern for people—for all the people of the State of Ohio. No matter where he went in Ohio, everyone always thought Governor Rhodes was from where they were from. Though he was born in Jackson County and went to high school in Springfield and was mayor of Columbus, for us, he was from Greene County, and he was from Cleveland, Cincinnati, Toledo, Marietta, and every other township, village, and city in our great State.

He was one of us. He was one of us not just because he got so much done for the State; he was one of us because he knew people, understood them, and he liked them. And people liked him back. That is what made Governor Rhodes a great leader and a great man.

I will always remember Governor Rhodes for his personal generosity. He was generous with his time, energy, and especially, with his political advice. Back in 1980, when I ran for the State senate in the old 10th Senatorial District, Governor Rhodes came down and campaigned for me on four separate occasions. That was just the start. He continued to support me throughout the last 20 years, even campaigning for me in Jackson County, his home county, this past October, just a few days before the election.

The people of Jackson County were happy to see him one more time.

I admired Governor Rhodes, and I respected him. I especially respected his strong and enduring love for his wonderful family. That was such a large part of who Jim Rhodes was. He cherished the time he spent at home with his family, often advising others to go home. If you asked him for political advice, he would say: My advice is go home—and he did that.

He was married to his beautiful wife Helen for 46 years and every time I saw the Governor, whether at an Ohio State football game, or at his beloved State fair, he had one or more of his grandchildren or great grandchildren with him. He loved his family dearly, and it showed.

As Chesterton once said:

> Great men take up great space even when they are gone.

To be sure, Governor Rhodes will continue to take up great space on this Earth, not just in buildings and roads, airports and parks, but in the lives he touched and the lives he changed. He will continue to live on for the great work he has done for Ohio and will also continue to live on through his family.

Mr. VOINOVICH. Mr. President, I rise today with my distinguished colleague, the senior Senator from Ohio, to introduce a resolution mourning the passage and honoring the life of former governor of Ohio, James A. Rhodes. Governor Rhodes passed away last Sunday at the age of 91.

Governor Rhodes began his career in public service in 1937, when he was elected to a term on the Columbus board of education. Two years later, he was elected Columbus city auditor and in 1943, he was elected Mayor of Columbus. In 1952, he successfully ran for State Auditor and in 1962, he ran for Governor of Ohio and won. He ultimately served the citizens of Ohio for four terms as governor.

As my interest in politics began to spark, Governor Rhodes' public service inspired me to also pursue a life of service to the people of Ohio. He was my mentor and without his example and counsel I could never have become governor of Ohio. In fact, I would not have had a career in government had it not been for Jim Rhodes' sweeping reelection victory in 1966. He had very long coattails, because he carried an unknown 30-year-old named GEORGE VOINOVICH to victory in an Ohio House district that was 6 to 1 democrat-to-republican. He furthered my career along when in 1978, he turned to me—a relatively unknown County Commissioner from Cuyahoga County—and asked me to be his running mate as Lieutenant Governor. Since then, Jim Rhodes and I grew close and my time with him over the years was some of the most meaningful of any person I have associated with in government.

Mr. President, they broke the mold after James A. Rhodes entered the political arena. There never will be another like the Governor, and he will go down in Ohio history not only because of the 16 years he served as governor, but more importantly, because of the positive impact he had on the quality of life of Ohio's citizens and the direction of our State.

He was a good, God-fearing man who looked on his service in government as an opportunity to give witness to the Second Great Commandment—love of fellow man. He never forgot his roots in the coal fields of southeastern Ohio. He wrapped his arms around all Ohioans. He was inclusive and reached out to everyone, regardless of stature in life, economic status, religion or color of skin.

Because of his humble beginnings, he understood the importance of providing an education to every man, woman and child in Ohio, whether it was a public education or a non-public education. He initiated the Ohio Auxiliary Services program, and because of his efforts, today, there is no state in the nation that does as much for non-public schools as Ohio. He brought Ohio's higher education system into the 20th century. His goal of having higher education within the grasp of every Ohioan—that is, no more than 30 minutes away—changed the face of higher education forever, and enabled millions of Ohioans to get the education so essential to their economic well-being.

His mantras—"jobs and progress" and "profit is not a dirty word in Ohio"—will never be forgotten by any politician who wants to be successful in Ohio. There are thousands of Ohioans working today because of the businesses the Governor brought into this state.

Jim Rhodes had his priorities in order, and his number one priority was his family. Jim Rhodes will always be a role model to me because of the way he treasured his family and encourage me and all who knew him to take care of their families. Jim's wife Helen, his daughters and their husbands, his grandchildren and great-grandchildren were paramount in his life. He always had a special twinkle in his eye when he talked about this family.

Mr. President, Governor James A. Rhodes spoke to the basic needs and yearnings of the people of Ohio; he loved Ohio, and Ohio loved him. We may have lost him in body, but he will always be with us in spirit. Ohio will never forget Jim Rhodes.

Mr. LUGAR. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 56) was agreed to.

The preamble was agreed to.

(The text of the resolution is located in today's RECORD under "Submitted Resolutions.")

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the Democratic leader, pursuant to Public Law 106–550, announces the appointment of the following individuals to serve as members of the James Madison Commemoration Commission Advisory Committee: Gary G. Aguiar of South Dakota, and Jack N. Rakove of California.

HONORING THE MEN AND WOMEN WHO SERVE THIS COUNTRY IN THE NATIONAL GUARD AND EXPRESSING CONDOLENCES TO THE FAMILY AND FRIENDS OF THE TWENTY-ONE NATIONAL GUARDSMEN WHO PERISHED IN THE CRASH

Mr. DEWINE. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of S. Res. 45 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 45) honoring the men and women who serve this country in the National Guard and expressing condolences of the United States Senate to the family and friends of the 21 National Guardsmen who perished in the crash on March 3, 2001.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DEWINE. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 45) was agreed to.

The preamble was agreed to.

(The text of the resolution is located in the RECORD of March 7, 2001, under "Submitted Resolutions.")

ORDERS FOR MONDAY, MARCH 12, 2001

Mr. DEWINE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 1 p.m. on Monday, March 12. I further ask unanimous consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 2 p.m., with Senators speaking for up to 10 minutes each, with the following exceptions: Senator LUGAR, or his designee, for 30 minutes; Senator DURBIN, or his designee, for 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DEWINE. Mr. President, on behalf of the leader, for the information of all Senators, the Senate will reconvene on Monday and resume the bankruptcy reform bill. Senators who have amendments are encouraged to come to the floor and offer and debate those amendments during Monday's session. As announced by the majority leader, any votes ordered on any amendments are scheduled to begin at 11 a.m. on Tuesday. It is the hope and expectation to complete action on the bankruptcy legislation as quickly as possible next week.

ORDER FOR RECORD TO REMAIN OPEN

Mr. DEWINE. Mr. President, I ask unanimous consent that the RECORD remain open today until 2 p.m. for the introduction of bills, statements, and the filing of amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. DEWINE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment following the remarks of Senator DURBIN under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEWINE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, MARCH 12, 2001

The PRESIDING OFFICER. Without objection, under the previous order, the Senate now stands adjourned.

There being no objection, the Senate, at 12:36 p.m., adjourned until Monday, March 12, 2001, at 1 p.m.

HOUSE OF REPRESENTATIVES—*Monday, March 12, 2001*

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mr. WOLF).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 12, 2001.

I hereby appoint the Honorable FRANK R. WOLF to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, send forth Your prophetic and discerning Spirit upon this chamber and this Nation.

Why is it we can recognize grace building upon grace and goodness begetting goodness, yet, without Your Spirit, fail to see lie feeding lie and evil eroding everything around it.

Whenever any part of society or government has forsaken You, O Lord, or any member of family or branch of corporation disregards common faith or breaks sacred trust, the whole body trembles.

Our oneness is disturbed by any negative force. Our sinful behavior affects not only our relationship with You, Almighty Father, but impacts one another.

Isaiah says, "The whole head is sick, the whole heart is faint. From the sole of the foot to the head there is no sound spot."

Be moved by our repentance, Lord, now and forever.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California (Mr. FILNER) come forward and lead the House in the Pledge of Allegiance.

Mr. FILNER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

S. Con. Res. 22. Concurrent resolution honoring the 21 members of the National Guard who were killed in the crash of a National Guard aircraft on March 3, 2001, in south-central Georgia.

The message also announced that pursuant to Public Law 106–550, the Chair, on behalf of the Democratic Leader, announces the appointment of the following individuals to serve as members of the James Madison Commemoration Commission Advisory Committee—

Gary G. Aguiar of South Dakota; and
Jack N. Rakove of California.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 9, 2001.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on March 9, 2001 at 9:08 a.m.

That the Senate passed without amendment H. Con. Res. 47.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

APPOINTMENT OF MEMBERS TO UNITED STATES HOLOCAUST MEMORIAL COUNCIL

The SPEAKER pro tempore. Without objection, and pursuant to Public Law 106–292 (36 U.S.C. 2301) the Chair announces the Speaker's appointment of the following Members of the House to the United States Holocaust Memorial Council:

Mr. LANTOS of California;
Mr. FROST of Texas.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

TIME FOR CONGRESS TO ACT TO PROTECT THE PUBLIC FROM PROFITEERING ENERGY PRODUCERS AND MARKETERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, last summer I was on the floor many times as the Congressman from San Diego, California, with a grave electricity crisis and said, "The rest of California better watch. The rest of the West of the United States better watch. The rest of the United States better watch, because they are next." Sure enough, they are next. Let us talk about this electricity crisis today and how we are going to get out of it.

Let me remind Members that San Diego, California, was ground zero in this crisis. Our county became the first area in California where full electricity deregulation occurred in both retail and wholesale prices. Within 60 days, Mr. Speaker, our prices to families, to those on fixed incomes, to small business doubled and then tripled. There was no end in sight.

In fact, dozens of small businesses were forced to close their doors. Panic literally engulfed San Diego, and the State legislature responded with a deferred cap on retail prices; that is, a cap on the real cost of electricity that would be deferred for several years. So each month since last August the debt for San Diego consumers, the debt for San Diego businesses, has mounted monthly.

What caused this incredible price increase? Yes, supply was tight, but demand was less than the previous summer had been. The cost of production had not even risen at that point significantly.

The answer, Mr. Speaker, the answer was market manipulation, in my view criminal manipulation by a wholesale energy cartel. There is evidence that has been supplied to the Federal Energy Regulatory Commission, the Attorney General of the United States, the State of California Attorney General, our local district attorneys, evidence of supply illegally withheld,

☐This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

transmission data falsified, and "laundering" of electrons to avoid California price cap.

Based on such evidence last December the Federal Energy Regulatory Commission, known as FERC, found wholesale prices in California to be illegal. Yet, incredibly enough, up to last week no action, no corrective action, was taken. Last week FERC said, hey, we know there has been some overcharge in California. In fact, $69 million should be refunded.

I say to FERC, that is way too little, way too late. That is the price we are now paying in California for electricity in a day and a half; in a day and a half we pay the $69 million.

What FERC is saying to the energy cartel is, go and rob the State blind. Boy, did they do it. Today's crisis is still fundamentally all about obscene and illegal wholesale prices. Yes, we all know we need new generating capacity. Yes, we need more conservation. Yes, we need to focus on renewable resources.

But the State of California, Mr. Speaker, is today paying $2 billion an hour, $45 million a day, $1.5 billion per month, for electricity. Our major utilities are in de facto bankruptcy, and the energy cartel has sucked almost $20 billion, that is $20 billion with a B, out of the State economy in just less than a year.

California is just part of a regional electricity grid. The obscene prices have spread to Oregon and Washington. Idaho and New Mexico are next, and the rest of the West will soon follow.

What has been the response of this administration to what will surely be a national disaster soon? They say, drill for oil in the Arctic National Wildlife Refuge and let the markets work.

I say, Mr. Speaker, there is not a market in electricity. The President's corporate friends, like Enron of Houston, now control our electricity future. Since the administration cannot or will not act, Congress must by immediately passing my legislation, H.R. 268, the Electricity Consumers' Relief Act.

What this bill does is require that FERC set immediately cost-based rates for electricity, and require that energy producers and marketers that profiteered from their illegal rates in California refund the overcharge to our consumers and our utilities.

Only this legislation will make California whole again economically, and give us time for the Governor's longer-term program to take effect. We know from evidence in San Diego that there was power in California during our whole electricity crisis. Even at stage 3, turbines were taken out of circulation when businesses in San Diego were being shut down. It was not being provided because the energy cartel wanted to make the market work for increased prices.

They have gouged California consumers. They have forced small businesses to close their doors. They have brought our utilities in our whole State to their knees. Yet their quarterly reports show increased profits by nearly 1,000 percent.

It is time for Congress to act. We must hold this cartel accountable and provide the relief that Californians and all Americans so desperately need and deserve.

ADJOURNMENT

Mr. FILNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, March 13, 2001, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1160. A letter from the Acting Administrator, Agricultural Marketing Service, Research and Promotion Branch, Department of Agriculture, transmitting the Department's final rule—Watermelon Research and Promotion Plan; Redistricting and Adding Two Importer Members to the National Watermelon Promotion Board [FV–00–703–FR] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1161. A letter from the Chairman and CEO, Farm Credit Administration, transmitting the Administration's final rule—Disclosure to Shareholders; Annual Report (RIN: 3052–AB94) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1162. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a report entitled, "Monetary Policy Report to the Congress"; to the Committee on Financial Services.

1163. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Rules Regarding Equal Opportunity [Docket No. R–1096] received January 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1164. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule—Application Processing [No. 2001–11] (RIN: 1550–AB14) received March 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1165. A letter from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Benefits Payable in Terminated Single-Employers Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits—received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

1166. A letter from the Director, Office of Congressional Affairs, NMSS, Nuclear Regulatory Commission, transmitting the Commission's final rule—List of Approved Spent Fuel Storage Casks: VSC–24 Revision (RIN: 3150–AG70) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1167. A communication from the President of the United States, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

1168. A letter from the Deputy Assistant Secretary, Bureau of Export Administration, Department of Commerce, transmitting the Department's final rule—Exports to the Federal Republic of Yugoslavia; Revision of Foreign Policy Controls [Docket No. 010208031–1031–01] (RIN: 0694–AC36) received March 5, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

1169. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Economic Exclusive Zone Off Alaska; Groundfish Fisheries by Vessels Using Hook-and-Line Gear in the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 022601B] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1170. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Catching Pacific Cod for Processing by the Inshore Component in the Western Regulatory Area of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 022701B] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1171. A letter from the Acting Secretary of the Army, Department of Defense, transmitting the feasibility report for New York and New Jersey Harbor Navigation Study, pursuant to Section 101(a)(2) of the Water Resources Development Act (WRDA) of 2000; to the Committee on Transportation and Infrastructure.

1172. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transporation, transmitting the Department's final rule—Drawbridge Operation Regulations; Fort Point Channel, MA [CGD01–00–234] (RIN: 2115–AE47) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1173. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 707 Series Airplanes [Docket No. 2000–NM–279–AD; Amendment 39–12117; AD 2001–03–13] (RIN: 2120–AA64) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1174. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777 Series Airplanes [Docket No. 2000–NM–285–AD; Amendment 39–12113; AD 2001–03–09] (RIN: 2120–AA64) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1175. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—

Airworthiness Directives; Airbus Model A330 and A340 Series Airplanes [Docket No. 2000–NM–118–AD; Amendment 39–12111; AD 2001–03–07] (RIN: 2120–AA64) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1176. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes Powered by Pratt & Whitney Engines [Docket No. 99–NM–365–AD; Amendment 39–12091; AD 2001–02–07] (RIN: 2120–AA64) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1177. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon (Beech) Model MU–300, MU–300–10, 400, and 400A Series Airplanes [Docket No. 98–NM–368–AD; Amendment 39–12110; AD 2001–03–06] (RIN: 2120–AA64) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1178. A letter from the Chairman, Surface Transportation Board, Department of Transportation, transmitting the Department's final rule—Regulations Governing Fees For Services Performed In Connection With Licensing And Related Services—2001 Update—received February 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1179. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Coast Guard Activities New York Annual Fireworks Display [CGD01–00–227] (RIN: 2115–AA97) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1180. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Learjet Model 45 Airplanes [Docket No. 2001–NM–11–AD; Amendment 39–12109; AD 2001–03–05] (RIN: 2120–AA64) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1181. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Siesta Key Bridge (SR 758), Sarasota, FL [CGD07–01–014] received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1182. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Kennebec River, ME [CGD01–00–193] (RIN: 2115–AE47) received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1183. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulations; Arroyo Colorado, TX [CGD08–01–001] received February 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1184. A letter from the Secretary, Judicial Conference of the United States, transmitting a report on the judiciary's courthouse construction requirements for FY 2002; to the Committee on Transportation and Infrastructure.

1185. A letter from the Director, Office of Regulations Management, Board of Veterans' Appeals, Department of Veterans Affairs, transmitting the Department's final rule—Appeals Regulations: Title for Members of the Board of Veterans' Appeals—Rescission (RIN: 2900–AK61) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

1186. A letter from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting the Department's final rule—Revised Criteria for Monetary Allowance for an Individual Born with Spina Bifida Whose Biological Father or Mother Is a Vietnam Veteran (RIN: 2900–AJ51) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

1187. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Cafeteria Plan/Qualified Retirement Plan Hybrid Arrangement—received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1188. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—IRC Section 807 Basis Adjustment—Change In Basis v. Correction Of Error—received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1189. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Low Income Housing Credit—received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1190. A letter from the Deputy Director, Congressional Budget Office, transmitting the CBO's Sequestration Preview Report for FY 2002, pursuant to 2 U.S.C. section 904(b); jointly to the Committees on Appropriations and the Budget.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TAUZIN: Committee on Energy and Commerce. H.R. 90. A bill to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, and for other purposes (Rept. 107–13). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 860. A bill to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiform civil actions (Rept. 107–14). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 802. A bill to authorize the Public Safety Officer Medal of Valor, and for other purposes (Rept. 107–15). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 861. A bill to make technical amendments to section 10 of title 9, United States Code (Rept. 107–16). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 809. A bill to make technical corrections to various antitrust laws and to references to such laws (Rept. 107–17 Pt. 1).

Mr. SENSENBRENNER: Committee on the Judiciary. S. 320. An act to make technical corrections in patent, copyright, and trademark laws, with an amendment (Rept. 107–18). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Armed Services discharged from further consideration. H.R. 809 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 809. Referral to the Committee on Armed Services extended for a period ending not later than March 12, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII,

Mr. EVANS (for himself, Mr. Kennedy of Rhode Island, Ms. Norton, Mr. Kucinich, Ms. Baldwin, Mr. McGovern, Mr. Rush, Mr. Capuano, Mr. Stark, Mr. Andrews, Mr. Wolf, Mr. Kirk, Ms. Pelosi, Mr. Hoeffel, Mrs. Lowey, Mr. Frank, Mr. Faleomavaega, Mr. Lantos, Mr. Udall of Colorado, and Mr. Waxman): introduced a concurrent resolution (H. Con. Res. 60) condemning the violence in East Timor and urging the establishment of an international war crimes tribunal for prosecuting crimes against humanity that occurred during that violence; which was referred to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 31: Mr. Goode and Mr. Shadegg.

H.R. 247: Mr. Riley, Mr. Cramer, Mr. Pickering, Mr. Hilliard, and Mr. Clement.

H.R. 295: Mr. Ferguson.

H.R. 482: Mr. Barr of Georgia.

H.R. 527: Mr. Sandlin, Mrs. Myrick, and Mr. Otter.

H.R. 548: Mr. Calvert, Mr. Rush, and Mr. Clay.

H.R. 609: Ms. Hart.

H.R. 622: Mr. Nethercutt, Mr. Snyder, and Mr. Peterson of Minnesota.

H.R. 632: Mr. Peterson of Pennsylvania, Mrs. Davis of California, Mr. Clay, and Mr. Calvert.

H.R. 737: Mr. Boehlert and Mr. Frank.

H.R. 744: Mrs. Jo Ann Davis of Virginia.

H.R. 824: Mr. Riley.

H.R. 871: Ms. Hart.

SENATE—*Monday, March 12, 2001*

The Senate met at 1 p.m. and was called to order by the Honorable JON S. CORZINE, a Senator from the State of New Jersey.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, today we claim the primary etymology of politics as the science of government. We praise You for the women and men of this Senate who have accepted politics as a high calling from You and use political process as a way to solve the perplexities of our time and ensure the full potential of Your plan for our beloved Nation. Help them to envision and enable Your very best for the spiritual and moral character of the United States. Help the Senators to confront the soul-sized issues that hold progress at bay. Grant them courage and power for the facing of this hour. May they lead a movement, rather than preserve a bureaucracy and turn to You for Your wisdom to tackle perplexities great and small. Help them to do that with a sense of mission and conviction that politics is a ministry ordained by You. In the Name of our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MARK DAYTON, a Senator from the State of Minnesota, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, March 12, 2001.*
>
> *To the Senate:*
>
> Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JON S. CORZINE, a Senator from the State of New Jersey, to perform the duties of the Chair.
>
> STROM THURMOND,
> *President pro tempore.*

Mr. CORZINE thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Indiana is recognized.

SCHEDULE

Mr. LUGAR. Mr. President, today the Senate will be in a period of morning business until 2 p.m. Following morning business, the Senate will resume consideration of S. 420, the Bankruptcy Reform Act. There are several amendments pending. Others are expected to be offered during today's session. Any votes ordered during today's session will be scheduled to occur tomorrow morning at 11 a.m.

As a reminder, the Conrad and Sessions amendments are scheduled for votes at 2:45 p.m. tomorrow. Senators should be aware that it is the intention of the majority leader and the managers of the bill to complete action on this bill by midweek.

I thank my colleagues for their cooperation.

Mr. REID. Will the Senator yield?

Mr. LUGAR. I am happy to yield.

Mr. REID. I say to my friend, I heard on Friday and I heard today that the leader would like to complete this legislation by Wednesday, the day after tomorrow. Friday was a day we didn't accomplish much. We should have. Amendments could have been offered. Today I hope people will take advantage of this afternoon to offer amendments. I do say, however, it will be extremely difficult to finish by midweek, which is Wednesday. I hope we can finish this week.

I was part of the conversation between the two leaders and they indicated they wanted to finish this bill by the end of this week. I think we can do it. We have pending over 100 amendments now. But some of those can be accepted. I understand, talking to some of the staff on Friday, they believe 15 or 20 can be accepted by the two managers, and some amendments, of course, won't be offered.

I do hope, though, people take advantage of this afternoon and this evening to offer amendments. Otherwise we simply will not be able to do that, and the leader has indicated he will file cloture. That would be too bad because I think we can work our way through this bill.

I appreciate the Senator from Indiana yielding.

Mr. LUGAR. I endorse strongly the sentiments of the distinguished Senator from Nevada. I am certain the majority leader would concur with enthusiasm regarding working through the amendments quickly. The Senator from Nevada has always done so.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 2 p.m. with Senators permitted to speak therein for up to 10 minutes each, with the following exceptions: Senator THOMAS or his designee for 30 minutes; Senator DURBIN or his designee for 30 minutes.

THE STOCKPILE STEWARDSHIP PROGRAM AND THE COMPREHENSIVE TEST BAN TREATY REVISITED

Mr. LUGAR. Mr. President, I rise today to discuss a subject of major importance to the national security of the United States—the maintenance of our nuclear weapons stockpile.

For most of the nuclear age, the United States has relied on nuclear testing to ensure that our nuclear weapons remained safe, secure, and reliable. Our country conducted more than one thousand nuclear tests in furtherance of these goals. In July 1992, President George Bush announced that the United States would suspend underground testing. We initiated the Stockpile Stewardship Program, which was designed to replace detonations at the Nevada Test Site with computer simulations.

In 1999, concerns about the Stockpile Stewardship Program were a critical element of the Senate debate over ratification of the Comprehensive Test Ban Treaty. It was unfortunate that the Senate was forced to take up the treaty in a highly politicized atmosphere. The CTBT was not a new subject, but in 1999, the Senate was not prepared to develop the consensus necessary to ratify a major treaty with far-reaching consequences for U.S. security.

I opposed ratification of the CTBT, because I did not believe that the treaty's verification and enforcement provisions would be successful. Equally important, I was concerned about our ability to maintain the integrity and safety of our nuclear arsenal under the conditions imposed by the treaty.

The United States must maintain a reliable nuclear deterrent for the foreseeable future. The end of the cold war provided tremendous national security benefits, but the necessity of our nuclear deterrent did not disappear. The transformation of the former Soviet

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Union has permitted the United States to consider lower numbers of nuclear weapons, but the current security atmosphere does not permit us to consider their elimination.

Our nuclear arsenal continues to play a critical role in ensuring the security of the American people. It also plays a role in the security calculations of friends and allies around the world. Many of them have foregone potentially destabilizing arms build-ups and weapons procurement programs because of the nuclear umbrella provided by the United States.

During the CTBT debate, I expressed my concern that the Senate was being asked to trust the reliability of our nuclear stockpile to a Stockpile Stewardship Program that was both unproven and unlikely to be fully operational for a decade or more.

There remains strong disagreement among many nuclear experts and national security leaders about the efficacy of maintaining a nuclear stockpile without testing. As Senators, we do not have the luxury of taking a chance on the Stockpile Stewardship Program. The restrictions imposed by the CTBT could have harmed the national security of the United States if we could not ensure the safety and reliability of our nuclear weapons stockpile without testing. We cannot allow our nuclear weapons to fall into disrepair or permit their safety to be jeopardized.

Now unfortunately, little progress in advancing the Stockpile Stewardship Program appears to have occurred since the 1999 Senate debate. Our new Secretary of Energy, Spencer Abraham, recently testified before the Armed Services Committee that:

> The Department of Energy has allowed its nuclear-weapons production plants to degrade over time, leaving a tremendous backlog of deferred maintenance and modernizations. The deterioration of existing facilities is a very serious threat.

Under the Stockpile Stewardship Program, the United States will depend on these facilities to inspect our nuclear arsenal and to replace degraded weapons.

I am particularly concerned by the uncertainty surrounding the construction of the National Ignition Facility, the NIF, which was profiled in a recent episode of the "Jim Lehrer Newshour." The NIF is intended to play a key role in the Stockpile Stewardship Program and the annual certification of the U.S. nuclear stockpile. The National Academy of Sciences and others recommended the construction of the NIF, which will simulate thermonuclear conditions. This facility would be critical to evaluating our nuclear weapons arsenal in the absence of testing. The Academy stated that such a facility was necessary because nearly all of the 6,000 parts of a nuclear weapon change with age.

Yet at present, the NIF is 4 years behind schedule and approximately $1 billion over budget. These are dismal omens. Even more disconcerting is that the National Science Foundation and others have estimated the NIF's chances of success at only about 50 percent. It is alarming to learn that the possibility of success for a critical component of our Stockpile Stewardship Program can only be characterized as 50/50.

Some supporters of the CTBT, the Comprehensive Test Ban Treaty, have suggested that the stockpile could be maintained without the NIF by replacing old warheads with new warheads manufactured to the same specifications as the originals. They also have posited that current warheads could be rebuilt with fresh nuclear material.

Yet many nuclear experts regard these strategies as unreliable. This is why both the former Bush and Clinton administrations moved forward on the Stockpile Stewardship Program. According to the Lawrence Livermore National Laboratory, it is impossible to guarantee that new warheads manufactured to old specifications will work reliably. Neither is replacing the nuclear core of existing weapons a viable option. Nuclear material contained within weapons changes with age. As the nuclear material changes, so does its effects on the other components of the warhead. If one attempted to maintain weapons by periodically replacing their nuclear cores, the older warhead components around the pits would not be matched to the new nuclear material. Under these conditions, the warheads would not necessarily function as originally designed.

Even many proponents of the CTBT do not believe that U.S. nuclear weapons can be maintained in the absence of an effective Stockpile Stewardship Program. Most notably, former Chairman of the Joint Chiefs of Staff, General John Shalikashvili, who conducted extensive review of the CTBT following the Senate's rejection of the treaty, outlined the need for an effective Stockpile Stewardship Program. His review emphasized that the program was needed to provide the people, knowledge, equipment, and facilities necessary to accomplish three tasks: First of all, to enhance surveillance of weapons in the stockpile to monitor for age-related changes and to identify other defects; second, to deepen the scientific understanding of how nuclear weapons work and how they age so that we are better able to spot potential defects; and, third, to remanufacture components and refurbish warheads using an updated nuclear weapons complex. General Shalikashvili offered his strong support for the Stockpile Stewardship Program and reiterated its necessity in the absence of testing.

But if we are going to depend on the Stockpile Stewardship Program, it must be reliable and accurate. Recently, the Panel to Assess the Reliability, Safety and Security of the U.S. Nuclear Stockpile found:

> . . . growing deficiencies in the nuclear weapons production complex, deep morale and personnel problems, continued slippage of program milestones, and unacceptably high risks to the completion of needed weapons refurbishments.

The panel, established by Congress in the 1999 Defense authorization bill, was tasked with providing an assessment of the Stockpile Stewardship Program. The panel's concerns led to numerous recommendations, including: one, stopping the slippage in stockpile life-extension programs; two, restoring missing production capabilities and refurbishing the production complex; three, stopping the slippage in development of tools needed to make future assessment of the stockpile's safety and reliability; and four, responding to the low morale at the weapons laboratories. The panel concluded that the problems within our nuclear weapons complex are "unacceptable," and they warned that the situation could decline further. The report states that:

> Worrisome deterioration of nuclear components has already been found. Moreover, the history of the stockpile has demonstrated many surprises, and weapons are entering an age regime for which we have no prior experience.

Furthermore, the Stockpile Stewardship Program simply will not be ready in the near term, even if its deficiencies can be fixed. Dr. Michael Anastasio, the associate director of defense and nuclear technologies at the Livermore Lab, has stated that we will not know for "at least ten years" whether the Stockpile Stewardship Program can be a viable replacement for testing.

I am concerned that while our country's nuclear experts are still debating the composition and efficacy of the Stockpile Stewardship Program, we not rush into another ill-prepared attempt to ratify the CTBT. It is difficult to envision how the Senate could be asked to reverse its position of 2 years ago by placing its faith in a program that not only is incomplete, but whose exact components are still a source of debate.

Some proponents of the treaty have argued that the United States can ratify the CTBT regardless of potential stockpile problems, because the United States has the ability to withdraw from the treaty should we lose confidence in our stockpile. I disagree. First, the Clinton administration originally cited withdrawal as an emergency escape hatch, not an option on which to base nuclear policy. And second, withdrawing from the treaty would send a damaging signal to our allies and foes around the world on the status of our nuclear stockpile.

If the U.S. were to abrogate the CTBT, citing the safety and reliability of the stockpile, our friends and allies would question the credibility of the nuclear umbrella itself that plays a vital role in their security. Enemies and foes would question America's strength and confidence in the status of our nuclear arsenal.

Secretary of State Colin Powell stated during his confirmation hearing that the administration "will not be asking for the Congress to ratify the Comprehensive Test Ban Treaty in this next session." I believe this is a wise course of action. The United States may be in a position to ratify the CTBT at some point in the future, but not today.

I understand the impulse of proponents of the CTBT to express United States leadership in another area of arms control. Inevitably, arms control treaties are accompanied by principles that envision a future in which international norms prevail over the threat of conflict between nations. However, while affirming our desire for international peace and stability, the U.S. Senate is charged with the constitutional responsibility of making hard judgments about the likely outcomes of treaties. This requires that we examine the treaties in close detail and calculate the consequences of ratification for the present and the future. Viewed in this context, I could not support the treaty's ratification in 1999, nor for the reasons I have just expressed could I support ratification now.

The Bush administration's position not to request immediate Senate consideration of this treaty is prudent. I am hopeful that proponents and opponents alike will not force the Senate into another counterproductive debate, particularly when prospects for a different outcome in the Senate have not improved since 1999.

Instead, we should reinvigorate bipartisan efforts on the broader question of arms control and non-proliferation, as well as explore improvements in technology. Even during the fractious CTBT debate in the Senate, many of us on both sides of the issue, including Senators WARNER, LEVIN, and Moynihan, were working together to delay treaty consideration and build a consensus on arms policy for the short term.

Our goal now should be to achieve sufficient technological progress to permit confidence in the Stockpile Stewardship Program. Both proponents and opponents of the CTBT have a mutual interest in this goal, because the safety and reliability of our weapons depend on it. I have urged the Bush administration to maintain a strong commitment to the program and support the funding necessary to correct problems.

In addition, the United States should work with allies to develop technological means through which we might improve verification techniques and capabilities. The current shortcomings of the CTBT's verification regime are very serious, but we should remain open to diplomatic or technological developments in the long run.

I am confident that there does exist within the Senate a strong desire to work toward a consensus on arms policies. I urge my colleagues to join in this effort.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, the managers are not on the floor. I will wait to offer my amendment until there is a manager on the other side. I want to speak for 10 minutes as in morning business. I ask unanimous consent that I be allowed to speak for 10 minutes as in morning business and then be allowed to lay down my amendments.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

TAX CUTS

Mr. WELLSTONE. Mr. President, I will return to the bankruptcy bill. We marked up an education bill in the HELP Committee. There were a number of us who said we will vote for the bill out of committee in part because I do think Senator JEFFORDS, Senator KENNEDY, and others did yeoman work in trying to work together, and in part because there are some parts of this bill that are very important.

For my own part, for several years now, I have been trying to get us to adopt legislation which deals with children who witness violence in their homes. There has been, thank God, more of a focus on the violence against women—sometimes men, almost always women. Every 13 seconds during the day, a woman is battered. Home should be a safe place.

There has not been a whole lot of focus on children who witness this violence and the ways in which it affects their work in schools. All too often, these children fall between the cracks.

An amendment was adopted to bring together out of the schools some critical support services for these children.

I want to repeat what I said during the committee markup, which is, if this bill, the reauthorization of the Elementary and Secondary Education Act, comes to the floor before we have had an honest and thorough discussion of the budget and before we have some idea of the context of the tax cuts to the budget, then I will be in strong opposition. I hope Senators on our side and on the other side will be as well. Let me explain.

First, I find the President's tax cut proposal to be Robin Hood in reverse. Anytime over 40 percent of the benefits go to the top 1 percent and anytime one-third of the children in our country are living in homes that do not get a dime from this, and over 50 percent of African American children live in families that do not get a dime, and 56 percent of Hispanic children live in homes that do not receive one dime from this "tax relief" because it is not refundable, then something is terribly wrong with such a piece of legislation. I do not think it meets any standard of fairness. That is part of the problem.

But there is another part of the problem. I hope Democrats will be strong on this because the fact of the matter is, here is where you draw the line: If you are saying that we are going to have Robin-Hood-in-reverse tax cuts with over 40 percent of the benefits going to the top 1 percent, but we are not going to be able to afford prescription drug costs for elderly and other families, then I think Democrats draw a line there.

If we are going to have Robin Hood in reverse, with over 40 percent of the benefits going to the top 1 percent, but, as a matter of fact, we are not going to realize the goal of leaving no child behind, and, as a matter of fact, we are going to have a tin-cup budget for education, and, as a matter of fact, we are not going to expand the title I program where only 30 percent of low-income children are able to get any help right now, and we are not going to make the kind of commitment to the IDEA program, children with special needs, funded at only 14 percent when it should be funded at the 40-percent level, or we are not going to make the commitment to decent, affordable child care so children can come to school, kindergarten ready, or we are not going to make a commitment to expanding health care coverage for citizens in our country when so many people go without health security, either because they have no coverage or they can't afford their coverage—it seems to me this is the place where Democrats can draw the line. We don't need to have acrimonious debate, but we do need to have substantive debate, I argue passionate debate.

Frankly, I put all of my faith in people in Minnesota and around the country, when it comes to the question of priorities. To me, what we have is distorted priorities. We have a tax cut program, Robin Hood in reverse. Over 40 percent of the benefits are going to the top 1 percent. There is no standard of fairness when it comes to tax relief for people, tax relief for families. Moreover, nobody should kid anybody; this will erode the revenue base and make it practically impossible to make any of the investments that we say we are going to make when it comes to children, when it comes to education, when it comes to health care, when it comes to affordable prescription drug costs.

The vast majority of the people in the country, if they understand this is the choice, want to see us do more by way of investing in education, investing in children, investing in health care, investing in their families, investing in our communities.

This will become the axis of the debate of the Senate and I think American politics. I believe it is very important the Democrats draw the line in a very firm way.

I say to my colleague, Senator GRASSLEY, I have some amendments I am ready to introduce to the bankruptcy bill. I asked unanimous consent I be able to proceed. I assume that is all right with the manager.

Mr. GRASSLEY. I wonder if the Senator will provide copies of the amendments. We want to know with what we are working.

Mr. WELLSTONE. I am more than pleased to provide copies. Many requests are unreasonable, but this is not.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mrs. CLINTON). Morning business is closed.

BANKRUPTCY REFORM ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 420, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Schumer amendment No. 25, to ensure that the bankruptcy code is not used to exacerbate the effects of certain illegal predatory lending practices.

Feinstein amendment No. 27, to place a $2,500 cap on any credit card issued to a minor, unless the minor submits an application with the signature of his parents or guardian indicating joint liability for debt or the minor submits financial information indicating an independent means or an ability to repay the debt that the card accrues.

Leahy amendment No. 20, to resolve an ambiguity relating to the definition of current monthly income.

Conrad modified amendment No. 29, to establish an off-budget lockbox to strengthen Social Security and Medicare.

Sessions amendment No. 32, to establish a procedure to safeguard the surpluses of the Social Security and Medicare hospital insurance trust funds.

Mr. WELLSTONE. Madam President, I will summarize these amendments before we get into whatever debate might take place. I say to the Senator from Iowa, as he looks over the amendments, one of the amendments I am hoping will meet with his approval. Let me explain them very quickly and then go into the payday loan amendment.

The first amendment is protecting the legal rights of retirees of bankrupt companies. This amendment simply clarifies companies in bankruptcy must fulfill their legal obligations as plan administrators and plan sponsors of employee and retirement benefit plans. I think Senator SESSIONS has some interest in this amendment, as well.

Companies occasionally stop administering benefit programs during bankruptcy. This means retiree benefit plans are left without anybody in charge, which results in the failure to pay out benefits to workers such as reimbursements for covered health care costs. This often occurs toward the end of bankruptcy, either a 7 or 11, when there is not much left of the business. The company's management and bankruptcy trustees are trying to wind up the business, and the benefit programs quite often end up falling between the cracks.

I have a specific situation in Minnesota but I know Senator SESSIONS and others can talk about this in their own States. In Minnesota, LTV Corporation shut down and 1,300 people are out of work. People have no jobs. They are out of work. Those out of work, the younger workers, are terrified they will lose their health care coverage in 6 months. Those who worked longer will lose coverage within a year. But the retirees are terrified they will not have their health care benefits any longer after the bankruptcy proceeding. The persons ordinarily responsible for the management of the benefits programs may have been laid off and those who remained refuse to administer the plan. This can happen.

Or it may be a "lights out bankruptcy" where the power is shut off, the doors are locked, and all functions of the company cease. However, even in these cases, the firm is required to either terminate any benefit plans or to continue to administer them.

This is what our amendment does. We don't impose any new burdens on the companies. The companies are already required by law to continue to administer the plans that have not been terminated or to administer plans that are part of the trust. This amendment simply results in companies fulfilling their current legal obligations without any expensive litigation on the part of the workers. We are just trying to codify this into law.

Let me talk about how this helps LTV workers and retirees. Health care and other benefits for retirees at LTV are guaranteed by a trust fund known as the Voluntary Employee Benefit Association Trust Fund, also referred to as the VEBA trust funds. The trust cannot be wiped out even if LTV is liquidated in bankruptcy, but LTV must administer the VEBA for workers to get any of the benefits and guarantees. We have no reason to believe as of now that LTV will not fulfill its obligation to administer the VEBA. This amendment simply provides added assurance in case the worst happens. So it is an important amendment for a lot of retirees who are worried that somehow through the bankruptcy processes companies are not going to provide them with their retiree benefits.

I will give a real-world example of the worst case scenario. In August of 2000, Gulf States Steel in Alabama locked its doors after failing to conclude a chapter 11 reorganization. Over 1,000 steelworkers immediately, and with little warning, lost their jobs. The union had ordered a VEBA trust as part of the workers' contract. That trust, made up of employee contributions, is intended to cover the costs of retiree health plans under just this scenario.

Gulf States still refuse to administer the trust so the assets and income are not being used to cover the workers' health care costs.

Since September of last year, Gulf States retirees have effectively had no health care coverage because they cannot access the resources of their own VEBA.

Absent the changes made in the bankruptcy law by this amendment, the union will be forced to file an expensive and lengthy lawsuit to force the company to comply with the law. The lawsuit could take months—for all I know, it could take years—to resolve and will do little to address the immediate needs of the retirees. Again, as the several examples I have given indicate, I think this is almost a fix.

I am hopeful there will be support for this amendment. It is certainly the right thing to do. It is one of several amendments I want to lay down.

The second amendment is the payday loan amendment. I assume since we are talking about this today that there may be some time to talk about it. This is an amendment to protect the legal rights of retirees of bankrupt companies which I hope fits in with my colleague's definition of reform.

The second amendment I propose is an amendment that almost passed last Congress. I hope it will pass this time. It will curb a form of predatory lending which targets low- and moderate-income families.

I apologize for having to read. Usually I don't do that. But I am not a lawyer. I find some of these proposals and some of the language of bankruptcy to be technical and not all that easy.

This amendment would prevent claims in bankruptcy on high-cost credit transactions in which the annual interest rate exceeds 100 percent.

I know my colleague from Iowa doesn't much like the payday loan amendment. I know that. I have heard him speak about it. That is what I am talking about, these payday loans and car title pawns.

Payday loans are intended to extend small amounts of credit—typically $100–500—for an extremely short period of time—usually a week to two weeks. The loans are marketed as giving the borrower "a little extra till payday," hence the term payday loan. The loans work like this: the borrower writes a check for the loan amount plus a fee. The lender agrees to hold the check until an agreed upon date and give the borrower the cash. On the due date, the lender either cashes the check or allows the borrower to extend the loan by writing a new check for the loan amount plus an additional fee. But calculated on an annual basis, these fees are exorbitant. For example, a $15 fee on a two week loan of $100 is an annual interest rate of 391 percent. Rates as high as 2000 percent per year have been reported on these loans.

I am just saying I don't think that crowd ought to have claims under bankruptcy that are resolved for these high-cost transactions with the kind of exorbitant and outrageous interest they can charge.

Car title pawns are one month loans secured by the title to vehicles owned by the borrower. Typical title pawns cost 300 percent interest. Consumers who miss payments have their cars repossessed. In some States, consumers do not receive the proceeds from the sale of repossessed vehicles—even if the value of the car far exceeds the amount of the loan! For example, a borrower might put up their $2000 car as collateral for a $100 car title loan—at an outrageous interest rate—and if the borrower defaults, the lender can take the car, sell it, and keep the full $2,000 without returning the excess value back to the borrower. Such schemes are almost more lucrative if the borrower does default! Often, the borrower is required to leave a set of keys to the car with the lender, and if the borrower is even one day late with a payment he might look out the window and find the car gone.

I don't think these kind of lenders ought to be given special treatment. Nobody needs to charge this type of interest rate for a loan. Indeed, this industry is grossly profitable as a result. An investors report by Stephens Incorporated on the industry stated that an operator of a payday lending establishment could expect a return on investment of 48 percent in nine months to a year and could expect profit margins to be in excess of 30 percent! As a result, the payday loan industry has exploded in growth in states with favorable regulatory systems and many more states have changed their laws to allow this type of lending. California has seen 1,600 payday loan store fronts spring up since the legislature made the business legal in 1997. Wisconsin went from 17 store fronts in 1995 to 183 in early 1999. Stephens Inc. reported that there were 6,000 storefronts making payday loans in 1999 across the country, but estimates the potential "mature" market as being 24,000 stores nationwide generating $6 billion in fees. With these kinds of profits, only your conscience will keep you out of this business.

I say to my colleague, these sleazy debt merchants expanding their tentacles into our cities and towns is the mirror image of the retreat of mainstream financial institutions from these same communities.

Poor people are forced to get their loans from these loan sharks. As banks merge and close branches, their former customers—often unable to access the new, consolidated locations—have little choice but to deal with the seamy underbelly of the financial services industry.

That is what I am talking about. And the Stephens report notes, that even with the market saturated, lenders need not expect losses in profits which is further evidence that the payday lender truly has a captive customer base who has little market power to drive prices down.

We are talking about the exploitation of vulnerable citizens and poor people who are charged outrageous interest rates, and we should do something about it.

This was a close vote last time. I expect to win the vote on this amendment this time.

The worst part is that many borrowers are unable to pay the loan when it comes due. They then extend the loan, for another fee and then extend it again. Often such borrowers may end up carrying several payday loans and rolling them over from week to week as the fees skyrocket. Additionally, there is a perverse incentive for the lender to encourage the borrower to defer payment on the loan, because of the additional fee that the lender can charge for deferring the loan for another week or two weeks. It is fine for these unscrupulous loan sharks to extend the loan. According to an analysis by brokerage firm Piper Jaffrey as reported in the Washington Post, "established customers" of one payday lender engage in 11 transactions per year and could end up paying $165 to $330 for a $100 loan.

The following from the June 18, 1999 New York Times is typical of the horror stories associated with payday lending, quote:

> Shari Harris who earns around $25,000 a year as an information security analyst, was managing money well enough until the father of her two children, 10 and 4, stopped paying $1,200 in child support. "And then," Ms. Harris said, "I learned about the payday loan places." She qualified immediately for a two-week $150 loan at Check Into Cash, handing it a check for $183 to include the $33 fee. "I started maneuvering my way around until I was with seven of them," she said. In six months, she owed $1,900 and was paying fees at a rate of $6,000 a year. "That's the sickness of it," Ms. Harris said. "I was in a hole worse than when I started. I had to figure a way to get out of it."

Madam President, I could go on and on. I think my colleagues know what this is about. Let me just simply say, there is no question that these high-interest-rate loans take advantage of low- and moderate-income working people. On the face of it, paying 300 percent or 500 percent or 800 percent for a $100 loan or $200 loan is unconscionable, but that is exactly the issue. These folks may not always have a choice.

Often borrowers turn to payday lenders and car title pawns because they cannot get credit any other place. So these borrowers are a captive audience, unable to shop around to seek the best rates, are uninformed about their choices, and unprotected from coercive collection practices. There is no way the borrower can win. At best they are robbed by high interest rates, and at worst their lives are ruined by a $100 loan which spirals out of control.

These loans, I say to my colleague from Iowa, and others, are patently abusive. They should not be protected by the bankruptcy system. And because they are so expensive, they should be completely dischargeable in bankruptcy so debtors can get a true fresh start and so more responsible lenders' claims are not "crowded out" by these shifty operators.

Why should unscrupulous lenders have equal standing in bankruptcy court with a community banker or a credit union that tries to do right by their customers? Lenders should not be able to take advantage of their customers' vulnerability through harassment and coercion.

My amendment simply says, if you charge over 100 percent annual interest on a loan, and the borrower goes bankrupt, you cannot make a claim on that loan or the fees from that loan. In other words, the borrower's slate is wiped clean of your usurious loan, and he or she gets a fresh start. Additionally, such lenders will be penalized if they try to collect on their loan using coercive tactics.

I say to Senators, I am going to repeat this one more time today. And I assume tomorrow, before the vote, I will have a chance to summarize.

The amendment says, if you charge over 100 percent annual interest on a loan, and the borrower goes bankrupt, you cannot make a claim on that loan or the fees from that loan. These borrowers are going to be wiped clean of the lender's usurious loan, and they get a fresh start. Additionally, what this amendment says is that these lenders are going to be penalized if they try to collect by using coercive practices.

I do not know how anybody can vote against this amendment. But that has happened to me before on the floor of the Senate. I have said that. Amendments do not always get adopted. This amendment should be adopted.

This amendment is a commonsense solution to the problem I have described. It allows the Senate to send a message to loan sharks. We say this to these loan sharks: If you charge an outrageous interest rate, if you profit from the misery and misfortune of others, if you stack the deck against the customers so they become virtual slaves to their indebtedness, you can get no protection in bankruptcy court for your claims.

I say to my colleagues on the other side of the aisle, and, as I have found out, Democrats, you should support this amendment. If a lender wants to make these kinds of loans, under my amendment, the lender can do it. But if he wants to be able to file claims in bankruptcy, he or she could charge no more than 100 percent interest. I do not believe any of my colleagues would come to the floor to claim that 100 percent interest is an unreasonable ceiling. This amendment is in the spirit of reducing bankruptcies. I believe it will significantly improve the bill, and I urge its adoption.

I have just one other amendment to discuss.

AMENDMENT NO. 35

Mr. WELLSTONE. Madam President, I have three amendments at the desk. I ask unanimous consent, they be reported separately.

The PRESIDING OFFICER. Without objection, it is so ordered. The pending amendment is set aside, and the clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 35.

Mr. WELLSTONE. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify the duties of a debtor who is the plan administrator of an employee benefit plan)

At the appropriate place, insert the following:

SEC. . DUTIES WITH RESPECT TO A DEBTOR WHO IS A PLAN ADMINISTRATOR OF AN EMPLOYEE BENEFIT PLAN.

(a) IN GENERAL.—Section 521(a) of title 11, United States Code, as so designated by section 106(d) of this Act, is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(6) unless a trustee is serving in the case, if at the time of filing, the debtor, served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator.".

(b) DUTIES OF TRUSTEES.—Section 704(a) of title 11, United States Code, as so designated and otherwise amended by this Act, is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) in paragraph (11), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(12) where, at the time of the time of the commencement of the case, the debtor served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator;".

(c) CONFORMING AMENDMENT.—Section 1106(a) of title 11, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) perform the duties of the trustee, as specified in paragraphs (2), (5), (7), (8), (9), (10), (11), and (12) of section 704;".

Amend the table of contents accordingly.

AMENDMENT NO. 36

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 36.

Mr. WELLSTONE. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To disallow certain claims and prohibit coercive debt collection practices)

At the end of subtitle A of title II, add the following:

SEC. 204. DISALLOWANCE OF CERTAIN CLAIMS; PROHIBITION OF COERCIVE DEBT COLLECTION PRACTICES.

(a) IN GENERAL.—Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking "or" at the end;

(2) in paragraph (9), by striking the period at the end and inserting "; or"; and

(3) by adding at the end of the following:

"(10) such claim arises from a transaction—

"(A) that is—

"(i) a consumer credit transaction;

"(ii) a transaction, for a fee—

"(I) in which the deposit of a personal check is deferred; or

"(II) that consists of a credit and a right to a future debit to a personal deposit account; or

"(iii) a transaction secured by a motor vehicle or the title to a motor vehicle; and

"(B) in which the annual percentage rate (as determined in accordance with section 107 of the Truth in Lending Act) exceeds 100 percent.".

(b) UNFAIR DEBT COLLECTION PRACTICES.—

(1) IN GENERAL.—Section 808 of the Fair Debt Collection Practices Act (15 U.S.C. 1692f) is amended—

(A) in the first sentence, by striking "A debt collector" and inserting the following:

"(a) IN GENERAL.—A debt collector"; and

(B) by adding at the end the following:

"(b) COERCIVE DEBT COLLECTION PRACTICES.—

"(1) IN GENERAL.—It shall be unlawful for any person (including a debt collector or a creditor) who, for a fee, defers deposit of a personal check or who makes a loan in exchange for a personal check or electronic access to a personal deposit account—

"(A) to threaten to use or use the criminal justice process to collect on the personal check or on the loan;

"(B) to threaten to use or use any process to seek a civil penalty if the personal check is returned for insufficient funds; or

"(C) to threaten to use or use any civil process to collect on the personal check or the loan that is not generally available to creditors to collect on loans in default.

"(2) CIVIL LIABILITY.—Any person who violates this section shall be liable to the same extent and in the same manner as a debt collector is liable under section 813 for failure to comply with a provision of this title.".

(2) CONFORMING AMENDMENT.—Section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)) is amended by striking "808(6)" and inserting "808(a)(6)".

On page 253, line 15, insert "as amended by this Act," after "Code,".

On page 253, line 16, strike "period" and insert "semicolon".

Amend the table of contents accordingly.

AMENDMENT NO. 37

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 37.

Mr. WELLSTONE. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide that imports of semifinished steel slabs shall be considered to be articles like or directly competitive with taconite pellets for purposes of determining the eligibility of certain workers for trade adjustment assistance under the Trade Act of 1974)

At the appropriate place, insert the following:

SEC. . DETERMINATION OF ELIGIBILITY FOR TRADE ADJUSTMENT ASSISTANCE IN CASES INVOLVING TACONITE PELLETS.

For purposes of determining, under section 222 or 250 of the Trade Act of 1974 (19 U.S.C. 2272 and 2331), the eligibility of a group of workers for adjustment assistance under chapter 2 of title II of the Trade Act of 1974, increased imports of semifinished steel slabs shall be considered to be articles like or directly competitive with taconite pellets.

Mr. WELLSTONE. Madam President, again, I say to my friend from Iowa, there are three amendments I have on the floor. I assume we will have debate about payday loans. I say to my colleague from Iowa—I know what he believes—I do not believe these loan sharks should get the same protection under this bankruptcy bill, and I am hoping to get his support.

The first amendment that I talked about earlier, which clarifies that the companies in bankruptcy must fulfill their legal obligations as plan administrators and plan sponsors, is an amendment that we may or may not have to debate. I am hoping to get full support for it.

The third amendment I have offered is an amendment—and I say to my colleagues, I think Senator DAYTON will either be down here later today or tomorrow to speak about these amendments, both on the protection of retirees and also this trade adjustment assistance amendment to the bankruptcy bill.

Madam President, this is a hugely important amendment. Both Senators from Michigan are cosponsors of the bill, and they may want to speak on this amendment. Again, I say to my colleague from Iowa, it may very well be that Senator BAUCUS may come down, and we may have a colloquy on this and talk about other ways of trying to accomplish the same goal, but I offer the amendment today as a basis for the discussion that we are going to have.

This amendment goes to why all too many people find themselves in bankruptcy. We have a situation where many taconite workers in Michigan, and certainly in northeast Minnesota, have now lost their jobs, and some are losing their jobs. The problem is, when it comes to trade adjustment assistance, which is a lifeline program, where these workers, whether they are in their 30s or 40s or 50s, are provided with some financial help, be it income, be it being able to go back to school, be it money for relocation—we do not know yet, we are going to be talking to the Secretary of Labor on Wednesday about this—but we are very concerned that the taconite workers are not included.

In other words, the flaw to trade policy right now, which affects trade adjustment assistance, is that these taconite workers are not viewed as being in competition with slab steel or semifinished steel that comes to the market. We have had an import surge of slab steel and semifinished steel. And when it comes into this country, with this import surge, all of the trade legislation will say to steel workers: You will be eligible for trade adjustment assistance when you are competing with foreign steel and, for whatever reason, there is an import surge. But in this highly integrated industry, the shame of it and the flaw to this is that taconite workers are not covered.

The reason I talk about this as an amendment to the bankruptcy bill is, look, if you lose your job—next to medical bills, the other two reasons most people file for bankruptcy is loss of job or divorce. In the iron range in Minnesota there is a tremendous amount of economic pain. Senator DAYTON and I are in a rush to try to get as much help to these workers as possible, just as any Senator, Democrat or Republican, would be doing the same for people in their State.

I have introduced this amendment. There may come a time when I will have a discussion with Senator BAUCUS as to other ways we can approach this. There is a meeting with Secretary Chao on Wednesday. Senator DAYTON is very engaged in this as well. We are doing it together. This may be an amendment on which we may not have an up-or-down vote because we might be able to move it forward with some other way of getting at it.

It is a huge problem. These workers are out of work, and they are not eligible for the trade adjustment assistance. The same import surge that is affecting them affects other workers. We are just desperately trying to work out a fix to get them some help. It may be that I could do that with Senator BAUCUS and Senator GRASSLEY and others in another way.

This is not some trump political thing I am doing. It is very painful to see people who are so desperate and who fall between the cracks and are not getting the help they need.

Those are the three amendments I have. I know there are other colleagues who are coming to the floor. I will wait to see what kind of response there is from the other side. I am hopeful we can at least have this one amendment incorporated into this bill that will provide retirees with some protection. I am hoping the amendment will be accepted. I believe Senator SESSIONS may also be engaged on this question. I am hopeful.

On the payday loan, I wait to hear from my colleagues from the other side.

I yield the floor.

Mr. GRASSLEY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Madam President, it is my understanding that three amendments have been offered today by Senator WELLSTONE. Would the Senator clarify? Has he offered three amendments that are now pending for discussion, or does he intend to do so? What is the status on his amendments?

Mr. WELLSTONE. The majority leader is correct. I was here in the beginning of the debate last week and I offered one. I have offered three now. I have a number of other amendments to offer, but I have offered three; correct.

Mr. LOTT. I understand there are still some 80-plus amendments to be disposed of just from the other side of the aisle. I guess there are probably a dozen or more on this side of the aisle, not counting the relevant amendments that were identified from the list that might be offered. So we still have a lot of work to do.

I do know that on Friday, and today, some work was accomplished. Senator WELLSTONE is certainly carrying through with his commitment to offer amendments dealing with bankruptcy. I know the staffs have been working on both sides to see if we can find a way to complete this without the necessity of a cloture vote this week. However, we have to dispose of this bill this week.

As Senator DASCHLE and I discussed on the floor last Thursday, it is our intent to offer a cloture today or tomorrow, to make sure we have enough time to complete this very important legislation. It is my intent—and I see Senator DASCHLE here now—to file cloture in order to assure passage of the bill this week. If we can make substantial progress by Wednesday, or if some agreement can be reached that would limit the number of amendments, certainly I would be open to that.

I think the record is clear. I have repeatedly tried to move this legislation and I have tried to be respectful of the committee process, which we have followed, and also to be respectful of the Senator from Minnesota, who feels strongly about this legislation, as others do. It is time that we make sure we get it completed this week.

I am prepared to send a cloture motion to the desk to the pending legislation. Before I do that, I say to Senator DASCHLE I will be glad to yield for any comment he might have.

Mr. DASCHLE. Madam President, I appreciate Senator LOTT's expression of intent here. As we said last week, there is a real hope that we can resolve whatever procedural difficulties we face in accommodating the desire the majority leader has noted: that we schedule a vote for final passage sometime before the end of this week.

It is clear now we really do have a number of pieces of legislation that have to be addressed, including campaign finance reform as early as next Monday or Tuesday. In order to accommodate that schedule, it would be best if we could complete our work on this bill before Friday.

I will be supportive of whatever procedural arrangements we can make that respect the rights of Senators on both sides to be heard. I want to accommodate those Senators who may have amendments that will fall if cloture is invoked, if we can address those amendments first early in the week so we can make sure those who have other ideas and other proposals can be accommodated.

I will work with the majority leader to try to find a way to schedule a vote on cloture, if it comes to that, perhaps later in the day on Wednesday. Our preference is later in the day to accommodate those Senators, with an expectation that we can certainly finish the bill by Friday. I will work with our colleagues to see what arrangements best suit their needs.

Mr. WELLSTONE. May I ask a question of my colleagues?

Mr. LOTT. I am not clear, I may have yielded the floor.

Mr. DASCHLE. I yield to the Senator from Minnesota.

Mr. WELLSTONE. I appreciate that. That is very gracious of Senator DASCHLE.

Just to clarify a couple of things, this is the third time we have really had debate. On Monday and Friday, we know a lot of Senators are not around. I came back. It seems to me, if I may express my dissent, that the majority leader asked for a list of amendments prematurely. We all know that Senators, to protect themselves, list a number of amendments they may not use, and now that is being used as an argument for filing a cloture motion.

I work with the majority leader. We all disagree at times. I think it violates the spirit of what we talked about. I remember coming to the Senate floor and having a discussion that we would have substantive debate on the bankruptcy bill and Senators could offer those amendments.

We are just now starting that process, and now we are talking about filing for cloture. We have had 2 days on this bill. We all know on Monday and Friday people do not come. I am here, but a lot of people do not come. The majority leader asked for a list, and people listed a lot of amendments to protect themselves. In my humble opinion, the majority leader is using that as a pretext for premature filing of cloture, which goes against what I thought we were going to do with this bill.

I will finish. I know both leaders look as if they are more than ready to respond. We have a lot of amendments. People come out with amendments, and we go at it. If it takes 2 weeks to do a bill, we have done that on many bills. I do not understand why we are not doing that on this bill.

Mr. DASCHLE. The Senator perceives my stance correctly. I was prepared to respond. I must say I am not sympathetic to that argument, and I am very sympathetic oftentimes of the admonitions and suggestions of the Senator from Minnesota. Fridays and Mondays are legitimate legislative days.

Mr. WELLSTONE. To be clear, I am not arguing they are not. I am just saying——

Mr. DASCHLE. I will be happy to yield again in a moment. I have done everything to encourage Senators to come to the floor to offer their amendments. For some reason, we have gotten into this habit of thinking any amendment offered after 6 in the evening is not really considered prime time, or it is not considered to be a legitimate time to offer an amendment. Fridays and Mondays are considered, for some reason, not equal in quality to Tuesday, Wednesday, or Thursday as times to offer amendments.

We have to break out of that mind set. We have done everything to petition Senators to come to the floor today to offer amendments. We did it on Friday.

Those Senators who now express some concern they are going to be precluded from offering amendments—when they passed up the opportunity on Friday, they passed up the opportunity to offer amendments later in the evening, they passed up the opportunity to come here on Monday—are not going to get much sympathy.

I am very sympathetic to many of the substantive questions raised by Senators with their amendments, but procedurally, if they are concerned about it, they ought to be here. They ought to come to the floor to offer these amendments.

I am hopeful we will get more reaction than we have so far, at least for the remainder of the day and tonight.

Mr. WELLSTONE. I will finish up. I say to our Democratic leader two things: No. 1, it still does not speak to my point—we talk about substantive debate, which is the commitment we made on this bill. Quite often, we are talking about 2 weeks of amendments and debate going through those amendments. All of a sudden, with the bankruptcy bill, we are talking about Friday and Monday as litmus test days and people need to be here. I am all for that. I am here.

I find it interesting that in the haste to get through this bill—I understand a whole lot of folks and a whole lot of powerful folks are for it—I think this violates what I heard stated last week. There are a lot of important amendments that are going to be clotured out now, and I think that goes against the agreement. I am expressing my dissent on it.

Mr. DASCHLE. I appreciate that. If I may, before yielding the floor—and I will certainly yield so the majority leader can respond as well—I am told that we asked virtually every author on Friday if they could be prepared to come to the floor on Friday to offer at least one amendment, and not one of our colleagues responded to that.

Again, I want to use these days productively. We are not using them very productively if we cannot even offer one amendment for consideration and a vote at some point Friday or Monday.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Madam President, I appreciate Senator DASCHLE's efforts. He and I have worked very hard to be fair on this legislation. I have the same problems he has. I do not want the burden to appear just to be on his side of the aisle. We have difficulty getting our Senators to offer amendments on Fridays and Mondays and even Thursday afternoons. Even though there are often very legitimate reasons that we cannot proceed late into the evening on Thursday, we are not able to do so.

I say to Senator WELLSTONE, yes, he was here I think on Friday and again this morning. Back on January 22, Senator DASCHLE and I started talking about trying to move this legislation. We have been trying to move it ever since. Even though I filed cloture, that does not end it. Amendments can be debated, amendments can be voted on, and we still have some opportunity to work through this, perhaps without cloture. I am not sure that is possible. It may not be.

The point Senator DASCHLE made was we have to go to campaign finance reform, and at some point we have to go to the budget resolution. The law requires we do it before April 15, so we are getting to the point where other things will overtake this bill.

CLOTURE MOTION

Mr. LOTT. Madam President, I send a cloture motion to the desk to the pending legislation.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

Cloture Motion

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to S. 420, an original bill to amend title 11, United States Code, and for other purposes:

Trent Lott, Robert F. Bennett, Chuck Grassley, Orrin G. Hatch, Susan Collins, Pat Roberts, Lincoln Chafee, Strom Thurmond, Frank H. Murkowski, Mitch McConnell, Rick Santorum, Jeff Sessions, Richard G. Lugar, Gordon Smith of Oregon, George V. Voinovich, and Bill Frist.

The PRESIDING OFFICER. The cloture motion is addressed to the motion to proceed, and I am advised we are on the bill.

Mr. LOTT. Madam President, if I may make a parliamentary inquiry, in view of the revision, I believe the clerk will need to read the whole cloture motion again.

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

Cloture Motion

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on S. 420, an original bill to amend title 11, United States Code, and for other purposes:

Trent Lott, Robert F. Bennett, Chuck Grassley, Orrin G. Hatch, Susan Collins, Pat Roberts, Lincoln Chafee, Strom Thurmond, Frank H. Murkowski, Mitch McConnell, Rick Santorum, Jeff Sessions, Richard G. Lugar, Gordon Smith, George Voinovich, and Bill Frist.

Mr. LOTT. Madam President, as just stated, this cloture vote will occur on Wednesday unless it is changed by consent. The Democratic leader and I will discuss the bill and make a determination as to the timing. I am sure it will be in the afternoon, and we will see how late that will need to be. It would be affected by what has been achieved.

I ask that the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

Mr. DASCHLE. If I might say to the majority leader, as I understand it, a number of amendments, in fact, over 20 amendments, have been cleared on our side. I guess we are awaiting some indication as to whether or not those amendments might be cleared on the majority side. That would move things along as well in terms of scheduling amendments. If Senators know those amendments have been adopted, we would be in a better position to whittle down the list and determine which of those amendments still need floor consideration.

Mr. LOTT. Keeping with full disclosure on this, I think our staffs have been working on that, and I think we did clear a number of amendments like this last time this bill was up. We were in hopes at some point perhaps that this could be done in such a way that we would not have to go to conference and the bill could be accepted by the House. It does not appear that will be possible.

We will try to clear as many of the amendments as possible. I will take it up with the chairman when we complete our action.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, is it appropriate to ask consent to set aside the pending amendment and proceed to other amendments to the bankruptcy bill?

Mr. GRASSLEY. Will the Senator yield for a question?

Mr. KENNEDY. I am happy to yield.

Mr. GRASSLEY. Madam President, would the Senator tell us the content of the amendment, or is there a copy we can have?

Mr. KENNEDY. It is an amendment dealing with health insurance benefits for the debtor's monthly expenses permitted in the consideration of the means test, the opportunity for those going through the process to be able to have included consideration for paying their health insurance and premiums.

Mr. GRASSLEY. I apologize. We have a copy.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? Without objection, it is so ordered.

AMENDMENT NO. 38

The PRESIDING OFFICER. The clerk will report the amendment.

Mr. KENNEDY. This is an amendment that if we had a cloture motion we would not have qualified, yet it is absolutely relevant.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. ROCKEFELLER, and Mrs. CLINTON, proposes an amendment numbered 38.

Mr. KENNEDY. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To allow for reasonable medical expenses, and for other purposes)

On page 10 between lines 17 and 18, insert the following:

"(V) In addition, if the debtor does not have health insurance benefits, the debtor's monthly expenses shall include an allowance to purchase a health insurance policy for the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case if the spouse is not otherwise a dependent.

Mr. KENNEDY. Madam President, the Bankruptcy Reform Act of 2001 includes a means test that determines whether debtors will be granted relief under Chapter 7 of the bankruptcy code or whether they must enter into a Chapter 13 repayment plan. Supporters of the bill believe it will prevent abuse in the bankruptcy system. I believe, as do the experts, that it is problematic.

For better or worse, however, the means test is in the bill and it requires a calculation of the debtor's monthly expenses based on the Internal Revenue Service collection standards. The IRS standards provide for food, clothing, transportation, and some health care-related expenses. What the IRS standards don't provide for is the cost of health care insurance for many debtors, particularly those who recently lost their insurance or may not have been able to afford it.

The amendment I'm offering today says that if a debtor doesn't have health care insurance, the bankruptcy court must include a reasonable allowance for health care insurance for the debtor, his or her dependents, and his or her spouse, when calculating the debtor's monthly expenses.

This amendment is necessary because many Americans declare bankruptcy because of health care-related problems. A recent report tells us that nearly half of the 1.2 million Americans who file for bankruptcy do so because of medical problems. According to the report, in 1999, an estimated 326,000 families filed for bankruptcy because of an illness or injury to themselves or a family member and an additional 267,000 families had substantial medical bills. That is extraordinary. Again, in 1999, an estimated 326,000 families filed for bankruptcy because of an illness or an injury to themselves or a family member and an additional 267,000 families had substantial medical bills. Almost 600,000—nearly half of all those who filed for bankruptcy—filed for medical reasons.

During discussion of this legislation, we've found that there are three major reasons why people are filing for bankruptcy. One is job related and that is triggered for the most part, not completely but for the most part, because of the various mergers, downsizing and pink slipping effecting great numbers of Americans. Second, many women are filing for bankruptcy after falling on hard times as a result of divorce, lack of alimony, or lack of child support payments. And the third reason is health related. The explosion of health care costs, particularly in the area of prescription drugs, and the general cost of health insurance has led many to file for bankruptcy.

Close to 600,000 bankruptcies involve families or individuals—half of all of those who are going into bankruptcy—have health-related bankruptcies.

Two hundred and sixty-seven thousand of those who filed for bankruptcy in 1999 had no health insurance. A report published in Norton's Bankruptcy Adviser says:

> The data reported here serve as a reminder that self-funding medical treatment and loss of income during a bout of illness or recovery from an accident make a substantial number of middle class families vulnerable to financial collapse.

Some families once had health insurance but, in an attempt to avoid bankruptcy, let their policy payments lapse so every penny could be used to buy food and pay the rent. Those families later find themselves in bankruptcy without an appropriate health insurance safety net.

Others never had health insurance because they simply could not afford it. And, others lost their insurance when they lost their job.

For example, one debtor tells us that he had a heart attack which led to quadruple bypass surgery. He amassed outrageous medical bills that he could not pay because he didn't have medical insurance. He then had to declare bankruptcy. Another debtor told us that the loss of a job, which led to loss of health care, precipitated bankruptcy. She used credit cards, to pay for COBRA insurance and prescription drugs. The COBRA insurance won't last for very long, and soon she will be without any health insurance at all.

These families are now among the 43 million Americans who have no health insurance, and we must ask, what happens to them? The children fail to get a healthy start in life because their parents cannot afford the eye glasses or hearing aids or doctors visits they need. Family income and energy are sucked away by the high financial and emotional cost of uninsured illness. An older couple sees hope for a dignified retirement dashed when the savings of a lifetime are washed away by a tidal wave of medical debt.

Without health insurance, many families forgo health care. One-third of the uninsured go without needed medical care in any given year. Eight million uninsured Americans fail to take the medication that their doctor prescribes, because they cannot afford to fill the prescription. 400,000 children suffer from asthma but never see a doctor. 500,000 children with recurrent earaches never see a doctor. Another 500,000 children with severe sore throats never see a doctor. 32,000 Americans with heart disease go without life-saving and life-enhancing bypass surgery or angioplasty.

Overall, 83,000 Americans die each year because they have no insurance. It is the seventh leading cause of death in America today.

Given these facts, the Federal Government shouldn't be in the business of telling people to repay their credit card debts rather than pay for health care insurance. And, debtors shouldn't be forced to choose between eating and purchasing health care insurance while being forced to repay creditors. To avoid this Hobson's choice, when determining whether a debtor can repay his creditors, the bankruptcy court must consider health insurance premiums part of the debtors' monthly expenses.

I hope my colleagues will support this amendment. It adds some fairness and balance to an unnecessarily harsh bill.

This is something that can be dealt with by the bankruptcy judges. Obviously, the amount of repayment is going to depend to some extent on the size of the family's health insurance premium, and perhaps to some extent on where they live and the cost of health insurance in that area. But all of those kinds of calculations are readily made by the bankruptcy court and by bankruptcy judges.

This does not mean an unreasonable additional kind of responsibility. And, beyond that, for those who are strong in terms of the bankruptcy reform, this makes sense from their point of view because what happens is the individual who is in bankruptcy will be kept healthier and their families will be healthier and able to at least move towards meeting their responsibilities under the bankruptcy court, if they are able to go ahead and afford those health insurance premiums.

It is a win-win situation. It is a win in terms of those who are going to have responsibility for meeting their debts because they won't find additional kinds of drain on scarce resources, and it means they will be healthier and be able to afford to repay. It also works to the advantage of the individual and their families.

I believe this makes a good deal of sense. I look forward to my good friend from Iowa enthusiastically embracing this amendment so that I might get onto my second amendment which is equally commendable.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Iowa is recognized.

Mr. GRASSLEY. First of all, Mr. President, whether I enthusiastically endorse this or not, the Senator from Massachusetts knows that he can lay his amendment aside and move on to another amendment that he wants adopted since we will not be voting on these amendments until tomorrow.

The first thing I want everyone who has questions to know about this legislation is that we want people who have health insurance to maintain their health insurance when they go into bankruptcy because our legislation provides that health expenses, including health insurance, under the IRS guidelines—which are used by the bankruptcy court in deciding the ability to repay debt under our means test—are fully accounted for.

Not only are health insurance premiums subtracted, but all health care costs are subtracted out of a person's ability to pay in making a determination whether they go into chapter 7 where they get a completely fresh start, or whether they go into chapter 13 to make a determination of whether or not they have the ability to repay. If they are in chapter 13, then the extent to which they repay the final judgment is that those people in chapter 13 will not get off scot-free.

But in making that determination, all health costs are taken into consideration.

The reason I take some time to emphasize that point is because we have had several speeches on the floor of the Senate that say and imply we do not want to take into consideration all those health care costs in making that determination. We even had the Time magazine article of last spring in which there were several case studies done by Time magazine with the implication that if this legislation passed, those people would not be able to get into bankruptcy court for fair consideration of whether or not they could repay their bills, and whether or not they get a fresh start.

In a lot of those case studies, there was the implication that they were going into bankruptcy court because of high health costs.

In every one of those instances, as I have said before on the floor of this Senate, those folks used in that magazine article would have been able to get a fresh start under our legislation.

Consequently, we still have this brought up as somehow a problem of our bill because we are not going to take into consideration people who are in bankruptcy being able to maintain their health costs and health insurance.

I asked the question last week for those Senators who think we do not give adequate consideration through the IRS guidelines of whether or not somebody should be in chapter 7 or chapter 13: If we don't, do we give credit for 100 percent of health cost? If 100 percent isn't enough, would 101, 102, or 110 percent be enough?

Now we get to this situation that Senator KENNEDY has brought to our attention.

I give the prelude to this by saying our legislation takes into consideration 100 percent of health care costs, including paying health insurance.

If the person does not have health insurance before going into bankruptcy court, obviously the person does not have an expense out there to claim in bankruptcy court.

It seems to me what Senator KENNEDY is trying to do here—because we already allow people who have health insurance to maintain that health insurance as one of those legitimate costs—is raise the possibility that a debtor who did not have health insurance before he went into bankruptcy court ought to be able to carve out a portion of the creditor's claims, and would be able to get a fringe benefit, or a benefit they did not have before they went into court.

I think we have a couple of questions to ask. Is there any provision in this amendment that requires the debtor to use this allowance for health insurance? And is there any provision to verify that the money is being used for health insurance if it is allowed?

Since the debtor wasn't using the allowance for health insurance before bankruptcy, it seems to me we need some guarantees on how the money will be spent.

I have those questions. If the Senator wants to respond to those, he can. If he doesn't, there are questions out there that have to be answered.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I would be glad to work out the question as to how the debtors are going to make sure they are going to get an allocation in terms of health insurance—to make sure it would be used for that particular purpose. I would be glad to work out over the nighttime those kinds of protections. But I say the answer would be the same way that particular provision applies to food and rent. You do not have the additional written in stone with regard to food and rent in this particular proposal. But if you want additional kinds of protections to ensure that it goes to insurance, I do not think that is going to be really a stumbling block.

Now let me just respond to the general theme my good friend from Iowa discussed.

This amendment simply ensures that while a debtor is repaying his creditors, he has enough money to purchase health insurance for himself and his family. The supporters of the legislation assert that the other necessary expense provisions in the IRS collection standards include health care insurance for all debtors. That simply is not true. The other necessary expense provision does say that other expenses, which may meet the necessary expense test, includes health care. But if a debtor has recently lost his health insurance or lost his job—and therefore his health insurance—health care insurance premium expenses will not be included in his monthly expense allowance. And the IRS staff confirms that.

So a Senator says: Look, if they paid their health care insurance premium at the time, we will make sure they will be able, within the IRS means test, to pay their premium as well.

The point is, as we have seen with great numbers of people, almost half of those who have gone into bankruptcy have done so because of health-related expenses. The great majority of those are losing their health insurance, or they have health insurance and it does not cover these catastrophic additional kinds of costs, or they have lost their job and lost their health insurance. They are not provided for.

Here is somebody who has worked hard all their life, paid into their health insurance, then they lose their job, lose their health, and they run into one of these catastrophic illnesses, and they had been paying the premiums all of this time. But there is no provision for them, even though they have conscientiously provided health insurance for themselves and their families throughout their employment. They cannot even work that out with the restrictive language here.

There ought to be a reasonable way of ensuring that those people are going to get health insurance within the means test standard, which supposedly looks at essential needs. I think getting health insurance is an essential need. It is as important for many people as food and a roof over their heads.

As we've seen, many people are unable to take the prescription drugs they need. We find, from all the medical indicators, the number of people who do not have health insurance and who end up actually dying.

So that is what the bill that is before the Senate fails to respond to; and those are the real facts out there in terms of these individuals losing their jobs and losing their health insurance. They find out that even though they paid into their health insurance over a lifetime, they run into these catastrophic kinds of additional illnesses—here they were, paying in, working hard—and, under the language in the bill, there is virtually no kind of inclusion for them.

I think health insurance protection for their families makes an enormous amount of sense with regard to individuals, and it makes an enormous amount of sense in terms of the individual's ability to meet their responsibilities of payment under the Bankruptcy Act.

It just seems to me that those are the additional kinds of protections we are talking about. It isn't that this individual is going to be able to set the sky as the limit, and try to walk out of there with a good deal of free cash in their pockets.

We would be glad to include in the RECORD very extensive analyses of what the costs are for individual workers and for families, using GAO figures. We could make that part of the RECORD. That could be a pretty clear indication of a reasonable standard that might be used or might be followed. But that is why I believe this is so important.

In many ways, this amendment, as I mentioned, will improve the debtor's chance of being able to repay his creditors while also ensuring that he and his family have a decent—not luxurious but decent—standard of living.

If the debtors are able to purchase health insurance, they will be able to withstand the predictable and unpredictable circumstances that are part of everyday living—the birth of a child, a previous undiagnosed illness, necessary trips to the doctor's office. Instead of scraping for pennies to pay those bills, the debtor and his family will have the health insurance that every American needs. Instead of failing to meet the obligations of a chapter 13 repayment plan, all available resources must go to unexpected health care expenses. The debtor can meet both obligations.

So I hope we can continue to visit this issue and see what we might be able to work out.

AMENDMENT NO. 39

Mr. KENNEDY. If it is the desire of the floor manager, I ask unanimous consent that the existing amendment be temporarily laid aside and we go to the amendment which is what they call the cap on IRA assets.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. I believe the Senator has that amendment.

Mr. GRASSLEY. Reserving the right to object, and I will not object, before we go on to his next amendment and lay this one aside, I hope I can continue a dialog between the staff of the Senator from Massachusetts and my staff to see if we can make arrangements, so that we know the money that is set aside is used for health insurance, that it is verifiable, that it would not be used for some sort of Cadillac insurance policy that maybe the person would not otherwise have had in their place of employment, and things of that nature. If we could talk about that, we might be able to work something out.

Mr. KENNEDY. Sure. I appreciate the attitude of the Senator. We would be glad to try to follow through with that. I am grateful for the Senator's interest and sensitivity. I appreciate that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 39.

(Purpose: To remove the dollar limitation on retirement savings protected in bankruptcy)

Beginning on page 101, line 10, strike all through page 102, line 2.

Mr. KENNEDY. Mr. President, this bankruptcy bill includes a provision that would undermine existing pension law by allowing creditors to claim workers' retirement savings in bankruptcy. One of the greatest domestic policy challenges facing Congress is the challenge of ensuring that elderly Americans do not live in poverty. After a lifetime of hard work, senior citizens deserve a secure and comfortable retirement.

Clearly, we need to do more to improve the private pension system. Nearly half of all working Americans—some 73 million men and women—do not have pension coverage. The lack of pension security is a critical issue. It is a women's issue, because only 39 percent of working women are covered by a pension plan. It is a civil rights issue, because only 26 percent of Hispanic workers and 38 percent of African-American workers have pension coverage.

So it is imperative that Congress do all it can to expand pension coverage and encourage retirement savings. We must work to improve our retirement savings system—not move backward. The provision in the bankruptcy bill that would cap the amount of retirement savings held in individual retirement accounts that can be exempted from a debtor's bankruptcy estate is a step backward.

Federal pension laws are intended to protect workers by guaranteeing that their retirement savings will be there when they retire. The entire pension community—worker groups, employers, mutual fund companies, and other pension service providers—are united in opposition to a cap on retirement savings for three reasons: one, it is unnecessary, two, it is unworkable, and three, it would discourage savings and portability.

First, a cap on IRA savings is unnecessary because Federal tax law already imposes strict limits on IRA contributions. The cap is aimed at preventing wealthy individuals from trying to stuff assets into their IRAs before declaring bankruptcy. But because IRA contributions are limited to only $2,000 per year, wealthy individuals cannot stuff assets into an IRA before filing bankruptcy as a way to avoid paying debts. At the rate of $2,000 per year, it would take about 40 years to accumulate retirement savings of $1 million.

Second, the cap is unworkable. It will be extremely difficult—if not impossible in many cases—to administer. There are thousands of IRA accounts with balances in excess of $1 million due to rollovers from 401(k) plans and other retirement vehicles. Under the current bill, those rollover amounts (and the earnings on them) would not be available to creditors. However, a bankruptcy court will need to sort through those accounts to determine how much of the account came from direct IRA contributions and how much came from rollovers.

The court will also be forced to calculate how much of the earnings in the account should be attributed to the IRA contributions and how much should be attributed to the rollovers amounts. That will be a time consuming administrative burden with no benefit to creditors.

Third, the cap will discourage retirement savings and portability. Using retirement savings in IRAs to satisfy personal debts is unprecedented, and collides head-on with efforts by Congress to encourage individuals to save for retirement. Already, more than 60 percent of workers who change jobs take their retirement savings and spend the money rather than rolling the money into another retirement vehicle.

The cap will undermine the trust that over 35 million American households have placed in the IRA as a safe and secure retirement savings vehicle, and will discourage workers from rolling money into their IRAs when they change jobs.

I believe this provision would jeopardize the retirement security of American workers. This is simply the wrong message for Congress to send, particularly at a time when we are trying to encourage additional private-sector retirement savings to ensure retirement income security for the aging baby boom generation.

Mr. President, I hope this amendment will be accepted. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I take this opportunity to tell my colleagues why the amendment offered by the Senator from Massachusetts is a very bad amendment.

First, I want to make clear that this amendment applies just to IRAs; it does not apply to pensions. In addition, I would like to have people reflect on the position of the Senator from Massachusetts on this amendment and the position on the previous amendment. It seems to me the Senator from Massachusetts is very much in character with his amendment on making sure there is a preservation for the ability of people in bankruptcy to keep health insurance. That, for a long time, has been a concern of his for people who have needed health insurance, maybe couldn't afford it—how to be able to get it to the people. Of course, when bankruptcy steps in, it is very appropriate for him to offer an amendment that would preserve health insurance for people. That would most often fall into the category of his protecting those people who have lesser incomes.

So it is quite out of character for me to respond to the Senator from Massachusetts about an amendment about a provision in this bill where we have a $1 million cap that protects retirement accounts and that you would have to have resources over that $1 million in determining the ability to repay.

As the author of this legislation, I am very embarrassed that I would have in my own legislation a $1 million cap that would say people could protect $1 million from their creditors as they went into bankruptcy. That $1 million cap is in here because I didn't want any cap whatsoever. I had to make an arrangement with Senator KENNEDY last year to reach compromise on this matter, and we compromised on $1 million.

In addition, for the Senator from Massachusetts, who never is very often found defending the economic needs of those over $1 million a year in savings and wanting to protect that $1 million from bankruptcy, it seems to me somewhat out of character for him. It makes it a lot easier for me to oppose his amendment that would eliminate the cap on IRA savings.

He argues that the $1 million cap would be difficult to administer because 401(k)s and other retirement rollovers are excepted from this cap. He argues that the cap will be an administrative hassle with no benefit to creditors. I argue that the bankruptcy bill is all about having people who can repay their debts do just that—in other words, pay their debts.

How many times have you heard me say the purpose of this bankruptcy legislation is, for those who are gaming the system, those who are using the bankruptcy laws for financial planning, that if you have the ability to repay, you are no longer going to get off scot-free.

People who have the ability to repay their debts should not be protected just because they have stashed away an IRA account. That is why we have this $1 million cap. I don't even think the cap should be there, but it was part of the compromise last year. We need to have a cap on these savings so that people who can pay will be required to pay a portion of their debts.

I don't think the super-rich should have additional protections just because they can squirrel away their money in a retirement account. The $1 million cap is consistent with our policy of encouraging people to put away money for retirement, but we also need to balance this with a policy that people who buy goods and other merchandise should pay for them if they can. We can't allow deadbeats to get away with stiffing creditors. That is why our bankruptcy bill is here. That is what it is all about: Imposing some responsibility on people who can pay their debts.

I would like to give you an example about abuse of the system. This is from a press report. Dr. Neil Solomon declared bankruptcy after three female patients sued him for sexual misconduct and sought $160 million in damages. Dr. Solomon paid these women less than $100,000, while keeping a home in Baltimore, MD, valued at $323,000, a Mercedes Benz, valued at $42,000, and $2.2 million in a retirement savings account.

Congress should place reasonable limits on the ability of highly compensated persons, such as Dr. Solomon, to shield millions of dollars from creditors simply because the assets are deposited in retirement accounts.

Clearly, Congress never intended for savings in retirement accounts to become safe havens for the wealthy who seek to avoid paying their bills by declaring bankruptcy.

I also point out to my friend from Massachusetts his position is much contrary to his position in regard to the homestead exemption. He says people who can pay their debts should not be able to shelter their assets in a million-dollar homestead. But at the same time, he seems to be saying that people should be able to shelter their assets in $1 million IRA accounts. That is what he is doing right now by lifting that $1 million cap.

Moreover, I don't think the provision in our bill will impose an administrative burden, particularly because the amount of the cap is so high. I don't think it is unworkable, and I doubt that the administrative burden charge will ever materialize.

In addition, I remind my colleagues this is an agreement that was agreed to in the compromise pension bill last year. I didn't want this cap in here, but I took it in the process of doing what I could to alleviate some fears so this legislation could get passed. In other words, we cut a deal, and I hope we stick by this deal. We need to retain the hard limit of $1 million on the amount of IRA money that any person who declares bankruptcy can shield from his or her creditors. Just because it is a retirement account does not mean you can get away from paying your debts with it. This is just plain wrong because this is anti fraud and abuse reform, and it is badly needed. I strongly urge my colleagues to reject the amendment.

I wish to point out that we put the exclusion of rollovers in the bill at the request of the Senator from Massachusetts. So if the Senator is concerned about administrative burdens, we would be happy to take out the exclusion of rollovers. But my point to the Senator from Massachusetts is that we cannot have this both ways.

I also suggest that I was lobbied against any restriction. I was lobbied on the protection of pensions and IRAs from being a source of repayment to creditors—not by individuals going into bankruptcy or people who had strongly felt views as individuals that this money should be protected from the creditors.

The source of interest in this legislation came from the pension and insurance industries of my State who felt they did not want to be bothered by the bankruptcy courts, so they wanted to retain protection for pensions and for IRAs. They tried to make this historical claim that it had always been this way. It is one thing to work on the floor of the Senate to protect the interests of the little guy who is going into bankruptcy; it is also OK to work on the Senate floor to make sure we do preserve the ability of people to retire with dignity. It is quite another thing to protect the interests of those who want to retain a high lifestyle after they have gone into bankruptcy and, at the same time, be in retirement. But it is quite another thing to protect the interests of all the big business companies of America that are writing this business and don't somehow want to deal with the bankruptcy courts.

I ask my colleagues to oppose the amendment by the Senator from Massachusetts. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I hope my friend from Iowa will continue to reason with us a little bit about this particular provision. I point out to him that for a long time in the Senate I have been interested in championing the interests of working families and the interests that deal not only with the basic issues of education, health, and housing, but also retirement programs. That is a key element. The Senator knows, as a member of the Finance Committee, how much of the tax expenditures go to individuals making over $100,000, what the general taxpayers are paying under tax expenditures at the present time that are being deducted. Those are the higher income groups. There is very little for working families, and he understands that very well as a member of the Finance Committee.

I don't retreat a single step in terms of my desire to make sure we are going to have sound retirement programs for working families, schoolteachers, and other workers. The illustration that the Senator from Iowa gave us about some doctor who had all of these savings is not applicable. It doesn't even relate to what we are talking about because there is only a $2,000 contribution that one can make to an IRA. Who uses the IRAs? Basically, it is the working families. The Senator understands that. Who uses the 401(k)? They are basically the more affluent individuals in our society. Those are the facts.

But it is interesting that the bill the Senator has introduced protects the 401(k), but not the IRA. So I don't want to have any misunderstanding. The Senator's position is protecting the 401(k)—$10,500 a year can be put in an 401(k), but only $2,000 in IRAs. This is a millionaire's loophole? The Senator knows as well as I that you haven't even got anybody who qualifies for the cap on IRAs at $2,000 a year because the IRAs haven't been around long enough. You have tens of thousands, hundreds of thousands of people in 401(k)s. But 401(k)s are not going to be touched by the bankruptcy court. Oh, no, just the IRAs, which serve whom? Working families—with limits of $2,000.

The more we get into this, the more difficulty we have in understanding what the logic is in terms of defending 401(k)s. The fact has been, historically, that it has been the opinion of the Congress—with the exception of this Congress and this bill—that retirement moneys would not be included in terms of the bankruptcy provisions. They earned it and set it aside as retirement funds, and it would not be included. In the course of our hearings on bankruptcy, there were very few that would allege this kind of circumvention in terms of IRAs.

If the Senator is able to give me examples, or hearings, or testimony on where we had all of these abuses in the IRAs—we are talking about a schoolteacher making $40,000 a year who puts aside $2,000 in order that they can retire and have substantially similar kinds of income when they retire. They would have to do it probably for 35 years in order to be able to get the kinds of resources allocated so that they are going to be able to do it. Those are not the people we are talking about in terms of gypping the credit card companies and the banks. The Senator knows that.

The Senator knows that. I do not understand why we treat these retirement funds differently: One way for 401(k)s and another for the IRAs, which is the appropriate device working families have used and with which they are increasingly developing some confidence.

We are going to be debating, we hope, Social Security. The average Social Security is $13,000. That is the average Social Security check. Eighty percent of those on Social Security live below $25,000. We have to ask: What are we going to do to encourage individuals to save, particularly working families? We have not done a very good job of it as a matter of public policy. We have done a very poor job.

We do a very good job with respect to the most affluent members of our society. We have all kinds of tax support in the Internal Revenue Code, but for working families, we do a very poor job.

This is one of those small areas, the IRAs, that is open to working families and on which we do not mind putting on the additional cap. On the other side, we have serious reservations putting a cap on the 401(k). I do not think that is fair.

Also, undermining retirement money that has been paid in over a lifetime, which may very well be a lifeline for that family, can be eliminated, wiped out, in 4 days of catastrophic illness in a hospital. That is what we are talking about. Four days of a catastrophic illness for themselves, a wife or child, and it is wiped out. That is what the current bill will do.

We encourage people to work hard, play by the rules all their lives, and put something aside with which to retire in peace and dignity. I caught myself getting choked up when the Senator talked about a millionaire's tax loophole because it is not; it is $2,000 a year. One has to contribute for an awful long time to use this as a gimmick. There are a whole lot of other gimmicks in this bill, such as the homestead provision and other provisions that can be used a lot easier than this one.

For these reasons, I hope we prevail.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Iowa.

Mr. GRASSLEY. Madam President, the Senator from Massachusetts is digging a hole for himself. No. 1, he talks about the difference between 401(k)s and IRAs. He can mention $2,000, he can mention $10,000, but there is a cap of $1 million. That means up to $1 million is not subject to bankruptcy.

Then he mentioned IRAs and 401(k)s. I remind the Senator from Massachusetts that 401(k)s are not covered because he objected to their being covered, and we took them out. They are not part of it, not because that is the way I want it. I think 401(k)s ought to be capped at $1 million as well, if there is a cap at all. Madam President, 401(k)s are different than the individual retirement accounts capped at $1 million, because that is what Senator KENNEDY requested we do.

The other thing mentioned was about my being chairman of the Senate Finance Committee and tax expenditures. First of all, I do not buy the philosophy of tax expenditures because that implies every penny working men and women in America earn belongs to the Federal Government and we are going to let them keep some of their own money. I start from the premise that the hard-working men and women of

America, every penny they earn is their money, and we tax them for part of it.

Just in case there is some injustice under present pension laws—I admit there are injustices in present pension laws. The Senator from Florida, Mr. GRAHAM, and I have introduced legislation to correct some of those inequities and particularly to correct some of those inequities to benefit the very low-income wage earners to whom Senator KENNEDY is saying we do not give enough credit.

Before this Congress is done, hopefully even before the first bill gets to the President of the United States, we will have passed some tax legislation to take care of some of those inequities in the pension laws of the United States, plus the fact that we had legislation out of our committee last year that increased the $2,000 IRA limit to a $5,000 IRA limit.

I want to get back to the reason for having this $1 million cap on individual retirement accounts, that anything over that is not protected from the creditors.

Let's get it clear: Below $1 million is protected from the creditors in bankruptcy court. I quote from President Clinton's administration in their support of the concept of the cap. This is last year's legislation as we were discussing this issue then. The Department of Justice said:

> A debtor should not be able to shield abundant resources from creditors, including Federal, State, and local governments, in the form of retirement savings.

I quote from the Securities and Exchange Commission:

> We have seen insider traders do their trading through IRAs and fraud participants stash their profits in their IRAs. The State law exemptions have not defeated our Federal statutory claims to date, but a new Federal exemption could do so. I am concerned about the grave potential abuse that the exemption for all retirement assets from bankruptcy estates poses.

That is a letter from Judith R. Starr, assistant chief litigation counsel, Securities and Exchange Commission, to members of my staff.

The Department of Labor:

> A fresh start is not meaningful if it requires a debtor to accept an impoverished retirement. However, a debtor should not be able to inappropriately shield resources from creditors, including Federal, State, and local governments in the forms of retirement savings.

That is a letter from the Secretary of Labor to Senator HATCH, April 14, 1999.

On the other hand, there are those among my colleagues across the aisle who oppose the $1 million IRA cap that would prevent, to some degree, the rich from shielding wealth from creditors in an IRA. In my view, a wealthy debtor should not be able to shield large amounts of wealth from creditors in an IRA or in a home.

The compromise provisions in the bill that we worked out with members of the other party last year make important improvements over current law and should be retained.

Accordingly, I urge my colleagues to oppose the effort to strip out the individual retirement account cap. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, there may be others who want to speak on other matters. As I mentioned earlier, the IRA was developed as a retirement account basically for working families. The majority of those who contribute are individuals who earn less than $30,000 a year. These are the people who are putting in only a couple thousand dollars. They are limited over a lifetime. You put the cap there. The retirement program has historically been out of the reach of the credit card companies and the bankruptcy courts, the retirement savings.

Now for the first time we are seeing an intrusion on that. There is a cap. It is not being put in for the 401(k), basically the high rollers. If you are not going to put it in for the 401(k)'s, you should not put it in for the retirements for the working families. We will have a commingling of the funding and there is a good chance there will be an additional burden and cost in terms of the IRA. It doesn't make a great deal of sense.

I thank my friend from Iowa. As always, he is a friend and I enjoy working with him on many different matters. I will study more closely his pension legislation this evening and give it a good deal of additional thought.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I make crystal clear when we talk about $2,000 and $10,000 and $30,000, as the Senator from Massachusetts has, it sounds as if we are just clamping down on people who should be getting a fresh start in chapter 7 instead of being chapter 13 with ability to repay.

I make very clear the first $1 million is exempted. That causes a problem for the Senator from Massachusetts. I am embarrassed to present a bill to the Senate of the United States that says a millionaire is going to be protected from bankruptcy court if he can pay his bills.

Now the Senator from Massachusetts raises a very legitimate point. There could be a catastrophic illness that could eat up a lot of the money, even $1 million, presumably. We have even taken that into consideration; that is, we have an interest of justice exception that would be applicable in this case. So something over $1 million could be exempted. I hope the Senator from Massachusetts realizes we have gone through this last year. We tried to accommodate the Senator from Massachusetts. We had a compromise I was embarrassed to accept in the sense that a $1 million exemption is way too high for my background. But I did it because I thought it was important we move this legislation along. We are talking about just preserving in the bill before the Senate a compromise worked out last year that would be law today except for a pocket veto by President Clinton. Otherwise, this Senator from Massachusetts wants to strike that compromise, and he was part of that compromise. I guess I beg him to stick by his compromise.

I yield the floor.

Mr. DOMENICI. I ask consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I thank the Chair.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 515 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE TAX CUT

Mr. DOMENICI. Madam President, I speak of the size of the tax cut the President of the United States has asked us to adopt. The occupant of the chair knows the Senator from New Mexico is lucky in that I have a wonderful person at home who asks me a lot of questions about what I am doing. It is a great sounding board. I think the occupant knows that is my wife.

My wife spoke to me about 10 days ago as an average citizen because she and four friends, all of whom were women, stopped by after getting together to have a cup of coffee. There were questions raised by these nonpolitical women—not necessarily Republicans—as to why such a big tax cut? Why can't we wait? She addressed the question to me.

I said I think it is time the American people deserve to be told the size of this tax cut. I have a chart. I don't know if it has been seen on the Senate floor, but it is interesting. The red area indicates $1.6 trillion as the entire tax cut alongside what we select in taxes during the same period of time. It is most interesting. During the same time we are asking the American people be given back $1.6 trillion, we will collect $28 trillion in taxes. Maybe that puts it a little bit more in perspective, that it is not such a giant tax cut in proportion to the taxes America collects.

The green portion of the chart is broken into two. The bottom is individual income taxes, and we have corporate income taxes, and other taxes.

This is what we collect. This from individuals—14, and 28 total. Over 10 years, it isn't such a very large tax reduction.

We might also suggest by way of words that both President Kennedy and President Reagan cut taxes.

Incidentally, both of them—one Democrat and one Republican—cut marginal rates. They reduced the top rates. They reduced both the middle rates and the low rates for the same reason.

President Kennedy was advised that he ought to do it because of the fact the American economy had to be built up and grow and prosper, and one of the things he ought to do as a Federal official was lower the marginal tax rates. Lo and behold, that is what a Democrat President did. He did that without the surplus we have.

Isn't it amazing? We are talking about being sure of everything that is going to happen; that we are going to have enough money to pay down the debt. There were deficits in each year of the tax cut of President Kennedy.

We have a predicted surplus of $5.6 trillion.

Second, the size of the Kennedy tax cut was twice the size in proportion to the American economy.

Then Ronald Reagan did marginal rate cuts also along with some other things. Congress loaded it up, so to speak. But marginal rates were reduced substantially. That was three times the size of this tax cut.

Our President, with reference to asking for a tax reduction for the American people, has been certainly modest in what he is asking for in comparison to the total taxes.

Second, some people wonder why we do this over 10 years. We want to suggest to the American people that it is permanent, and at the same time, we want to suggest to ourselves the money is not even going to be collected in the second, third, fourth, fifth, and sixth years. It is just staying with the American people. So it won't be around here. It won't be in the budget of the United States. It would have already disappeared from our grasp. We will not have it to spend. The American people will have it in their paychecks, in their profits of small business, which they distribute as individuals. It will go to them.

There is nothing better than doing this, and I say do it as quickly as we can to send a signal to at least the part of the American economy that is not doing well, and a few States aren't doing well. My friend from Ohio, Senator VOINOVICH, was telling me today about Ohio having some real economic problems. It is far different than New Mexico's problems. They need a signal from the Congress and the President that we care about them, that we are concerned about them, and that we are cutting marginal rates so as to give some credibility to our concern about the economic future in many parts of the United States, and, generally speaking, over the next decade, the status of our economy in general so people and families will have a better chance. It will be an important 10 years in terms of job opportunities and consistent paychecks. That is what that is. I hope everybody knows this is a reasonable way to do it.

Maybe we will get around soon to satisfying some who have a little bit of concern about whether we are paying down the debt, and whether we will continue paying it down over time. They are asking for some kind of trigger mechanism. Obviously, this Senator hasn't seen one that will be in place. Yet that will leave the effectiveness of the tax in place. Clearly, I say to those who want a trigger that you can't do a trigger that triggers every year because then the people won't be getting the benefit of this tax cut. They can't buy a car and pay because you only get the tax cut for one year, and that is a "maybe" tax cut. It is not a real tax cut. One year at a time won't work, especially if you want the effect of marginal rates, which means lowering at every level a significant amount, though the lower level is getting a bigger percentage of the reduction.

While I haven't seen any that leave the effectiveness of the tax in place, I am willing to work with Members, the distinguished Senator, Ms. SNOWE, the occupant of the chair, many others, and Democrats working on this issue. I say let's continue working on it. There may be some way to do some collections, but certainly it should not be every year. There should be a broad-based look at this so we look at spending also. We should look at the debt if we are going to be doing it.

That is the conversation I wanted to have about the budget and tax cut.

I want to add to that. It is pretty obvious the Committee on Budget of the Senate, which now has 11 Democrats and 11 Republicans—it should be pretty obvious to everyone that we can't get a bill out of that committee that gives the President an opportunity to have his tax measure considered by the Finance Committee. You understand that the budget resolution just permits it. This makes room for it. In this case, up to $1.6 billion. It doesn't say you have to pass $1.6 billion. But we can't do it in the committee because we are tied. On every matter of real substance regarding this budget we are going to be tied.

The taxes are well known by those who have worked with us. If it is in the Budget Committee for a long time, come a certain date—I believe it is April 1—statute of law says if you haven't produced a budget, then you can call one up here. The Parliamentarian is familiar with that as is the occupant of the chair. I haven't given up on the committee doing it. I want to have more conversations. But if we can't come in closer than we are now, I don't intend to have a week's worth of votes pro and con, each one being 11–11, and then pass one 12–10. It isn't going to be very meaningful. I may let everybody talk for one day, let April 1 arrive, and then call up the budget. We will be working with a number of people on that premise.

BANKRUPTCY REFORM ACT OF 2001—Continued

AMENDMENT NO. 29 AS MODIFIED

Mr. DOMENICI. Now let's get down to tomorrow afternoon and vote because on the bankruptcy bill, the distinguished Senator, Mr. KENT CONRAD, ranking member, put an amendment on with reference to the Medicare trust fund and the Medicare program. This is side by side. There will be another amendment offered by Senator SESSIONS. I believe my staff helped put it together. I was in another meeting. Senator SESSIONS introduced it. I want everybody to know it is, indeed, what I would recommend.

I would like very much tomorrow to make sure all Senators understand that we helped prepare it and are very pleased Senator SESSIONS was on the floor. We will call it the Sessions-Domenici amendment. I want everyone to know, just as a matter of fairness to the distinguished Senator on the Democrat side, Mr. KENT CONRAD, that, in fact, the point of order will be raised. It is not being raised now, but I believe a point of order will be agreed to. That amendment will take 60 votes.

Obviously, on the Sessions-Domenici amendment, it is 60 votes. The Democrat amendment hasn't changed that much. The point of order wouldn't lie against ours, but on ours it would be subject to the same.

I hope the bankruptcy bill will pass—either of them—because they do not belong on the bankruptcy bill.

But, first, let me emphasize that President Bush has made it very clear—I am not quoting, I am paraphrasing—no moneys from the Medicare trust fund will be spent on anything other than Medicare. He said that. He has had various Members testify. There have been serious questions made of the Secretary of Health and Human Services about this trust fund concept that is being raised by Senator KENT CONRAD's amendment.

I asked him clearly: Did the President change his mind? Is there anything new?

No. It is just what it was, and now he looked at hundreds of millions of Americans and said none of the Medicare trust fund money will be used for anything other than Medicare.

As everybody knows, I don't have any intention of bringing a budget resolution to the floor that spends any Medicare money, or on anything other than Medicare. As a matter of fact, Medicare will be fully funded, as it is by the President of the United States.

Having said that, we should be clear on one thing: The Conrad amendment is not about protecting Medicare. That amendment is about using scare tactics to prevent a tax cut. That always happens every time we have something significant where we say, let's give the American people back some of their money, or even better, let's not even collect it. Let's leave it with them, never bring it up here so we have to cut taxes; just let them keep it.

Every time that happens, it becomes obvious the arguments against it wilt; they are not strong enough. So along comes the typical argument: The Republicans and the President must be doing something about Medicare, something to harm it, hurt it.

The American people, in the last election, did not buy that argument because seniors, it seems like from at least what little we know, voted for George Bush in pretty large numbers. They did not believe the scare tactics that the Social Security trust fund was going to be harmed by the President's idea in relation to the individual accounts. They did not believe the idea that Medicare was going to be hurt.

The same thing here. Senator CONRAD has taken out the traditional tactic, and now he is making it an early issue with reference to the budget by trying to attach it here on a bankruptcy bill that is moving through the Senate, and because it is the third or fourth time we have considered it, it has to get passed.

As I see it, things are certainly not going the way of those on the other side of the aisle. The President has proposed returning a small portion of the non-Social Security, non-Medicare surplus to the American taxpayers, and the momentum is moving with the President. On the chart I have here, that is this small red amount that he has proposed we give back to the American people, or never collect from them.

But some on the other side are happy to still be against this President's tax proposal. So out comes the Medicare card, and suddenly it becomes a question of tax cuts versus Medicare. But Senator BREAUX, from the other side of the aisle, was correct when he said:

> Medicare must not be used as a wedge issue any longer. The question before this Congress is not whether to cut taxes or whether to save Medicare. That's not the choice we're facing.

The choice is something different than that. And he continued:

> I support a tax cut, targeted, and I'm dedicated to saving Medicare. It's not an either/or proposition.

Now, that is a true statement, whether or not you choose to have a targeted tax cut or the President's notion—and the notion I support—of cutting everybody's income tax rate as described here on the chart.

The Breaux statement is:

> I support a tax cut, targeted, and I'm dedicated to saving Medicare. It's not an either/or proposition.

Frankly, the amendment I am talking about really attempts to make it an either/or proposition.

I know for seniors, and for those who are worried about the seniors' futures, and making sure we take care of Medicare, this business of Part A and Part B is not nice to talk about, but the Part A part of Medicare is essentially the hospital care program of Medicare; it is the hospital care part. The assets of that trust fund are depleted in 2026. At that point, Part A of Medicare will start running an overall deficit.

As we look at the entire Medicare program, instead of just Part A, what is the rest of it? The rest of it, Part B, are all the other services that many senior citizens get under the collar and title of Medicare. All of those programs are Part B, except essentially the hospital ones which are hospital bills and are Part A.

So if we look at this program instead of just Part A, we see that Medicare is already running a deficit. Let's look at it. There is a $58 billion total Medicare deficit—$58 billion—in the year 2002. Very simple. It is shown right there on the graph. There will be a nearly $1 trillion Medicare deficit over the next 10 years. It is shown right there on the graph.

So what do we need to do? Everybody knows what we have to do. We have to reform Medicare, not just shuffle money around. We have to reform it. But this amendment I am talking about, that I oppose, will make reforming Medicare more difficult.

The amendment wants to take half the Medicare program off budget while leaving the other half on budget. How can we reform a program that is half on budget and half off budget when we need to reform the whole package?

I want to point out, the amendment is not the same one that was offered last session by the same Senator. Under his current amendment, the Part A surplus cannot be reduced for any reason, even for additional Part A spending. At least last year, his similar amendment would allow Part A surpluses to be spent on Part A Medicare expenses.

So while President Bush has promised that Medicare funds will be spent only on Medicare, the amendment I am opposing does not allow Medicare funds spent at all, even for Medicare. They are off budget. And I assume they are expecting us to use all of them to buy down debt. Now, maybe I am mistaken, but that is the way I read it.

We believe, if we are reducing the deficit of the United States by $2 trillion, as the budget resolution and the President request, which is what we are doing—we are going to leave $1.2 trillion there for remaining debt—that you cannot reduce the debt any more. What are you going to do with this Medicare trust fund taking it off budget? Where are you going to invest it?

It seems to me we have to invent a whole new way to permit it to be invested. Frankly, I do not know what that would be. And I do not think that helps. I do not think that helps save the Medicare program.

I want to show my colleagues, on this graph, the red is income to the trust fund, the green is spending, and the blue is assets. Look at this. Look what has happened. The trust fund will be depleted by the year 2026. Spending will exceed income plus interest in 2018. And spending will exceed income in 2010.

But if you were to adopt the Conrad amendment, "spending exceeding income plus interest" would not be changed one nickel. And the year 2026 event would not change at all. So what is the purpose of this? I believe it is to attempt to frustrate our ability to give back to the American people $1.6 trillion, which I have just alluded to and have shown you in the previous chart, which ought to be done.

Tomorrow, we will have another opportunity to discuss this. I am not clamoring to adopt, unless the Senate really wants to, the Sessions-Domenici amendment, but it was actually passed by the House by an overwhelming margin. It permits you to reform Medicare. It permits you to do the proposal that we want to do with reference to prescription drugs. It permits that to occur. And if, in fact, the reform is within that Medicare fund, it is OK to be there. Under the Conrad amendment you could do neither of those things with this trust fund, which I do not think the Senate really wants to do. We will have a chance to refer to it further tomorrow.

I point out that the amendment Senator CONRAD has offered is not the same as the one he offered in the last session. Under his current amendment, the Part A surpluses cannot be reduced for any reason—even for additional Part A spending.

At least last year, Senator CONRAD would allow Part A surpluses to be spent on Part A Medicare expenses.

So while President Bush has promised that Medicare funds will be spent only for Medicare, Senator CONRAD doesn't want Medicare funds spent at all, even for Medicare.

This amendment will also encourage more of the accounting gimmicks we have seen in the past. We are all aware that the current Part A surpluses were generated because we shifted home health services from Part A to Part B back in 1997.

This change did nothing to improve the overall state of the Medicare program—it just made Part A look better.

So let's not be lulled into a false state of complacency in thinking that playing political games with the Medicare trust fund will in any way protect Medicare.

Only reform of the program can truly protect Medicare for future generations.

Senator CONRAD claims that his amendment is the fiscally responsible thing to do. But in fact, the fiscally responsible thing to do is to reform the entire Medicare program.

Senator CONRAD'S amendment will set back the cause of reform by splitting Medicare permanently in two.

If Senators truly care about Medicare reform and they believe, as I do, that the time has come to take serious action to save this program for the future, then they should not support Senator CONRAD'S amendment.

Once again, I say to my friend, and ranking member, Senator CONRAD, a point of order will be made tomorrow in a timely manner. Obviously, we will do that when somebody is around on the other side of the aisle so they can ask that it be waived and we can vote on it. There will be a 60-vote requirement.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

AMENDMENT NO. 16

Ms. COLLINS. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I call up amendment No. 16, which is at the desk.

The PRESIDING OFFICER. Without objection, the Senator may proceed with her amendment. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself, Mr. KERRY, Mr. STEVENS, and Mr. KENNEDY, proposes an amendment numbered 16.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for family fishermen)

At the appropriate place insert the following:

SEC. ___. FAMILY FISHERMEN.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (7) the following:

"(7A) 'commercial fishing operation' includes—

"(A) the catching or harvesting of fish, shrimp, lobsters, urchins, seaweed, shellfish, or other aquatic species or products;

"(B) for purposes of section 109 and chapter 12, aquaculture activities consisting of raising for market any species or product described in subparagraph (A); and

"(C) the transporting by vessel of a passenger for hire (as defined in section 2101 of title 46) who is engaged in recreational fishing;

"(7B) 'commercial fishing vessel' means a vessel used by a fisherman to carry out a commercial fishing operation;";

(2) by inserting after paragraph (19) the following:

"(19A) 'family fisherman' means—

"(A) an individual or individual and spouse engaged in a commercial fishing operation (including aquaculture for purposes of chapter 12)—

"(i) whose aggregate debts do not exceed $1,500,000 and not less than 80 percent of whose aggregate noncontingent, liquidated debts (excluding a debt for the principal residence of such individual or such individual and spouse, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such individual or such individual and spouse; and

"(ii) who receive from such commercial fishing operation more than 50 percent of such individual's or such individual's and spouse's gross income for the taxable year preceding the taxable year in which the case concerning such individual or such individual and spouse was filed; or

"(B) a corporation or partnership—

"(i) in which more than 50 percent of the outstanding stock or equity is held by—

"(I) 1 family that conducts the commercial fishing operation: or

"(II) 1 family and the relatives of the members of such family, and such family or such relatives conduct the commercial fishing operation; and

"(ii)(I) more than 80 percent of the value of its assets consists of assets related to the commercial fishing operation;

"(II) its aggregate debts do not exceed $1,500,000 and not less than 80 percent of its aggregate noncontingent, liquidated debts (excluding a debt for 1 dwelling which is owned by such corporation or partnership and which a shareholder or partner maintains as a principal residence, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such corporation or such partnership; and

"(III) if such corporation issues stock, such stock is not publicly traded;"; and

(3) by inserting after paragraph (19A) the following:

"(19B) 'family fisherman with regular annual income' means a family fisherman whose annual income is sufficiently stable and regular to enable such family fisherman to make payments under a plan under chapter 12 of this title;".

(b) WHO MAY BE A DEBTOR.—Section 109(f) of title 11, United States Code, is amended by inserting "or family fisherman" after "family farmer".

(c) CHAPTER 12.—Chapter 12 of title 11, United States Code, is amended—

(1) in the chapter heading, by inserting "**OR FISHERMAN**" after "**FAMILY FARMER**";

(2) in section 1201, by adding at the end the following:

"(e)(1) Notwithstanding any other provision of law, for purposes of this subsection, a guarantor of a claim of a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.

"(2) For purposes of a claim that arises from the ownership or operation of a commercial fishing operation, a co-maker of a loan made by a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.";

(3) in section 1203, by inserting "or commercial fishing operation" after "farm";

(4) in section 1206, by striking "if the property is farmland or farm equipment" and inserting "if the property is farmland, farm equipment, or property of a commercial fishing operation (including a commercial fishing vessel)"; and

(5) by adding at the end the following:

"§ 1232. Additional provisions relating to family fishermen

"(a)(1) Notwithstanding any other provision of law, except as provided in subsection (c), with respect to any commercial fishing vessel of a family fisherman, the debts of that family fisherman shall be treated in the manner prescribed in paragraph (2).

"(2)(A) For purposes of this chapter, a claim for a lien described in subsection (b) for a commercial fishing vessel of a family fisherman that could, but for this subsection, be subject to a lien under otherwise applicable maritime law, shall be treated as an unsecured claim.

"(B) Subparagraph (A) applies to a claim for a lien resulting from a debt of a family fisherman incurred on or after the date of enactment of this chapter.

"(b) A lien described in this subsection is—

"(1) a maritime lien under subchapter III of chapter 313 of title 46 without regard to whether that lien is recorded under section 31343 of title 46; or

"(2) a lien under applicable State law (or the law of a political subdivision thereof).

"(c) Subsection (a) shall not apply to—

"(1) a claim made by a member of a crew or a seaman including a claim made for—

"(A) wages, maintenance, or cure; or

"(B) personal injury; or

"(2) a preferred ship mortgage that has been perfected under subchapter II of chapter 313 of title 46.

"(d) For purposes of this chapter, a mortgage described in subsection (c)(2) shall be treated as a secured claim.".

(d) CLERICAL AMENDMENTS.—

(1) TABLE OF CHAPTERS.—In the table of chapters for title 11, United States Code, the item relating to chapter 12, is amended to read as follows:

"12. Adjustments of Debts of a Family Farmer or Family Fisherman with Regular Annual Income .... 1201".

(2) TABLE OF SECTIONS.—The table of sections for chapter 12 of title 11, United States Code, is amended by adding at the end the following new item:

"1232. Additional provisions relating to family fishermen.".

(e) Applicability.—

Nothing in this section shall change, affect, or amend the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801, et seq.).

Amend the table of contents accordingly.

Ms. COLLINS. I thank the Presiding Officer for replacing me as the Chair so I could offer the amendment to the bill he is managing so effectively on the Senate floor. I appreciate his courtesy.

I rise to offer an amendment to the Bankruptcy Reform Act of 2001. I am very pleased to be joined by Senators KERRY, STEVENS, and KENNEDY. Our amendment provides the family fisherman with the same kind of protections and terms as granted family farmers under chapter 12 of our bankruptcy laws. It was passed by the Senate last year as part of bankruptcy reform legislation, but I rise, once again, to briefly take the opportunity to explain the amendment and its importance to commercial fishermen in coastal States.

I do not condone those who use the bankruptcy code as a tool to cure their self-induced financial woes. I have supported and will continue to support reasonable reforms to the bankruptcy laws that ensure the responsible use of its provisions.

All consumers bear the burden of irresponsible debtors who abuse the system. At the same time, there are those who legitimately need the protection of our bankruptcy laws and who do not abuse it. I commend the Presiding Officer for striking the right balance in the legislation he has brought before the Senate.

I believe bankruptcy should remain a tool of last resort for those in severe financial distress. As those familiar with the bankruptcy code know, however, a business reorganization in bankruptcy is very different from a business dissolution. Reorganization embodies the hope that by providing a business with some relief and allowing debt to be adjusted, the business will have the opportunity to get back on sound financial footing and thrive. In that vein, chapter 12 was added to the bankruptcy code in 1986 by the Presiding Officer, the distinguished Senator from Iowa, to provide for bankruptcy reorganization of the family farm and to give family farmers "a fighting chance to reorganize their debts and keep their lands."

To provide the fighting chance envisioned by the authors of chapter 12, Congress provided a distinctive set of rules to govern the reorganization of a family farm. In essence, chapter 12 recognized the unique situation of family-owned businesses and the enormous value of the family farmer to the American economy and to our American heritage. Chapter 12 provides, for example, significant advantages over the standard chapter 13 proceeding, including a longer time period in which to file a plan for relief, greater flexibility for the debtor to modify the debts secured by their assets, and the alteration of the statutory time limit to repay secured debt. The chapter 12 debtor is also given the freedom to sell off parts of his or her property as part of a reorganization plan.

As the Chair well knows, chapter 12 has been a considerable success in the farm community. According to a recent University of Iowa study, 74 percent of family farmers who file chapter 12 bankruptcy are still farming, and 61 percent of the farmers who went through chapter 12 believe the law was very helpful in getting them back on their feet.

Recognizing the effectiveness of this law for farmers, I have supported making chapter 12 a permanent part of the bankruptcy code. Now I am proposing to extend its protections to the family fisherman as well as the family farmer.

In the State of Maine, fishing is a vital part of our economy and our way of life. The commercial fishing industry is made up of proud and fiercely independent individuals whose goal is to simply preserve their business, family income, and community. My legislation would afford fishermen the same protection of business reorganization as is provided to family farmers.

There are many similarities between the family farmer and the fisherman. Like the family farmer, the fisherman should be valued not only for his contributions to our economy and to our food supply, but also for his contributions to our heritage and our precious way of life. Like farmers, fishermen face perennial threats from nature and the elements, as well as from the laws and regulations that, unfortunately, can at times threaten their very existence.

Like family farmers, fishermen are not seeking special treatment or a handout from the Federal Government. They seek only the fighting chance to remain afloat so they can continue their way of life.

Recently I attended the Maine Fishermen's Forum, an annual event which provides the opportunity for policymakers to meet and discuss issues affecting our fishing communities. I spoke with many fishermen, and they told me they believe they need and deserve the protections granted under the bankruptcy code to others who face similar, often unavoidable problems. Fishermen should not be denied the special bankruptcy protections accorded to farmers solely because they harvest the sea and not the land.

Our amendment tracks closely how chapter 12 applies to family farmers. Its protections are restricted to those fishermen with a regular income who have total debt of less than $1.5 million, most of which, 80 percent, must stem from commercial fishing. Moreover, families must rely on fishing income for these provisions to apply.

The same protections and flexibility we grant to farmers should also be granted to fishermen. By making this modest but important change to our bankruptcy laws, we will express our respect for the business of fishing and our shared wish that this unique way of life, which so embodies the State of Maine, should continue.

I ask that at the appropriate time my amendment be considered. I am hopeful it will be accepted by the Presiding Officer and the committee's ranking majority member, and that it will be adopted as we continue the debate on the bankruptcy legislation.

Mr. KERRY. Mr. President, I thank Senator SUSAN COLLINS for her work in developing this important amendment, which will extend chapter 12 bankruptcy protections to our family fishermen. I believe we should do everything possible to protect and preserve the small family-owned fishing businesses in this country.

In 1999, American fishermen harvested 9.3 billion pounds of seafood valued at $3.5 billion dockside. The commercial marine fishing industry contributed more than $27 billion to the Gross National Product in 1999. In 1999, Massachusetts fishermen landed more than 198,000 pounds of seafood worth more than $260 million. The fishing port of New Bedford, Massachusetts ranks second nationally in terms of the value of the fishery landings in 1999 with nearly $130 million in seafood landed.

These numbers sound great, but small, family-owned fishing businesses are in serious trouble. In Gloucester, America's oldest fishing port, landings declined by 9 percent in 1999 to just less than $26 million. This once proud fishing community, along with several other New England communities that borders the Gulf of Maine, have been rocked by the dramatic decline in inshore cod stocks. Gulf of Maine fishermen are feeling the pain caused by low trip limits and closed fishing areas. Massachusetts Bay, the prime fishing grounds for much of the inshore fleet, is currently closed six months of the year to allow the cod fish to rebuild. Think of the effect that closing a family farm for six months each year would have on its profitability.

Decreasing fish stocks coupled with severe environmental factors such as coastal pollution and warmer oceans with changing currents has resulted in severely depleted fish stocks around the country. We are making progress in rebuilding stocks, however, the cost of this progress has been a steep decline in the amount of fishing allowed in Georges Bank and the Gulf of Maine. This in turn has made it much more difficult for fishermen in Massachusetts and Maine to maintain profitable businesses. That is why the Collins amendment is so important. It will ensure that fishermen have the flexibility under chapter 12 of the bankruptcy code to wait out the rebuilding of our commercial fish stocks without back tracking on our conservation gains to date.

We are making progress rebuilding our fish stocks, but the social and economic costs have been enormous. I strongly believe we must do everything we can to preserve the rich New England fishing heritage in Massachusetts without wiping out the fiercely independent small-boat fishermen.

In their annual report to the Congress released last month on the health of our Nation's fisheries, the National Marine Fisheries Service reported that there was no overfishing in 210 fish stocks in 2000 as compared to 159 stocks in 1999, a significant improvement. This means that we have reduced fishing pressure on many stocks to the point where we can continue harvesting on a sustainable basis. Additionally, the number of stocks that are fully rebuilt has increased to 145 in 2000 from 122 stocks in 1999. Another significant improvement. My point is that we are making real progress, however, the temptation will always exist to forgo what is in the long-term best interest of our fisheries, to relieve some of the short term pains that the fishing industry is going through.

The same protections and flexibility afforded the farming community should be made available to family fishermen. By adopting this modest but important change to the bankruptcy laws, we will not only preserve and protect a very important industry but a cherished way of life as well.

Ms. COLLINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. CLINTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

AMENDMENT NO. 29, AS MODIFIED

Mrs. CLINTON. Madam President, I will speak to one of the pending amendments. I rise today to offer my support for a pending amendment offered by Senator CONRAD, the Social Security and Medicare Off-Budget Lockbox Act of 2001.

This legislation would protect Social Security and Medicare trust funds from being raided to pay for tax cuts or programs and would ensure our continuing commitment of the surpluses to debt reduction. I am pleased that similar legislation has had broad, bipartisan support in both the Senate and the House over the past years, as I believe it is the responsible step that we should take to ensure these vital benefits remain available, with the paying down of the debt, with assuring that we have affordable tax cuts, and with the investments that we need to make to ensure our country is stronger in the future.

Now, I know that the chairman of the Budget Committee, for whom I have the greatest respect, suggests this amendment is more of a scare tactic than a real effort to protect Medicare and Social Security. But I have to respectfully disagree. This amendment is nearly identical to the amendment for which 60 Senators, including 16 of our colleagues on the other side of the aisle, voted in favor of last year as an amendment to the Labor/HHS appropriations bill, but it was unfortunately dropped in conference. It is important to raise it again now because, much to my disappointment, President Bush's budget blueprint does appear to raid the Social Security and Medicare trust funds to pay for his tax cut proposal.

Over the past several weeks, members of the administration have come before the Budget Committee, on which I serve, and argued that President Bush's blueprint protects the Social Security and Medicare trust funds. But you can look at the numbers and see that is not the case. A table in the blueprint entitled "The President's 10-year Plan," for example, refers to a contingency reserve of over $840 billion, of which over $500 billion of that comes from the Medicare trust fund.

Since other parts of the administration's budget seriously underfund many important priorities, such as a prescription drug benefit for our seniors on Medicare, national defense, investments in our schools and our children, our teachers, and other significant areas for which there is broad bipartisan support, it also proposes hundreds of billions of dollars in unspecified cuts across programs. And there isn't any mystery. There can't be any mystery that if you combine a very large tax cut with underfunding important programs and leaving out many others, then there will not be the money in this reserve, and it is money taken out of the Medicare trust fund that will be available to cover the priorities that we would determine are in our national interest.

During the time of projected surpluses, I have to ask, is this really the choice that we want to be making? Madam President, I know most New Yorkers would agree that it would be both unfair and wrong to shortchange either our seniors or our children when it comes to prescription drug benefits, or investments in smaller class sizes, school construction, and other important programs that will improve the quality of education.

The real choice we face should be between a very large tax cut from which millions of working Americans would receive little to no tax relief and the three priorities which I think we can agree on in this body—a priority for affordable tax cuts, a priority to continue to pay down the debt, and a priority of the kind of investment that we need to make.

For example, I believe we should invest in a real prescription drug benefit. The President's immediate helping hand proposal denies eligibility for prescription drugs to nearly 25 million Medicare beneficiaries, most of whom today lack affordable, dependable prescription drug coverage.

Republican and Democratic Governors have also raised concerns with this proposal, noting that it fails to meet the immediate prescription drug needs of their elderly and disabled residents.

The challenge should be not deciding to shortchange our seniors on prescription drugs in order to give a very large tax cut to people at the upper end of the income scale, but it should be between how do we keep all of our priorities in order and how do we provide prudent tax relief, continue to pay down the debt, and invest in what will make us a healthier, better-educated, stronger Nation.

I believe Senator CONRAD's amendment to lock away the Social Security and Medicare trust funds sets the right balance. It clearly takes off budget what should be off budget. It should not be used for a contingency, for tax cuts, or for spending; it should be used for what it was intended to be used for: to meet the Social Security and Medicare needs of our seniors.

I ask that I be added as a cosponsor, and I urge my colleagues, as they did once before on an appropriations measure, to ensure the solvency of the important programs, such as Medicare, and to ensure the provision of a prescription drug benefit to our seniors on Medicare, and to deal with the other important priorities that we face.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 39

Mr. LEAHY. Madam President, I ask unanimous consent it be in order to ask for the yeas and nays on the Kennedy-Jeffords amendment on the bankruptcy bill, amendment number 39, with the vote to occur at whatever appropriate time the votes are being stacked.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 16

Mr. LEAHY. Madam President, I commend the Presiding Officer for her amendment to protect family fishermen. I know the distinguished Senator from Massachusetts, Mr. KERRY, also strongly supports it. It is the type of bipartisan amendment that can be agreed to on this side of the aisle.

I have been checking around, and I do not find anyone over here who disagrees with it. I hope on the other side it can also be agreed to. If so, that is one we can move quickly to accept.

I want the distinguished Presiding Officer to know I checked on this side and there are no objections to her amendment, which is a good one.

However, I am disappointed that my good friend, the majority leader, has filed cloture on this bill. The Democratic leader, Senator DASCHLE, Senator REID, and I have been working to get amendments offered, filed, agreed to, if possible, and modified, if needed.

We presented a good-faith list of about 15 amendments on our side of the aisle as of last Friday. We are awaiting a response. I know a number of amendments have been filed by Republican Senators, and we are trying to quickly clear them on our side if we can. I will continue to work to move forward on this.

AMENDMENT NO. 41

Mr. LEAHY. Mr. President, I ask unanimous consent that it be in order to send to the desk an amendment on the prohibition and disclosure of the identity of minor children.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 41.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To protect the identity of minor children in bankruptcy proceedings)

On page 124, between lines 10 and 11, insert the following:

SEC. 233. PROHIBITION ON DISCLOSURE OF IDENTITY OF MINOR CHILDREN.

(a) PROHIBITION.—Chapter 1 of title 11, United States Code, is amended by adding after section 111, as added by this Act, the following:

"§ 112. Prohibition on disclosure of identity of minor children

"In a case under this title, the debtor may be required to provide information regarding a minor child involved in matters under this title, but may not be required to disclose in the public records in the case the name of such minor child.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

"112. Prohibition on disclosure of identity of minor children.".

Mr. LEAHY. Madam President, this is an amendment to protect the identity of minor children in bankruptcy court records. My amendment permits a debtor to withhold the name of a minor child in the public records of the bankruptcy case.

I submit this out of a sense of child safety. There is an unintended loophole, as the bill is written, in child safety. Sometimes bankruptcies occur when there have been a great deal of problems between parents. With that, nobody should know the name of the minor children.

The closing loophole does not restrict the necessary flow of information regarding a debtor's financial records. The House of Representatives adopted a similar amendment authored by Congressman MARK GREEN during its debate on bankruptcy reform legislation.

The amendment is a modest but important first step to protecting personal privacy and preventing criminal activity through the unnecessary disclosure of personal information in the public domain.

When individuals file for bankruptcy, of course, they are required to disclose information regarding themselves and also their dependents. Most of this information is vital to ensuring the integrity of the bankruptcy process, but if you look at these forms, you realize a lot of this information is very personal, very detailed.

Indeed, bankruptcy records contain all kinds of highly sensitive personal, financial, and medical information. I didn't realize how much information was in there while preparing for the bill. I was amazed at the amount of personal, financial, and medical information. More and more, Federal courts are making these court records that contain the very highly sensitive personal, financial, and medical information available for all to see, without any privacy safeguards, and are available on the Internet.

Each Member can go on the Internet and get medical, personal, and privacy records on bankruptcy debtors. For example, schedule 1 has a document entitled "The Current Income of Individual Debtors" that requires a debtor to list his or her dependents' names, ages, and relationship to the debtor. Some of this information is very important to creditors. I don't have any question about that.

It is also the type of information that some dangerous people could use to seek out and contact children. We have seen predators of children who have sought this information over the Internet. Any parent, any grandparent, or any Senator should worry about someone getting this information on children. My amendment simply protects minor children to unnecessary exposure from harm.

The chairman of the Senate Judiciary Committee, Senator HATCH, has agreed to future hearings in the Judiciary Committee to consider the issue of personal information in paper and electronic court records and other governmental records. The manner in which all three branches of the Federal Government, Federal agencies, the Congress, and the judiciary protect the privacy and personal information that Americans are required to divulge is an important area that needs our attention.

Earlier, we had a Leahy-Hatch amendment regarding protection of customer databases and consumer lists to prevent future ToySmart.com cases. We created omnibus bankruptcy proceedings as part of that Leahy-Hatch amendment, the first consumer privacy advocate in consumer law. Working together, we have proven that Republicans and Democrats can come together in commonsense matters.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. I thank the Chair. I thank my friend from Iowa.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FITZGERALD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, I thank the Senator from Vermont for his kind words about the amendment I offered to extend the protections of chapter 12 of our bankruptcy code to our fishermen so that a fisherman can be treated the same way as a farmer is treated. I appreciate his efforts to clear the amendment, which is a bipartisan amendment, on his side of the aisle.

I also commend the Senator from Vermont for the amendment he just proposed that safeguards the names of minor children in bankruptcy proceedings.

Last weekend, I had a discussion with a member of my staff who is responsible for Cumberland and York Counties. He told me of our office's attempts to assist women who are legally establishing new identities in order to avoid being pursued by a violent ex-spouse or former boyfriend. He told me the Social Security Administration, for example, is very helpful once these women have gone to court and legally changed their names for these very good reasons and helping them to get new Social Security numbers. But he mentioned to me that oftentimes the violent former spouse or boyfriend pursues these women using other public records. For example, when they get a new driver's license in the State of Maine, Maine has the requirement that the State where they previously held a driver's license be notified. That creates a paper trail by which the former spouse can pursue the woman who is trying to get a fresh start for herself.

It occurs to me while listening to the comments of the Senator from Vermont that the bankruptcy proceedings could also be a way that this information is disclosed, and that in cases where parental rights have been terminated this would be a means of a former spouse tracing the children to which he no longer has any parental rights.

There are a number of other examples where children can be preyed on by predators who gain access to this information. But I wanted to share the experience that I had this last weekend with my staff's efforts to assist abused women in starting new lives through legally assuming a new identity.

I commend the Senator from Vermont for his efforts. I look forward to working further with him on this issue.

Thank you, Mr. President. I yield the floor.

Mr. LEAHY. Mr. President, I thank my colleague and neighbor from Maine. I appreciate her willingness to work together on this.

The Senator from Iowa is off the floor at the moment. He is in a meeting. But while we wait for the Senator from Iowa, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 27, AS MODIFIED

Mr. LEAHY. Mr. President, I ask unanimous consent that it be in order to modify, on behalf of the Senator from California, Senator FEINSTEIN, her amendment. I send that amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside.

Is there objection to the modification?

Without objection, the amendment is so modified.

The amendment (No. 27), as modified, is as follows:

(Purpose: To make an amendment with respect to extensions of credit to underage consumers)

At the end of Title XIII, add the following:

SEC. 1311. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) APPLICATIONS BY UNDERAGE CONSUMERS.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(8) APPLICATIONS FROM UNDERAGE OBLIGORS.—

"(A) PROHIBITION ON ISSUANCE.—Except in response to a written request or application to the card issuer that meets the requirements of subparagraph (B), a card issuer may not—

"(i) issue a credit card account under an open end consumer credit plan to, or establish such an account on behalf of, an obligor who has not attained the age of 21, if the total amount of credit extended to the obligor under that account exceeds $2,500 (which amount shall be adjusted annually by the Board to account for any increase in the Consumer Price Index); or

"(ii) increase the total amount of credit authorized to be extended under that account to an obligor described in clause (i) to an amount equal to more than $2,500.

"(B) EXCEPTIONS.—Clauses (i) and (ii) of subparagraph (A) do not apply if the issuer requires, in connection with the issuance or establishment of the account or the increase, as applicable—

"(i) the signature of a parent or guardian of that obligor indicating joint liability for debts incurred in connection with the account before the obligor attains the age of 21; or

"(ii) submission by the obligor of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.

"(C) NOTIFICATION.—A card issuer of a credit card account under an open end consumer credit plan shall notify any obligor who has not attained the age of 21 that the obligor is not eligible for an extension of credit in connection with the account unless the requirements of this paragraph are met.

"(D) LIMIT ON ENFORCEMENT.—A card issuer may not collect or otherwise enforce a debt arising from a credit card account under an open end consumer credit plan if the obligor had not attained the age of 21 at the time the debt was incurred, unless the requirements of this paragraph have been met with respect to that obligor.

"(9) PARENTAL APPROVAL REQUIRED TO INCREASE CREDIT LINES FOR ACCOUNTS FOR WHICH PARENT IS JOINTLY LIABLE.—In addition to the requirements of paragraph (8), no increase may be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.".

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as added by this section.

(c) EFFECTIVE DATE.—Paragraphs (8) and (9) of section 127(c) of the Truth in Lending Act, as added by this section, shall apply to the issuance of credit card accounts under open end consumer credit plans, and any increase of the amount of credit authorized to be extended thereunder, as described in those paragraphs, on and after the date of enactment of this Act.

Mr. LEAHY. Mr. President, I do not have further matters. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I have some unanimous consent requests that the leader has asked me to make.

ORDER FOR VOTES ON AMENDMENTS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that at 11 a.m. on Tuesday, as under the order, the Senate proceed to a vote in relation to the following amendments, and further, no amendments be ordered to the amendments prior to the votes: the Feinstein amendment No. 27, as modified, and the Kennedy amendment No. 39.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now be in a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERNET TAX MORATORIUM AND EQUITY ACT

Mr. GRAHAM. Mr. President, it is an unfortunate irony that the important things in life are often left unsaid. It may surprise some to know that, of all things, congressional legislation cannot escape this truism.

In fact, the most important piece of education legislation Congress considers this year will not mention schools or students. The most important law enforcement legislation we consider this year will not recognize the officers that safeguard our streets. And, the most important piece of emergency services legislation we address this year will not reference the firefighters and paramedics who keep our communities safe.

In 1998, Congress passed the Internet Tax Freedom Act. That bill imposed a three year moratorium on specific State taxes applicable to the Internet. The legislation didn't affect the States' ability to impose sales tax on Internet purchases, nor did it fix the unfair advantage "e-tailers" currently have over their main street competitors with respect to their responsibility to collect sales and use taxes.

As a result of two Supreme Court rulings, a State is prohibited from requiring out-of-State retailers from collecting sales tax on purchases made by its residents if the business has no presence in the State. The sales tax still applies, it just has to be collected directly from the purchaser. For a variety of reasons, very little of this tax is ever collected.

The Internet Tax Freedom Act created the Advisory Commission on Electronic Commerce which was supposed to come up with a solution to this problem. Instead the Commission was hijacked by a small group who opted to demagogue this issue to further their "anti-tax" agenda. The result was a year-long study of an issue with little in the form of useful recommendations.

The game plan of the forces supporting the status quo is clear: delay, delay, delay. Keep extending the moratorium until there is a sufficiently large political constituency to permanently block the collection of sales taxes on purchases made over the Internet.

This is not a hidden agenda. Governor Gilmore, Chairman of the Advisory Commission on Electronic Commerce stated it clearly when he said that "I believe America should ban sales and use taxes on the Internet permanently, for all time. If we secure tax freedom on the Internet through 2006, tax freedom on the Internet will become an entitlement for the American people and a political inevitability. No tax collector will be welcome on the Internet after 2006."

Let me be clear: this is not about whether purchases made over the Internet are subject to sales tax. They already are. The question is whether Internet sellers should have the same responsibility to collect the sales tax as their Main Street competitors.

If we answer this question with a "no," funding for education, law enforcement and emergency services will suffer. Why? Because States have the fundamental responsibility of financing public education in our country. Patrolling our streets, safeguarding the health and safety of our citizens—these tasks could not be accomplished without our State and local governments.

For most States, sales tax revenue is the primary means by which States fulfill these responsibilities. Because many States rely on sales taxes for their general revenue, the equation is simple—no collection of sales tax on the Internet means less money for new schools, police officers, and rapid response equipment. Six States—Florida, Nevada, South Dakota, Tennessee, Texas and Washington rely on sales taxes for more than half of their total tax revenue.

According to the General Accounting Office, by 2003 losses to State and local government revenues from uncollected sales taxes on Internet sales could climb as high as $12.5 billion. Florida's share of that lost revenue could be as much as $1 billion. When asked why he robbed banks, Willie Sutton replied, "that's where the money is." Today, the money is increasingly on the Internet.

There is another reason to fix this issue: fairness. No one would seriously consider a proposal that barred State and local governments from collecting sales and use taxes from retailers who operate in green buildings. That would be unfair to those businesses that aren't located in green buildings. Yet that is fundamentally what proponents of the status quo argue for Internet retailers.

Our position should be clear: no more delays. No more moratoriums until Congress agrees to a process whereby States are directed to simplify their sales tax systems in exchange for the authority they need to require remote sellers to collect their sales taxes.

The legislation introduced last Friday takes the first positive step in this direction. That bill extends the current moratorium on Internet access taxes and multiple or discriminatory taxes on the Internet, a prohibition that virtually all agree should be imposed.

More importantly, however, it establishes a process whereby States can cooperatively unify and simplify their sales and use tax systems. Sales tax laws must be made significantly more uniform across the states and the administration of the tax must be substantially overhauled and simplified. The goal of this legislation is to develop a simple, uniform and fair system of sales tax collection. It will reduce the burden on remote sellers while protecting State and local sovereignty.

Once States have adopted this simplified system, they would then have the authority to require remote sellers to collect and remit sales and use taxes to the State.

Previous attempts to require remote sellers to collect sales and use taxes have been criticized on the grounds that it was unreasonable to require businesses to keep track of the nearly 7,500 separate jurisdictions levying sales and use taxes. This bill addresses that criticism by requiring the states to dramatically simplify their sales and use tax systems by establishing uniform definitions and fewer rates.

The streamlined sales and use tax system envisioned by this legislation follows the guidance offered by the Advisory Commission on Electronic Commerce. The attributes of this streamlined system include: a centralized, one-stop, multi-state registration system for sellers; uniform definitions for goods or services that would be included in the tax base; uniform and simple rules for attributing transactions to particular taxing jurisdictions; uniform rules for the designation of and identification of purchasers exempt from tax; uniform certification procedures for software that sellers may rely on to determine State and local taxes; uniform returns and remittance forms; consistent electronic filing and remittance methods; State administration of State and local sales taxes; uniform audit procedures; reasonable compensation for tax collection by remote sellers; exemption for remote sellers with less than $5 million in annual sales for the previous year; appropriate protections for consumer privacy; and such other features that a member states deem warranted to promote simplicity.

Critics of this legislation argue that it is anti-technology, and that the Internet must be protected from this threat. That is not true. The sponsors of this bill yield to no one in their support and enthusiasm for a vibrant information technology industry. But that support does not necessitate special breaks for companies doing business over the Internet.

This legislation is more appropriately characterized with one word: fairness. It promotes fair treatment for all retailers. In addition it protects States' abilities to collect the resources necessary to make the education investments that will pave the way for the next technological breakthrough—the next Internet. I hope my colleagues will join the sponsors of this bill and support this approach.

ADDITIONAL STATEMENTS

TRIBUTE TO JOAN FINNEY

• Mr. BROWNBACK. Mr. President, I rise to pay tribute to the first woman ever elected governor of the great State of Kansas, and my good friend, Joan Finney.

Unfortunately, Governor Finney is currently in a serious battle with liver cancer.

Governor Finney served 16 years as State treasurer before becoming the first woman elected to the State's highest office, where she served as governor from 1991 through 1994. She did not seek a second term.

A resolution adopted by the State Democratic party describes her as someone who "gave tirelessly and selflessly to the people of Kansas, dedicating her energy, optimism, openness and faith to serving the people of Kansas."

I had the honor and privilege to serve with Governor Finney when I was Secretary of Agriculture for the State of Kansas.

It was a true honor to serve with someone who believed so much in public service. Particularly in a country that is marked by a growing skepticism about public service in general, and some of our public servants in particular, Governor Finney was a breath of fresh air in our capitol.

She embodied bipartisanship in so many ways; often working in a bipartisan way to advance the causes for which she so deeply believed. Her service to the State of Kansas will not soon be forgotten.

The Democrats at their annual meeting in Topeka this year adopted a resolution describing Governor Finney as "truly one of Kansas' most adored native daughters", and she is.

I extend my best wishes to Governor Finney as she faces this difficult period in her life. She and her husband, Spencer, need our prayers, they already have mine.•

DR. ROBERT GODDARD

• Mr. SARBANES. Mr. President, today I would like to recognize the contributions of a man who helped pave the way for the American space flight program. Seventy-five years ago, on a cool morning in Auburn, MA, Dr. Goddard and his small group of students and assistants huddled around a nine-pound, awkward looking structure and began the first of many, now familiar countdowns. Seconds later the small vehicle rose forty-one feet into the air and fell to the ground amid the cheers of those below. The age of modern rocketry was begun. Today, Doctor Goddard is recognized around the world as the father of modern rocket propulsion.

Goddard's dreams began, like thousands of other young children, with stories from his childhood. He was born in 1882, in Worcester, MA, as the only child of a bookkeeper. In 1899, at age 17, young Robert dozed off in a cherry tree after having read H.G. Wells' War of the Worlds. He dreamt he had ascended to Mars in a machine driven by centrifugal force. When he awoke he devoted his life to making his dream of spaceflight a reality.

His aspiration of devising a system for propelling men away from the Earth led him to pursue an education in physics. In 1908, he earned his Bachelor's of Science degree from Worcester Polytechnic Institute. He went on to receive his Master's in Physics from Clark University in 1910 and his doctorate in 1911. His early efforts in rocket propulsion mathematically explored various ideas including solar power, electric ion propulsion, and explosive firing from a large cannon as narrated in Jules Verne's classic 1865 novel From the Earth to the Moon. His work eventually rejected all of these ideas as for lack of efficiency or power.

In 1914, Doctor Goddard patented a system for using liquid propellant to lift rockets into the cosmos. That same year he also received a patent for a multiple stage system. Goddard devoted his life to the ideas and concepts of rocket propulsion that he first demonstrated in 1926. Forty-three years later these two patents were put into practice to propel Neil Armstrong and his fellow astronauts to their historic moon landing in 1969.

From 1920 to 1929 his work was sponsored primarily by the Smithsonian Institution. During this period, Goddard wrote four unsolicited reports in which he revealed his visions of space exploration. He foretold of manned vehicles exploring the moon and the planets, solar power, ion propulsion, and even journeys to other star systems. Goddard requested that these reports be kept confidential because these lofty concepts were completely unacceptable to the scientific community of the 1920s. In 1932, in a letter to H.G. Wells, Goddard wrote, "[A]iming at the stars, both literally and figuratively, is a problem to occupy generations, so that no matter how much progress one makes, there is always the thrill of just beginning. . . ." His visionary ideas were the spark that ignited the passions of hundreds of young men and women to transform his idealistic dreams into reality.

But he wasn't just a dreamer. His practical solutions led to 214 total patents. In the early 1920s, Goddard began a series of rocket tests of which the 1926 launch was the hallmark. One of the key theories proven by Goddard's experimentation was that a rocket will function in the vacuum of space. Before Goddard's meticulous tests, it was widely believed in the scientific community that rockets moved by pushing against the air. Goddard proved that rockets functioned on the reaction principle and that they would perform in a vacuum. On this foundation, the path was laid for scientists and engineers to build on Doctor Goddard's work and lead the United States to the forefront of the space race.

At his namesake, the Goddard Space Flight Center, in Greenbelt, MD, the tremendous NASA scientists and engineers recently celebrated forty years of continuing Dr. Goddard's legacy of discovery and exploration. So, on this day, we should remember the efforts of this courageous visionary and his successors as the finest example of American perseverance and ingenuity. Without Robert Goddard's enterprise, our race to the stars would have faltered. His historic launch is truly one of the great mileposts on the road to the modern space age.•

ELIAS "SKIP" ASHOOH

• Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Skip Ashooh, a dynamic and inspiring entrepreneur and the 47th recipient of the prestigous Citizen of the Year Award from the Greater Manchester Chamber of Commerce.

Skip, a native of the Queen City was honored with this award where he was applauded by more than 650 enthusiastic business and community leaders who gathered together to honor this outstanding citizen. Skip was surprised to see his exuberant mother and six siblings who reunited to share in this joyous occasion.

Upon completion of his bachelors degree from Saint Anselm College in 1973, Skip pursued a career as a junior high social studies teacher in Manchester where he shared his love of American history with his students.

After many years of teaching, Skip launched a new career as a licensed stock broker. Today, Skip heads his own successful financial services firm in downtown Manchester.

Through community service, Skip has demonstrated his tireless dedication and commitment as an active member of numerous civic and community boards. His most significant contribution to Manchester has been as an ardent supporter and advocate of the Manchester Civic Center. Skip should take great pride in the economic revival of downtown Manchester. I look forward to the opening face-off of the Monarchs when the Manchester Civic Center comes to life in November of this year.

As Winston Churchill once said, "We make a living by what we get. We make a life by what we give."

Skip cares deeply about Manchester and the State of New Hampshire and is an articulate and enthusiastic advocate for maintaining our place as a leader in technology and in quality of life. For his deep commitment to our state and for the positive results he has achieved in support of community and economic prosperity, it is my pleasure to honor him today and represent him in the United States Senate.•

IN MEMORY OF GRANT BUNTROCK

• Mr. JOHNSON. Mr. President, I rise today to honor the achievements of a true friend of American agriculture, Grant B. Buntrock, a native of my home State of South Dakota. Grant died at his home on Friday, March 9, 2001.

Grant made his mark on American agriculture all throughout his 38 years of service. He was honored to be selected by President Clinton as the administrator of the Department of Agriculture's Agricultural Stabilization and Conservation Service, ASCS. Through reorganization, he later became the first administrator of the Farm Service Agency, where he served until his retirement in 1997.

His training to be the agency's administrator came through his many ASCS positions. From 1977 through 1980, he served as Assistant Deputy Administrator, State and County Operations, DASCO. In 1981, he became the director of the Cotton, Grain and Rice Price Support Division, where he administered all support programs. His other assignments included Director, Price Support and Loan Division and DASCO staff assistant, as well as assignments to the Programs Operations Division and the Bin Storage Division.

But perhaps the most important position of all was his tenure as a program specialist in the Brown County ASCS office and his position as county office manager in the Day County ASCS office. He was on the front line, dealing directly with South Dakota's farmers and ranchers. His friends are confident that is what guided him in making his daily decisions on how our farm programs should function. While working day-to-day in the Department of Agriculture, he never forgot for whom he worked. The American farmer.

In the spring of 1995, Secretary Glickman came to South Dakota to see first hand the devastation our State experienced with severe flooding, the likes of which our State has never seen. The Secretary gave Grant the marching orders and he fulfilled those orders. Streamline disaster assistance, and get the help to those in need. Again, the American farmer.

He is going back to his roots, in Columbia, South Dakota. He was born and raised on a wheat and cattle farm in Columbia, where he graduated from high school and later attended South Dakota State University in Brookings. He served his country in the U.S. Navy from 1955 to 1957.

I offer my condolences to his wife, Donna, his mother, Marietta, and his children, LeAnn, Janelle, Gregory, his step children, Stephen, Gregory, Linda, Diane, and his seven grandchildren. They truly can be proud of Grant's service to his country.

South Dakota and the Nation has lost a true friend of agriculture. But a friend of agriculture who has left many a mark for years to come.•

TRIBUTE TO BERNIE WRIGHT

• Mr. HOLLINGS. Mr. President, rural South Carolina faces many diverse challenges, challenges that never intimidated Bernie Wright. Mr. Wright has recently left his post as State Director of the Farmers Home Administration and Rural Development after eight years, capping off an impressive 30 years of service with the USDA. Throughout his tenure as director, Mr. Wright remained committed to invigorating rural economies and improving the lives of citizens living and working in rural communities. He helped ensure that our State's small towns have the infrastructure to accomplish big things. Many people, including myself, have had the distinct pleasure of working with Bernie Wright and I am certain we will continue to reap the benefits of his accomplishments for years to come.•

IN MEMORY OF JOHN V. LINDSAY

• Mr. DODD. Mr. President, I rise today to pay tribute to the late John V. Lindsay, a talented public servant and a remarkable man.

John Lindsay served in public office, first as a Member of the United States House of Representatives, then as Mayor of New York City, during the 1960's and early 1970's, a tumultuous period in our Nation's history. In ways both large and small, he demonstrated an unswerving commitment to reason, to compassion and to progress for all Americans.

As a Republican, he recalled that he belonged to the party of Lincoln. While many in the 1960's and 1970's walked the streets of America's cities, he walked the streets of Harlem, jacket flung over his shoulder, to promote understanding and harmony. While many counseled caution and hesitation, he urged reconciliation among the races and attention to the needs of the less fortunate. And while many fled our cities for suburbia, he stayed and worked tirelessly to make urban America safer and more culturally enriching for residents and visitors alike.

John Lindsay made the fate of America's cities an urgent national concern. He believed that the Nation's future rested on the health and vibrancy of its urban centers. He supported the arts, affordable housing, school reforms and other initiatives to provide a better quality of life for both residents of and visitors to America's cities. Today, the renaissance being experienced in cities like New York, Philadelphia, Chicago, and Los Angeles suggest that John Lindsay's hopeful vision for our cities has been realized at least in part.

Upon graduating from Yale University in 1943, he joined the Naval Reserve as an ensign, serving as a gunnery officer during World War II. He participated in the invasion of Sicily and in the American landings in Hollandia, the Admiralty Islands and the Philippines. He won five battle stars and was a lieutenant when he was discharged in 1946.

Twelve years later, in 1958, John ran for Congress in New York's 17th Congressional District, which extended from Harlem to Greenwich Village on the East Side. Though ethnically and culturally diverse, he represented all of the people of his district with understanding, empathy, and a keen sense of their varied needs. He would represent them for eight years, re-elected three times by successively larger margins. Thereafter, he would represent all of the people of New York as Mayor from 1966 to 1974.

In 1972, John ran for President. As we all know, he did not prevail in that endeavor, at least at the ballot box. But in another sense, he succeeded in showing many in America what the people of New York City already knew; that he was a man of uncommon intelligence, charisma, and vision.

On a personal note, let me say that I had the great good fortune to know John not only as an elected leader, but as a friend. I will always cherish his warmth, his wit, and the wisdom he brought to all he did and said.

Our Nation has lost a public servant of rare gifts and broad vision. I extend my deepest sympathies to his wife, Mary Lindsay, to his children Katherine Lake, Margaret Picotte, Anne Lindsay, John Jr., their spouses and his five grandchildren.•

MESSAGE FROM THE HOUSE

At 1:32 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that pursuant to section 5(a) of the James Madison Commemoration Commission Act (Public Law 106–550), the Speaker appoints the following Members of the House of Representatives to the James Madison Commemoration Commission: Mr. GOODLATTE of Virginia and Mr. CANTOR of Virginia.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–975. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the annual report on the Proliferation of Missiles and Essential Components of Nuclear, Biological, and Chemical Weapons for Calendar Year 1998; to the Committee on Foreign Relations.

EC–976. A communication from the Acting Assistant Secretary of the Pension and Welfare Benefits Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Interim Final Rules for Nondiscrimination in Health Coverage in the Group Market" (RIN1210–AA77) received on March 9, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–977. A communication from the Deputy Chief Financial Officer, Office of the Under Secretary of Defense, transmitting, pursuant to law, the annual report related to audited financial statements for Fiscal Year 2000; to the Committee on Armed Services.

EC–978. A communication from the Managing Director of the Federal Communications Commission, transmitting, pursuant to law, the annual report concerning commercial inventory submissions for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–979. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report to assist and support congressional oversight providing budgetary implications of certain problems; to the Committee on Governmental Affairs.

EC–980. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Texas; Electric Generating Facilities; and Major Stationary Sources of Nitrogen Oxides for the Dallas/Fort Worth Ozone Nonattainment Area" (FRL6952–9) received on March 12, 2001; to the Committee on Environment and Public Works.

EC–981. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Request for Grant Proposals Making Growth Work: Community Innovations and Responses to Barriers" received on March 12, 2001; to the Committee on Environment and Public Works.

EC–982. A communication from the Director of the Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "List of Approved Spent Fuel Storage Casks: HI-STAR 100 Revision" (RIN3150–AG67) received on March 12, 2001; to the Committee on Environment and Public Works.

EC–983. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imazethapyr; Time-Limited Pesticide Tolerance" (FRL6774-9) received on March 9, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–984. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pyriproxyfen; Pesticide Tolerance" (FRL6766-6) received on March 9, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–985. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pymetrozine; Pesticide Tolerances for

"Emergency Exemptions" (FRL6766-9) received on March 9, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-986. A communication from the Chief of the Office of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: (Including Five Regulations)" ((RIN2115-AE46)(2001-0003)) received on March 12, 2001; to the Committee on Commerce, Science, and Transportation.

EC-987. A communication from the Chief of the Office of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Include Two Regulations" ((RIN2115-AE47)(2001-0023)) received on March 12, 2001; to the Committee on Commerce, Science, and Transportation.

EC-988. A communication from the Chief of the Office of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: (Including 164 Regulations)" ((RIN2115-AA97)(2001-0004)) received on March 12, 2001; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 350: A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes (Rept. No. 107-2).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 513. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Eightmile River in Connecticut for potential addition to the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SMITH of New Hampshire (for himself, Mr. CRAIG, and Mr. INHOFE):

S. 514. A bill to amend title 18 of the United States Code to provide for reciprocity in regard to the manner in which nonresidents of a State may carry certain concealed firearms in that State; to the Committee on the Judiciary.

By Mr. DOMENICI (for himself, Mr. BINGAMAN, Mr. FRIST, Mr. LIEBERMAN, Ms. SNOWE, Mr. ROCKEFELLER, Mr. KENNEDY, and Mr. BAYH):

S. 515. A bill to amend the Internal Revenue Code of 1986 to establish a permanent tax incentive for research and development, and for other purposes; to the Committee on Finance.

By Ms. SNOWE:

S. 516. A bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax for higher education loan interest payments; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mrs. MURRAY):

S. 517. A bill to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. McCONNELL:

S.Res. 58. A resolution to authorize the printing of a collection of the rules of the committees of the Senate; considered and agreed to.

ADDITIONAL COSPONSORS

S. 41

At the request of Mr. HATCH, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Rhode Island (Mr. CHAFEE) were added as cosponsors of S. 41, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

S. 60

At the request of Mr. BYRD, the names of the Senator from New Mexico (Mr. DOMENICI) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 60, a bill to authorize the Department of Energy programs to develop and implement an accelerated research and development program for advanced clean coal technologies for use in coal-based electricity generating facilities and to amend the Internal Revenue Code of 1986 to provide financial incentives to encourage the retrofitting, repowering, or replacement of coal-based electicity generating facilities to protect the environment and improve efficiency and encourage the early commercial application of advanced clean coal technologies, so as to allow coal to help meet the growing need of the United States for the generation of reliable and affordable electricity.

S. 92

At the request of Mr. GRAMM, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 92, a bill to authorize appropriations for the United States Customs Service for fiscal years 2002 and 2003, and for other purposes.

S. 96

At the request of Mr. KOHL, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 96, a bill to ensure that employees of traveling sales crews are protected under the Fair Labor Standards Act of 1938 and under other provisions of law.

S. 170

At the request of Mr. HUTCHINSON, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 178

At the request of Mr. WELLSTONE, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 178, a bill to permanently reenact chapter 12 of title 11, United States Code, relating to family farmers.

S. 206

At the request of Mr. SHELBY, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 206, a bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 2001, and for other purposes.

S. 208

At the request of Mr. FRIST, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 208, a bill to reduce health care costs and promote improved health care by providing supplemental grants for additional preventive health services for women.

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 251

At the request of Mr. HUTCHINSON, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 251, a bill to require the Food and Drug Administration to establish restrictions regarding the qualifications of physicians to prescribe the abortion drug commonly known as RU-486.

S. 262

At the request of Mr. CLELAND, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 262, a bill to provide for teaching excellence in America's classrooms and homerooms.

S. 327

At the request of Mr. REED, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 327, a bill to amend the Elementary and Secondary Education Act of 1965 to provide up-to-date school library media resources and well-trained, professionally certified school library media specialists for elementary schools and secondary schools, and for other purposes.

S. 336

At the request of Mr. BOND, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 336, a bill to amend the Internal Revenue Code of 1986 to allow use of cash accounting method for certain small businesses.

S. 350

At the request of Mr. CHAFEE, the names of the Senator from New Jersey (Mr. TORRICELLI), the Senator from Illinois (Mr. DURBIN), the Senator from Massachusetts (Mr. KERRY), the Senator from Hawaii (Mr. AKAKA), the Senator from Louisiana (Mr. BREAUX), the Senator from New Hampshire (Mr. GREGG), and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 350, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 361

At the request of Mr. MURKOWSKI, the names of the Senator from Wyoming (Mr. THOMAS) and the Senator from Missouri (Mr. BOND) were added as cosponsors of S. 361, a bill to establish age limitations for airmen.

S. 368

At the request of Mr. MCCAIN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 368, a bill to develop voluntary consensus standards to ensure accuracy and validation of the voting process, to direct the Director of the National Institute of Standards and Technology to study voter participation and emerging voting technology, to provide grants to States to improve voting methods, and for other purposes.

S. 452

At the request of Mr. MURKOWSKI, the names of the Senator from Ohio (Mr. VOINOVICH) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 464

At the request of Mr. BAYH, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 464, a bill to amend the Internal Revenue Code of 1986 to allow a tax credit for long-term care givers.

S. 480

At the request of Mr. DEWINE, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 480, a bill to amend titles 10 and 18, United States Code, to protect unborn victims of violence.

S. 484

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 484, a bill to amend part B of title IV of the Social Security Act to create a grant program to promote joint activities among Federal, State, and local public child welfare and alcohol and drug abuse prevention and treatment agencies.

S. 501

At the request of Mr. GRAHAM, the names of the Senator from Maine (Ms. COLLINS) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 501, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. Con. Res. 14, a concurrent resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 16

At the request of Mr. THURMOND, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. Res. 16, a resolution designating August 16, 2001, as "National Airborne Day."

S. RES. 23

At the request of Mr. CLELAND, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Res. 23, a resolution expressing the sense of the Senate that the President should award the Presidential Medal of Freedom posthumously to Dr. Benjamin Elijah Mays in honor of his distinguished career as an educator, civil and human rights leader, and public theologian.

S. RES. 25

At the request of Mr. CRAIG, the names of the Senator from Ohio (Mr. VOINOVICH), the Senator from Alaska (Mr. STEVENS), the Senator from Wyoming (Mr. ENZI), the Senator from Maryland (Mr. SARBANES), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Washington (Mrs. MURRAY), the Senator from Hawaii (Mr. INOUYE), and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. Res. 25, a resolution designating the week beginning March 18, 2001 as "National Safe Place Week."

S. RES. 43

At the request of Mr. MURKOWSKI, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mrs. MURRAY), the Senator from Alabama (Mr. SHELBY), the Senator from West Virginia (Mr. ROCKEFELLER), and the Senator from Florida (Mr. GRAHAM) were added as cosponsors of S. Res. 43, a resolution expressing the sense of the Senate that the President should designate the week of March 18 through March 24, 2001, as "National Inhalants and Poisons Awareness Week."

AMENDMENT NO. 16

At the request of Ms. COLLINS, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of amendment No. 16 proposed to S. 420, an original bill to amend title II, United States Code, and for other purposes.

AMENDMENT NO. 29

At the request of Mrs. CLINTON, her name was added as a cosponsor of amendment No. 29 proposed to S. 420, an original bill to amend title II, United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 513. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Eightmile River in Connecticut for potential addition to the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DODD. Mr. President, today, I am pleased to introduce the Eightmile River Wild and Scenic River Study Act of 2001, along with my colleague Senator LIEBERMAN. Representative SIMMONS of Connecticut introduced similar legislation in the House. The Eightmile River system is an important water resource within the Lower Connecticut River watershed.

For more than 30 years, the Wild and Scenic River program has been a successful public-private partnership to preserve certain select rivers in a free-flowing state. Designation as a Wild and Scenic River would ensure that the river and surrounding watershed are protected from development projects under the locally controlled Conservation Management Plan, which works to preserve a river's natural and significant resources.

But before a river receives Designation status as Wild and Scenic, a comprehensive study must be undertaken to determine whether a river possesses recreational, ecological, and scenic significance. Further, it must be demonstrated that there is a strong local and long-term commitment to preserving a river.

I am confident of the Eightmile River's significance and community support. Five years ago, the Connecticut towns of Salem, East Haddam and Lyme joined with educational and environmental groups to form the Eightmile River Watershed Committee and signed a Conservation Compact to preserve the river. Another local group, the Connecticut River Watershed Council, has been working with local, state, and federal agencies to restore migratory fish to the Eightmile River. The building of fish ladders means that the area can now serve as a restored spawning area for Blue-backed Herring and Atlantic Salmon. Finally, property owners support designation for the Eightmile River in order to preserve the natural resource that flows by and near their property. Clearly, there is a grassroots commitment to retain the integrity of this river.

The State of Connecticut has recognized the Eightmile River as a "River of Importance." Eighty-five percent of the Eightmile River Watershed is forested and more than 180 species of birds, fish, plants and reptiles live there. It is truly one of the most diverse and thriving ecosystems in the lower Connecticut River Valley.

Connecticut is a small state, less than 5,000 square miles, and is densely populated. While the State is actively working to preserve open space, the state consistently ranks near the bottom in the amount of Federal land. Our citizens are committed to balancing conservation and growth. That is why this designation is so important. While the state and local groups have done exceptional work so far, this designation would bring in federal technical assistance and foster coordination among the many concerned groups. It is time to get the formal process started.

For all of these reasons, I am pleased to introduce the Eightmile River Wild and Scenic River Study Act of 2001.

By Mr. DOMENICI (for himself, Mr. BINGAMAN, Mr. FRIST, Mr. LIEBERMAN, Ms. SNOWE, Mr. ROCKEFELLER, Mr. KENNEDY, and Mr. BAYH):

S. 515. A bill to amend the Internal Revenue Code of 1986 to establish a permanent tax incentive for research and development, and for other purposes; to the Committee on Finance.

Mr. DOMENICI. Mr. President, today I am joining my co-sponsors, Senators BINGAMAN, FRIST, LIEBERMAN, SNOWE, KENNEDY and BAYH in introducing the "Private Sector Research and Development Investment Act of 2001" This bill makes the Research Tax Credit permanent and significantly improves the structure of the Credit.

I am very pleased that President Bush has already endorsed a permanent Credit in his Agenda for Tax Relief. In the discussion of his tax package, President Bush notes that:

> The credit encourages the technological developments that are an important component of economic growth. . . . This should help spur the sustained, long-term investment in R&D that America needs to develop the next generation of critical technologies.

I wholeheartedly agree.

I am also pleased to join with Senator HATCH and many cosponsors in his bill to permanently extend the research credit and to increase the rates of the alternative incremental credit.

Today I want to suggest that we go a little further than both of these proposals in revising the Research Tax Credit. We should use the enthusiasm toward making the credit permanent to also improve it. In the process, we can significantly help the innovation process in our nation at the same time that we strengthen our universities and small businesses.

Advanced technologies drive a significant part of our nation's economic strength. Our economy and our standard of living depend on a constant influx of new technologies, processes, and products from our industries. Federal Reserve Chairman Greenspan has frequently reinforced the critical dependence between advanced technology and our economic strength.

Many countries provide labor at lower costs than the United States. Thus, as any new product matures, competitors using overseas labor frequently find ways to undercut our production costs. We maintain our economic strength only by constantly improving our products through innovation. Maintaining and improving our national ability to innovate is critically important to the nation.

Today, we are introducing legislation to improve the Research Tax Credit. The single most important change in our bill is to make the Credit permanent, as the President proposes. But other parts of the Credit would benefit from improvements.

For example, the current Credit references a company's research in 1984–88. That leads to situations where two companies doing the same research today receive different credits, depending on what they did in 1984.

As another example, now there is a "Basic Research Credit" allowed, but rarely used because of the way it is written. We could be using this section to encourage university research, as I have done in this bill. We also provide incentives for research to be done with research consortia.

In summary, this bill incorporates the improvements suggested by the President and in other current bills, and it goes further to strengthen the Credit.

With this new bill, we will significantly strengthen incentives for private companies to undertake research that leads to new processes, new services, and new products. The result will be stronger companies that are better positioned for global competition. Those stronger companies will hire more people at higher salaries with real benefits to our national economy and workforce.

Madam President, I will speak on the subject of the credit that American businesses get for research which is part of the Tax Code. I hope the distinguished chairman of the Finance Committee is aware this year the research tax credit has different support this year because the President of the United States has asked we make permanent this very important part of our Tax Code that gives American companies, large and small, an opportunity to take part of their research and apply for a research tax credit.

I am introducing a bill today that improves the tax credit. The President asked us to extend it so businesses will know where they are, which has been your position for years. I am sure the Senator will do that. Today I introduce a bill for 8 Senators on both sides of the aisle. We think it has to be improved in two or three ways. We want to make sure in America today that research by businesses, being done with universities, with laboratories, with a consortia of two or three companies and universities, two or three companies and laboratories, we want to make sure that research fits the definition of a research tax credit. That is what the big change has been.

Companies are not doing everything in house. They are doing it with universities, with other companies. They do not all get the tax credit, although it is part of the American marketplace, unless we modify the current tax credit. This bill we introduce does that and six or seven other things to make it more functional. We will be calling it to the attention of your staff as a separate item. Although we support Senator HATCH's bill that says continue it, make it permanent, we think it ought to be improved to fit what is truly the way American businesses are doing business today in the marketplace of science.

I ask the bill for myself, Senator BINGAMAN, and seven other Senators be sent to the desk and appropriately referred.

The PRESIDING OFFICER. The bill will be received and referred.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 58—TO AUTHORIZE THE PRINTING OF A COLLECTION OF THE RULES OF THE COMMITTEES OF THE SENATE

Mr. MCCONNELL submitted the following resolution; which was considered and agreed to:

S. RES. 58

Resolved, That a collection of the rules of the committees of the Senate, together with related materials, be printed as a Senate document, and that there be printed 500 additional copies of such document for the use of the Committee on Rules and Administration.

AMENDMENTS SUBMITTED AND PROPOSED

SA 35. Mr. WELLSTONE proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes.

SA 36. Mr. WELLSTONE proposed an amendment to the bill S. 420, supra.

SA 37. Mr. WELLSTONE proposed an amendment to the bill S. 420, supra.

SA 38. Mr. KENNEDY (for himself, Mr. ROCKEFELLER, and Mrs. CLINTON) proposed an amendment to the bill S. 420, supra.

SA 39. Mr. KENNEDY proposed an amendment to the bill S. 420, supra.

SA 40. Mrs. CARNAHAN submitted an amendment intended to be proposed by her to the bill S. 420, supra; which was ordered to lie on the table.

SA 41. Mr. LEAHY proposed an amendment to the bill S. 420, supra.

TEXT OF AMENDMENTS

SA 35. Mr. WELLSTONE proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . DUTIES WITH RESPECT TO A DEBTOR WHO IS A PLAN ADMINISTRATOR OF AN EMPLOYEE BENEFIT PLAN.

(a) IN GENERAL.—Section 521(a) of title 11, United States Code, as so designated by section 106(d) of this Act, is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(6) unless a trustee is serving in the case, if at the time of filing, the debtor, served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator.".

(b) DUTIES OF TRUSTEES.—Section 704(a) of title 11, United States Code, as so designated and otherwise amended by this Act, is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) in paragraph (11), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(12) where, at the time of the time of the commencement of the case, the debtor served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator;".

(c) CONFORMING AMENDMENT.—Section 1106(a) of title 11, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) perform the duties of the trustee, as specified in paragraphs (2), (5), (7), (8), (9), (10), (11), and (12) of section 704;".

Amend the table of contents accordingly.

SA 36. Mr. WELLSTONE proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. DISALLOWANCE OF CERTAIN CLAIMS; PROHIBITION OF COERCIVE DEBT COLLECTION PRACTICES.

(a) IN GENERAL.—Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking "or" at the end;

(2) in paragraph (9), by striking the period at the end and inserting "; or"; and

(3) by adding at the end of the following:

"(10) such claim arises from a transaction—

"(A) that is—

"(i) a consumer credit transaction;

"(ii) a transaction, for a fee—

"(I) in which the deposit of a personal check is deferred; or

"(II) that consists of a credit and a right to a future debit to a personal deposit account; or

"(iii) a transaction secured by a motor vehicle or the title to a motor vehicle; and

"(B) in which the annual percentage rate (as determined in accordance with section 107 of the Truth in Lending Act) exceeds 100 percent.".

(b) UNFAIR DEBT COLLECTION PRACTICES.—

(1) IN GENERAL.—Section 808 of the Fair Debt Collection Practices Act (15 U.S.C. 1692f) is amended—

(A) in the first sentence, by striking "A debt collector" and inserting the following:

"(a) IN GENERAL.—A debt collector"; and

(B) by adding at the end the following:

"(b) COERCIVE DEBT COLLECTION PRACTICES.—

"(1) IN GENERAL.—It shall be unlawful for any person (including a debt collector or a creditor) who, for a fee, defers deposit of a personal check or who makes a loan in exchange for a personal check or electronic access to a personal deposit account—

"(A) to threaten to use or use the criminal justice process to collect on the personal check or on the loan;

"(B) to threaten to use or use any process to seek a civil penalty if the personal check is returned for insufficient funds; or

"(C) to threaten to use or use any civil process to collect on the personal check or the loan that is not generally available to creditors to collect on loans in default.

"(2) CIVIL LIABILITY.—Any person who violates this section shall be liable to the same extent and in the same manner as a debt collector is liable under section 813 for failure to comply with a provision of this title.".

(2) CONFORMING AMENDMENT.—Section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)) is amended by striking "808(6)" and inserting "808(a)(6)".

On page 253, line 15, insert "as amended by this Act," after "Code,".

On page 253, line 16, strike "period" and insert "semicolon".

Amend the table of contents accordingly.

SA 37. Mr. WELLSTONE proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . DETERMINATION OF ELIGIBILITY FOR TRADE ADJUSTMENT ASSISTANCE IN CASES INVOLVING TACONITE PELLETS.

For purposes of determining, under section 222 or 250 of the Trade Act of 1974 (19 U.S.C. 2272 and 2331), the eligibility of a group of workers for adjustment assistance under chapter 2 of title II of the Trade Act of 1974, increased imports of semifinished steel slabs shall be considered to be articles like or directly competitive with taconite pellets.

SA 38. Mr. KENNEDY (for himself, Mr. ROCKEFELLER, and Mrs. CLINTON) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 10 between lines 17 and 18, insert the following:

"(V) In addition, if the debtor does not have health insurance benefits, the debtor's monthly expenses shall include an allowance to purchase a health insurance policy for the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case if the spouse is not otherwise a dependent.

SA 39. Mr. KENNEDY proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

Beginning on page 101, line 10, strike all through page 102, line 2.

Mr. JEFFORDS. Mr. President, the amendment before us is the continuation of a debate that began in 1999. The bankruptcy bill contains a provision that would place a $1 million cap on voluntary contributions in an IRA owned by a bankrupt debtor. While this provision is aimed at the same problem as the "homestead exemption cap," it misses the mark. IRAs already have a cap on voluntary contributions of $2,000 per year so it is impossible to "stuff" significant funds into an IRA in advance of filing for bankruptcy. In fact, the annual $2,000 contribution limits are generally viewed as being too low. In order to accumulate $1 million in voluntary $2,000 contributions, it would take roughly 40 years, even with a 10% rate of return.

I believe that this $1 million cap is practically impossible to administer. The cap does not apply to rollover funds from a pension plan. There are thousands of rollover IRAs in excess of $1 million. As Baby Boomers retire and take lump sum distributions from retirement plans, the number of $1 million IRAs will skyrocket.

However, tax law does not require that IRA rollover accounts be separated from voluntary tax-deductible IRA contributions. The principal and interest in these accounts is also comingled. But, in order to satisfy orders from Bankruptcy Courts to disgorge assets in co-mingled accounts, IRA Administrators will be forced to engage in costly and time consuming audits of the accounts to distinguish the funds.

I am most concerned, however, about the impact of this amendment on rollovers from retirement plans. Last year, we were successful in preventing the bankruptcy bill from the unprecedented breaching of the anti-alienation provisions of ERISA. The $1 million cap on IRAs will discourage retirement savings and pension portability by introducing uncertainty in the system. It will encourage individuals who change jobs to simply take the cash and spend it, rather than roll their funds into an IRA that would no longer be completely inviolate.

For all the potential harm that this provision of the bill would do, its benefits are only theoretical at some point in the future. I believe that the cost of this provision is too high and I urge my colleagues to support the amendment to strike Section 224(e) of the bill

SA 40. Mrs. CARNAHAN submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 10, between lines 17 and 18, insert the following:

"(V) In addition, if it is demonstrated that it is reasonable and necessary, the debtor's monthly expenses may also include an additional allowance for housing and utilities, in excess of the allowance specified by the Local Standards for housing and utilities issued by the Internal Revenue Service, based on the actual expenses for home energy costs, if the debtor provides documentation of such expenses.

SA 41. Mr. LEAHY proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 124, between lines 10 and 11, insert the following:

SEC. 233. PROHIBITION ON DISCLOSURE OF IDENTITY OF MINOR CHILDREN.

(a) PROHIBITION.—Chapter 1 of title 11, United States Code, is amended by adding after section 111, as added by this Act, the following:

"§ 112. Prohibition on disclosure of identity of minor children

"In a case under this title, the debtor may be required to provide information regarding a minor child involved in matters under this title, but may not be required to disclose in the public records in the case the name of such minor child.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

"112. Prohibition on disclosure of identity of minor children.".

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, March 21, 2001, at 9:30 a.m., in room SD–106 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to review current U.S. energy trends and recent changes in U.S. energy markets.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SRC–2 Russell Senate Office Building, Washington, DC 20510–6150.

For further information, please call Trici Heninger or Bryan Hannegan at (202) 224–7932.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MCCONNELL. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., Wednesday, March 14, 2001, in Room SR–301 Russell Senate Office Building, to conduct a hearing on election reform.

For further information concerning this meeting, please contact Tamara Somerville at the Committee on 4–6352.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MCCONNELL. Mr. President, I wish to announce that the Committee on Rules and Administration will meet at 9:30 a.m., Thursday, March 15, 2001, in Room SR–301 Russell Senate Office Building, to conduct a hearing on election reform.

For further information concerning this meeting, please contact Tam Somerville at the Committee on 4–6352.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that Deborah Forbes of my Labor Committee office be granted access to the floor during the deliberations of the bankruptcy bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT

The PRESIDING OFFICER. The Chair announces, on behalf of the Secretary of the Senate, pursuant to Public Law 101–509, the reappointment of James B. Lloyd, of Tennessee, to the Advisory Committee on the Records of Congress.

AUTHORIZING PRINTING OF COLLECTION OF RULES OF THE COMMITTEES OF THE SENATE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 58, submitted earlier by Senator MCCONNELL.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 58) to authorize the printing of a collection of the rules of the committees of the Senate.

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 58) was agreed to.

(The text of the resolution is located in today's RECORD under "Submitted Resolutions.")

ORDERS FOR TUESDAY, MARCH 13, 2001

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Tuesday, March 13. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 10 a.m., with Senators speaking for up to 5 minutes each, with the following exceptions: Senator DURBIN, or his designee, 9:30 a.m. to 9:45 a.m., and Senator ALLEN, 9:45 a.m. to 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I further ask unanimous consent that at 10 a.m., the Senate resume consideration of S. 420, the bankruptcy reform bill, with Senator HOLLINGS being immediately recognized for up to 20 minutes for discussion of the lockbox issue, notwithstanding the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I also ask unanimous consent that the Senate stand in recess from the hours of 12:30 p.m. to 2:15 p.m. for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRASSLEY. Mr. President, for the information of all Senators, the Senate will convene at 9:30 a.m. and will resume consideration of the bankruptcy legislation at 10 a.m. Two votes have been ordered to occur at 11 a.m. on the Kennedy amendment and the Feinstein amendment, as modified. Following the policy luncheons at 2:15 p.m., there will be 30 minutes for debate on the Conrad and Sessions amendments with votes ordered to occur at 2:45 tomorrow afternoon.

ORDER FOR FILING FIRST-DEGREE AMENDMENTS—S. 420

Mr. GRASSLEY. Mr. President, cloture was filed on the bill during today's session. Therefore, I ask unanimous consent that notwithstanding the recess of the Senate, all first-degree amendments must be filed by 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 9:30 A.M.

Mr. GRASSLEY. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 5:56 p.m., adjourned until Tuesday, March 13, 2001, at 9:30 a.m.

EXTENSIONS OF REMARKS

HONORING 21 MEMBERS OF NATIONAL GUARD KILLED IN CRASH ON MARCH 3, 2001

SPEECH OF

HON. JOE SCARBOROUGH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 7, 2001

Mr. SCARBOROUGH. Madam Speaker, today we honor the three Florida Army National Guard members from Detachment 1, 1st Battalion 171st Aviation, of Lakeland, Florida, and 18 Virginia Air National Guardsmen from 203rd Red Horse Flight who died on March 3, 2001, when the C–23 aircraft returning them home crashed in south-central Georgia.

It is not enough to thank these men for their service. And it is not enough to honor their commitment. We must also thank and honor the family these men have left behind. It is never easy to console families who have lost a service member. I ask that we keep the families of the Florida Guard soldiers and the Virginia airmen in our thoughts and prayers. We are grateful for their service and are humbled by the dedication a family member gives when a spouse, parent or child is in the military. Again, our thoughts and prayers are with them.

OSHA ERGONOMICS RULE

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 12, 2001

Mr. WALSH. Mr. Speaker, on March 6, the U.S. Senate voted 56–44 to repeal an OSHA ergonomics rule initiated by the Clinton administration that would affect over 102 million workers at over 6 million work sites. While Congress passed the Congressional Review Act in 1996, granting the authority to review and disapprove of many regulatory rules made by a federal agency, Congress has never passed a joint resolution of disapproval.

I have strong reservations about the rule because it puts a significant burden on already struggling small businesses not only in my community in Central New York but across the United States. Currently, Congress is trying to maintain and strengthen the overall economy by encouraging small business entrepreneurship with a variety of economic stimulus programs. We must continue this effort in a positive manner as it is the small business person who creates jobs in each of our districts. The implementation of this rule would devastate employers with extra costs that would try to fix ergonomically related problems.

Despite my opposition to this rule, our work on this issue cannot stop here. According to OSHA, improper ergonomic design of jobs is one of the leading causes cited for work-related illness. Congress must protect the thousands of employees that have had work-related injuries while at the same time protect small businesses that must deal with the complexity and cost of the standard. Through federal funding, studies by the National Academy of Sciences (NAS) have provided a thorough review of studies that showed significant statistical information between workplace injuries and musculoskeletal disorders. However, the scientific understanding of the problem has not been completed.

With this in mind, I urge Secretary Chao to immediately review and revise the standard that meets the needs of all parties. I do believe in a comprehensive approach to ergonomics that addresses the concerns imposed against the current standard. By finding corrective actions that can redesign the workplace, we will ensure the health and stability of our nation's workforce.

PERSONAL EXPLANATION

HON. RONNIE SHOWS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 12, 2001

Mr. SHOWS. Mr. Speaker, my family experienced a tragedy last week that forced me to miss a series of important votes from March 6 through March 8 last week. Due to the death of my mother-in-law on March 6 in Mississippi, I was with my family and was unable to cast recorded votes on rollcalls 26 through 45.

On rollcall 26, I would have voted "yea" on the Motion to Suspend the Rules and Pass H.R. 724, a bill to Authorize Appropriations to Carry Out Part B of Title I of the Energy Policy and Conservation Act, relating to the Strategic Petroleum Reserve.

On rollcall 27, I would have voted "yea" on the Motion to Suspend the Rules and Pass H.R. 727, a bill to Amend the Consumer Product Safety Act to Provide that Low-Speed Electric Bicycles are Consumer Products Subject to Such Act.

On rollcall 28, I would have voted "yea" on Approving the Journal.

On rollcall 29, I would have voted "nay" on Agreeing to H. Res. 79, a bill providing for consideration of S.J. Res. 6, Providing for Congressional Disapproval of the Rule Relating to Ergonomics.

On rollcall 30, I would have voted "yea" on the Motion to Suspend the Rules and Agree to H. Con. Res. 31, a bill expressing the sense of the Congress regarding the importance of organ, tissue, bone marrow, and blood donation and supporting National Donor Day.

On rollcall 31, I would have voted "yea" on the Motion to Suspend the Rules and Pass, as Amended, H.R. 624, the Organ Donation Improvement Act.

On rollcall 32, I would have voted "yea" on the Motion to Suspend the Rules and Agree to H. Con. Res. 47, a bill Honoring the 21 members of the National Guard who were killed in the crash of a National Guard aircraft on March 3, 2001, in south-central Georgia.

On rollcall 33, I would have voted "yea" on Passage of S.J. Res. 6, a bill Providing for Congressional Disapproval of the Rule Submitted by the Department of Labor Under Chapter 8 of Title 5, United States Code, Relating to Ergonomics.

On rollcall 34, I would have voted "nay" on on Approving the Journal.

On rollcall 35, I would have voted "aye" on the Motion to Adjourn.

On rollcall 36, I would have voted "yea" on the Motion to Adjourn.

On rollcall 37, I would have voted "no" on Ordering the Previous Question on H. Res. 83, a bill Providing for consideration of H.R. 3, the Economic Growth and Tax Relief Act of 2001.

On rollcall 38, I would have voted "no" to Table the Motion to Reconsider H. Res. 83.

On rollcall 39, I would have voted "no" on Agreeing to H. Res. 83.

On rollcall 40, I would have voted "no" to Table the Motion to Reconsider H. Res. 83.

On rollcall 41, I would have voted "aye" on the Motion to Adjourn.

On rollcall 42, I would have voted "yea" on the Rangel Substitute to H.R. 3.

On rollcall 43, I would have voted "yea" to Table the Motion to Reconsider H.R. 3.

On rollcall 44, I would have voted "aye" on the Motion to Recommit H.R. 3 with instructions.

On rollcall 45, I would have voted "yea" on Passage of H.R. 3, the Economic Growth and Tax Relief Act of 2001.

Mr. Speaker, for me a "yea" vote on rollcall 33, to pass S.J. Res. 6, was a difficult decision. I supported S.J. Res. 6 because, although I firmly believe an ergonomics regulation is necessary, I am troubled by overly broad scope of the regulation that was promulgated late last year, and by the potential costs incurred by businesses required to implement this unfunded mandate against the private sector.

In recent years, my district has experienced the exodus of thousands of jobs, Mr. Speaker, largely because our trade policies have encouraged businesses to take advantage of lower wages and weaker worker protection and environmental laws across our borders. I fear that imposing this particular ergonomics regulation would have encouraged the loss of even more jobs at home.

At the same time, the process used to bring S.J. Res. 6 to the House floor disappointed me. It was rushed with no House hearings and little opportunity for debate. This process gave me little time to solicit the opinions of my constituents in Mississippi. That is why I would have voted against the rule governing consideration of the Joint Resolution.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Nonetheless, I believe we need an ergonomics regulation that provides reasonable protections for our workforce. The Secretary of Labor has indicated her willingness to promulgate a new regulation and I urge her to initiate the process immediately.

We need the business and labor communities to work together to craft worker safety regulations that do not place unfair burdens on businesses to comply. If an ergonomics regulation is implemented in the future, I will introduce legislation providing tax credits to help businesses offset the cost of compliance. This would be a fair approach, one that provides reasonable worker protections without forcing businesses to choose between implementing ergonomics regulations or shutting down and relocating across our border.

Mr. Speaker, on rollcall 45 I would have voted "yea" in favor of H.R. 3, President Bush's measure to reduce income tax rates, because currently we pay more in taxes than at any time since World War II. Taxes consume a staggering 38 percent of the gross income of the average family. Most families pay more in taxes than for food, housing, and clothing combined. This is wrong. Ending estate and marriage penalty taxes will be voted on soon and I will vote to end them both just like I did last year.

But honestly, Mr. Speaker, the income tax cut in H.R. 3 was a good tax cut but it was not perfect. Middle America, working Americans and Mississippians should receive more of a refund than this tax cut provides. The nation's wealthiest should not get a full loaf while the rest of us get only crumbs. But, cutting taxes in Washington is next to impossible. Once a revenue stream is flowing into the federal government, it's hard to reduce the flow. Cutting taxes for hard working Mississippians has been one of my priorities since taking office. We cannot afford to miss this chance to provide tax cuts for our families. More money in our pockets, not that of the federal government, is best for America.

I have other priorities that are essential for our nation's future, too. Paying off the National Debt, restoring the promise of health care for our military retirees, standing with our family farmers, building a stronger military, providing prescription drug help for our seniors, protecting Social Security and Medicare, and making stronger schools for our children, deserve our attention and support. The debate in Washington has been about our ability to provide a huge tax cut and accomplish all these other goals. Can we have our cake and eat it too? The president says we can. I hope he's right.

Cutting taxes is the right thing to do. Our priorities must be about building strong families and communities. This income tax cut bill now heads to the U.S. Senate. I am confident the Senate will consider all of our priorities, address the need to provide solid relief for middle America, and implement mechanisms to protect us—the taxpayers—from a return to deficit spending. The bill will then return to the House. We will once again have the opportunity to do the right thing. I am determined that we will.

CELEBRATION OF THE 200TH ANNIVERSARY OF ARLINGTON

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 12, 2001

Mr. MORAN of Virginia. Mr. Speaker, I rise today to celebrate the 200th anniversary of Arlington's founding. This historical celebration commemorates what President George Washington, patriot George Mason, and other Virginians began when they donated land to the Federal Government to establish the new Nation's Capital. Arlington County has had a colorful and illustrious past and holds the promise of an even greater future. Few other counties are as intricately linked to as many historic events of national significance as Arlington. From the first recorded encounter between Captain John Smith and the Nocostin Indians at present day Roosevelt Island; to prominent local residents who were integral in the fight for independence and our early history as a new republic; to Arlington's role as a staging ground for Union forces during the Civil War; to becoming home for the bureaucracy created during the New Deal; to the country's role today as a national model for smart growth and commitment to community and civic pride, Arlington stands as a model for the rest of the Nation.

As colorful and glorious as the past has been, we can look forward to an even brighter future. Today's celebration not only acknowledges the enormous contributions Arlington has made to our democracy but also provides us with an opportunity to highlight the long overdue and comprehensive story of that same legacy.

Arlington House is known for being situated on land that once belonged to the commander of the Continental Army, but it was also home of the Confederacy's most famous general. It was perhaps the Capital's, and therefore the Nation's, most visible reminder of the South's most "peculiar institution." A plantation fueled by slave labor, Arlington House stood within view of those who debated the Missouri Compromise and constructed the Dred Scott decision. It was also the site where the Federal Government established one of the first Freedman's Village providing social services, education, and vocational training to former slaves whose later influence and success still touch us today.

I want to compliment the collective wisdom of the Arlington County Board and the Bicentennial Task Force for their decision to use this celebration as an occasion for launching efforts to help restore Arlington House and reopen the slave quarters. The two surviving quarters, which have been closed and boarded up for years, will now be reopened and include interpretative displays of the Freedman's Village and its important impact on Arlington.

From this point forward, the Nation will know that the ground where Robert E. Lee stood was also the land upon which Harriet Tubman and Sojourner Truth tread. It is a gift I am pleased to support and hope to expand upon with my colleagues in Congress, as we attempt to procure additional Federal resources. Arlington should be proud of its great past, but because of its commitment to recognize and celebrate the contributions of all its residents, we will surely experience an even greater future.

ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

SPEECH OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. DINGELL. Mr. Speaker, I rise in strong opposition to this ill-conceived tax plan. Why, Mr. Speaker, do I so strongly object to this plan?

Let me count the ways:

1. Process.—The Ways and Means Committee has rushed this tax cut through without allowing the Budget Committee to do its work.

We have no idea how this cut meshes with our national priorities.

As its name suggests, the Budget Committee is charged with coming up with our national budget, yet they and the Congress have not been given time to do so.

Section 303 of the Congressional Budget Act states that the Congress may not pass tax cuts, or tax increases for that matter, without first passing a budget. Republican leadership is ignoring the law in order to rush this turkey through.

Ignorance here is bliss. We haven't the least idea what the Congress is doing or how it affects the budget or the country.

2. The Surplus.—This entire tax plan is based on projected surpluses. I hate to milk a dead cow, but these are merely projections—we have not collected the surplus yet!

Any honest count shows that the President's numbers don't add up. If we take the Social Security and Medicare Trust Funds out of the projected $5.6 trillion surplus, we are left with $2.5 trillion. Now, if we subtract $1 trillion for the proposed "rainy day fund" we are left with $1.5 trillion. Take $1.6 out for the tax cut and we are $100 billion in the red. There is no money for helping hands, education, Medicare Reform, Social Security reform, debt reduction, increased defense spending, health insurance for the uninsured.

We have been down this road before. In the 1980s we passed a reckless tax cut and a budget that did not add up. The result was that America was buried under a mountain of debt.

3. Fairness.—This is clearly an unfair and unfairly crafted tax cut. As usual, my Republican colleagues are looking out for their fat cat buddies. The top 1 percent, those making more than $900,000/year, gets more than 43 percent of the tax cut. That is $868 billion to the wealthiest Americans. The remaining 99 percent of the taxpayers get the crumbs left on the table, with over 85% of the taxpayers getting a tax cut far less than the $1,600 the President promised.

4. History.—Recall, if you will, the years 1981 and 1982. The Congress, at the urging of President Reagan, passed a massive tax cut. Within one year, when the debt began to

pile up, we realized what a drastic mistake we had made. The next year, President Reagan signed a tax increase.

George Santayana, whose writings and wisdom I have found to serve those in politics, counsels us: Those who cannot remember the past are condemned to repeat it. We must learn from the mistakes that fostered soaring inflation, and led us right into recession.

In closing, I would remind my colleagues that we have been down this road before. This is not the correct path. Fiscal restraint should guide us, not the irresponsibility we saw in the 1980s. I would ask my colleagues to reject this rascality and vote no on this bill.

ELIMINATE PENALTY FOR CITIZENSHIP

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, March 12, 2001

Mrs. MINK of Hawaii. Mr. Speaker, on January 3, 2001, I introduced H.R. 133 to correct an unintended consequence where a petitioner seeking a visa for her children to come to the United States loses her place in line if she changes her status from legal resident to U.S. citizen.

This problem primarily affects Filipinos because of the huge backlog in the quota for unmarried sons or daughters of American citizens from the Philippines. It is longer than that of unmarried sons and daughters of lawful permanent residents.

Such a consequence penalizes people for becoming a citizen.

Imagine how devastating it is for a petitioner to become an American citizen, only to find that this significantly delays your child's entry date to enter the United States. It is heartbreaking to have to inform constituents of this sad consequence of their becoming a U.S. citizen.

I am forced to advise petitioners not to apply for citizenship to avoid this penalty.

As a legal resident, remember they could lose many benefits such as Medicaid. To be reunified with their children, the law, unless changed, forces them to risk much.

Please join me in changing this inequitable outcome by the enactment of H.R. 133.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 13, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 14

9:30 a.m.

Rules and Administration

To hold hearings on election reform issues.

SR–301

Commerce, Science, and Transportation

To hold hearings on whether Congress should allow states to require all remote sellers to collect and remit sales taxes on deliveries into that state, provided that states and localities dramatically simplify their sales and use tax systems.

SR–253

Indian Affairs

Business meeting to consider committee's budgetary views and estimates on the President's fiscal year 2002 budget request for Indian programs; to be followed by hearings on S. 211, to amend the Education Amendments of 1978 and the Tribally Controlled Schools Act of 1988 to improve education for Indians, Native Hawaiians, and Alaskan Natives.

SR–485

Energy and Natural Resources

Business meeting to consider their fiscal year 2002 budgetary views and estimates on programs which fall within the jurisdiction of the committee and agree on recommendations it will make thereon to the Committee on the Budget.

SD–628

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative recommendations of the Disabled American Veterans.

345 Cannon Building

Budget

To resume hearings to examine the President's proposed budget request for fiscal year 2002.

SD–608

Finance

To hold hearings on issues relating to encouraging charitable giving.

SD–215

Appropriations

Interior Subcommittee

To hold joint hearings with the House Committee on Appropriations' Subcommittee on the Interior on issues dealing with the wildfire program.

R–2359

Appropriations

Defense Subcommittee

To hold closed hearings to review intelligence programs.

S–407 Capitol

Judiciary

To hold hearings to examine drug treatment, education, and prevention programs.

SD–226

10:30 a.m.

Foreign Relations

Business meeting to consider S. 244, to provide for United States policy toward Libya; S. 494, to provide for a transition to democracy and to promote economic recovery in Zimbabwe; S. Res. 22, urging the appropriate representative of the United States to the United Nations Commission on Human Rights to introduce at the annual meeting of the Commission a resolution calling upon the Peoples Republic of China to end its human rights violations in China and Tibet; S. Res. 27, to express the sense of the Senate regarding the 1944 deportation of the Chechen people to central Asia; S. Con. Res. 7, expressing the sense of Congress that the United States should establish an international education policy to enhance national security and significantly further United States foreign policy and global competitiveness; proposed legislation to amend United States drug certification procedures; and proposed legislation urging the immediate release of Kosovar Albanians wrongfully imprisoned in Serbia.

SD–419

2 p.m.

Intelligence

To hold closed hearings on intelligence matters.

SH–219

MARCH 15

Time to be announced

Judiciary

Business meeting to consider pending calendar business.

Room to be announced

9 a.m.

Energy and Natural Resources

To hold hearings on S. 26, to amend the Department of Energy Authorization Act to authorize the Secretary of Energy to impose interim limitations on the cost of electric energy to protect consumers from unjust and unreasonable prices in the electric energy market; S. 80, to require the Federal Energy Regulatory Commission to order refunds of unjust, unreasonable, unduly discriminatory or preferential rates or charges for electricity, to establish cost-based rates for electricity sold at wholesale in the Western Systems Coordinating Council; and S. 287, to direct the Federal Energy Regulatory Commission to impose cost-of-service based rates on sales by public utilities of electric energy at wholesale in the western energy market, and amendment No. 12 to S. 287.

SH–216

9:30 a.m.

Rules and Administration

To continue hearings on election reform issues.

SR–301

Governmental Affairs

To hold hearings to examine high performance computer export controls.

SD–342

Environment and Public Works

Transportation and Infrastructure Subcommittee

To hold hearings to examine the Army Corps of Engineers management reforms.

SD–406

Commerce, Science, and Transportation

Business meeting to consider pending calendar business.

SR–253

10 a.m.
Banking, Housing, and Urban Affairs
Business meeting to markup S. 149, to provide authority to control exports.
SD–538

Appropriations
Transportation Subcommittee
To hold oversight hearings on competition and mobility issues in the freight rail industry.
SD–124

Finance
Taxation and IRS Oversight Subcommittee
To hold hearings to examine the preservation and protection of family business legacies.
SD–215

10:30 a.m.
Appropriations
District of Columbia Subcommittee
To hold hearings on the District of Columbia's child and family services receivership.
SD–192

Foreign Relations
To hold hearings on the nomination of Richard Lee Armitage, of Virginia, to be Deputy Secretary of State.
SD–419

2 p.m.
Foreign Relations
European Affairs Subcommittee
To hold hearings to examine certification of the United States assistance to Serbia.
SD–419

2:30 p.m.
Finance
To resume hearings on issues relative to living without health insurance focusing on solutions including individual tax credits, employer tax credits, increased flexibility in Medicaid and the State Children's Health Insurance Program, program expansions, and ways to improve outreach.
SD–215

MARCH 16

9:30 a.m.
Finance
To hold hearings to examine issues relating to international trade and the American economy.
SD–215

MARCH 19

1 p.m.
Banking, Housing, and Urban Affairs
Housing and Transportation Subcommittee
To hold hearings to examine the current state of Department of Housing and Urban Development's Federal Housing Administration Insurance Fund.
SD–538

MARCH 21

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to review current United States energy trends and recent changes in U.S. energy markets.
SD–106

2 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on the Klamath Project in Oregon, including implementation of PL 106–498 and how the project might operate in what is projected to be a short water year.
SD–628

MARCH 22

10 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Retired Officers Association, and the National Association of State Directors of Veterans Affairs.
345 Cannon Building

2:30 p.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold oversight hearings to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Title IV of the National Parks Omnibus Management Act of 1998.
SD–192

MARCH 27

10:30 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings on issues relating to Yucca Mountain.
SD–124

APRIL 3

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings to examine issues surrounding nuclear power.
SD–124

Judiciary
To hold hearings to examine online entertainment and related copyright law.
SD–226

APRIL 24

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Bureau of Reclamation, of the Department of the Interior, and Army Corps of Engineers.
SD–124

APRIL 25

10 a.m.
Judiciary
To hold hearings to examine the legal issues surrounding faith based solutions.
SD–226

APRIL 26

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Nuclear Security Administration, Department of Energy.
SD–124

MAY 1

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD–124

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD–226

MAY 3

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radio Active Waste Management.
SD–124

MAY 8

10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD–226

HOUSE OF REPRESENTATIVES—*Tuesday, March 13, 2001*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. BALLENGER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 13, 2001.

I hereby appoint the Honorable CASS BALLENGER to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 3, 2001, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

BICYCLE RIDING IS EFFICIENT MEANS OF TRANSPORTATION AND PROMOTES WELLNESS

Mr. BLUMENAUER. Mr. Speaker, I came to Congress dedicated to making the Federal Government a better partner in helping our communities to be livable, for our families to be safe, healthy and economically secure. One important way of advancing that mission is through the intelligent use of the bicycle. As a person who cares about cycling and the world environment and energy supply, it was, to say the very least, unnerving to read the story about cycling in China in Monday's Washington Post.

China is a huge country with an old and venerated tradition that is having trouble modernizing. It has experienced a century-long love affair with the bicycle since it was first introduced to China by American missionaries. They have more bicycles in China than any place in the world, but it is ironic that this country is seeking to ban bicycles in some areas. It is especially ironic to ban them from the central cities where they can have the greatest impact.

The bicycle is the most efficient means of transportation that has ever been devised. Unlike the horse or automobile, there is no pollution generated from cycling. It leaves the cyclist healthier, and the cyclist takes up a fraction of the roadway. As somebody who brought a bicycle to Washington, D.C. instead of a car when I was elected 5 years ago, I can testify that for the vast majority of my meetings around Washington, D.C., I will beat my colleagues who take cabs or their cars.

The movement from bicycles to cars has serious and wide-spread side effects and is a prescription for disaster. It is frightening to consider the 1.3 billion Chinese each with their own car living further from where they work.

The increased demand for concrete in the cities and impact on the environment resulting from more automobiles in China than any place in the world is not going to help our efforts to address global climate change.

The bicycle is not the only answer to problems of livability and it is not for everyone; but the facts remain at a time when our roads are too congested, the fitness of our children, the skyrocketing levels of morbid obesity, an important part of every community's equation for being safer, healthier and more economically secure is probably stored in the garage or parked in the basement. Over 100 million Americans have access to bicycles, but what should Congress do to help people use them?

First, and foremost, Congress should lead by example and provide more adequate bike parking, more showers and changing facilities in order to encourage bike commuting here in Washington, D.C. Surveys show that if offices are so equipped, 45 percent of the employees who live within 5 miles would choose to bike commute to work.

Federal employees are allowed, in many cases, free parking or free transit. They can be reimbursed for cab fair or auto mileage, but cyclists are on their own; and that is rather foolish. Benefits should be expanded to include bicycle commuters the same way we treat other Federal employees.

We need to provide funding for safe transportation for our children. Over the course of the last 20 years, the number of children who are independently able to get to school on their own has decreased substantially, in some communities by 70 percent or more.

Regular cycling can help deal with that access. It can help with the epidemic of childhood obesity and promote the wellness of our children. Indeed children that ride to school in cars in slow-moving traffic experience worse air pollution than those who are walking or cycling.

I hope that Congress will consider more ways to encourage the implementation of the Safe Routes to School program to help provide the routes and to teach children about bicycle safety and promoting biking as a viable means of transportation.

Last but not least, Members of Congress should join the Congressional Bike Caucus. This is a group of Members of Congress who periodically host rides around Washington, D.C. for Members, their families and staff, but there is also a serious component to what we do.

We have worked to help promote sound Federal bicycle policies and encourage the construction of thousands of miles of bicycle paths. Our rides have served to raise the awareness of the cycling climate here in Washington, D.C. and to work with groups in the community to improve the cycling conditions in the District.

At the end of the month of March, there will be hundreds of cycling advocates from around the United States here on Capitol Hill to deal with the first annual Bicycle Summit. It will be a time to concentrate on those areas where the Federal Government can be a better partner in providing greater transportation choices so that our communities can be safer and our families can be healthier and economically secure.

PRESIDENT BUSH'S TAX RELIEF PLAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, this body last week passed President's Bush's tax relief plan, the first step towards a broad tax reduction for our generation. The timing, Mr. Speaker, could not be better for all of us. We have to tighten our belts and prepare for a possible change in our economy.

In fact, the NASDAQ stock exchange closed below 2000 points yesterday, the first time the index closed so low since December, 1998.

President Bush's tax relief plan is a vital means of ensuring the economic engine that we have today continues to

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

move forward, continues running; and of course, we do not want the economy to stall. By returning Americans' hard-earned dollars back to their wallets through tax relief, we will be saving Americans their checking accounts and, of course, and this is my point this afternoon, from Congress spending their money. For, if we fail to return money back to all those hard-working Americans, men and women, the Federal Government will just keep writing checks to spend their money. It is important we give it back to them, with the economy starting to slow.

How much money would Congress spend? Well, due to previous threats of a government shutdown by former President Clinton, and now a practically evenly divided Congress, the Federal Government has been on a spending spree of record proportions since the budgets emerged in 1998.

I believe President Bush has proposed holding spending at roughly 4 percent, a 4 percent increase. He has also offered to pay down the debt while reducing the record tax burden shouldered by all Americans, furthermore removing from Congress the temptation to spend the tax overpayment Americans are presently paying to the U.S. Treasury.

Even Chairman Alan Greenspan agrees with this plan. When the Congressional Budget Office, CBO, came out with its most recent budget estimates, one number, Mr. Speaker, stood out: $5.6 trillion. That is the size of the projected surplus over the next 10 years. It is enough, of course, to pay down the debt, reduce the tax burden through broad tax relief, and target spending at some of the important programs that President Bush just talked about: health care, defense, and education.

But within that budget analysis, there was another number that garnered less attention. That number was $561 billion. That is the amount of new spending Congress added during last fall's spending spree, discretionary, mandatory, and additional interest expense, $561 billion. That amount represents fully one-third the size of the proposed Bush tax relief plan.

It also represents the iceberg's proverbial tip. Since the surplus emerged in 1998, Congress has accelerated spending increases three-fold. In the 3 years prior to 1998, discretionary budget authority grew at a reasonable approximately 2 percent a year. Since 1998, discretionary budget authority has grown at a galloping 6 percent a year.

How much has this increase in discretionary spending reduced the projected surplus? It is $1.4 trillion. Again, that is just the discretionary spending. According to the CBO, the mandatory spending adopted by Congress last fall reduced the available surplus by $70 billion.

Mr. Speaker, in 3 years we have already reduced the projected surplus by almost the equivalent of President Bush's tax relief plan. Moreover, the Office of Management and Budget estimates that if discretionary spending continues to grow at its current rate, the 10-year surplus would be $1.4 trillion less over the next 10 years; again, almost equal to the Bush tax relief. So if we do not give it back to the people today, Congress will spend this money beyond inflation's cost of living.

An analysis of spending since the budget surpluses first emerged showed that if Congress had avoided this simple temptation to increase spending above the budget baseline caps, today we could offer American families a tax relief program equivalent to the Bush plan, and still we would be able to have a $5.6 trillion surplus left over to pay down the debt, increase funding for education, health care, and defense, and still cut taxes even further.

Mr. Speaker, I conclude by urging the other body, the Chamber in the Senate, and other Americans to support the President's broad-based tax relief for American families, and of course, hold spending to 4 percent.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members will be reminded to refrain from urging the other body to take certain action.

ECONOMIC DEVELOPMENT FOR PUERTO RICO

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Puerto Rico (Mr. ACEVEDO-VILÁ) is recognized during morning hour debates for 5 minutes.

Mr. ACEVEDO-VILÁ. Mr. Speaker, the United States is currently faced with great challenges and at the same time great opportunities. The balanced Federal budget and projected surplus provide economic alternatives that some years ago were not available. However, the indications of an economic slowdown have helped generate calls from the President and Congress to create economic stimulus through a variety of proposals.

Last week the House voted in favor of generous individual income tax reductions. Debate continues on the size and scope of tax cuts and what should be done to spur real economic growth. As the Representative of Puerto Rico before Congress, I will work hard and in a bipartisan fashion to develop and pass the necessary and deserved economic stimulus package that will benefit the 4 million U.S. citizens living in Puerto Rico.

We have before us a unique opportunity to use current budgetary circumstances as a tool for economic development through the creation of jobs and investment in businesses in Puerto Rico.

During the period of 1993 to 1996, Congress took the necessary steps to balance the budget and eliminate the deficit. Many Members may already appreciate how Puerto Rico paid substantially during this process. In 1993, Congress passed the Omnibus Reconciliation Act, which included a provision that substantially curtailed the tax incentives provided by section 936 of the Internal Revenue Code to U.S. companies doing business in Puerto Rico.

In 1996, Congress enacted another set of amendments that eliminated all incentives for new or expanded business operation and investment in Puerto Rico. As of today, Puerto Rico has no Federal incentive to create new jobs, and those that apply to companies already doing business on the island are set to expire in the year 2005.

The negative consequences of the decisions taken in 1993 and 1996 are clear. The phase-out of these incentives is having disastrous effects on Puerto Rico's economy. In the last 4 years, more than 18,000 jobs have been lost in the manufacturing sector as a direct result of the phase-out, and Puerto Rico has not been able to attract significant new economic investment.

The vast majority of these jobs are moving out of the U.S. jurisdiction to countries like Malaysia and Singapore. Employment and wages from American companies are a critical part of Puerto Rico's manufacturing sector, the most important sector of Puerto Rico's economy.

The results of the phase-out are clear. Today we enjoy a balanced budget and a rather large surplus, but my people in Puerto Rico do not have the jobs. While the taxpayers in the U.S. have earned tax relief, so, too, have Puerto Ricans, who sacrificed during efforts to balance the budget and grow the Federal budget surplus. It is time to provide my constituents with tax relief through incentives for further investment and job creation in the Tax Code.

The challenge is to develop a sustainable stimulus for employment-generating investment in Puerto Rico. The Puerto Rican economy operates under U.S. standards that are far above those of our main competitors in the global marketplace. Our workers are well trained and educated, are very productive; but we need new tools to continue to grow our economy and be competitive again. Well-designed, sustainable tax incentives will level the playing field and permit us to compete.

Congress has been there for Puerto Rico in the past. In 1976, Congress enacted the special tax exemption under section 936 of the Internal Revenue Code. This was part of an effort to attract U.S. companies to Puerto Rico to create jobs for island residents.

I am here today to ask my colleagues to support a new economic stimulus package for Puerto Rico. Since the phase-out of the 936, economic growth in Puerto Rico has averaged 20 percent less than that of the United States. There has been an unprecedented loss of high-paying manufacturing jobs. No other U.S. jurisdiction has lost manufacturing jobs at such an alarming rate.

Recently layoffs are hurting workers and families in Puerto Rico. During the first 2 months of this year, leading U.S. companies like Intel, Coach, Sara Lee, and Phillips Petroleum have cut production and in some cases closed plants in Puerto Rico. These reductions alone will cost over 5,000 jobs, in addition to the 18,000 we have already lost. Today over 10 percent of the labor force in Puerto Rico is unemployed.

Some cities in Puerto Rico have been particularly hard hit by lost jobs. The average annual pay in Puerto Rican cities ranges from $16,000 to $19,000, while the national average is over $34,000 per year. More than half of the population of Puerto Rico falls below the U.S. poverty threshold.

As I stated earlier, one of the reasons Congress eliminated the tax incentives for the U.S. companies in Puerto Rico was to balance the budget. Now we are faced with a surplus. I ask for your support in efforts to provide necessary and deserved relief for Puerto Rican workers and families.

ON THE BIRTHDAY OF A GREAT AMERICAN, TRUETT CATHY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Georgia (Mr. COLLINS) is recognized during morning hour debates for 5 minutes.

Mr. COLLINS. Mr. Speaker, on March 14 we will celebrate the 80th birthday of a great American, Mr. Truett Cathy, founder and chairman of the Chick-fil-A restaurant chain.

In his book, It is Easier to Succeed Than to Fail, Mr. Cathy says and I quote, "The longest journey begins with the first step. Ahead of each person is a pilgrimage to success, a journey characterized by challenge and adventure. So here's to the winners, for they give each task their effort and find in the end it's easier to succeed than fail."

Mr. Cathy has lived out his own words. He started his business in 1946 when he and his brother, Ben, opened an Atlanta diner known as the Dwarf Grill, later renamed the Dwarf House. That restaurant prospered over the years.

In 1967, Mr. Cathy founded and opened the first Chick-fil-A restaurant in Atlanta's Greenbriar Shopping Center. Today Chick-fil-A is the third largest quick-service chicken restaurant company in sales in the United States. Today there are more than 963 restaurants in 34 States and South Africa.

Remarkably, Mr. Cathy has led Chick-fil-A on an unparalleled record of 33 consecutive years of sales increases. Most recently, in 1996, he has led the company into international expansion into South Africa.

Mr. Cathy's approach is largely driven by personal satisfaction and his sense of obligation to the community and its young people. His WinShape Centre Foundation, founded in 1984, grew from his desire to shape winners by helping young people succeed in life through scholarships and other youth programs.

The foundation annually awards 20 to 30 students wishing to attend Berry College with $24,000 scholarships that are jointly funded by the Rome, Georgia, institution. In addition, through its Leadership Scholarship Program the Chick-fil-A chain has given over $15.6 million in $1,000 scholarships to Chick-fil-A restaurant employees since 1973.

As part of his WinShape Homes Program, there is a long-term care program for foster children. Eleven foster-care homes have been started in Georgia, Alabama, Tennessee, and Brazil that are operated by Mr. Cathy and the WinShape Foundation. These homes, accommodating up to 12 children with two full-time foster parents, provide long-term care for foster children with a positive family environment.

To add benefits to his WinShape Homes program, Mr. Cathy committed to Chick-fil-A's first major sports sponsorship, the Chick-fil-A Charity Championship, hosted by Nancy Lopez. In 1995, the LPGA-sanctioned tournament at Eagles Landing Country Club in Stockbridge, Georgia, raised $170,000 for WinShape homes. Having completed its 6th year, the Chick-fil-A championship hosted by Nancy Lopez has contributed more than $2.1 million to WinShape homes.

In 1996, Chick-fil-A became the title sponsor of the Chick-fil-A Peach Bowl, the annual college football match-up between the top teams for the Atlantic Coast Conference team and the Southeastern Conference. As with the LPGA tournament, a portion of the proceeds from the Chick-fil-A Peach Bowl is donated to WinShape. To date, the Chick-fil-A Peach Bowl has raised more than $400,000 for the WinShape cause.

The third core component distinguishing WinShape programs is Camp WinShape. It was founded in 1985 as a series of 2-week summer camps at Berry College to help boys and girls build self-esteem through physical and spiritual activities. More than 1,500 campers from 20 States attend WinShape sessions annually.

Mr. Cathy is a devoutly religious man who built his life and business on hard work, humanity, and Biblical principles. Based on these principles, Mr. Speaker, all of Chick-fil-A restaurants, both domestically and internationally, operate with a closed-on-Sunday policy without exception.

When not managing his company, Mr. Cathy performs community service and teaches a Sunday school class of 13-year-old boys, as he has done for the past 45 years.

In addition to presiding over one of the fastest-growing restaurant chains in America, Mr. Cathy is a dedicated husband, father, and grandfather. His two sons, Dan and Don, known as Bubba, have both followed their father's footsteps in learning the business from the ground up.

Dan is executive vice president of Chick-fil-A and president of Chick-fil-A International, and Bubba is senior vice president and president of Chick-fil-A Dwarf House Division.

Mr. Cathy's daughter, Trudy, is the youngest of three children. She and her husband, John, have returned to the United States from Brazil, where they served as missionaries. Mr. Cathy and his wife, Jeannette, have 12 grandchildren.

Thank you, Mr. Truett Cathy, for all you have done for our country, our community, and for your fellow man. Happy birthday, Mr. Truett Cathy.

THE ROLE OF CIVILIANS IN OBSERVING MILITARY ACTIVITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized during morning hour debates for 5 minutes.

Mr. SKELTON. Mr. Speaker, let me take this opportunity to express my deep sorrow regarding the training accident on the Kuwaiti bombing range and extend my condolences to the families of those who were killed or injured. I know full well how the crew and the air wing on the U.S.S. *Harry S Truman* must feel regarding this tragic occurrence.

This accident underscores the risks that American service members take in order to master and to maintain the skills they need to keep our Nation safe and to protect our security around the world. The military is a dangerous profession, and we cannot take for granted the hazards that our men and women in uniform face on a daily basis, in times of war as well as in times of peace.

Mr. Speaker, last month I visited some of America's troops overseas, particularly in Kosovo, Bosnia, and Germany. With me were two other Members of the House, both of whom are on the Committee on Armed Services with me. We were astonished by what we saw: the dedication, the sacrifice, and above all, the intense level of activity, even in peacetime. It of course was an eye-opener, and it does give one a new sense of appreciation of the military.

It is the kind of education that I believe more Americans should have. As the population grows and fewer and fewer households have a picture on the mantle of a son or daughter in uniform, we do not have as many parents asking us to look after their Johnnie or their Janie who is in the service. We do not have as many Members of Congress with military experience.

That, of course, concerns me, because I don't believe it is good for America to have its military services become separate from the society that supports them and that they in turn defend.

I believe, Mr. Speaker, there is an unfortunate gap between civilian America and military America. Many civilians simply do not understand the role of people in uniform. It is an arduous profession, it is a dangerous profession, as I mentioned a moment ago, and the more civilians that can see our military, the better they can understand just how important a job they do.

One way the military has traditionally tried to maintain a bond with the people in our country is to involve civilians in military activities. That takes many forms, from public airshows to allowing citizens to observe military operations up close.

As we know, Mr. Speaker, the issue of how civilians should be involved in military activities is now subject to no small debate. I hasten to say, this is not a trivial matter. It is important for civilians to see how the military works, what they get for their money, and most of all, just what excellent men and women wear the uniform of the United States today.

I can certainly understand why, following the terribly sad situation involving the U.S.S. *Greenville*, some might believe that civilians should not be allowed aboard ships or aircraft, or to visit active military facilities. Without addressing the role of civilian observers in that particular case, let me say that I believe closing the doors of military facilities to civilian observers would be counterproductive.

To be clear, they should remain just that, observers. They should not be in control of any military hardware. Keeping hands off is no reason to keep eyes out. The Constitution provides for civilian control of the military, and that requires an informed public. Allowing responsible citizens access to the operating military is the most basic way of keeping the public aware of what the military life is all about, and what part the armed services should play in our society.

Even more basically, the more civilians see the military, the more word gets around that our men and women in uniform deserve our support. It works the other way, too. Military personnel are glad to know that their work is being seen and appreciated by the people back home.

Mr. Speaker, I am concerned that the military is on its way to becoming just another special interest group, an organization that sees its own interests as separate from the rest of society. But the military is an integral part of our society. Indeed, it is woven by tradition and constitutional design into the very fabric of America itself.

To separate the military from civilian observation would be no less significant than separating our flag from the stars and stripes.

STATEMENT OF MARITZA LUGO ACCUSING THE CUBAN GOVERNMENT AND STATE SECURITY OF VIOLATIONS OF HUMAN RIGHTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. DIAZ-BALART) is recognized during morning hour debates for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, despite the visitors, some from this body, who are going down to meet with the Cuban dictator and come back thrilled, having drooled with the privilege of meeting with him and having a banquet in his palace, the reality of Cuba today is quite different. The leaders of the Cuba of tomorrow, of the inevitably democratic Cuba of tomorrow, are in many instances in the political prisons of the totalitarian state today.

One such young woman, the mother of two, is Maritza Lugo, a Cuban political prisoner of conscience. A few days ago she managed to sneak out. She knows she is risking her life. But if she had the courage to sneak this out for the world to know, I think that I have the obligation to read it for my colleagues and those interested to know what she says.

Statement by Maritza Lugo, March 5, 2001, addressed to all people of good will who defend human rights.

She states:

> From this horrible place I come before you, the international organizations who defend human rights, the organizations defenders of democracy, justice, and peace, the religious organizations who promote liberty; the whole world and its people, to denounce the government of Cuba.
>
> I accuse the dictatorial government imposed on Cuba and its repressive arm, the State Security, of all the injustices and abuses they commit against the Cuban people, the penal population, and especially against the political prisoners of conscience. I accuse those miserable and cowardly men and women who, through the use of force, commit all types of human rights violations, while nothing stops them as they attempt to defend a false revolution built and maintained upon a foundation of lies and infamies.
>
> As a physically defenseless woman in ill health, as a mother of two unfortunate daughters currently without a mother's care and armed with my religious faith as my only weapon, I accuse.
>
> I accuse them of publicly blaming every day a foreign country to give a false impression to the Cuban people that they have nothing to be guilty of. And this is why we, the repressed ones, demand that the criminals be sanctioned in the name of all victims that have suffered and continue to suffer in our homeland.
>
> Stop the continuous wanton detention of innocent people whose only crime is disagreeing with the Castro regime. Stop taking them to inhumane prison cells where they are physically as well as psychologically tortured, as are their family members. They are kept in these prisons for an arbitrary and undetermined amount of time, living among dangerous common criminals and exposed to all kinds of risks. They are kept incarcerated for months without an expeditious trial, serving an unjust sentence while waiting to be charged or tried, as others are tried and unjustly condemned.
>
> To the dictatorial government, I say, stop denying that you torture people. Stop denying international organizations access to our prisons with the pretext that you do not accept others meddling in internal affairs or that you do not compromise your sovereignty. To promote your agenda, you conveniently allow bribery and deception to prevent the inspection of these prisons according to international law.

Maritza Lugo continues:

> I denounce that political prisoners are treated differently from other prison inmates. We are more rigorously repressed, even though the behavior of some common prisoners may be undesirable. Political prisoners, "counterrevolutionaries," as they call us, are constantly watched by guards and common prisoners trained for this sole purpose. We are searched more often and more demands are placed on us to follow their stringent so-called rules. The women's prisons are practically uninhabitable due to the putrid water that leaks from the floors above. The sinks are clogged and the prisoners have to do their wash on the floor. We are neither given supplies nor detergents to clean, leaving us to our own resources to solve our problems, using our own pieces of clothing. But this doesn't stop them from making demands on us and passing inspection to check our cleanliness. If they fail you, they submit a report that may carry the possibility of punishment. Medical attention is atrocious and there's hardly any medicine, while the Communist government affords the luxury of exporting doctors and medicine to other countries. This is not done because government officials are kind and generous people. This is done for propaganda purposes only, taking advantage of the misery other nations suffer to sell them their propaganda of solidarity and unselfish interest.
>
> Stop showing the exterior walls of prisons as well-kept and elegant facades while incarcerated human beings are degraded in extreme dearth.
>
> I denounce that the prison food is vile.
>
> Families arrive weary and emaciated bringing bags of food to supply the needs of the prisoners, only to be turned away because authorities fail to notify them that visiting hours have been changed. That is why they don't want international inspectors. They do not want the world to know these internal matters so well known to the innocent political prisoners.
>
> I denounce that, in the majority of cases, we leave these prisons physically ill, thus history continues to repeat itself as so many of us are imprisoned so many times. That is why the Castro government represses us, implementing laws that penalize any group of two or more people whose ideas resist and oppose the so-called revolutionary government of Castro.

I accuse the Cuban government of separating the Cuban family, who, in desperation flee Cuba for political reasons.

I accuse the so-called "revolutionary government" of the political and democratic ignorance our people suffer, as they deceive the unwary people of the world with their propaganda of mass and cultural opinion education. They accomplish this by creating public opinion created by the state using Nazi-style techniques copied from Bolshevik Russia where Cubans pay a high price, acting hypocritically as they pretend to go along in public in order to subsist.

We ask the addressees of these lines, soon to convene in Geneva, Switzerland, at the Human Rights Commission, to discuss Cuba, to consider the ill-treatment of the Cuban people by its own government. I know that no delegation, not even those who defend Castro, will be permitted to come to visit me so they can corroborate this raw truth.

If any justice exists in the world for Maritza Lugo and her denunciation, this government, the government of Castro, should be sanctioned for this and so many other violations that they are constantly inflicting upon the Cuban population as they deceive and laugh at the whole world.

This, Mr. Speaker, is the reality of Cuba today, from Maritza Lugo, President of the 30th of November Democratic Party, from the women's prison popularly known as Black Cloak.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 5 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GILLMOR) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, source of creation and well-spring of revelation, Your word reverberates an awareness of how our behavior affects others. Your spirit penetrates our indifference to the consequences of our actions or to the suffering of others. Once illusion sets in or the infectious sin begins in any of us the whole human system can be measured by its fever.

As Isaias says: "The whole head is sick, the whole heart is faint."

One continent will not contain the epidemic. One system of any organization cannot localize the dysfunction. One group will not absorb the injustice without infecting us all.

By Your Spirit, give us a clear diagnosis of the evils within us that we may be on our way to discovering a remedy to our Nation's weakness and a lasting cure for our problems both here and abroad both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from California (Mrs. CAPPS) come forward and lead the House in the Pledge of Allegiance.

Mrs. CAPPS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

House of Representatives,
Office of the Democratic Leader,
Washington, DC, March 12, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 5(a) of the James Madison Commemoration Commission Act (P.L. 106–550), I hereby appoint the following Members to the James Madison Commemoration Commission:

Mr. Rick Boucher, VA.
Mr. Jim Moran, VA.

Yours Very Truly,
RICHARD A. GEPHARDT.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

House of Representatives,
Office of the Democratic Leader,
Washington, DC, March 12, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 5(b) of the James Madison Commemoration Commission Act (P.L. 106–550), I hereby appoint the following individuals to the James Madison Commemoration Advisory Committee:

Dr. James Billington, VA.
The Honorable Theodore A. McKee, PA.

Yours Very Truly,
RICHARD A. GEPHARDT.

NOW IS THE TIME FOR TAX RELIEF

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, this House, indeed, this Congress has a lot to celebrate and a lot to be proud of.

After decades of wasteful spending and rising Federal deficits, our fiscal house is in order. Since 1997, we have paid down $363 billion of the Federal debt, and we are on course to paying off the complete $2 trillion of the Federal public debt over the next 10 years.

This Republican Congress has set aside nearly $3 trillion for the protection of Social Security, Medicare and further debt relief. Mr. Speaker, the nonpartisan CBO estimates that we will have a $5.6 trillion surplus over the next 10 years. Our fiscal house is not only in order, it is in the best possible shape in generations, and now we are going to give Americans what they need, want and deserve, real tax relief.

No one doubts that if the surplus money stays in Washington, it will be spent on bigger, more wasteful Federal bureaucracy. We need to put America's families first. The surplus belongs to them, not the wasteful spenders in Washington. The right thing to do is return the surplus to the people who earned it, the American taxpayers.

MILITARY BERETS SHOULD BE MANUFACTURED IN UNITED STATES

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Mr. Speaker, the Army is preparing to outfit every soldier with a new black beret. Some people oppose this policy, but whether or not it is a good idea, one thing we can all agree on is that these berets should be made in the United States.

So why is the Pentagon acquiring 2.5 million berets from companies who make these berets in countries like China, Romania and Sri Lanka? This is very troubling.

The Pentagon has waived the law which requires domestic production of military uniforms. This decision is costing American companies millions of dollars; and even worse, the overseas berets may actually be more expensive so U.S. taxpayers will get stuck with a bigger bill.

Mr. Speaker, I am circulating a letter to President Bush urging him to review this shortsighted decision. I hope my colleagues on both sides of the aisle will join with me.

DEBT REDUCTION

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, in order to be a leader, one has to have credibility. If you do not have a record of accomplishment on an issue, people simply will not listen.

It is worth pointing out that for almost four consecutive decades, Congress was run by our Democratic friends, and never, not once, did they ever balance the Federal budget. Never once did they pay back a dime on the public debt.

Mr. Speaker, I am not pointing this out to be partisan. I am pointing it out because now it is those same Democrats who are claiming President Bush's tax relief package will keep us from paying down the debt.

Look at the Republican record: Almost immediately after taking control of Congress, Republicans started balancing the budget, paying down our public debt. Four years in a row, we balanced the budget. Four years in a row, we paid down on the public debt.

We already paid near half a trillion dollars. We are paying down the public debt; and in 10 years, we will have paid off every dime available to be paid.

If we stick with the President's plan, there will be enough for tax relief, Social Security, education and paying off our public debt.

BERETS SHOULD ONLY BE MADE IN AMERICA AND WORN BY THE ELITE ARMY RANGER FORCE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. First, the Air Force bought Chinese boots. Now, the Pentagon is buying berets made in China. The Pentagon said China is cheaper. Unbelievable. What is next? At 17 cents an hour, will the Pentagon hire Chinese soldiers?

Unbelievable. Think about it. The beret once signified our elite ranger force. Now it is about to become a product of communism.

Beam me up. What has happened to the common sense of America? I say it is time to tell the Pentagon we can hire generals and admirals a lot cheaper from China, too.

Mr. Speaker, I yield back the fact that the berets should only be made in America and should only be worn by the elite Army ranger force.

BAD DECISION-MAKING REGARDING BLACK BERETS

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, the decision to give black berets to all Army troops rather than just to rangers who earned them was a bad decision.

Far worse was the decision to order these berets from a Chinese firm rather than an American firm which could have done them for far less costs.

This was apparently done so the berets could be delivered by the Army's birthday in June.

It would really have made no difference at all to have them given out on some later historic day and have saved millions for our taxpayers.

This decision shows once again that bureaucrats can rationalize and justify almost anything and will almost never admit a mistake.

Mr. Speaker, I say bureaucrat because, by this decision, General Shinseki has acted more like an arrogant bureaucrat than a soldier. Also, by giving this work to Chinese rather than American workers, especially in a slow economy and especially when Americans could have done it at millions less in cost, was both unwise and harmful to this Nation and its workers.

We seem at times, Mr. Speaker, to be giving our own country away.

PRESIDENT'S TAX CUT IS PARTISAN ISSUE

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, last week, the House voted for the President's signature proposal, a cut in income taxes heavily tilted towards millionaires and billionaires.

Republican National Committee Chairman Jim Gilmore highlighted my no vote as evidence, he says, that I do not want to see lower taxes for my constituents.

My district in Northeast Ohio is not heavily tilted towards the millionaires and billionaires whom President Bush and the Republican Party Chair Gilmore want to help. Most of the people I represent are middle-income people or lower-income working families working their way up.

The right kind of tax cut would mean something to them. Unfortunately, that is not what the President delivered.

Medicare means something to the people in my district. The President's plan uses an accounting trick to siphon funds for the Medicare trust fund. Medicare cannot afford that. The elderly people in my district cannot afford that.

Mr. Speaker, tax cuts are not a partisan issue, but this tax cut is. If the President would work with us on a tax cut that would benefit all Americans, we could easily pass one in this body, but I could not support a bill which gives tax cuts to the wealthiest people, robs Medicare and fails to pay down the national debt.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

STABILIZATION AND PACIFICATION OF SOUTHERN SERBIA ACT

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, this Member today is introducing legislation entitled the Stabilization and Pacification of Southern Serbia Act. This bill is a response to the ongoing violence in southern Serbia and in Macedonia that has been fomented by Albanian extremists seeking to create a greater Kosovo by annexing areas of Macedonia and southern Serbia that also contain large concentrations of Albanians.

This legislation would terminate U.S. economic assistance for Kosovo on June 30, 2001, unless the President certifies that citizens or residents of Kosovo are no longer providing assistance to the extremists that are responsible for the worsening situation in both southern Serbia and Macedonia and that leaders of the three main ethnic Albanian political parties of Kosovo are taking positive measures to halt the ethnically motivated violence against non-Albanians residing in Kosovo.

It does contain a waiver for the President to continue U.S. assistance if he deems it in the national interests.

Mr. Speaker, I urge support of the legislation.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Such record votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

CONDEMNING HEINOUS ATROCITIES THAT OCCURRED AT SANTANA HIGH SCHOOL, SANTEE, CALIFORNIA

Mr. CASTLE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 57) condemning the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California, as amended.

The Clerk read as follows:

H. CON. RES. 57

Whereas on March 5, 2001, a gunman opened fire at Santana High School in Santee, California, killing 2 students and wounding 13 others: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) condemns, in the strongest possible terms, the atrocities that occurred on March 5, 2001, at Santana High School in Santee, California;

(2) offers its deepest condolences to the families, friends, and loved ones of those killed in the shooting;

(3) expresses hope for the rapid and complete recovery of those wounded in the shooting;

(4) applauds the hard work and dedication exhibited by local and State law enforcement officials and by others who offered support and assistance;

(5) commends the rapid response by the faculty and staff of Santana High School in evacuating its students to safety in an efficient and effective manner;

(6) encourages communities to implement a wide range of violence prevention services for the Nation's youth; and

(7) encourages the people of the United States to engage in a national dialogue on preventing school violence.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Delaware (Mr. CASTLE) and the gentlewoman from California (Mrs. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Delaware (Mr. CASTLE).

GENERAL LEAVE

Mr. CASTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 57, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H. Con. Res. 57 offered by the distinguished gentleman from California (Mr. HUNTER), to express my profound sorrow for the loss endured by the students, teachers and families of the southern California community of Santee.

Today, you are foremost in the thoughts and prayers of all Americans as you struggle to rebuild your community and the sense of safety and security that a school building is supposed to embody.

□ 1415

Mr. Speaker, I join this body in its continuing search for answers, but it was not so long ago that I stood in this place hoping and praying that April 1999 events at Columbine High School would not be repeated, and taking refuge in the facts offered by various agencies which claim that school-associated violent deaths were still rare.

While I do believe that schools are one of the safest places for our children, it is equally clear that no school is immune from this type of tragedy. For this reason, it will take all of us working together to make our society safer and smarter and to prevent any further reoccurrences.

While we cannot reclaim the lives of those lost and we cannot make whole those who have suffered as a result of this latest school shooting, we can honor them by resisting the temptation to execute a quick fix, issue the press release, and absolve ourselves from further responsibility. We must accept the fact that we have a society-wide problem that will only be solved by a society-based solution, and it will take time.

As chairman of the Subcommittee on Education Reform, I will work to ensure that no child, regardless of background or family income, will be forced to risk his or her life in order to learn. Often it is easy to forget, but we have a Federal program that is specifically designed to help stem the tide of school violence.

I hope to work with my colleagues on both sides of the aisle to make sure that this money is a sufficient amount to allow schools to implement the types of programming and take the types of measures that will really make a difference in the school environment. Then we will make information about the use of this money widely available to parents and the communities to assure them that we are spending Federal money to best ensure their children's safety.

Yet, violence is not a problem that we can expect our schools to solve alone. In the days that follow, I hope that every American remembers how they felt the day they learned of the shooting and said with a heavy heart "not again." We must rededicate ourselves. From friends and classmates who hear about bullying in the school yard to families who have difficulty communicating with each other, from businesses that market violence, to every level of government, we must do our part. By now we all know what that is, to be a friend, to be a parent, and, to be responsible for those who have entrusted their most valuable possession, their child, to our care.

All that said, first things are first. I want to offer my heartfelt sympathy to the families and friends of the two students who were killed and the 13 who were injured. Today we are united by our sorrow. Tomorrow, I hope we still will be united, not by grief or fear, but by our collective resolve to prevent another tragedy from turning our schools into a place of violence, teaching our children a lesson that no one should ever have to learn.

Mr. Speaker, I reserve the balance of my time.

Mrs. DAVIS of California. Mr. Speaker, I yield myself such time as I may consume.

We are here today to mourn a tragedy. In many ways, we mourn a double tragedy today at Santana High School on March 5, 2001, because, Mr. Speaker, I am pleased to join with my colleagues as we grieve the loss of two bright young students, Bryan Zuckor and Randy Gordon.

But we also are heartbroken that no one heard Charles Williams, "Andy's" cries for help and saddened that he did not find another way to express his anger and his pain.

We pray for the families of the injured students and the school staff. We also recognize that, when we are faced with such a high-profile tragedy, that we must also grieve for the thousands of children and their families that die every day because of violence and accidents in our community.

I want to commend law enforcement, the school staff, and students at Santana High School, and say how grateful I am and I know how grateful my colleagues and those in our community are with the San Diego Sheriff's Department, and particularly the officers Ali Perez and Jack Smith. We also want to recognize off-duty San Diego police officer Robert Clark. These three men responded with precision, with valor, and courage, and in doing so saved the lives of countless others.

Our deepest gratitude also extends to the Santana High School personnel, particularly Principal Karen Degischer and all the teachers, the counselors, the school security, and their support staff, for their professionalism, for their courage.

We know that they had previously practiced drills and procedures for such emergencies, and they did well during this horrible crisis.

We must also commend the student body of Santana High School for their resilience, their solidarity, and courage and their decision now to move on.

When anything like this happens, we all look for reasons. It has been stated too many guns and not enough adults. There is an allegation: not enough real listening going on in our community.

We know as well that the teenage years are just some of the most difficult years in a person's life. Young people's bodies are changing, the social dynamics of school are difficult for all kids and the insecurities abound.

Too many kids may maintain a cover of anonymity in a school; and unfortunately, we know that there are lots of ways that they can do that quite easily in a large high school. So now we are looking for answers. It is not the time to blame, but rather the time to fight, to fight for our kids.

So we think about going back to the basics and back to the golden rule. But if we talk about teaching our kids the golden rule, we have got to understand and recognize that adults are not always modeling the golden rule. I think that we do not have enough exposure to positive parenting in our community.

Sheriff Bill Colander, who used to head up the youth agency in our State, reminds us that, when they began to teach kids about parenting in the security situation that they had, they recognized that, in fact, that was not the parenting that they had experienced; and in fact, in many cases, that is often true.

We need to encourage mentoring. Kids need to have mentors, and kids need to be mentors. We might think, whether Andy had been tapped to help out a young person in his school, to work with a second grader on reading, whatever it may be, that tapped and valued the person that he was, and perhaps that might make a difference. We have good models in our schools of kids who are mentors.

Teachers as well need more time and resources to spend with their students. We know that our classes are too big, and that is another reason why kids can live in anonymity in our school. Large classes and large schools do not create an atmosphere conducive to getting to know kids as much as we should. We need to create an atmosphere at school so kids feel both physically and mentally safe; that they can talk about their prejudices, their feelings, and their opinions. Everyone has had adverse experiences, and so everyone needs to feel supported and listened to, valued in who they are and what they have to contribute.

As legislators and community leaders, we need to be researching the best practices in other communities and disseminate this information in neighborhoods.

Ironically, Santana had programs. They had taken some good first steps, not final solutions. They had developed peace programs. They had participated in minitowns, a very popular and well-thought-out program in our community.

But all programs need to be backed up with an evaluation. What works? What does not? Why? We need to look at that information. We need to solicit those opinions from young people.

In the State Assembly, I created the Adolescent Task Force; and in that, we brought young people to the table. We enlisted their ideas. We broadened the circle so kids who often felt that they were not included perhaps in associated student body or other clubs would be included in that forum. Really listening as opposed to telling them what they need is important for all of us.

We have a challenge for change. One thing that we know is many of our young people, in fact most of our young people, are very resilient. Let us learn from them. How can they teach us about that resiliency? Our challenge is to support them.

It has been said that we in America are pretty good at grieving, and yet we wait for a crisis to change. We have to ask, Why are there not more programs to teach kids inclusion? Why are there not more public service announcements on the impacts of bullying developed by students around issues of guns of getting together and finding ways of solving their problems?

We need to enlist the media in that, but we need to allow young people to have the input to create these messages because they really know what it is that people and young people will relate to; that through listening, through mentoring, and modeling, kind, caring behavior, we can stop some of these devastating tragedies.

I hope that my colleagues will join me in our deepest condolences to the families and friends of Bryan Zuckor and Randy Gordon. Let us bring students to the center of our discussions and work together to ensure that these tragedies do not continue to be repeated in any community.

Mr. Speaker, I reserve the balance of my time.

Mr. CASTLE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. HUNTER), the distinguished sponsor of the concurrent resolution.

Mr. HUNTER. Mr. Speaker, I salute and thank my colleague for putting this resolution together and allowing us to be here today.

Mr. Speaker, all of San Diego, California, all of San Diego County California, all of California, all of America was impacted on March 5 when a senseless shooting at Santana High School took the lives of Bryan Zuckor and Randy Gordon and wounded 13 others.

Do my colleagues know what? This time the feeling in this capital, when an event like this occurs is usually one of helplessness, because there is no legislation, there is no resolution, there is no law that can reverse what happened.

But in San Diego, California, I want to let my colleagues know hope is reviving, with students and parents and teachers coming together to rebuild this community.

There is one small thing that we can do here, and that is that we can condemn in the strongest possible terms the atrocities that occurred on March 5, 2001, in Santana High School.

We can offer from this House our deepest condolences to the families, to the friends, and to the loved ones of those who were killed and wounded in this shooting. We can express hope for the rapid and complete recovery of those wounded in the shooting.

And we can, Mr. Speaker, very importantly applaud the hard work and dedication exhibited by our local and State law enforcement officials and by all the others who offered support and assistance. They numbered, Mr. Speaker, in the thousands in this community.

We can commend the rapid response by the faculty and staff of Santana High School in evacuating its students to safety and efficient and effective manner. And we can encourage communities to implement a wide range of violence-prevention services for the Nation's youth. Mr. Speaker, we can encourage the people of the United States to engage in a national dialogue on preventing school violence such as this.

Mr. Speaker, God bless our community, God bless the students at Santana High School; and I look forward to working with all of my colleagues and all of our citizens to see to it that events like this never occur again.

Mrs. DAVIS of California. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentlewoman for yielding the time to me.

Mr. Speaker, I rise in support of the resolution to condemn the shooting at the high school in San Diego, California, last week that added to the long list of tragedies at our Nation's schools. This measure also extends condolence appropriately to the families of the victims, applauds the State and local law enforcement officials, commends the staff and faculty of Santana High School for their rapid response to the shooting, and encourage the American people to engage in a national dialogue on this issue of school violence.

I am concerned also with the young man who performed this dangerous and fatal act of violence. We have a problem, Mr. Speaker. Our concerns are young people are killing each other; and we parents, school officials, State legislators, Members of Congress have been stuck in partisan political posturing and fail to take the decisive action that may stop the violence. We must act now, before more children are killed.

□ 1430

Our children are the leaders of the future. They are our most cherished natural resource. They look to us for guidance, for leadership, and for protection; and for too long we have let them down by our failure to act. We must restore, perhaps in ourselves and most certainly in our youth, respect for life. We also must offer our children more mental health counseling and other services, structured adult-supervised after-school programs, and we must pass reasonable gun-safety measures.

How many more lives must be lost, Mr. Speaker, before we elevate the sanctity of life above the political pressure of a gun lobby? How many more families and communities must be devastated by the senseless tragic loss of life of some of our young people in a school yard, some in homes and on the streets, before this Congress will say enough already? Who will be next, Mr. Speaker? Must we wait before acting until the child of a Member of Congress is shot and killed? I hope not. I pray not.

Now is the time for us, Republicans and Democrats, to act. We must affirm the sanctity of life, offer more mental health services and after-school programs, and pass reasonable gun safety measures. Our children are counting on us and deserve that.

Mr. CASTLE. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. DELAY), the distinguished majority whip.

Mr. DELAY. Mr. Speaker, I thank the gentleman from Delaware for yielding me this time. Mr. Speaker, it has come to this again; another school tragedy. In another American town, several families now mourn a lost child. Other families are faced with the certain knowledge that one of their children will never be the same after surviving a tragic attack.

The town of Santee, California, is left to heal after an awful incident that made no sense at all and shattered hundreds of young lives. That is the reality, and we cannot shrink from it. We send them our prayers and our sincere hope that no city or town will again suffer the senseless trauma and tragedy inflicted upon Santana High School.

That is our hope, but it would be the height of folly to suggest that we will prevent similar tragedies by simply erecting even more barriers to behavior and imposing ever more restrictions on our constitutional freedoms. This line of thought is flawed for both practical and abstract reasons. Fixating upon the blunt instruments of crime places the symptom before the cause.

America confronts horrible tragedies, like the awful 8 minutes at Santana High School, not because the capacity to harm others exists within a free society. Rather, we face these demons because of our human condition. Human beings must inevitably struggle to triumph over evil. And make no mistake about it, this latest attack was certainly evil.

We do not like to admit that evil still exists, but as the unmistakable lesson of the 20th century instructs us, we cannot remake human nature. Indeed, attempts to do so, like the policies perpetrated on its people by the Soviet Union have been themselves responsible for immense suffering.

No, we cannot remake man, but we can, through negligence and indifference, tolerate a climate that is a more fertile breeding ground for senseless violence. I believe that our tolerance for a culture of death only serves to exacerbate those strains of evil present within persons who are predisposed to consider violent acts a viable statement.

Because once we begin differentiating between shades of life, we truly open a Pandora's box in which some lives will be callously discounted and dispensed with. We need to treat all life as a sacred gift from our creator, not a sliding scale that society grades by its utility.

I believe that we will only find a lasting solution by rediscovering our core and founding principles. I believe this rediscovery will demand that we boldly move to rebuild the three key elements of our Nation's success: The strength of the American family, the moral authority of American government, and the fundamental virtue of American culture.

All of these things flow from a common philosophy, a coherent world view. It is a philosophy built on values that are moral, universal and, yes, I believe, the source of America's greatness. Faith in God, the sanctity of human life, the existence of right and wrong, and the certain knowledge that we are all ultimately accountable for our actions.

This is not the world view that predominates our culture today, and until it does we will confront more awful acts of violence.

Mrs. DAVIS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. McCARTHY).

Mrs. McCARTHY of New York. Mr. Speaker, I rise in strong support of this resolution, but I have to say I would certainly prefer to be standing here debating on what we can do to save these young children.

For close to 4½ years I have stood here, I do not know how many times, saying I am sorry to the families. For 4½ years, I have had to meet with some of these parents that have lost their children. How many times does this have to happen before this Congress will start to realize this is not going to go away?

We cannot stop ignoring this issue. While America's teachers and students search for solutions to the violence that threatens our school, Congress has failed to enact even modest proposals to reduce our children's access to firearms. I know that it is a very complex issue, and we should be all working together on every single issue to make sure that our children are safe.

I spent yesterday morning in one of my local schools, as I tend to do on every single Monday. The kids were 1 through 6, and every single question they asked me was, is somebody going to shoot me. Now, we know the majority of our schools are safe, but there is fear in the schools today. We must recognize the fear our children, our teachers, and our parents are facing. The American people are looking to us to come up with answers. We cannot have all the answers, but we certainly can do a better job than what we are doing right now.

It is time to stop the rhetoric of this talk. It is time to stop going around in circles. It is time that this Congress started working to do something to protect our children and our families, and I ask the American people to work with us.

Mr. CASTLE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ISSA).

Mr. ISSA. Mr. Speaker, I rise in support of this resolution, and while many will speak of the importance of remembering this tragic episode and many will speak of solutions to be found in this body, I do not rise for that purpose. I believe that the solution to this problem is not found in this body and will not be.

Much like President Lincoln, more than 6 scores ago, when he came to Gettysburg and people expected him to talk only of the burial ground and the loss of life, I would hope that we would all commit ourselves here today and throughout the United States to use this resolution as a moment to think and reflect on those ways in which all Americans could in fact, prevent this in the future, not by adding to the 1200 laws already on the books in California but on personal responsibility.

It is my fervent belief that if each of us evaluates how we could eliminate violence in our own home, the access of guns, of knives, and of anything else that is pervasive in our homes that could cause harm if poorly used, take responsibility for locking them up, and personally educate our children, then we could personally address the issues of hate, anger and the other menaces that have led to these types of disasters in the past, and most certainly, if not dealt with, will lead to them in the future.

It is the loss of life of the past and loss of life here today that all Americans should focus on and take internally the obligation to see that these lives, this tragic loss of life will not have occurred in vain.

Mrs. DAVIS of California. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I thank the gentleman from California (Mr. HUNTER) for bringing us this resolution.

The gentleman from California (Mr. ISSA) and all of us from San Diego County are here jointly to express the deep sorrow that has fallen upon our entire county and our entire country. And by condemning this act of violence, Congress is expressing the collective sorrow felt around the Nation not only for the victims but for another lost teen who chose to express his frustration with a gun. We especially pray for the families and the whole school family of the slain students, Randy Gordon and Brian Zuckor; and we hope that their lives can be put together again.

Since the tragedy at Columbine High School, and up through this tragedy in Santana High School, much has been written about the prevalence of guns in our community and violence in our media. But it seems to me from all these examples that we have had, one thing is clear, not just those who excel, not just those who are popular, not just those who have special needs as defined by law, have got to get our attention. Every child, all kids, we need to get each and every one of them involved in activities, in learning, in fun, especially the ones who sit quietly, who may not demand attention, who may not excel, who may not be popular, who may not be involved.

I guess I have to say to our distinguished majority whip, we are not talking about putting restrictions on people's behavior, we are talking about, as the gentleman from California (Mr. ISSA) said, our positive responsibility as human beings.

In a column that was written after Columbine, the noted journalist William Raspberry wrote,

> The sad fact is that there are people who, for too many of us and often for themselves, do not matter. There are people in our schools, in our offices, on our streets who know they don't matter to the rest of us, who exist, if at all, as objects of ridicule and derision: As nerds, as nobodies, as fatties, shorties, as crips, as dummies, as losers. Probably all of us spend some portion of our lives not mattering, though most of us have refuge in places like home, the workplace, church, or a social group where we do matter a great deal.
>
> But some of us have no such refuge, apart from our fellow nonmatterers. And of that sad group, some will make sure they matter in the time-tested way of mattering: Through violence. The tendency is for the rest of us to respond to the violence and think we have dealt with the problem. We institute new rules or new dress codes. We remind ourselves of the signs to be watched for and forget that there are still people who do not matter.
>
> The hardest point to absorb,

says Mr. Raspberry,

> is the need to start paying attention to those who see themselves as outcasts, not just because it may prevent violence but because there simply should not be human beings who do not matter.

□ 1445

At Santana high school, at Columbine, in every community, it is our responsibility to let every child know that they do matter. In a society where kids are often latchkey kids, where kids and parents often watch different TVs even when they are in the same house, when we come and go in our neighborhoods without speaking, we have to find better ways to let people know that they do matter. Our hearts go out to all the Santana High School family as they put their community back together.

Mr. CASTLE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. HUNTER), the sponsor of the resolution.

Mr. HUNTER. Mr. Speaker, my many thanks to my friend from Delaware, I thank him so much for putting this resolution on this morning. To my San Diego colleagues, I thank them for coming together with all of us and giving some real value to this resolution.

Mr. Speaker, I thought I would mention those students and others at Santee High who were in fact wounded. Barry Gibson, Heather Cruz, Scott Marshall, Travis Tate-Gallegos, Melissa McNulty, Trevor Edwards, Raymond Serrato, James Jackson, Trison Salladay, Matthew Heier, Karla Leyva, and campus supervisor Peter Ruiz and student teacher Timothy Estes have been in the thoughts and prayers of, of course, all of the Santee residents and all Americans who have heard about this tragedy. They will continue to be in our thoughts and prayers.

Mr. Speaker, there will be political discussions that arise out of this tragedy. That is going to happen. We are a political body. We respond to occurrences like this.

I would just ask all my colleagues over the next 3 or 4 weeks to observe a standard, maybe an arbitrary standard that I have set for myself, but I would hope we would all observe it and, that is, this is a tragedy, this is a time for grieving, a time for mourning, a time for healing in Santee, California; and I would ask everyone to not attach a political agenda to this occurrence until a month has gone by. Maybe that is an arbitrary time, but I think that that respects the families and the students in Santee, California.

Lastly, Mr. Speaker, I would hope if people who watch this resolution, that fathers and mothers and grandparents and uncles and aunts, as a result of watching us and contemplating these events, would resolve to spend a little more time this week, this month, this year, maybe starting today, with their children, then this resolution will have had value.

Mrs. DAVIS of California. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Speaker, I rise today with sadness to speak on the gentleman's resolution of which I am a cosponsor. I commend the sponsor of this legislation, the gentleman from California (Mr. HUNTER), the chairman of the Subcommittee on Military Research and Development of the Committee on Armed Services.

This tragedy was a horrible, horrible crime. We mourn with the families who lost children, and our thoughts are with the families of the injured students and staff.

But our duty goes beyond that. Our schools need to be safe places in order for learning to successfully take place.

I am a cosponsor of the Excellence in Education Act, a proposal for reauthorization of our Federal elementary and secondary education programs. Included in all of that would be a Safe and Drug Free Schools program based on proven results, alternative education programs that remove violent children from our classrooms, to help to streamline and make smaller schools so that teachers, principals and administrators can get to know the children and can monitor their emotional state, and also funds for school counselors and mental health professionals to spot the students who need help from us before they turn violent.

I join my colleagues in expressing our grief and sorrow, and I look forward to working with all the Members in this House to end school violence.

Mrs. DAVIS of California. Mr. Speaker, I yield myself such time as I may consume.

I want to join my colleagues and thank them for bringing this resolution forward. I want to send my condolences once again to the families of the slain students. We mourn their loss of life. But we also mourn a loss of innocence, a loss of innocence for a community but also for all the young people throughout our communities who yearn to grow up safe and they yearn to grow up loved.

It has been said that most of the communities that we live in would be in denial around an incident like this and say that it just can't happen here. Well, it can happen, it does happen, it happens far too frequently. Where are the answers? The answers are most likely right in our backyards. I ask all of us here today and in our communities to value our kids, to talk to our kids, and to enlist their support as we work to create better communities.

Mr. Speaker, I yield back the balance of my time.

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume.

I have listened attentively to the debate here today. As everybody has indicated, I, too, would like to repeat my condolences to the families, friends, schoolmates, everybody associated with these young people at Santee. This is a very difficult matter for them. No matter how we phrase it, it is always going to be a difficult matter for them, for those who were fortunate enough to live, for their lifetimes and for all of us something we will all remember our lifetimes.

For our friends here in the Congress who are from San Diego County, you, too, have endured a great deal of hardship as a result of this; and we understand that. We offer you our sympathy as well.

For all of us here in Congress, and I agree with the sponsor of the resolution, the gentleman from California (Mr. HUNTER), we do not want to react instantaneously to this, but I would also hope that in this country that we would take a holistic approach to what we are doing with respect to violence in our society, that we in Congress will look at whatever laws that we can pass that we can agree upon; and I hope we would make the effort to reach that agreement, to make sure that we have the best laws possible to control the use of weapons of violence.

We hope our State and local governments would do the same. We hope that our culture would do the same, that which we see in movies and television, read in books, see on the Internet, whatever it may be, would understand that what they write about or what they put into visual arts is something which indeed can affect the lives of young people out there.

Obviously, it has been stated so articulately by so many Members here today, the bottom line of looking after our young people, in families, in school, in every way we possibly can is something that we have to do. We need to stop this bloodshed as best we possibly can. We all have to do it together. We cannot blame and fault each other. We have to reach out and try to help each other. For that reason I am pleased to be able to encourage everyone to support this resolution.

Ms. LEE. Mr. Speaker, I rise today sadly to support this legislation, which offers our condolences to the families and friends of those involved in the shooting last week at Santana High School in my home state of California. I want to personally express my deepest sympathies to the families of all the victims at Santee High School.

Regrettably, another incident of school violence has left one of our communities grieving and looking for a way to prevent another terrible tragedy like the one that occurred in Santee.

The bill before us today encourages communities to implement a wide variety of violence prevention services for our Nation's youth. I feel that one of the best violence prevention services is ensuring that we have adequate counselors available in our schools for troubled youth.

While we may never know what causes some children to feel that violence is their only option to solve their problems, I believe that having a strong support system in place will show students that they have a safe place to go to when they are troubled. School counselors, psychologists, and social workers play a vital role in counseling students. As important as these counselors are, there are far too few of them in our schools.

In some States, the ratio of students to counselors is over 1100 to 1, although the National Academy of Sciences recommends that ratio to be no higher than 250 to 1.

In order to correct this situation, I will soon reintroduce my legislation to establish a grant program to allow states to hire additional school-based mental health and student service personnel—counselors, psychologists, and social workers. My bill will authorize $100 million over five years for this purpose.

We must have these counselors in our schools so that students can turn to them at times of crisis in their lives. Counselors do make a difference, and hopefully if they are available to more students, we can try to prevent terrible tragedies such as that at Santee High.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of the H. Con. Res. 57, a resolution condemning the Heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California.

The shooting occurred early morning 9:45 a.m., Monday March 8, on the campus of Santana High School, in Santee, CA, where a 15-year old suspect, Charles Andrew "Andy" Williams, fired 30 gunshots in the school killing two people and injuring thirteen people including two adult supervisors. In the aftermath, 14-year-old Brian Zuckor died at the school. One of the wounded students, 17-year-old Randy Gordon, died later of his injuries at Grossmont Hospital.

Mr. Speaker, as founder and co-chair of the Congressional Children's Caucus and member of the Judiciary Committee and the Subcommittee on Crime I find myself again taking to the House floor to reiterate the need for serious and effective legislation regarding gun safety and our children as well as effective children's mental health initiative on the local, state and national level.

I have continued my work into the 107th Congress on behalf of Child safety with the introduction of the "Child Gun Safety and Gun Access Prevention Act of 2001" (HR–70), and the "Give a Kid a Chance Omnibus Mental Health Services Act of 2001" (HR–75).

HR–70 would increase youth gun safety by raising the age of handgun eligibility and prohibiting youth from possessing semiautomatic assault weapons. The measure also purposes an enhanced penalty for youth possession of handguns and semiautomatic assault weapons, as well as the transfer of such weapons to youth.

HR–75 would amend the Public Health Service Act to direct the Secretary of Health and Human Services to support programs to promote mental health among all children and their families and to provide early intervention services to ameliorate identified mental health problems in children and adolescents.

Mr. Speaker, parents and supervising adults must be held responsible for their children when their household contains dangerous firearms." My bill would hold adults responsible for the death and injury caused by a child's access to firearms. These Acts, if passed, would help prevent tragedies like the one that occurred Monday morning in Santee, CA, by encouraging schools to provide or participate in a firearms safety program for students in kindergarten through Grade 12. Prevention is key.

In the 106th Congress I was an advocate for stronger and more enhanced gun laws and even introduced a motion in the U.S. House of Representatives that directed the members of the Juvenile Justice Conference Report to meet to discuss the current Juvenile Justice Bill. This motion also directed the committee report to include:

Measures that aid in the effective enforcement of gun safety laws within the scope of the conference; and

Common-sense gun safety measures that prevent felons, fugitives and stalkers from obtaining firearms and children from getting access to guns within the scope of conference.

Mr. Speaker, here we are again, coming to the House floor to mourn the deaths of more of our Nation's young. Here we come again, to the House floor to express the need for adequate and enhanced gun legislation.

According to Handgun Control, Inc. and the Texas Department of Public Health 5,285 children were killed by firearms in the United States; 260 in Texas; and 37 in Harris County, Texas. For every child killed with a gun, 4 are wounded. According to the Centers for Disease Control, the rate of firearm death of children 0–14 years old is nearly 12 times higher in the U.S. than in 25 other industrialized nations combined.

Mr. Speaker, many people say that guns do not kill people, people kill people. However, I believe that guns do kill people, especially when wielded by children. More than 800 Americans, young and old, die each year from guns shot by children under the age of 19.

The firearm injury epidemic, due largely to handgun injuries, is 10 times larger than the polio epidemic of the first half of this century.

More than 1300 children aged 10–19 committed suicide with firearms. Unlike suicide attempts using other methods, suicide attempts with guns are nearly always fatal, meaning a temporarily depressed teenager will never get a second chance at life. We must end this continual suffering that our nation is experiencing. People are tired of having to suffer through daily breaking news that another child was killed as a result of gun violence. I am concerned about children and their access to guns. I am concerned that guns are not regulated in the same way that toys are regulated.

I am concerned that we do not have safety standards for locking devices on guns. I am concerned that we do not prohibit children from attending gun shows unsupervised. I am concerned that we have not focused on the statistics on children and guns.

The American Academy of Pediatrics (AAP) strongly stresses that the most effective measure to prevent firearm-related injuries to children and adolescent is to remove guns from homes and communities. According to the AAP statement:

The United States has the highest rates of firearm-related deaths among industrialized countries.

The overall rate of firearm-related deaths for children younger than 15 years of age is nearly 12 times greater than that found for 25 other industrialized nations.

The Academy even predicts that by the year 2003, firearm-related deaths may become the leading cause of injury-related death.

Already, among black males 10 through 34 years of age, injuries from firearms are the leading cause of deaths.

Even more tragic is the fact that most firearm-related deaths of children occur before their arrival at the hospital.

Thus, most of our children that injured by firearms do not even have a chance. This is the reality in our country that must not be denied.

Another important fact pointed out by the American Academy of Pediatrics is that: In 1994, the mean medical cost per gunshot injury was approximately $17,000 producing 2.3 billion in lifetime medical costs, 1.1 billion of that was paid by US taxpayers.

Thus, it not only makes common sense, but economic sense to pass legislation that includes child safety measures so that we can prevent tragedies like the school shootings in Santana High School in Santee, California, Columbine and Littleton, Colorado from occurring again.

Mr. Speaker, we must remember the sad fact that 13 children die everyday from firearms. It would seem that in almost the year since the Littleton shootings, virtually nothing has been done to address these serious problems. That is why I introduced my own bill, the "Children Gun Safety and Adult Supervision Act in Congress this year," which would increase youth gun safety by raising the age of handgun eligibility and prohibiting youth from possessing semiautomatic assault weapons, but by enhancing the penalties for those adults who recklessly disregard the risk that a child is capable of gaining access to a firearm.

Child Safety legislation is not a novel concept. There are numerous laws on the books that create guidelines in order to protect the most impressionable people in our society—our children. Children under the age of 17 must be accompanied into an R rated movie at the theatres, yet that same child can walk into a gun show where he/she is surrounded by assault weapons.

A child, and I stress the word child, under the age of 18 cannot walk into a store and purchase cigarettes, yet that same child can walk into a gun show where he/she is surrounded by assault weapons.

There is Dram Shop law that hold liquor seller's liable for their part in the wrongful death of a person who left their establishment intoxicated, yet none for people who recklessly leave firearms in the presence of children. There is definitely a problem in this society if we allow special interest groups to prevent us from protecting our precious children.

Furthermore, our children's schools should be safe and secure places for all students, teachers and staff members. All children should be able to go to and from school without fearing for their safety. However, there are signs that we should all pay attention to in order to prevent such acts of violence.

For example, according to news reports from the heartbreak at past school shootings, the young assailants were outcasts in the school community. During the shooting, the children reportedly said that they were "out for revenge" for having been made fun of last year. This is truly a cry for help that was not heard in time.

This incident underscores the urgent need for mental health services to address the needs of young people like the suspects from yesterday. Without concerted efforts to address the mental health disorders that affect our children, we may witness more terrifying violence in our schools.

I am dismayed by the string of violent incidents that have occurred in our schools within the past 24 months. In the past months my office has received many calls and letters from constituents who believe that we support legislation that will take away their guns.

Mr. Speaker, I am concerned about children and their access to guns. I am concerned that guns are not regulated in the same way that toys are regulated. I am concerned that we do not have safety standards for locking devices on guns. I am concerned that we do not prohibit children from attending gun shows unsupervised. I am concerned that we have not focused on the statistics on children and guns.

By now, we are familiar with the statistics on gun violence among young people. In 1996, male high school seniors were about three times as likely to carry a weapon to school. According to the most recent data compiled in 1997 by the National Center for Health Statistics, 630 children 14 years and under died; 3,593 children ages 15–19 died. In total, 4,223 children died in this Nation due to the scourge of gun violence in our communities. The most troubling statistic is that today, 13 children die from gun violence.

The United States is leading the country even among Brazil and Mexico, countries we often think of having extreme incidences of gun violence. And, the statistics indicate that youth violence is a growing percentage among the total number of homicides occurring per year.

How long must we wait until legislation is passed that will begin to adequately address this growing phenomenon. We as a nation, cannot sit idly by as our children are inundated by firearm violence on television, at the movies, on the streets and now in the classroom.

If I have not stressed the urgency of this matter, let me further bring to your attention the result of inadequate firearm safety legislation. August 10, 1999, Buford O. Furrow, Jr. in Los Angeles, California used an Uzi semiautomatic, Glock 9mm handgun in a Jewish community center and wounded three children, a teenager, a 68-year-old receptionist and killed a postal worker.

Mr. Speaker, now is the time to act and pass enhanced gun legislation and Children's mental health legislation to address the proliferation of school shootings and gun violence in general. I urge my colleagues to join me in committing to addressing this problem today.

Mr. DAVIS of Illinois. Mr. Speaker, once again, we must lower our Nation's flag in one solemn accord, to mourn two young children who were stolen in their prime. Randy Gordon and Bryan Zuckor are cherished by all who love them. We all extend our prayers and thoughts to the families of the victims and to the community Santee, where they are struggling to find answers to a dreaded and unfortunate situation.

The horror of the shootings at Santana High School, and the proliferation of teenage shootings across the country has forced us to confront an increasing problem that leave the doorsteps of every school in every community vulnerable. As we scramble ardently to attack the problem, we realize that children are falling through the cracks. Misguided youth are taking unhealthy measures to cope with growing pains of adolescence—open communication is now transformed into acts of violence.

We must never rest until we inoculate the epidemic of teenage violence that afflicts our communities. On this sad occasion, we must forge ahead and continue our attempts to resolve random acts of youth violence.

Mr. GILMAN. Mr. Speaker, I rise today in support of H. Con. Res. 57, condemning the recent school shooting that occurred in Santee, California, and I thank the distinguished gentleman from California, Mr. HUNTER, for bringing this issue to the House floor.

With the passing of this resolution, we will show our support for the families and friends of the victims of this school shooting at Santana High School. This act of violence by a fifteen-year-old boy has not only disrupted the lives of those in Santee, but has shaken and disturbed our entire Nation. We join in recognizing and commending the rapid, efficient response of the law enforcement professionals and school officials in handling this situation. Without their immediate and professional response, we could have been faced with even more greater fatalities.

Condemning this action is only the first step in our struggle to end school violence. I ask you also to consider H.R. 255, the safer America for Everyone's Children Act. This act authorizes the Attorney General to provide grants to local governments with gun buyback programs, school violence initiatives, and activities which meet child care needs of parents during non-school hours. With this act, we encourage communities to implement these programs and help to strengthen the already existing programs.

The gun buyback program will remove unwanted guns from American homes by paying one hundred dollars for semiautomatic weapons and fifty dollars for all other firearms.

The school violence initiatives will help to implement comprehensive strategies to ensure that our schools are safe and drug-free. The majority of juvenile crimes occur between the hours of 3 and 7 pm, when children are without any supervision. To combat this surge of crime, activities during non-school hours will be designed to focus on the social, physical, emotional, moral, or cognitive well-being of students. Those activities may include leadership development, character training, delinquency prevention, sports and recreation, arts, tutoring, or academic enrichment. By taking these pro-active measures to ensure the safety and well being of students, we will help reduce the risks of school violence for our future.

Now is the time to act to protect our children. We must ensure the safety of our children and our faculties in schools across the Nation. We cannot continue to merely react to school shootings. We must be pro-active and take action to prevent school violence from occurring. With this legislation we encourage our Nation to bring forth solutions to prevent school violence and to work together to help ensure the safety of students, faculty and staff in our schools.

Two students lost their lives on March 5th in Santee, CA. Many before them have died. If we ignore this problem, may more may lose their lives. School violence will not diminish without concerned action on local and national levels.

I thank Mr. HUNTER for bringing to our attention this issue of immense importance and I urge my colleagues to support the passage of this resolution.

Mr. KIND. Mr. Speaker, today I sadly join my colleagues in mourning the loss of two young lives in the tragic and senseless act of violence that occurred in San Diego County last week, and in expressing our deepest sympathy to their family and friends of the students who were killed. I also join my colleagues in condemning such acts of violence, and in urging all Americans to search for ways to reach out to our young people in an effort to prevent future tragedies of this nature.

All too often in recent years, we've been coming to the floor for resolutions of this nature. While the result remains shocking, unfortunately, the story is no longer new; a child gets his hands on a gun, and in fit of rage, uses it on his classmates and teachers.

We all want to find blame. We all want to know why. The questions are endless, but the answers are few.

What we know is that no one is immune from these tragedies. They have occurred in big cities, suburbs and small towns. What is obvious is that some of our children feel alienated and estranged from their peers and community, and choose to express their anger and frustration through increasingly violent acts of aggression. And what is perhaps most frightening in this case, is the fact that some students and perhaps adults may have been able to foresee this tragedy, but for a variety of reasons, chose not to believe it possible, not to act, or not to do more to stop it.

It is imperative that we, as Americans, do more to communicate with our young people, and know what is going on in their lives. We must, as communities, act to give all children a sense of belonging; in their families, their schools, and their neighborhoods. We must offer young people our friendship and earn their trust, so that they will come forward for help when feeling outcast, or when sensing a friend is slipping into despair or rage.

Today, we, as representatives of individuals and families across the Nation, mourn with individuals and families in Santee, California. But we cannot simply express our shock and horror today; we must, each of us, take action in our communities, to connect with our young people, and try with all our might, to prevent tragedy in our hometowns.

Mrs. MORELLA. Mr. Speaker, I rise in support of H. Con. Res. 57 introduced by Congressman HUNTER expressing sense that Congress condemns the heinous atrocities that occurred on March 5 at Santana High School in Santee, California. Congress offers its deepest condolences to the families and friends of those killed in the shooting.

Last July, I had the opportunity to meet with a group of high school students from Colorado to discuss gun safety legislation. In response to school shootings across the Nation, these students formed an organization to call on Congress to approve reasonable, commonsense gun control measures. Without question, these students, some from Columbine High School, are the best authorities on the terrible effects of gun violence. Childhood is supposed to be a time of shelter and learning. Instead, our Nation and our youth are facing an epidemic of gun violence. I believe that there are more steps that we can take to help restore innocence, a sense of security, and safety to childhood.

Unfortunately, it has taken another shooting at one of our schools, in this case, the Santana High School in Santee, California, to remind us of our duty.

The plague of gun violence too often attacks the most innocent members of our society. Every day in our Nation, 13 young people are senselessly killed in homicides, suicides, and unintentional shootings. We lose the equivalent of a classroom of students every two days. According to a study by the Centers for Disease Control, the rate of firearm death of children in the United States is nearly twelve times higher than in 25 other industrialized countries combined. It is clear that we must have an increased commitment to responsibility, education, and safety.

As a Nation, as a community, we have the responsibility to protect our children from the horrors of gun violence. Limiting their access to firearms and ending the violence should be a common goal for the Nation.

I want to thank the leadership for bringing this resolution to the floor and I wish to extend my condolences to the families of the victims and commend the staff and faculty of Santana High School for their rapid response to the situation. It is my hope that we, in Congress, can prevent a tragedy of this nature from ever happening again.

Mr. CUNNINGHAM. Mr. Speaker, I rise today with a heavy heart. A little over a week ago, a troubled young man committed an act of unspeakable evil, which changed the lives of all San Diegans forever.

Today we consider a resolution to condemn the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California. I rise to support the resolution offered by my good friend and colleague from California.

Tragically, today nearly 1,900 students will return to Santana High School without many of their classmates, one teacher, and one security guard.

Among these students who will never return to Santana High School are Randy Gordon, a 17 year old who talked about going into the Navy after he graduated and Brian Zuckor, a 14 year old who thought someday he might become a stuntman. They went to school last week, figuring it would be just another day. Tragically, it was their last.

Other students injured in this terrible incident include: Heather Cruz, Trevor Edwards, Travis Gallegos-Tate, Barry Gibson, Matthew Heier, James Jackson, Karla Leyva, Scott Marshall, Melissa McNulty, Triston Salladay, and Raymond Serrato. Also among the wounded was Tim Estes, a student teacher, and Peter Ruiz Jr., a campus security guard.

This tragedy has caused us all to reevaluate and reflect on our own moral and social values and to reexamine the role that we play as parents, relatives, and family members in the lives of our country's children. This tragedy has driven many of us to work to bring not only healing, but also a reformation of our way of life. Every America felt what happened to those students. The phrase, "it can't happen in my backyard" is now gone for the residents of Santee.

I ask that my colleagues in the United States Congress and my fellow citizens, pray for the students of Santana High School. Pray that carefree feelings that come with youth return to these students. Pray that we have the power and commitment to do our part to ensure that this horrible violation of innocence is never repeated again.

Mr. Speaker, we should all hope that this never happens again, we should all work to see that it doesn't.

Mr. CASTLE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from Delaware (Mr. CASTLE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 57, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

NATIONAL TRAILS SYSTEM WILLING SELLER ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 834) to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails in the System, and for other purposes.

The Clerk read as follows:

H.R. 834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Trails System Willing Seller Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) In spite of commendable efforts by State and local governments and private volunteer trail groups to develop, operate, and maintain the national scenic and national historic trails designated by Act of Congress in section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)), the rate of progress towards developing and completing the trails is slower than anticipated.

(2) Nine of the twelve national scenic and historic trails designated between 1978 and 1986 are subject to restrictions totally excluding Federal authority for land acquisition outside the exterior boundaries of any federally administered area.

(3) To complete these nine trails as intended by Congress, acquisition authority to secure necessary rights-of-way and historic sites and segments, limited to acquisition from willing sellers only, and specifically excluding the use of condemnation, should be extended to the Secretary of the Federal department administering these trails.

SEC. 3. SENSE OF THE CONGRESS REGARDING MULTIJURISDICTIONAL AUTHORITY OVER THE NATIONAL TRAILS SYSTEM.

It is the sense of the Congress that in order to address the problems involving multijurisdictional authority over the National Trails System, the Secretary of the Federal department with jurisdiction over a national scenic or historic trail should—

(1) cooperate with appropriate officials of each State and political subdivisions of each State in which the trail is located and private persons with an interest in the trail to pursue the development of the trail; and

(2) be granted sufficient authority to purchase lands and interests in lands from willing sellers that are critical to the completion of the trail.

SEC. 4. AUTHORITY TO ACQUIRE LANDS FROM WILLING SELLERS FOR CERTAIN TRAILS OF THE NATIONAL TRAILS SYSTEM ACT.

(a) INTENT.—It is the intent of Congress that lands and interests in lands for the nine components of the National Trails System affected by the amendments made by subsection (b) shall only be acquired by the Federal Government from willing sellers.

(b) Limited Acquisition Authority.—

(1) Oregon national historic trail.—Paragraph (3) of section 5(a) of the National Trails System Act (16 U.S.C. 1244(a)) is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(2) Mormon pioneer national historic trail.—Paragraph (4) of such section is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(3) Continental divide national scenic trail.—Paragraph (5) of such section is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(4) Lewis and Clark national historic trail.—Paragraph (6) of such section is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(5) Iditarod national historic trail.—Paragraph (7) of such section is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(6) North country national scenic trail.—Paragraph (8) of such section is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(7) Ice age national scenic trail.—Paragraph (10) of such section is amended by adding at the end the following new sentence: "No lands or interests therein outside the exterior boundaries of any federally administered area may be acquired by the Federal Government for the trail except with the consent of the owner thereof.".

(8) Potomac heritage national scenic trail.—Paragraph (11) of such section is amended in the fourth sentence by inserting before the period the following: "except with the consent of the owner thereof.".

(9) Nez perce national historic trail.—Paragraph (14) of such section is amended in the fourth sentence by inserting before the period the following: "except with the consent of the owner thereof.".

(c) Protection for Willing Sellers.—Section 7 of the National Trails System Act (16 U.S.C. 1246) is amended by adding at the end the following new subsection:

"(l) Protection for Willing Sellers.—If the Federal Government fails to make payment in accordance with a contract for the sale of land or an interest in land for one of the national scenic or historic trails designated by section 5(a), the seller may utilize any of the remedies available to the seller under all applicable law, including electing to void the sale.".

(d) Conforming Amendment.—Section 10(c) of the National Trails System Act (16 U.S.C. 1249(c)) is amended—

(1) by striking paragraph (1); and

(2) by striking "(2) Except" and inserting "Except".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. Hansen) and the gentleman from Guam (Mr. Underwood) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. Hansen).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

H.R. 834, introduced by the gentleman from Colorado (Mr. McInnis), amends the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers. The gentleman from Colorado is to be commended for correcting a longstanding problem with the National Trails System Act.

Mr. Speaker, under existing law, nine of the 20 National Scenic and Historic Trails have restrictions preventing the Federal Government from acquiring land for the trails outside of the exterior boundaries of any federally administered area. This has created problems even when there are willing sellers of desired property. This bill corrects the situation by allowing lands to be purchased by the Federal Government. However, H.R. 834 specifically provides that such purchase can only be made with the consent of the owner of the land or interest.

This bill greatly improves our trails system. I urge my colleagues to support H.R. 834.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as currently written, the National Trails System Act authorizes the Federal Government to acquire property for use as part of a national trail in some cases and not in others. In still other instances, Federal authority regarding land purchases under the Act is simply unclear. The development of a system of trails that is truly national in scope has been slower than supporters of the program had hoped, and we fear that this inconsistency regarding Federal land acquisition may be a contributing factor.

H.R. 834 will amend the Act to specify that, as long as there is a willing seller, the Federal Government may acquire land under the Trails Act. We support such a change in the hope that clarity on this issue will allow the development of a national trails system to progress more quickly.

We urge our colleagues to support H.R. 834.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. Bereuter).

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding me this time.

I do rise in strong support of H.R. 834, the Willing Seller amendments act.

I would like to begin by commending the distinguished gentleman from Colorado (Mr. McInnis) for his introduction of this legislation; and I also commend the distinguished gentleman from Colorado (Mr. Hefley) the subcommittee chairman, and the distinguished gentleman from Utah (Mr. Hansen) the chairman, for their assistance in bringing this legislation to the floor.

Mr. Speaker, as cochairman of the House Trails Caucus this Member is keenly aware of the many benefits which the trails provide. Sections of the National Trails System cross nearly every congressional district throughout the country.

The willing seller legislation being considered today will help to correct a shortcoming in the National Trails System that has developed over a period of time. Currently, the managers of nine National Scenic and Historic Trails are prohibited from using Federal funds to acquire land from willing sellers. The other 13 National Scenic and Historic Trails do not have such restrictions placed upon them. This bill would correct the inequity by placing all of the Scenic and National Historic Trails in the system on an equal footing when it comes to the acquisition of land from willing sellers.

Quite simply, H.R. 834 will provide more alternatives for protecting irreplaceable national resources. The current prohibition often prevents the protection of historic sites and trails corridors. It also limits the options of landowners who may want to sell to the Federal Government; and, of course, that is the restriction. It is a willing seller arrangement.

Mr. Speaker, as an original cosponsor of this bill, I urge my colleagues to support it in order to help ensure that future generations can enjoy all the benefits of our National Trails System.

Mr. McINNIS. Mr. Speaker, I'd like to start by thanking the Resources Committee for the prompt attention to this important legislation that aims to correct a serious disparity in the National Trails System. Currently, the federal government is authorized to buy land from willing sellers along 11 of the 20 National Scenic and Historic Trails, but is excluded from doing so on the remaining 9, including the Continental Divide Trail. H.R. 834 intends to remove the current statutory prohibition on the federal government's ability to acquire lands or interest in lands from willing-sellers for these nine trails. Under this legislation, owners of private tracts that interrupt the continuity of these trails could sell their property to the government for inclusion in the National Trail System, clearing the way for the completion of a system of trails as Congress intended through the National Trails System Act. H.R. 834 is a private property rights bill that restores the right of the landowner to sell his or her land. The willing-seller language in my legislation reiterates the basics of contract law—in order to have a valid contract, there must be an exchange. In the case of H.R. 834, no contract is valid unless the landowner receives compensation for his or her land. I worked extensively in the last Congress with the gentleman from California, Representative POMBO, a long-time champion of private property rights, to ensure that the property rights aspects of the legislation were both comprehensive and concise. This much anticipated legislation is essential in protecting valuable resources and rights-of-way critical to the integrity and continuity of these trails. In enacting the National Trails System Act, Congress provided for a national system of trails rather than just a national designation for trails. H.R. 834 enables the federal agencies administering these trails to respond to conservation, recreation and historic education opportunities afforded by willing landowners in an effort to create and manage a consistent national system of trails. I would like to extend special recognition to several individuals in Colorado, Bruce and Paula Ward, who have given deep devotion to the Continental Divide Trail. In addition, I'd like to recognize Gary Werner of the Partnership for the National Trails System. Without their efforts our progress on this legislation would not have been the success it is today. Mr. Speaker, in closing, I'd like to again thank Chairman HANSEN and Chairman HEFLEY and the staff of the Parks and Public Lands Subcommittee, and urge passage of H.R. 834.

Mr. UDALL of Colorado. Mr. Speaker, as a cosponsor of this bill, I rise in its support. I also want to commend my colleague from Colorado, Mr. MCINNIS, for his initiative and persistence in connection with this legislation.

The bill makes a modest but very important improvement in the laws that govern the National Trails system. It would relax the current restrictions that now limit the ability of the federal government to acquire lands needed for proper management of some trails.

Under the bill, the federal government would be authorized to acquire appropriate lands from willing sellers. The bill would not authorize use of condemnation to acquire any lands.

Among the trails covered by the bill is the Continental Divide National Scenic Trail, which runs from Canada to Mexico along the spine of the continent—the Continental Divide that separates the drainages of the Pacific Ocean and Gulf of California from that of the Atlantic Ocean and the Gulf of Mexico.

That trail runs through the heart of Colorado, from our border with Wyoming to the New Mexico state line. Over the years, the Forest Service, assisted by thousands of volunteers organized by the Continental Trail Alliance, has worked to complete it and to make it available to all who would travel along it through some of America's most remarkable wild country.

This bill will greatly assist in that effort by allowing private landowners who wish to do so to provide easements or other interests in lands for the purposes of this and the other trails covered by the bill. I urge its adoption.

Mr. BLUMENAUER. Mr. Speaker, our National Trails System promotes wilderness appreciation, historic preservation and a healthy lifestyle, which are all key components of livable communities. H.R. 834, the National Trails System Willing Seller Act, is an important bill that restores parity to the National Trails System and provides authority to protect critical resources along the nation's treasured scenic and historic trails. Passage of this bill will ensure that the federal government can be a better partner with trails advocates and private property owners across the nation.

Acquiring land from willing sellers to complete nine national scenic and historic trails, including the Oregon and Lewis and Clark trails, is of vital interest to my constituents in Oregon. As the nation begins its focus on the bicentennial of Lewis & Clark's Corps of Discovery trip to the Pacific Ocean, purchasing and preserving historic sites along their journey will serve generations to come.

Without willing seller authority, federal trail managers' hands are tied when development threatens important links in the wild landscapes of the trails or in the sites that tell the stories of the historic trails. With willing seller authority, sections of trails can be moved from roads where trail users are potentially unsafe, and critical historic sites can be preserved for future generations to experience. Ensuring safety and access for the many families and individuals who enjoy our national trails is certainly an important effort and one that this Congress should support.

I urge my colleagues to support H.R. 834.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 834.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HANSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1500

PROVIDING FOR ACQUISITION OF PROPERTY IN WASHINGTON COUNTY, UTAH

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 880) to provide for the acquisition of property in Washington County, Utah, for implementation of a desert tortoise habitat conservation plan.

The Clerk read as follows:

H.R. 880

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ACQUISITION OF CERTAIN PROPERTY IN WASHINGTON COUNTY, UTAH.

(a) IN GENERAL.—Notwithstanding any other provision of law, effective 30 days after the date of the enactment of this Act, all right, title, and interest in and to, and the right to immediate possession of, the 1,516 acres of real property owned by Environmental Land Technology, Ltd. (ELT), within the Red Cliffs Reserve in Washington County, Utah, and the 34 acres of real property owned by ELT which is adjacent to the land within the Reserve but is landlocked as a result of the creation of the Reserve, is hereby vested in the United States.

(b) COMPENSATION FOR PROPERTY.—Subject to section 309(f) of the Omnibus Parks and Public Lands Management of 1996 (Public Law 104–333), the United States shall pay just compensation to the owner of any real property taken pursuant to this section, determined as of the date of the enactment of this Act. An initial payment of $15,000,000 shall be made to the owner of such real property not later than 30 days after the date of taking. The full faith and credit of the United States is hereby pledged to the payment of any judgment entered against the United States with respect to the taking of such property. Payment shall be in the amount of—

(1) the appraised value of such real property as agreed to by the land owner and the United States, plus interest from the date of the enactment of this Act; or

(2) the valuation of such real property awarded by judgment, plus interest from the date of the enactment of this Act, reasonable costs and expenses of holding such property from February 1990 to the date of final payment, including damages, if any, and reasonable costs and attorneys fees, as determined by the court. Payment shall be made from the permanent judgment appropriation established pursuant to section 1304 of title 31, United States Code, or from another appropriate Federal Government fund.

Interest under this subsection shall be compounded in the same manner as provided for in section 1(b)(2)(B) of the Act entitled "An Act to preserve within Manassas National Battlefield Park, Virginia, the most important properties relating to the battle of Manassas, and for other purposes", approved April 17, 1954 (16 U.S.C. 429b(b)(2)(B)), except that the reference in that provision to "the date of the enactment of the Manassas National Battlefield Park Amendments of 1988" shall be deemed to be a reference to the date of the enactment of this Act.

(c) DETERMINATION BY COURT IN LIEU OF NEGOTIATED SETTLEMENT.—In the absence of a negotiated settlement, or an action by the owner, the Secretary of the Interior shall initiate within 90 days after the date of the enactment of this section a proceeding in the United States Federal District Court for the District of Utah, seeking a determination, subject to section 309(f) of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), of the value of the real property, reasonable costs and expenses of holding such property from February 1990 to the date of final payment, including damages, if any, and reasonable costs and attorneys fees.

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 880 is a voluntary legislative taking of approximately 1,550 acres of land in Washington County, Utah. The land is located in the Red

Cliffs Preserve, which is the designated habitat conservation area set aside in Utah to protect the endangered desert tortoise.

The Red Cliffs Reserve also happens to be located in Washington County, the fastest growing county in Utah. The owner of this property has been unable to sell, trade or develop this property for years because of the actions of the Fish and Wildlife Service and the Bureau of Land Management's inability to exchange this owner out of the preserve. In fact, $15 million was appropriated by the 105th Congress to buy this land, but the former administration unwisely chose to spend the money in other areas, rather than protecting habitat for this endangered species.

This disagreement goes back to 1983 when Environmental Land Technology, Ltd. acquired 2,440 acres of school trust lands located just north of St. George, Utah, intended for residential and recreational development. Environmental Land Technology began to develop the property by purchasing water rights while conducting the requisite series of appraisals, cost estimates, and surveys.

Unfortunately, shortly thereafter, the desert tortoise was designated as threatened under the Endangered Species Act. Following years of negotiations, in 1996, a Habitat Conservation Plan and Implementation Agreement for the desert tortoise was reached between the BLM, Fish and Wildlife, Washington County, and the State of Utah. As part of that agreement, the Bureau of Land Management assumed the obligation to acquire from willing sellers approximately 12,600 acres of non-Federal land to create the Red Cliffs Reserve for the protection of the desert tortoise. The lands described in this legislation are part of that original obligation.

Since that time, the BLM has been able to acquire most of the property in the area, except for the property owned by ELT. After a series of extensive land exchanges, BLM now has insufficient land available for an interstate transfer with ELT. For the past 10 years, ELT has paid taxes and interest on its property without the ability to sell or develop that land or even set foot on it.

This legislation-taking would include the 1,516 acres located within the reserve, and 34 acres adjacent to the reserve, all of which is owned by ELT. Mr. Speaker, H.R. 880 authorizes the United States to acquire the title of this property, which would then eliminate the last private inholding within the Red Cliff Reserve.

I want to emphasize to Members on both sides of the aisle that this is a voluntary taking and is fully supported by the owner and is supported by BLM.

Mr. Speaker, we held hearings on this legislation last year. At that time, several concerns were raised by the administration and by the minority regarding the issue of valuation. The discussion centered around what was the true value of the property and whether either the Federal Government or the property owner was being treated fairly.

That very issue is what has held up the completion of the HCP itself for years. What this legislation does is provides initial compensation well below the estimated value of the property to the property owner, preventing the property from reverting to creditors. After the initial settlement, absent any action by the property owner or the Secretary of the Interior, the valuation issue is then moved into Federal court where the remaining unsettled value of the property will then be determined. The court, not Congress, not BLM, not the property owner, will make this determination. While all of the parties involved would have liked to avoid going to court, unfortunately, this is the best way to resolve this issue.

Mr. Speaker, H.R. 880 is identical to the legislation passed under suspension of the rules in the last Congress. We have incorporated the same amendments that were made to this legislation last year.

Mr. Speaker, this is a good bill; and I strongly urge my colleagues to support H.R. 880 and get this thing over with.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 880, introduced by the gentleman from Utah (Mr. HANSEN), is a legislative-taking. The bill mandates that 30 days after enactment, all right, title, and interest to 1,550 acres of private land in Utah will vest in the United States. This legislation is identical to a measure, H.R. 4721, which passed the House on October 3, 2000, but which the Senate did not act upon prior to adjournment.

A legislative-taking is an extraordinary procedure used by the Congress only a few times in the past 25 years. Further, the language of this particular taking is substantially different from that used in other rare cases.

There has been an ongoing controversy associated with the land identified by the legislation. Title to the property had been clouded for years; and the land has been the subject of significant litigation, as outlined by the Chair. While everyone agrees that the land in question should be acquired, there are still differences regarding how it should be done. Negotiations to acquire the property have been hampered by the landowner's insistence on using appraisal assumptions that are inconsistent with Federal acquisition standards.

The previous administration testified in opposition to this measure last year, stating its concern that the bill provides preferential treatment to one landowner and provides compensation above and beyond that received by other landowners. We do not have the views of the new administration, but I can guess what they might be.

Mr. Speaker, while there is still some question on certain provisions of H.R. 880, we do not object to consideration of the measure by the House today. However, we hope that some of these matters can be addressed before the bill is finalized and presented to the President.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 880.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GUAM WAR CLAIMS REVIEW COMMISSION ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 308) to establish the Guam War Claims Review Commission, as amended.

The Clerk read as follows:

H.R. 308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Guam War Claims Review Commission Act".

SEC. 2. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Guam War Claims Review Commission" (in this Act referred to as the "Commission").

(b) MEMBERS.—The Commission shall be composed of five members who by virtue of their background and experience are particularly suited to contribute to the achievement of the purposes of the Commission. The members shall be appointed by the Secretary of the Interior not later than 60 days after funds are made available for this Act. Two of the members shall be selected as follows:

(1) One member appointed from a list of three names submitted by the Governor of Guam.

(2) One member appointed from a list of three names submitted by the Guam Delegate to the United States House of Representatives.

(c) CHAIRPERSON.—The Commission shall select a Chairman from among its members. The term of office shall be for the life of the Commission.

(d) COMPENSATION.—Notwithstanding section 3, members of the Commission shall not be paid for their service as members, but in the performance of their duties, shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(e) VACANCY.—Any vacancy in the Commission shall be filled in the same manner as the original appointment.

SEC. 3. EMPLOYEES.

The Commission may appoint an executive director and other employees as it may require. The executive director and other employees of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. Section 3161 of title 5, United States Code, shall apply to the executive director and other employees of the Commission.

SEC. 4. ADMINISTRATIVE.

The Secretary of the Interior shall provide the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

SEC. 5. DUTIES OF COMMISSION.

The Commission shall—

(1) review the facts and circumstances surrounding the implementation and administration of the Guam Meritorious Claims Act and the effectiveness of such Act in addressing the war claims of American nationals residing on Guam between December 8, 1941, and July 21, 1944;

(2) review all relevant Federal and Guam territorial laws, records of oral testimony previously taken, and documents in Guam and the Archives of the Federal Government regarding Federal payments of war claims in Guam;

(3) receive oral testimony of persons who personally experienced the taking and occupation of Guam by Japanese military forces, noting especially the effects of infliction of death, personal injury, forced labor, forced march, and internment;

(4) determine whether there was parity of war claims paid to the residents of Guam under the Guam Meritorious Claims Act as compared with awards made to other similarly affected United States citizens or nationals in territory occupied by the Imperial Japanese military forces during World War II;

(5) advise on any additional compensation that may be necessary to compensate the people of Guam for death, personal injury, forced labor, forced march, and internment; and

(6) not later than 9 months after the Commission is established submit a report, including any comments or recommendations for action, to the Secretary of the Interior, the Committee on Resources and the Committee on the Judiciary of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on the Judiciary of the Senate.

SEC. 6. POWERS OF THE COMMISSION.

(a) AUTHORITY OF CHAIRMAN.—Subject to general policies that the Commission may adopt, the Chairman of the Commission—

(1) shall exercise the executive and administrative powers of the Commission; and

(2) may delegate such powers to the staff of the Commission.

(b) HEARINGS AND SESSIONS.—For the purpose of carrying out its duties under section 5, the Commission may hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay for GS-15 of the General Schedule. The services of an expert or consultant may be procured without compensation if the expert or consultant agrees to such an arrangement, in writing, in advance.

(d) SUPPORT OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal department or agency may provide support to the Commission to assist it in carrying out its duties under section 5.

SEC. 7. TERMINATION OF COMMISSION.

The Commission shall terminate 30 days after submission of its report under section 5(6).

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $500,000 to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 308, the Guam War Restitution Act. This act will establish a temporary commission to review an important matter that has been unresolved since World War II.

Just 4 hours after the Japanese attack on Pearl Harbor located in the territory of Hawaii, Japan invaded the American territory of Guam. The invasion and occupation caused immense suffering to the U.S. citizens and nationals living in Guam because of their intense loyalty to the United States. We cannot forget the sacrifices these men, women, and children made to keep our Nation and people free.

Although there was an intention to provide restitution to U.S. nationals of Guam, like other U.S. citizens, for loss of lives and property due to the war, postwar restitution acts by Congress mistakenly excluded them. Mr. Speaker, H.R. 308 would begin to correct this oversight by creating a temporary Federal commission that would determine the right amount to compensate the people of Guam for their deaths, permanent injury, forced labor, forced marches, and internment during World War II. This commission will last no more than 10 months and cost no more than half a million dollars.

Last year, the House unanimously passed the Guam War Restitution Act, and I ask my colleagues to again vote in favor of this good piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on January 30, 2001, I reintroduced H.R. 308, the Guam War Claims Review Commission Act. This bill is virtually identical to H.R. 755, which passed the House on September 12, 2000. Unfortunately, the Senate was unable to act on the bill before sine die adjournment of the 106th Congress.

Today marks a momentous occasion for the people of Guam. The early consideration and passage of H.R. 308 is a significant step toward the healing of the people who experienced the brutalities of enemy occupation during World War II, and for that I also would like to express my personal gratitude to the gentleman from Utah (Mr. HANSEN), the chairman of the committee, and the gentleman from West Virginia (Mr. RAHALL) for their consideration and speedy action on this particular piece of legislation.

Legislation regarding Guam war restitution has been introduced by every Guam delegate to Congress beginning with Guam's first delegate, Antonio Won Pat, and including my predecessor, General Ben Blaz. Mr. Speaker, H.R. 308 is a careful compromise that incorporates many congressional and Department of Interior recommendations that have been made over the years during which this issue has been considered. The measure before us today creates a process by establishing a Federal commission to review relevant historical facts and circumstances surrounding the war claims of Guamanians who suffered as a result of the Japanese occupation of the island during World War II. This process will determine eligible claimants, eligibility requirements, and the total amount necessary for compensation for the people of Guam who experienced death, personal injury, forced labor, forced march, and internment.

Today, I come before this distinguished body of individuals who represent a great Nation and a great people to tell a little story about their fellow Americans from across the Pacific who endured the atrocities of war to keep the spirit of America alive. I will once again tell of the experiences of the people of Guam during World War II and the many efforts to bring closure to this horrible chapter in their lives. I will tell this story in hopes that inside knowledge and understanding will be gained and the process to restore equity will move forward, and that the people of Guam, the World War II generation of the people of Guam, will be finally made whole.

Pursuant to the Treaty of Paris in 1898, which ended the war between Spain and the United States, the United States acquired sovereignty over Guam and Guam has remained an American territory since that time. On December 8, 1941, Japanese armed forces invaded Guam and seized control of the island from the United States.

From this moment on, Guam's place in American history was tragically etched. Guam was the only U.S. territory or possession or State with civilians present which was occupied by enemy forces during World War II. The island, with its population of approximately 22,000 civilians, was subjected to death, personal injury, forced labor, forced march, and internment by Japanese soldiers. Many were executed by firing squads or beheadings; and the entire island was an internment camp, and families whose lives were once consumed with farming and subsistence living were now forced to labor for the needs of their occupiers.

But the will of the people of Guam was much stronger than the infliction cast upon them by the Japanese military. They concealed the presence of U.S. servicemen who remained on the island by moving them from house to house; they composed American patriotic songs and made makeshift American flags from tattered rags as a reminder, as a boost to their spirits, that America would soon return. Some even organized small militia units, often only teenaged boys to bedevil Japanese soldiers, hoping to ease the path for the return of U.S. military forces.

On July 21, 1944, American forces liberated Guam. Emerging from the hills en mass were a loyal and grateful people for the return of their American countrymen from across the Pacific. In response to this, on June 9, 1945, in a letter from the Honorable Strive Hansel, Acting Secretary of the Navy, to then Speaker of the House Sam Rayburn, Mr. Hansel transmitted proposed legislation to provide relief to the residents of Guam through the settlement of what was called "meritorious claims." On November 15, 1945, the Guam Meritorious Claims Act authorized the Secretary of the Navy to adjudicate and settle claims for a period of only 1 year for property damage only occurring on Guam during the Japanese occupation. Certification of claims in excess of $5,000 or any claims of personal injury or death were to be forwarded to Congress.

On June 8, 1947, Navy Secretary Forrestal appointed a civilian commission labeled the Hopkins Commission to study and make recommendations on the Naval administration of Guam. One of their strongest recommendations was that the war claims of the people of Guam should be addressed, and especially claims on personal injury and death, and that immediate steps should be taken to hasten this process. The report also stated that while many claimants were advised that the local Navy Claims Commission had the power to settle and make immediate payment of claims not in excess of $5,000, that claims above that amount must go to Washington, which, of course, resulted in absolutely no action.

The report recommended that the Guam Meritorious Claims Act be amended to authorize naval officials to provide immediate, on-the-spot settlements.

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In response to this particular circumstance, and in fact to the circumstance involving all American nationals and citizens who experienced occupation, the 1948 War Claims Act was enacted by Congress to address all of American victims of World War II. The War Claims Act of 1948 authorized the creation of a commission to make inquiries and settle the claims of American citizens and nationals and military personnel imprisoned during World War II.

Despite recommendations from the Hopkins Commission, the War Claims Act of 1948 excluded Guam. This led to the anomaly that many people from Guam who happened to be in the Philippines at the time were eligible for war claims, whereas their families who remained on Guam under enemy occupation were ineligible.

In 1950, Congress passed the Organic Act of Guam which made the people U.S. citizens. In 1951, the United States signed a peace treaty with Japan, which meant that no further claims by the people of Guam could be addressed directly to the Japanese. The people of Guam were left in this anomalous position of being unable to settle their claims directly with Japan.

In 1962, the War Claims Act of 1948 was further amended, and again Guam was not included. As a consequence, and despite the study and recommendations of the Hopkins Commission, which concluded that reparations for Guam that were provided by the Guam Meritorious Claims Act fell short of rehabilitating the island and redressing damages suffered by its people from the occupation of Guam, Congress still failed to address the recommendations. Today we are left with this situation.

For more than 2 decades, the issue has been aggressively pursued by the leaders of Guam. On December 30, 1980, the Government of Guam created a Guam Reparations Commission which compiled war damage claims for death, forced labor, forced march, internment, or injury for survivors or descendants who did not receive any reparations under the Guam Meritorious Claims Act. On the Federal level, as I have indicated, each of my predecessors introduced legislation to address this issue.

These combined efforts have brought us to this point today, and I am hopeful once the work of the commission is completed, we can finally heal this very painful memory in Guam's history.

Mr. Speaker, H.R. 308 is simple. It establishes a Federal process to review the relevant historical facts, determine the eligible claimants, the eligibility requirements and the total amount necessary for compensation arising from the Japanese occupation of Guam.

Last year, the Congressional Budget Office estimated that the cost of this would be minimal and would not affect direct spending or receipts. Moreover, considering that the island of Guam had a very small population during the nearly 3 years of occupation during the war and given the available Federal and territorial records on this matter, I anticipate that any Federal commission which is established under this bill would be able to complete its work expeditiously and provide Congress with the necessary recommendations to resolve this long-standing issue in a timely and fair fashion.

Mr. Speaker, I thank the gentleman from Utah (Mr. HANSEN), chairman of the Committee on Resources, for his assistance in bringing this matter to the floor, and the gentleman from West Virginia (Mr. RAHALL), our ranking Democrat member. It has been with their help that we have been able to address past concerns on this issue and move a step closer to justice in an expeditious fashion in the 107th Congress.

Mr. UNDERWOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from American Samoa (Mr. FALEOMAVAEGA).

Mr. FALEOMAVAEGA. Mr. Speaker, I would like to commend our good chairman of the Committee on Resources, the gentleman from Utah (Mr. HANSEN), for his support, and our ranking member, the gentleman from West Virginia (Mr. RAHALL), for his endorsement of this important legislation.

Mr. Speaker, as has been so eloquently stated by the gentleman from Guam (Mr. UNDERWOOD), the commission to review reparations for the people of Guam, who were subjected to death, forced labor, forced marches and internment during World War II is long overdue.

Guam was the only land under the jurisdiction of the United States to be occupied by Japanese forces during World War II. The people of Guam could have, I suppose, Mr. Speaker, greeted Japanese military forces with open arms and perhaps spared themselves some of the misery they suffered during 3 years of brutal occupation by Japanese forces, but they did not. These native Guamanians were proud Americans since the annexation of Guam by America in 1898 after the Spanish-American War.

In response to their loyalty, 56 years after the Secretary of the Navy was authorized to adjudicate these claims, we are still debating whether we should establish a commission to study whether the people of Guam who suffered during this occupation should receive reparations.

Mr. Speaker, it has been 56 years. Even the Department of the Navy supported reparations decades ago. Direct action on the part of this Congress is long, long overdue. This legislation has been introduced in every Congress since Guam has had a delegate in the U.S. House of Representatives to address the war, the subject of the World War II atrocities committed by Japanese soldiers against these loyal Americans. This is my seventh term now in this Chamber. I can personally attest that the gentleman from Guam (Mr. UNDERWOOD) has been trying to get this issue addressed since he has been here, and our former colleague, Mr. Ben Blaz, did the same before him, and before Mr. Blaz, Mr. Tony Won Pat in the 1970s.

Mr. Speaker, I support this legislation. I also feel compelled to speak out that we should be doing more. A similar bill passed the House late last year, and I appreciate the leadership agreeing to take up this bill early in this Congress so the Senate will have more time to act on it.

Mr. Speaker, the territory of Guam stands today as one of our most important strategic centers throughout the Asian Pacific region. Our Nation has established well over a $10 billion military presence in Guam, a first-class Air Force base that has proved so crucial in bombing operations during the Vietnam War, and a naval installation that is critical to provide resources and support for our armed forces throughout the Asian-Pacific region.

Mr. Speaker, I want to reinforce these points to my colleagues in the House as to why this legislation is so important and why it needs the support of this body. One, some 22,000 native Guamanians were the only Americans living in the land area under the sovereignty of the United States that was occupied for some 3 years by Japanese military forces during World War II. Two, I am not going to ask why it was the policy of our government to evacuate only U.S. citizens living in Guam, but leave the native Guamanians, who were all U.S. nationals, subject to the control and sovereignty of our own government, they were left to fend for themselves for these 3 years while the Japanese occupied the island of Guam.

Mr. Speaker, for 3 years, these United States nationals were subject to some of the worst atrocities committed by Japanese military forces during their occupation of Guam from 1941 to 1944.

Mr. Speaker, this is not a pleasant story to share with my colleagues today, but we need to put ourselves in the shoes of some of the descendents of these families who suffered so much. It is not a pleasant story to hear when the head of one's father has been decapitated by a Japanese soldier, or if one's mother or sister or wife was being raped by these Japanese forces.

I only say just a fraction, from talking to some of the descendents who are still living today, of the atrocities; and just the forced marches. The way that these people were treated, I say it even borders on genocide.

Mr. Speaker, I plead with my colleagues today, let this bill pass. We owe it to these proud Americans.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask for favorable consideration of this bill. I thank all involved.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 308, the Guam Claims Review Commission Act. This legislation takes essential steps toward identifying all relevant facts and circumstances of the implementation and effectiveness of the Guam Meritorious Claims Act. Everyone needs to be fairly compensated.

From December 8, 1941, until July 21, 1944 Japanese armed forces occupied the U.S. territory of Guam. During that period, residents of Guam were subjected to injury, forced labor, internment, and, in some cases, death. In 1945, Congress passed the Guam Meritorious Claims Act (PL 79–224), which, for a period of one year, authorized the Navy to settle claims for property damage on Guam resulting from the Japanese occupation. Claims for property damage exceeding $5,000 and claim for personal injury or death, however, had to be forwarded to Congress. A report issued in 1947 by a civilian commission appointed by the secretary found, among other things, that some claimants offered to reduce their claim below $5,000 to expedite their claims.

H.R. 308 would establish Guam War Claims Review Commission, composed of five uncompensated members appointed by the Interior secretary with input from Guam's governor and House delegate. The commission would have nine months to submit a report containing comments and recommendations to Congress and the executive branch.

As part of that process, the commission would review all relevant Federal and Guam territorial law, Guam and U.S. archives regarding Federal payments for war claims in Guam; receive testimony of individuals who personally experienced the occupations; determine whether there was parity of war claims paid to the residents of Guam as compared with awards made similarly affected U.S. citizens or nations in other occupied territories; and advise whether additional compensation may be necessary to compensate the people of Guam for death, personal injury, forced labor, and internment.

The commission should have been created before long ago. We can, however, take appropriate action today to ensure that claimants are justly compensated by the United States of America. I urge my colleagues to support H.R. 308.

Mr. UNDERWOOD. Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 308, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROVIDING ADDITONAL TIME FOR CLEAR CREEK COUNTY, COLORADO, TO DISPOSE OF CERTAIN LANDS

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 223) to amend the Clear Creek County, Colorado, Public Lands Transfer Act of 1993 to provide additional time for Clear Creek County to dispose of certain lands transferred to the county under the Act.

The Clerk read as follows:

H.R. 223

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5(c)(2) of the Clear Creek County, Colorado, Public Lands Transfer Act of 1993 (Public Law 103–253; 108 Stat. 677) is amended by striking "the date 10 years after the date of enactment of this Act" and by inserting "May 19, 2015".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from Colorado (Mr. UDALL) each will control 20 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 223, introduced by the gentleman from Colorado (Mr. UDALL), amends section 5 of the Clear Creek County, Colorado, Public Lands Transfer Act of 1993.

The act clarified Federal land ownership questions in Clear Creek County, Colorado, and provided Clear Creek County time to dispose of transferred property. This amendment extends the time needed for Clear Creek County to sell certain lands that it received from the Federal government under the 1993 act.

Mr. Speaker, H.R. 223 is a noncontroversial and bipartisan bill that is nearly identical to a bill that was passed by the House during the 106th session of Congress. The only difference is that this bill would extend the time for the county to sell the lands in question for 1 year longer than the time period contained in the bill that passed the House last year.

This additional 1-year time period is necessary to allow for the additional time that has elapsed while the Congress has had this matter under consideration before the bill was enacted into law.

I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. UDALL of Colorado. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as its author, I obviously support passage of this bill. I want to thank the gentleman from Utah (Mr. HANSEN), the chairman of the Committee on Resources, and our ranking member, the gentleman from West Virginia (Mr. RAHALL), for making it possible for the House to consider it today.

I introduced the bill last year at the request of the commissioners of Clear Creek County. It was passed by the House last fall, but time ran out before the Senate could complete action on it prior to the end of the 106th Congress.

The bill amends section 5 of the Clear Creek County, Colorado, Public Lands Transfer Act of 1993. The effect of the amendment would be to allow Clear Creek County additional time to determine the future disposition of some former Federal land that was transferred to the county under that section of the 1993 act.

The 1993 act was originally proposed by my predecessor, Congressman David Skaggs. Its purpose was to clarify Federal land ownership questions in Clear Creek County while helping to consolidate the Bureau of Land Management administration in eastern Colorado, and assisting with protecting open space and preserving historic sites.

As part of its plan to merge its eastern Colorado operations into one administrative office, the BLM has determined that it would be best to dispose of most of its surface lands in northeastern Colorado.

The 1993 act helped achieve that goal by transferring some 14,000 acres of land from the Bureau of Land Management to the U.S. Forest Service, to the State of Colorado, to Clear Creek County, and to the towns of Georgetown and Silver Plume. Of course, the BLM would have sold all these lands, and the local governments could have applied for parcels under the Recreation and Public Purposes Act.

Under current law, however, BLM would have first had to have completed detailed boundary surveys. Since the land in question included many odd-shaped parcels, including some measured literally in inches, the BLM estimated these surveys could have taken another 15 years to complete and could have cost as much as $18 million.

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Mr. Speaker, but the estimated value of these lands was only $3 million. Because these administrative costs were expected to be so much higher than the value of these lands, their disposal under existing law could never have been completed, and this would have been the worst of all outcomes. Because, after reaching the conclusion that these lands should be transferred, BLM would in effect stop managing them, to the extent that they could be managed at all.

In short, until some means could be found to enable their transfer, these 14,000 acres were effectively abandoned property, potentially attracting all the problems that befall property left uncared for and ignored.

The 1993 Act responded to that situation. Under it, about 3,500 acres of BLM land in Clear Creek County were transferred to the Arapaho National Forest. Another 3,200 acres of land were transferred to the State of Colorado, the county, and the towns of Georgetown and Silver Plume. Finally, about 7,300 acres were transferred to the county.

The bill before us deals today only with those 7,300 acres that were transferred to the county. The 1993 Act provides that after it prepares a comprehensive land use plan, the county may resell some of the land. Other parcels will be transferred to local governments, including the county, to be retained for recreation and public purposes.

With regard to the lands that the county has authority to sell, the 1993 Act in effect authorizes the county to act as the BLM's sales agent, and it provides that the Federal Government will receive any of the net receipts from the sale of these lands by the county.

Under the 1993 Act, the county has until May 19, 2004, to resolve questions related to rights-of-way, mining claims and trespass situations on the lands covered by the Act.

While the county has completed the conveyance of some of these lands, there are still about 6,000 acres to dispose of, and they are working to complete the job. For example, the county is seeking to have some 2,000 acres transferred to the Colorado Division of Wildlife for the management of Bighorn Sheep habitat. However, the commissioners have found the process is taking longer than they anticipated and that an extension of time would be helpful to a successful conclusion.

The bill we are considering today responds to their request by providing that extension; and it set May 19, 2015, as the new deadline for the county to either transfer or retain these lands.

The county commissioners have indicated to me that they are confident that there will be sufficient time for them to resolve the matter under this new piece of legislation.

Mr. Speaker, in summary, there is no controversy associated with the legislation; and I urge its adoption.

Mr. UDALL of Colorado. Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 223.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HANSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 880, H.R. 834, H.R. 308, as amended, and H.R. 223.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

PRESIDENT'S PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-50)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 13, 2001.*

CONTINUATION OF IRAN EMERGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-51)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to Iran is to continue in effect beyond March 15, 2001, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on March 14, 2000.

The crisis constituted by the actions and policies of the Government of Iran, including its support for international terrorism, efforts to undermine Middle East peace, and acquisition of weapons of mass destruction and the means to deliver them, that led to the declaration of a national emergency on March 15, 1995, has not been resolved. These actions and policies are contrary to the interests of the United States in the region and threaten vital interests of the national security, foreign policy, and economy of the United States. For these reasons, I have determined that I must continue the declaration of national emergency with respect to Iran necessary to maintain comprehensive sanctions against Iran to respond to this threat.

GEORGE W. BUSH.
THE WHITE HOUSE, *March 13, 2001.*

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m.

Accordingly (at 3 o'clock and 36 minutes p.m.), the House stood in recess until approximately 6 p.m.

☐ 1800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. COOKSEY) at 6 p.m.

APPOINTMENT AS MEMBER TO COORDINATING COUNCIL ON JUVENILE JUSTICE AND DELINQUENCY PREVENTION

The SPEAKER pro tempore. Without objection, and pursuant to section 206 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616) the Chair announces the Speaker's appointment of the following member on the part of the House to the Coordinating Council on Juvenile Justice and Delinquency Prevention:

Mr. Michael J. Maloney of Chicago, Illinois, to a 1-year term.

There was no objection.

COMMUNICATION FROM PAYROLL COUNSELOR, OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

The SPEAKER pro tempore laid before the House the following communication from Jack Katz, Payroll Counselor, Office of the Chief Administrative Officer:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, HOUSE OF REPRESENTATIVES,
Washington, DC, March 12, 2001.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule VIII of the Rules of the House that I have received a subpoena for records issued by the Calvert County Department of Social Services.

After consultation with the Office of General Counsel, I have determined that the subpoena is material and relevant and that compliance is consistent with the privileges and rights of the House.

Sincerely,

JACK KATZ,
Payroll Counselor.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

CONGRESS OF THE UNITED STATES, HOUSE OF REPRESENTATIVES, OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, March 13, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to paragraph 8 of Section 801(b) of Public Law 100-696, I hereby appoint the following Member to the United States Capitol Preservation Commission:

Mr. Moran, VA

Yours Very Truly,

RICHARD A. GEPHARDT.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules. Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H.R. 834, by the yeas and nays; and

H.R. 223, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

NATIONAL TRAILS SYSTEM WILLING SELLER ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 834.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 834, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 3, not voting 20, as follows:

[Roll No. 46]

YEAS—409

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone

Pascrell
Pastor
Payne
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—3

Davis, Jo Ann
Flake
Paul

NOT VOTING—20

Ackerman
Barr
Becerra
Cannon
Cox
Gephardt
Graves
Hastings (FL)
Keller
Kirk
Lofgren
Lowey
Matheson
Meeks (NY)
Moakley
Neal
Pelosi
Pomeroy
Ros-Lehtinen
Towns

□ 1827

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. KIRK. Mr. Speaker, on rollcall No. 46 I stuck my voting card in the machine and pressed "aye." The machine apparently malfunctioned. It should have reflected my "yea" vote.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. COOKSEY). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

PROVIDING ADDITIONAL TIME FOR CLEAR CREEK COUNTY, COLORADO, TO DISPOSE OF CERTAIN LANDS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 223.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 223, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 19, as follows:

[Roll No. 47]

YEAS—413

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—19

Ackerman
Becerra
Bilirakis
Cannon
Cox
Gephardt
Graves
Hastings (FL)
Keller
Lewis (CA)
Lofgren
Lowey
Matheson
Meeks (NY)
Moakley
Neal
Pomeroy
Ros-Lehtinen
Towns

□ 1836

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. BILIRAKIS. Mr. Speaker, on rollcall No. 47 I was inadvertently detained. Had I been present, I would have voted "yea."

MAKING IN ORDER CERTAIN MOTIONS TO SUSPEND THE RULES ON WEDNESDAY, MARCH 14, 2001

Mr. LATHAM. Mr. Speaker, I ask unanimous consent that it be in order at any time on the legislative day of Wednesday, March 14, 2001, for the Speaker to entertain motions that the House suspend the rules relating to the following measures:

H.R. 725, H.R. 809, H.R. 860, H.R. 861, S. 320, H.R. 802, H.R. 741, H.R. 821 and H.R. 364.

The SPEAKER pro tempore (Mr. COOKSEY). Is there objection to the request of the gentleman from Iowa?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE BEGINNING OF THE END OF FIAT MONEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, the golden new era of the 1990s has been welcomed and praised by many observers, but I am afraid a different type of new era is arriving, a dangerous one, heralding the end of 30 years of fiat money. If so, it is a serious matter that deserves close attention by Congress.

There is nothing to fear from globalism, free trade and a single worldwide currency, but a globalism where free trade is competitively subsidized by each nation, a continuous trade war is dictated by the WTO, and the single currency is pure fiat, fear is justified. That type of globalism is destined to collapse into economic despair, inflationism and protectionism and managed by resurgent militant nationalism.

Efforts to achieve globalist goals are quickly abandoned when the standard of living drops, unemployment rises, stock markets crash and artificially high wages are challenged by markets forces.

When tight budgets threaten spending cuts, cries for expanding the welfare state drown out any expression of concern for rising deficits.

The effort in recent decades to unify government surveillance over all world trade and international financial transaction through the UN, the IMF, the World Bank, the WTO, the ICC, the OECD and the Bank of International Settlements can never substitute for a peaceful world based on true free trade, freedom of movement, a single but sound market currency and voluntary contracts with property private rights.

Mr. Speaker, great emphasis in the last 6 years has been placed on so-called productivity increases that gave us the new-era economy. Its defenders proclaimed that a new paradigm had arrived. Though productivity increases have surely helped our economy, many astute observers have challenged the extent to which improvements in productivity have actually given us a distinctly new era. A case can be made that the great surge in new technology of the 1920s far surpassed the current age of fast computers, and we all know what happened in spite of it, after 1929.

A truly new era may well be upon us, but one quite different than what is generally accepted today. The biggest era in interrupting today's events is the totally ignoring of how monetary policy in a fiat system affects the entire economy.

Politicians and economists are very familiar with business cycles with most assuming that slumps erupt as a natural consequence of capitalism, an act of God, or as a result of Fed-driven high interest rates. That is to say the Fed did not engage in enough monetary debasement becomes the most common complaint by Wall Street pundits and politicians.

But today's economy is unlike anything the world has ever known. The world economy is more integrated than ever before. Indeed, the effort by international agencies to expand world trade has had results, some good. Labor costs have been held in check, industrial producers have moved to less regulated low costs, low tax countries while world mobility has aided these trends with all being helped with advances in computer technology.

But the artificial nature of today's world trade and finance being systematically managed by the IMF, the World Bank and the WTO and driven by a worldwide fiat monetary system has produced imbalances that have already prompted many sudden adjustments.

There have been eight major crises in the last 6 years requiring a worldwide effort, led by the Fed, to keep the system afloat, all being done with more monetary inflation and bailouts.

The linchpin to the outstanding growth of the 1990s has been the U.S. dollar. Although it, too, is totally fiat, its special status has permitted a bigger bonus to the United States while it has been used to prop up other world economies.

The gift bequeathed to us by owning the world reserve currency allows us to create dollars at will.

□ 1845

Alan Greenspan has not hesitated to accommodate everyone, despite his reputation as an inflation fighter. This has dramatically raised our standard of living and significantly contributed to the new-era psychology that has been welcomed by so many naive enough to believe that perpetual prosperity had arrived and the bills would never have to be paid.

One day it will become known that technological advances and improvements in productivity also have a downside. This technology hid the ill effects of the monetary mischief the Fed had enthusiastically engaged in the past decades. Technological improvements while keeping the CPI and the PPI prices in check, led many, including Greenspan, to victoriously declare that no inflation existed and that a new era had, indeed, arrived. Finally it is declared that the day has arrived that printing money is equivalent to producing wealth, and without a downside. Counterfeit works.

But the excess credit created by the Fed found its way into the stock market, especially the NASDAQ, and was ignored. This set the stage for the stock market collapse now ongoing. Likewise ignored has been the excess capacity, mal-investment and debt that permeates the world economy.

BLACK BERETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, last Thursday I was honored to have two former Army Rangers visit my Washington office. Sergeant David Nielsen was just finishing a grueling 750-mile march from Fort Benning, Georgia, to Washington, D.C. For much of the march, he was accompanied by Sergeant Bill Round, a fellow Ranger, a Vietnam veteran and a constituent of mine.

The purpose behind this march was simple. They wanted to protest a recent directive issued by the Army Chief of Staff that makes the black beret, the long-standing symbol of the Rangers, standard issue for all Army soldiers.

Mr. Speaker, our Rangers are unique. They volunteer to undergo intense training and endure great sacrifices in the name of freedom. At the end of their training, they are presented with the black beret. The beret has a long history beginning with Rogers Rangers who fought during the French and Indian War.

In 1951, Ranger units at Fort Benning, Georgia, began wearing the black beret; and in 1975, the Department of Army officially authorized Rangers, and only Rangers, to wear the black beret.

No matter where we have called our Rangers to serve, Korea, Vietnam, the Gulf War, Somalia, they have done so with honor and distinction.

As we sat in my office, Sergeant Nielsen told me about another Ranger, a silent marcher who also accompanied him on this journey. His name was PFC James Markwell. PFC Markwell and Sergeant Nielsen had just recently completed their Ranger training when our country called upon them to participate in the invasions of Panama. They both answered the call knowing that the mission could cost them their lives, which was, indeed, the case for PFC Markwell.

After Markwell was killed in action, it was Sergeant Nielsen who was assigned to recover his body and accompany his fallen comrade home on his final journey.

As Sergeant Nielsen marched to Washington, he carried in his cargo pocket the very essence of every Ranger, the black beret of his fallen brother.

The black beret is more than a symbol of an elite fighting unit. It is an outward symbol of those who have gone before, those Rangers who fell in combat, and those who have returned to their families.

It is also about the commitment of today's Rangers who sacrifice much, who leave the comforts of their families, and place themselves in harm's way when duty calls.

On June 14 of the year 2001, by directive of the United States Army Chief of Staff, all U.S. Army soldiers will be issued a black beret as standard issue.

The Special Forces will still wear their green berets. Our Airborne troops will still wear their maroon berets. But after a quarter century of being the only soldiers authorized to wear the black beret, the Rangers will be without the beret that has stood as their symbol of pride and tradition.

As if all of this were not enough, it has recently come to light that the Pentagon has bypassed the "Buy American" law and purchased the bulk of the 3 million berets from Communist China. In my opinion, this only adds insult to injury. For the life of me, I cannot understand why the Pentagon wants our soldiers to wear headgear produced in a communist country and at a cost of $35 million.

I do not think a potential adversary should be producing a beret that has come to symbolize honor and valor. This is one more example of political correctness gone wrong.

Social engineering within the armed forces of the United States is a policy Bill Clinton started. It has been divisive and distracting to the morale of our forces; and it needs to end, Mr. Speaker.

Mr. Speaker, I wish to take this opportunity to, again, thank Sergeant Nielsen and Sergeant Round for their efforts to bring attention to this most important issue. They are two men who served our Nation honorably and who do not want to see the black beret sacrificed in the name of political correctness.

Mr. Speaker, I close by saying God bless the men and women in uniform and God bless America.

SCANT ATTENTION PAID TO THE GREAT BRAVERY OF THOSE WHO SERVE IN UNIFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, one of the great privileges and pleasures we have as Members of Congress is to appoint our fine young people to our service academies, be it Air Force, West Point, Annapolis, Merchant Marine, or Coast Guard. It always impresses me when I hear from some of them who have either told me about their experiences or, in fact, have written on issues that may concern them relative to our country.

I had a great opportunity last week to receive over my fax, obviously, a letter from a proud father, George Liedel, who is a doctor in Sebring, Florida, at Highlands Regional Medical Center. He sent this from Jennifer, Jennifer Liedel, his daughter who is at West Point. I nominated her in 1997. She sent this Friday, February 23, from her computer to her mom and dad. The subject: "I think this puts things in perspective as to where our priorities really are as a nation."

On 18 February 2001, while racing for fame and fortune, Dale Earnhardt died in the last lap of the Daytona 500. It was surely a tragedy for his family, friends and fans. He was 49 years old with grown children, one who was in the race with him. I am new to the NASCAR culture, so much of what I know has come from the newspaper and TV. He was a winner and earned everything he had. This included more than "$41 million in winnings and 10 times that from endorsements and souvenir sales." He had a beautiful home and a private jet. He drove the most sophisticated cars allowed, and every part was inspected and replaced as soon as there was any evidence of wear. This is normally fully funded by the car and team sponsors. Today, there is no TV station that does not constantly remind us of his tragic end, and the radio already has a song of tribute to this winning driver. Nothing should be taken away from this man. He was a professional and the best in his profession. He was in a very dangerous business, but the rewards were great.

> Two weeks ago, seven U.S. Army soldiers died in a training accident when two UH-60 Black Hawk helicopters collided during night maneuvers in Hawaii. The soldiers were all in their twenties, pilots, crew chiefs and infantrymen. Most of them lived in substandard housing. If you add their actual duty hours, in the field, deployed, they probably earn something close to minimum wage. The aircraft they were in was between 15 and 20 years old. Many times parts were not available to keep them in good shape due to funding. They were involved in the extremely dangerous business of flying in the Kuhuku Mountains at night. It only gets worse when the weather moves in as it did that night. Most times no one is there with the yellow or red flag to slow thing down when it gets critical. Their children are mostly toddlers who will lose all memory of who 'Daddy' was as they grow up. They died training to defend our freedom.
>
> I take nothing away from Dale Earnhardt but ask you to perform this simple test. Ask any of your friends if they know who was the NASCAR driver killed 18 February 2001. Then ask them if they can name one of the seven soldiers who died in Hawaii 2 weeks ago.
>
> 18 February 2001, Dale Earnhardt died driving for fame and glory at the Daytona 500. The Nation mourns. Seven soldiers died training to protect our freedom. No one can remember their names, and most do not even remember the incident.
>
> For the record, the six identified casualties were Major Robert L. Olson of Minnesota; Chief Warrant Officer George P. Perry and Chief Warrant Officer Gregory I. Montgomery, both of California; Sergeant Thomas E. Barber of Champlin, Minnesota; Specialist Bob D. MacDonald of Alta Loma, California; and Specialist Rafael Olvera-Rodriguez of El Paso, Texas.

She hits pretty much the nail on the head, as they say. We are completely smitten by personalities and successful stars, rock stars, TV actors, and others; and we give scant appreciation to those who serve in the military.

Those men who just were mentioned, who died training for this country, deserve more than my speech on the floor or her memo. I hope it brings us to call to mind that the great bravery exhibited by our men and women in uniform, those on the police departments, our schoolteachers, our firefighters, you name the profession who works for the public, deserve more than thinking their life's work does not deserve headlines or certainly does not deserve the appreciation of our country.

I salute Jennifer for bringing this memo to my attention. I salute her for her service to West Point, and I praise our country for those young people who choose to serve our country in uniform.

INDIA EARTHQUAKE RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I come to the House floor today to speak about the continued relief efforts in India after the massive 7.9 earthquake that rocked the nation in January. After the earthquake, I came to the floor to request USAID to double the amount of assistance it was sending to India, from $5 million to $10 million.

Today, more than $13 million has been sent. This is a good start; but clearly, the $13 million is not enough to address the continued struggles India, particularly Gujarat, is facing at this time.

The havoc on the ground in terms of human suffering must be understood. Our friends in India will be facing monsoons very soon. We must move fast to ensure all support possible to prevent epidemic and further tragedies in the earthquake's aftermath.

Today, Mr. Speaker, I would like to address five strong areas where I think we could continue to help. Several of these ideas were discussed at a subcommittee hearing of the Committee on International Relations by several of my colleagues who visited the region after the earthquake.

First, I ask the World Bank and the Asian Development Fund to move quickly to approve India's petition for soft-window or low-interest loans funding. The ADF recently finished its appraisal of the Gujarat disaster and increased its earlier estimate of aid loans from $350 million to $500 million. This increase in the appraisal by the ADF clearly demonstrates the terrible need on the ground.

The President of the Asian Development Bank has pledged his support, and I laud him for that; but currently this proposal is held up before their board. The board is meeting late March to decide the $500 million funding for ADF's Gujarat Earthquake Rehabilitation and Reconstruction Project.

Now normally the Asian Development Fund does not offer concessional loans to India due to India's size, but clearly Gujarat is in the midst of a great human and fiscal disaster and definitely merits these loans. We as a donor country can and must ask the ADF to make this exception.

Second, Mr. Speaker, I would like to ask the Office of Management and Budget to improve 416(b) disaster mitigation funding. This proposal sent by nongovernmental organizations in India to the U.S. Department of Agriculture allocates estimated relief at 60,000 metric tons of vegetable oil and other commodities, valued at over $32 million for this year. This proposal, originally designed for aid to the entire country, is now being focused on Gujarat in light of the earthquake.

We must understand that this region suffered a horrible drought in the last 2 years, so this is an emergency within an emergency. The proposal has gone through technical reviews, has received positive endorsements from USAID, State Department, and the Department of Agriculture, but is still stalled at OMB. I encourage OMB to release this funding for India immediately.

Third, Mr. Speaker, we must focus on detailed talks between the Indian National Government and FEMA to help create a FEMA-type model for India. Currently, there is an active debate in India about creating an agency like FEMA, and the Indian Government has shown great interest in collaborating with the U.S. Government. The FEMA talks are currently in the how-to stage. We must move quickly so we can implement the plans expeditiously as possible.

Fourth, Mr. Speaker, we must also work with local governments in India to help create a local response system similar to ones we have in the United States, in Fairfax, Virginia, and Miami, Florida. This would certainly improve rescue operations and help minimize loss of life in the crucial hours after disaster has struck.

In addition, we should have technical experts from the earthquake-prone areas such as California work together with the Indian officials to create appropriate public-warning procedures, routine earthquake drills, civilian protection mechanisms, and earthquake-safe foundation structures. We must share the lessons we learned from the devastating Northridge earthquake in California in 1992 to help Gujarat rebuild itself, as well as prepare for such future disasters.

Finally, Mr. Speaker, we must focus on creation of a better U.S. rescue response system around the world. The current system, while successful in rebuilding procedures, needs revamping of its international rescue response procedures in the immediate hours after an emergency. Switzerland, the UK, and Israel were on the ground in India within 48 hours to start rescue operations while it took the U.S. Government more than 72 hours to get our first official relief efforts there.

USAID is considering prepositioning resources by setting up ground offices in disaster-prone regions of the world to expedite aid disbursement during calamities. I support setting up such an office in India.

□ 1900

An important thing for us to understand is how vital a strong India is for U.S. interests. With India increasingly showing signs of political strength and stability, and stronger restraint in the resolution of the Kashmir dispute, we must demonstrate that we stand by our friend in their hour of need. Indians are not looking for handouts. They are very strong, resilient people who can and will rebuild Gujarat back. However, we must not leave them alone in coping with this devastating earthquake.

Mr. Speaker, I therefore ask my fellow colleagues to stand strong with me in pushing these recommendations immediately for long-lasting support to India.

MASSIVE IMMIGRATION INTO UNITED STATES MUST BE STOPPED

The SPEAKER pro tempore (Mr. CANTOR). Under a previous order of the House, the gentleman from Colorado (Mr. TANCREDO) is recognized for 5 minutes.

Mr. TANCREDO. Mr. Speaker, the gentleman from North Carolina (Mr. JONES) was up here a moment ago, and while I was waiting to speak to the House tonight, I listened to his concerns with regard to the black beret issue, and I want to add my voice to his in expressing that concern; and to add one other point that I do not believe he made, and I just recalled it as I was sitting here.

To add insult to injury, the berets are being purchased, being made in China, being purchased from the communist regime in China, and being imposed as the gentleman from North Carolina (Mr. JONES) said, for political correctness. I want to add my voice to his in expressing deep concern about this particular proposal.

Mr. Speaker, I rise this evening to bring to the attention of the House a tragic accident that occurred in Colorado just yesterday. It took the lives of 6 Mexican nationals and injured 13 others.

All of these people were in a van. The van was hit by a truck on the highway which hit a patch of ice. The van was transporting these people, Mexican nationals, to jobs in the United States and they were crossing Colorado. This has become an all too common event. We have had 8 or more people killed in Colorado, I know the numbers are expanded by events in other States. Always the same thing. People being transported, people being exploited by others, having money taken from them for the purpose of bringing them to jobs in the United States, transporting them illegally into this country. They are abused many times. They are certainly exploited, and oftentimes they are exploited when they get here, working under conditions that we would not tolerate in any other situation, oftentimes at lower pay. All of this because, of course, some employers, unscrupulous employers, know that they can do that because the employee, being here illegally, is afraid to go and report it for fear of what would happen to them.

The problem that this raises is not just the problem of the tragic toll of human life that occurred in Colorado yesterday, and that is our primary concern this evening. But I think it is important for us to understand that this underscores a much more significant problem that we face as a Nation.

Mr. Speaker, this Nation cannot absorb the number of people that are coming across our borders, both legally and illegally. The immigration into this country over the last 10 years has been extraordinary. Now we are, of course, a Nation of immigrants. I understand that very well. My own grandparents, like everyone else's here in this room, with the exception of Native Americans who might have claim to some other way of being here, the fact is that most of us are here as a result of our grandparents coming in the recent past.

I do not blame for a moment the people who are seeking a better life, the people trying to come here for the purpose of getting a better life for themselves and their families. I do not blame them; I blame the system.

We must begin the debate, although it is a difficult one, we must begin the debate on exactly what this country will look like. How many people are we going to let in here, both legally and illegally. The fact is we are letting them in and I say that, letting them in because essentially there is no border. It is a porous border. People come across almost at will, millions annually. Several million, it is estimated between 1 and 4 million people, no one knows exactly how many end up here, we have a net increase every year of immigration through illegal immigrants of that number.

Mr. Speaker, massive immigration into the United States must be stopped. We must begin at least to debate the costs of this immigration. There are extraordinary financial costs, both for infrastructure development, for schooling, housing, social services, for the incarceration of aliens here who have violated State or local laws. We have to look and see exactly what American businesses may need in terms of both skilled and unskilled workers, and then come up with a plan to deal with it. We must begin the debate.

EDUCATION POLICY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, I would like to use most of my time to talk about education, but I think it is important to begin by setting the discussion on education in the proper context, within the proper context of what is developing here in Washington and in the House of Representatives.

Last week we voted, the majority voted, to begin the massive tax cut proposed by the President. This is a massive amount of money to be spent on tax refunds. A tax cut is a kind of expenditure. That is an important item to understand, put in place, because it is part of setting the parameters for any kind of action on education or any other program of the government. All other programs will have to respond to the fact that there is less money available if we have a huge tax cut.

We have tried to set different parameters. Instead of a huge tax cut, the Congressional Black Caucus and the progressive caucus have proposed that at least 10 percent of the surplus be used for education. If we used 10 percent of the surplus for education, we would still have 90 percent left to use for other programs. So we propose that we use another 10 percent for housing, for social programs, for other kinds of programs that are important for human resource development. In other words, invest at least 20 percent in education and human resource development. There would still be 80 percent left of the surplus after that investment was made. So that additional 80 percent, we propose, should be used to pay down the debt and to give a tax cut.

Tax cuts make a lot of sense. I am in favor of a tax cut, but the tax cut should be targeted, the tax cut should not be extravagant, and the tax cut should not jeopardize our budgeting process for the next 10 years. It should not throw us into a deficit. It should not throw us into a situation where, in order to balance the budget, we are forced to cut more and more programs. Education would be one of the programs that we would be forced to cut.

Let me just start by saying also that it is an early hour. It is only 10 after 7, and I assume that large numbers of elementary school students and high school students are awake. I hope a few are listening, because on past occasions when I have had the opportunity to address the House early, I always send a special message to the children of America, to the students of America.

All students out there, whether they go to public school or private school, although the great majority, more than 53 million children go to public schools, it is important for all young people to understand the kind of America we are going to live in; the kind of Nation that they are going to grow up in and provide the leadership in and begin their families in. That Nation will be determined mostly by the degree to which we address the problems related to education.

It is not new. I think H. G. Wells said something, I am not sure I am quoting correctly, but Civilization is a race between education and chaos, or something similar to that. I would certainly endorse that idea. We live in a world where things are more and more complicated. And we want it that way, because as things get more complicated, we increase productivity. An individual worker can do so much more and groups can do so much more when we have highly automated systems. When we apply the digital science related to computers or mass communication, all of that creates the kind of better world that we want to make and are already in the process of making.

It is what I call a cyber-civilization; a civilization that is going to be far more productive, and we can contemplate being able to actually meet the needs of all of the 6 billion people in the world. The capacity to do that is there if we fully develop the resources and educate all the people who can be educated. It is important we begin to apply the benefits of our technology, the benefits of our cyber-civilization on a widespread basis, whether that means the more efficient production of drugs that allow people to get better health care or whether it means new methods in education, automated methods, or methods using distance learning, making it possible to teach more people faster in all parts of the world.

There is great possibility out there. It is a great new world that we are moving into. So it is important that the pupils, young people, students understand what we have at stake here. We are at a critical point where we have the resources now to do what is necessary to make a world-class education system, an education system which is fitted for the challenge that we face in this coming cyber-civilization.

We have an education system now which is still lagging and very much mired in the old needs of an industrialized economy, when we did not have to educate everybody to the maximum degree because there was work available in the factories for people who did not know anything about computers or did not know math. Large numbers of people, in fact the vast majority 50 years ago, of the people who went to school, did not graduate from school. Most of them did not get past the 8th grade. But now we have a need for a highly educated population, and we need to think that way, we need to budget that way, we need more than the rhetoric of people who say they support education. We need to spend dollars the way we spend them on an activity like defense.

We recognize that modern defense units or the modern defense systems that we have decided we need cost far more money than the old cavalry with the rifles and the wagons or the canons. Common sense says that these things cost much more money. But when it comes to education, we do not want to make the decision that we need to invest heavily in maximizing the kind of physical facilities we have; buildings, laboratories, and computers. We need to maximize that now. At this point where we have a huge budget surplus, now is the time to take those steps.

Young people have to wake up and communicate with all the people in decision-making positions that they want the resources available right now to be used to invest in education. We certainly do not want to stagnate. We certainly do not want to go backwards. Young people need to tell their mayors that; tell their legislators in the State legislatures, tell their city council people and their Congress people and their Senators and the people in the White House that they do not want to go backwards and they do not want to stagnate.

□ 1915

I apologize for even mentioning the word backwards, because that is what I am going to have to spend a little bit of time talking about. We are about to go backwards instead of going forward. We are about to go backward instead of stagnating. It is a terrible thing we stood still, but we are about to go backwards, and I want you to understand how serious that is. It is your world that is at stake. So take some action. As young people, take some action.

I remember standing here on the floor at about this time, when I was able to get a 7 o'clock hour, and I invited all of you to take a drink, a toast with me. I said, young people of America, students, come out there, get a glass of milk and drink a toast, because we have just made a basic breakthrough on getting Federal funds for construction. We made a basic breakthrough on getting Federal funds for construction.

It was not much, but we got agreement in the budget for $1.2 billion to be used for school renovations and building repairs. I wanted to celebrate that, so we drank a toast with a glass of milk, of fruit juice or whatever you have.

I also remember congratulating the students of America for coming to our aid when we rallied to stop the rollback and the destruction of the e-rate. Remember the e-rate?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CANTOR). Members are reminded to address their remarks to the Chair and not to persons outside the Chamber.

The gentleman may proceed.

Mr. OWENS. Is the Speaker saying that I cannot talk to the students of America?

The SPEAKER pro tempore. The Chair would advise that and the gentleman must address his remarks to the Chair and not to persons outside the Chamber.

The gentleman may proceed.

Mr. OWENS. So for all who are listening, no matter where you are, it is important to note the fact that we celebrated. We celebrated the fact that students, teachers, librarians, all over the country came to the aid of those of us in Congress who were fighting to maintain and expand the e-rate.

What is the e-rate? The e-rate is a special fund created as a result of actions in the Telecommunications Act of 1996. When we passed the Telecommunications Act of 1996, a provision was put in the Act which called upon the telecommunications industry to provide free or very low-cost services to all schools and libraries in America. Private schools, public schools, all schools were to be included and have been included in the e-rate process—and libraries.

The development of the procedures and the standards for doing this under William Kennard were magnificent. They determined that, instead of providing it free, they could not go that far, there was a lot of pressure on them from industry, they did determine that funds could be made available not through the Treasury of the United States or any other government but through the industry itself. The funds could be made available to allow for a discount program where every school and library in America would at least get a 15 percent discount on their telecommunications services. They could apply and, as a result of the e-rate, the initial wiring of the library or the initial process of gearing up the schools, that could be funded and the cost of that could be covered up to 15 percent in any school.

However, for the schools that had the poorest populations, those schools could get a discount in proportion to the number of children who were poor, up to a 90 percent discount. We have a lot of our formulas in the Federal Government based on poverty, especially when it comes to education.

The biggest program that the Federal Government has is Title I, Title I for elementary and secondary education. Title I is based, the distribution of it, is based primarily on poverty. Poverty is measured by the number of students in each school who qualify for the free lunch program. The forms and the investigations that are conducted at the time that they decide how many youngsters will get free lunches through the Department of Agriculture, that form is used again and again as a basis for deciding how many children are poor in the school.

So the e-rate is based on a sound formula, and the poorest schools could get up to 90 percent discounts. That means that for every $1 they spent on their telecommunications services, or on the initial wiring of the school, they would only have to pay 10 cents. The other 90 cents would be paid out of the e-rate fund.

This caught on. It spread. Numerous, numerous schools and libraries are reaping the benefit of the e-rate. So we celebrated that.

Everybody who was listening at that time, especially young people, I invited to join me in celebrating the fact that the e-rate did go into effect, was beaten down, lawsuits were threatened, all kinds of things happened, but it went into effect because the outcry from the young people, the students and the teachers and the families out there, the working families was so great until they acquiesced and they supported chairman Kennard, the chairman of the FCC, and we instituted the e-rate. It has been highly successful.

But let me warn you tonight that we are about to go backwards. The e-rate is threatened, is jeopardized. We have a situation now where the e-rate may be folded into the regular budget. The President's budget, the President's education plan is proposing that we have the e-rate funded through the regular budget, that we combine that with some other programs. Now, that would be a great step backwards, because the e-rate now is funded through funds that come out of the telecommunications industry and any placing of it in the budget means you jeopardize the funds because you are competing with the other funds in the budget.

We did a lot to fight for the e-rate. It is time to rise up and let your legislators know, people who are in this room, Members of Congress listening, you must understand that it is jeopardized by this new move; and, therefore, we should take action to let it be known we will not sit still and allow the e-rate to be taken away.

The other item that is being jeopardized is the one we celebrated, the $1.2 billion in construction funds. The Federal Government has not appropriated money for school construction in the last 50 years. The Federal Government, the Title I programs, all the Elementary and Secondary Education Assistance Act stayed away from school construction. It is most unfortunate because a study by the National Education Association showed that we need about $320 billion to bring the infrastructure of the schools, the laboratories, the physical infrastructure of public education in America, just to bring it up to a point where it can take care of the present students, would be about $320 billion. They have suffered so greatly from neglect.

If you leave it all to the local governments, you leave it all to the State governments, they are not doing as much as they should do and could do, but certainly the Federal Government which has had large amounts of money coming from the local level. All money originates at the local level. All politics is local. All taxes is local. It comes from us. It is not a matter of Washington giving us back something that belongs to Washington. It is our money, and it should come back for the needs that are clearly articulated.

If ever there was a need that was clear, it is school construction. Yet we have not over the last 50 years appropriated any money for school construction.

We finally made a breakthrough. As a result of a tremendous effort we put forth, President Clinton insisted that there be some money for school construction in the last budget. During the negotiation they reached a compromise figure of $1.2 billion. I had proposed $10 billion per year for 10 years. So you can see there is a great difference between what is the need, which is $320 billion over many years, and what I proposed, which was $10 billion over 10 years, which would be $100 billion, and the actual compromise. We start with $1.2 billion.

But we celebrated. We celebrated because of the fact that it was a breakthrough. We had broken through the barrier. And now the Federal Government, according to the budget that we completed last December, and it is important to go over this education budget now because it was completed so late in the year. Most people do not know what we finally came out with, and I will talk about that a little bit later, but we did come out with $1.2 billion. Now that is jeopardized.

That $1.2 billion would provide new grants to make urgently needed repairs and renovations in the schools. We are talking about items which relate to the health and safety of young people. Now the new administration is saying they will not go forward and spend this money for the purposes for which it was negotiated last time. They are going to fold it into some other programs, and we will not have any school construction, any infrastructure initiative. That is a great step backwards, and it needs the help of everybody to cry out and let it be known, let it be known that this is an outrage. It is going backwards, it is counterproductive, and it runs counter to the vision that has been expressed by the new administration.

You cannot have improvements in education if the basic vessel, the basic structure, the infrastructure, the concrete, the bricks and the mortar, if that is crumbling around you, many of the other things that are being proposed begin to look ridiculous. And it certainly looks ridiculous through the eyes of young people. You tell young people you care about education and you are going to do everything to guarantee that they get the best opportunities available and they look out of their eyes and see that there is a crumbling building there, there is a coal-burning furnace in the school threatening their health, exacerbating asthma conditions, the roof leaks and all the rooms on the top floor of the school have crumbling walls because of the leaking roof, windows that needed replacement now have wood pasted over, there is plastic on the windows because you need to stop the draft from coming in. They can see how much is the value of education, how much value these adults who are making decisions are placing on education if they send us into these kinds of conditions.

There are trailers in the school yards that were temporary trailers 25 years ago. I remember the gentlewoman from California (Ms. SANCHEZ) stating on the floor of the House that she had gone back to visit one of her old schools, junior high schools, and the same trailers that were there when she was there are still there in the school yard. However, when they were put there, they were supposed to be temporary, for 2 or 3 years.

The same thing is true in most of our big cities and in many rural communities. The trailers have become not a temporary emergency solution but they are there permanently because that is what adult decisionmakers—that is the value they have placed on education.

No amount of vision statements and no amount of rhetoric can get past the common sense of our young people who look and see with their eyes that there is something wrong with this commitment. There is a commitment to take us into the 21st century with the best possible opportunities for education, and yet there are only a handful of computers in the classroom, if it is lucky enough to be wired and have computers. The library has books that are 30 years old, some of them geography and history books.

I am not going to go through that litany. I have gone through it many times before. But the thing is, here we are with a new administration and we are looking forward to one area where there could be bipartisan cooperation, one area where both parties would respond to the overwhelming desire of the American people to see that there is some improvement in education. That is an overwhelming desire that has been expressed again and again in the polls. The polls for the last 5 years have consistently placed education as one of the top five priorities. In the last 2 years it has been the number one priority.

So why are we discussing a proposal to roll back progress and refuse to spend the tiny $1.2 billion that was appropriated on December 18 of last year for school repairs and renovations? Why are we contemplating that? What kind of madness is this? They were also going to reduce class sizes.

I have a summary of the December 18 budget, and I am going to take a few minutes to just go through it because it came out so late until very few people have had a chance to see it. Most citizens in the country do not know the difference between this year's budget and last year's budget because last year's budget came out so late.

□ 1930

However, we did make some progress last year. It is important to note and understand, all players, whether they are decision-makers here in Congress or students out there in school, and they have to understand that they made a big breakthrough last year with a $6.5 billion increase. Education expenditures were increased last year by $6.5 billion. That is quite an achievement. That is quite an achievement, as my colleagues know. It is not nearly as much as I think we should have had. We could spend that much on school construction alone using the surplus, but it is a great step forward using none of the surplus. This was in the regular budgeting process. Why is it the case? Because both Republicans and Democrats understand that the polls show that the American people want improvements in education, and they can read the polls and understand that they must show some movement forward.

Now we have had a movement forward in an area like reducing class sizes. We had the third installment in reducing class sizes in grades one to three. This is a nationwide program, trying to bring down the average in the classroom to 18 students in the first three grades.

We increased that program by $323 million last year. There was a plus of $323 million, and that increase added approximately 8,000 new highly qualified teachers to the already 29,000 that were there before. The total appropriation for reducing class sizes went from $1.3 billion to $1.6 billion in the December 18 budget. Mr. Speaker, 8,000 new qualified teachers will be added to the already 29,000 that have been hired under this program. The administration that went out previously, of course, as my colleagues know, was shooting for a goal of 100,000. 100,000 new teachers over 7 years to reduce class sizes in the early grades.

Now, we are being told that this program too, the Class Size Reduction Program, will be altered and phased out, combined with some other program; and that is a step backwards also.

We expanded after-school opportunities in this budget of December 18, last year's budget. The 21st Century Community Learning Centers that provide after school learning programs in drug-free environments, and also some support for lifelong learning for the parents of the students who are involved, went from $453,000 million to $845 million. That was an increase of $392 million. The program was almost doubled. It is now in a position to provide for 650,000 additional school-age youngsters as a result of the increase. So we have something like 1.3 million youngsters being served by the total program. Everybody has applauded the after-school programs, the 21st Century Community Learning Centers as being successful. Everybody has said, this is what we need: longer school days, some help for kids on the weekend and also summer school help. Unfortunately, this amount of money only serves a tiny percentage of the youngsters who are eligible and who need the help, but it is there. Now we have been told that that, too, may be altered.

So I do not want to belabor the point. The point is that we have heard that the new administration places education as a top priority, but the actions that have started already show that we are going to have to look very closely.

Mr. Speaker, Democrats are looking for an opportunity to cooperate. We are looking for an opportunity to make bipartisanship a reality. The one place where there is a clear opportunity is in education; and, therefore, it is particularly disturbing that these proposed roll-backs of good programs, the wiping out of the construction program totally, these proposals are being made at this point because it is going to create a roadblock to any possible bipartisan cooperation for the benefit of the children of America.

The hiring and retaining of qualified teachers, we increased that by $150 million; the total program is $485 million. We are doing in that program one of the things that has been pinpointed as a major need. We need more qualified teachers; we need more certified teachers. That program would do it. The Eisenhower National Activities Program is a complement to that. Preparing teachers for use of technology, that program was increased from $75 million to $125 million.

Mr. Speaker, we have been on target in education leadership. Some of the leadership, or most of the leadership, came from the previous administration; and certainly, as a member of the Committee on Education and the Workforce for 18 years, I have seen these proposals introduced year after year, finally brought them to fruition; and we did make some real headway in the budget that passed last year. But the problem is, and the question is, are we really going to sincerely and seriously go forward and build on what exists already, like the e-rate and the school construction program, and the after-school program.

We had a program-funding increase for extra help in the basics, helping disadvantaged students learn the basics and achieve high studies. That is under title I. That program was increased by $569 million, and disadvantaged students can be helped as a result of that increase.

Now, that is in harmony with what President Bush has proposed. We have the President's proposals in outline form. We do not have a bill yet. We cannot talk about a budget with clear sections; but we do have an outline, and one of the things he stresses in his outline is that he wants to focus on the pupils who have the greatest needs. The first dollars should be focused on the pupils that have the greatest needs, and any increase in the budget should go in that direction. So I am glad to report that there is one area where I heartily agree with the administration. Let us do that. Let us focus where the greatest need is and target the Federal funds in that direction.

The unfortunate thing is that the administration will have to deal with the members on the Committee on Education and the Workforce who are on the majority. Their thinking in the past few years has gone in the opposite direction. The Republican majority of the Committee on Education and the Workforce, and the Republican majority in the House as a whole, has consistently insisted that the existing funds be utilized in a broader way. They want greater flexibility. They want to take the dollars that do exist and spread them out to more schools, not the poorest schools; but some schools that have less poverty and some schools that have almost no poverty would be eligible for the funding if we had the flexibility that they talk about.

Going even further beyond just flexibility, the members of the President's party here in Congress are proposing block grants. Block grants mean that we take the dollars and we give them to the States with minimum guidelines and the States then proceed to do what they feel is best. The problem with giving States that kind of authority is that the States have a constitutional responsibility for education. Every State has in their constitution a clear statement of responsibility for the education of all of the children of the State. If they had done their job in accordance with their constitutions all of these years, the Federal Government would not need to be engaged in this problem of education at all. We would not have to be trying to catch up, trying to maintain high standards of education.

So, Mr. Speaker, because it was clearly demonstrated in World War II, if not before, that education is a matter of national security, we cannot afford to have an uneducated, ill-informed population and expect to be able to defend ourselves in war, even a less complicated war, such as World War II. Now, with high-tech weapons and an atmosphere which requires much more learning to deal with a much more complex peacetime economy and also to deal with any defense efforts, we know we need an educated population; it is a matter of national security. It is not something we can afford to leave to the States, even though the Federal Government is only responsible at this point for a very tiny percentage.

Our expenditures, Federal expenditures for education, are still less than 8 percent of the total. States and localities are still spending 92 percent to 93 percent of the total education budget, higher education, elementary and secondary education, et cetera. We should be going toward 25 percent. We should understand that the number one item in terms of the defense of the country, in terms of competitiveness of our economy in a global economy, is our being able to compete. In terms of the greatness of the Nation, the future of the Nation, education is a number one priority. We ought to be spending at least 25 percent of the expenditure for education. The Federal expenditure should be 25 percent, not 8 percent or 7 percent.

We have other items that were in the budget last year that I just want to note. Gear-Up and TRIO are programs for helping poor students get ready for college. We understand that it is great to graduate from high school, and one of our first targets was getting everybody to graduate from high school, and we have improved greatly over the years in getting rid of a large percentage of high school dropouts. But beyond that, if one does not go to college, there is a limited future; there is a limited amount you are going to earn in terms of income; there is a limited amount of help one is going to be able to provide for the economy in general, and one's own family; there is a limited contribution that one is going to be able to make to society if one does not go on to college and fully develop one's capacities.

So Gear-Up and TRIO are very important. The TRIO program has been in existence for some years. It has proven itself, and I am happy to see they have an $85 million increase. It has moved from $645 million to $730 million in the December 18 budget last year. What is going to happen this year I do not know, but I hope that the administration this year will have the good sense to follow the leadership of the Republican Congresses over the past few years who have increased the program and not cut it. TRIO would help 765,000 disadvantaged students, 40,000 more than they do now as a result of the increases that we provided last year. It is a magnificent program, and we certainly do not want to see an attempt to roll back the clock on that.

Pell grants we increased from $3,300 to $3,750 per student last year, a total increase overall from $7.6 billion to $8.7 billion, an increase of $1.1 billion for Pell grants. That allowed a $450 increase in the Pell grant over what it was before; but Pell grants are consistently behind inflation, way behind the cost of a college education, and Pell grants to our poorest students need to be greatly increased. I hope that there will be no rollback on Pell grants in the coming development of the administration's education budget.

We do have some information which shows that there are problems. I said before that the present administration is proposing to zero-out school modernization, the construction program; they are going to do something else with that, put it into technology and special education. That is most unfortunate. About 1,000 schools that could be renovated will not be renovated.

The new budget eliminates the class-size reduction initiative; I mentioned that that is on the chopping block. The class-size initiative has already helped schools hire 37,000 teachers and provide smaller classes to 2 million children. That will be a great loss if it is rolled back. The Pell grant increase that we passed last year, it was a 14 percent increase in Pell grants. The increase that is being proposed by the present administration, not through its budget, because we do not have the full budget, but through its outlines and discussions, is about 4 percent. Instead of 14 percent, they talk about a 4 percent increase in Pell grants.

Minority-serving higher education institutions have certainly benefited greatly over the past 6 years. We have had bipartisan cooperation in the funding of the minority-serving institutions. There are three categories, Historically Black Colleges and Universities and the Hispanic-serving institutions, as well as the tribally controlled colleges. They have had increases over the last 6 years. We have gotten about a 25 percent annual increase over the last 3 years under the previous administration. They have been well served. We think that they have a key role to play in improving education in America. Minority-serving institutions will be producing most of the teachers. A large percentage of the qualified teachers that we need in our schools will come from Historically Black Colleges and Universities, Hispanic-serving institutions, and tribally controlled colleges.

□ 1945

As Members know, we have a controversy here over the fact that the Committee on Education and the Workforce has already chosen, in its structure and formatting for business in the next 2 years, they have structured the committee so that there is a Subcommittee for 21st Century Competitiveness.

That subcommittee is very much on target. They call it that, and that is a new concept where at the core of the Subcommittee of 21st Century Competitiveness are the programs that fund our higher education institutions. That is at the core. There are other programs that are related to technology, development and research, a number of things related to competitiveness. But certainly at the core is the funding for higher education institutions.

For some reason that we are not clear on, the majority Republicans on the Committee on Education and the Workforce chose to take these minority-serving institutions, the historically black colleges and universities, Hispanic-serving institutions, and the tribally-controlled colleges, and put them in another committee; not in the subcommittee, but in another subcommittee. Instead of the Subcommittee for 21st Century Competitiveness being the committee where all higher education institutions are placed, they chose to put the minority institutions in a subcommittee called the Subcommittee on Special Education.

The Subcommittee on Special Education is a committee which has a large number of other programs related to higher education, and many not related to education. That is where we fund the programs for adoptions, programs for child abuse education and prevention, programs for domestic abuse and prevention, juvenile delinquency prevention. Why do we put the minority-serving higher education institutions in a subcommittee which mainly deals with social problems?

All of those social problems are important and they need to be confronted, but why do we take the minority-serving institutions out of the mainstream discussion of what it takes to remain competitive in the coming 21st century? They are not going to be there when we discuss new authorizations, new appropriations to meet the competitive world of the cyber civilization I talked about at the beginning of my discourse this evening.

If we are going to have a new approach to how we go into the 21st century, how we meet the competition of the 21st century, how we meet global competition, then we certainly do not want to leave out the minority-serving institutions when we are making those plans and having that discussion.

Members of the Committee on Education and the Workforce have decided that we protest. I offered an amendment to correct this oversight. We thought it was an oversight and that there was no malice involved, and that if we brought it to the attention of the majority, it would be corrected.

We spent about 3 hours debating the issue. It just so happens that on the Committee on Education and the Workforce, among the Democrats on the committee there are four people who are African Americans, there are three people who are Hispanic-Americans, there are two Asian-Americans, and there is one Native American. Probably few committees have that kind of concentration of minorities.

We all expressed outrage and fear, because we know what separation does. We have lived with separate but equal doctrines for too long to not know what eventually happens when we separate out things. They do not remain equal. The weaker party in the separation is going to be neglected, abandoned, and in very subtle ways, probably, very subtle ways, the minority-serving institutions will find themselves outside the parameters of a full and moving discussion about what it takes to be competitive in the 21st century. They will be outside the parameters of a discussion about how higher education institutions must operate and relate to the crisis in elementary and secondary education. They will be outside of a serious discussion on the relationship between corporations, industry, and higher education institutions if they are out of the loop in terms of the way the committee is structured.

We have protested. All the Democratic members of the Committee on Education and the Workforce have refused to accept their assignments on subcommittees. There is an ongoing dialogue, and we hope that this will be resolved, but it is an example of a blunder that, when we add to the other kinds of proposals that are being made, the zeroing out of the construction appropriation, the rollback of the class size reductions, when we add all of these blunders and new backward moves, including the threat to the e-rate, danger signals must be sent forth. We must send up flares. We must get involved in reexamining what are the possibilities of bipartisan cooperation, what are the dangers to the progress that we have made.

Everybody has to get involved in making certain that their voices are heard and that education, which has clearly been indicated to be the top priority of the American voters, not be given a public relations job. We do not want a public relations program. Many speeches are made about improving education, but the substance of what has to be done in terms of the way legislation is set forth and the way the budget is developed, that substance is not there.

We do not want to fool the American people. We do not want a public relations gimmick instead of real improvements in education.

Democratic education proposals are proposals for making real investments in education. Whereas President Bush proposed $1.6 billion for elementary and secondary budget programs increase, our program, as reflected in the Excellence and Accountability in Education Act, this is an act that is already been introduced. We have a piece of legislation already introduced. The Excellence and Accountability in Education Act, introduced by the gentleman from California (Mr. GEORGE MILLER) and the gentleman from Michigan (Mr. KILDEE), and has all of the other Democratic members of the Committee on Education and the Workforce as cosponsors, proposes a $9.7 billion increase. So $1.6 billion increase is proposed by the President, we propose $9.7 billion, and we lay out where the money should go.

The Excellence and Accountability in Education Act is H.R. 340, a comprehensive K through 12 education reform bill. It would hold schools accountable to high standards, and place particular emphasis on closing the achievement gap between different groups of children.

Schools that continue to fail after 3 years, under our act, and we are in harmony with the President on that one, would receive special help and be subject to changes in terms of their students being able to make choices and go to other public choice schools, or the schools might be closed and converted to charter schools.

Unlike the majority, we oppose any movement toward vouchers. This was a clear disagreement in the past and remains a clear disagreement between the two parties. We are not in favor of the wasteful, cumbersome approach to improving education through giving families vouchers.

We propose to double the Title I funds over a 5-year period. Do Members want to know where our great increase will go? We will double the Title I funds, and those are the funds that are targeted to the disadvantaged areas and the schools that need help the most, the failing schools.

We are in harmony with the President on that one. He wants to target additional resources to the schools that need it most. We are not in harmony with the amount. We propose to double the Title I funding in order to do that, and not to have the small increment that he proposes.

We propose to institute strong accountability for results and actions. The Title I schools will be held accountable. Administrations and local education agencies and the States will be held accountable. We are in agreement with the President on that. But each one of these schools must have the resources they need to provide the opportunity to learn. Opportunity-to-learn standards must be met.

These are the standards that Governors and bureaucrats do not like to talk about, but if we are going to judge schools and declare that they have failed, before we make a judgment that they have failed, provide them with the money they need to provide a decent physical infrastructure. Provide them the money they need for libraries, for gyms, for teachers, for certified teachers. They have to meet certain standards themselves before they hold the students and schools to standards. Both the State governments and the Federal government must not run away, as they have been, from opportunity-to-learn standards coming first.

Teacher quality must be strengthened. We all agree on that. We must understand that the context in which we go forward to improve our schools is greater than the programs that relate to education. I started by saying I want to set the discussion of education in the proper context. I talked about the tax bill and how, in the context of a huge tax cut, we can look forward to only rhetoric for education because there will be no money for the kinds of increases that we need. In the context of a big tax cut, most social programs, most human investment programs, will suffer greatly. So the tax cut needs to be whittled down to size.

I am in favor of a tax cut. Generally the Democrats are in favor of tax cuts. They want smaller tax cuts. They want tax cuts targeted toward the middle class and the working families. They want tax cuts which reach down and even get people who supposedly do not pay taxes.

People who are working and pay Social Security, they have Social Security taken out and Medicare funding taken out, they are paying taxes. It is a payroll tax. Any time we are forced to give money to the government, it is a tax. It is not an option. We cannot voluntarily say, we will pay this fee, or not. It comes out of our paychecks. So Social Security funding means those people need help, too.

The greatest-percentage increases in taxing over the last 20 years have been an increase in the Social Security and related payroll taxes. They have gone up more than anything else. So we want the tax cut, one aimed at the middle class; we want a tax cut aimed at working class families; we want a tax cut to get to the people at the very bottom; but we do not want such a huge tax cut that there is no money for human investment, or that there is no money for education, in particular.

We want those parameters to be understood: Stop the reckless tax cut or there will be nothing left for education. Let that message go out: Stop the war on working-class families. Working-class families are the families that use the public school system.

When we talk about education, we are talking about the fact that the primary means for upward mobility in America has been the public school system, the primary means of upward mobility; public schools, public libraries. Check the biography or autobiography of any great American who rose from poverty to success and they will tell us about schools and libraries that were free to them and were quality schools in terms of the kinds of help they provided. That is a story that is repeated over and over again, so working families will suffer if we do not improve America's schools.

The majority party, the Republicans, should understand that they are declaring war on working families when they roll back the clock on the items related to improvement of education. They roll back the clock on e-rate, and that means that working families will not have access to computers, working families will not have access to the Internet that is provided at a great discount through the e-rate.

If we take away the school or class size reduction program, it means that working-class families will be crowded into classrooms of up to 30 and 35 students, and will not have the kind of attention which students in the first to third grade need. Studies have shown over and over again that the attention children get at a very early age and the class size is very important. So they are attacking working families when they take away that benefit or zero out construction and do not provide decent schools for them.

The attack on working families continues in other ways. The context is important, because the way children go to school, the families they come from, the conditions in the home are all-important in terms of their ability to relate to their schooling. Whereas I do not believe in blaming the homes and parents for all the problems that children have in learning, as some people do often, but understand that the stability in the home, whether or not they have decent health care, are important in terms of the way the child comes to school and is able to take advantage of the opportunities there.

□ 2000

The minimum wage that we have ignored is not an attack on working families when we do not even allow it on the floor; we do not raise the minimum wage from $5.15 an hour as we proposed in the last Congress to $6.15 an hour; we are attacking working families.

Mr. Speaker, the biggest attack on working families probably is the refusal to recognize that the floor of wages in America ought to at least be $6.15 an hour and not $5.15 an hour, which is now more than 3 years old, that floor in terms of minimum wage.

The majority party would not even let it be discussed. Working families on minimum wage, a family of four, is in dire poverty even if you increase it to $6.15. It is a tiny percentage of what they need in terms of survival, but the minimum that we could do is to accept the Democratic proposals of a 50 cent increase over a 2-year period which would raise the minimum wage. If we refuse to do that, that is an attack on working families, the families of the pupils who go to our public schools.

When we gut the health and safety rules to protect workers, as we did last week, in context, working families have to understand that what was done on the floor of this House last Wednesday, the vote to repeal the ergonomics standards was an attack on working families.

Ergonomics is a big word. People do not want to deal with it. They stop listening when you mention it. So I will just say, ergonomics is all about ending the pain, the pain that is related to doing something with your muscles and your fibers over and over again. Ergonomics is a matter of taking steps to prevent, to prevent injuries that often incapacitate people.

Ergonomics is not just about the guy who was out there lifting in the warehouse, lifting heavy loads and he gets his problem with his back. Ergonomics is about the secretaries and the clerks who type all the time or the people who sit in front of computers and may get eyestrain.

There are ways to prevent carpal tunnel syndrome, another one of those big words. Carpal tunnel syndrome is simply you have repeated something so often and you use your fingers and your wrists in a certain way until it wears out and it is painful to do it. And beyond being painful, you reach the point where you cannot do it any more.

Mr. Speaker, a person who earns his or her living by typing the motion over and over again can find themselves at a point where they do not have a way to earn a living, because of the fact that they can no longer use their wrists and their hands and their arms. It is as incapacitating as if you were on a construction job and some big load fell on your head. They are very real.

Every Member of Congress has had exposure, I am sure, to people with carpal tunnel syndrome, because we have lots of people in that category who do that kind of work up here. Nothing new. Yet we voted last week to make war on the workers by removing a standard which required that employers take preventive measures to minimize the risk of people getting incapacitated as a result of repeated use, using certain muscles and fibers. We eliminated it with one stroke under what is called the Congressional Review Act.

One of the first achievements of the Gingrich Congress, and it is no more, we do not have the ergonomics standard. It took 10 years. It took 10 years to reach the point where we issued some standards which said you should do things a certain way to protect the health of people, their muscles and their fibers from this kind of strain. And in one day, it was voted out of existence and is no more.

We declared war on the working families of America in another way. The war comes from different directions. It is a war sometime of neglect and abandonment, but that is still war. It is sometimes a war of a denial, denying the minimum wage increase, but it is still war.

These are the families from which the children who go to our public schools come, and we cannot have improvements in education while the attacks are being made on their livelihood in a manner in which their homes are able to exist free of incapacitation, health problems and deprivation.

We think that what happened last week with the wiping out of the ergonomics standard through the Congressional Review Act is just a beginning, that the war on working families is going to continue in many ways.

We are going to be gutting overtime pay again for workers. That has come up in the previous Congress, of course, and it failed to get through because the President at that time threatened to veto it. There is no veto power to prevent excesses. There is no veto power on extreme mix. We are waiting for the attack to go forward.

We warn everybody listening to begin to make decisions about how we are going to deal with an attempt to gut overtime pay for workers. We had a bill on the floor, as my colleagues recall, those of my colleagues who have been in Congress for some time, a bill on the floor which said that overtime pay should no longer have to be given in cash.

The Fair Labor Standards Act requires that after you reach a certain point, 40 hours, you must pay workers in cash for the overtime. Workers who are not in that category, there are exempt workers, as we all know, but those who are in that category must be paid in cash.

We had a bill which says the Fair Worker Labor Standards Act, that section would be repealed and employers could at their own discretion give workers time off, time off to compensate for your working overtime. The time off would come at the discretion of the employer.

The majority party would gut overtime pay by expanding exemptions to overtime requirements by excluding employee bonuses from overtime pay, and this latter provision creates huge loopholes for employers, allows them to exempt certain portions of employee pay as exempt from overtime coverage.

We can look forward to more of this kind of attack on working families. They are going to discourage all new health and safety laws. They are going to discourage the National Labor Relations Board from functioning in a fair and equitable way.

There will be bills to discourage union organizing. All of those bills fall within the parameter of my committee. We must understand how they all interrelate to the war on working families.

NIGHTSIDE CHAT

The SPEAKER pro tempore (Mr. CANTOR). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, there are a number of different subjects that I would like to address tonight.

Let me begin, first of all, by thanking all of my colleagues for their support for the successful passing of the legislation, the willing seller, willing buyer legislation for our national trails.

The specific trail that I focus really on a lot in the State of Colorado is the Continental Divide Trail. It is kind of ironic that years ago a piece of legislation was amended to put in place that a property owner who wishes to sell their land, a private property owner who wishes to sell their land to a trails committee or to the government for a trail like the Continental Divide Trail was prohibited from doing so even though the seller wanted to sell.

It was an amendment that made no sense. Today a great trail like the Continental Divide Trail, and we all know a little bit about the history of that, that trail is being prevented in essence from being finished for its preservation, because willing sellers, not condemnation, condemnation has no place in putting a trail like this for a historic basis, but a willing seller does have a place.

That legislation that was almost unanimously approved this evening, I think we probably had three no votes off the entire floor, allows that now to proceed.

Mr. Speaker, there are a couple of people, my good friend, Steve Fossel out in Colorado out in Silverthorne, Colorado, very aggressive on his support of this.

He is a citizen. He is very active in conservation issues. He is also a private property owner. He is a rancher. He feels very strongly about private property rights. This is the kind of legislation as a private property advocate that he could support. He got way behind it. He has worked very hard.

Of course, we also have Bruce and Pamela Ward. Bruce and Pamela Ward are the directors of the Continental Divide Trail, and they have done a tremendous task over the years of putting together everything from voluntary maintenance crews to go out and work on the Continental Divide Trail to putting together records for the historical purposes, the paper trail on the Continental Divide Trail, no pun intended, and all the other numerous tasks that are involved to preserve such a great part of our history.

Mr. Speaker, I openly congratulate Bruce and Paula Ward for their hard and difficult work, but this is the accomplishment that we got.

I also, of course, want to thank all of my colleagues for their support this evening in the passage of that.

Let me move on to my second subject that I wish to address tonight. I say this with a great deal of pride. As most of my colleagues know, my district is in the fine State of Colorado. My district is larger geographically than the State of Florida. Essentially, I have almost all of the mountains in Colorado. So any of my colleagues that have skied in Colorado or if they have been to Aspen or Snowmass or Steamboat or the Colorado National Monument in Grand Junction or the Four Corners down there in Durango or the ski area down there or the San Luis Valley and the agricultural fields, any of that country in Colorado belongs in the 3rd Congressional District.

We take a great deal of pride from what we have to offer as far as the physical beauty of that particular district, and we have just been recognized by the Travel Channel.

Glenwood Springs, that is where I was born and raised. Glenwood Springs is a wonderful community, about 35 minutes from Aspen, Colorado, about 45 minutes from Vail, Colorado, and about an hour and 10 minutes from Grand Junction, Colorado, so you can kind of triangulate in there exactly where Glenwood Springs is.

Glenwood Springs was named by the Travel Channel as the number one spot in the Nation for cooling off. So if my colleagues have an opportunity to go to Glenwood Springs, my colleagues will see there the most world famous hot springs pool, which is the largest natural spring water pool in the United States.

It is a great resort, and it certainly is deserving of the honor that it received by the Travel Center. We have gotten a lot of calls at the local chamber who want to find out how to visit Glenwood Springs.

But when you go out to visit the 3rd Congressional District, take a look, because the 3rd Congressional District actually is a textbook example of a district that has huge amounts of public lands, of a district that is totally reliable, totally reliable on the concept of multiple use, on a district that has seen as much or more activity as any district in the Nation in regards to wilderness areas.

Mr. Speaker, in fact, I have put a couple of wilderness areas in place, a district where the water in Colorado, 80 percent of the water in Colorado is in the 3rd Congressional District, 80 percent of the population resides outside the 3rd Congressional District.

Colorado is the only State in the Union where it has no free-flowing water for its use to come into Colorado. It all goes out. Water is a key ingredient of the 3rd Congressional District.

The reason I say it is a textbook example is because you have the issues of public lands. You have the issues of private property ownership. You have the issues of national parks. We have four wonderful national parks in Colorado, all of which are either totally contained or partially contained. In fact, three of the four are totally contained within the 3rd Congressional District, and the fourth, a good portion of it, is in the 3rd Congressional District.

You have the issue of water. You have a number of different issues that we hear about. Here in the East, for example, you do not experience that to any kind of large extent, except if you are in the Appalachian Trail or down in the Everglades, the concept of public lands, because essentially from the eastern border of the 3rd Congressional District In the State of Colorado to the Atlantic Ocean, you have very, very little Federal land ownership or government land ownership.

From that eastern border of the 3rd Congressional District to the Pacific Ocean, you have lots of Federal and public land ownership. There is a lot of history to that.

I intend to take an hour on this floor here in the not-to-distant future to talk about the concept of multiple use, to talk about the grub-staking of the 1800s, to talk about why you have huge quantities of Federal lands in the West and very little Federal lands in the East. There is a reason for it. But it was by the luck of time that the East frankly escaped a lot of government land ownership and the West got saddled with it.

There are a lot of decisions that are made in the East where the pain of public land, in particular, examples is not felt, but it certainly is felt in the West, and that is why you see the West get a little parochial about the fact. We feel the pain out here. There are a lot of issues like water.

In a lot of the areas in the East, your big factor is to get rid of water. You have too much of it. In the West, we are an arid area. We have to store our water. We have to use our water for hydropower. We do not have a lot of water. We are arid States. There are any number of different issues.

I hope as you consider visiting some of our vacation spots which are located in the 3rd Congressional District, for example, Aspen, Beaver Creek, Vail, Steamboat, Telluride, Durango, Grand Junction, Pueblo, all of these areas, they are all in that 3rd Congressional District. When you go out there, take a look, spend just a little time, colleagues, and study the concepts of public land ownership, of private ownership of water in the West and why it differs from water in the East as far as the dynamics of ownership and the dynamics of the system that permits water usage out there.

□ 2015

There are a lot of interesting things, national parks and the maintenance of national parks. The wildlife issues. My particular district, the Third Congressional District, has the largest herds of elk in North America. We have huge populations of mule deer. In fact, this morning I was running. I just came to Washington today. I was running at 4 o'clock this morning in Grand Junction. I saw a coyote and fox in one run. This is in the community. We have a lot of wildlife.

It is a wonderful, wonderful district to represent. It is a great district to go visit. But there are a lot of complex issues that I would urge my colleagues to become a little more acquainted with them if they are not already acquainted with them as it pertains to the West.

Let me move on to another subject that I think is important. We keep hearing about this tax cut that President Bush has proposed. It seems to me that there are some of my colleagues on this floor who have now made it their life duty to kill the tax cut regardless of the ramifications to the economy as a whole. I need to tell my colleagues, we have got to keep in mind what happens.

I had an interesting flight today as I came into Washington D.C. I sat next to a gentleman named Bill. Bill asked me, Well, if you keep the money in Washington, D.C., and by the way, even under the tax cut of President Bush's proposal, most of the money is kept in Washington, D.C., but going back to the question that Bill had, if you keep the money in Washington, D.C., does that money automatically reduce the debt?

My answer to Bill is, that is the problem. If you keep the money in Washington, D.C., if you keep those surplus dollars here in Washington, it is going to get spent. It does not just sit around here. It is too tempting.

It is like somebody who is on a diet but can be tempted very easily. And I happen to be a good example of that. I like sweets. If I were on a diet, you know, I do not have a lot of resistance towards sweets. If you put me in a candy store on a diet, I cannot help it, I grab some candy.

That is what happens with money in Washington, D.C. It is not just because you have congressional people that are weak. That is not true. In fact, most of my colleagues that I am acquainted with, which are most of them here on the floor, are pretty strong individuals.

But the fact is we have constituents who continually come to the great halls of Congress and want money, and the programs that they want money for happen to be not bad programs. We do not get proposals very often for bad programs. We get proposals for good program after good program after good program. The problem is you do not have enough to do it all. The problem is you have got to have the ability to say no.

If you have got a big pile of money sitting behind you, how do you look at somebody who has a good program but maybe not a necessary program? And there is a big difference between a good program and a necessary program. Some good programs are necessary, but some good programs are not necessary.

So the problem that we have here is, when we have good programs, and constituents, whether it is senior citizens, whether it is young people, whether it is any welfare, any kind of program, and they come to us and they say, Look, why can you not fund this new program for us? You have got all this money. You have got all this surplus.

So we are under a lot of pressure back here by our own constituents who want us to fund their programs. They understand the fact that we have to control spending, unless of course that control impacts their particular program.

So the best thing one can do when you have got an economy that is going south like our economy is currently headed, the best thing one can do is put some dollars back into the pocket of the people who sent the dollars here in the first place.

Remember, here in Washington, D.C., this is the one city in the entire Nation, there is no other city like it in the Nation, that is totally dependent upon taxpayer dollars. If you go to Denver, Colorado, if you go to Portland, Oregon, if you go to Laredo, Texas, or Hays, Kansas, or Lansing, Michigan, those communities are not totally dependent like Washington, D.C. is on the transfer of money. Not the creation of wealth, mind you, not the creation of wealth, which is necessary in Laredo or Hays or in Denver and so on. Washington, D.C. is totally dependent on taking money from people who work and transferring it to a bureaucracy in this huge city.

So here in this city, which is totally dependent on these excess dollars, spending these dollars, do my colleagues think it is safe to leave excess money laying around? Do my colleagues know where that money is best used? Not here in Washington, D.C. for redistribution through the bureaucracy.

If you question my analysis on that, ask anybody you want, ask any of your friends. Use this example, say to your friends, Hey, if you just won $10 million in the lottery, and you feel like you want to give it to charity or you want to put it out in society to help people, would you bring your $10 million to Washington, D.C. for redistribution to the American people? Of course you would not. You would redistribute that yourself. Why? Because you think you would be much more productive. You think you could get that money put to a much better use out in your local communities.

Therein lies the problem. The tax cut that the President is proposing is a very important leg on a three-legged stool for the survival of our economy, not the survival, that is an overstatement, but for the health of our community, for the health of our economy.

That three-legged stool consists of a tax cut, putting dollars back to the people who are paying these dollars. They have paid too much. When somebody pays too much, they are entitled to a refund. That is number one. We have got to get those tax, at least a portion of those taxpayer dollars without jeopardizing the future of our country. We are not jeopardizing our defense. We are not jeopardizing our education. We are not jeopardizing the health of this economy or this Nation by giving a portion of those dollars back to the people who paid too much in. But that is leg number one on the stool.

The second leg is our monetary policy; and that, as all of my colleagues know, is driven by Alan Greenspan. Now, we do not control Alan Greenspan here in the United States Congress, nor do they in the other House. Alan Greenspan acts independently. I think he has acted with pretty reserved judgment.

I can tell my colleagues that, a year ago, nobody was criticizing Alan Greenspan when NASDAQ was at an all-time high, the DOW was at an all-time high, the S&P was at an all-time high. Let Mr. Greenspan do his job. His job right now is to put some money back into that economy, not put more money back in Washington, D.C., put more money back in the economy, which he does by lowering the interest rates. He is doing his job. I fully expect a half-percent cut in the rate next week at their next hearing.

Of course the third leg of that stool, which is so important for us to help restore the health to our economy, is we have got to control spending. One of the easiest tools to control spending is limit the amount of dollars that are sitting around here in a bucket waiting for us and our constituents to spend. If the money is laying around, how do we tell people that it is not available for use for a good program? Again, remember, our choices in Washington, D.C. are not between good and bad programs. That is a pretty easy choice to make. Our choice is between good and good programs. We have got to control spending.

So to recap, this stool must have all three legs on it for one to sit on it, for our economy to stabilize. We have got to control spending, number one. Alan Greenspan has got to bring down those rates. He is doing that, number two.

But number three, again, it falls back on our shoulders here in these fine Chambers. We need to put some of those tax dollars back into the people's pockets, in their local communities, so it stays in the local community.

I will give my colleagues an example. You take any town in America and take a dollar, a dollar in that community. You keep the dollar, this is in any town in America, you keep the dollar in that community; and that dollar circulates in that community. It works in that community.

What you do with taxes, you take that dollar out of the community, and you move it to Washington, D.C. where it circulates clear across the country in some cases. You think that dollar in Washington, D.C. that came from this community goes back to this community? Of course it does not. Of course it does not. It is very important for us to realize what a dollar does in the local community.

Now of course this theory is all shot to pieces if, in fact, the people in the local community take their dollars, go out in their backyard, and literally bury it in the ground. But short of that, a dollar in a community has a lot more opportunity to create wealth than a transfer of wealth from your local community to Washington, D.C.

These people back here in Washington, including the U.S. Congress, we thrive on dollars that we did not have to go out and compete for those dollars. The government does not have to go out and figure out a creative product. They do not have to invent a better mouse trap or come up with a cure for the common cold to create dollars in Washington, D.C. All they do is look at people across the country, our work force, and they say, well, we need a little more food in Washington. We need a little more, you know, juice in Washington. So we are going to raise your taxes. Well, we did raise their taxes. And do you know what? The taxpayer has overpaid.

For a period of time, we have instability in our economy. The best way to pull stability back to the economy is to put dollars back in those taxpayers' pockets.

Now we will hear some of my colleagues on this floor, colleagues who say, Well, wait a minute. You should not give money back to a taxpayer if that taxpayer happens to be making any kind of money, say if they are middle income or higher income. You should give that dollar to people at the very lowest end of our economic society.

Well, now, wait a second. A tax refund should go to the people who pay taxes. If you are not paying taxes, you should not get a tax refund. You should not get a tax credit.

Now, granted, we do have the lower economic part of our society; and that is why we have welfare. But let us call a welfare system welfare. Do not mix it up or interchange it with the taxing system. The taxing system takes money from productive working people and moves that to Washington. It also takes money, which is later refunded because those people do not pay taxes, and puts it back in there.

But my point here very clearly is, you do not gain the economic stability, that stimulus that you need by taking dollars and giving them to people, giving it to people who have not paid taxes. A tax cut is for those people who have paid the taxes.

Now, am I concerned about different economic brackets? Of course I am. But what is my primary focus here? My primary focus is to strengthen the economy for everybody. If we can go out and stimulate certain parts of the economy, for example, the agriculture community, if we can go out and strengthen them, and everybody in the economy benefits because the entire economy is strengthened, what is there to criticize?

I think that it is fundamentally unfair for any of my colleagues to automatically say, Oh, this tax cut is for the rich. That is a bunch of propaganda in my opinion. Or, Oh, the tax cut, we cannot afford the tax cut. Leave the money in Washington. Trust us here in Washington, D.C. with your extra dollars. It will go to reduce the debt. Promise, we will not spend it on new programs or additional spending.

You cannot resist it back here in Washington, D.C. in part because your own constituents will not let you resist spending that money. Again, if your constituents sense that you, as an elected Representative, have access to dollars, they will come after them.

Last week I had legitimate requests just in one day. It involved the space program. It involved the new program for education. It involved the seniors' program. I think it involved the military request. I had a request in the period of about 3 hours of meetings for over $900 million. That is in a typical day of a typical Congressman here in Washington, D.C. Do you think I could have said no to those people, they are all good programs, if I had had $900 million sitting behind me in my office for distribution?

That is why it is important that we give a fair and legitimate look to President Bush's proposal. I am telling you, this vote counts. This issue counts. This economy needs to be stabilized. This is not a laughing matter. There is no juggling a couple political balls in the air.

What we are involved with here is clearly in the next period, short period of time, trying to stimulate that economy, to curb it from its downward spiral, to put consumer confidence back out there. The best way to put consumer confidence back into the marketplace is to put dollars into the taxpayers' pockets. Because unless they bury it in the ground, as I said earlier, those taxpayers will use it for creation of capital and stimulation.

Now, I want to move on from this point, from the tax cut and from President Bush. I have got to tell my colleagues something. In my opinion, he is doing a tremendous job. He is traveling the country. He believes it in his heart. He is convinced that the way to stabilize this economy is through his program. I think it is incumbent upon every one of us in these Chambers to give that at least a fair evaluation.

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I am telling you because if we do not, if we trash the President's program for the sake of trashing it or if we trash it for the sake of partisan politics, then we may very well be responsible for not putting that third leg on the stool.

Furthermore, our responsibility goes not only beyond working with the President of the United States and his leadership in trying to put that tax policy in place, but we also have our own independent responsibility of controlling spending. Last year, out of these Chambers spending went out at 8–9 percent. This year we have to hold it around 4 percent. If we do not, we will have contributed to signing off on another leg of that three-legged stool.

This is not a joking matter. All you have to do is ask anyone who has been in the stock market how they felt yesterday at 4:00 Eastern time when the stock market closed. We have a problem with consumer confidence. This is not the Depression of the 1930s. This is not December 7 or December 8 after the bombing of Pearl Harbor. We have had much worse crises. It is not November 23, 1963 when President Kennedy was assassinated. But if we do not pay attention to it, it could move into the ranks of a much more serious problem than it is today, and I hope that we look at it very seriously.

Let me talk now, I really was spurred to action not too long ago when I read an ad in the New York Times. Let me talk for a few moments about what that ad said. First of all, let us talk about the tax policy in this country.

One of the taxes, a specific tax that we have in this country, not a lot of countries in the world have this, in fact a lot of countries do not do this, but in the United States, around the turn of the century as a result of a lot of class warfare and jealousy by what some people would say are the haves and the have-nots, they created a new tax in the United States, and that tax was to tax somebody on their death called the death tax.

Now, remember in the United States you are taxed at every stage of your life. You are taxed when you eat and when you drive. You are taxed when you work, you are taxed when you warm your house, you are taxed when you fill your bathtub with water, when you buy a piece of property, any kind of property, and finally just to kind of round it off, our taxing system, let us go ahead and tax Americans at death to make sure that we squeeze every ounce of blood we can before citizens go on to the next world.

That tax came about, in part, to go after the Carnegies and the Fords and the rich people to kind of teach them a lesson for being successful. This is a country where we say you invent the better mousetrap, you are rewarded. Go out there and live your dreams, and the jealousy factor kicks in and here comes Uncle Sam, time to tax you on your death.

Let me tell you what has happened over the years. That death tax has devastated many small families in America. By small, I am not talking about the wealthy families. I am not talking about Bill Gates' father or Warren Buffett or David Rockefeller or George Soros or the Cooks or Russells or the Roosevelts or the Paul Newmans and some of these others, I am talking about the Smiths, the Brobachs, the Strobobs, the Soros, the Neslantics.

I could go through family after family after family who are not billionaires, who are out there living their life's dream, who are out there in hopes that their hard work will allow them to give the generation behind them a little opportunity to get ahead in life. Just a little opportunity to continue the family business for one more generation. Who would have ever dreamed that in the United States of America the government itself, Uncle Sam itself, would be in the practice of discouraging family business from going from one generation to the next generation. Would be in the business of punishing family farms and ranches from going from one generation to the next generation.

One of the famous statements that we have heard in the propaganda where my colleagues try to justify the death tax, it only affects 2 percent of our society. It only affects 2 percent of the wealthiest people of our society. You know something, that is blatantly misleading; and most of the people that say it say it out of ignorance or they know that they are intentionally misleading you.

Let us go back to my cup example. Somewhere in the third district in the State of Colorado you have got somebody, and here is what it takes to become subject to the death tax. Say you have a contractor out there who owns a bulldozer, free and clear; a dump truck, free and clear; a backhoe, free and clear; and a shop, free and clear; and let us say that property is located in Vail, Colorado or Glenwood Springs, Colorado. You know what, that person is subject to the death tax. You know what happens, no matter who earns the money in the community, the fact is that you have a dollar that is earned, whether it is a wealthy person or that contractor, you have a dollar in any town U.S.A. in that local community, colleagues, that dollar is in that community. What the death tax says is hey, because they have been successful in this community, we are going to take the dollar, not just from the family that earned the dollar, we are going to take that dollar from the entire community and transfer it to a community called Washington, D.C. in the East.

Now you tell me that only 2 percent of the people in that community are impacted by that. I will give you an example, Cortez, Colorado. Down there we had a very prominent citizen, not somebody who just came into town and had all of this money showered on them. It was somebody that lived the American dream. They worked 7 days a week, and their dream was to have a family business where his sons and daughters could work with him, where his sons' and daughters' sons and daughters could work in the family business.

Unfortunately, due to an untimely death, his dream never came true. Was it because he had not been successful? No. He had been successful. It was because Uncle Sam came into that community of Cortez, Colorado and said this person has been too successful. We do not care about the fact that he is the largest contributor to jobs in this community. We do not care about the fact that he is the largest contributor to the local charities or the dollars he makes are not circulated in Washington with the exception of taxes. Uncle Sam says we do not care that removing this money not only from the family, but removing it from the community of Cortez, Colorado, to Washington, D.C., we do not care that that hurts that community. The fact is that we have an American citizen who has been too successful and we should punish him.

That is exactly what the death tax does and do not let them tell you that it only affects 2 percent of the people. "Only" may mean in the very end after all of the wealthiest people in the country through the protection of their foundations and floors of lawyers, it may mean that actually writing the check may be only 2 percent, and actually I think it is higher, but take a look at what it does to the local communities. Look at what it does in Third Congressional District of Colorado, where we see farms and ranches that have to be broken into subdivisions out of open space so Uncle Sam can be paid his ransom to make sure that the next generation cannot ranch, and I am going to give you some examples.

I read an ad lately in The New York Times, and I use this word reluctantly but I think it is the most hypocritical ad I have seen in a long time. It is called "The Responsible Wealth," and it is a group of multicentury millionaires and billionaires, and they signed this ad and said do not do away with the death tax, it is good for society. Now, it is all signed, and I will give you some examples of people who signed it, William Gates, Sr., Bill Gates' father. By the way when he was interviewed, he did this interview in the foundation office. What does the foundation do, it is a tool to protect your assets from the death tax. Let us mention a couple names. Steven Rockefeller; David Rockefeller; George Soros; Peter Barnes; Paul Newman, the actor; Frank and Jinx Roosevelt.

Do you think for one moment that any one of the people that signed this ad have not already hired some of the best death tax attorneys in the country to make sure that any death tax they are liable for is minimized. Don't you think it is a little hypocritical that someone would say do not do away with the death tax when they have already protected themselves from the brunt of the death tax.

I would ask Mr. Newman and Mr. Gates, how many of my ranchers in Colorado, how many of my local hardware store owners in Colorado can afford the attorneys that you have so they do not have to pay the death tax? How much punishment do you think that it is to these families. You know, we have had a vote on this floor on the death tax, and my bet is that anybody on this floor who is worth more than a million dollars that voted to keep the death tax in place, in other words they support the death tax, number one, and number two they are worth more than a million dollars, I bet none of my colleagues who fits in those two categories that has not already done their death tax or estate planning so that the taxes against them personally are minimized.

This death tax has a tremendous negative impact on communities across this country, whether it is Sacramento, California or in Michigan, or down in Florida, or even in the East in Virginia. This death tax punishes people and it punishes families. This is the United States of America. This is a country where we encourage or theoretically, we are supposed to encourage the family unit. A lot of times the family unit is brought together by the family farm or family ranch or the family business. Why is it the business of this government to go out and punish these people because they have been successful? Why?

Let me tell you a few things that I think are very important, and I think the best way to talk about this is to actually bring up some true-life examples. Since I have been talking about the death tax here on the floor, colleagues, as all of you know when we broach a subject like this, we often get letters from our constituents pertaining to this subject. Let me visit with you and share with you some of the letters I have received in my office about what this death tax has done to their families.

This letter is from Harold and Roberta Schaeffer. My guess is that Mr. Gates has never seen or has no idea of what kind of exposure this small family, the Schaeffers, has to the death tax.

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Nor am I convinced that this Mr. Gates cares about it. Nor am I convinced any of the other 200 people, including Paul Newman and some of the other very wealthy individuals, really give a hoot about some of the people that have sent me these letters.

These people are not billionaires. These people are not movie stars. These people do not have foundations. These people do not have trusts. These people do not have the attorneys to get them around it. And they are going to have to face up to one of the most punitive, unjustified taxes in the history of the American taxing system.

Let us go on.

Dear Scott. And these people are from Colorado. Roberta and I just finished watching your estate tax speech on TV. We are both very proud because you stated our real concerns and our problems that we face with this unfair taxation.

As you well know, farming and ranching out here in western Colorado is no slam dunk. If our farm is ultimately faced with this death tax burden, there is absolutely no way we could ever afford and justify holding on to our farm. This in turn will prevent us from keeping it as a farm for future generations, keeping it from becoming just one more development out in the middle of the countryside, keeping it available to the deer and the elk, and I saw over 600 head of elk just this afternoon on the property, keeping it available for unencumbered natural gas production.

Scott, we are only able to meet the daily operating costs of our farm under the present economic conditions of agriculture. Unless there is positive action taken by Congress on the death tax problem, we will try to start making necessary plans to arrange our affairs so that my family is the ultimate winner of a lifelong struggle, the lifelong struggles of my parents and Roberta and me. There is no way we will allow the IRS and Washington, D.C., to take it all away. They just flat don't deserve it. This, of course, will make it necessary to begin the destruction or the development of one of the largest open space areas in all of Garfield County, Colorado.

Again, we appreciate your efforts.

What did this letter say? Think about what the letter said. If you continue, Uncle Sam, on your track of coming after us, we are not a billionaire family. Again, this is not the Rockefellers or the Gates or the Carnegies, people like that, or Paul Newman. This is a small agricultural family who has worked very hard, the generation before him, his father and mother, and now he and his wife want to pass it on to the next.

But what is the summary of the letter? Let me repeat.

If the death tax is kept in place, this is the impact that he talks about in this letter. He has four things. Number one, I cannot keep it as a farm for future generations. Number two, keeping it from becoming just one more development out in the middle of the countryside. Number three, keeping it available to the deer and elk. And he says in this very letter that he saw 600 head of elk on his property just the afternoon that he wrote me this letter. You think they are going to be there after the government is done with the death tax and that becomes a subdivision? Think again. And keeping it available for unencumbered natural gas production.

This is a real letter from some people out there. They do not have a floor full of lawyers. They do not have a foundation. They do not have a trust. All they have got is a hardworking family, and the dreams that all of us dream, that something we do in our life can pass on to the kids in the next life.

It is interesting. I see Warren Buffett and some of these other people say, "Well, I'm giving all away but a small percentage of my estate." Let me tell you, when you are worth several billion dollars, even 2 percent, that does not sound like a lot until you figure out the calculation. Those lawyers protect the true foundations.

Again, remember, these foundations were not put out there just because these wealthy people wanted to take a little time and create some more paperwork and create another structure in their life to have to worry about. These were created so that the very wealthiest could avoid the death tax or minimize the death tax. Yet they have the audacity to come out to the rest of us and sign this ad.

Mind you, this is not all the wealthy people that have signed it clearly, and many of my good friends have this kind of wealth. They did not sign that ad.

But understand what a death tax does. Remember, a death tax does not have a time span between it. In other words, if you have dad who is working on the ranch with son who has the grandson, or this son's son or the grandson here, so we have three generations. If grandpa dies and the property then passes to his son or his daughter, and that son or daughter, they then pay the estate tax. Let us do it here. I think it is easier to follow.

Here is generation A, generation B, and generation C. Generation A dies. Estate tax right here. The death tax right there to B. So B has to come up with the money to pay off this estate tax so that he in hopes or she in hopes can pass this on to their next generation.

But what happens if, after A dies, B unfortunately is killed in a car accident at a young age? Let us say B is killed at age 50 in a car wreck. Do you know what happens? Even though his father may have died just a few months before, you have the death tax there, and the minute B dies, you have got it again, even if it is in a short period of time. What do you think the odds of survival of that ranch or that small business are?

Remember that the people that signed this ad that say a death tax is good for our country, these people protect themselves. Let us call it B for billionaire. They protect themselves with lawyers and lawyers and foundations and foundations, so that when Uncle Sam comes in, they cannot quite pierce it. They cannot get in there. So it is real easy to stand with a big chest and say, "By gosh, this death tax ought to stay in place." It is about time that person went up and visited that little family business or that little family farm or that contractor who owns a dump truck and a bulldozer and a building.

Let us be realistic. Our common goal in these Chambers is to preserve the family unit, and a part of the family unit is to preserve from one generation to the next generation those small businesses and those family dreams.

Let me read on. Here is a letter I got I think last week.

Dear Mr. McInnis, I am writing to encourage you to keep the repeal of the death tax on the front burner. As an owner of a family business, it is extremely important that, upon our death, the business be able to be passed to our son and to our daughter, both of whom work in the business, without a threat of having to liquidate to pay the death taxes on assets that have already been taxed once.

This letter brings up a good example. Remember that this property, the property that you own, that you are going to get taxed on upon your death, you have already paid taxes on it. So this property, with this small exception of some IRAs, and they should be taxed, but with that small exception, the property that is hit by the death tax has already had its taxes paid. It is double or triple or even worse taxation and, as is pointed out here, without a threat to liquidate to pay inheritance tax or death taxes on assets that have already been taxed once. Of all of the taxes we pay, this tax, the death tax, is truly double taxation and unfair.

I am aware that several wealthy people, i.e., William Gates, Sr., George Soros, et cetera, have come out against repeal of the death tax. This is one of the most self-serving demonstrations I have ever seen. They have theirs in trusts, in foundations, in offshore accounts, et cetera, and will pay no or minimum tax. Whatever their political motivations are, they certainly do not represent or speak for the vast majority of farmers and ranchers and small business owners in this country.

Again, I urge you to push hard for the repeal of the death tax. Signed, Anthony Allen.

This letter came out of California.

This letter came out of the West: My wife and I graduated and got married and started farming in 1961. Our children and us have worked from daylight till after dark with very few days off for the last 40 years. We have paid sales taxes, we have paid property taxes, we have paid income taxes, and we have paid Federal taxes on all of our trucks, on our trailers, on our properties, to mention just a few of the taxes that we have really had to pay.

After all of the years, we have built up enough equity to earn a decent income. Now we want to start planning for old age and death with estate planning and life insurance that we can afford. We hope that the Federal Government will not force our children to sell this farm to pay that death tax. The State of Colorado has given us some relief, but now it is time for the United States Government to do the same.

Let us go on. I am not going to read every letter here, but I want you to get the gist.

Here is one. This guy's name is Chris Anderson. He is 24 years old. This is this new generation, the young men and women of my children's age. This young generation offers more promise than any generation in the history of this country. This generation is going to bring more to this country and contribute more to this country than any other generation in the history of this country. I have never had more confidence in a generation than I do in the 20-something-year-olds right now.

Are we going to go out there and start them out by saying, look, your dad and mom want to contribute to your success, your dad and mom want to help you continue to make this country greater and so, therefore, Uncle Sam is going to step in between your folks and you and penalize by a death tax? Is that really the theory that we want to operate under in this country?

Listen to this. Here is a 24-year-old young man.

I am Chris Anderson. I am 24 years old, and I run a small mail order business. I listened with great interest when you talked about the death tax. In all likelihood, I will not face the problems you are outlining, at least not in the near future. I am not in line to inherit a business. However, I am soon to be married and look forward to having a family; and perhaps one day my children will want to follow in my footsteps.

Here is a 24-year-old young man who is about to be married, he is not going to inherit a business, he has his own small business which he has started, and Chris is saying to me, look, someday maybe I can realize my dream of passing it on to our children.

Chris goes on. I hope and pray that they will not face the additional grief caused by death tax. A 55 percent tax is, at best, a huge burden on the family business and the loved ones of the deceased. At worst, it can be a death blow that ruins what could otherwise have been the future of yet another generation.

Here is a 24-year-old young man. You see what I talk about when I say how great this generation is. At 24 years old, frankly, when I was 24 I am not sure I was thinking about the next generation. But here this young man at 24 years, he and his financee are thinking about the next generation, and they are thinking many years into the future. When they talk about, at worst this death tax could be the death blow that ruins what otherwise could have been the future of yet another generation, this letter is not a plea for help. I just wanted to let you know that, although I am not a victim of this tax, I appreciate and applaud the fight against it.

I firmly believe that Congress and the government at large need to recognize that America's future is and will always be firmly rooted in the success of small businesses. Many of these businesses are family-owned with the need for the next generation to continue them into the future.

I spent a few years working for a small family-owned business. Not just myself but several workers depended on the income they derived from working for this small family business.

So Chris is saying here I spent many years working for a small business, and many of us, including his fellow employees, depended on the success of that business owner for their employment. This addresses directly the point: that these people who signed that ad say it only affects 2 percent. It affects an entire community when you take that money out of the community and transfer it to Uncle Sam's headquarters in Washington, D.C., for redistribution.

I fear for those workers, Chris says, when the tax man comes knocking. This tax has claws that rip at many more people than the immediate family of the deceased.

This is critical. Mr. Speaker, this is critical. This death tax, as said by Chris in his letter, has claws that reach beyond the person that is being taxed. It reaches and impacts the workers, the entire community. He says it here. He says claws that rip at many more people than the immediate family of the deceased. It has a huge negative impact on the employees of these family businesses. I hope that your constituents recognize this, and they will continue to put their trust in working to do away with this death tax.

This was Chris Anderson. Chris is from New Jersey. My district is in Colorado. This is a young man who took time, he and his fiance, to send me a letter to say how punitive and what this death tax does.

We are in a society where tax is necessary. Obviously, we want the best schools we can fund. We want a strong military. We want a transportation system. But do we have to reach to the point that we have got to go to double or triple taxation and to a tax that on its face is unfair? Can you imagine what our forefathers would have thought that we were going to tax not only every stage of life but, upon death, to tax death, death as a taxable event?

Here is another one.

Dear Scott, I wish there were some way I could help you get this tax eliminated. They are discriminatory and socialistic taxes. I can't for the life of me understand how they got passed. How can anyone advocate taxing somebody twice?

I can answer your question, John. Back here in the Capitol or in the government, they depend on taxing for revenue, not going out and setting up a business and creating capital. They will tax you at every opportunity they can, unless we have a balance, and the balance we have out there, colleagues, are your constituents and the harm that we are doing to the very people we represent if we put punitive and unfair taxes on their shoulders.

□ 2100

If we do not recognize the fact that they have overpaid their taxes, if we do not recognize the fact in tough economic times, we should not keep their dollars, as President Bush says, in Washington, D.C. to spend on more Federal programs; but we should take their dollars and give it back to the people who earned it.

Now, John, some people would say that tonight I get emotional when I speak here at the podium, but I firmly believe that the punishment that we are dealing out here to families in America and communities in America by this death tax, by not refunding some of this surplus, is unstabilizing. It has negative impacts that some of the people who may have signed that New York Times ad have never tasted in their life, but a lot of small families in America and a lot of small communities in America have that bitter taste.

Let us go on with John's letter: "Why should a family who has worked for 45 years and paid their taxes on time every year, year after year after year; who has worked in their family business; who has built up a dream for their next generation, be taxed in this manner?"

John, the only answer I can give you is that it is unfair. We know that. I am addressing my colleagues' constituents.

Finally, let me wrap up here. Let us just look at a real quick one here. Derrick Roberts, his family's ranch in northern Colorado for 125 years. Listen to this letter. I ask my colleagues to listen. Derrick Roberts: "My family has ranched in Colorado for 125 years. My sons and daughters are the sixth generation to work this land." The sixth generation. "We want to continue, but the Internal Revenue Service is forcing almost all ranchers and many farmers out of business. What's the problem? It's the death tax. The demand for our land is very high and the 35-acre ranchettes are selling in this area for as high as $145 an acre. We have 20,000 acres. We want to keep it as open space, but the United States Government is making it impossible, because we will have to pay 55 percent of the value of that land when my parents die. Ranchers are barely scraping by these days anyway. If we were willing to develop home sites, we could stop the ranching, but since we want to save the ranch, we are in trouble.

"Now, the family has been able to scrape up the estate tax or the death taxes when each generation died up to this point. This time, though, I think we are done for. Our only other option is to give the ranch to a nonprofit organization and I can assure you, they all want it. But they won't guarantee they won't develop it. My dad is 90. We don't have a lot of time left to decide what to do." That is what Derrick says.

"We are only one of 2 or 3 ranchers that are left around here. Many ranches have been subdivided. One of the last to go was a family that had been there as long as ours. When the old folks died, the kids borrowed money to pay the death tax. Soon, they had to start selling cattle to pay the interest on the death tax. When they ran out of cattle, the ranch was foreclosed, and now it is being developed. That family that owned that ranch now lives in a trailer near town and the father who was a multi-generation rancher now works as a highway foreman for the State highway department."

Is that fairness? Is that what we call the theory that we all grew up under, the dream of the American family, and the dream of one family helping the next generation? Of course it is not.

Madam Speaker, I would hope, in conclusion, that all of my colleagues take serious note of just what kind of impact that death tax has once we get below the billionaires that signed that ad for The New York Times. Those billionaires that signed that ad, and I do not know for sure, but I bet the finest dinner in Washington, because I know they are going to have to buy it, I bet the finest dinner in Washington, every one of those people that signed that that are wealthy people have already built their foundations, have already minimized their death tax.

So these people are up here, but what about that gap down there? That is what I am talking about, I say to my colleagues, that gap in here. Those are the people that we better pay some serious attention to. Those are the people that will suffer when this economy turns sour, if we do not put some of those tax dollars back in their pocket like the President says. Those are the people that will not be able to go from generation to generation with a family business.

We have, I say to my colleagues, a very, very important mission in front of us, and that mission is to help protect the families that put us here; to help provide for the future generations, through the wealth of their own families, through the wealth of hard work, through the wealth of love. It is not because of Uncle Sam that these people have been successful. It is so, so important for us to look beyond the gates of Washington, D.C., a city which is almost wholly operated on taxpayer dollars. It is time for us to look to middle-America and see exactly what our tax policies are doing, to see what kind of punishment.

Now, we know that taxes are necessary, but we doggone well better sit down and figure out which taxes are fair and necessary, and that is the trail that we should walk.

PATIENTS' BILL OF RIGHTS, PATIENT PROTECTIONS, AND HMO REFORM

The SPEAKER pro tempore (Mrs. CAPITO). Under the Speaker's announced policy of January 3, 2001, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes.

Mr. GANSKE. Madam Speaker, I appreciate the fervor and emotion that my colleague just spoke about, especially in dealing with the death tax situation, because we have many people back in my home State of Iowa that need this type of relief if, in fact, they are going to pass on their family farms to their children. The way that that tax is calculated and who the benefit goes to can be done many ways. One can say the benefit goes to the person who dies, and that person may have some considerable assets; but in actuality, it is the person who inherits that has to pay the tax, and if we look at who these people are, very, very frequently, they do not have assets. They are not rich, and then they end up having to sell off half of the farm in order to pay the Federal taxes. I think that needs to be fixed.

Madam Speaker, I want to speak tonight on an issue that I find emotional too, and that has to do with the Patients' Bill of Rights and patient protections as it relates to HMOs.

Madam Speaker, about a week ago I was in my apartment here in Washington watching C-SPAN; and there was a panel on, a panel of former Members of Congress, and they were being interviewed and giving comments about what they thought would happen this year in the legislative arena. And these pundits were giving their opinions on tax cuts and prescription drug benefits and other things, and then one of the panelists said something. He said, "You know, I think this deal about patient protection doesn't need to be done. You know, I really don't know anyone who has been harmed by HMOs." Madam Speaker, I nearly fell off my sofa. I nearly fell off my sofa when this pundit, this former Member of Congress said, "You know, who needs patient protection, HMO reform because, after all, nobody is being hurt." I thought to myself, what world is that man living in? What world is that man living in?

I thought, does he not read the newspapers? Does he not see stories like this: "What his parents didn't know about HMOs may have killed this baby." Maybe this former Member of Congress, who I happen to know; he is a friend, he is a fine man, but I am thinking to myself, how could he make this comment?

Does he not see newspapers like this: "HMOs' cruel rules leave her dying for the doc she needs." Where has he been?

Madam Speaker, before coming to Congress, I was a reconstructive surgeon. I took care of lots of babies that were born with congenital defects like this cleft lip and cleft palate. Fifty percent of the reconstructive surgeons in the country in the last 2 years have had cases like this denied by HMOs as not being medically necessary. What world does that man live in? I thought to myself, well, maybe he does not read the national news magazines. Maybe he did not see the cover on Time Magazine that featured this family with this little girl, this little boy, a husband, a mother that documented how the mother died because the HMO inappropriately denied care. Maybe he does not live in that world. Maybe he does not read Time Magazine.

I thought to myself, maybe he does not read The Washington Post. Most people in Washington do, especially former Members, but maybe he does not. Maybe he did not see the cover story in the Washington Post about this young lady who was hiking 40 miles west of here, fell off a cliff, broke her arm, her pelvis, stunned, fractured her skull, laying there at the bottom of the cliff. Her boyfriend phones in the air flight. They take her to the emergency room. She is treated, and then the HMO does not pay her bill because she did not phone ahead for prior authorization. I thought to myself, what world does this man live in?

I thought to myself, maybe this former Member of Congress has not been watching any of the debates on the floor of Congress. Maybe he has not been following the Patients' Bill of Rights, the debate that we had. Maybe he did not bother to watch the debate we had on the floor when sitting right in that chair was this little boy a few years afterwards. This little boy when he was about 6 had a high fever one night, like about 104 or 105, so his mother phones the HMO, she is told to take him to this one hospital, the only one that is authorized, about 70 miles away, he has a cardiac arrest on the way, he ends up with gangrene in both hands and both feet, and this is what happens when you have gangrene in both hands and both feet. They have to be amputated. I thought, maybe that man had not watched our debate here on the floor. What world is he living in?

But I will tell my colleagues this: this little boy who, when he came to the floor for that debate, was now about 6 or 7, pulls on his leg prostheses with his arm stumps. But do my colleagues know what? This little boy is real; and if he had a finger, Madam Speaker, and we could prick it, he would bleed. And if he had a hand, some day he would be able to caress the cheek of the woman that he loves, and maybe he would be able to play basketball. But do my colleagues know what? According to this pundit, this former Member of Congress sitting on this panel, after all, there is not anyone being injured by HMOs; it is just baloney.

□ 2115

Madam Speaker, I beg to differ. People come up to me all the time here in Washington and back home in Iowa. They tell me about stories like this, how it is affecting them or their family.

Just a few days ago, about a 48-year-old woman came up to me. She had had a mastectomy for cancer. She had been going through chemotherapy. Her physician had recommended that she have an important test to see whether the tumor had returned. Her HMO denied it. She came up to me in tears in Des Moines, Iowa. She battled that HMO through an internal review and finally they said yes. Then, when she was going to go for her test, they pulled the rug from underneath her and they said no.

She said, Greg, I had to do something I have never done before. I had to ask my husband to carry on for me on this fight, because that HMO has just worn me out. I asked my husband to carry on this fight because I didn't have the energy. I don't have the energy anymore to fight that HMO.

Do Members know what? If that woman dies because she has not gotten her test, what is the HMO out? Nothing, because she is dead. That is not fair and that is not justice. I beg the pardon of that pundit who was on that panel, that man who I like but who does not seem to understand or has been insulated in some way from what has gone on everywhere else in this country.

Why do Members think the biggest line in the movie As Good as It Gets was when Helen Hunt tells Jack Nicholson, "You know, that HMO is just preventing my son with asthma from getting the care that he needs." Then she went into a long string of expletives.

My wife and I were in the theater that night. We saw something we had never seen before: People stood up and clapped. What world is that man living in?

Well, Mr. Speaker, Members on both sides of the aisle in both Houses who have been fighting for 5 or 6 years now to get a strong Patients' Bill of Rights passed, they will not give up, because we know that this is affecting millions of people every day on decisions that some HMOs are making.

We need to fix that. We need to fix that here in Washington, because this problem was started by Washington. It was started right here in 1974, when Congress passed a law which took that oversight of insurance plans away from the States, for heaven's sake, where it had been for 200 years, took it away from the States under a bill called the Employee Retirement Income Security Act, ERISA; they took it away from the States and put nothing in its place, and basically gave immunity to health plans, employer health plans, from the consequences of their decisions, an immunity that no other industry in this country has.

Madam Speaker, I sit on the Committee on Commerce. Last year we heard testimony on the tire problem, where tires were blowing out. At last count, there were about 118 people killed from that. Madam Speaker, what do Members think would happen if Congress passed a law that gave legal immunity to tire makers? Why, we would be run out of Washington on a rail.

Yet, we are dealing with today a law that gives an HMO that makes this kind of decision that results in this kind of injury for somebody who gets their insurance from their employer a free ride. It needs to be fixed. It needs to be fixed.

It is a pretty difficult fight. The HMO industry, their business allies, and some in Congress have fought this tooth and nail. They have spent $100 million at least trying to prevent the Patients' Bill of Rights from actually becoming law.

Our first victory, though, came in 1999 when the House overwhelmingly passed the bipartisan bill that I and my colleague, a conservative Republican, the gentleman from Georgia (Mr. NORWOOD), and a Democrat, the gentleman from Michigan (Mr. DINGELL), wrote. We passed that bill by a vote of 275 to 151 in the face of very stiff HMO industry opposition.

For the last 6 months, the gentleman from Michigan (Mr. DINGELL), the gentleman from Georgia (Mr. NORWOOD), and I rewrote our bill. We negotiated with Senator MCCAIN to bring him into this fight. On February 6, we introduced our bill, H.R. 526, the Bipartisan Patient Protection Act of 2001, and Senators MCCAIN, EDWARDS and KENNEDY introduced a companion bill in the Senate.

Madam Speaker, this bill represents a meaningful bipartisan compromise on patient's rights issues such as scope, who does the bill cover; plan accountability; employer liability.

I want to go into some more detail. My bill, the Ganske-Dingell bill, includes the basic protections that need to be addressed in this debate, such as the right to choose one's own doctor; protections against one's doctor being gagged by HMOs, not being able to tell us the whole story; access to specialists, such as pediatricians and obstetrician-gynecologists; access to emergency care; access to plan information, so we know what is going on in the plan.

My bill covers all 190 million Americans in private insurance, including ERISA plans, non-Federal government plans, and plans in the individual market. The bill addresses the concerns of those who want to protect States' rights by allowing States to demonstrate that their insurance laws are at least substantially equivalent to the new Federal standards, thereby leaving in place equivalent or stronger State laws. States can continue to enforce their patient protection laws under our bill.

Under our bipartisan bill, patients would be assured that doctors can make medical decisions involving the medical care. When a plan denies coverage, a patient would have the ability to pursue an independent review of the plan's decision by a panel of medical experts, independent of the health plan. That decision would be binding on the plan.

Our bill outlines a new compromise on liability, a new compromise on liability that provides for meaningful accountability for injured patients. We took the lead from the Supreme Court in its case Pegram v. Hedrich, and addressed the desire of multistate employer plans for uniformity of benefit decisions.

The new bill creates a bifurcated Federal and State liability system. Injured patients can hold health plans accountable in State court for disputes involving the quality of medical care, those involving medical necessity decisions. However, patients who were injured by a plan's administrative nonmedical decision to deny benefits or coverage would proceed to Federal court, and additionally, punitive damages are prohibited in State court unless the plan shows a willful or a wanton disregard for patients' rights or safety.

Our bill also addresses other concerns raised by the bill that passed the House in 1999. For instance, our new bill says, "Employers may not be held liable unless they 'directly participate' in a decision to deny benefits that result in injury or death."

Madam Speaker, I have talked to business groups all across the State of Iowa, employers who run small businesses. I asked them, I say, "When you hire an HMO to provide a health plan for your family and for your employees, do you as an employer ever get involved in the medical decision-making?" And they say, "Not on your life. Number one, it is a privacy issue. We do not want to know what is happening to our employees in their private medical life. We do not want them to know what is going on in our family, either. But we do not get involved in that."

Under our bill, Madam Speaker, that employer cannot be held liable. In recent months, the debate on patient protection has focused on whether or not and to what extent we should hold HMOs accountable when they make medical decisions that harm patients, or even cause them to die.

In recent weeks, congressional offices have been inundated, as I am sure the gentlewoman's office has, Madam Speaker, with messages opposing a strong patient protection bill of rights like our Bipartisan Patient Protection Act of 2001.

I feel, Madam Speaker, that our colleagues need to hear the truth about the liability provisions in our bill, and why I have included those liability provisions in our bill.

Madam Speaker, many opponents to liability provisions in patient protection bills such as the Ganske-Dingell bill say, Why do we need them in the first place? Well, the goal of the liability provision is to ensure that patients receive the proper health care when they need it, and that a patient has a right to redress when the plan makes a medical decision to deny a claim for benefits and causes injury or death.

Under current law, as I said, the patient has access to an internal review process. If there is still a dispute upon conclusion of the plan's internal process, the patient may only seek the value of the benefit in Federal court under section 502 of ERISA. There is no provision under current law for consequential damages caused by the failure to provide the benefit, whether or not there was an injury.

Some States, however, have passed provisions that would allow the patient to hold some health plans accountable in State court for failing to provide adequate care.

Madam Speaker, under our new liability provision, when a patient is denied a benefit, he or she will have access to a swift internal review process and a strong independent external review process to help settle disputes, and that, in the vast majority of times, will get the patient appropriate care.

If the patient feels he or she is owed a benefit under the review process, they will have access to existing 502 ERISA remedies in Federal court to seek the benefit, but not other damages. In those rare cases when a patient suffers harm or death as a result of the plan's action, a patient will have access to Federal court under ERISA section 502 if the dispute was a purely administrative contractual decision. In order to prevail and recover limited damages, the patient would need to show that the plan acted negligently in making the decision, and that the decision caused the patient's injury or death.

But, Madam Speaker, if the dispute involves a medically-reviewable decision, the patient will be able to seek redress in State court under applicable State law. Generally, our bill prohibits punitive damages if the health plan follows the review process and follows the determination of the external review entity.

In our new bifurcated Federal-State liability, this is a significant compromise. It is a significant move from the State cause of action in the original bill that passed the House, the Norwood-Dingell-Ganske bill, in 1999. Our original language did not change the existing remedy in section 502 of ERISA. Rather, it simply clarified that State causes of action were not preempted under section 514.

The business and insurance industry raised concerns that this approach would inhibit their ability to administer a multistate employee health benefit plan.

□ 2130

Madam Speaker, we made the step towards the business community. Our new bill answers that concern by leaving suits involving benefit administration in Federal court under section 502, thereby allowing employers and insurers to have uniformity in administering their health plans across State lines.

The first part of the liability section in our bill adds to that existing Federal remedy under section 502. Under this new Federal cause of action, a plaintiff may seek both economic and noneconomic damages. By excluding medically reviewable decisions from the Federal remedy, group health plans will only be subject to liability under section 502 for benefit administrative decisions. That includes decisions such as whether a patient is eligible for coverage, whether a benefit is part of the plan or other purely administrative contract decisions.

Punitive damages are not allowed under the Federal cause of action. A civil assessment can be awarded upon showing clear and convincing evidence that the plan acted in bad faith. That standard carries a high burden of proof and is consistent with State statutes for the award of damages. That standard ensures a health plan will not be subject to these damages for simply making a wrong decision.

The patient would have to show that the plan has demonstrated flagrant disregard for health and safety in order for the plan to be liable. Madam Speaker, before exercising that legal remedy, the patient would have to exhaust both internal and external appeals processes.

If the patient suffers irreparable harm or death prior to completion of the process, the patient or the plan can continue the review process and the court can consider the outcome.

The second part of the liability section in the Ganske-Dingell bill amends ERISA section 514 to allow cause of actions in State court for a denial of a claim for benefits involving a medically reviewable decision, a medically reviewable decision that causes harm or death to a patient.

In our bill, punitive damages are prohibited in cases where the plan follows the requirements of the appeal processes. That provision protects plans and businesses when they follow the decision of the external review panel.

But I ask, Madam Speaker, if an industry exhibited a willful and wanton disregard for safety, would you grant them immunity? Under current ERISA law, they have it. We simply say in this section that if they exhibit willful and wanton disregard for safety that they would be liable if it results in an injury.

The Ganske-Dingell bill removes the preemption of State law in ERISA 514. That allows injured patients to bring a cause of action in State court for injuries by a medical decision.

That new provision is a significant compromise, because it limits the scope of actions that can be filed in State court to those involving a medically reviewable decision, whereas the bill that we passed here in 1999, the industry said that you could take contractual decisions into State court. We did not think our bill did that, but we were willing to clarify that, and that what is what we have done.

In addition, we think that our current bill's bifurcated liability provision is consistent with the current direction of the courts in interpreting ERISA law.

Recent Supreme Court decisions and the 5th Circuit decision involving Texas' health plan liability law would allow the continued development of State case laws. The health plan liabilities laws that have passed in nine States, Arizona, California, Georgia, Louisiana, Maine, Oklahoma, Tennessee, Texas and Washington, would not be preempted in our new liability provision. It would be under other bills that are currently being developed, and it would have been under past efforts to create an exclusive, and this is important, Madam Speaker, under an exclusive Federal remedy. All of those preempt State law.

Our new bill further clarifies that employers are protected from liability in either Federal or State court, unless they directly participate in a denial that causes death or harm.

Madam Speaker, that "direct participation" standard was developed by the gentleman from Tennessee (Mr. HILLEARY) and later used in the Coburn-Shadegg substitute. The business and the insurance communities said the previous Norwood-Dingell language was too broad because it held employers harmless unless they exercised discretionary authority to make a decision on a particular claim.

In a spirit of bipartisan compromise, we rewrote the section. We moved towards our critics. But what did they do? They took a step away. They trashed our bill again. Talk about a moving goal post.

In addition to the direct participation protection, our bill specifically lists decisions that are not considered direct participation. Those specific actions include the employer selection of the group health plan, which plan they choose, the health insurance issuer, third-party administrator or other agent, employers are protected in any cost benefit analysis undertaken by the selection of the plan.

They are protected for any participation in the process of creating, continuing, modifying or terminating the plan or any benefit, and they are protected for any participation in the design of any benefit under the plan. There are additional protections for employers who advocate, who advocate on behalf of an employee in the appeals process.

Furthermore, our bill clarifies existing ERISA law to make certain that a group health plan can purchase insurance to cover losses incurred from suits under this title, just as any medical health professional would do when they know that they are responsible for making medical decisions.

Madam Speaker, recently President Bush sent a letter to Congress outlining his principles for patient protection legislation. And while the President's principles were in nature general, I was pleased to note that our bill met almost all of the President's stated goals, and those goals included providing comprehensive patient protections, applying those protections to all Americans. That is a significant improvement over what we saw in the Senate last time, a review process where doctors make medical decisions and patients receive care in a timely fashion and protections for employers, but the President calls for only allowing Federal lawsuits.

Madam Speaker, such an action would preempt State patient protection laws, including those in Texas, and would treat HMOs differently than all other businesses that could hurt people.

Madam Speaker, I do not know how you can move everything into Federal court and then say at the same time that you are preserving State law. How do you stand, Madam Speaker, in two places at the same time?

As with the President's stated goals, our Ganske-Dingell Bipartisan Patient Protection Act provides patient protections for all Americans, as I said. In addition, our bill empowers governors to certify their State's patient protections provisions as being equivalent to the Federal floor through a process similar to the one for participation in the State children's health insurance program, so that States can continue to enforce their own laws for their citizens.

In addition, our bill has every one of the patients protections listed in the President's statement of principles, emergency room care, OB/GYNs for women, prescription drug coverage, clinical trials, pediatricians, stopping gag clauses, health plan information choices and continuity of care.

Our bill provides for a quick internal, independent external review process modeled after the strong Texas medical care review process, because getting prompt medical care is the goal of our bill. Our bill requires exhaustion of the review process. Only if a patient dies or is irreparably harmed can a family go to court before the review is completed.

Madam Speaker, it has never been clear to me how you can write a provision that says you have to go through an appeals process before you can go to court when the initial decision can result in an injury in a result such as this.

This mother and father did not have a chance to go through an internal or an external appeal process before their little boy had his cardiac arrest en route to the hospital and developed gangrene and had to have both hands and both feet amputated. But under our bill, because he suffered irreparable harm, that HMO would be accountable, and it should be accountable.

Anyone who tries to pass a law that gives a free skate to a health plan on a case like this I would say is ignoring the scales of justice.

Madam Speaker, I look forward to working with President Bush and my colleagues to ensure swift passage of the Patient Protection Act so that the President can sign into law patient protection legislation as he so frequently talked about during his Presidential campaign.

The HMO industry has made alot of allegations. One of the things that they have talked about is that employers would be subject to a multitude of frivolous lawsuits. We have already spoken alot about that.

As I have said, our bill would allow employers to be liable only, only if they have entered into the decisionmaking.

Another HMO allegation is that with a strong appeals process there is no need for legal accountability for managed care. Madam Speaker, who are they kidding?

Look, they have legal accountability in Texas, and they need it. There is a case in Texas where a man was suicidal in the hospital. His doctor said that he needed to stay in the hospital. His HMO said, no, he does not; he can stay if his family wants to pay for it, but we are discharging him. So the family took him home, and that night he drank half a gallon of antifreeze, and he died.

It is important that Texas has that accountability, that legal, that liability provision. Because the way that their appeals process is supposed to work is that if there is a dispute between the treating doctor and the health plan and it is in a case like this where something bad could happen immediately, then it goes to an expedited review before the HMO can kick out the patient, but the HMO just ignored it.

The HMO just ignored Texas law. And in that situation, that is why you need at the end of the day accountability and liability for a health plan that makes that kind of decision that results in a man going home and drinking half a gallon of antifreeze and dying.

These are real cases. How about a patient who sustained injuries to his neck and spine from a motorcycle accident? After which, he was taken to the hospital. The hospital's physicians recommended immediate surgery, but the health plan refused to certify. The surgery had to be canceled. Soon afterwards, the insurer did agree to pay, but by then the patient was paralyzed.

Are you going to tell me that that patient who is going to spend the rest of his life paralyzed does not have his right to a day in court because he did not have the time to go through an external appeals process?

□ 2145

How about the patient who was admitted to the emergency room of his community hospital complaining of paralysis and numbness of his extremities. The treating emergency room physician concluded that the gravity of the patient's neurological condition necessitated his immediate transfer to an academic hospital and made the arrangements. The health plan denied the authorization and recommended others.

By the time the physician was able to have the patient transferred, the patient had sustained permanent quadriplegia, could not move both arms or his legs, paralyzed from the neck down.

Now, that patient did not have a chance to go through an internal and an external appeals process, but he sure as heck did suffer irreparable harm. Our bill handles that situation. The opposition's do not.

Another HMO industry allegation is that the Ganske-Dingell bill liability provision would significantly increase the cost of health insurance. The truth of that allegation is blown way out of proportion. They always say, yes, if the cost goes up so much, then so many people are going to lose their insurance.

The Congressional Budget Office scored other liability provisions such as that contained in the Norwood-Dingell bill that passed in the 106th Congress, showing that premiums would rise about 4.1 percent over 5 years. Critics of our bill pounced on that, that costs were going to skyrocket. But they were wrong.

The part of the bill that costs the most was not the liability provision. It was the section designed to prevent the lawsuits that is common to all of the patient legislation plans that we have seen, and that was the internal and external review sections.

In addition, the HMO industry failed to note that the total CBO projection was spread over 5 years with virtually no cost in the first year and about 1 percent per year after that up to 4 percent total. Now, compare that with the average 7 percent annual increases in recent years by the HMO industry itself.

Opponents have cited an ever-changing and ridiculously wide range of job loss figures for every 1 percent increase in cost. First, the opponents of legal accountability cite the figures that 400,000 individuals would lose their health coverage for every 1 percent increase in premiums. When the GAO challenged that figure, saying that it was based on outdated information and did not account for all the relevant factors, opponents lowered the job loss figure to 300,000 for every 1 percent.

Again, the GAO looked at this and caused opponents to lower their estimate a second time to 200,000. However, none of those predictions have come to pass. For example, between 1988 and 1996 the number of workers offered coverage actually increased despite premium increases each year.

Now, the next allegation I will answer is that consumer support for patient protection evaporates when they learn that it will cost them some additional premiums. This is another one of the HMO industry's distortions. Patients want a real enforceable patient protection Bill of Rights, and they are willing to pay something for it.

A 1998 nationwide survey by Penn, Schoen & Berland showed that 86 percent of the public support a bill that would give patients' health plan legal accountability, access to specialists, emergency services, and point of service coverage. When asked if they would support a bill if their premiums increased between $1 and $4 a month, 78 percent supported the bill.

Madam Speaker, the House-passed bill, the Norwood-Dingell-Ganske bill, would have raised insurance premiums an average of 4.1 percent. That would have meant increases in employee premiums of about $1.36 per month for an individual and $3.75 a month for a family member.

Finally, I want to dispel the allegation that patients are satisfied with the quality of care being provided by HMOs. HMOs frequently do these surveys of their membership, and they come up with some figure like 80 percent of the enrollees are happy with their care or satisfied. What they fail to point out is that these are all the healthy people in their plan who are not utilizing the plan.

I mean, does anyone think, when they saw that movie "As Good As It Gets" and saw the response to Helen Hunt's descriptor of her HMO that the public is not aware of this?

A recent public opinion survey found that most Americans believed problems with managed care have not improved, 74 percent. Most think that legislative action is either more urgent or equally as urgent as when this debate began, 88 percent. A 1999 survey of physicians and nurses reported that 72 percent of physicians and 78 percent of nurses believed that managed care has decreased the quality of care for people who are sick.

In addition, Republican pollster, Linda Divall, did a post-election poll right after this last election of issues that the new President and the newly elected Congress should work together on to accomplish for the good of the country. In every group, men, stay-at-home moms, working women, a Patients' Bill of Rights was at the top of the list.

Madam Speaker, the American public wants and deserves a strong patient Bill of Rights now, this year. It is time for us to put on the President's desk a bill like the Ganske-Dingell bill or the McCain-Edwards bill. We need to get it signed into law, Madam Speaker.

Millions of people are having decisions that HMOs are making today. To go back to what I started about at the beginning of the speech, for anyone to say that people are not having any problems with HMO, I would just have to say, what world are they living in?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. GEPHARDT) for today and the balance of the week on account of illness.

Mr. POMEROY (at the request of Mr. GEPHARDT) for today on account of attending the funeral of a former legislative leader.

Mr. KELLER (at the request of Mr. ARMEY) for today and the balance of the week on account of the hospitalization of his daughter.

Ms. ROS-LEHTINEN (at the request of Mr. ARMEY) for today on account of a death in the family.

Mr. BECERRA (at the request of Mr. GEPARDT) for today on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, March 14.

Mr. PAUL, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. BILIRAKIS, for 5 minutes, March 20.

Mr. WOLF, for 5 minutes, March 15.

Mr. FOLEY, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. TANCREDO, for 5 minutes, today.

ADJOURNMENT

Mr. GANSKE. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 52 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 14, 2001, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1191. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Prescription Drug Marketing Act of 1987; Prescription Drug Amendments of 1992; Policies, Requirements, and Administrative Procedures; Delay of Effective Date [Docket No. 92N-0297] (RIN: 0905-AC81) received March 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1192. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Rapid City, South Dakota) [MM Docket No. 00-177; RM-9954] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1193. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Woodville and Wells, Texas) [MM Docket No. 00-171; RM-9926] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1194. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Window Rock, Arizona) [MM Docket No. 00-237; RM-10006] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1195. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Sioux Falls, South Dakota) [MM Docket No. 00-200; RM-9967] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1196. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (Aspen, Colorado) [MM Docket No. 00-215; RM-9994] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1197. A communication from the President of the United States, transmitting a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995, pursuant to 50 U.S.C. 1703(c); (H. Doc. No. 107—50); to the Committee on International Relations and ordered to be printed.

1198. A communication from the President of the United States, transmitting notification that the Iran emergency is to continue in effect beyond March 15, 2001, pursuant to 50 U.S.C. 1622(d); (H. Doc. No. 107—51); to the Committee on International Relations and ordered to be printed.

1199. A letter from the Department of Defense, Defense Security Cooperation Agency, transmitting the listing of all outstanding Letters of Offer to sell any major defense equipment for $1 million or more; the listing of all Letters of Offer that were accepted, as of December 31, 2000, pursuant to 22 U.S.C. 2776(a); to the Committee on International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 741. A bill to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes (Rept. 107-19). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAUZIN: Committee on Energy and Commerce. H.R. 496. A bill to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes; with an amendment (Rept. 107-20). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAUZIN: Committee on Energy and Commerce. H.R. 725. A bill to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made (Rept. 107-21). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. ISTOOK (for himself, Mr. Pomeroy, and Mr. Wicker):

H.R. 973. A bill to amend the Public Health Service Act with respect to the operation by the National Institutes of Health of an experimental program to stimulate competitive research; to the Committee on Energy and Commerce.

By Mrs. KELLY (for herself, Ms. Capito, and Mr. Cantor):

H.R. 974. A bill to increase the number of interaccount transfers which may be made from business accounts at depository institutions, to authorize the Board of Governors of the Federal Reserve System to pay interest on reserves, and for other purposes; to the Committee on Financial Services.

By Mr. WATKINS (for himself, Mr. Watts of Oklahoma, Mr. Peterson of Pennsylvania, Mr. Jefferson, Mr. McGovern, Mr. LaFalce, Mr. McHugh, Mr. Hilleary, Mr. Rahall, Mr. Sessions, Mr. McNulty, Mr. Frost, Mr. Pickering, Mr. Rogers of Michigan, Mr. Gordon, Ms. Hart, Mr. Blumenauer, Mr. Deal of Georgia, Mr. Towns, Mr. Walsh, Mr. Kanjorski, Mr. Kildee, Ms. Carson of Indiana, Mrs. Mink of Hawaii, Mr. Doyle, Mr. Baldacci, Ms. Berkley, Mr. Jones of North Carolina, Mrs. Thurman, Ms. Slaughter, Mr. DeFazio, Mr. Mascara, Mr. Smith of Washington, Ms. Woolsey, Mr. Paul, Ms. Lee, Ms. Kilpatrick, Ms. Hooley of Oregon, Mr. Olver, and Mr. Maloney of Connecticut):

H.R. 975. A bill to amend title XVIII of the Social Security Act to eliminate the 15 percent reduction in payment rates under the prospective payment system for home health services under the Medicare Program and to permanently increase payments for such services that are furnished in rural areas; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VITTER:

H.R. 976. A bill to authorize appropriations for the Individuals with Disabilities Education Act to achieve full funding in fiscal year 2002 and fiscal year 2003, and for other purposes; to the Committee on Education and the Workforce.

By Mr. VITTER:

H.R. 977. A bill to amend the Individuals with Disabilities Education Act to provide increased authority for school personnel to discipline children with disabilities who engage in certain dangerous behavior; to the Committee on Education and the Workforce.

By Mr. MANZULLO (for himself, Mr. Camp, Mr. Price of North Carolina, Mr. Andrews, Ms. Baldwin, Mr. Burr of North Carolina, Ms. DeGette, Mr. Paul, Mr. Shimkus, Mr. Udall of Colorado, and Mr. Weller):

H.R. 978. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for dry and wet cleaning equipment which uses non-hazardous primary process solvents; to the Committee on Ways and Means.

By Mr. HUNTER:

H.R. 979. A bill to authorize the President and the Governor of a State to suspend certain environmental and siting requirements applicable to fossil fuel fired electric power plants to alleviate an electric power shortage that may present a threat to public health and safety, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Resources, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WAMP (for himself, Mr. Duncan, Mr. Jenkins, Mr. Bryant, Mr. Hilleary, Mr. Deal of Georgia, Mr. Clement, Mr. Gordon, Mr. Tanner, and Mr. Ford):

H.R. 980. A bill to establish the Moccasin Bend National Historic Site in the State of Tennessee as a unit of the National Park System; to the Committee on Resources.

By Mr. BASS (for himself, Mr. Barton of Texas, Mr. Bilirakis, Mr. Boehlert, Mr. Brady of Texas, Mr. Burr of North Carolina, Mr. Castle, Mr. Tom Davis of Virginia, Mr. Diaz-Balart, Mr. Dreier, Ms. Dunn, Mr. Ehlers, Mr. English, Mr. Gilchrest, Mr. Gilman, Mr. Goode, Mr. Goodlatte, Mr Goss, Mr. Green of Wisconsin, Ms. Hart, Mr. Hastings of Washington, Mr. Herger, Mr. Hoekstra, Mr. Houghton, Mr. Issa, Mr. Jenkins, Mr. Jones of North Carolina, Mr. Largent, Mr. LaTourette, Mr. Linder, Ms. McCarthy of Missouri, Mrs. Morella, Mrs. Myrick, Mr. Ney, Mr. Norwood, Mr. Ose, Mr. Oxley, Ms. Pryce of Ohio, Mr. Radanovich, Mr. Regula, Mr. Reynolds, Mr. Riley, Mr. Rohrabacher, Mrs. Roukema, Mr. Royce, Mr. Ryun of Kansas, Mr. Schaffer, Mr. Sensenbrenner, Mr. Sessions, Mr. Shimkus, Mr. Smith of Washington, Mr. Smith of Texas, Mr. Sununu, Mr. Tancredo, Mr. Terry, Mr. Thornberry, Mr. Thune, Mr. Traficant, Mr. Upton, Mr. Wamp, and Mr. Whitfield):

H.R. 981. A bill to provide a biennial budget for the United States Government; to the Committee on the Budget, for a period ending no later than April 13, 2001, and in addition to the Committees on Rules, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BEREUTER:

H.R. 982. A bill to prohibit assistance for Kosovo unless the President determines and certifies to Congress that residents or citizens of Kosovo are not providing assistance to organizations engaging in or otherwise supporting ethnically-motivated violence in southern Serbia or in Macedonia, and for other purposes; to the Committee on International Relations.

By Mrs. BONO:

H.R. 983. A bill to require the Secretary of Energy to assign the same priority to providing renewable energy production incentive payments for landfill gas facilities as the priority assigned to providing such payments for other biomass facilities; to the Committee on Energy and Commerce.

By Mr. CAMP (for himself, Mr. Matsui, Mr. Foley, Mr. Towns, Mr. Chambliss, Mr. Sam Johnson of Texas, Mr. Manzullo, Mr. Thompson of California, Mr. McInnis, Mr. Sessions, Ms. Dunn, Mr. Watkins, Mr. Shimkus, Mr. Rangel, Mr. Collins, Mr. Cramer, Mr. Cannon, Mr. Lewis of Georgia, Mrs. Thurman, Mr. Reynolds, Mr. Akin, Mr. Ryan of Wisconsin, and Mr. Graham):

H.R. 984. A bill to amend the Internal Revenue Code of 1986 to repeal the occupational taxes relating to distilled spirits, wine, and beer; to the Committee on Ways and Means.

By Mr. CAMP:

H.R. 985. A bill to amend the Internal Revenue Code of 1986 to repeal the dollar limitation on contributions to funeral trusts; to the Committee on Ways and Means.

By Mr. CAMP:

H.R. 986. A bill to amend the Internal Revenue Code of 1986 to provide that long-term vehicle storage by tax-exempt organizations which conduct county and similar fairs shall not be treated as an unrelated trade or business; to the Committee on Ways and Means.

By Mr. CHAMBLISS:

H.R. 987. A bill to transfer management of the Banks Lake Unit of the Okefenokee National Wildlife Refuge; to the Committee on Resources.

By Mr. ENGEL (for himself, Mr. Nadler, Mrs. Maloney of New York, Mr. Towns, Mr. Rangel, Mr. Boehlert, Mr. Owens, Mrs. Kelly, Mr. Serrano, Mr. Meeks of New York, Mr. Houghton, and Mr. Cummings):

H.R. 988. A bill to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. GREEN of Wisconsin (for himself, Mr. Greenwood, Mrs. McCarthy of New York, Mr. Gutknecht, Mr. McGovern, Mr. Rush, Mr. Davis of Illinois, Mrs. Jo Ann Davis of Virginia, Mr. Payne, Mr. Horn, Mr. Rogers of Michigan, Mr. Pascrell, Mr. Houghton, Mrs. Myrick, Mr. Hall of Texas, and Ms. Hooley of Oregon):

H.R. 989. A bill to direct the Secretary of Housing and Urban Development to carry out a 3 year pilot program to assist law enforcement officers purchasing homes in locally-designated at-risk areas; to the Committee on Financial Services.

By Mr. HALL of Ohio (for himself, Mr. Baker, Mr. Lewis of Georgia, Mr. Ramstad, Mr. Hinchey, Mr. Wolf, Mr. Fattah, Mr. Hoeffel, Mr. Lipinski, Mrs. Emerson, Ms. Hart, Mr. McGovern, and Mrs. Thurman):

H.R. 990. A bill to amend the Internal Revenue Code of 1986 to provide for charitable deductions for contributions of food inventory; to the Committee on Ways and Means.

By Mr. HAYWORTH (for himself, Mr. Paul, Mr. Dreier, Mr. Otter, Mr. Young of Alaska, Mr. Calvert, Mr. Stump, Mr. Gibbons, Mr. Sessions, Mr. Schaffer, Mr. Cannon, and Mr. Largent):

H.R. 991. A bill to amend the Internal Revenue Code of 1986 to treat gold, silver, and platinum, in either coin or bar form, in the same manner as stocks and bonds for purposes of the maximum capital gains rate for individuals; to the Committee on Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself and Mr. Simmons):

H.R. 992. A bill to provide grants to local governments to assist such local governments in participating in certain decisions related to certain Indian groups and Indian tribes; to the Committee on Resources.

By Mr. KELLER:

H.R. 993. A bill to improve the prevention and punishment of criminal smuggling, transporting, and harboring of aliens, and for other purposes; to the Committee on the Judiciary.

By Mrs. MALONEY of New York (for herself, Mr. English, Mr. Borski, Mr. McGovern, Mr. Pascrell, Mr. Owens, Mr. Payne, Ms. McKinney, Mrs. Christensen, Mr. Blumenauer, Mr. George Miller of California, Mr. Clay, Ms. McCarthy of Missouri, Mr. Abercrombie, Mr. Barcia, Mr. Maloney of Connecticut, Mr. Ackerman, and Mrs. Meek of Florida):

H.R. 994. A bill to authorize the Secretary of Housing and Urban Development to make grants to nonprofit community organizations for the development of open space on municipally owned vacant lots in urban areas; to the Committee on Financial Services.

By Mr. McINNIS:

H.R. 995. A bill to provide permanent appropriations to the Radiation Exposure Compensation Trust Fund to make payments under the Radiation Exposure Compensation Act (42 U.S.C. 2210 note); to the Committee on Appropriations.

By Mr. McINNIS:

H.R. 996. A bill to ensure the timely payment of benefits to eligible persons under the Radiation Exposure Compensation Act (42 U.S.C. 2210 note); to the Committee on Appropriations.

By Mrs. MINK of Hawaii:

H.R. 997. A bill to amend title XVIII of the Social Security Act to waive the part B premium penalty for individuals entitled to TRICARE health benefits as a member or former member of the uniformed services, or dependent of such a member or former member, and to amend title 10, United States Code, to waive the TRICARE requirement for enrollment in Medicare part B in the case of individuals enrolled under the Federal Employees Health Benefits program; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAYNE:

H.R. 998. A bill to reduce gun trafficking by prohibiting bulk purchases of handguns; to the Committee on the Judiciary.

By Mr. POMEROY:

H.R. 999. A bill to strengthen the standards by which the Surface Transportation Board reviews railroad mergers, and to apply the Federal antitrust laws to rail carriers and railroad transportation; to the Committee on Transportation and Infrastructure, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PORTMAN (for himself and Mr. Chabot):

H.R. 1000. A bill to adjust the boundary of the William Howard Taft National Historic Site in the State of Ohio, to authorize an exchange of land in connection with the historic site, and for other purposes; to the Committee on Resources.

By Mr. RAHALL:

H.R. 1001. A bill to amend title XIX of the Social Security Act to make optional the requirement that a State seek adjustment or recovery from an individual's estate of any medical assistance correctly paid on behalf of the individual under the State Medicaid plan; to the Committee on Energy and Commerce.

By Ms. ROS-LEHTINEN (for herself, Mr. Hansen, Mr. Hefley, Mr. Hastings of Florida, Mr. Shaw, and Mr. Diaz-Balart):

H.R. 1002. A bill to direct the Secretary of the Interior to make certain adjustments to the boundaries of Biscayne National Park in the State of Florida, and for other purposes; to the Committee on Resources.

By Mr. SCHAFFER (for himself, Mr. Bishop, Mr. Blunt, Mr. Doolittle, Mr. Chambliss, Mr. Fletcher, Mr. Hayes, Mr. Goode, Mr. Lewis of Kentucky, Mr. McHugh, Mr. Otter, Mr. Paul, Mr. Pickering, Mr. Ross, Mr. Sessions, Mr. Shows, Mr. Simpson, Mr. Watkins, and Mr. Watts of Oklahoma):

H.R. 1003. A bill to amend the Internal Revenue Code of 1986 to increase the maximum amount of wages that a farmer can pay for agricultural labor without being subject to the Federal unemployment tax on that labor to reflect inflation since the unemployment tax was first established, and to provide for an annual inflation adjustment in such maximum amount of wages; to the Committee on Ways and Means.

By Ms. SCHAKOWSKY (for herself and Mr. Conyers):

H.R. 1004. A bill to amend the National Voter Registration Act of 1993 to establish a procedure under which individuals whose names do not appear on the list of registered voters in an election for Federal office at a particular polling place may cast provisional votes at the polling place, and for other purposes; to the Committee on House Administration.

By Mr. SHOWS (for himself, Mr. Blagojevich, Mr. Cramer, Ms. Sanchez, Ms. Hart, Mr. Lucas of Kentucky, and Mr. Smith of New Jersey):

H.R. 1005. A bill to amend the Communications Act of 1934 to require that violent video programming is limited to broadcast after the hours when children are reasonably likely to comprise a substantial portion of the audience, unless it is specifically rated on the basis of its violent content so that it is blockable by electronic means specifically on the basis of that content; to the Committee on Energy and Commerce.

By Mr. STUPAK:

H.R. 1006. A bill to amend the Emergency Steel Loan Guarantee Act of 1999 to prohibit steel companies receiving loan guarantees from investing the loan proceeds in foreign steel companies and using the loan proceeds to import steel products from foreign countries that are subject to certain trade remedies; to the Committee on Financial Services.

By Mr. STUPAK (for himself, Mr. Hutchinson, Mr. Scott, Mrs. Maloney of New York, Mrs. Roukema, Mrs. McCarthy of New York, Mrs. Christensen, Mr. Etheridge, Mr. Frank, Mr. Keller, Mr. Greenwood, Mrs. Capps, Mr. Pascrell, Mr. Gilman, Mr. Larson of Connecticut, Mr. McGovern, Mr. Filner, Mr. Walsh, Ms. Rivers, Mr. McHugh, Ms. McKinney, Ms. Kaptur, Mr. Lipinski, Mr. Oxley, Ms. McCarthy of Missouri, Mr. Clement, Mr. McIntyre, Mr. Souder, Mr. Ramstad, Mr. Gordon, Mr. Smith of New Jersey, Mr. Sherman, Mr. Kucinich, Mr. Fossella, Mr. Berman, Ms. Hooley of Oregon, Mrs. Morella, Ms. Jackson-Lee of Texas, Ms. Sanchez, Mr. Reyes, Mr. Holden, Mr. Rodriguez, Ms. Millender-McDonald, Mr. Abercrombie, Mrs. Thurman, and Mr. Visclosky):

H.R. 1007. A bill to limit access to body armor by violent felons and to facilitate the donation of Federal surplus body armor to State and local law enforcement agencies; to the Committee on the Judiciary, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TERRY (for himself, Mr. Nethercutt, Mr. Jones of North Carolina, Mr. Paul, Mr. Hilleary, Mr. Wamp, Mr. Ferguson, Mr. Stenholm, Mr. Shimkus, Mr. Green of Wisconsin, Mr. Whitfield, Mr. Herger, Mr. Ryun of Kansas, Mr. Isakson, Mr. Sensenbrenner, Mr. Sessions, Mr. Pombo, Mr. Shadegg, Mr. Gary Miller of California, Mr. Bartlett of Maryland, Mr. Buyer, Mr. Ehrlich, Mr. Duncan, Mr. Otter, Mr. Schaffer, Mr. Riley, Mr. Ney, Mr. Blunt, and Mr. Kennedy of Minnesota):

H.R. 1008. A bill to prohibit the Secretary of Transportation and the Administrator of the Federal Motor Carrier Administration from taking action to finalize, implement, or enforce a rule related to the hours of service of drivers for motor carriers, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. TOOMEY (for himself, Mr. Kanjorski, Mr. Gonzalez, Mr. Ney, Ms. Hooley of Oregon, Mrs. Roukema, and Ms. Capito):

H.R. 1009. A bill to repeal the prohibition on the payment of interest on demand deposits; to the Committee on Financial Services.

By Mr. UDALL of New Mexico (for himself, Mrs. Kelly, Mrs. Napolitano, and Mr. Udall of Colorado):

H.R. 1010. A bill to provide emergency relief to small businesses affected by significant increases in the prices of heating oil, natural gas, propane, and kerosene, and for other purposes; to the Committee on Small Business, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. WILSON (for herself, Mr. Evans, Mr. Duncan, Mr. Rahall, and Mr. Doyle):

H.R. 1011. A bill to amend title XIX of the Social Security Act to provide public access to quality medical imaging procedures and radiation therapy procedures; to the Committee on Energy and Commerce.

By Mr. WOLF (for himself, Mr. Tom Davis of Virginia, Mrs. Morella, Mr. Ehlers, Mrs. Tauscher, and Mr. Udall of Colorado):

H.R. 1012. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for expenses incurred in teleworking; to the Committee on Ways and Means.

By Mr. CUNNINGHAM (for himself, Mr. Murtha, Mr. Kanjorski, Mr. Shimkus, Mr. Shows, Mr. Rohrabacher, Mr. Ryun of Kansas, Mr.

BURTON of Indiana, Ms. HART, Mr. BARCIA, Mr. CROWLEY, Mr. DOOLEY of California, Mr. THUNE, Mr. BEREUTER, Mr. GUTKNECHT, Mr. HUNTER, Mr. McCRERY, Mr. BOEHLERT, Mr. SAXTON, Mr. RAMSTAD, Mr. GOODE, Mr. FOSSELLA, Mr. TOOMEY, Mr. BACHUS, Mr. LoBIONDO, Mr. GANSKE, Mr. DUNCAN, Mr. CRAMER, Mr. GREEN of Texas, Mr. KING, Mr. SMITH of Texas, Mr. FRELINGHUYSEN, Mr. HILLEARY, Mrs. KELLY, Mr. GILMAN, Mr. ENGLISH, Mr. OSBORNE, Mr. BUYER, Mr. SUNUNU, Mr. CAMP, Mr. SWEENEY, Mr. FOLEY, Mr. COOKSEY, Mr. DEAL of Georgia, Mr. TAYLOR of North Carolina, Mr. ROGERS of Michigan, Mr. RILEY, Mr. SMITH of New Jersey, Mr. ISAKSON, Mr. EVERETT, Mr. REYNOLDS, Mr. RAHALL, Mr. STENHOLM, Mr. BILIRAKIS, Mr. DOYLE, Mr. WICKER, Mr. SIMMONS, Mrs. McCARTHY of New York, Mr. STUMP, Mr. TOM DAVIS of Virginia, Mrs. THURMAN, Mr. SKELTON, Mr. LIPINSKI, Mr. GARY MILLER of California, Mr. TAYLOR of Mississippi, Mr. WALDEN of Oregon, Mr. WOLF, Mr. McNULTY, Mr. HUTCHINSON, Mrs. MYRICK, Mr. CRENSHAW, Mr. BISHOP, Mr. EHRLICH, Mr. SCHROCK, Mr. BARTON of Texas, Mr. SOUDER, Mr. EDWARDS, Mr. FLETCHER, Mr. SIMPSON, Mr. GILLMOR, Mr. BACA, Mr. OXLEY, Mr. HULSHOF, Mr. TANCREDO, Mrs. JO ANN DAVIS of Virginia, Mr. HINOJOSA, Mr. GREEN of Wisconsin, Mr. LEWIS of Kentucky, Mrs. EMERSON, Mr. BAKER, Mr. ADERHOLT, Mr. HORN, Mrs. WILSON, Mr. RADANOVICH, Mr. ISSA, Mr. YOUNG of Alaska, Mr. QUINN, Mr. AKIN, Mr. KERNS, Mr. GRUCCI, Mr. GRAHAM, Mr. MOLLOHAN, Mr. HAYWORTH, Mr. HEFLEY, Mr. BROWN of Ohio, Mr. TURNER, Mr. SHAW, Mr. SAM JOHNSON of Texas, Mr. ROGERS of Kentucky, and Mr. GORDON):

H.J. Res. 36. A joint resolution proposing an amendment to the Constitution of the United States authorizing the Congress to prohibit the physical desecration of the flag of the United States; to the Committee on the Judiciary.

By Mr. CLEMENT:

H.J. Res. 37. A joint resolution proposing an amendment to the Constitution of the United States to provide for the appointment and voting, by congressional district, of electors for the election of President and Vice President, and to provide procedures for electing the President and Vice President if no candidate receives a majority of electoral votes; to the Committee on the Judiciary.

By Mr. BARRETT (for himself, Mr. KILDEE, Mr. TRAFICANT, Mr. FATTAH, Mr. LARSON of Connecticut, Ms. RIVERS, Mr. REYES, Ms. DeLAURO, Mrs. MINK of Hawaii, Mrs. THURMAN, Mr. FILNER, Mr. HILLIARD, Mr. WAXMAN, Mr. MALONEY of Connecticut, Mr. LaHOOD, Mr. UPTON, Mr. JOHNSON of Illinois, Mr. GUTIERREZ, Mr. COYNE, Ms. BERKLEY, and Mr. McDERMOTT):

H. Con. Res. 61. Concurrent resolution expressing support for a National Reflex Sympathetic Dystrophy (RSD) Awareness Month; to the Committee on Energy and Commerce.

By Mr. CAPUANO (for himself, Mr. BILIRAKIS, Mr. SERRANO, Mr. FATTAH, Mr. SANDERS, Mr. DAVIS of Illinois, Mr. PASCRELL, Mr. ABERCROMBIE, Mr. NORWOOD, Mr. BISHOP, Mr. BALDACCI, Mr. HILLIARD, Mrs. MALONEY of New York, Ms. BROWN of Florida, Mr. RAHALL, Mr. STRICKLAND, Ms. LEE, Mr. SHIMKUS, Ms. RIVERS, Mrs. JONES of Ohio, Mr. THOMPSON of California, Mr. SCOTT, Mr. DOOLEY of California, Mr. SESSIONS, Mr. BRADY of Pennsylvania, Mr. LaHOOD, Mr. EHRLICH, Mr. DOYLE, Mr. UPTON, Mrs. McCARTHY of New York, Mr. EVANS, Mr. WELLER, Ms. SLAUGHTER, Mr. MEEHAN, Mr. TRAFICANT, Mr. FORD, Mr. BROWN of Ohio, Mr. HINCHEY, Mr. MENENDEZ, Mr. TOWNS, Mr. SMITH of New Jersey, Mr. KUCINICH, Mr. HAYWORTH, Mr. GONZALEZ, Mr. CLAY, Mr. FRANK, Mr. DEAL of Georgia, Mr. OLVER, Mr. FILNER, Mr. BONIOR, Mr. PAYNE, Ms. BALDWIN, Mrs. EMERSON, Mr. PHELPS, Mr. McGOVERN, Mr. BERMAN, Mr. PETERSON of Minnesota, and Ms. HOOLEY of Oregon):

H. Res. 87. A resolution to express the sense of the House of Representatives that the Federal investment in programs that provide health care services to uninsured and low-income individuals in medically underserved areas be increased in order to double access to care over the next 5 years; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Ms. ESHOO, Mr. LEACH, Mr. LaTOURETTE, and Mr. McINTYRE.

H.R. 25: Ms. DeLAURO and Mrs. KELLY.

H.R. 27: Mr. PAUL.

H.R. 31: Mr. PETERSON of Minnesota.

H.R. 40: Ms. BROWN of Florida, Mr. OLVER, and Mr. THOMPSON of Mississippi.

H.R. 65: Mr. CRENSHAW.

H.R. 85: Mr. BURR of North Carolina and Mr. SOUDER.

H.R. 100: Mrs. KELLY, Mr. GRUCCI, and Mr. WELDON of Florida.

H.R. 101: Mrs. KELLY, Mr. GRUCCI, and Mr. WELDON of Florida.

H.R. 102: Mrs. KELLY, Mr. GRUCCI, and Mr. WELDON of Florida.

H.R. 122: Mr. BRADY of Texas, Mr. BAKER, Mr. PLATTS, Mr. CRENSHAW, Mr. SIMMONS, Mr. DUNCAN, Mr. SMITH of New Jersey, Mr. NEY, Mr. CALVERT, Mr. TAYLOR of North Carolina, Mr. BURTON of Indiana, Mr. McHUGH, Mr. PETERSON of Pennyslvania, Mr. SOUDER, Mr. CAMP, Mr. HORN, Mr. GRAVES, Mr. BLUNT, Mr. HILLEARY, Mr. CANTOR, Mr. WEXLER, Ms. HART, Mr. FOLEY, Mr. JONES of North Carolina, and Mr. FERGUSON.

H.R. 134: Ms. MILLENDER-McDONALD.

H.R. 145: Ms. CARSON of Indiana.

H.R. 148: Mr. PAYNE, Mr. DOYLE, Mrs. THURMAN, Mr. FROST, and Mr. CLAY.

H.R. 161: Mr. ARMEY.

H.R. 162: Mr. OWENS, Mr. WAXMAN, Mr. BARCIA, Ms. CARSON of Indiana, and Ms. SCHAKOWSKY.

H.R. 179: Mr. BOSWELL.

H.R. 202: Mr. SIMPSON.

H.R. 214: Mrs. THURMAN and Mr. FILNER.

H.R. 220: Mr. NEY.

H.R. 236: Mr. MORAN of Kansas and Mr. BASS.

H.R. 240: Mr. BACHUS.

H.R. 250: Mr. TAYLOR of Mississippi, Mr. PRICE of North Carolina, Mr. SHOWS, Mr. JONES of North Carolina, Mr. SUNUNU, Mr. THOMPSON of California, Mr. BLUNT, Mr. JENKINS, Mr. BALLENGER, and Mr. BOSWELL.

H.R. 257: Mrs. JO ANN DAVIS of Virginia and Mr. DeMINT.

H.R. 267: Mr. PORTMAN, Mr. RODRIGUEZ, Mr. CUMMINGS, and Mr. WALSH.

H.R. 275: Mr. BRADY of Texas, Mr. SCHAFFER, and Mr. SOUDER.

H.R. 283: Mr. CONYERS.

H.R. 285: Mr. ABERCROMBIE, Ms. SCHAKOWSKY, Mr. SANDERS, Ms. CARSON of Indiana, Mr. PAYNE, Ms. LEE, Mr. LANTOS, Mrs. THURMAN, Mr. McGOVERN, and Ms. SANCHEZ.

H.R. 288: Mr. SANDERS and Mr. KUCINICH.

H.R. 295: Mrs. ROUKEMA.

H.R. 303: Mr. HILLEARY, Ms. SOLIS, Mrs. WILSON, Mrs. NORTHUP, Mr. GIBBONS, Mrs. McCARTHY of New York, Mr. BECERRA, Mr. BLUNT, Mr. WAXMAN, Mr. CRENSHAW, Mr. TRAFICANT, Mr. WYNN, Mr. REYES, Ms. SLAUGHTER, Mr. CANTOR, Mr. ACEVEDO-VILÁ, Mr. NEY, and Mr. BERRY.

H.R. 308: Mr. CONYERS.

H.R. 320: Ms. VELÁZQUEZ.

H.R. 322: Mr. MILLER of Florida, Mr. BARTON of Texas, and Mr. WELDON of Florida.

H.R. 326: Mr. BALDACCI, Mr. LEWIS of Georgia, Mr. EVANS, Mr. BACA, Mr. FRANK, and Mrs. McCARTHY of New York.

H.R. 336: Ms. HART, Ms. MILLENDER-McDONALD, and Mr. GREEN of Texas.

H.R. 340: Mr. BECERRA, Mr. GUTIERREZ, Mr. ORTIZ, and Mr. SERRANO.

H.R. 342: Mr. PAUL.

H.R. 347: Mrs. MEEK of Florida.

H.R. 348: Ms. PELOSI.

H.R. 369: Mr. SCHROCK, Mrs. JO ANN DAVIS of Virginia, Mr. SIMMONS, and Mr. SHIMKUS.

H.R. 374: Mr. SESSIONS and Mr. RADANOVICH.

H.R. 381: Mr. TOWNS, Mr. HASTINGS of Washington, Mr. BOYD, Mr. LEWIS of California, and Mr. BILIRAKIS.

H.R. 385: Mr. HASTINGS of Washington.

H.R. 430: Mr. RODRIGUEZ.

H.R. 435: Mr. JONES of North Carolina, Ms. MILLENDER-McDONALD, and Mr. HAYWORTH.

H.R. 456: Mr. HOSTETTLER, Mr. SHADEGG, Mr. TOOMEY, Mr. LARGENT, Mr. LoBIONDO, Mr. SOUDER, Mrs. JO ANN DAVIS of Virginia, Mr. HEFLEY, and Mr. REHBERG.

H.R. 457: Ms. SLAUGHTER and Mr. RODRIGUEZ.

H.R. 481: Ms. CARSON of Indiana and Mr. PAYNE.

H.R. 488: Mrs. McCARTHY of New York, Mr. BERMAN, and Mr. ANDREWS.

H.R. 493: Mr. ROTHMAN.

H.R. 496: Mr. OTTER and Mr. BEREUTER.

H.R. 499: Mrs. MORELLA.

H.R. 500: Mrs. CLAYTON, Ms. PELOSI, and Mr. KUCINICH.

H.R. 503: Mr. ADERHOLT, Mr. KELLER, Mr. ISTOOK, Mr. FLETCHER, Mr. KENNEDY of Minnesota, Mr. SAM JOHNSON of Texas, and Mr. WATTS of Oklahoma.

H.R. 511: Ms. SOLIS and Mr. ROTHMAN.

H.R. 518: Mr. LaTOURETTE.

H.R. 525: Mr. ROGERS of Michigan and Mr. ISSA.

H.R. 526: Mr. BLUMENAUER, Mr. LaFALCE, and Mr. PAYNE.

H.R. 527: Mr. BARR of Georgia and Mr. BALDACCI.

H.R. 572: Mr. PAYNE.

H.R. 577: Mrs. JO ANN DAVIS of Virginia, Mr. LaHOOD, and Mr. SCHAFFER.

H.R. 579: Ms. NORTON, Mr. WEXLER, Ms. CARSON of Indiana, and Mr. SMITH of New Jersey.

H.R. 581: Mr. McINNIS.

H.R. 590: Ms. BERKLEY.

H.R. 600: Mr. BONIOR, Ms. SOLIS, Mr. ACKERMAN, Mrs. EMERSON, Mr. MOAKLEY, Ms. HOOLEY of Oregon, Mr. PORTMAN, Mr. EVANS, Mr. JEFFERSON, Mr. DIAZ-BALART, and Mr. ADERHOLT.

H.R. 606: Mr. HOLT, Ms. HART, Ms. BERKLEY, Mr. REYES, Ms. MILLENDER-McDONALD, Mr. BORSKI, Mr. SOUDER, and Mrs. ROUKEMA.

H.R. 611: Ms. LEE, Mr. KIND, Mr. SHERMAN, Mr. MEEKS of New York, and Mr. VISCLOSKY.

H.R. 612: Ms. HART, Ms. MILLENDER-McDONALD, Mr. McGOVERN, Ms. BALDWIN, Mr. ENGLISH, Mr. LAMPSON, and Mr. CONDIT.

H.R. 613: Mr. UNDERWOOD and Mr. FORD.

H.R. 626: Mr. UPTON and Mr. STUMP.

H.R. 627: Mr. PICKERING.

H.R. 650: Mr. RANGEL.

H.R. 664: Mr. FILNER, Mr. CARSON of Oklahoma, and Mr. VISCLOSKY.

H.R. 676: Mr. BAKER and Mr. BOUCHER.

H.R. 683: Mrs. LOWEY, Mr. DELAHUNT, Mr. NADLER, Mr. ABERCROMBIE, Mr. MEEHAN, and Mrs. THURMAN.

H.R. 686: Mr. FARR of California, Mr. FATTAH, and Mr. PAYNE.

H.R. 694: Mr. NORWOOD.

H.R. 699: Mr. GOODE, Mr. FILNER, and Mr. BARTLETT of Maryland.

H.R. 708: Mr. KLECZKA, Mr. WEXLER, Mr. BRADY of Pennsylvania, Mr. MOAKLEY, and Mr. BERMAN.

H.R. 712: Mr. McHUGH, Mr. BOYD, Mr. GUTIERREZ, Mr. LANTOS, Mr. NADLER, and Mr. ABERCROMBIE.

H.R. 717: Mr. TOM DAVIS of Virginia, Mr. SCHAFFER, Mr. MICA, Mr. KLECZKA, Mr. GARY MILLER of California, and Ms. SLAUGHTER.

H.R. 726: Ms. WOOLSEY and Mr. OWENS.

H.R. 737: Mr. PETERSON of Minnesota and Mr. COSTELLO.

H.R. 738: Mr. STUMP, Mr. GIBBONS, Mr. CRAMER, Mr. NETHERCUTT, Mr. KING, Mr. DEAL of Georgia, Ms. HART, Mr. HAYWORTH, and Mr. LoBIONDO.

H.R. 744: Mrs. MINK of Hawaii, Mr. BURR of North Carolina, and Mr. BONILLA.

H.R. 755: Mrs. DAVIS of California.

H.R. 762: Ms. BALDWIN.

H.R. 769: Mr. HILLEARY.

H.R. 770: Mr. ACEVEDO-VILÁ and Mr. UDALL of New Mexico.

H.R. 787: Mr. SESSIONS, Mr. FRANK, and Mr. RODRIGUEZ.

H.R. 794: Mr. CALVERT.

H.R. 808: Mr. SERRANO, Mr. BACHUS, Ms. BALDWIN, Mr. DAVIS of Illinois, Mr. DOYLE, Mr. GONZALEZ, Ms. LEE, Mr. PAYNE, Mr. RUSH, Mrs. TAUSCHER, and Mr. WATT of North Carolina.

H.R. 818: Ms. VELÁZQUEZ, Mr. WAXMAN, Mr. TOWNS, Ms. MILLENDER-McDONALD, and Ms. KAPTUR.

H.R. 827: Mrs. KELLY, Mr. HORN, and Mr. RODRIGUEZ.

H.R. 868: Mr. GILLMOR, Ms. PRYCE of Ohio, Mr. HOSTETTLER, Mr. CRANE, Mr. WALSH, Mr. WATKINS, Ms. HART, Mr. ISAKSON, Mr. SANDLIN, Mr. NETHERCUTT, Mr. WICKER, Mr. PLATTS, Mr. SWEENEY, Mr. BLUNT, Mr. OSBORNE, Mr. ROSS, and Mr. BARR of Georgia.

H.R. 877: Mr. PAUL and Mr. PRICE of North Carolina.

H.R. 891: Ms. McKINNEY, and Mr. SCHIFF.

H.R. 899: Mr. ROGERS of Michigan, Mrs. JO ANN DAVIS of Virginia, and Mr. RAHALL.

H.R. 912: Mr. BOUCHER, Mrs. CLAYTON, Mr. DAVIS of Illinois, Ms. KAPTUR, Mr. LARSON of Connecticut, Ms. LOFGREN, Mrs. MALONEY of New York, Mr. RAHALL, Mr. RANGEL, Mr. ROTHMAN, Ms. ROYBAL-ALLARD, Mr. SANDERS, Ms. SOLIS, Mr. TOWNS, Mr. PALLONE, Mr. CARSON of Oklahoma, and Ms. MILLENDER-McDONALD.

H.R. 914: Mr. BLUNT.

H.R. 933: Mr. ABERCROMBIE, Mr. SERRANO, Mr. WYNN, Mr. NADLER, Mr. FROST, Mr. JACKSON of Illinois, Mr. PAYNE, Mr. HILLIARD, Ms. McCOLLUM, Mr. TOWNS, Mrs. JONES of Ohio, Mrs. MINK of Hawaii, Ms. NORTON, Mr. RUSH, Mr. RANGEL, Mr. KUCINICH, Mr. EVANS, Mr. KILDEE, Ms. WOOLSEY, and Ms. HARMAN.

H.R. 936: Ms. HART, Mr. GREEN of Texas, Mr. BERMAN, Mr. WAXMAN, Mrs. MALONEY of New York, Mr. BACA, Mr. LEACH, Mr. FARR of California, and Mr. KUCINICH.

H.R. 938: Mr. LANTOS, Mr. BERMAN, Ms. SCHAKOWSKY, and Mr. ALLEN.

H.R. 948: Mr. BONIOR, Mr. LaTOURETTE, Mr. TOWNS, Mr. KENNEDY of Rhode Island, Mr. OLVER, Mr. McDERMOTT, Mrs. McCARTHY of New York, Mr. COYNE, Mr. WEXLER, Ms. SLAUGHTER, and Mr. ENGLISH.

H.R. 959: Mr. SENSENBRENNER, Mr. SESSIONS, Mr. OBEY, Mr. PETRI, Mr. FILNER, Mr. BACA, Mr. ROHRABACHER, Mr. CONDIT, and Mr. DOOLITTLE.

H.R. 962: Mrs. DAVIS of California, Mr. McGOVERN, Mr. FILNER, Mr. ROSS, Mr. ABERCROMBIE, and Mr. ENGLISH.

H.R. 969: Mr. JONES of North Carolina, Mr. STEARNS, and Mr. PETERSON of Pennsylvania.

H.J. Res. 13: Ms. BALDWIN and Mr. DOGGETT.

H.J. Res. 23: Mr. TERRY, Mr. PLATTS, and Mr. ARMEY.

H.J. Res. 27: Ms. LEE.

H. Con. Res. 17: Mr. PASCRELL, Mr. KIRK, Ms. PRYCE of Ohio, Mr. LANTOS, Mr. SMITH of Washington, Ms. MILLENDER-McDONALD, Mr. DEUTSCH, Mr. BERMAN, and Ms. BALDWIN.

H. Con. Res. 23: Mr. CRANE and Mr. TANCREDO.

H. Con. Res. 29: Mr. HORN and Mr. KUCINICH.

H. Con. Res. 41: Ms. ROS-LEHTINEN and Mr. BROWN of Ohio.

H. Con. Res. 42: Ms. LEE, Mr. SIMMONS, and Mr. ALLEN.

H. Con. Res. 52: Mr. MORAN of Virginia, Mr. FILNER, Mr. SHIMKUS, Mr. HASTINGS of Florida, Mr. HORN, Mr. CAPUANO, Mr. WU, Mrs. JONES of Ohio, and Ms. BERKLEY.

H. Con. Res. 57: Ms. SANCHEZ, Mr. FARR of California, Mr. GALLEGLY, and Mr. ROYCE.

H. Con. Res. 58: Mr. HINCHEY, Mr. KUCINICH, and Mr. SMITH of New Jersey.

H. Res. 17: Mr. LUTHER and Ms. VELÁZQUEZ.

H. Res. 18: Ms. BALDWIN, Mrs. MALONEY of New York, Ms. RIVERS, Mrs. THURMAN, Ms. PELOSI, Ms. MILLENDER-McDONALD, Ms. SCHAKOWSKY, Mrs. LOWEY, Mr. PALLONE, Mr. WEXLER, Mr. GUTIERREZ, Ms. LEE, Mr. TIERNEY, Mrs. CAPPS, Mr. MORAN of Virginia, Mr. McGOVERN, Mr. PASCRELL, Mr. SANDLIN, Ms. WATERS, Mr. CROWLEY, Mr. STARK, Ms. DeGETTE, Ms. BERKLEY, Ms. CARSON of Indiana, Mr. CAPUANO, Ms. SANCHEZ, Mrs. CLAYTON, Mr. DEUTSCH, Mr. BERMAN, Mr. CUMMINGS, Mr. LUTHER, Ms. HOOLEY of Oregon, and Ms. HARMAN.

H. Res. 27: Mr. ROSS.

H. Res. 47: Mrs. THURMAN.

H. Res. 67: Mr. NEAL of Massachusetts, Ms. SOLIS, Mr. UNDERWOOD, Ms. ROYBAL-ALLARD, Mr. BROWN of Ohio, Mrs. MINK of Hawaii, Ms. McCOLLUM, Mr. RUSH, Mr. HINOJOSA, Mr. MENENDEZ, Mr. GREEN of Texas, Mr. FILNER, Mrs. KELLY, Mr. BURR of North Carolina, and Mr. BACA.

H. Res. 73: Mr. SESSIONS, Mr. FRANK, and Mr. RODRIGUEZ.

AMENDMENTS

Under Clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 327

OFFERED BY: MR. OSE

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Paperwork Relief Act".

SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PAPERWORK REQUIREMENTS.

(a) REQUIREMENTS APPLICABLE TO THE DIRECTOR OF OMB.—Section 3504(c) of chapter 35 of title 44, United States Code (commonly referred to as the "Paperwork Reduction Act"), is amended—

(1) in paragraph (4), by striking "; and" and inserting a semicolon;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) publish in the Federal Register on an annual basis—

"(A) a list of the requirements applicable to small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)) with respect to collection of information by agencies, organized in such a manner that such small-business concerns can easily identify requirements with which they are expected to comply (e.g., organized by North American Industrial Classification System code and industrial/sector description (as published by the Office of Management and Budget)); and

"(B) the agency that issued each such requirement and the website address for such agency; and

"(7) make available on the Internet the information described in paragraph (6).".

(b) ESTABLISHMENT OF AGENCY POINT OF CONTACT.—Section 3506 of such chapter 35 is amended by adding at the end the following new subsection:

"(i) In addition to the requirements described in subsection (c), each agency shall, with respect to the collection of information and the control of paperwork, establish one point of contact in the agency to act as a liaison between the agency and small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)).".

(c) ADDITIONAL REDUCTION OF PAPERWORK FOR CERTAIN SMALL BUSINESSES.—Section 3506(c) of such chapter is amended—

(1) in paragraph (2)(B), by striking "; and" and inserting a semicolon;

(2) in paragraph (3)(J), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) in addition to the requirements of this Act regarding the reduction of paperwork for small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)), make efforts to further reduce the paperwork burden for small-business concerns with fewer than 25 employees.".

(d) EFFECTIVE DATE REGARDING PUBLICATION OF REQUIREMENTS.—The Director of the Office of Management and Budget shall publish the first list of requirements required under paragraph (6) of section 3504(c) of title 44, United States Code (as added by subsection (a)), and make such list available on the Internet as required by paragraph (7) of such section (as added by subsection (a)), not later than the date that is one year after the date of the enactment of this Act.

SEC. 3. ESTABLISHMENT OF TASK FORCE TO STUDY STREAMLINING OF PAPERWORK COLLECTION REQUIREMENTS AND DISSEMINATION FOR SMALL-BUSINESS CONCERNS.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is further amended by adding at the end of subchapter I the following new section:

“§3521. Establishment of task force on feasibility of streamlining information collection requirements and dissemination

“(a) There is hereby established a task force (in this section referred to as the ‘task force’) to study the feasibility of streamlining requirements with respect to small-business concerns regarding collection of information and strengthening dissemination of information.

“(b) The members of the task force shall be appointed by the Director, and shall include the following:

“(1) At least two representatives of the Department of Labor, including one representative of the Bureau of Labor Statistics and one representative of the Occupational Safety and Health Administration.

“(2) At least one representative of the Environmental Protection Agency.

“(3) At least one representative of the Department of Transportation.

“(4) At least one representative of the Department of the Treasury.

“(5) At least one representative of the Office of Advocacy of the Small Business Administration.

“(6) At least one representative of each of two agencies other than the Department of Labor, the Environmental Protection Agency, the Department of Transportation, the Department of the Treasury, and the Small Business Administration.

“(7) At least two representatives of the Department of Health and Human Services, including one representative of the Health Care Financing Administration.

“(c) The task force shall examine the feasibility of requiring each agency to consolidate requirements regarding collections of information with respect to small-business concerns within and across agencies without negatively impacting the effectiveness of underlying laws regarding such collections of information, in order that each small-business concern may submit all information required by an agency—

“(1) to one point of contact in the agency;

“(2) in a single format, or using a single electronic reporting system, with respect to the agency; and

“(3) on the same date.

“(d)(1) Not later than one year after the date of the enactment of the Small Business Paperwork Relief Act, the task force shall submit a report of its findings under subsection (c) to—

“(A) the chairmen and ranking minority members of the Committee on Government Reform and the Committee on Small Business of the House of Representatives, and the Committee on Governmental Affairs and the Committee on Small Business of the Senate; and

“(B) the Director of the Office of Management and Budget.

“(2) Not later than two years after the date of the enactment of such Act, the task force shall submit to the individuals described in paragraph (1) a report examining strengthening dissemination of information and including—

“(A) recommendations for implementing an interactive system for the requirements in section 3504(c)(6) that would allow small-business concerns to identify information collection requirements electronically;

“(B) guidelines for each agency for developing interactive reporting systems that include a component that edits the information submitted by a small-business concern for consistency;

“(C) recommendations for electronic dissemination of such information; and

“(D) recommendations, created in consultation with the Chief Information Officers Council (established pursuant to Executive Order 13011, issued July 16, 1996), for the coordination of information among the points of contact described in section 3506(i), so that those points of contact can provide small-business concerns with information collection requirements from other agencies.

“(e) As used in this section, the term ‘small-business concern’ has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 631 et seq.).”.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3520 the following new item:

“3521. Establishment of task force on feasibility of streamlining information collection requirements and dissemination.”.

SENATE—*Tuesday, March 13, 2001*

The Senate met at 9:33 a.m. and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, we hear Your voice sounding in our souls, "Take courage, it is I, the Lord; I am with you!" You have shown us repeatedly that courage is ours because You have taken hold of us. We can take the challenges of life because You have a tight grip on us. We say with Horatius Bonar, "Let me no more my comfort draw from my frail hold on Thee. Rather in this rejoice with awe—Thy mighty grasp on me!"

Suddenly we realize it is true: Courage is fear that has said its prayers. So often we are driven to our knees to seek Your will. Then You lead us to attempt what we could not pull off on our own strength. We discover that courage is Your gift for answered prayer. At the very moment we cry out for help, You open the floodgates of courage and give us that inner resolve that makes us bold and resolute. Thank You, dear God, for the fresh supply of courage to be dynamic leaders today. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HARRY REID led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 13, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak for up to 5 minutes each.

Under the previous order, the time until 9:45 shall be under the control of the Senator from Illinois, Mr. DURBIN, or his designee.

The Senator from North Dakota.

Mr. CONRAD. Mr. President, I ask unanimous consent the time be extended so both sides have their full morning business time.

The ACTING PRESIDENT pro tempore. The Senator's request is he be given 15 minutes, and the following 15 minutes for the Republicans. The time of Senator HOLLINGS was to start at 10 a.m. and will start at approximately 10 after the hour.

Mr. CONRAD. I will be happy to yield with the understanding I be recognized after the Senator from Pennsylvania takes care of the business he has brought to the floor.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from North Dakota? Hearing none, that will be the order.

The Senator from Pennsylvania.

SCHEDULE

Mr. SANTORUM. Mr. President, today the Senate will be in a period of morning business until 10 a.m. Following morning business, the Senate will resume consideration of the Bankruptcy Reform Act with Senator HOLLINGS to be recognized for up to 20 minutes. Two back-to-back votes will occur at 11 a.m. on the Feinstein amendment, No. 27, and the Kennedy amendment, No. 39.

The Senate will recess for the weekly party conferences from 12:30 to 2:15 p.m. Upon reconvening, there will be 30 minutes of debate on the Conrad and Sessions amendments, with stacked votes scheduled for 2:45 p.m. There are several amendments still pending and others expected to be offered during today's session. Therefore, additional votes could occur. Senators should be aware that all first-degree amendments on the list must be filed by 1 p.m. today.

I thank my colleagues for their attention and yield the floor.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from North Dakota.

SOCIAL SECURITY AND MEDICARE TRUST FUNDS

Mr. CONRAD. Mr. President, I rise this morning to discuss once again the amendment that will be voted on after the party caucuses at 2:45. The amendment I am offering is to wall off and protect the Social Security and Medicare trust funds from being raided, from being used for other purposes.

I think every Member of this body remembers very well the time in which, for years, Social Security trust funds were regularly raided for other purposes. We only stopped that practice 3 or 4 years ago, and I think all of us do not want to go back to those days.

The best way to assure that we do not go back to those days is to agree to the amendment I have offered today, the amendment that is virtually identical to the amendment I offered last year that got 60 votes in the Senate.

We call it the Social Security and Medicare lockbox amendment because it protects both the Social Security surplus and the Medicare surplus.

In fact, if we go to the detail of what we are discussing, this amendment protects the Social Security surpluses in each and every year, takes the Medicare Part A trust fund off budget in the same way we have taken the Social Security trust fund off budget, and gives Medicare the same protections as Social Security.

This legislation contains strong enforcement language—budget points of order—to assure these funds are not used for some other purpose.

One of the things that leaves out, for anyone studying the President's budget proposal, is unless he uses Medicare trust fund money in 2005, he runs an $11 billion deficit in that year.

That is part of the problem with this budget. It threatens to put us back into deficits because the tax cut is so large. Some of us believe it is critically important that we protect both the Social Security trust fund and the Medicare trust fund so they are not used for other spending in the Federal budget.

Some have argued, well, there really is no surplus in Medicare; that there are two trust funds, and there is a surplus in one—that is, Part A of Medicare, the hospital coverage part of Medicare, and Part B that covers largely doctors' services, which is in deficit.

I have heard this argument made over and over, but it is just wrong. It is

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

not what the law says. It is not what the actuaries say. It is not what the detailed financial reports that have been made to the Senate say.

This is the page right out of the budget book from the Congressional Budget Office. It says on the table on page 19 "trust fund surpluses." The first one is Social Security. It shows year by year the surpluses we will have in Social Security. Then it talks about Medicare. The first trust fund it discusses is Part A. You can see year by year the surpluses that are projected for Medicare Part A.

Under the Congressional Budget Office scoring, this adds up to over $400 billion. In the President's analysis, it is over $500 billion of surplus in Part A.

Then it goes to Part B. While some have argued that Part B is somehow in deficit and therefore there are no surpluses in Medicare, that isn't what the report shows. The report shows that over the 10-year period there is a rough balance in Part B—not a deficit. It is not any big surplus.

Those who have argued that there is no Medicare surplus—I don't know what it is based on. But it is not based on the facts, and it is not based on the law. Some have tried to argue, well, because Part B is funded 25 percent by premiums and 75 percent by general fund revenue, therefore Part B is in deficit. Again, that isn't what the law says. That isn't what the actuaries say. That isn't what Congress has said. Congress made the determination that Part B would be funded 25 percent by premiums, and 75 percent by general fund revenue. We made that determination. It is not in deficit.

If one follows the logic, and one says, well, if Part A is in surplus, Part B is in balance, therefore it just doesn't matter somehow because they are claiming Part B is in deficit because 75 percent of its funding is from the general fund, we can just forget about the Part A surplus, and we can move it, as the President does to this so-called "contingency fund," what does that do? That moves up the date of insolvency of Medicare by 15 or 16 years. And Medicare will go broke in the year 2009 and 2010 instead of the year 2025.

What kind of a policy is that? What earthly sense does it make to raid the Medicare trust fund and use it for other purposes?

I suggest to my colleagues that it makes no sense. It is precisely what we should not do.

In answer to my amendment, my colleagues on the other side of the aisle are offering an amendment. This amendment claims to be a lockbox, but the door is wide open. This is what I call the "leaky lockbox" because there is no lock. There is no box. And it is wide open to abuse and to raid.

There is not a penny that is reserved for Medicare under the President's budget. That happens to be the reality. He takes the whole $500 billion under his calculation of what is in the surplus and moves it to the so-called "contingency fund" and goes around the country on Air Force One, as he did in my State, and tells people who are concerned about his cutting the agriculture budget to not worry about that; the money is in the contingency fund.

Go to the contingency fund. Boy, are people going to be surprised when they go to the contingency fund and they find that there is nothing there because it is virtually all Medicare trust fund money. There is supposed to be some money there. I don't know what the source of it is other than maybe he is going to raid the Social Security trust fund, too, because there is no money there.

Add up the President's budget. I will do it in a minute. There is no money there. We will get a chart that shows those numbers.

Let's look at what the Republican amendment says. I must credit and give compliment to those who crafted the language on the other side. It is very attractive language.

Here is what it says. They say they have a lockbox for Medicare. But then they have this clause which they call "exception".

"Subparagraph A"—that is the language that gives protection—"shall not apply to Social Security reform legislation or Medicare reform legislation."

Who can be against reform? I am certainly not. I have been an advocate and have voted for reform—even sometimes unpopular legislative proposals—because of the clear and compelling need for reform.

But when you write language such as this, it is a giant trapdoor because there is no definition of what constitutes "reform." You can do anything and call it reform and use the money. That is what is wrong with the amendment on the other side. You could, under the cloak of reform, cut taxes. Under the cloak of reform, you could say with Medicare that we are going to take that money and pay for prescription drug benefits. Some might call that reform. The problem with that is that it is classic double counting. That is exactly how we will get in trouble around here—if we first say money is attributed to the Medicare trust fund for the purposes of keeping the promises already made, and then we take a part of it and use it for new promises.

That is a mistake. That will do nothing but create financial trouble for this country. The trouble it will create is if money is diverted from the Social Security trust fund or the Medicare trust fund—that money which is currently reserved for paying down the publicly held debt because it is not needed until a later point in time—it reduces the amount of money available to pay down the publicly held debt. That means you pay down less debt. That means you have more of a hole to dig out of when the baby boomers start to retire.

I know the occupant of the chair disagrees with this analysis. He and I had a long conversation on the bus the other day.

I think it is undeniable that if you take money that is in the trust funds of Medicare and Social Security and divert that money for any other purpose, you are reducing what is used to pay down publicly held debt. I think it is undeniable. That has real economic consequences.

I want to go to the question of the President's budget because we have heard over and over that there is this contingency fund. I am unable to locate the contingency fund as I add up the President's numbers.

First of all, we have the $5.6 trillion projected surplus. Everybody agrees that is the projection. I think the first thing we should remember is that it is a forecast, and it may or may not come true. In fact, the forecasting agency itself has told us there is a 10-percent chance that number comes true; there is a 45-percent chance it is bigger; there is a 45-percent chance it is smaller.

There is also agreement on what follows. The Social Security trust fund is $2.6 trillion, according to the President's Office of Management and Budget. The Medicare trust fund is $500 billion. If we set them aside, that leaves $2.5 trillion. That is not what the President's budget does because it only uses $2 trillion of the Social Security trust fund—he only reserves $2 trillion. The other $600 billion is left for, perhaps, privatization. I have been told by people close to the administration that is their intention.

As to the Medicare trust fund, they do not reserve it at all. But if we were to reserve it, as most of us believe is important, it leaves us with an available surplus of $2.5 trillion.

Then we look at the Bush tax cut, advertised at $1.6 trillion. Part of it has now been reestimated by the Joint Tax Committee for action in the House, and those two parts that they reestimated increased by $126 billion. So unless the President changes his proposal, the cost of his tax cut is now $1.7 trillion.

In addition to that, the President's proposal will have a dramatic effect on the alternative minimum tax. The alternative minimum tax today affects about 2 million taxpayers. The Joint Tax Committee has now told us that if the Bush plan passes, it will affect, at the end of the 10-year period, over 30 million taxpayers in the United States. Over 30 million taxpayers will be affected by the alternative minimum tax under the Bush proposal. And to fix it will cost $300 billion. This is not part of the President's plan, but it is made more necessary by the President's plan. He provides no resources—none, zero—to deal with it.

I do not believe, for one moment, that this Congress is going to allow over 30 million people to be caught up in the alternative minimum tax. But if we do not provide the resources to fix it, it will happen.

The third is the interest cost associated with the first two. That is another $500 billion.

Then we have the Bush spending proposals, those proposals that are above the so-called baseline of $200 billion. That adds up to $2.7 trillion. And that is before any defense initiative the President might apply or send as a suggestion.

The result is, we have a package here that simply does not add up. So I hope, I say to my colleagues, that before the end of the day we adopt this amendment to protect both the Social Security trust fund and the Medicare trust fund.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Virginia.

THE EDUCATION OPPORTUNITY TAX CREDIT ACT

Mr. ALLEN. Mr. President, I rise today in support of the education opportunity tax credit on behalf of myself as well as Senators WARNER, CRAIG, and ALLARD. This is a measure that was introduced last Thursday, March 8.

What the education opportunity tax credit would do is increase the amount and the quality of available academic services and technology-related resources for parents and for students.

This measure does several very good things. No. 1, it increases education spending with greater parental involvement. No. 2, it is a tax cut for families. And, No. 3, it brings forth more funds available for technology and specialized tutoring-type teaching.

I know the Presiding Officer and other Members of the Senate recognize how important education is for our children and for the future of our Nation. It is essential for our children's futures because the best jobs will go to those who are the best prepared. The education opportunity tax credit helps in that regard.

In education, good quality classrooms and good teachers, able to impart knowledge to our children, are important. Academic standards and accountability and the measurement of those high academic standards in the basics of English, math, science, social studies, and economics are all important, but also as important as teachers and administrators in the education of our children are the parents; and parents need to be empowered. Their involvement is key for the academic success of their children.

Indeed, parents know their children's names. They know the specific needs of their children much more than any bureaucracy in Washington, DC.

Finally, children need to have computer skills to be able to compete and succeed in the future. Computers and wiring in schools and access to the Internet in schools and in libraries is a good idea and is very important. Community centers are important.

Last week, the Republican Senate High-Tech Task Force visited an Intel clubhouse. It is working in conjunction with the Boys and Girls Club here in Washington, DC. There are many good ideas in these community centers, but we need to make sure there are computers and software programs and educational programs at home because homework is done at home and on weekends.

This is what the education opportunity tax credit does. It provides families with a $1,000-per-child education opportunity tax credit. It is capped at $1,000 per year per child, and capped at $2,000 per year per family if they have more than one child. It defrays the cost of education-related expenses for computers and computer-related accessories and technology. Educational software, Internet access, and tutoring services could be expenditures that would thereby get the tax credit. It does not apply to private school tuition. And as introduced, it is refundable.

This is a family-oriented education tax incentive that will have a very real impact on the ability of parents to better afford education-related services and technology resources.

This is the financial situation of a family with an income of $38,900. That is the median family income in the United States.

After a family pays all the money in taxes to the Federal Government, the State Government, the local government, and after they pay for their housing, their clothing, their food, their medical care, and their transportation—these are all absolutely essential for the survival of a family—the real disposable income gets down to about $2,100.

Now, educational expenses normally are going to be school supplies and a variety of other items that are important. But you realize, with that amount of money, if you bought a computer, purchased a used printer, software, and Internet access, that totals over $2,400. So the amount that would be added to credit card debt would be $241 a year.

The reality is, once you pay your taxes to all levels of government, once you pay for food and clothing and housing and putting gas in the car, and a car payment, and all the rest, the average family has about $180 left a month for everything else. And the average cost of a computer is going to be about 70 percent of that.

You can have the statistics, but real people in the real world, folks such as Jim and June Meadows, support this proposal because it would help them afford specialized software for their daughter Morgan, who has dyslexia, without sacrificing the education needs of their other daughter, Meghan, who is age 10.

You do not have to go outside the beltway to find these working folks. In fact, right here in the Capitol you will find people who are working who recognize the value of this. In fact, Milton Salvadore, who I ran into in the Senate restaurant a few weeks ago, is such a working family man—he works, his wife works, and they have young children—I asked him: Do you all have a computer for your young school-aged children?

He said: No. No.

I said: Why not?

He said: Look, we have all these bills, and so forth. My wife and I are working hard, but we do not have enough money for that. We do not want to go into debt to go get a computer and Internet access for our children. He said it would help him and his hard-working wife afford a computer for his family, if this education opportunity tax credit were in effect.

The tax impact on the average family of three with an adjusted gross income of approximately $39,000 a year, if they took the full $1,000 tax credit for their children's education expenses, that would save nearly 34 percent on their yearly Federal tax bill. A family of four with an income of $39,000 taking the full $2,000-per-family tax credit would realize a savings of 95 percent on their taxes owed for the year.

If we are going to seriously address the digital divide—and the digital divide is a divide in opportunities—we must act to provide families and children with the financial means to take advantage of education opportunities. Closing the digital divide is important. The education opportunity tax credit provides the financial resources to achieve this goal by making the tax credit fully refundable so that lower income families who owe the Government less money than the maximum available tax credit—say they owe $700—or if they have no tax liability at all, would get the full credit. Everyone would be able to take full advantage of this opportunity.

The digital divide is a function of many factors, including geography and educational levels of parents. Hence, the most salient and determinative factor is family income. According to numbers released in October of 2000 by the U.S. Department of Commerce—these figures are borne out by studies by Virginia Commonwealth University—we find that of the 92 percent of people who are computer owners, 29 percent have Internet access. So these figures do match in that regard with

Virginia. If we look at households with less than $15,000 in annual income, 12.7 percent of them have Internet access, which is pretty much equal to computer ownership. Families falling within the $15,000 to $24,000 per year range have a 21-percent rate of Internet access. Families with incomes of $75,000 per year or more have about a 77-percent Internet access rate.

These numbers show how this bill will help all people, but that the main value will be to those of middle income and lower middle income who will be able to purchase computers, Internet access, and educational computer software for their children. This is more than just a purely personalized education tax and parental involvement technology issue. This is about—the digital divide and making sure people are getting a good education and access to technology so they are literate and capable. It is vital to the future of the United States in a global economy. It is important for our domestic economy, and it is obviously important for individual families.

In maintaining our economic growth, the Department of Commerce estimates that information technology industries accounted for 30 percent of the country's total real economic growth between 1995 and 1999. Between just 1997 and 1999, there were over 1.2 million new jobs. The average wage of technology jobs in the Nation was $58,000 compared to $32,000 in the overall economy.

What we need to understand is, without a continued influx of qualified, competent workers, the growth in the technology industries will stall and Americans, if not properly educated, will not be able to seize the opportunities. Whether it is in the Silicon Valley of California, the silicon Dominion of Virginia, or whether it is in Idaho, Pennsylvania, Florida, Iowa, or anywhere else, it is important that our youngsters are getting a solid education.

The number of U.S. college graduates with high-tech degrees in the country is declining. Since 1990, the number of high-tech degrees has dropped by 2 percent. Undergraduate degrees in math have declined by 21 percent, computer science degrees have declined by 37 percent, and electrical engineering degrees by 45 percent. Although, this wasn't the trend we saw in Virginia in the 1990s. Actually, there was a big increase of jobs and degrees—Virginia having the third fastest growth in technology jobs—however there was the same income differential between technology-related jobs and other forms of employment. The studies from Virginia showed that the average technology job paid $66,000 a year versus $31,000 in the overall economy.

As a country, unless we better prepare all students, they will not be able to meet the high-tech job demand; the number of innovations and new technology developments will decline, and businesses and jobs will move offshore.

I say to my colleagues in the Senate, it is time for us to act to make sure we keep these well-paying jobs, these high-tech jobs, in America for Americans.

There is broad-based support by Virginia voters for the education opportunity tax credit. This is not a conservative versus liberal, or Democrat versus Republican, or men versus women type issue; it is a commonsense, good for families, education spending and tax cut issue.

What we found in Virginia with this idea—and it did get pretty well debated in the recent campaign—is that—and this was from polling—61 percent of liberals liked the idea; 69 percent of conservatives liked it, and moderates actually liked it the best, 71 percent. Men liked it at over 70 percent. It was supported by nearly 70 percent of women. It didn't matter someone's race, where they lived, ideology or political persuasion, or if they were not involved in any organized political party. It was very strongly supported by everyone in Virginia.

The people of Virginia recognize that it helps them with their own children. In fact, at the Flying J truckstop in Caroline County, I was going in to pay my bill, and the woman who was there taking my credit card said: I like your education tax credit.

I said: That's great, ma'am. I am glad you know what is going on with this measure. Do you like it?

She said: I am a tutor in Caroline County schools in mathematics.

It is a county with many people who cannot afford a tutor, and she saw that those students who needed help in math and their families could better afford her or other tutoring services so they could get up to speed in mathematics with the support of this tax credit. This is an idea that is appreciated by people in Virginia. As we work to make sure our fellow Senators know about this idea, they will realize it is something on which we will need to have to take action very soon, to make sure our students have the highest quality and most appropriate education possible.

We need to trust parents to be involved in their schools. They know their children's needs. They know their specific areas that will be of interest and what will best benefit them. Through this substantial tax benefit, all families will have access to a full spectrum of available education opportunities and related technologies.

I hope my colleagues will look into this matter. The Education Opportunity Tax Credit Act will provide families with choice and opportunity. I look forward to working with my colleagues, Senator WARNER of Virginia, Senator CRAIG of Idaho, and Senator ALLARD of Colorado, as well as other Members, in making sure that we ensure the passage of the education opportunity tax credit to empower parents, to increase education spending, and also to reduce taxes while providing more technology capabilities to the children of America.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. CRAIG). Morning business is closed.

BANKRUPTCY REFORM ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 420. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Schumer amendment No. 25, to ensure that the bankruptcy code is not used to exacerbate the effects of certain illegal predatory lending practices.

Feinstein modified amendment No. 27, to place a $2,500 cap on any credit card issued to a minor, unless the minor submits an application with the signature of his parents or guardian indicating joint liability for debt or the minor submits financial information indicating an independent means or an ability to repay the debt that the card accrues.

Leahy amendment No. 20, to resolve an ambiguity relating to the definition of current monthly income.

Conrad modified amendment No. 29, to establish an off-budget lockbox to strengthen Social Security and Medicare.

Sessions amendment No. 32, to establish a procedure to safeguard the surpluses of the Social Security and Medicare hospital insurance trust funds.

Wellstone amendment No. 35, to clarify the duties of a debtor who is the plan administrator of an employee benefit plan.

Wellstone amendment No. 36, to disallow certain claims and prohibit coercive debt collection practices.

Wellstone amendment No. 37, to provide that imports of semifinished steel slabs shall be considered to be articles like or directly competitive with taconite pellets for purposes of determining the eligibility of certain workers for trade adjustment assistance under the Trade Act of 1974.

Kennedy amendment No. 38, to allow for reasonable medical expenses.

Kennedy amendment No. 39, to remove the dollar limitation on retirement savings protected in bankruptcy.

Collins amendment No. 16, to provide family fishermen with the same kind of protections and terms as granted to family farmers under chapter 12 of the bankruptcy laws.

Leahy amendment No. 41, to protect the identify of minor children in bankruptcy proceedings.

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina, Mr. HOLLINGS, is recognized for not to exceed 20 minutes to speak on the lockbox issue.

Mr. HOLLINGS. Mr. President, I had a lockbox amendment at the desk, but

I am not calling it up at this time. In the limited time granted me, I want to support the Conrad amendment, which will be introduced later, having to do with procedure. I didn't want to bring about any confusion because I think the Conrad amendment is a sound one. I know that the particular amendment I have at the desk was designed by the Administrator of Social Security. It is a true lockbox.

But we have a more serious problem here. There isn't any question that with the Concord Coalition coming out yesterday afternoon with a joint statement by Warren Rudman, Sam Nunn, Peter Peterson, Robert Rubin, and Paul Volcker, we are just about ready to break the discipline with respect to paying down the debt. They strongly point out the reasons we should continue the discipline.

I ask unanimous consent that their particular summary be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Concord Coalition, Mar. 12, 2001]

JOINT STATEMENT BY WARREN RUDMAN, SAM NUNN, PETER PETERSON, ROBERT RUBIN AND PAUL VOLCKER

WASHINGTON.—Congress and the Bush administration face the critical challenge this year of adopting a framework for using near-term budget surpluses to help fill the huge long-term gaps in federal entitlement programs and household savings, and to best further our continued economic well being. This is certainly a more welcome challenge than eliminating budget deficits, but it is every bit as vital.

What are we concerned about?

We are concerned that the mere prospect of very large, but highly uncertain, budget surpluses is being used as an excuse to abandon fiscal discipline, creating the threat of renewed non-Social Security deficits and failing to realize the full opportunity of paying down the publicly held debt.

Then there is the fundamental long-term challenge, which The Concord Coalition has always stressed, of setting aside sufficient resources to meet the huge retirement and health care costs associated with the coming "senior boom." The surpluses provide an opportunity to help meet this challenge—but only if we are careful to preserve them.

The obvious question: How much should we be willing to gamble on 10-year projections that the Congressional Budget Office itself say could be off by trillions of dollars?

Answer: The Concord Coalition believes that it is unwise to rely on these projections to commit ourselves to a series of large escalating tax reductions over a 10-year period, particularly in advance of addressing the huge and daunting future deficits of Social Security and Medicare. Doing so would be to rely on the unreliable while we ignore the inevitable.

We believe that fiscal discipline is the key to providing for the unmet needs of the future.

Savings from deficit reduction, and now surpluses, have helped provide the capital to increase the productivity of American workers—a major factor in the record growth of the last 10 years. Further gains in productivity will become especially urgent when the retirement of the huge baby boom generation virtually halts the growth in the size of the U.S. work force.

Continued debt reduction is the government's most direct contribution to net national savings. Increasing national and personal savings is the single most effective policy the government can pursue to promote long-term economic growth and retirement security. Budget proposals should be assessed in that context.

As public debt is reduced to the low levels possible, other policies such as retirement savings accounts also play an important role. Household savings are nowhere near adequate to prepare for ever-lengthening retirements.

We recommend that as Congress and the Bush administration decide how best to deploy budget surpluses, they be guided by the following framework:

Ensure the continued economic benefits of a stable fiscal policy by maintaining discipline and avoiding both a spending spree and large escalating tax cuts.

It is exceedingly unwise to lock in a large 10-year tax cut based on unreliable long-term budget projections.

An immediate moderate tax cut is justified and reasonable as a surplus dividend, given last year's surplus and in light of near-term economic and budgetary prospects.

However, a back loaded 10-year tax cut is not the right tool to provide short-term economic stimulus—particularly at the expense of the urgent long-term need to fund our senior entitlements and retirement savings needs.

Realize the full opportunity for paying down the public debt to the low levels possible.

Establish a new set of firm, but realistic discretionary spending caps.

Consider establishing a system of mandatory, individually owned retirement accounts to help families build a more ample nest egg while alleviating concerns that future budget surpluses will result in either higher spending or in a large build up of government-owned private sector financial assets.

Mr. HOLLINGS. The only objection I have to it—and I commend them for their leadership—is they say an immediate moderate tax cut is justified. You see, therein is the difference with this particular Senator and the "wag." Surpluses, surpluses, surpluses—everywhere men cry surpluses. But there is no surplus. Mind you me, I have been elected seven times to the Senate, and to paraphrase our wonderful leader, President Richard Nixon, I am not a nut. I believe in tax cuts, too—if you have some taxes to cut. So let's see where the taxes are to cut. They say the so-called surpluses belong to the people, but I find nothing but indebtedness belonging to the people.

For example, we have gone, in the past 20 years, from a creditor nation to the largest debtor nation in history—some $2 trillion. We actually have a current account deficit of $439 billion, or more, and going up. There is a deficit in the balance of trade up, up, and away, where we used to have a plus balance of trade. With respect to surpluses, actually, we owe Social Security some $1.164 trillion Medicare accounts are $238 billion in the red. Military retirement is $156 billion in the red. Civilian retirement is $544 billion in the red. Unemployment compensation is $92 billion in the red.

Mr. President, I ask unanimous consent that this table of Congressional Budget Office figures be printed in the RECORD at this particular point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRUST FUNDS LOOTED TO BALANCE BUDGET

[By fiscal year, in billions]

	2000	2001	2002
Social Security	1,007	1,164	1,336
Medicare			
HI	169	198	234
SMI	45	40	39
Military Retirement	149	156	164
Civilian Retirement	512	544	575
Unemployment	86	92	98
Highway	31	31	30
Airport	13	15	17
Railroad Retirement	25	26	27
Other	72	74	77
Total	2,109	2,340	2,597

Mr. HOLLINGS. This shows the total sum of all trust funds—not just Social Security, but all the trust funds—including black lung, nuclear and otherwise. So the total amount that we now owe in Government accounts—since they want to split it—is $2.3 trillion.

Let me go right to that particular point: $2.3 trillion, as compared to the $3.4 trillion they call public debt. You see, that is where Mr. Greenspan and others start the monkey business of dividing the debt that belongs to us all. We are the Government, and the public debt and the Government debt, or the intergovernmental accounts, are all our indebtedness. It is $5.7 trillion. Now that Government debt has not gone down. We ended the last fiscal year $23 billion in debt. The national debt went up some $23 billion.

I ask unanimous consent to have printed in the RECORD page 20 of the Treasurer's report showing the difference in how it increased.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 6.—MEANS OF FINANCING THE DEFICIT OR DISPOSTION OF SURPLUS BY THE U.S. GOVERNMENT, SEPTEMBER 2000 AND OTHER PERIODS

[In millions of dollars]

Assets and liabilities directly related to budget off-budget activity	Net transactions (−) denotes net reduction of either liability or asset accounts			Account balances curent fiscal year		
	This month	Fiscal year to date		Beginning of		Close of this month
		This year	Prior year	This year	This month	
Liability accounts						
Borrowing from the public: Public debt securities, issued under general Financing authorities:						
Obligations of the United States, issued by:						
United States Treasury	−3,644	17,908	130,078	5,641,271	5,662,822	5,659,178
Federal Financing Bank	...	...	...	15,000	15,000	15,000
Total, public debt securities	−3,644	17,908	130,078	5,656,271	5,677,822	5,674,178
Plus premium on public debt securities	−26	697	−200	2,002	2,725	2,699
Less premium on public debt securities	−832	−5,157	1,648	80,698	76,373	75,541
Total public debt securities net of Premium and discount	−2,839	23,761	128,230	5,577,575	5,604,175	5,601,336
Agegncy securities, issued under special financing authorities (see Schedule B. for other Agency Borrowing, see Schedule C)	31	−832	−854	28,605	27,641	27,672
Total federal securities	−2,808	22,929	127,376	5,606,080	5,631,817	5,629,009
Deduct:						
Federal securities held as investments of government accounts (see Schedule D)	29,557	246,453	221,530	1,989,308	2,206,204	2,235,761
Less discount on federal securities held as investments of government accounts	30	853	5,460	16,148	16,970	17,001
Net federal securities held as investments of government accounts	29,527	245,600	216,070	1,973,160	2,189,234	2,218,760
Total borrowing from the public	−32,334	−222,671	−88,694	3,632,920	3,442,583	3,410,248
Accrued interest payable to the public	13,024	1,608	−2,845	42,603	31,187	44,211
Allocations of special drawing rights	−21	−440	80	6,799	6,380	6,359
Deposit funds	−1,171	[1] −1,151	97	3,997	4,017	2,846
Miscellaneous liability accounts (includes cheeks outstanding etc.)	5,329	−461	498	4,420	−1,370	3,959
Total liability accounts	−15,174	−223,116	−90,864	3,690,739	3,482,798	3,467,624
Asset accounts (deduct)						
Cash and monetary assets:						
U.S. Treasury operating cash:[2]						
Federal Reserve accounts	2,498	1,818	1,689	6,641	5,961	8,459
Tax and loan note accounts	36,981	−5,618	15,891	49,817	7,218	44,199
Balance	39,479	−3,799	17,580	56,458	13,180	52,659
Special drawing rights:						
Total holdings	−34	33	178	10,284	10,350	10,316
SDR certificates issued to Federal Reserve Banks	1,000	4,000	2,000	−7,200	−4,200	−3,200
Balance	966	4,033	2,178	3,084	6,150	7,116
Reserve position on the U.S. quota in the IMF:						
U.S. subscription to International Monetary Fund:						
Direct quota payments	...	...	14,763	46,525	46,525	46,525
Maintenance of value adjustments	−257	−3,336	412	5,027	1,947	1,691
Letter of credit issued to IMF	−43	−5,194	−15,750	−30,633	−35,784	−35,827
Dollar deposits with the IMF	2	4	−36	−121	−119	−117
Receivable/Payable (−) for interim maintenance of value adjustments	183	2,234	−562	−815	1,235	1,418
Balance	−114	−6,292	−1,173	19,982	13,804	13,690
Loans to International Monetary Fund	...	...	...	...	...	...
Other cash and monetary assets	927	908	386	23,983	23,964	24,891
Total cash and monetary assets	41,258	−5,151	18,476	103,507	57,098	98,356
Net Activity, Guaranteed Loan Financing	−2,472	−4,327	−4,156	−18,518	−20,373	−22,845
Net Activity, Direct Loan Financing	9,727	21,744	18,605	83,894	95,911	105,638
Miscellaneous asset accounts	2,181	−1,602	1,579	1,496	−2,288	−106
Total asset accounts	50,694	10,664	34,505	170,378	130,348	181,043
Excess of liabilities (+) or assets (−)	−65,868	−233,780	−125,369	+3,520,361	+3,352,449	+3,286,581
Transactions not applied to current year's surplus or deficit (see Schedule a for Details)	46	−3,213	1,009	...	−3,258	−3,213
Total budget and off-budget federal entities (financing of deficit (+) or disposition of surplus (−))	−65,822	−236,993	−124,360	+3,520,361	+3,349,191	+3,283,369

[1] Outlays for the Department of the Interior have been decreased in October 1999 by $329 million; to reflect the reclassification of the "Tribal Trust funds", Office of the Special Trustee for the American Indians; from a trust fund to a deposit fund.

[2] Major sources of information used to determine Treasury's operating cash income include Federal Reserve Banks, the Treasury Regional Finance Centers, the Internal Revenue Service Centers, the Bureau of the Public Debt and various electronic systems. Deposits are reflected as received and withdraws are reflected as processed.

. . . No Transactions.

(**) Less than $500,000.

Note.—Details may not add to totals due to rounding.

Mr. HOLLINGS. Mr. President, we not only ended the fiscal year with a $23 billion deficit, but look at the debt to the penny, which I printed just a half hour ago from the U.S. Treasury Web site, and you will see that we continue to run deficits. U.S. Treasury Secretary O'Neill, when I had him at the hearing, said, "That is your paper, Senator." I said, "No, this is your paper, Secretary O'Neill." The public debt numbers found on-line show that the debt has increased from $5.674 trillion at the end of September last year—at the beginning of this fiscal year, 2001—to $5.747 trillion. So the debt has gone up $73 billion.

Let me emphasize the split in the debt. The Treasury Secretary says who owes the public debt. He has the public debt held by the public, and he has another listing of intergovernmental holdings. In January, for the years preceding—Mr. President, that used to be Government debt. Now they are trying to change the phraseology so you are misled—intergovernmental holdings. That is an indebtedness. The public debt has gone up $21 billion. Did you hear that? Mr. Greenspan, Chairman of the Federal Reserve, is running around saying, "My problem is we are going to pay down too much debt," when it has gone up in the beginning of the fiscal year some $21 billion. It is $3.4 trillion, going down $21 billion. Go down $100 billion, go down $200 billion, go down $300 billion, $400 billion, and you still have $3 trillion to pay off. Don't worry about paying down too much debt.

It was an absolute charade to see the Chairman of the Federal Reserve come to the Congress with that nonsense about "we have too much debt to pay down." I mean, we are paying down too much debt and we are going to have to pay a penalty on our fiscal holdings.

With respect to the intergovernmental holdings, or public debt, it is $52 billion. So as of this morning, a half hour ago, the Secretary of the Treasury reports that the debt has gone up $73 billion. It is not going down. That is the problem with the Concord Coalition.

I ask unanimous consent that these documents be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DEBT TO THE PENNY

[Updated March 12, 2001]

	Amount
Current: 03/09/2001	$5,747,792,825,182.88
Current month:	
03/08/2001	5,747,550,277,632.42
03/07/2001	5,747,491,094,329.69
03/06/2001	5,749,734,337,611.83
03/05/2001	5,743,401,716,650.84
03/02/2001	5,742,769,797,856.70
03/01/2001	5,726,774,439,028.95
Prior months:	
02/28/2001	5,735,859,380,573.98
01/31/2001	5,716,070,587,057.36
12/29/2000	5,662,216,013,697.37
11/30/2000	5,709,699,281,427.00
10/31/2000	5,657,327,531,667.14
Prior fiscal years:	
09/29/2000	5,674,178,209,886.86
09/30/1999	5,656,270,901,615.43
09/30/1998	5,526,193,008,897.62
09/30/1997	5,413,146,011,397.34
09/30/1996	5,224,810,939,135.73
09/29/1995	4,973,982,900,709.39
09/30/1994	4,692,749,910,013.32
09/30/1993	4,411,488,883,139.38
09/30/1992	4,064,620,655,521.66
09/30/1991	3,655,303,351,697.03
09/28/1990	3,233,313,451,777.25
09/29/1989	2,857,430,960,187.32
09/30/1988	2,602,337,712,041.16
09/30/1987	2,350,276,890,953.00

Source: Bureau of the Public Debt.

WHO HOLDS THE DEBT?

[Beginning 1/31/2001 (debt held by the public vs. intragovernmental holdings) historical debt prior to January 31, 2001]

	Debt held by the public	Intragovernmental holdings	Total
Current:			
03/09/2001	$3,426,528,227,885.96	$2,321,264,597,296.92	$5,747,792,825,182.88
Prior months:			
02/28/2001	3,401,737,625,377.06	2,334,121,755,196.92	5,735,859,380,573.98
01/31/2001	3,388,015,685,287.98	2,328,054,901,769.38	5,716,070,587,058.36

WHO HOLDS THE DEBT?

[Thru 1/30/2001 (debt held by the public vs. intragovernmental holdings) historical debt beginning with January 31, 2001]

	Debt held by the public	Intragovernmental holdings	Total
Prior months:			
01/30/2001	3,369,903,111,703.32	2,370,388,014,843.13	5,740,291,126,546.45
12/29/2000	3,380,398,279,538.38	2,281,817,734,158.99	5,662,216,013,697.37
11/30/2000	3,417,401,544,006.82	2,292,297,737,420.18	5,709,699,281,427.00
10/31/2000	3,374,976,727,197.79	2,282,350,804,469.35	5,657,327,531,667.14
Prior fiscal years:			
09/29/2000	3,405,303,490,221.20	2,268,874,719,665.66	5,674,178,209,886.86
09/30/1999	3,636,104,594,501.81	2,020,166,307,131.62	5,656,270,901,633.43
09/30/1998	3,733,864,472,163.53	1,792,328,536,734.09	5,526,193,008,897.62
09/30/1997	3,789,667,546,849.60	1,623,478,464,547.74	5,413,146,011,397.34

Mr. HOLLINGS. Mr. President, what is happening? Well, we got on course. Reaganomics II. We know what Reaganomics I did. I notice my friend, the distinguished Senator from Pennsylvania, Mr. SPECTER, called it in the interviews over the weekend Kemp-Roth. He didn't want to hurt President Reagan's feelings. I don't either, but President Reagan adopted this idea of "starve the beast." All we have to do is cut the revenues. The money belongs to the people, and the people know how best to spend their money, and we will have prosperity galore.

What happened? Well, President Lyndon Johnson last balanced the budget. During 200 years of history, in the course of all the wars, we had accumulated less than a trillion dollars in debt.

But when President Reagan came in with Reaganomics, that less than a trillion dollars in debt went up to $4 trillion and is now up to $5.7 trillion. What happens? I speak now to my colleagues because this is the greatest waste. I served on the Grace Commission to abolish waste, fraud, and abuse. The greatest waste ever proposed or propounded in the history of Government is the interest costs, the carrying charges on the national debt.

When President Johnson balanced the budget and for the 200 years of history, the interest cost on the debt was only $16 billion. Now it has gone up to $365 billion and is projected by CBO to go to $371 billion. The first thing the Government did this morning at 8 o'clock was go down to the bank, borrow $1 billion and add it to the debt. Tomorrow we are going to do the same thing. On Saturday do you think the banks are closed? No. We are going to borrow another $1 billion on Saturday, and on Sunday and on Christmas Day. Each and every day, we are going to borrow $1 billion for nothing—$365 billion.

The distinguished Presiding Officer could buy all sorts of things with this money. We could get an energy policy, a forestry policy, a research policy. We could pay for education. We could almost double everything that anybody wanted. This $365 billion amount is bigger than the national defense. National defense is supposed to go from $305 billion to $310 billion. We are paying out more just in carrying charges, waste, and nobody seems to care.

The point is, when you are in a deficit and debt position, you cannot cut taxes without increasing taxes. That is exactly where we are. The so-called tax cut that President Bush is insisting upon is a tax cut that wore no clothes.

He is running all around the country. Talk of a tax cut started back in September and October, when he was ascending in the polls. Then the market started to decline. In November, the distinguished Mr. CHENEY said it looked like a recession. They insisted on the tax cut in December, January, and February. Can you imagine the President having to go out and sell a tax cut?

People ought to sober up on that particular point. Do you have to sell a tax cut? What is the market saying? The market is saying: Look, with all this indebtedness, awash in debt, a devalued dollar, they are not going to, by gosh, buy our instruments, our bonds, they are not going to continue to finance our debt, and they are going to have to raise the interest rates. That is exactly what happened in Reaganomics I, and we have Reaganomics II on course. There is no education in the second kick of a mule. We should all like the Concord Coalition: Pay down the debt; enforce the discipline; quit running around bribing, if you please, the people with their own money.

It is a sordid trick. We ought to be ashamed of ourselves. Responsible Congressmen and Senators ought to tell the truth. We have gone bilingual when it comes to the budget. The second language is truth. We are running around here saying surplus, surplus, surplus everywhere, and there is no surplus. Even the President says there is no surplus.

I hold in my hand President Bush's document that he just submitted. On page 201, you can see the debt this year: $5.637 trillion. He projects that the national debt will go to $7.159 trillion—not a surplus. This is President Bush. Why don't they ask him: Mr. President, you say "surplus," but your own budget shows the debt increasing.

I ask unanimous consent to print in the RECORD page 201.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE S–16.—FEDERAL GOVERNMENT FINANCING AND DEBT

[In billions of dollars]

	Actual 2000	Estimate										
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Financing:												
Unified budget surplus	236	281	231	246	268	273	307	341	372	412	459	524
On-budget surplus/reserve for contingencies	86	124	60	53	57	36	55	71	84	109	136	181
Off-budget surplus	150	157	171	193	211	237	252	270	287	303	323	343
Means of financing other than borrowing from the public:												
Premiums paid (−) on buybacks of Treasury securities	−6	−10	....	....	....	....	....	....	....	....	....	....
Changes in:												
Treasury operating cash balance	4	3	....	....	....	....	....	....	....	....	....	....
Checks outstanding, deposit funds, etc.	3	−*	−1	....	....	....	....	....	....	....	....	....
Seigniorage on coins	2	2	2	2	2	2	2	2	2	2	2	2
Less: Net financing disbursements:												
Direct loan financing accounts	−22	−39	−4	−17	−18	−17	−16	−16	−16	−16	−16	−15
Guaranteed loan financing accounts	4	−1	−1	1	—	—	1	1	1	1	1	1
Total: means of financing other than borrowing from the public	−13	−45	−4	−15	−16	−15	−14	−13	−13	−13	−13	−13
Total, amount available to repay debt held by the public	223	236	227	232	252	257	294	328	359	399	446	511
Change in debt held by the public:												
Change in debt held by the public (gross)	−223	−236	−227	−232	−252	−257	−294	−328	−181	−125	−71	−50
Less change in excess balances	....	....	....	....	....	....	....	....	−178	−274	−375	−461
Change in debt held by the public (net)	−223	−236	−227	−232	−252	−257	−294	−328	−359	−399	−446	−511
Debt Subject to Statutory Limitation, End of Year:												
Debt issued by Treasury	5,601	5,610	5,640	5,697	5,752	5,822	5,878	5,918	6,120	6,396	6,750	7,139
Adjustment for Treasury debt not subject to limitation and agency debt subject to limitation	−15	−15	−15	−15	−15	−15	−15	−15	−15	−15	−15	−15
Adjustment for discount and premium	6	6	6	6	6	6	6	6	6	6	6	6
Total, debt subject to statutory limitation	5,592	5,600	5,630	5,687	5,743	5,813	5,868	5,908	6,110	6,386	6,740	7,129
Debt Outstanding, End of Year:												
Gross Federal Debt:												
Debt issued by Treasury	5,601	5,610	5,640	5,697	5,752	5,822	5,878	5,918	6,120	6,396	6,750	7,139
Debt issued by other agencies	28	27	27	26	25	24	23	21	21	21	20	20
Total, gross Federal debt	5,629	5,637	5,666	5,723	5,777	5,846	5,901	5,939	6,141	6,417	6,770	7,159
Held by:												
Debt securities held as assets by Government accounts	2,219	2,463	2,719	3,007	3,314	3,640	3,988	4,355	4,737	5,138	5,562	6,001
Debt Securities held as assetes by the public:												
Debt held by the public (gross)	3,410	3,174	2,947	2,715	2,463	2,206	1,912	1,585	1,404	1,279	1,208	1,158
Less excess balances	....	....	....	....	....	....	....	....	−178	−452	−827	−1,288
Debt held by the public (net)	3,410	3,174	2,947	2,715	2,463	2,206	1,912	1,585	1,226	827	381	−130

Mr. HOLLINGS. Mr. President, there it is. We have been engaged in the most sordid activity one can possibly imagine with these 10-year budgets. I remember when I was chairman of the Budget Committee in 1979 and 1980, we had a 1-year budget. The country sustained, survived, succeeded 200 years of history on 1-year budgets. If you were a Governor of a State and you submitted a 10-year budget, Moody's and Standard & Poor's would immediately lift your credit rating. But wait a minute, the best campaign finance trick is to use the Government's budget to get ourselves reelected, running around and promising visions of sugarplums dancing in their heads: Give the money back; the people know how to spend their money.

Of course, every morning we are borrowing $1 billion, and they say give it back to the people, but we are increasing the debt and increasing the waste. We run amok with these 10-year budgets, and we ought to go back to 1-year budgets. Let's take the budget we passed in December, a few months ago, and debate all the cuts and vote on them.

With respect to the increase, we should have the pay-go rule. You have to have an offset and withhold, not abolish. If President Bush and this Government has a surplus by the end of this fiscal year, I will vote for President George W. Bush's tax cut. I will vote for it—I have to say that publicly—if we have a surplus. But as long as we continue to increase the debt, let's hold up and find out.

As much as I hate to, I think we might have to go with a capital gains tax cut, instead of an across-the-board tax cut, to really get the market going. An across-the-board cut is not going to infuse consumer confidence.

If the President came back here today—that is our problem. These Presidents continue to run for office, they continue to work at keeping the job rather than doing the job. If he would only come back and tend to the real problems of the country and quit running all over the place trying to sell a tax cut, I think the market would start back up. It is not lack of consumer confidence in the economy, it is citizens' lack of confidence in their Government. When they see us play this sordid game of 10-year budgets, calling deficits and debt surpluses and sending the money back with a childish cause that people are going out and spending their money best and that kind of nonsense, that is what is happening to the stock market. They can see we are going to an inflated economy, the results we had from Reaganomics I. We are going to have Reaganomics II, and we are going to really be in economic trouble.

The ox is in the ditch. We have everyone running around talking about surpluses and 10-year budgets where everybody is right and everybody is wrong. If we can just hold the line and get back to that 8-year record of paying down the debt and fiscal discipline, then the people will begin to appreciate this Congress at the market level.

Right now, we ought to be ashamed of ourselves with this sordid game of again and again calling deficits and debt surpluses in order to buy the people's vote. That is all we are doing. We will, with April 15, have a large influx of revenues, and some debt will be paid down, but they will never get to paying down $3.4 trillion in the Presiding Officer's time and in my time.

Do not worry about paying down the public debt. Let us worry about the increase of the overall national debt and go back to the Concord Coalition's recommendation of fiscal discipline.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, we are now proceeding on our debate and discussion on the bankruptcy bill that is pending. I do hope those who have amendments and want to make statements on them will come down and take advantage of this time. It is an opportunity to discuss the important questions that are before us.

As I have noted before, bankruptcy reform is, in fact, a second look at the 1978 bankruptcy law. That law reformed the way bankruptcy courts deal with debt in America. We have had experience now for over 20 years with that reform. We have seen how the law has been manipulated and abused, and it is perfectly appropriate for us to try to create a system that is honest and fair, eliminates abuses, and helps us make sure that what happens in bankruptcy court is rational and defensible and furthers good public policy.

That is what we are about. It is not legislation to fix all problems dealing with credit in America. It is what happens when a person files in bankruptcy. As the Members of this body know, we have in this legislation a provision that says if you make above median income in America, and a judge finds you are capable of paying back as much as 25 percent of your debts, and he calculates the current income and what your debts are, if he determines that is possible, instead of wiping out all your debt, you may be moved from chapter 7—in which debt is wiped out in bankruptcy—to chapter 13, in which you would pay back, over a number of years, 25 percent of the debts you owe.

It is my view, and I think the view of a majority of Americans, that bankruptcy is a good thing. But if you can pay back your debts, you ought to pay them; that we ought not say a person with a $100,000 income, perfectly capable of paying back a substantial portion of his debts, can just not pay them. In fact, some of these people, over a period of 3 to 5 years, can pay back all of their debts, we have learned.

That is the change. I think well over half of the people who file bankruptcy, maybe three-fourths, maybe even more, will be below median income, so they will not be affected by this means testing of bankruptcy. It is just those above median income based on family size and other criteria.

I believe we are doing the right thing. I believe it is the right approach, it is fair and just, and we ought to move in that direction.

We have also improved the system by eliminating quite a number of abuses by good lawyers. Some people put them down, but I cannot blame a lawyer for advising his client there is an opportunity to not pay something if they do not have to under the current bankruptcy law. They have learned how to advise clients to take advantage of the current law. It is up to us now to fix that.

One of the aspects in the bill that I think is of great value is an amendment I offered to encourage credit counseling. A lot of people do not understand credit counseling. I, frankly, did not fully understand it until I spent virtually a day with a good credit counseling agency in Mobile, AL. They are off the main thoroughfare. They had a nice area. People came there to deal with their debts.

What they do is negotiate with the creditors of the people who come in to see them for counseling, and they will get them to reduce their interest rates, get them to stretch out their payments, and they will help that family develop a budget by which they can pay off their existing debts.

Not only do they get them on a budget, but they save marriages. That is because one of the highest causes of marital breakup is financial discord. They sit the whole family down—children, wife, husband—and go over their income. They go over their expenditures, what they can reduce in their budget expenditures: Do they really need this cell phone? Do they really need the higher level cable TV? They knock it down.

Then they get the creditors to see this family is in trouble. If you reduce your interest rate so that payment to the credit card company is reduced, the payment to the furniture store is reduced, the payment to the brother-in-law is reduced, maybe the deficiency on rent is reduced—they work out a budget so the family can work themselves out of this.

The beauty of this is that for the first time, many of these families learn how to manage money. Too often they have not been taught that in America today. I think it is a very good thing. I believe that is healthy. Some have complained that our amendment says before you go to bankruptcy, you should go to a credit counseling agency and at least discuss with them the possibility that you could work out a debt repayment plan and come out better doing it that way rather than going straight into bankruptcy without that option.

What is happening is there are lawyer mills in the country. You turn on your television; you look at your little flier at the corner market that shows what you buy and sell, automobiles, furniture and things, and you see advertisements by these lawyers about how to wipe out your debts and avoid paying what you owe.

People respond. When they go down to the lawyer's office, essentially the lawyer tells them—there is no mystery about this; I don't think I am misstating it—I believe you are entitled to bankruptcy. I believe you can wipe out these debts. It is now January 1, so you will need to pay me $1,000. What I want you to do is live off your credit card and all, but do not pay any of your other debts. Save up until you get the $1,000 and pay me, and I will file the bankruptcy. Then you can wipe out all your debts.

That is what they do, and they make money off that. I know an instance where one of these lawyers does at least 1,000 of those cases a year. That is $1 million in income in chapter 7, chapter 13, routine filings. He doesn't even meet his clients. Basically his paralegals do that and pretty much that is what goes on in America.

For people who need that, that is fine. For people who are not able, hopelessly in debt for various reasons, that is fine. But if they can pay their way out of it, I think somebody ought to be concerned about helping them figure a way to do so. They will feel better about paying their debt.

We don't need a legal system in America that suggests paying your debt isn't important. What does that do for us on a moral basis—that we have a legal bankruptcy system that suggests you have no responsibility to pay your debt if you can pay those debts? I don't think that is good public policy.

I suggest at least there be an opportunity for every bankrupt to consider credit counseling. They are in virtually every community in America. If they are not there, the bankruptcy judge can certify that and the person doesn't have to go to credit counseling. But if there is a credit counselling agency, this bill would say to a bankrupt who is thinking about bankruptcy to go to them and talk to them. It is fundamentally an interview. They do not have to fill out forms or do anything at the credit counseling agency. They just have to certify that they have been there and they have considered that option because it is not being provided to them in the lawyer's office. Trust me. I believe for a certain number they are going to conclude that credit counseling—a matter they have never considered before—is better for them than going into bankruptcy. And the family will be better for it, and the legal system will be better for it.

That is what we are about today. Many people are in debt for many different reasons. Some say: Well, it is credit card debt.

Some college students are filing, but their numbers are not exceedingly high. The reason college students primarily are filing bankruptcy and the reason many of them are deeply in debt is paying for their tuition and fees—

not on their credit card. It is their loan payment which has put them in debt very deeply. And at some point they end up running up credit card bills too, perhaps. But the biggest amount of debt for college students is a student loan and the money on which they have to borrow to live. Whatever the reason, we are not certain.

We know hospital bills are a big factor in tipping people into bankruptcy. That is a legitimate reason. We know many people are in bankruptcy because they have a compulsion to spend; one or more family members just cannot discipline themselves. I do not know if it is an illness or what it is, but they cannot discipline themselves and are unable to work their way out of adverse financial circumstances as other family members are able to do. Other family members every day in America are sitting down and deciding when they can buy a new suit of clothes, or whether or not they can take a vacation this year, or whether or not they can go on a school trip, or buy a new car. What are they asking themselves? How can we pay the money we owe and buy something new? Maybe we can't afford to do both this year. Maybe we need to pay down our debt.

We don't want to create a system that makes the honest, disciplined, frugal family look like a chump or look like they are silly by working hard to pay off unexpected debt and rewarding those who do not make the effort.

This is a fundamental question to me. This bill provides all the protections for median income and below that are in the previous legislation, and it provides other benefits also. It places women and children at the highest possible level of protection. They get the first money out of a bankruptcy estate today under the new legislation instead of being seventh or eighth under the current bill in who gets paid from what is left in the bankruptcy.

It provides priority to pay alimony and child support in a way that we have never done before. It provides many other good provisions that help our country socially and economically do the right thing.

We are excited about that possibility. Just because you move from chapter 7 to chapter 13, if you are above median income—in fact, it isn't all bad that you have been damaged dramatically.

I saw an article recently where someone was talking to a bankruptcy lawyer. He said one person he was talking to had a $70,000-a-year income and wanted to rush out and file his bankruptcy bill under current law because under the new law he might have to go into chapter 13 and pay back some of his debts.

I ask you why a person who makes $70,000 a year shouldn't pay back some of his debt. They say: Well, it is medical bills. Maybe it is an unexpected medical bill. If he is making $70,000, why didn't he have insurance? If he is making below median income, or a low income, maybe I could be sympathetic because they didn't take out insurance. But if he is making $70,000, he ought to be able to provide some medical insurance. Maybe he shouldn't have such medical debts, No. 1. But, No. 2, why should we take the view that if you are able to pay back to your hospital some of the costs of the service that hospital provided you, why shouldn't you pay them?

I visited 20 hospitals in Alabama this year. I have talked to administrators, nurses, and doctors. They are in trouble. It is difficult for hospitals to make a living. They have a factor of uncollected debt. They do not abuse people. But they are not being paid a lot.

If a person cannot pay the hospital, and they are making below median income in America, I don't want them to have to worry about it. Wipe out the debt and go forward under this bill. But if they are making above median income and they owe the hospital $10,000 and over 5 years they can pay them $2,500, why shouldn't they? They got a benefit from the hospital. Somebody else is going to pay for it, if they don't. Who else is going to pay it? People are going to be paying for it through their taxes and other payments, and they will be making below median income. Why should a person who is honest and frugal making below median income pay for the hospital bill for somebody making $70,000 who can pay a portion of his hospital bill? Answer that. That is not justice.

We have a bill that takes a step toward achieving justice. They say: Well, you are just out defending big corporations, banks, and these collection agencies, and you are oppressing the poor. There is no change for the poor. There is no change in this bill for the 75 or 80 percent of the people who file bankruptcy who already make below median income. There is no change in that. It is only if you make above median income that a judge can order you to pay some of your debt.

I think that is right. I don't apologize for that. I do not believe in this class warfare argument we are hearing time and time again that it is oppression of the poor. Those are the same arguments we have heard today. It seems that the hospital providing good care to an individual and does not get paid for it is oppressing the person who is making above median income by asking them to pay for it; if a credit card company has loaned money, or a bank has loaned money to somebody to go out and buy a house, buy a car, buy things a family needs, they are oppressing them by giving them the money and asking them to pay it back when the time comes to pay your debts back. Most Americans pay their debts. I think credit cards are great.

We have had serious complaints in this body—and rightly so—that banks and credit companies are not fairly making credit available to poor people.

We have a bill called redlining that prohibits banks from opposing and refusing to allow people with marginal incomes to borrow money because they might think it is risky.

The PRESIDING OFFICER. The Senator's time has expired. Under the previous order, 5 minutes was reserved for Senator FEINSTEIN to begin at 11 o'clock.

Mr. SESSIONS. I see Senator FEINSTEIN is here. I will be glad to conclude.

Fundamentally, this bill is not unfair. I would be willing to look at any particular part of it. It has been pounded on for 4 years now. Every jot and tittle of it has been looked at. We have tried to make sure it is fair in every way. But we do say you ought to seek credit counseling. Maybe there is an alternative to bankruptcy.

We say, if you make above the median income, you can pay back some of your debts. But if your debts are so big, even if you make above median income, you do not have to pay them; you can wipe them out, and that is OK. And remember the great protection of bankruptcy for people in debt is they cannot be subject to harassing phone calls and letters, demands for payment and lawsuits.

When you file bankruptcy, all lawsuits and demands for payment have to stop, whether you are in chapter 7 or chapter 13. A family can put their lives in order under the bankruptcy laws now and in this new bill in the same way that will allow them to have some stability in their lives, to bring a conclusion to their credit difficulties, to not be fighting lawsuits and credit demands that disrupt their lives.

I thank the Chair and yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 27, AS MODIFIED

Mrs. FEINSTEIN. Mr. President, the amendment on the bankruptcy bill that I have proposed is a very straightforward amendment. It simply says credit card companies that issue credit cards to minors must limit that debt to $2,500 a credit card, unless the minor demonstrates the means to pay back the debt, or a parent cosigns for the debt.

In addition, the amendment would entitle parents who cosign on their child's credit card the opportunity to be consulted before the debt limit on the card is increased.

The amendment is basically a compromise. I amended the amendment to place a cap of $2,500 a card rather than $2,500 on all cards a minor might have.

The reason for the amendment is a simple one. Student credit card debt has increased 46 percent over the last 2 years alone. Bankruptcy filings among youth have increased sevenfold since 1996. The problem is, there is no limit on the credit card debt a youngster can accumulate. This amendment would end that problem, give parents the responsibility of choosing to cosign for their youngster if they want more than a $2,500 cap, unless the youngster could demonstrate that they had the source of income to support the debt.

So essentially what this amendment does is provide a credit card limit of debt of $2,500 a card for a youngster who is under the age of 21.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Who yields time in opposition?

If no one yields time, time will be charged equally to each side.

Approximately 2 minutes remain in opposition to the Feinstein amendment.

AMENDMENT NO. 39

Mr. SESSIONS. I will confine my remarks to the other amendment we will be voting on, unless someone else wants to respond to the Feinstein amendment.

At 11 o'clock, we will also be voting on the Kennedy amendment that attempts to remove the cap of $1 million on how much a bankrupt can protect in their IRA account.

I know Senator KENNEDY steadfastly opposed the homestead law under the current bill and I agreed. We made substantial progress in containing the abuse of homestead that is unlimited in a few States. Right now, if you pour millions of dollars into a home, you can protect that home, you can file bankruptcy, and not pay your debtors, and keep the $2 million home. To me, that is not right, so I have supported that change. And we could not get as far as we wanted because a number of States have provisions in their constitutions that protect homesteads. We made a number of steps to curtail that abuse—real steps—but we did not go as far as I wished we could have gone.

This is a very similar situation. Why should you not pay individual debtors—why should you not pay your hospital debt and other debts and be able to file bankruptcy and have $2 million in your IRA account? Can't a person live on $1 million at a 6-percent return a year? That is $60,000 a year the rest of your life without touching the principal.

So I think this is an abuse by rich people, really, to protect over $1 million in savings.

The PRESIDING OFFICER. All time has expired on the Feinstein amendment.

Does the Senator wish to continue under the 2½ minutes in opposition to the——

Mr. SESSIONS. I think Senator KENNEDY is here. He would wish to speak on his amendment.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, for the first time in the history of bankruptcy, we will put at risk the retirement savings of workers. In this instance, we do not have a limitation in terms of the retirement savings under the 401(k) programs. There are virtually no limitations. But there are limitations in terms of the IRAs.

The IRAs are the programs that are most used by working families. They can only contribute $2,000 a year to an IRA. There was no history and no comments in the long testimony we took before the Judiciary Committee that this was being abused, that people were putting money into their IRAs in order to be able to circumvent bankruptcy. They cannot do it in the first place because they can only contribute $2,000 a year. But there are many hundreds of thousands of workers in this country who are putting aside the $2,000 a year and hope to build up a sufficient nest egg that will augment their Social Security so they will be able to live with some dignity. Now we are putting that money at risk.

In many instances, the people who are going into bankruptcy are going into bankruptcy because their health insurance has failed or they do not have health insurance. They go to the hospital for 4 days and they run up these enormous bills.

What the current proposal before the Senate is saying is, OK, that is going to be too bad. We are going to suck up the 25 years of payments into retirement programs for working families.

We say, we do not do it for the 401(k) programs, which are the retirement programs for the more wealthy and affluent. We should not do it for the IRAs. Starting now, at $1 million, it will just continue to come down. And we are putting these savings at risk. It does not belong in this bill. I hope my amendment will eliminate it. I think it is the proper way to proceed.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I thank Senator KENNEDY. I know we worked hard on this bill to gain his support. Basically, the language that is in the bill now has been modified to deal with a number of the concerns he raised.

The Department of Justice, under the Clinton administration, said:

> A debtor should not be able to shield abundant resources from creditors, including Federal, State, and local governments, in the form of retirement savings.

What is "abundant resources"? We say, over $1 million. I do not think that is too much to allow somebody to keep when they are not paying their debts.

From the Securities and Exchange Commission:

> We have seen insider traders, who do their trading through IRAs, and fraud participants stash their profits in IRAs. The State law exemptions have not defeated our Federal statutory claims to date, but a new Federal exemption—

Which we could be doing here—

> could do so. I am concerned about the grave potential for abuse that the exemption for all retirement assets from bankruptcy estate poses.

We have asked—and the Senator from Massachusetts and others voted for an amendment I sponsored—to limit homesteads to $100,000 as the amount you could put in your homestead and not pay your debtors. Yet there is an objection for some reason to saying you can't maintain more than $1 million in your IRA and not pay your debts.

This is a reasonable cap. It will not hurt people. It will allow them to have an income of $60,000 or more per year to live on without even touching their principal under this IRA plan. It will, as the Securities Commission says, avoid the dangers of fraud and just the unfairness of not paying your local businesses, not paying your local hospital, not paying your local neighbors what you owe and living high on the hog with multimillions of dollars, perhaps, stuffed in an IRA plan.

That is why we are in disagreement on this bill.

VOTE ON AMENDMENT NO. 27, AS MODIFIED

Mr. SESSIONS. Mr. President, I move to table both the Kennedy and Feinstein amendments. I ask unanimous consent to do that.

The PRESIDING OFFICER (Mr. CHAFEE). It is not in order to move to table both amendments at this time. The Senator may move to table the Feinstein amendment.

Mr. SESSIONS. Mr. President, I move to table the Feinstein amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, is there time remaining on the amendment?

The PRESIDING OFFICER. There is not time remaining.

The question is on agreeing to the motion to table the Feinstein amendment No. 27, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Oklahoma (Mr. INHOFE) is necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. INHOFE) would vote "yea."

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The result was announced—yeas 55, nays 42, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—55

Allard
Allen
Bayh
Bennett
Biden
Bond
Brownback
Bunning
Burns
Campbell
Carper
Chafee
Cleland
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Dorgan
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Johnson
Kohl
Kyl
Lott
Lugar
McCain
McConnell
Miller
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—42

Akaka
Baucus
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Jeffords
Kennedy
Kerry
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murkowski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—2

Inhofe
Inouye

The motion was agreed to.

The PRESIDING OFFICER (Mr. ENZI). The Chair recognizes the Senator from Alabama.

Mr. SESSIONS. Mr. President, I move to reconsider the vote.

Mr. HATCH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 39

Mr. SESSIONS. Mr. President, I move to table the pending amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The result was announced—yeas 61, nays 37, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—61

Allard
Allen
Bayh
Bennett
Biden
Bingaman
Brownback
Bunning
Burns
Campbell
Carnahan
Carper
Chafee
Cleland
Cochran
Collins
Conrad
Craig
Crapo
DeWine
Domenici
Dorgan
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Helms
Hutchinson
Hutchison
Inhofe
Johnson
Kohl
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Reid
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NAYS—37

Akaka
Baucus
Bond
Boxer
Breaux
Byrd
Cantwell
Clinton
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hatch
Hollings
Jeffords
Kennedy
Kerry
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Reed
Rockefeller
Sarbanes
Schumer
Specter
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—1

Inouye

The motion was agreed to.

Mr. GRASSLEY. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now occurs on amendment No. 41.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMY AND TAX CUTS

Mr. DURBIN. Mr. President, I seek recognition as in morning business to address the Senate in reference to the state of the economy. I think most of us have read the press reports about what happened to the stock market yesterday. We certainly hope that was an anomaly and that it will not continue and that our economy rebounds quickly from what apparently has gone beyond a soft landing and is now headed toward what appears to be a harder landing.

The news out of my home State of Illinois is not encouraging. This morning, Motorola announced it is cutting 7,000 more jobs in its cellular phone division, increasing to 12,000 the number it will have eliminated in operations since December. These reductions to its global workforce of more than 130,000 will take place over the next two quarters.

We have seen this phenomenon not just at Motorola but at other industries across America. It raises a very important question about our responsibility in Washington to respond to what is clearly an economic challenge, if not more.

I hope we in the Senate, as well as the House, working with the President, can take the current debate over a tax cut and make it part of a much larger question about economic growth in America. What is our plan? What are we, as a nation, prepared to do to turn around this economy and to start it moving forward again?

We have just come off an extraordinary period of time when the economy of the United States reached record-breaking prosperity numbers, where we had some 22 million jobs created over the last 10 years. Some 2 million more businesses were created over the last 10 years, with more home ownership than any time in our history, with inflation under control, the welfare rolls coming down, and the number of violent crimes committed across America decreasing. All of the positive things we want to see in America occurred during the last 8 or 10 years.

But we seem to have taken a turn in the road. I am sorry to report that these numbers coming out of Motorola, and employers across America, as well as the Dow Jones index, and other stock indices, suggest to us we need to step back for a second and ask, What is right for this country?

The economic prosperity we knew for so long has now been challenged. The feeling of optimism in America, which really had us in its thrall for such a long period of time, is now changing dramatically. We have seen $5 trillion of economic value that has been wiped out in the last few months because of this economic downturn. When I say $5 trillion wiped out, what am I talking about? I am talking about the pension plans, the 401(k)s, the IRAs, the savings, the mutual funds of families across America have all taken a plunge. My family has experienced this just as every other family.

We know our value, our net worth in terms of what we have saved and what we hope to have for our future, has been diminished. The question, obviously, before us is, What are we going to do in response.

I think the President has focused almost exclusively on one idea, and that idea is a tax cut. The general idea of a tax cut is popular. It is hard to think of two words that a politician can utter that would be more popular. But, clearly, the President is having a tough time closing the deal. To think that a President has to go out on a nationwide rally, crusade, campaign, to convince the American people of a tax cut suggests that it may not be as easy as it appears to him.

People across America are skeptical of a tax cut that is based on projections of surpluses that may not occur for 5, 6, 7, 8, 9, or 10 years. They understand this idea of a tax cut was actually part of the President's campaign platform 2 years ago when America was in prosperity. This tax cut was not designed by President Bush as an economic stimulus then. Our economy had plenty of stimulation. It was doing well. But now the President has said: What I really meant to say is that the tax cut will breathe life back into the economy.

Hold the phone here. Take a look at the tax cut President Bush is proposing. Even if he has his way and gets everything he wants, the tax cut will not kick in to our economy in full force for 5 years. I can tell you that the employees at Motorola can't wait 5 years. The people across America who have seen their savings dwindle can't wait 5 years. So the medicine which President Bush is prescribing does not fit the illness that currently affects America.

Frankly, what we need at this point is a tax cut that is reasonable, that will create some stimulus, but is not too large as to really be irresponsible. The President has said $1.6 trillion over 10 years is not that much in a $5.6 trillion surplus. We know frankly, his number is much larger when you add in all the hidden costs. He wants to spend some $2.6 trillion on his tax cut.

It is unfortunate but true that 43 percent of President Bush's tax cut goes to people making over $300,000 a year. Forty-three percent of the benefits go to people making over $300,000 a year.

I believe everyone in America should have a tax cut, but for goodness' sake, do not shortchange families in middle-income categories and working families to give a bigger tax cut to the wealthiest among us. We have to look at this tax cut in terms of fairness and the fact that it could be an economic stimulus.

On the Democratic side, we believe we should have an honest tax cut that we can afford. We should not overextend ourselves in anticipation of surpluses that may not arrive. How can we have day after day of bad news about the state of the economy, and the economists in this town not take that into consideration? If we are having more people laid off, that means fewer people paying their taxes into the Treasury creating surpluses.

So this anticipation by the President of a great surplus, unfortunately, may not occur, as many economists have predicted.

President Bush, as Governor of Texas, faced this situation once before. When he became Governor of Texas, he had a surplus in his Treasury. He declared a tax cut that, unfortunately, was too large and now the State of Texas is back in the deficit ditch, with other States seeing the same thing happening.

Why can't we learn from this experience on a national level and not overextend this surplus, not overextend this tax cut, to find ourselves returning to the days of deficits? I think that is the challenge for this Congress.

Equally important, we have to take the tax cut as part of a larger discussion. What is it that we can do responsibly now to create economic growth again in America? To ignore what is happening with the layoffs and the situation in the stock market and the loss of savings by American families is to ignore reality.

To take the President's tax cut that will not kick in for 5 years, that is no stimulus to the current economy.

It is time we looked at things that can make a difference.

Mr. REID. Mr. President, will the Senator yield for a question?

Mr. DURBIN. I am happy to yield to the Senator from Nevada.

Mr. REID. One of the problems I have had during the past 6 months or so is that we have heard from the man running for President, and now President, always bad news about the economy, always something negative about the economy. There are some economists and others who say that one of the reasons keeping the stock market high is optimism. As we know, the prior administration was very optimistic about the economy. Does the Senator think that the negative talk about the economy for such a long period of time has finally gotten the wish granted?

Mr. DURBIN. I heard the observation of the Senator from Nevada yesterday along these same lines. I agree with the Senator from Nevada. For the leader of our country to repeatedly say that our economy is in trouble is to, frankly, have a self-fulfilling prophecy. In this situation I am afraid people lose confidence if the leader of our country doesn't have confidence. Some of the campaign rhetoric should have been abandoned as soon as the President took office. The spirit of optimism and growth, a positive feeling about the future is important for American families to feel they can do the right thing by perhaps buying a new home or putting an addition on their home, perhaps buying a car, whatever it might be that makes a difference in terms of economic growth. The Senator from Nevada is right.

Mr. REID. If I could ask one more question, I spoke to the American Legion today. Prior to my going to the rostrum to speak, their national security director gave a long speech about the need for increased spending on the military and national missile defense. When I spoke about a number of issues, I said: All of you out there have to understand that we should have a tax cut, but it should be a modest tax cut. I have heard the Senator from Illinois say that. I think we all agree with that. We also have to pay down the debt. If we are going to have additional spending for the military and we want a prescription drug benefit for seniors, if we want to increase spending for education, does the Senator agree we are going to have to save some of that surplus for some of these things that our country badly needs?

Mr. DURBIN. I agree with the Senator from Nevada. What the President has said to America is—he arrived initially to find a good, strong economy and a big buffet of opportunities—let's eat our dessert first. You don't have to eat your vegetables; eat your dessert first. Let's have a tax cut and a big one.

A lot of us are saying: Isn't it better for America to have a sensibly sized tax cut that helps working families and middle-income families and not just the wealthy and one that also pays off our national debt and leaves money aside for important investments in our future? If we are going to have a plan for economic growth in America, the Senator from Nevada will agree with me that education ought to be the first item on the agenda.

The American people, interestingly enough, when you ask them what we should do with the surplus, do not say: Give me a tax cut. Their first response is: Do something to help our schools and our teachers.

When you look at these priorities and investments that can mean economic growth for a long period of time, we ought to start with education. As the Senator from Nevada says, if the President has his way, if the tax cut is too large, if it goes to the wealthiest people among us and doesn't help working families, we will squander the opportunity to invest in education, to invest in a prescription drug benefit under Medicare, to invest in Social Security and Medicare for the future. The American people understand that. If it sounds too good to be true, as the old saying goes, it probably is.

For the President to suggest we can have it all, we can give this tax cut of $2.6 trillion and take care of all of our other problems, really strains the credibility of his position.

Mr. REID. One last question: In the western part of the United States—and it is coming back here—there is the high cost of purchasing electricity in the home. I have received a number of very sad letters—for lack of a better description—from people who are senior citizens saying: I have to have electricity in my home. I am now having to make the choice not only whether I am going to have food or a prescription drug but electricity.

With the one-third that we are suggesting should be saved for taking care of some important programs in this country, would the Senator agree that one of the most important priorities, second only to education, would be a prescription drug benefit for the senior citizens of this country who certainly deserve a change in the Medicare program?

Mr. DURBIN. I agree with the Senator from Nevada. The President's suggestion when it comes to prescription drugs is entirely inadequate. Once you have funded his tax cut, you don't have the resources available to create a universally affordable voluntary prescription drug benefit under Medicare, a position which the Senator from Nevada and I share. In fact, let me read from an article in the New Yorker which appeared March 12, 2001, by Henrik Hertzberg in which he describes President Bush's prescription drug plan as follows: When the President said that no senior in America should have to choose between buying food and buying prescriptions, he received quite a bit of applause at his State of the Union Address. But he omitted the details. For example, under President Bush's prescription drug plan, a widow living on as little as $15,000 a year would receive no help in paying for drugs until she has already spent $6,000 of her own money. That is, she would have to have already left more than a third of her income at the pharmacy to qualify for President Bush's prescription drug plan.

To put it another way: Her deductible for the President's prescription drug plan, this lady living on a fixed income, would be $115 per week, not per year.

That is what happens when you take a $2 trillion tax cut and ignore education, ignore prescription drugs. You can have something that is called a prescription drug benefit, but when you look at the details, is it reasonable that someone who is making $15,000 a year—imagine scraping by on that amount—who is a fixed-income senior, has to spend down $6,000 each year on their own pharmacy costs before the benefit helps them?

I can tell the Senator from Nevada, who has spoken to a lot of seniors in his part of the world, that sort of approach is no benefit, and it isn't to most of the people to whom I have spoken in the State of Illinois.

Let me speak for a moment about the national debt. The national debt is an important issue for us not to ignore. The President says out of the $5.6 trillion surplus, we can only spend down or pay down $2 trillion of the national debt. I disagree. Much more can be spent down and should be. We collect $1 billion in taxes every single day in America; $1 billion from families, businesses, and individuals to pay interest on the old debt. We have a national mortgage of $5.7 trillion. Most of it did not occur until after 1980, when President Reagan and the former President Bush came to office.

Under President Clinton, we started paying down this debt, but it is still a $5.7 trillion national mortgage. If we don't take this seriously, we are going to find ourselves in a predicament where that is a mortgage we are going to leave our kids. I take no comfort in promising a tax cut to myself or anyone else and then leaving my son, my daughters, or my grandson a national mortgage of $5.7 trillion.

The President likes to say if we have a surplus in Washington, it belongs to the people. Well, I ask the President: To whom does the national debt belong? That belongs to our Nation as well. Do we not have a responsibility in good times of surplus to pay off the mortgage before we tell everybody go ahead and eat your dessert, go ahead and declare a dividend?

What the Democratic side is suggesting, as the Senator from Nevada has said, is take a third of any real surplus, not any guess, and give it to people in the form of a tax cut that helps everybody across the board, not just the wealthy; take a third of it and pay down the national debt so this mortgage is reduced for our kids. And then take a third and invest in things that will get this country moving again: education, worker training, investments in technology. These are things which are good in the long term for America.

Sadly, this President is stuck on a one-note song: Tax cut, tax cut, tax cut.

The tax cut is not a plan for economic growth. It is not a plan for economic prosperity. The President proposed this tax cut in the campaign after he was challenged by Steve Forbes to come up with a massive tax cut. Well, he came up with one. He is still sticking with that song 2 years later.

America has changed. Our needs have changed. The President's response is still the same. If he has his wish and this tax cut goes through, we will find ourselves realizing its benefits 5 years from now, not when we need it. And we will find ourselves short on funds to invest in things important for America, and we won't put the money necessary into paying down our national debt.

This is not a popular thing I am preaching here. The most popular thing is to tell people we can give the biggest tax cut in the world and we are all for it. I guess you can get reelected on that platform. But part of our responsibility on Capitol Hill is to speak honestly to the people about the real problems facing our Nation.

The real problems suggest that the President's tax cut goes too far. It is ironic to me that this President is traveling around the country, going to South Dakota and North Dakota, trying to sell this concept and having a tough go of it, because although Americans like tax cuts, they are genuinely skeptical when the President tells us we can have everything.

The fact is that we need to use the same fiscal responsibility, we need to use the same fiscal conservatism that finally turned the corner a few years ago and got us out of the deficit world and into the surplus world. When you look at the state of our current economy, we need it now more than ever.

I hope we can find a bipartisan agreement for a tax cut that is sensible. I look at families across Illinois, and I don't believe that two people, husband and wife, who are public school teachers in the city of Chicago, making about $100,000 a year, are wealthy people at all. I think they are struggling to pay their mortgage, to put kids through school, to make sure they put savings aside for the future. These people need to benefit from the tax cut as much as, if not more than, people making over $300,000 a year.

I believe if you have an income of $25,000 a month, the idea of a President Bush tax cut that gives you $46,000 a year in tax cuts is something these people will hardly even notice, if they are making $300,000 a year. But I can tell you that several thousand dollars to a family making $100,000, or $75,000, or $50,000 a year can make a real difference.

The President's tax cut, incidentally, leaves 30 million Americans behind—30 million Americans who pay no income tax. The President says, why should they get a tax cut? These 30 million Americans are paying payroll taxes, my friends. I don't think the President would like to look them in the eye and say they are not paying taxes. They are paying a lot of taxes. It is coming out of their paychecks.

The President's tax cut provides no income tax benefit or other tax credit to help those wage earners. So let's come up with a balanced and fair tax cut, in a way to get the economy moving again. Let's not get stuck on the old rhetoric of the political campaign of 2 years ago. Let's have a vision that speaks honestly to the people and puts together investments and things that make a difference.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, how ironic it is that we hear about the negativism of the President toward the economy. And then, in turn, we hear all of this negative comment about the new President. It just doesn't quite add up.

I can stand here and talk about the Clinton recession we might be in because the manufacturing index turned down in September and has been turning down since. I could talk about the Clinton recession from the standpoint of the confidence index, which started turning down in August. But I don't think blaming gets much accomplished.

I think we have to look to the future, and the future is that we can pay down the national debt. We have a tax surplus. We can give tax relief to every taxpayer—the working men and women who have made a big difference, the entrepreneurs who have made a big difference over the last 10 years to help us pay down the national debt. We can fund our priorities.

When we use the Congressional Budget Office, a nonpartisan economist, to judge what the future is—and it is a difficult thing to do, but it is no more difficult than the young workers who are trying to look ahead to see what their income is going to be and convince the banker that they ought to get a 30-year mortgage. They put a lot of trust in the future in order to pay off that mortgage. We put a lot of trust in the future, too, to make a determination of how much income we are going to have coming in over the next 10 years. We determined that that is about $28 billion, $29 billion. Out of that, we will have a $5.6 trillion surplus. Out of that $5.6 trillion surplus, we are going to take $3.1 trillion off because of trust funds—Social Security: Save Social Security income just for Social Security, Medicare money just for Medicare. And then we have money for a $1.6 trillion tax cut. Every American who pays income tax will get a tax cut. Every American who is at a $35,000 income—a family of four—will have a 100-percent tax reduction. A family of four at $50,000 will have a 50-percent tax reduction. Six million people who are now paying taxes won't pay any taxes after this program is passed.

When we are all done passing this legislation, the wealthy, the higher income people of America, will actually be paying a higher share of the total income tax money coming into the Federal Treasury than before under present law.

Mr. SANTORUM. Will the Senator yield for a question?

Mr. GRASSLEY. Yes, I will.

Mr. SANTORUM. The Senator made a point that I think has to be emphasized because you hear a lot of comments that this is a "tax break for the rich" or this is "benefiting the wealthy." But the Senator said something that is probably the most important point of this entire debate about fairness. That is, if you look at all the taxes being paid and who pays them before the tax cut, and look at all the taxes being paid and who pays them after the tax cut, what he said is vitally important for people to understand. Would the Senator repeat what happens to the tax burden?

This tax burden was set back in 1993 when we in the Senate raised the top tax bracket and President Clinton signed the bill that shifted the tax burden to higher income individuals, creating another rate at the top and, at the same time, increasing the top income tax credit which goes to people who don't pay income tax. So we raised taxes on people in higher income brackets and took that money and gave it to people who don't pay income taxes. At that point, Democrats said the distribution of taxes between the wealthy and lower income was now fair. What the Senator is saying is we are going to now take this fair distribution and change it. How are we going to change it?

Mr. GRASSLEY. When we are all done passing the proposal the President has put before Congress, we will actually have the high-income people of America paying a higher percentage of the income tax coming into the Federal Treasury than right now.

Mr. SANTORUM. So when the Democrats, in 1993, said, "We have now fixed the Tax Code; we have now changed it so higher income individuals are going to pay more of their fair share"—I think that was the term—and that "we have a fair Tax Code"—I heard that over and over again—what the Senator is suggesting is that we are going to make it even fairer by shifting the burden even more, and the argument on the other side is that isn't fair enough. Their argument is that we need to increase taxes even more on higher income individuals.

Mr. GRASSLEY. Yes. Let me tell you why we don't hear that from the other side. They talk about tax cuts, but they don't have a passion for tax cuts. They talk about reducing the national debt, but they don't have a passion for reducing the national debt. What they have a passion for is muddying the waters, maintaining the status quo, keeping the high level of taxation we have today, so that when we have 20.6 percent of the gross national product coming into the Federal Treasury in taxes today, at the highest level in the history of the country—if we maintain the status quo, in 10 years it will be at 22.7 percent. They are going to be able to spend that. They have a passion for spending. That is why they do not like this program that gives every working man and woman in America, every taxpayer in America who pays income taxes, a tax cut, and it has a larger share of tax cuts for lower and middle-income people than for higher income people.

Mr. SANTORUM. I thank the Senator for his clarification.

Mr. GRASSLEY. Mr. President, we will have $28 trillion coming into the Federal Treasury over the next 10 years. We are taking $3.1 trillion of that off the table for Social Security. Social Security money will only be spent on Social Security, and Medicare money will only be spent on Medicare.

We have the $1.6 trillion tax cut because Americans are overtaxed. We are going to give tax relief to every taxpayer.

We have $900 billion left over. That is a rainy day fund. When they raise questions, as they have just now, on the other side of the aisle—Will we be able to afford it? Will we have the money for prescription drugs for seniors in America?—we will have a plan that will give universal coverage to seniors in America. It will be affordable, and we will improve Medicare so that Medicare fits the practice of medicine today. When it was passed in 1965, the practice of medicine was to put everybody in the hospital. Today, the practice of medicine is to keep people out of the hospital.

Obviously, prescription drugs are a big part of why not so many people are going the expensive route of hospitalization.

I hope it is clear that this is well thought out, and we will be able to do the things we have said we would do. If we do nothing and that money is in the pockets of Congressmen and Senators in Washington, it is surely burning a hole, and if it is burning a hole, it has to be spent.

If we keep up the level of spending that recent remarks indicate we ought to, at 6 percent growth each of the last 3 years, and continue that for 10 years instead of a $1.6 trillion tax relief, we will not only eat up the $1.6 trillion, we will eat up a half trillion dollars more. Then we get that level of expenditure up to where we are now at 20.6 percent of gross national product, and we see a downturn in the economy about which these nervous nellies are concerned.

The income is going to go down but the expenditures never go down. We do not operate as a business in the sense of when there is a change of income, we change our spending behavior.

That is what needs to be considered by everybody. By having a surplus of only 5.6 percent of the $28 trillion coming in over the next 10 years, a little bit less than one-third is going to go to the taxpayers, some of it is for a rainy day, and the rest of it is to keep our commitment to Social Security and Medicare.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I would like to respond to the statements that have been made by my friend from Iowa, as well as the Senator from Pennsylvania. I think the Senator from Iowa realizes the honest measurement of the size of the Federal Government is the proportion of the gross domestic product—the total value of goods and services in America—against the amount we spend in the Federal Government.

When President Bush's father left office, we were spending 22 percent of our gross domestic product on the Federal Government. During the Clinton years, that was reduced to 18 percent. We have seen a steady decline in the size of Government against the size of America's economy.

We have to ask ourselves: Is this a trend which we should criticize? I think not. It is a good trend. We have shown we can be more efficient, but when the Senator from Iowa stands before us and supports plans, as I do, for a prescription drug benefit under Medicare, that will be more Federal spending. He and I will support that. We believe the seniors and disabled across America are entitled to it.

We have to make sure we reserve enough money, in terms of what our plans are for tax cuts and deficits and debt reduction, so we can still make investments to make sure there is a prescription drug benefit under Medicare.

Let me add another point. The Senator from Iowa understands as well as anyone that we are going to face a balloon payment in Social Security and Medicare when the baby boomers all show up. If we do not make plans right now to protect Medicare and Social Security, we will find ourselves without the resources to take care of these people. We made a promise that throughout their working lives, if they paid into Social Security and Medicare, it would be there when they needed it. We are not providing for that with President Bush's tax cut. In fact, in order to fund his tax cut, he has to reach into the Medicare trust fund and take out money. If you take the money out of this trust fund, it will not be there when the baby boomers show up. The balloon payment will be there.

We will have to pay it to keep our contract with the American people, and the President's tax cut and his strategy will have eaten up the Medicare trust fund.

Senator CONRAD of North Dakota is going to offer an amendment to protect the Medicare trust fund, and Members on both sides of the aisle will have a chance to stand up and say: We are not going to raid the Medicare trust fund to pay for President Bush's tax cut. I am anxious to see how that vote comes out.

If Members of Congress believe as strongly as I do about protecting Medicare and Social Security, then they should vote in favor of Senator CONRAD's amendment, which will be offered this afternoon.

Mr. REID. Will the Senator yield for a question?

Mr. DURBIN. I will be happy to yield to the Senator.

Mr. REID. One of the points the Senator from Illinois made during his initial statement was that he believes it is time we had a bipartisan agreement on the budget and on taxes generally.

I heard the Senator say—and I am commenting on the comment my friend from Iowa, the chairman of the very important Finance Committee, made—we are talking negatively. I say to my friend from Iowa, the Senator from Nevada and the Senator from Illinois are talking about the economy. We are talking about the need to do something about it.

If we, with a 50–50 Senate, butt heads here, we are going to get nothing done. Will the Senator elaborate a little bit on one of his initial statements that we need to work on a bipartisan agreement to come up with something that is good for the American people?

Mr. DURBIN. The Senator understands President Bush was elected promising he was going to change the tone in Washington—more civil and more bipartisan. I actually thought he got off to a good start. He invited Democratic Congressmen and Senators to the White House. They had a good time. They watched movies, he gave them all nicknames, and it looked as if it was going to be a great change in atmosphere.

In the last week or two, things have not improved. They have gone the other way: The decision in the House of Representatives by the Republican leadership on the tax cut vote they would not even allow amendments from Democrats or Republicans on the floor. They allowed one substitute vote. Their hearings in the Ways and Means Committee did not allow any bipartisan exchange.

Frankly, I do not think that is in keeping with the President's promise of more bipartisanship. It is going to occur over here. There will be a real debate on taxes in the Senate. Senator GRASSLEY, as chairman of the Finance Committee, is going to provide an opportunity for amendments and discussion in his committee. We will have a chance to offer amendments on the floor, and a 50–50 Senate finally will debate this bill.

The last week has not been promising. The decision of the President to go to the home State of the minority leader, TOM DASCHLE, was an interesting choice. I do not think it was the best political decision for a President preaching bipartisanship, but it was his decision. I hope we can return to his promise of bipartisanship.

I guess the Senator from Nevada heard the comment of the Senator from Pennsylvania a few minutes ago about the decision in 1993 by the Clinton administration to put together a package to do something about our deficits. That package, which passed in the House and the Senate, did not have a single Republican in support of it. Many of the Republicans who are saying President Bush's tax cut is the best medicine for America also voted against President Clinton's plan in 1993.

That plan turned it around. We got out of the deficit mentality and deficit experience and started creating surpluses.

The Senator from Pennsylvania talked earlier about the unfair tax burden. I will read from the same New Yorker article I quoted earlier about that tax plan in 1993:

> From 1992, the year before a supposedly onerous new marginal tax rate kicked in, through 1998, the most recent figure for which the IRS has information available, the average after-tax income of the richest 1 percent in America rose from $400,000 to just under $600,000—

That is in a 6-year period of time.

> and from 12.2 percent of the national net income to 15.7 percent.

Our friends on the Republican side do not want to acknowledge that we not only put a plan in place that ended the deficits in this country but also created income, wealth, and prosperity, the likes of which we have not seen in modern history. Now comes President Bush saying I want to return to the concept that I tried in Texas, where I started with a surplus, put in a tax cut, and ended up with a deficit.

Excuse me if many Members of the Senate are skeptical of that approach.

RECESS

The PRESIDING OFFICER. Time has expired. Under the previous order, the time of 12:30 having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m.; and reassembled when called to order by the Presiding Officer (Mr. INHOFE).

BANKRUPTCY REFORM ACT OF 2001—Continued

The PRESIDING OFFICER. Under the previous order, there will now be 30 minutes for closing remarks on amendment No. 29, as modified, and amendment No. 32 to be equally divided in the usual form.

The Senator from North Dakota is recognized.

AMENDMENT NO. 29, AS MODIFIED

Mr. CONRAD. Mr. President, my amendment is designed to protect the Social Security trust fund and the Medicare trust fund. It has been called the Medicare-Social Security lockbox. That is a good description. It is designed to try to prevent these trust funds from being used for other purposes, from being used as we saw in the past for spending on other programs.

A quick description of what my amendment provides is the following:

First, it protects Social Security surpluses in each and every year;

Second, it takes the Medicare Part A trust fund off budget just as we have taken the Social Security trust fund off budget, again to try to protect it from being raided and used for other purposes;

Third, it gives Medicare the same protections as Social Security;

Fourth, it provides strong enforcement legislation and strong enforcement provisions to make certain that protections hold.

The alternative—the legislation that will be offered by my colleague, the Senator from New Mexico, chairman of the Senate Budget Committee—does not take Medicare off budget. It contains huge trapdoors for anything labeled “Social Security and Medicare reform.”

In other words, they have a lockbox that leaks. They have a lockbox where the door is wide open. The money can be used for other purposes as long as they call it Social Security or Medicare reform. There is absolutely no definition of what constitutes Social Security or Medicare reform.

The proposal of my colleague does not add any new protections for Social Security and does not protect Medicare from sequester. This constitutes what I call the broken safe. The door is wide open to what my colleague from New Mexico is presenting.

Under the President's budget, not a penny is reserved for Medicare. In fact, the President takes the Medicare trust fund and puts it into a so-called contingency fund available for other purposes. In fact, as we have already heard, he went to my State and told folks there that if they need money for agriculture, go to the contingency fund. If people need money for defense, they are being told to go to the contingency fund. If they need more money for education, go to the contingency fund. If they need money for a prescription drug benefit that really delivers something, go to the contingency fund. That money is going to be spent four or five times over.

Some on the other side say: Look, there is no trust fund surplus in Medicare.

That is not what the Congressional Budget Office says. On page 9 of the “Budget Outlook,” under the table “Trust Fund Surpluses,” they start with Social Security. Then they go to Medicare. And they point out that Part A of Medicare has over a $400 billion surplus. They point to Medicare Part B. And that is in rough balance over the 10 years of this forecast period.

Some on the other side say: Oh, there is a huge deficit in Medicare Part B; therefore, we should not worry about the surplus in Medicare Part A. I just say to them, the law does not say that. The actuaries do not say that. Medicare Part A is in surplus. Medicare Part B is in rough balance. There is no justification for taking the Medicare trust fund that is in surplus and moving that money into this so-called contingency fund that is available for other spending. That is precisely what will get us into financial trouble in the future.

I hope my colleagues will support having a protection mechanism for both the Social Security trust fund and the Medicare trust fund. It makes sense for the country, it makes sense for taxpayers, and it makes sense for beneficiaries. Most of all, it makes fiscal sense. And that is what my amendment is all about: to wall off the Social Security trust fund and the Medicare trust fund so they cannot be raided for other purposes.

I thank the Chair and yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. First, let me say I am very pleased this afternoon to be on the floor with Senator CONRAD. I think those who watch the Senate as it conducts business are probably, in the next 3 weeks, going to see a lot of us because we will have the whole budget up here for at least a week. Senator CONRAD manages it for the other side of the aisle, and I manage it on this side.

I am very hopeful that, while this is a very interesting and somewhat difficult issue today, we will handle it in a very civil manner between the two of us as to what we ought to do.

First of all, everybody should know that when we offered a lockbox on Social Security on this side—it is the only one you could really call a lockbox—the other side of the aisle opposed it because it was too rigid. And they found out from the Secretary of the Treasury it may have been even too difficult for the U.S. Government to manage in terms of managing its debts.

So we have come from that point to what we generally call a lockbox here, to make any expenditures from that fund that are not authorized in that law itself subject to a 60-vote point of order. That generally is called a lockbox because it will call it to the attention of those affected, and it will require a supermajority to vote for it. That is what our amendment does for both Social Security and Medicare. But what it does in both programs is exactly what the House did. It passed by over 400 votes. Essentially, it says only for Social Security and/or Social Security reforms. And on Medicare it says Medicare Part A and/or reforms.

My distinguished friend on the other side of the aisle would say we take Medicare off budget. We no longer get to count it as an asset of the budget. And in addition, it cannot be used for the reforms that are going to be necessary when we improve that program and add to it prescription drugs.

So the difference is big. As a matter of fact, it is as if my friend on the other side of the aisle had concocted an approach so we cannot get a tax cut because, for some reason, the $1.6 trillion tax cut just is not within the grasp of those on the other side. They do not want to give that back to the American people. In a moment, or in closing arguments, I will share with you the fact that it is a very responsible tax cut. It is very small in proportion to the total tax take of the United States of America.

But for now let me just, again, discuss these two issues.

First, the distinguished Senator, Mr. KENT CONRAD, my opponent here would take Medicare off budget and not permit it to be used for reform and say to us, use it to pay down the debt. I want to just take a minute to talk about the debt because everybody ought to understand.

The President of the United States has asked us to reduce the debt of the United States from $3.2 trillion to $1.2 trillion—a $2 trillion reduction. The President says—as did President Clinton before him who also said, through his experts—that is all we can pay down without paying a big penalty and costing the American taxpayers money.

This little chart I have here shows what is going to happen to the ownership of American debt as we buy down the debt and attempt to minimize it. You can see, the red is all foreign investment and foreigners. That grows because they do not want to sell the American bonds. They hold on to them. I understand that if we said, you are going to pay those people anyway, even though they do not want to sell—they are under an arrangement they like in terms of the terms of the bonds—then what we would have to do is we would have to pay a premium that would cost the American people a 21-percent premium on the money we pay to them to buy down the bonds. We will pay a 21-percent premium.

Isn't it amazing that we are being asked to vote for an amendment that, on the one hand, is calculated to prevent us from getting a tax reduction for the American people, and, on the other hand, unintentionally, I assume, we are going to have to pay that money at a 21-percent premium to foreign countries and foreigners from whom we are going to buy these bonds because we are going to say to them: If you don't want to sell them, we want you to sell them anyway. It is similar to a marketplace gun you put there and say: Sell them to us. And, of course, we will throw away money in the process.

The amendment that will be voted on second is their lockbox and its operation. It is a lockbox for which everybody in this Senate has voted. It requires a 60-vote majority to use any of the Social Security trust fund for anything but Social Security or Social Security reform. It is the same lockbox on Medicare that we voted for heretofore on a number of occasions that says, Medicare cannot be used—I say to the Finance Committee chairman, who is bound by all these rules—for anything other than Medicare and/or Medicare reform.

I note the presence of the chairman of the Finance Committee. I note my friend, who is on the other side of the aisle on this issue, is a member of the Finance Committee. They have a very important job. They are going to have to decide whether they want to reform Medicare.

As a matter of fact, it is most interesting, for those who are interested in this debate, we had not had a formal Medicare reform put forth by the former President for 8 years. We have not had one put forth by the other side of the aisle, except in the Breaux-Frist amendment or bill which came out of a commission. We still do not have one from the other side of the aisle. I do not know why.

I am very hopeful the Finance Committee will, indeed, produce a bipartisan Medicare reform proposal—under the Domenici amendment, which is the second amendment, that can be done—because without reforms, the Medicare trust fund is doomed. There will not be enough money for the senior citizens.

As the chart demonstrates, by 2010, the spending exceeds the income; by 2018, the spending exceeds the income plus interest; and by 2026, the trust fund is depleted.

We already have heard testimony from experts that our tax reduction of $1.6 trillion does not have anything to do with that. What has to do with that is that you must reform the Medicare system in order to get your job done.

I close by saying, I think the Medicare trust fund should be used for Medicare reform. I do not think it should be used to pay huge premiums to foreign countries and foreigners by trying to coerce them to buy the debt.

My last observation is, Medicare is a very mixed program. Part of it is paid out of the trust fund until there is no money. Then what will we do? And part of it, a big part of it, including doctors, home health care, and a long list of items, is paid for under Part B, which is the general taxpayer.

How would you split them apart and take one and put it off budget, to be used for debt service, and the whole other one just left there to be paid by the taxpayer?

I believe reform should include a process that would envision both of those problem areas and reform them, to the future benefit of our senior citizens.

I have great admiration for my friend on the other side, but I do think on this one, it is subject to a point of order and we ought to let it die. We ought to vote on the second one and approve it because the House did it, and it could become law because it would be the same as theirs. It is a very good way to attempt to save Medicare for nothing other than Medicare.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, let me respond briefly and then we will have a chance to hear from the chairman of the Finance Committee.

Senator DOMENICI said Democrats voted against a lockbox last year. That is only part of the story. Democrats voted for the lockbox that passed on a bipartisan basis. We voted against one version of the lockbox that threatened, according to the Secretary of the Treasury, the ability of Congress to pay the national debt. Yes, we voted against the lockbox provision that threatened the good credit of the United States, but we supported the lockbox that protected Social Security and Medicare that passed on a bipartisan basis.

Second, the Senator says the House passed, by a huge margin, the lockbox he is offering. The House was not permitted to consider an alternative. This alternative, the one I am offering that passed the Senate last year, is far stronger.

Third, the Senator says we would take the Medicare Part A trust fund off budget. That is exactly right. We would treat it the same way we treat the Social Security trust fund to give it the full protection it deserves.

Finally, the Senator says we threaten Medicare reform and the ability to write a prescription drug benefit. That is not the case. My amendment creates a point of order against legislation that makes the trust fund less solvent, not more solvent. Medicare reform is intended to make Medicare more solvent, not less solvent. In addition, new spending for a drug benefit would not reduce the Part A surplus and, therefore, would not be subject to any point of order under my amendment.

This measure is not meant to defeat a tax cut or any other measure. It is designed to protect the Social Security and Medicare trust funds. This is what we voted for on a bipartisan basis last year. I hope we will do the same this year and say, whatever else we do, we are not going to raid the trust funds of Social Security and Medicare.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself 4 minutes of the time remaining.

Senator CONRAD's amendment is very bad medicine for our seniors, in terms of this fuzzying up the issue. If we allow this to happen, we are going to perpetuate the hoax that Medicare is running a surplus so that we can postpone urgently needed improvements in Medicare.

The Senator's amendment also leads Americans into believing we can't provide tax relief for hard-working families and at the same time protect Medicare and Social Security. The Senator is just plain wrong because over the next 10 years we will be spending $3.8 trillion just on Medicare. That is more than two times the size of any proposed tax cut. To say that we on this side of the aisle are shortchanging seniors is ludicrous. In fact, the Senator's amendment would shortchange Medicare patients by splitting Medicare in half and leaving Part B of the program, including prescription drugs, unprotected.

In 1993, Congress voted to tax up to 85 percent of Social Security benefits and transfer those taxes into the Part A trust fund. In 1997, Congress voted to transfer the cost of home health out of Part A trust fund into Part B. Had these two actions not occurred, there would be no surplus in Part A. Medicare Part B will run a deficit of more than $1 trillion over the next 10 years, completely offsetting the $400 billion surplus in Part A. Splitting Medicare in half would only further these accounting gimmicks and mislead seniors into believing Medicare is secure. Of course, we know that is not the case.

We think it is time to be very open with our seniors about Medicare's financial condition. We have the opportunity this year to modernize Medicare, provide prescription drug coverage, and put the program on a sound footing for our seniors, particularly for baby boomers. We want to protect the Medicare surplus so it can be used for this purpose, and this purpose only.

Senator CONRAD's amendment will deprive seniors of what they need most, a stronger, updated Medicare program, by locking away the Medicare dollars and making them unavailable for much-needed improvements. Is this what our seniors want? I don't think so. They want something for future generations.

This lockbox approach has one additional problem: When you add it to the additional one-third of the on-budget surplus the amendment would then reserve for debt reduction, it would equal $3.8 trillion. That exceeds the total amount of publicly held debt by $700 billion, and it exceeds the amount of debt available to be repaid by $1.5 trillion. As a result, the Government will be forced to invest the excess surplus in the private sector.

Federal Reserve Chairman Greenspan has warned that such investments could disrupt financial markets and reduce the efficiency of our economy. My colleague from New Mexico has said that very well and demonstrated it with the chart.

Moreover, it is important to remember that the Senate has already voted 99–0 in the year 1999 against allowing the Government to invest the Social Security surplus in the private sector.

I oppose the amendment by the Senator from North Dakota and support Senator DOMENICI's amendment.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. I yield time to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I very much appreciate the points made by our good friend from New Mexico, the chairman of the Budget Committee, as well as by Senator GRASSLEY, the chairman of the Finance Committee.

However, the long and short of it is, the amendment offered by Senator CONRAD is very simple. It is probably the only responsible thing to do. Essentially it says Social Security trust fund money is to be kept for Social Security. We are going to keep it in the trust fund so the trust fund continues to build. It also says that the Medicare Part A trust fund money is to be kept in that trust fund to be used as it is supposed to be used.

To be honest, we hear lots of arguments on the other side, but, frankly, they sound like Senators doing the administration's bidding by trying to desperately grab shoestring kinds of arguments to try to counter this amendment. If we look at all the arguments, they are transparently false.

No. 1, we are playing footloose with senior citizens because it would make it sound as if the Medicare Part A trust fund is in good shape. The fallacy of that is, if we rob Peter to pay Paul, if we rob Part A to pay for Part B, it is going to make the Medicare problem more urgent. I don't think any senior wants that.

Second, we hear: Those Democrats don't want to reduce taxes. That is a patently false argument. We are just saying protect Social Security, protect Medicare, because that is what our seniors expect, and that is what the baby boomers certainly expect when they retire on down the road.

Third, we hear the argument, gee, if this amendment passes, you are going to have to pay a 21-percent premium on foreign debt. That is totally false. Nobody knows where those figures come from, except I hear them from my good friend from New Mexico.

It is true that if this amendment were to be enacted, as it very much should, then earlier, rather than later, we could be facing the question of debt retirement and what debt would be involved and what not. But there are other options. We can use the money for other forms of savings—that is savings provisions outside Social Security or Medicare. Or if we come to the premium question on redeeming debt, we will cross that bridge when we get there. Nobody knows what the premium is. There is a debt rescheduling going on currently. We are buying back debt, and it is working.

My main point is that this is a very simple amendment. It is the most responsible thing to do because it starts to protect Social Security and Medicare for senior citizens and for the future.

I might add, Mr. President, the alternative amendment we are going to be asked to vote on has, as I think the Senator from North Dakota characterized it, a trapdoor. It is a "nothing" amendment. It doesn't do what it purports to do. If you want honesty in budgeting and in amendments, honesty in what provisions actually say, I ask you to look at the language of the amendment offered by the Senator from North Dakota and look at the language of the alternative. You will very clearly see, if you read the language, one does protect Social Security and Medicare, the other does not.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I want to respond briefly to my colleague from Iowa who said a series of things that are just not so. He said this amendment is bad medicine for seniors. Come on. This amendment protects the Social Security trust fund, and it protects the Medicare trust fund. It prevents them from being looted and raided for other purposes. That helps seniors.

He says it suggests there is a trust fund surplus in Medicare. It doesn't just suggest it; there is one. This is from the Congressional Budget Office. It says very clearly there is $400 billion in surpluses. The President's budget says $500 billion in the Medicare trust fund.

The Senator from Iowa says you can't have a tax cut with this amendment. Nonsense. You can have a tax cut with this amendment. This only says don't raid Social Security, don't raid Medicare. The only way it endangers a tax cut is if their intention is to raid Social Security and Medicare to pay for one.

Now, finally, Senator GRASSLEY has the plan I have talked about being all mixed up. He has taken the $2.9 trillion dedicated for reduction of the publicly held debt and he added that to the $900 billion that is reserved for strengthening Social Security for the long term and says all of that money is designed to deal with short-term debt. Wrong. That is just wrong. The $2.9 trillion is to eliminate our short-term debt. The $900 billion is to deal with long-term debt. Unfortunately, they have not set aside any money to deal with long-term debt.

This amendment is simple. It is designed to protect the trust funds of Social Security and Medicare against raids for other purposes.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I think the Medicare trust fund should be used for Medicare and Medicare reform. I don't think we should use it to fund, in any way, a requirement that we pay huge premiums—some estimate as high as 21 percent—to attract foreign investors to retire our debt.

I yield whatever time I have to Senator FRIST.

Mr. FRIST. Mr. President, I rise to sustain the point of order against the proposal of the Senator from North Dakota for three reasons. No. 1, our trust funds need to be strengthened by combining the hospital trust fund with the physician trust funds. That is Medicare. You need physicians and hospitals. The real question is, What do we do with the surplus on the hospital side? Medicare has a deficit. I think we should not tell taxpayers we are going to take that money and use it to pay down the debt. We ought to reassure them that we can take that money forward and use it to modernize Medicare, strengthen it, eliminate the redtape, and install tools in our Medicare system that explain and get rid of the fact that an aspirin may cost $2. That makes our seniors mad.

Third, and last, every nickel that the taxpayer pays today will go for Medicare, will be used for Medicare. The President has said it. The underlying amendment by the Senator from New Mexico also will guarantee that every nickel paid in will be used for Medicare.

The PRESIDING OFFICER. The Senator from North Dakota has 1 minute 41 seconds remaining.

Mr. CONRAD. Mr. President, the argument of my colleague from New Mexico that somehow we are going to be paying big premiums to foreign debtholders has nothing to do with my provision here. My provision protects the trust funds of Social Security and Medicare against raids for other purposes. If you save the Social Security and Medicare trust funds in that way, there is no cash buildup problem until the year 2010—2010.

If the issues the Senator from New Mexico addresses become a problem, we have a lot of time to deal with it. You can save every penny of these trust funds and not have any of the problems he talked about, at least until the year 2010. Many of us believe we will never have them.

Mr. President, what is this amendment about? It is very simple: It says we are going to provide the same protection to the Medicare trust fund that we provide the Social Security trust fund. It says we are going to provide additional protection to the Social Security trust fund so that this Congress can't go back to the bad old days of raiding every trust fund in sight to pay for other purposes. That is what we used to do. We have stopped that practice. Let's make certain it doesn't start again. Let's protect the trust funds of Social Security and Medicare. It is the fiscally responsible thing to do.

Pursuant to section 904 of the Congressional Budget Act, I move to waive the applicable sections of the act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CONRAD. Mr. President, I also raise a point of order that the pending Sessions amendment violates section 306 of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. That point of order will be recognized when that amendment comes up. First, the Senate will vote on the motion to waive.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 53, nays 47, as follows:

[Rollcall Vote No. 22 Leg.]

YEAS—53

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Specter
Stabenow
Torricelli
Wellstone
Wyden

NAYS—47

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The PRESIDING OFFICER (Mr. CRAPO). On this vote, the yeas are 53, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 32

Mr. DOMENICI. I make a point of order on the Conrad amendment.

On the next amendment, does the Senator from North Dakota want to raise a point of order?

Mr. CONRAD. Mr. President, I raise a point of order that the pending Sessions amendment violates section 306 of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. Does the senator from New Mexico raise a point of order?

Mr. DOMENICI. Has the point of order been ruled on?

The PRESIDING OFFICER. The point of order has not been ruled on. The Senator from New Mexico has raised a point of order.

Mr. DOMENICI. Yes; he has. The point of order is that the Conrad amendment violates the Budget Act.

The PRESIDING OFFICER. On the amendment of the Senator from North Dakota, the Senator from New Mexico has raised a point of order that it violates the Congressional Budget Act. Since this is a matter of jurisdiction of the Senate Budget Committee, the point of order raised by the Senator from New Mexico is sustained and the amendment falls.

Mr. CONRAD. Mr. President, parliamentary inquiry.

Mr. WELLSTONE. Mr. President, could we have order in the Chamber? We can't hear.

The PRESIDING OFFICER. The Senate will come to order.

Mr. CONRAD. Parliamentary inquiry: Didn't the Senator from New Mexico have to have raised a point of order against my amendment before the amendment was voted on?

The PRESIDING OFFICER. The amendment was not voted on. The Senate voted on a motion to waive the Budget Act.

Mr. CONRAD. Mr. President, is it in order at this point for me to raise a point of order against the amendment?

The PRESIDING OFFICER. A point of order is now timely.

Mr. CONRAD. I raise a point of order that the pending Sessions amendment violates section 306 of the Congressional Budget Act of 1974.

Mr. DOMENICI. I move to waive that pursuant to the appropriate provisions of the law and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to waive the Budget Act in relation to the Sessions amendment No. 32. The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 52, nays 48, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—52

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone
Wyden

The PRESIDING OFFICER. On this vote, the yeas are 52, the nays are 48.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The Chair will now rule on the point of order.

Mr. HATCH. Mr. President, I move to reconsider the vote. I am sorry.

The PRESIDING OFFICER. The Senator from Utah is correct in moving to reconsider.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair will now rule on the point of order. The amendment of the Senator from Alabama would add a new point of order to the Budget Act. Since this is a matter within the jurisdiction of the Senate Budget Committee, the point of order is sustained and the amendment falls.

The Senator from Connecticut.

Mr. DODD. Mr. President, just so we understand the order of things here, as I understand it, my friend from Utah has a brief statement he wants to make, and then my colleague and friend from New York has a request to make, and then I would ask unanimous consent, at the conclusion of both of these, the statement and request, that the Senator from Connecticut be recognized to offer an amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DURBIN. Mr. President, reserving the right to object, I would like to put my name in the queue after the Senator from Connecticut has offered an amendment.

The PRESIDING OFFICER. Does the Senator from Utah raise an objection?

Mr. HATCH. I do raise objection to that.

The PRESIDING OFFICER. Objection is heard.

Mr. DURBIN. Mr. President, I withdraw my reservation and suggestion.

The PRESIDING OFFICER. Does the Senator from Utah raise an objection to the original request which would have the Senator from Connecticut following the two statements?

Mr. HATCH. Would the Chair tell me the original request?

Reserving the right to object, what is the original request?

The PRESIDING OFFICER. The original request was that the Senator from Connecticut be recognized to offer an amendment following a statement by the Senator from Utah and a request by the Senator from New York.

Mr. HATCH. Repeat the request one more time.

The PRESIDING OFFICER. The Senator from Connecticut has requested that following the statement of the Senator from Utah and a request by the Senator from New York, he be recognized to offer an amendment. Is there objection to the request?

Mr. HATCH. Is the offer of the Senator from New York an offer to make a statement only, or does the Senator want to call up an amendment?

Mr. SCHUMER. What I would like to do is get a time. I was assured, when I brought this amendment up last time, that we would get a vote on it. The regular order is still our amendment. We departed from it to do many other things. I want to get that assurance before the cloture vote tomorrow, that I get a set time when we can do that, which Senator GRASSLEY assured me of, as I can read here in the RECORD.

Mr. HATCH. Mr. President, let me object for now until Mr. GRAMM, the Senator from Texas, arrives on the floor.

The PRESIDING OFFICER. Objection is heard.

Mr. SCHUMER. Will the Senator yield?

Mr. HATCH. I yield for a question.

Mr. SCHUMER. I would say to the Senator, I have no problem waiting until we touch base with Senator GRAMM. I want to make as part of this order that I would then be allowed to take the floor and renew my request.

Mr. HATCH. Why don't we ask unanimous consent that I be allowed to make a statement as if in morning business and then the distinguished Senator may make his statement until the distinguished Senator from Texas gets here.

Mr. SCHUMER. Is he on his way?

Mr. HATCH. As I understand, he will be here in 5 minutes or so.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object, I am not going to object to my friend from Utah making a statement under normal comity in this body. If I could have the attention of the Senator from Utah for a moment, I am obviously not going to object to his making a statement, nor would he object to my doing the same. I keep reading statements from some of the leadership that we should hurry up this bill so that we would be allowed to vote. The Senator from New York had his amendment here on Thursday of last week and hasn't been able to get a vote. We began the bankruptcy bill and it was pulled down at the request of the Republican leadership to bring up ergonomics. I hope that the Republican leadership will allow us to start having some votes on some of these amendments and not just wait until such time as we have a cloture vote.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. Mr. President, does the Senator want me to yield for a question? I just want to make a statement.

Mr. WYDEN. Mr. President, I ask unanimous consent to speak for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. So long as I don't lose my right to the floor after he finishes his 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WYDEN. I thank my friend, the distinguished Chair. I am mostly interested in getting in the queue to offer an amendment with Senator SMITH. I would like to yield to Senator BOXER for a moment because I know her time is short. She has consulted with us on this amendment. I would like to yield to her for a quick moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. May I just ask what the order is. Is there an amendment pending? Is Senator WYDEN's amendment pending?

Mr. HATCH. The Senator is asking me?

The PRESIDING OFFICER. The Chair advises that a series of amendments have been offered. All have been set aside. There are 24 seconds remaining on the unanimous consent request.

Mr. WYDEN. Mr. President, I wish to be in the queue here on an amendment on which I have worked with Senator SMITH, and Senator BOXER would like to make a quick comment. I will yield back. I thank the Senator from Utah for his courtesy. I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. HATCH. Mr. President, I understand we are going to go to Senator SCHUMER, and after the distinguished Senator from New York, the distinguished Senator from Connecticut.

Mr. DODD. Mr. President, I was going to offer an amendment. I graciously yielded to a couple of things happening here. I am happy to yield to people to make statements unrelated to the bill, but I want to be protected. I would like to ask unanimous consent that at the conclusion of these remarks, I be allowed to offer an amendment.

The PRESIDING OFFICER. Is there objection to the request?

Mr. SCHUMER. Reserving the right to object, I don't have a problem with that, except that I want to make sure that before we get to that, I get to make my request.

Mr. REID. Will the Senator from Utah yield for a brief statement on the subject matter before the Senate?

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I say to my friend, the manager of the bill, along with Senator LEAHY, there is no question that there are amendments that should be voted upon. However, the distinguished Senator from New York is in a little different category because when he allowed his amendment to be taken down, the manager of the bill at the time, the chairman of the Finance Committee, someone who has worked on this bill for so long, this bankruptcy bill, Senator GRASSLEY of Iowa, said he would allow a vote on Senator SCHUMER's amendment. He said he didn't know when it would be, but there would be a guaranteed vote on that.

So I want to make sure the Senator from New York—everybody realizes he is in a little different category than everyone else, even though there are many other votes that should take place. There is no question but that the Senator from New York has been guaranteed and assured there would be a vote on his amendment. That is why he agreed last week to take it down.

The PRESIDING OFFICER. Is there objection to the request?

Mr. HATCH. Mr. President, reserving the right to object, let me just say this. Let me make this statement: As I understand it, we are waiting for the distinguished Senator from Texas to get here because he has an amendment, I believe, to the amendment of the distinguished Senator from New York. And then I will put in a quorum call and we will get this resolved.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. I object.

Mr. MURKOWSKI. Mr. President——

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. Mr. President, I ask unanimous consent that the Senator from New York be permitted to call up his amendment, that there is expected to be an amendment to his amendment by Senator GRAMM, and I ask unanimous consent Senator GRAMM be permitted to do that, and that we then go to the Senator from Connecticut.

The PRESIDING OFFICER. Is there objection?

Mr. SCHUMER. Reserving the right to object, I am not here to try to hold up the business. I want to make sure that since my amendment—I don't think we have to move to it because of the pending business. I want to make sure we get a time agreement as to when we are going to vote on my amendment.

That is all I want. But I will not relinquish the floor or allow any amendment to be offered until we get a time.

Mr. REID. Will the Senator yield?

Mr. SCHUMER. I will be happy to yield.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. REID. Will the Senator from Utah allow me to make a brief statement?

Mr. HATCH. I will be happy to.

The PRESIDING OFFICER. Is there objection to the Senator's request?

Mr. REID. I do not want him to lose the floor. I say to my friend from Utah, my friend from Vermont, and my friend from New York, I do not know where we got into the idea that we are going to have an amendment offered to Senator SCHUMER's amendment. I have the CONGRESSIONAL RECORD of March 8, 2001. Senator GRASSLEY said:

> The point is we can assure the Senator from New York the yeas and nays on his amendment, not someone else's amendment. We can't assure the Senator from New York when we are going to vote on this amendment, but there is going to be a vote on the amendment.

My only point is, how can we now change this to say we are going to be voting on a Gramm amendment? The Senator from New York was assured a vote on his amendment.

Mr. SCHUMER. Reclaiming the floor.

The PRESIDING OFFICER. The Senator from Utah has the floor. The pending matter is the unanimous consent request of the Senator from Utah.

Mr. SCHUMER. Reserving the right to object.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. What I want to do—I see the Senator from Texas has come to the floor—is ask a question. Does the Senator from Texas have a second-degree amendment to my amendment which is the pending amendment?

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. SCHUMER. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued the call of the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. SCHUMER. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued the call of the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk continued the call of the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent that the distinguished Senator from Connecticut be permitted to proceed with his amendment with a half hour time limit equally divided, and that immediately after the vote on his amendment, the distinguished Senator from New York be given the floor on his amendment.

Mr. DODD. Just to clarify how the amendment will be handled, will the Senator from Utah make it 45 minutes equally divided with no second degrees? Will the Senator add that element to it?

Mr. SCHUMER. I object.

The PRESIDING OFFICER. Objection is heard. The Senator from Utah has the floor.

Mr. SCHUMER. I object. That is it.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, so everybody understands where we are, the Senator from New York brought up an amendment on Thursday. He was promised on the RECORD by the manager of the bill that he would get a vote. The Senator from New York is within his rights to ask for that vote.

It seems to me to be a concern that everybody is holding things up so we cannot have votes. Is there any reason why we cannot set up a situation here—and both my friend from Connecticut and my friend from New York are on the floor—that we could have some kind of agreement that says, within the next 45 to 50 minutes, we could have at least two stacked votes, that of the Senator from New York and that of the Senator from Connecticut, with the understanding we can have one or two others after that; otherwise, we can spend as much time making unanimous consent requests to vote.

Why would that not be sensible? It is not just enough to say the Senator from Connecticut will bring up his, and after his vote on it we will have somebody else, if the vote turns out to be tomorrow afternoon at 5. I want to get a few votes today.

Mr. DORGAN. Will the Senator from Vermont yield for a question?

Mr. LEAHY. Sure.

Mr. DORGAN. I have not been involved in this discussion out here except to understand that today, yesterday, and Friday there was a great deal of complaining about this bill moving too slowly, it is not moving along, people are concerned and frustrated about it.

My understanding is that the Senator from New York offered his amendment, was committed to having a record vote on his amendment, and now we see delay, delay, delay on getting him a record vote on his amendment.

I ask the Senator from Vermont, is it his understanding the Senator from New York has a commitment that he will get a vote on his amendment?

Mr. LEAHY. I tell my friend from North Dakota it is in the CONGRESSIONAL RECORD that the majority side gave a commitment to the Senator from New York to have a vote. I would like to know when that vote will occur. I am a man of great and deep abiding faith, and I even believe in miracles, but I would feel a little more comfortable if, instead of dealing with a miracle, we had a precise time.

I suggest we have a vote at 4:45, 5, 5:15 or something like that on the amendment of the Senator from New York, and following that, a vote on the amendment of the Senator from Connecticut, followed by votes on other amendments.

Mr. DORGAN. Is it the case if the Senator from New York does not get a vote and there is a cloture vote that prevails, the Senator from New York will not ever get a vote on his amendment?

Mr. LEAHY. It is a possibility that the Chair may rule it is not germane and he would not get a vote, contrary to the commitment given by the Senate majority.

Mr. WYDEN. Will the Senator yield?

Mr. LEAHY. Without losing my right to the floor.

Mr. WYDEN. I am baffled why it has been so difficult to set up a queue. I have an amendment with Senator SMITH. I worked very closely with Senator BOXER to make some perfections on which she insisted. We are here to go with the queue so Senator DODD's and Senator SCHUMER's interests are protected as well as others.

Perhaps we could be enlightened what it will take to get a queue so a bipartisan amendment such as ours can go forward.

Mr. LEAHY. I don't know. We have several pending amendments that could all be voted on. I have one or two. We have the yeas and nays ordered, and I am willing to have a 2- or 3-minute time agreement.

I suggest to those who keep complaining about why this is taking so long, the amendments we know are going to require rollcall votes, we could dispose of more than half of them by 7 o'clock this evening.

Mr. REID. Will the Senator yield?

Mr. LEAHY. I yield without losing the floor.

Mr. REID. Mr. President, we work in this body by unanimous consent, by agreement. The senior Senator from New York, in good faith, allowed the Senate to proceed on Thursday with the express agreement he would have a vote on his amendment. I know the good faith of the Senator from Texas. He believes, at least it is my understanding, that some of the subject matter in this amendment that the Senator from New York has brought is under the jurisdiction of the Banking

Committee. That may be true. But the fact is, there was a gentleman's agreement in this Senate that Senator SCHUMER would have a vote on his amendment.

I think it would set a bad tone in this bipartisan Senate if someone goes back on their word. When a manager of a bill is operating in the Senate, he is operating for the caucus that he represents—in this instance, Senator GRASSLEY, one of the most senior Members, chairman of the Finance Committee. No one has been more heavily involved, with the possible exceptions of Senators LEAHY and HATCH.

I think we should get a time set to vote on the Schumer amendment. If my friend from Texas has an amendment, he should propose it.

I think it will create a very difficult situation if someone such as Senator SCHUMER is told by a manager of the bill he will have a vote and suddenly that agreement is voided. That is, in effect, what is happening. It would set an extremely bad tone.

Mr. LEAHY. I yield for the purpose of a question.

Mr. GRAMM. I will get recognized on my own.

Mr. SCHUMER. Will the Senator yield?

Mr. LEAHY. I yield without losing my right to the floor.

Mr. SCHUMER. I understand the difficulty we are in. I understand the difficulties of the Senators from Connecticut and Oregon. However, as was stated, I was promised a vote, unequivocally. I could have insisted on the vote then and there. The Senator from Texas wouldn't even have been on the floor to object. I didn't.

I will repeat the words, because this has been going on long enough. I—Mr. SCHUMER—said, from the March 8 RECORD:

> If the Senator from Iowa will yield, as long as we get the yeas and nays on this amendment in due course.

Previous to that, the Senator from Iowa had requested that I temporarily lay aside the amendment.

And Mr. GRASSLEY said:

> The point is, we can assure the Senator from New York the yeas and nays on his amendment.

That is as good an assurance as one can get on this floor. I feel constrained to object to anything moving forward until we get an agreement as to when we will vote on my amendment. I offer this to think about. I know the Senator from Texas wants to study it. We could, for instance, debate the amendment of the Senator from Texas for 45 minutes, debate my amendment for 45 minutes, and move to vote on both the amendment of the Senator from Connecticut and my amendment. Or we could use some other process.

Until I am given an assurance that we will have a vote on this floor on this amendment, until I am given a time—I have been given an assurance; I should not have to be given a second—until I am given a time as to when we will vote on my amendment, I am constrained to object to every amendment, even those from friends, even those with whom I might agree.

I yield.

Mr. LEAHY. Mr. President, I will yield the floor in a moment. I know the Senator from Texas wishes to speak, and I don't want to deny him that privilege.

The Senator from New York was given a commitment by the Republican leadership to have a vote. Frankly, at the rate we are going, I don't see that commitment being fulfilled. I have been here 26 years and I have never seen an instance where the majority—and I have been here three times the majority and three times the minority—I have never seen an instance where the majority has given such a commitment that hasn't been carried out.

I urge Senators on both sides of the aisle to make sure this will not be the first time in 26 years such a commitment was not carried out. This is a very serious matter.

There are only 100 Members who represent a nation of over a quarter of a billion people; 100 Members have a special responsibility because we are a small number. One is a responsibility to always carry forth our commitment. The Senator from New York has a commitment. It should be carried out. Frankly, we are only 3 months into this Congress. On a bill as serious as this, we should not have to be debating keeping a commitment that is laid out in the CONGRESSIONAL RECORD, but, rather, try to find how to get the votes and vote amendments up or down.

I have amendments. I am prepared to go to vote with a 2- or 3-minute time agreement. Let's not delay on the Senate floor and then hold press conferences by the Ohio clock saying: We can't understand why this bill is taking so long; I guess we have to file cloture.

The fact is, the bill could have been finished last week if people had let the votes occur.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, first, I just came into this discussion. I've had a lot of people speaking on my behalf, and I greatly appreciate it, but I am even more appreciative of the right to speak for myself. I never made any agreement with regard to this amendment.

One of my predecessors, Lyndon Johnson, used to say, "I resent a deal I am not a party to."

Having said that, when I read Senator GRASSLEY's comments in full, I do not see the deal that our dear colleague from New York sees. Senator GRASSLEY says on March 8, on page S 2032, "The point is we can assure the Senator from New York the yeas and nays on his amendment. We can't assure the Senator from New York when we are going to vote on the amendment."

Reasonable men looking at the same facts are prone to disagree, as Thomas Jefferson said. But it looks to me as if this is a commitment to have the yeas and nays on having a rollcall vote. I don't see any commitment about ending debate on the amendment in advance.

Having said that, let me say what I want to say.

No. 1, I will object to a time limit on any amendment within the jurisdiction of the Banking Committee from this point forward. We have all had a good time. We have debated a lot of amendments, many of which were of dubious merit and no relevance whatsoever to the underlying bill. But we have reached the point now where you are either for the bankruptcy bill or you are against it. I am for it. And I think we need to get on with our job. Cloture has been filed. We are going to vote on that tomorrow.

What I am willing to do is sit down with the Senator from New York and his staff, if we can do that, and try to figure out exactly what it is he is trying to do, get an opportunity to raise concerns I have, and then basically make a decision as to whether we can move forward with an amendment or substitute. But in terms of reaching a resolution, the best use of our time would be to sit down for a few minutes with our staff and see if we can potentially work something out. I would like to propose that to my colleague from New York.

Let me also make clear, it would make me happy to have no more amendments. I don't understand why we are continuing to have all these votes. If the Senator wants to hold the Senate up and not allow votes, that doesn't break my heart. But that is up to the Senator from New York. What I would like to do is see if something can be worked out and for the two of us and our staff to sit down and see if something can be worked out.

Since there is confusion about what Senator GRASSLEY meant, I don't have any doubt that the Senator from New York reads it the way he is saying it is written. I read it the other way. The point is, perhaps something can be worked out. However he wants to proceed, I think our time would be well spent to take about 10 minutes and sit down and talk to the amendment.

With that, let me suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate now resume consideration of the Schumer amendment, No. 25, that the amendment be modified, and following a statement by Senators GRAMM and SCHUMER—with Senator GRAMM going first—for up to 5 minutes each, the amendment be temporarily laid aside in order for Senator DODD to offer an amendment, No. 75.

I further ask consent that there be 40 minutes equally divided for debate in relation to the Dodd amendment and, following that time, the Senate proceed to vote in relation to the Schumer amendment, to be followed immediately by a vote in relation to the Dodd amendment, and that no second-degree amendments be in order prior to the vote.

I further ask consent that following those votes, the Senate proceed to consideration of the Wyden amendment, No. 78.

The PRESIDING OFFICER. Is there objection?

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Reserving the right to object, I, first of all, express my appreciation to the chairman of the Banking Committee for allowing us to go forward. I understand, as I indicated earlier in the day, the sincerity of his concern about this. I am happy to have him claiming jurisdiction. As I indicated to him, I have the same problem in my committee—Environment and Public Works—always trying to catch up to what the Energy Committee has done to us. So I express my appreciation of the entire Senate for the Senator's cooperation and also the patience of Senator DODD and the general work of everyone. I think this is a good agreement and we can get rid of this bill in a timely fashion.

Mr. HATCH. Mr. President, before you rule on my unanimous consent request, I would like to express my appreciation to both the distinguished Senator from Texas and the distinguished Senator from New York, and also the distinguished Senator from Oregon, as well as the distinguished Senator from Connecticut, for working out these various matters.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 25, AS MODIFIED

The amendment (No. 25), as modified, is as follows:

At the appropriate place, insert:

SEC. 204. PRESERVATION OF CLAIMS AND DEFENSES UPON SALE OF PREDATORY LOANS.

Section 363 of title 11, U.S. Code, is amended by adding at the end the following:

"(p) Notwithstanding subsection (f), if a person purchases any interest in a consumer credit transaction that is subject to the Truth in Lending Act (15 U.S. Code 1601 et. seq.), or any interest in a consumer credit contract as defined by the Federal Trade Commission Preservation of Claims Trade Regulation, and that interest is purchased through a sale under this section, then that person shall remain subject to all claims and defenses that are related to the consumer credit transaction or contract, to the same extent as that person would be subject to such claims and defenses of the consumer had the sale taken place other than under title 11."

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Texas is recognized for up to 5 minutes.

Mr. GRAMM. Mr. President, this is a very complicated issue. I am opposed to the amendment. There was a dispute about whether an agreement had been reached. I think you can read the language and argue it one way or the other, but the Senator from New York thought he had an agreement. And if he thought he had an agreement, I am willing to defer to it.

Here is the whole argument in a nutshell. The amendment would affect insurance companies, mortgage companies, securities companies. It is a change in current law. Here is the whole issue.

Currently, if I have a mortgage, or if I am a customer of a company, and the company holds an asset as a result of my doing business with them, when bankruptcy occurs and that company goes out of business—declares bankruptcy—my ability to file a claim against those assets is severed. Why is that the case? It is severed because at that point the people who are creditors of the company that has gone bankrupt have first claim against its assets.

If the amendment of Senator SCHUMER is adopted, well-intended as it is—and I am sure we will have dire examples of why it would be a good thing in some very limited cases—what it will really mean is that if I have a mortgage with a company that goes bankrupt, under current law the creditors of that company can sell that mortgage to try to pay off their debt. Under the Schumer amendment, at that point, never having raised any complaint whatsoever, I would have the right to come in and say: I believe there was something wrong. I never raised the point before, but now that the company has gone bankrupt, I want to claim that there is a problem with that loan and whoever bought the loan should carry the problem with them.

Here is the problem in a nutshell: This will destroy the secondary market for the assets of bankrupt companies. Now, who will suffer? Senator SCHUMER is going to say, maybe these people are crooks. But they are not going to suffer. They went bankrupt. The people who are going to suffer are the creditors who won't be able to sell the assets of the company because there will be a potential cloud against those assets.

This is a perfect case in point where, to correct a little wrong, you create a great big wrong that hurts ten thousand times as many people. The reason we have bankruptcy laws is that the first claim against assets goes to creditors, not people who may have real or imagined or made-up grievances against the company.

Surely in the midst of bankruptcy law in a country where we have a sanctity of contracts and where creditors have first claim, we are not going to create a situation where we taint the assets of a bankrupt company so that the people to whom the company owes money will end up not being able to get their money. That is the problem in a nutshell.

I am not saying there may not be unscrupulous lenders. The point is, if you listen to Senator SCHUMER, he is, essentially, penalizing not on the unscrupulous party, but the people who are owed money. What we would do if this amendment passed is we would literally cloud the title and the marketability of every financial asset of every financial company in America.

I hope this amendment will not be adopted. If it is adopted, I am determined that it not become law. I urge my colleagues to look at this amendment and keep in mind that bankruptcy law is primarily aimed at protecting creditors. Destroying the marketability of financial assets by creating the potential to raise new claims after the bankruptcy is something that cannot be in the public interest. It does nothing to hurt the bankrupt company.

If we want to strengthen laws to put people in jail longer for bad lending practices, that is one thing. To punish creditors who have had nothing to do with this issue is fundamentally wrong.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. SCHUMER. Mr. President, I thank my colleagues from Nevada and Utah for helping, as well as Senators from Connecticut and Oregon.

I say to my good friend, the Senator from Texas, his statements about the proposal are about as accurate as the statements about my title. I was elected to the Senate 2 years ago. He was calling me "Congressman SCHUMER." He was about as accurate in my appellation as he is in his description of the amendment.

First, this amendment is a simple amendment. When someone is terribly victimized because of a predatory lender, this amendment prevents that predatory lender from declaring bankruptcy, selling its loans into the secondary market, and then vamoosing, leaving the poor homeowner with nothing. This has happened time and time again. Predatory lenders have filed Chapter 11.

United Companies, First Alliance, Conti Mortgage, all listed hundreds of individual suits, class actions, and State government enforcement actions pending when they filed. Worse yet, when they sold their loan portfolios, the purchasers of these loans were fully aware of the predatory claims pending and serious questions about whether all the mortgages were valid or enforceable.

This is not some innocent creditor. Any creditor who buys loans in bankruptcy knows the score. And even when they do, under present law they can say to the poor homeowner who has basically been financially raped: Sorry, you have no claim against us. Go sue the bankrupt predatory lender.

What this does in effect is allow new predatory lenders to exist because they know even if someone goes after them, having made all their money beforehand and paid it out in salaries and everything else, they can then sell the loans into the secondary market and start up the business in a new name. If the secondary lender knew they might be susceptible to the claims of the homeowner who was seduced, they wouldn't be so fast to buy the loan from the predatory lender.

This is an amendment that is narrow. I supported the amendment by my colleague from Illinois, but that was much broader, dealing with all predatory lending. Not this. This only deals with those predatory lenders who declare bankruptcy as a means of escaping claims of people who have struggled, who have saved their $25 and $50 and $100 every week or month, so that they buy their home, and when they buy that home, they find that the home is in disrepair, that the mortgage is not what they were told, and their American dream is smashed.

If this amendment is so detrimental to honest secondary mortgage buyers, then why do Fannie Mae and Freddie Mac support this amendment? They are the largest secondary market makers in the country when it comes to mortgages, far and away, and they are supportive. I am sure they are not doing something to damage themselves.

This is not an overreaching amendment. It is a modest amendment. It is the most modest amendment that has been offered on predatory lending on this bill. It does not involve the Banking Committee, no more so than any of the other amendments that deal with money and banks and credit cards because we solely amend the bankruptcy code, not RESPA or TILA or any of the other laws in the Banking Committee's jurisdiction.

What it does is very simple: It deals with the kinds of situations that my good colleague, Senator SARBANES, mentioned when he rose in support of the amendment: That the predatory lender sells knowingly to the secondary mortgagor and that mortgagor then says: There is nothing I can do. Even though I knew these were horrible loans that violated the law, I am immune from any claim.

It is a simple amendment. It is a fair amendment. It is a humane amendment. I expect that this kind of amendment on its own should pass close to unanimously in this body. I don't know if it will. Based on the merits, it could hardly be fairer or any less controversial.

I remind my colleagues that everyone who cares about this issue is watching this vote. It is a simple and fair one and seeks only to protect innocent consumers, American families, by whom we have each been elected.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Under the previous agreement, the Senator from Connecticut is recognized.

AMENDMENT NO. 75

Mr. DODD. Mr. President, I send my amendment, No. 75, to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself and Mr. KENNEDY, proposes an amendment numbered 75.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Truth in Lending Act with respect to extensions of credit to consumers under the age of 21)

At the end of Title XIII, add the following:

SEC. 1311. EXTENSIONS OF CREDIT TO UNDERAGE CONSUMERS.

(a) IN GENERAL.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(8) APPLICATIONS FROM UNDERAGE CONSUMERS.—

"(A) PROHIBITION ON ISSUANCE.—No credit card may be issued to, or open end credit plan established on behalf of, a consumer who has not attained the age of 21, unless the consumer has submitted a written application to the card issuer that meets the requirements of subparagraph (B).

"(B) APPLICATION REQUIREMENTS.—An application to open a credit card account by an individual who has not attained the age of 21 as of the date of submission of the application shall require—

"(i) the signature of the parent, legal guardian, or spouse of the consumer, or any other individual having a means to repay debts incurred by the consumer in connection with the account, indicating joint liability for debts incurred by the consumer in connection with the account before the consumer has attained the age of 21;

"(ii) submission by the consumer of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account; or

"(iii) proof by the consumer that the consumer has completed a credit counseling course of instruction by an approved nonprofit budget and credit counseling agency that meets the requirements of section 111 of title 11, United States Code.".

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out section 127(c)(8) of the Truth in Lending Act, as amended by this section.

Amend the table of contents accordingly.

Mr. DODD. Mr. President, I believe that most people, including most of my colleagues, will understand the purpose and intent behind this amendment. It attempts to inject a sense of responsibility not only among those who have received credit, which this legislation purports to accomplish, but it also asks those who are extending credit to assume some responsibility as well. That is truly what the underlying legislation fails to accomplish. In my view, the underlying legislation fails to recognize that while creditors will gain much from this legislation, while young people in our country, those under the age of 21, remain unprotected from the barrage of unsolicited credit card applications.

I am not exaggerating when I tell you that the mere signature of a student and the presentation of an identification card, indicating they are a student at that institution, is all they need to sign up for $3,000, $5,000, $20,000 worth of credit.

This amendment merely attempts to inject some responsibility into a process that is out of control in this country. I will show you in a moment the statistics which bear this claim out. This is not a small problem. It is a growing problem. We must demand that the credit card industry bear some responsibility before they go on college campuses and accept applications from these young people, enticing them with the offer of a free baseball cap, or a free T-shirt without anything more than a signature and an ID. This is the growing problem across our nation that this amendment attempts to address.

Mr. President, I strongly support the purported goal of the underlying bill: to curb bankruptcy abuses. My fear is in our zeal to prevent abuses, we have cast the net too broadly, and snared some very honest and hard-working parents and young people.

Of equal concern is that this legislation does little to focus on an issue of fundamental importance, and that is trying to help consumers avoid declaring bankruptcy in the first place. That ought to be our first line of defense: to minimize or offer a means by which people would not have to seek bankruptcy protection. There is precious little in this legislation, which is heavily slanted toward creditors, to provide consumers with the tools they need to understand the causes and effects of filing for bankruptcy protection.

If those who incur debt must meet their responsibilities, so, too, must creditors who extend credit with no reasonable expectation that those debts will be repaid. My amendment simply requires that any credit card issuer, prior to granting credit to persons under the age of 21, obtain one of three things: That they have a co-signature by a parent, guardian, or other responsible party; or the applicant demonstrates an independent means of financial support for paying off the amount of credit that is offered; or the completion of a certified credit counseling course, which is currently outlined in the underlying legislation.

This is not an onerous obligation. Federal laws in this country already put limitations on what people under the age of 21 can do. You can't drink alcohol anywhere in America if you are under age 21. The Tax Code makes the presumption that if someone is a full-time student under the age of 23, they are financially dependent on parents or guardians.

I ask a simple rhetorical question, if you will: Is it so much to ask that credit card issuers find out if someone under the age of 21 is financially capable of paying back the debt? Or that their parents or guardians are willing to assume financial responsibility? Or if they don't want to meet either of those two conditions, that they understand the nature and conditions of the debt they are incurring?

It is my understanding that there are responsible credit card issuers already requiring this information in one form or another. Is it too much to ask that the entire credit card industry strive to meet their own best practices when it comes to the most vulnerable in our society?

Providing fair access to credit is something I have fought for throughout my entire tenure in the Senate. Credit cards can play a very valuable role in assisting millions of people to pursue the American dream. They have been a wonderful asset for millions of people.

This amendment would not result in the denial of credit to worthy young people. However, it would help to protect financially unsophisticated young consumers from falling into a financial trap even before beginning their adult lives.

Mr. President, I don't believe this amendment is unduly burdensome on the credit card industry, nor is it unfair to people under the age of 21. It is the responsible thing to do. The fact is, these abusive creditors assume that if the young adult is unable to pay, they will be bailed out by their parents. Many times this means parents must sacrifice other things in order to make sure their child does not start out their adult life in a financial hole, with an ugly black mark on their credit history.

By adopting this straightforward amendment, the Senate would send a very clear message to those aggressive credit card companies that we will no longer countenance their abusive behavior. This amendment corrects that behavior by making those overly aggressive credit card companies exercise their best judgment when it comes to the people who are obtaining their own credit cards for the very first time.

Additionally, the legislation before us offers no protection for the most vulnerable in our society, who ironically are the primary targets of many credit card issuers—college students. This amendment, which I am offering with my friend and colleague from Massachusetts, is very simple. It makes a modest attempt to help educate young people, as well as help credit card issuers help themselves by making sure that those persons applying for credit cards have the reasonable ability to repay those debts, or that someone will cosign with them, or that they will take at least a course on understanding what their credit responsibilities would be.

In the context of the bankruptcy debate, I think it is important to understand that an estimated 150,000 young Americans declared bankruptcy in the year 2000. I will repeat that. 150,000 young Americans, last year alone, filed for bankruptcy protection. That is a staggering number. According to Houston University professor, Robert Manning, the fastest growing group of bankruptcy filers are those people who are 25 years of age or younger.

In fact, the number of bankruptcies among those under the age of 25 is more than 6 times that of what it was 5 years ago. One of the most troubling developments in the hotly contested battle between the credit card issuers to sign up new customers has been the aggressive way in which they have targeted people under age 21, particularly on college campuses across America.

Solicitations of this group have become more intense for a variety of reasons. First, it is one of the few market segments in which there are always new customers to go after. Every year, 25 to 30 percent of undergraduates are fresh faces entering their first year of college. It is also an age group in which brand loyalty can be established. In the words of one major credit card issuer, "We are in the relationship business, and we want to build relationships early on."

Recent press stories have reported that people hold on to their first credit card for up to 15 years, but in my view, some credit card issuers have gone just too far. They irresponsibly, target the most vulnerable in society and extend large amounts of credit with absolutely no regard to whether or not there is a reasonable expectation of repayment.

Although college students are one of the primary targets for credit card marketeers, they are not alone. One does not have to be in college to receive a credit card. In fact, one does not have to be old enough to read to qualify for one.

I am sure there are people who may be listening to this debate who can offer their own anecdotes.

I bring the attention of my colleagues a heartwarming story that was reported in the Rochester Democrat and Chronicle. The article relates the story of a 3-year-old child who received a platinum credit card with a credit limit of $5,000. Her mother filled in the application. I quote what she said:

> I would like a credit card to buy some toys, but I'm only 3 and my mommy says no.

This child's credit line is greater than the number of days she has been alive. The pitfalls of giving 3-year-olds platinum credit cards is self-evident, and this is happening with increasing frequency.

Let me take a moment to refocusing on the efforts of credit card companies on young people in our academic institutions. Credit card issuers are deeply involved in the business of enlisting colleges and universities to help promote their products. I find this shameful, and I hope they are listening: It is shameful what you are doing to these young people on your campuses.

According to Professor Robert Manning, banks pay the largest 250 universities nearly $1 billion annually for exclusive marketing rights to sell their credit cards on college campuses.

Other colleges receive as much as 1 percent of all student charges from the credit card issuers in return for marketing or affinity agreements. Even those colleges that do not enter into such agreements are making money. Robert Bugai, the president of College Marketing Intelligence, told the American Banker that colleges charge up to $400 per day for each credit card company that sets up a table on their campuses. That can run into tens of thousands of dollars by the end of just one semester.

A recent "60 Minutes II" piece that ran a few weeks ago vividly illustrated the impact that credit card debt can have on college students. A crew from the show "60 Minutes II" went to a major public university campus in this country and, with the use of hidden cameras, filmed vendors pushing free T-shirts, hats, and other enticements with credit card applications: Just sign on the dotted line, show me your ID, and you get $5,000 to $10,000 worth of credit. That is all you need. A signature, an ID, you get a hat, a T-shirt, and you incur $5,000 worth of debt.

"60 Minutes II" revealed that the university, a well-known university in this country, was being paid $13 million over 10 years by a credit card company for the right to have a presence on their campus and to use the university logo on its credit cards. This public university is actually making money off its students who use these cards. As part of the agreement, the university receives four-tenths of a percent of each purchase made with the cards.

Unbelievable. This university has a vested interest in getting their students in as much debt as possible.

We have a chance to do something about that. Look, if you are going to sign up a student under 21, and they do not have the independent means to repay, then a parent, guardian or other responsible party should co-sign or at least mandate that the student will take a course to understand what credit obligations are.

If you are in the military, you have a paycheck. This amendment has no effect on persons who have a source of income. I am not referring to those people. I am talking about kids who have no independent means of financial support, who are being given these cards without any consideration for what it is going to do to them or their families.

The "60 minutes II" piece also told the story of one student's circumstances, Sean Moyer. He made desperate attempts to handle the massive credit card debt he incurred. Sean Moyer's life began to spin out of control as a result of the huge debts racked up in 3 years in college. He could not get loans to go to law school like he dreamed. His parents could not afford to pay his way. So in 1998, Sean Moyer took his own life.

"It is obscene that the universities are making money off the suffering of their students," said Sean Moyer's mother. Sean Moyer had 12 credit cards and more than $10,000 in debts when he committed suicide nearly 3 years ago. He had two jobs, one at the library and another as a security guard at a Holiday Inn, but he still could not pay his collectors.

Three years after his son's death, his mother still gets pre-approved credit card offers in Sean's name from some of the same companies to whom he owed thousands of dollars. One company pre-approved Sean for a $100,000 credit line, according to his mother.

Do not misunderstand me. People have to take responsibility for their actions. If you are going to apply for a credit card, you have to understand your responsibilities. All that I ask is that there be a commensurate responsibility on those soliciting these individuals. That is all I am asking for: some sense of balance in this bill.

In the last Congress, I went to the main campus of the University of Connecticut in my home State to meet with student leaders about this issue. I was surprised at the amount of solicitations occurring at the student union at the University of Connecticut. I was surprised at the degree to which the students themselves were concerned about the constant barrage of offers they were receiving.

The offers seemed very attractive. One student intern in my office received four solicitations in 2 weeks: One promised "eight cheap flights while you still have 18 weeks of vacation." Another promised a platinum card with what appeared to be a low interest rate until you read the fine print that it applied only to balance transfers, not to the account overall.

Only one of four, the Discover card, offered a brochure about credit terms, but in doing so also offered a spring break sweepstakes. In fact, last year the Chicago Tribune reported that the average college freshman will receive 50 solicitations during their first few months at college—50 solicitations from credit card companies. All you have to do is sign up and show your ID. You get five grand of credit. Is it too much to ask that the student show they can repay these debts? Or have an independent source of income? Or, in the absence of that, mom and dad or guardian are going will cosign the application? Or the student will complete a credit education course to understand what credit obligations are? It can be any one of these three options. That is all this amendment does.

College students can get green-lighted for a line of credit that can reach more than $10,000 on a signature and an ID, according to the Chicago Tribune.

There is a serious public policy question about whether people in this age bracket can be presumed to be able to make the sensible financial choices that are being forced on them from this barrage of marketing. It is very difficult to get reliable information from the credit card issuers about their marketing practices to people under the age of 21.

However, the statistics that are available are deeply troubling. I refer to chart #2, titled "Undergraduates pile on credit cards and debt." Nellie Mae, a major student loan provider in New England, conducted a recent survey of students who applied for student loans. It termed the results "alarming".

The study found the following: 78 percent of all undergraduate students have at least one credit card. That is up in 2 years from 67 percent to 78 percent. Of those students, the average credit card balance is $2,748. That is up from $1,879, 2 years ago.

In 1998, 67 percent of these students with credit cards, and in 2 years it jumped 11 percent. In the same 2-year period, the obligations have gone up nearly $1,000, with every indication that student credit card debt is on the rise. We can do something now or wait until the problem is more severe. Ten percent of the college students have over $7,000 in credit card debt; 32 percent of the undergraduates had four or more credit cards in the survey.

Some college administrators are bucking the trend of using credit card issuers as a source of income. Some have become so concerned they have banned credit card companies from their campuses. I applaud them. Some have even gone so far as to ban credit card advertisements in the campus bookstores.

Roger Witherspoon, the vice president of student development at John Jay College of Criminal Justice in New York, banned credit card solicitors, saying indebtedness was causing students to drop out. Middle-class parents can bail out their kids when this happens, but lower income parents can't.

I don't completely agree with Mr. Witherspoon on that statement. I don't think middle-class parents can afford it, either. Middle-class parents trying to make ends meet can hardly assume this kind of burden. Only the most affluent of people can assume these obligations.

Mr. Witherspoon also said, "kids only find out later how much it messes up their lives."

An important component of this amendment is requiring credit counseling.

Let me explain how this works. Much like we encourage our children who reach driving age to take driver's education courses to prevent automobile accidents, I think we should teach young people, young consumers, the basics of credit to avoid financial wrecks. Educating our Nation's youth about responsibilities of financial management is critical. Currently, we hardly do a very good job.

There is overwhelming evidence student debt is skyrocketing. Most surveys also show the same group of consumers is woefully uninformed about basic credit card terms and issues. According to the Jump Start Coalition for Personal Financial Literacy, a nonprofit group which conducts its annual national survey of high school seniors' knowledge of personal finance, financial skills are poorer today than 3 years ago.

I will not go into all of the data they provided, but a startling number, well over a majority of students, have little or no understanding how credit works.

Without any question in my mind, some credit counseling requirement is needed before you can sign on for the kind of debt being offered by the credit card issuers. The amendment I offer does not take any draconian action against the credit card industry.

I agree with those who argue there are many millions of people under the age of 21 who hold full-time jobs, are deserving of credit. I also agree students should continue to have access to credit, that we should not try to prohibit the market from making credit available to them. Again, this amendment does nothing to affect these persons. However, you ought to be required to have more than just a student ID to qualify for credit. That is all that is currently required. I don't think asking for a co-signature, or proof that you have a job id too onerous. Barring the absence of those two qualifications, you need only take a course in credit responsibility.

I think parents across the country would applaud the passage of this amendment. How many parents with kids who are currently in college are incurring more debt than they can afford. Are they perhaps affecting the ability of another sibling to go to school because of the debt they have accumulated? I think every mother and father in America would applaud a Senate that said: When you tighten the bankruptcy laws for debtors, make the credit card companies more responsible, too.

This is a modest amendment. Can't we adopt this amendment, include this sort of simple proposal, to add some basic sense of responsibility for creditors? This bill should help families, not hurt them. If I have to choose between the credit card companies versus the parents, I believe that we should side with the parents. On this issue, parents should get our vote.

I hope my colleagues, Republicans and Democrats, whatever else their views may be on this bill, will decide tonight, as parents and children gather around the dinner table, we will vote for this amendment, and cast a ballot tonight on behalf of families.

Mr. HATCH. How much time remains?

The PRESIDING OFFICER. The Senator from Utah has 20 minutes under his control; no time remains for the Senator from Connecticut.

Mr. HATCH. Mr. President, I appreciate the feelings of my colleague from Connecticut. He is a good man.

I think this is a discriminatory amendment which would unduly restrict access to credit cards for adults between the ages of 18 and 21. It is a paternalistic amendment and some believe it is paternalism at its worst. It puts a complete prohibition on the issuance of a credit card to those adults unless, one, their parent, guardian, spouse, or someone else with means agrees in writing to joint liability for the debt; or, two, if a person submits proof of independent means of repayment; or, three, the consumer proves he has completed a credit counseling program.

These hurdles, targeted at adults between the ages of 18 and 21, in our opinion, are not warranted. In short, adults between the ages of 18 and 21 can vote, serve in the military, obtain a driver's license, and under longstanding law enter into legally binding contracts. Discriminating against them when it comes to obtaining credit cannot be justified.

The unnecessary and burdensome requirements of making various paperwork submissions under this amendment will make the cost of credit more expensive for everybody and the process inefficient.

Of course, this amendment strikes me also as ironic. Those who oppose parental consent for abortion for those under the age of 18 want parental consent for individuals over 18 to get credit cards. Something is wrong with that picture. That, it seems to me, is ironic.

Finally, we have already had a 55–42 vote to table an amendment that attempted to restrict access to credit to adults between the ages of 18 and 21. This amendment by the distinguished Senator from Connecticut is even more restrictive and unfair than that amendment.

One last comment I have is this amendment is based on the myth younger borrowers are less responsible than older borrowers. The truth is that they are more responsible.

As of 1999, 59 percent of all college students in America paid their balance in full at the end of each month compared to only 40 percent of the general population, And 86 percent of students pay their credit cards with their own money, not with their parents' money.

Frankly, there is little or no reason to have this amendment. I know it is well intentioned, but just the costs alone would be passed on to every person in the country. Frankly, I think this amendment discriminates against young people between 18 and 21, the age of accountability in the eyes of most States, where they can legally enter into contracts. What are we going to do next, take away their rights to enter into contracts because we don't trust them or we don't think they are adult enough to be able to handle these matters?

Again, I think this amendment is well intentioned, but these young people have all these obligations in life that they have to live up to, and they are living up to them. Yes, there are horror stories such as those the Senator has indicated, but I can give you horror stories among adults, too, 40, 50, 60 years of age who just didn't live up to the obligations to pay their debts.

I think bankruptcy is a sorry thing for everybody. I wish nobody had to go into bankruptcy. But I will tell you one thing: To pass on additional costs and additional burdens to everybody else because there are some people who are irresponsible is not the right thing to do.

Last but not least, under this bill, if they are under the average median income in their particular area, they will not have the obligation of going into the other chapter and having to try to pay back some part of these debts. I think society understands that.

What we are trying to do is get people to be more responsible in this area. I think this bill will go a long way towards doing that. I appreciate my colleague, but I have to move to table this amendment. I am prepared to yield the remainder of my time.

Does the Senator need any more time? I am prepared to yield the remainder of my time.

Mr. DODD. If the Senator will yield 5 minutes of his time for one Member who would like to be heard on the amendment? I have no time.

Mr. HATCH. I am happy to yield to the distinguished Senator from New York from my time, and then if I could have 1 minute after that.

I yield 5 minutes to the distinguished Senator from New York.

Mrs. CLINTON. Mr. President, I join in support of this amendment because we know, from a lot of the work that has been done over the last several years, many students are being deliberately solicited, even targeted, for credit cards before they are financially independent, responsible, or knowledgeable about what it is they are signing up for. Story after story has demonstrated clearly that this particular amendment by my good friend, the Senator from Connecticut, targets a real problem.

I think all of us are committed to ensuring that people who are irresponsible with their financial affairs are held accountable. But I think we should look at our young people in a different category. It used to be no one could be held financially responsible when they were under 21. Then the age was dropped for many purposes to 18. But despite how quickly it seems our children grow up these days, there are many young people in college or out working who are not yet 21 who do not really have the experience to deal with the solicitations that come flooding through the mail and over the telephone that we know are targeting them with these credit card applications.

This morning, I was talking with another colleague of ours who told me he was babysitting for his very young grandchildren. He put them to bed, the phone rang, and the person on the other end asked for one of his granddaughters. Our colleague said: What is this about? He was told, much to his amazement, that his 5½-year-old granddaughter had been approved for a new credit card. He said he was shocked this kind of activity was going on and did not really believe it until it happened in his own family.

I urge our colleagues, regardless of the position we take on the underlying legislation, we should stand behind the basic principle that our young people should not be solicited, they should be given some better credit training as this amendment proposes, and there should be some sense of responsibility on the part of creditors before they reach out to entice our young people into these credit cards before they even know what it is they are signing up for. It looks all so easy, and they end up in trouble, with debts they cannot pay.

Let's try to avoid that. That does not mean they cannot ever become customers, but let's make it a little more reasonable in the steps that have to be taken in order for them to qualify.

I certainly urge passage of this amendment. I thank my good friend, the Senator from Utah, for yielding time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I will just take a minute.

I understand this amendment is well intentioned. Think about it. We are talking about taking away the rights of people who have to go to work, people who have a driver's license, people who can enter into legal contracts. That is paternalism at its worst.

According to a national survey by the Educational Resources Institute, a majority of students use credit cards responsibly and do not accumulate large amounts of credit card debt. The majority of students, 59 percent, typically pay off their monthly balances right away. Of the 41 percent who carry over their balances each month, 81 percent pay more than the minimum amount due. In addition, the overwhelming majority of students pay their own credit card bills. The 14 percent of students who do not pay their own bills receive assistance mostly from parents or spouses.

The average monthly balances reported by students also appear to be manageable. Eighty-two percent of students with credit cards who know their balance report average balances of $1,000 or less, and 9 percent have average balances between $1,001 and $2,000. In addition, slightly more than half of student credit card users report combined limits of $3,000 or less. All of these factors indicate the majority of students use credit cards responsibly.

A significant portion of students with credit cards use them to pay for education-related expenses.

This amendment is much more restrictive than the prior amendment by the distinguished Senator from California, which was voted down.

I am prepared to yield back the remainder of my time, having said that.

VOTE ON AMENDMENT NO. 25, AS MODIFIED

On the Schumer amendment, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table amendment No. 25, as modified. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 44, nays 55, as follows:

[Rollcall Vote No. 24 Leg.]

YEAS—44

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Voinovich

NAYS—55

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Specter
Stabenow
Torricelli
Warner
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The motion was rejected.

Mr. HATCH. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 25, AS MODIFIED

The PRESIDING OFFICER. The question occurs on amendment No. 25, as modified.

Mr. HATCH. Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment (No. 25), as modified, was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote.

Mr. HATCH. I move to lay that on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 75

Mr. HATCH. Mr. President, I move to table the Dodd amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table the Dodd amendment. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The PRESIDING OFFICER (Mr. VOINOVICH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—58

Allard
Allen
Bayh
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cleland
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Dorgan
Ensign
Enzi
Feingold
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kohl
Kyl
Lincoln
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—41

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Feinstein
Graham
Harkin
Hollings
Inouye
Kennedy
Kerry
Landrieu
Leahy
Levin
Lieberman
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The motion was agreed to.

Mr. WYDEN. I move to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 78

The PRESIDING OFFICER. Under the previous order the clerk will report the Wyden amendment.

The legislative clerk read as follows:

The Senator from Oregon [Mr. WYDEN], for himself, Mr. BAUCUS and Mrs. MURRAY, proposes an amendment numbered 78.

Mr. WYDEN. Mr. President, I ask unanimous consent reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for the nondischargeability of debts arising from the exchange of electric energy)

After section 419, insert the following:

SEC. 420. NONDISCHARGEABILITY OF DEBTS ARISING FROM THE EXCHANGE OF ELECTRIC ENERGY.

(a) IN GENERAL.—Section 1141(d) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(6) The confirmation of a plan does not discharge a debtor—

"(A) in the case of a debtor that is a corporation, from any debt for wholesale electric power received that is incurred by that debtor under an order issued by the Secretary of Energy (or any amendment of or attachment to that order) under section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and requested by the California Independent System Operator; or

"(B) in the case of debt owed to a Federal, State, or local government agency named in an order referred to in subparagraph (A) for wholesale electric power received by the debtor except to the extent the rate charged for power traded by the California Power Exchange delivered to the California Independent System Operator is determined by the Federal Energy Regulatory Commission to be unjust and immeasurable, in which case this subpargraph should only apply to debt for the actual cost of production and distribution of energy.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (28), as added by section 907(d) of this Act, by striking "or" at the end;

(2) in paragraph (29), as added by section 1106 of this Act, by striking the period at the end and inserting "; or"; and

(3) by inserting after that paragraph (29) the following:

"(30) under subsection (a), of the commencement or continuation, and conclusion to the entry of final judgment or order, of a judicial, administrative, or other action or proceeding for debts that are nondischargeable under section 1141(d)(6).".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 1141(a) of title 11, United States Code, is amended by striking "subsections (d)(2) and (d)(3) of this section" and inserting "paragraphs (2), (3), and (6) of subsection (d)".

(d) APPLICABILITY.—This section and the amendments made by this section shall apply with respect to any petition for bankruptcy filed under title 11, United States Code, on or after March 1, 2001.

Mr. WYDEN. I offer this bipartisan amendment tonight on behalf of my colleague from Oregon, Senator SMITH, from the Pacific Northwest. It was perfected in close consultation with Senator BOXER because of the importance of this matter to Senator BOXER's California constituents.

As all of our colleagues know, during the California energy crisis a number of regions of this country have tried to assist. In the Pacific Northwest we believe we have been more than a good neighbor. Bonneville Power and other governmental agencies up and down the west coast have repeatedly shifted power to California to help out at critical times.

Various California public officials have thanked profusely the Bonneville Power Administration and others for helping California avoid blackouts, help that was a real hardship for many in the Pacific Northwest because we have had a tough year, a low-water year. A variety of concerns were very much on the mind of those whom Senator SMITH and I represent.

To give an idea of how appreciative California public officials have been, I will read a letter Senator FEINSTEIN wrote to Bonneville Power Administration recently.

It reads:

DEAR MR. WRIGHT: I am writing to express my gratitude to Bonneville Power Administration for selling power to California yesterday.

Yesterday my State nearly had an energy catastrophe. In a meeting at my office yesterday to discuss California's energy situation with Governor Davis, Secretary Richardson from the Department of Energy, and Federal Energy Regulatory Commission Chairman Hoecker, calls came into my office that within the hour, a rolling blackout could hit California and that the California Independent System Operator (ISO) would not be able to purchase the power necessary to "keep the lights on."

Twelve energy generators, marketers and utilities, mostly located outside of California, contacted the California ISO yesterday and indicated their reluctance to sell electricity into California without letters of credit from California's investor owned utilities, who they feared would not be able to pay for this power because of their economic circumstances.

I am very grateful for BPA's cooperation! THANK YOU!

Mr. WYDEN. Mr. President, thank-you letters are certainly appreciated, but Bonneville Power still is in a position where they need to be repaid. As of now, Bonneville Power is owed more than $120 million by California, and various other public entities such as the Western Area Power Administration and various municipal utilities up and down the west coast are also owed funds. The fact is that they do not have shareholders as do the big, private California utilities. The people we are speaking for in this amendment do not have any stockholders to absorb the costs if they are not paid what they are owed. The public entities that would get a fair shake under this amendment would have to pass the costs on directly to the consumers if they were not in fact repaid.

Our amendment makes nondischargeable in bankruptcy any debts under the Department of Energy emergency orders or otherwise owed for electric power sent by Federal, State, or local governmental agencies. This means these debts would have to be paid in full unless there was a determination by the Federal Energy Regulatory Commission that the rates charged in California for electric power were unjust and unreasonable.

I want to make it very clear, because we have seen a lot of letters passed around, exactly what Senator SMITH and I are saying in this bipartisan amendment. All we are saying in this amendment is that if you are in a chapter 11 bankruptcy proceeding, you have to have a plan to pay the public back when the public has assisted you in these emergency situations.

Let me repeat that. There is no preference given to anybody—nobody—in this amendment. But it does say that instead of stiffing the people of the Pacific Northwest and some other public entities such as in the Western Power Administration that serves Montana and other areas, you have to have a plan in order to pay those folks back.

Mrs. BOXER. Will my friend yield?

Mr. WYDEN. I am happy to yield to my friend from California.

I want to make clear to her we very much appreciate her being involved because this is so important to her constituents. We tried to perfect it so as to address her legitimate concerns.

Mrs. BOXER. I thank my friend.

Mr. LEAHY. Mr. President, if I may interrupt, I hope Senators who have amendments they want to bring down, and I hope they will because I think many of us would like to get some amendments that would be in a position to be voted on perhaps early tomorrow morning so we can start fairly quickly.

As I said, we would have finished this bill last week had we not had ergonomics and other things interfering.

Mr. WYDEN. I express again my appreciation to the Senator from California because we want to come up with something that will work for the whole west coast and not pit people against each other. I am happy to yield to the Senator at this time.

Mrs. BOXER. Let me say to my friend, what I would like to do is state my understanding of the amendment by the two Senators from Oregon, and then ask my friend to comment if I am correct in my assumptions about this amendment.

First, I appreciate the Senator's openness, working with me. The fact is I agree with my colleague; we on the west coast are going to have to work together. We need each other because there are some times when they will need power and we will have excess power. That may happen at some point. It has happened in the past. Certainly in this recent example we desperately need the power, and even though they had a hard time doing it, they came through for us. That is why we have thanked them. I say again a very big thank you on behalf of my constituency.

As we all know, power is not a luxury item; you need it to live. If you are elderly and it is cold, you need it to stay warm. You need the lights. Certainly our jobs depend on electricity. So I do think the spirit with which my friends offer this amendment is not a spirit of anger but I think it is a spirit of fairness.

I want to point out to my friend my understanding, and I hope when he comments on my remarks he will tell me if I am right, that there are 12, as we have read it, public power entities in California which will benefit from his amendment. In other words, it is not only Bonneville but, in essence, what I understand the Senator is saying is if public utilities stepped in and helped us during this period, the utilities should pay their bills. I think it is fair. I don't think we can say thank you very much and then let them be there hanging, without getting paid.

I think it also says if the private sector was forced to sell power in addition to the public sector during that crisis period, in fact they will get paid, except they will not get paid back that portion that the FERC says was unfair and unreasonable.

I really appreciate my friend including that language in his amendment because while I want to pay people a fair price, I do not think we should have to pay it if it is gouging. My friend was very quick to say he would, in fact, add that language.

So my understanding is the purpose of this is to protect, in general, public utilities that are selling to California, to make sure they get paid; second, during that period of crisis, that any generator that was forced to sell, gets paid—except they do not get the part that may have been considered unjust and unreasonable charges.

As I understand it, the public power entities that will benefit from this are: California Department of Water Resources, City of Anaheim, City of Azusa, City of Banning, City of Burbank, City of Glendale, City of Pasadena, City of Riverside, City of Vernon, Sacramento Municipal Utilities District, Silicon Valley Power, and Western Area Power Administration in Folsom.

I have heard from these public utilities. They have told me, I say to my friend from Oregon, they are very frightened about not getting paid. While the big generators may be able to wait, these smaller public utilities really need this amendment so if the worst happens—and we certainly hope the worst will not happen—and there is a bankruptcy filing, these debts cannot be discharged.

Let me just wrap it up in this fashion. I know there are disagreements. The Governor does not agree with my position on it, Senator FEINSTEIN does not, others do. The fact of the matter is, I do not want to be known as a deadbeat State. California is too great to get that kind of reputation. I think what you are doing in this amendment is just assuring people that will not happen. I think it is important. It is the responsible way to proceed.

Frankly, as I look at reports that show our private utilities—and this is a fact—taking some of the windfall that they got at the beginning of deregulation and giving it to parent companies and, therefore, shielding it, this is not a good thing. This isn't a fair thing.

Why should a public utility that came to our rescue get punished because our private utilities took funds and essentially gave them over to a parent company? And now we cannot get at those funds.

So on behalf of these public power entities in California that will benefit from this—and, frankly, in the name of fairness—I think the Wyden-Smith amendment is a fair amendment. I hope that it shows my friends that I do think we are in this together, that the west coast has to stick together.

If this amendment is adopted—and I hope it is adopted—it is a signal that we are not saying, by virtue of this bill, that people can declare bankruptcy, utilities can declare bankruptcy, and run away from these bills they owe public utility companies and also some of the private generators during that period of the threatened brownouts.

So I ask my colleague if he agrees with my interpretation of his amendment and for any other comments he might have.

Mr. WYDEN. I think the Senator has stated it extremely well and put a very complicated, by anybody's calculation, and arcane subject into something resembling English. I really appreciate the Senator's explanation. I think the position the Senator has taken not only is correct, but it is very gutsy.

We all know this is a divisive issue in many quarters. I want the public to know the reason we have nailed down the protection for those various public entities, such as those California municipalities, is because Senator BOXER stood up for them. I want it understood that those FERC provisions, again, in the name of fairness, came about because the Senator helped us put that language together. I think when one looks consistently at who is out on the floor of the Senate standing up for the consumer, the Senator has shown that again and again. I think the spirit the Senator has shown in working with us on this issue is exactly what it is going to take to bring folks together in the Senate and on the west coast to really address this issue in a comprehensive way for the long term.

I thank the Senator and would be happy to yield to her for any other comments.

Mrs. BOXER. I thank the Senator again. This is a long, drawn-out fight. I hope we can work together in the future.

Mr. REID. Would the Senator from Oregon yield for a unanimous consent request?

Mr. WYDEN. Absolutely.

Mr. REID. This is a very difficult issue. A lot of people want to speak on it. I see a number of them on the floor this evening.

Senator CARNAHAN, the junior Senator from Missouri, has been here, in and out, all day long. She has an amendment to offer. She has asked to speak on the amendment for 5 minutes. Then we would return the floor to the Senator from Oregon.

I would ask those on the floor who are so concerned about this amendment offered by the Senator from Oregon to allow Senator CARNAHAN to proceed. I ask unanimous consent——

Mr. WYDEN. Will the Senator yield?

Mr. REID. Yes.

Mr. WYDEN. Clearly, I think west coast Senators may not agree on everything debated tonight, but I think all of us can agree it is very appropriate that Senator CARNAHAN get 5 minutes at this point.

Mr. REID. Mr. President, I ask unanimous consent that the pending amendment be set aside, that the Senator from Missouri be allowed to offer an amendment, and to speak on it for up to 5 minutes, and then the floor would be returned to the Senator from Oregon.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I just ask consent to speak for a moment before we go to the Senator from Missouri without it detracting from her time.

I am also delighted to see the Senator from Missouri here to offer and speak on her amendment. I want to add to what the Senator from Nevada said. He did his usual courtesy in providing for all Members on our side. The Senator from Missouri has been on the floor waiting to speak more today than has the Senator from Vermont as one of the managers. So it is only appropriate she proceed now. I commend the Senator from Missouri.

I yield the floor.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside. The Senator from Missouri is recognized for up to 5 minutes.

AMENDMENT NO. 40

Mrs. CARNAHAN. Mr. President, I call up amendment No. 40.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mrs. CARNAHAN], for herself and Ms. COLLINS, proposes an amendment numbered 40.

Mrs. CARNAHAN. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To ensure additional expenses associated with home energy costs are included in the debtor's monthly expenses)

On page 10, between lines 17 and 18, insert the following:

"(V) In addition, if it is demonstrated that it is reasonable and necessary, the debtor's monthly expenses may also include an additional allowance for housing and utilities, in excess of the allowance specified by the Local Standards for housing and utilities issued by the International Revenue Service, based on the actual expenses for home energy costs, if the debtor provides documentation of such expenses.

Mrs. CARNAHAN. The purpose of the amendment that Senator COLLINS and I are offering is to make sure that extraordinary and unexpected expenses related to home energy costs are taken into consideration in the means test.

Under the bill, monthly utility expenses are calculated based on the Internal Revenue Service standards. But these standards are only updated once a year from data based on the previous 12 months.

These standards do not take into account the potential for dramatic increases in home energy costs. The sharp rise in home energy costs this winter has put a tremendous strain on low- and middle-income Americans. People across Missouri and, indeed, across the country have experienced dramatic increases in their home energy costs. Therefore, I believe the potential for significant increases in home energy costs must be considered in the means test.

Our amendment ensures that a debtor can include an additional allowance in his or her monthly expenses if the debtor can document a sharp rise in home energy costs. The bill already allows a debtor to include an additional allowance for food and clothing in excess of the IRS standard.

The logic of this amendment is similar. It would allow bankruptcy judges to consider whether an additional allowance related to home energy costs is appropriate. But the amendment requires that an additional allowance is only permitted when it is reasonable and necessary, and when the debtor can provide documentation of the additional expenses.

The added discretion provided by the amendment will enable bankruptcy judges to consider that families may be paying double or triple the price for heating their homes as they did when the IRS last calculated local energy costs.

Our amendment will ensure that full bankruptcy relief is not denied to individuals and families because they have been saddled with extraordinary utility costs.

Mr. President, I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I commend the Senator from Missouri for the amendment she has offered. As does the Senator from Missouri, I come from a State that has some very cold winters and a lot of snow. I know how important this issue is.

Any of us who live, basically, in the frost belt know how an unusually severe winter, sometimes even an enormously severe winter, can push somebody over the brink into bankruptcy.

I think the distinguished Senator from Missouri—I assume we will vote on her amendment tomorrow—has raised an extremely good point. I hope all Senators, whether they come from the northern-tier States or from more temperate States, will look at her amendment and support it. I applaud her for proposing it.

I yield the floor.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I will now resume consideration of the amendment I have offered with Senator SMITH. I, too, want to praise Senator CARNAHAN for an excellent amendment. I am happy she spoke on it at this time.

AMENDMENT NO. 78

Mr. President, just a couple of additional points. Again, I want to make it clear that nobody is going ahead of the line under this amendment that we have developed in close consultation with Senator SMITH. I want to make it clear that all that happens is in chapter 11 you have to have a plan to repay the public.

In providing for this review by the FERC, we are not in any way subjecting the Bonneville Power Administration and public entities to rate review by FERC. Rather, it would have rates for power traded or delivered in California subject to FERC review, to examine if they are unjust and unreasonable.

It was a very tough proposition for folks in the Pacific Northwest and elsewhere to send our power to California.

It has been a tough year. At the bipartisan town meetings Senator SMITH and I held earlier this year, again and again we heard from our constituents who were very irate—and understandably so—about being forced to send power to California. It doesn't seem to be fair—it is just not right—to say that all of those working families in the Pacific Northwest are going to be stiffed, that after thank-you letters have arrived, now somehow there could be a bankruptcy proceeding and the folks we represent just have to face the music and the extra cost.

I urge my colleagues to prevent this unfair result by supporting the bipartisan amendment Senator SMITH and I developed with Senator BOXER from California.

I am happy to yield to my colleague from Oregon at this time.

AMENDMENT NO. 95 TO AMENDMENT NO. 78

Mr. SMITH of Oregon. Mr. President, I thank my colleague. I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. SMITH], for himself and Mr. WYDEN, proposes an amendment numbered 95 to amendment No. 78.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for the nondischargeability of debts arising from the exchange of electric energy)

Strike all after the first word and insert the following:

420. NONDISCHARGEABILITY OF DEBTS ARISING FROM THE EXCHANGE OF ELECTRIC ENERGY.

(a) IN GENERAL.—Section 1141(d) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(6) The confirmation of a plan does not discharge a debtor—

"(A) in the case of a debtor that is a corporation, from any debt for wholesale electric power received that is incurred by that debtor under an order issued by the Secretary of Energy (or any amendment of or attachment to that order) under section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and requested by the California Independent System Operator; or

"(B) in the case of debt owed to a Federal, State, or local government agency named in an order referred to in subparagraph (A) for wholesale electric power received by the debtor except to the extent the rate charged for power traded by the California Power Exchange delivered to the California Independent System Operator is determined by the Federal Energy Regulatory Commission (Commission) to be unjust and unreasonable in which case this subparagraph shall only apply to the debt determined by the Commission to be just and reasonable.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (28), as added by section 907(d) of this Act, by striking "or" at the end;

(2) in paragraph (29), as added by section 1106 of this Act, by striking the period at the end and inserting "; or"; and

(3) by inserting after that paragraph (29) the following:

"(30) under subsection (a), of the commencement or continuation, and conclusion to the entry of final judgment or order, of a judicial, administrative, or other action or proceeding for debts that are nondischargeable under section 1141(d)(6).".

(c) APPLICABILITY.—This section and the amendments made by this section shall apply with respect to any petition for bankruptcy filed under title 11 as amended by this bill, United States Code, on or after March 7, 2001.

Mr. SMITH of Oregon. Mr. President, my second-degree amendment is very similar to that of my colleague, Senator WYDEN's. I have changed only the date of the applicability for bankruptcy filings to those that occur on or after March 7, 2001, and I have further clarified that just and reasonable debt owed will be paid to government agencies. I did this because it is important to recognize the efforts made by the State of California during the first week of March to begin to restore stability to the west coast energy market.

On March 5, the Governor of California announced that the State department of water resources had signed 40 long-term contracts for electricity. Prior to this, the State had required the investor-owned utilities to purchase all their power on the spot market, making these utilities very vulnerable to short-term price spikes.

While California is making some headway on restoring the creditworthiness of its utilities, it is imperative that the utilities in California not be able to export their bills to Oregonians and other Western States by seeking bankruptcy protection and avoiding repaying other power providers in the western United States for power that has literally kept the lights on in California in recent months.

My constituents and energy-sensitive businesses in Oregon are already feeling the effects of the price volatility in the west. Utilities in the northwest are facing current rate increases of 11 to 50 percent.

The customers of the Bonneville Power Administration are facing the prospect of 95 percent rate increases beginning in October, when current contracts expire.

Much of the media attention in recent months has focused on the cost and availability of electricity in California.

But the West Coast energy market extends to eleven other western States, including Oregon, that are all interconnected by the high-voltage transmission system.

That's why avoiding bankruptcy for California's utilities is important for Oregon and other western states. From the middle of December until early February, western utilities were forced to sell their surplus power into California, with no guarantee of being paid.

If the California utilities subsequently seek bankruptcy protection, it will be Oregonians who are stuck with the bill for California's failed restructuring effort.

In fact, certain Oregon utilities are already receiving bills from California's power exchange for funds owed to the exchange by California utilities.

Other utilities are being paid 60 cents on the dollar for sales they made as far back as last November.

In addition, the Bonneville Power Administration is owed over $100 million for power sales it made into California as long ago as November 2000.

I know that certain state officials have refused to consider raising retail rates in California, claiming the State has the highest rates in the Nation.

However, let me point out just a few facts about California's energy use from publications by the U.S. Energy Information Administration:

California ranks 50th in the Nation in the amount of electricity the state can generate on a per capita basis. In fact, total generation has decreased nearly 10 percent in the last 10 years, while total consumption has increased over 10 percent.

In 1999, the average residential bill in California was actually $2.70 less than the average Oregonian's bill.

In 1999, Californians actually paid 17 percent below the national average for their monthly electricity bills.

Further, California consumers paid 32 percent less than consumers in Florida, $58.30 versus $86.34.

To put a human face on what is happening in my State, let me tell you about a letter I recently received from a small school district in my State.

Basically, they are pleading for the energy crisis to be fixed because, as a small school district, they are having to take resources away from students to pay energy bills. Their local utility has just added a 20 percent surcharge to the cost of electricity.

The district also heats a number of its school buildings with natural gas. In November 1999, the bill was $4,383.59. By November 2000, the bill to heat the same buildings was $11,942.

Another small school district in my State is concerned that its power bills may go up by $100,000. For them, that means laying off two teachers.

Oregonians area already paying for California's failed experiment in electricity restructuring. It is exacerbated by one of the worst drought years on record in the Northwest.

Our rates are going up, but we should not have to pay twice for California's mistakes by being stuck with the unpaid bills for being a good neighbor and helping California keep the lights on in recent months.

I urge my colleagues to support my amendment to the Wyden amendment.

I offer just a few concluding remarks. What Senator WYDEN and I are trying to say to our friends and neighbors in California is that Oregonians are already paying once in the form of higher energy prices because of the situation created by California's law. If there is a bankruptcy, they will pay a second time because the Bonneville Power Administration, in order to make its treasury payments, will be forced to add $100 million or more to the rates charged to Oregon, northwestern customers. This is not right.

We are simply saying, as kindly as we can, let's pay our bills. Let's be fair as neighbors.

On a personal level, I can only understand how officials of the State government of California must look with horror upon the rate cap that is there that is not allowing price signals for conservation and production to be sent. In very real and human terms, this law has created something of a Frankenstein that is roaming the lands of the Western States and it is wreaking havoc upon jobs, communities, schools, and discretionary income. It isn't right. It isn't fair.

I say to my friend from California: A regulated power market can work; a deregulated power market can work. One that is partially regulated and partly deregulated cannot work, as we are seeing to the lament of many people right now.

Our hope, Senator WYDEN's hope and mine, and others, is that we can simply say, as good neighbors, please fix this law. At the end of the day, if the ratepayers don't pay in California, the California taxpayers will pay because they are selling billions of dollars of bonds right now sucking up State surpluses that should be going to schools, should be going to streets, should be going to serve all kinds of human needs but instead are going to pay inflated power rates.

At the end of the day, it is their issue, but it affects all of us. We want simply to say, with this amendment, please fix the law. Please pay this bill because we are in it together. We know that. We care about California being prosperous. Ultimately, the citizens of California will pay. They will pay as ratepayers or they will pay as taxpayers. It is, frankly, their choice. We don't want to be hung further with this obligation. We want to pay our bills.

I thank my colleague.

Mr. WYDEN. I thank my colleague. I will make a couple of additional arguments on my time. I know colleagues want to speak, and I certainly want to give them the opportunity.

Today as we listen to this discussion, perhaps the central argument that has been advanced by some, that the amendment Senator SMITH and I offer is unwise, is the argument that somehow what we are going to do is force California utilities into bankruptcy. I will take just a minute to say why I don't think that is the case and, in fact, why I think our legislation is an incentive to bring about the kinds of negotiations that everybody on the west coast would like to see.

As our colleagues know, there is an effort underway in California to look at a comprehensive solution which presumably would involve repaying in full everyone who is owed money for sending power to California. That is about $12 billion in total. This amendment involves a few hundred million dollars owed under the emergency order plus debt owed to government agencies. The total, of course, is only a fraction of what is owed by California.

The question that is central is, How is it possible that California can go out and work on a deal to pay $12 billion in full but ensuring repayment of several hundred million dollars, as Senator SMITH and I are calling for, is going to force California utilities into bankruptcy?

I want to come back to this one last point before yielding, regarding the effort that Senator SMITH and I are pursuing. As I touched on earlier, this comprehensive approach to repaying those who are owed money under discussion in California involves about $12 billion in total. It just seemed to me to not be credible to say that California can work out a deal to pay $12 billion in full, but somehow ensuring repayment of several hundred million dollars is going to force the California utilities into bankruptcy.

My view is that other creditors truly believe they are going to be fully repaid under this $12 billion comprehensive solution. They would not risk forcing California utilities into bankruptcy. Other creditors will only be concerned about our amendment if, in fact, they don't think there is enough money to pay everybody back.

The amendment requires that Bonneville Power and other governmental agencies be repaid so that ratepayers and taxpayers don't end up holding the bag if these for-profit California utilities go into bankruptcy to avoid their debts. It does not—I repeat this—put these government agencies at the head of the line. It only keeps their current place in line to ensure that they would be repaid at some point.

All of us in this discussion are hopeful that there is not going to be a bankruptcy proceeding. I am prepared to work as one Senator—and I know Senator SMITH is as well—with our California colleagues to put in place a comprehensive agreement so that this amendment does not come into play.

I see my colleague from the State of California on the floor. I want to repeat that again. I am prepared to work with her, as I sought to do for several weeks now, to make sure that California can have every opportunity to put in place a comprehensive agreement so that this particular amendment never comes into play. But if that doesn't happen, and if there is a bankruptcy filing, and there isn't enough money to pay back everybody, then it seems to me that the people's power—the power that belongs to these public entities deserves an opportunity to get a fair shake in a chapter 11 proceeding so that our constituents are not shellacked as part of an effort to be good neighbors.

I yield the floor at this time.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, before I ask unanimous consent, it is obvious this has become a very partisan bill. We have people on both sides of the aisle on both sides of this issue. I guess we are making progress.

I ask unanimous consent that any votes ordered for the remainder of the evening with respect to amendments to be offered from the list submitted last Thursday by the leadership be postponed on a case-by-case basis until 10:30 a.m. on Wednesday.

I further ask unanimous consent that there be 2 minutes prior to each vote for explanation, that the votes be in stacked sequence with the first vote limited to 15 minutes and all remaining votes in the sequence limited to 10 minutes.

I further ask unanimous consent that, following those stacked votes, the Senate proceed to additional amendments and that the cloture vote be postponed to occur at 4 p.m. on Wednesday. Further, that just prior to the vote on cloture, Senator WELLSTONE be recognized to speak for up to 10 minutes.

This has been discussed with the Democratic leader and cleared on both sides of the aisle.

Mr. WYDEN. Reserving the right to object, just to ask the leader a question: Is it the leader's desire that this amendment be voted on tonight?

Mr. LOTT. This amendment would be voted on, if a vote is required, at 10:30 tomorrow morning in the stacked sequence.

Mr. WYDEN. I withdraw my reservation.

Mr. LOTT. I know there is a good deal of discussion that needs to go forward. I hope Senators on the floor will continue on this amendment and other amendments. Then, if votes are ordered, we would stack them.

I believe there would be probably three amendments that would be offered tonight, and therefore we would have probably a minimum of three stacked votes tomorrow at 10:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Therefore, there will be no further votes this evening. I thank my colleagues for their cooperation. I look forward to listening to the debate on this particular issue. It is very interesting. I will listen and decide how to vote as the night progresses.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. REID. Will the Senator from Alaska yield for some parliamentary business for a second without losing his right to the floor?

Mr. MURKOWSKI. I am happy to do that.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I appreciate my friend yielding.

This is a very interesting issue. A lot of people want to talk on it. we have a number of people who are going to be required to offer amendments sometime tonight. We want to have some idea. There are at least two Senators waiting to offer amendments.

If I could ask my friend from Alaska, does he have a general idea how long he wishes to speak this evening?

Mr. MURKOWSKI. The Senator from Alaska will probably speak not more than 10 minutes. I am just going to comment on the amendment and the second degree offered by my two colleagues.

Mr. REID. How long does the Senator from Oregon wish to speak this evening?

Mr. WYDEN. I think we will have some back and forth. But certainly the major points I have been interested in making have been made. I am happy to be sure that we are fair to all of our colleagues and that we move expeditiously.

Mr. REID. I am not trying to cut back anybody's time. Does the Senator from California have an idea as to how much time she may take this evening?

Mrs. FEINSTEIN. I appreciate the question. I believe very strongly about this amendment, and I believe it is going to have untoward consequences and act directly contrary to what the Senator from Oregon believes. I cannot give a precise time. I have been here all day. I have done nothing else. I would like to have a chance to make the arguments against the amendment following the comments of the chairman of the Energy Committee.

Mr. REID. Just for the sake of Senators waiting around, does the Senator believe it will take an hour, hour and a half, 2 minutes, 3 minutes?

Mrs. FEINSTEIN. Probably not more than an hour.

Mr. REID. I thank the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, first of all, let me share with you my own observation, with respect to the amendment and the underlying amendment by the two Senators from Oregon, that it is understandable their wanting to protect their public power entity, and to ensure that it receives just payment for power provided, to which they are entitled. What concerns the Senator from Alaska, as chairman of the Energy and Natural Resources Committee, are the questions of whether this establishes a precedent, whether this addresses the issue the Senator from Oregon has assured us would not be a factor, and whether this might force the two utilities in question into bankruptcy, with the resulting chaos that is pretty hard to predict.

What effect would it have on the California teachers' retirement fund which is invested in these utilities in the State of California? What effect might it have on the State employees' retirement? We don't know the answers to these questions. But there is a reasonable suggestion by knowledgeable people that this amendment may force a chapter 7 bankruptcy by these utilities. We all know what a chapter 7 is. It requires the utility to liquidate its assets and then the creditors stand wherever they stand.

Now to determine the intent of the amendment by the Senator from Oregon it is necessary to consider what the amendment says—it says the confirmation of a plan does not discharge a debtor. That means a bankruptcy judge cannot settle for 80 cents on the dollar, or even 50 cents on the dollar. It implies that, indeed, full payment must be made. That is what it says.

Now the question of the exceptions that go into section A of the amendment, and this covers the case of a debtor—that is, a corporation—from any debt for wholesale electric power received that is incurred by the debtor under an order issued by the Secretary of Energy. Recall that there was an order issued by President Clinton, and an order issued later by President George W. Bush, that required power-generating companies to sell into the California system; and the assumption has been, well, since the Government ordered it, and if the utilities can't pay then there is a case against the Government.

But it is rather curious, in examining that question, that was not a formal acceptance by the utilities. It was an understanding that they sell. So the question, legitimately, that counsel may ask is: Does this ensure that those power companies that sold into Pacific Gas and Electric and Southern California Edison have a case against the Government if indeed there is not some form of guarantee in that regard for repayment?

The answer seems to be nobody knows yet whether those companies that generate power and sold to Pacific Gas and Electric can get paid from the Government on the basis of that order because of a lack of formality. That is something that is going to employ a lot of lawyers for a long period of time if it comes to that.

Then it says in section (B) of the amendment: In the case of a debt owed to the Federal, State, or local government agency named in an order referred to in subparagraph (A).

Except for certain exceptions, it includes that the discharge that is initiated in the first portion is confirmed; that a plan—that would be a plan submitted by a bankruptcy judge. The bankruptcy judge cannot discharge the debt.

Let us be realistic. That just sets a criteria to ensure that Bonneville is repaid. California got Bonneville's power. Bonneville is entitled to repayment. What concerns me is what we are doing here and not knowing the implications of what we are doing.

Let us look at the history of why the California investor-owned utilities are on the brink of bankruptcy. We found the State of California designed a deregulation competition program that was flawed from the start. Hindsight is twenty-twenty, but California ordered its utilities to sell the bulk of their generation, the nonnuclear and nonhydro generation assets. California also ordered its utilities to purchase power only from the spot market, preventing them from entering into contracts to protect consumers from wholesale price spikes.

That was fine as long as there was a big spot market and there was a lot of competition, and the utilities could get very favorable rates, but that changed.

Then California did something else. They also decided to prevent the pass-through of wholesale rates into retail rates, despite the fact that this is contrary to Federal law.

I remind you California has received the power. Now they have to pay for it. The point was made, whether it be the California taxpayer or the California ratepayer, and they are the same, that somebody has to pay for this.

My colleagues should understand that the California program applies only to investor-owned utilities. Rather curious, because we have both municipally-owned and investor-owned utilities in the same competitive market. The result is potentially economic disaster for California's investor-owned utilities.

California's investor-owned utilities were required to purchase all of their on the spot market at high prices, and sell low on the State price-controlled retail market. You do not have to take Economics 101 to know if you buy high and sell low where you end up. You end up where they are: straight in bankruptcy. That is the reality of this situation.

Who is responsible? What is the solution? First, California has to act responsibly in that manner.

On the supply side, California must get over its aversion to new powerplants and transmission lines because the problem in California is having the supply necessary to meet demand. The supply is not there; yet the demand is there and it is increasing.

On the demand side, California simply has to recognize the realities and get over its unwillingness to pass through the wholesale costs. If the wholesale costs were passed through, we would not be having this debate. The utilities would not be on the brink of bankruptcy and Bonneville would have gotten paid.

Blaming others, driving utilities to the brink of bankruptcy, having the State buy power, taking over transmission lines, seizing utility assets is not going to solve California's problem. It only prolongs the agony and makes a lot of lawyers rich.

This reminds me of a recent survey which found that—this is evidently accurate—that two out of three people in California would rather have the lights go out than pay an increase in their rates. That is their choice, I guess, and if they continue to oppose powerplants and transmission lines some of them might get their wish.

There is no question that California faces a serious problem. We are sympathetic. We want to help them. We have to help them. But we have to find a meaningful solution. A Band-Aid approach that creates perhaps even more serious problems is what concerns me about this amendment.

It is not that the power suppliers the Senators from Oregon are concerned about are not entitled to payment. They are entitled to payment. They ought to be fighting for payment. Sometimes we throw the baby out with the bathwater, and I am not sure we know what we are doing here. This might force those utilities into bankruptcy, into chapter 7 where they simply take their assets and sell them off and you are a creditor like anybody else. I do not think that is what we want to happen, we want everybody to get paid.

I am also concerned about the bond holders, the teachers' retirement funds that have been invested in Pacific Gas and Electric, and Southern California Edison. Do we have a responsibility to protect them? I do not suppose we have a direct responsibility, but we have an implied responsibility. Those people invested in those utilities for retirement in good faith, and we have a responsibility to know what we are doing.

If this thing goes into bankruptcy, I just wonder if we have achieved the objective by protecting solely the merits of the PMA, in this case Bonneville.

I can understand Bonneville wanting some assurance that they are going to get paid, but I am not so sure if they the utilities go into chapter 7 that they are going to be any better off than any other creditor. I wonder if that will not create a worse situation for the utilities, the customers in California, the Federal PMAs, and the entire west coast and Pacific Northwest.

That is my concern, but I do respect and recognize the efforts of Senator WYDEN and Senator GORDON SMITH to try to address protections for their constituents. They are doing what they have every right to do.

The fact is that California got their power and cannot seem to come up with a structure to pay for it. Make no mistake about it, this particular amendment does give preference under any interpretation to Bonneville, and it may set off other creditors. For example, and I ask my good friends from Oregon, what about the natural gas suppliers that have not been paid? The amendment does not address their particular situation, but it is similar to Bonneville. They have not gotten paid for their power.

What about other electricity that came from out of state? What does that do to those folks? Are they going to come in with an amendment later and say that we took care of Bonneville to ensure Bonneville received 100-percent payment, so why shouldn't the natural gas transmission companies that also have not been paid be taken care of? That is a concern.

I wish we could find another solution. Maybe the Senator from California can enlighten us a little bit about a legitimate way to provide the Senators from Oregon the assurance that their utilities are going to get paid somehow, as well as the other creditors.

The worst possible thing would be to force into bankruptcy the utilities and have the State of California take over. I do not think Government does a very good job of running businesses, whether it is the utility business or any other business.

I stand here as chairman concerned about the implications of this proposal; that it sets a precedent for other creditors who are going to want protection and an unknown. I wish we had spokespersons here from PG&E and Southern California Edison to tell us what the results of this are going to be, not only on the citizens of California, but the ability of Bonneville to get paid so they can receive consideration for what they have provided, and that is consideration in the sense of power.

Mr. WYDEN. Will the Senator yield?

Mr. MURKOWSKI. I yield without losing my right to the floor, and I am happy to respond to a question.

Mr. WYDEN. I respond briefly to the point the Senator is making. It seems to me the Senator makes an interesting point and certainly raises some interesting legal questions.

The scenario just described is what Senator SMITH and I seek to prevent by keeping our amendment narrow, to involve government entities. In other words, if you were to broaden the scope of the amendment to all kinds of other parties, it seems to me the case would be more credible that perhaps you could have a scenario where you were driven into bankruptcy. That is why we kept it narrow. We believed keeping it narrow gave people an incentive to negotiate and increase the prospect that we wouldn't have this calamitous situation that the distinguished chairman of the committee is so correct to say would be bad for all.

Mr. MURKOWSKI. Perhaps we could have some enlightenment. I hope my good friend from California can give an indication of what the two utilities at issue think of this. The State of California and the ratepayers and/or consumers are prepared to meet this just obligation.

I yield the floor.

Mr. REID. Mr. President, I ask unanimous consent amendment No. 93, that is at the desk and has been filed by Senator DURBIN, and amendment No. 94, filed by Senator BREAUX, be called up and put in the ordinary course of amendments that are already pending.

The PRESIDING OFFICER. Is there objection? The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would like to check with our leadership at this time. It is not my intention to object, but I would like to have a few moments to consider the request.

Mr. REID. If I may say to my friend from Alaska, if there is a problem with it, let's go ahead and get it done. If there is a problem, I will be happy to join with him to go ahead and rescind the unanimous consent request.

Mr. MURKOWSKI. I am very—I must object.

The PRESIDING OFFICER. Objection is heard.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I thank the distinguished Senator and Chairman of the Committee for his comments. He asked, what do the two utilities at issue think of this? I will respond and I will give the comment of Robert Glynn—the Chairman, President, and CEO of Pacific Gas and Electric. This is his company's position:

> PG&E is at a critical point in sensitive negotiations to resolve an energy crisis that is affecting the Western United States. Our creditors have been willing to forbear in the interest of achieving a comprehensive solution that is fair to all parties. This amendment would change the relationship among creditors and could destabilize the fragile cooperation that currently exists. It would be a terrible irony if actions of the United States Government were responsible for tipping this situation over the edge.

That is the response of one of the major investor-owned utilities in the State of California.

I have input from the other, Southern California Edison, and I will read from a letter by John Bryson, CEO of Southern California Edison:

> Unfortunately, the Wyden amendment undermines the solution being crafted within the State. The Wyden amendment would require that, in the event of bankruptcy, the power generators who have made significant profits from this crisis receive full payment before small businesses, banks and bond holders. This is not fair to the other creditors.
>
> Furthermore, this amendment could trigger the bankruptcies that everyone is trying to avoid. Other creditors will not stand by and just watch as the amendment takes away their rights.

This is the reason I so strongly oppose this amendment. I don't believe the Senators who support this Wyden amendment have an understanding of what might happen. There is $13 billion of debt out there. It involves banks all over the United States. It involves high-tech companies, it involves cities, it involves generators, it involves natural gas companies, it involves a wide range of debtors and creditors.

Right now, the State of California has made considerable progress toward resolving this crisis. More than anything, the State needs some time to conclude those negotiations. If the State is able to conclude negotiations, this means that the debt could be paid to the utilities, and would help exactly the creditors that Senators WYDEN and SMITH want to help.

At this point, the State doesn't need the Federal Government to step in and destroy the progress they have made. I have checked with bankruptcy attorneys, and I believe I am right. This amendment is unprecedented. Never before without a hearing has the Senate of the United States decided the pecking order of creditors and debtors for a potential bankruptcy of this size. This amendment rewrites the bankruptcy rules in favor of one set of creditors. It creates an enormous incentive, as the Chairman has just said, for other creditors to now push the utilities into bankruptcy before this amendment would be signed into law. It is like a run on the bank. So without a hearing, this amendment seeks to determine winners and losers.

There is not a single debtor or creditor that I know that supports this amendment. Virtually all of them have opposed to this amendment. Even some of the people helped by the amendment are opposed. That includes the California Municipal Utilities Association, the City of Los Angeles, Duke, Enron, Calpine, and Williams who all oppose this amendment.

Let me quote from some of the letters I have received. I begin with the Governor of the State of California.

> A critical component of the plan to resolve California's energy challenge is the return of our utilities to financial solvency. Our efforts have taken the form of painstaking negotiations between the State and the utilities to stabilize their financial condition. Any attempt to create a special class of debtor under Federal bankruptcy laws, may have serious repercussions to our efforts. Therefore, I am writing to express my strong opposition to Senator Ron Wyden's amendment to S. 420, the Bankruptcy Reform Act of 2001. Any actions on the part of the United States Senate might very well undermine all the progress we have made to this point in our negotiations with the utilities. This is a very delicate process and we urge the Senate to allow all parties in California to continue their work together to solve this crisis.

Now from the Electric Power Supply Association, which is the electric generating companies together:

> This amendment seeks to give certain entities a favorable status in the event that California utilities fall into bankruptcy. Many companies have provided power to California's consumers and EPSA, the Electrical Power Supply Association, believes emphatically that all these entities deserve to be fully and fairly compensated. However, it is inappropriate for the Senate to try and create winners and losers in this desperate situation. Rather than orderly resolution, this legislation could lead to a premature declaration of bankruptcy and the inevitable liquidation of the California electric utilities assets in a legal free-for-all. We urge you to oppose the Wyden amendment.

Let me read from a letter submitted by a big electric generator, Williams—a generator that has profited mightily from this situation:

> Williams is strongly opposed to any such proposal. In our judgment, intervention by the Congress in the California market in a way that picks winners and losers among similarly situated parties will only precipitate a deepening of the crisis. It will cripple ongoing efforts within the State to resolve the crisis and trigger an outpouring of litigation and legal maneuvering that would prolong the crisis, not resolve it. Restoring financial solvency to the local utilities is a critical element of any long-term solution to the electricity problem in California. If those utilities are forced into bankruptcy, the immediate result would be to plunge everyone involved in the crisis into protracted, uncertain, court proceedings. In our judgment, this proposed legislation will only serve to precipitate that bankruptcy. I fear the mere possibility that such an amendment might become law will leave those involved little choice but to trigger bankruptcy proceedings in order to protect their own interests.

Let me give you another generator's view, Calpine:

> Under Senator Wyden's amendment, many out-of-state power producers, both public and private entities, would be made whole

> under any eventual utility bankruptcy, while QF's, forced to sell by virtue of contracts rather than a federal emergency order, would likely be left with little or no recourse. Some of the cleanest, most environmentally desirable sources of energy would be severely disadvantaged by this action.
>
> While on fairness grounds alone, we believe the Wyden amendment should be defeated, perhaps more importantly, we think the amendment would only worsen the California energy crisis. Creditors have shown remarkable patience to date, giving California state officials an opportunity to seek a solution that avoids utility bankruptcy. This amendment, however, could trigger an immediate bankruptcy filing in order for the filing to precede enactment of the legislation.

So you see, just by passing this, what we do is, to all the community out there that is owed money, we trigger their urge to move the companies into bankruptcy. That would be a huge mistake.

This letter is signed by the vice president of the company.

Mr. President, I would like to read from a statement by the Edison Electric Institute which, as I understand it, represents most electric utilities with the exception of Pacific Gas and Electric:

> I am writing to express our concerns regarding a proposed amendment to S. 420, the "Bankruptcy Reform Act of 2001", that may be offered by Senator Wyden for himself and Senators Baucus and Murray. While there appear to have been several iterations of that amendment, the thrust appears to favor public power electricity suppliers in a utility bankruptcy proceeding by providing that debts to them for electricity are not dischargeable. The amendment also applies to debts for wholesale electric power received pursuant to the emergency order issued by the Secretary of Energy under section 202(c) of the Federal Power Act. This amendment raises large public policy concerns by affecting all utilities as well as those involved in bankruptcy proceedings.
>
> First, it primarily advantages government-owned utilities who already are uniquely able to sell power at rates which are not subject to regulation by FERC. It makes no sense to give a bankruptcy preference to the only generators whose rates are unregulated. . . .
>
> This amendment would undermine efforts underway to address the current electricity situation in California. All parties, including the Governor, the utilities and creditors, are trying to work out an agreement. Passage (as well as concern about the possible passage) of this amendment could disrupt these efforts and lead to immediate initiation of bankruptcy proceedings.

Mr. President, this is not me saying this. These are the major creditors and debtors in this situation, all of whom are saying that once you give preference to one, the others will trigger bankruptcy to protect their rights. And, in protecting their rights, it will push these utilities into bankruptcy because that is the only way they can do it.

If you push these utilities into bankruptcy, I believe it is likely they will go into chapter 7—not 11 or 13, but 7, and, therefore, they will go out of business altogether. So it is a very dangerous thing to do.

The surprising thing is we have this amendment on the floor, in view of the fact that virtually all of the major creditors and debtors oppose it because they know exactly what is going to happen.

We also have unions. I would like to have printed in the RECORD the International Brotherhood of Electrical Workers' letter. They represent over 800,000 electrical workers, who also believe the effect this would have would be to trigger a bankruptcy.

I ask unanimous consent these letters in their entirety be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CALPINE,
1200 18TH STREET, NW, SUITE 850,
Washington, DC, March 12, 2001.
Hon. DIANNE FEINSTEIN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: I am writing to urge your opposition to an amendment that will be offered by Senator WYDEN to the bankruptcy legislation currently being considered by the full Senate. It is my understanding that Senator WYDEN intends to offer an amendment that would ensure that public power producers and others who sold power to California under the Federal emergency order are made whole in any bankruptcy proceeding, thus allowing these select creditors to be treated preferentially.

As you may know, most of Calpine's power plants in California are "qualifying facilities," commonly referred to as QFs. QFs are cogeneration and renewable energy facilities, all located in the state of California, which provide power to the California utilities under contracts. Despite the contractual obligations of the utilities, the QFs have not been paid for several months and today over $1 billion is owed collectively to these in-state companies.

Under Senator WYDEN's amendment, many out-of-state power producers, both public and private entities, would be made whole under any eventual utility bankruptcy, while QFs, forced to sell by virtue of contracts rather than a Federal emergency order, would likely be left with little or no recourse. Some of the cleanest, most environmentally desirable sources of energy would be severely disadvantaged by this action.

While on fairness grounds alone, we believe the Wyden amendment should be defeated, perhaps more importantly, we think the amendment would only worsen the California energy crisis. Creditors have shown remarkable patience to date, giving California state officials an opportunity to seek a solution that avoids utility bankruptcy. This amendment, however, could trigger an immediate bankruptcy filing in order for the filing to precede enactment of the legislation.

I urge you to do everything possible to help your colleagues understand the very negative consequences of this amendment for clean, renewable sources of energy. Thank you for your assistance and please let me know if I can provide you with any additional information.

Sincerely,

JEANNE CONNELLY,
Vice President—Federal Relations.

EDISON ELECTRIC INSTITUTE,
Washington, DC, March 13, 2001.
Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: I am writing to express our concerns regarding a proposed amendment to S. 420, the "Bankruptcy Reform Act of 2001", that may be offered by Senator WYDEN for himself and Senators BAUCUS and MURRAY. While there appear to have been several iterations of that amendment, the thrust appears to favor public power electricity suppliers in a utility bankruptcy proceeding by providing that debts to them for electricity are not dischargeable. The amendment also applies to debts for wholesale electric power received pursuant to the emergency order issued by the Secretary of Energy under section 202(c) of the Federal Power Act. This amendment raises large public policy concerns by affecting all utilities as well as those involved in bankruptcy proceedings.

First, it primarily advantages government-owned utilities who already are uniquely able to sell power at rates which are not subject to regulation by FERC. It makes no sense to give a bankruptcy preference to the only generators whose rates are unregulated.

Second, the amendment appears to have little benefit for generators which are not publicly-owned, even though their rates are fully subject to FERC regulation. Many of these suppliers sold into the California market voluntarily without being compelled to by the DOE order and most of their sales took place both before and after the DOE order was in effect. Thus, most of their sales would not be covered.

Third, the amendment would have long term impacts increasing all utilities' cost of capital by downgrading the protections afforded to lending institutions and investors. Such institutions lent money to California utilities to allow them to continue to provide service to consumers in California despite the retail rate freeze. Legislating reductions in a lender's and an investor's bankruptcy protections may lead investors to increase the cost of capital to all utilities to compensate for the added risk. This would result in higher costs to all consumers. Since significant amounts of new capital are needed to fund necessary expansions of generation and transmission facilities, this would have a negative impact on the entire economy.

Fourth, this amendment would undermine efforts underway to address the current electricity situation in California. All parties, including the Governor, the utilities and creditors, are trying to work out an agreement. Passage (as well as concern about the possible passage) of this amendment could disrupt these efforts and lead to immediate initiation of bankruptcy proceedings.

Finally, this amendment would do nothing to solve the underlying problem that retail rates in California are frozen at a level far below the cost of wholesale power purchases. It does nothing to provide for new supplies of electricity, does nothing to clarify existing provisions of the bankruptcy code which may limit the authority of a bankruptcy judge to increase rates and in effect merely "reshuffles the deck chairs" in the California electricity crisis.

We urge you to vote against the amendment.

Sincerely,

THOMAS R. KUHN.

THE WILLIAMS COMPANIES,
ONE WILLIAMS CENTER,
Tulsa, Oklahoma, March 12, 2001.

Hon. DIANNE FEINSTEIN,
U.S. Senate, 331 Hart Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: I understand that Sen. WYDEN may offer an amendment to the bankruptcy legislation before the Senate that would adversely affect the California electricity situation. I understand this amendment would give preferential standing in any bankruptcy proceeding to private or public providers of electricity who were required to sell power pursuant to the Department of Energy orders. That is an illogical outcome when private providers within the state may have provided electricity outside of the DOE order and other creditors may be equally deserving of payment.

Williams is strongly opposed to any such proposal. In our judgement, intervention by Congress in the California market in a way that picks winners and losers among similarly situated parties will only precipitate a deepening of the crisis. It will cripple ongoing efforts within the State to resolve the crisis, and trigger an outpouring of litigation and legal maneuvering that would prolong the crisis, not resolve it.

Williams is a national energy company who has been an active participant in the California market. Williams dispatches as much as 4,000 megawatts of power in the Los Angeles region, although the amount available on any given day may be less, depending on a variety of factors. This represents about 40 percent of the independent generating capacity in the Los Angeles area and about 9 percent of the available in-state generation that is available to the independent system operator.

Restoring financial solvency to the local utilities is a critical element of any long-term solution to the electricity problem in California. If those utilities are forced into bankruptcy the immediate result would be to plunge everyone involved in the crisis into protracted, uncertain court proceedings. In our judgement, this proposed legislation will only serve to precipitate that bankruptcy. I fear the more possibility that such an amendment might become law will leave those involved little choice but to trigger bankruptcy proceedings in order to protect their own interests.

In our view, a far more constructive course is for those involved to work in good faith to find a comprehensive solution to the problem. Congressional encouragement of that approach would be welcome, but partial solutions, especially those that would increase the probability of litigation, should be rejected.

At the end of the day, if recovery efforts do fail and there is the unfortunate outcome of a bankruptcy of one or more of the California utilities, then leaving the existing provisions of law in place will produce the fairest outcome. Adoption of this amendment would create subsets of rights among similarly situated parties with unpredictable and quite possibly inequitable results.

Sincerely,

KEITH E. BAILEY.

TURN,
THE UTILITY REFORM NETWORK,
San Francisco, CA, March 12, 2001.

Re: Wyden-Baucus Amendments to S. 240—TURN Opposition

SENATOR DIANE FEINSTEIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: This letter is written to express TURN's opposition to the Wyden-Baucus Amendment to S. 420. The amendment would give preferential treatment to wholesale power generators, who sold electricity into California's severely dysfunctional market. By making debt incurred by utilities for wholesale purchase of electricity non-dischargeable in the event of utility bankruptcy, the legislation would unfairly favor generators at the expense of ratepayers. During the worst part of the energy crisis, wholesale generators, both public and private, realized windfall profits in California. There is no justification to protect 100 percent of these profits at the expense of ratepayers and other creditors. Even power that was dispatched subject to a federal order was sold at prices way in excess of the just and reasonable rates that are required by federal law. Why should Federal legislators protect windfall profits at the expense of other creditors who were loaning money to the utilities to purchase power during the same emergency?

We are afraid that this kind of legislation will harmfully impact whatever negotiations are happening at the state level to strike a balance that would cause all players to make some sort of sacrifice so that we can all move forward. Let the bankruptcy laws remain status quo ante in order to allow the settlement of all claims going forward. The Senate should not modify laws that were in place during this period in order to choose winners or losers in California's energy debacle. Either there will be a settlement at the state level or the utilities will be forced to bankruptcy. If bankruptcy is the eventual solution, let the federal bankruptcy judge, applying the laws that were in place during the crisis, resolve the equities. Senate intervention at this point influences the negotiating dynamics unfairly. Such intervention could actually hasten bankruptcy if other creditors perceive an advantage to forcing early involuntary bankruptcy. This could happen if bankers or commercial paper holders believe they have more opportunity to recover their losses by filing before the effective date of any legislation that could compromise their claims.

Sincerely,

NETTIE HOGE,
Executive Director.

EDISON INTERNATIONAL,
March 12, 2001.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: I am writing to you to express Edison International's opposition to an amendment from Oregon Senator Ron Wyden to the Bankruptcy Reform Act, S. 420.

As you know, California and the western states have been hard hit by an electricity shortage and dramatic price spikes for the last eight months. Edison has incurred an undercollection of nearly $5.5 billion procuring wholesale power at prices that greatly exceed retail rates in California. In mid-January, after we ran out of credit and stopped payment on most of our outstanding debt, the state stepped in to pick up the funding shortfall for daily power purchases. The state has spent an additional $3 billion in electricity purchases so far.

At this moment, California Governor Gray Davis is trying to craft a solution that will get the system working again. Those who hold utility debt, including banks, pension funds, municipalities, retirees and other bondholders, small businesses and electricity generators, have been patient, working with us to avert utility bankruptcy while the state works to resolve these very difficult issues.

Unfortunately, the Wyden amendment undermines the solution being crafted within the state. The Wyden amendment would require that, in the event of bankruptcy, the power generators who have made significant profits from this crisis receive full payment before small businesses, banks and bondholders. This is not fair to the other creditors.

Furthermore, this amendment could trigger the bankruptcies that everyone is trying to avoid. Other creditors will not stand by and just watch as the amendment takes away their rights.

It is Edison's sincerest hope that a comprehensive solution will be crafted that will allow us to make our creditors whole. The state is currently in the midst of delicate negotiations with generators and utilities. The Wyden amendment should not be allowed to disrupt this process, and we thank you for your efforts to oppose it.

Sincerely,

JOHN E. BRYSON,
Chairman of the Board and Chief Executive Officer.

PG&E CORPORATION,
San Francisco, CA, March 8, 2001.

DIANNE FEINSTEIN,
U.S. Senate, 331 Hart Senate Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: This letter addresses the proposed Wyden amendment which would modify the relationship among creditors in some bankruptcies. We are in opposition to this amendment.

PG&E is at a critical point in sensitive negotiations to resolve an energy crisis that is affecting the Western United States. Our creditors have been willing to forbear in the interest of achieving a comprehensive solution that is fair to all parties. This amendment would change the relationship among creditors and could destabilize the fragile cooperation that currently exists.

It would be a terrible irony if actions of the United States Government were responsible for tipping this situation over the edge.

Sincerely,

ROBERT D. GLYNN,
Chairman, Chief Executive Officer and President.

ELECTRIC POWER SUPPLY ASSOCIATION,
Washington, DC, March 12, 2001.

Hon. DIANNE FEINSTEIN,
The Senate Committee on Energy and Natural Resources, Senate Hart Office Building, Washington, DC.

DEAR SENATOR FEINSTEIN: The Electric Power Supply Association (EPSA) is the national trade group representing competitive power suppliers, both developers of power projects and marketers of electric energy. Our members are active nationally and include many of the companies that produce and market power for the California wholesale market. Few have a greater stake in the orderly and effective resolution of California's electricity crisis than these companies.

We are writing to express our deep concern and opposition to an amendment that may be offered by Senator Ron Wyden to the bankruptcy legislation now before the Senate. Our fear is that this amendment could precipitate a financial crisis and exacerbate the already precarious situation in the West.

This amendment seeks to give certain entities a favorable status in the event that California utilities fall into bankruptcy. Many companies have provided power to

California's consumers and EPSA believes emphatically that all these entities deserve to be fully and fairly compensated. However, it is inappropriate for the Senate to try and create winners and losers in this desperate situation. Rather than orderly resolution, this legislation could lead to a premature declaration of bankruptcy and the inevitable liquidation of the California electric utilities' assets in a legal free-for-all.

We urge you to oppose the Wyden amendment. EPSA is prepared to assist you in structuring a more effective remedy to the energy and financial crisis in western wholesale electric power markets.

Sincerely,

LYNNE H. CHURCH,
President.

GOVERNORS OFFICE,
STATE CAPITOL,
Sacramento, CA, March 13, 2001.

Hon. DIANNE FEINSTEIN,
U.S. Senate, Washington, DC.

DEAR DIANE: I want to express my sincere appreciation for your efforts on behalf of California as we work to solve the electricity challenge we inherited.

We have taken immediate steps to build new power plants. Not one major power plant was built during the 12 years before I was elected. Starting in April, 1999, we have approved 9 plants, with 6 plants under construction, and with 3 plants on-line by this summer. Moreover, under my emergency authority, I acted to accelerate and incentive the development of new generation, including distributed generation and peaking facilities, with an aggressive but attainable goal of putting 5000 MW of new power on-line this summer, and another 5000 MW by the summer of 2002.

Today, I announced a major energy conservation initiative, the 20/20 Rebate Program, which will reward consumers with a 20 percent reduction in their summer 2001 electricity bill if they reduce their use by 20 percent or greater. This program will be the centerpiece of $800 million in energy conservation programs including a $30 million public education program which features conservation messages in 12 media markets throughout California. The state, itself, has initiated electricity conservation programs which have produced an average savings of 8 percent, increasing to over 20 percent of its use during stage 2 and 3 alerts.

A critical component of the plan to resolve California's energy challenge is the return of our utilities to financial solvency. Our efforts have taken the form of painstaking negotiations between the state and the utilities to stabilize their financial condition. Any attempt to create a special class of debtor under federal bankruptcy laws may have serious repercussions to our efforts.

Therefore, I am writing to express my strong opposition to Senator Ron Wyden's amendment to S. 420, the Bankruptcy Reform Act of 2001. Any actions on the part of the United States Senate might very well undermine all the progress we have made to this point in our negotiations with the utilities. This is a very delicate process and we urge the Senate to allow all parties in California to continue their work together to solve this crisis.

Sincerely,

GRAY DAVIS.

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS,
Washington, DC, March 13, 2001.

Hon. DANIEL K. AKAKA,
U.S. Senate, SH–720 Senate Hart Office Building, Washington, DC.

DEAR SENATOR AKAKA: We understand the Senate will be voting on an amendment to the Bankruptcy Reform Act (S. 240) today, submitted by Oregon Senator RON WYDEN. The International Brotherhood of Electrical Workers (IBEW) has a number of concerns with this amendment and urges your opposition.

The Wyden Amendment would make any debts incurred under a federal order imposed during the power crisis in California non-dischargeable in a bankruptcy proceeding. Inevitably, power suppliers would be given preference above other creditors, pushing workers' interests further down the ladder. This looming threat also adds pressure to bargaining efforts during contract negotiations, putting our members at higher financial risk.

It is understandable that *public* agencies who supplied power during the crisis want guarantees for their ratepayers, and should, at just and reasonable rates that cover the cost of producing the power. However, privately owned suppliers took part in predatory behavior during the spot market price spikes, selling electricity at 1,000–3,000 percent profit margins. Should these suppliers who inflated their power prices be the priority in a bankruptcy proceeding? Should small bondholders, workers, pension trust funds and other creditors be left to pick up the crumbs?

Governor Gray Davis is working tirelessly to resolve the electricity deregulation disaster in California. We are hoping the state's solution will avert utility bankruptcy and protect workers who could lose their jobs if these delicate negotiations are not successful. We believe the Wyden Amendment could disrupt this fragile process.

On behalf of over 800,000 IBEW members and their working families, we urge you to "OPPOSE" The Wyden Amendment to S. 420.

Sincerely,

EDWIN D. HILL,
International President.
JERRY J. O'CONNOR,
International Secretary-Treasurer.

Mrs. FEINSTEIN. Mr. President, there is also a consumer organization, one that I am familiar with because while I was Mayor of San Francisco I had occasion to work with them. This group is The Utility Reform Network. In their letter they state:

> We are afraid this kind of legislation will harmfully impact whatever negotiations are happening at the State level to strike a balance that would cause all players to make some sort of sacrifice so we can all move forward.

I have offered the testimony of the Governor of the State of California, who states that, yes, Senator WYDEN's amendment would interfere with the negotiations that are going on today. The letter goes on to say:

> Let the bankruptcy laws remain status quo ante, in order to allow the settlement of all claims going forward. The Senate should not modify laws that were in place during this period, in order to choose winners or losers in California's energy debacle. Either there will be a settlement at the State level or the utilities will be forced to bankruptcy.

That is certainly correct.

> If bankruptcy is the eventual solution, let the Federal bankruptcy judge, applying the laws that were in place during the crisis, resolve the equities.

I could not agree more, Mr. President.

I mentioned that right now the State of California is working diligently to ensure the utilities can make their payments. The State is negotiating to purchase the transmission assets of both of the investor-owned utilities in the State. This will provide an infusion of revenue into the ailing utilities that will enable them to begin to repay their creditors. If this amendment should trigger a run on the bank and generators or banks or other creditors find the only way they can protect their rights is to force a bankruptcy, the State of California will not be able to complete its plan to buy these transmission assets and have the utilities pay their debts.

I am very hopeful this situation will be resolved in short order. The State has already come to preliminary agreements, and these agreements will likely be finalized within the next few months. California's creditors are also hopeful that this process will improve the chances that they will ultimately be repaid for all the debt they have incurred.

I believe the public entities will be repaid. However, let me just say that some in the Northwest have charged that Bonneville Power Administration (BPA) has been forced to drain Federal reservoirs to supply power to California. I want to correct the record because those charges are mistaken.

In December 2000, when the Secretary of Energy, Bill Richardson, issued the emergency order to Western utilities to sell power to California, BPA helped, but it helped in a way that also benefits the Northwest. It was an energy capacity exchange. In other words, they helped California meet their peak loads. And California, by that agreement, sent twice the energy back, using their excess capacity at night. So that helped BPA keep more water in the reservoirs when BPA has stated they really needed it.

I am not critical of Senators WYDEN and SMITH for trying to protect their State. But what I am saying is, I have read almost a dozen letters from debtors and creditors intimately involved in the negotiations, all of whom oppose this. They do so because they believe it may well trigger a bankruptcy.

I have read from the utilities involved—Southern California Edison, Pacific Gas and Electric—who also say, wouldn't it be ironic if the Federal Government were inadvertently to trigger a bankruptcy?

I say to you that to move an amendment such as this at the time of critical negotiations is a huge mistake. I, for one, do not want to be responsible should it truly trigger both of these large investor-owned utilities to go into bankruptcy.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I want to respond just for a few minutes to my colleague from California. I think she knows I admire her enormously. I think the RECORD will show the distinguished Senator from California and I agree on a vast majority of the issues that come before the Senate.

What is troubling about the argument that is advanced before the Senate tonight is that after State officials in California botched the job of deregulation—by the way, this was not Senator FEINSTEIN; Senator FEINSTEIN did not do that, but State officials in California botched the job—now the message is, the public entities and those responsible to taxpayers are just supposed to trust folks in California to hope everything is going to work out. Given the hardship we are facing in the Pacific Northwest, that is just a little much to swallow; it is hard for this Senator to swallow, despite the fact that I have great respect for my colleague from California.

I think tonight we have seen—certainly over the course of the last hour—that there is a sharp difference of opinion between California's two Senators on this matter. Senator BOXER worked with us in close consultation. She is in support of this amendment. She believes it is going to help bring folks together in the West for a comprehensive solution.

I think what she is saying is she does not want her State to be a scofflaw. She does not want her State to, in effect, be a deadbeat in the course of this whole discussion as the State of California asks the distinguished new Senator from Virginia to be part of an effort—and myself and others—to come up with a comprehensive solution to this question.

The distinguished Senator from California started her presentation by reading from some letters from private utilities in California and, in particular, focused on the fact that Southern California Edison is in opposition to this amendment.

The fact is, the Washington Post noted this recently. Southern California Edison actually passed along nearly $5 billion in net income to its parent, Edison International, which used the money to pay dividends to its shareholders and to repurchase its own stock.

So what you have is a private company, Edison International, that my colleague cites tonight as the reason the Senator from Virginia and other colleagues should vote against the bipartisan Smith-Wyden amendment because we are individuals who ought to be concerned about Southern California Edison first.

I want Southern California Edison to get a fair shake. That is why we made very clear in our amendment that no one would get a preference if, in fact, you had the worst case scenario of an actual bankruptcy unfolding in the State of California. I just do not want Southern California Edison and a handful of these private interests to get a free ride. I do not know how it passes the smell test. I think this is why Senator BOXER agrees with us on this matter.

How we can say to the people of the Pacific Northwest, who, in effect, got these glowing thank-you letters from Senator FEINSTEIN, that somehow they are not going to be repaid, even though it involves only a few hundred million dollars, may not be a big deal to California, but it is a huge deal to the ratepayers in our area. We are concerned. We always have to make debt repayment to the Federal Government. These sums make a real difference.

So I am very hopeful, as our colleagues overnight reflect on the debate that is being held on the floor of the Senate, that they will stand with Senator SMITH, SENATOR BOXER, and myself rather than with Southern California Edison, which has been busy sending billions of dollars overseas, when all the rest of us on the west coast have been trying to figure out how to get through a very difficult situation.

Mention was made of the fact that this amendment requires out-of-State generators to be paid in full before other creditors are paid. Our amendment does no such thing. It does no such thing. It only deals with a fraction of the debt that is owed by California utilities. It only requires the debt be repaid at the end of a bankruptcy proceeding when a plan of reorganization is put in place. If the worst case scenario takes place, which we believe our legislation helps to avert, then we will have a measure of fairness in the consideration of how to handle that situation.

Senator FEINSTEIN also quoted from out-of-State generators. These are the companies that the Governor of California has called profiteers. Those are not my words; those are the words of the Governor of California.

So I am sure my colleagues, by this point, are awfully confused about the back and forth. But I do think Senator FEINSTEIN has framed the debate well. On one side are the interests of those directly responsible to taxpayers, those who have no shareholders, nobody who can absorb the cost, nobody who can be involved in some kind of sleight-of-hand arrangement where you can send billions of dollars overseas.

The people who are supporting Senator BOXER, Senator SMITH, and myself, and others, do not have those kinds of shareholders involved in those multibillion-dollar deals that were reported in the Washington Post.

They are standing up for taxpayers. They are the ones who would be helped by this bipartisan amendment. It is very clear, on the basis of the letters that have been read in opposition, that on the other side are the interests of these private utilities.

I ask unanimous consent that the Washington Post article outlining Southern California Edison's program to send $5 billion overseas be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 31, 2001]

CALIFORNIA'S UTILITY SENT PARENT FIRM $4.8 BILLION—AUDIT RESULTS ANGER CONSUMER GROUPS

(By William Booth and Rene Sanchez)

LOS ANGELES, Jan. 30—The first of several audits to be released by the state regulators said that one of California's two nearly bankrupt utilities, Southern California Edison, legally passed along nearly $5 billion in net income to its parent, Edison International, which used the money to pay dividends to its shareholders and to repurchase its own stock.

The audit, released Monday night by the California Public Utilities Commission, also showed that Southern California Edison is now broke and so strapped for cash it cannot keep buying electricity at rates higher than it can pass along to consumers.

the $4.8 billion was, in part, proceeds from the sale of the Southern California Edison's power plants, which the utility was required to sell under California's 1996 deregulation plan. Deregulation here sought to break up the utility monopolies and open the state up to free-market forces.

Consumer advocates—and some elected officials—reacted angrily to the audit, accusing the utilities of pleading poverty and begging for financial assistance from the state to avoid bankruptcy.

"Basically, they took the money and ran," John Burton, a Democratic leader of the state Senate from San Francisco, told reporters. "Had they not done that they would not be in the financial problem they are in. If ratepayers bail them out, ratepayers should get something in return, like power lines or something."

But officials with the utilities said their critics are playing politics and misinterpreting their books. Tom Higgins, senior vice president at Edison International, said: "There's been no profit, no windfall. This is the recovery of capital investment."

The past profits and current solvency of the state's two struggling utilities are central to California's energy crisis. Most experts agree that the state is suffering from soaring prices and its 15th day of emergency energy rationing because of a failed and dysfunctional deregulatory plan, which allowed wholesale energy prices to soar while capping the rates utility companies could charge consumers. In the past six months, the utilities have gone bust, while wholesale power producers have reaped huge profits.

California is fast running out of time to solve its immediate energy crisis. The state already has used up the first $400 million in emergency appropriations for electricity purchases. The Legislature is considering bills to make the state a major buyer of power—and to pass along possible steep increases in costs to consumers. Gov. Gray Davis (D) worked through the weekend trying to hammer out a longer-range plan, but so far the Legislature has passed only emergency measures and decrees—and no long-term solutions.

Higgins, the Edison International executive, said Southern California Edison was required to sell off its plants after deregulation in 1996, and that it did so—mostly to out-of-state companies that are now the wholesale suppliers of California's electricity. The utility sold off its gas and coal-fired plants, but retained its nuclear and hydroelectric facilities.

The money they got from plant sales, Higgins said, went to pay off the banks that loaned them the cash to build the generating stations and to repay investors and shareholders who also put money into plant construction. The transfer of money occurred from 1996 through last November.

"It's like you have a house and mortgage and you sell the house and you recover your initial investment and then pay off the mortgage," Higgins said.

Another audit of Pacific Gas and Electric Co., the other struggling utility, will be released within days. That results are expected to be similar.

"The only reason this would be controversial is that the consumer groups are trying to rewrite history," said John Nelson, a spokesman for PG&E.

Nelson said his utility did the same thing as Southern California Edison—it sold plants, paid off loans and sent the rest to its holding company, PG&E Corp. He would not disclose exactly how much was transferred, but said it is safe to assume a figure of several billion dollars.

Consumer advocates around California, however, said it did not matter that the utilities were returning investments to their shareholders, a practice that no one has asserted is financially improper or illegal. Today, they began lobbying state lawmakers to scrap an emerging legislative plan that would cover much of the utilities' purported debts with billions of dollars in publicly financed bonds.

"This confirms what we've been saying all along," said Matt Freedman, a director of the Utility Reform Network. "Edison is not being straight with the public or the Legislature about the extent of its debt."

Freedman also said that the audit shows that in recent months Edison has been selling some of its own generating power back to itself at high prices on the open market, then claiming both profit and debt.

"It's like a laundering scheme," he said.

Michael Shames of the Utility Consumers Action Network said the audit could significantly influence the fastmoving legislative debate on the state's energy crisis. He said that while it was not illegal for the utilities to transfer money to their parent companies, "the question is, 'Was it prudent?' "

But Paul Hefner, a spokesman for Assembly Speaker Robert Hertzberg (D), said there are no substantive new revelations in the Edison audit and that the Legislature is proceeding with a plan outlined last Friday that would cover much of the utilities' debts in exchange for the state receiving warrants to buy stock in the companies.

"I don't know that it changes the landscape at all," Hefner said, referring to the audits. "All along we've been saying we're not going to do this and get nothing back. We're driving as hard a bargain as we can."

Mr. WYDEN. On the other side of our amendment are exactly those kinds of interests, those kinds of powerful private interests. Various letters have been read into the RECORD tonight. Yes, those who oppose us are utilities that transferred billions of dollars to the shareholders and parent companies and, frankly, don't seem to think that there is anything wrong with doing that while stiffing Bonneville Power, the western power administration, itty-bitty municipal utilities, and others.

The reason we have been able to put this bipartisan amendment together is that we have fashioned a narrow approach to ensure that these public entities get a fair shake. We have fashioned an approach that is not going to put in peril a comprehensive effort in the State of California to deal with this power situation. In fact, we believe that it will create incentives to actually bring parties together and to avert the kind of doomsday scenario that all of us in the Senate want to prevent.

The lines are drawn very well. On one side you have Senator SMITH and Senator BOXER and myself, and on the other side you have Southern California Edison and those representing a handful of multibillion-dollar private interests that were intimately involved in creating this problem in the first place.

I don't think the Senate ought to be asked, in effect by those who botched the job at the State level several years ago, to just trust them. We ought to take a practical step such as this that is going to bring the parties together.

Senator FEINSTEIN said: Well, this is without precedent. The fact is, the botched job that California did on energy deregulation is what is without precedent. If we are going to talk about setting precedents this evening, what we ought to talk about is the fact that in the State of Virginia they didn't go about the task of deregulating energy this way. Certainly, we didn't do it that way in my State. We believe in markets. We don't believe in saying, well, you can do one thing for wholesale and another thing for retail, but if everything doesn't work out, come to the Senate and if somebody tries to make sure you get a fair shake when you are sending power under Federal order, we will fight it.

We don't say things such as that. We say you have to be fair to all parties. That is why I am particularly pleased to have the support of Senator SMITH and Senator BOXER.

Mr. REID. Mr. President, I ask unanimous consent that the votes occur with respect to the Carnahan amendment No. 40 and the Smith of Oregon amendment No. 95, and the Wyden amendment No. 78, as amended, if amended, and the Wellstone amendment No. 36, as modified, at no later than 10:40 a.m. and that at 10:30 a.m. on Wednesday, Senator WELLSTONE be recognized for up to 10 minutes to be followed by the stacked votes as provided in the earlier agreement.

I further ask unanimous consent that Senator BINGAMAN, prior to the vote on the Wyden amendment, be recognized himself for 10 minutes.

Mr. WYDEN. Reserving the right to object for the purpose of asking my colleague a question. I want to make sure I understand my colleague. The first vote on the amendment involving this matter with Pacific Northwest and California would be on the Smith of Oregon perfecting amendment; is that correct?

Mr. REID. The Senator is correct.

Mr. WYDEN. I appreciate that.

Mr. GRASSLEY. Reserving the right to object——

Mr. REID. If I could say to my friend, it was just brought to my attention that there could be some parliamentary move, for example, to table the Smith amendment and that, of course, would not be in keeping with what the Senator just said. The intent is to have a vote on or in relation to the Smith amendment first. That would be the regular order.

Mr. WYDEN. I did not understand the comments of my distinguished colleague.

Mr. REID. In relation to the question asked by the Senator from Oregon, the Smith amendment is the first amendment that will be called up. Someone could move to table that amendment. I am sure the Senator understood that.

Mr. WYDEN. I understand that.

Mr. REID. We will vote on or in relation to the Smith amendment first.

Mr. WYDEN. I thank my colleague.

Mr. GRASSLEY. Reserving the right to object, we have an objection to part of this on our side, that the Wellstone amendment not be taken up because we don't have the modification yet.

Mr. REID. I say to my friend from Iowa, the modification has been prepared. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the votes occur with respect to the Carnahan amendment, No. 40, and the Smith of Oregon amendment, No. 95, and the Wyden amendment, No. 78, as amended, at approximately 10:45 a.m. on Wednesday, and that following the votes, the Senate resume consideration of the Wellstone amendment, No. 36.

I further ask consent that at 10:30 a.m. Senator BINGAMAN be recognized for up to 10 minutes for debate and

Senator HAGEL be recognized to speak for up to 5 minutes.

I further ask consent that no second-degree amendments be in order to any of the above-listed amendments, where applicable, and there be up to 5 minutes prior to each vote for explanation.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, this has been a long, arduous task. I appreciate the Senator from Oregon being so patient throughout the day. But there are two Senators who came here, Senators DURBIN and BREAUX, who have filed amendments in a timely fashion. There are 10 other amendments at the desk. Before I agree to this, I want these amendments just to be called up. It doesn't give them a right to vote or anything, except it is in the stack of these amendments.

These two gentlemen were here tonight and waited. I told them I would offer the amendments for them. I ask unanimous consent that I be allowed to call those two amendments up, No. 93 and No. 94.

The PRESIDING OFFICER. Is there objection to the request proposed by the Senator from Nevada?

Without objection, it is so ordered.

AMENDMENTS NOS. 93 AND 94

The PRESIDING OFFICER. The clerk will report the amendments. The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DURBIN, proposes an amendment numbered 93.

The Senator from Nevada [Mr. REID], for Mr. BREAUX, for himself, Mr. SPECTER, Mrs. LINCOLN, Mr. JOHNSON, Ms. LANDRIEU, Mr. CLELAND, Mrs. FEINSTEIN, and Mr. NELSON of Nebraska, proposes an amendment numbered 94.

The amendments are as follows:

(The text of amendment No. 93 is printed in today's RECORD under "Amendments Submitted.")

AMENDMENT NO. 94

(Purpose: To provide for the reissuance of a rule relating to ergonomics)

At the appropriate place, insert the following:

SEC. ___. AUTHORITY TO ISSUE A RULE RELATING TO ERGONOMICS.

(a) FINDINGS.—Congress makes the following findings:

(1) The National Academy of Sciences issued a report entitled "Musculoskeletal Disorders and the Workplace—Low Back and Upper Extremities" on January 18, 2001. The report was issued after the Occupational Safety and Health Administration promulgated a final rule relating to ergonomics (published at 65 Fed. Reg. 68261 (2000)).

(2) According to the National Academy of Sciences, musculoskeletal disorders of the low back and upper extremities are an important and costly national health problem. An estimated 1,000,000 workers each year lose time from work as a result of work-related musculoskeletal disorders.

(3) Conservative estimates of the economic burden imposed by work-related musculoskeletal disorders, as measured by compensation costs, lost wages, and lost productivity, are between $45,000,000,000 and $54,000,000,000 annually.

(4) Congress enacted the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) to "assure so far as possible every working man and woman in the Nation safe and healthful working conditions," and charged the Secretary of Labor with implementing the Act to accomplish this purpose.

(5) Promulgation of a standard on workplace ergonomics is needed to address a serious workplace safety and health problem and to protect working men and women from work-related musculoskeletal disorders. Any workplace ergonomics standard should take into account the cost and feasibility of compliance with such requirements and the sound science of the National Academy of Sciences report.

(b) AUTHORITY TO ISSUE RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of law, not later than 2 years after the date of enactment of this Act, the Secretary of Labor shall, in accordance with section 6 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655), issue a final rule relating to ergonomics. The standard under the final rule shall take effect not later than 90 days after the date on which the rule is promulgated. The standard shall—

(A) address work-related musculoskeletal disorders and workplace ergonomic hazards;

(B) not apply to non-work-related musculoskeletal disorders that occur outside the workplace or non-work-related musculoskeletal disorders that are aggravated by work; and

(C) set forth in clear terms—

(i) the circumstances under which an employer is required to take action to address ergonomic hazards;

(ii) the measures required of an employer under the standard; and

(iii) the compliance obligations of an employer under the standard.

(2) AUTHORIZATION.—Paragraph (1) shall be considered a specific authorization by Congress in accordance with section 801(b)(2) of title 5, United States Code, with respect to the issuance of a new ergonomic rule.

(3) PROHIBITION.—In issuing a new rule under this subsection, the Secretary of Labor shall ensure that nothing in the rule expands the application of State workers' compensation laws.

(4) STANDARD SETTING AUTHORITY.—Nothing in this subsection shall be construed to restrict or alter the authority of the Secretary of Labor under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) to adopt health or safety standards (as defined in section 3(8) (29 U.S.C. 652(8)) of such Act) for other hazards pursuant to section 6 (29 U.S.C. 655) of such Act.

(5) INFORMATION AND TRAINING MATERIALS.—The Secretary of Labor shall, prior to the date on which the new rule under this subsection becomes effective, develop information and training materials, and implement an outreach program and other initiatives, to provide compliance assistance to employers and employees concerning the new rule and the requirements under the rule.

AMENDMENT NO. 36, AS MODIFIED

Mr. REID. Mr. President, the majority has received the modified Wellstone amendment. I ask that his amendment be modified at this time.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment (No. 36), as modified, is as follows:

(Purpose: To disallow certain claims and prohibit coercive debt collection practices)

At the end of subtitle A of title II, add the following:

SEC. 204. DISALLOWANCE OF CERTAIN CLAIMS.

IN GENERAL.—Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking "or" at the end;

(2) in paragraph (9), by striking the period at the end and inserting "; or"; and

(3) by adding at the end of the following:

"(10) such claim arises from a transaction—

"(A) that is—

"(i) a consumer credit transaction;

"(ii) a transaction, for a fee—

"(I) in which the deposit of a personal check is deferred; or

"(II) that consists of a credit and a right to a future debit to a personal deposit account; or

"(iii) a transaction secured by a motor vehicle or the title to a motor vehicle; and

"(B) in which the annual percentage rate (as determined in accordance with section 107 of the Truth in Lending Act) exceeds 100 percent.".

AMENDMENT NO. 78

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, I reclaim my time briefly to make a few additional points on the matter of the California utilities and the Pacific Northwest getting repaid for the funds it sent California during their period of critical blackouts and other problems this winter.

I agree completely with those Senators who have spoken tonight, that it is in everyone's interest to come up with an approach that avoids bankruptcy. I think that is an area of widespread agreement. Senator SMITH and I repeatedly have said to Senator FEINSTEIN and others who have had reservations about our approach that we would be open to a wide variety of avenues in order to make sure our constituents get a fair shake and are repaid.

For example, I would be happy this evening, or at another appropriate time before the vote, to accept a perfecting amendment that would give California a reasonable period of time to perfect this comprehensive approach that they are pursuing in order to make sure everyone is paid off. I think that is very reasonable, and I want to make it clear that Senator SMITH and I have talked about that in discussions with various utilities, and a couple that oppose it. We made it clear we are open to giving California a reasonable period of time to put their agreement together.

But, in effect, what these California utilities have said is that it is basically our way or the highway. That just doesn't pass the smell test in the Pacific Northwest and with these public entities that are having so much difficulty paying their bills. I wish just a few of those thank-you letters we got from California public officials had been accompanied by checks because the fact is that all over the State we are getting and have gotten these letters from California public officials thanking us, and now tonight we are hearing that we will be repaid for our good deeds by being told that we can't even get a fair shake in a bankruptcy proceeding.

So this is unprecedented, Mr. President. There is no question about that. I am happy to yield to my colleague in a second because she has said, correctly so, that this is an unprecedented situation. But what I believe is unprecedented is that after State officials have botched the job, they would have the chutzpah to say to my constituents, just trust us; we hope everything works out.

I am happy to yield to my colleague from California.

Mrs. FEINSTEIN. If I may say to the distinguished Senator from Oregon, the point I don't understand is why you feel you won't be paid, why you feel you have to move ahead with this when everyone involved believes that moving ahead with it precipitates them to take action to force a bankruptcy, and if a bankruptcy is forced, it is chapter 7, where the company is dissolved and no one gets paid. That is my problem with this. This is why I believe it is so counterproductive.

Mr. WYDEN. I say to my colleague that we are being asked to trust the people who essentially botched the job. And I look at Southern California Edison—my distinguished colleague read something from the Southern California Edison, and I opened my Washington Post recently and learned that the Southern California Edison sent $5 billion overseas.

I have great respect for my colleague from California. I don't think she would have put together what California did in the first place. Where we disagree is that I cannot come to the floor of the Senate tonight and say that because I am fond of my colleague from California, California can, in effect, declare bankruptcy and not pay its bills. The Senator's colleague from California, Senator BOXER, said—I think very eloquently—she thought it was just plain fair. That is the way I see it.

I think you are going to have important legislation come before the committee involving rate caps and other approaches. I am going to be working closely with you on those kinds of issues, and Senator SMITH is as well. But if we now get stiffed, and if we are now told we can't even stand in line in a chapter 11 bankruptcy proceeding under a plan, I don't think that passes the basic test of fairness.

That is why we are here tonight. The Senator has framed the issue on her side—Southern California Edison and several of those significant private parties who were intimately involved in botching this job. On our side: Senator BOXER, Senator SMITH, and a variety of public entities who believe that, coming out of the chapter 11 bankruptcy proceeding, you ought to have something—something—that says you are going to get repaid.

I ask my colleague again tonight, if she were to offer a perfecting amendment to the one we discussed tonight saying we will give you a reasonable period of time to work out your plan, that is yet another olive branch which we have been trying to extend over the last couple of weeks that might allow the Senate to go forward and approve a measure of protection for my constituents while at the same time showing that I and other Westerners are going to bend over backwards to give you all a chance to put together your comprehensive approach.

Mrs. FEINSTEIN. May I respond?

Mr. WYDEN. Of course.

Mrs. FEINSTEIN. I appreciate that. I appreciate the Senator from Oregon saying he may postpone his amendment to give the State of California a chance to go forward with its comprehensive remedies. We do have to wait and see.

Mr. WYDEN. If I may reclaim my time, what I am saying is we will add language to the amendment that says the State of California would get a reasonable period of time to work out this comprehensive approach you have pushed for before any of this kicked in, before anything kicked in that would say the people of the Northwest at some point would get repaid.

Senator SMITH and I will go yet another mile to accommodate the constituents of the Senator from California and say let's pick a reasonable period of time. You all work to put together your agreement. We will work cooperatively with you, and if you accept that change, we can let the Senate go home before breakfast time tomorrow morning and let it get about its business.

Mrs. FEINSTEIN. If I may respond to the offer of the Senator from Oregon, I will be happy to take a look at it. The problem I have with it is that it does not stop what I am concerned about, which is a run on the bank; that as soon as creditors find there is an amendment in the bankruptcy legislation which gives a preference to a certain class of creditors, they then have to exercise their right and ultimately the utility companies will be driven to bankruptcy.

I did not enter this letter into the RECORD. The American Gas Association just put it the way it is. I do not know whether the time solution proposed by the Senator from Oregon solves this, but "By creating a preferred class of creditors," which your amendment does, "in effect the nonpreferred creditors would initiate involuntary bankruptcy proceedings against the utility. As the preferred creditors"—those are your entities—"would in actuality control the bankruptcy proceedings through their status, in effect chapter 11 reorganization would not be an option. Liquidation of assets through chapter 7 would result."

That is what I am trying to avoid. No matter what you do, you create this situation of preferred versus nonpreferred so the nonpreferred exert their rights now and throw the situation into bankruptcy.

This is not me saying it, this is the president and CEO of the American Gas Association saying that is what would happen.

I do not know whether a time delay solves that basic problem.

Mr. WYDEN. If my colleague will let me reclaim my time, again, there is absolutely nothing in the four corners of this amendment that would give a preference to Bonneville Power and the other public entities involved. The fact is Bonneville and the other public entities would not get priority over claims of secured creditors, for example, because my colleague has been speaking about creditors and the utilities tonight, and Bonneville gets no preference.

All we are saying is that coming out of bankruptcy, there has to be a plan to pay back government agencies. It does not say there has to be a plan to give the people of the Pacific Northwest first crack. It does not say there has to be a plan making Bonneville, again, a preferred creditor. It just says there must be a piece of paper that makes sure the people to whom you sent that thank-you letter, that really gracious thank-you letter where you thanked them in all capital letters—you said, "Thank you, Pacific Northwest"—all we are saying is that at some point those people you said thank you to should have something that would indicate they are not going to get stiffed but will eventually get paid back.

I hope overnight our staffs can work together on this point. You are right; we do have a philosophical difference, and it was expressed by Senator BOXER. Senator BOXER said she did not want the people of her State, good and caring people—my colleague knows I went to Stanford, so I know something about her State—she did not want the people of her State to be essentially scofflaws and not pay their bills.

If I may engage my colleague briefly, I want to make clear that overnight we are anxious to work with you on, for example, the idea of giving you a reasonable period of time before this legislation would kick in, and perhaps my colleague has other ideas because over the last couple of weeks we have made it clear that we want to work with her on this.

Senator BOXER made the point, and correctly so, that on the west coast ours is a power system that is interconnected. It is a grid that serves the people of the West. There is a tangible reason for us to work together.

It does not create much confidence, nor build a lot of credibility, for us to come to the floor of the Senate and say: Southern California Edison, which sent $5 billion overseas is against what Senator SMITH, Senator BOXER, and I want to do, and the people of the Pacific Northwest ought to trust them and others who botched the job in the first place to let it all work out.

Mrs. FEINSTEIN. Will the Senator yield for a question?

Mr. WYDEN. Of course.

Mrs. FEINSTEIN. If you put a time date in this, why wouldn't that encourage certain creditors to beat that date and push into bankruptcy ahead of that deadline? This is what every bankruptcy attorney with whom I have talked—and I have it right here:

> The inclusion of an effective date may not reduce the likelihood that non-covered creditors would rush the bankruptcy process, but rather could heighten and accelerate that risk because the affected parties will perceive a need to beat the legislative clock while simultaneously trying to amend the legislation.

Mr. WYDEN. If my colleague will allow me to reclaim my time to respond, that is not my first choice. My first choice was what we did with Senator BOXER. Senator BOXER worked very closely with us to narrow this amendment. In order to make sure we had the best possible response with respect to this threat that there could be a great run on the banks and the institutions of California, we narrowed this so it involves a few hundred million dollars out of $12 billion. In fact, there is a little irony here. The sum of money we are talking about all told is less than the Senator's staff initially indicated they could go along with, but I gather Southern California Edison and some of these other folks do not happen to agree.

Our first choice is to have a very narrow amendment to make sure the people whom California public officials have been thanking get a fair shake. It is only because we are anxious to explore other options with you that we thought giving you a reasonable period of time might be helpful.

We are prepared to take the consequences of an up-or-down vote on the Smith amendment. The choices are clear: Southern California Edison is not with the Smith-Boxer-Wyden amendment. We have established that. It has been read in letters tonight.

Those who are with us are these small public entities—the Western Power Authority, Bonneville Power, small municipal utilities in California. They are with us. It sets a very bad precedent to say those organizations that are responsible to taxpayers can be stiffed through the bankruptcy process.

I admire greatly my colleague from California who is here in this discussion tonight. I make it clear we are prepared to stay until all hours of the night toiling on this matter because one issue we both agree on is this is of enormous interest to our constituents—those you represent in California, those I represent in the Pacific Northwest. We have our door open to work with the Senator on other approaches.

If that doesn't work, the choice is clear for colleagues tomorrow morning at 10:30. Senator SMITH, Senator BOXER, and I have an approach that is narrow and we think will promote negotiations to avoid a bankruptcy proceeding. On the other side is Southern California Edison and a crowd shipping billions of dollars overseas when they ought to do their homework to correct a botched job in energy deregulation on the west coast in California.

If my colleague from California wants to go back and forth some more tonight, we can do that. I have, with Senator BOXER and Senator SMITH, made the principal points on our side, and unless my colleague from California wants to engage in further discussion, we can yield back, but I can't yield my time until we have had a chance to respond to any arguments the Senator has.

Mrs. FEINSTEIN. Mr. President, I will set the record straight. This is not just Southern California Edison or PG&E. There is virtually no creditor or debtor that is in support of the Wyden amendment. Not even the Bonneville Power Administration has written a letter in support of this amendment. There is a reason why they are not in support of this amendment. Once you create a preferred class of creditors, you prompt the breaking of the dam and other creditors will force an involuntary bankruptcy.

If that happens, it is the wrong chapter. It is chapter 7. It is disillusion. It means the utilities get out of the business of distributing power.

This is why this amendment is so dangerous. If the Senator can show me some of these authorities that think this kind of change of bankruptcy law in the middle of what is an extraordinarily precarious situation is a good thing, I may relent.

I have introduced about a dozen letters, not just from Southern California Edison but from creditors, big and small. One of the rumors on the street is that many of the renewable power generators—the wind and solar generating firms for example—are most concerned and would therefore press bankruptcy should this amendment pass.

To get involved in the State's healing process is extraordinarily dangerous. That is my argument. I am not sure simply extending the time obviates the argument I am making. I have virtually every one of these letters that say in so many words, don't force them to exercise their rights to push these companies into bankruptcy. That is what this amendment does.

I find it very hard when my distinguished colleague says it is just one utility advocating against his amendment. It is not. It is the big generators, the small generators, it is virtually everybody involved in this situation who says, let us try to work it out with the State. Let the State buy these transmission lines. That will inject billions to pay creditors.

If you vitiate or abrogate it by creating a preferred class of creditor, you will encourage other creditors to push for bankruptcy. There are literary hundreds of creditors, huge banks, small banks.

I understand the Senator is trying to do something for his State. I understand that. It is incomprehensible to me to think the Bonneville Power Administration isn't going to get paid back. I believe they will. I believe if you amend bankruptcy law to provide for it, you simply cause a reaction from the other creditors that I think can be devastating.

That is the sum and substance of my argument. I have tried to indicate that with a large number of letters. I regret if anyone thinks this is just one utility advocating against this amendment. It is not. It is virtually the entire creditor community.

Mr. WYDEN. Mr. President, again to set the record straight, when my colleague came to the floor tonight, the first thing she said was, what do the two private utilities affected by this think?

That is clearly what this debate is all about in terms of those who are opposed. Yes, Southern California Edison and PG&E are opposed. The crowd who botched the job of energy deregulation, the State of California, is prepared to oppose something such as this. My colleague from California said this is a dangerous amendment. What is really dangerous is what California has already done to the American people because the fact is, what California has already done to the American people is put in a set of energy decisions that have great implications for the whole country, not just those in the West.

The President of the Senate is from Nevada; I am from Oregon. It will have ripples all the way through our country. That is what California has already done.

The crowd that has botched this and engaged in this conduct, by my calculation, is pretty close to political malpractice if you look at how they went about deregulating energy, deregulating only one part in one way, leaving another part alone. Now they come to the floor of the Senate and they say, trust us even though they have already been dickering about it for months and months; we are going to be able to put together a $12 billion comprehensive settlement. But you in the Pacific Northwest and the public entities that Senator BOXER talked about, despite the fact that these organizations involve just a few hundred million dollars as part of a $12 billion plan, trust us because everything will work out in the end.

That is a bit too much to swallow. Tomorrow when we vote —and we are open to working with our colleague from California this evening—I hope the Senate will stand with Senator SMITH, Senator BOXER, and myself. We are of the view that our amendment is about simple, basic fairness. Nobody is given a preference in bankruptcy under this legislation. In fact, no one in the course of this debate that has gone on now for several hours has once pointed to any language in the amendment that provides a preference to Bonneville or anyone else.

I wrap up by way of saying I will assume my colleague from California misspoke. The Bonneville Power Administration is for this. We have been working with them constantly. The Northwest Power Planning Council is for this. Bonneville Power, for example, is faced with a situation where they will have to make debt repayment before long.

They badly need this money. So this is about the small public entities in California that Senator BOXER spoke about. It is about the municipal energy entities all up and down the west coast. You bet southern California is against us on this. I hope my colleagues will stand with Senator BOXER and Senator SMITH and I at 10:30.

I will again invite my colleague to discuss this further. I will respond to any other arguments. Whenever she finishes, perhaps I can make my closing arguments and we can wrap this up.

Would my colleague like me to yield to her?

Mrs. FEINSTEIN. I would like to respond.

Mr. WYDEN. Would you like me to yield or do you wish your own time?

Mrs. FEINSTEIN. I don't believe there is a time agreement. If the Senator has concluded his remarks, I would like an opportunity to conclude mine.

Mr. WYDEN. I have.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, a lot has been said tonight. Let me express what did happen.

In 1996, the State of California passed a deregulation law. Republicans and Democrats voted for that law. A Republican Governor signed the law. The law was badly flawed. It essentially deregulated the wholesale end of power and kept regulated the retail end. That was a mistake.

Additionally, it provided that 95 percent of the power of California would have to be bought on the spot or day-ahead market. It prevented the bilateral, long-term contracts which are a key part of the solution for California. And the flawed deregulation plan said that California had to buy power through something called a power exchange, which actually guaranteed a higher price for power. And the plan said that the utilities which had generation facilities would have to divest themselves of those generation facilities.

The law was a gamble. It gambled that spot power would be cheaper to buy than the price of bilateral contracts. In fact, that was not the case. There was not enough power supply to meet the demand, so the spot power prices rose dramatically.

I am one who strongly believes that you have to fix the marketplace; that you cannot deregulate on the wholesale end and not also deregulate on the retail end. Possible solutions include establishing a baseline rate, or realtime pricing, or tiered pricing, or something else. These possibilities would create an incentive for conservation and, in the long term, corrects the flawed power market.

The remedies before the State are slightly different than the way I would have gone. It does not mean it is better or worse, but it is a different way. Up to this point, the State has spent $3.9 billion in buying power. The State of California is willing to authorize funds to buy the transmission lines to enable the utilities to then secure their debt.

It is very easy to point fingers. It is very easy to castigate. It is very easy to call the State a lot of names. Nonetheless, I think the State should have the opportunity to work this situation out.

There is the rub. This amendment does not basically allow that because either advertently or inadvertently, it creates a situation to which others will respond by driving the utility companies to bankruptcy.

Let there be no doubt—in my mind there is no doubt—that others will respond to this situation by pushing these companies into bankruptcy. If they have to go into bankruptcy, they are not going to go into 11 or 13 to repay the debt. They are going to go into 7 to dissolve the debt and simply get out of the business of power distribution. So I am afraid that Senator WYDEN, Senator SMITH, and even my colleague from the State of California, Senator BOXER—I am afraid this is going to be counterproductive and it is going to produce something which can be devastating to everyone.

If it were just me alone who said that, I would be too timid to stand up here and say that. I am joined by virtually all of the debtor and creditor community in saying it. I am even joined by some of the public utilities that Senator WYDEN seeks to protect. The largest city in the State, Los Angeles, which produces its own power, does not support this because the city is worried about the same thing I am worried about.

I say give the State the time. Senator WYDEN and I do appreciate this—says, all right, we will work with you to create a time. I would like an opportunity to see if that is possible without launching the assault on bankruptcy that I am afraid will come out of the passage of the Wyden-Smith amendment.

I represent the sixth largest economic power on Earth. If these utilities go into bankruptcy, as Senator MURKOWSKI pointed out, it impacts hundreds of thousands of investors who have invested in the utilities, public retirement funds, other companies as well. It creates a situation which I think will have a major negative economic impact throughout the rest of the United States.

If the State were not assiduously trying to work out this problem, I wouldn't feel so strongly. If there was nothing being done to solve the problem, I wouldn't feel so strongly. But two utilities have agreed with the State on terms to purchase the transmission lines. Therefore, when the remainder of that purchase is completed, there will be the money available to pay Bonneville, to pay the Western Power Association, to pay the cogenerators, to pay other generators, to pay the natural gas suppliers. And I hope in the securitization of the back debt, the banks, the large New York banks will also feel that the arrangements are in place to see that they will get paid back. Bankruptcy, I do not believe, will solve this problem.

The degree to which this amendment would push these companies into bankruptcy, I think, is a gamble that is very unwise to take at this time.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I will be brief, but I want to just respond to several of the arguments made by my distinguished colleague. My colleague said, for example, that this is going to have real ramifications for the economic well-being of her State. The fact is, what the State of California has already done has already had a major economic impact on my State and on the people of the Pacific Northwest. Under very difficult circumstances we sent additional power to California which generated these glowing thank-you notes from my colleagues and various California public officials.

So my colleague from California envisages some economic trouble in her State. We are already seeing it and it is compounded by the fact that we have been more than a good neighbor. What it is all about on the west coast, as my colleague from Nevada knows, is we have an interconnected power system. We have been more than a good neighbor, and we are suffering economic hardship as a result.

My colleague also said that California is owed the opportunity. Those were her words: The State of California is owed the opportunity to work out this matter.

There is no question in my mind that they should have the opportunity to work it out. But they should not get a free ride. They should have to be part of an effort, as Senator BOXER said this evening, to bring the parties together as we have sought to do with our very narrow amendment we offered this evening.

Finally, my colleague says that somehow the amendment put together by Senator SMITH and Senator BOXER and I, in her words, has launched an assault on the State of California.

That is pretty incendiary oratory, in terms of this whole debate. But, again, I submit if there has been an assault that has been launched, it was what was done in the State of California. It was not something that came about because the Senators from Oregon, working with the Senator from California, tried to figure out a way to make sure there was a modest measure of protection for our constituents. It is not a proposal that moved Bonneville Power to the head of the line, not a proposal that gives our constituents a free ride, the way Southern California Edison seems to want, but something that ensures that we do get a fair shake.

I am very hopeful my colleagues will see that there has been an effort on the part of the sponsors of this particular amendment. The first vote will be on the Smith amendment tomorrow morning at 10:30 or thereabouts. It is an amendment that was perfected by Senator BOXER so as to ensure that this would not create a greater opportunity for bankruptcy to take place.

It was designed to make sure that the parties had a reason to negotiate. I fear that if this particular proposal goes down, this gives a green light to the private interests that are opposing this tonight, to know they basically got the votes on the floor of the Senate to work their will on any of these major issues.

This is going to be a big vote, it seems to me. It is important for us in the Pacific Northwest. But for anybody who reads the Washington Post—and I put the article in the RECORD—the people who are opposing this amendment are folks who are sending billions of dollars overseas rather than trying to take care of business here at home.

The lines are drawn with respect to who is with us and who is not. Those who are responsible to taxpayers and have to make Treasury payments in small California municipal utilities are with us. This is about one proposition, and one proposition only, and that is basic fairness for all concerned in dealing with a difficult issue.

I urge my colleagues to vote in favor of the Smith amendment that will come up in the morning.

Mr. President, I yield the floor.

AMENDMENT NO. 27, AS MODIFIED

Mr. DORGAN. Mr. President, earlier today I voted to table an amendment that had been offered by Senator FEINSTEIN regarding credit cards for young adults. This amendment would have required a $2,500 cap on credit card limits to anyone under the age of 21 unless they have a signature from their parent or can provide financial documents that establish their independent means of repaying their bills. I opposed this amendment because I am concerned that the age limit is arbitrary and could be unfair to many hard working Americans.

I understand the concern that has been raised by many regarding credit card companies that blanket college campuses with brochures and solicitations. I agree that credit card companies have some responsibility in limiting credit to those who have no income. But I believe that the amendment that was offered today was not a good way to solve that problem.

There are many people who are still in school at age 21. But there are many more who are holding down full time jobs, working to start a family, and deserve to have financial tools available to them, including credit cards without artificial credit limits. A 19-year-old North Dakotan can vote, serve in the military, and is considered an adult under state and federal laws. This amendment would create new hoops for that young person to access a credit card with a limit over $2,500. This is not a fair approach and is not an appropriate solution to the problem that the amendment's supporters are trying to solve.

Credit card companies have a role to play as we reform bankruptcy laws. They should be held accountable for offering credit responsibly. But this amendment missed its mark. A person under the age of 21 should be able to have and use credit cards if they are working and have an income. For this reason, I opposed the amendment and supported the motion to table.

Mr. BYRD. Mr. President, today I voted in favor of Mrs. FEINSTEIN's amendment to the bankruptcy reform bill that would limit the amount of credit that credit card companies can extend to underage consumers. For the benefit of my West Virginia constituents, I offer a brief explanation of my vote.

I supported the Feinstein amendment because I agree with the general philosophy behind it. Credit card companies are far too willing to offer credit cards to young, financially-inexperienced consumers. Many of these young consumers are college students without any income or credit history. Too often these young consumers get in over their head when credit card companies offer unlimited credit to buy whatever they want, whenever they want. The Feinstein amendment is a commonsense approach that would restrict the amount of credit that could be offered to these young consumers, unless they gain parental approval or are able to demonstrate their financial independence.

However, I disagree that $2,500 is an adequate credit limit for protecting underage consumers. My own view is that this amount is too high. I would prefer to see a $500 credit limit. Even with a credit limit of $2,500, young consumers are at risk of accumulating massive credit card debt without the ability to repay it. A smaller credit card limit is more likely to reduce this risk.

My hope is that, even though the Senate rejected this amendment, credit card companies will take it upon themselves to more carefully scrutinize to whom they are extending credit, and reign in their credit offers when necessary.

Mr. INHOFE. Mr. President, this morning the Senate briefly debated and tabled the Feinstein amendment No. 27 to S. 420, the bankruptcy reform bill. I was unable to make that vote this morning, but I did want to make a brief statement for the record to register my opposition to the amendment. Under the Feinstein amendment, credit card companies would be forced to limit the debt a minor can carry on a credit card to $2,500, unless the minor demonstrates a means to pay back the debt or a parent cosigns for the debt. I oppose this amendment as unnecessary government intervention in the marketplace. Washington has no place in limiting or determining the financial needs of students and their ability to repay loans. The government has an abysmal track record when it meddles in the marketplace, and I strongly believe that these decisions should be made by individuals and families, not by the federal government.

FINANCIAL PRIVACY

Mr. LEAHY. Mr. President, I planned to offer an amendment to this bankruptcy bill to protect financial privacy and prevent identity theft in electronic bankruptcy court records. I thank Senators SARBANES, HARKIN, SCHUMER, and ROCKEFELLER for agreeing to cosponsor this amendment.

This amendment addressed just a single area where the Federal Government, here, the Bankruptcy Courts, holds significant amounts of highly personal information, which is freely available for any person for any reason to access and use. The manner in which all three branches of the Federal Government, the Federal agencies, the Congress and the Judiciary, protect the privacy of personal information that Americans are required to divulge to the government, is an important area that needs our attention. I thank the Chairman of the Judiciary Committee for agreeing to work with me on addressing the problem in a more comprehensive manner.

Mr. HATCH. My distinguished colleague makes a good point, and one where we both agree on, and frankly, it is something on which there is bipartisan interest. The issue of privacy, both online and offline, is something that we have discussed together and both agree that the Committee should examine, and will be examining, the current legal framework for privacy protection and determine where improvements can and should be made. This is an important matter on which we have agreed to hold hearings and move forward with legislative proposals, where appropriate.

Mr. LEAHY. While much attention has been focused on online privacy and the use of personally identifiable information by commercial web sites, the Federal Government is a huge repository of personal information in both paper and electronic form. Balancing the important interests of public access to government records with privacy protection for personal information is not always easy to do.

Mr. HATCH. I agree, this is a difficult subject, but one we must tackle and I believe as policy-makers, Congress has an important role to play in making sure this balance is done properly. It is becoming increasingly more important as we see government using technology to become more efficient, more user friendly, and we need to be sure that the new ease of use of government resources do not compromise the citizenry's privacy expectations.

Mr. LEAHY. The federal judiciary is grappling with the issue of how to put additional court filings online while providing appropriate levels of privacy protection and security for the information in those records. Bankruptcy records, for example, contain all kinds of highly sensitive personal and financial information, including social security, bank and credit card account numbers; medical history; and child support and alimony information. This information may pertain to the debtor but also to many other people who are creditors or simply associated or employed by the debtor. These records have traditionally been available to the public for perusal by individuals who went to the court house, requested the records, and physically reviewed the hard copies. This was an open process, but it was cumbersome. The inefficiency of obtaining data provided its own protective shield. For the most part, only those with a legitimate interest in bankruptcy court data took the trouble to collect it.

As courts increasingly go online, however, personal information such as that contained in court filings may be posted on the Internet available for some legitimate uses but also vulnerable to misuse or objectionable re-use. In some cases, personal information of parties with only limited interest in a bankruptcy case can be widely distributed and posted online. Last August, for example, employees of an Internet retailer were shocked to learn that their salaries, bonuses, stock-option information, and home addresses were posted on the Web. Their employer, Living.com, had filed for bankruptcy and submitted all corporate financial data to the courts. Then, at the request of the company's creditors, the trustee in the case posted this highly personal data, information about employees, not about debtors, on the Web. In an unusual twist, the home addresses of 1,000 of Living.com's creditors were also posted on the Internet. The Living.com case demonstrates the risks of automatic electronic disclosure of data, threats that can befall not just debtors, but employees and even creditors.

Federal agencies could also do a better job of protecting the privacy of those who do business with or seek help or information from the government. A recent GAO study reports that while most major federal agency sites post privacy notices, many do not do so on pages that collect personal information and few satisfy the principles of notice, choice, security and access that the Federal Trade Commission believe should be met by commercial sites. Moreover, the Privacy Act has not been seriously examined or updated for over twenty years. It is not doing the job it was originally intended to do of protecting the privacy of personal information provided to and held by the government. I look forward to working with the Chairman on addressing these and other important privacy issues in this Congress.

Mr. HATCH. I certainly share your concerns regarding the privacy implications of government actions. I should note that I understand the Judicial Conference is also looking at this issue, but it is clearly one that we must oversee as it raises important policy issues, as well as important First Amendment and Fourth Amendment concerns. In the bankruptcy context, I should state that I believe it is critical that a delicate balance be established between the privacy interest of the debtor who seeks to take the privilege afforded under our bankruptcy laws, and the need in the case of bankruptcies for creditors whose debts are being extinguished, as well as those who enforce against fraud in our bankruptcy system, to obtain information about the debtor and the bankruptcy case. A fair balancing of these competing concerns is critical, and one that the Congress, and particularly the Judiciary Committee, must take an active role.

I think that there is no question that making sure the privacy policies and practices of the Federal Government is important. In addition, we should make sure that the privacy laws governing the Federal Government's use of personally identifiable information work effectively. This is an important issue that we can both work together to make happen, and if I remember correctly, it is one that Attorney General Ashcroft has similar concerns about.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now be in a period of morning business with Senators speaking for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VISIT OF SOUTH KOREAN PRESIDENT KIM DAE JUNG

Mr. DASCHLE. Mr. President, I want to share with my colleagues a letter that Representatives GEPHARDT, LANTOS, SKELTON, Senators BIDEN and LEVIN, and I recently sent to President Bush. The letter outlines our support for efforts to work with our South Korean friends to address the threats to our security emanating from North Korea.

Like President Bush, we harbor no illusions about the challenges posed by the North Korean government. To say North Korea's actions the past several decades have greatly troubled the United States and the world is an understatement. However, we also recognize that we cannot simply ignore the challenges the current regime poses for the international community; the stakes, which include the proliferation of missile technology, are simply too high.

Last week Secretary Powell publicly recognized that the Clinton Administration made progress in addressing the threats posed by North Korea. We agree with that assessment. We believe the record shows that the Clinton Administration fell just short of reaching a comprehensive agreement with the North Koreans that would have dramatically reduced tensions between the two Koreas and between North Korea and the rest of the world.

Given the urgency of these threats and the fact that a breakthrough appeared imminent just months ago, it is in the U.S. national interest to pursue additional discussions with the North Koreans. Only by allowing our negotiators to sit down with their North Korean counterparts will we be able to determine whether that recent progress contains the seeds of a comprehensive and verifiable agreement with North Korea.

Let us be clear. The burden here is on the North Koreans to prove that they will join the international community. We may find that a deal is not possible. But to walk away from that effort now, without knowing whether a deal is possible, is to pass up an opportunity to address a principal threat to the United States and to our friends in the region, South Korea chief among them.

We urge the President to work with President Kim and our South Korean friends—with our strong support—to test North Korea's commitment to peace through a comprehensive and verifiable agreement on its nuclear and missile activity. The stakes are too high and the issues too urgent to do otherwise.

I ask unanimous consent to have printed in the RECORD a letter dated March 6, 2001.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, March 6, 2001.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing in regard to your upcoming meeting with Republic of Korea President Kim Dae Jung. Korea is a steadfast ally in a strategic part of the world, and we are pleased you will meet with President Kim early in your administration.

We understand that President Kim's efforts toward rapproachement with North Korea will be a subject of your meeting. In the context of those efforts, late last year North Korea suggested it may be ready to permanently address U.S. and allied concerns regarding its nuclear and missile capability—a major destabilizing force in East Asia and a principal threat to the security of the U.S. and its allies in the region.

Your meeting with President Kim offers an opportunity to stand with our South Korean friends to test whether North Korea is indeed committed to peace. Given North Korea's often far-reaching demands and record of disregarding international norms, we are under no illusions about the difficulty of getting comprehensive and verifiable agreements with North Korea that address our concerns about its current and future nuclear and ballistic missile activities. We believe, however, the stakes are high and the issues involved demand urgent attention, and it is evident to us that the continued engagement of the U.S. Government on this matter could serve to reduce a serious potential threat to our national security.

We therefore hope you thoroughly explore the possibility of reaching agreements that are in our national interest, and ask that you clearly demonstrate to President Kim our government's ongoing commitment to working constructively with the Republic of Korea to confront this major strategic challenge.

Should you choose this path to work with the Republic of Korea to address these critical concerns, we stand ready to support you.

Sincerely,

SEN. TOM DASCHLE,
Senate Democratic Leader.
REP. RICHARD GEPHARDT,
House Democratic Leader.
SEN. JOSEPH R. BIDEN, JR.,
Ranking Member Senate Foreign Relations Committee.
REP. TOM LANTOS,
Ranking Member House International Relations Committee.
SEN. CARL LEVIN,
Ranking Member Senate Armed Services Committee.
REP. IKE SKELTON,
Ranking Member House Armed Services Committee.

SUPPORT FOR VICTIMS OF INDIAN EARTHQUAKE

Mr. JOHNSON. Mr. President, I would like to extend my deepest sympathy to the Indian people for the recent loss of life and property due to the recent earthquake in their country. On January 26, the people of Gujarat in western India were hit with an earthquake the size and devastation of that which hit San Francisco in 1906. The earthquake in Gujarat killed more than 30,000, injured more than 100,000, and displaced more than a half million men, women, and children. My thoughts and prayers, and those of many Americans, are with them at this difficult time.

The people of India have been valuable friends to America, and a number of Indians call this country their home. Unfortunately, tragic events like these show how quickly loved ones and friends can be take from us. However, it is also through despair and tears that people often find humanity and caring.

The damage to the region is expected to exceed $5.5 billion. In the face of such a catastrophe, it is imperative that the global community actively respond. I am heartened to see the outpouring of assistance that nations around the globe, and countless nongovernmental organizations, have offered to India. Our own government will continue to offer our support to the victims of this earthquake, and I encourage President Bush to offer any needed additional assistance as they begin the process of rebuilding shattered homes and lives.

THE DEPARTURE OF A DEAR FRIEND, KRISTINE "IVO" IVERSON

Mr. HATCH. Mr. President, one of my very dear staffers is about to leave the Senate, a wonderful woman who has given a great deal of her time and love—indeed, a great deal of her life—to me, my office, the citizens of Utah, the county, and indeed, to this grand and honored institution, the Senate of the United States.

It is almost impossible for me to believe, but, after nearly a quarter of a century, Kristine Iverson's last working day in my office has now come upon us.

I can still remember that day in 1976, when a young Illinois native—just two years out of DePauw University—when that young lady came to my office, résumé in hand, seeking a position as a legislative correspondent. Kris got that job, and it was one of the best moves I made.

Kris joined my staff in 1977 as a legislative correspondent. But her intelligence, dedication, warm heart and incredible ability to grasp all the intricacies of the legislative process quickly propelled her to a series of top positions in my office and on the Labor Committee.

And for the past 24 years, day in and day out, we have always been able to count on Kris Iverson. Night after night, year after year, she was the first one in and the last one to leave.

In short, we have grown gray together.

Over the years, Kris has worn many hats: Legislative Assistant, Labor Committee Policy Director, Labor Committee Minority Staff Director, and now Legislative Director.

In every position she served admirably and won the utmost respect from her colleagues on both sides of the aisle.

Most recently, Kris has served without peer in one of the most difficult and challenging positions in the office of any Senator—legislative director. In that position, she has served with an unmatchable commitment to the Senate and indeed the very Congress of the United States.

We all know how important it is to have a Legislative Director who we can trust to take our legislative priorities and help us direct them through the Byzantine maze of the legislative process.

Kris has been responsible for shepherding every piece of legislation that I sponsored. Beyond that, she was also responsible for helping to direct the legislative activities of both my personal staff and the Judiciary Committee staff.

Not only has Kris—or "Ivo" as we endearingly refer to her—earned my undying respect and admiration, but she is also highly admired by many in this body for her honesty, her work-ethic and her analytical skills.

When I think of many of the great laws in this nation the Child Care and Development Block Grant Act of 1990, the Women in Science Act, the Americans with Disabilities Act, the Job Training Partnership Act or JTPA, the Children's Health Insurance Program or CHIP all of these great laws reflect Kris Iverson's substantial mark.

Kris was there—in fact, Ivo was the lead staffer—on my first law, the National Ski Patrol Federal Charter, signed by Carter in 1980.

We often joke that she has files older than many of our staffers, and I'm sorry to say, it's true!

Unfortunately for us, her reputation has carried all the way to the White House where President George W. Bush has announced his intent to nominate her to one of the highest positions in the Department of Labor.

If all goes as planned—and I know it will—very shortly Kris will become the Assistant Secretary of Labor for Congressional and Intergovernmental Affairs.

Her only obstacle is confirmation by this august body . . . and I am counting on my colleagues to give her their support. Unanimous support!

I know that in that very important office, she will serve Secretary Chao with the same dedication and spirit. Clearly, being appointed by the President of our great nation to such a position is a tremendous honor and a tribute to her.

A great writer once said:

> Give us an individual of integrity, on whom we know we can thoroughly depend; who will stand firm when others fail; the friend, faithful and true; the advisor, honest and fearless; the adversary, just and chivalrous: such an one is the fragment of the Rock of Ages.—J.P. Stanley

Ivo has been such a faithful and true "rock" of our office. I cannot put into words how much she will be missed, not only by my staff but also by the Senate as a whole.

And of course, she will be greatly missed by me.

I have considered her my right-hand counselor and advisor. I have relied on her on a daily, if not hourly basis.

We have come to count on Kris to do it all. From proper placement of commas . . . to strategy on the most important legislative initiatives . . . Kris does it, and does it well.

Dozens, if not hundreds, of people throughout Washington and the nation were mentored by Kris Iverson, and under her gentle tutelage have gone on to lead successful careers.

When the times were hard or the seas were rough, Kris was there with a steady and unbending hand to guide us on the proper course. She was our captain, our Mother Superior, our eye in the storm, our calm center in a sea of chaos.

I must say that I am very saddened by her departure. But I am very, very happy and proud of her accomplishments and most importantly, of this tremendous appointment to a place where I know that she will continue to honor and serve her country with dignity and respect.

So, I hope my colleagues will join me in wishing Kris well, in expressing our love and gratitude for her service to us.

There is no doubt in our minds that she will move on to even greater heights as she continues to serve our government and our President.

Mr. President, I have had a lot of people serve with me throughout the years, a lot of really good people I love, adore, appreciate, and honor. I have had no one serve with me who did a better job or gave more to this institution and to our country than Kris Iverson. I felt very much like I had to make this statement at this time before Kris leaves. She is sitting right beside me, and I am very, very proud of her.

I yield to my friend from Connecticut.

Mr. DODD. Mr. President, I was happy to yield to my colleague for the purpose of making this statement, although I had no idea what the subject matter was going to be. I feel fortunate to have been on the floor when I discovered it was going to be about Kris Iverson, with whom I have worked now for some 15 or 16 years, going back to the mid-1980s when Senator HATCH and I authored the child care development block grant.

Kris Iverson did the initial work for Senator HATCH on that legislation, working with a fellow from my office who has been at the Department of Health and Human Services over the last number of years. I thank Kris.

Coming from the other side of the aisle here, I didn't have the privilege of working with her every day, but on the days that I did, I came to know her as a highly competent, serious individual of deep convictions, who understands issues very, very well, appreciates the role of government, and that bright and talented people can make a contribution.

We are going to miss you, I say to Kris Iverson, here in the Senate, although we are not going to lose you entirely from public service. So on behalf of those of us on this side of the aisle—we don't want to ruin your reputation in Republican circles—but we thank you as well for a job very well done on behalf of all Americans. We are lucky to have had you serve the Senate and certainly the interests of the American people.

Mr. HATCH. Mr. President, I thank my colleague for his kind remarks because he knows how hard we worked together on the child care development block grant, and a whole raft of other issues. Kris has done such a great job, and I am honored to have her sit beside me for the last time in the Senate. We are very proud of her.

ADDITIONAL STATEMENTS

HONORING JIM O'ROURKE

• Mr. DODD. Mr. President, I rise today to congratulate Connecticut State Representative Jim O'Rourke on being named the Irishman of the Year by the Portland-Middletown Ancient Order of Hibernians, an Irish-American organization with a tradition of service to the community.

Jim O'Rourke, born in Boston, MA, has served the people of Connecticut for most of his adult life. He is a graduate of Manchester High School and earned a Bachelors Degree in Political Science at the University of Connecticut. While at the University of Connecticut, Jim developed a deep passion for issues affecting the environment, consumer protection, and education, serving as Chairman of the statewide Connecticut Public Interest Research Group and later as Chairman of the Connecticut Environmental Caucus.

For the past 11 years, as a member of the Connecticut State House of Representatives, Representative O'Rourke has been a champion of initiatives aimed at providing cleaner air and water for the people of Cromwell, Portland, and Middletown. Last month, he hosted the Connecticut Coalition for Clean Air, CCCA, a partnership of private, State, and local government officials committed to educating the public while providing solutions to pollution concerns throughout the State. Jim believes that pollution of our air and waterways is more than just an environmental problem, it is a public health concern. Representative O'Rourke's leadership on these vital issues has earned him wide respect among his colleagues. In fact, one indication of the high regard Jim's colleagues have for him is that he was chosen to serve as Assistant Majority Leader of the Connecticut House of Representatives earlier this year.

Jim O'Rourke has made numerous contributions to his community. His tireless work on behalf of children and families there and throughout Connecticut is never-ending. He works as Assistant Development Director of The Connection, a non-profit service and community development organization which provides counsel to low and moderate-income families seeking to purchase their first home. It also provides important treatment services for underprivileged families and persons in need of counseling.

Mr. O'Rourke is an active member of the Portland-Middletown division of the Connecticut Ancient Order of Hibernians, having been granted the third degree prior to his latest achievement. The Order has been an integral part of Irish-American life since its North American branch was founded in 1836 in New York City, it is now the largest of all Irish Social Societies in the United States. Jim O'Rourke is also a member of the Cromwell Kiwanis Club and the DeSoto Council Cromwell Knights of Columbus. He serves as president of the statewide People's Action for Clean Energy, an organization committed to energy conservation and a clean and healthy environment.

As a result of his endeavors, Jim has been the recipient of numerous awards, including being recently named the Legislator of the Year by the Connecticut Council of Small Towns and Champion of Youth by the Connecticut Coalition of Youth Advocates.

As you are aware, this week is a special one for all Irish-Americans, for Saturday we celebrate Saint Patrick's

Day. Let us take this opportunity not only to recognize the rich legacy of the Irish in America, but also to honor a man who has worked so hard within his community to preserve this heritage, and to promote the well being of all citizens, as well. I can think of no finer illustration of the contributions that Americans of Irish descent continue to make to our Nation than the good deeds that Jim O'Rourke performs each and every day as an outstanding public servant.•

TRIBUTE TO BLACK MOUNTAIN SKI AREA

• Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to the Black Mountain Ski Area in Jackson, NH, upon the celebration of their 65th year of business.

A pioneer in the ski industry, Black Mountain Ski Area installed the first overhead cable lift in the United States in 1935. Designed and installed by Bartlett, NH, inventor George Morton, the lift consisted of an overhead cable with strands of rope hanging down for skiers to hold onto as they ventured up the mountain.

In 1936, Bill and Betty Whitney purchased the Moody Farm and Ski Area at Black Mountain from Ed and Ada Moody, renaming the business as Whitney's. The Whitney family retrofitted the overhead cable lift in 1937, replacing the strands of rope that hung from the cable with seventy-two shovel handles purchased from Sears Roebuck and Company.

Black Mountain utilized the first snow making system in New Hampshire in December, 1957. A Skyworker Snowmaking System was installed by the William A. Walsh Company of Manchester, NH.

Black Mountain Ski Area has been in continuous operation as a ski facility since 1935, making it one of the oldest ski areas in New Hampshire. The Black Mountain Ski Area is a true friend to the people of New Hampshire and to the tourists who travel to our great state to utilize the facility. Their efforts to serve the needs of the ski industry in New Hampshire are truly commendable. It is an honor to represent them in the United States Senate.•

RETIREMENT OF THE HONORABLE BRETT DORIAN

• Mrs. BOXER. Mr. President, I would like to recognize Judge Brett Dorian as he retires after almost 12 years as a United States Bankruptcy Judge in Fresno, CA.

Brett Dorian's legal career reflects a long and honorable commitment to public service. His dedication spans more than three decades, beginning with his service in the United States Air Force. Upon graduation from Boalt Hall, University of California, Berkeley Mr. Dorian helped and assisted the underprivileged in Central California as a legal aid lawyer. He then went on to a distinguished career in private practice where he specialized in bankruptcy law and served as a bankruptcy trustee for many years.

In 1988, Judge Dorian was appointed to the United States Bankruptcy Court in Fresno. He served as a Bankruptcy Judge for almost 12 years. Judge Dorian served an eight county area in Central California. Judge Dorian has long been known as a thorough, dedicated and compassionate judge. Throughout his judicial career, he was diligent in carefully balancing the law in his cases and protecting the rights of those who appear before him.

Judge Dorian has served the people of California as well as all Americans with great distinction. I am honored to pay tribute to him today and I encourage my fellow colleagues to join me in wishing Judge Brett Dorian continued happiness as he embarks on new endeavors.•

GEORGE W. MILLER'S FIFTY YEARS OF SERVICE

• Mr. SANTORUM. Mr. President, I would like to take a moment today to recognize a Pennsylvanian who has been a tremendous asset to our community. I was recently notified that Mr. George W. Miller of Mount Pleasant will be celebrating 50 years of active service in the Mount Pleasant Volunteer Fire Department.

It is without question that this fine Pennsylvanian has gone above and beyond the call of duty to improve the safety of his community. Mr. Miller has displayed great courage over the years, as he has put himself in danger in order to protect the lives of his neighbors, friends, and community members. Our society will remain forever in debt to Mr. Miller and those like him who spend their own time in volunteer efforts.

The Volunteer Fire Department of Mount Pleasant, PA has been blessed to have had Mr. Miller as part of its team for the last fifty years. I enthusiastically congratulate him on reaching this tremendous milestone, and I am sure that I don't stand alone in hoping that he will be a part of the fire department for many years to come.•

AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS: 50TH ANNIVERSARY TRIBUTE

• Mrs. MURRAY. Mr. President, I come to the floor today to pay tribute to the American College of Obstetricians and Gynecologists, ACOG, in celebration of their 50th Anniversary. I would also like to include the letter signed by several of my colleagues who have joined with me in offering congratulations to ACOG and to pay tribute to their efforts on behalf of women's health.

With a membership of over 41,000 physicians specializing in obstetric-gynecologic care, ACOG is the nation's leading group of professionals dedicated to improving women's health care. ACOG is a private, voluntary, nonprofit organization.

Throughout its history, the purpose of ACOG has been to maintain the best standards of health care for women. Today, about 95 percent of American obstetricians and gynecologists are affiliated with ACOG. Over 35 percent of ACOG Fellows are women, and over 63 percent of Junior Fellows are women. ACOG works in four primary areas:

Serving as a strong advocate for quality health care for women.

Increasing awareness among its members and the public of the changing issues facing women's health care.

Maintaining the highest standards of clinical practice and continuing education for its members.

Promoting patient education and stimulating patient understanding of, and involvement in, medical care.

ACOG's reliable and informative communication with us on Capitol Hill has been a valuable asset in guiding our policy debates. Congratulations to ACOG, and thank you for providing a welcome voice to Capitol Hill on women's health policy.

I ask that a letter dated February 21, 2001, be printed in the RECORD.

The letter follows:

U.S. SENATE,
Washington, DC, February 21, 2001.

Hon. TRENT LOTT,
Senate Majority Leader, U.S. Senate,
Washington, DC.
Hon. DENNIS HASTERT,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR SENATOR LOTT/MR. SPEAKER: We would like to take this opportunity to recognize the work of the American College of Obstetricians and Gynecologists (ACOG). We would also like to congratulate ACOG on their 50th Anniversary. With a membership of over 41,000 physicians specializing in obstetric-gynecologic care, ACOG is the nation's leading group of professionals dedicated to improving women's health care. ACOG is a private, voluntary, nonprofit organization.

Throughout its history, the purpose of ACOG has been to maintain the best standards of health care for women. Today, about 95% of American obstetricians and gynecologists are affiliated with ACOG. Over 35% of ACOG Fellows are women, and over 63% of Junior Fellows are women. ACOG works in four primary areas:

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ACOG's reliable and informative communication with us on Capitol Hill has been a valuable asset in guiding our policy debates. Congratulations to ACOG—and thank you for providing a welcome voice to Capitol Hill on women's health policy.

Sincerely,

Patty Murray, Tom Harkin, Mary L. Landrieu, Louise M. Slaughter, Jim Jeffords, Jan Schakowsky, Arlen Specter, Jeff Bingaman, Kay Granger, Nita Lowey, Nancy L. Johnson, Sherrod Brown, Pete Stark, Patrick J. Kennedy, Ron Wyden, Barbara A. Mikulski, Henry A. Waxman, and James Greenwood.•

TRIBUTE TO JAYNE MARCUCCI

• Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Jayne Marcucci of Hooksett, NH, for being honored the state's first Ronald Reagan "Gipper" Award recipient and Young Republican of the Year 2001. Jayne was awarded the Ronald Reagan award on the former President's birthday.

Jayne has served the citizens of New Hampshire selflessly with enthusiasm and loyalty as the former Executive Director of the New Hampshire State Republican Party. A grassroots builder, Jayne has been successful in attracting many young people to become involved in politics.

A graduate of the University of New Hampshire, Jayne received a Bachelor of Arts degree in Political Science and later earned a Master of Business Administration degree, also from the University of New Hampshire.

Jayne served the State of New Hampshire as Deputy Press Secretary for my Senate office in Manchester. She is the President of Marcucci Consulting providing political consulting and public relations services to clients in New Hampshire.

A conscientious and dedicated volunteer, Jayne donates hours of her time to a therapeutic riding program. T.H.E. Farm, located in Tewksbury, MA, provides services to persons with disabilities. Jayne contributes to T.H.E. Farm by promoting the valuable program with communications and public relations assistance.

Jayne has served the citizens of New Hampshire with selfless dedication and hard work. It is an honor to represent her in the United States Senate.•

100 YEAR ANNIVERSARY OF THE JEWISH FEDERATION OF GREATER PHILADELPHIA

• Mr. SANTORUM. Mr. President, I stand before you today to recognize the contributions made by the Jewish Federation of Greater Philadelphia. On March 22, 2001 they will celebrate their 100 year anniversary, and I would like to extend my sincere gratitude for the leadership and guidance they continue to provide to the Philadelphia community.

The mission of the Jewish Federation is to assure that the basic human needs of Jewish populations at risk are met, to maximize Jewish identification and participation in Jewish life. In addition, the hard work of the federation provides leadership and effective outreach efforts to those in the Jewish community.

When the federation celebrates their 100th anniversary, they will sign the Centennial Celebration Charter, just as their ancestors did in 1901, which will reaffirm their commitment to the Jewish community. The Jewish Federation of Greater Philadelphia remains committed to the five counties in Southeastern Pennsylvania, by creating a caring, compassionate, involved Jewish community that encourages members to take an active role in their culture and religion.

I commend the members of the Jewish Federation of Greater Philadelphia as they reach this milestone anniversary. The people of Philadelphia are blessed to have such a caring and involved organization in their community.•

TRIBUTE TO BERNIE STREETER

• Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Bernie Streeter of Nashua, NH, for his thirty years of distinguished service on the New Hampshire Executive Council.

As executive councilor for District 5, Bernie provided exemplary service to over 225,000 residents in an area which covers the southwestern part of New Hampshire from the Connecticut River Valley to Nashua. Over the years he has worked effectively with seven governors and twenty executive councilors.

As an executive councilor, Bernie worked selflessly on state transportation issues. He chaired the Governor's Commission on Highways and was one of the principal architects of the state's ten year highway plan. He also chaired the New Hampshire Department of Transportation Congestion Mitigation/Air Quality and Transportation Enhancement Committee and presided over all executive council public hearings on judicial nominations.

Bernie, who serves as the 54th Mayor of Nashua, has worked tirelessly in his local community. He serves on the board of directors of the Greater Nashua United Way, the Greater Nashua Chamber of Commerce, The PLUS Company and Marguerite's Place.

On the national level, Bernie was appointed to serve a term on the National Health Planning Council by President Ford. He later was appointed by President Reagan to serve on the National Advisory Council of United States Public Health Service.

Bernie received the 1999 "President's Service Award" from New Hampshire Community Technical College in Nashua, NH, in recognition of his public service and support of post-secondary vocational and technical education.

A graduate of Keene High School and Boston University, Bernie served his country in the United States Army and United States Air Force Reserve. He and his wife, Jan, have lived in Nashua for over thirty-five years and have three children: Shannon Streeter O'Neil, Christopher B. Streeter and Stephanie Streeter McKenna. They have two grandsons, Spencer J. O'Neil and Cameron W. Streeter and a granddaughter, Abigail Streeter.

Throughout his career Bernie has enthusiastically provided dedicated service to his community. He is a role model for us all and it is truly an honor to represent him in the United States Senate.•

TRIBUTE TO REAR ADMIRAL J. CUTLER DAWSON, JR., USN

• Mr. WARNER. Mr. President, I rise today to recognize an outstanding Naval Officer, Rear Admiral J. Cutler Dawson, Jr. as he completes more than two years of distinguished service as the Navy's Chief of Legislative Affairs for the Congress of the United States. It is a privilege for me to honor his many outstanding achievements and commend him for his devotion to the Navy and our great Nation.

Admiral Dawson is a 1970 graduate of the United States Naval Academy and is one of the Navy's ablest Surface Warfare Officers. As Chief of Legislative Affairs, utilizing professional skills and decisive actions, he "navigated" the Navy through many Congressional actions. Foremost were the issues for pay, force structure funding, leadership confirmations and quality of life initiatives. Further, he ensured support for a difficult series of high profile issues, including the F/A–18 E/F, CVN–77/CVNX, DD–21 Acquisition Strategy, Virginia Class Submarines, Shipyard maintenance, and the Navy/Marine Corps Intranet (NMCI). That's a very commendable record of achievement.

Admiral Dawson provided outstanding advice and recommendations to the Secretary of the Navy and Chief of Naval Operations that have significantly and positively affected the future size, readiness, and capabilities of the Navy. Working closely with the United States Congress, he has helped maintain the best-trained, best-equipped, and best-prepared Navy in the world.

I am proud to thank him for his service as the Chief of Legislative Affairs and look forward with pride and deepest respect as we continue to work with him once he is confirmed in his new assignment as Commander of the U.S. Fifth Fleet.•

TRIBUTE TO WALTER HAVENSTEIN

• Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Walter Havenstein of Bedford, NH, for being honored with the Pro Patria Award. The Pro Patria Award is the highest award given to an employer from the National Guard and Reservists of our state.

Walter is the President of BAE Systems-Information and Electronic Warfare Systems of Nashua, NH. BAE Systems allocates time away from work for over seventy-five employees who participate part time in the National Guard and Reserve programs protecting our state and country.

Walter is an extraordinary leader who oversees a defense electronics business workforce in excess of four thousand employees and significant operations at eight major locations in five states.

A graduate of the United States Naval Academy, Walter holds a Bachelor of Science degree in aerospace engineering and a Master of Science degree in electrical engineering from the Naval Postgraduate School.

Walter is a veteran who served in the United States Marine Corps from 1971 to 1983, specializing in tactical communications and systems acquisition management. He is also a member of the Surface Navy Association, Association of Old Crows, Armed Forces Communications and Electronics Association, Navy League and Marine Corps Reserve Officers Association.

A Director for the Business and Industries Association of New Hampshire and TeraConnect, Walter also serves on the Advisory Board for the Journal of Electronic Defense. He has given selflessly of his time and talents to the citizens of New Hampshire.

His hard work, determination and ability to motivate those around him to reach greater heights are truly commendable. It is an honor and a privilege to represent him in the United States Senate.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE CONTINUATION OF THE IRAN EMERGENCY—MESSAGE FROM THE PRESIDENT—PM 12

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to Iran is to continue in effect beyond March 15, 2001, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on March 14, 2000.

The crisis constituted by the actions and policies of the Government of Iran, including its support for international terrorism, efforts to undermine Middle East peace, and acquisition of weapons of mass destruction and the means to deliver them, that led to the declaration of a national emergency on March 15, 1995, has not been resolved. These actions and policies are contrary to the interests of the United States in the region and threaten vital interests of the national security, foreign policy, and economy of the United States. For these reasons, I have determined that I must continue the declaration of national emergency with respect to Iran necessary to maintain comprehensive sanctions against Iran to respond to this threat.

GEORGE W. BUSH.

THE WHITE HOUSE, *March 13, 2001.*

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 13

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Development.

To The Congress of The United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Iran that was declared in Executive Order 12957 of March 15, 1995.

GEORGE W. BUSH.

THE WHITE HOUSE, *March 13, 2001.*

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. BOXER:

S. 518. A bill to amend the Public Health Service Act to provide for the training of health professions students with respect to the identification and referral of victims of domestic violence; to the Committee on Health, Education, Labor, and Pensions.

By Mr. FRIST:

S. 519. A bill to amend the Internal Revenue Code of 1986 to provide that trusts established for the benefit of individuals with disabilities shall be taxed at the same rate as individual taxpayers; to the Committee on Finance.

By Mr. DEWINE (for himself, Mr. Kohl, Mr. Grassley, and Mr. Reid):

S. 520. A bill to amend the Clayton Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SANTORUM:

S. 521. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for expenses incurred in teleworking; to the Committee on Finance.

By Mr. KERRY (for himself, Mr. Daschle, Mr. Cleland, and Mr. Wellstone):

S. 522. A bill to direct the Administrator of the Small Business Administration to conduct a pilot program to raise awareness about telecommuting among small business employers, and to encourage such employers to offer telecommuting options to employees; to the Committee on Small Business.

By Mr. BOND:

S. 523. A bill entitled the "Building Better Health Centers Act of 2001"; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SCHUMER:

S. 524. A bill to increase the number of interaccount transfers which may be made from business accounts at depository institutions, to authorize the Board of Governors of the Federal Reserve System to pay interest on reserves, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRAHAM (for himself, Mr. DeWine, Mr. Hagel, Mr. Breaux, Mr. McCain, Mr. Dodd, Mr. Thompson, Mr. Biden, and Mr. Nelson of Nebraska):

S. 525. A bill to expand trade benefits to certain Andean countries, and for other purposes; to the Committee on Finance.

By Mr. DORGAN (for himself and Mr. Rockefeller):

S. 526. A bill to amend title 49, United States Code, to provide that rail agreements and transactions subject to approval by the Surface Transportation Board are no longer exempt from the application of the antitrust laws, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HATCH (for himself, Mr. Cleland, Mr. Lott, Mr. Thurmond, Mrs. Feinstein, Mr. Smith of New Hampshire, Mr. Brownback, Mr. Allard, Mr. Allen, Mr. Baucus, Mr. Bond, Mr. Bunning, Ms. Collins, Mr. Craig, Mr. Crapo, Mr. Dayton, Mr. DeWine, Mr. Domenici, Mr. Ensign, Mr. Enzi, Mr. Fitzgerald, Mr. Frist, Mr. Gramm, Mr. Grassley, Mr. Hagel, Mr. Helms, Mr. Hollings, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. JOHNSON, Mrs. LINCOLN, Mr. LUGAR, Mr. MCCAIN, Mr. MILLER, Mr. MURKOWSKI, Mr. REID, Mr. SESSIONS, Mr. ROBERTS, Mr. SANTORUM, Mr. SHELBY, Ms. SNOWE, Mr. STEVENS, Mr. THOMAS, Mr. VOINOVICH, and Mr. WARNER):

S.J.Res. 7. A joint resolution proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. HUTCHISON (for herself, Ms. MIKULSKI, Mrs. BOXER, Ms. CANTWELL, Mrs. CARNAHAN, Mrs. CLINTON, Ms. COLLINS, Mrs. FEINSTEIN, Ms. LANDRIEU, Mrs. LINCOLN, Mrs. MURRAY, Ms. SNOWE, and Ms. STABENOW):

S. Res. 59. A resolution designating the week of March 11 through March 17, 2001, as "National Girl Scout Week"; considered and agreed to.

By Mrs. FEINSTEIN (for herself, Mr. HELMS, Mr. KENNEDY, Mr. TORRICELLI, Mr. DODD, Mrs. BOXER, Mr. LEAHY, Mr. KYL, Mr. BROWNBACK, Mr. REID, Mr. BAUCUS, Mr. BYRD, and Mrs. CLINTON):

S. Con. Res. 23. A concurrent resolution expressing the sense of Congress with respect to the involvement of the Government in Libya in the terrorist bombing of Pan Am Flight 103, and for other purposes; to the Committee on Foreign Relations.

By Mr. LIEBERMAN:

S. Con. Res. 24. A concurrent resolution expressing support for a National Reflex Sympathetic Dystrophy (RSD) Awareness Month; to the Committee on Health, Education, Labor, and Pensions.

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. INOUYE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 38, a bill to amend title 10, United States Code, to permit former members of the Armed Forces who have a service-connected disability rated as total to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft.

S. 43

At the request of Mr. INOUYE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 43, a bill to amend title 10, United States Code, to authorize certain disabled former prisoners of war to use Department of Defense commissary and exchange stores.

S. 44

At the request of Mr. INOUYE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 44, a bill to amend title 10, United States Code, to increase the grade provided for the heads of the nurse corps of the Armed Forces.

S. 45

At the request of Mr. INOUYE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 45, a bill to amend title 5, United States Code, to require the issuance of a prisoner-of-war medal to civilian employees of the Federal Government who are forcibly detained or interned by an enemy government or a hostile force under wartime conditions.

S. 124

At the request of Mr. BROWNBACK, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 124, a bill to exempt agreements relating to voluntary guidelines governing telecast material, movies, video games, Internet content, and music lyrics from the applicability of the antitrust laws, and for other purposes.

S. 128

At the request of Mr. JOHNSON, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 128, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 149

At the request of Mr. ENZI, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 149, a bill to provide authority to control exports, and for other purposes.

S. 277

At the request of Mr. KENNEDY, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 277, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

S. 278

At the request of Mr. JOHNSON, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 278, a bill to restore health care coverage to retired members of the uniformed services.

S. 281

At the request of Mr. HAGEL, the names of the Senator from Connecticut (Mr. DODD), the Senator from Louisiana (Mr. BREAUX), the Senator from Illinois (Mr. FITZGERALD), the Senator from Illinois (Mr. DURBIN), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 283

At the request of Mr. MCCAIN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 283, a bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 284

At the request of Mr. MCCAIN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 to provide incentives to expand health care coverage for individuals.

S. 289

At the request of Mr. SESSIONS, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 289, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.

S. 318

At the request of Mr. DASCHLE, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 318, a bill to prohibit discrimination on the basis of genetic information with respect to health insurance.

S. 326

At the request of Ms. COLLINS, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 326, a bill to amend title XVIII of the Social Security Act to eliminate the 15 percent reduction in payment rates under the prospective payment system for home health services and to permanently increase payments for such services that are furnished in rural areas.

S. 349

At the request of Mr. HUTCHINSON, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 349, a bill to provide funds to the National Center for Rural Law Enforcement, and for other purposes.

S. 365

At the request of Mr. THOMAS, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 365, a bill to provide recreational snowmobile access to certain units of the National Park System, and for other purposes.

S. 367

At the request of Mrs. BOXER, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 403

At the request of Mr. COCHRAN, the names of the Senator from Hawaii (Mr.

AKAKA), the Senator from Rhode Island (Mr. REED) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 403, a bill to improve the National Writing Project.

S. 414

At the request of Mr. CLELAND, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 414, a bill to amend the National Telecommunications and Information Administration Organization Act to establish a digital network technology program, and for other purposes.

S. 415

At the request of Mr. HOLLINGS, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 415, a bill to amend title 49, United States Code, to require that air carriers meet public convenience and necessity requirements by ensuring competitive access by commercial air carriers to major cities, and for other purposes.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 488

At the request of Mr. ALLEN, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 488, a bill to amend the Internal Revenue Code of 1986 to provide for a refundable education opportunity tax credit.

S. CON. RES. 7

At the request of Mr. KERRY, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. Con. Res. 7, a concurrent resolution expressing the sense of Congress that the United States should establish an international education policy to enhance national security and significantly further United States foreign policy and global competitiveness.

S. CON. RES. 8

At the request of Ms. SNOWE, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of S. Con. Res. 8, a concurrent resolution expressing the sense of Congress regarding subsidized Canadian lumber exports.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. Con. Res. 14, a concurrent resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 25

At the request of Mr. CRAIG, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Alabama (Mr. SHELBY) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. Res. 25, a resolution designating the week beginning March 18, 2001 as "National Safe Place Week".

AMENDMENT NO. 40

At the request of Mrs. CARNAHAN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of Amendment No. 40 proposed to S. 420, an original bill to amend title II, United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. BOXER:

S. 518. A bill to amend the Public Health Service Act to provide for the training of health professions students with respect to the identification and referral of victims of domestic violence; to the Committee on Health, Education, Labor, and Pensions.

Mrs. BOXER. Mr. President, domestic violence is a national crisis that shatters the lives of millions of women across this country and tears at the fabric of this society. Despite increased efforts prompted by legislation such as the Violence Against Women Act, domestic violence continues to be the leading cause of injury to women across the country between the ages of 15 to 44. Furthermore, many of our health professionals today—those who are often the first in a position to recognize domestic violence, still do not have the proper training to assist these very vulnerable victims.

Wonderful partnerships currently exist between many hospitals and graduate medical institutions and these partnerships should be encouraged in order to more effectively serve victims of domestic violence and prevent future violent attacks.

For these reasons, I am reintroducing my bill, the Domestic Violence Identification and Referral Act, which would help ensure that medical professionals have the training they need to recognize and treat domestic violence, including spouse abuse, child abuse, and elder abuse. The bill would amend the Public Health Service Act to require the Secretary of Health and Human Services to give preference in awarding grants to institutions that train health professionals in identifying, treating, and referring patients who are victims of domestic violence to appropriate services.

I encourage my colleagues to support this worthwhile legislation that would help in our continued fight to prevent domestic violence across this nation.

By Mr. FRIST:

S. 519. A bill to amend the Internal Revenue Code of 1986 to provide that trusts established for the benefit of individuals with disabilities shall be taxed at the same rate as individual taxpayers, to the Committee on Finance.

Mr. FRIST. Mr. President, today I introduce a bill to address a tax inequity that has existed for some time and was made worse by the large tax increases of 1993. The "Tax Fairness for Support of the Permanently Disabled Act" would change the tax rates for the taxable income of a trust fund established solely for the benefit of a person who is permanently and totally disabled. Instead of being taxed at the highest tax rate 39.6 percent for amounts over $7500, the income of this fund would be taxed at the tax rates that would normally apply to regular income of the same amount. In essence, trust fund income would be treated as personal income for a permanently disabled person.

Mr. Nicholas Verbin of Nashville, TN personally called my office about this problem he had encountered. The problem was that he had established an irrevocable trust for his son Nicky, who is completely disabled, unable to work, and totally dependent on his dad to provide for him. Mr. Verbin has spent his whole life building up this trust fund so that his son can live off this lifetime of hard work after Mr. Verbin is gone. Mr. Verbin does not want his son to have to go on welfare or become a ward of the state. Instead, he has built up this fund so that his son can be self-sufficient after he dies. Apparently, the federal government would rather have Nicky on its welfare roles than have him take care of himself.

Instead of taxing the interest that Nicky's trust accumulates every year as simple income, which it is since Nicky has no other form of income, the IRS taxes the interest at the highest rate allowable, 39.6 percent. Instead of helping this sum grow into a sort of pension fund for Nicky, the IRS has milked it for all its worth. If Nicky's trust earns more than $7500 in interest in a year, the federal government takes $2,125 plus 39.5 percent of the amount above $7500. Meanwhile, even Bill Gates does not pay 39.6 percent on the first $275,000 of his income. We are taxing disabled children at a rate that we don't even tax multimillionaires!

I believe that we should not punish Mr. Verbin for his foresight, nor should we punish Nicky for his disability. While a case could be made that Congress should eliminate the tax on this type of trust altogether, I have simply proposed that the interest income be treated like normal income for those disabled boys and girls, men and women who cannot work for themselves and depend on this interest as their only source of income.

I ask my colleagues to support this bill. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 519

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Fairness for Support of the Permanently Disabled Act".

SEC. 2. MODIFICATION OF TAX RATES FOR TRUSTS FOR INDIVIDUALS WHO ARE DISABLED.

(a) IN GENERAL.—Section 1(e) of the Internal Revenue Code of 1986 (relating to tax imposed on estates and trusts) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(2) by striking "There" and inserting:

"(1) IN GENERAL.—Except as provided in paragraph (2), there", and

(3) by adding at the end the following new paragraph:

"(2) SPECIAL RULE FOR TRUSTS FOR DISABLED INDIVIDUALS.—

"(A) IN GENERAL.—There is hereby imposed on the taxable income of an eligible trust taxable under this subsection a tax determined in the same manner as under subsection (c).

"(B) ELIGIBLE TRUST.—For purposes of subparagraph (A), a trust shall be treated as an eligible trust for any taxable year if, at all times during such year during which the trust is in existence, the exclusive purpose of the trust is to provide reasonable amounts for the support and maintenance of 1 or more beneficiaries each of whom is permanently and totally disabled (within the meaning of section 22(e)(3)). A trust shall not fail to meet the requirements of this subparagraph merely because the corpus of the trust may revert to the grantor or a member of the grantor's family upon the death of the beneficiary.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

By Mr. DEWINE (for himself, Mr. KOHL, Mr. GRASSLEY, and Mr. REID):

S. 520. A bill to amend the Clayton Act, and for other purposes; to the Committee on the Judiciary.

Mr. DEWINE. Mr. President, I rise today to introduce a bill, along with my friend and colleagues Mr. KOHL, Mr. GRASSLEY, and Mr. REID of Nevada, called the "High-Density Airport Competition Act of 2001." We are introducing this legislation in an effort to increase and maintain competition in the domestic aviation industry. If the traveling public is to have access to affordable, quality air service, real competition is essential.

The need for this legislation stems from our belief that the recent surge in proposed mergers among our nation's major airlines is a threat to competition. Let me explain. Less than a year ago, United Airlines and US Airways announced their plans to merge, creating an airline that would be nearly 50 percent larger than its next closest competitor and a network significantly more extensive than other carriers. Most industry observers believed at that time that if the United/US Airways merger were allowed to go forward, those airlines would gain a dominant position at several key airports throughout the country, including airports such as New York LaGuardia and Reagan National airport here in Washington.

At the time the merger was announced, I expressed my concern that this merger would provoke further airline consolidation and potentially could leave the country with as few as three large domestic carriers. I continue to be concerned about additional mergers, and for good reason.

In early January of this year, American Airlines announced that it was joining in the United/US Airways deal by acquiring certain assets from US Airways and also by entering into agreements with United, including an agreement to jointly operate the lucrative Washington/New York/Boston shuttle. So, if the deal is successful, instead of having one dominant carrier, our country would face the prospect of having two airlines that are significantly larger than their competitors.

Quite frankly, American Airlines saw the writing on the wall. Its leaders understood how difficult it would be to compete effectively in an industry where one airline was so much larger and so dominant in certain key business markets. As a result, American decided that, in order to survive, it had to join the deal and grow much bigger, as well.

If these deals are allowed to go forward, I am certain we will see even more consolidations. As policy-makers, we are faced with a daunting question: Will the airline industry remain sufficiently competitive in the wake of the proposed United and American deals? We have concluded that unless action is taken, competition very likely will be harmed.

But we cannot just sit idly by and let competition in this critical industry waste away. It is vital that other airlines have the opportunity to compete, and a big part of that is having access to airports that are essential in a network business, such as the aviation industry. Two of these key airports, Reagan National and LaGuardia, are subject to government slot controls, which limit the number of take-off and landing slots during a day. If the United and American deals are permitted, those two airlines will control roughly 65 percent of the slots at Reagan National and New York LaGuardia. These are key resources that other airlines need reasonable access to if competition is to be maintained.

Simply put, competition is not served if we allow two airlines to dominate these airports. More important, consumer interests are not served if any airline is permitted to gain such a position through mergers. That's why my colleagues and I are introducing the "High-Density Airport Competition Act." This bill represents one way to maintain a competitive environment in the airline industry.

Specifically, our bill would limit the percentage of slots that large national carriers can control at Reagan National and New York LaGuardia airports. The legislation would ensure that no single airline gains an anti-competitive advantage at these slot controlled airports. It would do so by prohibiting any large airline from controlling more than 20 percent of the slots over any 2-hour period. If such an airline did have more than 20 percent of the slots, that airline would be required within 60 days to either return the slots to the Department of Transportation or sell the slots in a blind auction. This procedure would preserve competition by giving all airlines equal opportunity to bid for the slots and gain access to these airports.

Again, our overriding concern is the welfare of the traveling public. We have seen, first-hand, the frustration of many travelers about service, delays, and high air fares. The answer to those and other challenges is not more consolidation. The answer is effective competition. We are concerned the airline industry is moving in the wrong direction, toward a consolidated industry, away from a truly competitive, consumer-friendly environment. That's not good for the industry. And, that's certainly not good for consumers. That is why I hope my colleagues will join us in support of our legislation. We need to move back to real competition in our domestic aviation industry, an industry that we all recognize plays a vital role in our Nation and our economy.

Mr. KOHL. Mr. President, I rise today, with my colleagues Senators DEWINE, GRASSLEY, and REID, to introduce the "High Density Airport Competition Act of 2001." This legislation is a small but important step to promote airline competition during this time of massive consolidation in the airline industry. This legislation will prevent any large national carrier from gaining a dominant share of takeoff and landing slots at either Washington Reagan National or New York LaGuardia airports.

During the last year, we have all witnessed a tremendous consolidation in the airline industry. First, last May, United announced its planned deal to acquire US Airways. More recently, in January, airline consolidation took another great leap forward as American announced its plan to acquire TWA, and also its deal with United to acquire 20 percent of the US Airways assets. If all of these combinations and acquisitions are approved, the result will be that American and United will become the nation's dominant airlines, controlling about half of the national market. And many believe we are not done yet, with press reports that Delta is soon expected to announce an acquisition of its own. That would mean three large national airlines would dominate 75 percent of the market.

The problem of airline consolidation is especially acute at the two of the nation's four slot-controlled airports, Washington Reagan National and New York LaGuardia. At these two vital airports, if all these mergers go through as planned, American, United and their affiliated and partner carriers will together control nearly two-thirds of the slots, leaving little room for competitors.

Gaining access to slots at these airports is essential for smaller and start-up airlines if they are to compete with the giant mega-carriers, especially after these mergers are completed. Without slots, airlines cannot take off or land at these two airports. And access to these key airports in New York and Washington, D.C. is essential for smaller airlines to build national networks to compete with the large carriers. Without that access for smaller airlines, large airlines will dominate the nation, grow larger and larger, and bar effective and robust competition. To show the importance of just one of these airports to the nation's entire air transportation system, the FAA recently reported that more than one quarter of the nation's entire congestion related flight delays resulted from delays at LaGuardia airport alone.

Our legislation is a simple and effective measure to prevent large airlines from gaining a stranglehold on the slots at these two airports. It provides that, for any airline with at least a 15 percent share of the national market, that airline, and its affiliates, cannot control more than 20 percent of the slots at either Washington Reagan National or New York LaGuardia in any two hour period. If an airline exceeds these limits, it must take one of two steps, either return the excess slots to the FAA or sell them in a blind auction to its competitors. This blind auction provision will prevent airlines from disposing of their excess slots by engaging in "sweetheart" deals.

Our legislation does not reach the other two-slot controlled airports, Chicago O'Hare or New York JFK. Slot controls are scheduled to be lifted at Chicago O'Hare in June of next year, and are in place at New York JFK only from 3 to 8 p.m.

In sum, our legislation is a carefully crafted and narrowly tailored provision which will break the dominance that the large national carriers will have at two vital slot-controlled airports, particularly if the currently pending mergers are completed as planned. It will enable smaller and new carriers to have a fair shot at gaining access to these airports, and thus help bring real competition both to consumers who travel to and from New York and Washington and to the nation's skies as a whole. I urge my colleagues to support this bill.

By Mr. SANTORUM:

S. 521. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for expenses incurred in teleworking; to the Committee on Finance.

Mr. SANTORUM. Mr. President, today, I rise to introduce legislation that would help people who "telework" or work from home, to receive a tax credit. Teleworkers are people who work a few days a week on-line from home by using computers and other information technology tools. Nearly 20 million Americans telework today, and according to experts, 40 percent of the nation's jobs are compatible with telework. At one national telecommunications company, nearly 25 percent of its workforce works from home at least one day a week. The company found positive results in the way of fewer days of sick leave, better retention, and higher productivity.

I am introducing the Telework Tax Incentive Act, along with Representative FRANK WOLF in the House of Representatives, to provide a $500 tax credit for telework. The legislation provides an incentive to encourage more employers to consider telework for their employees. Telework should be a regular part of the 21st century workplace. The best part of telework is that it improves the quality of life for all. Telework also reduces traffic congestion and air pollution. It reduces gas consumption and our dependency on foreign oil. Telework is good for families—working parents have flexibility to meet everyday demands. Telework provides people with disabilities greater job opportunities. Telework helps fill our nation's labor market shortage. It can also be a good option for retirees choosing to work part-time.

A task force on telework initiated by Governor James Gilmore of Virginia made a number of recommendations to increase and promote telework. One recommendation was to establish a tax credit toward the purchase and installation of electronic and computer equipment that allow an employee to telework. For example, the cost of a computer, fax machine, modem, phone, printer, software, copier, and other expenses necessary to enable telework could count toward a tax credit, provided the person worked at home a minimum number of days per year.

My legislation would provide a $500 tax credit "for expenses paid or incurred under a teleworking arrangement for furnishings and electronic information equipment which are used to enable an individual to telework." An employee must telework a minimum of 75 days per year to qualify for the tax credit. Both the employer and employee are eligible for the tax credit, but the tax credit goes to whomever absorbs the expense for setting up the at-home worksite.

A number of groups have previously endorsed the Telework Tax Incentive Act including the International Telework Association and Council, ITAC, Covad Communications, National Town Builders Association, Litton Industries, Orbital Sciences Corporation, Consumer Electronic Association, Capnet, BTG Corporation, Electonic Industries Alliance, Telecommunications Industry Association, American Automobile Association Mid-Atlantic, Dimensions International Inc., Capunet, TManage, Science Applications International Corporation, AT&T, Northern Virginia Technology Council, Computer Associates Incorporated, and Dyn Corp.

On October 9, 1999, legislation which I introduced in coordination with Representative FRANK WOLF from Virginia was signed into law by the President as part of the annual Department of Transportation appropriations bill for Fiscal Year 2000. S. 1521, the National Telecommuting and Air Quality Act, created a pilot program to study the feasibility of providing incentives for companies to allow their employees to telework in five major metropolitan areas including Philadelphia, Washington, D.C., and Los Angeles. Houston and Denver have been added as well. I am pleased that the Philadelphia Area Design Team has been progressing well with its responsibility of examining the application of these incentives to the greater Philadelphia metropolitan area. I am excited that this opportunity continues to help to get the word out about the benefits of telecommuting for many employees and employers.

On July 14, 2000 the President signed legislation which included an additional $2 million to continue efforts in the 5 pilot cities, including Philadelphia, to market, implement, and evaluate strategies for awarding telecommuting, emissions reduction, and pollution credits established through the National Telecommuting and Air Quality Act.

Telecommuting improves air quality by reducing pollutants, provides employees and families flexibility, reduces traffic congestion, and increases productivity and retention rates for businesses while reducing their overhead costs. It's a growing opportunity and option which we should all include in our effort to maintain and improve quality of life issues in Pennsylvania and around the nation. According to statistics available from 1996, the Greater Philadelphia area ranked number 10 in the country for annual person-hours of delay due to traffic congestion. Because of this reality, all options including telecommuting should be pursued to address this challenge.

The 1999 Telework America National Telework Survey, conducted by Joan H. Pratt Associates, found that today's 19.6 million teleworkers typically work 9 days per month at home with an average of 3 hours per week during normal business hours. In this study, teleworkers or telecommuters are defined overall as employees or independent contractors who work at least one day per month at home. These research findings impact the bottom line for employers and employees. Teleworkers seek a blend of job-related and personal benefits to enable them to better handle their work and life responsibilities. For employers, savings just from less absenteeism and increased employee retention may total more than $10,000 per teleworker per year. Thus an organization with 100 employees, 20 of whom telework, could potentially realize a savings of $200,000 annually, or more, when productivity gains are added.

Work is something you do, not someplace you go. There is nothing magical about strapping ourselves into a car and driving sometimes up to an hour and a half, arriving at a workplace and sitting before a computer, when we can access the same information from a computer in our homes. Wouldn't it be great if we could replace the evening rush hour commute with time spent with the family, or coaching little league or other important quality of life matters?

I urge my colleagues to consider cosponsoring this legislation which promotes telework and helps encourage additional employee choices for the workplace.

By Mr. KERRY (for himself, Mr. DASCHLE, Mr. CLELAND, and Mr. WELLSTONE):

S. 522. A bill to direct the Administrator of the Small Business Administration to conduct a pilot program to raise awareness about telecommuting among small business employers, and to encourage such employers to offer telecommuting options to employees; to the Committee on Small Business.

Mr. KERRY. Mr. President, today I am joined by my colleagues, Senator DASCHLE, Senator CLELAND, and Senator WELLSTONE, in introducing legislation, the Small Business Telecommuting Act, to assist our nation's small businesses in establishing successful telecommuting, or telework programs, for their employees. Congressman UDALL will be introducing companion legislation in the House of Representatives.

Across America, numerous employers are responding to the needs of their employees and establishing telecommuting programs. In 2000, there were an estimated 16.5 million teleworkers. By the end of 2004, there will be an estimated 30 million teleworkers, representing an increase of almost 100 percent. Unfortunately, the majority of growth in new teleworkers comes from organizations employing over 1,500 people, while just a few years ago, most teleworkers worked for small- to medium-sized organizations.

By not taking advantage of modern technology and establishing successful telecommuting programs, small businesses are losing out on a host of benefits that will save them money, and make them more competitive. The reported productivity improvement of home-based teleworkers averages 15 percent, translating to an average bottom-line impact of $9,712 per teleworker. Additionally, most experienced teleworkers are determined to continue teleworking, meaning a successful telework program can be an important tool in the recruitment and retention of qualified and skilled employees. By establishing successful telework programs, small business owners would be able to retain these valuable employees by allowing them to work from a remote location, such as their home or a telework center.

In addition to the cost savings realized by businesses that employ teleworkers, there are a number of related benefits to society and the employee. For example, telecommuters help reduce traffic and cut down on air pollution by staying off the roads during rush hour. Fully 80 percent of home-only teleworkers commute to work on days they are not teleworking. Their one-way commute distance averages 19.7 miles, versus 13.3 miles for non-teleworkers, meaning employees that take advantage of telecommuting programs are, more often than not, those with the longest commutes. Teleworking also gives employees more time to spend with their families and reduces stress levels by eliminating the pressure of a long commute.

Our legislation seeks to extend the benefits of successful telecommuting programs to more of our nation's small businesses. Specifically, it establishes a pilot program in the Small Business Administration, SBA, to raise awareness about telecommuting among small business employers and to encourage those small businesses to establish telecommuting programs for their employees.

Additionally, an important provision in our bill directs the SBA Administrator to undertake special efforts for businesses owned by, or employing, persons with disabilities and disabled America veterans. At the end of the day, telecommuting can provide more than just environmental benefits and improved quality of life. It can open the door to people who have been precluded from working in a traditional office setting due to physical disabilities.

Our legislation is also limited in cost and scope. It establishes the pilot program in a maximum of five SBA regions and caps the total cost to five million dollars over two years. It also restricts the SBA to activities specifically proscribed in the legislation: developing educational materials; conducting outreach to small business; and acquiring equipment for demonstration purposes. Finally, it requires the SBA to prepare and submit a report to Congress evaluating the pilot program.

Several hurdles to establishing successful telecommuting programs could be cleared by enacting our legislation. In fact, the number one reported obstacle to implementing a telecommuting program is a lack of know-how. Our bill will go a long way towards educating small business owners on how they can draft guidelines to make a telework program an affordable, manageable reality.

Mr. President, I ask unanimous consent that a copy of the Small Business Telecommuting Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Telecommuting Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) telecommuting reduces the volume of peak commuter traffic, thereby reducing traffic congestion and air pollution;

(2) the Nation's communities can benefit from telecommuting, which gives workers more time to spend at home with their families;

(3) it is in the national interest to raise awareness within the small business community of telecommuting options for employees;

(4) the small business community can benefit from offering telecommuting options to employees because such options make it easier for small employers to retain valued employees and employees with irreplaceable institutional memory;

(5) companies with telecommuting programs have found that telecommuting can boost employee productivity 5 percent to 20 percent, thereby saving businesses valuable resources and time;

(6) 60 percent of the workforce is involved in information work (an increase of 43 percent since 1990), allowing and encouraging decentralization of paid work to occur; and

(7) individuals with disabilities, including disabled American veterans, who own or are employed by small businesses could benefit from telecommuting to their workplaces.

SEC. 3. SMALL BUSINESS TELECOMMUTING PILOT PROGRAM.

(a) IN GENERAL.—In accordance with this Act, the Administrator shall conduct, in not more than 5 of the Small Business Administration's regions, a pilot program to raise awareness about telecommuting among small business employers and to encourage such employers to offer telecommuting options to employees.

(b) SPECIAL OUTREACH TO INDIVIDUALS WITH DISABILITIES.—In carrying out subsection (a), the Administrator shall make special efforts to do outreach to—

(1) businesses owned by or employing individuals with disabilities, and disabled American veterans in particular;

(2) Federal, State, and local agencies having knowledge and expertise in assisting individuals with disabilities or disabled American veterans; and

(3) any group or organization, the primary purpose of which is to aid individuals with disabilities or disabled American veterans.

(c) PERMISSIBLE ACTIVITIES.—In carrying out the pilot program, the Administrator may only—

(1) produce educational materials and conduct presentations designed to raise awareness in the small business community of the benefits and the ease of telecommuting;

(2) conduct outreach—

(A) to small business concerns that are considering offering telecommuting options; and

(B) as provided in subsection (b); and

(3) acquire telecommuting technologies and equipment to be used for demonstration purposes.

(d) SELECTION OF REGIONS.—In determining which regions will participate in the pilot program, the Administrator shall give priority consideration to regions in which Federal agencies and private-sector employers have demonstrated a strong regional commitment to telecommuting.

SEC. 4. REPORT TO CONGRESS.

Not later than 2 years after the first date on which funds are appropriated to carry out this Act, the Administrator shall transmit to the Committee on Small Business of the House of Representatives and the Committee on Small Business of the Senate a report containing the results of an evaluation of the pilot program and any recommendations as to whether the pilot program, with or without modification, should be extended to include the participation of all Small Business Administration regions.

SEC. 5. DEFINITIONS.

In this Act—

(1) the term "Administrator" means the Administrator of the Small Business Administration;

(2) the term "disability" has the same meaning as in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102);

(3) the term "pilot program" means the program established under section 3; and

(4) the term "telecommuting" means the use of telecommunications to perform work functions under circumstances which reduce or eliminate the need to commute.

SEC. 6. TERMINATION.

The pilot program shall terminate 2 years after the first date on which funds are appropriated to carry out this Act.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Small Business Administration $5,000,000 to carry out this Act.

By Mr. BOND:

S. 523. A bill entitled the "Building Better Health Centers Act of 2001"; to the Committee on Health, Education, Labor, and Pensions.

Mr. BOND. Mr. President, I rise today to introduce an important piece of new legislation to help an essential part of our health care safety net, our nation's health centers, serve the uninsured and medically-underserved.

The Building Better Health Centers Act will promote health centers' mission of providing care to anyone who needs it by getting rid of an artificial distinction existing in current law. Right now, federal grant dollars to health centers can be used for most things a health center needs to do, including salaries, supplies, and basic upkeep. But federal grants to health centers cannot be used for one of the most critical and expensive needs a health center, or any business or nonprofit organization, will ever face—capital improvements.

Unless we correct this silly distinction, many of our health centers are destined to be shackled to slowly deteriorating facilities. Over time, this will sap their ability to provide care. If we are serious about maximizing health centers' ability to deal with our health care access needs, we must allow federal grant dollars to be used to meet our health centers' capital needs.

I've been down here on the Senate floor many times to talk about health centers, but let me cover the basics once again. Health centers, which include community health centers, migrant health centers, homeless health centers, and public housing health centers, address the health care access problem by providing primary care services in thousands of rural and urban medically-underserved communities throughout the United States.

And as we all know, the health care access problem remains a serious issue in our country. Many health care experts believe that Americans' lack of access to basic health services is our single most pressing health care problem. Nearly 50 million Americans do not have access to a primary care provider, whether they are insured or not. In addition, 43 million Americans lack health insurance and have difficulty accessing care due to the inability to pay.

Health centers help fill part of this void. More than 3,000 health center clinics nationwide provide basic health care services to nearly 12 million Americans, almost 8 million minorities, nearly 650,000 farmworkers, and almost 600,000 homeless individuals each year. The care they provide has been repeatedly shown by studies to be high-quality and cost-effective. In fact, health centers are one of the best health care bargains around, the average yearly cost for a health center patient is less than one dollar per day.

I believe that one of the most effective ways to address our health care access problem is by dramatically expanding access to health centers. And I am pleased to report a strong consensus is developing to do exactly that. Last year, the Senate voted in support of a proposal I have made with Sen. HOLLINGS to double access to health centers by doubling funding over a five-year period. In addition, President Bush has proposed that we double the number of people that health centers care for over the next five years.

But over the next few years, as we hopefully see additional resources flow to health centers, we will increasingly encounter problems that stem from an artificial distinction we see in current law. As I mentioned, federal health center grants are currently allowed to be used for most purposes—including salaries for health professionals and administrators, medical supplies, basic upkeep of clinic facilities, even lease payments if the health center rents. But they simply cannot be used for capital improvements.

This means that unless health centers can find some other way to finance their capital needs—and I will talk in a moment about the significant barriers they face in doing this—major projects that could provide substantial benefit to patients will never happen.

It means that an urban community health center that has been slowly expanding staff and services over many years until it's bursting at the seams of its modest two-story building will have to continue to find ways to cope, even if that prevents additionally-needed expansion or even if upkeep costs on the old building begin to spiral out-of-control.

It means that a rural community health center in an area desperately in need of dental services may not be able to expand the facility and purchase dental chairs, X-ray machines and other major dental equipment needed for the desired expansion into dental services.

It means that even if federal government is will to commit grant funds to open a new health center in one of the hundreds of underserved communities nationwide which lacks any health care professionals for miles around, the new center may never come to be due to lack of funding for a facility in which to house it.

This is more than theory, the evidence shows that many existing health centers operate in facilities that desperately need renovation or modernization. Approximately one of every three health centers reside in a building more than 30 years old, and one of every eight operate out of a facility more than half a century old.

Moreover, a recent survey of health centers in 11 states showed that more than two-thirds of health centers had a specifically-identified need to renovate, expand, or replace their current facility. The average cost of a needed capital project was $1.8 million, and the needs ranged from "small" projects of $400,000 to major $5 million efforts. The survey demonstrates that there may be as much as $1.2 billion in unmet capital needs in our nation's health centers.

And that is just for existing health centers. As I mentioned, hundreds of medically-underserved areas lack—and could desperately use—the services of a health center. This further shows the need for new facilities, and more capital, as we expand access to new communities.

So what about other possible sources of capital? There are plenty of ways—in theory—that health centers might be able to get money for capital improvements. Business, large and small, do it all the time. So do other nonprofit organizations like universities and hospitals. They use built-up equity. They take out loans. They float bonds. They raise money through private donations as part of a capital campaign.

But unfortunately, health centers just aren't quite like most other businesses or nonprofits, and many times these options are unrealistic as a way to provide the entire cost of a major project.

Health centers simply don't have loads of cash in the bank. The revenue these clinics are able to cobble together from federal grants, low-income patients, Medicaid, private donations, and other health insurers is typically all put back into patient care.

Heath centers already work hard to maximize the money they can raise through private donations and non-federal grant sources. In fact, an average of 13 percent, one-seventh of their budget, of health care center revenue comes from these sources. Most of this private and public funding is used to meet operating expenses, and it is difficult to go back to the same sources to request further donations for capital needs. In fundraising, health centers also face a huge disadvantage compared to nonprofit organizations like universities and hospitals because health centers lack a natural middle- and upper-class donor base. And raising private funds is particularly hard in isolated rural areas that are often quite poor and which can have the most dire heath care access problems.

Finally, health centers have difficulties obtaining private loans for capital needs for a variety of reasons. The high number of uninsured patients health centers treat and the poor reimbursement rates received from most Medicaid programs mean health centers rarely have significant operating margins. Without these margins, banks are leery about loans because they don't feel assured that a health center will have sufficient cash flow to successfully manage loan payments. Banks are made even more nervous by the high proportion of health center revenue that comes from sometimes-unreliable government sources, such as the health centers' grant funding and Medicare and Medicaid reimbursements.

So what should we do? This isn't exactly rocket science. We have a need, many health centers require significant help to build or maintain adequate facilities because they can't raise the money or obtain the loans themselves. And we have an existing law that prevents the federal government from using health center funding to do exactly that.

We simply need to get rid of the artificial distinction we have right now and allow our health center grant dollars to go to further the health center mission in the best way possible, and that is going to mean at times that we should support some new construction or major renovation projects. If a crumbling building is constantly in need of repair, is soaking up money, and is reducing the number of patients a health center can reach out to, the federal government should help with the major renovation or the new construction needed.

The Building Better Health Centers Act authorizes the federal government to make grants to health centers for facility construction, modernization, replacement, and major equipment purchases. If our goal is to help health centers provide high-quality care to as many uninsured and medically-underserved people as possible, we need to get rid of barriers to doing that, including capital barriers.

Beyond just the possibility of grant funding, the bill goes further and permits the federal government to guarantee loans made by a bank or another private lender to a health center to construct, replace, modernize, or expand a health center facility. This loan guarantee is an additional tool that will help allay the fears of banks and other private lenders by limiting their exposure if a health center defaults on a loan. An additional advantage of loan guarantees is that you can stretch funds farther. When guaranteeing a $1 million loan, the federal government need only set aside a much smaller amount of appropriated money, perhaps only a twelfth to a tenth of the loan total, to insure against that loan's possible default. This multiplier factor means that for every dollar appropriated for this purpose, many dollars worth of loans can be guaranteed.

There is actually tremendous potential for these two new options, the facility grants and the facility loan guarantees, to work together. Sharing in up-front costs through grant funding, and helping further by guaranteeing a loan that covers the remainder of a project's cost may well be the best approach. This will balance the need to make sure specific projects get enough grant funding to make them realistic and the need to spread capital assistance among as many projects as possible.

Let me try to respond in advance to a few potential criticisms of this legislation. First, to those who simply think on principle that the government should stay out of private-sector bricks and mortar projects, I would say we're already at least halfway pregnant. In just about every appropriations bill, we have dozens if not hundreds of specific projects earmarked for major building or renovation projects.

Some might worry that the potential large costs of construction projects could get out of hand and squeeze out funding actually used for patient care. But let me point out that we limit capital assistance to five percent of all health center funding. Based on this year's funding level, this would mean up to $58.5 million for facility grants and loan guarantees. Because the loan guarantee program would allow some of this money to be stretched, this level of support could easily mean help for more than $200 million in health center projects. But the main point is that capital projects are absolutely limited to five percent of health center funding, which prevents any possible runaway spending.

Finally, we should ask ourselves whether or not federal assistance is going to give a free pass to communities, which really should be expected to help out with public-minded projects like the construction or renovation of a health center. In my bill, local communities are expected to help. No more than 75 percent of the total costs of a major project can come from federal sources—and this is the absolute upper limit. Much more likely are evenly-shared costs or situations in which federal support represents a minority of the capital investment. This bill does not give local areas a free ride.

The quick rationale for this bill is simple. Many health centers are hampered in their efforts to provide health care to the medically-underserved by inadequate facilities. It doesn't make sense to help these vital community clinics only with day-to-day expenses if their building is literally crumbling around them.

I urge my colleagues to join me in supporting this legislation. This year, we are scheduled to reauthorize the Consolidated Health Centers program, along with other vital health care safety net programs like the National Health Services Corps. I hope to include this bill—the Building Better Health Centers Act—in this larger safety net reauthorization legislation. I look forward to working with my colleagues in the Senate and on the Health, Education, Labor, and Pensions Committee to aggressively help our nation's health centers meet their dire capital needs by making this bill law.

By Mr. GRAHAM (for himself, Mr. DEWINE, Mr. HAGEL, Mr. BREAUX, Mr. MCCAIN, Mr. DODD, Mr. THOMPSON, Mr. BIDEN, and Mr. NELSON of Nebraska):

S. 525. A bill to expand trade benefits to certain Andean countries, and for other purposes; to the Committee on Finance.

Mr. GRAHAM. Mr. President, today I introduce a bill along with my colleagues Senators DEWINE, HAGEL, BREAUX, MCCAIN, DODD, THOMPSON, BIDEN, and BEN NELSON to introduce the "Andean Trade Preference Expansion Act," a bill that would provide additional trade benefits to the countries of Bolivia, Colombia, Ecuador, and Peru.

The Andean Trade Preference Act, commonly known as ATPA, was passed in 1991. That legislation is set to expire. If we are serious about halting the flow of drugs into this country, we must not let this happen. If we are committed to stabilizing the situation in Colombia, we must act this year, to both extend and expand those trade benefits.

The office of the United States Trade Representative recently published a report assessing the operation of the Andean trade agreement so far. The report concluded that this agreement is strengthening the legitimate economies of countries in the region and is an important component of our efforts to contain the spread of illicit activities. Export diversification in beneficiary countries is increasing, net coca cultivation has declined slightly. Although there is still progress to be made, these countries are working constructively with the United States on issues of concern including working conditions and intellectual property protection.

Despite this success, renewal of ATPA in its current form is not our goal. The landscape has changed since 1991.

Perhaps the most significant alteration was last year's passage of the "Trade and Development Act of 2000," which provided significant new trade benefits to countries of the Caribbean Basin Initiative. As a result of enhanced trade benefits to these countries, the Andean region stands to lose a substantial number of apparel industry jobs—up to 100,000 jobs in Colombia alone. At least 10 U.S.-based companies that purchase apparel from Colombian garment manufacturers have already indicated their near-term intentions to shift production to Caribbean countries due to the significant cost savings associated with the new trade benefits afforded the region. Some of these U.S. companies have utilized Colombia as a manufacturing base for more than 10 years, providing desperately needed legitimate employment to the Colombian economy.

The immediate reaction of these companies to enhanced Caribbean trade benefits creates a dilemma. Clearly, it does not make sense for Congress to provide foreign aid on the one hand, and implement trade legislation that puts tens of thousands of people out of work on the other. This bill will address that critical, unintended contradiction by harmonizing the trade benefits of the Caribbean and Andean nations.

Specifically, our bill would extend duty-free, quota-free treatment to apparel articles assembled, cut or knit in Andean beneficiary nations using yarns and fabric wholly formed in the United States, and provide benefits to non-apparel items that were previously excluded from the Andean trade preferences package. These new benefits will create parity with the Caribbean Basin Initiative nations as well as expand an important source of economic and employment growth for the U.S. textile and apparel industry.

The United States is at now a critical juncture with its neighbors in the Andean region.

Last year, the United States government responded generously to Colombia's needs by providing a supplemental appropriations package of more than $1.6 billion dollars to help the country in its time of crisis. These funds were in addition to over $4.0 billion being spent by Colombia itself.

Fundamental to Plan Colombia, and to the government's ability to succeed in its efforts to safeguard the country, will be efforts to encourage economic growth and provide jobs to the Colombian people. Today in Colombia more than one million people are displaced, the unemployment rate is nearly 20 percent and Colombia is experiencing the worst recession in 70 years. Without new economic opportunities, more and more Colombians will turn to illicit activities to support their families or seek to join the growing numbers of people who are leaving the country to find a better, safer future for their families.

This "trade plus aid" approach to stabilizing the Andean region has been widely embraced. In its March 2000 report, "First Steps Toward a Constructive U.S. Policy in Colombia," a Task Force I co-chair with General Brent Scowcroft recommended the extension of the ATPA, to include the same benefits as those contained under the Caribbean Basin Initiative.

Although this bill provides benefits to all ATPA beneficiaries, it is particularly critical to Colombia, which in 1998 exported 59 percent of all textiles and apparel from the Andean region to the U.S., two-thirds of which were assembled and/or cut from U.S. yarns and fabric. Colombian President Pastrana recognizes this. In his visit to Washington last week he stressed that access to U.S. markets was among the top priorities.

On a more comprehensive scale, passage of this legislation is critical to ensure that all nations in the Western Hemisphere can maintain their long-term competitiveness with Asian nations, particularly in the textile industry. At present, the textile products of most Asian nations are subject to quotas imposed by the Multi-Fiber Agreement, now known as the Agreement on Textiles and Clothing. This restriction on Asian textiles has enabled the nations of the Western Hemisphere to remain competitive, and further, the Andean region—specifically Colombia—has become a significant market for fabric woven in U.S. mills from yarn spun in the U.S. originating from U.S. cotton growers.

However, in 2005, these Asian import quotas will be phased out. At that time, textile production in both the Andean region and the Caribbean basin will be placed at a distinct and growing disadvantage. Disinvestment in the region will occur, reducing the incentive to use any material from U.S. textile mills or cotton grown in the United States.

The Congress must act this year to renew and expand trade benefits for the Andean countries. If we do not move forward, the current benefits will expire and these countries will lose an important means of developing legitimate industries and employment.

Mr. DEWINE. Mr. President, the illicit drug trade in the Andean region of South America is thriving. Lagging economies, weak law enforcement, and corrupt judiciary systems among many countries in the region have created an environment ideal for drug trafficking.

The chaotic situation in Colombia illustrates this. The nation is suffering its worst recession in over 70 years. The unemployment rate is at nearly 20 percent. Not surprisingly, as the Colombian economy has worsened, the country's coca cultivation has skyrocketed, becoming the source of nearly 80 percent of the cocaine consumed in the United States. To make matters worse, as the illicit drug money has poured in, violent insurgent groups in Colombia have used it to fund their guerilla movements, movements creating instability not only within Colombia, but also across the entire Andean Region.

Because of the dangerous and increasingly chaotic situation in the region, my colleagues—Senators GRAHAM, MCCAIN, HAGEL, BREAUX, DODD, and THOMPSON—and I are introducing the "Andean Trade Preference Expansion Act," a bill that will help establish much-needed stability and security in the Andean Region by promoting a strong economic environment for enhanced trade throughout the Western Hemisphere.

This legislation is timely and important. The current Andean Trade Preference Act, which authorizes the President to grant certain unilateral preferential tariff benefits to Bolivia, Colombia, Ecuador, and Peru, is set to expire on December 4, 2001. We need to renew and expand this trade act not only because of its benefits for U.S. companies trading in the region, but also because it encourages economic development in Andean countries and economic alternatives to drug production and trafficking. I fear, Mr. President, that if the Andean Trade Preferences Act is not renewed by the end of this year, the economic and political situation in the Andean Region likely will destabilize further, threatening to expand an already booming illicit drug trade.

The economic situation in the Andean Region is growing worse by the day. The nations within the region have been struggling to pull themselves out of one of the worst economic crises in decades. The recession has been more severe than anticipated, and the Andean Development Corporation recently forecast negative rates of growth for next year in Colombia, Ecuador and Venezuela. Only Peru and Bolivia will grow at all, and marginally at best.

The Colombian civil war and its spillover effect have further weakened domestic economies. Political instability has deterred foreign investment, and increased capital flight has put pressure on domestic currencies. While there are a few signs of possible recovery—including an increase in oil prices that will be helpful for Ecuador, Colombia and Venezuela—there is concern that the Andean region could experience a destabilizing financial crisis similar to the recent one in Asia.

Last year, Congress and the Clinton Administration tried to address political instability in the Andean region through passage of "Plan Colombia"—the emergency supplemental plan developed to address the political and social instability in the Andean region. The Plan established programs to strengthen Colombian government institutions and promote alternative crop development programs throughout the region. A key element of Plan Colombia is that it recognizes that if we fight only the Colombian drug problem, we risk creating a "spillover" effect, where Colombia's drug trade shifts to adjacent countries in the region.

For Plan Colombia to succeed, it is crucial that we help bolster the faltering economies of the Andean countries—namely Colombia, Peru, Bolivia, and Ecuador—so they don't turn to the drug trade as an means for economic livelihood. The legislation we are introducing today—the Andean Trade Preference Expansion Act—will help embolden Plan Colombia and will help it succeed by increasing trade and economic opportunities within the region. Let me explain.

The recent implementation of the Caribbean Basin Initiative, which provides enhanced trade benefits to nations trading with Caribbean countries, is having the unintended consequence of shifting economic opportunities away from the Andean Region to the Caribbean Basin. Such a shift is further shrinking the economies within the Andean Region. Colombia, for example, stands to lose up to 100,000 jobs in the apparel industry because of the CBI. The simple fact is that companies, including U.S.-based businesses, are moving production to the Caribbean Basin to capitalize on the significant cost savings associated with the new CBI law. Already, at least 10 U.S.-based companies that purchase apparel from Colombian garment manufacturers have indicated their intentions to shift production to the Caribbean.

Our Andean Trade Preference Expansion Act would help correct for this unintended economic displacement by working in tandem with the CBI, so that we don't rob one region in our hemisphere to pay another. Specifically, our bill extends duty-free, quota-free treatment to apparel articles knit, assembled, or cut in an ATPA beneficiary nation that use yarns and fabrics wholly formed in the United States. This creates a measure of parity with Caribbean nations that currently receive trade preferences under the CBI. In addition, goods other than apparel that previously were not eligible for trade preferences under the current Andean Trade Preference Act would receive the NAFTA tariff rate.

Although our bill provides benefits to all ATPA beneficiaries, it is particularly critical to Colombia, which, in 1998, exported to the United States 59 percent of all textiles and apparel from the Andean region. Two-thirds of those exports were assembled and/or cut from U.S. yarns and fabrics. We cannot allow Colombia's economy to take this kind of hit. Plan Colombia simply cannot be effective unless Colombia can improve its economy and create and maintain job opportunities. I believe that our new legislation will help prevent further economic destabilization and stands to promote future economic growth.

Ultimately, we—as a nation—stand to lose or gain, depending on the economic health of our hemispheric neighbors. A more aggressive trade policy in the hemisphere is not only important for increasing markets for U.S. companies, but it also enhances stability and promotes security in the hemisphere. It is important to remember that a strong, and free, and prosperous hemisphere means a strong, and free, and prosperous United States. It is in our national interest to pursue an aggressive trade agenda in the Western Hemisphere to combat growing threats and promote prosperity.

I urge my colleagues to join us in support of the Andean Trade Preference Expansion Act. It is the right thing to do for our neighbors and for our businesses here at home.

Mr. McCAIN. Mr. President, I would like to join with Senators GRAHAM, HAGEL, DEWINE, DODD, BIDEN, BREAUX, and THOMPSON today in introducing this important legislation to reauthorize the Andean Trade Preference Act. This legislation will renew and expand duty-free tariff treatment to our important trade partners: Bolivia, Colombia, Ecuador, and Peru. I would like to emphasize to my colleagues the importance of acting on this legislation, because the existing Andean Trade Preference Act will expire on December 4.

Having recently visited the region, I would like to assure my colleagues that this program plays an important role in aiding the economic development of our Andean allies, and stabilizing fragile democracies in the region. The existing Andean Trade Preference Act has helped two-way trade between the United States and the region to nearly double in the 1990s. During this time, U.S. exports grew 65 percent and U.S. imports increased 98 percent. In addition, the program is responsible for an increase in industrial and agricultural imports from the Andean beneficiary countries. This economic diversification is beneficial for economic growth in the Andean region, and will reduce pressure for the citizens of the region to become involved in the drug trade.

However, this program must be expanded to be truly effective. According to a recent study by the Congressional Research Service, only 10 percent of the imports from the Andean region enter the United States exclusively under the provisions of the existing Andean Trade Preference Act. I join with my colleagues in supporting Senator GRAHAM's legislation, because it plays an important first step in the reauthorization process by extending to the Andean region similar trade benefits to what the Congress voted to give the Caribbean region last year. During his confirmation hearing earlier this year, Ambassador Zoellick called for a "renewed and robust Andean Trade Preference Act." I hope that my colleagues in the Senate will consider the United States Trade Representative's recommendations, and those of our allies in the Andean region, who have proven that they need expanded duty and quota-free treatment for their imports.

Many of us have had the benefit of traveling to Colombia over the past few months to observe the American-funded drug eradication efforts there, and to discuss Plan Colombia with the region's leaders. During my visit to Colombia in February, President Andres Pastrana made clear that liberalized trade with the United States, in the form of renewal and expansion of the Andean Trade Preference Act, was a critical pillar of his strategy to promote alternatives to the drug trade in his country. Plan Colombia is premised upon reducing the power and allure of the narco-traffickers and their rebel supporters who threaten America's interest in a democratic, prosperous, and stable Western Hemisphere. While the military component of America's assistance package remains controversial at home, expanding our trade relationship with Colombia, a nation of industrious people and vast natural resources, is a logical extension of our compelling interest in strengthening the Colombian state and providing its people with rewarding economic opportunities in the legitimate economy.

It is also important to view renewal and expansion of the Andean Trade Preference Act in terms of our larger trade agenda with our Latin American neighbors. Early reauthorization of this program will show our trade partners that the United States is seriously engaged in strengthening our trade relations and promoting interdependence in the region. It is my belief that the United States should pursue four policies this year in order to accomplish our mutually beneficial trade objectives with our Latin American partners:

1. Early renewal of the Andean Trade Preference Act;
2. Passage of trade promotion authority for the President;
3. Completion of negotiations on a free trade agreement with Chile; and
4. Accomplishment of serious progress on the Free Trade Area of the Americas negotiations in order to meet an early conclusion of these negotiations in 2003.

I look forward to working with the President and my colleagues in the Senate to pass this legislation in a timely manner before the December expiration. It is in our nation's economic and national security interests to reauthorize and expand trade benefits for the Andean region.

By Mr. DORGAN (for himself and Mr. ROCKEFELLER):

S. 526. A bill to amend title 49, United States Code, to provide that rail agreements and transactions subject to approval by the Surface Transportation Board are no longer exempt from the application of the antitrust laws, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. DORGAN. Mr. President, I would like to raise an issue that is of great concern to many of my constituents and to me. That is the issue of unchecked monopoly power of the nation's freight railroad industry.

Since the supposed deregulation of the rail industry in 1980, the number of major Class I railroads has declined from approximately 42 to only four major U.S. railroads today. Rather than achieving the competitive framework intended by deregulation, today's freight railroad industry can be best described as a handful of regional monopolies that rely on bottlenecks to exert maximum market power. Four mega-railroads overwhelmingly dominate railroad traffic, generating 95 percent of the gross ton-miles and 94 percent of the revenues, controlling 90 percent of all U.S. coal movement; 70 percent of all grain movement and 88 percent of all originated chemical movement.

This drastic level of consolidation has left rail customers with only two major carriers operating in the East and two in the West, and has far exceeded the industry's need to minimize unit operating costs. But consolidation alone has not produced these regional monopolies. Over the years, regulators have systematically adopted policies that so narrowly interpret the procompetitive provisions of the 1980 statute that railroads are essentially protected from ever having to compete with each other.

In my state, it costs $2,300 to move one rail car of wheat from North Dakota to Minneapolis, approx. 400 miles. Yet for a similar 400 mile move, between Minneapolis and Chicago, it costs only $238 to deliver that car. Move that same car another 600 miles to St. Louis, Missouri and it costs only $356 per car.

Since the deregulation of the railroad industry, the Interstate Commerce Commission, now the Surface Transportation Board, has been charged with the responsibility to make sure that the pro-competitive intent of that law was being carried out, so that those rail users without access to true market based competition would be protected by "regulated competition."

That clearly hasn't happened. Competition among rail carriers is virtually nonexistent in part because the ICC and the STB have consistently chosen to protect railroads from such competition, and have done little to protect rail customers that have no alternatives.

It is time for Congress to make it very clear that true market competition among railroads is what we originally intended then and what we require now. This is the same approach we have taken with telecommunications and natural gas pipelines, and it is the center of our deliberations regarding the future of the airline industry. Competition among railroads is critical for large sectors of our national economy.

That is why today, along with Senator JAY ROCKEFELLER, I am introducing the Rail Competition Enforcement Act to reinstate the Justice Department's review of proposed railroad mergers under antitrust laws. The bill would require both the Surface Transportation Board and the Justice Department to approve new mergers.

I look forward to working with my colleagues on this most important matter. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rail Competition Enforcement Act of 2001".

SEC. 2. TERMINATION OF EXEMPTION.

(a) IN GENERAL.—Section 10706 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (2)(A), by striking ", and the Sherman Act (15 U.S.C. 1, et seq.)," and all that follows through "or carrying out the agreement" in the third sentence;

(B) in paragraph (4)—

(i) by striking the second sentence; and

(ii) by striking "However, the" in the third sentence and inserting "The"; and

(C) in paragraph (5)(A), by striking ", and the antitrust laws set forth in paragraph (2) of this subsection do not apply to parties and other persons with respect to making or carrying out the agreement"; and

(2) by striking subsection (e) and inserting the following:

"(e) APPLICATION OF ANTITRUST LAWS.—

"(1) IN GENERAL.—Nothing in this section exempts a proposed agreement described in subsection (a) from the application of the Sherman Act (15 U.S.C. 1 et seq.), the Clayton Act (15 U.S.C. 12, 14 et seq.), the Federal Trade Commission Act (15 U.S.C. 41 et seq.), section 73 or 74 of the Wilson Tariff Act (15 U.S.C. 8 and 9), or the Act of June 19, 1936 (15 U.S.C. 13, 13a, 13b, 21a).

"(2) ANTITRUST ANALYSIS TO CONSIDER IMPACT.—In reviewing any such proposed agreement for the purpose of any provision of law described in paragraph (1), the Board and any other reviewing agency shall take into account, among any other considerations, the impact of the proposed agreement on shippers and on affected communities.".

(b) COMBINATIONS.—Section 11321 of title 49, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "The authority" in the first sentence and inserting "Except as provided in section 11 of the Clayton Act (15 U.S.C. 21(a)), the authority"; and

(B) by striking "is exempt from the antitrust laws and from all other law," in the third sentence and inserting "is exempt from all other law (except the antitrust laws referred to in subsection (c)),"; and

(2) by adding at the end the following:

"(c) APPLICATION OF ANTITRUST LAWS.—

"(1) IN GENERAL.—Nothing in this section exempts a transaction described in subsection (a) from the application of the Sherman Act (15 U.S.C. 1 et seq.), the Clayton Act (15 U.S.C. 12, 14 et seq.), the Federal Trade Commission Act (15 U.S.C. 41 et seq.), section 73 or 74 of the Wilson Tariff Act (15 U.S.C. 8 and 9), or the Act of June 19, 1936 (15 U.S.C. 13, 13a, 13b, 21a).

"(2) ANTITRUST ANALYSIS TO CONSIDER IMPACT.—In reviewing any such transaction for the purpose of any provision of law described in paragraph (1), the Board and any other reviewing agency shall take into account, among any other considerations, the impact of the transaction on shippers and on affected communities.".

(c) CLAYTON ACT.—

(1) APPLICATION OF ACT.—Section 7 of the Clayton Act (15 U.S.C. 18) is amended by striking "Surface Transportation Board," in the last paragraph of that section.

(2) FTC ENFORCEMENT.—Section 11(a) of the Clayton Act (15 U.S.C. 21(a)) is amended by striking "subject to jurisdiction" and all that follows through the first semicolon and

inserting "subject to jurisdiction under subtitle IV of title 49, United States Code (except for agreements described in section 10706 of that title and transactions described in section 11321 of that title);".

(d) CONFORMING AMENDMENTS.—

(1) The heading for section 10706 of title 49, United States Code, is amended to read as follows:

"§ 10706. Rate agreements".

(2) The item relating to such section in the chapter analysis at the beginning of chapter 107 of such title is amended to read as follows:

"10706. Rate agreements.".

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply to any agreement or transaction referred to in section 10706 or 11321, respectively, of title 49, United States Code, that is submitted to the Surface Transportation Board after December 31, 2001.

By Mr. HATCH (for himself, Mr. CLELAND, Mr. LOTT, Mr. THURMOND, Mrs. FEINSTEIN, Mr. SMITH of New Hampshire, Mr. BROWNBACK, Mr. ALLARD, Mr. ALLEN, Mr. BAUCUS, Mr. BOND, Mr. BUNNING, Ms. COLLINS, Mr. CRAIG, Mr. CRAPO, Mr. DAYTON, Mr. DEWINE, Mr. DOMENICI, Mr. ENSIGN, Mr. ENZI, Mr. FITZGERALD, Mr. FRIST, Mr. GRAMM, Mr. GRASSLEY, Mr. HAGEL, Mr. HELMS, Mr. HOLLINGS, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. JOHNSON, Mrs. LINCOLN, Mr. LUGAR, Mr. MCCAIN, Mr. MILLER, Mr. MURKOWSKI, Mr. REID, Mr. SESSIONS, Mr. ROBERTS, Mr. SANTORUM, Mr. SHELBY, Ms. SNOWE, Mr. STEVENS, Mr. THOMAS, Mr. VOINOVICH and, Mr. WARNER):

S.J. Res. 7. A joint resolution proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, it is with profound honor and reverence that I, together with my friend and colleague, Senator CLELAND, introduce a bi-partisan constitutional amendment to permit Congress to prohibit the physical desecration of the American flag.

The American flag serves as a symbol of our great nation. The flag represents in a way nothing else can, the common bond shared by an otherwise diverse people. Whatever our differences of party, race, religion, or socio-economic status, the flag reminds us that we are very much one people, united in a shared destiny, bonded in a common faith in our nation.

Nearly a decade ago, Supreme Court Justice John Paul Stevens reminded us of the significance of our unique emblem when he wrote:

> A country's flag is a symbol of more than nationhood and national unity. It also signifies the ideas that characterize the society that has chosen that emblem as well as the special history that has animated the growth and power of those ideas. . . . So it is with the American flag. It is more than a proud symbol of the courage, the determination, and the gifts of a nation that transformed 13 fledgling colonies into a world power. It is a symbol of freedom, of equal opportunity, of religious tolerance, and of goodwill for other peoples who share our aspirations.

Throughout our history, the flag has captured the hearts and minds of all types of people, ranging from school teachers to union workers, traffic cops, grandmothers, and combat veterans. In 1861, President Abraham Lincoln called our young men to put their lives on the line to preserve the Union. When Union troops were beaten and demoralized, General Ulysses Grant ordered a detachment of men to make an early morning attack on Lookout Mountain in Tennessee. When the fog lifted from Lookout Mountain, the rest of the Union troops saw the American flag flying and cheered with a newfound courage. This courage eventually led to a nation of free men; not half-free and half-slave.

In 1941, President Franklin Roosevelt called on all Americans to fight the aggression of the Axis powers. After suffering numerous early defeats, the free world watched in awe as five Marines and one sailor raised the American flag on Iwo Jima. Their undaunted, courageous act, for which three of the six men died, inspired the allied troops to attain victory over fascism.

In 1990, President Bush called on our young men and women to go to the Mideast for Operations Desert Shield and Desert Storm. After an unprovoked attack by the terrorist dictator Saadam Hussein on the Kingdom of Kuwait, American troops, wearing arm patches with the American flag on their shoulders, led the way to victory. General Norman Schwarzkopf addressed a joint session of Congress describing the American men and women who fought for the ideals symbolized by the American flag:

> [W]e were Protestants and Catholics and Jews and Moslems and Buddhists, and many other religions, fighting for a common and just cause. Because that's what your military is. And we were black and white and yellow and brown and red. And we noticed that when our blood was shed in the desert, it didn't separate by race. It flowed together.

General Schwarzkopf then thanked the American people for their support, stating:

> The prophets of doom, the naysayers, the protesters and the flag-burners all said that you wouldn't stick by us, but we knew better. We knew you'd never let us down. By golly, you didn't.

The pages of our history show that when this country has called our young men and women to serve under the American flag from Lookout Mountain to Iwo Jima to Kuwait, they have given their blood and lives. The crosses at Arlington, the Iwo Jima memorial, and the Vietnam Memorial honor those sacrifices. But there were those who did not.

In 1984, Greg Johnson led a group of radicals in a protest march in which he doused an American flag with kerosene and set it on fire as his fellow protestors chanted: "America, the red, white, and blue, we spit on you." Sadly, the radical extremists, most of whom have given nothing, suffered nothing, and who respect nothing, would rather burn and spit on the American flag than honor it.

Contrast this image with the deeds of Roy Benavidez, an Army Sergeant from Texas, who led a helicopter extraction force to rescue a reconnaissance team in Vietnam. Despite being wounded in the leg, face, back, head, and abdomen by small arms fire, grenades, and hand-to-hand combat with vicious North Vietnamese soldiers, Benavidez held off the enemy and carried several wounded to the helicopters, until finally collapsing from a loss of blood. Benavidez earned the Medal of Honor. When Benavidez was buried in Arlington National Cemetery, the honor guard placed an American flag on his coffin and then folded it and gave it to his widow. The purpose of Roy Benavidez' heroic sacrifice—and the purpose of the American people's ratification of the First Amendment—was not to protect the right of radicals like Greg Johnson to burn and spit on the American flag.

The American people have long distinguished between the First Amendment right to speak and write one's political opinions and the disrespectful, and often violent, physical destruction of the flag. For many years, the people's elected representatives in Congress and 49 state legislatures passed statutes prohibiting the physical desecration of the flag. Our founding fathers, Chief Justice Earl Warren, and Justice Hugo Black believed these laws to be completely consistent with the First Amendment's protection of the spoken and written word and not disrespectful, extremist conduct.

In 1989, however, the Supreme Court abandoned the history and intent of the First Amendment to embrace a philosophy that made no distinction between oral and written speech about the flag and extremist, disrespectful of the flag. In Texas v. Johnson, five members of the Court, for the first time ever, struck down a flag protection statute. The majority argued that the First Amendment had somehow changed and now prevented a state from protecting the American flag from radical, disrespectful, and violent actions. When Congress responded with a federal flag protection statute, the Supreme Court, in United States v. Eichman, used its new and changed interpretation of the First Amendment to strike it down by another five-to-four vote.

Under this new interpretation of the First Amendment, it is assumed that the people, their elected legislators, and the courts can no longer distinguish between expressions concerning the flag that are more akin to spoken and written expression and expressions that constitute the disrespectful physical desecration of the flag. Because of this assumed inability to make such distinctions, it is argued that all of our freedoms to speak and write political ideas are wholly dependent on Greg Johnson's newly created "right" to burn and spit on the American flag.

This ill-advised and radical philosophy fails because its basic premise—that laws and judges cannot distinguish between political expression and disrespectful physical desecration—is so obviously false. It is precisely this distinction that laws and judges did in fact make for over 200 years. Just as judges have distinguished which laws and actions comply with the constitutional command to provide "equal protection of the laws" and "due process of law," so to have judges been able to distinguish between free expression and disrespectful destruction.

Certainly, extremist conduct such as smashing in the doors of the State Department may be a way of expressing one's dissatisfaction with the nation's foreign policy objectives. And one may even consider such behavior speech. Laws, however, can be enacted preventing such actions in large part because there are peaceful alternatives that can be equally powerful. After all, right here in the United States Senate, we prohibit speeches or demonstrations of any kind, even the silent display of signs or banners, in the public galleries.

Moreover, it was not this radical philosophy of protecting disrespectful destruction that the people elevated to the status of constitutional law. Such an extremist philosophy was never ratified. Such a philosophy is not found in the original and historic intent of the First Amendment. Thus, in this Senator's view, the Supreme Court erred in Texas v. Johnson and in United States v. Eichman.

Since Johnson and Eichman, constitutional scholars have opined that an attempt by Congress to protect the flag with another statute would fail in light of the new interpretation currently embraced by the Supreme Court. Thus, an amendment is the only legal means to protect the flag.

This amendment affects only the most radical forms of conduct and will leave untouched the current constitutional protections for Americans to speak their sentiments in a rally, to write their sentiments to their newspaper, and to vote their sentiments at the ballot box. The amendment simply restores the traditional and historic power of the people's elected representatives to prohibit the radical and extremist physical desecration of the flag.

Nor would restoring legal protection to the American flag place us on a slippery slope to limit other freedoms. No other symbol of our bi-partisan national ideals has flown over the battlefields, cemeteries, football fields, and school yards of America. No other symbol has lifted the hearts of ordinary men and women seeking liberty around the world. No other symbol has been paid for with so much blood of our countrymen. The American people have paid for their flag, and it is our duty to let them protect it.

In recent weeks, my colleagues on both sides of the political aisle have called for a new bipartisan spirit in Congress. This amendment offers these senators the chance to honor their words.

Restoring legal protection to the American flag is not, nor should it be, a partisan issue. Approximately sixty senators, both Republicans and Democrats, have joined with Senator CLELAND and myself as original cosponsors of this amendment.

Polls have shown that over 70 percent of the American people want the opportunity to vote to protect their flag. Numerous organizations from the American Legion to the Women's War Veterans to the African-American Women's clergy all support the flag protection amendment. Forty-nine state legislatures have passed resolutions calling for constitutional protection for the flag.

I am therefore proud to rise today to introduce a constitutional amendment that would restore to the people's elected representatives the right to protect our unique national symbol, the American flag, from acts of physical desecration.

Mr. President, I ask unanimous consent that the text of the proposed amendment be included in the RECORD.

Mr. President, I am very honored to be a cosponsor with my dear friend from Georgia, Senator CLELAND. I appreciate the efforts he has put forth in this battle, and having served in the military as he has done with distinction, courage and heroism, he has a great deal of insight on this issue. I am proud and privileged to be able to work with him.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 7

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within 7 years after the date of its submission for ratification:

"ARTICLE—

"The Congress shall have power to prohibit the physical desecration of the flag of the United States.".

Mr. DAYTON. Mr. President, today I cosponsor this legislation, introduced by the distinguished Senator from Utah and the distinguished Senator from Georgia, which would empower Congress to prohibit the burning or other desecration of the American Flag. I do so out of my conviction that the American Flag should be placed, preeminent and transcendent, as the inviolable representation of our great country, our greatest principles, and our highest ideals.

Our democratically elected leaders and our representative government do not always live up to these principles and ideals. However, they have sustained and inspired our governance for over 200 years. They are the principles and ideals for which, throughout our history, so many brave men and women have given their lives. They are the principles and ideals, embodied in the American Flag, which have been consecrated with their blood.

I came to this realization several years ago, when I visited the American Cemetery just off Normandy Beach in France. There stand almost 10,000 simple, white crosses in long, silent rows. Each one marks the grave of an American soldier, who gave his or her life on behalf of our country, on behalf of our principles and ideals, and on behalf of their preservation throughout the world.

These brave and mostly young soldiers did not necessarily agree with every decision made by their government and its leaders at the time. Nor did the brave men and women who gave their lives in wars before or afterward. Yet they made their supreme sacrifices on each of our, and all of our, behalfs. They gave up the rest of their lives, their families, their hopes, and their dreams, so that we might live under the American Flag and enjoy all of its freedoms, privileges, and opportunities.

Surely, that supreme sacrifice should be sanctified, honored, respected and forever made inviolate.

Many of my friends and trusted advisers have told me I am wrong to cosponsor this Constitutional Amendment. They say it violates the very first principle for which these courageous Americans gave their lives. They say that such an amendment will weaken our First Amendment rights for future protests, disagreements, and expressions of personal and political conscience.

I fully agree with their goals; yet, in this single instance, I disagree with their conclusions. No one supporting this amendment wants to compromise the essential freedoms of our First Amendment. In fact, by our seeking a Constitutional Amendment to protect the American Flag, its sponsors and supporters are acknowledging the sanctity of the United States Supreme Court's decision, which includes the burning or desecration of the American Flag as a Constitutionally protected form of "Free Speech." In other words, virtually all expressions of political protest, disagreement, disrespect, and discontent are permitted.

They should be. And after this Amendment is adopted, they will be. That protection of our essential freedoms, first granted and forever guaranteed by the First Amendment of the United States Constitution, remain inviolable. By this Amendment, we acknowledge them, respect them, and would place above them only the one ultimate symbol of our country, our freedoms, and our great democracy: the American Flag.

Mr. President, I respect all of my colleagues and fellow citizens who disagree with our purpose through this legislation. However, I hope that they will not misunderstand our intent. Contrary to what some contend, this Constitutional amendment will not weaken either the First Amendment or the United States of America. In fact, it will strengthen both. It will remind all of us that there is something greater than ourselves, something greater than our individual opinions, something greater than our individual prerogatives. That something is greater than all of us, because it is all of us; it is the Flag of the United States of America.

Mr. HUTCHINSON. Mr. President, I am proud to be an original cosponsor of Senator HATCH's joint resolution which would amend the United States Constitution to prohibit the desecration of our flag. Opponents to this measure contend that the right to desecrate the flag is the ultimate expression of speech and freedom. I reject that proposition as I believe that the desecration of our flag is a reprehensible act which should be prohibited. It is an affront to the brave and terrible sacrifices made by millions of American men and women who willingly left their limbs, lives, and loved ones on battlefields around the world.

It is an affront to these Americans' who have given the greatest sacrifices because of what the flag symbolizes. To explain what our flag represents, former United States Supreme Court Chief Justice Charles Evans Hughes in his work, "National Symbol," said:

> The flag is the symbol of our national unity, our national endeavor, our national aspiration.
>
> The flag tells of the struggle for independence, of union preserved, of liberty and union one and inseparable, of the sacrifices of brave men and women to whom the ideals and honor of this nation have been dearer than life.
>
> It means America first; it means an undivided allegiance.
>
> It means America united, strong and efficient, equal to her tasks.
>
> It means that you cannot be saved by the valor and devotion of your ancestors, that to each generation comes its patriotic duty; and that upon your willingness to sacrifice and endure as those before you have sacrificed and endured rests the national hope.
>
> It speaks of equal rights, of the inspiration of free institutions exemplified and vindicated, of liberty under law intelligently conceived and impartially administered. There is not a thread in it but scorns self-indulgence, weakness, and rapacity.
>
> It is eloquent of our community interests, outweighing all divergencies of opinion, and of our common destiny.

Former President Calvin Coolidge, echoed Chief Justice Hughes in "Rights and Duties:"

> We do honor to the stars and stripes as the emblem of our country and the symbol of all that our patriotism means.
>
> We identify the flag with almost everything we hold dear on earth.
>
> It represents our peace and security, our civil and political liberty, our freedom of religious worship, our family, our friends, our home.
>
> We see it in the great multitude of blessings, of rights and privileges that make up our country.
>
> But when we look at our flag and behold it emblazoned with all our rights, we must remember that it is equally a symbol of our duties.
>
> Every glory that we associate with it is the result of duty done. A yearly contemplation of our flag strengthens and purifies the national conscience.

Given what our flag symbolizes, I find it incomprehensible that anyone would desecrate the flag and inexplicable that our Supreme Court would hold that burning a flag is protected speech rather than conduct which may be prohibited. I find it odd that one can be imprisoned for destroying a bald eagle's egg, but may freely burn our nation's greatest symbol. Accordingly, I urge my colleagues to pass this resolution so that our flag and all that it symbolizes may be forever protected.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 59—DESIGNATING THE WEEK OF MARCH 11 THROUGH MARCH 17, 2001, AS "NATIONAL GIRL SCOUT WEEK"

Mrs. HUTCHISON (for herself, Ms. MIKULSKI, Mrs. BOXER, Ms. CANTWELL, Mrs. CARNAHAN, Mrs. CLINTON, Ms. COLLINS, Mrs. FEINSTEIN, Ms. LANDRIEU, Mrs. LINCOLN, Mrs. MURRAY, Ms. SNOWE, and Ms. STABENOW) submitted the following resolution; which was considered and agreed to:

S. RES. 59

Whereas March 12, 2001, is the 89th anniversary of the founding of the Girl Scouts of the United States of America;

Whereas on March 16, 1950, the Girl Scouts became the first national organization for girls to be granted a Federal charter by Congress;

Whereas through annual reports required to be submitted to Congress by its charter, the Girl Scouts regularly informs Congress of its progress and program initiatives;

Whereas the Girl Scouts is dedicated to inspiring girls and young women with the highest ideals of character, conduct, and service to others so that they may become model citizens in their communities;

Whereas the Girl Scouts offers girls aged 5 through 17 years a variety of opportunities to develop strong values and life skills and provides a wide range of activities to meet girls' interests and needs;

Whereas the Girl Scouts has a membership of nearly 3,000,000 girls and over 900,000 adult volunteers, and is one of the preeminent organizations in the United States committed to assisting girls to grow strong in mind, body, and spirit; and

Whereas by fostering in girls and young women the qualities on which the strength of the United States depends, the Girl Scouts, for 89 years, has significantly contributed to the advancement of the United States: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of March 11 through March 17, 2001, as "National Girl Scout Week"; and

(2) requests the President to issue a proclamation designating the week of March 11 through March 17, 2001, as "National Girl Scout Week" and calling on the people of the United States to observe the 89th anniversary of the Girl Scouts of the United States of America with appropriate ceremonies and activities.

SENATE CONCURRENT RESOLUTION 23—EXPRESSING THE SENSE OF CONGRESS WITH RESPECT TO THE INVOLVEMENT OF THE GOVERNMENT IN LIBYA IN THE TERRORIST BOMBING OF PAN AM FLIGHT 103, AND FOR OTHER PURPOSES

Mrs. FEINSTEIN (for herself, Mr. HELMS, Mr. KENNEDY, Mr. TORRICELLI, Mr. DODD, Mrs. BOXER, Mr. LEAHY, Mr. KYL, Mr. BROWNBACK, Mr. REID, Mr. BAUCUS, Mr. BYRD, and Mrs. CLINTON) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 23

Whereas 270 people, including 189 Americans, were killed in the terrorist bombing of Pan Am Flight 103 over Lockerbie, Scotland, on December 21, 1988;

Whereas, on January 31, 2001, the 3 judges of the Scottish court meeting in the Netherlands to try the 2 Libyan suspects in the bombing of Pan Am 103 found that "the conception, planning, and execution of the plot which led to the planting of the explosive device was of Libyan origin";

Whereas the Court found conclusively that Abdel Basset al Megrahi "caused an explosive device to detonate on board Pan Am 103" and sentenced him to a life term in prison;

Whereas the Court accepted the evidence that Abdel Basset al Megrahi was a member of the Jamahiriyah Security Organization, one of the main Libyan intelligence services;

Whereas the United Nations Security Council Resolutions 731, 748, 883, and 1192 demanded that the Government of Libya provide appropriate compensation to the families of the victims, accept responsibility for the actions of Libyan officials in the bombing of Pan Am 103, provide a full accounting of its involvement in this terrorist act, and cease all support for terrorism; and

Whereas, contrary to previous declarations by the Government of Libya and its representatives, in the wake of the conviction of Abdel Basset al Megrahi, Colonel Muammar Qadhafi refuses to accept the judgment of the Scottish court or to comply with the requirements of the Security Council under existing resolutions: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. SHORT TITLE.

This concurrent resolution may be cited as the "Justice for the Victims of Pan Am 103 Resolution of 2001".

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the entire international community should condemn, in the strongest possible terms, the Government of Libya and its leader, Colonel Muammar Qadhafi, for support of international terrorism, including the bombing of Pan Am 103;

(2) the Government of Libya should immediately—

(A) make a full and complete accounting of its involvement in the bombing of Pan Am 103;

(B) accept responsibility for the actions of Libyan officials;

(C) provide appropriate compensation to the families of the victims of Pan Am 103; and

(D) demonstrate in word and deed a full renunciation of support for international terrorism;

(3) the President should instruct the United States Permanent Representative to the United Nations to use the voice, and, if necessary, the vote of the United States, to maintain United Nations sanctions against Libya until all conditions laid out or referred to in the applicable Security Council resolutions are met; and

(4) the President should instruct the United States Permanent Representative to the United Nations to seek the reimposition of sanctions against Libya currently suspended in the event that Libya fails to comply with those United Nations Security Council resolutions.

SEC. 3. POLICY OF THE UNITED STATES TOWARD LIBYA.

It should be the policy of the United States to—

(1) oppose the removal of United Nations sanctions until the Government of Libya has—

(A) made a full and complete accounting of its involvement in the bombing of Pan Am 103;

(B) accepted responsibility for the actions of Libyan officials;

(C) provided appropriate compensation to the families of the victims of Pan Am 103; and

(D) demonstrated in word and deed a full renunciation of support for international terrorism; and

(2) maintain United States sanctions on Libya, including those sanctions on all forms of assistance and all other United States restrictions on trade and travel to Libya, until—

(A) the Government of Libya has fulfilled the requirements of United Nations Security Council Resolutions 731, 748, 883, and 1192;

(B) the President—

(i) certifies under section 620A(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(c)) that Libya no longer provides support for international terrorism; and

(ii) has provided to Congress an explanation of the steps taken by the Government of Libya to resolve any outstanding claims against that government by United States persons relating to international terrorism; and

(C) the Government of Libya is not pursuing weapons of mass destruction or the means to deliver them in contravention of United States law.

SEC. 4. TRANSMITTAL OF CONCURRENT RESOLUTION.

The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

SENATE CONCURRENT RESOLUTION 24—EXPRESSING SUPPORT FOR A NATIONAL REFLEX SYMPATHETIC DYSTROPHY (RSD) AWARENESS MONTH

Mr. LIEBERMAN submitted the following concurrent resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. Con. Res. 24

Whereas reflex sympathetic dystrophy (referred to in this resolution as "RSD") is an extremely painful progressive disease of the nervous system resulting from a simple trauma, infection, or surgery that can lead to chronic inflammation, spasms, burning pain, stiffness, and discoloration of the skin, muscles, blood vessels, and bones;

Whereas RSD can strike at any time, and currently afflicts an estimated 7,000,000 children and adults, the majority of whom are women;

Whereas RSD is a complex and little-known disease, inhibiting the early diagnosis and treatment needed for recovery and contributing to dismissals of patients' pain and suffering;

Whereas there is no known cure for RSD and treatment involves multiple medications and therapies with costs that can be prohibitive;

Whereas Betsy Herman established the RSDHope Teen Corner in 1998 and she and countless others advocates have worked tirelessly to provide information and support to RSD sufferers and their families and friends and to bring national attention to this crippling disease; and

Whereas each May is Reflex Sympathetic Dystrophy Awareness Month, the goal of which is to educate the public about the nature and effects of this terrible disease: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that—

(1) all Americans should take an active role in combatting reflex sympathetic dystrophy (RSD) by recognizing its symptoms (which often follow an injury or surgery), such as constant burning pain, skin irritation, inflammation, muscle spasms, fatigue, and insomnia;

(2) national and community organizations should be recognized and applauded for their work in promoting awareness about RSD and for providing information and support to its sufferers;

(3) health care providers should continue to increase their efforts to diagnose the disease in its earliest possible stages to increase the likelihood of remission; and

(4) the Federal Government has a responsibility to—

(A) endeavor to raise awareness about the importance of the early detection and proper treatment RSD;

(B) work to increase research funding so that the causes of, and improved treatment and cure for, RSD may be discovered; and

(C) continue to consider ways to improve access to, and the quality of, health care services for detecting and treating RSD.

AMENDMENTS SUBMITTED AND PROPOSED

SA 42. Mrs. BOXER (for herself and Mrs. Clinton) submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table.

SA 43. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 44. Mr. WYDEN (for himself, Mr. Baucus, Mrs. Murray, and Mr. Smith of Oregon) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 45. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 46. Mr. DURBIN (for himself, Mrs. Clinton, and Mr. Sarbanes) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 47. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 48. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 49. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 50. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 51. Mr. FEINGOLD (for himself, and Mr. Thompson) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 52. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 53. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 54. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 55. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 56. Mr. LEAHY (for himself and Mr. Feingold) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 57. Mr. LOTT submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 58. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 59. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 60. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 61. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 62. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 63. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 64. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 65. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 66. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 67. Mr. KOHL (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by them to the bill S. 420, supra; which was ordered to lie on the table.

SA 68. Mr. KOHL (for himself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by them to the bill S. 420, supra; which was ordered to lie on the table.

SA 69. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 70. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 71. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 72. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 73. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 74. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 75. Mr. DODD (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by them to the bill S. 420, supra; which was ordered to lie on the table.

SA 76. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 77. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 78. Mr. WYDEN (for himself, Mr. BAUCUS, and Mrs. MURRAY) submitted an amendment intended to be proposed by them to the bill S. 420, supra; which was ordered to lie on the table.

SA 79. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 80. Mr. BREAUX (for himself, Mr. SPECTER, Mrs. LINCOLN, Mr. JOHNSON, Ms. LANDRIEU, Mr. NELSON of Nebraska, Mr. CLELAND, and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by them to the bill S. 420, supra; which was ordered to lie on the table.

SA 81. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 82. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 83. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 84. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 85. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 86. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 87. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 88. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 89. Mr. LOTT submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 90. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 91. Mr. LEVIN (for himself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 92. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 93. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 420, supra; which was ordered to lie on the table.

SA 94. Mr. BREAUX (for himself, Mr. SPECTER, and Mrs. LINCOLN, Mr. JOHNSON, Ms. LANDRIEU, Mrs. FEINSTEIN, Mr. CLELAND, and Mr. NELSON of Nebraska) submitted an amendment intended to be proposed by them to the bill S. 420, supra; which was ordered to lie on the table.

SA 95. Mr. SMITH of Oregon (for himself and Mr. WYDEN) proposed an amendment to amendment SA 78 proposed by Mr. WYDEN to the bill S. 420, supra.

TEXT OF AMENDMENTS

SA 42. Mrs. BOXER (for herself and Mrs. CLINTON) submitted an amendment intended to be proposed by her to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike Section 310.

SA 43. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes, which was ordered to lie on the table; as follows:

On page 173, line 11, strike "discharge a debtor" and insert "discharge an individual debtor".

On page 244, line 8, strike "described in section 523(a)(2)" and insert "described in subparagraph (A) or (B) of section 523(a)(2) that is owed to a domestic governmental unit or owed to a person as the result of an action filed under subchapter III of chapter 37 of title 31, United States Code, or any similar State statute,".

SA 44. Mr. WYDEN (for himself, Mr. BAUCUS, Mrs. MURRAY, and Mr. SMITH of Oregon) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes, which was ordered to lie on the table; as follows:

After section 419, insert the following:

SEC. 420. NONDISCHARGEABILITY OF DEBTS ARISING FROM THE EXCHANGE OF ELECTRIC ENERGY.

(a) IN GENERAL.—Section 1141(d) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(6) The confirmation of a plan does not discharge a debtor—

"(A) in the case of a debtor that is a corporation, from any debt for wholesale electric power received that is incurred by that debtor under an order issued by the Secretary of Energy (or any amendment of or attachment to that order) under section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and requested by the California Independent System Operator; or

"(B) in the case of debt owed to a Federal, State, or local government agency named in an order referred to in subparagraph (A) for wholesale electric power received by the debtor.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (28), as added by section 907(d) of this Act, by striking "or" at the end;

(2) in paragraph (29), as added by section 1106 of this Act, by striking the period at the end and inserting "; or"; and

(3) by inserting after that paragraph (29) the following:

"(30) under subsection (a), of the commencement or continuation, and conclusion to the entry of final judgment or order, of a judicial, administrative, or other action or proceeding for debts that are nondischargeable under section 1141(d)(6).".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 1141(a) of title 11, United States Code, is amended by striking "subsections (d)(2) and (d)(3) of this section" and inserting "paragraphs (2), (3), and (6) of subsection (d)".

(d) APPLICABILITY.—This section and the amendments made by this section shall apply with respect to any petition for bankruptcy filed under title 11, United States Code, on or after March 1, 2001.

SA 45. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 202, strike line 9 and all that follows through page 203, line 14, and insert the following:

"(e) In a small business case—

"(1) not later than 45 days after the date of the order for relief, the court shall conduct a status conference pursuant to section 105(d) and, after consideration of relevant facts and circumstances, shall fix a deadline for the filing of a plan and disclosure statement; and

"(2) the deadline established by the court in the status conference referred to in paragraph (1) may be extended only if—

"(A) the debtor, after providing notice to parties in interest (including the United States trustee), demonstrates a reasonable likelihood that the court will confirm a plan within a reasonable period of time;

"(B) a new deadline is imposed at the time the extension is granted; and

"(C) the order extending time is signed before the existing deadline has expired.".

On page 208, line 10, insert ", absent unusual circumstances specifically identified by the court," after "shall".

On page 208, line 15, insert ", absent unusual circumstances specifically identified by the court," after "granted".

On page 208, line 16, strike "establishes" and all that follows through "filed" on line 19 and insert the following: "establishes that—

"(A) there is a reasonable likelihood that a plan will be confirmed".

Redesignate sections 439 through 445 as sections 438 through 444, respectively.

Amend the table of contents accordingly.

SA 46. Mr. DURBIN (for himself, Mrs. CLINTON, and Mr. SARBANES) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title XIII, add the following:

SEC. 1311. ENHANCED DISCLOSURES UNDER AN OPEN END CREDIT PLAN.

(a) AMENDMENTS TO THE TRUTH IN LENDING ACT.—

(1) ENHANCED DISCLOSURE OF REPAYMENT TERMS.—

(A) IN GENERAL.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

"(11)(A) In a clear and conspicuous manner, repayment information that would apply to the outstanding balance of the consumer under the credit plan, including—

"(i) the required minimum monthly payment on that balance, represented as both a dollar figure and a percentage of that balance;

"(ii) the number of months (rounded to the nearest month) that it would take to pay the entire amount of that current balance if the consumer pays only the required minimum monthly payments and if no further advances are made;

"(iii) the total cost to the consumer, including interest and principal payments, of paying that balance in full if the consumer pays only the required minimum monthly payments and if no further advances are made; and

"(iv) the following statement: 'If your current rate is a temporary introductory rate, your total costs may be higher.'.

"(B) In making the disclosures under subparagraph (A) the creditor shall apply the annual interest rate that applies to that balance with respect to the current billing cycle for that consumer in effect on the date on which the disclosure is made.".

(B) PUBLICATION OF MODEL FORMS.—Not later than 180 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall publish model disclosure forms in accordance with section 105 of the Truth in Lending Act (15 U.S.C. 1604) for the purpose of compliance with section 127(b)(11) of the Truth in Lending Act, as added by this paragraph.

(C) CIVIL LIABILITY.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the undesignated paragraph following paragraph (4), by striking the second sentence and inserting the following: "In connection with the disclosures referred to in subsections (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, 127(a), or of paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b), or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same in meaning under section 111(a)(2) as any of the terms or items referred to in section 127(a) or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b).".

(2) DISCLOSURES IN CONNECTION WITH SOLICITATIONS.—

(A) IN GENERAL.—Section 127(c)(1)(B) of the Truth in Lending Act (15 U.S.C. 1637(c)(1)(B)) is amended by adding at the end the following:

"(iv) CREDIT WORKSHEET.—An easily understandable credit worksheet designed to aid consumers in determining their ability to assume more debt, including consideration of the personal expenses of the consumer and a simple formula for the consumer to determine whether the assumption of additional debt is advisable.

"(v) BASIS OF PREAPPROVAL.—In any case in which the application or solicitation states that the consumer has been preapproved for an account under an open end consumer credit plan, the following statement must appear in a clear and conspicuous manner: 'Your preapproval for this credit card does not mean that we have reviewed your individual financial circumstances. You should review your own budget before accepting this offer of credit.'.

"(vi) AVAILABILITY OF CREDIT REPORT.—That the consumer is entitled to a copy of his or her credit report in accordance with the Fair Credit Reporting Act.".

(B) PUBLICATION OF MODEL FORMS.—Not later than 180 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall publish model disclosure forms in accordance with section 105 of the Truth in Lending Act (15 U.S.C. 1604) for the purpose of compliance with section 127(c)(1)(B) of the Truth in Lending Act, as amended by this paragraph.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on January 1, 2002.

Amend the table of contents accordingly.

SA. 47. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. DISCOURAGING PREDATORY LENDING PRACTICES.

Section 502(b) of title 11, United States Code, is amended as follows—

(1) in paragraph (8), by striking "or" at the end;

(2) in paragraph (9), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(10) the claim is based on a secured debt, if the creditor has materially failed to comply with any applicable requirement under subsection (c), (d), (e), (f), (g), (h), or (i) of section 129 of the Truth in Lending Act (15 U.S.C. 1639).".

SA. 48. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 306 and insert the following:

SEC. 306. RESTORING THE FOUNDATION FOR SECURED CREDIT.

Section 506 of title 11, United States Code, is amended by adding at the end the following:

"(e) In an individual case under chapter 13—

"(1) except for the purpose of applying paragraph (3) of this subsection, subsection (a) shall not apply to an allowed claim that is attributable to the purchase price of personal property if—

"(A) the holder of the claim has a security interest in that property; and

"(B) the property was purchased by the debtor within 180 days before the date of filing of the petition;

"(2) if an allowed claim referred to in paragraph (1) is secured only by the personal property acquired, the value of the personal property described in that paragraph and the amount of the allowed secured claim shall be the sum of—

"(A) the unpaid principal balance of the purchase price; and

"(B) the accrued and unpaid interest and charges at the applicable contract rate attributable to such property;

"(3) if an allowed claim referred to in paragraph (1) is secured by the personal property described in that paragraph and other property, the value of the security may be determined under subsection (a), except that the value of the security and the amount of the allowed secured claim shall not be less than—

"(A) the unpaid principal balance of the purchase price of the personal property described in paragraph (1); and

"(B) any unpaid interest and charges at the contract rate attributable to the property acquired; and

"(4) in any case under this title that is filed subsequently by or against the debtor in the original case, the value of the personal property described in paragraph (1) and the amount of the allowed secured claim with respect to that property shall be deemed to be not less than an amount determined in the same manner as the original under paragraph (2) or (3).".

Amend the table of contents accordingly.

SA 49. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . FEDERAL ELECTION LAW FINES AND PENALTIES AS NONDISCHARGEABLE DEBT.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14A) (as added by this Act) the following:

"(14B) incurred to pay fines or penalties imposed under Federal election law;".

Amend the table of contents accordingly.

SA 50. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. NO BANKRUPTCY FOR INSOLVENT POLITICAL COMMITTEES.

Section 105 of title 11, United States Code, is amended by adding at the end the following:

"(e) A political committee subject to the jurisdiction of the Federal Election Commission under Federal election laws may not file for bankruptcy under this title.".

Amend the table of contents accordingly.

SA 51. Mr. FEINGOLD (for himself and Mr. THOMPSON) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 439, strike line 19 and all that follows through page 440, line 12.

Amend the table of contents accordingly.

SA 52. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 152, strike line 9 and all that follows through page 153, line 20, and insert the following:

"(4) For purposes of paragraph (1)(B), the term 'household goods' includes tangible personal property normally found in or around a home, but does not include motorized vehicles used for transportation purposes.".

SA 53. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title II, add the following:

SEC. 233. PROHIBITION ON ASSERTING CLAIMS IN CASES OF VIOLATIONS OF THE PRIVACY PROTECTIONS OF THE GRAMM-LEACH-BLILEY ACT.

A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.), may not assert any claim under this Act or title 11, United States Code, as amended by this Act, against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements.

SA 54. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 151, strike line 23 and all that follows through page 152, line 3, and insert the following:

"(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502, if the debtor has received a discharge in a case filed under chapter 7 of this title during the one-year period preceding the date of the order for relief under this chapter.".

SA. 55. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 318 and insert the following:

SEC. 318. CHAPTER 13 PLAN TO HAVE A 5-YEAR DURATION IN CERTAIN CASES.

Section 1322(d) of title 11, United States Code, is amended to read as follows:

"(d)(1) Except as provided in paragraph (2), the plan may not provide for payments over a period that is longer than 3 years.

"(2) The plan may provide for payments over a period that is longer than 3 years, if—

"(A) the plan is for a case that was converted to a case under this chapter from a case under chapter 7, or the plan is for a debtor who has been dismissed from chapter 7 by reason of section 707(b), in which case, the plan shall provide for payments over a period of not longer than 5 years; or

"(B) the plan is for a case that is not described in subparagraph (A), and the court, for cause, approves a period that is longer than 3 years, but not longer than 5 years.".

Amend the table of contents accordingly.

SA 56. Mr. LEAHY (for himself, and Mr. FEINGOLD) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 23, strike line 6 and all that follows through page 25, line 6.

On page 25, line 7, strike "(i)" and insert "(h)".

SA 57. Mr. LOTT submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 1224.

SA 58. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 1235 and insert the following:

SEC. 1235. EXPEDITED APPEALS OF BANKRUPTCY CASES TO COURTS OF APPEALS.

(a) APPEALS.—Section 158 of title 28, United States Code, is amended—

(1) in subsection (c)(1), by striking "Subject to subsection (b)," and inserting "Subject to subsections (b) and (d)(2),"; and

(2) in subsection (d)—

(A) by inserting "(1)" after "(d)"; and

(B) by adding at the end the following:

"(2)(A) A court of appeals that would have jurisdiction of a subsequent appeal under paragraph (1) or other law may authorize an immediate appeal of an order or decree, not otherwise appealable, that is entered in a case or proceeding pending under section 157 or is entered by the district court or bankruptcy appellate panel exercising jurisdiction under subsection (a) or (b), if the bankruptcy court, district court, bankruptcy appellate panel, or the parties acting jointly certify that—

"(i) the order or decree involves—

"(I) a substantial question of law;

"(II) a question of law requiring resolution of conflicting decisions; or

"(III) a matter of public importance; and

"(ii) an immediate appeal from the order or decree may materially advance the progress of the case or proceeding.

"(B) An appeal under this paragraph does not stay proceedings in the court from which the order or decree originated, unless the originating court or the court of appeals orders such a stay.".

(b) PROCEDURAL RULES.—

(1) TEMPORARY APPLICATION.—A provision of this subsection shall apply to appeals under section 158(d)(2) of title 28, United States Code, as added by subsection (a) of this section, until a rule of practice and procedure relating to such provision and appeal is promulgated or amended under chapter 131 of such title.

(2) CERTIFICATION.—A district court, bankruptcy court, or bankruptcy appellate panel may enter a certification as described in section 158(d)(2) of title 28, United States Code, during proceedings pending before that court or panel.

(3) PROCEDURE.—Subject to the other provisions of this subsection, an appeal by permission under section 158(d)(2) of title 28, United States Code, shall be taken in the manner prescribed in rule 5 of the Federal Rules of Appellate Procedure.

(4) FILING PETITION.—When permission to appeal is requested on the basis of a certification of the parties, a district court, bankruptcy court, or bankruptcy appellate panel, the petition shall be filed within 10 days after the certification is entered or filed.

(5) ATTACHMENT.—When permission to appeal is requested on the basis of a certification of a district court, bankruptcy court, or bankruptcy appellate panel, a copy of the certification shall be attached to the petition.

(6) PANEL AND CLERK.—In a case pending before a bankruptcy appellate panel in which permission to appeal is requested, the terms "district court" and "district clerk", as used in rule 5 of the Federal Rules of Appellate Procedure, mean "bankruptcy appellate panel" and "clerk of the bankruptcy appellate panel", respectively.

(7) APPLICATION OF RULES.—In a case pending before a district court, bankruptcy court, or bankruptcy appellate panel in which a court of appeals grants permission to appeal, the Federal Rules of Appellate Procedure apply to the proceedings in the court of appeals, to the extent relevant, as if the appeal were taken from a final judgment, order, or decree of a district court, bankruptcy court, or bankruptcy appellate panel exercising appellate jurisdiction under subsection (a) or (b) of section 158 of title 28, United States Code.

SA 59. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 148, line 4, strike "(a) IN GENERAL.—".

On page 148, strike line 8 and all that follows through page 151, line 15, and insert the following:

“(22) under subsection (a), of the commencement or continuation of any eviction, unlawful detainer, or similar proceeding by a lessor against a debtor involving residential property, except in a case in which a tenant of such residential property has a written lease with an unexpired specified term, and can demonstrate the ability to pay the rent then due and to become due during the unexpired term of the lease, in which case—

“(A) the debtor shall have the right, by ex parte application (on a preprinted form developed by the court and provided on request by the clerk of the court to the debtor), to obtain an order temporarily staying any eviction, unlawful detainer, or similar proceeding pending a hearing, if the debtor submits with the application a copy of an unexpired written lease of the subject residential property, signed by the lessor of the property; and

“(B) upon issuance of an order under subparagraph (A), the clerk of the court shall set a hearing on a date that is not later than 10 days after the date of filing of the application under subparagraph (A), and give the lessor of the property notice thereof; and

“(C) at the conclusion of the hearing referred to in subparagraph (B)—

“(i) a temporary stay ordered under subparagraph (A) shall be deemed effective and ordered until the earlier of the expiration of the lease or the termination of the stay otherwise under this section, if the debtor can demonstrate to the satisfaction of the court—

“(I) a written lease of the residential property with an unexpired term;

“(II) an ability to pay the rent as it comes due under the lease for the unexpired term; and

“(III) the ability to pay any past due rent on a schedule to be set by the court; or

“(ii) the temporary stay ordered under subparagraph (A) shall be lifted, if the debtor cannot meet the terms of clause (i).

SA 60. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 294, line 10, delete the comma after “mortgage”;

On page 295, line 15, insert “mortgage” before “loan”;

On page 296, line 25, strike “or” and insert “including”;

On page 299, line 17, strike “or” and insert “including”;

On page 301, line 18, strike “or any” and insert “including any”;

On page 302, line 23, insert “mortgage” before “loans”;

On page 303, line 3, insert “mortgage” before “loans”;

On page 304, line 16, strike “or” after “(V)” and insert “including”;

On page 306, line 10, insert “is of a type” after “clause and”;

On page 308, line 5, strike “or any” and insert “including any”;

On page 308, line 23, strike “the Gramm-Leach-Bliley Act,” and insert “the Gramm-Leach-Bliley Act, and”;

On page 308, line 25, strike all after “2000” and insert a period following “2000”;

On page 309, strike lines 1 through 3;

On page 320, line 10, strike “and”;

On page 321, line 4, strike the period at the end of the line and insert “; and”

On page 321, insert after line 4 the following:

“(3) by including at the end of section 11(e) the following new paragraph:

“( ) SAVINGS CLAUSE.—The meaning of terms used in this subsection (e) are applicable for purposes of this subsection (e) only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities law (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.”

On page 327, line 7, strike “408” and insert “407A”;

On page 327, line 20, strike “or” the second time it appears;

On page 328, line 3, strike all following “receiver” through “agency” on line 4;

On page 328, line 7, strike all following “receiver” through “bank” on line 9;

On page 328, line 12, strike the comma after “Act”;

On page 328, line 18, strike all following “conservator” through “agency” on line 20;

On page 328, line 23, strike all following “conservator” through “bank” on line 25;

On page 329, line 25, insert “in the case of an uninsured national bank or uninsured Federal branch or agency” after “Currency”;

On page 330, line 1, insert “in the case of a corporation chartered under section 25A of the Federal Reserve Act, or an uninsured State member bank that operates, or operates as, a multilateral clearing organization pursuant to section 409 of the Act,”;

On page 330, line 3, insert “solely” before “to implement”;

On page 330, line 5, strike “to implement this section,” and insert “, limited solely to implementing paragraphs (8), (9), (10) and (11) of section 11(e) of the Federal Deposit Insurance Act,”;

On page 330, line 7, insert “each” before “shall ensure”;

On page 330, line 8, strike “that the” and insert “that their”;

On page 332, line 4, strike “(D), or” and insert “(D) including”;

On page 333, line 14, insert “mortgage” before “loans”;

On page 333, line 18, insert “mortgage” before “loans”;

On page 334, line 21, strike “(iv), or” and insert “(iv) including”;

On page 336, line 5 strike “or an” and insert “or”;

On page 336, line 8, strike “or a” and insert “or”;

On page 336, line 10, strike “credit spread, total return, or a” and insert “total return, credit spread or”;

On page 336, line 22, insert after “(I)” the following: “is of a type that”;

On page 338, line 13, strike “(v), or” and insert “(v) including”;

On page 338, line 18, strike “do”;

On page 339, line 9, insert “and” after “Act,”;

On page 339, line 10, strike all after “2000” through “Commission” on line 13 and insert a period after “2000”;

On page 340, line 20, insert “mortgage” before “loan”;

On page 342, line 2, strike “or any” and insert “including any”;

On page 343, line 21, strike “or any” and insert “including any”;

On page 346, line 7, strike “or” the first time it appears;

On page 346, line 25, insert “, including any guarantee or reimbursement obligation related to 1 or more of the foregoing” following “foregoing”;

On page 352, line 24, insert “a securities clearing agency,” after “association,”;

On page 353, line 25, insert “a securities clearing agency,” before “a contract market”;

On page 355, line 5, insert “a securities clearing agency,” after “association,”;

On page 355, line 6, strike the end parenthesis after “Act”;

On page 358, line 13, strike “5(c)” and insert “5c(c)”;

On page 358, line 24, strike “a national securities exchange”;

On page 359, line 4, insert “a securities clearing agency,” after “association,”;

On page 363, line 13, insert “a securities clearing agency,” after “association,”;

On page 365, strike lines 18 through 22, and on page 366, strike lines 1 through 2, and insert in lieu thereof the following:

“(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the appropriate Federal banking agencies, may by regulation require more detailed recordkeeping by any insured depository institution with respect to qualified financial contracts (including market valuations) only if such insured financial institution is in a troubled condition (as such term is defined by the Corporation pursuant to 12 USC 1831i).”;

On page 372, line 18, insert “governmental unit, limited liability company (including a single member limited liability company),” after “partnership,”;

On page 373, line 22, insert “on or” after “State law”;

On page 374, line 10, insert “and” before “the Commodity” and strike all after “Act” through line 12 and insert a period after “Act”.

SA 61. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 184, strike line 20 and all that follows through page 186, line 22 and insert the following:

SEC. 329. NONDISCHARGEABILITY OF DEBTS INCURRED THROUGH THE COMMISSION OF VIOLENCE AT CLINICS.

Section 523(a) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (17), by striking “or” at the end;

(2) in paragraph (18), as added by this Act, by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(19) that results from any judgment, order, consent order, or decree entered in any Federal or State court, or contained in any settlement agreement entered into by the debtor, including any damages, fine, penalty, citation, or attorney fee or cost owed by the debtor, arising from—

“(A) an actual or potential action under section 248 of title 18;

“(B) an actual or potential action under any Federal, State, or local law, the purpose of which is to protect—

“(i) access to a health care facility, including a facility providing reproductive health services, as defined in section 248(e) of title 18 (referred to in this paragraph as a ‘health care facility’); or

“(ii) the provision of health services, including reproductive health services (referred to in this paragraph as ‘health services’);

"(C) an actual or potential action alleging the violation of any Federal, State, or local statutory or common law, including chapter 96 of title 18 and the Federal civil rights laws (including sections 1977 through 1980 of the Revised Statutes) that results from the debtor's actual, attempted, or alleged—

"(i) harassment of, intimidation of, interference with, obstruction of, injury to, threat to, or violence against any person—

"(I) because that person provides or has provided health services;

"(II) because that person is or has been obtaining health services; or

"(III) to deter that person, any other person, or a class of persons from obtaining or providing health services; or

"(ii) damage or destruction of property of a health care facility; or

"(D) an actual or alleged violation of a court order or injunction that protects access to a health care facility or the provision of health services.".

SA 62. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 186, beginning on line 6, strike "provides or has provided lawful goods or services;" and insert "seeks to exercise, exercises, or has exercised constitutionally protected rights;".

On page 186, strike lines 9 through 15 and insert the following:

"'(II) to deter any person from exercising constitutionally protected rights, or from assisting any other person in the exercise of such rights; or

"'(III) because that person assists any person in the exercise of constitutionally protected rights, or provides or assists in the provision of constitutionally protected goods or services; or".

On page 186, beginning on line 17, strike "providing lawful goods or services;" and insert "or of a person because that facility or person provides, assists in providing, uses, or seeks constitutionally protected goods or services;".

SA 63. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 10, between lines 17 and 18, insert the following:

"(V) In addition, the debtor's monthly expenses shall include the actual, reasonable expenses for operation of transportation and for public transportation, including costs for fuel, maintenance, automobile insurance, and public transportation, to the extent that the actual costs exceed the Local Standards issued by the Internal Revenue Service for operating and public transportation costs.

"(VI) In addition, if a debtor owns a home, the debtor's monthly expenses shall include the actual, reasonable expenses for utilities and home maintenance, including costs for repairs, maintenance, taxes, and home insurance. In the case of a debtor who does not own a home, such expenses shall be included to the extent that such expenses cause the debtor's housing expenses to exceed the amounts permitted under the Local Standards issued by the Internal Revenue Service for housing and utilities.

"(VII) In addition, if the debtor owns a motor vehicle for which no secured debt payments are scheduled, or for which secured debt payments are scheduled for less than 60 months, the debtor's monthly expenses shall include the monthly ownership costs permitted by the Internal Revenue Service for the number of months in which no secured debt payment on the vehicle is scheduled, divided by 60. Such additional ownership costs shall be included for each vehicle for which the debtor would be permitted ownership costs under the Internal Revenue Service National Standards.

SA 64. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. AWARD OF FEES AND DAMAGES AUTHORIZED.

(a) Section 502.—Section 502 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(l)(1) The court may award the debtor reasonable attorneys' fees and costs if, after an objection is filed by a debtor, the court—

"(A)(i) disallows the claim; or

"(ii) reduces the claim by an amount greater than 20 percent of the amount of the initial claim filed by a party in interest, or $500, whichever is less; and

"(B) finds that the position of the party filing the claim is not substantially justified.

"(2) If the court finds that the position of a claimant under this section is not substantially justified, the court may, in addition to awarding a debtor reasonable attorneys' fees and costs under paragraph (1), award such damages as may be required by the equities of the case.".

(b) Section 523.—Section 523 of title 11, United States Code, is amended—

(1) in subsection (a)(2)(A), by striking "a false representation" and inserting "a material false representation upon which the defrauded person justifiably relied"; and

(2) by striking subsection (d) and inserting the following:

"(d)(1) Subject to paragraph (3), if a creditor requests a determination of dischargeability of a consumer debt under this section and that debt is discharged, the court shall award the debtor reasonable attorneys' fees and costs.

"(2) In addition to making an award to a debtor under paragraph (1), if the court finds that the position of a creditor in a proceeding covered under this section is not substantially justified, the court may award reasonable attorneys' fees and costs under paragraph (1) and such damages as may be required by the equities of the case.

"(3)(A) A creditor may not request a determination of dischargeability of a consumer debt under subsection (a)(2) if—

"(i) before the filing of the petition, the debtor made a good faith effort to negotiate a reasonable alternative repayment schedule (including making an offer of a reasonable alternative repayment schedule); and

"(ii) that creditor refused to negotiate an alternative payment schedule, and that refusal was not reasonable.

"(B) For purposes of this paragraph, the debtor shall have the burden of proof of establishing that—

"(i) an offer made by that debtor under subparagraph (A)(i) was reasonable; and

"(ii) the refusal to negotiate by the creditor involved was not reasonable.".

(c) Section 524.—Section 524 of title 11, United States Code, as otherwise amended by this Act, is amended by adding at the end the following:

"(l) The willful failure of a creditor to credit payments received under a plan confirmed under this title (including a plan of reorganization confirmed under chapter 11 of this title) in the manner required by the plan (including crediting the amounts required under the plan) shall constitute a violation of an injunction under subsection (a)(2).

"(m) An individual who is injured by the failure of a creditor to comply with the requirements for a reaffirmation agreement under subsections (c) and (d), or by any willful violation of the injunction under subsection (a)(2), shall be entitled to recover—

"(1) the greater of—

"(A)(i) the amount of actual damages; multiplied by—

"(ii) 3; or

"(B) $5,000; and

"(2) costs and attorneys' fees.".

(d) Section 362.—Section 362(h) of title 11, United States Code, is amended to read as follows:

"(h)(1) An individual who is injured by any willful violation of a stay provided in this section shall be entitled to recover—

"(A) actual damages; and

"(B) reasonable costs, including attorneys' fees.

"(2) In addition to recovering actual damages, costs, and attorneys' fees under paragraph (1), an individual described in paragraph (1) may recover punitive damages in appropriate circumstances.".

SEC. 205. DISCHARGE.

(e) Section 727.—Section 727 of title 11, United States Code, is amended—

(1) in subsection (c), by adding at the end the following:

"(3)(A) A creditor may not request a determination of dischargeability of a consumer debt under subsection (a) if—

"(i) before the filing of the petition, the debtor made a good faith effort to negotiate a reasonable alternative repayment schedule (including making an offer of a reasonable alternative repayment schedule); and

"(ii) that creditor refused to negotiate an alternative payment schedule, and that refusal was not reasonable.

"(B) For purposes of this paragraph, the debtor shall have the burden of proof of establishing that—

"(i) an offer made by that debtor under subparagraph (A)(i) was reasonable; and

"(ii) the refusal to negotiate by the creditor involved was not reasonable."; and

(2) by adding at the end the following:

"(f)(1) The court may award the debtor reasonable attorneys' fees and costs in any case in which a creditor files a motion to deny relief to a debtor under this section and that motion—

"(A) is denied; or

"(B) is withdrawn after the debtor has replied.

"(2) If the court finds that the position of a party filing a motion under this section is not substantially justified, the court may assess against the creditor such damages as may be required by the equities of the case.".

Amend the table of contents accordingly.

SA 65. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 16, lines 18 and 23, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

On page 17, lines 3, 14, 19, and 24, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

On page 20, lines 4, 9, 20, and 25, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

On page 24, lines 20 and 25, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

On page 25, line 5, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census".

On page 159, lines 14, 19, and 24, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

On page 165, line 25, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census".

On page 166, lines 5, 10, 20, and 25 insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

On page 167, line 5, insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census".

On page 168, lines 8 and 14 insert "(adjusted to reflect the percentage change in the Consumer Price Index for All Urban Consumers, published by the Department of Labor, for each subsequent year during which such median income is not reported by the Bureau of the Census)" after "Census" each place it appears.

SA 66. Mr. LEAHY submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 160, line 22, insert ", to the extent ordered by the court for reasonable cause shown," after "court".

SA 67. Mr. KOHL (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III, add the following:

SEC. 330. CLARIFICATION OF POSTPETITION WAGES AND BENEFITS.

Section 503(b)(1)(A) of title II, United States Code, is amended to read as follows:

"(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case, and wages and benefits awarded pursuant to an action brought in a court of law or the National Labor Relations Board as back pay attributable to any period of time after commencement of the case as a result of the debtor's violation of Federal or State law, without regard to when the original unlawful act occurred or to whether any services were rendered if the court determines that the award will not substantially increase the probability of layoff or termination of current employees or of nonpayment of domestic support obligations during the case;"

SA 68. Mr. KOHL (for himself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 140, strike line 14 and all that follows through page 176, line 19 and insert the following:

SEC. 308. LIMITATION.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)(3)(A), as so designated by this Act, by inserting "subject to subsection (o)," before "any property"; and

(2) by adding at the end the following new subsection:

"(o)(1) As a result of electing under subsection (b)(3)(A) to exempt property under State or local law, a debtor may not exempt any amount of interest that exceeds, in the aggregate, $125,000 in value in—

"(A) real or personal property that the debtor or a dependent of the debtor uses as a residence;

"(B) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

"(C) a burial plot for the debtor or a dependent of the debtor.

"(2) The limitation under paragraph (1) shall not apply to an exemption claimed under subsection (b)(3)(A) by a family farmer for the principal residence of that farmer.".

SEC. 309. PROTECTING SECURED CREDITORS IN CHAPTER 13 CASES.

(a) STOPPING ABUSIVE CONVERSIONS FROM CHAPTER 13.—Section 348(f)(1) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B)—

(A) by striking "in the converted case, with allowed secured claims" and inserting "only in a case converted to a case under chapter 11 or 12, but not in a case converted to a case under chapter 7, with allowed secured claims in cases under chapters 11 and 12"; and

(B) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) with respect to cases converted from chapter 13—

"(i) the claim of any creditor holding security as of the date of the petition shall continue to be secured by that security unless the full amount of such claim determined under applicable nonbankruptcy law has been paid in full as of the date of conversion, notwithstanding any valuation or determination of the amount of an allowed secured claim made for the purposes of the chapter 13 proceeding; and

"(ii) unless a prebankruptcy default has been fully cured under the plan at the time of conversion, in any proceeding under this title or otherwise, the default shall have the effect given under applicable nonbankruptcy law.".

(b) GIVING DEBTORS THE ABILITY TO KEEP LEASED PERSONAL PROPERTY BY ASSUMPTION.—Section 365 of title 11, United States Code, is amended by adding at the end the following:

"(p)(1) If a lease of personal property is rejected or not timely assumed by the trustee under subsection (d), the leased property is no longer property of the estate and the stay under section 362(a) is automatically terminated.

"(2)(A) In the case of an individual under chapter 7, the debtor may notify the creditor in writing that the debtor desires to assume the lease. Upon being so notified, the creditor may, at its option, notify the debtor that it is willing to have the lease assumed by the debtor and may condition such assumption on cure of any outstanding default on terms set by the contract.

"(B) If, not later than 30 days after notice is provided under subparagraph (A), the debtor notifies the lessor in writing that the lease is assumed, the liability under the lease will be assumed by the debtor and not by the estate.

"(C) The stay under section 362 and the injunction under section 524(a)(2) shall not be violated by notification of the debtor and negotiation of cure under this subsection.

"(3) In a case under chapter 11 in which the debtor is an individual and in a case under chapter 13, if the debtor is the lessee with respect to personal property and the lease is not assumed in the plan confirmed by the court, the lease is deemed rejected as of the conclusion of the hearing on confirmation. If the lease is rejected, the stay under section 362 and any stay under section 1301 is automatically terminated with respect to the property subject to the lease.".

(c) ADEQUATE PROTECTION OF LESSORS AND PURCHASE MONEY SECURED CREDITORS.—

(1) CONFIRMATION OF PLAN.—Section 1325(a)(5)(B) of title 11, United States Code, is amended—

(A) in clause (i), by striking "and" at the end;

(B) in clause (ii), by striking "or" at the end and inserting "and"; and

(C) by adding at the end the following:

"(iii) if—

"(I) property to be distributed pursuant to this subsection is in the form of periodic payments, such payments shall be in equal monthly amounts; and

"(II) the holder of the claim is secured by personal property, the amount of such payments shall not be less than an amount sufficient to provide to the holder of such claim adequate protection during the period of the plan; or".

(2) PAYMENTS.—Section 1326(a) of title 11, United States Code, is amended to read as follows:

"(a)(1) Unless the court orders otherwise, the debtor shall commence making payments not later than 30 days after the date of the filing of the plan or the order for relief, whichever is earlier, in the amount—

"(A) proposed by the plan to the trustee;

"(B) scheduled in a lease of personal property directly to the lessor for that portion of the obligation that becomes due after the order for relief, reducing the payments under subparagraph (A) by the amount so paid and providing the trustee with evidence of such payment, including the amount and date of payment; and

"(C) that provides adequate protection directly to a creditor holding an allowed claim secured by personal property to the extent the claim is attributable to the purchase of such property by the debtor for that portion of the obligation that becomes due after the order for relief, reducing the payments under subparagraph (A) by the amount so paid and providing the trustee with evidence of such payment, including the amount and date of payment.

"(2) A payment made under paragraph (1)(A) shall be retained by the trustee until confirmation or denial of confirmation. If a plan is confirmed, the trustee shall distribute any such payment in accordance with the plan as soon as is practicable. If a plan is not confirmed, the trustee shall return any such payments not previously paid and not yet due and owing to creditors pursuant to paragraph (3) to the debtor, after deducting any unpaid claim allowed under section 503(b).

"(3) Subject to section 363, the court may, upon notice and a hearing, modify, increase, or reduce the payments required under this subsection pending confirmation of a plan.

"(4) Not later than 60 days after the date of filing of a case under this chapter, a debtor retaining possession of personal property subject to a lease or securing a claim attributable in whole or in part to the purchase price of such property shall provide the lessor or secured creditor reasonable evidence of the maintenance of any required insurance coverage with respect to the use or ownership of such property and continue to do so for so long as the debtor retains possession of such property.".

SEC. 310. LIMITATION ON LUXURY GOODS.

Section 523(a)(2)(C) of title 11, United States Code, is amended to read as follows:

"(C)(i) for purposes of subparagraph (A)—

"(I) consumer debts owed to a single creditor and aggregating more than $250 for luxury goods or services incurred by an individual debtor on or within 90 days before the order for relief under this title are presumed to be nondischargeable; and

"(II) cash advances aggregating more than $750 that are extensions of consumer credit under an open end credit plan obtained by an individual debtor on or within 70 days before the order for relief under this title, are presumed to be nondischargeable; and

"(ii) for purposes of this subparagraph—

"(I) the term 'extension of credit under an open end credit plan' means an extension of credit under an open end credit plan, within the meaning of the Consumer Credit Protection Act (15 U.S.C. 1601 et seq.);

"(II) the term 'open end credit plan' has the meaning given that term under section 103 of the Consumer Credit Protection Act (15 U.S.C. 1602); and

"(III) the term 'luxury goods or services' does not include goods or services reasonably necessary for the support or maintenance of the debtor or a dependent of the debtor.".

SEC. 311. AUTOMATIC STAY.

(a) IN GENERAL.—Section 362(b) of title 11, United States Code, is amended—

(1) by inserting after paragraph (21), as added by this Act, the following:

"(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential real property—

"(A) on which the debtor resides as a tenant; and

"(B) with respect to which—

"(i) the debtor fails to make a rental payment that initially becomes due under applicable nonbankruptcy law after the date of filing of the petition or during the 10-day period preceding the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification upon the debtor; or

"(ii) the debtor's lease has expired according to its terms, and—

"(I) a member of the lessor's immediate family intends to personally occupy that property; or

"(II) the lessor has entered into an enforceable lease agreement with another tenant prior to the filing of the petition, if the lessor files with the court a certification of such facts and serves a copy of the certification to the debtor;

"(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential real property, if during the 1-year period preceding the date of filing of the petition, the debtor or another occupant of the leased premises—

"(A) commenced another case under this title; and

"(B) failed to make a rental payment that initially became due under applicable nonbankruptcy law after the date of filing of the petition for that other case;

"(25) under subsection (a)(3), of an eviction action, to the extent that it seeks possession based on endangerment of property or the illegal use of controlled substances on the property, if the lessor files with the court a certification that such an eviction has been filed or the debtor has endangered property or illegally used or allowed to be used a controlled substance on the property during the 30-day period preceding the date of filing of the certification, and serves a copy of the certification upon the debtor;"; and

(2) by adding at the end of the flush material at the end of the subsection the following; "With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in any such paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under any such paragraph, unless—

"(A) the debtor files a certification and serves a copy of that certification upon the lessor, that—

"(i) contests the truth or legal sufficiency of the lessor's certification; or

"(ii) states that the tenant has taken such action as may be necessary to remedy the subject of the certification under paragraph (23), except that no tenant may take advantage of such remedy more than once; or

"(B) the court orders that the exception to the automatic stay shall not become effective, or provides for a later date of applicability.".

(b) FORMS.—The Judicial Conference of the United States shall promulgate forms for the certifications required under paragraphs (23) and (25) of section 362(b) of title 11, United States Code, as added by this section, that are suitable for use by lessors and debtors who are not represented by attorneys.

SEC. 312. EXTENSION OF PERIOD BETWEEN BANKRUPTCY DISCHARGES.

Title 11, United States Code, is amended—

(1) in section 727(a)(8), by striking "six" and inserting "8"; and

(2) in section 1328, by inserting after subsection (e) the following:

"(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502 if the debtor has received a discharge in any case filed under this title within 5 years before the order for relief under this chapter.".

SEC. 313. DEFINITION OF HOUSEHOLD GOODS AND ANTIQUES.

(a) DEFINITION.—Section 522(f) of title 11, United States Code, is amended by adding at the end the following:

"(4)(A) Subject to subparagraph (B), for purposes of paragraph (1)(B), the term 'household goods' means—

"(i) clothing;

"(ii) furniture;

"(iii) appliances;

"(iv) 1 radio;

"(v) 1 television;

"(vi) 1 VCR;

"(vii) linens;

"(viii) china;

"(ix) crockery;

"(x) kitchenware;

"(xi) educational materials and educational equipment primarily for the use of minor dependent children of the debtor, but only 1 personal computer only if used primarily for the education or entertainment of such minor children;

"(xii) medical equipment and supplies;

"(xiii) furniture exclusively for the use of minor children, or elderly or disabled dependents of the debtor; and

"(xiv) personal effects (including the toys and hobby equipment of minor dependent children and wedding rings) of the debtor and the dependents of the debtor.

"(B) The term 'household goods' does not include—

"(i) works of art (unless by or of the debtor or the dependents of the debtor);

"(ii) electronic entertainment equipment (except 1 television, 1 radio, and 1 VCR);

"(iii) items acquired as antiques;

"(iv) jewelry (except wedding rings); and

"(v) a computer (except as otherwise provided for in this section), motor vehicle (including a tractor or lawn tractor), boat, or a motorized recreational device, conveyance, vehicle, watercraft, or aircraft.".

(b) STUDY.—Not later than 2 years after the date of enactment of this Act, the Director of the Executive Office for United States Trustees shall submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives containing its findings regarding utilization of the definition of household goods, as defined in section 522(f)(4) of title 11, United States Code, as added by this section, with respect to the avoidance of nonpossessory, nonpurchase money security interests in household goods under section 522(f)(1)(B) of title 11, United States Code, and the impact that section 522(f)(4) of that title, as added by this section, has had on debtors and on the bankruptcy courts. Such report may include recommendations for amendments to section 522(f)(4) of title 11, United States Code, consistent with the Director's findings.

SEC. 314. DEBT INCURRED TO PAY NONDISCHARGEABLE DEBTS.

(a) In General.—Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14) the following:

‘‘(14A) incurred to pay a tax to a governmental unit, other than the United States, that would be nondischargeable under paragraph (1);’’.

(b) Discharge Under Chapter 13.—Section 1328(a) of title 11, United States Code, is amended by striking paragraphs (1) through (3) and inserting the following:

‘‘(1) provided for under section 1322(b)(5);

‘‘(2) of the kind specified in paragraph (2), (3), (4), (5), (8), or (9) of section 523(a);

‘‘(3) for restitution, or a criminal fine, included in a sentence on the debtor's conviction of a crime; or

‘‘(4) for restitution, or damages, awarded in a civil action against the debtor as a result of willful or malicious injury by the debtor that caused personal injury to an individual or the death of an individual.’’.

SEC. 315. GIVING CREDITORS FAIR NOTICE IN CHAPTERS 7 AND 13 CASES.

(a) Notice.—Section 342 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (c)—

(A) by inserting ‘‘(1)’’ after ‘‘(c)’’;

(B) by striking ‘‘, but the failure of such notice to contain such information shall not invalidate the legal effect of such notice’’; and

(C) by adding at the end the following:

‘‘(2) If, within the 90 days prior to the date of the filing of a petition in a voluntary case, the creditor supplied the debtor in at least 2 communications sent to the debtor with the current account number of the debtor and the address at which the creditor wishes to receive correspondence, then the debtor shall send any notice required under this title to the address provided by the creditor and such notice shall include the account number. In the event the creditor would be in violation of applicable nonbankruptcy law by sending any such communication within such 90-day period and if the creditor supplied the debtor in the last 2 communications with the current account number of the debtor and the address at which the creditor wishes to receive correspondence, then the debtor shall send any notice required under this title to the address provided by the creditor and such notice shall include the account number.’’; and

(2) by adding at the end the following:

‘‘(e) At any time, a creditor, in a case of an individual debtor under chapter 7 or 13, may file with the court and serve on the debtor a notice of the address to be used to notify the creditor in that case. Five days after receipt of such notice, if the court or the debtor is required to give the creditor notice, such notice shall be given at that address.

‘‘(f) An entity may file with the court a notice stating its address for notice in cases under chapters 7 and 13. After 30 days following the filing of such notice, any notice in any case filed under chapter 7 or 13 given by the court shall be to that address unless specific notice is given under subsection (e) with respect to a particular case.

‘‘(g)(1) Notice given to a creditor other than as provided in this section shall not be effective notice until that notice has been brought to the attention of the creditor. If the creditor designates a person or department to be responsible for receiving notices concerning bankruptcy cases and establishes reasonable procedures so that bankruptcy notices received by the creditor are to be delivered to such department or person, notice shall not be considered to have been brought to the attention of the creditor until received by such person or department.

‘‘(2) No sanction under section 362(k) or any other sanction that a court may impose on account of violations of the stay under section 362(a) or failure to comply with section 542 or 543 may be imposed on any action of the creditor unless the action takes place after the creditor has received notice of the commencement of the case effective under this section.’’.

(b) Debtor's Duties.—Section 521 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (a), as so designated by this Act, by striking paragraph (1) and inserting the following:

‘‘(1) file—

‘‘(A) a list of creditors; and

‘‘(B) unless the court orders otherwise—

‘‘(i) a schedule of assets and liabilities;

‘‘(ii) a schedule of current income and current expenditures;

‘‘(iii) a statement of the debtor's financial affairs and, if applicable, a certificate—

‘‘(I) of an attorney whose name is on the petition as the attorney for the debtor or any bankruptcy petition preparer signing the petition under section 110(b)(1) indicating that such attorney or bankruptcy petition preparer delivered to the debtor any notice required by section 342(b); or

‘‘(II) if no attorney for the debtor is indicated and no bankruptcy petition preparer signed the petition, of the debtor that such notice was obtained and read by the debtor;

‘‘(iv) copies of all payment advices or other evidence of payment, if any, received by the debtor from any employer of the debtor in the period 60 days before the filing of the petition;

‘‘(v) a statement of the amount of monthly net income, itemized to show how the amount is calculated; and

‘‘(vi) a statement disclosing any reasonably anticipated increase in income or expenditures over the 12-month period following the date of filing;’’; and

(2) by adding at the end the following:

‘‘(e)(1) At any time, a creditor, in the case of an individual under chapter 7 or 13, may file with the court notice that the creditor requests the petition, schedules, and a statement of affairs filed by the debtor in the case, and the court shall make those documents available to the creditor who requests those documents.

‘‘(2)(A) The debtor shall provide either a tax return or transcript at the election of the debtor, for the latest taxable period prior to filing for which a tax return has been or should have been filed, to the trustee, not later than 7 days before the date first set for the first meeting of creditors, or the case shall be dismissed, unless the debtor demonstrates that the failure to file a return as required is due to circumstances beyond the control of the debtor.

‘‘(B) If a creditor has requested a tax return or transcript referred to in subparagraph (A), the debtor shall provide such tax return or transcript to the requesting creditor at the time the debtor provides the tax return or transcript to the trustee, or the case shall be dismissed, unless the debtor demonstrates that the debtor is unable to provide such information due to circumstances beyond the control of the debtor.

‘‘(3)(A) At any time, a creditor in a case under chapter 13 may file with the court notice that the creditor requests the plan filed by the debtor in the case.

‘‘(B) The court shall make such plan available to the creditor who requests such plan—

‘‘(i) at a reasonable cost; and

‘‘(ii) not later than 5 days after such request.

‘‘(f) An individual debtor in a case under chapter 7, 11, or 13 shall file with the court at the request of any party in interest—

‘‘(1) at the time filed with the taxing authority, all tax returns required under applicable law, including any schedules or attachments, with respect to the period from the commencement of the case until such time as the case is closed;

‘‘(2) at the time filed with the taxing authority, all tax returns required under applicable law, including any schedules or attachments, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order of relief;

‘‘(3) any amendments to any of the tax returns, including schedules or attachments, described in paragraph (1) or (2); and

‘‘(4) in a case under chapter 13, a statement subject to the penalties of perjury by the debtor of the debtor's income and expenditures in the preceding tax year and monthly income, that shows how the amounts are calculated—

‘‘(A) beginning on the date that is the later of 90 days after the close of the debtor's tax year or 1 year after the order for relief, unless a plan has been confirmed; and

‘‘(B) thereafter, on or before the date that is 45 days before each anniversary of the confirmation of the plan until the case is closed.

‘‘(g)(1) A statement referred to in subsection (f)(4) shall disclose—

‘‘(A) the amount and sources of income of the debtor;

‘‘(B) the identity of any person responsible with the debtor for the support of any dependent of the debtor; and

‘‘(C) the identity of any person who contributed, and the amount contributed, to the household in which the debtor resides.

‘‘(2) The tax returns, amendments, and statement of income and expenditures described in subsection (e)(2)(A) and subsection (f) shall be available to the United States trustee, any bankruptcy administrator, any trustee, and any party in interest for inspection and copying, subject to the requirements of subsection (h).

‘‘(h)(1) Not later than 180 days after the date of enactment of the Bankruptcy Reform Act of 2001, the Director of the Administrative Office of the United States Courts shall establish procedures for safeguarding the confidentiality of any tax information required to be provided under this section.

‘‘(2) The procedures under paragraph (1) shall include restrictions on creditor access to tax information that is required to be provided under this section.

‘‘(3) Not later than 1 year and 180 days after the date of enactment of the Bankruptcy Reform Act of 2001, the Director of the Administrative Office of the United States Courts shall prepare and submit to Congress a report that—

‘‘(A) assesses the effectiveness of the procedures under paragraph (1); and

‘‘(B) if appropriate, includes proposed legislation to—

‘‘(i) further protect the confidentiality of tax information; and

‘‘(ii) provide penalties for the improper use by any person of the tax information required to be provided under this section.

"(i) If requested by the United States trustee or a trustee serving in the case, the debtor shall provide—

"(1) a document that establishes the identity of the debtor, including a driver's license, passport, or other document that contains a photograph of the debtor; and

"(2) such other personal identifying information relating to the debtor that establishes the identity of the debtor.".

SEC. 316. DISMISSAL FOR FAILURE TO TIMELY FILE SCHEDULES OR PROVIDE REQUIRED INFORMATION.

Section 521 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(j)(1) Notwithstanding section 707(a), and subject to paragraph (2), if an individual debtor in a voluntary case under chapter 7 or 13 fails to file all of the information required under subsection (a)(1) within 45 days after the filing of the petition commencing the case, the case shall be automatically dismissed effective on the 46th day after the filing of the petition.

"(2) With respect to a case described in paragraph (1), any party in interest may request the court to enter an order dismissing the case. If requested, the court shall enter an order of dismissal not later than 5 days after such request.

"(3) Upon request of the debtor made within 45 days after the filing of the petition commencing a case described in paragraph (1), the court may allow the debtor an additional period of not to exceed 45 days to file the information required under subsection (a)(1) if the court finds justification for extending the period for the filing.".

SEC. 317. ADEQUATE TIME TO PREPARE FOR HEARING ON CONFIRMATION OF THE PLAN.

Section 1324 of title 11, United States Code, is amended—

(1) by striking "After" and inserting the following:

"(a) Except as provided in subsection (b) and after"; and

(2) by adding at the end the following:

"(b) The hearing on confirmation of the plan may be held not earlier than 20 days and not later than 45 days after the date of the meeting of creditors under section 341(a).".

SEC. 318. CHAPTER 13 PLANS TO HAVE A 5-YEAR DURATION IN CERTAIN CASES.

Title 11, United States Code, is amended—

(1) by amending section 1322(d) to read as follows:

"(d)(1) If the current monthly income of the debtor and the debtor's spouse combined, when multiplied by 12, is not less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4,

the plan may not provide for payments over a period that is longer than 5 years.

"(2) If the current monthly income of the debtor and the debtor's spouse combined, when multiplied by 12, is less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4,

the plan may not provide for payments over a period that is longer than 3 years, unless the court, for cause, approves a longer period, but the court may not approve a period that is longer than 5 years.";

(2) in section 1325(b)(1)(B), by striking "three-year period" and inserting "applicable commitment period"; and

(3) in section 1325(b), as amended by this Act, by adding at the end the following:

"(4) For purposes of this subsection, the 'applicable commitment period'—

"(A) subject to subparagraph (B), shall be—

"(i) 3 years; or

"(ii) not less than 5 years, if the current monthly income of the debtor and the debtor's spouse combined, when multiplied by 12, is not less than—

"(I) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(II) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(III) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4; and

"(B) may be less than 3 or 5 years, whichever is applicable under subparagraph (A), but only if the plan provides for payment in full of all allowed unsecured claims over a shorter period."; and

(4) in section 1329(c), by striking "three years" and inserting "the applicable commitment period under section 1325(b)(1)(B)".

SEC. 319. SENSE OF CONGRESS REGARDING EXPANSION OF RULE 9011 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE.

It is the sense of Congress that rule 9011 of the Federal Rules of Bankruptcy Procedure (11 U.S.C. App.) should be modified to include a requirement that all documents (including schedules), signed and unsigned, submitted to the court or to a trustee by debtors who represent themselves and debtors who are represented by an attorney be submitted only after the debtor or the debtor's attorney has made reasonable inquiry to verify that the information contained in such documents is—

(1) well grounded in fact; and

(2) warranted by existing law or a good-faith argument for the extension, modification, or reversal of existing law.

SEC. 320. PROMPT RELIEF FROM STAY IN INDIVIDUAL CASES.

Section 362(e) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2) Notwithstanding paragraph (1), in the case of an individual filing under chapter 7, 11, or 13, the stay under subsection (a) shall terminate on the date that is 60 days after a request is made by a party in interest under subsection (d), unless—

"(A) a final decision is rendered by the court during the 60-day period beginning on the date of the request; or

"(B) that 60-day period is extended—

"(i) by agreement of all parties in interest; or

"(ii) by the court for such specific period of time as the court finds is required for good cause, as described in findings made by the court.".

SEC. 321. CHAPTER 11 CASES FILED BY INDIVIDUALS.

(a) Property of the Estate.—

(1) In general.—Subchapter I of chapter 11 of title 11, United States Code, is amended by adding at the end the following:

"§ 1115. Property of the estate

"(a) In a case concerning an individual debtor, property of the estate includes, in addition to the property specified in section 541—

"(1) all property of the kind specified in section 541 that the debtor acquires after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 12, or 13, whichever occurs first; and

"(2) earnings from services performed by the debtor after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 12, or 13, whichever occurs first.".

"(b) Except as provided in section 1104 or a confirmed plan or order confirming a plan, the debtor shall remain in possession of all property of the estate.".

(2) Clerical amendment.—The table of sections for chapter 11 of title 11, United States Code, is amended by adding at the end of the matter relating to subchapter I the following:

"1115. Property of the estate.".

(b) Contents of Plan.—Section 1123(a) of title 11, United States Code, is amended—

(1) in paragraph (6), by striking "and" at the end;

(2) in paragraph (7), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(8) in a case concerning an individual, provide for the payment to creditors through the plan of all or such portion of earnings from personal services performed by the debtor after the commencement of the case or other future income of the debtor as is necessary for the execution of the plan.".

(c) Confirmation of Plan.—

(1) Requirements relating to value of property.—Section 1129(a) of title 11, United States Code, is amended by adding at the end the following:

"(15) In a case concerning an individual in which the holder of an allowed unsecured claim objects to the confirmation of the plan—

"(A) the value of the property to be distributed under the plan on account of such claim is, as of the effective date of the plan, not less than the amount of such claim; or

"(B) the value of the property to be distributed under the plan is not less than the debtor's projected disposable income (as that term is defined in section 1325(b)(2)) to be received during the 5-year period beginning on the date that the first payment is due under the plan, or during the term of the plan, whichever is longer.".

(2) Requirement relating to interests in property.—Section 1129(b)(2)(B)(ii) of title

11, United States Code, is amended by inserting before the period at the end the following: “, except that in a case concerning an individual, the debtor may retain property included in the estate under section 1115, subject to the requirements of subsection (a)(14)”.

(d) Effect of Confirmation.—Section 1141(d) of title 11, United States Code, is amended—

(1) in paragraph (2), by striking “The confirmation of a plan does not discharge an individual debtor” and inserting “A discharge under this chapter does not discharge a debtor”; and

(2) by adding at the end the following:

“(5) In a case concerning an individual—

“(A) except as otherwise ordered for cause shown, the discharge is not effective until completion of all payments under the plan; and

“(B) at any time after the confirmation of the plan and after notice and a hearing, the court may grant a discharge to a debtor that has not completed payments under the plan only if—

“(i) for each allowed unsecured claim, the value, as of the effective date of the plan, of property actually distributed under the plan on account of that claim is not less than the amount that would have been paid on such claim if the estate of the debtor had been liquidated under chapter 7 of this title on such date; and

“(ii) modification of the plan under 1127 of this title is not practicable.”.

(e) Modification of Plan.—Section 1127 of title 11, United States Code, is amended by adding at the end the following:

“(e) In a case concerning an individual, the plan may be modified at any time after confirmation of the plan but before the completion of payments under the plan, whether or not the plan has been substantially consummated, upon request of the debtor, the trustee, the United States trustee, or the holder of an allowed unsecured claim, to—

“(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

“(2) extend or reduce the time period for such payments; or

“(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim made other than under the plan.

“(f)(1) Sections 1121 through 1128 of this title and the requirements of section 1129 of this title apply to any modification under subsection (a).

“(2) The plan, as modified, shall become the plan only after there has been disclosure under section 1125, as the court may direct, notice and a hearing, and such modification is approved.”.

SA 69. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 243, line 23, strike “(1)(B),”.

SA 70. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, line 9, strike “6” and insert “2”.

SA 71. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 151, strike line 18 and all that follows through page 152, line 3, and insert the following:

Section 727(a)(8) of title II, United States Code, is amended by striking “six” and inserting “8”.

SA 72. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 912 (relating to asset-backed securitizations).

SA 73. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 441, after line 2, add the following:

(c) Exemptions.—

(1) Certain unemployed workers.—This Act and the amendments made by this Act do not apply to any debtor that can demonstrate to the satisfaction of the court that the reason for filing is due to the debtor having become unemployed and the debtor is part of a group of workers certified by the Secretary of Labor as being eligible for trade adjustment assistance under title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.), unless the debtor elects to make a provision of this Act or an amendment made by this Act applicable to that debtor.

(2) Applicability.—Title 11, United States Code, as in effect on the day before the effective date of this Act and the amendments made by this Act, shall apply to persons referred to in paragraph (1) on and after the date of enactment of this Act, unless the debtor elects otherwise in accordance with paragraph (1).

SA 74. Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 441, after line 2, add the following:

(c) Exemptions.—

(1) In general.—This Act and the amendments made by this Act do not apply to any debtor that can demonstrate to the satisfaction of the court that the household income of the debtor at the time of filing is equal to or below 200 percent of the Federal poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), unless the debtor elects to make a provision of this Act or an amendment made by this Act applicable to that debtor.

(2) Applicability.—Title 11, United States Code, as in effect on the day before the effective date of this Act and the amendments made by this Act, shall apply to persons referred to in paragraph (1) on and after the date of enactment of this Act, unless the debtor elects otherwise in accordance with paragraph (1).

SA 75. Mr. DODD (for himself and Mr. Kennedy) submitted an amendment intended to be proposed by them to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table.

At the end of Title XIII, add the following:

SEC. 1311. EXTENSIONS OF CREDIT TO UNDERAGE CONSUMERS.

(a) In General.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

“(8) Applications from underage consumers.—

“(A) Prohibition on issuance.—No credit card may be issued to, or open end credit plan established on behalf of, a consumer who has not attained the age of 21, unless the consumer has submitted a written application to the card issuer that meets the requirements of subparagraph (B).

“(B) Application requirements.—An application to open a credit card account by an individual who has not attained the age of 21 as of the date of submission of the application shall require—

“(i) the signature of the parent, legal guardian, or spouse of the consumer, or any other individual having a means to repay debts incurred by the consumer in connection with the account, indicating joint liability for debts incurred by the consumer in connection with the account before the consumer has attained the age of 21;

“(ii) submission by the consumer of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account; or

“(iii) proof by the consumer that the consumer has completed a credit counseling course of instruction by an approved nonprofit budget and credit counseling agency that meets the requirements of section 111 of title 11, United States Code.”.

(b) Regulatory Authority.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out section 127(c)(8) of the Truth in Lending Act, as amended by this section.

Amend the table of contents accordingly.

SA 76. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 420, to amend title 11, United States Code, and of other purposes, which was ordered to lie on the table; as follows:

On page 152, strike line 4 and all that follows through page 154, line 11.

SA 77. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title 11, United States Code, and for other purposes, which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SEC. 204. PRESERVATION OF CLAIMS AND DEFENSES UPON SALE OF PREDATORY LOANS.

Section 363 of title 11, US Code, is amended by adding at the end the following:

“(p) Notwithstanding subsection (f), if a person purchases any interest in a consumer credit transaction that is subject to the Truth in Lending Act (15 U.S. Code 1601 et. seq.), or any interest in a consumer credit contract as defined by the Federal Trade Commission Preservation of Claims Trade Regulation, and that interest is purchased through a sale under this section, then that person shall remain subject to all claims and defenses that are related to the consumer credit transaction or contract, to the same extent as that person would be subject to such claims and defenses of the consumer had the sale taken place other than under title 11."

SA 78. Mr. WYDEN (for himself, Mr. BAUCUS, and Mrs. MURRAY) submitted an amendment intended to be proposed by them to the bill S. 420, to amend title 11, United States Code, and for other purposes; which was ordered to lie on the table.

After section 419, insert the following:

SEC. 420. NONDISCHARGEABILITY OF DEBTS ARISING FROM THE EXCHANGE OF ELECTRIC ENERGY.

(a) IN GENERAL.—Section 1141(d) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(6) The confirmation of a plan does not discharge a debtor—

"(A) in the case of a debtor that is a corporation, from any debt for wholesale electric power received that is incurred by that debtor under an order issued by the Secretary of Energy (or any amendment of or attachment to that order) under section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and requested by the California Independent System Operator; or

"(B) in the case of debt owed to a Federal, State, or local government agency named in an order referred to in subparagraph (A) for wholesale electric power received by the debtor except to the extent the rate charged for power traded by the California Power Exchange or delivered to the California Independent System Operator is determined by the Federal Energy Regulatory Commission to be unjust and unreasonable, in which case this subparagraph should only apply to debt for the actual cost of production and distribution of energy.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (28), as added by section 907(d) of this Act, by striking "or" at the end;

(2) in paragraph (29), as added by section 1106 of this Act, by striking the period at the end and inserting "; or"; and

(3) by inserting after that paragraph (29) the following:

"(30) under subsection (a), of the commencement or continuation, and conclusion to the entry of final judgment or order, of a judicial, administrative, or other action or proceeding for debts that are nondischargeable under section 1141(d)(6).".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 1141(a) of title 11, United States Code, is amended by striking "subsections (d)(2) and (d)(3) of this section" and inserting "paragraphs (2), (3), and (6) of subsection (d)".

(d) APPLICABILITY.—This section and the amendments made by this section shall apply with respect to any petition for bankruptcy filed under title 11, United States Code, on or after March 1, 2001.

SA 79. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. AWARD OF FEES AND DAMAGES AUTHORIZED.

(a) SECTION 502.—Section 502 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(l)(1) The court may award the debtor reasonable attorneys' fees and costs if, after an objection is filed by a debtor, the court—

"(A)(i) disallows the claim; or

"(ii) reduces the claim by an amount greater than 20 percent of the amount of the initial claim filed by a party in interest, or $500, whichever is less; and

"(B) finds that the position of the party filing the claim is not substantially justified.

"(2) If the court finds that the position of a claimant under this section is not substantially justified, the court may, in addition to awarding a debtor reasonable attorneys' fees and costs under paragraph (1), award such damages as may be required by the equities of the case.".

(b) SECTION 523.—Section 523 of title 11, United States Code, is amended—

(1) in subsection (a)(2)(A), by striking "a false representation" and inserting "a material false representation upon which the defrauded person justifiably relied"; and

(2) by striking subsection (d) and inserting the following:

"(d)(1) Subject to paragraph (3), if a creditor requests a determination of dischargeability of a consumer debt under this section and that debt is discharged, the court shall award the debtor reasonable attorneys' fees and costs.

"(2) In addition to making an award to a debtor under paragraph (1), if the court finds that the position of a creditor in a proceeding covered under this section is not substantially justified, the court may award reasonable attorneys' fees and costs under paragraph (1) and such damages as may be required by the equities of the case.

"(3)(A) A creditor may not request a determination of dischargeability of a consumer debt under subsection (a)(2) if—

"(i) before the filing of the petition, the debtor made a good faith effort to negotiate a reasonable alternative repayment schedule (including making an offer of a reasonable alternative repayment schedule); and

"(ii) that creditor refused to negotiate an alternative payment schedule, and that refusal was not reasonable.

"(B) For purposes of this paragraph, the debtor shall have the burden of proof of establishing that—

"(i) an offer made by that debtor under subparagraph (A)(i) was reasonable; and

"(ii) the refusal to negotiate by the creditor involved was not reasonable.".

(c) SECTION 524.—Section 524 of title 11, United States Code, as otherwise amended by this Act, is amended by adding at the end the following:

"(l) The willful failure of a creditor to credit payments received under a plan confirmed under this title (including a plan of reorganization confirmed under chapter 11 of this title) in the manner required by the plan (including crediting the amounts required under the plan) shall constitute a violation of an injunction under subsection (a)(2).

"(m) An individual who is injured by the failure of a creditor to comply with the requirements for a reaffirmation agreement under subsections (c) and (d), or by any willful violation of the injunction under subsection (a)(2), shall be entitled to recover—

"(1) the greater of—

"(A)(i) the amount of actual damages; multiplied by—

"(ii) 3; or

"(B) $5,000; and

"(2) costs and attorneys' fees.".

(d) SECTION 362.—Section 362(h) of title 11, United States Code, is amended to read as follows:

"(h)(1) An individual who is injured by any willful violation of a stay provided in this section shall be entitled to recover—

"(A) actual damages; and

"(B) reasonable costs, including attorneys' fees.

"(2) In addition to recovering actual damages, costs, and attorneys' fees under paragraph (1), an individual described in paragraph (1) may recover punitive damages in appropriate circumstances.".

SEC. 205. DISCHARGE.

(e) SECTION 727.—Section 727 of title 11, United States Code, is amended—

(1) in subsection (c), by adding at the end the following:

"(3)(A) A creditor may not request a determination of dischargeability of a consumer debt under subsection (a) if—

"(i) before the filing of the petition, the debtor made a good faith effort to negotiate a reasonable alternative repayment schedule (including making an offer of a reasonable alternative repayment schedule); and

"(ii) that creditor refused to negotiate an alternative payment schedule, and that refusal was not reasonable.

"(B) For purposes of this paragraph, the debtor shall have the burden of proof of establishing that—

"(i) an offer made by that debtor under subparagraph (A)(i) was reasonable; and

"(ii) the refusal to negotiate by the creditor involved was not reasonable."; and

(2) by adding at the end the following:

"(f)(1) The court may award the debtor reasonable attorneys' fees and costs in any case in which a creditor files a motion to deny relief to a debtor under this section and that motion—

"(A) is denied; or

"(B) is withdrawn after the debtor has replied.

"(2) If the court finds that the position of a party filing a motion under this section is not substantially justified, the court may assess against the creditor such damages as may be required by the equities of the case.".

SA 80. Mr. BREAUX (for himself, Mr. SPECTER, Mrs. FEINSTEIN) submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . AUTHORITY TO ISSUE A RULE RELATING TO ERGONOMICS.

(a) FINDINGS.—Congress makes the following findings:

(1) The National Academy of Sciences issued a report entitled "Musculoskeletal Disorders and the Workplace—Low Back and Upper Extremities" on January 18, 2001. The report was issued after the Occupational Safety and Health Administration promulgated a final rule relating to ergonomics (published at 65 Fed. Reg. 68261 (2000)).

(2) According to the National Academy of Sciences, musculoskeletal disorders of the low back and upper extremities are an important and costly national health problem.

An estimated 1,000,000 workers each year lose time from work as a result of work-related musculoskeletal disorders.

(3) Conservative estimates of the economic burden imposed by work-related musculoskeletal disorders, as measured by compensation costs, lost wages, and lost productivity, are between $45,000,000,000 and $54,000,000,000 annually.

(4) Congress enacted the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) to "assure so far as possible every working man and woman in the Nation safe and healthful working conditions," and charged the Secretary of Labor with implementing the Act to accomplish this purpose.

(5) Promulgation of a standard on workplace ergonomics is needed to address a serious workplace safety and health problem and to protect working men and women from work-related musculoskeletal disorders. Any workplace ergonomics standard should take into account the cost and feasibility of compliance with such requirements and the sound science of the National Academy of Sciences report.

(b) Authority to Issue Rule.—

(1) In general.—Notwithstanding any other provision of law, not later than 2 years after the date of enactment of this Act, the Secretary of Labor shall, in accordance with section 6 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655), issue a final rule relating to ergonomics. The standard under the final rule shall take effect not later than 90 days after the date on which the rule is promulgated. The standard shall—

(A) address work-related musculoskeletal disorders and workplace ergonomic hazards;

(B) not apply to non-work-related musculoskeletal disorders that occur outside the workplace or non-work-related musculoskeletal disorders that are aggravated by work; and

(C) set forth in clear terms—

(i) the circumstances under which an employer is required to take action to address ergonomic hazards;

(ii) the measures required of an employer under the standard; and

(iii) the compliance obligations of an employer under the standard.

(2) Authorization.—Paragraph (1) shall be considered a specific authorization by Congress in accordance with section 801(b)(2) of title 5, United States Code, with respect to the issuance of a new ergonomic rule.

(3) Prohibition.—In issuing a new rule under this subsection, the Secretary of Labor shall ensure that nothing in the rule expands the application of State workers' compensation laws.

(4) Standard setting authority.—Nothing in this subsection shall be construed to restrict or alter the authority of the Secretary of Labor under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) to adopt health or safety standards (as defined in section 3(8) (29 U.S.C. 652(8)) of such Act) for other hazards pursuant to section 6 (29 U.S.C. 655) of such Act.

(5) Information and training materials.—The Secretary of Labor shall, prior to the date on which the new rule under this subsection becomes effective, develop information and training materials, and implement an outreach program and other initiatives, to provide compliance assistance to employers and employees concerning the new rule and the requirements under the rule.

SA 81. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. GAO STUDY ON REAFFIRMATION PROCESS.

(a) Study.—The General Accounting Office (in this section referred to as the "GAO") shall conduct a study of the reaffirmation process under title 11, United States Code, to determine the overall treatment of consumers within the context of that process, including consideration of—

(1) the policies and activities of creditors with respect to reaffirmation; and

(2) whether there is abuse or coercion of consumers inherent in the process.

(b) Report to Congress.—Not later than 1 year after the date of enactment of this Act, the GAO shall submit a report to the Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address any abusive or coercive tactics found within the reaffirmation process.

SA 82. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 42, between lines 3 and 4, insert the following:

SEC. 108. TREASURY DEPARTMENT STUDY ON THE OPERATION OF THE MEANS TEST SAFE HARBOR.

(a) Study.—

(1) In general.—The Secretary of the Treasury (in this section referred to as the "Secretary") shall conduct a study of those debtors who, based on the information provided in the schedules filed with the bankruptcy court, would be subject to the presumption under section 707(b)(2) of title 11, United States Code, as added by this Act, but are not subject to that presumption because the current monthly income of those debtors is under the applicable median income required under section 707(b)(7) of that title, as added by this Act, to determine the ability of those debtors excluded from the operation of the means test by the exemption provided in section 707(b)(2) of that title, to pay.

(2) Determinations.—The study required by this subsection shall cover the 1-year period beginning on the date of enactment of this Act, and shall include—

(A) the average amount that a debtor with the ability to pay would be able to pay a nonpriority unsecured creditor, as determined by the net income of that debtor under section 707(b)(2) of title 11, United States Code, as added by this Act, and projecting that amount over the applicable commitment period under section 1325(b) of that title; and

(B) the aggregate amount that all debtors referred to in subparagraph (A) would be able to pay during the period of the study.

(b) Report to Congress.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address the abusive use of any chapter of title 11, United States Code.

SA 83. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 17, line 5, insert "creditor, or other party in interest, and only the" after "No".

On page 17, line 5, after "panel trustee," insert "or".

On page 17, line 6, strike "or other party in interest".

On page 17, line 9, after "relief" insert the following: "(except if the debtor and the spouse of the debtor are not in a joint case, and are either legally separated or the court determines, after notice and hearing, that the debtor and the spouse of the debtor are living separate and apart, and the spouse is not providing any support to the debtor or the dependents of the debtor, then only the current monthly income of the debtor as of the date of the order for relief)".

SA 84. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title II, add the following:

SEC. 204. TREASURY STUDY ON REAFFIRMATION PROCESS.

(a) Study.—

(1) In general.—The Secretary of the Treasury (in this section referred to as the "Secretary") shall conduct a study of the effect on consumers of the provisions in title 11, United States Code, relating to reaffirmation of consumer debt which has been discharged in a proceeding commenced under that title.

(2) Considerations.—The study required by this subsection shall include analysis of—

(A) the policies and activities of creditors representative in their class with respect to reaffirmation;

(B) the role of debtors' counsel in the reaffirmation process;

(C) the economic and personal benefits accruing to consumers who reaffirm debt; and

(D) the effectiveness of applicable consumer protection provisions.

(b) Report to Congress.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address any policy concerns resulting from the study.

SA 85. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 62, after the material between lines 3 and 4, insert the following:

SEC. 204. SPECIAL AUDITS.

(a) In General.—If a debt relief agency has provided bankruptcy assistance to more than 10 assisted persons—

(1) whose cases have been dismissed or converted under section 707(b) of title 11, United States Code;

(2) in whose cases the stay under section 362(a) of title 11, United States Code, has terminated under section 362(c)(3)(A) of that title, or was not in effect under section 362(c)(4)(A)(i) of that title; or

(3) with respect to which, the court entered an order under section 362(d)(4) of title 11, United States Code,

the Attorney General shall order an audit to be conducted of all cases filed in the 1-year period preceding the date of such order in which the debt relief agency provided bankruptcy assistance.

(b) AUDIT.—The audit required by subsection (a) shall be conducted by auditors selected under section 603 of this Act, and such audit shall be conducted as though each case was a file selected for audit under that section.

(c) REPORT.—The Attorney General shall report the results of the audit required by this section to the judge of each bankruptcy court in which any case subject to audit was filed.

SA. 86. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 17, line 4, strike "of 4." and all that follows through line 25, and insert the following "of 4.'.".

SA 87. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 23, line 10, insert ", nonpriority" before "creditors".

SA 88. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 17, strike lines 5 through 10, and insert the following:

"(7) No creditor or other party in interest, and only the judge, United States trustee, panel trustee, or bankruptcy administrator, may bring a motion under paragraph (2), if the current monthly income of the debtor and the spouse of the debtor, combined, as of the date of the order for relief (except if the debtor and the spouse of the debtor are not in a joint case and are either legally separated, or the court determines, after notice and hearing, that the debtor and the spouse of the debtor are living separate and apart, and the spouse is not providing any support to the debtor or the dependents of the debtor, then only the current monthly income of the debtor as of the date of the order for relief), when multiplied by 12, is equal to or less than—".

SA 89. Mr. LOTT submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 29, line 21, strike "received" and all that follows through page 30, line 2 and insert the following: "participated in a credit counseling program (including over the telephone or on the Internet) that includes a budget analysis and development of a payment plan, and provides the debtor with counseling concerning how the debtor attained his or her present financial status, and any related appropriate counseling, unless the bankruptcy court, after notice and hearing, determines for cause that the debtor is unable to participate in such activities, or that in light of the debtor's circumstances, there is no benefit to the debtor in participating in such program, in which case the debtor shall have received, during the 180-day period preceding the date of filing of the petition of that individual from such an approved nonprofit budget and credit counseling agency an individual or group briefing (including a briefing conducted by telephone or over the Internet) that outlined the opportunities for available credit counseling, and assisted that individual in performing a related budget analysis.".

SA 90. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title II, add the following:

SEC. 230. GAO STUDY.

(c) STUDY.—The General Accounting Office (in this section referred to as the "GAO") shall conduct a study of the reaffirmation process under title 11, United States Code, to determine the overall treatment of consumers within the context of that process, including consideration of—

(1) the policies and activities of creditors with respect to reaffirmation; and

(2) whether there is abuse or coercion of consumers inherent in the process.

(d) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the GAO shall submit a report to the Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address any abusive or coercive tactics found within the reaffirmation process.

SA 91. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title II, add the following:

SEC. 233. PROHIBITION ON FINANCE CHARGES FOR ON-TIME PAYMENTS.

Section 27 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

"(h) PROHIBITION ON CERTAIN FINANCE CHARGES FOR ON-TIME PAYMENTS.—In the case of any credit card account under an open end consumer credit plan, where no other balance is owing on the account, no finance or interest charge may be imposed with regard to any amount of a new extension of credit that was paid on or before the date on which it was due.".

SA 92. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 186, strike lines 6 through 22 and insert the following:

(I) because that person seeks to exercise, exercises or has exercised constitutionally protected rights; or

(II) to deter any person from exercising constitutionally protected rights or from assisting any other person in the exercise of such rights; or

(III) because that person assists any person in the exercise of constitutionally protected rights, or provides or assists in the provision of constitutionally protected goods or services; or

(ii) damage or destruction of property of a facility or of a person because that facility or person provides, assists in providing, uses, or seeks constitutionally protected goods or services; or

"(B) a violation of a court order or injunction that protects access to a facility that provides constitutionally protected goods or services or that protects persons who seek, provide, or assist in providing constitutionally protected goods or services."

SA 93. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table.

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Consumer Bankruptcy Reform Act of 1998".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—NEEDS-BASED BANKRUPTCY

Sec. 101. Conversion.
Sec. 102. Dismissal or conversion.

TITLE II—ENHANCED PROCEDURAL PROTECTIONS FOR CONSUMERS

Sec. 201. Allowance of claims or interests.
Sec. 202. Exceptions to discharge.
Sec. 203. Effect of discharge.
Sec. 204. Automatic stay.
Sec. 205. Discharge.
Sec. 206. Discouraging predatory lending practices.
Sec. 207. Enhanced disclosure for credit extensions secured by dwelling.
Sec. 208. Dual-use debit card.
Sec. 209. Enhanced disclosures under an open end credit plan.
Sec. 210. Violations of the automatic stay.
Sec. 211. Discouraging abusive reaffirmation practices.
Sec. 212. Sense of the Senate regarding the homestead exemption.
Sec. 213. Encouraging creditworthiness.
Sec. 214. Treasury Department study regarding security interests under an open end credit plan.

TITLE III—IMPROVED PROCEDURES FOR EFFICIENT ADMINISTRATION OF THE BANKRUPTCY SYSTEM

Sec. 301. Notice of alternatives.
Sec. 302. Fair treatment of secured creditors under chapter 13.
Sec. 303. Discouragement of bad faith repeat filings.
Sec. 304. Timely filing and confirmation of plans under chapter 13.
Sec. 305. Application of the codebtor stay only when the stay protects the debtor.
Sec. 306. Improved bankruptcy statistics.
Sec. 307. Audit procedures.
Sec. 308. Creditor representation at first meeting of creditors.
Sec. 309. Fair notice for creditors in chapter 7 and 13 cases.
Sec. 310. Stopping abusive conversions from chapter 13.
Sec. 311. Prompt relief from stay in individual cases.

Sec. 312. Dismissal for failure to timely file schedules or provide required information.
Sec. 313. Adequate time for preparation for a hearing on confirmation of the plan.
Sec. 314. Discharge under chapter 13.
Sec. 315. Nondischargeable debts.
Sec. 316. Credit extensions on the eve of bankruptcy presumed nondischargeable.
Sec. 317. Definition of household goods and antiques.
Sec. 318. Relief from stay when the debtor does not complete intended surrender of consumer debt collateral.
Sec. 319. Adequate protection of lessors and purchase money secured creditors.
Sec. 320. Limitation.
Sec. 321. Miscellaneous improvements.
Sec. 322. Bankruptcy judgeships.
Sec. 323. Definition of domestic support obligation.
Sec. 324. Priorities for claims for domestic support obligations.
Sec. 325. Requirements to obtain confirmation and discharge in cases involving domestic support obligations.
Sec. 326. Exceptions to automatic stay in domestic support obligation proceedings.
Sec. 327. Nondischargeability of certain debts for alimony, maintenance, and support.
Sec. 328. Continued liability of property.
Sec. 329. Protection of domestic support claims against preferential transfer motions.
Sec. 330. Protection of retirement savings in bankruptcy.
Sec. 331. Additional amendments to title 11, United States Code.
Sec. 332. Debt limit increase.
Sec. 333. Elimination of requirement that family farmer and spouse receive over 50 percent of income from farming operation in year prior to bankruptcy.
Sec. 334. Prohibit retroactive assessment of disposable income.
Sec. 335. Amendment to section 1325 of title 11, United States Code.
Sec. 336. Protection of savings earmarked for the postsecondary education of children.

TITLE IV—FINANCIAL INSTRUMENTS
Sec. 401. Bankruptcy Code amendments.
Sec. 402. Recordkeeping requirements.
Sec. 403. Damage measure.
Sec. 404. Asset-backed securitizations.
Sec. 405. Prohibition on certain actions for failure to incur finance charges.
Sec. 406. Fees arising from certain ownership interests.
Sec. 407. Bankruptcy fees.
Sec. 408. Applicability.

TITLE V—ANCILLARY AND OTHER CROSS-BORDER CASES
Sec. 501. Amendment to add a chapter 6 to title 11, United States Code.
Sec. 502. Amendments to other chapters in title 11, United States Code.

TITLE VI—MISCELLANEOUS
Sec. 601. Executory contracts and unexpired leases.
Sec. 602. Expedited appeals of bankruptcy cases to courts of appeals.
Sec. 603. Creditors and equity security holders committees.
Sec. 604. Repeal of sunset provision.
Sec. 605. Cases ancillary to foreign proceedings.
Sec. 606. Limitation.
Sec. 607. Amendment to section 546 of title 11, United States Code.
Sec. 608. Amendment to section 330(a) of title 11, United States Code.

TITLE VII—TECHNICAL CORRECTIONS
Sec. 701. Definitions.
Sec. 702. Adjustment of dollar amounts.
Sec. 703. Extension of time.
Sec. 704. Who may be a debtor.
Sec. 705. Penalty for persons who negligently or fraudulently prepare bankruptcy petitions.
Sec. 706. Limitation on compensation of professional persons.
Sec. 707. Special tax provisions.
Sec. 708. Effect of conversion.
Sec. 709. Automatic stay.
Sec. 710. Amendment to table of sections.
Sec. 711. Allowance of administrative expenses.
Sec. 712. Priorities.
Sec. 713. Exemptions.
Sec. 714. Exceptions to discharge.
Sec. 715. Effect of discharge.
Sec. 716. Protection against discriminatory treatment.
Sec. 717. Property of the estate.
Sec. 718. Preferences.
Sec. 719. Postpetition transactions.
Sec. 720. Technical amendment.
Sec. 721. Disposition of property of the estate.
Sec. 722. General provisions.
Sec. 723. Appointment of elected trustee.
Sec. 724. Abandonment of railroad line.
Sec. 725. Contents of plan.
Sec. 726. Discharge under chapter 12.
Sec. 727. Extensions.
Sec. 728. Bankruptcy cases and proceedings.
Sec. 729. Knowing disregard of bankruptcy law or rule.
Sec. 730. Rolling stock equipment.
Sec. 731. Curbing abusive filings.
Sec. 732. Study of operation of title 11 of the United States Code with respect to small businesses.
Sec. 733. Transfers made by nonprofit charitable corporations.
Sec. 734. Effective date; application of amendments.

TITLE I—NEEDS-BASED BANKRUPTCY

SEC. 101. CONVERSION.

Section 706(c) of title 11, United States Code, is amended by inserting "or consents to" after "requests".

SEC. 102. DISMISSAL OR CONVERSION.

(a) IN GENERAL.—Section 707 of title 11, United States Code, is amended—

(1) by striking the section heading and inserting the following:

"§ 707. Dismissal of a case or conversion to a case under chapter 13";

and

(2) in subsection (b)—

(A) by inserting "(1)" after "(b)"; and

(B) in paragraph (1), as redesignated by subparagraph (A) of this paragraph—

(i) in the first sentence—

(I) by striking "but not" and inserting "or";

(II) by inserting ", or, with the debtor's consent, convert such a case to a case under chapter 13 of this title," after "consumer debts"; and

(III) by striking "substantial abuse" and inserting "abuse"; and

(ii) by striking the last sentence and inserting the following:

"(2) In considering under paragraph (1) whether the granting of relief would be an abuse of the provisions of this chapter, the court shall consider whether—

"(A) under section 1325(b)(1), on the basis of the current income of the debtor, the debtor could pay an amount greater than or equal to 30 percent of unsecured claims that are not considered to be priority claims (as determined under subchapter I of chapter 5); or

"(B) the debtor filed a petition for the relief in bad faith.

"(3)(A) If a panel trustee appointed under section 586(a)(1) of title 28 brings a motion for dismissal or conversion under this subsection and the court grants that motion and finds that the action of the counsel for the debtor in filing under this chapter was not substantially justified, the court shall order the counsel for the debtor to reimburse the trustee for all reasonable costs in prosecuting the motion, including reasonable attorneys' fees.

"(B) If the court finds that the attorney for the debtor violated Rule 9011, at a minimum, the court shall order—

"(i) the assessment of an appropriate civil penalty against the counsel for the debtor; and

"(ii) the payment of the civil penalty to the panel trustee or the United States trustee.

"(C) In the case of a petition referred to in subparagraph (B), the signature of an attorney shall constitute a certificate that the attorney has—

"(i) performed a reasonable investigation into the circumstances that gave rise to the petition; and

"(ii) determined that the petition—

"(I) is well grounded in fact; and

"(II) is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law and does not constitute an abuse under paragraph (1) of this subsection.

"(4)(A) Except as provided in subparagraph (B), the court may award a debtor all reasonable costs in contesting a motion brought by a party in interest (other than a panel trustee or United States trustee) under this subsection (including reasonable attorneys' fees) if—

"(i) the court does not grant the motion; and

"(ii) the court finds that—

"(I) the position of the party that brought the motion was not substantially justified; or

"(II) the party brought the motion solely for the purpose of coercing a debtor into waiving a right guaranteed to the debtor under this title.

"(B) A party in interest that has a claim of an aggregate amount less than $1,000 shall not be subject to subparagraph (A).

"(5) However, only the judge, United States trustee, bankruptcy administrator or panel trustee may bring a motion under this section if the debtor and the debtor's spouse combined, as of the date of the order for relief, have current monthly total income equal to or less than the national median household monthly income calculated on a monthly basis for a household of equal size. However, for a household of more than 4 individuals, the median income shall be that of a household of 4 individuals plus $583 for each additional member of that household.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 11, United States Code, is amended by striking the item relating to section 707 and inserting the following:

"707. Dismissal of a case or conversion to a case under chapter 13.".

TITLE II—ENHANCED PROCEDURAL PROTECTIONS FOR CONSUMERS

SEC. 201. ALLOWANCE OF CLAIMS OR INTERESTS.

Section 502 of title 11, United States Code, is amended by adding at the end the following:

“(k)(1) The court may award the debtor reasonable attorneys' fees and costs if, after an objection is filed by a debtor, the court—

“(A)(i) disallows the claim; or

“(ii) reduces the claim by an amount greater than 20 percent of the amount of the initial claim filed by a party in interest; and

“(B) finds the position of the party filing the claim is not substantially justified.

“(2) If the court finds that the position of a claimant under this section is not substantially justified, the court may, in addition to awarding a debtor reasonable attorneys' fees and costs under paragraph (1), award such damages as may be required by the equities of the case.”.

SEC. 202. EXCEPTIONS TO DISCHARGE.

Section 523 of title 11, United States Code, is amended—

(1) in subsection (a)(2)(A), by striking “a false representation” and inserting “a material false representation upon which the defrauded person justifiably relied”; and

(2) by striking subsection (d) and inserting the following:

“(d)(1) Subject to paragraph (3), if a creditor requests a determination of dischargeability of a consumer debt under this section and that debt is discharged, the court shall award the debtor reasonable attorneys' fees and costs.

“(2) In addition to making an award to a debtor under paragraph (1), if the court finds that the position of a creditor in a proceeding covered under this section is not substantially justified, the court may award reasonable attorneys' fees and costs under paragraph (1) and such damages as may be required by the equities of the case.

“(3)(A) A creditor may not request a determination of dischargeability of a consumer debt under subsection (a)(2) if—

“(i) before the filing of the petition, the debtor made a good faith effort to negotiate a reasonable alternative repayment schedule (including making an offer of a reasonable alternative repayment schedule); and

“(ii) that creditor refused to negotiate an alternative payment schedule, and that refusal was not reasonable.

“(B) For purposes of this paragraph, the debtor shall have the burden of proof of establishing that—

“(i) an offer made by that debtor under subparagraph (A)(i) was reasonable; and

“(ii) the refusal to negotiate by the creditor involved to was not reasonable.”.

SEC. 203. EFFECT OF DISCHARGE.

Section 524 of title 11, United States Code, is amended by adding at the end the following:

“(i) The willful failure of a creditor to credit payments received under a plan confirmed under this title (including a plan of reorganization confirmed under chapter 11 of this title) in the manner required by the plan (including crediting the amounts required under the plan) shall constitute a violation of an injunction under subsection (a)(2).

“(j) An individual who is injured by the failure of a creditor to comply with the requirements for a reaffirmation agreement under subsections (c) and (d), or by any willful violation of the injunction under subsection (a)(2), shall be entitled to recover—

“(1) the greater of—

“(A)(i) the amount of actual damages; multiplied by

“(ii) 3; or

“(B) $5,000; and

“(2) costs and attorneys' fees.”.

SEC. 204. AUTOMATIC STAY.

Section 362(h) of title 11, United States Code, is amended to read as follows:

“(h)(1) An individual who is injured by any willful violation of a stay provided in this section shall be entitled to recover—

“(A) actual damages; and

“(B) reasonable costs, including attorneys' fees.

“(2) In addition to recovering actual damages, costs, and attorneys' fees under paragraph (1), an individual described in paragraph (1) may recover punitive damages in appropriate circumstances.”.

SEC. 205. DISCHARGE.

Section 727 of title 11, United States Code, is amended—

(1) in subsection (c), by adding at the end the following:

“(3)(A) A creditor may not request a determination of dischargeability of a consumer debt under subsection (a) if—

“(i) before the filing of the petition, the debtor made a good faith effort to negotiate a reasonable alternative repayment schedule (including making an offer of a reasonable alternative repayment schedule); and

“(ii) that creditor refused to negotiate an alternative payment schedule, and that refusal was not reasonable.

“(B) For purposes of this paragraph, the debtor shall have the burden of proof of establishing that—

“(i) an offer made by that debtor under subparagraph (A)(i) was reasonable; and

“(ii) the refusal to negotiate by the creditor involved to was not reasonable.”; and

(2) by adding at the end the following:

“(f)(1) The court may award the debtor reasonable attorneys' fees and costs in any case in which a creditor files a motion to deny relief to a debtor under this section and that motion—

“(A) is denied; or

“(B) is withdrawn after the debtor has replied.

“(2) If the court finds that the position of a party filing a motion under this section is not substantially justified, the court may assess against the creditor such damages as may be required by the equities of the case.”.

SEC. 206. DISCOURAGING PREDATORY LENDING PRACTICES.

Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking “or” at the end;

(2) in paragraph (9), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(10) the claim is based on a secured debt if the creditor has failed to comply with the requirements of subsection (a), (b), (c), (d), (e), (f), (g), (h), or (i) of section 129 of the Truth in Lending Act (15 U.S.C. 1639).”.

SEC. 207. ENHANCED DISCLOSURE FOR CREDIT EXTENSIONS SECURED BY DWELLING.

(a) OPEN-END CREDIT EXTENSIONS.—

(1) CREDIT APPLICATIONS.—Section 127A(a)(13) of the Truth in Lending Act (15 U.S.C. 1637a(a)(13)) is amended—

(A) by striking “CONSULTATION OF TAX ADVISOR.—A statement that the” and inserting the following: “TAX DEDUCTIBILITY.—A statement that—

“(A) the”; and

(B) by striking the period at the end and inserting the following: “; and

“(B) in any case in which the extension of credit exceeds the fair market value of the dwelling, the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes.”.

(2) CREDIT ADVERTISEMENTS.—Section 147(b) of the Truth in Lending Act (15 U.S.C. 1665b(b)) is amended—

(A) by striking “If any” and inserting the following:

“(1) IN GENERAL.—If any”; and

(B) by adding at the end the following:

“(2) CREDIT IN EXCESS OF FAIR MARKET VALUE.—Each advertisement described in subsection (a) that relates to an extension of credit that may exceed the fair market value of the dwelling shall include a clear and conspicuous statement that—

“(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

“(B) the consumer may want to consult a tax advisor for further information regarding the deductibility of interest and charges.”.

(b) NON-OPEN END CREDIT EXTENSIONS.—

(1) CREDIT APPLICATIONS.—Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended—

(A) in subsection (a), by adding at the end the following:

“(15) In the case of a consumer credit transaction that is secured by the principal dwelling of the consumer, in which the extension of credit may exceed the fair market value of the dwelling, a clear and conspicuous statement that—

“(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

“(B) the consumer should consult a tax advisor for further information regarding the deductibility of interest and charges.”; and

(B) in subsection (b), by adding at the end the following:

“(3) In the case of a credit transaction described in paragraph (15) of subsection (a), disclosures required by that paragraph shall be made to the consumer at the time of application for such extension of credit.”.

(2) CREDIT ADVERTISEMENTS.—Section 144 of the Truth in Lending Act (15 U.S.C. 1664) is amended by adding at the end the following:

“(e) Each advertisement to which this section applies that relates to a consumer credit transaction that is secured by the principal dwelling of a consumer in which the extension of credit may exceed the fair market value of the dwelling shall clearly and conspicuously state that—

“(1) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

“(2) the consumer may want to consult a tax advisor for further information regarding the deductibility of interest and charges.”.

(c) EFFECTIVE DATE.—This section shall become effective one year after the date of enactment of this Act.

SEC. 208. DUAL-USE DEBIT CARD.

(a) CONSUMER LIABILITY.—

(1) IN GENERAL.—Section 909 of the Electronic Fund Transfer Act (15 U.S.C. 1693g) is amended—

(A) by redesignating subsections (b) through (e) as subsections (d) through (g), respectively;

(B) in subsection (a)—

(i) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(ii) by inserting "Cards Necessitating Unique Identifier.—

"(1) In general.—" after "(a)";

(iii) by striking "other means of access can be identified as the person authorized to use it, such as by signature, photograph," and inserting "other means of access can be identified as the person authorized to use it by a unique identifier, such as a photograph, retina scan,"; and

(iv) by striking "Notwithstanding the foregoing," and inserting the following:

"(2) Notification.—Notwithstanding paragraph (1),"; and

(C) by inserting before subsection (d), as so designated by this section, the following new subsections:

"(b) Cards Not Necessitating Unique Identifier.—A consumer shall be liable for an unauthorized electronic fund transfer only if—

"(1) the liability is not in excess of $50;

"(2) the unauthorized electronic fund transfer is initiated by the use of a card that has been properly issued to a consumer other than the person making the unauthorized transfer as a means of access to the account of that consumer for the purpose of initiating an electronic fund transfer;

"(3) the unauthorized electronic fund transfer occurs before the card issuer has been notified that an unauthorized use of the card has occurred or may occur as the result of loss, theft, or otherwise; and

"(4) such unauthorized electronic fund transfer did not require the use of a code or other unique identifier (other than a signature), such as a photograph, fingerprint, or retina scan.

"(c) Notice of Liability and Responsibility To Report Loss of Card, Code, or Other Means of Access.—No consumer shall be liable under this title for any unauthorized electronic fund transfer unless the consumer has received in a timely manner the notice required under section 905(a)(1), and any subsequent notice required under section 905(b) with regard to any change in the information which is the subject of the notice required under section 905(a)(1).".

(2) Conforming amendment.—Section 905(a)(1) of the Electronic Fund Transfer Act (15 U.S.C. 1693c(a)(1)) is amended to read as follows:

"(1) the liability of the consumer for any unauthorized electronic fund transfer and the requirement for promptly reporting any loss, theft, or unauthorized use of a card, code, or other means of access in order to limit the liability of the consumer for any such unauthorized transfer;".

(b) Validation Requirement for Dual-Use Debit Cards.—

(1) In general.—Section 911 of the Electronic Fund Transfer Act (15 U.S.C. 1693i) is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by inserting after subsection (b) the following new subsection:

"(c) Validation Requirement.—No person may issue a card described in subsection (a), the use of which to initiate an electronic fund transfer does not require the use of a code or other unique identifier other than a signature (such as a fingerprint or retina scan), unless—

"(1) the requirements of paragraphs (1) through (4) of subsection (b) are met; and

"(2) the issuer has provided to the consumer a clear and conspicuous disclosure that use of the card may not require the use of such code or other unique identifier.".

(2) Technical and conforming amendment.—Section 911(d) of the Electronic Fund Transfer Act (15 U.S.C. 1993i(d)) (as redesignated by subsection (a)(1) of this section) is amended by striking "For the purpose of subsection (b)" and inserting "For purposes of subsections (b) and (c)".

SEC. 209. ENHANCED DISCLOSURES UNDER AN OPEN END CREDIT PLAN.

(a) Amendments to the Truth in Lending Act.—

(1) Enhanced disclosure of repayment terms.—

(A) In general.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

"(11)(A) In a clear and conspicuous manner, repayment information that would apply to the outstanding balance of the consumer under the credit plan, including—

"(i) the required minimum monthly payment on that balance, represented as both a dollar figure and a percentage of that balance;

"(ii) the number of months (rounded to the nearest month) that it would take to pay the entire amount of that current balance if the consumer pays only the required minimum monthly payments and if no further advances are made;

"(iii) the total cost to the consumer, including interest and principal payments, of paying that balance in full if the consumer pays only the required minimum monthly payments and if no further advances are made; and

"(iv) the following statement: 'If your current rate is a temporary introductory rate, your total costs may be higher.'.

"(B) In making the disclosures under subparagraph (A) the creditor shall apply the annual interest rate that applies to that balance with respect to the current billing cycle for that consumer in effect on the date on which the disclosure is made.".

(B) Publication of model forms.—Not later than 180 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall publish model disclosure forms in accordance with section 195 of the Truth in Lending Act for the purpose of compliance with section 127(b)(11) of the Truth in Lending Act, as added by this paragraph.

(C) Civil liability.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the undesignated paragraph following paragraph (4), by striking the second sentence and inserting the following: "In connection with the disclosures referred to in subsections (a) and (b) of section 1637 of this title, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 1635, 1637(a), or of paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 1637(b) or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same in meaning under section 1610(a)(2) as any of the terms or items referred to in section 1637(a), paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 1637(b) of this title.".

(2) Disclosures in connection with solicitations.—

(A) In general.—Section 127(c)(1)(B) of the Truth in Lending Act (15 U.S.C. 1637(c)(1)(B)) is amended by adding the following:

"(iv) Credit worksheet.—An easily understandable credit worksheet designed to aid consumers in determining their ability to assume more debt, including consideration of the personal expenses of the consumer and a simple formula for the consumer to determine whether the assumption of additional debt is advisable.

"(v) Basis of preapproval.—In any case in which the application or solicitation states that the consumer has been preapproved for an account under an open end consumer credit plan, the following statement must appear in a clear and conspicuous manner: 'Your preapproval for this credit card does not mean that we have reviewed your individual financial circumstances. You should review your own budget before accepting this offer of credit.'.

"(vi) Availability of credit report.—That the consumer is entitled to a copy of his or her credit report in accordance with the Fair Credit Reporting Act.".

(B) Publication of model forms.—Not later than 180 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System shall publish model disclosure forms in accordance with section 195 of the Truth in Lending Act for the purpose of compliance with section 127(c)(1)(B) of the Truth in Lending Act, as amended by this paragraph.

(b) Effective Date.—The provisions of this section shall become effective on January 1, 2001.

SEC. 210. VIOLATIONS OF THE AUTOMATIC STAY.

(a) Section 362(a) is amended by adding after paragraph (8) the following:

"(9) any communication threatening a debtor, at any time after the commencement and before the granting of a discharge in a case under this title, an intention to file a motion to determine the dischargeability of a debt, or to file a motion under section 707(b) of title 11, United States Code, to dismiss or convert a case, or to repossess collateral from the debtor to which the stay applies.".

SEC. 211. DISCOURAGING ABUSIVE REAFFIRMATION PRACTICES.

Section 524 of title 11, United States Code, is amended—

(1) in subsection (c)(2)(B) by adding at the end the following:

"(C) such agreement contains a clear and conspicuous statement which advises the debtor what portion of the debt to be reaffirmed is attributable to principal, interest, late fees, creditor's attorneys fees, expenses or other costs relating to the collection of the debt.".

(2)(A) in subsection (c)(6)(B), by inserting after "real property" the following: "or is a debt described in subsection (c)(7)"; and

(B) by adding at the end of subsection (c) the following:

"(7) in a case concerning an individual, if the consideration for such agreement is based in whole or in part on an unsecured consumer debt, or is based in whole or in part upon a debt for an item of personalty the value of which at point of purchase was $250 or less, and in which the creditor asserts a purchase money security interest, the court, approves such agreement as—

"(A) in the best interest of the debtor in light of the debtor's income and expenses;

"(B) not imposing an undue hardship on the debtor's future ability of the debtor to pay for the needs of children and other dependents (including court ordered support);

"(C) not requiring the debtor to pay the creditor's attorney's fees, expenses or other costs relating to the collection of the debt;

"(D) not entered into to protect property that is necessary for the care and maintenance of children or other dependents that would have nominal value on repossession;

"(E) not entered into after coercive threats or actions by the creditor in the creditor's course of dealings with the debtor.

"(F) not unfair because excessive in amount based upon the value of the collateral.".

(3) in subsection (d)(2) by striking "subsections (c)(6)" and inserting "subsections (c)(6) and (c)(7)", and after "of this section," by striking "if the consideration for such agreement is based in whole or in part on a consumer debt that is not secured by real property of the debtor" and adding at the end: "as applicable".

SEC. 212. SENSE OF THE SENATE REGARDING THE HOMESTEAD EXEMPTION.

(a) FINDINGS.—The Senate finds that—

(1) one of the most flagrant abuses of the bankruptcy system involves misuse of the homestead exemption, which allows a debtor to exempt his or her home, up to a certain value, as established by State law, from being sold off to satisfy debts;

(2) while the vast majority of States responsibly cap the exemption at not more than $40,000, 5 States exempt homes regardless of their value;

(3) in the few States with unlimited homestead exemptions, debtors can shield their assets in luxury homes while legitimate creditors get little or nothing;

(4) beneficiaries of the homestead exemption include convicted insider traders and savings and loan criminals, while shortchanged creditors include children, spouses, governments, and banks; and

(5) the homestead exemption should be capped at $100,000 to prevent such high-profile abuses.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) meaningful bankruptcy reform cannot be achieved without capping the homestead exemption; and

(2) bankruptcy reform legislation should include a cap of $100,000 on the homestead exemption to the bankruptcy laws.

SEC. 213. ENCOURAGING CREDITWORTHINESS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) certain lenders may sometimes offer credit to consumers indiscriminately, without taking steps to ensure that consumers are capable of repaying the resulting debt, and in a manner which may encourage certain consumers to accumulate additional debt; and

(2) resulting consumer debt may increasingly be a major contributing factor to consumer insolvency.

(b) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System (hereafter in this section referred to as the "Board") shall conduct a study of—

(1) consumer credit industry practices of soliciting and extending credit—

(A) indiscriminately;

(B) without taking steps to ensure that consumers are capable of repaying the resulting debt; and

(C) in a manner that encourages consumers to accumulate additional debt; and

(2) the effects of such practices on consumer debt and insolvency.

(c) REPORT AND REGULATIONS.—Not later than 24 months after the date of enactment of this Act, the Board—

(1) shall make public a report on its findings with respect to the credit industry's indiscriminate solicitation and extension of credit;

(2) may issue regulations that would require additional disclosures to consumers; and

(3) may take any other actions, consistent with its existing statutory authority, that the Board finds necessary to ensure responsible industrywide practices and to prevent resulting consumer debt and insolvency.

SEC. 214. TREASURY DEPARTMENT STUDY REGARDING SECURITY INTERESTS UNDER AN OPEN END CREDIT PLAN.

(a) STUDY.—Within 180 days of the enactment of this Act, the Federal Reserve Board in consultation with the Treasury Department, the general credit industry, and consumer groups, shall prepare a study regarding the adequacy of information received by consumers regarding the creation of security interests under open end credit plans.

(b) FINDINGS.—This study shall include the Board's findings regarding—

(1) whether consumers understand at the time of purchase of property under an open end credit plan that such property may serve as collateral under that credit plan;

(2) whether consumers understand at the time of purchase the legal consequences of disposing of property that is purchased under an open end credit plan and is subject to a security interest under that plan; and

(3) whether creditors holding security interests in property purchased under an open end credit plan use such security interests to coerce reaffirmations of existing debts under section 524 of the United States Bankruptcy Code.

In formulating these findings, the Board shall consider, among other factors it deems relevant, prevailing industry practices in this area.

(c) DISCLOSURE RECOMMENDATIONS.—This study shall also include the Board's recommendations regarding the utility and practicality of additional disclosures by credit card issuers at the time of purchase regarding security interests under open end credit plans, including, but not limited to—

(1) disclosures of the specific property in which the creditor will receive a security interest;

(2) disclosures of the consequences of nonpayment of the card balance, including how the security interest may be enforced; and

(3) disclosures of the process by which payments made on the card will be credited with respect to the lien created by the security contract and other debts on the card.

(d). SUBMISSION OF REPORT.—The Board shall submit this report to the Senate Committee on the Judiciary, the Senate Committee on Banking, Housing, and Urban Affairs, the House Committee on the Judiciary, and the House Committee on Banking and Financial Services within the time allotted by this section.

TITLE III—IMPROVED PROCEDURES FOR EFFICIENT ADMINISTRATION OF THE BANKRUPTCY SYSTEM

SEC. 301. NOTICE OF ALTERNATIVES.

(a) IN GENERAL.—Section 342 of title 11, United States Code, is amended by striking subsection (b) and inserting the following:

"(b) Before the commencement of a case under this title by an individual whose debts are primarily consumer debts, that individual shall be given or obtain (as required in section 521(a)(1), as part of the certification process under subchapter 1 of chapter 5) a written notice prescribed by the United States trustee for the district in which the petition is filed pursuant to section 586 of title 28. The notice shall contain the following:

"(1) A brief description of chapters 7, 11, 12, and 13 and the general purpose, benefits, and costs of proceeding under each of those chapters.

"(2) A brief description of services that may be available to that individual from a credit counseling service that is approved by the United States trustee or the bankruptcy administrator for that district.".

(b) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, is amended—

(1) by inserting "(a)" before "The debtor shall—";

(2) by striking paragraph (1) and inserting the following:

"(1) file—

"(A) a list of creditors; and

"(B) unless the court orders otherwise—

"(i) a schedule of assets and liabilities;

"(ii) a schedule of current income and current expenditures;

"(iii) a statement of the debtor's financial affairs and, if applicable, a certificate—

"(I) of an attorney whose name is on the petition as the attorney for the debtor or any bankruptcy petition preparer signing the petition pursuant to section 110(b)(1) indicating that such attorney or bankruptcy petition preparer delivered to the debtor any notice required by section 342(b); or

"(II) if no attorney for the debtor is indicated and no bankruptcy petition preparer signed the petition, of the debtor that such notice was obtained and read by the debtor;

"(iv) copies of any Federal tax returns, including any schedules or attachments, filed by the debtor for the 3-year period preceding the order for relief;

"(v) copies of all payment advices or other evidence of payment, if any, received by the debtor from any employer of the debtor in the period 60 days prior to the filing of the petition;

"(vi) a statement of the amount of projected monthly net income, itemized to show how calculated; and

"(vii) a statement disclosing any reasonably anticipated increase in income or expenditures over the 12-month period following the date of filing;"; and

(3) by adding at the end the following:

"(b)(1) At any time, a creditor, in the case of an individual under chapter 7 or 13, may file with the court notice that the creditor requests the petition, schedules, and a statement of affairs filed by the debtor in the case and the court shall make those documents available to the creditor who requests those documents.

"(2) At any time, a creditor, in a case under chapter 13, may file with the court notice that the creditor requests the plan filed by the debtor in the case and the court shall make that plan available to the creditor who requests that plan.

"(c) An individual debtor in a case under chapter 7 or 13 shall file with the court—

"(1) at the time filed with the taxing authority, all tax returns, including any schedules or attachments, with respect to the period from the commencement of the case until such time as the case is closed;

"(2) at the time filed with the taxing authority, all tax returns, including any schedules or attachments, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order for relief;

"(3) any amendments to any of the tax returns, including schedules or attachments, described in paragraph (1) or (2); and

"(4) in a case under chapter 13, a statement subject to the penalties of perjury by the debtor of the debtor's income and expenditures in the preceding tax year and monthly income, that shows how the amounts are calculated—

"(A) beginning on the date that is the later of 90 days after the close of the debtor's tax year or 1 year after the order for relief, unless a plan has been confirmed; and

"(B) thereafter, on or before the date that is 45 days before each anniversary of the confirmation of the plan until the case is closed.

"(d)(1) A statement referred to in subsection (c)(4) shall disclose—

"(A) the amount and sources of income of the debtor;

"(B) the identity of any persons responsible with the debtor for the support of any dependents of the debtor; and

"(C) the identity of any persons who contributed, and the amount contributed, to the household in which the debtor resides.

"(2) The tax returns, amendments, and statement of income and expenditures described in paragraph (1) shall be available to the United States trustee, any bankruptcy administrator, any trustee, and any party in interest for inspection and copying, subject to the requirements of subsection (e).

"(e)(1) Not later than 30 days after the date of enactment of the Consumer Bankruptcy Refofm Act of 1998, the Director of the Administrative Office of the United States Courts shall establish procedures for safeguarding the confidentiality of any tax information required to be provided under this section.

"(2) The procedures under paragraph (1) shall include restrictions on creditor access to tax information that is required to be provided under this section.

"(3) Not later than 1 year after the date of enactment of the Consumer Bankruptcy Reform Act of 1998, the Director of the Administrative Office of the United States Courts shall prepare, and submit to Congress a report that—

"(A) assesses the effectiveness of the procedures under paragraph (1); and

"(B) if appropriate, includes proposed legislation—

"(i) to further protect the confidentiality of tax information; and

"(ii) to provide penalties for the improper use by any person of the tax information required to be provided under this section.

"(f) If requested by the United States trustee or a trustee serving in the case, the debtor provide a document that establishes the identity of the debtor, including a driver's license, passport, or other document that contains a photograph of the debtor and such other personal identifying information relating to the debtor that establishes the identity of the debtor.".

(c) TITLE 28.—Section 586(a) of title 28, United States Code, is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(7) on or before January 1 of each calendar year, and also not later than 30 days after any change in the nonprofit debt counseling services registered with the bankruptcy court, prescribe and make available on request the notice described in section 342(b)(3) of title 11 for each district included in the region.".

SEC. 302. FAIR TREATMENT OF SECURED CREDITORS UNDER CHAPTER 13.

(a) RESTORING THE FOUNDATION FOR SECURED CREDIT.—Section 1325(a) of title 11, United States Code, is amended—

(1) in paragraph (5), by striking the matter preceding subparagraph (A) and inserting the following:

"(5) with respect to an allowed claim provided for by the plan that is secured under applicable nonbankruptcy law by reason of a lien on property in which the estate has an interest or is subject to a setoff under section 553—"; and

(2) by adding at the end of the subsection the following flush sentence:

"For purposes of paragraph (5), section 506 shall not apply to a claim described in that paragraph.".

(b) PAYMENT OF HOLDERS OF CLAIMS SECURED BY LIENS.—Section 1325(a)(5)(B)(i) of title 11, United States Code, is amended to read as follows:

"(B)(i) the plan provides that the holder of such claim retain the lien securing such claim until the debt that is the subject of the claim is fully paid for, as provided under the plan; and".

(c) DETERMINATION OF SECURED STATUS.—Section 506 of title 11, United States Code, is amended by adding at the end the following:

"(e) Subsection (a) shall not apply to an allowed claim to the extent attributable in whole or in part to the purchase price of personal property acquired by the debtor during the 90-day period preceding the date of filing of the petition.".

SEC. 303. DISCOURAGEMENT OF BAD FAITH REPEAT FILINGS.

Section 362(c) of title 11, United States Code, is amended—

(1) by inserting "(1)" before "Except as";

(2) by striking "(1) the stay" and inserting "(A) the stay";

(3) by striking "(2) the stay" and inserting "(B) the stay";

(4) by striking "(A) the time" and inserting "(i) the time";

(5) by striking "(B) the time" and inserting "(ii) the time"; and

(6) by adding at the end the following:

"(2) Except as provided in subsections (d) through (f), the stay under subsection (a) with respect to any action taken with respect to a debt or property securing such debt or with respect to any lease shall terminate with respect to the debtor on the 30th day after the filing of the later case if—

"(A) a single or joint case is filed by or against an individual debtor under chapter 7, 11, or 13; and

"(B) a single or joint case of that debtor (other than a case refiled under a chapter other than chapter 7 after dismissal under section 707(b)) was pending during the preceding year but was dismissed.

"(3) If a party in interest so requests, the court may extend the stay in a particular case with respect to 1 or more creditors (subject to such conditions or limitations as the court may impose) after providing notice and a hearing completed before the expiration of the 30-day period described in paragraph (2) only if the party in interest demonstrates that the filing of the later case is in good faith with respect to the creditors to be stayed.

"(4) A case shall be presumed to have not been filed in good faith (except that such presumption may be rebutted by clear and convincing evidence to the contrary)—

"(A) with respect to the creditors involved, if—

"(i) more than 1 previous case under any of chapters 7, 11, or 13 in which the individual was a debtor was pending during the 1-year period described in paragraph (1);

"(ii) a previous case under any of chapters 7, 11, or 13 in which the individual was a debtor was dismissed within the period specified in paragraph (2) after—

"(I) the debtor, after having received from the court a request to do so, failed to file or amend the petition or other documents as required by this title; or

"(II) the debtor, without substantial excuse, failed to perform the terms of a plan that was confirmed by the court; or

"(iii)(I) during the period commencing with the dismissal of the next most previous case under chapter 7, 11, or 13 there has not been a substantial change in the financial or personal affairs of the debtor;

"(II) if the case is a chapter 7 case, there is no other reason to conclude that the later case will be concluded with a discharge; or

"(III) if the case is a chapter 11 or 13 case, there is not a confirmed plan that will be fully performed; and

"(B) with respect to any creditor that commenced an action under subsection (d) in a previous case in which the individual was a debtor, if, as of the date of dismissal of that case, that action was still pending or had been resolved by terminating, conditioning, or limiting the stay with respect to actions of that creditor.

"(5)(A) If a request is made for relief from the stay under subsection (a) with respect to real or personal property of any kind, and the request is granted in whole or in part, the court may, in addition to making any other order under this subsection, order that the relief so granted shall be in rem either—

"(i) for a definite period of not less than 1 year; or

"(ii) indefinitely.

"(B)(i) After an order is issued under subparagraph (A), the stay under subsection (a) shall not apply to any property subject to such an in rem order in any case of the debtor.

"(ii) If an in rem order issued under subparagraph (A) so provides, the stay shall, in addition to being inapplicable to the debtor involved, not apply with respect to an entity under this title if—

"(I) the entity had reason to know of the order at the time that the entity obtained an interest in the property affected; or

"(II) the entity was notified of the commencement of the proceeding for relief from the stay, and at the time of the notification, no case in which the entity was a debtor was pending.

"(6) For purposes of this section, a case is pending during the period beginning with the issuance of the order for relief and ending at such time as the case involved is closed.".

SEC. 304. TIMELY FILING AND CONFIRMATION OF PLANS UNDER CHAPTER 13.

(a) FILING OF PLAN.—Section 1321 of title 11, United States Code, is amended to read as follows:

"§ 1321. Filing of plan

"The debtor shall file a plan not later than 90 days after the order for relief under this chapter, except that the court may extend such period if the need for an extension is attributable to circumstances for which the debtor should not justly be held accountable.".

(b) CONFIRMATION OF HEARING.—Section 1324 of title 11, United States Code, is amended by adding at the end the following: "That hearing shall be held not later than 45 days after the filing of the plan, unless the court, after providing notice and a hearing, orders otherwise.".

SEC. 305. APPLICATION OF THE CODEBTOR STAY ONLY WHEN THE STAY PROTECTS THE DEBTOR.

Section 1301(b) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2)(A) Notwithstanding subsection (c) and except as provided in subparagraph (B), in any case in which the debtor did not receive the consideration for the claim held by a creditor, the stay provided by subsection (a) shall apply to that creditor for a period not to exceed 30 days beginning on the date of the order for relief, to the extent the creditor proceeds against—

"(i) the individual that received that consideration; or

"(ii) property not in the possession of the debtor that secures that claim.

"(B) Notwithstanding subparagraph (A), the stay provided by subsection (a) shall apply in any case in which the debtor is primarily obligated to pay the creditor in whole or in part with respect to a claim described in subparagraph (A) under a legally binding separation or property settlement agreement or divorce or dissolution decree with respect to—

"(i) an individual described in subparagraph (A)(i); or

"(ii) property described in subparagraph (A)(ii).

"(3) Notwithstanding subsection (c), the stay provided by subsection (a) shall terminate as of the date of confirmation of the plan, in any case in which the plan of the debtor provides that the debtor's interest in personal property subject to a lease with respect to which the debtor is the lessee will be surrendered or abandoned or no payments will be made under the plan on account of the debtor's obligations under the lease.".

SEC. 306. IMPROVED BANKRUPTCY STATISTICS.

(a) Amendment.—Chapter 6 of part I of title 28, United States Code, is amended by adding at the end the following:

"§ 159. Bankruptcy statistics

"(a) The clerk of each district shall compile statistics regarding individual debtors with primarily consumer debts seeking relief under chapters 7, 11, and 13 of title 11. Those statistics shall be in a form prescribed by the Director of the Administrative Office of the United States Courts (referred to in this section as the 'Office').

"(b) The Director shall—

"(1) compile the statistics referred to in subsection (a);

"(2) make the statistics available to the public; and

"(3) not later than October 31, 1998, and annually thereafter, prepare, and submit to Congress a report concerning the information collected under subsection (a) that contains an analysis of the information.

"(c) The compilation required under subsection (b) shall—

"(1) be itemized, by chapter, with respect to title 11;

"(2) be presented in the aggregate and for each district; and

"(3) include information concerning—

"(A) the total assets and total liabilities of the debtors described in subsection (a), and in each category of assets and liabilities, as reported in the schedules prescribed pursuant to section 2075 of this title and filed by those debtors;

"(B) the current total monthly income, projected monthly net income, and average income and average expenses of those debtors as reported on the schedules and statements that each such debtor files under sections 111, 521, and 1322 of title 11;

"(C) the aggregate amount of debt discharged in the reporting period, determined as the difference between the total amount of debt and obligations of a debtor reported on the schedules and the amount of such debt reported in categories which are predominantly nondischargeable;

"(D) the average period of time between the filing of the petition and the closing of the case;

"(E) for the reporting period—

"(i) the number of cases in which a reaffirmation was filed; and

"(ii)(I) the total number of reaffirmations filed;

"(II) of those cases in which a reaffirmation was filed, the number in which the debtor was not represented by an attorney; and

"(III) of those cases, the number of cases in which the reaffirmation was approved by the court;

"(F) with respect to cases filed under chapter 13 of title 11, for the reporting period—

"(i)(I) the number of cases in which a final order was entered determining the value of property securing a claim in an amount less than the amount of the claim; and

"(II) the number of final orders determining the value of property securing a claim issued;

"(ii) the number of cases dismissed for failure to make payments under the plan; and

"(iii) the number of cases in which the debtor filed another case within the 6 years previous to the filing; and

"(G) the extent of creditor misconduct and any amount of punitive damages awarded by the court for creditor misconduct.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 6 of title 28, United States Code, is amended by adding at the end the following:

"159. Bankruptcy statistics.".

(c) Effective Date.—The amendments made by this section shall take effect 18 months after the date of enactment of this Act.

SEC. 307. AUDIT PROCEDURES.

(a) Amendments.—Section 586 of title 28, United States Code, is amended—

(1) in subsection (a), as amended by section 301 of this Act, by striking paragraph (6) and inserting the following:

"(6) make such reports as the Attorney General directs, including the results of audits performed under subsection (f); and"; and

(2) by adding at the end the following:

"(f)(1)(A) The Attorney General shall establish procedures to determine the accuracy and completeness of petitions, schedules, and other information which the debtor is required to provide under sections 521 and 1322 of title 11, and, if applicable, section 111 of title 11, in individual cases filed under chapter 7 or 13 of such title.

"(B) Those procedures shall—

"(i) establish a method of selecting appropriate qualified persons to contract to perform those audits;

"(ii) establish a method of randomly selecting cases to be audited, except that not less than 1 out of every 500 cases in each Federal judicial district shall be selected for audit;

"(iii) require audits for schedules of income and expenses which reflect greater than average variances from the statistical norm of the district in which the schedules were filed; and

"(iv) establish procedures for providing, not less frequently than annually, public information concerning the aggregate results of such audits including the percentage of cases, by district, in which a material misstatement of income or expenditures is reported.

"(2) The United States trustee for each district is authorized to contract with auditors to perform audits in cases designated by the United States trustee according to the procedures established under paragraph (1).

"(3)(A) The report of each audit conducted under this subsection shall be filed with the court and transmitted to the United States trustee. Each report shall clearly and conspicuously specify any material misstatement of income or expenditures or of assets identified by the person performing the audit. In any case where a material misstatement of income or expenditures or of assets has been reported, the clerk of the bankruptcy court shall give notice of the misstatement to the creditors in the case.

"(B) If a material misstatement of income or expenditures or of assets is reported the United States trustee shall—

"(i) report the material misstatement, if appropriate, to the United States Attorney pursuant to section 3057 of title 18, United States Code; and

"(ii) if advisable, take appropriate action, including but not limited to commencing an adversary proceeding to revoke the debtor's discharge pursuant to section 727(d) of title 11, United States Code.".

(b) Amendments to Section 521 of Title 11, U.S.C.—Section 521 of title 11, United States Code, is amended in paragraphs (3) and (4) by adding "or an auditor appointed pursuant to section 586 of title 28, United States Code" after "serving in the case".

(c) Amendments to Section 727 of Title 11, U.S.C.—Section 727(d) of title 11, United States Code, is amended—

(1) by deleting "or" at the end of paragraph (2);

(2) by substituting "; or" for the period at the end of paragraph (3); and

(3) adding the following at the end of paragraph (3)—

"(4) the debtor has failed to explain satisfactorily—

"(A) a material misstatement in an audit performed pursuant to section 586(f) of title 28, United States Code; or

"(B) a failure to make available for inspection all necessary accounts, papers, documents, financial records, files and all other papers, things, or property belonging to the debtor that are requested for an audit conducted pursuant to section 586(f) of title 28, United States Code.".

(d) Effective Date.—The amendments made by this section shall take effect 18 months after the date of enactment of this Act.

SEC. 308. CREDITOR REPRESENTATION AT FIRST MEETING OF CREDITORS.

Section 341(c) of title 11, United States Code, is amended by inserting after the first sentence the following: "Notwithstanding any local court rule, provision of a State constitution, any other Federal or State law that is not a bankruptcy law, or other requirement that representation at the meeting of creditors under subsection (a) be by an attorney, a creditor holding a consumer debt or any representative of the creditor (which may include an entity or an employee of an entity and may be a representative for more than one creditor) shall be permitted to appear at and participate in the meeting of creditors in a case under chapter 7 or 13, either alone or in conjunction with an attorney for the creditor. Nothing in this subsection shall be construed to require any creditor to be represented by an attorney at any meeting of creditors.".

SEC. 309. FAIR NOTICE FOR CREDITORS IN CHAPTER 7 AND 13 CASES.

Section 342 of title 11, United States Code, is amended—

(1) in subsection (c), by striking ", but the failure of such notice to contain such information shall not invalidate the legal effect of such notice"; and

(2) by adding at the end the following:

"(d)(1) If the credit agreement between the debtor and the creditor or the last communication before the filing of the petition in a voluntary case from the creditor to a debtor who is an individual states an account number of the debtor that is the current account number of the debtor with respect to any debt held by the creditor against the debtor, the debtor shall include that account number in any notice to the creditor required to be given under this title.

"(2) If the creditor has specified to the debtor, in the last communication before the filing of the petition, an address at which the creditor wishes to receive correspondence regarding the debtor's account, any notice to the creditor required to be given by the debtor under this title shall be given at such address.

"(3) For purposes of this section, the term 'notice' shall include—

"(A) any correspondence from the debtor to the creditor after the commencement of the case;

"(B) any statement of the debtor's intention under section 521(a)(2);

"(C) notice of the commencement of any proceeding in the case to which the creditor is a party; and

"(D) any notice of a hearing under section 1324.

"(e)(1) At any time, a creditor, in a case of an individual under chapter 7 or 13, may file with the court and serve on the debtor a notice of the address to be used to notify the creditor in that case.

"(2) If the court or the debtor is required to give the creditor notice, not later than 5 days after receipt of the notice under paragraph (1), that notice shall be given at that address.

"(f) An entity may file with the court a notice stating its address for notice in cases under chapter 7 or 13. After the date that is 30 days following the filing of that notice, any notice in any case filed under chapter 7 or 13 given by the court shall be to that address unless specific notice is given under subsection (e) with respect to a particular case.

"(g)(1) Notice given to a creditor other than as provided in this section shall not be effective notice until that notice has been brought to the attention of the creditor.

"(2) If the creditor has designated a person or department to be responsible for receiving notices concerning bankruptcy cases and has established reasonable procedures so that bankruptcy notices received by the creditor will be delivered to that department or person, notice shall not be brought to the attention of the creditor until that notice is received by that person or department.".

SEC. 310. STOPPING ABUSIVE CONVERSIONS FROM CHAPTER 13.

Section 348(f)(1) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B)—

(A) by striking "in the converted case, with allowed secured claims" and inserting "only in a case converted to chapter 11 or 12 but not in a case converted to chapter 7, with allowed secured claims in cases under chapters 11 and 12"; and

(B) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) with respect to cases converted from chapter 13, the claim of any creditor holding security as of the date of the petition shall continue to be secured by that security unless the full amount of that claim determined under applicable nonbankruptcy law has been paid in full as of the date of conversion, notwithstanding any valuation or determination of the amount of an allowed secured claim made for the purposes of the chapter 13 proceeding.".

SEC. 311. PROMPT RELIEF FROM STAY IN INDIVIDUAL CASES.

Section 362(e) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2) Notwithstanding paragraph (1), in the case of an individual filing under chapter 7, 11, or 13, the stay under subsection (a) shall terminate on the date that is 60 days after a request is made by a party in interest under subsection (d), unless—

"(A) a final decision is rendered by the court during the 60-day period beginning on the date of the request; or

"(B) that 60-day period is extended—

"(i) by agreement of all parties in interest; or

"(ii) by the court for such specific period of time as the court finds is required for good cause.".

SEC. 312. DISMISSAL FOR FAILURE TO TIMELY FILE SCHEDULES OR PROVIDE REQUIRED INFORMATION.

Section 707 of title 11, United States Code, as amended by section 102 of this Act, is amended by adding at the end the following:

"(c)(1) Notwithstanding subsection (a), and subject to paragraph (2), if an individual debtor in a voluntary case under chapter 7 or 13 fails to file all of the information required under section 521(a)(1) within 45 days after the filing of the petition commencing the case, the case shall be automatically dismissed effective on the 46th day after the filing of the petition.

"(2) With respect to a case described in paragraph (1), any party in interest may request the court to enter an order dismissing the case. The court shall, if so requested, enter an order of dismissal not later than 5 days after that request.

"(3) Upon request of the debtor made within 45 days after the filing of the petition commencing a case described in paragraph (1), the court may allow the debtor an additional period of not to exceed 50 days to file the information required under section 521(a)(1) if the court finds justification for extending the period for the filing.".

SEC. 313. ADEQUATE TIME FOR PREPARATION FOR A HEARING ON CONFIRMATION OF THE PLAN.

Section 1324 of title 11, United States Code, as amended by section 304 of this Act, is amended—

(1) by striking "After" and inserting the following:

"(a) Except as provided in subsection (b) and after"; and

(2) by adding at the end the following:

"(b) If not later than 5 days after receiving notice of a hearing on confirmation of the plan, a creditor objects to the confirmation of the plan, the hearing on confirmation of the plan may be held no earlier than 20 days after the first meeting of creditors under section 341(a).".

SEC. 314. DISCHARGE UNDER CHAPTER 13.

Section 1328(a) of title 11, United States Code, is amended by striking paragraphs (1) through (3) and inserting the following:

"(1) provided for under section 1322(b)(5);

"(2) of the kind specified in paragraph (2), (4), (5), (8), or (9) of section 523(a);

"(3) for restitution, or a criminal fine, included in a sentence on the debtor's conviction of a crime; or

"(4) for restitution, or damages, awarded in a civil action against the debtor as a result of willful or malicious injury by the debtor that caused personal injury to an individual or the death of an individual.".

SEC. 315. NONDISCHARGEABLE DEBTS.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14) the following:

"(14A) incurred to pay a debt that is nondischargeable by reason of section 727, 1141, 1228 (a) or (b), or 1328(b), or any other provision of this subsection, where the debtor incurred the debt to pay such a nondischargeable debt with the intent to discharge in bankruptcy the newly-created debt.".

SEC. 316. CREDIT EXTENSIONS ON THE EVE OF BANKRUPTCY PRESUMED NONDISCHARGEABLE.

Section 523(a)(2) of title 11, United States Code, as amended by section 202 of this Act, is amended—

(1) in subparagraph (A), by striking the semicolon at the end and inserting the following: "(and, for purposes of this subparagraph, consumer debts owed in an aggregate amount greater than or equal to $400 incurred for goods or services not reasonably necessary for the maintenance or support of the debtor or a dependent child of the debtor to a single creditor that are incurred during the 90-day period preceding the date of the order for relief shall be presumed to be nondischargeable under this subparagraph); or";

(2) in subparagraph (B), by striking "or" at the end; and

(3) by striking subparagraph (C).

SEC. 317. DEFINITION OF HOUSEHOLD GOODS AND ANTIQUES.

Not later than 180 days after the date of enactment of this Act, the Federal Trade Commission shall promulgate regulations defining "household goods" under section 522(c)(3) in a manner suitable and appropriate for cases under title 11 of the United States Code. If new regulations are not effective within 180 days of enactment of this Act, then "household goods" under section 522(c)(3) shall have the meaning given that term in section 444.1(i) of title 16, of the Code of Federal Regulations, except that the term shall also include any tangible personal property reasonably necessary for the maintenance or support of a dependent child.

SEC. 318. RELIEF FROM STAY WHEN THE DEBTOR DOES NOT COMPLETE INTENDED SURRENDER OF CONSUMER DEBT COLLATERAL.

(a) AUTOMATIC STAY.—Section 362 of title 11, United States Code, as amended by section 303, is amended—

(1) in subsection (c)(1), in the matter preceding subparagraph (A), by striking "(e) and (f)" and inserting "(e), (f), and (h)";

(2) by redesignating subsection (h) as subsection (i); and

(3) by inserting after subsection (g) the following:

"(h) In an individual case under chapter 7, 11, or 13 the stay provided by subsection (a) is terminated with respect to property of the estate securing in whole or in part a claim that is in an amount greater than $3,000, or subject to an unexpired lease with a remaining term of at least 1 year (in any case in which the debtor owes at least $3,000 for a 1-year period), if within 30 days after the expiration of the applicable period under section 521(a)(2)—

"(1)(A) the debtor fails to timely file a statement of intention to surrender or retain the property; or

"(B) if the debtor indicates in the filing that the debtor will retain the property, the debtor fails to meet an applicable requirement to—

"(i) either—

"(I) redeem the property pursuant to section 722; or

"(II) reaffirm the debt the property secures pursuant to section 524(c); or

"(ii) assume the unexpired lease pursuant to section 365(d) if the trustee does not do so; or

"(2) the debtor fails to timely take the action specified in a statement of intention referred to in paragraph (1)(A) (as amended, if that statement is amended before expiration of the period for taking action), unless—

"(A) the statement of intention specifies reaffirmation; and

"(B) the creditor refuses to reaffirm the debt on the original contract terms for the debt.".

(b) DEBTOR'S DUTIES.—Section 521(a)(2) of title 11, United States Code, as redesignated by section 301(b) of this Act, is amended—

(1) in the matter preceding subparagraph (A), by striking "consumer";

(2) in subparagraph (B)—

(A) by striking "forty-five days after the filing of a notice of intent under this section" and inserting "30 days after the first meeting of creditors under section 341(a)"; and

(B) by striking "forty-five-day period" and inserting "30-day period"; and

(3) in subparagraph (C), by inserting ", except as provided in section 362(h)" before the semicolon.

SEC. 319. ADEQUATE PROTECTION OF LESSORS AND PURCHASE MONEY SECURED CREDITORS.

(a) IN GENERAL.—Chapter 13 of title 11, United States Code, is amended by adding after section 1307 the following:

"§ 1307A. Adequate protection in chapter 13 cases

"(a)(1)(A) On or before the date that is 30 days after the filing of a case under this chapter, the debtor shall make cash payments in an amount determined under paragraph (2)(A), to—

"(i) any lessor of personal property; and

"(ii) any creditor holding a claim secured by personal property to the extent that the claim is attributable to the purchase of that property by the debtor.

"(B) The debtor or the plan shall continue making the adequate protection payments until the earlier of the date on which—

"(i) the creditor begins to receive actual payments under the plan; or

"(ii) the debtor relinquishes possession of the property referred to in subparagraph (A) to—

"(I) the lessor or creditor; or

"(II) any third party acting under claim of right, as applicable.

"(2) The payments referred to in paragraph (1)(A) shall be determined by the court.

"(b)(1) Subject to the limitations under paragraph (2), the court may, after notice and hearing, change the amount and timing of the dates of payment of payments made under subsection (a).

"(2)(A) The payments referred to in paragraph (1) shall be payable not less frequently than monthly.

"(B) The amount of a payment referred to in paragraph (1) shall not be less than the reasonable depreciation of the personal property described in subsection (a)(1), determined on a month-to-month basis.

"(c) Notwithstanding section 1326(b), the payments referred to in subsection (a)(1)(A) shall be continued in addition to plan payments under a confirmed plan until actual payments to the creditor begin under that plan, if the confirmed plan provides—

"(1) for payments to a creditor or lessor described in subsection (a)(1); and

"(2) for the deferral of payments to such creditor or lessor under the plan until the payment of amounts described in section 1326(b).

"(d) Notwithstanding sections 362, 542, and 543, a lessor or creditor described in subsection (a) may retain possession of property described in that subsection that was obtained in accordance with applicable law before the date of filing of the petition until the first payment under subsection (a)(1)(A) is received by the lessor or creditor.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 13 of title 11, United States Code, is amended by inserting after the item relating to section 1307 the following:

"1307A. Adequate protection in chapter 13 cases.".

SEC. 320. LIMITATION.

Section 522 of title 11, United States Code, as amended by section 207(a), is amended—

(1) in subsection (b)(3)(A), by inserting "subject to subsection (n)," before "any property"; and

(2) by adding at the end the following new subsection:

"(n)(1) Except as provided in paragraph (2), as a result of electing under subsection (b)(3)(A) to exempt property under State or local law, a debtor may not exempt any amount of interest that exceeds in the aggregate $100,000 in value in—

"(A) real or personal property that the debtor or a dependent of the debtor uses as a residence;

"(B) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

"(C) a burial plot for the debtor or a dependent of the debtor.

"(2) The limitation under paragraph (1) shall not apply to an exemption claimed under subsection (b)(2)(A) by a family farmer for the principal residence of that farmer.".

SEC. 321. MISCELLANEOUS IMPROVEMENTS.

(a) WHO MAY BE A DEBTOR.—Section 109 of title 11, United States Code, is amended by adding at the end the following:

"(h)(1) Subject to paragraphs (2) and (3) and notwithstanding any other provision of this section, an individual may not be a debtor under this title unless that individual has, during the 90-day period preceding the date of filing of the petition of that individual, received credit counseling, including, at a minimum, participation in an individual or group briefing that outlined the opportunities for available credit counseling and assisted that individual in performing an initial budget analysis, through a credit counseling program (offered through an approved credit counseling service described in section 111(a)) that has been approved by—

"(A) the United States trustee; or

"(B) the bankruptcy administrator for the district in which the petition is filed.".

"(2)(A) Paragraph (1) shall not apply with respect to a debtor who resides in a district for which the United States trustee or bankruptcy administrator of the bankruptcy court of that district determines that the approved credit counseling services for that district are not reasonably able to provide adequate services to the additional individuals who would otherwise seek credit counseling from those programs by reason of the requirements of paragraph (1).

"(B) Each United States trustee or bankruptcy administrator that makes a determination described in subparagraph (A) shall review that determination not later than one year after the date of that determination, and not less frequently than every year thereafter.

"(3)(A) Subject to subparagraph (B), the requirements of paragraph (1) shall not apply with respect to a debtor who submits to the court a certification that—

"(i) describes exigent circumstances that merit a waiver of the requirements of paragraph (1);

"(ii) states that the debtor requested credit counseling services from an approved credit counseling service, but was unable to obtain the services referred to in paragraph (1) during the 5-day period beginning on the date on which the debtor made that request; and

"(iii) is satisfactory to the court.

"(B) With respect to a debtor, an exemption under subparagraph (A) shall cease to apply to that debtor on the date on which the debtor meets the requirements of paragraph (1), but in no case may the exemption apply to that debtor after the date that is 30 days after the debtor files a petition.".

(b) CHAPTER 7 DISCHARGE.—Section 727(a) of title 11, United States Code, is amended—

(1) in paragraph (9), by striking "or" at the end;

(2) in paragraph (10), by striking the period and inserting "; or"; and

(3) by adding at the end the following:

"(11) after the filing of the petition, the debtor failed to complete an instructional course concerning personal financial management described in section 111 that was administered or approved by—

"(A) the United States trustee; or

"(B) the bankruptcy administrator for the district in which the petition is filed.".

(c) CHAPTER 13 DISCHARGE.—Section 1328 of title 11, United States Code, is amended by adding at the end the following:

"(f) The court shall not grant a discharge under this section to a debtor, unless after filing a petition the debtor has completed an instructional course concerning personal financial management described in section 111 that was administered or approved by—

"(1) the United States trustee; or

"(2) the bankruptcy administrator for the district in which the petition is filed.".

(d) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by sections 301(b) and 318(b) of this Act, is amended by adding at the end the following:

"(e) In addition to the requirements under subsection (a), an individual debtor shall file with the court—

"(1) a certificate from the credit counseling service that provided the debtor services under section 109(h); and

"(2) a copy of the debt repayment plan, if any, developed under section 109(h) through the credit counseling service referred to in paragraph (1).".

(e) EXCEPTIONS TO DISCHARGE.—Section 523(d) of title 11, United States Code, as amended by section 202 of this Act, is amended by striking paragraph (3)(A)(i) and inserting the following:

"(i) within the applicable period of time prescribed under section 109(h), the debtor received credit counseling through a credit counseling program in accordance with section 109(h); and".

(f) GENERAL PROVISIONS.—

(1) IN GENERAL.—Chapter 1 of title 11, United States Code, is amended by adding at the end the following:

"§ 111. Credit counseling services; financial management instructional courses

"(a) The clerk of each district shall maintain a list of credit counseling services that provide 1 or more programs described in section 109(h) and that have been approved by—

"(1) the United States trustee; or

"(2) the bankruptcy administrator for the district.

"(b) The United States trustee or each bankruptcy administrator referred to in subsection (a)(1) shall—

"(1) make available to debtors who are individuals an instructional course concerning personal financial management, under the direction of the bankruptcy court; and

"(2) maintain a list of instructional courses concerning personal financial management that are operated by a private entity and that have been approved by the United States trustee or that bankruptcy administrator.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 11, United States Code, is amended by adding at the end the following:

"111. Credit counseling services; financial management instructional courses.".

(g) DEFINITIONS.—Section 101 of title 11, United States Code, as amended by section 317 of this Act, is amended—

(1) by inserting after paragraph (13) the following:

"(13A) 'debtor's principal residence'—

"(A) means a residential structure, including incidental property, without regard to whether that structure is attached to real property; and

"(B) includes an individual condominium or co-operative unit;"; and

(2) by inserting after paragraph (27A), as added by section 318 of this Act, the following:

"(27B) 'incidental property' means, with respect to a debtor's principal residence—

"(A) property commonly conveyed with a principal residence in the area where the real estate is located;

"(B) all easements, rights, appurtenances, fixtures, rents, royalties, mineral rights, oil or gas rights or profits, water rights, escrow funds, or insurance proceeds; and

"(C) all replacements or additions;".

SEC. 322. BANKRUPTCY JUDGESHIPS.

(a) SHORT TITLE.—This section may be cited as the "Bankruptcy Judgeship Act of 1998".

(b) TEMPORARY JUDGESHIPS.—

(1) APPOINTMENTS.—The following judgeship positions shall be filled in the manner prescribed in section 152(a)(1) of title 28, United States Code, for the appointment of bankruptcy judges provided for in section 152(a)(2) of such title:

(A) One additional bankruptcy judgeship for the eastern district of California.

(B) Four additional bankruptcy judgeships for the central district of California.

(C) One additional bankruptcy judgeship for the southern district of Florida.

(D) Two additional bankruptcy judgeships for the district of Maryland.

(E) One additional bankruptcy judgeship for the eastern district of Michigan.

(F) One additional bankruptcy judgeship for the southern district of Mississippi.

(G) One additional bankruptcy judgeship for the district of New Jersey.

(H) One additional bankruptcy judgeship for the eastern district of New York.

(I) One additional bankruptcy judgeship for the northern district of New York.

(J) One additional bankruptcy judgeship for the southern district of New York.

(K) One additional bankruptcy judgeship for the eastern district of Pennsylvania.

(L) One additional bankruptcy judgeship for the middle district of Pennsylvania.

(M) One additional bankruptcy judgeship for the western district of Tennessee.

(N) One additional bankruptcy judgeship for the eastern district of Virginia.

(2) VACANCIES.—The first vacancy occurring in the office of a bankruptcy judge in each of the judicial districts set forth in paragraph (1) that—

(A) results from the death, retirement, resignation, or removal of a bankruptcy judge; and

(B) occurs 5 years or more after the appointment date of a bankruptcy judge appointed under paragraph (1);

shall not be filled.

(c) EXTENSIONS.—

(1) IN GENERAL.—The temporary bankruptcy judgeship positions authorized for the northern district of Alabama, the district of Delaware, the district of Puerto Rico, the district of South Carolina, and the eastern district of Tennessee under section 3(a) (1), (3), (7), (8), and (9) of the Bankruptcy Judgeship Act of 1992 (28 U.S.C. 152 note) are extended until the first vacancy occurring in the office of a bankruptcy judge in the applicable district resulting from the death, retirement, resignation, or removal of a bankruptcy judge and occurring—

(A) 8 years or more after November 8, 1993, with respect to the northern district of Alabama;

(B) 10 years or more after October 28, 1993, with respect to the district of Delaware;

(C) 8 years or more after August 29, 1994, with respect to the district of Puerto Rico;

(D) 8 years or more after June 27, 1994, with respect to the district of South Carolina; and

(E) 8 years or more after November 23, 1993, with respect to the eastern district of Tennessee.

(2) APPLICABILITY OF OTHER PROVISIONS.—All other provisions of section 3 of the Bankruptcy Judgeship Act of 1992 remain applicable to such temporary judgeship position.

(d) TECHNICAL AMENDMENT.—The first sentence of section 152(a)(1) of title 28, United States Code, is amended to read as follows: "Each bankruptcy judge to be appointed for a judicial district as provided in paragraph (2) shall be appointed by the United States court of appeals for the circuit in which such district is located.".

(e) TRAVEL EXPENSES OF BANKRUPTCY JUDGES.—Section 156 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) In this subsection, the term 'travel expenses'—

"(A) means the expenses incurred by a bankruptcy judge for travel that is not directly related to any case assigned to such bankruptcy judge; and

"(B) shall not include the travel expenses of a bankruptcy judge if—

"(i) the payment for the travel expenses is paid by such bankruptcy judge from the personal funds of such bankruptcy judge; and

"(ii) such bankruptcy judge does not receive funds (including reimbursement) from the United States or any other person or entity for the payment of such travel expenses.

"(2) Each bankruptcy judge shall annually submit the information required under paragraph (3) to the chief bankruptcy judge for the district in which the bankruptcy judge is assigned.

"(3)(A) Each chief bankruptcy judge shall submit an annual report to the Director of the Administrative Office of the United States Courts on the travel expenses of each bankruptcy judge assigned to the applicable district (including the travel expenses of the chief bankruptcy judge of such district).

"(B) The annual report under this paragraph shall include—

"(i) the travel expenses of each bankruptcy judge, with the name of the bankruptcy judge to whom the travel expenses apply;

"(ii) a description of the subject matter and purpose of the travel relating to each travel expense identified under clause (i), with the name of the bankruptcy judge to whom the travel applies; and

"(iii) the number of days of each travel described under clause (ii), with the name of the bankruptcy judge to whom the travel applies.

"(4)(A) The Director of the Administrative Office of the United States Courts shall—

"(i) consolidate the reports submitted under paragraph (3) into a single report; and

"(ii) annually submit such consolidated report to Congress.

"(B) The consolidated report submitted under this paragraph shall include the specific information required under paragraph (3)(B), including the name of each bankruptcy judge with respect to clauses (i), (ii), and (iii) of paragraph (3)(B).".

SEC. 323. DEFINITION OF DOMESTIC SUPPORT OBLIGATION.

Section 101 of title 11, United States Code, as amended by section 321(g) of this Act, is amended—

(1) by striking paragraph (12A); and

(2) by inserting after paragraph (14) the following:

"(14A) 'domestic support obligation' means a debt that accrues before or after the entry of an order for relief under this title that is—

"(A) owed to or recoverable by—

"(i) a spouse, former spouse, or child of the debtor or that child's legal guardian; or

"(ii) a governmental unit;

"(B) in the nature of alimony, maintenance, or support (including assistance provided by a govermental unit) of such spouse, former spouse, or child, without regard to whether such debt is expressly so designated;

"(C) established or subject to establishment before or after entry of an order for relief under this title, by reason of applicable provisions of—

"(i) a separation agreement, divorce decree, or property settlement agreement;

"(ii) an order of a court of record; or

"(iii) a determination made in accordance with applicable nonbankruptcy law by a governmental unit; and

"(D) not assigned to a nongovernmental entity, unless that obligation is assigned voluntarily by the spouse, former spouse, child, or parent solely for the purpose of collecting the debt.".

SEC. 324. PRIORITIES FOR CLAIMS FOR DOMESTIC SUPPORT OBLIGATIONS.

Section 507(a) of title 11, United States Code, is amended—

(1) by striking paragraph (7);

(2) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively;

(3) in paragraph (2), as redesignated, by striking "First" and inserting "Second";

(4) in paragraph (3), as redesignated, by striking "Second" and inserting "Third";

(5) in paragraph (4), as redesignated, by striking "Third" and inserting "Fourth";

(6) in paragraph (5), as redesignated, by striking "Fourth" and inserting "Fifth";

(7) in paragraph (6), as redesignated, by striking "Fifth" and inserting "Sixth";

(8) in paragraph (7), as redesignated, by striking "Sixth" and inserting "Seventh"; and

(9) by inserting before paragraph (2), as redesignated, the following:

"(1) First, allowed claims for domestic support obligations to be paid in the following order on the condition that funds received under this paragraph by a governmental unit in a case under this title be applied:

"(A) Claims that, as of the date of entry of the order for relief, are owed directly to a spouse, former spouse, or child of the debtor, or the parent of such child, without regard to whether the claim is filed by the spouse, former spouse, child, or parent, or is filed by a governmental unit on behalf of that person.

"(B) Claims that, as of the date of entry of the order for relief, are assigned by a spouse, former spouse, child of the debtor, or the parent of that child to a governmental unit or are owed directly to a governmental unit under applicable nonbankruptcy law.".

SEC. 325. REQUIREMENTS TO OBTAIN CONFIRMATION AND DISCHARGE IN CASES INVOLVING DOMESTIC SUPPORT OBLIGATIONS.

Title 11, United States Code, is amended—

(1) in section 1129(a), by adding at the end the following:

"(14) If the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order or statute for such obligation that become payable after the date on which the petition is filed.";

(2) in section 1325(a)—

(A) in paragraph (5), by striking "and" at the end;

(B) in paragraph (6), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(7) if the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order for such obligation that become payable after the date on which the petition is filed."; and

(3) in section 1328(a), as amended by section 314 of this Act, in the matter preceding paragraph (1), by inserting ", and with respect to a debtor who is required by a judicial or administrative order to pay a domestic support obligation, certifies that all amounts payable under such order or statute that are due on or before the date of the certification (including amounts due before or after the petition was filed) have been paid" after "completion by the debtor of all payments under the plan".

SEC. 326. EXCEPTIONS TO AUTOMATIC STAY IN DOMESTIC SUPPORT OBLIGATION PROCEEDINGS.

Section 362(b) of title 11, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) under subsection (a)—

"(A) of the commencement or continuation of an action or proceeding for—

"(i) the establishment of paternity as a part of an effort to collect domestic support obligations; or

"(ii) the establishment or modification of an order for domestic support obligations; or

"(B) the collection of a domestic support obligation from property that is not property of the estate;";

(2) in paragraph (17), by striking "or" at the end;

(3) in paragraph (18), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(19) under subsection (a) with respect to the withholding of income pursuant to an order as specified in section 466(b) of the Social Security Act (42 U.S.C. 666(b)); or

"(20) under subsection (a) with respect to—

"(A) the withholding, suspension, or restriction of drivers' licenses, professional and occupational licenses, and recreational licenses pursuant to State law, as specified in section 466(a)(16) of the Social Security Act (42 U.S.C. 666(a)(16)) or with respect to the reporting of overdue support owed by an absent parent to any consumer reporting agency as specified in section 466(a)(7) of the Social Security Act (42 U.S.C. 666(a)(7));

"(B) the interception of tax refunds, as specified in sections 464 and 466(a)(3) of the Social Security Act (42 U.S.C. 664 and 666(a)(3)); or

"(C) the enforcement of medical obligations as specified under title IV of the Social Security Act (42 U.S.C. 601 et seq.).".

SEC. 327. NONDISCHARGEABILITY OF CERTAIN DEBTS FOR ALIMONY, MAINTENANCE, AND SUPPORT.

Section 523 of title 11, United States Code, as amended by section 202 of this Act, is amended—

(1) in subsection (a), by striking paragraph (5) and inserting the following:

"(5) for a domestic support obligation;";

(2) in subsection (c), by striking "(6), or (15)" and inserting "or (6)"; and

(3) in paragraph (15), by striking "governmental unit" and all through the end of the paragraph and inserting a semicolon.

SEC. 328. CONTINUED LIABILITY OF PROPERTY.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (c), by striking paragraph (1) and inserting the following:

"(1) a debt of a kind specified in paragraph (1) or (5) of section 523(a) (in which case, notwithstanding any provision of applicable nonbankruptcy law to the contrary, such property shall be liable for a debt of a kind specified in section 523(a)(5);"; and

(2) in subsection (f)(1)(A), by striking the dash and all that follows through the end of the subparagraph and inserting "of a kind that is specified in section 523(a)(5); or".

SEC. 329. PROTECTION OF DOMESTIC SUPPORT CLAIMS AGAINST PREFERENTIAL TRANSFER MOTIONS.

Section 547(c)(7) of title 11, United States Code, is amended to read as follows:

"(7) to the extent such transfer was a bona fide payment of a debt for a domestic support obligation; or".

SEC. 330. PROTECTION OF RETIREMENT SAVINGS IN BANKRUPTCY.

(a) IN GENERAL.—Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by striking "(2)(A) any property" and inserting:

"(3) Property listed in this paragraph is—

"(A) any property";

(ii) in subparagraph (A), by striking "and" at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following:

"(C) retirement funds to the extent that those funds are in a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986 and which has not been pledged or promised to any person in connection with any extension of credit.";

(B) by striking paragraph (1) and inserting:

"(2) Property listed in this paragraph is property that is specified under subsection (d) of this section, unless the State law that is applicable to the debtor under paragraph (3)(A) of this subsection specifically does not so authorize.";

(C) in the matter preceding paragraph (2)—

(i) by striking "(b)" and inserting "(b)(1)";

(ii) by striking "paragraph (2)" both places it appears and inserting "paragraph (3)";

(iii) by striking "paragraph (1)" each place it appears and inserting "paragraph (2)"; and

(iv) by striking "Such property is—"; and

(D) by adding at the end of the subsection the following:

"(4) For purposes of paragraph (3)(C), the following shall apply:

"(A) If the retirement funds are in a retirement fund that has received a favorable determination pursuant to section 7805 of the Internal Revenue Code of 1986, and that determination is in effect as of the date of the commencement of the case under section 301, 302, or 303, those funds shall be presumed to be exempt from the estate.

"(B) If the retirement funds are in a retirement fund that has not received a favorable determination pursuant to such section 7805, those funds are exempt from the estate if the debtor demonstrates that—

"(i) no prior determination to the contrary has been made by a court or the Internal Revenue Service; and

"(ii)(I) the retirement fund is in substantial compliance with the applicable requirements of the Internal Revenue Code of 1986; or

"(II) the retirement fund fails to be in substantial compliance with such applicable requirements, the debtor is not materially responsible for that failure.

"(C) A direct transfer of retirement funds from 1 fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986, pursuant to section 401(a)(31) of the Internal Revenue Code of 1986, or otherwise, shall not cease to qualify for exemption under paragraph (3)(C) by reason of that direct transfer.

"(D)(i) Any distribution that qualifies as an eligible rollover distribution within the meaning of section 402(c) of the Internal Revenue Code of 1986 or that is described in clause (ii) shall not cease to qualify for exemption under paragraph (3)(C) by reason of that distribution.

"(ii) A distribution described in this clause is an amount that—

"(I) has been distributed from a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986; and

"(II) to the extent allowed by law, is deposited in such a fund or account not later than 60 days after the distribution of that amount."; and

(2) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking "subsection (b)(1)" and inserting "subsection (b)(2)"; and

(B) by adding at the end the following:

"(12) Retirement funds to the extent that those funds are in a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, is amended—

(1) in paragraph (17), by striking "or" at the end;

(2) in paragraph (18), by striking the period and inserting "; or";

(3) by inserting after paragraph (18) the following:

"(19) under subsection (a), of withholding of income from a debtor's wages and collection of amounts withheld, pursuant to the debtor's agreement authorizing that withholding and collection for the benefit of a pension, profit-sharing, stock bonus, or other plan established under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986 that is sponsored by the employer of the debtor, or an affiliate, successor, or predecessor of such employer—

"(A) to the extent that the amounts withheld and collected are used solely for payments relating to a loan from a plan that satisfies the requirements of section 408(b)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(b)(1)); or

"(B) in the case of a loan from a thrift savings plan described in subchapter III of title 5, that satisfies the requirements of section 8433(g) of that title."; and

(4) by adding at the end of the flush material following paragraph (19) the following: "Paragraph (19) does not apply to any amount owed to a plan referred to in that paragraph that is incurred under a loan made during the 1-year period preceding the filing of a petition. Nothing in paragraph (19) may be construed to provide that any loan made under a governmental plan under section 414(d) of the Internal Revenue Code of 1986 constitutes a claim or a debt under this title.".

(c) EXCEPTIONS TO DISCHARGE.—Section 523(a) of title 11, United States Code, as amended by section 202, is amended—

(1) by striking "or" at the end of paragraph (17);

(2) by striking the period at the end of paragraph (18) and inserting "; or"; and

(3) by adding at the end the following:

"(19) owed to a pension, profit-sharing, stock bonus, or other plan established under section 401, 403, 408, 408A, 414, 457, or 501(c) of the Internal Revenue Code of 1986, pursuant to—

"(A) a loan permitted under section 408(b)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(b)(1)); or

"(B) a loan from the thrift savings plan described in subchapter III of title 5, that satisfies the requirements of section 8433(g) of that title.

Paragraph (19) does not apply to any amount owed to a plan referred to in that paragraph that is incurred under a loan made during the 1-year period preceding the filing of a petition. Nothing in paragraph (19) may be construed to provide that any loan made under a governmental plan under section 414(d) of the Internal Revenue Code of 1986 constitutes a claim or a debt under this title.".

(d) PLAN CONTENTS.—Section 1322 of title 11, United States Code, is amended by adding at the end the following:

"(f) A plan may not materially alter the terms of a loan described in section 362(b)(19).".

SEC. 331. ADDITIONAL AMENDMENTS TO TITLE 11, UNITED STATES CODE.

(a) Section 507(a) of title 11, United States Code, is amended by inserting after paragraph (9) the following:

"(10) Tenth, allowed claims for death or personal injuries resulting from the operation of a motor vehicle or vessel if such operation was unlawful because the debtor was intoxicated from using alcohol, a drug or another substance.".

(b) Section 523(a)(9) of title 11, United States Code, is amended by inserting "or vessel" after "vehicle".

SEC. 332. DEBT LIMIT INCREASE.

Section 104(b) of title 11, United States Code, is amended by adding at the end the following:

"(4) The dollar amount in section 101(18) shall be adjusted at the same times and in the same manner as the dollar amounts in paragraph (1) of this subsection, beginning with the adjustment to be made on April 1, 2001.".

SEC. 333. ELIMINATION OF REQUIREMENT THAT FAMILY FARMER AND SPOUSE RECEIVE OVER 50 PERCENT OF INCOME FROM FARMING OPERATION IN YEAR PRIOR TO BANKRUPTCY.

Section 101(18)(A) of title 11, United States Code, is amended by striking "the taxable year preceding the taxable year" and inserting "at least one of the three calendar years preceding the year".

SEC. 334. PROHIBITION OF RETROACTIVE ASSESSMENT OF DISPOSABLE INCOME.

(a) Section 1225(b) of title 11, United States Code, is amended by adding at the end the following:

"(3) If the plan provides for specific amounts of property to be distributed on account of allowed unsecured claims as required by paragraph (1)(B) of this subsection, those amounts equal or exceed the debtor's projected disposable income for that period, and the plan meets the requirements for confirmation other than those of this subsection, the plan shall be confirmed.

(b) Section 1229 of title 11, United States Code, is amended by adding at the end the following:

"(d)(1) A modification of the plan under this section may not increase the amount of payments that were due prior to the date of the order modifying the plan.

"(2) A modification of the plan under this section to increase payments based on an increase in the debtor's disposable income may not require payments to unsecured creditors in any particular month greater than the debtor's disposable income for that month unless the debtor proposes such a modification.

"(3) A modification of the plan in the last year of the plan shall not require payments that would leave the debtor with insufficient funds to carry on the farming operation after the plan is completed unless the debtor proposes such a modification.".

SEC. 335. AMENDMENT TO SECTION 1325 OF TITLE 11, UNITED STATES CODE.

Section 1325(b)(2) of title 11, United States Code, is amended by inserting after "received by the debtor", "(other than child support payments, foster care payments, or disability payments for a dependent child made in accordance with applicable nonbankruptcy law and which is reasonably necessary to be expended)".

SEC. 336. PROTECTION OF SAVINGS EARMARKED FOR THE POSTSECONDARY EDUCATION OF CHILDREN

Section 541(b) of title 11, United States Code, as amended by section 404 of this Act, is amended—

(1) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(2) by inserting after paragraph (6) the following:

"(7) except as otherwise provided under applicable State law, any funds placed in a qualified State tuition program (as described in section 529(b) of the Internal Revenue Code of 1986) at least 180 days before the date of entry of the order for relief; or

"(8) any funds placed in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) at least 180 days before the date of entry of the order for relief.".

TITLE IV—FINANCIAL INSTRUMENTS

SEC. 401. BANKRUPTCY CODE AMENDMENTS.

(a) DEFINITIONS OF SWAP AGREEMENT, SECURITIES CONTRACT, FORWARD CONTRACT, COMMODITY CONTRACT, AND REPURCHASE AGREEMENT.—Title 11, United States Code, is amended—

(1) in section 101—

(A) in paragraph (25)—

(i) by striking "means a contract" and inserting "means—

"(A) a contract";

(ii) by striking ", or any combination thereof or option thereon;" and inserting ", or any other similar agreement;"; and

(iii) by adding at the end the following new subparagraphs:

"(B) any combination of agreements or transactions referred to in subparagraphs (A) and (C);

"(C) any option to enter into any agreement or transaction referred to in subparagraph (A) or (B);

"(D) a master agreement that provides for an agreement or transaction referred to in subparagraph (A), (B) or (C), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this paragraph, except that the master agreement shall be considered to be a forward contract under this paragraph only with respect to each agreement or transaction under the master agreement that is referred to in subparagraph (A), (B) or (C); or

"(E) a security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subparagraph (A), (B), (C) or (D);";

(B) by amending paragraph (47) to read as follows:

"(47) the term 'repurchase agreement' (which definition also applies to a reverse repurchase agreement)—

"(A) means—

"(i) an agreement, including related terms, which provides for the transfer of 1 or more certificates of deposit, mortgage-related securities (as such term is defined in the Securities Exchange Act of 1934), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities or securities that are direct obligations of, or that are fully guaranteed as to principal and interest by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, loans or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptances, securities, loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds; or any other similar agreement; and

"(ii) any combination of agreements or transactions referred to in clauses (i) and (iii);

"(iii) any option to enter into any agreement or transaction referred to in clause (i) or (ii);

"(iv) a master agreement that provides for an agreement or transaction referred to in clauses (i), (ii) or (iii), together with all supplements, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this subparagraph, except that the master agreement shall be considered to be a repurchase agreement under this subparagraph only with respect to each agreement or transaction under the master agreement that is referred to in clause (i), (ii) or (iii); or

"(v) a security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in clauses (i), (ii), (iii) or (iv); and

“(B) does not include any repurchase obligation under a participation in a commercial mortgage loan,

and, for purposes of this paragraph, the term ‘qualified foreign government security’ means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development.”; and

(C) by amending paragraph (53B) to read as follows:

“(53B) the term ‘swap agreement’—

“(A) means—

“(i) any agreement, including the terms and conditions incorporated by reference in any such agreement, which is an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement;

“(ii) any agreement similar to any other agreement or transaction referred to in this subparagraph that—

“(I) is presently, or in the future becomes, regularly entered into in the swap agreement market (including terms and conditions incorporated by reference therein); and

“(II) is a forward, swap, future, or option on 1 or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, or economic indices or measures of economic risk or value;

“(iii) any combination of agreements or transactions referred to in this subparagraph;

“(iv) any option to enter into any agreement or transaction referred to in this subparagraph;

“(v) a master agreement that provides for an agreement or transaction referred to in clause (i), (ii), (iii), or (iv), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is described in any of such clause, except that the master agreement shall be considered to be a swap agreement only with respect to each agreement or transaction under the master agreement that is referred to in clause (i), (ii), (iii), or (iv); or

“(C) is applicable for purposes of this title only and shall not be construed or applied to challenge or affect the characterization, definition, or treatment of any swap agreement or any instrument defined as a swap agreement herein, under any other statute, regulation, or rule, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Investor Protection Act of 1970, the Commodity Exchange Act, and the regulations prescribed by the Securities and Exchange Commission or the Commodity Futures Trading Commission.”;

(2) by amending section 741(7) to read as follows:

“(7) the term ‘securities contract’—

“(A) means—

“(i) a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan or any interest in a mortgage loan, or a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, loan, interest, group or index or option;

“(ii) any option entered into on a national securities exchange relating to foreign currencies;

“(iii) the guarantee by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interest therein, or group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, loan, interest, group or index or option;

“(iv) any margin loan;

“(v) any other agreement or transaction that is similar to any agreement or transaction referred to in this subparagraph;

“(vi) any combination of the agreements or transactions referred to in this subparagraph;

“(vii) any option to enter into any agreement or transaction referred to in this subparagraph;

“(viii) a master agreement that provides for an agreement or transaction referred to in clause (i), (ii), (iii), (iv), (v), (vi), or (vii), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this subparagraph, except that the master agreement shall be considered to be a securities contract under this subparagraph only with respect to each agreement or transaction under the master agreement that is referred to in clause (i), (ii), (iii), (iv), (v), (vi), or (vii); and

“(ix) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this subparagraph; and

“(B) does not include any purchase, sale, or repurchase obligation under a participation in or servicing agreement for a commercial mortgage loan.”; and

(3) in section 761(4)—

(A) by striking “or” at the end of subparagraph (D); and

(B) by adding at the end the following new subparagraphs:

“(F) any other agreement or transaction that is similar to any agreement or transaction referred to in this paragraph;

“(G) any combination of the agreements or transactions referred to in this paragraph;

“(H) any option to enter into any agreement or transaction referred to in this paragraph;

“(I) a master agreement that provides for an agreement or transaction referred to in subparagraph (A), (B), (C), (D), (E), (F), (G) or (H), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this paragraph, except that the master agreement shall be considered to be a commodity contract under this paragraph only with respect to each agreement or transaction under the master agreement that is referred to in subparagraph (A), (B), (C), (D), (E), (F), (G) or (H); or

“(J) a security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this paragraph;”.

(b) Definitions of Financial Institution, Financial Participant, and Forward Contract Merchant.—Section 101 of title 11, United States Code, is amended—

(1) by amending paragraph (22) to read as follows:

“(22) the term ‘financial institution’ means a Federal reserve bank, or a person that is a commercial or savings bank, industrial savings bank, savings and loan association, trust company, or receiver or conservator for such person and, when any such Federal reserve bank, receiver, or conservator or person acting as agent or custodian for a customer in connection with a securities contract, as defined in section 741(7) of this title, such customer;”;

(2) by inserting after paragraph (22) the following new paragraph:

“(22A) the term ‘financial participant’ means any entity that, at the time it enters into a securities contract, commodity contract or forward contract, or at the time of the filing of the petition, has 1 or more agreements or transactions that is described in section 561(a)(2) with the debtor or any other entity (other than an affiliate) of a total gross dollar value of at least $1,000,000,000 in notional or actual principal amount outstanding on any day during the previous 15-month period, or has gross mark-to-market positions of at least $100,000,000 (aggregated across counterparties) in 1 or more such agreements or transactions with the debtor or any other entity (other than an affiliate) on any day during the previous 15-month period;”; and

(3) by amending paragraph (26) to read as follows:

“(26) the term ‘forward contract merchant’ means a Federal reserve bank, or a person whose business consists in whole or in part of entering into forward contracts as or with merchants or in a commodity, as defined or in section 761(8) of this title, or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing or in the forward contract trade;”.

(c) Definition of Master Netting Agreement and Master Netting Agreement Participant.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (38) the following new paragraphs:

“(38A) the term ‘master netting agreement’ means an agreement providing for the exercise of rights, including rights of netting, setoff, liquidation, termination, acceleration, or closeout, under or in connection with 1 or more contracts that are described in any 1 or more of paragraphs (1) through (5) of section 561(a), or any security agreement or arrangement or other credit enhancement related to 1 or more of the foregoing. If a master netting agreement contains provisions relating to agreements or transactions that are not contracts described in paragraphs (1) through (5) of section 561(a), the master netting agreement shall be deemed to be a master netting agreement only with respect to those agreements or transactions that are described in any 1 or more of the paragraphs (1) through (5) of section 561(a);

“(38B) the term ‘master netting agreement participant’ means an entity that, at any time before the filing of the petition, is a party to an outstanding master netting agreement with the debtor;”.

(d) Swap Agreements, Securities Contracts, Commodity Contracts, Forward

Contracts, Repurchase Agreements, and Master Netting Agreements Under the Automatic-Stay.—

(1) In general.—Section 362(b) of title 11, United States Code, is amended—

(A) in paragraph (6), by inserting ", pledged to, and under the control of," after "held by";

(B) in paragraph (7), by inserting ", pledged to, and under the control of," after "held by";

(C) by amending paragraph (17) to read as follows:

"(17) under subsection (a), of the setoff by a swap participant of any mutual debt and claim under or in connection with 1 or more swap agreements that constitute the setoff of a claim against the debtor for any payment due from the debtor under or in connection with any swap agreement against any payment due to the debtor from the swap participant under or in connection with any swap agreement or against cash, securities, or other property of the debtor held by, pledged to, and under the control of, or due from such swap participant to guarantee, secure, or settle any swap agreement;";

(D) in paragraph (20), by striking "or" at the end;

(E) in paragraph (21), by striking the period and inserting "; or"; and

(F) by inserting after paragraph (18) the following new paragraph:

"(22) under subsection (a), of the setoff by a master netting agreement participant of a mutual debt and claim under or in connection with 1 or more master netting agreements to the extent such participant could offset the claim under paragraph (6), (7), or (17) for each individual contract covered by the master netting agreement in issue.".

(2) Limitation.—Section 362 of title 11, United States Code, is amended by adding at the end the following new subsection:

"(i) Limitation.—The exercise of rights not subject to the stay arising under subsection (a) pursuant to paragraph (6), (7), (17), or (22) of subsection (b) shall not be stayed by any order of a court or administrative agency in any proceeding under this title.".

(e) Limitation of Avoidance Powers Under Master Netting Agreement.—Section 546 of title 11, United States Code, is amended—

(1) in subsection (g) (as added by section 103 of Public Law 101-311)—

(A) by striking "under a swap agreement";

(B) by striking "in connection with a swap agreement" and inserting "under or in connection with any swap agreement";

(2) by redesignating subsection (g) (as added by section 222(a) of Public Law 103-394) as subsection (i); and

(3) by inserting before subsection (i) (as redesignated) the following new subsection:

"(h) Notwithstanding sections 544, 545, 547, 548(a)(2), and 548(b) of this title, to the extent that under subsection (e), (f), or (g), the trustee may not avoid a transfer made by or to a master netting agreement participant under or in connection with each individual contract covered by any master netting agreement that is made before the commencement of the case, the trustee may not avoid a transfer made by or to such master netting agreement participant under or in connection with the master netting agreement in issue, except under section 548(a)(1) of this title.".

(f) Fraudulent Transfers of Master Netting Agreements.—Section 548(d)(2) of title 11, United States Code, is amended—

(1) in subparagraph (C), by striking "and";

(2) in subparagraph (D), by striking the period and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) a master netting agreement participant that receives a transfer in connection with a master netting agreement takes for value to the extent of such transfer, but only to the extent that such participant would take for value under paragraph (B), (C), or (D) for each individual contract covered by the master netting agreement in issue.".

(g) Termination or Acceleration of Securities Contracts.—Section 555 of title 11, United States Code, is amended—

(1) by amending the section heading to read "**Contractual right to liquidate, terminate, or accelerate a securities contract**"; and

(2) in the first sentence, by striking "liquidation" and inserting "liquidation, termination, or acceleration".

(h) Termination or Acceleration of Commodities or Forward Contracts.—Section 556 of title 11, United States Code, is amended—

(1) by amending the section heading to read "**Contractual right to liquidate, terminate, or accelerate a commodities contract or forward contract**"; and

(2) in the first sentence, by striking "liquidation" and inserting "liquidation, termination, or acceleration".

(i) Termination or Acceleration of Repurchase Agreements.—Section 559 of title 11, United States Code, is amended—

(1) by amending the section heading to read "**Contractual right to liquidate, terminate, or accelerate a repurchase agreement**"; and

(2) in the first sentence, by striking "liquidation" and inserting "liquidation, termination, or acceleration".

(j) Liquidation, Termination, or Acceleration of Swap Agreements.—Section 560 of title 11, United States Code, is amended—

(1) by amending the section heading to read "**Contractual right to liquidate, terminate, or accelerate a swap agreement**"; and

(2) in the first sentence, by striking "termination of a swap agreement" and inserting "liquidation, termination, or acceleration of 1 or more swap agreements"; and

(3) by striking "in connection with any swap agreement" and inserting "in connection with the termination, liquidation, or acceleration of 1 or more swap agreements".

(k) Liquidation, Termination, Acceleration, or Offset Under a Master Netting Agreement and Across Contracts.—Title 11, United States Code, is amended by inserting after section 560 the following new section:

"§ 561. Contractual right to terminate, liquidate, accelerate, or offset under a master netting agreement and across contracts

"(a) In General.—Subject to subsection (b), the exercise of any contractual right, because of a condition of the kind specified in section 365(e)(1), to cause the termination, liquidation, or acceleration of or to offset, or net termination values, payment amounts or other transfer obligations arising under or in connection with the termination, liquidation, or acceleration of 1 or more—

"(1) securities contracts, as defined in section 741(7);

"(2) commodity contracts, as defined in section 761(4);

"(3) forward contracts;

"(4) repurchase agreements;

"(5) swap agreements; or

"(6) master netting agreements,

shall not be stayed, avoided, or otherwise limited by operation of any provision of this title or by any order of a court or administrative agency in any proceeding under this title.

"(b) Exception.—

"(1) A party may exercise a contractual right described in subsection (a) to terminate, liquidate, or accelerate only to the extent that such party could exercise such a right under section 555, 556, 559, or 560 for each individual contract covered by the master netting agreement in issue.

"(2)(A) A party may not exercise a contractual right described in subsection (a) to offset or to net obligations arising under, or in connection with, a commodity contract against obligations arising under, or in connection with, any instrument listed in subsection (a) if the obligations are not mutual.

"(B) If a debtor is a commodity broker subject to subchapter IV of chapter 7 of this title, a party may not net or offset an obligation to the debtor arising under, or in connection with, a commodity contract against any claim arising under, or in connection with, other instruments listed in subsection (a) if the party has no positive net equity in the commodity account at the debtor, as calculated under subchapter IV.

"(c) Definition.—As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a national securities exchange, a national securities association, or a securities clearing agency, a right set forth in a bylaw of a clearing organization or contract market or in a resolution of the governing board thereof, and a right whether or not evidenced in writing arising under common law, under law merchant, or by reason of normal business practice.".

(l) Municipal Bankruptcies.—Section 901 of title 11, United States Code, is amended—

(1) by inserting ", 555, 556" after "553"; and

(2) by inserting ", 559, 560, 561, 562" after "557".

(m) Ancillary Proceedings.—Section 304 of title 11, United States Code, is amended by adding at the end the following new subsection:

"(d) Any provisions of this title relating to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, or master netting agreements shall apply in a case ancillary to a foreign proceeding under this section or any other section of this title so that enforcement of contractual provisions of such contracts and agreements in accordance with their terms will not be stayed or otherwise limited by operation of any provision of this title or by order of a court in any proceeding under this title, and to limit avoidance powers to the same extent as in a proceeding under chapter 7 or 11 of this title (such enforcement not to be limited based on the presence or absence of assets of the debtor in the United States).".

(n) Commodity Broker Liquidations.—Title 11, United States Code, is amended by inserting after section 766 the following new section:

"§ 767. Commodity broker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, securities clearing agencies, swap participants, repo participants, and master netting agreement participants

"Notwithstanding any other provision of this title, the exercise of rights by a forward contract merchant, commodity broker, stockbroker, financial institution, securities clearing agency, swap participant, repo participant, or master netting agreement participant under this title shall not affect the priority of any unsecured claim it may have after the exercise of such rights or affect the provisions of this subchapter IV regarding customer property or distributions.".

(o) STOCKBROKER LIQUIDATIONS.—Title 11, United States Code, is amended by inserting after section 752 the following new section:

"§ 753. Stockbroker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, securities clearing agencies, swap participants, repo participants, and master netting agreement participants

"Notwithstanding any other provision of this title, the exercise of rights by a forward contract merchant, commodity broker, stockbroker, financial institution, securities clearing agency, swap participant, repo participant, or master netting agreement participant under this title shall not affect the priority of any unsecured claim it may have after the exercise of rights or affect the provisions of this subchapter regarding customer property or distributions.".

(p) SETOFF.—Section 553 of title 11, United States Code, is amended—

(1) in subsection (a)(3)(C), by inserting "(except for a setoff of a kind described in section 362(b)(6), 362(b)(7), 362(b)(17), 555, 556, 559, 560, or 561 of this title)" before the period; and

(2) in subsection (b)(1), by striking "362(b)(14)," and inserting "362(b)(17), 555, 556, 559, 560, 561".

(q) SECURITIES CONTRACTS, COMMODITY CONTRACTS, AND FORWARD CONTRACTS.—Title 11, United States Code, is amended—

(1) in section 362(b)(6), by striking "financial institutions," each place such term appears and inserting "financial institution, financial participant";

(2) in section 546(e), by inserting "financial participant" after "financial institution,";

(3) in section 548(d)(2)(B), by inserting "financial participant" after "financial institution,";

(4) in section 555—

(A) by inserting "financial participant" after "financial institution,"; and

(B) by inserting before the period ", a right set forth in a bylaw of a clearing organization or contract market or in a resolution of the governing board thereof, and a right, whether or not in writing, arising under common law, under law merchant, or by reason of normal business practice"; and

(5) in section 556, by inserting ", financial participant" after "commodity broker".

(r) TECHNICAL AND CONFORMING AMENDMENT.—Section 104 of title 11, United States Code, is amended by adding at the end the following new subsection:

"(c) EXCEPTION FOR CERTAIN DEFINED TERMS.—No adjustments shall be made under this section to the dollar amounts set forth in the definition of the term 'financial participant' in section 101(22A).".

SEC. 402. RECORDKEEPING REQUIREMENTS.

Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended by adding at the end the following new subparagraph:

SEC. 403. DAMAGE MEASURE.

(a) Title 11, United States Code, is amended by inserting after section 561 (as added by section 7(k)) the following new section:

"§ 561. Damage measure in connection with swap agreements, securities contracts, forward contracts, commodity contracts, repurchase agreements, or master netting agreements

"If the trustee rejects a swap agreement, securities contract as defined in section 741 of this title, forward contract, repurchase agreement, or master netting agreement pursuant to section 365(a) of this title, or if a forward contract merchant, stockbroker, financial institution, securities clearing agency, repo participant, master netting agreement participant, or swap participant liquidates, terminates, or accelerates any such contract or agreement, damages shall be measured as of the earlier of—

"(1) the date of such rejection; or

"(2) the date of such liquidation, termination, or acceleration.".

(b) CLAIMS ARISING FROM REJECTION.—Section 502(g) of title 11, United States Code, is amended—

(1) by designating the existing text as paragraph (1); and

(2) by adding at the end the following new paragraph:

"(2) A claim for damages calculated in accordance with section 562 of this title shall be allowed under subsection (a), (b), or (c) of this section or disallowed under subsection (d) or (e) of this section as if such claim had arisen before the date of the filing of the petition.".

SEC. 404. ASSET-BACKED SECURITIZATIONS.

Section 541 of title 11, United States Code, is amended—

(1) in subsection (b), by striking "or" at the end of paragraph (4);

(2) by redesignating paragraph (5) of subsection (b) as paragraph (6);

(3) by inserting after paragraph (4) of subsection (b) the following new paragraph:

"(5) any eligible asset (or proceeds thereof), to the extent that such eligible asset was transferred by the debtor, before the date of commencement of the case, to an eligible entity in connection with an asset-backed securitization, except to the extent such asset (or proceeds or value thereof) may be recovered by the trustee under section 550 by virtue of avoidance under section 548(a); or"; and

(4) by adding at the end the following new subsection:

"(e) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) ASSET-BACKED SECURITIZATION.—The term 'asset-backed securitization' means a transaction in which eligible assets transferred to an eligible entity are used as the source of payment on securities, the most senior of which are rated investment grade by 1 or more nationally recognized securities rating organizations, issued by an issuer;

"(2) ELIGIBLE ASSET.—The term 'eligible asset' means—

"(A) financial assets (including interests therein and proceeds thereof), either fixed or revolving, including residential and commercial mortgage loans, consumer receivables, trade receivables, and lease receivables, that, by their terms, convert into cash within a finite time period, plus any rights or other assets designed to assure the servicing or timely distribution of proceeds to security holders;

"(B) cash; and

"(C) securities.

"(3) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an issuer; or

"(B) a trust, corporation, partnership, or other entity engaged exclusively in the business of acquiring and transferring eligible assets directly or indirectly to an issuer and taking actions ancillary thereto;

"(4) ISSUER.—The term 'issuer' means a trust, corporation, partnership, or other entity engaged exclusively in the business of acquiring and holding eligible assets, issuing securities backed by eligible assets, and taking actions ancillary thereto.

"(5) TRANSFERRED.—The term 'transferred' means the debtor, pursuant to a written agreement, represented and warranted that eligible assets were sold, contributed, or otherwise conveyed with the intention of removing them from the estate of the debtor pursuant to subsection (b)(5), irrespective, without limitation of—

"(A) whether the debtor directly or indirectly obtained or held an interest in the issuer or in any securities issued by the issuer;

"(B) whether the debtor had an obligation to repurchase or to service or supervise the servicing of all or any portion of such eligible assets; or

"(C) the characterization of such sale, contribution, or other conveyance for tax, accounting, regulatory reporting, or other purposes.".

SEC. 405. PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.

Section 106 of the Truth in Lending Act (15 U.S.C. 1605) is amended by adding at the end the following:

"(g) PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.—A creditor may not, solely because a consumer has not incurred finance charges in connection with an extension of credit—

"(1) refuse to renew or continue to offer the extension of credit to that consumer; or

"(2) charge a fee to that consumer in lieu of a finance charge.".

SEC. 406. FEES ARISING FROM CERTAIN OWNERSHIP INTERESTS.

Section 523(a)(16) of title 11, United States Code, is amended—

(1) by striking "dwelling" the first place it appears;

(2) by striking "ownership or" and inserting "ownership,";

(3) by striking "housing" the first place it appears; and

(4) by striking "but only" and all that follows through "such period,", and inserting "or a lot in a homeowners association, for as long as the debtor or the trustee has a legal, equitable, or possessory ownership interest in such unit, such corporation, or such lot,".

SEC. 407. BANKRUPTCY FEES.

Section 1930 of title 28, United States Code, is amended—

(1) in subsection (a), by striking "Notwithstanding section 1915 of this title, the parties" and inserting "Subject to subsection (f), the parties"; and

(2) by adding at the end the following:

"(f)(1) The Judicial Conference of the United States shall prescribe procedures for waiving fees under this subsection.

"(2) Under the procedures described in paragraph (1), the district court or the bankruptcy court may waive a filing fee described in paragraph (3) for a case commenced under chapter 7 of title 11 if the court determines that an individual debtor is unable to pay that fee in installments.

"(3) A filing fee referred to in paragraph (2) is—

"(A) a filing fee under subsection (a)(1); or

"(B) any other fee prescribed by the Judicial Conference of the United States under subsection (b) that is payable to the clerk of the district court or the clerk of the bankruptcy court upon the commencement of a case under chapter 7 of title 11.

"(4) In addition to waiving a fee described in paragraph (3) under paragraph (2), the district court or the bankruptcy court may waive any other fee prescribed under subsection (b) or (c) if the court determines that the individual is unable to pay that fee in installments.".

SEC. 408. APPLICABILITY.

The amendments made by this title shall apply with respect to cases commenced or appointments made under any Federal or State law after the date of enactment of this Act.

TITLE V—ANCILLARY AND OTHER CROSS-BORDER CASES

SEC. 501. AMENDMENT TO ADD A CHAPTER 6 TO TITLE 11, UNITED STATES CODE.

(a) IN GENERAL.—Title 11, United States Code, is amended by inserting after chapter 5 the following:

"CHAPTER 6—ANCILLARY AND OTHER CROSS-BORDER CASES

"Sec.

"601. Purpose and scope of application.

"SUBCHAPTER I—GENERAL PROVISIONS

"602. Definitions.
"603. International obligations of the United States.
"604. Commencement of ancillary case.
"605. Authorization to act in a foreign country.
"606. Public policy exception.
"607. Additional assistance.
"608. Interpretation.

"SUBCHAPTER II—ACCESS OF FOREIGN REPRESENTATIVES AND CREDITORS TO THE COURT

"609. Right of direct access.
"610. Limited jurisdiction.
"611. Commencement of bankruptcy case under section 301 or 303.
"612. Participation of a foreign representative in a case under this title.
"613. Access of foreign creditors to a case under this title.
"614. Notification to foreign creditors concerning a case under this title.

"SUBCHAPTER III—RECOGNITION OF A FOREIGN PROCEEDING AND RELIEF

"615. Application for recognition of a foreign proceeding.
"616. Presumptions concerning recognition.
"617. Order recognizing a foreign proceeding.
"618. Subsequent information.
"619. Relief that may be granted upon petition for recognition of a foreign proceeding.
"620. Effects of recognition of a foreign main proceeding.
"621. Relief that may be granted upon recognition of a foreign proceeding.
"622. Protection of creditors and other interested persons.
"623. Actions to avoid acts detrimental to creditors.
"624. Intervention by a foreign representative.

"SUBCHAPTER IV—COOPERATION WITH FOREIGN COURTS AND FOREIGN REPRESENTATIVES

"625. Cooperation and direct communication between the court and foreign courts or foreign representatives.
"626. Cooperation and direct communication between the trustee and foreign courts or foreign representatives.
"627. Forms of cooperation.

"SUBCHAPTER V—CONCURRENT PROCEEDINGS

"628. Commencement of a case under this title after recognition of a foreign main proceeding.
"629. Coordination of a case under this title and a foreign proceeding.
"630. Coordination of more than 1 foreign proceeding.
"631. Presumption of insolvency based on recognition of a foreign main proceeding.
"632. Rule of payment in concurrent proceedings.

"§ 601. Purpose and scope of application

"(a) The purpose of this chapter is to incorporate the Model Law on Cross-Border Insolvency so as to provide effective mechanisms for dealing with cases of cross-border insolvency with the objectives of—

"(1) cooperation between—

"(A) United States courts, United States Trustees, trustees, examiners, debtors, and debtors in possession; and

"(B) the courts and other competent authorities of foreign countries involved in cross-border insolvency cases;

"(2) greater legal certainty for trade and investment;

"(3) fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested entities, including the debtor;

"(4) protection and maximization of the value of the debtor's assets; and

"(5) facilitation of the rescue of financially troubled businesses, thereby protecting investment and preserving employment.

"(b) This chapter applies where—

"(1) assistance is sought in the United States by a foreign court or a foreign representative in connection with a foreign proceeding;

"(2) assistance is sought in a foreign country in connection with a case under this title;

"(3) a foreign proceeding and a case under this title with respect to the same debtor are taking place concurrently; or

"(4) creditors or other interested persons in a foreign country have an interest in requesting the commencement of, or participating in, a case or proceeding under this title.

"(c) This chapter does not apply to—

"(1) a proceeding concerning an entity identified by exclusion in subsection 109(b); or

"(2) a natural person or a natural person and that person's spouse who have debts within the limits specified in under section 109(e) and who are citizens of the United States or aliens lawfully admitted for permanent residence in the United States.

"SUBCHAPTER I—GENERAL PROVISIONS

"§ 602. Definitions

"For the purposes of this chapter, the term—

"(1) 'debtor' means an entity that is the subject of a foreign proceeding;

"(2) 'establishment' means any place of operations where the debtor carries out a nontransitory economic activity;

"(3) 'foreign court' means a judicial or other authority competent to control or supervise a foreign proceeding;

"(4) 'foreign main proceeding' means a foreign proceeding taking place in the country where the debtor has the center of its main interests;

"(5) 'foreign nonmain proceeding' means a foreign proceeding, other than a foreign main proceeding, taking place in a country where the debtor has an establishment;

"(6) 'trustee' includes a trustee, a debtor in possession in a case under any chapter of this title, or a debtor under chapters 9 or 13 of this title; and

"(7) 'within the territorial jurisdiction of the United States' when used with reference to property of a debtor refers to tangible property located within the territory of the United States and intangible property deemed to be located within that territory, including any property that may properly be seized or garnished by an action in a Federal or State court in the United States.

"§ 603. International obligations of the United States

"To the extent that this chapter conflicts with an obligation of the United States arising out of any treaty or other form of agreement to which it is a party with 1 or more other countries, the requirements of the treaty or agreement prevail.

"§ 604. Commencement of ancillary case

"A case under this chapter is commenced by the filing of a petition for recognition of a foreign proceeding under section 615.

"§ 605. Authorization to act in a foreign country

"A trustee or another entity designated by the court may be authorized by the court to act in a foreign country on behalf of an estate created under section 541. An entity authorized to act under this section may act in any way permitted by the applicable foreign law.

"§ 606. Public policy exception

"Nothing in this chapter prevents the court from refusing to take an action governed by this chapter if the action would be manifestly contrary to the public policy of the United States.

"§ 607. Additional assistance

"(a) Nothing in this chapter limits the power of the court, upon recognition of a foreign proceeding, to provide additional assistance to a foreign representative under this title or under other laws of the United States.

"(b) In determining whether to provide additional assistance under this title or under other laws of the United States, the court shall consider whether such additional assistance, consistent with the principles of comity, will reasonably assure—

"(1) just treatment of all holders of claims against or interests in the debtor's property;

"(2) protection of claim holders in the United States against prejudice and inconvenience in the processing of claims in such foreign proceeding;

"(3) prevention of preferential or fraudulent dispositions of property of the debtor;

"(4) distribution of proceeds of the debtor's property substantially in accordance with the order prescribed by this title; and

"(5) if appropriate, the provision of an opportunity for a fresh start for the individual that such foreign proceeding concerns.

"§ 608. Interpretation

"In interpreting this chapter, the court shall consider its international origin, and the need to promote an application of this chapter that is consistent with the application of similar statutes adopted by foreign jurisdictions.

"SUBCHAPTER II—ACCESS OF FOREIGN REPRESENTATIVES AND CREDITORS TO THE COURT

"§ 609. Right of direct access

"(a) A foreign representative is entitled to commence a case under section 604 by filing a petition for recognition under section 615, and upon recognition, to apply directly to other Federal and State courts for appropriate relief in those courts.

"(b) Upon recognition, and subject to section 610, a foreign representative has the capacity to sue and be sued.

"(c) Recognition under this chapter is prerequisite to the granting of comity or cooperation to a foreign proceeding in any

State or Federal court in the United States. Any request for comity or cooperation in any court shall be accompanied by a sworn statement setting forth whether recognition under section 615 has been sought and the status of any such petition.

"(d) Upon denial of recognition under this chapter, the court may issue appropriate orders necessary to prevent an attempt to obtain comity or cooperation from courts in the United States without such recognition.

"§610. Limited jurisdiction

"The sole fact that a foreign representative files a petition under sections 604 and 615 does not subject the foreign representative to the jurisdiction of any court in the United States for any other purpose.

"§611. Commencement of bankruptcy case under section 301 or 303

"(a) Upon filing a petition for recognition, a foreign representative may commence—

"(1) an involuntary case under section 303; or

"(2) a voluntary case under section 301 or 302, if the foreign proceeding is a foreign main proceeding.

"(b) The petition commencing a case under subsection (a) of this section must be accompanied by a statement describing the petition for recognition and its current status. The court where the petition for recognition has been filed must be advised of the foreign representative's intent to commence a case under subsection (a) of this section prior to such commencement.

"(c) A case under subsection (a) shall be dismissed unless recognition is granted.

"§612. Participation of a foreign representative in a case under this title

"Upon recognition of a foreign proceeding, the foreign representative in that proceeding is entitled to participate as a party in interest in a case regarding the debtor under this title.

"§613. Access of foreign creditors to a case under this title

"(a) Foreign creditors have the same rights regarding the commencement of, and participation in, a case under this title as domestic creditors.

"(b)(1) Subsection (a) of this section does not change or codify law in effect on the date of enactment of this chapter as to the priority of claims under section 507 or 726, except that the claim of a foreign creditor under those sections shall not be given a lower priority than the class of general unsecured claims without priority solely because the holder of such claim is a foreign creditor.

"(2)(A) Subsection (a) of this section and paragraph (1) of this subsection do not change or codify law in effect on the date of enactment of this chapter as to the allowability of foreign revenue claims or other foreign public law claims in a proceeding under this title.

"(B) Allowance and priority as to a foreign tax claim or other foreign public law claim shall be governed by any applicable tax treaty of the United States, under the conditions and circumstances specified therein.

"§614. Notification to foreign creditors concerning a case under this title

"(a) Whenever in a case under this title, notice is to be given to creditors generally or to any class or category of creditors, such notice shall also be given to the known creditors generally, or to creditors in the notified class or category, that do not have addresses in the United States. The court may order that appropriate steps be taken with a view to notifying any creditor whose address is not yet known.

"(b) The notification to creditors with foreign addresses described in subsection (a) shall be given individually, unless the court considers that, under the circumstances, some other form of notification would be more appropriate. No letters rogatory or other similar formality is required.

"(c) When a notification of commencement of a case is to be given to foreign creditors, the notification shall—

"(1) indicate the time period for filing proofs of claim and specify the place for their filing;

"(2) indicate whether secured creditors need to file their proofs of claim; and

"(3) contain any other information required to be included in such a notification to creditors pursuant to this title and the orders of the court.

"(d) Any rule of procedure or order of the court as to notice or the filing of a claim shall provide such additional time to creditors with foreign addresses as is reasonable under the circumstances.

"SUBCHAPTER III—RECOGNITION OF A FOREIGN PROCEEDING AND RELIEF

"§615. Application for recognition of a foreign proceeding

"(a) A foreign representative applies to the court for recognition of the foreign proceeding in which the foreign representative has been appointed by filing a petition for recognition.

"(b) A petition for recognition shall be accompanied by—

"(1) a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative;

"(2) a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or

"(3) in the absence of evidence referred to in paragraphs (1) and (2), any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative.

"(c) A petition for recognition shall also be accompanied by a statement identifying all foreign proceedings with respect to the debtor that are known to the foreign representative.

"(d) The documents referred to in paragraphs (1) and (2) of subsection (b) must be translated into English. The court may require a translation into English of additional documents.

"§616. Presumptions concerning recognition

"(a) If the decision or certificate referred to in section 615(b) indicates that the foreign proceeding is a foreign proceeding within the meaning of section 101(23) and that the person or body is a foreign representative within the meaning of section 101(24), the court is entitled to so presume.

"(b) The court is entitled to presume that documents submitted in support of the petition for recognition are authentic, whether the documents have been subjected to legal processing under applicable law.

"(c) In the absence of evidence to the contrary, the debtor's registered office, or habitual residence in the case of an individual, is presumed to be the center of the debtor's main interests.

"§617. Order recognizing a foreign proceeding

"(a) Subject to section 606, an order recognizing a foreign proceeding shall be entered if—

"(1) the foreign proceeding is a foreign main proceeding or foreign nonmain proceeding within the meaning of section 602 and is a foreign proceeding within the meaning of section 101(23);

"(2) the person or body applying for recognition is a foreign representative within the meaning of section 101(24); and

"(3) the petition meets the requirements of section 615.

"(b) The foreign proceeding shall be recognized—

"(1) as a foreign main proceeding if it is taking place in the country where the debtor has the center of its main interests; or

"(2) as a foreign nonmain proceeding if the debtor has an establishment within the meaning of section 602 in the foreign country where the proceeding is pending.

"(c) A petition for recognition of a foreign proceeding shall be decided upon at the earliest possible time. Entry of an order recognizing a foreign proceeding shall constitute recognition under this chapter.

"(d) The provisions of this subchapter do not prevent modification or termination of recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist, but in considering such action the court shall give due weight to possible prejudice to parties that have relied upon the granting of recognition. The foreign proceeding may be closed in the manner prescribed for a case under section 350.

"§618. Subsequent information

"From the time of filing the petition for recognition of the foreign proceeding, the foreign representative shall file with the court promptly a notice of change of status concerning—

"(1) any substantial change in the status of the foreign proceeding or the status of the foreign representative's appointment; and

"(2) any other foreign proceeding regarding the debtor that becomes known to the foreign representative.

"§619. Relief that may be granted upon petition for recognition of a foreign proceeding

"(a) From the time of filing a petition for recognition until the petition is decided upon, the court may, at the request of the foreign representative, where relief is urgently needed to protect the assets of the debtor or the interests of the creditors, grant relief of a provisional nature, including—

"(1) staying execution against the debtor's assets;

"(2) entrusting the administration or realization of all or part of the debtor's assets located in the United States to the foreign representative or another person designated by the court, including an examiner, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy; and

"(3) any relief referred to in paragraph (3), (4), or (7) of section 621(a).

"(b) Unless extended under section 621(a)(6), the relief granted under this section terminates when the petition for recognition is decided upon.

"(c) It is a ground for denial of relief under this section that such relief would interfere with the administration of a foreign main proceeding.

"(d) The court may not enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding, under this section.

"(e) The standards, procedures, and limitations applicable to an injunction shall apply to relief under this section.

"§620. Effects of recognition of a foreign main proceeding

"(a) Upon recognition of a foreign proceeding that is a foreign main proceeding—

"(1) section 362 applies with respect to the debtor and that property of the debtor that is within the territorial jurisdiction of the United States; and

"(2) transfer, encumbrance, or any other disposition of an interest of the debtor in property within the territorial jurisdiction of the United States is restrained as and to the extent that is provided for property of an estate under sections 363, 549, and 552.

Unless the court orders otherwise, the foreign representative may operate the debtor's business and may exercise the powers of a trustee under section 549, subject to sections 363 and 552.

"(b) The scope, and the modification or termination, of the stay and restraints referred to in subsection (a) of this section are subject to the exceptions and limitations provided in subsections (b), (c), and (d) of section 362, subsections (b) and (c) of section 363, and sections 552, 555 through 557, 559, and 560.

"(c) Subsection (a) of this section does not affect the right to commence individual actions or proceedings in a foreign country to the extent necessary to preserve a claim against the debtor.

"(d) Subsection (a) of this section does not affect the right of a foreign representative or an entity to file a petition commencing a case under this title or the right of any party to file claims or take other proper actions in such a case.

"§ 621. Relief that may be granted upon recognition of a foreign proceeding

"(a) Upon recognition of a foreign proceeding, whether main or nonmain, where necessary to effectuate the purpose of this chapter and to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including—

"(1) staying the commencement or continuation of individual actions or individual proceedings concerning the debtor's assets, rights, obligations or liabilities to the extent they have not been stayed under section 620(a);

"(2) staying execution against the debtor's assets to the extent it has not been stayed under section 620(a);

"(3) suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under section 620(a);

"(4) providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities;

"(5) entrusting the administration or realization of all or part of the debtor's assets within the territorial jurisdiction of the United States to the foreign representative or another person, including an examiner, designated by the court;

"(6) extending relief granted under section 619(a); and

"(7) granting any additional relief that may be available to a trustee, except for relief available under sections 522, 544, 545, 547, 548, 550, and 724(a).

"(b) Upon recognition of a foreign proceeding, whether main or nonmain, the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor's assets located in the United States to the foreign representative or another person, including an examiner, designated by the court, provided that the court is satisfied that the interests of creditors in the United States are sufficiently protected.

"(c) In granting relief under this section to a representative of a foreign nonmain proceeding, the court must be satisfied that the relief relates to assets that, under the law of the United States, should be administered in the foreign nonmain proceeding or concerns information required in that proceeding.

"(d) The court may not enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding, under this section.

"§ 622. Protection of creditors and other interested persons

"(a) In granting or denying relief under section 619 or 621, or in modifying or terminating relief under subsection (c) of this section, the court must find that the interests of the creditors and other interested persons or entities, including the debtor, are sufficiently protected.

"(b) The court may subject relief granted under section 619 or 621 to conditions it considers appropriate.

"(c) The court may, at the request of the foreign representative or an entity affected by relief granted under section 619 or 621, or at its own motion, modify or terminate such relief.

"§ 623. Actions to avoid acts detrimental to creditors

"(a) Upon recognition of a foreign proceeding, the foreign representative has standing in a pending case under another chapter of this title to initiate actions under sections 522, 544, 545, 547, 548, 550, and 724(a).

"(b) When the foreign proceeding is a foreign nonmain proceeding, the court must be satisfied that an action under subsection (a) of this section relates to assets that, under United States law, should be administered in the foreign nonmain proceeding.

"§ 624. Intervention by a foreign representative

"Upon recognition of a foreign proceeding, the foreign representative may intervene in any proceedings in a State or Federal court in the United States in which the debtor is a party.

"SUBCHAPTER IV—COOPERATION WITH FOREIGN COURTS AND FOREIGN REPRESENTATIVES

"§ 625. Cooperation and direct communication between the court and foreign courts or foreign representatives

"(a) In all matters included within section 601, the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through the trustee.

"(b) The court is entitled to communicate directly with, or to request information or assistance directly from, foreign courts or foreign representatives, subject to the rights of parties in interest to notice and participation.

"§ 626. Cooperation and direct communication between the trustee and foreign courts or foreign representatives

"(a) In all matters included in section 601, the trustee or other person, including an examiner, designated by the court, shall, subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives.

"(b) The trustee or other person, including an examiner, designated by the court is entitled, subject to the supervision of the court, to communicate directly with foreign courts or foreign representatives.

"(c) Section 1104(d) shall apply to the appointment of an examiner under this chapter. Any examiner shall comply with the qualification requirements imposed on a trustee by section 322(a).

"§ 627. Forms of cooperation

"Cooperation referred to in sections 625 and 626 may be implemented by any appropriate means, including—

"(1) appointment of a person or body, including an examiner, to act at the direction of the court;

"(2) communication of information by any means considered appropriate by the court;

"(3) coordination of the administration and supervision of the debtor's assets and affairs;

"(4) approval or implementation of agreements concerning the coordination of proceedings; and

"(5) coordination of concurrent proceedings regarding the same debtor.

"SUBCHAPTER V—CONCURRENT PROCEEDINGS

"§ 628. Commencement of a case under this title after recognition of a foreign main proceeding

"After recognition of a foreign main proceeding, a case under another chapter of this title may be commenced only if the debtor has assets in the United States. The effects of that case shall be restricted to the assets of the debtor that are within the territorial jurisdiction of the United States and, to the extent necessary to implement cooperation and coordination under sections 625, 626, and 627, to other assets of the debtor that are within the jurisdiction of the court under sections 541(a) and 1334(e), to the extent that such other assets are not subject to the jurisdiction and control of a foreign proceeding that has been recognized under this chapter.

"§ 629. Coordination of a case under this title and a foreign proceeding

"Where a foreign proceeding and a case under another chapter of this title are taking place concurrently regarding the same debtor, the court shall seek cooperation and coordination under sections 625, 626, and 627, and the following shall apply:

"(1) When the case in the United States is taking place at the time the petition for recognition of the foreign proceeding is filed—

"(A) any relief granted under sections 619 or 621 must be consistent with the case in the United States; and

"(B) even if the foreign proceeding is recognized as a foreign main proceeding, section 620 does not apply.

"(2) When a case in the United States under this title commences after recognition, or after the filing of the petition for recognition, of the foreign proceeding—

"(A) any relief in effect under sections 619 or 621 shall be reviewed by the court and shall be modified or terminated if inconsistent with the case in the United States; and

"(B) if the foreign proceeding is a foreign main proceeding, the stay and suspension referred to in section 620(a) shall be modified or terminated if inconsistent with the case in the United States.

"(3) In granting, extending, or modifying relief granted to a representative of a foreign nonmain proceeding, the court must be satisfied that the relief relates to assets that, under the law of the United States, should be administered in the foreign nonmain proceeding or concerns information required in that proceeding.

"(4) In achieving cooperation and coordination under sections 628 and 629, the court may grant any of the relief authorized under section 305.

"§ 630. Coordination of more than 1 foreign proceeding

"In matters referred to in section 601, with respect to more than one foreign proceeding regarding the debtor, the court shall seek cooperation and coordination under sections 625, 626, and 627, and the following shall apply:

"(1) Any relief granted under section 619 or 621 to a representative of a foreign nonmain proceeding after recognition of a foreign main proceeding must be consistent with the foreign main proceeding.

"(2) If a foreign main proceeding is recognized after recognition, or after the filing of a petition for recognition, of a foreign nonmain proceeding, any relief in effect under section 619 or 621 shall be reviewed by the court and shall be modified or terminated if inconsistent with the foreign main proceeding.

"(3) If, after recognition of a foreign nonmain proceeding, another foreign nonmain proceeding is recognized, the court shall grant, modify, or terminate relief for the purpose of facilitating coordination of the proceedings.

"§631. Presumption of insolvency based on recognition of a foreign main proceeding

"In the absence of evidence to the contrary, recognition of a foreign main proceeding is for the purpose of commencing a proceeding under section 303, proof that the debtor is generally not paying its debts.

"§632. Rule of payment in concurrent proceedings

"Without prejudice to secured claims or rights in rem, a creditor who has received payment with respect to its claim in a foreign proceeding pursuant to a law relating to insolvency may not receive a payment for the same claim in a case under any other chapter of this title regarding the debtor, so long as the payment to other creditors of the same class is proportionately less than the payment the creditor has already received.".

(b) CLERICAL AMENDMENT.—The table of chapters for title 11, United States Code, is amended by inserting after the item relating to chapter 5 the following:

"6. Ancillary and Other Cross-Border Cases .... 601".

SEC. 502. AMENDMENTS TO OTHER CHAPTERS IN TITLE 11, UNITED STATES CODE.

(a) APPLICABILITY OF CHAPTERS.—Section 103 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting before the period the following: "and this chapter, sections 307, 555 through 557, 559, and 560 apply in a case under chapter 6"; and

(2) by adding at the end the following:

"(j) Chapter 6 applies only in a case under that chapter, except that section 605 applies to trustees and to any other entity designated by the court, including an examiner, under chapters 7, 11, and 12, to debtors in possession under chapters 11 and 12, and to debtors or trustees under chapters 9 and 13 who are authorized to act under section 605.".

(b) DEFINITIONS.—Section 101 of title 11, United States Code, is amended by striking paragraphs (23) and (24) and inserting the following:

"(23) 'foreign proceeding' means a collective judicial or administrative proceeding in a foreign state, including an interim proceeding, pursuant to a law relating to insolvency in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation;

"(24) 'foreign representative' means a person or body, including 1 appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs or to act as a representative of the foreign proceeding;".

(c) AMENDMENTS TO TITLE 28, UNITED STATES CODE.—

(1) PROCEDURES.—Section 157(b)(2) of title 28, United States Code, is amended—

(A) in subparagraph (N), by striking "and" at the end;

(B) in subparagraph (O), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(P) recognition of foreign proceedings and other matters under chapter 6.".

(2) BANKRUPTCY CASES AND PROCEEDINGS.—Section 1334(c) of title 28, United States Code, is amended by striking "Nothing in" and inserting "Except with respect to a case under chapter 6 of title 11, nothing in".

(3) DUTIES OF TRUSTEES.—Section 586(a)(3) of title 28, United States Code, is amended by inserting "6," after "chapter".

TITLE VI—MISCELLANEOUS

SEC. 601. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

Section 365(d)(4) of title 11, United States Code, is amended to read as follows:

"(4)(A) Subject to subparagraph (B), in any case under any chapter of this title, an unexpired lease of nonresidential real property under which the debtor is the lessee shall be deemed rejected and the trustee shall immediately surrender that nonresidential real property to the lessor if the trustee does not assume or reject the unexpired lease by the earlier of—

"(i) the date that is 120 days after the date of the order for relief; or

"(ii) the date of the entry of an order confirming a plan.

"(B) The court may extend the period determined under subparagraph (A) only upon a motion of the lessor.".

SEC. 602. EXPEDITED APPEALS OF BANKRUPTCY CASES TO COURTS OF APPEALS.

(a) IN GENERAL.—Section 158 of title 28, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e);

(2) by inserting after subsection (c) the following new subsection:

"(d)(1) Any final judgment, decision, order, or decree of a bankruptcy judge entered for a case in accordance with section 157 may be appealed by any party in such case to the appropriate court of appeals if—

"(A) an appeal from such judgment, decision, order, or decree is first filed with the appropriate district court of the United States; and

"(B) the decision on the appeal described under subparagraph (A) is not filed by a district court judge within 30 days after the date such appeal is filed with the district court.

"(2) On the date that an appeal is filed with a court of appeals under paragraph (1), the chief judge for such court of appeals shall issue an order to the clerk for the district court from which the appeal is filed. Such order shall direct the clerk to enter the final judgment, decision, order, or decree of the bankruptcy judge as the final judgment, decision, order, or decree of the district court."; and

(3) in subsection (e), (as redesignated by paragraph (1) of this section) by striking "subsections (a) and (b)" and inserting "subsections (a), (b), and (d)".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 305(c) of title 11, United States Code, is amended by striking "section 158(d)" and inserting "section 158(e)".

(2) Section 1334(d) of title 28, United States Code, is amended by striking "section 158(d)" and inserting "section 158(e)".

(3) Section 1452(b) of title 28, United States Code, is amended by striking "section 158(d)" and inserting "section 158(e)".

SEC. 603. CREDITORS AND EQUITY SECURITY HOLDERS COMMITTEES.

Section 1102(a)(2) of title 11, United States Code, is amended by inserting before the first sentence the following: "On its own motion or on request of a party in interest, and after notice and hearing, the court may order a change in the membership of a committee appointed under this subsection, if the court determines that the change is necessary to ensure adequate representation of creditors or equity security holders.".

SEC. 604. REPEAL OF SUNSET PROVISION.

Section 302 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended by striking subsection (f).

SEC. 605. CASES ANCILLARY TO FOREIGN PROCEEDINGS.

Section 304 of title 11, United States Code, as amended by section 410 of this Act, is amended by adding at the end the following:

"(e)(1) In this subsection—

"(A) the term 'domestic insurance company' means a domestic insurance company, as that term is used in section 109(b)(2);

"(B) the term 'foreign insurance company' means a foreign insurance company, as that term is used in section 109(b)(3);

"(C) the term 'United States claimant' means a beneficiary of any deposit referred to in paragraph (2)(A) or any multibeneficiary trust referred to in subparagraph (B) or (C) of paragraph (2);

"(D) the term 'United States creditor' means, with respect to a foreign insurance company—

"(i) a United States claimant; or

"(ii) any business entity that operates in the United States and that is a creditor; and

"(E) the term 'United States policyholder' means a holder of an insurance policy issued in the United States.

"(2) Notwithstanding subsections (b) and (c), the court may not grant relief under subsection (b) to a foreign insurance company that is not engaged in the business of insurance or reinsurance in the United States with respect to any claim made by a United States creditor against—

"(A) a deposit required by an applicable State insurance law;

"(B) a multibeneficiary trust required by an applicable State insurance law to protect United States policyholders or claimants against a foreign insurance company; or

"(C) a multibeneficiary trust authorized under an applicable State insurance law to allow a domestic insurance company that cedes reinsurance to the debtor to reflect the reinsurance as an asset or deduction from liability in the ceding insurer's financial statements.".

SEC. 606. LIMITATION.

Section 546(c)(1)(B) of title 11, United States Code, is amended by striking "20" and inserting "45".

SEC. 607. AMENDMENT TO SECTION 546 OF TITLE 11, UNITED STATES CODE.

Section 546 of title 11, United States Code, is amended by inserting at the end thereof:

"(I) Notwithstanding section 545 (2) and (3) of this title, the trustee may not avoid a warehouseman's lien for storage, transportation or other costs incidental to the storage and handling of goods, as provided by section 7-209 of the Uniform Commercial Code.".

SEC. 608. AMENDMENT TO SECTION 330(a) OF TITLE 11, UNITED STATES CODE.

Section 330(a) of title 11, United States Code, is amended—

(1) in subsection (3)(A) after the word "awarded", by inserting "to an examiner, chapter 11 trustee, or professional person"; and

(2) by adding at the end of subsection (3)(A) the following:

"(3)(B) In determining the amount of reasonable compensation to be awarded a trustee, the court shall treat such compensation as a commission based on the results achieved.".

TITLE VII—TECHNICAL CORRECTIONS

SEC. 701. DEFINITIONS.

Section 101 of title 11, United States Code, as amended by section 317, is amended—

(1) by striking "In this title—" and inserting "In this title:";

(2) in each paragraph, by inserting "The term" after the paragraph designation;

(3) in paragraph (35)(B), by striking "paragraphs (21B) and (33)(A)" and inserting "paragraphs (23) and (35)";

(4) in each of paragraphs (35A) and (38), by striking "; and" at the end and inserting a period;

(5) in paragraph (51B)—

(A) by inserting "who is hot a family farmer" after "debtor" the first place it appears; and

(B) by striking "thereto having aggregate" and all that follows through the end of the paragraph;

(6) by amending paragraph (54) to read as follows:

"(54) The term 'transfer' means—

"(A) the creation of a lien;

"(B) the retention of title as a security interest;

"(C) the foreclosure of a debtor's equity of redemption; or

"(D) each mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with—

"(i) property; or

"(ii) an interest in property;";

(7) in each of paragraphs (1) through (35), in each of paragraphs (36) and (37), and in each of paragraphs (40) through (56A) (including paragraph (54), as amended by paragraph (6) of this section), by striking the semicolon at the end and inserting a period; and

(8) by redesignating paragraphs (4) through (56A) in entirely numerical sequence, so as to result in numerical paragraph designations of (4) through (77), respectively.

SEC. 702. ADJUSTMENT OF DOLLAR AMOUNTS.

Section 104 of title 11, United States Code, is amended by inserting "522(f)(3), 707(b)(5)," after "522(d)," each place it appears.

SEC. 703. EXTENSION OF TIME.

Section 108(c)(2) of title 11, United States Code, is amended by striking "922" and all that follows through "or", and inserting "922, 1201, or".

SEC. 704. WHO MAY BE A DEBTOR.

Section 109(b)(2) of title 11, United States Code, is amended by striking "subsection (c) or (d) of".

SEC. 705. PENALTY FOR PERSONS WHO NEGLIGENTLY OR FRAUDULENTLY PREPARE BANKRUPTCY PETITIONS.

Section 110(j)(3) of title 11, United States Code, is amended by striking "attorney's" and inserting "attorneys' ".

SEC. 706. LIMITATION ON COMPENSATION OF PROFESSIONAL PERSONS.

Section 328(a) of title 11, United States Code, is amended by inserting "on a fixed or percentage fee basis," after "hourly basis,".

SEC. 707. SPECIAL TAX PROVISIONS.

Section 346(g)(1)(C) of title 11, United States Code, is amended by striking ", except" and all that follows through "1986".

SEC. 708. EFFECT OF CONVERSION.

Section 348(f)(2) of title 11, United States Code, is amended by inserting "of the estate" after "property" the first place it appears.

SEC. 709. AUTOMATIC STAY.

Section 362(b) of title 11, United States Code, as amended by sections 326 and 401 of this Act, is amended—

(1) in paragraph (21), by striking "or" at the end;

(2) in paragraph (22), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (22) the following:

"(23) under subsection (a) of this section of any transfer that is not avoidable under section 544 and that is not avoidable under section 549;

"(24) under subsection (a)(3) of this section, of the continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property in which the debtor resides as a tenant under a rental agreement and the debtor has not paid rent to the lessor pursuant to the terms of the lease agreement or applicable State law after the commencement and during the course of the case;

"(25) under subsection (a)(3) of this section, of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property in which the debtor resides as a tenant under a rental agreement that has terminated pursuant to the lease agreement or applicable State law;

"(26) under subsection (a)(3) of this section, of any eviction, unlawful detainer action, or similiar proceeding, if the debtor has previously filed within the last year and failed to pay post-petition rent during the course of that case; or

"(27) under subsection (a)(3) of this section, of eviction actions based on endangerment to property or person or the use of illegal drugs.".

SEC. 710. AMENDMENT TO TABLE OF SECTIONS.

The table of sections for chapter 5 of title 11, United States Code, is amended by striking the item relating to section 556 and inserting the following:

"556. Contractual right to liquidate a commodities contract or forward contract.".

SEC. 711. ALLOWANCE OF ADMINISTRATIVE EXPENSES.

Section 503(b)(4) of title 11, United States Code, is amended by inserting "subparagraph (A), (B), (C), (D), or (E) of" before "paragraph (3)".

SEC. 712. PRIORITIES.

Section 507(a) of title 11, United States Code, as amended by section 323 of this Act, is amended—

(1) in paragraph (3)(B), by striking the semicolon at the end and inserting a period; and

(2) in paragraph (7), by inserting "unsecured" after "allowed".

SEC. 713. EXEMPTIONS.

Section 522 of title 11, United States Code, as amended by section 320 of this Act, is amended—

(1) in subsection (f)(1)(A)(ii)(II)—

(A) by striking "includes a liability designated as" and inserting "is for a liability that is designated as, and is actually in the nature of,"; and

(B) by striking ", unless" and all that follows through "support"; and

(2) in subsection (g)(2), by striking "subsection (f)(2)" and inserting "subsection (f)(1)(B)".

SEC. 714. EXCEPTIONS TO DISCHARGE.

Section 523 of title 11, United States Code, is amended—

(1) in subsection (a)(3), by striking "or (6)" each place it appears and inserting "(6), or (15)";

(2) as amended by section 304(e) of Public Law 103–394 (108 Stat. 4133), in paragraph (15), by transferring such paragraph so as to insert it after paragraph (14) of subsection (a);

(3) in subsection (a)(9), by inserting ", watercraft, or aircraft" after "motor vehicle";

(4) in subsection (a)(15), as so redesignated by paragraph (2) of this subsection, by inserting "to a spouse, former spouse, or child of the debtor and" after "(15)";

(5) in subsection (a)(17)—

(A) by striking "by a court" and inserting "on a prisoner by any court";

(B) by striking "section 1915 (b) or (f)" and inserting "subsection (b) or (f)(2) of section 1915"; and

(C) by inserting "(or a similar non-Federal law)" after "title 28" each place it appears; and

(6) in subsection (e), by striking "a insured" and inserting "an insured".

SEC. 715. EFFECT OF DISCHARGE.

Section 524(a)(3) of title 11, United States Code, is amended by striking "section 523" and all that follows through "or that" and inserting "section 523, 1228(a)(1), or 1328(a)(1) of this title, or that".

SEC. 716. PROTECTION AGAINST DISCRIMINATORY TREATMENT.

Section 525(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting "student" before "grant" the second place it appears; and

(2) in paragraph (2), by striking "the program operated under part B, D, or E of" and inserting "any program operated under".

SEC. 717. PROPERTY OF THE ESTATE.

Section 541(b)(4)(B)(ii) of title 11, United States Code, is amended by inserting "365 or" before "542".

SEC. 718. PREFERENCES.

Section 547 of title 11, United States Code, is amended—

(1) in subsection (b), by striking "subsection (c)" and inserting "subsections (c) and (h)"; and

(2) by adding at the end the following:

"(h) If the trustee avoids under subsection (b) a security interest given between 90 days and 1 year before the date of the filing of the petition, by the debtor to an entity that is not an insider for the benefit of a creditor that is an insider, such security interest shall be considered to be avoided under this section only with respect to the creditor that is an insider.".

SEC. 719. POSTPETITION TRANSACTIONS.

Section 549(c) of title 11, United States Code, is amended—

(1) by inserting "an interest in" after "transfer of";

(2) by striking "such property" and inserting "such real property"; and

(3) by striking "the interest" and inserting "such interest".

SEC. 720. TECHNICAL AMENDMENT.

Section 552(b)(1) of title 11, United States Code, is amended by striking "product" each place it appears and inserting "products".

SEC. 721. DISPOSITION OF PROPERTY OF THE ESTATE.

Section 726(b) of title 11, United States Code, is amended by striking "1009,".

SEC. 722. GENERAL PROVISIONS.

Section 901(a) of title 11, United States Code, as amended by section 408, is amended by inserting "1123(d)," after "1123(b),".

SEC. 723. APPOINTMENT OF ELECTED TRUSTEE.

Section 1104(b) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2)(A) If an eligible, disinterested trustee is elected at a meeting of creditors under paragraph (1), the United States trustee shall file a report certifying that election. Upon the filing of a report under the preceding sentence—

"(i) the trustee elected under paragraph (1) shall be considered to have been selected and appointed for purposes of this section; and

"(ii) the service of any trustee appointed under subsection (d) shall terminate.

"(B) In the case of any dispute arising out of an election under subparagraph (A), the court shall resolve the dispute.".

SEC. 724. ABANDONMENT OF RAILROAD LINE.

Section 1170(e)(1) of title 11, United States Code, is amended by striking "section 11347" and inserting "section 11326(a)".

SEC. 725. CONTENTS OF PLAN.

Section 1172(c)(1) of title 11, United States Code, is amended by striking "section 11347" and inserting "section 11326(a)".

SEC. 726. DISCHARGE UNDER CHAPTER 12.

Subsections (a) and (c) of section 1228 of title 11, United States Code, are amended by striking "1222(b)(10)" each place it appears and inserting "1222(b)(9)".

SEC. 727. EXTENSIONS.

Section 302(d)(3) of the Bankruptcy, Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended—

(1) in subparagraph (A), in the matter following clause (ii), by striking "or October 1, 2002, whichever occurs first"; and

(2) in subparagraph (F)—

(A) in clause (i)—

(i) in subclause (II), by striking "or October 1, 2002, whichever occurs first"; and

(ii) in the matter following subclause (II), by striking "October 1, 2003, or"; and

(B) in clause (ii), in the matter following subclause (II)—

(i) by striking "before October 1, 2003, or"; and

(ii) by striking ", whichever occurs first".

SEC. 728. BANKRUPTCY CASES AND PROCEEDINGS.

Section 1334(d) of title 28, United States Code, is amended—

(1) by striking "made under this subsection" and inserting "made under subsection (c)"; and

(2) by striking "This subsection" and inserting "Subsection (c) and this subsection".

SEC. 729. KNOWING DISREGARD OF BANKRUPTCY LAW OR RULE.

Section 156(a) of title 18, United States Code, is amended—

(1) in the first undesignated paragraph—

(A) by inserting "(1) the term" before "bankruptcy"; and

(B) by striking the period at the end and inserting "; and"; and

(2) in the second undesignated paragraph—

(A) by inserting "(2) the term" before "document"; and

(B) by striking "this title" and inserting "title 11".

SEC. 730. ROLLING STOCK EQUIPMENT.

(a) IN GENERAL.—Section 1168 of title 11, United States Code, is amended to read as follows:

"§ 1168. Rolling stock equipment.

"(a)(1) The right of a secured party with a security interest in or of a lessor or conditional vendor of equipment described in paragraph (2) to take possession of such equipment in compliance with an equipment security agreement, lease, or conditional sale contract, and to enforce any of its other rights or remedies under such security agreement, lease, or conditional sale contract, to sell, lease, or otherwise retain or dispose of such equipment, is not limited or otherwise affected by any other provision of this title or by any power of the court, except that that right to take possession and enforce those other rights and remedies shall be subject to section 362, if—

"(A) before the date that is 60 days after the date of commencement of a case under this chapter, the trustee, subject to the court's approval, agrees to perform all obligations of the debtor under such security agreement, lease, or conditional sale contract; and

"(B) any default, other than a default of a kind described in section 365(b)(2), under such security agreement, lease, or conditional sale contract—

"(i) that occurs before the date of commencement of the case and is an event of default therewith is cured before the expiration of such 60-day period;

"(ii) that occurs or becomes an event of default after the date of commencement of the case and before the expiration of such 60-day period is cured before the later of—

"(I) the date that is 30 days after the date of the default or event of the default; or

"(II) the expiration of such 60-day period; and

"(iii) that occurs on or after the expiration of such 60-day period is cured in accordance with the terms of such security agreement, lease, or conditional sale contract, if cure is permitted under that agreement, lease, or conditional sale contract.

"(2) The equipment described in this paragraph—

"(A) is rolling stock equipment or accessories used on rolling stock equipment, including superstructures or racks, that is subject to a security interest granted by, leased to, or conditionally sold to a debtor; and

"(B) includes all records and documents relating to such equipment that are required, under the terms of the security agreement, lease, or conditional sale contract, that is to be surrendered or returned by the debtor in connection with the surrender or return of such equipment.

"(3) Paragraph (1) applies to a secured party, lessor, or conditional vendor acting in its own behalf or acting as trustee or otherwise in behalf of another party.

"(b) The trustee and the secured party, lessor, or conditional vendor whose right to take possession is protected under subsection (a) may agree, subject to the court's approval, to extend the 60-day period specified in subsection (a)(1).

"(c)(1) In any case under this chapter, the trustee shall immediately surrender and return to a secured party, lessor, or conditional vendor, described in subsection (a)(1), equipment described in subsection (a)(2), if at any time after the date of commencement of the case under this chapter such secured party, lessor, or conditional vendor is entitled pursuant to subsection (a)(1) to take possession of such equipment and makes a written demand for such possession of the trustee.

"(2) At such time as the trustee is required under paragraph (1) to surrender and return equipment described in subsection (a)(2), any lease of such equipment, and any security agreement or conditional sale contract relating to such equipment, if such security agreement or conditional sale contract is an executory contract, shall be deemed rejected.

"(d) With respect to equipment first placed in service on or prior to October 22, 1994, for purposes of this section—

"(1) the term 'lease' includes any written agreement with respect to which the lessor and the debtor, as lessee, have expressed in the agreement or in a substantially contemporaneous writing that the agreement is to be treated as a lease for Federal income tax purposes; and

"(2) the term 'security interest' means a purchase-money equipment security interest.

"(e) With respect to equipment first placed in service after October 22, 1994, for purposes of this section, the term 'rolling stock equipment' includes rolling stock equipment that is substantially rebuilt and accessories used on such equipment.".

(b) AIRCRAFT EQUIPMENT AND VESSELS.—Section 1110 of title 11, United States Code, is amended to read as follows:

"§ 1110. Aircraft equipment and vessels

"(a)(1) Except as provided in paragraph (2) and subject to subsection (b), the right of a secured party with a security interest in equipment described in paragraph (3), or of a lessor or conditional vendor of such equipment, to take possession of such equipment in compliance with a security agreement, lease, or conditional sale contract, and to enforce any of its other rights or remedies, under such security agreement, lease, or conditional sale contract, to sell, lease, or otherwise retain or dispose of such equipment, is not limited or otherwise affected by any other provision of this title or by any power of the court.

"(2) The right to take possession and to enforce the other rights and remedies described in paragraph (1) shall be subject to section 362 if—

"(A) before the date that is 60 days after the date of the order for relief under this chapter, the trustee, subject to the approval of the court, agrees to perform all obligations of the debtor under such security agreement, lease, or conditional sale contract; and

"(B) any default, other than a default of a kind specified in section 365(b)(2), under such security agreement, lease, or conditional sale contract—

"(i) that occurs before the date of the order is cured before the expiration of such 60-day period;

"(ii) that occurs after the date of the order and before the expiration of such 60-day period is cured before the later of—

"(I) the date that is 30 days after the date of the default; or

"(II) the expiration of such 60-day period; and

"(iii) that occurs on or after the expiration of such 60-day period is cured in compliance with the terms of such security agreement, lease, or conditional sale contract, if a cure is permitted under that agreement, lease, or contract.

"(3) The equipment described in this paragraph—

"(A) is—

"(i) an aircraft, aircraft engine, propeller, appliance, or spare part (as defined in section

40102 of title 49) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that, at the time such transaction is entered into, holds an air carrier operating certificate issued pursuant to chapter 447 of title 49 for aircraft capable of carrying 10 or more individuals or 6,000 pounds or more of cargo; or

“(ii) a documented vessel (as defined in section 30101(1) of title 46) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that is a water carrier that, at the time such transaction is entered into, holds a certificate of public convenience and necessity or permit issued by the Department of Transportation; and

“(B) includes all records and documents relating to such equipment that are required, under the terms of the security agreement, lease, or conditional sale contract, to be surrendered or returned by the debtor in connection with the surrender or return of such equipment.

“(4) Paragraph (1) applies to a secured party, lessor, or conditional vendor acting in its own behalf or acting as trustee or otherwise in behalf of another party.

“(b) The trustee and the secured party, lessor, or conditional vendor whose right to take possession is protected under subsection (a) may agree, subject to the approval of the court, to extend the 60-day period specified in subsection (a)(1).

“(c)(1) In any case under this chapter, the trustee shall immediately surrender and return to a secured party, lessor, or conditional vendor, described in subsection (a)(1), equipment described in subsection (a)(3), if at any time after the date of the order for relief under this chapter such secured party, lessor, or conditional vendor is entitled pursuant to subsection (a)(1) to take possession of such equipment and makes a written demand for such possession to the trustee.

“(2) At such time as the trustee is required under paragraph (1) to surrender and return equipment described in subsection (a)(3), any lease of such equipment, and any security agreement or conditional sale contract relating to such equipment, if such security agreement or conditional sale contract is an executory contract, shall be deemed rejected.

“(d) With respect to equipment first placed in service on or before October 22, 1994, for purposes of this section—

“(1) the term ‘lease’ includes any written agreement with respect to which the lessor and the debtor, as lessee, have expressed in the agreement or in a substantially contemporaneous writing that the agreement is to be treated as a lease for Federal income tax purposes; and

“(2) the term ‘security interest’ means a purchase-money equipment security interest.”.

SEC. 731. CURBING ABUSIVE FILINGS.

(a) IN GENERAL.—Section 362(d) of title 11, United States Code, is amended—

(1) in paragraph (2), by striking “or” at the end;

(2) in paragraph (3), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(4) with respect to a stay of an act against real property under subsection (a), by a creditor whose claim is secured by an interest in such real estate, if the court finds that the filing of the bankruptcy petition was part of a scheme to delay, hinder, and defraud creditors that involved either—

“(A) transfer of all or part ownership of, or other interest in, the real property without the consent of the secured creditor or court approval; or

“(B) multiple bankruptcy filings affecting the real property.

If recorded in compliance with applicable State laws governing notices of interests or liens in real property, an order entered pursuant to this subsection shall be binding in any other case under this title purporting to affect the real property filed not later than 2 years after that recording, except that a debtor in a subsequent case may move for relief from such order based upon changed circumstances or for good cause shown, after notice and a hearing.”.

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by section 709, is amended—

(1) in paragraph (24), by striking “or” at the end;

(2) in paragraph (25) by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(26) under subsection (a) of this section, of any act to enforce any lien against or security interest in real property following the entry of an order under section 362(d)(4) as to that property in any prior bankruptcy case for a period of 2 years after entry of such an order. The debtor in a subsequent case, however, may move the court for relief from such order based upon changed circumstances or for other good cause shown, after notice and a hearing; or

“(27) under subsection (a) of this section, of any act to enforce any lien against or security interest in real property—

“(A) if the debtor is ineligible under section 109(g) to be a debtor in a bankruptcy case; or

“(B) if the bankruptcy case was filed in violation of a bankruptcy court order in a prior bankruptcy case prohibiting the debtor from being a debtor in another bankruptcy case.”.

SEC. 732. STUDY OF OPERATION OF TITLE 11 OF THE UNITED STATES CODE WITH RESPECT TO SMALL BUSINESSES.

Not later than 2 years after the date of the enactment of this Act, the Administrator of the Small Business Administration, in consultation with the Attorney General, the Director of the Administrative Office of United States Trustees, and the Director of the Administrative Office of the United States Courts, shall—

(1) conduct a study to determine—

(A) the internal and external factors that cause small businesses, especially sole proprietorships, to become debtors in cases under title 11 of the United States Code and that cause certain small businesses to successfully complete cases under chapter 11 of such title; and

(B) how Federal laws relating to bankruptcy may be made more effective and efficient in assisting small businesses to remain viable; and

(2) submit to the President pro tempore of the Senate and the Speaker of the House of Representatives a report summarizing that study.

SEC. 733. TRANSFERS MADE BY NONPROFIT CHARITABLE CORPORATIONS.

(a) SALE OF PROPERTY OF ESTATE.—Section 363(d) of title 11, United States Code, is amended—

(1) by striking “only” and all that follows through the end of the subsection and inserting “only—

“(1) in accordance with applicable nonbankruptcy law that governs the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust; and

“(2) to the extent not inconsistent with any relief granted under subsection (c), (d), (e), or (f) of section 362”.

(b) CONFIRMATION OF PLAN FOR REORGANIZATION.—Section 1129(a) of title 11, United States Code, is amended by adding at the end the following:

“(14) All transfers of property of the plan shall be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust.”.

(c) TRANSFER OF PROPERTY.—Section 541 of title 11, United States Code, is amended by adding at the end the following:

“(e) Notwithstanding any other provision of this title, property that is held by a debtor that is a corporation described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code may be transferred to an entity that is not such a corporation, but only under the same conditions as would apply if the debtor had not filed a case under this title.”.

(d) APPLICABILITY.—The amendments made by this section shall apply to a case pending under title 11, United States Code, on the date of enactment of this Act, except that the court shall not confirm a plan under chapter 11 of this title without considering whether this section would substantially affect the rights of a party in interest who first acquired rights with respect to the debtor after the date of the petition. The parties who may appear and be heard in a proceeding under this section include the attorney general of the State in which the debtor is incorporated, was formed, or does business.

SEC. 734. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this title and the amendments made by this title shall take effect on the date of enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this title shall apply only with respect to cases commenced under title 11, United States Code, on or after the date of enactment of this Act.

SA 94. Mr. BREAUX (for himself, Mr. SPECTER, Mrs. LINCOLN, Mr. JOHNSON, Ms. LANDRIEU, Mrs. FEINSTEIN, Mr. CLELAND, and Mr. NELSON of Nebraska) submitted an amendment intended to be proposed by them to the bill S. 420, to amend title II, United States Code, and for other purposes; which was ordered to lie on the table.

At the appropriate place, insert the following:

SEC. . AUTHORITY TO ISSUE A RULE RELATING TO ERGONOMICS.

(a) FINDINGS.—Congress makes the following findings:

(1) The National Academy of Sciences issued a report entitled “Musculoskeletal Disorders and the Workplace—Low Back and Upper Extremities” on January 18, 2001. The report was issued after the Occupational Safety and Health Administration promulgated a final rule relating to ergonomics (published at 65 Fed. Reg. 68261 (2000)).

(2) According to the National Academy of Sciences, musculoskeletal disorders of the low back and upper extremities are an important and costly national health problem. An estimated 1,000,000 workers each year lose time from work as a result of work-related musculoskeletal disorders.

(3) Conservative estimates of the economic burden imposed by work-related musculoskeletal disorders, as measured by compensation costs, lost wages, and lost productivity, are between $45,000,000,000 and $54,000,000,000 annually.

(4) Congress enacted the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) to "assure so far as possible every working man and woman in the Nation safe and healthful working conditions," and charged the Secretary of Labor with implementing the Act to accomplish this purpose.

(5) Promulgation of a standard on workplace ergonomics is needed to address a serious workplace safety and health problem and to protect working men and women from work-related musculoskeletal disorders. Any workplace ergonomics standard should take into account the cost and feasibility of compliance with such requirements and the sound science of the National Academy of Sciences report.

(b) AUTHORITY TO ISSUE RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of law, not later than 2 years after the date of enactment of this Act, the Secretary of Labor shall, in accordance with section 6 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 655), issue a final rule relating to ergonomics. The standard under the final rule shall take effect not later than 90 days after the date on which the rule is promulgated. The standard shall—

(A) address work-related musculoskeletal disorders and workplace ergonomic hazards;

(B) not apply to non-work-related musculoskeletal disorders that occur outside the workplace or non-work-related musculoskeletal disorders that are aggravated by work; and

(C) set forth in clear terms—

(i) the circumstances under which an employer is required to take action to address ergonomic hazards;

(ii) the measures required of an employer under the standard; and

(iii) the compliance obligations of an employer under the standard.

(2) AUTHORIZATION.—Paragraph (1) shall be considered a specific authorization by Congress in accordance with section 801(b)(2) of title 5, United States Code, with respect to the issuance of a new ergonomic rule.

(3) PROHIBITION.—In issuing a new rule under this subsection, the Secretary of Labor shall ensure that nothing in the rule expands the application of State workers' compensation laws.

(4) STANDARD SETTING AUTHORITY.—Nothing in this subsection shall be construed to restrict or alter the authority of the Secretary of Labor under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) to adopt health or safety standards (as defined in section 3(8) (29 U.S.C. 652(8)) of such Act) for other hazards pursuant to section 6 (29 U.S.C. 655) of such Act.

(5) INFORMATION AND TRAINING MATERIALS.—The Secretary of Labor shall, prior to the date on which the new rule under this subsection becomes effective, develop information and training materials, and implement an outreach program and other initiatives, to provide compliance assistance to employers and employees concerning the new rule and the requirements under the rule.

SA 95. Mr. SMITH of Oregon (for himself and Mr. WYDEN) proposed an amendment to amendment SA 78 proposed by Mr. WYDEN to the bill (S. 420) to amend title II, United States Code, and for other purposes; as follows:

Strike all after the first word and insert the following:

420. NONDISCHARGEABILITY OF DEBTS ARISING FROM THE EXCHANGE OF ELECTRIC ENERGY.

(a) IN GENERAL.—Section 1141(d) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(6) The confirmation of a plan does not discharge a debtor—

"(A) in the case of a debtor that is a corporation, from any debt for wholesale electric power received that is incurred by that debtor under an order issued by the Secretary of Energy (or any amendment of or attachment to that order) under section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)) and requested by the California Independent System Operator; or

"(B) in the case of debt owed to a Federal, State, or local government agency named in an order referred to in subparagraph (A) for wholesale electric power received by the debtor except to the extent the rate charged for power traded by the California Power Exchange delivered to the California Independent System Operator is determined by the Federal Energy Regulatory Commission (Commission) to be unjust and unreasonable in which case this subparagraph shall only apply to debt determined by the Commission to be just and reasonable.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (28), as added by section 907(d) of this Act, by striking "or" at the end;

(2) in paragraph (29), as added by section 1106 of this Act, by striking the period at the end and inserting "; or"; and

(3) by inserting after that paragraph (29) the following:

"(30) under subsection (a), of the commencement or continuation, and conclusion to the entry of final judgment or order, of a judicial, administrative, or other action or proceeding for debts that are nondischargeable under section 1141(d)(6).".

(c) APPLICABILITY.—This section and the amendments made by this section shall apply with respect to any petition for bankruptcy filed under title 11 United States Code, as amended by this bill, on or after March 7, 2001.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, march 14, 2001 at 9:30 a.m. in room 485 of the Russell Senate Office Building to conduct a business meeting to consider the committee's views and estimates on the President's FY 2002 Budget Request for Indian Programs to be followed immediately by a hearing on S. 211, the Native American Education Improvement Act of 2001.

Those wishing additional information may contact Committee staff at 202/224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, March 13, 2001, at 9:30 a.m. on S. 415—Aviation Competition Restoration Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, March 13, 2001, at 2 p.m. on S. 361—Age 60 Rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, March 13, 2001, to consider the Affordable Education Act of 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, March 13, 2001, to hear testimony regarding Living Without Health Insurance: Who's Uninsured and Why?

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Tuesday, March 13, 2001, at 10 a.m., in Dirksen 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet to hold a hearing on the Administration's proposed budget for veterans' programs for fiscal year 2002. The hearing will be held on Tuesday, March 13, 2001, at 9:30 a.m., in room 418 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT

The PRESIDING OFFICER. The Chair announces, on behalf of the Democratic Leader, pursuant to Public Law 101–509, the reappointment of Elizabeth Scott of South Dakota to the Advisory Committee on the Records of Congress.

NATIONAL GIRL SCOUT WEEK

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration S. Res. 59 submitted earlier by Senator HUTCHISON of Texas for herself and others.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 59) designating the week of March 11 through March 17, 2001, as "National Girl Scout Week."

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRASSLEY. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and, finally, any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 59) was agreed to.

The preamble was agreed to.

(The text of S. Res. 59 is located in today's RECORD under "Submitted Resolutions.")

ORDERS FOR WEDNESDAY, MARCH 14, 2001

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, March 14. I further ask consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 10:30 a.m., with Senators speaking for up to 5 minutes each, with the following exceptions: Senator THOMAS or his designee, 9:30 to 10 o'clock; Senator FEINGOLD or his designee, 10 o'clock to 10:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRASSLEY. For the information of all Senators, the Senate will be in a period of morning business until 10:30 a.m. Following morning business, the Senate will resume consideration of the bankruptcy reform legislation. Votes will occur on the following amendments in a stacked sequence at approximately 10:45 a.m.: the Carnahan amendment No. 40, the Smith of Oregon amendment No. 95, and the Wyden amendment No. 78. Following the votes, debate on the Wellstone amendment regarding debt collection will resume. Further amendments are expected to be offered, debated, and also voted on.

By previous consent, the cloture vote will occur at 4 p.m. Therefore, pursuant to rule XXII, second-degree amendments must be filed by 3 p.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. GRASSLEY. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:35 p.m., adjourned until March 14, 2001, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 13, 2001:

DEPARTMENT OF DEFENSE

DOV S. ZAKHEIM, OF MARYLAND, TO BE UNDER SECRETARY OF DEFENSE (COMPTROLLER), VICE WILLIAM J. LYNN, III.

DEPARTMENT OF JUSTICE

THEODORE BEVRY OLSON, OF THE DISTRICT OF COLUMBIA, TO BE SOLICITOR GENERAL OF THE UNITED STATES, VICE SETH WAXMAN, RESIGNED.

FOREIGN SERVICE

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASS STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS ONE, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

E. CECILE ADAMS, OF TEXAS
WILLIAM HAMMINK, OF FLORIDA

DEPARTMENT OF STATE

FRANK J. MANGANIELLO, OF VIRGINIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS TWO, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

MATTHEW PHILIP RATHGEBER, OF TEXAS

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS THREE, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHARISSE A. ADAMSON, OF MARYLAND
KENNETH L. BARBERI, OF NEVADA
KOJO O.F. BUSIA, OF VIRGINIA
KURT ALDWIN CLARK, OF NORTH CAROLINA
CELESTE FULGHAM, OF ILLINOIS
SCOTT HOWARD KLEINBERG, OF FLORIDA
JOHN MICHAEL TINCOFF, OF TEXAS
ROSLYN M. WATERS-JENSEN, OF THE DISTRICT OF COLUMBIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS FOUR, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

ANDREA BROUILLETTE-RODRIGUEZ, OF FLORIDA
MARK B. BURNETT, OF CALIFORNIA
GERARD CHEYNE, OF CONNECTICUT
CHRISTOPHER JAMES DEL CORSO, OF NEW YORK
STEWART TRAVIS DEVINE, OF FLORIDA
ALISON ELIZABETH DILWORTH, OF VIRGINIA
ELLEN MICHELE DUNLAP, OF FLORIDA
DERECK JAMAL HOGAN, OF NEW JERSEY
C. WAKEFIELD MARTIN, OF TEXAS
DAVID J. MICO, OF INDIANA
CHRISTOPHER STEPHEN MISCIAGNO, OF FLORIDA
STEPHEN P. NEWHOUSE, OF CALIFORNIA
KAREN CHOE REIDER, OF NEW YORK
JONATHAN A. SCHOOLS, OF TEXAS
KEENAN J. SMITH, OF PENNSYLVANIA
HOWARD T. SOLOMON, OF VIRGINIA
ANTHONY KENNETH STAPLETON, OF FLORIDA
FREDRIC W. STERN, OF CALIFORNIA
PETER M. THOMPSON, OF CONNECTICUT
SONYA ANJALI ENGSTROM WATTS, OF IOWA
MARK E. WILSON, OF TEXAS

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENTS OF COMMERCE AND STATE TO BE CONSULAR OFFICERS AND OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

ALICIA P. ALLISON, OF THE DISTRICT OF COLUMBIA
EUGENE JOSEPH ARNOLD, OF MISSOURI
CHARLES A. ATKINSON, OF VIRGINIA
JEFFREY J. BAKER, OF VIRGINIA
JULIANA KINAL BALLARD, OF THE DISTRICT OF COLUMBIA
SANDILLO BANERJEE, OF CALIFORNIA
DOROTHY B. BARDZELL, OF VIRGINIA
WANDA E. BARQUIN, OF CALIFORNIA
MARIETTA LOUISE BARTOLETTI, OF CALIFORNIA
ROIS MEGHAN BEAL, OF GEORGIA
RUTH BENNETT, OF OREGON
CYRUS V. BHARUCHA, OF VIRGINIA
TANYA MARIE BIETH, OF VIRGINIA
J. GREGORY BRISCOE, OF TENNESSEE
JAMES M. BROOKS, OF VIRGINIA
BRIAN BENJAMIN BROWN, OF MARYLAND
RACHEL K. BROWNE, OF VIRGINIA
JENNIFER A. BUCALO, OF VIRGINIA
PAUL MATTHEW CAMPIONE, OF VIRGINIA
STEVEN CHAN, OF HAWAII
CARLA M. CHILDRESS, OF VIRGINIA
KATELYN CHOE, OF VIRGINIA
CARYN R. CIESLIK, OF VIRGINIA
KENNETH CLARKE, OF VIRGINIA
IREAS C. COOK, OF TEXAS
JANAE ELIZABETH COOLEY, OF MICHIGAN
KEVIN COSTANZI, OF VIRGINIA
JOHN REID CROSBY, OF TEXAS
MARY EILEEN DASCHBACH, OF NEW HAMPSHIRE
ARTINA M. DAVIS, OF MARYLAND
JAMES R. DAYRINGER, OF VIRGINIA
DAVID S. DOUCETTE, OF VIRGINIA
BRADLEY RICHARD EVANS, OF TEXAS
DAVID M. FORAN, OF CONNECTICUT
CLARK N. FOULKE JR., OF VIRGINIA
MARY H. GAUGHAN, OF VIRGINIA
DAVID LINDGREN GEHRENBECK, OF RHODE ISLAND
KARL A. GINYARD, OF MARYLAND
REBECCA S. GRAHAM, OF THE DISTRICT OF COLUMBIA
SHIRENE HANSOTIA, OF VIRGINIA
BRADLEY A. HARKER, OF NEVADA
MARGARET REIKO HARTLEY, OF CALIFORNIA
KRISTINE A. HELSTROM, OF VIRGINIA
MARCO HENRY, OF VIRGINIA
JANELLE SUZANNE HIRONIMUS, OF CALIFORNIA
KELLIE L. HOLLOWAY, OF ARIZONA
CATHERINE E. HOLT, OF NEBRASKA
JOEY R. HOOD, OF NEW HAMPSHIRE
STEPHEN R. JACQUES, OF VIRGINIA
MICHELLE M. JONES, OF VIRGINIA
DENNIS T.P. KEENE, OF FLORIDA
ROBERT L. KINGMAN, OF WASHINGTON
KERESA M. KIPP, OF VIRGINIA
LAURA HOPE KIRKPATRICK, OF VIRGINIA
STEPHEN P. KNODE, OF FLORIDA
JOAN C. KOZAR, OF VIRGINIA
KAMAL IMHOTEP LATHAM, OF NEW YORK
PAIGE SARGENT LEGENHAUSEN, OF VIRGINIA
ELLEN LENNY-PESSAGNO, OF COLORADO
KELLY RENE LIZARRAGA, OF CALIFORNIA
CARLOS A. MACIAS, OF VIRGINIA
JASON ROSS MACK, OF NEW YORK
EDWARD F. MALINOWSKI, OF ILLINOIS
BETTINA ANNE MALONE, OF VIRGINIA
TYLER L. MASON, OF NEW YORK
GREGORY CHARLES MAY, OF MARYLAND
JAMES W. MAYFIELD JR., OF MARYLAND
KARA C. MCDONALD, OF THE DISTRICT OF COLUMBIA
DAVID J. MCGUIRE, OF TENNESSEE
JEFFREY G. MILLER, OF MARYLAND
SCOTT MODELL, OF VIRGINIA
BRIAN MOORE, OF PENNSYLVANIA
SHANTE JERMAINE MOORE, OF VIRGINIA
KENNETH R. MOURADIAN, OF NEW HAMPSHIRE
NORMAN D. NELSON, OF VIRGINIA
ROBERT F. O'SABEN, OF VIRGINIA
DONALD L. PARNELL, OF VIRGINIA
SUSAN M. PARNELL, OF VIRGINIA
ROBERT A. PEASLEE, OF COLORADO
ERIC L. PERRYMAN, OF MARYLAND
GABRIELLE M. PRICE, OF PENNSYLVANIA
KATHARINE C. RICE, OF VIRGINIA
ALYCE CAMILLE RICHARDSON, OF FLORIDA
TODD C. ROBERTS, OF VIRGINIA
EARL S. ROBINSON III, OF THE DISTRICT OF COLUMBIA
JOHN GREEN ROBINSON, OF MISSISSIPPI
LARRY E. ROBINSON, OF VIRGINIA
RYAN DEAN ROWLAND, OF CALIFORNIA
ANTJE M. SCHMIDT, OF VIRGINIA
FIONA CLARE SCHOLAND, OF CONNECTICUT
PETER ALBAN SCHROEDER, OF WASHINGTON
MARC LONDON SHAW, OF MISSOURI
JEFFREY W. SHEPARD, OF VIRGINIA
ANDREW K. SHERR, OF COLORADO
KEITH L. SILVER, OF NEW HAMPSHIRE
JEFFERSON D. SMITH, OF TEXAS
PAMELA J. SMITH, OF TEXAS
JOHN M. SPIWAK JR., OF VIRGINIA
TIMOTHY MICHAEL STANDAERT, OF NEW YORK
MONA P. SWEATT, OF THE DISTRICT OF COLUMBIA
DANIEL ALEXANDER STEWART, OF VIRGINIA

LINDA S. STIRLING, OF CALIFORNIA
TOM S. TARGOS, OF WISCONSIN
ERIN YVONNE TARIOT, OF MASSACHUSETTS
TIMOTHY P. TRENKLE, OF KANSAS
JOSEPH FINCH TRIMBLE JR., OF TEXAS
RAYMOND E. VANOVER, OF VIRGINIA
ABISAI VEGA, OF CALIFORNIA
ANITA V. VENDITTI, OF THE DISTRICT OF COLUMBIA
CAROL L. WASHINGTON, OF MARYLAND
HARVEY A. WECHSLER, OF ILLINOIS
TIMOTHY A. WEST, OF VIRGINIA
TODD R. WHATLEY, OF OKLAHOMA
WILLIAM S. WILKINSON, OF VIRGINIA
WILEY J. WILLIAMS III, OF TENNESSEE
JOSEPH W. WIPPL, OF VIRGINIA
MARK E. WOOD, OF FLORIDA
EBONI YORK, OF MICHIGAN
KAREN R. ZIPPRICH, OF VIRGINIA
LARRY RUSSEL ZIPPRICH, OF VIRGINIA

THE FOLLOWING-NAMED PERSON OF THE AGENCY INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF THE CLASS STATED AND ALSO FOR THE OTHER APPOINTMENTS INDICATED, EFFECTIVE NOVEMBER 25, 1997:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS FOUR, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, RETROACTIVE TO NOVEMBER 25, 1997

DEPARTMENT OF STATE

HAROLD EDWARD ZAPPIA, OF VIRGINIA

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS THREE, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, EFFECTIVE JANUARY 14, 2001:

DEPARTMENT OF STATE

LINDA ELISA DAETWYLER, OF CALIFORNIA
REBECCA ANN PASINI, OF INDIANA

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF STATE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED: CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER MINISTER:

DEPARTMENT OF STATE

DONNA JEAN HRINAK, OF PENNSYLVANIA

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF CAREER MINISTER, EFFECTIVE JANUARY 14, 2001:

DEPARTMENT OF STATE

DANIEL CHARLES KURTZER, OF FLORIDA

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER COUNSELOR, EFFECTIVE NOVEMBER 21, 1999:

DEPARTMENT OF STATE

RICHARD T. MILLER, OF TEXAS

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR, EFFECTIVE JANUARY 14, 2001:

DEPARTMENT OF STATE

FRANCIS JOSEPH RICCIARDONE JR., OF NEW HAMPSHIRE
ALBERT A. THIBAULT JR., OF PENNSYLVANIA

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR, EFFECTIVE JANUARY 14, 2001:

DEPARTMENT OF STATE

PETER K. AUGUSTINE, OF TEXAS
JULIA CARDOZO ROUSE, OF THE DISTRICT OF COLUMBIA
MARK A. TOKOLA, OF WASHINGTON

CAREER MEMBER OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF COUNSELOR, AND CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE EFFECTIVE JANUARY 14, 2001:

DEPARTMENT OF STATE

WILLIAM G. L. GASKILL, OF VIRGINIA

EXTENSIONS OF REMARKS

HONORING ORGANIZATION COMMUNITY SERVICE AWARD RECIPIENT, COURT APPOINTED SPECIAL ADVOCATES (CASA)

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. TOM DAVIS of Virginia. Mr. Speaker, I would like to take this opportunity to honor an organization in Northern Virginia that has made serving neglected and abused children its priority. Court Appointed Special Advocates has been serving the community for over a decade, and its dedication throughout our region is being rewarded at the Springfield Inter-Service Award Ceremony on March 14, 2001.

Court Appointed Special Advocates, or CASA, is a national organization dedicated to ensuring that the best interests of abused and neglected children are represented in court. It was started in Washington State in 1976 by King County Superior Court Presiding Judge David W. Soukop. The court found that before the formation of CASA, attorneys did not spend the necessary time and did not have the adequate training to provide the thorough investigation needed in these cases. Judge Soukop decided to recruit volunteers to do the required research and stay with the children as their court cases unfolded.

There are programs in all 50 states, the District of Columbia, and the Virgin Islands. There are 25 CASA offices in Virginia, the largest of which is in Fairfax. The office in Fairfax was opened in 1989 and to date has helped over 3,000 children. With 150 volunteers, it is currently serving 400 children. Working with attorneys, school and medical officials, and social workers, CASA volunteers act on behalf of the children involved in cases so they do not become just another docket number.

CASA volunteers must complete hours of training and are then sworn in by a judge. Before taking on a case, volunteers work hard to attain knowledge of the case by sitting in on a day of proceedings on that particular case. The dedication of these volunteers to the children they are asked to represent helps these children through very traumatic times. The first priority of CASA is to help children. They do not investigate the abuse; they only look into information about the child and the family. Their mandate is "what is in the best interest of the child."

Mr. Speaker, in closing, I wish the very best to CASA as it is honored at the Springfield Inter-Service Awards Banquet in Springfield, Virginia. The volunteers certainly have earned this recognition, and I call upon all of my colleagues to join me in applauding their remarkable achievement.

INTRODUCTION OF FLAG PROTECTION AMENDMENT

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. CUNNINGHAM. Mr. Speaker, I rise today to reintroduce legislation which would amend the Constitution to prevent desecration of the American flag. This measure is identical to H.J. Res. 33, which I sponsored in the last session of Congress, and language previously adopted by the House. It is necessary to restore protections for the symbol of our nation and all its honored traditions, which were sadly wiped away in the 1989 Supreme Court ruling on Texas v. Johnson.

In that fateful 5–4 ruling, the court cast aside longstanding national laws and 48 state laws recognizing the flag's special status and honoring its place in American society—ruling that its desecration is protected under the first amendment. For those who see our flag as a revered symbol of freedom and the great sacrifices that were made to sustain it at home and abroad, that decision was a horrible affront—and the call to action was immediate.

Inspired to preserve our national trademark and unalloyed symbol of unity, Congress quickly moved to pass a law restoring flag protections. But in its 5–4 ruling on United States v. Eichman in 1990, the Supreme Court once again found that flag protections were inconsistent with free expression rights accorded under the first amendment. That ruling made it clear that restoration of flag protections would require a constitutional amendment.

Since that ruling, the House four times has acted on a Flag Protection Constitutional Amendment, passing it three times with well over the two-thirds majority required. The Senate has also acted, failing to achieve the two-thirds votes necessary to move the amendment forward to the states for ratification by a mere handful of votes. With the Senate coming just three votes shy of that goal last year, and a new administration which has expressed its support for the Flag Protection Amendment, we are now within reach of victory.

As a combat veteran who served 20 years in the Navy, there are almost no words adequate to convey the significance of the U.S. flag to me. But I can tell you that each color on that flag, each star and each stripe evokes emotion in me, and together they stand as a symbol of everything I believed in about this country when I fought to defend it. When I heard that some in my country were opposing my military's involvement in Vietnam, that flag reminded me of our tolerance for differences and our endurance through unity. It was a steady symbol of the liberties we enjoy—a way of life that should be protected for future generations and defended for others who aspire to it. And for POWs who endured unthinkable torture and deprivation, it was a source of hope and strength that helped them persevere another day.

There have been several major incidents of flag burning since the Court ruling in 1990. These incidents tear at me, and represent a direct attack on all I hold dear about this country. The Constitution was not designed to protect actions which jeopardize others' rights, and the government has long acted to restrict speech and conduct that could cause harm to others. Those who want to express their anger against this country have options that don't involve destroying the sacred symbol that belongs to all citizens.

At a time when we are faced with increasing youth violence and cultural breakdown, restoring our most recognized sign of unity would be a positive step in the right direction—providing a steady reminder that living free comes with responsibility to respect others.

Mr. Speaker, the state of Israel has laws protecting not only its flag, but the flags of its allies as well. It is inexplicable to me that the United States is being told by its courts to tolerate such acts of hatred and violence against its flag when our allies go to such great lengths to protect it. Over 75 percent of Americans consistently agree: the time to restore protections for our flag is long overdue. I ask my colleagues to join me in support of this constitutional amendment, and to move it back to the American people for speedy ratification.

PERSONAL EXPLANATION

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. BALLENGER. Mr. Speaker, on Thursday, I regret that I missed rollcall votes 43, 44, and 45 on the Economic Growth and Tax Relief Act of 2001 (H.R. 3). Had I been present, I would have voted "Yea" to Table the Motion to Reconsider; "No" on the Motion to Recommit with Instructions; and "Yea" on Final Passage of H.R. 3. As Co-Chairman of the Interparliamentary Forum of the Americas, which met in Ottawa, Canada, last week, I had to leave the House chamber following my vote against the Rangel Substitute Amendment to H.R. 3 in order to make my flight to Canada. My attendance at this forum is in furtherance of my official duties as Chairman of the International Relations Subcommittee on the Western Hemisphere. The Forum included representatives from 27 nations, and I was the sole representative of the U.S. Congress in attendance.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

EXPRESSING SUPPORT FOR A NATIONAL REFLEX SYMPATHETIC DYSTROPHY (RSD) MONTH

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. BARRETT of Wisconsin. Mr. Speaker, I rise in recognition of and support for people like Betsy Herman who suffer from an excruciatingly painful disease called Reflex Sympathetic Dystrophy (RSD). RSD is a port-traumatic condition triggered by an injury, surgery, or infection. In simple terms, it is a malfunction of the nervous system in the body's attempt to heal. It may strike at any time, resulting in intense inflammation, swelling, stiffness and/or discoloration of the nerves, muscles, bones, skin and circulatory system.

Because RSD is a complex and little-known disease, Betsy, like scores of RSD sufferers, went for years without being diagnosed with this debilitating disorder. Instead of receiving prompt treatment for RSD after a sprained ankle and pulled muscle when she was 12 (which could have led to full recovery), Betsy was accused of faking and exaggerating her condition and was sent for psychological counseling.

Unfortunately, six years and several surgeries later, Betsy now walks with the help of an implanted device and must drive over 100 miles once a week for treatment. While other teenagers play sports and attend proms, Betsy must wait until classes are in session until she walks the halls of her high school to assure that she isn't bumped, since even the slightest touch can sometimes cause severe pain.

Despite the tremendous physical agony and emotional pain Betsy has suffered at the hands of RSD, she has worked diligently to educate the public about the condition. She recognizes that public education will help lead to correct diagnosis and increased investments in research and treatment for RSD. She also created an on-line support group for teens with RSD, providing a crucial lifeline to other young people afflicted with this incurable disease. In recognition of her efforts, the RSD Hope Group recently presented Betsy with its Humanitarian of the Year Award.

It is for Betsy Herman and other RSD sufferers that I introduce this Concurrent Resolution today expressing the sense of Congress that May should be named "National Reflex Sympathetic Dystrophy Awareness Month." I urge my colleagues to join me in supporting this effort to increase awareness, augment funding, and better diagnose and treat this horrible disease.

HONORING BOB WESTMORELAND AWARD RECIPIENT, JEANNE BURNS

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. TOM DAVIS of Virginia. Mr. Speaker, I would like to take this opportunity to honor a friend of Northern Virginia, Ms. Jeanne Burns, for her many years of service to the community. Her dedication throughout our region is being rewarded at the Springfield Inter-Service Award Ceremony on March 14, 2001.

Ms. Burns' outstanding contributions to Northern Virginia have paved the way for many tremendous achievements. She served on the PTA Board at Crestwood Elementary School, where she assisted in raising thousands of dollars last year alone. The money went to support after-school programs for at-risk children, fund school field trips, provide summer school tuition for children in need, and to promote art programs through a grant with the Virginia Fine Arts Commission.

Her time is split between her work at the elementary school PTA and the PTA Board at both Key Middle School and Lee High School. Ms. Burns is also active in the schools' booster clubs. Part of her time is spent raising money for all-night graduation parties.

Ms. Burns contributed to the planning of millennium activities in Fairfax County with the group "Celebrate Fairfax." One of her other community endeavors was the Fairfax Fall Festival, which is held every year in the downtown area of the City of Fairfax. She was active in securing health care exhibits for the festival, as well as for a community health fair held at Crestwood Elementary School.

She is currently doing volunteer work at Crestwood Elementary every Monday and Wednesday night, where she works with non-English-speaking adults in literacy classes. Ms. Burns volunteers earlier on those days to teach English to young, immigrant mothers. She provides the classes with supplements that she prepares herself.

Ms. Burns continues to actively support Crestwood Elementary School with fundraising efforts and fulfills her commitment to educate non-English-speaking residents. She reminds us that there are people who are willing to give so much and ask for so little in return.

Mr. Speaker, in closing, I wish the very best to Ms. Burns as she is honored at the Springfield Inter-Service Awards Banquet in Springfield, Virginia. She certainly has earned this recognition, and I call upon all of my colleagues to join me in applauding her remarkable achievements.

CONGRATULATING THE MONMOUTH "HAWKS"

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. PALLONE. Mr. Speaker, I would like to draw the attention of my colleagues to Monmouth University in West Long Branch, NJ, which captured the Northeast Conference basketball championship Monday night. This gives Monmouth University a berth in the NCAA basketball tournament, the second time it has qualified for the national championships.

Monmouth defeated St. Francis of New York 67–64 under the leadership of four-year head coach Dave Calloway. I congratulate Coach Calloway and his team for reaching this impressive milestone.

Monday night's achievement offers me the opportunity to highlight Monmouth University—an outstanding educational institution located near the seashore in Monmouth County, NJ. I have always been very proud of "Monmouth" which has educated thousands of my constituents over the years with the highest academic standards. In recent years, it has grown from a small college to a university. It now has a total student population of 5,635 and an outstanding faculty of 220. It features the only B.S. and M.S. program in Software Engineering in New Jersey, not to mention many other innovative academic offerings.

Originally its only large campus building was Wilson Hall—the summer home of Woodrow Wilson when he was President. In 1961, Monmouth College was bequeathed the summer home of the wealthy Guggenheim family for use as a library. Both structures are on the National Register of Historic Places. Since then, many impressive campus buildings have been constructed including one named after my predecessor, Representative James J. Howard.

The success of the Monmouth "Hawks" basketball team has in many ways paralleled the growth of Monmouth University as an educational institution. I congratulate them on their success and wish them the best of luck on their near and long-term endeavors.

WAIVING THE MEDICARE PART B PENALTY FOR MILITARY RETIREES WHO ENROLL IN TRICARE FOR LIFE

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mrs. MINK of Hawaii. Mr. Speaker, I rise to introduce a bill to amend the portion of last year's Defense Authorization Act that extends health care benefits to military retirees.

Congress made great strides toward fulfilling its promise of health care for life for all members of the military when it extended TRICARE benefits to retired members of the military and their families. However, the legislation required that beneficiaries have Medicare Part B.

I have been contacted by several constituents who would like to take advantage of the new health benefits, but never enrolled in Medicare Part B. Current law states that if a person is not enrolled in Medicare Part B, their monthly premium is increased 10% for each year past the age of 65 that they have not been enrolled. For example, an 80-year-old individual enrolling in Medicare Part B for the first time would have a 150% penalty. Their monthly premium would be $125. The base premium for Medicare Part B is $50.

My bill waives the 10 percent penalty for enrolling in Medicare Part B. It also waives the Medicare Part B requirement for military retirees who are already enrolled in the Federal Employees Health Benefits Plan.

Military retirees should not be penalized for not having Medicare Part B. In addition, retirees should not be forced to enroll in Medicare Part B if they are already enrolled in the Federal Employees Health Benefits Plan.

I urge my colleagues to cosponsor this legislation.

HONORS ROSE SORRENTINO ON HER 80TH BIRTHDAY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Ms. DELAURO. Mr. Speaker, it gives me great pleasure to rise today to honor one of New Haven, Connecticut's most treasured residents and my dear friend, Rose Sorrentino, as she celebrates her 80th birthday. Throughout her life, Rose has been an inspiration to all of those who have known her.

I have often spoke of the importance of volunteer work and the tremendous impact volunteers have on our communities. When I speak of the time and dedication that they give, I often think of all the good work Rose has done. A founder and past editor of the Bella Vista Reporter, Rose continues to write for the residential publication, ensuring that residents are informed about those issues most important to seniors. Rose has been the President of Bella Vista's 321 Club for over twenty years and she continues to volunteer as a courtesy caller—making several calls each morning to check on her friends and neighbors.

For the past thirty years, Rose has dedicated her energy and enthusiasm to giving a strong voice to the residents of Bella Vista and the elderly. In addition to her work at Bella Vista, Rose has also given her time to numerous local and State committees and service organizations. She continues to be an active member of the Committee on Aging for the State of Connecticut, the Committee Supporters of Hospice, and the Committee of the Elderly for the City of New Haven. Over the course of three decades, Rose has established herself as one of the most vocal advocates for Connecticut's elderly.

Rose is known throughout the City of New Haven for her work as Democratic Ward chair for New Haven's 13th Ward. Her vibrancy and fervor is contagious—exhibiting the energy and tenacity one would see in someone more than half her age. Rose's commitment to public service is undeniable and she has certainly left an indelible mark on the local political arena.

A mother of four, grandmother of three, and great-grandmother of three, I am continually in awe of the seemingly endless commitment and dedication Rose shows each day. I am proud to stand today and join her children, Penny, Peggy, Ernestine, and Susan, family, friends and community members in extending my sincere thanks and appreciation to Rose Sorrentino for her many contributions to our community. My warmest wishes for many more years of health and happiness. Happy birthday!

BOROUGH OF BUTLER CELEBRATES CENTENNIAL

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. FRELINGHUYSEN. Mr. Speaker, I am proud to offer congratulations to the Borough of Butler, of Morris County, New Jersey, which celebrates its centennial anniversary today.

Although known as Butler today, this community was originally called West Bloomingdale.

Nestled in the foothills of the Ramapo Mountains, West Bloomingdale was still a village until, in 1879, land speculators realized the economic opportunities that could come to this area along the banks of the Kakeout Brook and Pequannock River.

The growth of the community is directly linked to the development of the rubber industry in the area. In fact, the community honored the president of the American Rubber Company, Richard Butler, by naming its post office after him in 1881.

Through the efforts of Mr. Butler, the land was surveyed and the village streets were laid out. Mr. Butler also donated land for the early school and the churches within the community.

As an industrial community, Butler experienced extensive growth, both economically and socially. Factories were built, the population grew, freight and passenger train service thrived.

By an act of the New Jersey Legislature, Butler became incorporated on March 13, 1901.

Prominent in the continued development of the borough was the American Hard Rubber Company and the Pequanoc Rubber Company, which employed over 1,000 people. The relatively stable employment picture of these two plants contributed to the economic welfare of the community.

The Borough of Butler owned municipal services not possessed by many other towns of a like size in the country. The Butler Water Company and The Butler Electric Company have serviced Butler and surrounding communities since the early 1900's. In 1902 the Butler Volunteer Fire Department was formed. Law enforcement was handled under the Marshall system from 1901 until March 13, 1939 when the Butler Police Department was started. The borough has graciously funded the Butler Museum since 1976 so that its history can be retained.

A fire at the Pequanoc River Company in 1957 and the closure of the Amerace Corporation (American Hard Rubber Company) in 1974 brought an end to the heyday of the factories in Butler and the beginnings of the lovely town one sees today.

Butler's Centennial Celebration has its 7,200 residents reminiscing about its rich history and it has them looking forward to retaining Butler's "small town" quality, which serves as an attraction for small business' and industries.

The mayor and town council are beginning the next 100 years by revitalizing the borough with an attractive downtown area, by its continuing support of its schools, and by ongoing beautification programs for the borough park.

Mr. Speaker, I urge you and my colleagues to join me in congratulating the Borough of Butler on its 100th anniversary.

IN MEMORY OF SHERIFF GENE DARNELL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. SKELTON. Mr. Speaker, it is with deep sadness that I inform the House of Representatives of the passing of my good friend Gene Darnell, a resident of Lexington, Missouri. He was 68.

Gene, a son of the late Ennis Mark and Hannah K. Elkins Darnell, was born in Dover, Missouri, on June 12, 1932. He married Leona "Onie" Clouse on March 6, 1954. Gene then served honorably and successfully in the United States Army. He was very proud of his service as a soldier.

Gene was a deputy sheriff for Lafayette County from 1959 to 1964. In 1964, he was elected Sheriff of Lafayette County, and he was reelected six additional times. Gene was truly a unique and highly respected politician, a brilliant investigator, a masterful interrogator and a believable witness. He was founding member of the Missouri Rural Major Case Squad, and was Missouri Sheriff Pension Board Director. He was also a graduate of the Federal Bureau of Investigation National Academy.

Mr. Speaker, Gene Darnell will be greatly missed by all who knew him. I know the Members of the House will join in extending heartfelt condolences to his family his wife Onie and his siblings, Fred Darnell, Kathryn Hayes and Mary Ann Mais.

INTRODUCTION OF THE TELEWORK TAX INCENTIVE ACT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. WOLF. Mr. Speaker, today I am introducing a bill to provide a $500 tax credit for telework. The purpose of my legislation is to provide an incentive to encourage more employers to consider telework for their employees. Telework should be a regular part of the 21st century workplace. The best part of telework is that it improves the quality of life for all.

Nearly 20 million Americans telework today, and according to experts, 40 percent of American jobs are compatible with telework. Telework reduces traffic congestion and air pollution. It reduces gas consumption and our dependency on foreign oil. Telework is good for families—working parents have flexibility to meet everyday demands. Telework provides people with disabilities greater job opportunities. Telework helps fill our nation's labor market shortage. It is also a good way for retirees to pick up part-time work.

Companies save significantly when they have a strong telecommuting program. At one national telecommunications company, nearly 25 percent of its employees work from home at least one day per week. The company found positive results in the way of fewer days of sick leave, better worker retention, higher productivity, and increased morale.

According to a George Mason University (Fairfax, VA) study, for every 1 percent of the Washington metropolitan region workforce that telecommutes, there is a 3 percent reduction in traffic delays. George Mason University completed another study which suggests that on Friday mornings there is a 2- to 4-percent drop in traffic volume in the Washington metro region, a so-called "Friday effect."

This is promising news because it means that with just a 1- to 2-percent increase in the number of commuters who leave their cars parked and instead telework just one or two days per week, we could get to the so-called "Friday effect" all week long.

Two years ago, I participated in Virginia Governor James Gilmore's telework task force. I want to take the opportunity to congratulate Governor Gilmore for his strong leadership and involvement in telework. The governor's task force made a number of recommendations to increase and promote telework. One recommendation was to establish a tax credit toward the purchase and installation of electronic and computer equipment that allow an employee to telework. For example, the cost of a computer, fax machine, modem, phone, printer, software, copier, and other expenses necessary to enable telework could count toward a tax credit, provided the person worked at home a minimum number of days per year.

My legislation today would provide a $500 tax credit "for expenses paid or incurred under a teleworking arrangement for furnishings and electronic information equipment which are used to enable an individual to telework." For example, the cost of a computer, fax machine, modem, software, etc., as well as home office furnishings would apply toward the credit. An employee must telework a minimum of 75 days per year to qualify for the tax credit. Both the employer and employee are eligible for the tax credit, but the tax credit goes to whomever absorbs the expense for setting up the at-home worksite.

I have stated before that work is something you do, not someplace you go. Hopefully we can make telework a commonplace as the morning traffic report. There is nothing magical about strapping ourselves into a car and driving sometimes up to an hour and a half, arriving at a workplace and sitting before a computer. We can access the same information from a computer in our living rooms. Wouldn't it be great if we could replace the evening rush hour commute with time spent with the family, or coaching little league or other important quality of life matters?

Mr. Speaker, I hope our colleagues will consider signing on as a cosponsor of this proposal to promote telework and provide choices for employees in the workplace.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telework Tax Incentive Act".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Federal, State, and local governments spend billions of dollars annually on the Nation's transportation needs.

(2) Congestion on the Nation's roads costs over $74,000,000,000 annually in lost work time, fuel consumption, and costs of infrastructure and equipment repair.

(3) On average on-road-vehicles contribute 30 percent of nitrogen oxides emissions.

(4) It is estimated that staying at home to work requires 3 times less energy consumption than commuting to work.

(5) It was recently reported that if an identified 10 to 20 percent of commuters switched to teleworking, 1,800,000 tons of regulated pollutants would be eliminated, 3,500,000,000 gallons of gas would be saved, 3,100,000,000 hours of personal time would be freed up, and maintenance and infrastructure costs would decrease by $500,000,000 annually because of reduced congestion and reduced vehicle miles traveled.

(6) The average American daily commute is 62 minutes for a 44-mile round-trip (a total of 6 days per year and 5,808 miles per year).

(7) The increase in work from 1969 to 1996, the increase in hours mothers spend in paid work, combined with a shift toward single-parent families resulted in families on average experiencing a decrease of 22 hours a week (14 percent) in parental time available outside of paid work they could spend with their children.

(8) Companies with teleworking programs have found that teleworking can boost employee productivity 5 percent to 20 percent.

(9) Today 60 percent of the workforce is involved in information work (an increase of 43 percent since 1990) allowing and encouraging decentralization of paid work to occur.

(10) In recent years, studies performed in the United States have shown a marked expansion of teleworking, with an estimate of 19,000,000 Americans teleworking by the year 2002, 5 times the amount in 1990.

SEC. 3. CREDIT FOR TELEWORKING.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

"SEC. 30B. TELEWORKING CREDIT.

"(a) Allowance of Credit.—In the case of an eligible taxpayer, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified teleworking expenses paid or incurred by the taxpayer during such year.

"(b) Maximum Credit.—

"(1) Per teleworker limitation.—The credit allowed by subsection (a) for a taxable year with respect to qualified teleworking expenses paid or incurred by or on behalf of an individual teleworker shall not exceed $500.

"(2) Reduction for teleworking less than full year.—In the case of an individual who is in a teleworking arrangement for less than a full taxable year, the amount referred to paragraph (1) shall be reduced by an amount which bears the same ratio to $500 as the number of months in which such individual is not in a teleworking arrangement bears to 12. For purposes of the preceding sentence, an individual shall be treated as being in a teleworking arrangement for a month if the individual is subject to such arrangement for any day of such month.

"(c) Definitions.—For purposes of this section—

"(1) Eligible taxpayer.—The term 'eligible taxpayer' means—

"(A) in the case of an individual, an individual who performs services for an employer under a teleworking arrangement, and

"(B) in the case of an employer, an employer for whom employees perform services under a teleworking arrangement.

"(2) Teleworking arrangement.—The term 'teleworking arrangement' means an arrangement under which an employee teleworks for an employer not less than 75 days per year.

"(3) Qualified teleworking expenses.—The term 'qualified teleworking expenses' means expenses paid or incurred under a teleworking arrangement for furnishings and electronic information equipment which are used to enable an individual to telework.

"(4) Telework.—The term 'telework' means to perform work functions, using electronic information and communication technologies, thereby reducing or eliminating the physical commute to and from the traditional worksite.

"(d) Limitation Based on Amount of Tax.—

"(1) Liability for tax.—The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) the regular tax for the taxable year, reduced by the sum of the credits allowable under subpart A and the preceding sections of this subpart, over

"(B) the tentative minimum tax for the taxable year.

"(2) Carryforward of unused credit.—If the amount of the credit allowable under subsection (a) for any taxable year exceeds the limitation under paragraph (1) for the taxable year, the excess shall be carried to the succeeding taxable year and added to the amount allowable as a credit under subsection (a) for such succeeding taxable year.

"(e) Special Rules.—

"(1) Basis reduction.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to subsection (d)).

"(2) Recapture.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

"(3) Property used outside United States, etc., not qualified.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b) or with respect to the portion of the cost of any property taken into account under section 179.

"(4) Election not to take credit.—No credit shall be allowed under subsection (a) for any expense if the taxpayer elects to have this section not apply with respect to such expense.

"(5) Denial of double beneift.—No deduction or credit (other than under this section) shall be allowed under this chapter with respect to any expense which is taken into account in determining the credit under this section.".

(b) Technical Amendment.—Subsection (a) of section 1016 of such Code is amended by striking "and" at the end of paragraph (26), by striking the period at the end of paragraph (27) and inserting "; and", and by adding at the end the following new paragraph:

"(28) to the extent provided in section 30B(e), in the case of amounts with respect to which a credit has been allowed under section 30B."

(c) Clerical Amendment.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 30B. Teleworking credit."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act, in taxable years ending after such date.

A TRIBUTE TO ROGER CARAS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. LANTOS. Mr. Speaker, all of us who are active in the movement to protect Animals recently lost a compassionate and articulate colleague. It is with a heavy heart that I rise today and pay tribute to a true friend of the animal welfare movement and a dear friend of mine, Roger Caras.

Mr. Speaker, Roger began his career in the film industry, but after 15 years as a motion picture executive, he left to follow his true calling, the study of animals in their natural habitats. This led him to a take position as the "house naturalist" on NBC Today Show and later as a special correspondent covering animals and the environment for ABC. From these important and highly visible positions, Roger was able to share his passion for animals with millions of Americans.

Later in life, Roger became the President of the American Society for Prevention of Cruelty to Animals (ASPCA). This is the oldest humane organization in the United States, and Roger served as its fourteenth President from 1991 to 1999. During his tenure, he was credited with transforming the ASPCA through the expansion of its national animal protection programs. Roger also played an integral role in strengthening the Society's public education programs and focusing on population control for animals rather than euthanizing unwanted animals. To this end, Roger decided to end the 100 year old relationship between the ASPCA and New York City in which the ASPCA collected and killed abandoned dogs, cats, and other animals for the city each year. Under his leadership, the Society also acquired and later expanded the first poison control center for Animals in the United States.

Roger was also a prolific writer, leaving a rich legacy of thoughtful writing on animal welfare issues, including seventy books. His written works cover a full range of topics, from pet care to children's books. His fictionalized biographies of individual animals in their natural habitats were loved by children around the world. And to millions of dog lovers, Roger will always be remembered as the distinctive voice announcing the Westminister Dog Show at Madison Square Garden each February.

Mr. Speaker, Roger Caras was an extraordinary man who devoted his life to ensuring that animals are treated with the respect and care they deserve. I am sure I speak for all friends of animals when I say that Roger will be truly missed. I invite my colleagues to join me in mourning the passing of this outstanding leader.

LUCE RETIRES AFTER 30 YEARS IN EMPLOYMENT AND TRAINING FIELD

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to Charles Luce, the executive director of the Luzerne County Human Resources Development Department. Charlie is retiring after 30 years in the employment and training field and will be honored with a testimonial dinner on March 14.

Charlie is the lead staff member for the Workforce Investment Board for Luzerne and Schuylkill counties, which receives federal and state funding to provide employment and training opportunities in Luzerne and Schuylkill counties. The board also oversees the one-stop CareerLink centers in both counties. Under his leadership, the Luzerne/Schuylkill Workforce Investment Area is considered one of the best in the state.

He graduated from King's College with a bachelor of arts in psychology and sociology and the University of Scranton with a master's of science in human resources administration.

Mr. Speaker, in addition to serving the people of Northeastern Pennsylvania for the past 30 years by helping them train for the workplace, Charlie has long served his country. He is a Vietnam combat veteran as well as a veteran of the Persian Gulf War, and he is a colonel in the U.S. Army Reserve. He currently commands the 367th Military Police Group located in Ashley, Pennsylvania, where he is responsible for 10 subordinate M.P. units stationed throughout Maryland, West Virginia and Pennsylvania.

Charlie is also a community volunteer and active in many organizations. He is a member of the Economic Development Council of Northeastern Pennsylvania, King's College Act 101, Catholic Social Services, Wilkes-Barre Area School District Strategic Planning Committee, the Reserve Officers Association, of which he is a past state president, and is currently Chairman of the Wilkes-Barre Industrial Development Authority and the Economic Development Corporation.

He is married to the former Antoinette Pucylowski, with whom he has two children.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the good works and distinguished career of Charles Luce, and I join the community he serves in wishing him all the best in retirement.

IN HONOR OF JUDGE JOSEPH BATTLE

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay tribute to Judge Joseph Battle, Jr., a loyal public servant and a close personal friend, who passed away on March 11, 2001. Joseph Battle was a man who led by example and was a true bright spot in his hometown of Chester.

The grandson of Irish immigrants and son of a roofer, Joseph Battle was a lifelong resident of the City of Chester. Joseph graduated from Notre Dame with honors and received his law degree in 1962 from the University of Pennsylvania, where he was the recipient of the prestigious American Jurisprudence Award for Excellence in Local Government.

Joseph served his country bravely as an officer in the U.S. Army in Korea. Joseph's outstanding duty was recognized when he was awarded the Commendation Medal for Meritorious Service.

With strong academic record and proven service to his country, Joseph could have taken his life experiences anywhere he wanted to. However, Joseph returned home to the City of Chester where he continued to serve his community. In 1980, Joseph was elected Mayor of Chester, a position he held until 1986.

An honest and caring man, Judge Battle had a joke and made everyone feel at ease. As Mayor of Chester, he helped clean up a city that was marred with a reputation of corruption. Today, Chester is undergoing a renaissance after years of hard times. Many of the improvements we see today can be traced back to changes he made two decades ago. Joe worked tirelessly to repair the name of the city he loved to serve.

Joe did not stop there, he continued to serve his community and Delaware County. Joe ran for county sheriff in 1985 and won by a huge margin. He served in that office until 1987 when he was appointed to the Common Pleas Court port by the late Gov. Robert Casey.

Judge Battle leaves us at the young age of 63. At the time of his passing, he was serving as the President Judge of Delaware County, a port he held with pride and honor.

Joseph was a kind and compassionate man, he as also a man of his word. One example makes the point. As a young man, Joseph promised to take care of his mother, a promise that he kept long after the death of his father.

This Weekend, My Congressional District lost a leader. The City of Chester lost a loyal champion. I lost a friend. Mr. Speaker, I ask my colleagues to join me in a tribute to Joseph Battle for his selfless dedication to his community and his country.

CONGRATULATIONS TO THE CITY OF OAK CREEK WATER AND SEWER UTILITY

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. KLECZKA. Mr. Speaker, I rise today to recognize the City of Oak Creek, located in my district, for the outstanding work the city's Water and Sewer Utility has done on the Oak Creek Aquifer Storage and Recovery Project. The city, along with the Milwaukee office of CH2M Hill, Inc., is being honored by the

American Consulting Engineers Council at its 2001 Engineering Excellence Awards here in Washington, D.C. tonight.

Using Aquifer Storage and Recovery technology pioneered by CH2M Hill, Inc., the Oak Creek Water and Sewer Utility will store treated surface water in deep wells in the Sandstone Aquifer, where it will be available in the summer to meet seasonal demands. Use of this technology will allow the utility to cut its annual costs in half.

Oak Creek is on the cutting edge, Mr. Speaker. This new well is the first of its kind in the state, and by all accounts it's been a rousing success, and I'm pleased to be able to commend them today for receiving this honor.

I'm also very proud to announce that the city's water was recently named the best tasting purified water in the world by the judges at the 11th Annual Berkeley Springs International Water Testing Contest.

I want to recognize the hard work of all the staff at Oak Creek Water and Sewer Utility, especially Dan Duchniak, Assistant Manager of the Utility, and former Manager Don Ashbaugh, who are in Washington tonight to receive the award. Kudos as well to Oak Creek Mayor Dale Richards for his leadership in this project.

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TRIBUTE TO THE CARROLLTON LADY HAWKS

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. SHIMKUS. Mr. Speaker, I rise today to honor the Carrollton Lady Hawks who recently won the Illinois High School Association Class A basketball tournament. The Lady Hawks swept the tournament, winning all three games, and brought back their first state championship.

It was a great finish to a near perfect season. The Lady Hawks went an amazing 34–1 this year. They brought a lot of excitement and joy to all those that followed the team. Basketball great Michael Jordan once said, "Talent wins games, but teamwork and intelligence win championships." Every championship is the cumulative effort of each individual player and coach—each striving to be the best they can be—on any given day.

I would like to personally thank everyone on a job well done. To the players: Karen Brannan, Laura Moss, Kaci Graham, Justine Tucker, Kara Gillingham, Katie Nolan, Alicia DeShasier, Emily Pohlman, Dana Carter, Molly Reed, Lauren Steckel, Amber Shelton and Nicole Meyer, I couldn't be more proud of you. I would also like to congratulate the coaches Lori Blade and Donna Farley on a great season. To everyone behind the scenes—the scorer, Elissa Settles; team manager, Courtney Symes; Athletic Director, Greg Pohlman; Principal, Terry Dillard and Superintendent Mike Barry—thanks for your hard work and support of the team.

* * *

HELPING SMALL BUSINESS CLEANERS ADOPT SAFER TECHNOLOGIES

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. MANZULLO. Mr. Speaker, today I am pleased to introduce—with my colleagues Dave Camp of Michigan and David Price of North Carolina—a bipartisan legislative approach to pollution prevention for an industry that is struggling to maintain its prosperity in the face of very limited options for environmentally friendly, but costly, cleaning technology.

The legislation we introduced today, The Small Business Pollution Prevention Opportunity Act of 2001, offers a positive alternative for owners of cleaning establishments, workers handling potentially hazardous solvents, as well as dry cleaning consumers. Our public health, the business community and our environment are the eventual winners.

To expedite the adoption of available and viable pollution prevention technologies by new and existing cleaners, we are proposing tax incentives. New and safer cleaning solvents, including but not limited to liquid carbon dioxide, water-based wet cleaning and even ozone, are available to the dry- and wet-cleaners. However, without a tax credit, these newer technologies are out of the financial reach for the tens of thousands of cleaning establishments across the country.

Last Congress, I worked diligently trying to enact similar legislation, and I held a hearing on July 20, 2000 in the House Small Business Committee to explore tax incentives to help small business cleaners adopt safer technologies. After the hearing, I cosponsored the legislation, then offered by Representative Dave Camp. This year, as Chairman of the Small Business Committee, I was asked to take the lead on this important legislation. I am pleased that in addition to Representatives Camp and Price, many other representatives, including Rob Andrews, Tammy Baldwin, Richard Burr, Ron Paul, Mark Udall, John Shimkus, Diana DeGette, and Jerry Weller have joined us in supporting this important bill, that would provide cleaners with a 40-percent tax credit against the cost of pollution prevention cleaning equipment in empowerment zones, enterprise communities, or renewal communities and a 20-percent credit elsewhere.

The 35,000 dry and wet cleaners in this nation are one of the largest independent small business segments in this country. Almost everyone relies on their services from one time or another, and these businesses are centrally located in our communities. Many of us, including myself, did not realize the hazardous and flammable nature of the solvents used to clean our garments. These chemicals can pollute our air and groundwater and, when this happens, it is costs millions of dollars to remediate the contaminated sites left behind. In fact, because of the liability attached to the expensive clean-up costs, many banks across the country are reluctant to make loans to cleaning businesses or unrelated businesses located nearby or in the same shopping center.

Many of us have read about or seen contaminated sites that have affected the drinking water of unwary citizens and cost the government hundreds of thousands of dollars to clean it up. The U.S. Marines announced last November one of the worst cases of contaminated water supplies ever—caused potentially by a dry cleaner using percholoethylene (PERC)—that caused unknown diseases to afflict Marines and their families for over two decades. The television station in Milwaukee, Wisconsin, that broke this sad story did a follow-up investigative report on the dry cleaning industry in Wisconsin and reported cause for concern. While the Camp Lejeune situation is reason enough for concern, we in the Congress need to help the military adopt environmentally-friendly cleaning processes and to help commercially available safe systems become more affordable and more accepted.

The small business cleaners in this nation are seeking a path to continue performing a valuable service, making a reasonable profit, and maintaining the public health and safety. Those cleaners who want to switch to safer cleaning systems face financial hurdles and need our help. Their availability of financing for new equipment is limited and their cash flow is not sufficient to spend unwisely. That is why this tax credit is needed and must be enacted.

I encourage my colleagues to join us in this win-win legislative effort where incentives are certain to change behavior faster and more efficiently than regulations, which seek to punish and shut down small businesses.

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HONORING CHARLES P. SEXTON FOR HIS SERVICE TO COMMUNITY

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay special recognition to my friend and constituent Charles P. Sexton Jr. Charlie Sexton is celebrating his 25th year as an outstanding community leader in Springfield, Pennsylvania.

Charlie Sexton, son of Bernice and Charles Sr., was born March 1st in Ardmore, Pennsylvania. After serving his country valiantly in the United States Marine Corps, Charlie Sexton Jr. followed in his father's footsteps served for seven years as a police officer with the Lower Merion Police Department. Always a strong law and order man, he served with distinction and honor as a uniformed patrol officer.

As a police officer, Charlie gained experience in surveillance, investigation and personal and property protection. In 1975 he took this knowledge to the private sector and founded a family-run business. Since its founding, Foulke Associates has provided its clients with outstanding service and a clear commitment to quality. Today it is one of Delaware County's finest family businesses.

While building his business and raising his family, Charlie found it difficult to ignore his strong political convictions. Tapped early on as a rising star, Charlie was hired as an Administrative Assistant to one of my predecessors, Congressman Larry Williams. While serving with Congressman Williams, Charlie developed a keen sense of the local political process. He learned the issues that impact our local communities, and he learned how to communicate our vision and ideals to middle-class working families. After gaining the respect of his neighbors and friends, he was chosen to lead the Republican Party in Springfield Township, a position that he holds to this day. Today, Charlie is one of the most respected political minds in our great state. Much of what I have learned in my career in public life, I learned from Charlie Sexton.

As a breeder of Champion Bloodhounds, Charlie has always maintained an incredible level of commitment and passion. Clearly, a quality that has filtered down to every endeavor he has undertaken.

Charlie Sexton's commitment to his community is not only felt in political circles, but also at two important institutions in my district. For the last 8 years, Charlie has been an outspoken member of the Delaware County Prison Board. He also sits on the Board of Directors at one of the premier hospitals in Pennsylvania, Riddle Memorial Hospital in Media. Both of these institutions are better—and life in our community has improved—because of Charlie's involvement.

Charlie resides in Springfield with his wife Inger. He is father to Annette and Kenneth, and he is a caring grandfather of five grandchildren—Kenneth, Michelle, Sean, Matthew and Christine.

Mr. Speaker, I ask my colleagues to join me in honoring a man who has always stood up for what he believes in. Let us applaud this dedicated, passionate and hard working American, Charles P. Sexton Jr.

RICHARD COSGROVE HONORED AS MAN OF THE YEAR

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to Richard Bernard Cosgrove of Pittston Township, Pennsylvania, who will be honored as the Man of the Year by the Greater Pittston Friendly Sons of St. Patrick on March 17.

Mr. Cosgrove has a long history of involvement in the community. He is a member and past president of the Wyoming Valley Serra Club of Wilkes-Barre and a past district governor of District 80 of Serra International. He is also a member and past grand knight of President John F. Kennedy Council 372 of the Knights of Columbus in Pittston and a member of the council's Fourth Degree Assembly.

In addition, he is a member of the parish community of St. Casimir, St. John the Evangelist and St. Joseph churches in Pittston, where he serves as a Eucharistic minister, an altar server and a member of the parish liturgy committee. He is also a past president of the parish Holy Name Society.

Mr. Speaker, Mr. Cosgrove is an institution in Northeastern Pennsylvania newspapers. After graduating from St. John the Evangelist High School in Pittston in 1941, his introduction to the business came in January, 1943, with the Times Leader in Wilkes-Barre. He joined the staff of the Sunday Dispatch in Pittston for the publication of its very first edition on February 9, 1947. He continued in various capacities with the Dispatch until the summer of 2000, when he affiliated with the Citizens' Voice in Wilkes-Barre as a writer, a position he continues to hold today. He also served for several years as a local correspondent for the Scranton Tribune.

Mr. Cosgrove is a son of the late George and Elizabeth Healy Cosgrove. His wife, the former Mary Neary, passed way in April 1981. Their union was blessed with two sons, George B., principal of Pittston Area Middle School, and Joseph M., a practicing attorney in Luzerne County. His family also includes his son George's wife, the former Virginia Berto, and two granddaughters, Jill, a senior at College Misericordia in Dallas; and Mary Ann, a freshman at the University of Scranton.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the good works and distinguished career of Richard Cosgrove, and I join the Friendly Sons in congratulating him on this well-deserved honor.

A SALUTE TO THE PIRATES

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. McINTYRE. Mr. Speaker, I rise today to honor the Lumberton High School women's basketball team for their tremendous accomplishment this week. Their spirit and determination throughout the 29–1 season has been an inspiration to us all.

On Saturday, March 10, the Lady Pirates defeated East Wake High School 69–45 to win the North Carolina state 4–A girls' basketball title for the first time in school history. This is truly an amazing achievement for Coach Danny Graham, his coaching staff, and the entire Pirate team. It was the first state championship won by Lumberton's girls in any sport. Lumberton's only other state crown was a 2–A football title won in 1951.

Throughout the year, the Lady Pirates have represented the students and faculty of Lumberton High School well by sticking together and demonstrating good sportsmanship. Coach Graham has instilled in his players the ethic of dedication, sacrifice, and teamwork in the pursuit of excellence, and instilled in the rest of us a renewed appreciation of what it means to win with dignity and integrity. Indeed, it was my distinct privilege to have personally experienced Coach Graham's excellence in both instruction and inspiration when I had the opportunity to coach our sons' basketball teams together in the Lumberton Recreation Department's basketball program several years ago.

I also salute the many students, teachers, coaches, administrators, friends and fans of Lumberton High School who cheered our Lady Pirates throughout the season and through the playoffs to the ultimate victory in Chapel Hill. Your unwavering support made this truly a family affair and an opportunity for unity in our community!

My fellow colleagues, please join me in congratulating this extraordinary group of players and their coaches, parents and classmates who cheered them on and made this year's basketball season one to remember. Congratulations, Pirates!

The 2000–2001 Lumberton High School Lady Pirates (listed alphabetically): Sheena Bell; Katrice Brunson; Juachaun Cogdell; Anna Evans; Jennifer Hammonds; Letecia Hardin; Alicia Hunt; Jessica Hunt; Missy Jones; Cheryl Locklear; Shakwonda McArn; Billie McDowell; and LaTonya Washington.

INTRODUCING THE MEDICAID ESTATE RECOVERY AMENDMENT

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. RAHALL. Mr. Speaker, today I introduce an amendment to the Medicaid Estate Recovery Act, that will restore the discretion of the states to decline to participate in the Medicaid Estate Recovery Program.

More than three decades ago, the Medicaid program was enacted and implemented throughout the States with a mission of bringing relief to the poor, with an emphasis on children and the frail elderly, which included long-term or nursing home care for those who could not afford it.

When the Estate Recovery program was instituted, it was at the discretion of the states as to whether they would participate in the recovery of medicaid costs for the care of indigent elderly and disabled persons through the sale of their homes.

Among others, the State of West Virginia had declined to participate in a program that would take the homes of persons, just because they were extremely ill and because they were too poor to pay the costs of long term or nursing home care.

But in 1993 that discretion among the states was taken away, and in its place there was a state mandate to participate in Medicaid estate recovery efforts as a condition of federal Medicaid funding. West Virginia reluctantly enacted a State law that would permit the selling of the homes for elderly victims who died while in the care of Medicaid-funded nursing care. The State did so only after HCFA advised them in no uncertain terms that if they did not they would lose part or all of the State's Medicaid funding.

As a result of the government's mandate, my State enacted the law that would allow the State to practice estate recovery against helpless home owners who happened to be too poor to pay for their own end-of-life care. In protest, the State law as enacted directed West Virginia's State Attorney General to file a lawsuit in federal court, claiming that the mandatory selling of people's homes was a violation of the 10th Amendment of the Constitution. The State's lawsuit is still pending.

That was eight years ago, and no relief is in sight. That is why I have introduced my bill today, that would restore to the states their own discretion as to whether they will participate in estate recovery. Under my legislation, those states that wish to continue to sell the homes of the elderly in order to recover the medicaid costs of their end-of-life care, may continue to do so. But for West Virginia (and three other states who have steadfastly declined to ever implement an estate recovery program: Michigan, Georgia and Texas), it will have the discretion it had prior to the 1993 amendment to the Medicaid Act not to do so.

As stated above, the original purpose of the Medicaid program was to provide funding to the states to furnish medical assistance to vulnerable populations with inadequate resources. There was no indication then that states would later be required to collect monies from the estates of the very same persons who were deemed by federal law to be vulnerable as to require medical assistance.

I would like to give my colleagues one example of the disparity between poor and more affluent states when it comes to winning or losing under the estate recovery program.

Estate recovery in a State which has a 50 percent federal matching share of Medicaid funds (FMAP), and which state recovered $2.5 million in a given year, that state would be able to keep $1.075 million in estate recovery funds for its own use. In a poorer state, like West Virginia, with a federal matching share of Medicaid funding (FMAP) of 75 percent, it would have been able to retain no more than $425,000 in estate recovery monies for its own use (West Virginia returns 75 percent of recovered funds to the Federal treasury, and pays 19.6 percent to a collection agency to carry out the estate recovery actions against the estates of persons who died while receiving Medicaid funded long term care. In other words the poorest states receiving the highest Federal matching shares under Medicaid receive the least benefit from estate recovery, and they return the most money to the federal treasury. This disparity results in the reversal of the direction of transfer payments on which the Medicaid program is based. In simpler terms, estate recovery subsidizes the better-off state with the assets of those residing in the poorest states.

I urge my colleagues to support this legislation restoring to the states the discretion to implement and carry out an estate recovery program, in lieu of the current mandate. In this manner Congress will have allowed those states who desire to continue estate recovery activities to do so, while giving states that do not wish to participate in estate recovery the right to withdraw.

JAMES GUELFF BODY ARMOR ACT OF 2001

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. STUPAK. Mr. Speaker, I am proud to introduce the James Guelff Body Armor Act of 2001 with my colleagues ASA HUTCHINSON and BOBBY SCOTT. I also want to commend Senator FEINSTEIN and Senator SESSIONS for introducing this legislation in the Senate, and Lee Guelff and the Fraternal Order of Police on their hard work in moving this legislation forward. Our bill is an important stride for law enforcement: it takes body armor out of the hands of criminals and gives law enforcement greater access to it.

This bill means a great deal to me. I have introduced similar legislation in the House for several years, and have been part of the ongoing effort to pass this bill. It is also rewarding that this year we have a bipartisan team in both the House and the Senate working to pass bill that is so important to our nation's law enforcement.

Special thanks are certainly owed to Lee Guelff, who has worked tirelessly on this issue since his brother was tragically killed by a shooter wearing body armor and a Kevlar helmet. Through his efforts, and that of countless police officers across the country, individual states are passing similar pieces of legislation. In fact, I am pleased to say that last year my own state of Michigan passed legislation banning the ownership or usage of body armor by convicted felons, and I commend the Michigan legislature for its action.

Law enforcement officers all over the country need protection from criminals wearing body armor. These offenders are impervious to the bullets of the police officers trying to stop them, yet these very same police officers incredibly often lack funds for their own body armor.

You may all recall the chilling video of a shootout at a bank robbery in California some years ago, where the perpetrators could not be brought down because they were wearing body armor. Eleven police officers and six civilians were injured in that 20 minute gunfight with the Los Angeles Police Department.

This is a threat to law enforcement, and this bill is needed. We cannot allow criminals to have an advantage over the men and women that put their lives on the line every day to protect society. The days of the Wild West are over, and gunfights have no place in our society. Criminals should not be able to face police without fear because they are protected by body armor, able to shoot at will.

Our bill enhances the penalties for crimes committed while wearing body armor, outlaws the possession of body armor by convicted felons and promotes the donation of surplus body armor to police. These measures will take away the criminals' advantage and return the power to the people that deserve it, our nation's law enforcement. I look forward to working with my colleagues on passing this important legislation this year.

TRIBUTE TO LIEUTENANT JUNIOR GRADE JOHN G. ROTHROCK

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. GARY MILLER of California. Mr. Speaker, I rise to commend Lieutenant Junior Grade John G. Rothrock as he receives the Navy and Marine Corps Achievement Medal.

As a United States Navy Recruiting Liaison Officer, Lieutenant Junior Grade Rothrock is responsible for recruiting Naval Reserve Intelligence Officers. His hard work and dedication has been cited as contributing to the selection of his area as the "Area of the Year for FY 2000." In addition, his peers consider him to be a true team player who leads by example.

In addition to his Naval Reserve responsibilities, Lieutenant Junior Grade Rothrock serves as my Chief of Staff. His leadership abilities are evident in the management of both my DC and district offices. Lieutenant Junior Grade Rothrock cares not only about the professional performance of the staff members he directs, but also their personal well-being. This concern has contributed greatly to the stability of my highly motivated staff.

Lieutenant Junior Grade Rothrock, despite his youthful age, has already achieved a distinguished career on Capitol Hill. He has served Congressmen BALLENGER, GUTKNECHT, and PICKERING, as well as the House Committee on Science. Prior to moving to Washington, DC, his budding political expertise was utilized by several campaigns in his home state of North Carolina.

Mr. Speaker, I ask that this 107th Congress join me in congratulating Lieutenant Junior Grade John Rothrock as he receives the Navy and Marine Corps Achievement Medal.

A TRIBUTE TO MRS. JOAN P. ALTMAN

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. MCINTYRE. Mr. Speaker, today I want to extend my warmest thanks and my most sincere best wishes to Mayor Joan P. Altman who will be leaving southeastern North Carolina after many years of service to the citizens of Oak Island, Brunswick County, and the State of North Carolina.

Currently serving her fifth term as Mayor of Oak Island, Joan has been an instrumental leader and good steward of the public's interest in a variety of capacities. Mayor Altman currently serves as Chairman of the North Carolina League of Municipalities Energy, Environment, and Natural Resources Committee. She is a member of the N.C. General Assembly Legislative Research Commission Committee on Beach Issues and was a member of the N.C. Estuarine Water Quality Stakeholder Group. In addition to her public service, Joan serves her community in a variety of other ways, including being a member of the Brunswick Community College Board of Trustees, Cape Fear Area United Way Board of Directors, and Cape Fear Council Boy Scouts Board of Directors.

When I think of Joan's commitment to the public good, the words "spirit, sacrifice, and service" come to mind. Joan's positive spirit has always been to do the task at hand—a spirit that inspires others to achieve. Joan's sacrifice in time and commitment has been to make southeastern North Carolina a better place to live and work—a sacrifice that meant doing the right thing and not being concerned with who gets the credit.

Pearl S. Buck once said, "To serve is beautiful, but only if it is done with joy and a whole heart and free mind." Joan, there is no question that your years of service have been the epitome of this statement. Service to others has been the embodiment of your life—service that sets a path for others to follow and that we all should emulate.

As you enter this next stage of your life, I am confident that your talents and energy will continue to be of benefit to many. Through your commitment to your family, and your community, a shining jewel you will continue to be.

Bart Giamatti, the former President of Yale University, said it well in 1987, "Be mindful of what we share and must share; not the least of which is that each of our hopes for a full and decent life depends upon others hoping the same and all of us sustaining each other's hopes * * * If there is no striving for the good life for any of us, there cannot be a good life for any of us."

Joan, on behalf of the citizens of the Seventh Congressional District of North Carolina, thank you so much for the good life you have given to so many. Now, you enjoy the same, and may God's strength, peace and joy be with you always.

TRIBUTE TO JACKIE STILES

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. BLUNT. Mr. Speaker, I rise today to pay tribute to a young lady who has brought praise and honor to the sport of basketball and to Southwest Missouri State University by becoming the nation's all-time leading scorer in women's NCAA Division I basketball

Jackie Stiles has been among the leading scorers in women's college basketball for four years. Her 31 points per game average is the best in the nation this year. She was the leading women's scorer last year and ranked second in the nation in her sophomore year. She was also the country's top scoring freshman in her first year of collegiate competition.

Stiles has scored 20 or more points in college games 86 times, 30-plus points 35 times, 40-plus points 10 times and in two games she broke the 50 point mark. She is one of only two players in NCAA woman's basketball history to break the 50 point mark twice.

Stiles broke the 12 year old NCAA Division I career scoring mark of 3,103 points during a contest at Southwest Missouri State University when her Lady Bears squad beat Creighton University Thursday night. Needing only 20 points to eclipse the old mark set by Mississippi Valley State's Patricia Haskins, Stiles finished the Creighton game by netting 30 in laying claim to the title of "Women's Collegiate Basketball Scoring Champ."

The SMSU Lady Bears squad has one more conference game and perhaps as many as three tournament games left in their season that will allow Stiles to raise the new bar even higher.

The accomplishments of Jackie Stiles have been noticed by fans, other players and coaches who typically have guarded her with two and sometimes three defenders. She is the first player in the history of the Missouri Valley Conference to earn back-to-back "Player of the Year" honors and the first sophomore to earn that title. She has made the first team All-Missouri Valley Conference in each of her first three years on the court at SMSU.

Jackie Stiles grew up playing basketball in Claflin, Kansas where she was highly recruited by colleges and universities nationwide as a perimeter shooting guard. Today, her 58 percent field goal percentage ranks among the 20 best in the nation.

Jackie Stiles is an All American both on the court and off. She is as good a student as an athlete. Majoring in physical education, Stiles has maintained a sparkling 3.45 grade point average into her senior year and has been named to the Missouri Valley Conference Scholar-Athlete first team every year in her career.

Stiles has become an icon on the basketball court in Springfield, Missouri. She is a role model for younger women who would like to follow the good-student, good-athlete trail she is blazing. She is a key reason that while some women's basketball games around the country draw crowds numbered in the hundreds, the Lady Bears' games often draw larger crowds than the men at Southwest Missouri State University. Thursday night's game at Hammons Student Center at SMSU drew the second biggest crowd in school history with more than 9,100 fans there to witness history. Fans in Southwest Missouri believe Jackie Stiles stands a lot taller than her 5 foot, 8 inch frame.

I'd like to wish Jackie Stiles and her teammates continued good shooting in their pursuit of a crown in the Missouri Valley Conference and in the women's NCAA tournament later this month.

TRIBUTE TO POET LAUREATE STANLEY KUNITZ

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. McGOVERN. Mr. Speaker, it is with great pride that I rise today to pay special tribute to Stanley Kunitz, who was born in my hometown in Worcester, Massachusetts. Stanley Kunitz is an outstanding poet who began his career in 1930 when he wrote his first book of poems titled "Intellectual Things". Prior to this book, Stanley Kunitz studied at Harvard College where he received his BA in 1926 and his MA in 1927. It was after his years of study that he began writing his first book of poems. Unfortunately his first book was barely recognized and he did not publish his second book, "Passport to War", for another fourteen years. The Second World War interrupted his career, and after returning from the war he joined the faculty of Bennington College. Although Stanley Kunitz was years removed from poetry he persevered to eventually win the Pulitzer Prize for Poetry in 1958 for his first "Selected Poems".

For a writer whose working life spans thirteen Presidents, Kunitz's commitment is all the more amazing. Stanley Kunitz is realistic and simple, the furthest from extravagant, which at the time when he wrote was rare. This is evident in his opposition to the long epic poem, which was popular in American Poetry during the first half of the twentieth century. What Kunitz's work lacks in glamour it compensates for in serious and influential purpose.

The popularity of Stanley Kunitz's work is evident in his many awards and accomplishments. In addition to his Pulitzer Prize he received the Bollingen Prize, a Ford Foundation grant, the Levinson Prize, and the Shelley Memorial Award to name a few. In 2000 he was named United States Poet Laureate. Stanley Kunitz is the founder of the Fine Arts Center in Provincetown, Massachusetts and Poets House in New York City. Stanley Kunitz has also worked as a translator, creating English versions of Russian Poems.

Mr. Speaker, please join me in honoring Mr. Kunitz for his enthusiasm and commitment to his poetry and society. He truly exemplifies that ability is never ending.

COMMENDING MERKAZ BNOS HIGH SCHOOL ON ITS SELECTION AS A BLUE RIBBON SCHOOL BY THE UNITED STATES DEPARTMENT OF EDUCATION

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. NADLER. Mr. Speaker, I rise to pay tribute to Merkaz Bnos High School, in Brooklyn, NY on its selection as a Blue Ribbon School by the United States Department of Education.

Merkaz Bnos High School is an all-girls academic institution comprising grades nine through twelve. Its current director, Rabbi Chaim A. Waldman, founded the yeshiva in 1990 under the guiding principle of giving "every girl the chance to maximize her potential within a nurturing and supportive environment." In awarding the Blue Ribbon, the Department of Education recognizes that the Yeshiva has succeeded tremendously in carrying out its mission.

The Blue Ribbon School Program was established in 1982 by the U.S. Secretary of Education with three goals in mind. To identify and recognize outstanding public and private school across the United States, to offer a comprehensive framework of key criteria for school effectiveness, and to facilitate the sharing of best practices among schools. Schools selected for recognition have conducted a thorough self-evaluation, involving administrators, teachers, students, parents and community representatives in the completion of their nomination forms. This process included assessing their strengths and weaknesses and developing strategic plans for the future.

Merkaz Bnos High School is one of only seventeen private schools selected nationally and the only Yeshiva to be honored with the Blue Ribbon Award, one of the most prestigious awards in the country. In awarding this honor the Department of Education stated the "yeshiva presents a picture of a school completely focused on helping students achieve high academic standards while developing a strong sense and knowledge base on their Jewish heritage".

Mr. Speaker, I ask my colleagues to join me in congratulating Merkaz Bnos High School on its Blue Ribbon Award and wishing the entire school community—students, teachers, staff members and parents—continued success and many great simchas in the future.

A SALUTE TO THE BRONCOS

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. McINTYRE. Mr. Speaker, I rise today to honor the Fayetteville State University women's basketball team for their tremendous accomplishment this week. Their spirit and determination throughout the season has been an inspiration to us all.

On Saturday, March 3, the FSU Broncos defeated North Carolina Central University 63–59 to win the Central Intercollegiate Athletic Association Tournament for the first time in twenty-two years. This is truly an amazing achievement for Coach Eric Tucker and the entire Bronco team. The Broncos will now embark on a new journey, playing in the NCAA Division II tournament for the first time since 1997.

Throughout the year, the women Broncos have represented the students and faculty of FSU well by sticking together and demonstrating good sportsmanship. Coach Tucker has instilled in his players the ethic of dedication, sacrifice, and teamwork in the pursuit of excellence, and instilled in the rest of us a renewed appreciation of what it means to win with dignity and integrity. I am sure that the Broncos will demonstrate these important characteristics on the national stage during the NCAA tournament.

My fellow colleagues, please join me in congratulating this extraordinary group of women and their coaches, parents and classmates who cheered them on and made this year's CIAA tournament one to remember. Congratulations, Broncos! We will be watching you in the NCAA tournament, and we wish you the very best.

ADDRESS BY DR. JOHN DUKE ANTHONY ON VIOLENCE IN AMERICA AND KUWAIT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. DINGELL. Mr. Speaker, I submit the following for the RECORD.

ON VIOLENCE IN AMERICA AND KUWAIT: THE KUWAIT-AMERICA FOUNDATION

(By John Duke Anthony)

This past week's tragic incident in California in which yet another student at an American school killed his classmates was as senseless as all the similar acts that went before. It is no less tragic for the likelihood that, short of effective remedies, the phenomenon is destined to recur in the future.

As with the earlier school killings, there will be much wringing of hands and soul searching among pundits and politicians in search of ways to cope with this ongoing blight on a significant segment of American society. In the debates that will ensue, much can be learned from a hitherto little known effort by the Kuwait-America Foundation that is helping to address this problem and others related to the violence that persists in the lives of Americans and Kuwaitis.

Two weeks ago, the nonprofit and nongovernmental Kuwait-America Foundation (KAF) administered a multifaceted program to commemorate both the fortieth anniversary of Kuwait's independence and the tenth year since its liberation from Iraqi aggression. Over a period of several days, KAF manifested a growing phenomenon in international relations: the efficacy of having such organizations play pivotal roles in matters of global importance.

Like innumerable other Arab and Islamic philanthropic associations, KAF has yet to become a household word in America. However, the day is fast approaching when it will be recognized as having become a respected albeit low-key activist in support of laudable objectives in American national life.

Until ten days ago, KAF was not as well known in Kuwait as one might have thought. Many outside observers had believed, mistakenly, that Kuwait's government and private sector must have held annual commemorative events to honor the country's liberation from aggression ten years ago.

A COUNTY'S YELLOW RIBBON

Not so. The commemorative activities were the first of their kind. The previous national decision to forgo any annual outpouring of joy at the return of the country's internationally recognized government, and with it, the restoration of freedom and safety to the Kuwaiti people, was deliberate.

The decision not to celebrate was, in essence, reflective of a people's collective preference instead for wearing a yellow ribbon in memory of hundreds of missing Kuwaiti and other nationals who have yet to return from the months-long nightmare that Iraq unleashed against Kuwait on August 2, 1990.

For most, the idea of rejoicing with so many of their fellow citizens' still in Iraq was seen as premature and inappropriate. It was overshadowed by the ongoing grief over the country's hostages, its missing in action, and the fate of other nationalities abducted to Baghdad in the waning days of the war that have yet to be accounted for by Iraq.

The Numbness of Numbers. In Kuwait as elsewhere, the process of coming to terms with the impact of an adversary's aggression and violence against it is considered by most to be an essential component of reconciliation. But among outsiders who have wanted to see reconciliation between Kuwait and Iraq occur sooner rather than later are many who appear to wonder whether the concern about those missing from Kuwait has been a Kuwaiti pretense or, at least exaggerated for effect.

If so, many reason, could it not be little more than a carefully crafted device deliberately tailored to garner international sympathy for the country's ongoing deterrence and defense needs that might not be as effectively obtained in any other way?

By the standard of Great Power populations, the number at issue, cynics seem prone to emphasize, appears to be minuscule. In noting that the total is 608, the tendency of some has been to think that this is a typographical error and that one or more digits must be lacking.

Nothing could be further from the truth. The Kuwaiti citizens who vanished from their country in the course of being spirited off to Baghdad by Iraqi forces a decade ago are hardly faceless statistics. No Kuwaiti of this writer's acquaintance knows fewer than four who disappeared without, to date, there being a trace of what happened to them. By extension, most Kuwaitis know and regularly come into contact with an average of forty other Kuwaitis who long for the return of those missing.

Because the population of the United States is so large, and that Kuwait is so small, it is difficult for many Americans to grasp the extent of the tragedy that befell the Kuwaiti people as a result of the Iraqi invasion and occupation.

The following, however, provides perspective that may be otherwise hard-to-come by. In terms that U.S. citizens can relate to, the number of Kuwaitis missing in Iraq is equivalent to 270,000 Americans being incarcerated and unaccounted for in undisclosed sites in Canada or Mexico. In terms that the British and French can understand, it is as if 60,000 of their citizens had been forcibly seized, carted across the border, and, to this day, were still being held in a neighboring country.

On a related additional Richter scale of human tragedy, the recent commemorative events in Kuwait, in which this writer was privileged to participate, revealed yet another daunting set of numbers. One of the highlights was the unveiling by Kuwaitis, former President Bush, and former British Prime Ministers Thatcher and Major, of a memorial to the war dead resulting from the country's liberation. Listed were the names of the 351 Kuwaitis and 331 Allied Coalition country and other nationals killed during Operation Desert Shield and Desert Storm.

Three hundred fifty-one. Some may say, 'for an international conflict that dominated the headlines for more than half a year, that's not so many.'

Those Killed: American Comparisons. Any in doubt as to "how many is many?" might ask a Kuwaiti. The number, again in terms equivalent to the population of the United States, is equal to 135,000 Americans having been killed. For further context and comparisons, consider' that the United States lost 58,000 in Vietnam.

Here, two points are especially pertinent. The first is that the proportionate number of Kuwaitis killed by Iraqis, is comparison with Americans killed in Vietnam, is almost three times as many. The second is that Iraqis killed this many Kuwaitis over a period of just seven months. The 58,000 Americans that died in Vietnam were killed over a 12-year period, i.e., a span of time nearly 24 times as long.

The survivors of the Kuwaitis killed during the conflict, including their spouses, children, and other relatives of those missing and unaccounted for, were front and center recently in Kuwait. Former U.S. President George Bush, Sr., U.S. Secretary of State Colin Powell, former British Prime Ministers Dame Margaret Thatcher and John Major, General Norman Schwarzkopf, and many other prominent international leaders associated with the country's liberation met with them. They listened to their pleas for assistance and vowed not to rest until their countrymen's return or until the missing have been fully accounted for by their captors.

. KAF, Violence, and The Do The Write Thing Program. On display by KAF in the same ceremonies was another side of the same coin minted in the currency of violence. These were American grassroots leaders of KAF's "Do The Write thing (DTWT) Program." The Program exists in a growing number of american cities that have long been plagued by exceptional levels of violence among their inner city youth. A range of civic, religious, and professional leaders from Atlanta, Chicago, Detroit, Houston, Los Angeles, New York, and Washington, DC were among the cities represented.

In the aftermath of the reversal of Iraq's aggression, a great many Kuwaitis wanted to convey their gratitude to the United States in a way that would have practical meaning and great symbolic significance to what lay at the heart of a country and a people's violation. To this end, KAF spearheaded a one-of-a-kind movement to ensure that the lives of Americans and others that had fallen in Operations Desert Shield and Desert Storm were not in vain.

Reaching Out to American Schools. KAF has reached out to American school districts where guns and acts of violence remain commonplace, where parents, with abundant reason, worry for the safety of their children, and where students and other children often live literally in fear of their lives.

In so doing, KAF joined forces with national and local humanitarian and nonprofit associations, including the National Urban League, the National Council on U.S.-Arab Relations, the U.S.-GCC Corporate Cooperation Committee, and several other civic and professional organizations. Ever since, KAF has been working with leaders in America's urban centers in a way that, thus far, is unparalleled among non-governmental and nonprofit groups in other countries.

Of direct relevance to what transpired in a California school last week, KAF has targeted a core constituency within which the incidence of acts of violence per capita in the United States remains all too frequent: intermediate and secondary school students. Working with school superintendents, principals, guidance counselors, and teachers, KAF several years ago initiated a bold and innovative program that has met with increasingly widespread appeal among American leaders concerned with curbing the incidence of crimes against youth. The program has inspired thousands of american students to write essays about the effect of violence on their lives and what they propose to do to bring about its end in their community.

Paneled judges read the essays and select the finalists. The winners, together with their parents or teacher, get to visit Washington, DC. There they are recognized in an awards ceremony attended by national dignitaries, meet their Congressional representatives and officials at the Department of Justice and the Office of Education, and tour the cultural and civic highlights of the nation's capital.

In arriving to this way of contributing something of meaning and lasting value to the United States, the citizens of Kuwait, through KAF, have unlocked a powerful positive force for good. The beneficiaries are numerous American metropolitan areas previously in a quandary as to how best to begin to loosen the grip of violence upon their communities.

KAF, in essence, has provided hope for countless American youth who had all but given up hope that there was a reason to believe that they could make it to adulthood unscathed by the infliction of physical pain upon them or a loved one by someone in their community. It provides them a ticket to non-violence.

A Recipe for Responsible Citizenship. Participation in KAF's Do the Write Thing Program offers American students a sure-fire recipe for instilling a significant measure of personal responsibility, accountability, leadership skills, and the means to responsible citizenship. And it does all this in association with the students' parents, teachers, schools, and a plethora of civic and professional associations within their communities.

A student's right of entry to the DTWT Program is completion of a three-part essay. Students write about how violence has affected their lives. They suggest ways for ending this scourge upon the quality of life in many of America's inner cities. They express their resolve to do what they can to make a difference by having nothing to do with this phenomenon that, left unchecked, will continue to rob their community and country of a promising component of its future leaders.

Sound schmaltzy? Not to the survivors of thousands of those gunned down in the prime of their life, like those in California, Colorado, Georgia, and elsewhere, Not to those who had previously despaired of having a reason to believe that they could make it through school without their or someone dear to them being killed or falling victim to bodily harm en route.

Not to the unsung heroes and heroines among teachers who struggle daily and valiantly, often against seemingly insurmountable odds, to try to instill a sense of self-worth, values, and the pursuit of excellence among America's leaders of tomorrow.

Not to school guidance counselors, leaders of youth associations, crime prevention and law enforcement officers, and civic as well as business, professional, and religious leaders committed to offering youth a range of opportunities for self-development no matter how disadvantaged their personal, home, and community situations might be.

Not to former Kuwaiti Ambassadors to the United States Shaikh Saud Nasser Al-Sabah and Dr. Muhammad Salim Al-Sabah. Not to KAF Chairman Dr. Hassan Al-Ebraheem, KAF Vice-Chairman Anwar Nouri, and not to KAF co-founding board members Fawzi Al-Sultan and Daniel Callister. Not to Kuwait University President Dr. Faizah Al-Kharafi, Kuwait Foundation for the Advancement of Science Director General Dr. Ali Al-Shamlan, and the Kuwaiti members of KAF's board of directors.

Not to Administration and Congressional leaders who endorse President Bush's encouragement and empowerment of private sector initiatives that seek to reverse the emasculating effects of school and urban violence on our country's would-be future leaders.

Practical Idealism. What KAF has done is help bring into being, in an important corner of American national life the essence of practical idealism. It has done so through joining hands with the National Campaign to Stop Violence, the National Guard, the regional and local offices of the Federal Bureau of Investigation, the Council of Great City Schools, the National Council of Juvenile and Family Court Judges, the National Association of Secondary School Principals, the U.S. Department of Education, the National Council on U.S.-Arab Relations, and the U.S.-GCC Corporate Cooperation Committee. Each of these organizations supports KAF's Do The Write Thing Program.

KAF's programs and activities also receive support from nearly a dozen Kuwaiti companies and leading American multinational corporations. In addition to the Marriott Corporation, the list of U.S. firms that support KAF's Do The Write Thing Program is impressive and growing. they include U.S.-GCC Corporate Cooperation Committee members Boeing Corporation, Booz Allen Hamilton, Bryan Cave, Ltd., Chevron Corporation, CMS Energy, ExxonMobil, General Dynamics, General Electric Corporation, Lockheed Martin, Lucent Technologies, McDonnell Douglas, Merrill Lynch, MPRI, Northrop Grumman, Parsons Corporation, Philip Morris Companies, Inc., Raytheon, SAIC, Texaco, and TRW.

KAF Student, Teacher, and Parent Award Ceremonies. Anyone search for an injection of idealism would do well to attend one of the DTWT awards ceremonies. Present at each is an assemblage of national dignitaries and, in the wings, a significant number of journalists, television producers, and film crews.

The opportunity to observe the press in such a setting is illuminative of the powerful impact that this program has on young and old alike. In few other settings are media professionals so predictably moved to tears as they are by the impact that the Do The Write Thing Program has on American youth, their teachers, and their parents.

Each year during the filming of the annual awards ceremony, this writer has seen cameramen involuntarily reach for their handkerchiefs. They become caught up in their emotions from seeing, at the end of their lens, a mirror image of someone who could easily be their daughter or son.

This is what invariably happens when one sees and hears the students read their prize-winning essays to appreciative adult audiences in the Rotunda of the U.S. Capitol and elsewhere.

The stirring and uplifting scene happened again ten days ago in Kuwait instead of Washington, An added feature to the ceremonies commemorating the anniversary of the country's liberation was a recent KAF-commissioned film about the DTWT Program. The film premiered at the Kuwait-based Arab Fund for Social and Economic Development, the Arab world's leading intraregional development assistance agency. The audience was virtually a "Who's Who" of all the national and international leaders that had been involved in liftimg the veil of violence from Kuwait ten years ago.

The film's main actors were an unlikely collection of celebrities: former President Bush, former Secretary of State James Baker, former Secretary of Defense and now Vice-President Dick Cheney, current Secretary of State Powell, and General Norman Schwarzkopf. Each testified to the efficacy of the Do The Write Thing Program as a major contribution to the national challenge of ending the continuing pattern of violence in the lives of America's inner city students and children.

A Symphony and Two American Teenagers. One of the many highlights of the several days' festivities in which this writer was a participant was a specially-produced symphony by a Kuwaiti artist that included strands of "America the Beautiful." The symphony was performed by an ensemble of Kuwaiti musicians.

At the end of the concert, young Rominna Vellasenor, a 13-year-old student from an inner city school in Chicago, took the stage to read her essay. One could barely see her head behind the podium as she hurled thunderbolts of insight about the phenomenon of violence in America. She was followed by John Bonham, now in university but earlier a student and resident of a crime-plagued neighborhood in Washington, D.C.

Rominna, one of this past year's Do The Write Thing Program winners, was there with her mother. John was a prize-winner several years ago. Rominna's essay was cast in the immediacy of the here-and-now of a life that has been seldom far from crime in her school and community. John's was forged from the perspective of the rear view mirror, contrasting the downwardly spiraling life he had led before he participated in the program and the one hundred and eighty degree turn-around for the better that it has taken since then. Following their speeches and the film, there was not a dry eye in the audience, the President's included.

KAF's Further Preparation of America's Leaders of Tomorrow. Only days before the anniversary celebrations began, a group of American university and high school students had visited Kuwait as participants in the National Council on U.S.-Arab Relations' Kuwait Studies Program. What all had in common was their outstanding participation as delegates to one of the National Council's annual Model Arab League Leadership Development Programs, which are currently underway and involve 2,000 students and their teachers in Models in 18 cities across the United States.

For years now, KAF, the University of Kuwait, the Kuwait Foundation for the Advancement of Science, and the American Embassy in Kuwait, headed by former Ambassadors Edward Gnehm and Ryan Crocker, and by current Ambassador James Larocco, have hosted the Kuwait Studies Program for promising American youth that have performed with distinction in the Model Arab Leagues.

Considering that all of the participants to date are still in their twenties, the results, to date, are phenomenal. One of the program's alumni is currently assigned to a major U.S. government post that deals daily with pressing issues pertaining to the Kuwait-U.S. bilateral relationship. Another entered the Foreign Service and was posted to the U.S. Embassy in Kuwait. Another is a career military officer working full time on strategic U.S. defense planning relating to Kuwait and other GCC countries.

Yet another alumnus of the program is currently a Rhodes Scholar. Others include the winner of First Prize for Best Master's Thesis on the Middle East at Oxford University last year, a former intern at the National Council and KAF who is finishing her Ph.D. at Stanford, and one of the best of a new breed of American foreign affairs specialists who is currently teaching tomorrow's military leaders and defense strategists at one of America's service academies.

More than half a dozen of the Kuwait Studies Program and Model Arab League alumni have returned to Kuwait for a year of intensive Arabic language training at Kuwait University. Others are working in the United States for member companies of the U.S.-GCC Corporate Corporation Committee that have invested in Kuwait's economy. Each of these young American leaders of tomorrow has been exposed at length to a side of Kuwait culture and society quite different from any they could have imagined short of visiting the country and meeting with its people.

KAF As A Bridge To The Future. In this way, KAF is helping to prepare a cadre of Americans that will manage the future bilateral Kuwait-United States relationship and America's ties to other Arab countries, the Middle East, and the Islamic world.

This group of American youth that KAF has assisted is only a few years older than those mowed down by gunfire in the California school. Each acknowledges their debt to KAF and recognizes it as an organization that helped them, much earlier than most of their peers, to take responsibility for their actions and to do what they can to make a positive and lasting difference in the lives of others.

For any nation in search of a cure for the phenomenon of violence and other behavioral excesses that plague its society, it is incumbent upon its leaders to look first and foremost to their country's own resources for solutions. This, to be sure, has been and will continue to be done by America's national, state, and local leaders. But here is a sterling example of how one can also learn much that is timely and relevant from the private sector and civic activist efforts of a dedicated group of Kuwaitis.

These Arab allies, though geographically remote, are no less profoundly concerned than Americans are with funding the means to come to grips with the vicious cycle of violence cycle of violence visited upon their country and people. They are committed to doing something positive and lasting about it, both here and in Kuwait, in the course of working side by side with their counterparts in the United States.

The efforts of the Kuwait-America Foundation to help American youth expand their horizons and break the barriers of violence have emerged from the horrors of the Iraqi invasion of Kuwait and the deepening bonds of U.S.-Kuwaiti friendship spurred by Kuwait's liberation ten years ago. The spirit of understanding and reciprocal respect that these efforts represent are a testimonial to the wisdom, necessity, and mutuality of benefit that flow from closer U.S.-Arab relations.

ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

SPEECH OF

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mrs. LOWEY. Mr. Speaker, this massive tax plan is not balanced, not fair, not honest, not bipartisan, and not responsible.

It will spend down every penny of our hard-won surplus before we have ensured the future of Social Security and Medicare. It will deprive working Americans of the help they need and deserve. It will imperil our capacity to improve education, health care, and the environment. It relies on accounting gimmicks and rosy forecasts. And it places at risk a decade of unprecedented prosperity.

Apparently, the Republican leadership knows it. Why else would they ram through this tax plan before we even have a budget in place, and without the serious analysis the American people expect and deserve?

Frankly, this is the administration's first big test of its stated commitment to bring about a new, bipartisan tone in Washington, and, as one who believes in bipartisanship, I am sorry to say that it has failed that test completely.

Instead of rewarding a select few at the expense of others, let's give generous tax cuts to the families who need it most, while paying down the debt and investing in our future. That's the right approach. I urge my colleagues to vote no on this massive giveaway, and vote yes on the Democratic alternative.

INTRODUCTION OF THE RAIL MERGER REFORM AND CUSTOMER PROTECTION ACT

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. POMEROY. Mr. Speaker, I am pleased today to introduce the Rail Merger Reform and Customer Protection Act. This legislation would extend the reach of the antitrust laws to the railroad industry while providing the Surface Transportation Board (STB) with additional criteria on which to evaluate future railroad mergers.

For virtually every business in the United States, mergers and acquisitions in excess of $10 million are subject to antitrust review by the Antitrust Division of the Department of Justice. Railroads, however, are treated differently. Under current law, the STB has exclusive jurisdiction over most matters concerning rail transportation including mergers and acquisitions. In exercising that authority, the STB has approved a series of mergers over the past 20 years since passage of the Staggers Act which has resulted in widespread consolidation in the rail industry. This consolidation has reduced the number of rail carriers from 63 Class I railroads to just 7, resulting in significant service disruptions, negative impacts on shippers and a reduction in competition.

Mr. Speaker, believe it or not, the railroad industry is the only industry, except for America's favorite pastime, baseball, that is almost entirely exempt from the substance of the antitrust laws. With the rail industry now consolidated to seven major railroads, and the stage set for a possible final consolidation, there is an increased potential for the rail industry to exercise market power and monopoly abuse against shippers. In order to protect shippers and promote true competition, it makes sense to treat the railroads like other industries and subject them to the jurisdiction of the Department of Justice and full application of antitrust laws.

Currently, the Department of Justice can only comment on proposed mergers. In previous mergers the recommendations of DOJ were ignored. For example, the Department of Justice pegged the Union Pacific-Southern Pacific merger "most anti-competitive rail merger in history." In that merger, the STB ignored not only the concerns expressed by Department of Justice, but also the concerns of rail customers, organized labor, and the United States Department of Agriculture. I believe that the Department of Justice, an agency that can objectively evaluate the impact of mergers and protect shippers from the continual decrease in competition, needs to have a strong voice in mergers reviewed by the Surface Transportation Board.

My legislation would require both the Department of Justice and the STB to review and approve future rail mergers. Under this proposed regulatory framework, the DOJ would approve a merger unless it substantially restrains commerce in any section of the country or tends to create a monopoly in any line of commerce. The STB would still be required to review and approve a merger under a similar standard but it would also judge the proposed merger by a broader public interest standard. However, my legislation would not allow a merger to move forward without approval from both Department of Justice and Surface Transportation Board.

In this day and age, there is no public policy reason to justify the industry's special treatment, particularly since the railroads have enjoyed considerable deregulation under the Staggers Act and the Interstate Commerce Commission (ICC) Termination Act. The passage of these laws which reduced the scope and effectiveness of the regulatory agency, makes it more necessary than ever for shippers to have the full panoply of remedies available against monopolistic activities.

Under my legislation, the STB would also be required to examine several additional criteria before approving a merger. Future mergers and consolidations would not be approved unless it was shown that the merger: (1) provides additional rail to rail competition and competitive options for rail customers; (2) improves service to customers; and (3) will not reduce competitive rail routes available to current railroad customers. Additionally, the legislation ensures that relief can be sought under the current regulatory framework or through the antitrust laws.

I am pleased that the Alliance for Rail Competition, the Consumers United for Rail Equity, National Farmers Union, American Farm Bureau Federation, National Association of Wheat Growers, the American Forest and Paper Association, the Transportation Intermediaries Association, Otter Trail Power, Minnesota Power, the National Association of Chemical Distributors, and the American Chemistry Council have endorsed this legislation.

I urge my colleagues to join me in this effort to ensure that the railroad industry is subject to the same laws as every other industry. It is in the public interest to raise the bar for review of the last few remaining mergers and to have oversight by the Department of Justice on the actions of the railroads.

REMEMBERING A GREAT MAN: ABRAHAM QUEZADA AMADOR

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. GEORGE MILLER of California. Mr. Speaker, I rise today to remember a great man, Abraham Quezada Amador, who died one year ago at age 70. For 30 years Abraham was the founder and director of Comite Regional Campesino, a nonprofit organization that has assisted countless individuals and families become United States citizens.

Abraham made the measure of difference in the lives of countless people. Indeed, it was not unusual to see dozens of people lined up outside the door of his home office patiently waiting their turn to talk with Abraham. He was always willing to offer his help and advice regarding their citizenship applications. Immigration and Naturalization Service documents or letters they needed to have translated, as well as a myriad of other things. Abraham shared his knowledge and expertise with kindness, understanding, and a smile larger than life itself.

Abraham was a strong, tireless, and compassionate leader who dedicated his life to assisting those in need, and he has been sorely missed by all whose lives he touched. He devoted his life to helping others and was the most caring and unselfish person I have ever known. We miss his kind words, his sage advice, and his contagious smile. I feel fortunate to have known Abraham for so many years and I am proud to have been his friend.

Abraham is survived by his wife, Maria Guadalupe Aceves, his daughters Lupe Saldana, Blanca Amador, Anna Blevins and Gloria Amador, his sons of Antonio, Abraham Jr., Alphonso and Roy, and numerous grandchildren and great-grandchildren. I invite my colleagues to join me as I remember this great man who left a wonderful legacy and made the measure of difference in the lives of so many.

GOOD SAMARITAN HUNGER RELIEF TAX INCENTIVE ACT

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. HALL of Ohio. Mr. Speaker, I rise today to introduce the Good Samaritan Hunger Relief Tax Incentive Act. I am pleased to be joined by my colleague RICHARD BAKER from Louisiana in co-sponsoring this bill, especially given his concern for hungry Americans through his work with the Greater Baton Rouge Food Bank. We join with our esteemed colleagues in the Senate, Senators LUGAR and LEAHY, who have introduced companion legislation. They are longstanding champions of programs that help the hungry and our Nation is enriched by their leadership on this forgotten issue.

Despite our economy's strength, hunger still plagues our Nation. It directly threatens 31 million Americans, many of them families and working people. Many of them are leaving welfare and need help along the path to self-sufficiency. many of them are just like you and me, except that they are often hungry and must turn to community and faith-based hunger relief organizations to feed their families. Currently, more than 10 percent of our fellow citizens depend on nonprofit food distribution organizations for a major part of their nutritional needs.

I have been working on the issue of hunger for more than 15 years. Now more than ever it is clear that we can cure hunger, that we know what to do. Working together, government, non-profit organizations, and the private sector, can eliminate hunger, but any solution must be multi-faceted. Our Government needs to improve and expand the Food Stamp Program, our Nation's front line of defense against widespread hunger. Non-profit food banks need additional commodities, especially The Emergency Food Assistance Program, which also benefits our farmers and private donations. And we need to encourage the private sector to do their part by donating food and other resources.

Mr. Speaker, this bill focuses on this third facet by encouraging and assisting the private sector to donate to hunger relief organizations. it would expand the charitable tax deductions to farmers, restaurants and other businesses that are not just corporations. And it would clarify the treatment of donated food for tax purposes.

I have introduced a version of this bill for the past two sessions of Congress, and am encouraged that the Senate Finance Committee is conducting a hearing this week on encouraging charitable giving. I am thankful for colleagues on the Ways and Means Committee who are supporting this bill and have supported the concept in the past, especially JIM RAMSTAD, JOHN LEWIS, KAREN THURMAN and AMO HOUGHTON. I am hopeful that after years of trying, we can pass this bill this year.

According to the U.S. Department of Agriculture, Americans waste 96 billion pounds of food every year. That amounts to more than $31 billion worth of food that is thrown away, or $1,000 worth of food for every one of the 31 million people are hungry or at risk of hunger. Dumping or plowing under this uneaten food costs our local communities more than $1 billion a year in waste management costs. If we could recover just 5 percent of the food wasted, we could feed 4 million people. If 10 percent was recovered, 8 million more people would be fed and with 25 percent recovered, we would have food for 20 million people.

Giving food to charities makes good sense, and removing the tax disincentives to the private sector contributions is a key part of that effort. If they help, I am happy to provide a benefit to businesses like Pizza Hut, the largest prepared-food donor in the country; or Potato Management Company (PMC), a farmers' co-operative that just donated 20 million pounds of potatoes to America's Second Harvest; and Kraft Foods, one of the largest overall donors to hunger relief efforts. The private sector needs to do even more to help us wipe out hunger and this bill will assist them with that task.

I am even happier to help the groups that are on the front line of the struggle to end hunger. The Emergency Food Bank in my district of Dayton, OH, does a terrific job in feeding the hungry. They simply need some help, and this bill is one way we in Congress can help our local food banks. Of course, this bill alone is not sufficient, but it is a step in the right direction.

This bill represents the second generation of Good Samaritan legislation. When gleaning and food recovery began to expand two decades ago, farmers and businesses needed to know that they were protected from liability in acting as Good Samaritans. I was able to encourage the State of Ohio to pass liability protection for those who open their fields to gleaners or who donate food in good faith. Then, in 1996, we were able to enact the Bill Emerson Good Samaritan Food Donation Act, which created liability protection nationwide.

I hope this Congress and President Bush will turn this new legislation into law. It enjoys the support and endorsement of America's Second Harvest, the National Council of Chain Restaurants, Grocery Manufacturers of America, American Farm Bureau Federation, National Restaurant Association, National Farmers Union, National Cattlemen's Beef Association, National Fisheries Association, and the National Milk Producers Federation.

I look forward to the day when I no longer hear the stories about senior citizens skipping meals to pay for their prescriptions, or parents cutting way back to make sure their kids have enough to eat, or veterans lining up at community kitchens for a hot meal. But before that time comes, we have to do everything we can to meet the needs of those who are hungry. Alone, this bill will not solve the problem of hunger, but it will give us another arrow in our quiver. I urge my colleagues to join me in supporting this important piece of legislation and bringing us significantly closer to ending hunger.

HONORING THE 50TH WEDDING ANNIVERSARY OF J.B. AND GERRY AMBURGEY

HON. ERNIE FLETCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. FLETCHER. Mr. Speaker, it is my honor to recognize J.B. and Gerry Amburgey on their 50th wedding anniversary. They have been a vital team in Montgomery County since they were married in Camargo on March 13, 1951.

The Amburgey's have served the Jeffersonville/Means community for over 50 years through their family business, civic duties and church-related activities. For the majority of their 50 years together, J.B. and Gerry worked side by side at W.J. Amburgey & Sons. With the local Post Office housed at the same location as the family business, Gerry also dedicated 27 years to the community as its PostMaster.

It is a great honor to provide a tribute for a couple who have committed themselves to each other for so many ears. That is why it is a privilege for me to rise today and honor J.B. and Gerry's 50th wedding anniversary. I wish them many more years of happiness together.

HOUSE OF REPRESENTATIVES—*Wednesday, March 14, 2001*

The House met at 10 a.m.

Dr. Calvin C. Turpin, National Chaplain, The American Legion, Hollister, California, offered the following prayer:

Our Father and our God, ruler of all nations, recognizing that this is a day that Thou hast made, we rejoice in the blessing it brings. We thank thee for giving us this great and good land for our heritage. Bless America with noble industry and successful business, productive educational institutions, and kind and gentle manners.

Spare us from violence, discord, and confusion. Grant to us the ability to preserve the liberties that come from Thee. Make of us one united people, with justice and fairness that prevails without question; that there be peace among all nations and all people. Bless President Bush. Guide those who legislate, and grant wisdom to those who judge. Help America become the greater Nation she is capable of becoming. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania (Mr. PLATTS) come forward and lead the House in the Pledge of Allegiance.

Mr. PLATTS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOME TO DR. CALVIN C. TURPIN

(Mr. FARR of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FARR of California. Mr. Speaker, I am honored and privileged today to introduce Dr. Calvin Turpin, who just gave us our prayer. Dr. Turpin hails from my district, from the city of Hollister, which is one of California's oldest counties. Actually, Hollister is the earthquake capital of the world. Even though it is a small county and a county seat, it has very powerful people.

Dr. Turpin is truly a citizen of the world. He has traveled the world over, inspiring service men and women to maintain their faith in God and country, even during the darkest hours of battle. He is a servant to all who have served their country in good times and bad, and looked for the comfort of a counsel.

Currently Dr. Turpin fulfills his mission to God as the national chaplain of the American Legion. He does us all proud in this role. But it is I who am proudest today to say that Dr. Turpin shares his wisdom and his grace with us, fresh from my district. I thank him for being here and for bringing a solid sense of duty and integrity to this Chamber.

Mr. Speaker, I include a biography of Dr. Turpin to be printed in the Extension of Remarks section of the RECORD.

WGAL TV OF LANCASTER, PENNSYLVANIA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, today I recognize WGAL TV based in Lancaster, Pennsylvania. For years, WGAL has done a great job of providing local news and community programming for Lancaster and all of central Pennsylvania. Radio and TV stations air public service announcements from time to time as a service to their communities.

I learned this week that WGAL donated a total of 1,062 spots of valuable air time to Ad Council public service announcements. That is about three a day, just for Ad Council.

I want to congratulate WGAL on its dedication to its community. Around Lancaster, Channel 8 is known as the hometown station. They have that reputation by caring for our community, doing their part to make the world a better place.

On behalf of Lancaster and central Pennsylvania, I want to say thank you to all the good people at WGAL TV, Channel 8, in Lancaster.

PRESIDENT BUSH'S TAX CUT

(Mr. PASCRELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASCRELL. Mr. Speaker, the President's tax cut plan is not only contrary to the goals and the needs of the American people, but it actually flies in the face of the facts of the promises we made here in the 106th Congress.

The fiscal year 2000 budget resolution, do Members remember that? It passed the House 221 to 208 on an almost entirely party-line vote. This budget resolution specifically promised that tax cuts would focus on "the lower- and middle-income taxpayers." The Republican majority promised that Congress will not approve "any tax legislation" that would provide substantially more benefits to the top 10 percent of the taxpayers than to the remaining 90 percent. That is right in the budget resolution.

What happened to the promise? The tax plan offers substantially more benefits, 60 percent of the President's tax refund, to the top 10 percent of the American taxpayers. In fact, this tax cut returns 43 percent, nearly half of its benefits, to the top 1 percent of the earners.

Why are my Republican colleagues now abandoning the promise that they made to the low- and middle-class folks of America?

EDDIE TIMANUS DEMONSTRATES HOW ENDURANCE AND TENACITY CAN ALLOW US TO REALIZE OUR GOALS

(Mr. RYUN of Kansas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYUN of Kansas. Mr. Speaker, today I rise to share a story about a friend of mine who has overcome great adversity. His name is Eddie Timanus.

Eddie has been completely blind since he was a toddler, but he has chosen not to let this disability stop him from realizing his goals.

Eddie has dreamed of being a contestant on the TV game show Jeopardy. After years of trying to make the cut, he was selected in 1998. The producers of Jeopardy agreed to make accommodations for him, namely, giving Eddie a list of the categories in Braille.

Eddie went on to win five, count that, five episodes of Jeopardy, and nearly $70,000. I know how much tenacity it has taken to accomplish these kinds of dreams in spite of the hardships. Eddie deserves our admiration, not just because he is a Jeopardy grand champion, but because he is a testament to the principle that enduring trials produces endurance, which helps people bring the best out of themselves.

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I want to thank Eddie for showing us what people who are visually impaired can do, and actually each one of us can do, when given the opportunity.

TIME TO STOP THE GRAVY TRAIN TO COMMUNISTS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, news reports say China and Russia will sign a treaty opposing U.S. policy. China and Russia say, and I quote: "America is too powerful and we must stymie their missile shield."

Now, if that is not enough to spike our vodka, we give Russia billions of dollars a year in aid. China now takes at least $10 billion a month out of the American trade surplus. Some experts say it is as high as $20 billion a month.

Mr. Speaker, we have a trade deficit of $40 billion a month. Think about it. It is time to stop this gravy train to these Communist pimps, so help me; half a trillion dollars a year, and they have missiles pointed at us.

I yield back the fact that America, with a half a trillion dollars in trade deficit, is an America looking at a financial disaster.

CONGRATULATING HEBREW HOMES HEALTH NETWORK, UNITED FOUNDATION FOR AIDS, AND SOUTH SHORE HOSPITAL FOR HELPING FROSENE SONDERLING CREATE THE JACKSON PLAZA CENTER

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, Frosene Sonderling's wish came to fruition in my hometown of Miami when Hebrew Homes Health Network and United Foundation for AIDS opened the Jackson Plaza Nursing and Rehabilitation Center.

The center is dedicated to persons battling diabetes, Alzheimer's, cancer, and Frosene's main cause, the elimination of HIV-AIDS.

In association with South Shore Hospital, the beneficiaries of the Jackson Plaza Center will now have access to direct patient care, to housing, to community service, and to education. The center is becoming a home to many in our community in helping to preserve the quality of so many lives.

Mr. Speaker, today I congratulate Hebrew Homes Health Network, United Foundation for AIDS, and the South Shore Hospital for championing this cause in our South Florida community, and for making Frosene Sonderling's dream a reality.

Frosene was a former constituent of mine who worked tirelessly to raise funds for AIDS research. She was a noted contributor to organizations that help people infected with HIV, and she harbored her selfless passion to help this infirm population. Her donations benefited medical research for AIDS treatment; and before her death, Frosene shared a dream of a state-of-the-art facility. We are now very proud that it is in our midst.

THE BUSH TAX CUT IS TOO BIG

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, it is becoming very clear that whether one is old or young, the Bush tax cut is too big and will not allow us to meet the priorities of this Nation.

For those parents who want a decent education, a first-class education for their children, who want quality teachers in every classroom, who want modern schools, who want to make sure that in fact we can reduce class sizes because we now know that children learn better in smaller classes, the Bush tax cut is crowding that out.

For the elderly, the Washington Post points out today that the Bush tax cut is a raid on the Medicare trust fund, that Medicare is being raided for the purposes of paying for the tax cut. So both the young, who we seek to provide educational reforms for and a quality program, and the elderly, who we seek prescription drug benefits for, who seek to have their health care coverage taken care of, those funds are now being raided to pay for the Bush tax cut.

We should not allow it. We should understand the priorities of this Nation; and the priorities of this Nation are that people want Social Security and Medicare protected, and they want a first-class education system for America's children.

We cannot have that if we have the Bush tax cut.

AMERICA MUST BE ON GUARD AGAINST RUSSIA AND ROGUE NATIONS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the President of Russia recently concluded an agreement with the Ayatollah of Iran. Russia has been helping Iran in the development of a nuclear power plant, and that cooperation will continue.

It is curious why a nation such as Iran, a major petroleum producer, would need nuclear power. I fear that the answer is found elsewhere. This agreement with Russia is also a major arms pact. Iran is seeking advanced military equipment from the Russian government.

Global stability depends on isolating rogue nations, such as Iran, North Korea, Libya, and Syria. The Russians are providing arms and technical assistance to a terrorist state which intends to expand its reach throughout that vital region.

The recent espionage case involving a top FBI official underscores the fact that Russia's intentions towards the United States are not benign. We still live in a dangerous world and the Russian government is making that world less secure. We must be on our guard.

BROKEN PROMISES BY PRESIDENT BUSH

(Mr. INSLEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INSLEE. Mr. Speaker, that wrenching sound we heard from Pennsylvania Avenue yesterday was President George Bush breaking a promise to the American people. Last September President Bush promised the American people he would work to reduce carbon dioxide pollution from generating plants. Yesterday he broke that pledge.

Despite the fact that since last September the evidence has accumulated rapidly, the global climate change is occurring due to carbon dioxide pollution. Even though that evidence has increased, unfortunately, so has the administration's willingness to follow the dictates of the oil and gas industry.

For a President who said that the reason he did this is that he is worried about an energy crisis, we find that laughable in the West, because for the last 2 months we have been asking the President of the United States to do something about energy prices, to impose a short-term wholesale price cap, and he has refused to even consider it.

We are going to urge him to reconsider that, because I can promise the Members this, this President broke his promise. It has not broken our spirit to bring Americans clean energy at a reasonable price.

THE QUALITY CHEESE ACT OF 2001

(Ms. BALDWIN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BALDWIN. Mr. Speaker, today I will introduce the bipartisan Quality Cheese Act of 2001, a bill that will prohibit the use of dry ultra-filtered milk, of cassein, and milk-protein concentrates in the making of standardized cheese.

□ 1015

The plight of our Nation's dairy farmers continues to worsen. In Wisconsin alone, dairy farmers lost $500 million last year because prices reached a 20-year low. My dairy farmers simply cannot stay in business with prices at these levels.

Dry ultra-filtered milk and its derivatives such as milk protein concentrates, MPCs, are allowed into our country basically duty free. In many countries, the costs of its production is subsidized, placing our dairy producers at a competitive disadvantage.

I do not want a cheap, subsidized import to take the place of our dairy farmers' wholesome milk in cheese vats in this country.

Please join me in supporting the Quality Cheese Act of 2001.

BUSH BREAKS PROMISE ON CARBON DIOXIDE EMISSIONS

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, President Bush has broken his promise. During his campaign and even until last week, President Bush had committed to reducing carbon dioxide emissions from power plants.

In a speech last September in Michigan, the President said, and I quote, "We will require all power plants to meet clean air standards in order to reduce emissions of sulfur dioxide, nitrogen oxide, mercury and carbon dioxide."

He made this promise to the American people to protect the health of our children and the environment and to protect them from the effects of climate change. Yet now he has given in to the oil and gas industries who were his biggest contributors.

The scientific community has concluded that climate change, global warming is real and serious. Mr. Speaker, I will soon reintroduce legislation to require oil and coal-fired power plants to clean up their emissions, including carbon dioxide.

In America today, dirty power is cheap power, and we need to act this year to pass my legislation to clean up these emissions, to clean up these old power plants and to get control of climate change carbon dioxide, which is threatening this country.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MILLER of Florida). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules.

MADE IN AMERICA INFORMATION ACT

Mr. STEARNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 725) to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made, as amended.

The Clerk read as follows:

H.R. 725

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Made in America Information Act".

SEC. 2. ESTABLISHMENT OF TOLL-FREE TELEPHONE NUMBER PILOT PROGRAM.

(a) ESTABLISHMENT.—If the Secretary of Commerce determines, on the basis of comments submitted in the rulemaking under section 3, that—

(1) interest among manufacturers is sufficient to warrant the establishment of a 3-year toll-free telephone number pilot program; and

(2) manufacturers will provide fees under section 3(c) so that the program will operate without cost to the Federal Government;

the Secretary shall establish such program solely to help inform consumers whether a product is "Made in America". The Secretary shall publish the toll-free telephone number by notice in the Federal Register.

(b) CONTRACT.—The Secretary of Commerce shall enter into a contract for—

(1) the establishment and operation of the toll-free telephone number pilot program provided for in subsection (a); and

(2) the registration of products pursuant to regulations issued under section 3;

which shall be funded entirely from fees collected under section 3(c).

(c) USE.—The toll-free telephone number shall be used solely to inform consumers as to whether products are registered under section 3 as "Made in America". Consumers shall also be informed that registration of a product does not mean—

(1) that the product is endorsed or approved by the Government;

(2) that the Secretary has conducted any investigation to confirm that the product is a product which meets the definition of "Made in America" in section 5; or

(3) that the product contains 100 percent United States content.

SEC. 3. REGISTRATION.

(a) PROPOSED REGULATION.—The Secretary of Commerce shall propose a regulation—

(1) to establish a procedure under which the manufacturer of a product may voluntarily register such product as complying with the definition of "Made in America" in section 5 and have such product included in the information available through the toll-free telephone number established under section 2(a);

(2) to establish, assess, and collect a fee to cover all the costs (including start-up costs) of registering products and including registered products in information provided under the toll-free telephone number;

(3) for the establishment under section 2(a) of the toll-free telephone number pilot program; and

(4) to solicit views from the private sector concerning the level of interest of manufacturers in registering products under the terms and conditions of paragraph (1).

(b) PROMULGATION.—If the Secretary determines based on the comments on the regulation proposed under subsection (a) that the toll-free telephone number pilot program and the registration of products is warranted, the Secretary shall promulgate such regulation.

(c) REGISTRATION FEE.—

(1) IN GENERAL.—Manufacturers of products included in information provided under section 2 shall be subject to a fee imposed by the Secretary of Commerce to pay the cost of registering products and including them in information provided under subsection (a).

(2) AMOUNT.—The amount of fees imposed under paragraph (1) shall—

(A) in the case of a manufacturer, not be greater than the cost of registering the manufacturer's product and providing product information directly attributable to such manufacturer; and

(B) in the case of the total amount of fees, not be greater than the total amount appropriated to the Secretary of Commerce for salaries and expenses directly attributable to registration of manufacturers and having products included in the information provided under section 2(a).

(3) CREDITING AND AVAILABILITY OF FEES.—

(A) IN GENERAL.—Fees collected for a fiscal year pursuant to paragraph (1) shall be credited to the appropriation account for salaries and expenses of the Secretary of Commerce and shall be available in accordance with appropriation Acts until expended without fiscal year limitation.

(B) COLLECTIONS AND APPROPRIATION ACTS.—The fees imposed under paragraph (1)—

(i) shall be collected in each fiscal year in an amount equal to the amount specified in appropriation Acts for such fiscal year; and

(ii) shall only be collected and available for the costs described in paragraph (2).

SEC. 4. PENALTY.

Any manufacturer of a product who knowingly registers a product under section 3 which is not "Made in America"—

(1) shall be subject to a civil penalty of not more than $7500 which the Secretary of Commerce may assess and collect, and

(2) shall not offer such product for purchase by the Federal Government.

SEC. 5. DEFINITIONS.

For purposes of this Act:

(1) MADE IN AMERICA.—The term "Made in America" has the meaning given unqualified "Made in U.S.A." or "Made in America" claims for purposes of laws administered by the Federal Trade Commission.

(2) PRODUCT.—The term "product" means a product with a retail value of at least $250.

SEC. 6. RULE OF CONSTRUCTION.

Nothing in this Act or in any regulation promulgated under section 3 shall be construed to alter, amend, modify, or otherwise affect in any way, the Federal Trade Commission Act or the opinions, decisions, rules, or any guidance issued by the Federal Trade Commission regarding the use of unqualified "Made in U.S.A." or "Made in America" claims in labels on products introduced, delivered for introduction, sold, advertised, or offered for sale in commerce.

Amend the title so as to read: "A bill to direct the Secretary of Commerce to provide for the establishment of a toll-free telephone number to assist consumers in determining whether products are American-made.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. STEARNS) and the gentlewoman from California (Mrs. CAPPS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS).

GENERAL LEAVE

Mr. STEARNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 725, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. STEARNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are constantly reminded in our daily lives that knowledge is power. Under H.R. 725, the American consumer has the power to determine if a product is indeed "Made in America." This bill, introduced by the gentleman from Ohio (Mr. TRAFICANT), my friend, will make "Made in America" product information more readily accessible to the consumer and without cost to the Federal Government.

Currently, my colleagues, there is no central repository for lists of American-made products. H.R. 725 establishes a 3-year pilot program creating such a repository entirely funded by fees assessed to manufacturers that choose to voluntarily list their products in this database.

Mr. Speaker, under this pilot program, a toll-free telephone number is established to facilitate consumer access to the database. It is important to note that participation in the program is voluntary and that the operation and maintenance of the toll-free number and database shall be contracted out to a third party by the Department of Commerce.

American consumers are increasingly sensitive as to whether a product is "Made in America." Such sensitivity has certainly applied to the U.S. government procurement process. Since 1942, the so-called Berry amendment has prevented the use of any funds appropriated to the Department of Defense to be used to purchase an item of food or clothing not produced in the United States.

The Defense Logistics Agency can issue a waiver of the Berry amendment upon a determination of a nonavailability, meaning there is no available domestic producer. The Defense Logistics Agency decided to waive the Berry amendment recently in order to procure 1.3 million berets for the Army at a cost of $26 million based on nonavailability.

The rationale for the waiver, we are told, is that Americans suppliers would not be able to supply the Army's needs to have the berets in time for its 225th anniversary on June 14. We are also told that American suppliers, even if given adequate time, if they are given adequate time, can meet the orders' requirements.

Personally, I believe that if a universal black beret is going to serve as a symbol for the United States Army in the 21st Century, it should not be made in China. Fortunately, the Pentagon decided yesterday to revisit this issue.

Early in the history of this country, we have had high tariffs to protect our industries. Now we have low tariffs and are part of a global economy. There must be a balance, my colleagues, if we are to preserve American jobs and industry, while also enjoying the benefits of world trade.

Americans have seen a proliferation of products from other countries. My colleagues, this simple bill gives Americans the knowledge to make an educated choice in the purchase of American-made goods.

Let me close my statement by commending the gentleman from Ohio (Mr. TRAFICANT) for his persistence and tenacious promotion of this bill and for introducing this bill so that we have this opportunity this morning.

Last Congress, the House passed this legislation almost identical to H.R. 725, so I do not believe we will have any trouble today, but I think it is important and particularly in light of what has happened in the Department of Defense and reading in the paper their decision to stop the procurement of the berets being manufactured in China.

Mr. Speaker, I reserve the balance of my time.

Mrs. CAPPS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge my colleagues to support H.R. 725, the Made in America Information Act. I commend the leadership of the gentleman from Florida (Mr. STEARNS), my colleague, for this time on the floor.

Mr. Speaker, I also commend the persistence of the gentleman from Ohio (Mr. TRAFICANT), my colleague, on this topic that we are dealing with today.

H.R. 725 provides for the Secretary of Commerce to establish a toll-free number to help consumers identify which products are "Made in America." This new program would operate as a pilot program for 3 years. It would not cost taxpayers anything. It would be paid for entirely out of fees collected for manufacturers who wish to register their products as "Made in America."

This legislation is predicted on one simple premise and belief, that consumers will choose to buy products made right here in the United States by American workers, if they are given that opportunity.

In a 1997 rulemaking, the Federal Trade Commission reported that 84 percent of the respondents to a National Consumers League survey said that they were more likely to buy an item that was made in the USA than to buy an equivalent foreign-made product.

A majority of those surveyed also said that they find the made in U.S. label either frequently or always meaningful when they are shopping.

Congress also long ago recognized that made in the USA label is both meaningful and important.

Mr. Speaker, I want to cite the same example that my colleague did in pointing out that, out of respect and honor both for American workers as well as those who serve our country in uniform, Congress has required military uniforms to be "Made in the USA" for the past 50 years, except in time of crisis. That is why, Mr. Speaker, I was also shocked to learn that the Pentagon has recently awarded $26 million in contracts mostly to foreign producers for 2½ million black berets that are now to become the official new headgear of all of the Army troops. According to the Army, these new berets will be made in plants in China, Romania, and Sri Lanka, among other foreign countries.

I was also disturbed by press accounts that cited that awarding this contract to these foreign firms could even be more expensive for American taxpayers. It has been reported that the overseas beret is nearly twice as expensive as one which could be "Made in America" but could not be ready in time for the deadline that was imposed.

For the first time, most American men and women serving in the Army would soon see a "Made in China", for example, or other such label when they take off their berets, rather than a "Made in the USA" label.

This decision will harm U.S. companies and American workers and may, in fact, waste taxpayer dollars.

That is why the gentleman from California (Mr. HUNTER), my colleague, and I have been circulating a letter to the President asking that this short-sighted decision be reconsidered.

I hope all of my colleagues on both sides of the aisle will join me in this effort, and it is a way of underscoring the importance of H.R. 725 as a good bill that will help consumers to buy American if they so choose.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. Speaker, I yield 3 minutes to my colleague, the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Speaker, I want to thank the gentleman from Louisiana (Mr. TAUZIN), the gentleman from Michigan (Mr. DINGELL), the gentleman from Michigan (Mr. UPTON), the gentleman from Massachusetts (Mr. MARKEY), certainly the gentleman from Florida (Mr. STEARNS), my good friend, and the gentlewoman from California (Mrs. CAPPS) for bringing this resolution and bill out early in the session.

Mr. Speaker, I took to the floor several years ago when the Air Force was buying military boots made in China. The Pentagon was embarrassed, and that was stopped.

But I want my colleagues to understand, the prestigious elite Army Ranger force to remove their beret and to have a fellow tax-paying American seeing a "Made in China" label in it?

One thing America does not need is protectionism. We need fair trade policies for sure.

And remember this, for every billion dollars worth of trade deficit, we lose 20,000 jobs; and I would like the gentlewoman from Florida to realize that, last quarter, America's trade deficit was $119 billion. It is approaching $40 billion a month. Times that by 20,000 jobs, and they are not burger flippers, we have got a crisis. No one is really looking at this crisis; and my little bill simply says, look, I believe the American consumer will buy an American product if it is competitively priced.

The Traficant bill would work this way: A couple in Chicago setting up homekeeping is going to buy a refrigerator, stove, washer and dryer. They can call the 1-800 number and say, look, I would like to buy an American product. What American products are made in refrigerators, in washers and dryers, and could I please have a list of them?

My God, what is wrong with us? I am asking House leadership to now help with the Senate to get beyond this guise of protectionism and, for God's sake, look at America and our working people and our consumer habits and practices.

□ 1030

This is simply a very modest bill. There will be no more Federal workers needed to be hired. Any cost will be borne by American companies who will be proud to say, Yes, my product is made in America. Come see it.

Now, one will see more foreign manufacturers moving to America so they can say "Our product is made in America." If that Japanese company moves to America and makes it in America, it will be listed on the first-time register of American-made products.

Mr. Speaker, this is a good common sense American bill. I ask for an overwhelming vote, and I certainly ask this chairman to do all he can in promoting it with the other body.

Mr. STEARNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have a few comments before I yield back my time. Obviously, years from now little will be remembered about this debate this morning. But in many ways, as my colleagues know, Mr. Speaker, there is a time and a moment when there is a sense of goodwill and a feeling in the House when we are doing something that makes all Americans feel patriotic. I think this bill that the gentleman from Ohio (Mr. TRAFICANT) is offering does just that.

I am so glad the Army, who is going to celebrate their 225th anniversary, has decided to hold off procuring the berets overseas and having them manufactured in China. I hope they will sense this feeling that we have this morning, that this bill does not cost anything and is symbolic, is important for the welfare of all Americans. I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mrs. CAPPS. Mr. Speaker, I would comment also that I join my colleague in agreeing that this is a very timely topic to be discussing right now.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 725, the Made in America Information Act. The measure deserves our strong support to make sure the American worker can compete fairly with any competitor.

This bill requires the Commerce Department, if sufficient industry interest exists, to establish and operate for 3 years a toll-free telephone number to help U.S. consumers determine which consumer products are American-made. Under the measure, this hotline would be operated through a private contractor at no cost to the government, with the cost of operations to be paid for by fees from these manufacturers who voluntarily register their products with this hotline.

The measure allows only American-made products having a retail value of approximately $250 or more to be registered. Consumers calling the hotline would have to be informed that registration of a product on the hotline does not mean that the product contains 100 percent U.S.-made content, that the government does not endorse the product, and that the Federal Government has not conducted an investigation to confirm the definition of "American made." Manufacturers who knowingly register a product that is not American-made would be subject to civil penalties, and the product in question could not be purchased by any unit of the Federal Government.

Passage of this legislation sends an important message to our workers. U.S. workers should not be shortchanged as they seek to compete in the global marketplace. Accordingly, I urge my colleagues to support the legislation.

Mrs. CAPPS. I have no further speakers, Mr. Speaker; and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Florida (Mr. STEARNS) that the House suspend the rules and pass the bill, H.R. 725, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. STEARNS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FROST. Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution (H.R. 88) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 88

Resolved, That the following named Members be, and are hereby, elected to the following standing committees of the House of Representatives:

Committee on Agriculture: to rank immediately after Mr. Phelps of Illinois, Mr. Lucas of Kentucky; to rank immediately after Mr. Acevedo-Vilá of Puerto Rico, Mr. Kind of Wisconsin and Mr. Shows of Mississippi;

Committee on the Budget: Mr. Matheson of Utah.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MARJORY WILLIAMS SCRIVENS POST OFFICE

Mr. PLATTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 364) to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office".

The Clerk read as follows:

H.R. 364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, shall be known and designated as the "Marjory Williams Scrivens Post Office".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in section 1 shall be deemed to be a reference to the Marjory Williams Scrivens Post Office.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. PLATTS) and the gentlewoman from Florida (Mrs. MEEK) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. PLATTS).

GENERAL LEAVE

Mr. PLATTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 364.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PLATTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker we have before us H.R. 364, designating the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the Marjory Williams Scrivens Post Office. The distinguished gentlewoman from Florida (Mrs. MEEK) introduced this legislation on January 31, 2001. It is supported by all House Members of the State of Florida pursuant to the policy of the Committee on Government Reform.

Marjory Williams Scrivens started working for the United States Postal Service in 1970, and in 1972 she was one of the first women to deliver mail in the Miami-Dade County area in Florida.

Ms. Scrivens succumbed to bone cancer a year ago. Mr. Speaker, I urge our colleagues to support H.R. 364 as an appropriate tribute to Marjory Williams Scrivens in naming the post office for her many dedicated years of service to the postal service.

Mr. Speaker, I reserve the balance of my time.

Mrs. MEEK of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 364 designates the facility of the United States Post Office service located at 5927 Southwest 70th Street in Miami, Florida, as the Marjory Williams Scrivens Post Office.

A lot of times when we dedicate post offices, Mr. Speaker, we do not really pay much attention to the persons for whom they are named. We try to be sure that, since this is a Federal facility, that people who are worthy of this commendation be chosen.

Mrs. Scrivens was an unusual woman. She started working for the post office in 1970, and she was the first female letter carrier in Dade County. Mrs. Scrivens was only the second woman in this entire country to serve as a letter carrier during that time.

She was very popular. She was a trailblazer. She worked for the post office in an exemplary manner for 22 years. Many times she was very instrumental in correcting the identification of those who carry the mail from postmen to mailmen to letter carrier.

She brought a respect to this particular job; and it was good for, not only the post office, but for the people of the community.

Her colleagues fondly remember her as one who was very proud of her job. "We would always point to Marjory Scrivens as a good example of a job well done," said one of her former supervisors.

Mrs. Scrivens was motivated for public service. She wanted a challenge. She kept dropping by the Federal building to check on government jobs. This was when there was, perhaps, no woman in that county who had ever worked for the post office. So she started dropping by.

Finally, she saw a clerk-carrier listed; and she took the test and passed. She was not afraid to work.

So today, Mr. Speaker, it is fitting that we honor Marjory Williams Scrivens, not only because of who she was, but for all that she did. I am very pleased that the Florida delegation has cosponsored this bill and the leadership has seen fit to put it on the calendar.

This effort has very wide community support, including endorsements from the South Florida Letter Carriers Association, the Mount Olive Missionary Baptist Church, Miami Times newspaper, and more than 1,200 signatures on more than 63 pages.

Mr. Speaker, I am pleased to support the naming of the United States Post Office in South Miami as the Marjory Williams Scrivens Post Office.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PLATTS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. PLATTS) that the House suspend the rules and pass the bill, H.R. 364.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

W. JOE TROGDON POST OFFICE BUILDING

Mr. PLATTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 821) to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building".

The Clerk read as follows:

H.R. 821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. W. JOE TROGDON POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, shall be known and designated as the "W. Joe Trogdon Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the W. Joe Trogdon Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. PLATTS) and the gentlewoman from Florida (Mrs. MEEK) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. PLATTS).

GENERAL LEAVE

Mr. PLATTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 821.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PLATTS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us, H.R. 821, was introduced by the gentleman from North Carolina (Mr. COBLE). This legislation designates the post office located at 1030 South Church Street in Asheboro, North Carolina, be known as the W. Joe Trogdon Post Office Building. Each Member of the House delegation from the State of North Carolina has cosponsored this legislation pursuant to the policy of the Committee on Government Reform.

Mr. Trogdon was born in Asheboro, North Carolina, in 1932 and was educated in the Asheboro city school system. He then attended North Carolina State University from 1950 to 1954. He participated in the Army ROTC program while studying at NC State.

Mr. Trogdon served our Nation as a 2nd lieutenant in the United States Army Security Agency on active duty in Germany for 2 years, from 1955 to 1957. In 1957, he was made a 1st lieutenant in the Army and served in the inactive reserve until 1963.

Mr. Trogdon served on the Asheboro Planning Board from 1964 to 1973 and the Asheboro City Council from 1973 until 1983. He was then elected mayor of the city of Asheboro and continues to hold that position. He is the former chairman of the Piedmont Triad Council of Government and a former member of the board of directors for the North Carolina League of Municipalities.

Mayor Trogdon is also an active member of the Asheboro Jaycees, the Kiwanis Club, the Rotary Club, the East Hog-Eye Yacht Club, and the board of directors for the Wachovia Bank & Trust. He is also a member of the board of trustees of the First United Methodist Church.

Mr. Trogdon is the president of a family-owned business of general contractors, which was established in 1928.

Mr. Speaker, it is fitting that a post office be dedicated to a gentleman who has given his life to public service in a city where he was born and grew up.

I urge our colleagues to support H.R. 821, a bill that honors Mayor W. Joe Trogdon. I also want to recognize the dedicated work of the gentleman from North Carolina (Mr. COBLE) for sponsoring this legislation and for the other Members of the delegation in cosponsoring and bringing this issue to the floor.

Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding me this time.

Mr. Speaker, I may repeat some that has already been said, but this is important to the people of Asheboro, and I want to go into a little more detail.

At the outset, I want to thank the gentleman from Indiana (Mr. BURTON), the Republican leadership, and the Members of the North Carolina congressional delegation for their assistance in bringing this legislation to the floor in such a timely manner.

On March 1 of this year, Mr. Speaker, I introduced H.R. 821, a bill to designate the new post office at Asheboro, North Carolina, as the W. Joe Trogdon Post Office Building.

Several years ago, it became apparent that the former postal facilities in Asheboro were not adequate. In fact, the building was literally falling down. Condemnation of the original post office in 1997 expedited the need for a new building to serve the area.

During this process, Mayor Joe Trogdon was instrumental in coordinating the wishes of his community with the requirements of the United States Postal Service. He encouraged the people of Asheboro to actively voice their views regarding the location of the new post office to ensure that this new facility would be built where it would best serve Asheboro and Randolph County.

Mr. Speaker, I do not know how many of my colleagues have been involved in building or in relocating post office buildings, but it involves an eternal maze. For many years, the citizens of Asheboro have been inconvenienced by the poor accessibility, insufficient parking, and hectic traffic patterns surrounding the old post office.

After searching for a potential site for the new building, negotiating and renegotiating with the U.S. Postal Service and various landowners in the area, the project was finally completed. This tremendous new asset to the community will have its official grand opening on Sunday, April 1.

Although it has been a long and, at times, a tenuous process, the community, under the leadership of Mayor Trogdon, was able to work through the many frustrations and disappointments and now has seen its goal of a gleaming new postal facility become a reality.

Once the location for the new post office building has been determined, the omnibus task of picking the perfect name still remained. In my opinion, the name of the building should reflect a constant presence in the community, a person who has given of his time, heart and spirit, not only in the creation of this post office, but to the growth and prosperity of the city of Asheboro.

□ 1045

That being said, I can think of no one more qualified who exemplifies that description than Mayor Joe Trogdon. He is a hometown boy, as the gentleman from Pennsylvania pointed out. He grew up in the town of Asheboro. Joe received his college diploma from North Carolina State University in Raleigh. Joe honorably served in the United States Army in Germany; 6 years in the U.S. Army Reserve; and following his tour of duty in Germany, Joe returned to his boyhood home to begin work in the family business. But that was not enough for Joe Trogdon. Nearly 4 decades ago, Joe started his public service career in Asheboro. He has served as a member of the Asheboro Planning Board, the City Council, the Piedmont Triad Council of Governments, the North Carolina League of Municipalities, and since 1983, as Mayor of Asheboro.

Joe also gives of his time and talent to civic groups and associations such as the Asheboro Jaycees, the Asheboro Kiwanis Club, the Asheboro Rotary Club, and the East Hog-eye Yacht Club. Joe is also on the board of trustees of the First United Methodist Church in Asheboro. What you can say about this man is that Joe Trogdon does not believe in sitting idly on the sidelines. When work needs to be done, Joe is the first one to pitch in and help. Through his many years of dedication to the people of Asheboro, Joe has always put the needs and views of his constituents first and foremost, and for that reason he has gained the respect and support of the people he represents.

Mr. Speaker, I am not alone in my desire to honor Joe Trogdon. We have heard from a number of groups in the area encouraging us to introduce legislation to name the Post Office in Asheboro in honor of Joe. Included on this list is the Asheboro City Council, the Randolph County Board of Commissioners, the Home Builders Association of Asheboro and Randolph County, the American Legion Post 45 of Asheboro, the Randolph County Senior Adults Association and the Asheboro/Randolph Chamber of Commerce.

Additionally, private citizens sent letters of support to our office to endorse this proposal, including my good friend, North Carolina State Representative Arlie Culp.

Mr. Speaker, for the benefit of my colleagues, one of my constituents did contact me and expressed his opposition to the naming of this building, not because it was being named to honor Joe Trogdon, but he expressed his concern that Federal buildings should not bear the name of people still living. I explained that rules governing the naming of Federal buildings do not prohibit the naming of buildings for people alive, and I do not think anybody is interested in accelerating Joe Trogdon's death to make him eligible to have his name put on the post office building, so I hope that gentleman's discomfort will be assuaged somewhat after he reconsiders it.

Mr. Speaker, I am about to close, but I would be remiss if I failed to mention the names of Rebecca Redding Williams and Missy Branson. Rebecca is our district representative in the Asheboro office; and Missy, who is from Thomasville, North Carolina, is our legislative director here; and both of them worked tirelessly on this legislation, and I thank them for their efforts.

It is for my friend and constituent, Joe Trogdon, that I move to pass this bill today. We wish Joe's wife could still be with us, but we know that Anne Trogdon is smiling down upon us today. Joe and Anne's three children and six grandchildren are very proud of what we are doing today.

Mr. Speaker, I hope you will all join me in celebrating this great man by voting in support of this bill designating the new post office in Asheboro, North Carolina, as the W. Joe Trogdon Post Office Building. My hat goes off to Joe, and I thank you all for what you have done for Asheboro and Randolph County. What we do here today is a fitting tribute to your dedicated career of public service, Joe Trogdon.

Mrs. MEEK of Florida. Mr. Speaker, I yield myself 1 minute to speak about this outstanding person for whom the gentleman from North Carolina (Mr. COBLE) has decided to name a post office.

Listening to all of the information concerning this mayor, he must be a very outstanding man and has made a great contribution to his community, so it is good he is getting his flowers while he is alive and will hear the acclamations that will come from his community.

The gentleman from North Carolina (Mr. COBLE) is to be commended in seeking to honor Mayor Trogdon. The mayor has shown tremendous leadership and deserves to be acknowledged for his hard work. I urge swift passage of this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. PLATTS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from North Carolina (Mr. COBLE) that the House suspend the rules and pass the bill, H.R. 821.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the following bills:

H.R. 809, H.R. 741, H.R. 860, S. 320, H.R. 861 and H.R. 802.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ANTITRUST TECHNICAL CORRECTIONS ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 809) to make technical corrections to various antitrust laws and to references to such laws.

The Clerk read as follows:

H.R. 809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Antitrust Technical Corrections Act of 2001".

SEC. 2. AMENDMENTS.

(a) Act of March 3, 1913.—The Act of March 3, 1913 (chapter 114, 37 Stat. 731; 15 U.S.C. 30) is repealed.

(b) Panama Canal Act.—Section 11 of the Panama Canal Act (37 Stat. 566; 15 U.S.C. 31) is amended by striking the undesignated paragraph that begins "No vessel permitted".

(c) Sherman Act.—Section 3 of the Sherman Act (15 U.S.C. 3) is amended—

(1) by inserting "(a)" after "Sec. 3.", and

(2) by adding at the end the following:

"(b) Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce in any Territory of the United States or of the District of Columbia, or between any such Territory and another, or between any such Territory or Territories and any State or States or the District of Columbia, or with foreign nations, or between the District of Columbia, and any State or States or foreign nations, shall be deemed guilty of a felony, and, on conviction thereof, shall be punished by fine not exceeding $10,000,000 if a corporation, or, if any other person, $350,000, or by imprisonment not exceeding three years, or by both said punishments, in the discretion of the court.".

(d) Wilson Tariff Act.—

(1) Technical amendment.—The Wilson Tariff Act (28 Stat. 509; 15 U.S.C. 8 et seq.) is amended—

(A) by striking section 77, and

(B) in section 78—

(i) by striking "76, and 77" and inserting "and 76"; and

(ii) by redesignating such section as section 77.

(2) Conforming amendments to other laws.—

(A) Clayton Act.—Subsection (a) of the 1st section of the Clayton Act (15 U.S.C. 12(a)) is amended by striking "seventy-seven" and inserting "seventy-six".

(B) Federal trade commission act.—Section 4 of the Federal Trade Commission Act (15 U.S.C. 44) is amended by striking "77" and inserting "76".

(C) Packers and stockyards act, 1921.—Section 405(a) of the Packers and Stockyards Act, 1921 (7 U.S.C. 225(a)) is amended by striking "77" and inserting "76".

(D) Atomic energy act of 1954.—Section 105 of the Atomic Energy Act of 1954 (42 U.S.C. 2135) is amended by striking "seventy-seven" and inserting "seventy-six".

(E) Deep seabed hard mineral resources act.—Section 103(d)(7) of the Deep Seabed Hard Mineral Resources Act (30 U.S.C. 1413(d)(7)) is amended by striking "77" and inserting "76".

(e) Clayton Act.—The first section 27 of the Clayton Act (15 U.S.C. 27) is redesignated as section 28 and is transferred so as to appear at the end of such Act.

(f) Year 2000 Information and Readiness Disclosure Act.—Section 5(a)(2) of the Year 2000 Information and Readiness Disclosure Act (Public Law 105-271) is amended by inserting a period after "failure".

SEC. 3. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) Effective Date.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) Application to Cases.—(1) Section 2(a) shall apply to cases pending on or after the date of the enactment of this Act.

(2) The amendments made by subsections (b), (c), and (d) of section 2 shall apply only with respect to cases commenced on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 809, the Antitrust Technical Corrections Act of 2001, which I have introduced along with the committee's ranking member, the gentleman from Michigan (Mr. CONYERS) and the gentleman from Illinois (Mr. HYDE).

This bill makes six separate technical corrections to our antitrust laws. Three of these corrections repeal outdated provisions of the law. One clarifies a long existing ambiguity relating to the application of the law to the District of Columbia and the territories, and two correct typographical errors in recently passed laws.

This bill is identical to a bill which the House passed by a voice vote last year, except that two typographical corrections have been added. The committee has informally consulted with the antitrust enforcement agencies, the Antitrust Division of the Department of Justice and the Bureau of Competition of the Federal Trade Commission, and the agencies indicate that they do not object to any of these changes.

In response to written questions following the committee's November 5, 1997 oversight hearing on the antitrust enforcement agencies, the Department of Justice recommended two of the repeals and the clarification contained in this bill.

First, H.R. 809 repeals the Act of March 3, 1913. That act requires all depositions taken in Sherman Act cases brought by the government be conducted in public. In the early days, the courts conducted such cases by deposition without any formal trial proceeding. Thus, Congress required that the depositions be open as a trial would be. Under the modern practice of broad discovery, depositions are generally taken in private and then made public if they are used at trial.

Under our system, section 30 causes three problems: First, it maintains a special rule for a narrow class of cases when the justification for that rule has disappeared.

Second, it makes it hard for a court to protect proprietary information that may be at issue in an antitrust case.

And, third, it can create a circus atmosphere in the deposition of a high profile figure. In an appeal in the Microsoft case, the U.S. Court of Appeals for the District of Columbia Circuit invited Congress to repeal this law.

Second, H.R. 809 repeals the antitrust provision in the Panama Canal Act. Section 11 of the Panama Canal Act provides no vessel owned by someone who is violating the antitrust laws may pass through the Panama canal.

The committee has not been able to determine why this provision was added to the act or whether it has ever been used. However, with the return of the canal to Panamanian sovereignty at the end of 1999, it is appropriate to repeal this outdated provision.

The House Committee on Armed Services has jurisdiction over the Panama Canal Act, and I appreciate the willingness of that committee's chairman, the gentleman from Arizona (Mr. STUMP), to expedite this noncontroversial bill.

Third, H.R. 809 clarifies that section 2 of the Sherman Act applies to the District of Columbia and its territories. Two of the primary provisions of antitrust law are section 1 and section 2 of the Sherman Act. Section 1 prohibits conspiracies in restraint of trade, and section 2 prohibits monopolization.

Section 3 of the Sherman Act was intended to apply these provisions to the District and the various territories of the United States. Unfortunately, however, the ambiguous drafting in section 3 leaves it unclear whether section 2 applies to these areas. The committee is aware of at least one instance in which the Department of Justice declined to bring an otherwise meritorious section 2 claim in a Virgin Islands case because of this ambiguity.

This bill clarifies both section 1 and section 2 apply to the District and the Territories. All of the congressional representatives of the District and the Territories are cosponsors of this bill.

Finally, H.R. 809 repeals a redundant antitrust jurisdiction provision in section 77 of the Wilson Tariff Act. In 1955, Congress modernized the jurisdictional and venue provisions relating to antitrust suits by amending section 4 of the Clayton Act. At that time it repealed the redundant jurisdictional provision in section 7 of the Sherman Act but not the one in section 77 of the Wilson Tariff Act. It appears this was an oversight, because section 77 was never codified and has been rarely used.

Repealing section 77 will not diminish any jurisdiction or venue rights because section 4 of the Clayton Act provides any potential plaintiff with broader jurisdiction and venue rights in section 77. Rather, the repeal simply rids the law of a confusing, redundant, and little-used provision.

Finally, the bill corrects an erroneous section number designation in the Curt Flood Act passed in 1998, and it inserts an inadvertently omitted period in the Year 2000 Information and Readiness Disclosure Act. Neither of these corrections makes any substantive change.

I believe that all of these provisions are noncontroversial and they will help clean up some underbrush in the antitrust laws and recommend that the House suspend the rules and pass the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join the chairman of the committee, the gentleman from Wisconsin (Mr. SENSENBRENNER) in support of these technical corrections to antitrust law.

The gentleman has described them adequately. There are six noncontroversial changes. We are in total support. And I might add that we have had a very bipartisan experience in the Committee on the Judiciary during the period of time that we have been working on bills together, so I am happy to join with the chairman in support of the measure.

I am pleased to join the gentleman from Wisconsin (Mr. SENSENBRENNER) in support of H.R. 809, the "Antitrust Technical Corrections Act of 2001." The Chairman and I have worked together on this bill, and we have consulted with the Department of Justice Antitrust Division and the Federal Trade Commission Bureau of Competition to ensure that the technical changes made in the bill will improve the efficiency of our antitrust laws.

When the gentleman from Wisconsin and I met at the beginning of this Congress, he spoke about creating a more bi-partisan approach on the Judiciary Committee. I am gratified that his conciliatory words were followed up by deeds, and I hope that this is the kind of cooperative relationship we can look forward to throughout the 107th Congress.

To briefly summarize, H.R. 809 makes six non-controversial changes in our antitrust laws to repeal some out-dated provisions of the law, to clarify that our antitrust laws apply to the District of Columbia and to the Territories, and to make some needed grammatical and organizational changes.

The bill will permit depositions taken in Sherman Act equity cases brought by the government to be conducted in private—just as they are in all other types of cases. It also repeals a little-known and little-used provision that prohibits vessels from passing through the Panama Canal if the vessel's owner is violating the antitrust laws. With the return of the Canal to Panama in 1999, it is appropriate to repeal this outdated provision.

H.R. 809 also clarifies that Sherman Act's prohibitions on restraint of trade and monopolization apply to conduct occurring in the District of Columbia and the various territories of the United States. It also repeals a redundant jurisdiction and venue provision in Section 77 of the Wilson Tariff Act. Finally, the bill makes two minor grammatical and organizational changes to the antitrust laws.

Again, I want to thank the chairman for his bi-partisan approach on this legislation, and I urge its passage.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I would like to thank Chairman SENSENBRENNER, and Ranking Member CONYERS for their work in bringing H.R. 809, the "Antitrust Technical Corrections Act of 2001," before the House for consideration.

This bill seeks to make six technical corrections to United States antitrust laws. Three of these technical corrections repeal outdated provisions of the law, one clarifies a long existing ambiguity regarding the application of the law to the District of Columbia and the territories, one is organizational in nature, and one is grammatical. The Committee has informally consulted the antitrust enforcement agencies, the Antitrust Division of the Department of Justice and the Bureau of Competition of the Federal Trade Commission, and the agencies have indicated that they do not object to any of these changes. In response to written questions following the Committee's November 5, 1997 oversight hearing on the antitrust enforcement agencies, the Department of Justice recommended two of the repeals and the clarification contained in this bill.

Those provisions of the Sherman Antitrust Act, which deal with conspiracies regarding the establishment of monopolies have not been clearly defined as they relate to the District of Columbia. The changes being made by this legislation will make it clear that the District of Columbia and other U.S. territories are included under the preview of the Justice Department as it relates to Antitrust Law enforcement in the United States.

Finally, this legislation will repeal the redundant Antitrust Jurisdictional Provision in Section 77 of the Wilson Tarrif Act. This repeal will not diminish any substantive rights because Section 4 of the Clayton Act provides any potential plaintiff with broader rights of jurisdiction and venue than does Section 77. This repeal will only rid the existing law of a confusing, redundant, and little used provision.

I am in support of these minor changes to our Nation's antitrust laws, and urge my colleagues on both sides of the aisle to vote in favor of this legislation.

Ms. NORTON. Mr. Speaker, I rise in strong support of H.R. 809, the Antitrust Technical Corrections Act of 2001. I want to thank Chairman SENSENBRENNER and Ranking Member CONYERS for their leadership in bringing this important corrective measure to the floor so early in the session. Because of the bill's beneficial impact on the District of Columbia and the territories, I am pleased to be an original cosponsor.

Section 2(c) of the Antitrust Technical Corrections Act would close a potentially dangerous loophole in the nation's antitrust laws with respect to the District of Columbia and the territories. Two of the most important provisions of the Sherman Act are 15 U.S.C. sections 1 and 2. Section 1 prevents conspiracy in restraint of trade and section 2 prevents monopoly, attempts to create a monopoly and conspiracy to create a monopoly. These provisions form the bedrock of our antitrust laws. However, section 3 of the Sherman Act, which was intended to apply these vital provisions to the District of Columbia and the territories, is ambiguous with respect to whether section 2, prohibiting monopolies, applies to these jurisdictions. Despite the ambiguous language in section 3 of the Sherman Act, we believe that Congress clearly intended the nation's antitrust laws to apply not only to the states, but to the territories and the District of Columbia as well. This bill would clarify that intent.

The committee has found at least one instance in which the Department of Justice decided not to bring a potentially meritorious monopoly claim under section 2 of the Sherman Act because of the ambiguous language in section 3. Although this case occurred in the Virgin Islands and not the District, the Antitrust Technical Corrections Act is necessary to safeguard against a similar occurrence in the District and to ensure the seamless application of our antitrust laws not only throughout the nation but also in the territories and the nation's capital.

I thank the chairman and ranking member once again for their attention to this important matter and urge my colleagues to support this bill.

Mr. CONYERS. Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 809.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1100

MADRID PROTOCOL IMPLEMENTATION ACT

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 741) to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes.

The Clerk read as follows:

H.R. 741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Madrid Protocol Implementation Act".

SEC. 2. PROVISIONS TO IMPLEMENT THE PROTOCOL RELATING TO THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS.

The Act entitled "An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes", approved July 5, 1946, as amended (15 U.S.C. 1051 and following) (commonly referred to as the "Trademark Act of 1946") is amended by adding after section 51 the following new title:

"TITLE XII—THE MADRID PROTOCOL

"SEC. 60. DEFINITIONS.

"For purposes of this title:

"(1) Madrid Protocol.—The term 'Madrid Protocol' means the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, adopted at Madrid, Spain, on June 27, 1989.

"(2) Basic application.—The term 'basic application' means the application for the registration of a mark that has been filed with an Office of a Contracting Party and that constitutes the basis for an application for the international registration of that mark.

"(3) Basic registration.—The term 'basic registration' means the registration of a mark that has been granted by an Office of a Contracting Party and that constitutes the basis for an application for the international registration of that mark.

"(4) Contracting party.—The term 'Contracting Party' means any country or inter-governmental organization that is a party to the Madrid Protocol.

"(5) Date of recordal.—The term 'date of recordal' means the date on which a request for extension of protection that is filed after an international registration is granted is recorded on the International Register.

"(6) Declaration of bona fide intention to use the mark in commerce.—The term 'declaration of bona fide intention to use the mark in commerce' means a declaration that is signed by the applicant for, or holder of, an international registration who is seeking extension of protection of a mark to the United States and that contains a statement that—

"(A) the applicant or holder has a bona fide intention to use the mark in commerce;

"(B) the person making the declaration believes himself or herself, or the firm, corporation, or association in whose behalf he or she makes the declaration, to be entitled to use the mark in commerce; and

"(C) no other person, firm, corporation, or association, to the best of his or her knowledge and belief, has the right to use such mark in commerce either in the identical form of the mark or in such near resemblance to the mark as to be likely, when used on or in connection with the goods of such other person, firm, corporation, or association, to cause confusion, or to cause mistake, or to deceive.

"(7) Extension of protection.—The term 'extension of protection' means the protection resulting from an international registration that extends to a Contracting Party at the request of the holder of the international registration, in accordance with the Madrid Protocol.

"(8) Holder of an international registration.—A 'holder' of an international registration is the natural or juristic person in whose name the international registration is recorded on the International Register.

"(9) International application.—The term 'international application' means an application for international registration that is filed under the Madrid Protocol.

"(10) International bureau.—The term 'International Bureau' means the International Bureau of the World Intellectual Property Organization.

"(11) International register.—The term 'International Register' means the official collection of such data concerning international registrations maintained by the International Bureau that the Madrid Protocol or its implementing regulations require or permit to be recorded, regardless of the medium which contains such data.

"(12) International registration.—The term 'international registration' means the registration of a mark granted under the Madrid Protocol.

"(13) International registration date.—The term 'international registration date' means the date assigned to the international registration by the International Bureau.

"(14) Notification of refusal.—The term 'notification of refusal' means the notice sent by an Office of a Contracting Party to the International Bureau declaring that an extension of protection cannot be granted.

"(15) Office of a contracting party.—The term 'Office of a Contracting Party' means—

"(A) the office, or governmental entity, of a Contracting Party that is responsible for the registration of marks; or

"(B) the common office, or governmental entity, of more than 1 Contracting Party that is responsible for the registration of marks and is so recognized by the International Bureau.

"(16) Office of origin.—The term 'office of origin' means the Office of a Contracting Party with which a basic application was filed or by which a basic registration was granted.

"(17) Opposition period.—The term 'opposition period' means the time allowed for filing an opposition in the Patent and Trademark Office, including any extension of time granted under section 13.

"SEC. 61. INTERNATIONAL APPLICATIONS BASED ON UNITED STATES APPLICATIONS OR REGISTRATIONS.

"The owner of a basic application pending before the Patent and Trademark Office, or the owner of a basic registration granted by the Patent and Trademark Office, who—

"(1) is a national of the United States;

"(2) is domiciled in the United States; or

"(3) has a real and effective industrial or commercial establishment in the United States,

may file an international application by submitting to the Patent and Trademark Office a written application in such form, together with such fees, as may be prescribed by the Director.

"SEC. 62. CERTIFICATION OF THE INTERNATIONAL APPLICATION.

"Upon the filing of an application for international registration and payment of the prescribed fees, the Director shall examine the international application for the purpose of certifying that the information contained in the international application corresponds to the information contained in the basic application or basic registration at the time of the certification. Upon examination and certification of the international application, the Director shall transmit the international application to the International Bureau.

"SEC. 63. RESTRICTION, ABANDONMENT, CANCELLATION, OR EXPIRATION OF A BASIC APPLICATION OR BASIC REGISTRATION.

"With respect to an international application transmitted to the International Bureau under section 62, the Director shall notify the International Bureau whenever the basic application or basic registration which is the basis for the international application has been restricted, abandoned, or canceled, or has expired, with respect to some or all of the goods and services listed in the international registration—

"(1) within 5 years after the international registration date; or

"(2) more than 5 years after the international registration date if the restriction, abandonment, or cancellation of the basic application or basic registration resulted from an action that began before the end of that 5-year period.

"SEC. 64. REQUEST FOR EXTENSION OF PROTECTION SUBSEQUENT TO INTERNATIONAL REGISTRATION.

"The holder of an international registration that is based upon a basic application filed with the Patent and Trademark Office or a basic registration granted by the Patent and Trademark Office may request an extension of protection of its international registration by filing such a request—

"(1) directly with the International Bureau; or

"(2) with the Patent and Trademark Office for transmittal to the International Bureau, if the request is in such form, and contains such transmittal fee, as may be prescribed by the Director.

"SEC. 65. EXTENSION OF PROTECTION OF AN INTERNATIONAL REGISTRATION TO THE UNITED STATES UNDER THE MADRID PROTOCOL.

"(a) In General.—Subject to the provisions of section 68, the holder of an international registration shall be entitled to the benefits of extension of protection of that international registration to the United States to the extent necessary to give effect to any provision of the Madrid Protocol.

"(b) If United States Is Office of Origin.—An extension of protection resulting from an international registration of a mark shall not apply to the United States if the Patent and Trademark Office is the office of origin with respect to that mark.

"SEC. 66. EFFECT OF FILING A REQUEST FOR EXTENSION OF PROTECTION OF AN INTERNATIONAL REGISTRATION TO THE UNITED STATES.

"(a) Requirement for Request for Extension of Protection.—A request for extension of protection of an international registration to the United States that the International Bureau transmits to the Patent and Trademark Office shall be deemed to be properly filed in the United States if such request, when received by the International Bureau, has attached to it a declaration of bona fide intention to use the mark in commerce that is verified by the applicant for, or holder of, the international registration.

"(b) Effect of Proper Filing.—Unless extension of protection is refused under section 68, the proper filing of the request for extension of protection under subsection (a) shall constitute constructive use of the mark, conferring the same rights as those specified in section 7(c), as of the earliest of the following:

"(1) The international registration date, if the request for extension of protection was filed in the international application.

"(2) The date of recordal of the request for extension of protection, if the request for extension of protection was made after the international registration date.

"(3) The date of priority claimed pursuant to section 67.

"SEC. 67. RIGHT OF PRIORITY FOR REQUEST FOR EXTENSION OF PROTECTION TO THE UNITED STATES.

"The holder of an international registration with an extension of protection to the United States shall be entitled to claim a date of priority based on the right of priority within the meaning of Article 4 of the Paris Convention for the Protection of Industrial Property if—

"(1) the international registration contained a claim of such priority; and

"(2)(A) the international application contained a request for extension of protection to the United States; or

"(B) the date of recordal of the request for extension of protection to the United States is not later than 6 months after the date of the first regular national filing (within the meaning of Article 4(A)(3) of the Paris Convention for the Protection of Industrial Property) or a subsequent application (within the meaning of Article 4(C)(4) of the Paris Convention).

"SEC. 68. EXAMINATION OF AND OPPOSITION TO REQUEST FOR EXTENSION OF PROTECTION; NOTIFICATION OF REFUSAL.

"(a) Examination and Opposition.—(1) A request for extension of protection described in section 66(a) shall be examined as an application for registration on the Principal Register under this Act, and if on such examination it appears that the applicant is entitled to extension of protection under this title, the Director shall cause the mark to be published in the Official Gazette of the Patent and Trademark Office.

"(2) Subject to the provisions of subsection (c), a request for extension of protection under this title shall be subject to opposition under section 13. Unless successfully opposed, the request for extension of protection shall not be refused.

"(3) Extension of protection shall not be refused under this section on the ground that the mark has not been used in commerce.

"(4) Extension of protection shall be refused under this section to any mark not registrable on the Principal Register.

"(b) Notification of Refusal.—If, a request for extension of protection is refused under subsection (a), the Director shall declare in a notification of refusal (as provided in subsection (c)) that the extension of protection cannot be granted, together with a statement of all grounds on which the refusal was based.

"(c) Notice to International Bureau.—(1) Within 18 months after the date on which the International Bureau transmits to the Patent and Trademark Office a notification of a request for extension of protection, the Director shall transmit to the International Bureau any of the following that applies to such request:

"(A) A notification of refusal based on an examination of the request for extension of protection.

"(B) A notification of refusal based on the filing of an opposition to the request.

"(C) A notification of the possibility that an opposition to the request may be filed after the end of that 18-month period.

"(2) If the Director has sent a notification of the possibility of opposition under paragraph (1)(C), the Director shall, if applicable, transmit to the International Bureau a notification of refusal on the basis of the opposition, together with a statement of all the grounds for the opposition, within 7 months after the beginning of the opposition period or within 1 month after the end of the opposition period, whichever is earlier.

"(3) If a notification of refusal of a request for extension of protection is transmitted under paragraph (1) or (2), no grounds for refusal of such request other than those set forth in such notification may be transmitted to the International Bureau by the Director after the expiration of the time periods set forth in paragraph (1) or (2), as the case may be.

"(4) If a notification specified in paragraph (1) or (2) is not sent to the International Bureau within the time period set forth in such paragraph, with respect to a request for extension of protection, the request for extension of protection shall not be refused and the Director shall issue a certificate of extension of protection pursuant to the request.

"(d) Designation of Agent for Service of Process.—In responding to a notification of refusal with respect to a mark, the holder of the international registration of the mark shall designate, by a written document filed in the Patent and Trademark Office, the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark. Such notices or process may be served upon the person so designated by leaving with that person, or mailing to that person, a copy thereof at the address specified in the last designation so filed. If the person so designated cannot be found at the address given in the last designation, such notice or process may be served upon the Director.

"SEC. 69. EFFECT OF EXTENSION OF PROTECTION.

"(a) Issuance of Extension of Protection.—Unless a request for extension of protection is refused under section 68, the Director shall issue a certificate of extension of protection pursuant to the request and shall cause notice of such certificate of extension of protection to be published in the Official Gazette of the Patent and Trademark Office.

"(b) Effect of Extension of Protection.—From the date on which a certificate of extension of protection is issued under subsection (a)—

"(1) such extension of protection shall have the same effect and validity as a registration on the Principal Register; and

"(2) the holder of the international registration shall have the same rights and remedies as the owner of a registration on the Principal Register.

"SEC. 70. DEPENDENCE OF EXTENSION OF PROTECTION TO THE UNITED STATES ON THE UNDERLYING INTERNATIONAL REGISTRATION.

"(a) Effect of Cancellation of International Registration.—If the International Bureau notifies the Patent and Trademark Office of the cancellation of an international registration with respect to some or all of the goods and services listed in the international registration, the Director shall cancel any extension of protection to the United States with respect to such goods and services as of the date on which the international registration was canceled.

"(b) Effect of Failure To Renew International Registration.—If the International Bureau does not renew an international registration, the corresponding extension of protection to the United States shall cease to be valid as of the date of the expiration of the international registration.

"(c) Transformation of an Extension of Protection Into a United States Application.—The holder of an international registration canceled in whole or in part by the International Bureau at the request of the office of origin, under Article 6(4) of the Madrid Protocol, may file an application, under section 1 or 44 of this Act, for the registration of the same mark for any of the goods and services to which the cancellation applies that were covered by an extension of protection to the United States based on that international registration. Such an application shall be treated as if it had been filed on the international registration date or the date of recordal of the request for extension of protection with the International Bureau, whichever date applies, and, if the extension of protection enjoyed priority under section 67 of this title, shall enjoy the same priority. Such an application shall be entitled to the benefits conferred by this subsection only if the application is filed not later than 3 months after the date on which the international registration was canceled, in whole or in part, and only if the application complies with all the requirements of this Act which apply to any application filed pursuant to section 1 or 44.

"SEC. 71. AFFIDAVITS AND FEES.

"(a) Required Affidavits and Fees.—An extension of protection for which a certificate of extension of protection has been issued under section 69 shall remain in force for the term of the international registration upon which it is based, except that the extension of protection of any mark shall be canceled by the Director—

"(1) at the end of the 6-year period beginning on the date on which the certificate of extension of protection was issued by the Director, unless within the 1-year period preceding the expiration of that 6-year period the holder of the international registration files in the Patent and Trademark Office an affidavit under subsection (b) together with a fee prescribed by the Director; and

"(2) at the end of the 10-year period beginning on the date on which the certificate of extension of protection was issued by the Director, and at the end of each 10-year period thereafter, unless—

"(A) within the 6-month period preceding the expiration of such 10-year period the holder of the international registration files in the Patent and Trademark Office an affidavit under subsection (b) together with a fee prescribed by the Director; or

"(B) within 3 months after the expiration of such 10-year period, the holder of the international registration files in the Patent and Trademark Office an affidavit under subsection (b) together with the fee described in subparagraph (A) and an additional fee prescribed by the Director.

"(b) Contents of Affidavit.—The affidavit referred to in subsection (a) shall set forth those goods or services recited in the extension of protection on or in connection with which the mark is in use in commerce and the holder of the international registration shall attach to the affidavit a specimen or facsimile showing the current use of the mark in commerce, or shall set forth that any nonuse is due to special circumstances which excuse such nonuse and is not due to any intention to abandon the mark. Special notice of the requirement for such affidavit shall be attached to each certificate of extension of protection.

"SEC. 72. ASSIGNMENT OF AN EXTENSION OF PROTECTION.

"An extension of protection may be assigned, together with the goodwill associated with the mark, only to a person who is a national of, is domiciled in, or has a bona fide and effective industrial or commercial establishment either in a country that is a Contracting Party or in a country that is a member of an intergovernmental organization that is a Contracting Party.

"SEC. 73. INCONTESTABILITY.

"The period of continuous use prescribed under section 15 for a mark covered by an extension of protection issued under this title may begin no earlier than the date on which the Director issues the certificate of the extension of protection under section 69, except as provided in section 74.

"SEC. 74. RIGHTS OF EXTENSION OF PROTECTION.

"An extension of protection shall convey the same rights as an existing registration for the same mark, if—

"(1) the extension of protection and the existing registration are owned by the same person;

"(2) the goods and services listed in the existing registration are also listed in the extension of protection; and

"(3) the certificate of extension of protection is issued after the date of the existing registration.".

SEC. 3. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on the date on which the Madrid Protocol (as defined in section 60(1) of the Trademark Act of 1946) enters into force with respect to the United States.

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 741, the Madrid Protocol Implementation Act, and urge the House to pass the measure.

H.R. 741 is the implementing legislation for the Protocol Related to the Madrid Agreement on the Registration of Marks, commonly known as the Madrid Protocol. This bill is identical to legislation introduced in each of the preceding four Congresses and will again send a signal to the international business community, U.S. businesses and trademark owners that the 107th Congress is determined to help our Nation and particularly our small businesses become a part of an inexpensive, efficient system that allows the international registration of marks.

As a practical matter, Mr. Speaker, the ratification of the Protocol and the enactment of H.R. 741 will enable American trademark owners to pay a nominal fee to the U.S. Patent and Trademark Office which will then register the marks in the individual countries that comprise the European Union. Currently, American trademark owners must hire attorneys or agents in each individual country to acquire protection. This process is both laborious and expensive and discourages small businesses and individuals from registering their marks in Europe.

A final comment on an issue peripheral to this bill, Mr. Speaker. While there is no opposition to the bill, I note that two companies, Bacardi and Pernod, are in the process of attempting to settle a dispute over rights to a mark which each wishes to market. At least one of these companies believes that the implementing language should be amended to reflect its position on the matter. It is also my understanding that talks between the two companies are fluid and ongoing and that a resolution to this problem may be forthcoming in the near future.

I therefore urge my colleagues to pass this legislation today and to allow these talks to continue. Once a compromise is reached I am confident that the other body will shortly ratify the Protocol and pass the implementing language.

Mr. Speaker, H.R. 741 is an important and noncontroversial bill that will greatly help those American businesses and other individuals who need to register their trademarks overseas in a quick and cost-effective manner. I urge the House to support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

I support the bill. It has been described very adequately by the chairman of the Committee on the Judiciary.

I might remind our colleagues that we passed the bill by voice vote twice under suspension of the rules. It is an important measure because it implements the provisions of the 1989 Madrid Protocol, which creates a low-cost and efficient system for registering marks internationally. The most important aspect of the Protocol is that it allows entities to file for mark protection with all member countries through one fee and one application. And so this international concept is an important one as we expand the understanding of the principles of copyright, trademark, and patent law around the world. I am very happy to join in support with the chairman of the committee.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, I thank the gentleman for yielding me this time.

The gentleman from Wisconsin and the gentleman from Michigan have pretty clearly laid out what this entails, Mr. Speaker. The World Intellectual Property Organization, WIPO, administers the Protocol, which in turn operates the international system for the registration of trademarks. This system would assist our businesses in protecting their proprietary names and brand name goods while saving cost, time and effort. This is especially important to our small businesses which may only be able to afford worldwide protection for their marks through a low-cost international registration system.

Unfortunately, and as the gentleman from Wisconsin alluded to in his remarks, Senate ratification of the Protocol and passage of the implementing language were derailed the last term as a result of a private dispute over a mark between Bacardi, the rum distiller, and Pernod, a French concern which formed a joint venture with the Cuban government. Although negotiations to develop an acceptable compromise failed, it is my understanding that the Senate and trademark community will redouble their efforts to resolve this problem during the present term.

Mr. Speaker, it is important to move this legislation forward as a way of encouraging all parties involved in the Bacardi dispute to intensify their negotiations. House consideration of the Protocol will also assure American trademark holders that the United States stands ready to benefit imminently from its ratification. As the chairman pointed out and as the gentleman from Michigan pointed out, this matter has been before this House, and I think we have approved it three times before.

Mr. CONYERS. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from California (Mr. BERMAN), ranking member of the Subcommittee on Courts and Intellectual Property.

Mr. BERMAN. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

H.R. 741 is an important piece of legislation because it implements the Protocol to the Madrid Agreement Concerning the International Registration of Marks. It will allow U.S. businesses and trademark owners to become part of a low-cost, efficient system to internationally register trademarks. U.S. membership in the Protocol would assist American businesses in protecting their proprietary names and brand name goods while saving money, time and effort. That is especially critical to small businesses that may otherwise lack the resources to acquire worldwide protection for their trademark.

This is the fourth Congress in which the Committee on the Judiciary has favorably reported, and I hope the House will pass this implementing legislation. In 1999, H.R. 769 passed by voice vote under suspension. While the Senate has failed to follow suit in the past, there is a reason to believe that this Congress will be different. A previous dispute over representation of the European community and its constituent nations has been resolved to the satisfaction of the State Department. Further, rum manufacturers embroiled in an unrelated trademark dispute have agreed not to interfere with House passage of this bill.

I urge my colleagues to join me in voting for H.R. 741.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 741, legislation known as the Madrid Protocol. I was pleased to support this legislation during a Judiciary Committee markup on March 8. The legislation concerning the Madrid Protocol advances U.S. interests in a bipartisan manner, and I urge my colleagues to support the bill.

As with many intellectual property rights, there are international agreements relating to the registration and protection of trademarks. Since 1891, the Madrid Agreement Concerning the International Registration of Marks ("Madrid Agreement") has provided an international registration system operated under the auspices of the International Bureau of the World Intellectual Property Organization (WIPO). The United States has never been a signatory to the Madrid Agreement.

On June 27, 1989, at a Diplomatic Conference in Madrid, Spain, the parties to the Madrid Agreement signed the Madrid Protocol. The United States was an observer and advisor to these talks. Practically speaking, there have been revisions to the original Madrid Agreement, in many respects by conforming its contents to existing provisions in U.S. law.

H.R. 741 represents implementing legislation for the Protocol. It is virtually identical to measures passed by the Congress over the past four Congresses, including H.R. 769, which was passed by voice vote under suspension of the rules on April 13, 1999, and reported favorably by the Judiciary Committee on March 24, 1999. In fact, the Clinton administration forwarded the treaty to the Senate for the ratification, thereby allowing the United States to become a member of the Protocol.

The passage of the bill will allow businesses and trademark owners to become part of a low-cost, efficient system to promote the international registration of marks. U.S. membership in the Protocol would also assist American businesses in protecting their proprietary names and brand-names while saving money, time, and effort. This is important for small businesses which may otherwise lack the resources to acquire worldwide protection for their trademarks. Mr. Speaker, we must do everything we can to encourage small business to grow in this New Economy.

I urge my colleagues to support the legislation.

Mr. CONYERS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 741.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MULTIDISTRICT, MULTIPARTY, MULTIFORUM TRIAL JURISDICTION ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 860) to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiforum civil actions, as amended.

The Clerk read as follows:

H.R. 860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Multidistrict, Multiparty, Multiforum Trial Jurisdiction Act of 2001".

SEC. 2. MULTIDISTRICT LITIGATION.

Section 1407 of title 28, United States Code, is amended—

(1) in the third sentence of subsection (a), by inserting "or ordered transferred to the transferee or other district under subsection (i)" after "terminated"; and

(2) by adding at the end the following new subsection:

"(i)(1) Subject to paragraph (2) and except as provided in subsection (j), any action transferred under this section by the panel may be transferred for trial purposes, by the judge or judges of the transferee district to whom the action was assigned, to the transferee or other district in the interest of justice and for the convenience of the parties and witnesses.

"(2) Any action transferred for trial purposes under paragraph (1) shall be remanded by the panel for the determination of compensatory damages to the district court from which it was transferred, unless the court to which the action has been transferred for trial purposes also finds, for the convenience of the parties and witnesses and in the interests of justice, that the action should be retained for the determination of compensatory damages.".

SEC. 3. MULTIPARTY, MULTIFORUM JURISDICTION OF DISTRICT COURTS.

(a) BASIS OF JURISDICTION.—

(1) IN GENERAL.—Chapter 85 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1369. Multiparty, multiforum jurisdiction

"(a) IN GENERAL.—The district courts shall have original jurisdiction of any civil action involving minimal diversity between adverse parties that arises from a single accident, where at least 25 natural persons have either died or incurred injury in the accident at a discrete location and, in the case of injury, the injury has resulted in damages which exceed $150,000 per person, exclusive of interest and costs, if—

"(1) a defendant resides in a State and a substantial part of the accident took place in another State or other location, regardless of whether that defendant is also a resident of the State where a substantial part of the accident took place;

"(2) any two defendants reside in different States, regardless of whether such defendants are also residents of the same State or States; or

"(3) substantial parts of the accident took place in different States.

"(b) LIMITATION OF JURISDICTION OF DISTRICT COURTS.—The district court shall abstain from hearing any civil action described in subsection (a) in which—

"(1) the substantial majority of all plaintiffs are citizens of a single State of which the primary defendants are also citizens; and

"(2) the claims asserted will be governed primarily by the laws of that State.

"(c) SPECIAL RULES AND DEFINITIONS.—For purposes of this section—

"(1) minimal diversity exists between adverse parties if any party is a citizen of a State and any adverse party is a citizen of another State, a citizen or subject of a foreign state, or a foreign state as defined in section 1603(a) of this title;

"(2) a corporation is deemed to be a citizen of any State, and a citizen or subject of any foreign state, in which it is incorporated or has its principal place of business, and is deemed to be a resident of any State in which it is incorporated or licensed to do business or is doing business;

"(3) the term 'injury' means—

"(A) physical harm to a natural person; and

"(B) physical damage to or destruction of tangible property, but only if physical harm described in subparagraph (A) exists;

"(4) the term 'accident' means a sudden accident, or a natural event culminating in an accident, that results in death or injury incurred at a discrete location by at least 25 natural persons; and

"(5) the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

"(d) INTERVENING PARTIES.—In any action in a district court which is or could have been brought, in whole or in part, under this section, any person with a claim arising from the accident described in subsection (a) shall be permitted to intervene as a party plaintiff in the action, even if that person could not have brought an action in a district court as an original matter.

"(e) NOTIFICATION OF JUDICIAL PANEL ON MULTIDISTRICT LITIGATION.—A district court in which an action under this section is pending shall promptly notify the judicial panel on multidistrict litigation of the pendency of the action.".

(2) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 85 of title 28, United States Code, is amended by adding at the end the following new item:

"1369. Multiparty, multiforum jurisdiction.".

(b) VENUE.—Section 1391 of title 28, United States Code, is amended by adding at the end the following:

"(g) A civil action in which jurisdiction of the district court is based upon section 1369 of this title may be brought in any district in which any defendant resides or in which a substantial part of the accident giving rise to the action took place.".

(c) MULTIDISTRICT LITIGATION.—Section 1407 of title 28, United States Code, as amended by section 2 of this Act, is further amended by adding at the end the following:

"(j)(1) In actions transferred under this section when jurisdiction is or could have been based, in whole or in part, on section 1369 of this title, the transferee district court may, notwithstanding any other provision of this section, retain actions so transferred for the determination of liability and punitive damages. An action retained for the determination of liability shall be remanded to the district court from which the action was transferred, or to the State court from which the action was removed, for the determination of damages, other than punitive damages, unless the court finds, for the convenience of parties and witnesses and in the interest of justice, that the action should be retained for the determination of damages.

"(2) Any remand under paragraph (1) shall not be effective until 60 days after the transferee court has issued an order determining liability and has certified its intention to remand some or all of the transferred actions for the determination of damages. An appeal with respect to the liability determination of the transferee court may be taken during that 60-day period to the court of appeals with appellate jurisdiction over the transferee court. In the event a party files such an appeal, the remand shall not be effective until the appeal has been finally disposed of. Once the remand has become effective, the liability determination shall not be subject to further review by appeal or otherwise.

"(3) An appeal with respect to determination of punitive damages by the transferee court may be taken, during the 60-day period beginning on the date the order making the determination is issued, to the court of appeals with jurisdiction over the transferee court.

"(4) Any decision under this subsection concerning remand for the determination of damages shall not be reviewable by appeal or otherwise.

"(5) Nothing in this subsection shall restrict the authority of the transferee court to transfer or dismiss an action on the ground of inconvenient forum.".

(d) REMOVAL OF ACTIONS.—Section 1441 of title 28, United States Code, is amended—

(1) in subsection (e) by striking "(e) The court to which such civil action is removed" and inserting "(f) The court to which a civil action is removed under this section"; and

(2) by inserting after subsection (d) the following new subsection:

"(e)(1) Notwithstanding the provisions of subsection (b) of this section, a defendant in a civil action in a State court may remove the action to the district court of the United States for the district and division embracing the place where the action is pending if—

"(A) the action could have been brought in a United States district court under section 1369 of this title; or

"(B) the defendant is a party to an action which is or could have been brought, in whole or in part, under section 1369 in a United States district court and arises from the same accident as the action in State court, even if the action to be removed could not have been brought in a district court as an original matter.

The removal of an action under this subsection shall be made in accordance with section 1446 of this title, except that a notice of removal may also be filed before trial of the action in State court within 30 days after the date on which the defendant first becomes a party to an action under section 1369 in a United States district court that arises from the same accident as the action in State court, or at a later time with leave of the district court.

"(2) Whenever an action is removed under this subsection and the district court to which it is removed or transferred under section 1407(j) has made a liability determination requiring further proceedings as to damages, the district court shall remand the action to the State court from which it had been removed for the determination of damages, unless the court finds that, for the convenience of parties and witnesses and in the interest of justice, the action should be retained for the determination of damages.

"(3) Any remand under paragraph (2) shall not be effective until 60 days after the district court has issued an order determining liability and has certified its intention to remand the removed action for the determination of damages. An appeal with respect to the liability determination of the district court may be taken during that 60-day period to the court of appeals with appellate jurisdiction over the district court. In the event a party files such an appeal, the remand shall not be effective until the appeal has been finally disposed of. Once the remand has become effective, the liability determination shall not be subject to further review by appeal or otherwise.

"(4) Any decision under this subsection concerning remand for the determination of damages shall not be reviewable by appeal or otherwise.

"(5) An action removed under this subsection shall be deemed to be an action under section 1369 and an action in which jurisdiction is based on section 1369 of this title for purposes of this section and sections 1407, 1697, and 1785 of this title.

"(6) Nothing in this subsection shall restrict the authority of the district court to transfer or dismiss an action on the ground of inconvenient forum.".

(e) SERVICE OF PROCESS.—

(1) OTHER THAN SUBPOENAS.—(A) Chapter 113 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1697. Service in multiparty, multiforum actions

"When the jurisdiction of the district court is based in whole or in part upon section 1369 of this title, process, other than subpoenas, may be served at any place within the United States, or anywhere outside the United States if otherwise permitted by law.".

(B) The table of sections at the beginning of chapter 113 of title 28, United States Code, is amended by adding at the end the following new item:

"1697. Service in multiparty, multiforum actions.".

(2) SERVICE OF SUBPOENAS.—(A) Chapter 117 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1785. Subpoenas in multiparty, multiforum actions

"When the jurisdiction of the district court is based in whole or in part upon section 1369 of this title, a subpoena for attendance at a hearing or trial may, if authorized by the court upon motion for good cause shown, and upon such terms and conditions as the court may impose, be served at any place within the United States, or anywhere outside the United States if otherwise permitted by law.".

(B) The table of sections at the beginning of chapter 117 of title 28, United States Code, is amended by adding at the end the following new item:

"1785. Subpoenas in multiparty, multiforum actions.".

SEC. 4. EFFECTIVE DATE.

(a) SECTION 2.—The amendments made by section 2 shall apply to any civil action pending on or brought on or after the date of the enactment of this Act.

(b) SECTION 3.—The amendments made by section 3 shall apply to a civil action if the accident giving rise to the cause of action occurred on or after the 90th day after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

As the author of H.R. 860, I am grateful for the opportunity to consider it on the floor today. The bill before us has had a long legislative life, having been considered in one form or another since the 101st Congress in 1991.

This legislation addresses two important issues in the world of complex multidistrict litigation. Section 2 of the bill would reverse the effects of the 1998 Supreme Court decision in the so-called Lexecon case. It would simply amend the multidistrict litigation statute by explicitly allowing a transferee court to retain jurisdiction over referred cases for trial for the purpose of determining liability and punitive damages or refer them to other districts as it sees fit. In fact, section 2 only codifies what had constituted ongoing judicial practice for nearly 30 years prior to the Lexecon decision.

Section 3 addresses a particular species of complex litigation, so-called disaster cases, such as those involving airline accidents. The language set forth in my bill is a revised version of a concept which, beginning in the 101st Congress, has been supported by the Department of Justice, the Administrative Office of the U.S. Courts, two previous Democratic Congresses, and one previous Republican Congress.

Section 3 will help reduce litigation costs as well as the likelihood of forum shopping in single-accident mass tort cases. All plaintiffs in these cases would ordinarily be situated identically, making the case for consolidation of their actions especially compelling. These types of disasters, with their hundreds or thousands of plaintiffs and numerous defendants, have the potential to impair the orderly administration of justice in Federal courts for an extended period of time.

This committee and the full House unanimously passed the precursor to H.R. 860 last term. During eleventh hour negotiations with the other body, I offered to make three changes in an effort to generate greater support for the bill. As a show of good faith, I have incorporated those changes into the bill we are considering today. They consist of the following:

First, a plaintiff must allege at least $150,000 in damages, up from $75,000, to file in U.S. district court.

Second, an exception to the minimum diversity rule is created. A U.S. district court may not hear a case in which a substantial majority of plaintiffs and the primary defendants are citizens of the same State and in which the claims asserted are governed primarily by the laws of that same State. In other words, only State courts may hear such cases.

Third, the choice-of-law section is stricken. Upon further reflection, I believe it confers too much discretionary authority on a Federal judge to select the relevant law that will apply in a given case.

In sum, this legislation speaks to process, fairness, and judicial efficiency. It will not interfere with jury verdicts or compensation rates for litigators. I therefore urge my colleagues to join me in a bipartisan effort to support the Multidistrict, Multiparty, Multiforum Trial Jurisdiction Act of 2001.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of the bill. I am willing to support the bill as described by the gentleman from Wisconsin with the understanding that section 3 pertaining to disaster litigation would expand Federal court jurisdiction in a very narrowly defined category of cases in order to improve the manageability of complex litigation.

My support of the bill does not in any way serve as a precedent for support of broader expansion of diversity jurisdiction that can be found in the class action reform bill which I do not support.

Section 3 of the bill expands Federal court jurisdiction for single accidents involving at least 25 people having damages in excess of $150,000 per claim and establishes new Federal procedures in these narrowly defined cases for selection of venue, service of process and issuance of subpoenas. I agree and thank the gentleman from Wisconsin for making the kinds of concessions that have made this measure more palatable.

As introduced in the Congress, this bill includes an additional safeguard to the limited expansion of Federal court jurisdiction. A United States District Court may not hear any case in which a "substantial majority" of plaintiffs and the primary defendants are all citizens of the same State and in which the claims asserted are governed primarily by the laws of that same State, another provision that the gentleman from Wisconsin provided us that we agreed to.

□ 1115

It is my understanding that under the bill, mass tort injuries that involve the same injury over and over again like asbestos cases, breast implant cases, would be excluded, and that the type of cases that would be included would be plane, train, bus, boat accidents, environmental spills, many of which may already be brought in Federal court.

So while I have traditionally opposed having Federal courts decide State tort issues and disfavor the expansion of the jurisdiction of the already overloaded district courts, I will support the bill because unlike the class-action bill, it only expands Federal court jurisdiction in a much narrower class of actions, with the objective of judicial expedience.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, I thank the gentleman for yielding me this time. The distinguished gentleman from Wisconsin (Mr. SENSENBRENNER) and the distinguished gentleman from Michigan (Mr. CONYERS) have very adequately explained this bill, Mr. Speaker, so I will be brief.

I have endorsed this bill during the preceding two Congresses, and I welcome the opportunity to voice my support for it today. I will not repeat what has already been said about it; but I would note, Mr. Speaker, that the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the committee, did add three additional features to this year's version in an effort to compromise, and I think this good-faith gesture ought to be acknowledged.

I urge my colleagues to support H.R. 860. It will help the multidistrict litigation panel discharge its responsibilities and will ultimately streamline the adjudication of complex multidistrict cases in a manner that is fair to all litigants.

Mr. CONYERS. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. BERMAN), our ranking member on the Subcommittee on Courts and Intellectual Property.

Mr. BERMAN. Mr. Speaker, one does not have to be an intellectual to be on that subcommittee.

Mr. Speaker, I rise in support of House passage of H.R. 860, the Multidistrict, Multiparty, Multiplatform Trial Jurisdiction Act of 2001.

Mr. Speaker, H.R. 860 is a narrow bill designed to improve judicial efficiency. Last Congress, the House passed a virtually identical bill, H.R. 2112, by voice vote under suspension. In three previous Congresses, the House-passed bills were comprised of section 3 of H.R. 860. The bill has two operative sections.

Section 2 overturns the U.S. Supreme Court decision in 1998, Lexecon v. Milberg, Weiss. Section 2 will improve judicial efficiency by allowing a transferee court to retain a case for purposes of deciding liability and punitive damages as well as for hearing pretrial motions. Through language I worked out with the chairman of the committee during committee consideration of a nearly identical bill last Congress, H.R. 860 creates a presumption that cases will be sent back to transferee courts for the purposes of determining compensatory damages.

Section 3 of this bill gives the Federal courts minimal diversity jurisdiction to hear cases arising out of single accidents involving death or injury to at least 25 persons where damages of $150,000 or more are claimed by each of those persons. Section 3 applies in very narrow, strictly circumscribed circumstances. As such, it is not a significant increase of Federal court jurisdiction, and it is justified by the judicial efficiencies it will occasion.

My colleagues should not confuse section 3 with the proposed class-action legislation which would cause a much greater and, to my way of thinking, more troubling increase in Federal court jurisdiction; nor should my colleagues see this bill as establishing a precedent in support of class-action legislation. Quite to the contrary, support for this bill is in no way an exception of support for class-action legislation.

With this understanding about the narrow reach of H.R. 860, I encourage my colleagues to vote in support of it.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I appreciate the chairman and the ranking member.

I am certainly pleased that we have legislation on the floor that hopefully creates an opportunity to open the doors of the courthouse to plaintiffs and litigants in a manner that is expansive. There are a few parts of the legislation I would like to comment on and I think merit attention.

One provision of the bill allows a transferee court in multidistrict litigation to retain jurisdiction over all of the consolidated cases with the presumption that compensatory damages will be remanded to the transfer court. It also expands Federal court jurisdiction by requiring only minimal diversity as opposed to complete diversity for mass torts arising from a single incident. Lastly, the bill establishes new Federal procedures in these narrowly defined cases for the selection of venue, service of process, and issuance of subpoenas.

I am concerned, however, that this bill was marked up by the full committee only 2 days after it was introduced and received no consideration at the subcommittee level. I am aware, however, that this bill has traveled through many Congresses.

Currently, this bill could impact plaintiffs who file suit in a State court, because H.R. 860 could allow for that case to be involuntarily sent to a Federal court that may be hundreds of miles from his or her home. In this case, there is no reason to force a plaintiff into Federal court where the defendant resides or has a place of business in a State where the applicable law is the State law.

I am supportive, however, of the bill's expansion of jurisdiction over civil actions arising out of a single accident that resulted in death or injury of 25 or more persons, if the damages exceed $150,000 per claim and minimal diversity exists. While the bill contains a number of details, I am reassured that this bill would not apply to mass tort injuries that involve the same injury over and over again, such as asbestos or breast implants. This issue has been of real concern to me, having worked on these issues over the last couple of Congresses.

In this sense, H.R. 860 is a sharp distinction from the Interstate Class Action Jurisdiction Act of 1999. Unlike H.R. 860, the class-action bills require only minimal diversity for all civil actions brought as class actions in Federal court, regardless of the individual amounts in controversy, the number of separate incidents or injuries that may give rise to a class action or the state-based nature of the claim. Rather than providing a reasonable, limited modification to diversity jurisdiction, the class action bill, which I strongly oppose, represents a radical rewrite of the class-action rules and would ban most forms of State class actions. Not the bill today.

Mr. Speaker, in closing, let me say I know that this legislation is not a radical rewrite of existing law. It is my sincere hope that H.R. 860 will permit a genuine commitment to provide meaningful access to the courts as all Americans should have. Access to our courts and justice is simply the right thing to happen for everyone in America.

Mr. Speaker, I rise today in support of H.R. 860, the "Multidistrict, Multiparty, Multiforum Jurisdiction Act of 1999." I supported the legislation in a Judiciary Committee markup last week, with a few observations.

Clearly, consideration of H.R. 860 comes at a time where court dockets continue to rise yet pay salaries for federal judges appear inadequate to deal with the important questions that confront Americans. H.R. 860 is intended to improve the ability of federal courts to handle complex multidistrict litigation arising from a common set of facts. Last Congress the House passed a virtually identical bill, H.R. 2112, by voice vote under suspension of the rules; however, it stalled in the Senate.

There are a few parts of the legislation which merit attention. One provision of the bill allows a transferee court in multidistrict litigation to retain jurisdiction over all of the consolidated cases which the presumption that compensatory damages will be remanded to the transferor court. It also expands federal court jurisdiction by requiring only minimal diversity (as opposed to complete diversity) for mass torts arising from a single incident. Lastly, the bill establishes new federal procedures in these narrowly defined cases for the selection of venue, service of process and issuance of subpoenas.

I am concerned, however, that this bill was marked up by the full Committee only two days after it was introduced and received no consideration at the subcommittee level. Currently this bill could impact plaintiffs who file suit in a State court, because H.R. 860 could allow for that case to be involuntarily sent to a Federal court that may be hundreds of miles from his home. In this case, there is no reason to force a plaintiff into Federal court where the defendant resides or has a place of business in the state and where the applicable law is the state law.

I am supportive however, of the bills expansion of jurisdiction over civil actions arising out of a single accident that result in the death or injury of 25 or more persons, if the damages exceed $150,000 per claim and minimal diversity exists. While the bill contains a number of details, I am reassured that this bill would not apply to mass tort injuries that involve the same injury over and over again, such as, asbestos or breast implants. This issue has been of real concern to me.

In this sense, H.R. 860 is a sharp distinction from the "Interstate Class Action Jurisdiction Act of 1999." Unlike H.R. 860, the class action bill requires only minimal diversity for all civil actions brought as class actions in federal court, regardless of the individual amounts in controversy, the number of separate incidents or injuries that may give rise to a class action, or the state-based nature of the claim. Rather than providing a reasonable, limited modification to diversity jurisdiction, the class bill—which I strongly oppose—represents a radical rewrite of the class action rules and would ban most forms of state class actions. Such a bill is not before us today.

Mr. Speaker, I know that this legislation is not a radical rewrite of existing law. It is my sincere hope that H.R. 860 will permit a genuine commitment to providing meaningful access to our courts. Access to our courts is simply essential for every American.

Mr. CONYERS. Mr. Speaker, I am pleased to yield the remaining time to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Speaker, certainly I will not consume the remaining time that we have on this side, but I appreciate the opportunity to speak and I appreciate the gentleman yielding time to me.

I was one of several people in the committee who actually voted against reporting this bill favorably to the floor; and while I am not personally planning to ask for a vote on the floor if somebody else does not ask for it, if a vote is requested, I intend to vote against the bill again.

I think what has been said up to this point is correct. This bill is better in a number of respects than it was when it was originally introduced, and I want to applaud the chairman of the full committee and others who have worked to improve the bill.

I do believe, however, that the bill continues to have one blind spot in it, and the blind spot could have been addressed if the bill had received subcommittee attention or more thorough attention in the full committee; and I am hopeful that this blind spot will be addressed if this bill moves forward in the process, because I think it is a serious blind spot.

The blind spot really approaches this issue from a different end of the spectrum than the bill itself does, because the bill really talks about kind of a majority rule in big cases where the majority of the plaintiffs in a case can really control where the case is tried.

The problem with that is that cases by their very nature are individual cases, and so this bill leaves us with this kind of situation: we have an individual plaintiff who has been injured by a defendant who has a residence in the State in which the accident occurred. There is no diversity of jurisdiction between that plaintiff and that defendant. Yet, if it were a big accident and there were 25 people injured in the accident, they can take that case and it becomes a Federal issue under this bill, whereas if it were a small case, it would continue to be the case of the individual plaintiff and the plaintiff would have the right to litigate that case either in his own State court or in the jurisdiction that the plaintiff chooses to litigate the case in.

Now, for urban communities, this may not have significant implications, but there are some States in which the closest Federal district court is hundreds of miles away. While this bill does a good job of taking into account the convenience of the court and the expediency of cases on a gross basis, our courts were not made for the gross basis; our courts were made for individual litigants and for the convenience of individual litigants. In this rare circumstance where we have one plaintiff who is part of a bigger group, a defendant, who is resident in the same State as that one defendant, that plaintiff ought to be able to litigate that case in his home community, even though everybody else is moving to a Federal court, because the underlying proposition of our courts is that the courts are for the convenience of litigants, not for the convenience of judges or even for judicial efficiency. When judicial efficiency comes into conflict with the interests of an individual plaintiff or the individual parties in a case, the rights of the individual parties in that case should prevail.

So this is a small thing; it is not a Federal issue. This bill is better than it started off with. I am not at odds with anybody on this.

□ 1130

But I am hopeful that the people in control of this bill, between now and the time that it passes into law, can figure out a way, and it would be simple to do, I think, by changing one or two words in this bill, figure out a way to allow an individual plaintiff in the situation that I have described to continue to be able to litigate his case in the State courts in the community in which they live, and not have to travel miles away and become part of a big class action lawsuit that the plaintiff may not want to be associated with in the first place.

So I am hopeful that the spirit in which I am offering this, and I am not trying to be adverse to anybody, will be heard, and that somebody will try to correct this blind spot in the bill before this bill becomes law.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I disagree with the arguments made by my friend, the gentleman from North Carolina (Mr. WATT), because I think that the purpose of this bill is to make the process of adjudicating a common disaster lawsuit, such as one arising from a plane crash or a train wreck, more convenient to all of the litigants concerned.

That provides for the consolidation of these cases in a manner that has been described for determining liability and punitive damages, but not for determining compensatory damages. So overall, it makes the system fairer for all litigants, although it might make the system a bit inconvenient to some litigants. So I think we have a balancing effect here.

I am just concerned over a common disaster case bringing about a huge plethora of lawsuits that would be filed in courts all over the country. Given where the plaintiffs would live who were injured or killed in the plane crash, or where the airline was located, where the crash occurred, or the manufacturer of the plane and its component parts were situated, we could have lawsuits on the same disaster going on in every court.

Sooner or later there would be appeals which would be expensive, that would have to be consolidated so there would be a single law that would be applicable to everybody.

We can short-circuit that problem by the type of consolidation that is being proposed in this bill. The administrative office of the U.S. courts and the multidistrict litigation panel of the judicial conference of the United States have supported this bill. They do not like to see an expansion of Federal jurisdiction, but they see this as necessary for the streamlining of the adjudication of these claims.

Someone said, "Justice delayed is justice denied." Whenever we have a complex case like this, there are delays that are in and of the nature of the litigation. But I believe that this will speed up the final resolution in bringing to closure any litigation that may arise as a result of one of these disasters. I would hope that the bill would be passed for that reason.

Mr. Speaker, I include for the RECORD two letters related to this matter.

The letters referred to are as follows:

JUDICIAL CONFERENCE OF
THE UNITED STATES,
Washington, DC, March 13, 2001.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the Judicial Conference of the United States, I write to express the support of the federal judiciary for H.R. 860, the "Multidistrict, Multiparty, Multiforum Trial Jurisdiction Act of 2001." This bill was reported favorably on March 8, 2001, by the Committee you chair. H.R. 860 will facilitate the resolution of claims by citizens and improve the administration of justice.

Section 2 of the bill amends 28 U.S.C. §1407, the multidistrict litigation statute, to allow a judge with a transferred case to retain it for trial or to transfer it to another district. Presently, section 1407(a) authorizes the Judicial Panel on Multidistrict Litigation to transfer civil actions pending in multiple federal judicial districts with common questions of fact "to any district for coordinated or consolidated pretrial proceedings." It also requires the Judicial Panel to remand any such action to the district court in which the action was filed at or before the conclusion of such pretrial proceedings, unless the action is terminated before then in the transferee court.

Although the federal courts had for nearly 30 years followed the practice of allowing a transferee court to invoke the venue transfer provision (28 U.S.C. §1404(a)) and transfer the case to itself for trial purposes, the Supreme Court in *Lexecon, Inc.* v. *Milberg Weiss Bershad Hynes & Lerach*, 523 U.S. 26 (1998), held that statutory authority did not exist for a district judge conducting pretrial proceedings to transfer a case to itself for trial. The Court noted that the proper venue for resolving the desirability of such self-transfer authority is "the floor of Congress."

A proposal to amend section 1407 in response to the *Lexecon* decision was approved by the Judicial Conference at its September 1998 session and is supported by the Judicial Panel on Multidistrict Litigation. As experience has shown, there is wisdom in permitting the judge who is familiar with the facts and parties and pretrial proceedings of a transferred case to retain the case for trial. Also, as with most federal civil actions, multidistrict litigation cases are typically resolved through settlement. Allowing the transferee judge to set a firm trial date promotes the resolution of these cases.

Section 3 of H.R. 860 adds a new section 1369 to title 28, United States Code, entitled "multiparty, multiforum jurisdiction." It essentially provides that the United States district courts shall have jurisdiction over any civil action that arises from a single accident or event in which at least 25 persons have died or been injured at a particular location, where any such injuries result in alleged damages exceeding $150,000 by each plaintiff and which involves minimal diversity between adverse parties. The legislation also requires that one defendant must reside in a state that is different from the location of the accident or the residence of any other defendant or that substantial parts of the event took place in different states. The transferee court would be authorized to determine issues of liability and punitive damages and would remand cases to the transferor court for determinations of compensatory damages, unless the court finds, for the convenience of parties and witnesses and in the interest of justice, that the action should be retained for the determination of damages. The district court, however, must abstain from hearing an action under the bill if a substantial majority of all plaintiffs are citizens of a single state of which the primary defendants are also citizens and the claims asserted will be governed primarily by the laws of that state.

Upon consideration of related proposals during the 100th Congress, the Judicial Conference in March 1988 approved in principle the creation of federal jurisdiction that would rely on minimal diversity to consolidate multiple litigation in state and federal courts of cases involving personal injury or property damage and arising out of a single event. The Conference endorsed the idea of redirecting diversity jurisdiction to serve a purpose that state courts are not able to serve, namely to facilitate the consolidation of scattered actions arising out of the same accident or event and thereby "to promote more expeditious and economical disposition of such litigation."

Today, the Judicial Panel on Multidistrict Litigation can transfer to one judge for pretrial proceedings those cases involving common questions of fact that are pending in federal courts throughout the country. 28 U.S.C. §1407. Section 3 of H.R. 860 would expand federal jurisdiction by allowing state cases arising from a single event (such as a plane crash or hotel fire) to be brought into such process as a result of filing, removal, or intervention. Section 3 of the bill would avoid multiple trials on common issues, minimize litigation costs, and ensure that litigants are treated consistently and fairly. Thus, this legislation will promote the resolution of litigants' claims in these unique and related cases.

Thank you for taking prompt action on this important and necessary legislation. If you or your staff have any questions, please contact Mike Blommer, Assistant Director, Office of Legislative Affairs (202-502-1700).

Sincerely,
LEONIDAS RALPH MECHAM,
Secretary.

JUDICIAL PANEL ON
MULTIDISTRICT LITIGATION,
March 13, 2001.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the Judicial Panel on Multidistrict Litigation, I am writing to urge support of H.R. 860, the Multidistrict, Multiparty, Multiforum Trial Jurisdiction Act of 2001. As you know, my predecessor as Chairman of the Panel, Judge John F. Nangle, testified in favor of the previous version of this legislation on June 16, 1999, before the Subcommittee on Courts and Intellectual Property.

Section 2 of this legislation, to restore the options available to the litigants and the federal judiciary prior to the 1998 Supreme Court *Lexecon* decision, passed unanimously word-for-word in both the House of Representatives and the Senate in the last Congress. The previous version of Section 3 of the legislation, aimed at streamlining adjudication of single accident litigation, has passed the House of Representatives in bipartisan fashion on four prior occasions—twice when the Democrats were in the majority in the 101st and 102nd Congresses, and twice when the Republicans were in the majority in the 105th and 106th Congresses.

Surely the time has come to enact this clearly beneficial legislation for the reasons stated in Judge Nangle's testimony. Your continued leadership in this area is highly valued and appreciated.

Sincerely,
WM. TERRELL HODGES,
Chairman.

Mr. SENSENBRENNER. Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. BERMAN).

Mr. SENSENBRENNER. Mr. Speaker, I yield the gentleman from California 1 minute.

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from California (Mr. BERMAN) is recognized for 6 minutes.

Mr. BERMAN. Mr. Speaker, I thank the ranking member and the gentleman from Wisconsin for their generous yielding of time to me.

Mr. Speaker, I just want to make a few comments in response to the gentleman from North Carolina, because he makes legitimate and accurate points about this legislation. But in response, I would make a few points.

Mr. Speaker, concerning H.R. 860, the circumstances which this bill applies to are so narrow and unique, and because so many civil actions which arise out of a single action are already subject to Federal jurisdiction, there really are in a practical sense very few plaintiffs who will find themselves in a Federal court who would not have already been there.

But even if they do, this bill has protection, because the bill preserves the ability of the transferee court, the Federal court to which this multi-party litigation has been assigned, it preserves the ability of that court to transfer back or dismiss an action on the ground of an inconvenient forum.

So that plaintiff has the ability to make his case that even though it is a result of that single accident, even though I am alleging $150,000, in my particular situation, notwithstanding the efficiencies that would justify a single trial, for purposes of liability and other issues, we should go back to the State court.

The gentleman from North Carolina says, but he has to get to that court in order to make that request. That is true.

Mr. WATT of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Speaker, I appreciate the gentleman yielding. I appreciate him taking seriously the comments that I am making.

I would just point out to him two things. Yes, this bill will make the system more efficient, but from 22 years of the practice of law, I will tell the gentleman that every single case is a unique case for the parties in that case.

So when we say that this applies only to a small number of cases, the gentleman is absolutely right. I do not argue that. But for that individual plaintiff who is coming into court, we ought to make the courts as conveniently available to that one individual as we can.

The gentleman says that this person can show up in the Federal court, make a motion to move it back, but here he is sitting there with 16 other plaintiffs who say, Please do not move this case. All I am saying is, that person ought to be allowed to go and litigate their case in a forum that is convenient to them, not have their case and the placement of it decided on the basis of some majority rule theory.

I understand efficiency of the court. I understand why the Judicial Conference would favor this. But in the interest of individual plaintiffs, I think it is important to have another exception in this bill, and it would be used so infrequently that it would not be an imposition. It could be done very easily in the context of this bill.

Mr. BERMAN. Reclaiming my time, Mr. Speaker, this is not just about efficiency. This is also about convenience of the parties.

We had a horrible accident recently with a private plane taking the Oklahoma State basketball team. That may not be applicable, because this requires 25 people. But think of a similar situation where a huge number of those passengers are from one State. The defendant is from some other State.

This allows the multi-party committee, the panel that decides these multi-district multi-party cases where they should be tried, to consider the convenience of the plaintiffs in this kind of a case, not simply the question of efficiency. So there are some real positive benefits from this legislation, as well.

Moreover, on the issue of damages, which can be particularly a matter to be determined by local communities and peers in the community where that plaintiff resides, this creates the presumption that that issue, the compensatory damages issue, will go back, in the case of the hypothetical that you cited, to the State court for determination.

Yes, the bill will cause some plaintiffs to find themselves in Federal court, while without the bill those plaintiffs would have been able to remain in State courts. I think there are several policy considerations. I have mentioned them. As the chairman said earlier, we have to draw a balance. Having the very complicated and complex issue of liability tried in one place makes sense.

As we balance these things, Mr. Speaker, I come down on the side of having the complicated, expensive, and controversial issue litigated in one court.

And I might just add in the remaining seconds I have that from what I understand from plaintiff's attorneys involved in these accident cases and other cases like this that this bill addresses, that the problem is, sometimes that guy who wants to file in the State court, the lawyer who wants to file in the State court because it is an in-State defendant, he really wants to be the free rider in this. He wants the whole thing tried and all the discovery, all that done by others. Then, after that issue is settled, he will come in with a State action, not having put up his share of the costs and his efforts, and cash in. I am told that is one aspect of why some plaintiff's lawyers, no one in this room, I am sure, would actually prefer to file in the State court.

Mr. CONYERS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 860, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

INTELLECTUAL PROPERTY AND HIGH TECHNOLOGY TECHNICAL AMENDMENTS ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 320) to make technical corrections in patent, copyright, and trademark laws, as amended.

The Clerk read as follows:

S. 320

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Intellectual Property and High Technology Technical Amendments Act of 2001".

SEC. 2. OFFICERS AND EMPLOYEES.

(a) RENAMING OF OFFICERS.—(1)(A) Except as provided in subparagraph (B), title 35, United States Code, other than section 210(d), is amended—

(i) by striking "Director" each place it appears and inserting "Commissioner"; and

(ii) by striking "Director's" each place it appears and inserting "Commissioner's".

(B) Section 3(b)(5) of title 35, United States Code, is amended by striking "Director" the first place it appears and inserting "Commissioner".

(C) Section 3(a) of title 35, United States Code, is amended in the subsection heading, by striking "DIRECTOR" and inserting "COMMISSIONER".

(D) Section 3(b)(1) of title 35, United States Code, is amended in the paragraph heading, by striking "DIRECTOR" and inserting "COMMISSIONER".

(2) The Act of July 5, 1946 (commonly referred to as the "Trademark Act of 1946"; 15 U.S.C. 1051 et seq.) is amended by striking "Director" each place it appears and inserting "Commissioner".

(3)(A) Title 35, United States Code, other than subsection (f) of section 3, is amended by striking "Commissioner for Patents" each place it appears and inserting "Assistant Commissioner for Patents".

(B) Title 35, United States Code, other than subsection (f) of section 3, is amended by striking "Commissioner for Trademarks" each place

it appears and inserting "Assistant Commissioner for Trademarks".

(C) Section 3(b)(2) of title 35, United States Code, is amended—

(i) in the paragraph heading, by striking "COMMISSIONERS" and inserting "ASSISTANT COMMISSIONERS";

(ii) in subparagraph (A), in the last sentence—

(I) by striking "a Commissioner" and inserting "an Assistant Commissioner"; and

(II) by striking "the Commissioner" and inserting "the Assistant Commissioner";

(iii) in subparagraph (B)—

(I) by striking "Commissioners" each place it appears and inserting "Assistant Commissioners";

(II) by striking "Commissioners'" each place it appears and inserting "Assistant Commissioners'"; and

(iv) in subparagraph (C), by striking "Commissioners" and inserting "Assistant Commissioners".

(D) Section 3(f) of title 35, United States Code, is amended in subparagraphs (A) and (B) of paragraph (2)—

(i) by striking "the Commissioner" each place it appears and inserting "the Assistant Commissioner"; and

(ii) by striking "a Commissioner" each place it appears and inserting "an Assistant Commissioner".

(E) Section 13 of title 35, United States Code, is amended—

(i) by striking "Commissioner of" each place it appears and inserting "Assistant Commissioner for"; and

(ii) by striking "Commissioners" and inserting "Assistant Commissioners".

(F) Chapter 17 of title 35, United States Code, is amended by striking "Commissioner of Patents" each place it appears and inserting "Assistant Commissioner for Patents".

(G) Section 297 of title 35, United States Code, is amended by striking "Commissioner of Patents" each place it appears and inserting "Commissioner".

(4) Section 5314 of title 5, United States Code, is amended by striking

"Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office."

and inserting

"Under Secretary of Commerce for Intellectual Property and Commissioner of the United States Patent and Trademark Office.".

(5) Section 5315 of title 5, United States Code, is amended by striking

"Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office."

and inserting

"Deputy Under Secretary of Commerce for Intellectual Property and Deputy Commissioner of the United States Patent and Trademark Office.".

(6)(A) Sections 303 and 304 of title 35, United States Code, are each amended in the section headings by striking "**Director**" and inserting "**Commissioner**".

(B) The items relating to sections 303 and 304 in the table of sections for chapter 30 of title 35, United States Code, are each amended by striking "Director" and inserting "Commissioner".

(7)(A) Sections 312 and 313 of title 35, United States Code, are each amended in the section headings by striking "**Director**" and inserting "**Commissioner**".

(B) The items relating to sections 312 and 313 in the table of sections for chapter 31 of title 35, United States Code, are each amended by striking "Director" and inserting "Commissioner".

(8) Section 17(b) of the Trademark Act of 1946 (15 U.S.C. 1067) is amended by striking "Commissioner for Patents, the Commissioner for Trademarks" and inserting "Assistant Commissioner for Patents, the Assistant Commissioner for Trademarks".

(b) ADDITIONAL CLERICAL AMENDMENTS.—

(1) The following provisions of law are amended by striking "Director" each place it appears and inserting "Commissioner".

(A) Section 9(p)(1)(B) of the Small Business Act (15 U.S.C. 638(p)(1)(B).

(B) Section 19 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831r).

(C) Section 182(b)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2242(b)(2)(A)).

(D) Section 302(b)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2412(b)(2)(D)).

(E) Section 702(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372(d)).

(F) Section 1295(a)(4)(B) of title 28, United States Code.

(G) Section 1744 of title 28, United States Code.

(H) Section 151 of the Atomic Energy Act of 1954 (42 U.S.C. 2181).

(I) Section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182).

(J) Section 305 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457).

(K) Section 12(a) of the Solar Heating and Cooling Demonstration Act of 1974 (42 U.S.C. 5510(a)), the last place such term appears.

(L) Section 10(i) of the Trading with the Enemy Act (50 U.S.C. App. 10(i)).

(M) Sections 4203, 4506, 4606, and 4804(d)(2) of the Intellectual Property and Communications Omnibus Reform Act of 1999, as enacted by section 1000(a)(9) of Public Law 106–113.

(2) The item relating to section 1744 in the table of sections for chapter 115 of title 28, United States Code, is amended by striking "generally" and inserting ", generally".

(c) REFERENCES.—Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Patent and Trademark Office—

(1) to the Director of the United States Patent and Trademark Office or to the Commissioner of Patents and Trademarks is deemed to refer to the Under Secretary of Commerce for Intellectual Property and Commissioner of the United States Patent and Trademark Office;

(2) to the Commissioner for Patents is deemed to refer to the Assistant Commissioner for Patents; and

(3) to the Commissioner for Trademarks is deemed to refer to the Assistant Commissioner for Trademarks.

SEC. 3. CLARIFICATION OF REEXAMINATION PROCEDURE ACT OF 1999; TECHNICAL AMENDMENTS.

(a) OPTIONAL INTER PARTES REEXAMINATION PROCEDURES.—Title 35, United States Code, is amended as follows:

(1) Section 311 is amended—

(A) in subsection (a), by striking "person" and inserting "third-party requester"; and

(B) in subsection (c), by striking "Unless the requesting person is the owner of the patent, the" and inserting "The".

(2) Section 312 is amended—

(A) in subsection (a), by striking the last sentence; and

(B) in subsection (b), by striking ", if any".

(3) Section 314(b)(1) is amended—

(A) by striking "(1) This" and all that follows through "(2)" and inserting "(1)";

(B) by striking "the third-party requester shall receive a copy" and inserting "the Office shall send to the third-party requester a copy"; and

(C) by redesignating paragraph (3) as paragraph (2).

(4) Section 315(c) is amended by striking "United States Code,".

(5) Section 317 is amended—

(A) in subsection (a), by striking "patent owner nor the third-party requester, if any, nor privies of either" and inserting "third-party requester nor its privies"; and

(B) in subsection (b), by striking "United States Code,".

(b) CONFORMING AMENDMENTS.—

(1) APPEAL TO THE BOARD OF PATENT APPEALS AND INTERFERENCES.—Subsections (a), (b), and (c) of section 134 of title 35, United States Code, are each amended by striking "administrative patent judge" each place it appears and inserting "primary examiner".

(2) PROCEEDING ON APPEAL.—Section 143 of title 35, United States Code, is amended by amending the third sentence to read as follows: "In an ex parte case or any reexamination case, the Commissioner shall submit to the court in writing the grounds for the decision of the Patent and Trademark Office, addressing all the issues involved in the appeal. The court shall, before hearing an appeal, give notice of the time and place of the hearing to the Commissioner and the parties in the appeal.".

(c) CLERICAL AMENDMENTS.—

(1) Section 4604(a) of the Intellectual Property and Communications Omnibus Reform Act of 1999, as enacted by section 1000(a)(9) of Public Law 106–113, is amended by striking "Part 3" and inserting "Part III".

(2) Section 4604(b) of that Act is amended by striking "title 25" and inserting "title 35".

(d) EFFECTIVE DATE.—The amendments made by sections 4605(c) and 4605(e) of the Intellectual Property and Communications Omnibus Reform Act, as enacted by section 1000(a)(9) of Public Law 106–113, shall apply to any reexamination filed in the United States Patent and Trademark Office on or after the date of the enactment of Public Law 106–113.

SEC. 4. PATENT AND TRADEMARK EFFICIENCY ACT AMENDMENTS.

(a) DEPUTY COMMISSIONER.—

(1) Section 17(b) of the Act of July 5, 1946 (commonly referred to as the "Trademark Act of 1946") (15 U.S.C. 1067(b)), is amended by inserting "the Deputy Commissioner," after "Commissioner,".

(2) Section 6(a) of title 35, United States Code, is amended by inserting "the Deputy Commissioner," after "Commissioner,".

(b) PUBLIC ADVISORY COMMITTEES.—Section 5 of title 35, United States Code, is amended—

(1) in subsection (i), by inserting ", privileged," after "personnel"; and

(2) by adding at the end the following new subsection:

"(j) INAPPLICABILITY OF PATENT PROHIBITION.—Section 4 shall not apply to voting members of the Advisory Committees.".

(c) MISCELLANEOUS.—Section 153 of title 35, United States Code, is amended by striking "and attested by an officer of the Patent and Trademark Office designated by the Commissioner,".

SEC. 5. DOMESTIC PUBLICATION OF FOREIGN FILED PATENT APPLICATIONS ACT OF 1999 AMENDMENTS.

Section 154(d)(4)(A) of title 35, United States Code, as in effect on November 29, 2000, is amended—

(1) by striking "on which the Patent and Trademark Office receives a copy of the" and inserting "of"; and

(2) by striking "international application" the last place it appears and inserting "publication".

SEC. 6. DOMESTIC PUBLICATION OF PATENT APPLICATIONS PUBLISHED ABROAD.

Subtitle E of title IV of the Intellectual Property and Communications Omnibus Reform Act of 1999, as enacted by section 1000(a)(9) of Public Law 106–113, is amended as follows:

(1) Section 4505 is amended to read as follows:

"SEC. 4505. PRIOR ART EFFECT OF PUBLISHED APPLICATIONS.

"Section 102(e) of title 35, United States Code, is amended to read as follows:

"'(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for the purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language; or'.".

(2) Section 4507 is amended—

(A) in paragraph (1), by striking "Section 11" and inserting "Section 10";

(B) in paragraph (2), by striking "Section 12" and inserting "Section 11".

(C) in paragraph (3), by striking "Section 13" and inserting "Section 12";

(D) in paragraph (4), by striking "12 and 13" and inserting "11 and 12";

(E) in section 374 of title 35, United States Code, as amended by paragraph (10), by striking "confer the same rights and shall have the same effect under this title as an application for patent published" and inserting "be deemed a publication"; and

(F) by adding at the end the following:

"(12) The item relating to section 374 in the table of contents for chapter 37 of title 35, United States Code, is amended to read as follows:

"'374. Publication of international application.'".

(3) Section 4508 is amended to read as follows:

"SEC. 4508. EFFECTIVE DATE.

"Except as otherwise provided in this section, sections 4502 through 4507, and the amendments made by such sections, shall be effective as of November 29, 2000, and shall apply only to applications (including international applications designating the United States) filed on or after that date. The amendments made by sections 4504 and 4505 shall additionally apply to any pending application filed before November 29, 2000, if such pending application is published pursuant to a request of the applicant under such procedures as may be established by the Commissioner. If an application is filed on or after November 29, 2000, or is published pursuant to a request from the applicant, and the application claims the benefit of one or more prior-filed applications under section 119(e), 120, or 365(c) of title 35, United States Code, then the amendment made by section 4505 shall apply to the prior-filed application in determining the filing date in the United States of the application.".

SEC. 7. MISCELLANEOUS CLERICAL AMENDMENTS.

(a) AMENDMENTS TO TITLE 35.—The following provisions of title 35, United States Code, are amended:

(1) Section 2(b) is amended in paragraphs (2)(B) and (4)(B), by striking ", United States Code".

(2) Section 3 is amended—

(A) in subsection (a)(2)(B), by striking "United States Code,";

(B) in subsection (b)(2)—

(i) in the first sentence of subparagraph (A), by striking ", United States Code";

(ii) in the first sentence of subparagraph (B)—

(I) by striking "United States Code,"; and

(II) by striking ", United States Code";

(iii) in the second sentence of subparagraph (B)—

(I) by striking "United States Code,"; and

(II) by striking ", United States Code." and inserting a period;

(iv) in the last sentence of subparagraph (B), by striking ", United States Code"; and

(v) in subparagraph (C), by striking ", United States Code"; and

(C) in subsection (c)—

(i) in the subsection caption, by striking ", UNITED STATES CODE"; and

(ii) by striking "United States Code,".

(3) Section 5 is amended in subsections (e) and (g), by striking ", United States Code" each place it appears.

(4) The table of chapters for part I is amended in the item relating to chapter 3, by striking "**before**" and inserting "**Before**".

(5) The item relating to section 21 in the table of contents for chapter 2 is amended to read as follows:

"21. Filing date and day for taking action.".

(6) The item relating to chapter 12 in the table of chapters for part II is amended to read as follows:

"12. Examination of Application .... 131".

(7) The item relating to section 116 in the table of contents for chapter 11 is amended to read as follows:

"116. Inventors.".

(8) Section 154(b)(4) is amended by striking ", United States Code,".

(9) Section 156 is amended—

(A) in subsection (b)(3)(B), by striking "paragraphs" and inserting "paragraph";

(B) in subsection (d)(2)(B)(i), by striking "below the office" and inserting "below the Office"; and

(C) in subsection (g)(6)(B)(iii), by striking "submittted" and inserting "submitted".

(10) The item relating to section 183 in the table of contents for chapter 17 is amended by striking "of" and inserting "to".

(11) Section 185 is amended by striking the second period at the end of the section.

(12) Section 201(a) is amended—

(A) by striking "United States Code,"; and

(B) by striking "5, United States Code." and inserting "5.".

(13) Section 202 is amended—

(A) in subsection (b)(4), by striking "last paragraph of section 203(2)" and inserting "section 203(b)"; and

(B) in subsection (c)—

(i) in paragraph (4), by striking "rights;" and inserting "rights,"; and

(ii) in paragraph (5), by striking "of the United States Code".

(14) Section 203 is amended—

(A) in paragraph (2)—

(i) by striking "(2)" and inserting "(b)";

(ii) by striking the quotation marks and comma before "as appropriate"; and

(iii) by striking "paragraphs (a) and (c)" and inserting "paragraphs (1) and (3) of subsection (a)"; and

(B) in the first paragraph—

(i) by striking "(a)", "(b)", "(c)", and "(d)" and inserting "(1)", "(2)", "(3)", and "(4)", respectively; and

(ii) by striking "(1." and inserting "(a)".

(15) Section 209 is amended in subsections (d)(2) and (f), by striking "of the United States Code".

(16) Section 210 is amended—

(A) in subsection (a)—

(i) in paragraph (11), by striking "5901" and inserting "5908"; and

(ii) in paragraph (20) by striking "178(j)" and inserting "178j"; and

(B) in subsection (c)—

(i) by striking "paragraph 202(c)(4)" and inserting "section 202(c)(4)"; and

(ii) by striking "title.." and inserting "title.".

(17) The item relating to chapter 29 in the table of chapters for part III is amended by inserting a comma after "**Patent**".

(18) The item relating to section 256 in the table of contents for chapter 25 is amended to read as follows:

"256. Correction of named inventor.".

(19) Section 294 is amended—

(A) in subsection (b), by striking "United States Code,"; and

(B) in subsection (c), in the second sentence by striking "court to" and inserting "court of".

(20) Section 371(b) is amended by adding at the end a period.

(21) Section 371(d) is amended by adding at the end a period.

(22) Paragraphs (1), (2), and (3) of section 376(a) are each amended by striking the semicolon and inserting a period.

(b) OTHER AMENDMENTS.—

(1) Section 4732(a) of the Intellectual Property and Communications Omnibus Reform Act of 1999 is amended—

(A) in paragraph (9)(A)(ii), by inserting "in subsection (b)," after "(ii)"; and

(B) in paragraph (10)(A), by inserting after "title 35, United States Code," the following: "other than sections 1 through 6 (as amended by chapter 1 of this subtitle),".

(2) Section 4802(1) of that Act is amended by inserting "to" before "citizens".

(3) Section 4804 of that Act is amended—

(A) in subsection (b), by striking "11(a)" and inserting "10(a)"; and

(B) in subsection (c), by striking "13" and inserting "12".

(4) Section 4402(b)(1) of that Act is amended by striking "in the fourth paragraph".

SEC. 8. TECHNICAL CORRECTIONS IN TRADEMARK LAW.

(a) AWARD OF DAMAGES.—Section 35(a) of the Act of July 5, 1946 (commonly referred to as the "Trademark Act of 1946") (15 U.S.C. 1117(a)), is amended by striking "a violation under section 43(a), (c), or (d)," and inserting "a violation under section 43(a) or (d),".

(b) ADDITIONAL TECHNICAL AMENDMENTS.—The Trademark Act of 1946 is further amended as follows:

(1) Section 1(d)(1) (15 U.S.C. 1051(d)(1)) is amended in the first sentence by striking "specifying the date of the applicant's first use" and all that follows through the end of the sentence and inserting "specifying the date of the applicant's first use of the mark in commerce and those goods or services specified in the notice of allowance on or in connection with which the mark is used in commerce.".

(2) Section 1(e) (15 U.S.C. 1051(e)) is amended to read as follows:

"(e) If the applicant is not domiciled in the United States the applicant may designate, by a document filed in the United States Patent and Trademark Office, the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark. Such notices or process may be served upon the person so designated by leaving with that person or mailing to that person a copy thereof at the address specified in the last designation so filed. If the person so designated cannot be found at the address given in the last designation, or if the registrant does not designate by a document filed in the United States Patent and Trademark Office the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark, such notices or process may be served on the Commissioner.".

(3) Section 8(f) (15 U.S.C. 1058(f)) is amended to read as follows:

"(f) If the registrant is not domiciled in the United States, the registrant may designate, by *a document filed in the United States Patent and Trademark Office, the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark. Such notices or process may be served upon the person so designated by leaving with that person or mailing to that person a copy thereof at the address specified in the last designation so filed. If the person so designated cannot be found at the address given in the last designation, or if the registrant does not designate by a document filed in the United States Patent and Trademark Office the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark, such notices or process may be served on the Commissioner.".*

(4) Section 9(c) (15 U.S.C. 1059(c)) is amended to read as follows:

"(c) If the registrant is not domiciled in the United States the registrant may designate, by a document filed in the United States Patent and Trademark Office, the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark. Such notices or process may be served upon the person so designated by leaving with that person or mailing to that person a copy thereof at the address specified in the last designation so filed. If the person so designated cannot be found at the address given in the last designation, or if the registrant does not designate by a document filed in the United States Patent and Trademark Office the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark, such notices or process may be served on the Commissioner.".

(5) Subsections (a) and (b) of section 10 (15 U.S.C. 1060(a) and (b)) are amended to read as follows:

"(a)(1) A registered mark or a mark for which an application to register has been filed shall be assignable with the good will of the business in which the mark is used, or with that part of the good will of the business connected with the use of and symbolized by the mark. Notwithstanding the preceding sentence, no application to register a mark under section 1(b) shall be assignable prior to the filing of an amendment under section 1(c) to bring the application into conformity with section 1(a) or the filing of the verified statement of use under section 1(d), except for an assignment to a successor to the business of the applicant, or portion thereof, to which the mark pertains, if that business is ongoing and existing.

"(2) In any assignment authorized by this section, it shall not be necessary to include the good will of the business connected with the use of and symbolized by any other mark used in the business or by the name or style under which the business is conducted.

"(3) Assignments shall be by instruments in writing duly executed. Acknowledgment shall be prima facie evidence of the execution of an assignment, and when the prescribed information reporting the assignment is recorded in the United States Patent and Trademark Office, the record shall be prima facie evidence of execution.

"(4) An assignment shall be void against any subsequent purchaser for valuable consideration without notice, unless the prescribed information reporting the assignment is recorded in the United States Patent and Trademark Office within 3 months after the date of the assignment or prior to the subsequent purchase.

"(5) The United States Patent and Trademark Office shall maintain a record of information on assignments, in such form as may be prescribed by the Commissioner.

"(b) An assignee not domiciled in the United States may designate by a document filed in the United States Patent and Trademark Office the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark. Such notices or process may be served upon the person so designated by leaving with that person or mailing to that person a copy thereof at the address specified in the last designation so filed. If the person so designated cannot be found at the address given in the last designation, or if the assignee does not designate by a document filed in the United States Patent and Trademark Office the name and address of a person resident in the United States on whom may be served notices or process in proceedings affecting the mark, such notices or process may be served upon the Commissioner.".

(6) Section 23(c) (15 U.S.C. 1091(c)) is amended by striking the second comma after "numeral".

(7) Section 33(b)(8) (15 U.S.C. 1115(b)(8)) is amended by aligning the text with paragraph (7).

(8) Section 34(d)(1)(A) (15 U.S.C. 1116(d)(1)(A)) is amended by striking "section 110" and all that follows through "(36 U.S.C. 380)" and inserting "section 220506 of title 36, United States Code,".

(9) Section 34(d)(1)(B)(ii) (15 U.S.C. 1116(d)(1)(B)(ii)) is amended by striking "section 110" and all that follows through "(36 U.S.C. 380)" and inserting "section 220506 of title 36, United States Code".

(10) Section 34(d)(11) is amended by striking "6621 of the Internal Revenue Code of 1954" and inserting "6621(a)(2) of the Internal Revenue Code of 1986".

(11) Section 35(b) (15 U.S.C. 1117(b)) is amended—

(A) by striking "section 110" and all that follows through "(36 U.S.C. 380)" and inserting "section 220506 of title 36, United States Code,"; and

(B) by striking "6621 of the Internal Revenue Code of 1954" and inserting "6621(a)(2) of the Internal Revenue Code of 1986".

(12) Section 44(e) (15 U.S.C. 1126(e)) is amended by striking "a certification" and inserting "a true copy, a photocopy, a certification,".

SEC. 9. PATENT AND TRADEMARK FEE CLERICAL AMENDMENT.

The Patent and Trademark Fee Fairness Act of 1999 (113 Stat. 1537–546 et seq.), as enacted by section 1000(a)(9) of Public Law 106–113, is amended in section 4203, by striking "111(a)" and inserting "1113(a)".

SEC. 10. COPYRIGHT RELATED CORRECTIONS TO 1999 OMNIBUS REFORM ACT.

Title I of the Intellectual Property and Communications Omnibus Reform Act of 1999, as enacted by section 1000(a)(9) of Public Law 106–113, is amended as follows:

(1) Section 1007 is amended—

(A) in paragraph (2), by striking "paragraph (2)" and inserting "paragraph (2)(A)"; and

(B) in paragraph (3), by striking "1005(e)" and inserting "1005(d)".

(2) Section 1006(b) is amended by striking "119(b)(1)(B)(iii)" and inserting "119(b)(1)(B)(ii)".

(3)(A) Section 1006(a) is amended—

(i) in paragraph (1), by adding "and" after the semicolon;

(ii) by striking paragraph (2); and

(iii) by redesignating paragraph (3) as paragraph (2).

(B) Section 1011(b)(2)(A) is amended to read as follows:

"(A) in paragraph (1), by striking 'primary transmission made by a superstation and embodying a performance or display of a work' and inserting 'performance or display of a work embodied in a primary transmission made by a superstation or by the Public Broadcasting Service satellite feed';".

SEC. 11. AMENDMENTS TO TITLE 17, UNITED STATES CODE.

Title 17, United States Code, is amended as follows:

(1) Section 119(a)(6) is amended by striking "of performance" and inserting "of a performance".

*(2)(A) The section heading for section 122 is amended by striking "**rights; secondary**" and inserting "**rights: Secondary**".*

(B) The item relating to section 122 in the table of contents for chapter 1 is amended to read as follows:

"122. Limitations on exclusive rights: Secondary transmissions by satellite carriers within local markets.".

*(3)(A) The section heading for section 121 is amended by striking "**reproduction**" and inserting "**Reproduction**".*

(B) The item relating to section 121 in the table of contents for chapter 1 is amended by striking "reproduction" and inserting "Reproduction".

(4)(A) Section 106 is amended by striking "107 through 121" and inserting "107 through 122".

(B) Section 501(a) is amended by striking "106 through 121" and inserting "106 through 122".

(C) Section 511(a) is amended by striking "106 through 121" and inserting "106 through 122".

(5) Section 101 is amended—

(A) by moving the definition of "computer program" so that it appears after the definition of "compilation"; and

(B) by moving the definition of "registration" so that it appears after the definition of "publicly".

(6) Section 110(4)(B) is amended in the matter preceding clause (i) by striking "conditions;" and inserting "conditions:".

(7) Section 118(b)(1) is amended in the second sentence by striking "to it".

(8) Section 119(b)(1)(A) is amended—

(A) by striking "transmitted" and inserting "retransmitted"; and

(B) by striking "transmissions" and inserting "retransmissions".

(9) Section 203(a)(2) is amended—

(A) in subparagraph (A)—

(i) by striking "(A) the" and inserting "(A) The"; and

(ii) by striking the semicolon at the end and inserting a period;

(B) in subparagraph (B)—

(i) by striking "(B) the" and inserting "(B) The"; and

(ii) by striking the semicolon at the end and inserting a period; and

(C) in subparagraph (C), by striking "(C) the" and inserting "(C) The".

(10) Section 304(c)(2) is amended—

(A) in subparagraph (A)—

(i) by striking "(A) the" and inserting "(A) The"; and

(ii) by striking the semicolon at the end and inserting a period;

(B) in subparagraph (B)—

(i) by striking "(B) the" and inserting "(B) The"; and

(ii) by striking the semicolon at the end and inserting a period; and

(C) in subparagraph (C), by striking "(C) the" and inserting "(C) The".

(11) The item relating to section 903 in the table of contents for chapter 9 is amended by striking "licensure" and inserting "licensing".

SEC. 12. OTHER COPYRIGHT RELATED TECHNICAL AMENDMENTS.

(a) AMENDMENT TO TITLE 18.—Section 2319(e)(2) of title 18, United States Code, is amended by striking "107 through 120" and inserting "107 through 122".

(b) STANDARD REFERENCE DATA.—(1) Section 105(f) of Public Law 94–553 is amended by striking "section 290(e) of title 15" and inserting

"section 6 of the Standard Reference Data Act (15 U.S.C. 290e)".

(2) Section 6(a) of the Standard Reference Data Act (15 U.S.C. 290e) is amended by striking "Notwithstanding" and all that follows through "United States Code," and inserting "Notwithstanding the limitations under section 105 of title 17, United States Code,".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate bill 320 consists of noncontroversial, technical amendments to the patent, trademark, and copyright laws. This bill corrects clerical and other technical drafting errors, and makes important clarifications in the American Inventors Protection Act which was enacted into law during the 106th Congress.

It also makes technical changes to title I of the Intellectual Property and Communications Omnibus Reform Act of 1999, title 17, and other copyright and related technical amendments.

On February 14, 2001, S. 320 passed the other body by a recorded vote of 98 to 0. However, upon further review, drafting errors were discovered in the bill. The Committee on the Judiciary adopted an amendment in the nature of a substitute which corrected the drafting errors. The amendment and S. 320, as amended, were unanimously agreed to by voice vote in the committee.

These are important and necessary amendments to our intellectual property laws, and I urge Members to support S. 320.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the amendment, and so do all of the Members on our side. This is noncontroversial. We support the chairman's description.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, I thank the gentleman for yielding time to me. I will be very brief.

Mr. Speaker, as the gentleman from Wisconsin stated, S. 320 consists of noncontroversial technical amendments to the patent, trademark, and copyright laws. They are important improvements.

I want to thank my friend, the distinguished gentleman from California (Mr. BERMAN), the ranking member on the subcommittee, for his work, as well, on this bill, both in the 106th Congress and the 107th Congress. I also want to thank the gentleman from Wisconsin (Chairman SENSENBRENNER) for expeditiously moving this legislation along, because it is important. I urge my colleagues to support S. 320.

Mr. BERMAN. Mr. Speaker, I rise in support of S. 320.

This bill, as amended by the Judiciary Committee last week, is comprised of language from two bills, H.R. 4870 and H.R. 5106, that the House passed by voice vote on suspension last year. As were those bills last year, the current version of S. 320 is wholly noncontroversial and technical. It makes technical changes to patent, trademark, and copyright law and streamlines the operations of the PTO and Copyright Office.

As amended, S. 320 will do such things as change the title of the head of the PTO from "Director" to "Commissioner." It will also harmonize capitalizations, alphabetize definition sections, and correct punctuation.

I urge my colleagues to vote in favor of this bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the Senate bill, S. 320, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

MAKING TECHNICAL AMENDMENTS TO SECTION 10 OF TITLE 9, UNITED STATES CODE

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 861) to make technical amendments to section 10 of title 9, United States Code.

The Clerk read as follows:

H.R. 861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VACATION OF AWARDS.

Section 10 of title 9, United States Code, is amended—

(1) by indenting the margin of paragraphs (1) through (4) of subsection (a) 2 ems;

(2) by striking "Where" in such paragraphs and inserting "where";

(3) by striking the period at the end of paragraphs (1), (2), and (3) of subsection (a) and inserting a semicolon and by adding "or" at the end of paragraph (3);

(4) by redesignating subsection (b) as subsection (c); and

(5) in paragraph (5), by striking "Where an award" and inserting "If an award", by inserting a comma after "expired", and by redesignating the paragraph as subsection (b).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 861, and in so doing, feel inclined to paraphrase Daniel Webster, who, in defending Dartmouth College, noted that "It may be small, but there are those who love it."

Nothing could be more true with this bill, as H.R. 861 makes a truly technical correction of the most noncontroversial nature. It simply corrects section 10 of title 9 of the United States Code, which is a typographical flaw that has long evaded detection.

This section enumerates several grounds for vacating an arbitrator's award, with each ground beginning with the word "where." The fifth clause of section 10, however, is obviously not a ground for vacating an award, but rather, the beginning of a new sentence. This bill corrects this error.

However small this change may be, through the years this bill, which has come to be known as "the comma bill," has engendered great affection.

☐ 1130

Some may try to diminish the importance of this bill, but one should never underestimate the importance of a comma.

To paraphrase the late Everett Dirksen, a comma here, a comma there, and pretty soon you have got a full sentence.

Let us be honest with ourselves, when used properly, a comma can be devastatingly effective. For those, especially school children, who think that grammar and punctuation do not matter and tune themselves out during English class, today's action shows clearly that it does.

Thankfully, not every grammar mistake, not every misplaced comma takes an act of Congress to correct, but this particular section of the United States Code does.

This bill has been passed by each of the past two Congresses, only to be held hostage by unrelated issues in the other body.

To my colleagues here and on the other side of the Capitol who have previously loaded up this bill with unrelated legislation, I say free the comma, and I urge my colleagues to pass H.R. 861.

Mr. Speaker, I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in total unanimous support for the comma bill.

I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time as well.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from

Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 861.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H.R. 725, by the yeas and nays; and

H.R. 861, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

MADE IN AMERICA INFORMATION ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 725, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. STEARNS) that the House suspend the rules and pass the bill, H.R. 725, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 407, nays 3, not voting 22, as follows:

[Roll No. 48]

YEAS—407

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—3

Flake
Paul
Schaffer

NOT VOTING—22

Ackerman
Barton
Becerra
Brown (FL)
Cannon
Davis (IL)
Edwards
Ferguson
Frelinghuysen
Holt
Hunter
Jefferson
Johnson, E. B.
Keller
Lee
Meek (FL)
Miller, George
Moakley
Roukema
Saxton
Smith (NJ)
Towns

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Mr. JONES of North Carolina changed his vote from "nay" to "yea".

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read:

"A bill to direct the Secretary of Commerce to provide for the establishment of a toll-free telephone number to assist consumers in determining whether products are American-made.".

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

MAKING TECHNICAL AMENDMENTS TO SECTION 10 OF TITLE 9, UNITED STATES CODE

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 861.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 861, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 19, as follows:

[Roll No. 49]

YEAS—413

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
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Brown (OH)
Brown (SC)
Bryant
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Buyer
Callahan
Calvert
Camp
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Capito
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Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
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English
Eshoo
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Gibbons
Gilchrest
Gillmor
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Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
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Gutknecht
Hall (OH)
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Hastings (FL)
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Hayes
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Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
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Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
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Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
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Obey
Olver
Ortiz
Osborne
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Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
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Riley
Rivers
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Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
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Roybal-Allard
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Ryan (WI)
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Sabo
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Scarborough
Schaffer
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Serrano
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Sherman
Sherwood
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Simmons
Simpson
Sisisky
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Slaughter
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Solis
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Spence
Spratt
Stark
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Strickland
Stump
Stupak
Sununu
Sweeney
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Taylor (MS)
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Turner
Udall (CO)
Udall (NM)
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Velázquez
Visclosky
Vitter
Walden
Walsh
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Waters
Watkins
Watt (NC)
Watts (OK)
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Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—19

Ackerman
Barton
Becerra
Brown (FL)
Cannon
Davis (IL)
Edwards
Ferguson
Frelinghuysen
Holt
Johnson, E. B.
Keller
Meek (FL)
Miller, George
Moakley
Roukema
Saxton
Smith (NJ)
Towns

□ 1221

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF MEMBER TO THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER pro tempore (Mr. SIMPSON). Without objection, and pursuant to clause 11 of rule X and clause 11 of rule I, the Chair announces the Speaker's appointment of the following Member of the House to the Permanent Select Committee on Intelligence:

Mr. BOSWELL of Iowa.

There was no objection.

APPOINTMENT OF MEMBER TO THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

The SPEAKER pro tempore. Without objection, and pursuant to section 4(a) of Public Law 94–118 (22 U.S.C. 2903), the Chair announces the Speaker's appointment of the following Member of the House to the Japan-United States Friendship Commission:

Mr. MCDERMOTT of Washington.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

BRING FINANCIAL SECURITY AND STABILITY TO TAXPAYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I am delighted to be here today to try and urge my colleagues here in this Chamber and the one across the hall on the urgency of the tax package laid before us, passed by this House, supported obviously by the President who is in New Jersey today trying to urge the Senators from that particular State to be supportive.

Obviously as you watch Wall Street and look at the Dow Jones Industrial Average and you look at the Nasdaq and all of the economic indicators, and also the job losses occurring throughout the country, it becomes more clear and apparent of the urgency of the Economic Growth and Tax Relief Act passed by our body.

We have been certainly applauded and ridiculed by some Members for the speed we brought that bill to the Committee on Ways and Means and then ushered it to its passage on the floor. I will add that we lost not one Republican in the Tax Relief Act, and in fact gained 10 Democrats and one Independent.

Now it is obviously a major, important issue for us to have the Senators consider the important ramifications of not adopting this very important tax relief effort of the President. First and foremost, giving everyone a raise is important because it allows taxpayers to keep more money in their pockets, support their families better, and reduce the burden placed on them by government.

Should Americans spend 40 percent of their income in Federal, State and local taxes? That is a basic question. That is a fairness question and needs to be answered by all parties. I think it is unfair that 40 percent of American's income is paid in Federal, State and local taxes.

Should families pay more in taxes than for food, clothing, and shelter combined? That makes no sense whatsoever. Wasteful Washington spending is a dangerous road to travel in a weaker economy. We are concerned. We hear the notion of triggers that have been advocated by some, and we suggest if you use a trigger on anything, use it on spending as well, to make sure that budget surpluses do not continue and we do not spend our way back into the days of a $5.7 trillion accumulated debt which we witnessed when we came to Congress in 1994 and quickly reversed.

We should let the American people spend their own money to meet their own needs. There are too many people in this Chamber and too many people in this Capitol who believe that the money sent to us is Washington's money not the people's money. People every day go to work and work very hard to make a living for themselves and their families only to see so much money taken out in the form of taxation: Income tax, estate tax, excise taxes, property taxes, you name the litany of taxes, whether it is on your cable bill, TV bill or other charges such as gasoline taxes.

What will happen if we pass our tax relief bill. We believe more jobs, more take-home pay, a stronger economy. It will save the average family of four earning $55,000 a year, certainly not rich, approximately $1,930. To some that may be small, but to the family earning $55,000, that is a watershed of new moneys to help save for college or pay for prescription drugs.

At least 60 million women income-tax payers will save money with our plan. More than 60 million African American income-tax payers will save money with our plan. More than 50 million Hispanic income-tax payers will save money on our plan. This means more money for college, a second car, or even a much-needed vacation.

So let us not have the constant politics-over-people argument that seems to resonate in our capital city. Let us put people before politics and pass a bill that will help us bring financial security and stability to our taxpayers. Let us return their hard-earned money to them so they can spend it in their community, on their families and on their priorities. Let us not make our priorities forced upon them. We can balance Social Security and secure it for the future. We can save Medicare. We can do so many things, including a prescription drug policy, but we also have to recognize that every priority a Member of Congress assumes is so does not need to be that of every American.

Mr. Speaker, let us balance the objective and rule with fairness and provide relief, fiscal strength and security, and move this bill forward so that the President of the United States can have a chance to pass this very important legislation.

□ 1230

COMBATING AIDS

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, recently drug companies announced that they would sell anti-AIDS drugs in southern Africa at a considerable discount. This would still entail hundreds of dollars per person. The recent experience of Bristol-Myers Squibb gives me caution. A $100 million, 5-year initiative that was meant to donate money for AIDS drugs in Africa has boiled down to almost nothing. The reasons are not entirely clear. Although this was to be a charitable gift, the money has come down to $1.3 million per year to five participating countries.

I recall that when Prime Minister Mbeki of South Africa was here for a visit last year, we all wondered why Mbeki was embroiled in a torturous notion about the cause of AIDS. I wish he had been more forthright about what his real problem was, and when he met with the Congressional Black Caucus I believe I was able to extract from him what his real problem was. South Africa offers free medical care, and on cross-examination it became clear that if South Africa were to even use the rather inexpensive drugs to combat mother-to-infant transmission it would use up its entire medical budget.

We must not forget that with the great importance we attach to drugs and especially the agreement of some of these companies to offer drugs at discount rates in southern Africa, that in developing countries nothing can replace prevention. In this country, Medicaid is overwhelmed with the costs of AIDS, but it is an entitlement, so people are going to get it. In developing countries, where there is TB and malaria and hundreds of other diseases, to superimpose our notion of how to combat the disease is not going to work. I hate to consider it, but it is true. It seems to me that it is time to face the importance of continuing to stress prevention as the most important strategy not only in this country but especially in developing countries.

Developing countries are being set back decades because of the AIDS crisis. To the great credit of some of the companies and others around the world, we want drugs to be made available to developing countries as well. It will be important to prioritize which drugs to which people. Mother-to-children drugs that are especially effective in keeping children from getting AIDS at all would be very, very important. But, beyond that, we have got to tailor strategies for combating AIDS to the environment in which those strategies are expected to work.

In Africa, we greet the decision of the drug companies to offer drugs at discount rates. At the same time, we must remind ourselves that most of our effort must go into preventing AIDS, which has already become a catastrophe of epidemic proportions in southern Africa.

CONDEMNING DESTRUCTION OF BUDDHAS IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, all too often we in Washington are insulated from major events that are going on around the world, events that directly or indirectly impact us. But there are few events more grotesque than something that happened just over the last couple of weeks in Afghanistan, an act of barbarism, an act of mindless iconoclasm by a regime noted for its intolerance of all values that do not precisely conform to their own. Here I am referring to the decision of the Taliban outlaw government in Afghanistan to sanction and encourage the destruction of two standing Buddhas of enormous importance to world culture.

The Bamiyan standing Buddha statues in Afghanistan up until this point have been one of the greatest wonders of the world and one of the marvels of that region and one of the remaining gifts that the cultures of that part of central Asia had given the entire world. They were a magnificent example of human artistry and skill.

Mr. Speaker, those statues had represented a common heritage of all mankind. The Bamiyan Buddhas had survived hostile onslaughts over the centuries, but they did not survive destruction at the hands of religious zealots and heretics.

Afghanistan is a country with a very rich and enormously complicated history. Because of its mountainous terrain, it was often on the border of different empires that washed across the history of the world. It was briefly a Greek region under Alexander the Great, and it was also a Buddhist region in the third century B.C., Buddhism having been launched there by the Emperor Ashoka of the Mauryan empire.

At that time, Afghanistan lay at the heart of the silk route, which was a source of trade that moved from east to west.

Accompanying the caravans of precious goods, Buddhist monks came and went, teaching their religion along the route. From this very part of the world Buddhism established itself over the centuries in China, Korea, Japan, Tibet, Nepal, Bhutan and Mongolia.

In the early centuries of the Christian era, a new art form emerged, the art of Gandhara, the ancient name for part of Afghanistan. During this period, the earliest Buddhist images in human form evolved in this Kushan/Saka area.

The caravans on the silk route often stopped in the Bamiyan Valley. It was one of the major Buddhist centers from the second century up to the time that Islam entered the Valley in the ninth century.

There these two giant Buddhas, one of them the largest standing image of Buddha in the world, more than 120 feet high, stood, until this week. These symbols of their ancient faith were cut out of the rock sometime between the third and fifth centuries A.D. The smaller statue of Buddha was carved during Kanishka the Great's reign. It was estimated that two centuries later the large Buddha statue was carved.

I have to tell you, it is striking to me as an archaeology buff that both of these statues were dressed in togas of the Greek style imported into India by the soldiers of Alexander the Great when he invaded the region between 334 and 327 B.C.

The features of these statues of Buddha had disappeared. During the centuries, undoubtedly, there had been earlier bouts of iconoclasm. The idea behind the destruction was to take away the soul of the hated image by obliterating, or at least deforming, the head and hands.

The intolerance of the Taliban in leading to this destruction needs to have a strong international response. The Taliban has clearly failed to recognize the value of any art that does not conform precisely to their religious purposes. The Taliban are only the temporary holders. Their government is only a custodian of this area. We cannot tolerate their willful destruction of international treasures that are really holdings of the entire world. We cannot allow them to get away with this action.

The action of the Taliban regime represents the worst case of vandalism in recent history of our ancient past. Today, more and more people are awakening to their heritage and the importance of preserving these sorts of relics. We have in Christian countries many examples of Islamic art that are protected, like the Alhambra in Spain. We know that in Egypt, now an Islamic country, there are relics, there are statues, there are temples that are of enormous significance to the culture of the world.

We need in Congress to send a clear message to the Taliban that this is unacceptable, and we need to bring together all of the nations of the world to express our outrage and take firm action against this cultural imperialism.

ELECTION REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 5 minutes.

Mr. LANGEVIN. Mr. Speaker, I am pleased to be here today to talk on a special order on election reform.

Today I am proud to introduce my first piece of legislation in the United States House of Representatives, a resolution calling on Congress to take swift and meaningful action on election reform so we can implement significant improvements before 2002. I am committed to making election reform a top priority and ensuring that America's faith in democracy is not diminished by pervasive problems in our voting system. We must enter the next Federal election cycle with full confidence in our Nation's voting technology. That is why I urge my colleagues on both side of the aisle to work together to ensure that in 2002 each and every vote counts.

Exactly 1 month ago, I addressed this House on this very same issue. At that time I spoke of my work as Rhode Island's Secretary of State in modernizing our State's antiquated voting equipment. During my tenure, Rhode Island upgraded its voting machines from the worst in the Nation to among the best. We improved our technology, we improved accessibility, we improved accuracy in our elections and achieved a significant increase in voter participation. Furthermore, all of these reforms were cost effective.

Models exist for accurate and cost-effective election reform that States can replicate to assure true democracy. In fact, my former staff has been working with election officials in Florida and New York as well as researchers at MIT to discuss how they can emulate our success.

Many of our Nation's election administrators right now are working tirelessly to improve their voting systems, and I applaud their efforts to ensure that no voter is disenfranchised and that all ballots are counted accurately. However, I know from personal experience that upgrading an entire State's election system is no small feat. It requires a great deal of planning, investment of time and resources, and the coordination of efforts with different levels of government.

Fortunately, 21 Members of this House have introduced legislation to help improve our Nation's overall voting system. The sponsors of these bills hold a variety of ideological views. However, we all share one common goal, to ensure that our Nation's election system does not undermine citizens' confidence in the democratic process and that every vote counts.

For this reason, Mr. Speaker, I am introducing this sense of the Congress resolution encouraging Congress to make this vision a reality by the 2002 election. Though we may disagree about some of the details, my colleagues and I are willing to put aside our differences and work for the betterment of our Nation. We must act now to ensure that the United States has an accurate and open election system, we must act now to ensure that our elderly and disabled voters can cast their votes independently, and we must act now to ensure that every one of our Nation's military voters counts.

We can attain all of these goals, but we must begin our efforts immediately to reach them by 2002. One person, one vote is the fundamental principle upon which American democracy stands. Please join me in cosponsoring this resolution and in learning about the various voting technologies at the secretaries of state demonstration I am sponsoring next week which will give us an up-close look at the various types of voting technology available and in taking an open-minded, bipartisan approach to resolving this national problem. Nothing can be more important to Congress than guaranteeing every American free and fair access to our democratic process.

☐ 1245

FOCUS ON SPECIAL EDUCATION FUNDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KIND) is recognized for 5 minutes.

Mr. KIND. Mr. Speaker, as a member of the Committee on Education and the Workforce, I was delighted to see in last year's campaign all the attention that candidates, whether it was for Congressional or Senate offices, but especially at the Presidential level, devote so much time and attention and substance to education policy. In fact, this is a reflection of the concerns that the American people have genuinely, certainly the constituents who I represent in western Wisconsin. I am continuously reminded by them of the importance of education. They recognize, as I think we all do in this Chamber, that education must be a local responsibility, that there is a strong State interest, but it should be a national priority.

That is why I am hopeful that as we are beginning work on the Committee on Education and the Workforce in this session of Congress, especially trying to reauthorize the elementary and secondary education bill, that there can be a lot of ground for bipartisan agreement, providing needed resources back to the local school districts with flexibility on how best to use those resources, but along with some accountability, so we see the desired results in student achievement in the classroom.

However, one area of education policy that previous Congresses have woefully fell short on has been our responsibility to fully fund our share, our obligation, to special education needs throughout the country. In the last couple of sessions of Congress, there was a recognition that we were underfunding the IDEA, Individuals With Disabilities Education Act, and we were not living up to the promises that we made to so many children across the country. In the last session of Congress, we, in fact, increased the appropriation level by 27 percent for special education needs. But nevertheless, we have a responsibility to fund that at 40 percent of the per pupil expenditure throughout the country. Even with that 27 percent increase last year, we are still only funding our share at slightly less than 15 percent of the 40 percent that we should be doing for local school districts.

This is the number one issue I hear about back home from teachers and administrators and parents, that if we can do one thing right in this session of Congress, that is to live up to our responsibility and fully fund IDEA. But the fact that we are not funding it at the appropriate level has a dramatic impact on countless students across the country.

Just some quick numbers. Roughly 6.4 million disabled children in America receive special education services. There are 116,000 of these students in my home State of Wisconsin alone identified as needing special education services. By 2010, it is expected that there will be an additional half a million students served by special education nationwide.

With the advancement of medical technology and medical breakthroughs, school funding is on a collision course with modern medicine. Children who normally would not have survived to school age are now entering the public school system, increasing the responsibility of providing a quality education for these kids, along with the incumbent expense that comes along with it. I believe that this is more than just an education issue, it is a civil rights issue, that we make good by these students who, through particular needs, require more attention and more resources to meet their educational potential.

As elected officials here in Congress, I believe it is our obligation to ensure that funding for programs assisting students with special needs meets the needs of the schools struggling to be fair and inclusive for these students in the school system. In fact, it is one of the fastest growing areas of virtually every school district budget throughout the country, and will continue to be so. Special education services will require a greater responsibility for us here in Washington and to live up to the commitment and the promises that we have made in the past. First, with the passage of the Education for All Handicapped Children Act of 1975, and then with the act which was renamed the Individuals With Disabilities Act back in 1990.

Now, recently, 40 of my new Democratic colleagues here in Congress wrote to President Bush calling for the administration to commit greater resources to the IDEA mission. We are striving to see that that 40 percent Federal responsibility in special education funding as required by law is, in fact, honored. We believe it is a matter of budgetary priorities, and we hope that the administration, when they finally submit a detailed budget plan, will show that commitment to IDEA funding. But, at the very least, we hope it will show the continued commitment that we have established now over the last couple of years in Congress for increasing Federal appropriations so we can finally achieve full funding at 40 percent.

We also advocate increasing the Federal appropriations for part D of IDEA, which is used to provide professional development opportunities to special education instructors and staff. Again, it is a constant refrain that we hear from the school officials back in our school districts.

It is imperative, however, that we do not embrace full funding of IDEA in exchange for reduced Federal funding for other ESEA-related programs. In this era of unprecedented budget surpluses, we have a unique opportunity to provide effective government support that is most sought after by American families and we should not squander this opportunity by shortchanging any of our children's educational potential.

FULL FUNDING FOR IDEA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Ms. HOOLEY of Oregon) is recognized for 5 minutes.

Ms. HOOLEY of Oregon. Mr. Speaker, I rise today to speak briefly about an issue that has become very near and dear to my heart. I spent the last several months speaking to superintendents, teachers, parents, and community leaders across my district, and one of the issues they say is the most important to them is full funding. When I talk about full funding, this is for the Individuals With Disabilities Education Act, full funding which, in this case, means going up to 40 percent of the excess cost.

Mr. Speaker, we began this discussion 26 years ago when we agreed with States and local education agencies that we should provide a free and appropriate education to every child who has a disability. We knew this was going to require a large investment, not only by the States and local school districts, but by the Federal Government as well. The Federal Government made a promise. They said, we are going to pay up to 40 percent of the excess costs for every student. However, we have not done that. In fact, this year we are doing the most we have ever done, and we are up to less than 15 percent.

I participated in a lot of conversations regarding full funding of IDEA in the past couple of months with my colleagues, committee staff and leadership. Full funding is a large investment, I understand that, and it raises some concerns. One of the concerns I have heard is that if we increase the amount of money going to the States to educate children with disabilities, that the school districts will over-identify these children to get more money. Well, I want to tell my colleagues that that is simply not true. Let us talk about the real situation that is happening in our schools.

Again, the Federal Government right now is giving a little over one-third of the money that they promised 26 years ago; and as a result of this underfunding, what has happened is schools have had to pull money out of other programs to make up for it. They have had to pull money out of textbooks and after-school programs and additional teachers. As a consequence, what we are seeing is an under-identification of children with disabilities. School districts hesitate to label a child with learning disabilities or behavioral problems or mental disorders because they cannot afford to provide them the services they need. Fully funding IDEA will not result in a mass frenzy of school districts to label as many children as they can with disabilities. In fact, just the opposite will happen. If we can get young children the services they need early on, we may prevent a need for more drastic intervention later on.

Mr. Speaker, I have introduced bipartisan legislation with the gentlewoman from Connecticut (Mrs. JOHNSON) and many of my colleagues here today. Our bill would authorize funding to bring the Federal Government's share of educating children with disabilities up to the 40 percent mark by 2006, so we are trying to do it over a period of time. It is expensive. This increase will cost about $3 billion a year. It is a large investment, but we must remember, if we do not pay our fair share of the cost, our share does not just go away; someone else is covering for us.

Mr. Speaker, it is time we kept the promise that we made to our children 26 years ago and invest in the education of every child.

REINTRODUCTION OF SPOUSAL REUNIFICATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise today to ask that my colleagues join me in supporting legislation that I reintroduced today that would permit the admission into the United States of nonimmigrant visitors who are the spouses and children of permanent resident aliens residing and working in this country.

This legislation is intended to fill a void in our current immigration policy that has resulted in permanent resident aliens, people who have come into this country legally and who are gainfully employed, being separated from their spouses and children often for periods of several years. This bill would simply make it easier for family members to come to the United States on a temporary basis with provisions to penalize those who overstay their visas. Its goal is to alleviate the human hardship of prolonged family separation.

Mr. Speaker, the legislation would eliminate the implication that the existence of a petition for permanent residence implies that an applicant will not return to his or her home nation and would remain in the United States after the expiration of a temporary visa. This equitable solution simply grants to immigrant family members the same opportunity to visit the United States as all others desiring to come here as visitors or students. The legislation anticipates the possibility that some may violate the terms of their visas by overstaying the period for which the visa provides. It penalizes spouses or children of permanent residents who overstay their visas by allowing the Secretary of State to delay their permanent visa petitions for one year if visa durations are violated.

Mr. Speaker, as my colleagues may remember, last year in the Omnibus Appropriations bill, Congress took a step in alleviating this hardship. The Omnibus bill created a new V nonimmigrant visa category. This new visa would be available to spouses and minor children of legal permanent residents who have been waiting 3 years or more for an immigrant visa. The recipients of this temporary visa would be protected from deportation and granted work authorization until immigration visa or adjustment of status processing is completed.

However, while this new program has good intentions, Mr. Speaker, 3 years is still too long to be apart from one's loved ones. My bill would immediately expedite the process in allowing foreign-born immigrants to see their family for a short period of time before they are eligible for the V visa. My legislation would not nullify the V visa, but rather provide for temporary visas in the interim.

Mr. Speaker, I am hoping that this proposal will receive strong support from Members of Congress, particularly members of our Caucus on India and Indian-Americans, and other Members who agree with the need to address this inequity. The issue of spousal and child reunification has been identified as one of the top domestic priorities of the Asian-Indian community in the United States. With the India caucus members working together, enactment of this bill would be an opportunity for the caucus to make its presence felt in another substantive way. Furthermore, this proposal has already received significant support from some of America's major corporations, particularly in the information and communications sectors, who recognize the importance of allowing their valued employees to have greater contact with their families.

The bill is, by its very nature, an interim measure in order to allay some of the misunderstandings that may arise. It should be pointed out that the legislation will not result in an increase in the number of immigrants admitted annually. It will not have an impact on the labor market, and it will not have any adverse effects on any government social programs since the spouses would not be entitled to these benefits. It is a very modest proposal intended only to bring some relief to families separated by unfortunate administrative delays.

SUPPORTING FULL FUNDING FOR SPECIAL EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. ALLEN) is recognized for 5 minutes.

Mr. ALLEN. Mr. Speaker, I rise here today to support full funding of special education, not next year, not the year after, not 10 years from now, but this year. I want to begin with a few comments that should be obvious.

First, the Individuals With Disabilities Education Act of 1975 authorized Congress to cover 40 percent of the cost of special education in order to provide students with disabilities a free and appropriate education.

□ 1300

That was in 1975. It has been a long time, but we have not come close to fully funding special education.

The points I want to make at the beginning are these:

First, the mandate to provide a free and appropriate education to students with disabilities was a Federal mandate. It was passed by this Congress, and it required the States and local school districts to spend more than they had on students with disabilities. It was a Federal mandate that has never been matched by appropriate Federal funding.

Second, the funds that pass through our special education program are not spent in Washington, D.C. They are spent in local school districts in local schools for teachers, for supplies, for all those things that help strengthen our local education programs.

Third, this year the money is available. No one can say that we cannot find the money to fully fund special education this year because the size of the surpluses that are in front of us make it clear that if we do not fully fund special education it will only be because there are other priorities.

Now, when I listen to some of the rhetoric from my Republican friends on the other side of the aisle, I sometimes wonder, for this reason. We learned in school that the thighbone is connected to the hipbone, and we learned as adults that expenditures are connected to revenues. What we have coming into our family, our business, our government is matched, is related to, what our family, our business or our government spends.

But we hear our friends say that it is not the government's money, it is our money. They say things like, we do not want money spent in Washington. Well, special education funds are spent in local school districts. Our education systems belong to all of us. It is our education system, just as it is our national debt, our air traffic control system, our Medicare, our Social Security. These are the things that we own and we cherish in common.

When I have been traveling around my district back in Maine holding meetings. The number one priority of educators in Maine, of people who care about improving our public schools, is full funding of special education: Get Federal funding up to that 40 percent level. Where is it right now? It is 14.9 percent, the highest level it has ever been since 1975. It is today at 14.9 percent. That is after 3 successive years of billion-dollar increases.

We have done more in the last 3 years for special education than ever before. But today, if the tax cut that the President has proposed goes through, we will not be able to fully fund special education. In all probability, if the projections hold, we will not be able to fund it this year or next year or any time in the next decade.

So that is why we have a unique opportunity today to fully fund special education. If we do, it will help special education kids, it will help regular kids, because it will free up funding for improvements in our regular education programs; and it will provide real relief in the future for our property taxpayers, who right now, certainly in my State of Maine and around the country, are really under a great deal of pressure to fund students that they are required to fund and should be funding, but because of a mandate passed by Congress, by the Federal government, in 1975, we have never, we have never lived up to our responsibilities.

The other two items that I hear a great deal about from people in Maine who care about education have to do with how we are going to find teachers, how we are going to find, hire, and retain teachers to teach these children and how we are going to renovate and build new schools when we need to do that. But, always, special ed is at the top of the list.

I urge my colleagues on both sides of the aisle to take this historic opportunity that may not come again to fully fund special education, not next year, not 10 years from now, but this year. We can do that with $11 billion; and $11 billion as compared to the $1.6 trillion tax cut, that is no comparison at all.

There is no reason why we cannot fully fund special education this year. I urge my colleagues to do just that.

WOMEN'S HISTORY MONTH; AND THE HIV/AIDS VIRUS AS IT AFFECTS WOMEN AND CHILDREN

The SPEAKER pro tempore (Mr. GILCHREST). Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I am very pleased to be here this afternoon for this important special order to celebrate Women's History Month. I know my colleague, the gentlewoman from Illinois (Mrs. BIGGERT), will be continuing with this special order.

I would like to point out that, as we approach a new century, there is no doubt that women have made great strides in business, the professions and trades and as leaders in government. Society is the richer for it.

Although women have made enormous strides, discrimination in the workplace still exists. So does discrimination in health research and in the delivery of health care or the lack thereof, steadfastly remaining our problem, "a woman's problem." We have to continue to improve the lives of women and children, which ultimately will benefit everyone.

Mr. Speaker, we are going to hear from my colleagues the history of women's health, and I do want to say that women are not little men. I am pleased, with my colleagues many years ago, we celebrated the 10th anniversary of the Office of Research on Women's Health at the National Institutes of Health. Prior to that time, women were not included in clinical trials or protocols.

There was the famous aspirin test with regard to cardiovascular disease. It was done with about 44,000 male medical students. Yet the extrapolation was that this is the way women would be affected by it. Well, there is breast cancer, ovarian cancer, osteoporosis, lupus. We now are beginning to concentrate on research with regard to women and the implications of those diseases and diagnoses and treatments.

But I thought that I would devote my time now to speak about a silent epidemic which is not often spoken about, a kind of silent genocide, if you will, the death and dying that no one is really addressing: those that occur to women and children who carry the HIV virus and represent the growing face of the AIDS epidemic.

We are at a crossroads in the history of the AIDS epidemic. Thanks to dramatic new treatments and improvements in care, the number of AIDS-related deaths has begun to decline. However, while we have made great strides, the crisis has not yet abated. Continued research is needed to provide better, cheaper treatments and eventually a vaccine or a cure.

Remarkable medical advances have done nothing to stem the rise in new infections among adolescents, women, and minority communities. In fact, the well-publicized success of new drug therapies has encouraged some to believe that the epidemic has peaked, making it harder than ever to reinforce the need for prevention among those who are most at risk.

As a result, HIV/AIDS remains a major killer of young people and the leading cause of death for African Americans and Hispanics between the ages of 25 and 44. Across this country and around the world, AIDS is rapidly becoming a woman's epidemic. Women constitute the fastest-growing group of those newly infected with HIV in the United States. Worldwide, almost half of the 14,000 adults infected daily with HIV, for example, in 1998, were women, of whom nine out of the 10 live in developing countries.

In Africa, teenage girls have infection rates five to six times that of teenage boys, both because they are more biologically vulnerable to infection and because older men often take advantage of young women's social and economic powerlessness.

Statistics of the economic, social and personal devastation of HIV and AIDS in subSaharan Africa are staggering. Now 22.3 million of the 33.6 million people with AIDS worldwide reside in Africa, and 3.8 million of the 5.6 million new HIV infections occurred in Africa in 1999. By the year 2010, 40 million children will be orphaned by HIV and AIDS. Children are being infected with HIV and AIDS, many through maternal-fetal transmission.

Biologically and socially, women are more vulnerable to HIV and AIDS than men. Many STDs and HIV are transmitted more easily from a man to a woman and are more likely to remain undetected in women, resulting in delayed diagnosis and treatment and even more severe complications. Yet, more than 20 years into the AIDS crisis and at a time when the incidence of HIV and STDs is reaching epidemic proportions, the only public health advice to women about preventing HIV and other STDs is to be monogamous or to use condoms.

I have been working very hard and we have had many results with regard to the development of microbicides to help to prevent the spread of HIV and other STDs and have legislation to do so. So much more needs to be done.

I do hope that all of us in Congress will look at what we can do to stop that hemorrhage of HIV and AIDS, especially in women and young people.

WOMEN'S HISTORY MONTH AND WOMEN'S HEALTH ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, as we know, we proclaimed Women's History Month last week; and the topic last week was on education, women and education. Today I rise to speak about women's health issues as part of our Women's History Month series.

Since the earliest days of the Nation, women have acted as the health gatekeepers of their families. In recent years, however, it has become clear that women have significant health concerns of their own, such as breast and cervical cancer, heart disease and osteoporosis.

But women's health issues are much more than individual diseases. It is a lifespan issue, beginning with the delivery of high-quality prenatal care services to when a woman lives out of her final days, hopefully after a full, productive and healthy life.

Sadly, though, Mr. Speaker, the health of the Nation's women is severely jeopardized by preventable illnesses, inadequate access to health care, poverty, domestic violence, chronic disease and a host of other factors.

Currently, nearly 18 percent of nonelderly women have no health insurance. Even worse, more than 30 percent of Hispanic women and nearly 25 percent of African American women between the ages of 19 and 24 have no health insurance.

Cardiovascular disease is the number one cause of death among all women. Lung cancer is the number one cancer killer of women, and its rate continues to increase. Battering is the number one cause of injury to women today, causing more injuries that require medical treatment than car crashes and mugging combined.

In addition, one study found that 25 to 45 percent of battered women experience physical violence while they are pregnant.

Much shame, Mr. Speaker. So much work needs to be done to help alleviate these startling statistics. There needs to be increased funding and more major national projects for women's health research, services and education. There is also a need to be a focus on women's health through the life cycle: adolescent, reproductive, middle-aged and older women, since their needs are different.

Last but not least, Mr. Speaker, we need to work to eliminate barriers to health care services for underserved women.

Mr. Speaker, much work has been done in the last couple of decades concerning research and education about women's health, but there is much more to be done. When the President spoke at the State of the Union, he mentioned an increase in funding for NIH. I was pleased to hear that, because I felt that we can have an increase in funding for cervical cancer, breast cancer, lung cancer, heart disease and diabetes. So Mr. Speaker, I will be introducing a bill suggesting the increased funding for those areas.

I would also call on the President to provide the health insurance for those over 10 million children who are without health insurance and the women who are without health insurance.

So, as we celebrate Women's History Month, let us be mindful of the need for increased funding for women's health.

WOMEN'S HISTORY MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. BIGGERT) is recognized for 5 minutes.

Mrs. BIGGERT. Mr. Speaker, as the Republican co-chair of the Congressional Women's Caucus, I am very excited about what the 107th Congress promises for women, particularly in the area of health care. There have been great strides made in recent years in the area of women's health care, and I think that since the month of March is Women's History Month, I would like to thank my colleagues from the Congressional Women's Caucus who are taking the time to come down here this afternoon out of their busy schedules to discuss women's health issues.

□ 1315

I think that a number of women will be discussing issues from eating disorders, breast cancer, and long-term care; and these are issues that affect all women, no matter their age, race, nationality or sexual orientation. I commend my colleagues for continually taking the lead on these important issues and look forward to continuing our work in the 107th Congress.

Mr. Speaker, I would like to, I think, look at one issue, but I cannot begin really without talking about that, for the first time in history, that the House Subcommittee on Health will be chaired by a women, the gentlewoman from Connecticut (Mrs. JOHNSON), our friend and colleague. That is very fitting when the issues that affect women have become so dramatic.

One of the issues that I would like to address in the area of women's health care that I care deeply about is long-term care. I think long-term care has long been called the sleeping giant of all U.S. social problems. This issue affects all Americans but particularly women for three reasons: Number 1 is we live longer; number 2, we are the ones who take care of our aging relatives; and, number 3, we are much more likely to retire with little or no pension savings. That makes us especially vulnerable to the high costs of long-term care.

The Census Bureau estimates that there are currently 34 million Americans aged 65 and older living in the United States. By 2030, that number is expected to more than double to 70 million, some 20 percent of the population. The fact that Americans are living longer and living more healthy lifestyles than at any time before should be celebrated. However, it does present a challenging public policy problem.

These numbers demonstrate the demand for long-term home or institutional care is going to grow exponentially. Neither the public nor the private sectors have adequately planned to meet the overwhelming future demand for long-term care services.

We must increase the public's awareness of the importance of preparing for long-term needs, as well as encourage individuals to save for their future, to invest in IRAs and mutual funds and to purchase long-term care insurance policies.

In addition, we must encourage employers to provide long-term care coverage as part of their employee benefit plans.

This is why I plan to reintroduce legislation that I introduced in the 106th Congress, the Live Long and Prosper Act, Long-term Care and Retirement Enhancement to address this issue.

There are several ways my bill addresses the problem facing long-term care.

First, my bill provides an above-the-line deduction, starting with 60 percent in 2002 and rising to 100 percent in 2006, for the cost of long-term care insurance premiums paid during a given year for the taxpayer, his or her spouse and dependents.

These provisions will make long-term care insurance more financially accessible, particularly for the young and those with lower incomes.

Second, my bill gives employers the option of providing long-term care insurance coverage as part of a cafeteria plan, in which employees are able to choose from a variety of medical care or other benefits, or flexible spending account, in which employees set aside pretax dollars for copayments or deductibles on insurance plans.

Third, my bill provides an additional personal exemption to the estimated 7 million Americans who provide custodial care to an elderly relative living in their home. The exemption was valued at $2,750 in 1999 and should help to alleviate some of the financial burdens involved with caring for a loved one at home.

These are just a few of the provisions of the bill, and they represent a market-based solution to an ever-growing demand for long-term care services and financing. But the financial incentives alone will not be enough to address the potential long-term care delivery and financial crisis.

Mr. Speaker, I urge all of my colleagues to take a look at that bill and to look at the women's health issues that are involved therein.

MANAGED CARE REFORM—MEDICAL NECESSITY

The SPEAKER pro tempore (Mr. GILCHREST). Under a previous order of the House, the gentleman from Texas (Mr. GREEN of Texas) is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Speaker, I would like to congratulate my colleagues, the congressional women, for making this effort today for special orders for women's health care. I would like to associate myself with their remarks, because everything they have said on a bipartisan basis is so important.

The reason I am here today, Mr. Speaker, is that the third time I have talked about the importance of managed care reform, real managed care reform, 3, 4 weeks ago I talked about the independent review process, and the accountability 2 weeks ago, and today I want to talk about medical necessity.

Every patient in America deserves to have important medical decisions made by his or her doctor, not by an HMO bureaucrat. Unfortunately, managed care personnel, who often have no substantial medical training, are determining what is medically necessary.

This practice endangers patients, threatens the sanctity of the doctor-patient relationship and undermines the foundation of our health care system.

Most managed care companies base treatment decisions on professional standards of medical necessity. But we often hear cases where HMO plans write their own standards into their contracts, and these standards often conflict with the patients' needs.

The case of Jones v. Kodak clearly demonstrates how a clever insurance health plan can keep patients from getting the needed medical care.

Mrs. Jones' employer provided health insurance coverage for in-patient substance abuse treatment. Unfortunately, the health plan determined that she did not qualify for this treatment. Even after an independent reviewer stated that the plan's criteria was too rigid and did not allow for tailoring of case management, Mrs. Jones was still denied treatment.

To add insult to injury, the courts stated that the health plan did not have to disclose its protocols or its rationale for making that decision.

A health plan's decision does not have to be based on sound medical science, standard practices or even basic logic. In fact, a health plan can make medical necessity decisions using this child's toy called the Magic 8 Ball and not have to disclose the rationale, and when you turn this around and it says what do they suggest you are going to do, this is no way to practice medicine in our country.

Mr. Speaker, unless Congress enacts meaningful patient protection legislation, the outlook will not be good for our patients.

H.R. 526, the Bipartisan Patient Protection Act will ensure that treatment decisions are based on good medical practice and take individual patient circumstances into account.

This legislation will protect patients from arbitrary and capricious decisions and will put health care decision-making back in the hands of the doctors and the patients. The patients should not have to be behind this eight ball when it comes to their health care, and we should not have to depend on the system that is patterned after this Magic 8 Ball when it says do not count on it for adequate health care treatment.

Congress must act now to protect them.

WOMEN'S HEALTH ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. CAPPS) is recognized for 5 minutes.

Mrs. CAPPS. Mr. Speaker, I want to commend my colleagues, the cochairs of the Women's Caucus in Congress, the gentlewoman from Illinois (Mrs. BIGGERT) and the gentlewoman from California (Ms. MILLENDER-MCDONALD), for organizing this time to speak on women's health issues.

Mr. Speaker, I am pleased that many members of the Women's Caucus are participating today on this important topic.

As a nurse, I have made access to health care one of my highest priorities in Congress, and I think it is particularly important to focus attention on women's health.

Last year, we had a number of victories for women's health. The House was able to pass the Breast and Cervical Cancer Treatment Act. This legislation will allow us to provide the necessary resources for low-income women to fight these deadly diseases. We were also successful in reauthorizing the Violence Against Women Act.

These are two major accomplishments, but we still have such a long way to go. Until recently, women's health resources were often concentrated on women during their reproductive years. However, with the average life expectancy of women now in the United States approaching 80 years, it is increasingly clear that we need the resources to protect a woman's health at every stage of development.

Each new life stage poses its own unique developmental demands upon a women's body. This is why further research on women's health is so critical. Certain diseases and conditions are more prevalent among women than in men or affect women differently. Studies show that women are suffering from heart disease, breast cancer and depression at alarming rates. And as women live longer they are more likely to suffer from chronic conditions such as arthritis, diabetes and osteoporosis.

There are countless initiatives here in Congress that seek to improve the health of women. I want to touch on just a few.

For example, President Bush's recent reinstatement of the Mexico City policy is, I believe, a huge step backwards for millions of women around the world.

The Mexico City language imposes a gag rule on other countries who wish to use their own reproductive resources for abortion and instead use the needed assistance from the United States to assist with family planning.

Family planning saves lives by helping women plan their pregnancies for the healthiest and safest time. Of course, in so doing, it reduces the need for abortions.

As my colleague, the gentleman from Texas (Mr. GREEN), was just speaking about, we need to pass the Patients' Bill of Rights. This legislation would guarantee that patients and doctors control critical health care decisions, not HMOs. This will improve health care options for millions of American women.

We also need to provide prescription drug coverage for Medicare recipients. The majority of seniors are women, and many of them cannot afford the skyrocketing costs of multiple prescriptions.

Proper treatment of depression and mental illness is another important issue for women. Depression afflicts twice as many women as men.

As many as 400,000 women each year suffer from postpartum depression alone. We need to raise awareness about postpartum depression in order to lower the chances that women and their families will suffer from this condition.

Parity for mental health is another important topic and an issue that affects women. It is time that health insurance plans recognize mental illness as just that, an illness.

I am so pleased that courageous women like Tipper Gore and the gentlewoman from Michigan (Ms. RIVERS), our own colleague here in Congress, have worked hard to increase public awareness about mental illness and to work on destigmatizing depression.

Another major concern for health concern for women is hypertension. It is a major risk factor in cardiovascular disease, and it is two to three times more common in women than in men.

Mr. Speaker, I am now the cochair of the Congressional Heart and Stroke Coalition, and I am working closely with American Heart Association to raise awareness of and response to cardiovascular disease and stroke.

This spring here in the House of Representatives we will be conducting some hearings on the effect of women and heart disease together. Increased research on these and other women's health issues can and will improve the quality and length of our lives.

Mr. Speaker, I, along with my colleagues in the Women's Caucus, are committed to raising awareness about women's health issues and to increase funding for women's health research; and today is an opportunity for us to speak on different topics but with a united voice. We, colleagues in the Women's Caucus and men as well and Members of Congress, are talking about and raising the awareness of issues pertaining to women's health.

HEALTH INITIATIVES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, I rise today to speak about the state of public health in America. Although we know more about health hazards and the importance of a healthy life-style today than we did 25 years ago, our health is actually getting worse in many respects.

Chronic diseases account for three out of four deaths in the United States annually; and 100 million Americans, more than a third of the population, suffer from some sort of chronic disease.

Chronic conditions are on the rise. The rate of learning disabilities rose 50 percent in this last decade. Endocrine and metabolic diseases such as diabetes and neurologic diseases such as migraine headaches and multiple sclerosis increased 20 percent between 1986 and 1995.

The rising incidence of disease can be attributed partly to the environment. This means not only air pollution and the rising CO_2 levels, which affect the quality of the air we breath, but factors such as industrial chemicals and plasticizers, increased exposure to low-dose radiation from sources that range from toasters to aircrafts, certain medications which affect the hormone production, and especially a person's life-style, including the diet, tobacco and alcohol use.

Mr. Speaker, I was proud recently to introduce the Women's Health Environmental Research Centers Act, a bill that enhances scientific research in women's health.

□ 1330

There has been a lack of initiatives to especially look at women's health in connection with the environment. Women may be at a greater risk for disease associated to environmental exposures due to several factors, including body fat and size, a slower metabolism of toxic substances, hormone levels, and, for many, more exposure for household cleaning reagents.

Over the past decade, evidence has accumulated linking effects of the environment on women and reproductive health, cancer, injury, asthma, autoimmune diseases such as rheumatoid arthritis and multiple sclerosis, birth defects, Parkinson's, mental retardation and lead poisoning. Lead and other heavy metals found in the environment have been implicated in increased bone loss and osteoporosis in post-menopausal women.

In one interesting study in New York, researchers found that women carrying a mutant form of a breast cancer gene are at higher risk of developing breast or ovarian cancer if they were born after 1940, as compared to women with the same mutant genes before 1940. This suggests that environmental factors are affecting the rates of incidence.

The interaction between environmental factors and one's genes also affect the susceptibility to disease. This will be a major area of research now that the Human Genome Project has been completed and new disease-related genes are being found at a rapid pace.

The evidence is clear and accumulating daily that the by-products of our technology are linked to illness and disease and that women are especially susceptible to these environmental health-related problems.

We need health research programs that are specifically targeted towards women's health. The passage of the Women's Health Environmental Research Centers Act will be a crucial step toward establishing the valuable and needed basic research on the interactions between women's health and environment.

The second initiative needed is to increase awareness and access for Americans to preventive screening tests for diseases such as cancer. Screening will save thousands of lives if it is detected at its earliest and most treatable stage.

I will soon introduce, along with the gentlewoman from Maryland (Mrs. MORELLA), the Colorectal Cancer Screening Act. Often colorectal cancer does not present any symptoms at all until late in the disease's progression. When discovered through screening tests, benign polyps can be removed, preventing colorectal cancer from ever occurring. But, unfortunately, fewer than 40 percent of colorectal cancer patients have ever their cancer diagnosed early.

Colorectal cancer is the second leading cause of cancer death in the United States for men and women combined. An estimated 56,700 people will die from colorectal cancer this year; and 135,400 new cases will be diagnosed. These newly diagnosed cases that will be divided nearly evenly among men and women are particularly tragic because they could be prevented.

Medicare began covering colorectal cancer screening in 1998, and many insurers now cover them also. However, all insurers must give enrollees access to this life-saving benefit, similar to what has been done for mammography screening.

Finally, I would like to mention that Congress has asked the Centers for Disease Control to develop a nationwide tracking network so we can begin to draw the critical link between disease and environmental toxins, genetic susceptibility and life-style. The Women's Caucus followed up with a letter to the CDC director, Jeffrey Koplan, to reiterate our interest in this important initiative.

Although we do not have cures for the most devastating disease that affects women, we can minimize our chances of developing them or at least prolong the years that we are healthy by the understanding of the risk factors, both environmental and genetic, as well as taking control of our health by having preventive screening tests before it is too late.

As a public servant and a scientist, I believe that one of the most important concerns of Congress should be to help to promote America's public health. Congress should commit itself to provide all Americans access to medical technologies that save lives, and Congress must provide continued funding for scientific research across all disciplines.

NEW ADMINISTRATION IS NOT SERIOUS ABOUT ADDRESSING GLOBAL CLIMATE CHANGES

The SPEAKER pro tempore (Mr. GILCHREST). Under a previous order of the House, the gentleman from Washington (Mr. INSLEE) is recognized for 5 minutes.

Mr. INSLEE. Mr. Speaker, I, as a Democrat, have an admission to make. I have come before the House to admit that I was fooled into believing that the new administration was actually serious about doing something about global climate change. I was fooled into having hopes that this administration would abide by its promises to show some leadership to do something about carbon dioxide, which is polluting our atmosphere and warming our planet.

I had those hopes until yesterday. I want to tell my colleagues why I had those hopes. The new director of the Environmental Protection Agency, former Governor Christie Todd Whitman, said last week that she wanted to work to do something to reduce carbon dioxide emissions from our polluting plants. A few weeks ago, the Secretary of the Treasury said that he believed that this was a serious problem, that it needed to be addressed, and the government could no longer afford to ignore it.

The President of the United States last September told the American people and promised the American people that, if elected President of the United States, he would work to curtail carbon dioxide emissions from our power generating plants in this country. A promise, a pledge, a commitment that yesterday was sadly broken when he bowed down to the oil and gas industry and said he was not going to lift a finger to reduce these CO_2 emissions, to reduce the pollution that is coming out of our plants.

I was fooled, and I am greatly disappointed. But I have not given up, and the reason I have not given up is because I believe that there are good Members on both sides of the aisle in this Chamber who are willing to show some leadership in moving forward on climate change issues.

I am just alerting Members of the House to this fact that I do not think we can look to leadership from the White House on this after yesterday's stunning reneging on a promise to the American people, and that we need to show some leadership.

I am telling the House this because, if we are going to have action by the Federal Government of doing something about the climate change problem in this country, we in the House are going to need to get out in front of this issue.

I know there are Members on both sides of the aisle who are willing to do this. The gentleman from Maryland (Mr. GILCHREST), who is in the chair today, has shown a recognition and some leadership in this regard.

To do this, I am urging my fellow Members to do a few things: first, to join our Global Climate Change Caucus, a bipartisan group of Members who are committed to finding common sense and workable means of reducing climate change emissions.

Second, I would ask our Members during this tax cut debate that is going on that, no matter what happens in the tax cut, we devote a portion of it to creating incentives for efficient clean energy sources of new technology, wind, solar, fuel cell technology; to bring those technologies to market-based prices; and to use this tax cut debate in a meaningful way on an environmental basis.

I ask Members to join the bipartisan group that is working to try to fashion some package of tax cuts that can help these new technologies become a market base so that we can put them in our homes and our houses.

I ask Members to cosponsor a bill I have called the Home Energy Generation Act that will allow one when one puts a solar panel on one's home to sell one's excess power back to one's utility and have one's meter run backwards so one gets a credit.

There are a lot of things we can do, but I am urging Members of the House to come to the forefront and be leaders because there is going to be a vacuum, unfortunately, out of the White House.

Let me tell my colleagues another thing very disturbing that happened yesterday. The President of the United States, when he decided to ignore the explicit promise to the American people on this CO_2 emission issue, said the reason he did so was because he was concerned about prices of electricity going up.

Well, frankly, that is a surprise to us because, for the last 2 months, we have been asking the President of the United States to do something about electrical prices in the West, and he has refused to do anything about it.

We have asked him to adopt a short-term wholesale price cap, to have a circuit breaker to reduce these extraordinary price increases that we are having on the western United States right now. He has refused to even consider it.

We let the greatest transfer of wealth from the western United States to generators of electricity since Bonnie and Clyde roamed the prairies because of these huge run-ups in prices, unprecedented, unjustified, and unreasonable. By the way, this is not just me talking. Our own FERC, the Federal Energy Regulation Commission, under the Bush administration made a finding that these prices were unreasonable, unconscionable. I think unconscionable is my language, but at least they said unreasonable.

Despite that finding, the administration has refused to lift a finger to limit these extraordinary increases in electrical rates. We believe we are going to ask the administration, we have been asking for 2 months to do that.

Let me tell my colleagues why that is so dangerous, Mr. Speaker. I am going to read from the Wall Street Journal article in yesterday's paper, which I will now summarize. We have the possibility of losing 43,000 jobs, this the State of Washington alone, if the administration does not work with this Congress in a bipartisan fashion to adopt wholesale price caps. I hope all my Members will join me in this effort.

CONGRESS NEEDS TO KEEP ITS 25-YEAR PROMISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MOORE) is recognized for 5 minutes.

Mr. MOORE. Mr. Speaker, I have been in Congress for 2 years, and I have learned a lot of things after I got here. For example, 25 years ago, the Congress passed and the President signed into law a new bill called IDEA, which stands for Individuals With Disabilities Education Act. In that new law, the Congress promised to the State and local school districts, if they would take special-needs children out of hospitals and institutions and bring them into local public schools, that Congress and the Federal Government would fund the cost of education to the tune of 40 percent.

Mr. Speaker, 25 years later, last year, Congress was up to 14.9 percent, not 40 percent, 14.9 percent; and that is outrageous. That is what we call an unfunded mandate, and that is what gets people back home in the real world so upset with Congress. They promised that they would do this and that. The people locally did this, and Congress did not fulfill their portion of the promise.

Well, 25 years later, Mr. Speaker, I think it is time that Congress stepped up it the plate and filled the promise it made 25 years ago.

I wrote President-elect at the time Bush on January 25 and said to President-elect Bush: "I hope you will set this a priority funding measure in your new budget as the new President."

I had the opportunity 4 weeks ago to go to the White House and speak with President Bush; and at that time, I said to him, "Mr. President, this is one of the most important things we can do that I think will beneficially affect education, not only through every State, but throughout our Nation in public schools; and that is full funding of special education the way Congress promised 25 years ago."

The President said, "I understand, but we would like to have a little more flexibility and give the States and local school districts an opportunity if they need to build schools or use it for special education." Well, 25 years later, again, somebody needs to speak up for special needs children and say Congress should fulfill its promise.

The President has a program he calls Leave No Child Behind. Well, I say to the President that, if we do not do this when we have the opportunity this year or next year, then we will never do this. We will not leave one child behind. We will leave thousands of children behind, and that is disgraceful.

We have projected by the Congressional Budget Office over the next 10 years a budget surplus of $5.6 trillion. The President has recommended a $1.6 trillion tax cut. Surely if we can find the political will to do a $1.6 trillion tax cut, we can find the political will and the backbone to fund a program that is 25 years old for special-needs children in our country.

It does not impact just special-needs children. It will affect virtually every child in public schools in our country, because I have talked throughout my district in every school district throughout my district to school administrators and teachers; and a disproportionate share of the present school funding goes to special-needs children. Nobody begrudges that. God knows they need it. But sometimes the people who are shortchanged are the other kids, and not one child in our public schools should be shortchanged by Congress' failure to perform its promise.

This is not a partisan issue. When one looks at a special-needs child, one does not see a Republican, one does not see a Democrat, one sees a child, a child with needs, and needs that should be addressed by this body.

If at this time in our Nation's history, when we have these huge projected surpluses, we do not step up to the plate and fulfill our promise, shame on us. Shame on us. I hope and believe that the President and the Congress this year will do the right thing.

I talked just yesterday before the Committee on the Budget hearing to Secretary of Education Paige, and Secretary Paige told us that the President had recommended an increase in funding in special education, but far short of the promise Congress made 25 years ago.

We have got to do what is right. I hope and believe we will do what is right. We are a better Nation than the way we have acted for the last 25 years.

☐ 1345

LACK OF HEALTH INSURANCE FOR LOW-INCOME WOMEN

The SPEAKER pro tempore (Mr. GILCHREST). Under a previous order of the House, the gentlewoman from California (Ms. SOLIS) is recognized for 5 minutes.

Ms. SOLIS. Mr. Speaker, today I rise to talk about the deplorable lack of health insurance for low-income women. Nearly 4 in 10 poor women are uninsured. Four in ten.

We know that health care coverage is critically important for low-income women because they cannot afford to pay for health care out of their own pockets. Without health insurance, women may decide not to get needed health care because they cannot afford it. Despite the fact that our country has experienced large economic growth over the past few years, the proportion of low-income women who are uninsured actually rose 32 percent to 35 percent. Clearly, our Nation's economic growth has not reached all segments of our society.

This problem is even more pronounced for immigrant and minority low-income women. Mr. Speaker, 51 percent of low-income Latinas are uninsured. That is more than half. Among uninsured Latino adults in fair to poor health, 24 percent of women have not visited a doctor in the past year. These are women who are not in good health yet nearly a quarter of them have not seen a doctor in 12 months. 42 percent of low-income Asian-American women are uninsured.

Nearly 1 in 5 low-income women are immigrants, and over half of those are noncitizens and they are uninsured. Without health insurance, where can they go for quality health care? Less than a quarter of low-income noncitizen women have job-based health coverage.

Medicaid, or Medi-Cal as we know it in California, has traditionally been a source of support for these women, helping them to receive needed health care services. Unfortunately the changes made in the 1996 welfare law hurt low-income women. The 1996 welfare law separated Medi-Cal from welfare and put new requirements on people receiving cash assistance.

Although the new law pushed people into leaving welfare and onto the job rolls, many of those jobs are low skilled and low paying. Many of those women remain without any form of health care coverage and so do their families. Let us provide them with affordable health care.

CARDIOVASCULAR DISEASE, NUMBER ONE KILLER OF WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

Ms. CARSON of Indiana. Mr. Speaker, I am pleased to address this august body and this Nation in celebration of Women's History Month. As we celebrate women's history, we have many women who have made major contributions to the advancement of this country. We have Sojourner Truth, Harriet Tubman, Rosa Parks and Barbara Jordan, and other women who have been enormously progressive in terms of advancing the work and the lives of people across this Nation.

In Women's History Month, however, we must remember the importance of keeping women's bodies healthy. Cardiovascular diseases are the number one killer of women. These diseases currently claim the lives of more than 500,000 women a year. Although these statistics are enormous, many women still are not aware of their risk for heart disease. Why is this the case. Studies have shown that women and doctors may not know that cardiovascular disease is the main killer of women, the leading cause of death among women, not breast cancer, or any of the other diseases that we try to find cures for, but cardiovascular disease is the main killer of women.

Women and doctors may not realize the risk factors for cardiovascular disease because it is different in women than men. Women's symptoms of cardiovascular disease may not be recognized because they may be different than men, and women do not receive the same levels of prevention, care and treatment as men. It is important that women understand the risks, recognize the symptoms and reduce the risk of a heart attack. We must also ensure that doctors are provided with the proper educational tools and sensitivity understanding that they need in order to help women make the right decisions about their health and well-being.

It is time, I believe, to reduce the numbers and to focus on living healthy and productive lives. Knowledge about our health is powerful, and working towards having and keeping good health is the first step in living a powerful and productive life.

WORKING WOMEN DESERVE HEALTH INSURANCE COVERAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Wisconsin (Ms. BALDWIN) is recognized for 5 minutes.

Ms. BALDWIN. Mr. Speaker, it is estimated that 19 percent of women in the United States lack health insurance coverage. Women and their children are disproportionately represented among the Nation's uninsured population, primarily due to the number of women in service jobs and retail jobs which have low rates of employer-provided insurance and lower wages. Many working women have part-time jobs where health benefits are not offered by the employer or cannot afford the premiums to purchase the insurance.

Women who are insured through their spouse's employment are often more susceptible to disruptions in health care coverage. Divorce, death of a spouse, change in job status of a spouse or a change in the dependent coverage through an employer could result in a woman and her children losing health insurance.

We also know that women are living longer, yet the quality of their lives is not always better. Women are more likely to be uninsured than men, and this lack of health insurance is a public health risk.

Studies show that people without health insurance are less likely to receive care and more likely to delay seeking care for acute medical problems. This ultimately adds to the cost because in many cases their medical conditions become more serious producing adverse outcomes that will need extensive follow-up care. Uninsured individuals are less likely to receive primary care or preventive services, which would keep medical conditions from becoming worse.

We all know that women who are diagnosed with breast or gynecological cancers at a later stage are more likely to die from those conditions and diseases than those who detect it early. This is an even greater health risk because we know women disproportionately take care of the family. And as caretakers, women simply do not have the time to be sick. That is why education and prevention and proper health insurance is so vital.

Working women deserve health insurance coverage for themselves and for their children. I am optimistic that we can begin to address the problem of the 43 million people in America who are uninsured and the many more who are underinsured, so that no man, woman or child in this country has health care needs that are not being addressed. No one should be left behind.

GLOBAL WARMING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, headlines in USA Today scream: "Global Warming Is Evident Now." U.S. News and World Report's cover story proclaims: "Scary Weather: Scientists Issue a Startling Forecast of Global Climate Change," and they feature a picture of the Earth surrounded by stormy weather.

On television, we see chunks of ice the size of Connecticut breaking off of the Antarctic ice shelf and melting. The New York Times shows us the North Pole as a lake. Glaciers are melting and the snows of Kilimanjaro will soon become a memory.

Mr. Speaker, mosquitoes are living at higher altitudes than they have ever been seen before because it is warmer. Tropical bugs are moving north along with the diseases they carry. And if Iowa, my home State, becomes tropical, will dengue fever or malaria become a problem?

The oceans are warmer and coral reefs are dying. Will we see the oceans rise from one to three feet and flood the 70 percent of the United States population that lives within 50 miles of the ocean? Will global warming cause extreme weather, with droughts in some areas and floods in others? Will heat waves hit cities like Chicago and cause hundreds of deaths?

Will Iowa's farmers find that rainfall comes in monsoons and that growing zones are pushed hundreds of miles north? Will tropical agricultural pests that we have never seen before become common in Iowa? What will global warming do to the world's food supply? Will we see widespread famine?

Will global warming destabilize nations and become a national security problem? Will it cause massive migrations from some countries to others? Will we see a further gap between rich nations who can cope better with climate changes than poor nations that cannot handle disasters?

Mr. Speaker, what is global warming? Is it real? How do we deal with it? Can we alter it? Will it require lifestyle changes? Should we be afraid?

On the other hand, Mr. Speaker, anyone who has paid their most recent monthly energy bills knows that energy prices this winter have gone through the roof. The Des Moines Register headlines proclaim that "Iowans Are Hurting From High Prices."

Every national weekly news magazine has stories on the shortages of energy. California is going through rolling blackouts now, and we could see those types of blackouts around the country this summer if we have hot weather.

Fifty percent of the electric energy in this country is produced by coal, which releases four times as much carbon dioxide in the atmosphere per Btu as natural gas, but natural gas prices are at all-time highs because of the shortages of supply. And the greenest of energy resources, nuclear, is hobbled because we cannot store its waste in a safe place in the desert.

We have only been working on this for about 10 or 15 years in Congress. So, Mr. Speaker, what does a policymaker do? How do we, in a democracy, deal with immediate concerns that are causing real hardships, while at the same time look for long-term solutions to potential problems?

□ 1400

Well, my friends, the first thing we have to have is an educated public; and I might add to that, we need educated lawmakers. I want to learn from my constituents, and I want to learn from my colleagues, and I want to learn from experts on this issue, and so I hope that some of my following thoughts will stimulate discussion.

One thing is for sure, Mr. Speaker, and that is that the debate on global warming has generated an awful lot of heat. The unknown can generate much fear. But I think that the more we talk about this issue in a rational way, the better off we will be. Problems present opportunities for solutions that may be beneficial in unforeseen ways if we are creative. So let us look at some of the science and some of the facts.

The Earth's temperature is rising. That is a fact. According to the National Academy of Sciences, the surface temperature of Earth has risen about 1 degree Fahrenheit in the last 100 years. Some regions around the Earth have become warmer. Others have become colder. But if you take all of the Earth in aggregate, including the oceans, the Earth is getting warmer, and it is getting warmer faster than ever before measured.

It is also a fact that carbon dioxide, CO_2, atmospheric concentrations have increased about 30 percent since they were first recorded; and in the last 50 years, the concentrations are increasing faster and faster. That, Mr. Speaker, is a scientific fact that no one disputes. Whatever your position on global warming is, no one disputes those facts.

And no one disputes, Mr. Speaker, that carbon dioxide, CO_2, is a greenhouse gas. You do not have to be a scientist to understand how the greenhouse effect works.

Under normal conditions when the sun's rays warm the Earth, part of that heat is reflected back into space. The rest of the heat is absorbed by the oceans and the soils and warms the surrounding areas, and that makes our weather. But the recent buildup of carbon dioxide in the atmosphere traps heat that otherwise would be reflected back into space. The resulting warmth expands ocean water, causing sea levels to rise. The heating also accelerates the process of evaporation, even as it expands the air to hold more water. The resulting water vapor, the largest component of greenhouse gases, traps more heat, making for a vicious cycle. The more heat is trapped, the more intense the greenhouse effect.

The international panel of planet scientists that is considered the most authoritative voice on global warming has now concluded that mankind's contribution to the problem is greater than originally believed. Earlier reports said that man-made fossil fuels like coal and oil had probably contributed to the gradual warming of the earth's atmosphere by releasing CO_2 trapped beneath the Earth into the atmosphere. The intergovernmental panel on climate change's latest report, with inputs from thousands of scientists around the world and reviewed by 150 countries, more confidently asserts that man-made gases have "contributed substantially to the observed warming over the last 50 years."

During the presidential campaign, President Bush said, "Global warming should be taken seriously but will require any decisions to be based on the best science." Today, Vice President CHENEY told me that he thinks global warming is a serious problem, too. I appreciate their concern.

Mr. Speaker, let me read from President Bush's letter to Senator HAGEL:

"My administration takes the issue of global climate change very seriously." He talks about various things related to the energy crisis but then closes with this statement. President Bush says, "I am very optimistic that with the proper focus and working with our friends and allies we will be able to develop technologies, market incentives and other creative ways to address global climate change."

The President and the Vice President are not alone in their concern. In the last year, Ford, DaimlerChrysler, Dow Chemical, IBM, and Johnson and Johnson have pledged to make big cuts in the greenhouse gases they produce.

Recently, DuPont, Shell, British Petroleum and four other multinational energy companies joined in a voluntary plan to reduce wasteful use of energy and to produce cleaner products. They would like to get credit for their reductions in CO_2.

Just last year, I attended a conference put on by the Iowa Farm Bureau. They held a symposium on carbon sequestration and how farmers can get credit for reducing CO_2. The chief executive officer of enRon, one of our country's largest energy companies, has said, "First, the science, although not conclusive, is substantial, and the absence of ironclad certainty certainly does not justify apathy. Second, the cost of obtaining dead certain proof could be high. And, third, I believe that with the right policy, such as carbon credit trading programs and incentives to start reducing emissions sooner rather than later, the cost of control for the next 5 years would be negligible."

Mr. Speaker, let me say a few words about the Kyoto Treaty on global warming which would attempt to reduce worldwide carbon dioxide emissions. I have traveled to many Third World countries. They are among the worst polluters. I remember in Lima, Peru, at rush hour hardly being able to see four or five blocks and hardly being able to breathe the air because of the pollutants. Friends tell me that Beijing is even worse.

Now it is true that the United States consumes about 25 percent of the world's energy, but it is also true that our country has invested significantly in energy efficiency and cleaner air. For example, Iowa industries such as Maytag are actually significantly prospering because they have invested in developing energy efficient products. Iowa also leads the country in the production of renewable fuels, like ethanol which recycles carbon dioxide; and Iowa is also a leader in the production of electricity by wind power.

Now, an international treaty has to treat all participants fairly or you will not get compliance. I do not believe that the Kyoto Treaty as it stands today does that. I would have voted with Senator GRASSLEY when the Senate rejected the Treaty 95–0. I think that we need to improve that Treaty.

But, in the meantime, there is much that we can do, both individually and collectively, to help reduce carbon dioxide emissions and to reduce energy consumption. There are many steps that we could do in our own homes to reduce leakage of heat for energy efficiencies, common things that certainly with the high energy costs now would prove cost effective.

I think that collectively through public policy we should promote renewable fuels such as ethanol, promote wind power, fuel cells, geothermal and other 21st century technology. We should invest, both privately and through public grants, in energy efficiency technology. We should look at setting up a carbon credit trading system similar to the acid rain system that has worked so well. We should start to reduce carbon dioxide emissions now by rewarding people for saving energy, and we should try to build a culture that identifies and corrects inefficient use of resources.

If the global warming problem turns out to be not so serious, then, Mr. Speaker, at the least we have helped make our country's industry more competitive with lower energy costs. If the problem becomes more severe than expected, we can phase in larger reductions in greenhouse gases.

Mr. Speaker, as a physician, before I came to Congress, I think this is one area where an ounce of near-term prevention will be worth a lot more than a pound of cure later on. I hope that my colleagues and constituents share their thoughts with me on this issue.

Mr. Speaker, I want to talk for a few minutes today about what I think is the number one public health problem facing the country, and that is the death and morbidity associated with the use of tobacco. I want to discuss why the use of tobacco is so harmful, what the tobacco companies have known about the addictiveness of nicotine in tobacco, how tobacco companies have targeted children to get them addicted, what the Food and Drug Administration proposed, the Supreme Court's decision on FDA authority to regulate tobacco, and on bipartisan legislation that I and the gentleman from Michigan (Mr. DINGELL) will introduce tomorrow that would give the Food and Drug Administration authority to regulate the manufacture and marketing of tobacco.

Mr. Speaker, the number one health problem in our country, the use of tobacco, is well captured in this editorial cartoon that shows the Grim Reaper, big tobacco, with a cigarette in his hand, a consumer on the cigarette, and the title is, "Warning: The Surgeon General is right."

Here is some cold data on this peril. It is undisputed that tobacco use greatly increases one's risk of developing cancer of the lungs, the mouth, the throat, the larynx, the bladder, and other organs. Mr. Speaker, 87 percent of lung cancer deaths and 30 percent of all cancer deaths are attributed to the use of tobacco products. Tobacco use causes heart attacks, causes strokes, causes emphysema, peripheral vascular disease and many others. More than 400,000 people die prematurely each year from diseases associated and attributable to tobacco use.

In the United States alone, tobacco really is the Grim Reaper. More people die each year from tobacco use in this country than die from AIDS, automobile accidents, homicides, suicides, fire, alcohol and illegal drugs combined. More people in this country die in 1 year from tobacco than all the soldiers killed in all the wars this country has ever fought.

Mr. Speaker, treatment of tobacco-related illnesses will continue to drain over $800 billion from the Medicare trust fund. The VA spends more than one-half billion dollars each year on inpatient care of smoking-related diseases.

But these victims of nicotine addiction are statistics that have faces and names. Before coming to Congress, I practiced as a surgeon. I have held in these hands the lungs filled with cancer and seen the effects of decreased lung capacity on patients who have smoked. Unfortunately, I have had to tell some of those patients that their lymph nodes had cancer in them and that they did not have very long to live.

□ 1415

As a plastic and general surgeon, I have had to remove patients' cancerous jaws, like this surgical specimen. The poor souls who have had to have this type of surgery to have their jaws removed go around like the cartoon character Andy Gump. Many times, they breathe through a hole in their throat. I have had to do some pretty extensive reconstructions on patients who have lost half of their face to cancer. I have reconstructed arteries in legs in patients that are closed shut by tobacco and are causing gangrene, and I have had to amputate more than my share of legs that have gone too far for reconstruction.

Mr. Speaker, not too long ago, I was talking to a vascular surgeon who is a friend of mine back in Des Moines, Iowa. His name is Bob Thompson. He looked pretty tired that day. I said, Bob, you must be working pretty hard. He said, Greg, yesterday I went to the operating room at about 7 in the morning, I operated on 3 patients, I finished up about midnight, and every one of those patients I had to operate on to save their legs. So I asked him, were they smokers, Bob? And he said, you bet. And the last one I operated on was a 38-year-old woman who would have lost her leg to atherosclerosis related to heavy tobacco use. I said to Bob, what do you tell those people? He said, Greg, I talk to every patient, every peripheral vascular patient that I have and I try to get them to stop smoking. I ask them a question. I say, if there were a drug available on the market that you could buy that would help to save your legs, that would help prevent you from having a coronary artery bypass, that would significantly decrease your chances of having lung cancer or losing your throat, would you buy that drug? And every one of those patients say, you bet I would buy that drug, and I would spend a lot of money for it. And you know what my friend says to patients then? He says, well, you know what? You can save an awful lot of money by quitting smoking and it will do exactly the same thing as that magical drug would have done.

Mr. Speaker, my mother and father were both smokers. They are both alive today because they had coronary artery bypass surgery to save their lives. But, I have to tell my colleagues, it took an event like that to get them to quit smoking, even though I harped on them all the time. It is a really addicting product.

Mr. Speaker, I will never forget the thromboangiitis obliterans patients that I treated at VA hospitals who were addicted to tobacco. It would cause them to thrombose the little blood vessels in their fingers so they would lose one finger after another, one toe after another. I remember one patient who had lost both lower legs, all the fingers on his left-hand, and all of the fingers on his right hand, except for his index finger. Why? Because tobacco caused those little blood vessels to clot. This patient, even though he knew that if he stopped smoking, it would stop his disease, had devised a little wire cigarette holder with a loop on one end and a loop on the other end, and he would have a nurse stick a cigarette through the loop on one end and light it and put the other loop over his one remaining finger, and that is how he would smoke.

I will tell my colleagues, I have told this story on the floor before. This is a fact. My colleagues can talk to any of the doctors that have ever worked at a VA hospital and they will have seen patients with thromboangiitis obliterans. I am not making up this story. When I spoke on the floor once before on this, I got a letter from an angry smoker who said, you are just making up a lot of stuff. I wish I were. I wish I were. Unfortunately, these are the facts, and statistics show the magnitude of this problem.

Over a recent 8-year period, tobacco use by children increased 30 percent; more than 3 million American children and teenagers now smoke cigarettes. Every 30 seconds, a child in the United States becomes a regular smoker. In addition, more than 1 million high school boys use smokeless chewing tobacco, mainly as a result of advertising focusing on flavored brands and on youth-oriented themes and on seeing some of their sports heroes out on the ball diamond or somewhere else chewing a cud. Mr. Speaker, it is that chewing tobacco that leads to the oral cancers that results in losing a jaw.

The sad fact is, Mr. Speaker, that each day, 3,000 kids start smoking, many of them not even teenagers, younger than teenagers, and 1,000 out of those 3,000 kids will have their lives shortened because of tobacco.

So why did it take a life-threatening heart attack to get my parents to quit? I nagged them all the time. It took that near death experience. Why would not my patient with one finger, the only finger he had left, quit smoking? Why do fewer than 1 in 7 adolescents quit smoking, even though 70 percent say they regret starting? And I say to my colleagues, it is sadly because of the addictive properties of the drug nicotine in tobacco.

The addictiveness of nicotine has become public knowledge. It has become public knowledge only in recent years as a result of painstaking scientific research that demonstrates that nicotine is similar to amphetamines. Nicotine is similar to cocaine. Nicotine is similar in addictiveness to morphine, and it is similar to all of those drugs in causing compulsive, drug-seeking behavior. In fact, Mr. Speaker, there is a higher percentage of addiction among tobacco users than among users of cocaine or heroin.

Recent tobacco industry deliberations show that the tobacco industry had long-standing knowledge of nicotine's effects. It is clear that tobacco company executives did not tell the truth before the Committee on Commerce just a few years ago when they raised their right hands, they took an oath to tell the truth, and then they denied that tobacco and nicotine were addicting. Internal tobacco company documents dating back to the early 1960s show that tobacco companies knew of the addicting nature of nicotine, but withheld those studies from the Surgeon General.

A 1978 Brown & Williamson memo stated, "Very few customers are aware of the effects of nicotine; i.e., its addictive nature, and that nicotine is a poison."

A 1983 Brown & Williamson memo stated, "Nicotine is the addicting agent in cigarettes."

Indeed, the industry knew that there was a threshold dose of nicotine necessary to maintain addiction, and a 1980 Lorilard document summarized the goals of an internal task force whose purpose was not to avert addiction, but to maintain addiction. Quote: "Determine the minimal level of addition that will allow continued smoking. We hypothesize that below some very low nicotine level, diminished physiologic satisfaction cannot be compensated for by psychological satisfaction. At that point, smokers will quit or return to higher tar and nicotine brands."

Mr. Speaker, we also know that for the past 30 years, the tobacco industry manipulated the form of nicotine in order to increase the percentage of free base nicotine delivered to smokers as a naturally-occurring base. I have to say, Mr. Speaker, that this takes me back to my medical school biochemistry. Nicotine favors the salt form at low pH levels, and the free-based form at higher pHs. So what does that mean? Well, the free base nicotine crosses the alveoli in the lungs faster than the bound form, thus giving the smoker a greater kick, just like the drugee who freebases cocaine, and the tobacco companies knew that very well.

A 1966 British American tobacco report noted, "It would appear that the increased smoker response is associated with nicotine reaching the brain more quickly. On this basis, it appears reasonable to assume that the increased response of a smoker to the smoke with a higher amount of extractable nicotine, not synonymous with, but similar to free-based nicotine, may be either because this nicotine reaches the brain in a different chemical form, or because it reaches the brain more quickly."

Tobacco industry scientists were well aware of the effect of pH on the speed of absorption and on the physiologic response. In 1973, an RJR report stated, "Since the unbound nicotine is very much more active physiologically and much faster acting than bound nicotine, the smoke at a high pH seems to be strong in nicotine." Therefore, the amount of free nicotine in the smoke may be used for at least a partial measure of the physiologic strength of the cigarette.

Indeed, Mr. Speaker, Philip Morris commenced the use of ammonia in their Marlboro brand in the mid 1960s to raise the pH of the cigarettes, and it then emerged as the Nation's leading brand. Well, the other tobacco companies saw this rise in Marlboro construction, so they reverse-engineered and caught on to the nicotine manipulation. They copied it. The tobacco companies hid that fact for a long time, even though they privately called cigarettes "nicotine delivery devices."

Claude Teague, assistant director of research at RJR said in a 1972 memo, "In a sense, the tobacco industry may be thought of as being a specialized, highly ritualized and stylized segment of the pharmaceutical industry. Tobacco products uniquely contain and deliver nicotine, a potent drug with a variety of physiologic effects. Thus, a tobacco product is, in essence, a vehicle for the delivery of nicotine."

In 1972, a Philip Morris document summarized an industry conference attended by 25 tobacco scientists from England, Canada and the United States. Quote: "The majority of conferees would accept the proposition that nicotine is the active constituent of tobacco smoke. The cigarette should be conceived not as a product, but as a package." Then they said, "The product is nicotine."

Mr. Speaker, does anyone believe that the tobacco CEOs who testified before Congress that tobacco was not addicting were telling the truth?

As I said, Mr. Speaker, most adult smokers start smoking before the age of 18.

□ 1430

Mr. Speaker, most adult smokers start smoking before the age of 18. That has been known by the tobacco industry and its marketing divisions for decades.

A report to the board of directors of RJR on September 30, 1974, entitled "1975 Marketing Plans Presentation . . ." said that one of the key opportunities to accomplish the goal of reestablishing RJR's market share was "to increase our young adult franchise."

First, let us look at the growing importance of this young adult group in the cigarette market.

In 1960, what did they call the young adult market? They called it "the young adult franchise." What was the age group they were talking about? Ages 14 to 24. They say, "This represents 21 percent of our population. They will represent 27 percent of the population in 1975, and they represent tomorrow's cigarette business."

An adult, Mr. Speaker? These are 14-year-olds. Those are pretty young adults.

In a 1990 RJR document entitled "MDD Report on Teenager Smokers Ages 14 Through 17," a future RJR CEO, G.H. Long, wrote to the CEO at that time, E.A. Horrigan, Jr.

In that document, Long laments the loss of market share of 14-to-17-year-old smokers to Marlboro, and says, "Hopefully, our various planned activities that will be implemented this fall will aid in some way in reducing or correcting these trends." The trends they were losing market share to were in the 14-to-17-year-old age group.

Mr. Speaker, the industry has indisputably focused on ways to get children to smoke in surveys for Phillip Morris in 1974 in which children 14 years old or younger were interviewed about their smoking behavior. Or how about the Phillip Morris document that bragged, "Marlboro dominates in the 17 and younger category, capturing over 50 percent of the market."

Speaking about Marlboro, I wonder how many Members have seen on television lately the commercials about the Marlboro man, narrated by his brother, who spoke about his good-looking brother, the Marlboro man. Then, at the end of the commercial, we see him dying of lung cancer.

Mr. Speaker, when Joe Camel was associated with cigarettes by 30 percent of 3-year-olds and nearly 90 percent of 5-year-olds a few years ago, we know that marketing efforts directed at children are successful.

Mr. Speaker, children that begin smoking at age 15 have twice the incidence of lung cancer as those who start smoking after the age of 25. For those youngsters who start at such an early age and have twice the incidence of cancer, for them, Joe Cool becomes Joe chemo, pulling around his bottle of chemotherapy.

If that is not enough, it should not be overlooked that nicotine is an introductory drug, as smokers are 15 times more likely to become alcoholic, to become addicted to hard drugs, to develop a problem with gambling.

Mr. Speaker, in response to this, the Food and Drug Administration in August, 1996, issued regulations aimed at reducing smoking in children on the basis that nicotine is addicting, that it is a drug, manufacturers have marketed that drug to children, and that tobacco is deadly.

Most people now are familiar with those regulations. They received a lot of press a few years ago. It is hard to think, Mr. Speaker, that 4 or 5 years have gone by since those regulations came out. Those regulations said tobacco companies would be restricted from advertising aimed at children; that retailers would need to do a better job of making sure they were not selling cigarettes to children; that the FDA would oversee tobacco companies' manipulation of nicotine.

But the tobacco companies challenged those regulations. They ended up taking it all the way to the Supreme Court. So last year, Justice Sandra Day O'Connor, in writing for the majority, five to four, held that Congress had not granted the FDA authority to regulate tobacco. However, her closing sentences in that opinion bear reading: "By no means do we question the seriousness of the problem that the FDA has sought to address. The agency has amply demonstrated that tobacco use, particularly among children and adolescents, poses perhaps the most significant threat to public health in the United States."

That was the Supreme Court. Justice O'Connor was practically begging Congress to grant the FDA authority to regulate tobacco.

So as I said earlier today, tomorrow we will hold a press conference. I encourage my friends to come. We have a good bipartisan group. We are going to reintroduce the bill that the gentleman from Michigan (Mr. DINGELL) and I drew up last year on this.

This is not a tax bill. It would not increase the price of cigarettes. It is not a liability bill. It is not a prohibition bill. It would not prohibit cigarettes, because everyone in the public health area knows that prohibition did not work with alcohol and it would not work with cigarettes. It has nothing to do, our bill, with the tobacco settlement from the attorneys general.

The bill simply recognizes the facts: Nicotine and tobacco are addicting. Tobacco kills over 400,000 people in this country each year. Tobacco companies have and are targeting children to get them addicted to smoking. Just look at the ads in some of the magazines that we will see, like Rolling Stone.

I think, and many of our colleagues on the floor think, that the FDA should have congressional authority to regulate that drug and those delivery devices.

Mr. Speaker, I will have to say there have been some very, interesting new developments on this. Five years ago, cigarette makers howled in protest as the Food and Drug Administration geared up to regulate tobacco as a drug. But some influential players in the industry, including Phillip Morris, the Nation's largest cigarette maker, are now pushing Congress, let me repeat that, Phillip Morris is now pushing Congress to give the FDA much of the authority that it sought.

That remarkable reversal has been driven in part by a hope that government-sanctioned products could bring some legitimacy and stability to an industry that has been fighting lawsuits and declining demand in the United States.

In news stories last month, the world's biggest cigarette maker said it would support government regulation of tobacco that includes advertising limits on cigarettes, rewritten warning labels, and additional disclosure of ingredients. Phillip Morris, the maker of Marlboro, Virginia Slims, and other popular brands, presented its most detailed plan to date in response to a Presidential Commission's preliminary report due later this spring on how government should regulate tobacco.

This is from Phillip Morris: "The company views its proposal as a starting point for discussion," thus said Phillip Morris spokesman Brendan McCormick. He said that the company would oppose giving regulators the power to ban cigarettes.

I repeat, there is nothing in my bill that would say cigarettes have to be banned.

In a letter responding to the Commission's proposals, Phillip Morris largely endorsed the panel's work, suggesting, for example, that the FDA is best suited to decide which cigarettes should be labeled "reduced-risk cigarettes."

Mr. Speaker, that is what my bill, the FDA tobacco Authority Amendments Act of 2001, does. It simply gives the FDA authority to regulate tobacco. It is not a tax bill. It does not ban tobacco. In fact, it contains a specific clause to protect against a ban.

I would like to point out to my colleagues that the Presidential commission I referred to before will explicitly state that the goal of FDA regulation "should be the promotion of public health," not the banning of tobacco products.

Well, it is a new day, Mr. Speaker, when one can see Phillip Morris advertisements or visit a Phillip Morris website and find the following statements. These are statements on Phillip Morris's website:

"There is overwhelming medical and scientific consensus that cigarette smoking causes cancer, heart disease, emphysema, and other serious diseases. Smokers are far more likely to develop serious diseases like lung cancer than nonsmokers. There is no safe cigarette. We do not want children to smoke. Smoking is a serious problem, and we want to be part of the solution."

Finally, Mr. Speaker, this is on the Phillip Morris website now, "Cigarette smoking is addictive."

Mr. Speaker, a poll of 800 likely voters shows overwhelming support for giving the U.S. Food and Drug Administration the authority to regulate tobacco products. The poll was conducted by the Mellman Group of 800 likely voters at the time of the Supreme Court ruling last year.

In the wake of last year's Supreme Court ruling that the FDA does not currently have the authority to regulate tobacco, the poll also shows that two-thirds of voters would prefer a candidate for Congress who supports legislation granting FDA authority over tobacco to a candidate who opposes such legislation. By a three-to-one margin, 75 percent to 25 percent, voters want Congress to pass a bill that would give the FDA the authority to regulate tobacco products, including 61 percent who strongly favor congressional action.

That support crosses all geographic, demographic, gender, and political lines with voters from every region, every age bracket, income group, educational level, and political party favoring FDA regulation. Even 60 percent of smokers favor congressional action. Let me repeat that: Even 60 percent of smokers want Congress to do something on this.

Congressional action is supported by 78 percent of Independents, 77 percent of Democrats, 70 percent of Republicans, including 65 percent of conservative Republicans. Support for congressional action is especially strong among key voter groups of suburban women, 80 percent of whom say it is important that Congress pass a bill giving the FDA authority to regulate tobacco products.

Mr. Speaker, voter support of FDA regulation is not surprising, given the electorate's acute concern over the use of tobacco by children. Eighty-eight percent of voters say they are at least somewhat concerned about youth tobacco use, including 60 percent who say they are very concerned. Among suburban women, 70 percent say they are very concerned about youth tobacco use.

Mr. Speaker, this poll shows voters want Congress to act. They are sending a message to Congress: Protect our kids, and not the tobacco companies.

Voters clearly agree with the view that tobacco use is the most significant public health threat in the United States. They are telling us loud and clear they want Congress to enact legislation like the bill myself and the gentleman from Michigan (Mr. DINGELL) which would grant the FDA authority to regulate tobacco and protect America's families and children.

Mr. Speaker, it is now up to Congress to provide strong protections for America's families. I ask my colleagues to join me in fighting America's number one health care threat, the death and morbidity associated with the use of tobacco products.

So as I finish, Mr. Speaker, let me just show a few of the recent cartoons that we have seen. Here are two little kids looking at this billboard. It says, "Yes, smoking is addictive and causes cancer, heart disease, emphysema, and other serious diseases." Then we have this beautiful lady in a bikini. The little boy is saying to the little girl, "What exactly is the message here?"

Finally, Mr. Speaker, here is big tobacco standing giving a talk with their own chart that says, "Fantastic Lights. Warning, these babies will kill ya," and big tobacco says, "* * * and as a good-faith gesture * * *".

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 327, SMALL BUSINESS PAPERWORK RELIEF ACT

Mr. HASTINGS of Washington (during the special order of Mr. GANSKE), from the Committee on Rules, submitted a privileged report (Rept. No. 107–22) on the resolution (H. Res. 89) providing for consideration of the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, which was referred to the House Calendar and ordered to be printed.

□ 1445

ELECTION OF MEMBER TO COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. TURNER. Mr. Speaker, I offer a resolution (H. Res. 90) and I ask unanimous consent for its immediate consideration in the House.

The SPEAKER pro tempore (Mr. CANTOR). The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 90

Resolved, That the following named Member be, and is hereby, elected to the following standing committee of the House of Representatives:

Committee on Standards of Official Conduct: Mrs. Jones of Ohio.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE BUDGET AND TAXES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, during this next hour of Special Order time, a group of House Democrats known as the Blue Dog Coalition would like to talk about the subject of the budget and taxes. The Blue Dog Democrats led the effort during this past week to try to urge this Congress to adopt a budget first before we take the important votes on tax cuts for the American people.

The Blue Dogs and the 33 Members that are members of that coalition believe very strongly that our future prosperity depends upon our ability as a Congress to stay on the course of fiscal responsibility.

In order to provide tax cuts to the American people, in order to ensure our future prosperity, we believe that we must look at the whole budget picture of the United States before we can determine what size tax cuts we can afford.

The Blue Dogs as fiscal conservatives want the largest tax cut that we can afford. We believe very strongly that we need tax relief, and we want to vote for tax relief for the American people; but we also understand very clearly that it is important to give equal priority to paying down our $5.5 trillion national debt.

A lot of folks do not understand all of this talk about the national debt. Why does it matter? The truth of the matter is, you might conclude that the Congress and the Presidents for the last 30 years did not understand it either, because the Congress and the Presidents who have served over the last 30 years are the ones that created the $5.5 trillion national debt by running deficit spending in every year in those last 30 years. Only last year did the Congress and the President see a balanced Federal budget.

For the first time, we have been able to return this country to a course of fiscal responsibility and the Blue Dog Democrats believe very strongly that we should not return to those days of deficit spending.

There are basically two ways we can return to deficit spending in this country. We can start spending too much money, and if we do not hold down spending, we are going to see deficits return.

Another way we can return to deficit spending is to cut taxes larger in a larger amount than we can actually afford, because both spending and tax cuts, if pursued in excess, will result in deficit spending on an annual basis by the Federal Government and return us to those days from which we just departed only last year.

Some people say, how big is the national debt? Frankly, the number is $5.6 trillion, but I have no way of fairly reflecting to you how much $5.6 trillion is, except to tell you that it is a whole lot of money. And it is going to take us a long time of fiscal discipline to pay it down.

Now, when I was a boy growing up, my dad always told me that the first order of business in terms of managing my finances is to pay my debts. I think the Federal Government should operate by the same maxim, pay our debts. After all, the debts that we are unwilling and unable to pay today will be paid some day by the younger generation who will follow us.

Our Federal Government, we are told, has a surplus. But do you realize that the surplus that we are talking about is only an estimate of what may occur over the next 10 years? The surplus is only an estimate. There is no place in Washington where you can go to a lock box or to a safe and find the surplus. It is an estimate of what may happen.

The surplus from last year was the first we have had in 30 years. It is very small. The surplus we are going to have this year is a little bit larger, but when you hear these optimistic discussions about tax cuts coming your way based on the surplus, keep in mind it is only an estimate of the surplus.

The surplus estimates we are talking about over the next 10 years largely comes in the second 5 years of this decade. Very little of the surplus comes in the short term.

When I was in a town meeting in my district in east Texas a few months ago, I was trying to explain all of these numbers, and a gentleman in the back row in overalls stood up and he said, Congressman, how can you folks in Washington talk about a surplus when you owe over $5 trillion? Frankly, he stumped me for a few minutes.

It is hard to imagine how we can talk about a surplus when we owe over $5.5 trillion. But that is what we are doing. In fact, if all the numbers on the projected surplus turned out to be true and we enacted the President's tax cut, it would be the last tax cut we could vote on in this Congress for the next 10 years, because it would virtually spend the entire surplus that is estimated to show up in Washington.

I have a chart here to my right that depicts a little bit about the uncertainty of that surplus. The surplus that

I want to talk to you today about is the non-Social Security surplus, because we have surpluses projected over the next 10 years in the Social Security trust fund. We have surpluses projected in the Medicare trust fund; but Congress, at least half a dozen times in the last year, has voted that we should never, ever again spend the Social Security or the Medicare trust fund surplus. And we should not.

When the baby boomers begin to retire, and I am one of them, we are going to see a real financial crisis in Washington, because the Social Security trust fund and the Medicare trust fund, whose funds have been used during all these 30 years of deficit spending to finance things other than Social Security and Medicare, those funds are going to be needed.

Mr. Speaker, in fact, in about 14 years, for the first time in our history, the payroll tax that is collected to pay your Social Security and mine will be less than the amount of money we spend every year for Social Security benefits. You may say we have been real lucky for a long time.

We took more in payroll taxes every year than we paid out in benefits, but that is going to change in the year 2014.

Some people wonder what is the deal on this trust fund if you all have been taking all of this money in. Where is the money? Frankly, there is no money in the Social Security trust fund. It has been used for other things. The Social Security fund, if you went and looked at it today, it simply is an IOU backed by the taxpayers of the United States saying all that money that we borrowed we are going to promise that we will put it back some day, and it is backed by the taxing power of the Federal Government.

It does not sound too promising for those of you who are here who are under 30, because you are the ones that have to figure out how to pay it back if your Social Security is going to be there for you.

The Blue Dog Democrats believe we need to start now to pay back that money that we borrowed from Social Security and borrowed from Medicare and get ready for the retirement of the baby boomers when the Social Security trust fund is going to be the biggest financial problem faced by the Federal Government.

The Social Security Administration estimates that by 30 years from now, that if we kept everything the same, the same Social Security benefits for everybody, we would have to have a payroll tax that equalled 50 percent of your payroll check.

Now, you know we are not going to have a 50 percent tax on your paycheck to support Social Security, but it simply indicates the degree of the crisis that we are going to face as more and more people retire and become eligible for Social Security. In fact, in about 50 years, there will be two people collecting Social Security for every 1 person that is working in the workforce.

That is the real problem that Washington needs to be talking about. I think you can see from the discussion thus far that to say we have a short-term, 10-year estimated surplus that may not show up yet is telling only half the story. Because if you look out about 30 years, there is no surplus. Let us talk about 10 years.

This chart shows the 10-year non-Social Security surplus projections. The Congressional Budget Office has given us the estimate that there will be $3.22 trillion in surplus over the next 10 years. That is their estimate.

They also warn us that they could be wrong. They say they could be wrong because it could be more than that. Their most optimistic projection is that there will be a $6 trillion surplus outside Social Security and Medicare over the next 10 years. Their most pessimistic scenario is that we will be back into deficit spending by half a trillion dollars. That is without any tax cuts, by the way. This is just going forward like we are going now.

You can see the unreliability of the estimate of the surplus that everybody in Washington seems so anxious, as we say, to give back to the American people.

To be honest about the rhetoric, you cannot give back something that you do not even have yet. We do not have that surplus yet. It is a projection, and an iffy projection at best.

Here is the chart that shows you a little bit about the projected surplus, even assuming that the surplus turns out to be just as projected. Forget about the uncertainty, 84 percent of the projected non-Social Security surplus comes after the next Presidential election.

I have heard some people tell me that folks in Washington might be a little bit bold to suggest that we are going to project the surplus for the next 10 years and we are going to give 80 percent or 90 percent of that in the tax cut which, as I said, would be the last tax cut we could vote on for 10 years if the projections even turned out to be true, because the truth of the matter is, 84 percent of the surplus occurs after President Bush's first term.

Mr. Speaker, now, a lot of us may not be here to see these numbers in future years, the average tenure for a Member of Congress is about 6 years, and there may be some folks who are serving here in later years who might also like the opportunity to vote for a tax cut. But if we go down the course that the President is proposing, and even if the numbers turn out to be true, we are going to spend all of this surplus estimated for 10 years in one tax cut.

Some people say that is just not fair. Others behind us may have an interest in voting on tax cuts, too. Some have suggested that perhaps a tax cut to spend the surplus that is going to accrue over the next 2 years, 3 years, or 4 years might be an appropriate thing for us to do. But to think about granting tax cuts based on a surplus that is not here yet, that will not arrive for 10 years, may be a little bit more than this Congress should be doing.

□ 1500

The next chart looks ahead 5 years and then looks back and shows us how far off the projections have been in the past. Now I should have mentioned when I started showing my colleagues these charts where they came from. They are not charts that I put together or anybody in the Blue Dog Coalition. All of these charts were provided to us by a nonpartisan group called the Concord Coalition.

The Concord Coalition is made up of a respected group of business executives who try to provide the Congress the truth with regard to these numbers. The Concord Coalition has brought these charts to the floor to allow us to show you what they project with regard to the surplus and the tax and the budget issue.

So here are the projections, and it shows us how far off they have been in the last 20 years. Fortunately, in the most recent time frame, the estimates by the Congressional Budget Office have been conservative, and we have had larger surpluses than were projected. But in all of the years prior to 1995, the surpluses or the estimates of the Federal financial condition was off, and it was off in the wrong direction; and we found out that there were deficits there that the Congressional Budget Office had not projected.

In order to have surpluses into the future, the economy has to stay strong, because the budget projection is based on an assumption about economic growth. The Congressional Budget Office, when they told the Congress a month or so ago that we are going to have a surplus, were estimating that the economy was going to continue to grow at close to the rate that it was growing about a year ago.

I know all of my colleagues have seen what is happening to the economy, and right now they say that growth is zero. If growth is zero and stays there very long, all of these estimates of the surplus are going to be flown out of the window because they will not be worth the paper they are written on.

This chart shows us based on the past track record of the Congressional Budget Office for 5-year projections what the variation could be in the estimated surplus just for the next 5 years, not the next 10, just the next 5.

Here we are at the year 2001. We have been given this optimistic projection of a surplus right here on this middle line. But the CBO says, well, it could be up here; and it could be down here.

Should we bet the future on a surplus estimate that is as uncertain as this is, even in the hands of the Congressional Budget Office that prepared it? I think not.

Here is what some of the experts have to say about the estimate of the surplus. The Congressional Budget Office that prepared it says looking forward 5 or 10 years allows the Congress to consider the longer-term implications of policy changes. But it also increases the likelihood that the budgetary decisions will be made on the basis of projections that later turn out to have been far wrong. That is the folks that prepared the estimate.

How about the Controller General of the United States, David Walker. He recently warned members of the Senate Committee on the Budget, and I quote, "No one should design tax or spending policies pegged to the precise numbers in any 10-year forecast, no matter who prepares it."

Let us read what Alan Greenspan, the chairman of the Federal Reserve Board, told the Congress, specifically the Senate Committee on the Budget on January 25 of this year. Mr. Greenspan said, "Until we receive full detail on the distribution by income of individual tax liabilities for 1999, 2000, and perhaps 2001, we are making little more than informed guesses." Informed guesses. That is what your Congress is using to determine the financial future of your Federal Government.

We have several other Blue Dogs here who are well versed on some of these issues, and I want to recognize the gentleman from California (Mr. SCHIFF). He has worked long and hard on trying to balance the budget; and I know he is as familiar as I am, if not more so, with some of these statistics.

Mr. Speaker, I yield to the gentleman from California (Mr. SCHIFF) to talk to my colleagues a little bit more about this very critical issue.

Mr. SCHIFF. Mr. Speaker, we had in the past decade the fiscal discipline to continue paying down the national debt of this country. Although there is much debate about what credit the previous administration ought to have for the incredible economic successes of the last decade, I think it is plain that one of the most significant things that that administration did was get our fiscal house in order; was continue paying down our national debt; was maintaining the discipline that kept interest rates low; that made homeownership possible for hundreds and thousands of families across this country that had never enjoyed the benefits of homeownership, by allowing them to have mortgage payments that they could make by keeping their families together under one roof.

Our successes I think over this last decade are owing in some strong measure to that discipline. Now that discipline is never easy to maintain. It is not easy to maintain when times are difficult when we would rather spend the money on programs that will help people that are hurting in this country. It is not easy to maintain that discipline in the good times.

One of the things that I admire about the Blue Dogs and the reason that I joined, as a new Member of this Congress, the Blue Dogs is that they have consistently fought in good times and hard times not to lose sight of the need to pay down this debt in this country.

The surplus that we are enjoying is our surplus, the American people's surplus. The debt that hangs over our heads is the American people's debt. More accurately, much of the surplus that we enjoy is owing to the people that went before us, to our parents' generation who made the sacrifices, who built the universities, the roadways, the waterways, the infrastructure in this country that made this period of prosperity possible.

It is their money as much as our generation's. It is their Social Security and their Medicare that are underfunded.

We talk about a surplus in Social Security. Well, I suppose if we look at today, we can call it that. But if we look at the 75-year life of Social Security, what at the moment looks like a surplus over 30 years or over 75 years looks like a $30 trillion deficit.

Maybe we should be talking about the Social Security deficit. What are we going to do about that? The only plan we have for dealing with Social Security solvency is the abstract idea that we will come together on some reform in the future. We do not know what that reform is going to look like. We do not know what the reform of Medicare is going to look like. We do not know, as we stand here today, what the budget looks like.

Yet, here we are making plans for tax expenditures over the next decade and beyond based on projections of the surplus that may or may not materialize, that even the people who gave us those projections say are at best informed guesses about the future; and we are ready to bet the farm on those guesses when we have no plan for Social Security and Medicare.

So I became a member of the Blue Dogs because they are committed to making sure we maintain the discipline in good times and in bad times to pay down that debt, that we consider that we are, not only talking about our parents' generation, the people who made this prosperity possible, but we are talking about our children as well and their future. Because, while it is the American people's surplus and the American people's debt, it is our children's future that we are talking about. If that debt goes on, if that debt grows, it is not you and I who will pay it. It is our children and their children.

So here today we have to talk about those that will come after and think about those who come after while we stand so ready to take credit for surpluses that will not materialize for 5 or 10 years.

Now, we have a tax plan; and we will have a major tax cut this year, and we should. And we should. The question is how large should that tax cut be? How large prudently can it be?

What I think we ought to be debating just as vigorously, though, that I hear so little about in this Congress and this administration is what is our economic plan. Tax policy is simply one part of an economic plan and the economists say not even the most significant part. There are limitations to what we can do with fiscal policy in terms of our economy.

Now we lost massive, multitrillion dollar equity in the stock market this week. There are a lot of Americans very concerned about the downturn in this economy and what it means to their families. Many thousands of Americans have already lost their jobs.

What is the economic plan of the administration and the Congress? How does this tax proposal fit into that plan? The reality is there is no plan. There is no plan.

It is far more important that we focus here and now on what we can do to turn around these recent downturn signs, that we can put ourselves back on the road of incredible prosperity which we have traveled down for the last 8 years. We have to start focusing on the economy and what is our economic plan.

So I urge the Congress and all Americans, let us turn our attention together in a bipartisan way, in a bipartisan tradition that the Blue Dogs represent to finding a tax cut that works for all of the American people that is the size that we can afford that does not squander the investment that our parents made, and their Social Security and Medicare and does not squander the investment that we owe our children in good schools and in their future and in low mortgages and giving them the American dream of homeownership.

Let us work together across party lines and do what is right for this country over the long term.

Mr. TURNER. Mr. Speaker, the gentleman from California (Mr. SCHIFF) has shared, I think, the thoughts that all Blue Dogs share, and that is the importance of fiscal responsibility and the importance of paying down debt as well as providing tax relief to the American people.

One of the members of the Blue Dog Coalition who has been the most eloquent and outspoken on the issue of public debt and the importance of trying to deal with the public debt while we have the opportunity is the gentleman from Mississippi (Mr. TAYLOR).

Mr. Speaker, I yield to the gentleman from Mississippi (Mr. TAYLOR) to discuss this issue.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank the gentleman from Texas (Mr. TURNER) for yielding to me. I want to thank the young people and not-so-young people in the audience today. I hope I can make this halfway interesting. And since you cannot talk back to me, I am going to pretend like you can.

Now, I have town meetings in south Mississippi. I try to have at least two a month. On almost every instance, somebody in the crowd says, Gene, you know, we would have plenty of money for all those really important things, like taking care of our military, taking care of military retirees, building roads, educating kids if you just did not waste so much money.

So I am going to pretend like one of you all said that. I would counter by saying, and probably shocking you when I told you that the most wasteful thing our Nation does, we squandered $1 billion yesterday, the day before that, the day before that, tomorrow, and every day of the rest of our lives on interest on the national debt.

Now think about it. If you were to come down to Pascagoula, Mississippi, a town I am very proud to represent, and go to Greenville Ship Building, you would see that we are one of two suppliers of naval destroyers, surface ships, for our Navy. The DDG 51, the greatest destroyer in the world, half of them are built in Greenville Ship Building.

And if you were to see a DDG 51 loaded with weapons, loaded with fuel, getting ready to set sail, to go join the fleet, you would probably know that one of those destroyers cost about a billion to build. Yet, we only built three of them last year because the folks in this House, the Committee on the Budget, said, Well, we do not have enough money to build destroyers. But we had enough money to spend $1 billion a day on interest on the national debt.

Now, let me show you, I do not get any great kick out of showing this to people, but I think it is important for Americans to visualize. When you think of 5.7 of anything, whether it is biscuits or dollars, it does not seem like many. So 5.7 trillion probably does not sink in until you look at it.

That is $5,735,859,380,573.98 that your Nation was in debt on the last day of last month. So when the President or the Speaker or anybody in this town, and many reporters get caught up in this game that there is a surplus, tell you that there is a surplus, I would remind them, this is coming straight out of the United States Treasury figures. That is how broke we are.

Now, what is really frightening for you young people is, on the day you were born, if you were born before 1980, our Nation was less than 1 trillion in debt. So the debt has grown just in the past 21 years by over $4.700 trillion.

Now, how does that affect you? Well, think about it. If we go to war tomorrow, you 18-year-olds, who is more likely to fight in it, me or you? You, because you are 18, and I am 47. If the schools get messed up, who is more likely to suffer, me or you? Again you, because you are still going to school; and I doubt I will ever go back to school. And if we run up horrible debts as a Nation, who is going to pay the interest on it the longest, me or you? Once again the answer is you.

□ 1515

Mr. Speaker, that is why I get disturbed when young people do not take time to vote because they are getting stuck with this bill. The politicians in Washington are telling you that they are paying this debt down, and they are lying to you. I use the word "lie" because to intentionally mislead the public is to lie.

Since September of last year, the public debt has grown by $61 billion. $61 billion, guys, with a "B," $61,681,170,687.12. We could have built 61 destroyers for that. We could have built 12 aircraft carriers for that. There is no telling how many miles of highway or how many schools we could have built to help improve the lives of people, how much veterans' health care we could have provided. The entire veterans' health care budget for our entire Nation is only $20 billion a year. But that is the increase in the national debt, and a billion a day is squandered on the interest on the national debt, the most wasteful thing we do.

Now I see some of you not-so-young folks in the audience who are probably close to Social Security age.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CANTOR). The Chair must remind the gentleman from Mississippi to refrain from speaking to the gallery. All comments should be directed to the Chair.

Mr. TAYLOR of Mississippi. Okay, guys, they called my bluff, I cannot speak to you anymore.

Mr. Speaker, for those Americans who are paying into the Social Security system and have paid into it, some a lot longer than others, you would probably be shocked to know that our Nation owes the Social Security trust system $1.7 trillion. That is money collected out of every working American's paycheck with the promise starting in the Reagan years, a Democratic House, a Republican Senate, a Republican President which promised that money would be set aside for retirement. They took the money, but they did not set it aside for retirement, it was spent on other things, and the Nation now owes the Social Security trust system $1.7 trillion.

At the same time, they increased the fees on Medicare. It is a line item on pay stubs, and they are taking money out and setting it aside. It is supposed to help subsidize the cost of your health care after you reach 65. It will not pay for all of it, but it helps a great deal.

Right now our Nation owes the Medicare trust fund $229.2 billion. Right now. The much-vaunted lockbox that my colleagues talk about, if you opened it up, you would discover it is nothing more than Tupperware; and if you opened it up, all you would find is an IOU for $229 billion.

How many Americans have devoted their lives to defending our Nation? In my life time there was a war in Vietnam. There was the invasion of Grenada, there was Desert Storm, Panama, Kosovo, Bosnia. Americans are risking their lives today; there was a horrible accident that took place in Kuwait just 2 days ago which reminds us how dangerous that job is. And they are in some really crummy places. They are in some nice places like Biloxi, but they are in some crummy places like Bosnia and Kosovo right now where it is cold, no fun whatsoever.

But the promise made to them is that you are not going to make as much money as you would if you were working in the private sector, but we are setting aside a good chunk of money so you will have a better-than-average retirement.

It is sad to find out that of the money set aside, our Nation now owes them $163.5 billion. There is not a penny in that account. It has been spent on other things, and yet the President and the majority leader and others will tell us there is a surplus. When you owe a trillion here, $229 billion here, $163 billion here, you do not have a surplus, and it gets worse.

What about all of these nice folks who work at the Capitol, one of whom gave his life defending a Congressman's life a couple of years ago. They pay into a public employees' retirement system with the promise that money is set aside and spent on their retirement. They would be very disappointed to find out that our Nation owes the Civil Service Retirement System $501.7 billion. So again, where is this surplus that people keep talking about.

The truth is that there is no surplus, and the truth is I think one of the reasons Americans are disillusioned with their government is for too long politicians have been promising them a surplus when there is not. They have been saying everything is rosy when it is not.

I think the best Americans are those Americans who tell the truth, and I think it is time for this Congress to rise to the occasion and tell the American people the truth. And before we do anything else, before we make any new promises, let us fulfill the promise to Social Security that we already made. Let us fulfill the promise to Medicare that we already made, and let us fulfill the promise to our military retirees that we have already made, and let us fulfill the promise to civil service that we have already made.

Mr. Speaker, I had a nice lady from home write me and say I would like to have that tax break, and put the money back in Social Security. Mr. Speaker, you cannot do both. Last year's surplus when you pulled out the trust fund surplus was only $8 billion.

Now $8 billion to me is a lot of money, but it was not really $8 billion because there were some accounting gimmicks; just as if you chose not to make your mortgage payment 1 month and the mortgage was $1,000, and you decided at the end of the month, I have a thousand dollar surplus. No, you have a thousand dollars more that you owe on your mortgage, and you have to pay $2,000 next month to break even.

Mr. Speaker, one of the tricks that was played last year that I am furious, we normally pay the troops on September 29, a Friday. Almost half of the force now is married and a great many, almost half, have children. So you have a lot of young guys, onesies, twosies, threesies, fours who do not make much money who have one, two or three children. That is tough to do on an enlisted man's salary.

One of the gimmicks that the Republican majority passed last year was to delay their pay to October 1. Now for a Congressman, we make plenty of money. If you delay my pay for a couple of days, I am going to do okay. But for an enlisted guy, that means a weekend of digging around under the couch for nickels and dimes for baby formula and Pampers just so they could move that account from last fiscal year to this fiscal year so they could show that $2.5 billion pay period like they saved that money. They did not save that money. So the $8 billion surplus was only $5.5 billion, and that is one gimmick that I caught. No telling how many others there are.

But they are the party that keeps saying that they love the troops. Doggone it, if you love the troops, pay them on time.

Mr. Speaker, how about replacing some of that old equipment. All of the folks who have been talking about a surplus, they have been in the majority for 6 years. And in the 6 years that the Republicans have controlled the House and the Senate, the United States fleet has shrunk from 392 vessels to 318. But they keep telling us they are for a strong national defense. If they are for a strong national defense, why do we have 74 fewer ships than when we started?

The Constitution says it is Congress' job to provide for an army or a navy. No money may be spent from the Treasury except by appropriation from Congress. Would it have been nice if the President had asked for more ships? Absolutely. But last year the Republican Congress did not even build as many ships as Bill Clinton asked for. Now, I think that is a shame, and I think we could do a heck of a lot better.

Let us take the last thing I want to mention before I turn this thing over. When they say we have all this surplus, if we have a surplus why are so many young American 18-, 19-, 20-year-old Marines and Army personnel riding around in 20, I am sorry, 30-year-old helicopters? If my colleagues were to go out today and see a Hughey flying over with Army and Marine markings on it, if they are lucky, they will be looking at one of the new ones. The new ones were built in 1972. If they look up and see one of the helicopters with the twin rotors on top, which is the CH-46 or CH-47, depending on which branch of the service, again if they are seeing one of the new ones, it was built in 1972.

So all these folks out there telling us we have a surplus cannot find the money to replace 30-year-old helicopters that young Americans are defending us with right now, risking their lives in right now, but they say they have enough of a surplus for tax breaks. I say they are wrong.

I say the most important thing we can do is to defend our Nation. I say the most important thing we can do is keep our word, quit lying to the American people about the true size of the deficit, and, yes, the most important thing we can do is keep our word to the folks who paid into Medicare, the folks who paid into Social Security, the folks who paid into the military retirement trust fund, and the folks who paid into the civil service retirement fund. Let us pay back the money we owe to them before we start making any new promises to any other Americans.

Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER) very much for the time.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Mississippi. I always am amazed at the common sense and clarity with which the gentleman speaks about the very complicated subject of the debt of the United States.

I think most people fail to recognize how much we owe to the Social Security trust fund, the Medicare trust funds, the government employees' trust fund, and the military retirees' trust fund. Those are debts that are going to come due some day and those dollars are going to be needed, and a part of that projected future surplus certainly needs to be put back in to those trust funds to be prepared for those retirements that will inevitably occur.

I am also pleased to have on the floor today a gentleman who is a very active member of the Blue Dog coalition, a prominent member of the Committee on Ways and Means, the gentleman from Tennessee (Mr. TANNER), who will address these issues.

Mr. TANNER. Mr. Speaker, I thank the gentleman for yielding to me, and I want to commend the gentleman from Texas (Mr. TURNER), the gentleman from California (Mr. SCHIFF), the gentleman from Mississippi (Mr. TAYLOR), and others who have come out here this afternoon on the floor to talk about the Nation's debt.

The Blue Dogs agree that Americans are overtaxed, but we will always be overtaxed as long as we have a billion dollars a day in interest going out and as long as we have a 14 percent mortgage on this country. That is one of the reasons we are overtaxed. What we want to do as Blue Dogs is to try to keep our eye on the ball and to retire some of this horrendous national debt that we are leaving to those young people. That is how we give them a tax break. They do not have a voice here now. They cannot vote.

It is up to us and this generation to protect not only our own country, as the gentleman from Mississippi so eloquently pointed out with respect to the military, that we need to support in a manner that we have not been able to find ourselves in a position to do, but we also need to look out for the young ones coming along and not burden them with $5-plus trillion of debt with an interest bill of $1 billion a day.

Now, the other point I would like to make is that the House leadership is asking this country to take a risk that we do not have to take right now. All of these budget projections we have heard about are, by anyone's definition uncertain, speculative in some regards. But more than that, the money is not here. It is not real. It is not even supposed to come in, except over the next 10 years. And then only 29 percent of it is supposed to show up here in the next 5 years, beyond our new President's term of office. Yet we are asked on the floor last week and again probably next week to start spending money, in either a tax cut or some other way, money that has not even shown up yet.

Any prudent businessperson, any person who is a head of a household, a family, I do not think would put his or her family at risk to the extent that we are being asked to do, nor would they put the country at risk or their business at risk if they had a vote here. And this is a risk that we are being asked to take on their behalf that we do not have to accept. We do not have to accept just what those who have more votes in this House than we do say.

□ 1530

We say, let us wait and see where we are. We can do a tax cut that we can afford, and we want to do that. We can do some spending on the military, on agriculture, on education, on medicine that the country desperately needs if we do it across the board in a businesslike fashion with a budget in place so that we at least have some idea of what the trade-offs are going to be. Had we rather retire debt or had we rather continue to pay a billion dollars a day in interest and have our young men and women in the armed services of this country flying around in 30-year-old helicopters? I do not think that is a very hard choice, but until we get a budget so that we know what the trade-offs are, we are flying blind, so to speak, as some of those young men and women are in these 30-year-old helicopters. That is an unacceptable risk to them, it is an unacceptable risk to us and to these young people that are here today, and in my view it is an unacceptable risk for our country.

What we are saying, basically, is two things: one, we are overtaxed and we always will be as long as we are carrying around this 14 percent mortgage on our country; and, secondly, we need a business plan in force and in effect so that we know and we hopefully can make some intelligent trade-offs as to how much of the money that belongs to the people that we should return to the people which we want to do, but, more importantly, what are the needs of this country.

I serve on the NATO parliamentary assembly which is the civilian arm of the NATO military alliance, the North Atlantic Treaty Organization, which as many of my colleagues know came into being after World War II. I have been to several countries as a result of that duty, and I have yet to see a country anywhere on this planet Earth that is strong and free and is broke. There is not one, there never has been one, and there never will be one.

That is why we sound like Johnny one-note on retiring some of this debt. That is why we say, keep your eye on the ball, Congress; continue to pay down the debt. As we can afford and as the money shows up, let us return it to the people who earned it, but let us also take care of the needs of this country and the people who live here. Let us take care of the medicine needs that people have, particularly the aged population, with a prescription drug benefit. Many people need that and need it desperately. There is no reason we cannot do it if we do things across the board with known trade-offs as to where we are and where we are going.

In my own business at home with my brothers and my father, I would not take a risk that we are being asked to take when we have these tax bills come through the House here without any budget. I do not think that you want us to take that risk. As I have said, at the pain of repeating myself, it is a risk the country does not have to take right now. We can do better than what we have done. We should do better than what we have done. And if we can get the support of people who believe that retiring debt and not taking heedless or unnecessary risk is important to the country, it is a fight that we hopefully can eventually succeed in.

Mr. Speaker, I want to thank the gentleman from Texas again for taking this time this afternoon and allowing some of us to come down and talk about the priorities of the country and talk about the children of this country and the education that they must have for this country to remain strong and free and also to try to put as best we can the financial integrity of the United States Treasury back where it rightfully belongs.

Mr. TURNER. I thank the gentleman from Tennessee, and I appreciate his commitment to trying to restore fiscal responsibility to our Federal Government. It would seem to me that after 30 years of deficit spending when we only last year saw the first surplus in 30 years, that we could somehow, some way figure out how to stay on the course of fiscal responsibility and continue to not only run surpluses but to be sure that we are paying down that $5.7 trillion national debt that the gentleman from Mississippi talked about a few minutes ago, to allow us to be prepared for the real financial crisis that is coming in the next few years when the baby boomers begin to retire and the Social Security system and the Medicare system experience the great strains that will come with the large number of people who will be over 65 and eligible for their Social Security and their Medicare.

We talk a lot about projections. The projection of the estimated surplus is no more than a projection, as the gentleman from Tennessee pointed out. It is not here yet. It may never be here yet. But what we do know for certain, and it is indisputable, that there will be many, many people retiring in just a few years that will cause the Social Security system to very quickly become insolvent unless we decide now, in advance, how to fix it.

Blue Dog Democrats have worked hard to try to urge this House to debate and adopt a budget first before we have votes on major tax cuts, because no businessman and no head of household of any family in this country could ever determine how much is available to spend until first they sit down and draw up a budget and stick to it. This House needs to do that. The Senate, on the other hand, has already agreed that they will adopt the budget resolution before they vote on tax cuts. In the House, it seems that it is more important to create the appearance of having tax cuts pass than it is to deal with it in a realistic way to ensure that the fiscal soundness of the Federal Government is preserved for the future.

We are in very difficult economic times. The stock market seems to go up one day and down the next. Many people have said we need tax cuts. Frankly, we all want to see taxes reduced. But the bulk of the surplus that we are talking about in Washington for tax cuts is not here now, and it will not be here for several years. Eighty-four percent of the projected surplus over the next 10 years arrives after President Bush's 4-year term in office. So we do not have a lot of surplus to be spending, or to be giving back in tax cuts. The surplus estimate may never arrive. In my view, the best thing we can do for economic stability in this country is for Washington to show that we know how to balance our books, we know how to get ready for the looming crisis in Social Security and Medicare, we know how to prevent this country from going back into deficit spending, we know how to pay down the national debt so we can quit paying a billion dollars a day in interest payments and so that we can see the lower interest rates that every economist agrees will occur if we will pay down the national debt.

I read the other day that interest rates could go down 2 percent over the next 10 years if we could pay down the publicly held portion of the national debt. That would be a wonderful thing. If you are trying to buy a new home and you have borrowed $100,000 to do it, 2 percent lower interest rates means $2,000 a year to you. If you are trying to expand your business and you find out that you need to borrow $100,000 to do it, 2 percent lower interest rates means $2,000 in savings to your business.

For the average family under anybody's tax cut proposal, they are not going to see $2,000 a year from tax cuts. You have got to be up in the upper-income limits to get $2,000 a year. The Blue Dog Democrats say a combination of responsible tax cuts and paying down debt will put more money in the back pocket of most American families than tax cuts alone, because we will get lower interest rates from paying down debt and more importantly perhaps is we will prepare for the retirement of the baby boom generation to ensure that there is no looming financial crisis facing this country. That is the Blue Dog message. That is what we are going to fight for. That is why we believe we need to have a budget debate and a responsible budget with spending caps before we decide how big the tax cut can be.

Democrats in this House want the biggest tax cut we can afford. But we have not decided yet how much we really can afford. We have never had a budget debate. We have never passed a budget. It does not matter whether the President sends over a budget and says we are going to hold spending to 4 percent a year, or it does not matter whether I send one down here on the floor of the House. The way this place works is we debate it out, we have different points of view, and at the end of the day we take votes. It is that process that determines what the Federal Government's budget will be. Until you do that, until you go through that battle and you decide how much you are going to set aside for Medicare, Social Security, prescription drug coverage, national defense, education, paying down debt and tax cuts, there is no way you can determine how big a tax cut you can afford. That is what the Blue Dogs are fighting for in this House. That is the message of fiscal responsibility that we intend to carry throughout this debate.

Mr. Speaker, I would like to yield the final portion of our time to the gentleman from California (Mr. SCHIFF), who has another subject that he would like to address to this House.

CONDEMNING DESTRUCTION OF PRE-ISLAMIC STATUES IN AFGHANISTAN

Mr. SCHIFF. Mr. Speaker, I thank the gentleman from Texas for yielding me a little time at the end of the afternoon.

Mr. Speaker, I rise today to condemn a deplorable act that has taken place halfway around the world with repercussions on our ability to protect the world's heritage and to preserve world history for future generations.

On February 26 of this year, the Taliban ordered the destruction of pre-Islamic statues in Afghanistan, among them a pair of massive Buddhas carved out of a mountainside and towering over 100 feet. Two days ago, on March 12, UNESCO's special envoy to Afghanistan confirmed what the international community feared most, the complete destruction of the 1,600-year-old statues in the Bamiyan province.

In the words of UNESCO chief Koichiro Matsuura, "It is abominable to witness the cold and calculated destruction of cultural properties which were the heritage of the Afghan people and, indeed, of the whole of humanity."

I have introduced a resolution condemning the Taliban's destruction of pre-Islamic statues in Afghanistan and calling for the immediate access for UNESCO representatives to survey the damage. House Concurrent Resolution 52 sends a strong message that religious intolerance of any kind is unacceptable and must immediately be stopped.

One of the most cosmopolitan regions in the world at one time and host to merchants, travelers, and artists from China, Central Asia and the Roman Empire, today Afghanistan is one of the most repressive and intolerant countries in the world as a result of the actions of its ruling Taliban faction. The destruction was ordered and carried out for fear that those ancient statues may be used for idol worship. Destroying those unique creations which had withstood the test of time and the elements of nature on the basis of an irrational fear motivated by intolerance of other cultures and religions is simply unacceptable.

The destruction of the pre-Islamic statues also contradicts the basic tenet of Islam that requires tolerance of other religions. People of all faiths and nationalities, including Muslim communities around the world, condemn the destruction of these statues which were part of the common heritage of mankind. It is imperative we join the people and governments around the world in condemning the senseless act of destruction of our joint cultural heritage and call on the Taliban regimè to immediately cease and desist any further destruction of other pre-Islamic relics.

HOUSE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

November 22, 2000:

H.R. 2346. An act to authorize the enforcement by State and local governments of certain Federal Communications Commission regulations regarding use of citizens band radio equipment.

H.R. 5633. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

December 5, 2000:

H.J. Res. 126. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 6, 2000:

H.R. 2941. An act to establish the Las Cienegas National Conservation Area in the State of Arizona.

December 7, 2000:

H.J. Res. 127. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 8, 2000:

H.J. Res. 128. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 11, 2000:

H.J. Res. 129. An act making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 15, 2000:

H.J. Res. 133. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 19, 2000:

H.R. 3048. An act to amend section 879 of title 18, United States Code, to provide clearer coverage over threats against former Presidents and members of their families, and for other purposes.

H.R. 4281. An act to establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new or revised scientifically valid toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness.

H.R. 4640. An act to make grants to States for carrying out DNA analyses for use in the Combined DNA Index System of the Federal Bureau of Investigation, to provide for the collection and analysis of DNA samples from certain violent and sexual offenders for use in such system, and for other purposes.

H.R. 4827. An act to amend title 18, United States Code, to prevent the entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport, to prevent the misuse of genuine and counterfeit police badges by those seeking to commit a crime, and for other purposes.

December 20, 2000:

H.R. 3514. An act to amend the public Health Service Act to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

H.R. 5016. An act to redesignate the facility of the United States Postal Service located at 514 Express Center Road in Chicago, Illinois, as the "J.T. Weeker Service Center."

December 21, 2000:

H.R. 2903. An act to reauthorize the Striped Bass Conservation Act, and for other purposes.

H.R. 4577. An act making consolidated appropriations for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4942. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 5210. An act to designate the facility of the United States Postal Service located at 200 South George Street in York, Pennsylvania, as the "George Atlee Goodling Post Office Building."

H.R. 5461. An act to amend the Magnuson-Stevens Fishery Conservation and Management Act to eliminate the wasteful and unsportsmanlike practice of shark finning.

December 23, 2000:

H.R. 1653. An act to complete the orderly withdrawal of the NOAA from the civil administration of the Pribilof Islands, Alaska, and to assist in the conservation of coral reefs, and for other purposes.

H.R. 2570. An act to require the Secretary of the Interior to undertake a study regarding methods to commemorate the national significance of the United States roadways that comprise the Lincoln Highways, and for other purposes.

H.R. 3756. An act to establish a standard time zone for Guam and the Commonwealth of the Northern Mariana Islands, and for other purposes.

H.R. 4907. An act to establish the Jamestown 400th Commemoration Commission, and for the other purposes.

December 27, 2000:

H.R. 5528. An act to authorize the construction of a Wapka Sica Reconciliation Place in Fort Pierre, South Dakota, and for other purposes.

H.R. 5630. An act to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 5640. An act to expand homeownership in the United States, and for other purposes.

December 28, 2000:

H.R. 207. An act to amend title 5, United States Code, to make permanent the authority under which comparability allowances may be paid to Government physicians, and to provide that such allowances be treated as part of basic pay for retirement purposes.

H.R. 2816. An act to establish a grant program to assist State and local law enforcement in deterring, investigating, and prosecuting computer crimes.

H.R. 3594. An act to repeal the modification of the installment method.

H.R. 4020. An act to authorize the addition of land to Sequoia National Park, and for other purposes.

H.R. 4656. An act to authorize the Forest Service to convey certain lands in the Lake Tahoe Basin to the Washoe County School District for use as an elementary school site.

December 29, 2000:

H.R. 1795. An act to amend the Public Health Service Act to establish the National Institute of Biomedical Imaging and Bioengineering.

SENATE BILLS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills of the Senate of the following titles:

November 22, 2000:

S. 11. An act for the relief of Wei Jingsheng.

S. 150. An act for the relief of Marina Khalina and her son, Albert Miftakhov.

S. 276. An act for the relief of Sergio Lozano.

S. 768. An act to Amend title 18, United States Code, to establish Federal jurisdiction over offenses committed outside the United States by persons employed by or accompanying the Armed Forces, or by members of the Armed Forces who are released or separated from active duty prior to being identified and prosecuted for the commission of such offenses, and for other purposes.

S. 785. An act for the relief of Frances Schochenmaier and Mary Hudson.

S. 869. An act for the relief of Mina Vahedi Notash.

S. 1078. An act for the relief of Mrs. Elizabeth Eka Bassey, Emmanuel O. Paul Bassey, and Mary Idongesit Paul Bassey.

S. 1513. An act for the relief of Jacqueline Salinas and her children Gabriela Salinas, Alejandro Salinas, and Omar Salinas.

S. 1670. An act to revise the boundary of Fort Matanzas National Monument, and for other purposes.

S. 1880. An act to amend the Public Health Service Act to improve the health of minority individuals.

S. 1936. An act to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other National Forest System land in the State of Oregon and use the proceeds derived from the sale or exchange for National Forest System purposes.

S. 2000. An act for relief of Guy Taylor.

S. 2002. An act for the relief of Tony Lara.

S. 2019. An act for the relief of Malia Miller.

S. 2020. An act to adjust the boundary of the Natchez Trace Parkway, Mississippi, and for other purposes.

S. 2289. An act for the relief of Jose Guadalupe Tellez Pinales.

S. 2440. An act to amend title 49, United States Code, to improve airport security.

S. 2485. An act to direct the Secretary of the Interior to provide assistance in planning and constructing a regional heritage center in Calais, Maine.

S. 2547. An act to provide for the establishment of the Great Sand Dunes National Park and Preserve and the Baca National Wildlife Refuge in the state of Colorado, and for other purposes.

S. 2712. An act to amend chapter 35 of title 31, United States Code, to authorize the consolidation of certain financial and performance management reports required of Federal agencies and for other purposes.

S. 2773. An act to amend the Agricultural Marketing Act of 1946 to enhance dairy markets through dairy product mandatory reporting, and for other purposes.

S. 2789. An act to amend the Congressional Award Act to establish a Congressional Recognition for Excellence in Arts Education Board.

S. 3164. An act to protect seniors from fraud.

S. 3194. An act to designate the facility of the United States Postal Service located at 431 North George Street in Millersville, Pennsylvania, as the "Robert S. Walker Post Office".

S. 3239. An act to amend the Immigration and Nationality Act to provide special immigrant status for certain United States international broadcasting employees.

December 11, 2000:

S. 2796. An act to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

December 19, 2000:

S. 1972. An act to direct the Secretary of Agriculture to convey to the town of Dolores, Colorado, the current site of the Joe Rowell Park.

S. 2594. An act to authorize the Secretary of the Interior to contract with the Mancos Water Conservancy District to use the Mancos Project facilities for impounding, storage, diverting, and carriage of nonproject water for the purpose of irrigation, domestic, municipal, industrial, and any other beneficial purposes.

S. 3137. An act to establish a commission to commemorate the 250th anniversary of the birth of James Madison.

December 21, 2000:

S. 439. An act to amend the National Forest and Public Lands of Nevada Enhancement Act of 1988 to adjust the boundary of the Toiyabe National Forest, Nevada, and to amend chapter 55 of title 5, United States Code, to authorize equal overtime pay provisions for all Federal employees engaged in wildland fire suppression operations.

S. 1508. An act to provide technical and legal assistance to tribal justice systems and members of Indian tribes, and for other purposes.

S. 1898. An act to provide protection against the risks to the public that are inherent in the interstate transportation of violent prisoners.

S. 3045. An act to improve the quality, timeliness, and credibility of forensic science services for criminal justice purposes, and for other purposes.

December 23, 2000:

S. 1694. An act to direct the Secretary of the Interior to conduct a study on the reclamation and reuse of water and wastewater in the State of Hawaii, and for other purposes.

December 27, 2000:

S. 2943. An act to authorize additional assistance for international malaria control, and for other purposes.

December 28, 2000:

S. 1761. An act to direct the Secretary of the Interior, through the Bureau of Reclamation, to conserve and enhance the water supplies of the Lower Rio Grande Valley.

S. 2749. An act to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the settling of the western portion of the United States, and for other purposes.

S. 2924. An act to strengthen the enforcement of Federal statutes relating to false identification, and for other purposes.

S. 3181. An act to establish the White House Commission on the National Moment of Remembrance, and for other purposes.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. POMEROY, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. KIND, for 5 minutes, today.

Mr. HONDA, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. CARSON of Indiana, for 5 minutes, today.

Mr. ALLEN, for 5 minutes, today.

Mr. MOORE, for 5 minutes, today.

Mr. CARSON of Oklahoma, for 5 minutes, today.

Mr. BACA, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. FOLEY) to revise and extend their remarks and include extraneous material:)

Mr. SIMMONS, for 5 minutes, March 20.

Mr. FOLEY, for 5 minutes, today.

Mr. ENGLISH, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. WATERS, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. MORELLA, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. BIGGERT, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. CAPPS, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. SLAUGHTER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. INSLEE, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. BALDWIN, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. SOLIS, for 5 minutes, today.

ADJOURNMENT

Mr. TURNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Thursday, March 15, 2001, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1200. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Electronic Fund Transfers [Regulation E; Docket No. R-1077] received March 5, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1201. A letter from the Deputy Executive Secretary to Department, Health Care Financing Administration, Department of Health and Human Services, transmitting the Department's "Major" final rule—Medicaid Program; Change in Application of Federal Financial Participation Limits: Delay of Effective Date [HCFA-2086-F2] (RIN: 0938-AJ96) received March 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1202. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Burke, South Dakota) [MM Docket No. 00-16; RM-9805]; (Marietta, Mississippi) [MM Docket No. 00-146; RM-9937]; (Lake City, Colorado) [MM Docket No. 00-147; RM-9938]; (Glenville, West Virginia) [MM Docket No. 00-212; RM-9988]; (Pigeon Forge, Tennessee) [MM Docket No. 00-213; RM-9989]; (Lincolnton, Georgia) [MM Docket No. 00-214; RM-9990] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1203. A letter from the Associate Division Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting the Commission's final rule—Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996 [CC Docket No. 94-129] Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers—received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1204. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (Heber, Arizona) [MM Docket No. 00-189; RM-9984]; (Snowflake, Arizona) [MM Docket No. 00-190; RM-9985]; (Overgaard, Arizona) [MM Docket No. 00-191; RM-9986]; (Taylor, Arizona) [MM Docket No. 00-192; RM-9987] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1205. A letter from the Associate Division Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting the Commission's final rule—Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996 [CC Docket No. 94-129] Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers—received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1206. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 07-01 which informs of the planned signature of the Memorandum of Understanding between the United Kingdom and the United States concerning the Development, Documentation, Production and Initial Fielding of Military Satellite Communications, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1207. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 01-01 which informs of the planned signature of the Memorandum of Understanding Concerning Cooperation in Navigation Warfare Technology Demonstrator and System Prototype Projects with Australia and the United Kingdom, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1208. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 006-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

1209. A communication from the President of the United States, transmitting the President's bimonthly report on progress toward a negotiated settlement of the Cyprus question, covering the period December 1, 2000 to January 31, 2001, pursuant to 22 U.S.C. 2373(c); to the Committee on International Relations.

1210. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 13-408, "Insurance Economic Development Amendment Act of 2000" received March 14, 2001, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

1211. A letter from the Acting Assistant Secretary for Management and Chief Information Officer, Department of the Treasury, transmitting the Department of Treasury's Commercial Activities Inventory in accordance with the Federal Activities Inventory Reform Act; to the Committee on Government Reform.

1212. A letter from the Managing Director, Federal Communications Commission, transmitting a copy of the FY 2000 commercial inventory submission; to the Committee on Government Reform.

1213. A letter from the Executive Officer, National Science Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2000, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1214. A letter from the Chair, Railroad Retirement Board, transmitting the Annual Report of the Railroad Retirement Board for Fiscal Year 2000, pursuant to 45 U.S.C. 231f(b)(6); to the Committee on Government Reform.

1215. A letter from the Acting Administrator for Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Florida Keys National Marine Sanctuary Regulations [Docket No. 000510129-1004-02] (RIN: 0648-A018) received March 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1216. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; 2001 Specifications and Foreign Fishing Restrictions [Docket No. 001127331-1044-02; I.D. 102600B] (RIN: 0648-AN69) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1217. A letter from the Acting Chief, Regulations Division, ATF, Department of the Treasury, transmitting the Department's final rule—Distribution and Use of Tax-Free Alcohol (2000R-294P) [T.D. ATF-443; Ref: Notice No. 828] (RIN: 1512-AB57) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1218. A letter from the Acting Chief, Regulations Division, ATF, Department of the Treasury, transmitting the Department's final rule—West Elks Viticultural Area (2000R-257P) [T.D. ATF-445; RE: Notice No. 904] (RIN: 1512-AA07) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1219. A letter from the Acting Chief, Regulations Division, ATF, Department of the Treasury, transmitting the Department's final rule—Formulas for Denatured Alcohol and Rum (2000R-295P) [T.D. ATF-442; Ref: Notice No. 832] (RIN: 1512-AB60) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1220. A letter from the Principal Deputy Under Secretary of Defense, Department of Defense, transmitting the annual reports that set out the current amount of outstanding contingent liabilities of the United States for vessels insured under the authority of Title XII of the Merchant Marine Act of 1936, and for aircraft insured under the authority of chapter 433 of Title 49, United States Code, pursuant to Public Law 104—201, section 1079(a) (110 Stat. 2670); jointly to the Committees on Armed Services and Transportation and Infrastructure.

1221. A letter from the Acting Assistant Secretary for Economic Development, Economic Development Administration, transmitting the annual report on the activities of the Economic Development Administration for Fiscal Year 1999, pursuant to 42 U.S.C. 3217; jointly to the Committees on Transportation and Infrastructure and Financial Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HASTINGS of Washington: Committee on Rules.

House Resolution 89. Resolution providing for consideration of the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses (Rept. 107–22). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Ms. DUNN (for herself, Mr. Tanner, Mr. Cox, Mr. Abercrombie, Mr. Brown of South Carolina, Mr. Culberson, Mr. Everett, Mr. Goode, Mr. Cooksey, Mr. Bachus, Mr. Pence, Mr. LaHood, Mr. Shadegg, Mr. Duncan, Mr. Whitfield, Mr. Saxton, Mr. Bonilla, Mrs. Roukema, Mrs. Biggert, Mr. Ferguson, Mr. Gilchrest, Mr. Radanovich, Mr. Shaw, Mr. Maloney of Connecticut, Mr. Sam Johnson of Texas, Mr. Tancredo, Mr. Boucher, Mr. Traficant, Mr. Keller, Mr. Burton of Indiana, Mr. Shows, Mr. Gary Miller of California, Mr. Rogers of Michigan, Mr. Cunningham, Mr. Royce, Mr. Greenwood, Mr. Smith of Texas, Mr. Foley, Mr. Hayworth, Mr. Weller, Mr. Kirk, Mr. Young of Alaska, Mr. Baird, Mr. Wamp, Mr. Dooley of California, Mr. Ehlers, Mr. Cantor, Mr. Pombo, Mr. Simmons, Mr. Camp, Mr. McIntyre, Mr. Hayes, Mr. Nethercutt, Ms. Hart, Mr. Barton of Texas, Mrs. Wilson, Mr. Hall of Texas, Mr. Hyde, Mr. Wolf, Mr. Sununu, Mr. Grucci, Mr. Callahan, Mr. Ryan of Wisconsin, Mrs. Kelly, Mr. Largent, Mr. Deal of Georgia, Mr. Cannon, Mr. Aderholt, Mr. Crane, Ms. Granger, Mr. Blunt, Mr. Green of Wisconsin, Mr. Herger, Mr. English, Mr. LoBiondo, Mr. Jenkins, Mr. Pitts, Mr. Lewis of California, Mr. Oxley, Mr. Riley, Mr. Chambliss, Mr. Watts of Oklahoma, Mrs. Northup, Mr. Ose, Mr. Smith of New Jersey, Mr. Lewis of Kentucky, Mr. Lucas of Oklahoma, Mr. Simpson, Mr. Peterson of Pennsylvania, Mr. McCrery, Mrs. Bono, Mr. Calvert, Mr. Ney, Mr. Doolittle, Mr. Hunter, Mr. Skeen, Mr. Hoekstra, Mr. LaTourette, Mr. Shimkus, Mr. Fletcher, Ms. Capito, Mr. Ehrlich, Mr. Bishop, Mr. Rohrabacher, Mr. Boehlert, Mr. Ryun of Kansas, Mr. Cramer, Mrs. Emerson, Mr. Schaffer, Mr. Sessions, Mr. Isakson, Ms. Ros-Lehtinen, Mr. Burr of North Carolina, Mr. Barr of Georgia, Mr. Hastings of Washington, Mr. Miller of Florida, Mr. Horn, Mr. Ramstad, Mr. McHugh, Mr. Walsh, Mr. Crenshaw, Mr. Norwood, Mr. Coble, Mr. Nussle, Mr. Platts, Mr. Jones of North Carolina, Mr. Gekas, Mr. Rogers of Kentucky, Mr. Bass, Mr. Terry, Mr. Schrock, Mr. Goodlatte, Mr. Toomey, Mr. Wicker, Mr. Portman, Mr. Tauzin, Mr. Hansen, Mr. Armey, Mr. Hilleary, Mr. McInnis, Mr. Combest, Mr. DeLay, Mrs. Cubin, Mr. Linder, Mr. Mica, Mrs. McCarthy of New York, Mr. Frelinghuysen, Mr. Berry, Mr. John, Mr. Condit, Mr. Sandlin, Mr. Sweeney, Mr. Knollenberg, Mr. Phelps, Mr. Carson of Oklahoma, Mr. Ganske, Mr. Thune, Mr. Kerns, Ms. Pryce of Ohio, Mr. Stump, Mr. Sensenbrenner, Mr. Otter, Mr. Rahall, Mr. Sisisky, Mr. Hulshof, Mr. Lucas of Kentucky, Mr. Walden of Oregon, Mr. Wynn, Mr. Ford, Mr. Reynolds, Mr. Brady of Texas, Mr. Paul, Mr. Gordon, Mrs. Jo Ann Davis of Virginia, Mr. Costello, Mr. Gillmor, Mr. Watkins, Mr. Putnam, Mr. Gibbons, Mr. Akin, Mr. Issa, Mr. Farr of California, Mr. Barcia, Mrs. Myrick, Mr. Bartlett of Maryland, Mr. Chabot, Mr. Kingston, Mr. Hefley, Mr. Gallegly, Mr. Gilman, Mr. Goss, Mr. Weldon of Florida, Mr. DeMint, Mr. Souder, Mr. Fossella, Mr. Kolbe, Mr. Bilirakis, Mr. Latham, Mr. Tiahrt, Mr. Taylor of North Carolina, Mr. Scarborough, Mr. Vitter, Mr. Hostettler, Mr. Graham, Mr. Spence, Mr. Tom Davis of Virginia, Mr. Boehner, Mr. Osborne, Mr. Bryant, Mr. Dreier, Mr. Pickering, Mr. Thornberry, Mr. Weldon of Pennsylvania, Mr. Baker, Mr. King, Mr. Hutchinson, Mr. McKeon, Mr. Manzullo, Mr. Smith of Washington, Mr. Lampson, and Mrs. Clayton):

H.R. 8. A bill to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period, and for other purposes; to the Committee on Ways and Means.

By Mr. PORTMAN (for himself, Mr. Cardin, Mr. Armey, Mr. Frost, Mr. Boehner, Mr. Andrews, Mr. Blunt, Mr. Bentsen, Mr. Gallegly, Mr. Moore, Mr. Houghton, Mr. Coyne, Mr. Sam Johnson of Texas, Mr. Pomeroy, Mrs. Johnson of Connecticut, Mr. Manzullo, Mrs. Morella, Mr. Weller, Mr. Wynn, Mr. Akin, Mr. Baca, Mr. Bachus, Mr. Baird, Mr. Baker, Mr. Baldacci, Mr. Ballenger, Mr. Barcia, Mr. Barrett, Mr. Bass, Mr. Bereuter, Ms. Berkley, Mrs. Biggert, Mr. Blagojevich, Mr. Blumenauer, Mr. Borski, Mr. Boswell, Mrs. Bono, Mr. Brady of Texas, Mr. Brady of Pennsylvania, Mr. Bryant, Mr. Burr of North Carolina, Mr. Buyer, Mr. Calvert, Mr. Camp, Mr. Cantor, Ms. Capito, Mrs. Capps, Mr. Capuano, Mr. Chabot, Mr. Clay, Mr. Clement, Mr. Coble, Mr. Collins, Mr. Condit, Mr. Cooksey, Mr. Cox, Mr. Crane, Mr. Crenshaw, Mr. Crowley, Mr. Culberson, Mr. Cunningham, Mrs. Jo Ann Davis of Virginia, Mr. Delahunt, Mr. DeMint, Mr. Deutsch, Mr. Diaz-Balart, Mr. Dooley of California, Mr. Doyle, Mr. Dreier, Ms. Dunn, Mr. Ehrlich, Mrs. Emerson, Mr. Engel, Mr. English, Ms. Eshoo, Mr. Etheridge, Mr. Evans, Mr. Faleomavaega, Mr. Ferguson, Mr. Filner, Mr. Fletcher, Mr. Foley, Mr. Ford, Mr. Fossella, Mr. Frelinghuysen, Mr. Ganske, Mr. Gibbons, Mr. Gilchrest, Mr. Gillmor, Mr. Goss, Mr. Gonzalez, Mr. Goode, Mr. Goodlatte, Mr. Gordon, Ms. Granger, Mr. Graves, Mr. Green of Texas, Mr. Green of Wisconsin, Mr. Greenwood, Mr. Hall of Texas, Mr. Hall of Ohio, Ms. Hart, Mr. Hastings of Washington, Mr. Hayes, Mr. Hayworth, Mr. Hefley, Mr. Herger, Mr. Hill, Mr. Hilleary, Mr. Hobson, Mr. Holden, Ms. Hooley of Oregon, Mr. Horn, Mr. Hoyer, Mr. Hulshof, Mr. Holt, Mr. Hutchinson, Mr. Hyde, Mr. Isakson, Mr. Istook, Mr. Jefferson, Mrs. Jones of Ohio, Mr. Jones of North Carolina, Mr. Kanjorski, Mrs. Kelly, Mr. Kennedy of Rhode Island, Mr. Kildee, Mr. Kind, Mr. King, Mr. Kingston, Mr. Kirk, Mr. Kleczka, Mr. Knollenberg, Mr. Kolbe, Mr. Kucinich, Mr. LaHood, Mr. Lampson, Mr. Langevin, Mr. Lantos, Mr. Largent, Mr. Larsen of Washington, Mr. Larson of Connecticut, Mr. Latham, Mr. LaTourette, Mr. Leach, Mr. Lewis of Kentucky, Mr. LoBiondo, Ms. Lofgren, Mrs. Lowey, Mr. Lucas of Oklahoma, Mr. Lucas of Kentucky, Mrs. Maloney of New York, Mr. Maloney of Connecticut, Mr. Mascara, Mr. Matheson, Mrs. McCarthy of New York, Ms. McCarthy of Missouri, Mr. McCrery, Mr. McGovern, Mr. McHugh, Mr. McInnis, Mr. McIntyre, Mr. McKeon, Mr. McNulty, Mr. Meehan, Mr. Menendez, Ms. Millender-McDonald, Mr. Gary Miller of California, Mrs. Mink of Hawaii, Mr. Moran of Kansas, Mrs. Myrick, Mr. Nadler, Mr. Nethercutt, Mr. Ney, Mrs. Northup, Mr. Norwood, Mr. Nussle, Mr. Osborne, Mr. Otter, Mr. Oxley, Mr. Pallone, Mr. Pascrell, Mr. Pastor, Mr. Paul, Mr. Payne, Mr. Pence, Mr. Peterson of Pennsylvania, Mr. Petri, Mr. Platts, Ms. Pryce of Ohio, Mr. Putnam, Mr. Quinn, Mr. Rahall, Mr. Ramstad, Mr. Regula, Mr. Reynolds, Mr. Riley, Mr. Roemer, Mr. Rogers of Michigan, Mrs. Roukema, Mr. Rothman, Mr. Royce, Mr. Ryan of Wisconsin, Mr. Ryun of Kansas, Mr. Sandlin, Mr. Sawyer, Mr. Saxton, Ms. Schakowsky, Mr. Scarborough, Mr. Schaffer, Mr. Schrock, Mr. Sessions, Mr. Shadegg, Mr. Shaw, Mr. Shays, Mr. Sherman, Mr. Sherwood, Mr. Shows, Mr. Simmons, Mr. Simpson, Mr. Skelton, Mr. Smith of Washington, Mr. Smith of New Jersey, Mr. Smith of Texas, Mr. Snyder, Mr. Souder, Mr. Spratt, Mr. Stearns, Mr. Strickland, Mr. Stupak, Mr. Sununu, Mr. Sweeney, Mr. Tancredo, Mr. Tanner, Mrs. Tauscher, Mr. Taylor of North Carolina, Mr. Terry, Mr. Thompson of Mississippi, Mr. Thompson of California, Mr. Thune, Mrs. Thurman, Mr. Tiberi, Mr. Traficant, Mr. Toomey, Mr. Turner, Mr. Udall of Colorado, Mr. Udall of New Mexico, Mr. Upton, Mr. Walden of Oregon, Mr. Walsh, Mr. Wamp, Mr. Watkins, Mr. Watts of Oklahoma, Mr. Weiner, Mr. Weldon of Florida, Mr. Whitfield, Mr. Wolf, Ms. Woolsey, Mr. Wu, and Mr. Young of Alaska):

H.R. 10. A bill to provide for pension reform, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEAL of Georgia (for himself, Mr. Udall of Colorado, Mr. Tancredo, and Mr. Peterson of Pennsylvania):

H.R. 1013. A bill to promote recreation on Federal lakes, to require Federal agencies responsible for managing Federal lakes to pursue strategies for enhancing recreational experiences of the public, and for other purposes; to the Committee on Resources, and in addition to the Committees on Transportation and Infrastructure, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. CARSON of Indiana:

H.R. 1014. A bill to prevent children from injuring themselves with handguns; to the Committee on the Judiciary, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. Jo Ann DAVIS of Virginia (for herself, Mr. Hayworth, Mr. Schrock, Mr. Crenshaw, Mr. Cantor, and Mr. Goodlatte):

H.R. 1015. A bill to provide for an increase in the amount of Servicemember's Group Life Insurance paid to survivors of members of the Armed Forces who died in the performance of duty between November 1, 2000, and April 1, 2001; to the Committee on Veterans' Affairs.

By Ms. BALDWIN (for herself, Mr. McHugh, Mr. Obey, Mr. Kind, Mr. Barrett, Mr. Sensenbrenner, Mr. Petri, Mr. Sanders, Mr. Hinchey, Mr. Boucher, Mr. Cooksey, Mr. Fattah, Mr. English, Mr. Baldacci, Mr. Houghton, Mr. Boyd, Mr. Callahan, Mr. Vitter, Mr. Boehlert, Mr. Brown of Ohio, Mr. Pickering, Ms. Slaughter, Mr. Walsh, Mr. Sweeney, Mr. Sherwood, Mrs. Emerson, Mr. McGovern, Mr. Peterson of Pennsylvania, Mr. Clay, and Mr. Kleczka):

H.R. 1016. A bill to amend the Federal Food, Drug, and Cosmetic Act to prohibit products that contain dry ultra-filtered milk products, milk protein concentrates, or casein from being labeled as domestic natural cheese, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GOODLATTE (for himself, Mr. Smith of Texas, and Mr. Boucher):

H.R. 1017. A bill to prohibit the unsolicited e-mail known as "spam"; to the Committee on the Judiciary.

By Mr. TOOMEY (for himself, Mr. Ryan of Wisconsin, Mr. Armey, Mr. Flake, Mr. Shadegg, Mr. Sam Johnson of Texas, Mr. DeMint, Mr. Pence, Mr. Bonilla, Mr. Sessions, Mr. Doolittle, Mr. Ryun of Kansas, Mr. Souder, Mr. Largent, Mr. Otter, Mr. Tancredo, Mr. Chabot, Mr. Cox, Mrs. Myrick, Mr. Hayworth, Mr. Cantor, Mr. Akin, Ms. Hart, Mr. Schaffer, Mr. Gary Miller of California, Mr. Istook, Mr. Hostettler, Mr. Pitts, Mr. Bartlett of Maryland, Mr. Herger, Mr. Issa, Mr. Hefley, Mr. Kirk, Mr. Keller, Mr. Jones of North Carolina, Mrs. Jo Ann Davis of Virginia, and Mr. Barr of Georgia):

H.R. 1018. A bill to amend the Internal Revenue Code of 1986 to provide for economic growth by providing tax relief; to the Committee on Ways and Means.

By Mr. BURTON of Indiana (for himself, Mr. Gilman, Mr. Shays, Mr. Horn, Mr. Mica, Mr. Souder, Mr. LaTourette, and Mr. Barr of Georgia):

H.R. 1019. A bill to amend the Federal Election Campaign Act of 1971 to increase the penalties imposed for making or accepting contributions in the name of another and to prohibit foreign nationals from making any campaign-related disbursements; to the Committee on House Administration.

By Mr. QUINN (for himself, Mr. Clement, and Mr. Bachus):

H.R. 1020. A bill to authorize the Secretary of Transportation to establish a grant program for the rehabilitation, preservation, or improvement of railroad track; to the Committee on Transportation and Infrastructure.

By Mr. CANTOR (for himself, Mr. Sisisky, Mr. Wolf, Mr. Tom Davis of Virginia, Mr. Moran of Virginia, Mr. Scott, Mr. Schrock, Mr. Goode, Mr. Goodlatte, Mr. Boucher, Mr. Crenshaw, Mrs. Jo Ann Davis of Virginia, Mrs. Myrick, Mr. Platts, Mr. Towns, and Mr. Tancredo):

H.R. 1021. A bill to require the Secretary of the Treasury to redesign Federal reserve notes of all denominations so as to incorporate the preamble to the Constitution of the United States, a list describing the Articles of the Constitution, and a list describing the Articles of Amendment, on the reverse side of such currency; to the Committee on Financial Services.

By Mr. DOOLITTLE:

H.R. 1022. A bill to amend title 4, United States Code, to make sure the rules of etiquette for flying the flag of the United States do not preclude the flying of flags at half mast when ordered by city and local officials; to the Committee on the Judiciary.

By Ms. DUNN (for herself, Mr. DeFazio, and Mr. Wamp):

H.R. 1023. A bill to amend the Incentive Grants for Local Delinquency Prevention Programs Act to authorize appropriations for fiscal years 2002 through 2007, and for other purposes; to the Committee on Education and the Workforce.

By Mr. HULSHOF (for himself, Mr. Jefferson, Mr. McCrery, and Mr. Collins):

H.R. 1024. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury; to the Committee on Ways and Means.

By Mr. LATOURETTE:

H.R. 1025. A bill to amend the Internal Revenue Code of 1986 to establish a temporary checkoff on income tax returns to provide funding to States for improving the administration of elections for Federal office; to the Committee on Ways and Means, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MOORE (for himself, Mr. Abercrombie, Mr. Baird, Mr. Baldacci, Mrs. Bono, Mr. Boswell, Mr. Calvert, Mr. Capuano, Mr. Clement, Mr. Condit, Mr. Cramer, Ms. DeLauro, Mr. Dooley of California, Mr. Frost, Mr. Green of Texas, Mr. Hill, Mr. Hinchey, Mr. Holt, Mr. Honda, Ms. Hooley of Oregon, Mr. Hyde, Mr. Israel, Ms. Jackson-Lee of Texas, Mr. Kildee, Mr. Larsen of Washington, Mr. Larson of Connecticut, Mr. Lewis of Georgia, Mrs. Lowey, Mr. Lucas of Kentucky, Mrs. McCarthy of New York, Ms. McKinney, Mr. Moran of Virginia, Mrs. Napolitano, Mr. Pascrell, Mr. Peterson of Minnesota, Mr. Rohrabacher, Mr. Rush, Mr. Sandlin, Mr. Sisisky, Mr. Skelton, Mr. Tancredo, Mrs. Tauscher, Mr. Thompson of California, Mrs. Jones of Ohio, Mr. Turner, Mr. Wu, Mr. Wynn, and Mr. Udall of New Mexico):

H.R. 1026. A bill to amend the Internal Revenue Code of 1986 to increase the annual limitation on deductible contributions to individual retirement accounts to $5,000, and for other purposes; to the Committee on Ways and Means.

By Mr. OLVER (for himself, Mr. Meehan, Mr. Tierney, Mr. McGovern, Mr. Bass, and Mr. Markey):

H.R. 1027. A bill to establish the Freedom's Way National Heritage Area in the Commonwealth of Massachusetts and in the State of New Hampshire, and for other purposes; to the Committee on Resources.

By Mr. PALLONE:

H.R. 1028. A bill to amend the Immigration and Nationality Act to permit the admission to the United States of nonimmigrant students and visitors who are the spouses and children of United States permanent resident aliens, and for other purposes; to the Committee on the Judiciary.

By Mr. SHADEGG:

H.R. 1029. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for contributions to charitable organizations which provide scholarships for children to attend elementary and secondary schools; to the Committee on Ways and Means.

By Mr. SHAW (for himself, Mr. Rangel, Mrs. Johnson of Connecticut, Mr. Stark, Mr. Houghton, Mr. Matsui, Mr. Herger, Mr. Coyne, Mr. Ramstad, Mr. Cardin, Mr. Camp, Mr. Lewis of Georgia, Mr. Sam Johnson of Texas, Mr. Neal of Massachusetts, Mr. English, Mr. Becerra, Mr. Watkins, Mrs. Thurman, Mr. Hayworth, Mr. McInnis, Mr. Foley, Mr. Pomeroy, Mr. Riley, Mrs. Kelly, Mr. Nethercutt, Mr. Gary Miller of California, Mr. Goode, Mr. Doyle, Mr. Green of Wisconsin, Mr. Stump, Mr. Shows, Mr. Blumenauer, Mr. Filner, Mr. Bentsen, Mr. Gutknecht, Mr. Clement, Mr. Terry, Mr. Udall of New Mexico, Mr. Dicks, Mr. Bonior, Mr. Tom Davis of Virginia, Mr. Ehrlich, Ms. Pryce of Ohio, Mrs. Myrick, Mr. Chambliss, Mr. Buyer, Mr. Sandlin, Mr. Doolittle, Mr. Larson of Connecticut, Mr. Miller of Florida, Mr. Reynolds, Mr. Deutsch, Mr. Isakson, Mr. Davis of Florida, Mr. Weldon of Florida, Mr. Greenwood, Mr. Kolbe, Mr. Cox, Mr. Wexler, Mr. Frost, Mr. Watt of North Carolina, Mr. Souder, Mr. Maloney of Connecticut, Mr. Hall of Ohio, Ms. Carson of Indiana, and Mr. Green of Texas):

H.R. 1030. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements; to the Committee on Ways and Means.

By Mr. SIMMONS (for himself, Mr. Ehrlich, Ms. Hart, Mr. Shays, Mrs.

Biggert, Mr. Armey, Mr. Smith of New Jersey, Mr. Greenwood, and Mrs. Johnson of Connecticut):

H.R. 1031. A bill to prohibit the use of Federal funds for certain amenities and personal comforts in the Federal prison system; to the Committee on the Judiciary.

By Mr. STUPAK (for himself, Mr. Brown of Ohio, Mr. Barrett, Ms. Kilpatrick, Ms. Rivers, Mr. Kind, Mr. Bonior, Mr. Conyers, Mr. Kucinich, Mr. Obey, Mr. Luther, Mr. Quinn, Mr. Kildee, Mr. Dingell, Mr. Barcia, Mr. Levin, Ms. Baldwin, Mr. Markey, and Mrs. Thurman):

H.R. 1032. A bill to prohibit oil and gas drilling in the Great Lakes; to the Committee on Resources.

By Mr. TIERNEY (for himself, Mr. Bonior, Mr. Capuano, Ms. Carson of Indiana, Mr. Conyers, Mr. DeFazio, Mr. Hilliard, Mr. McDermott, Mr. Nadler, Ms. Norton, Mr. Olver, Ms. Rivers, Mr. Sanders, Mr. Weiner, Mr. Stark, Mr. Fattah, Mr. McGovern, Ms. Lee, Ms. Schakowsky, Ms. Waters, Mr. Baldacci, Mr. Kucinich, Mr. Gutierrez, Mrs. Meek of Florida, Mr. Kildee, Ms. Millender-McDonald, Mr. George Miller of California, Mrs. Christensen, Mr. Hinchey, Mr. Lantos, Mrs. Jones of Ohio, Mr. Filner, Mr. Lewis of Georgia, Mr. Evans, Mr. Hastings of Florida, Ms. Jackson-Lee of Texas, Mr. Brady of Pennsylvania, Mr. Payne, Ms. Baldwin, Mr. Markey, Mr. Thompson of Mississippi, Mr. Owens, and Mr. Davis of Illinois):

H.R. 1033. A bill to amend the Social Security Act to provide grants and flexibility through demonstration projects for States to provide universal, comprehensive, cost-effective systems of health care coverage, with simplified administration; to the Committee on Energy and Commerce.

By Mr. TOWNS (for himself and Mr. Young of Alaska):

H.R. 1034. A bill to amend the National Telecommunications and Information Administration Organization Act to establish a digital network technology program, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UDALL of Colorado (for himself, Mr. Frost, Mr. Owens, Mr. Hilliard, Ms. McKinney, Mr. Baldacci, Mr. Blumenauer, Mr. Cummings, Mr. Davis of Illinois, Mr. Hinojosa, Mr. Kucinich, Mr. McGovern, Mrs. Tauscher, Mr. Baird, Ms. Baldwin, Mrs. Jones of Ohio, Mr. Udall of New Mexico, Mr. Wu, and Mrs. Jo Ann Davis of Virginia):

H.R. 1035. A bill to direct the Administrator of the Small Business Administration to conduct a pilot program to raise awareness about telecommuting among small business employers, and to encourage such employers to offer telecommuting options to employees; to the Committee on Small Business.

By Mr. WU (for himself, Mr. George Miller of California, Mr. Kildee, Mr. Owens, Mr. Payne, Mrs. Mink of Hawaii, Mr. Andrews, Mr. Scott, Ms. Woolsey, Ms. Rivers, Mrs. McCarthy of New York, Mr. Tierney, Mr. Kind, Mr. Ford, Mr. Kucinich, Ms. Solis, Mr. Holt, Mr. Hinojosa, Ms. McCollum, and Mrs. Davis of California):

H.R. 1036. A bill to amend the Elementary and Secondary Education Act of 1965 to reduce class size through the use of fully qualified teachers, and for other purposes; to the Committee on Education and the Workforce.

By Mr. KENNEDY of Rhode Island (for himself and Mr. Langevin):

H. Con. Res. 62. Concurrent resolution expressing the sense of Congress that the George Washington letter to Tuoro Synagogue in Newport, Rhode Island, which is on display at the B'nai B'rith Klutznick National Jewish Museum in Washington D.C., is one of the most significant early statements buttressing the nascent American constitutional guarantee of religious freedom; to the Committee on the Judiciary.

By Mr. LANGEVIN (for himself, Ms. Jackson-Lee of Texas, Mrs. Meek of Florida, Mrs. Maloney of New York, Mr. Reyes, Mr. Hoyer, Mr. Meehan, Mr. Waxman, Mr. Capuano, Mr. Hoeffel, Mr. Brown of Ohio, Mr. Frost, Mr. Clay, Mr. Moore, Mr. Rangel, and Mr. Delahunt):

H. Con. Res. 63. Concurrent resolution expressing the sense of Congress that Congress should act quickly to enact significant election administration reforms which may be implemented prior to the regularly scheduled general elections for Federal office held in 2002; to the Committee on House Administration.

By Mr. FROST:

H. Res. 88. A resolution designating minority membership on certain standing committees of the House; considered and agreed to.

By Mr. TURNER:

H. Res. 90. A resolution designating minority membership on certain standing committees of the House; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. Gilman.

H.R. 31: Mr. Hunter.

H.R. 68: Mr. Boyd.

H.R. 80: Mr. Gibbons.

H.R. 99: Mr. Cantor.

H.R. 105: Mr. Cantor.

H.R. 162: Mr. Dicks, Mr. Bonior, Mr. Rahall, Mr. Matsui, and Mrs. Mink of Hawaii.

H.R. 179: Mr. Acevedo-Vilá, Mr. Blunt, Mr. Hastings of Florida, Mr. Holt and Mr. Ortiz.

H.R. 239: Mrs. Kelly, Mr. Nadler, and Mrs. Lowey.

H.R. 244: Ms. Millender-McDonald.

H.R. 257: Mr. Jones of North Carolina, Mr. Weldon of Florida, and Mr. Doolittle.

H.R. 287: Mr. Quinn, Mr. McNulty, and Mr. McHugh.

H.R. 303: Mr. Ballenger, Mr. Leach, Mrs. Biggert, Mr. Fossella, Mr. Gutierrez, Mr. Bereuter, Mr. Boswell, and Mr. Ortiz.

H.R. 320: Mr. Green of Wisconsin.

H.R. 330: Mr. Issa and Mr. Flake.

H.R. 346: Ms. Schakowsky.

H.R. 347: Mrs. Thurman.

H.R. 397: Ms. McCarthy of Missouri, Mr. Hoeffel, Mr. Udall of Colorado, Ms. Hooley of Oregon, Mr. Gutierrez, Mr. Shaw, Ms. McCollum, Mr. Andrews, Mr. Gillmor, Mr. Bonior, Mr. Green of Texas, Ms. Hart, and Mr. LaHood.

H.R. 436: Mr. Cannon, Mr. Filner, Mr. McHugh, Mr. Simmons, Mr. Hastings of Washington, and Mr. Holt.

H.R. 437: Ms. Hart.

H.R. 489: Mrs. Thurman, Mr. Clement, Mr. Davis of Illinois, Mr. Turner, Mr. Boucher, Ms. Millender-McDonald, and Mr. Grucci.

H.R. 490: Mr. Clement, Ms. Eshoo, Ms. DeLauro, Ms. Sánchez, Mr. Shows, Mr. Sanders, Mr. McIntyre, Mr. LaTourette, Mr. Jackson of Illinois, and Mr. Leach.

H.R. 498: Mr. Simmons, Ms. Woolsey, Mr. Barton of Texas, Mr. Matsui, Mr. Lantos, Ms. Hart, Mr. Becerra, Mr. Berman, and Mr. Hall of Texas.

H.R. 503: Ms. Ros-Lehtinen, Mr. Peterson of Pennsylvania, Mr. Issa, and Mr. Boehner.

H.R. 510: Ms. Hart, Ms. Millender-McDonald, Ms. Baldwin, Mr. Calvert, and Mr. Sawyer.

H.R. 525: Mr. Wynn.

H.R. 534: Mrs. Roukema, Mr. Smith of Washington, Mr. Fossella, Mr. Bachus, Mr. Mica, Mr. Bryant, Mr. Walden of Oregon, Mr. Frost, Mr. Gilchrest, Mr. Larsen of Washington, Mr. Kirk, Mr. Goss, Mr. Young of Alaska, Mr. Watts of Oklahoma, Mr. McHugh, Mr. Blunt, Mr. Green of Texas, Mr. Schrock, Mr. Hutchinson, Mr. Tancredo, and Mr. Weldon of Pennsylvania.

H.R. 544: Ms. Millender-McDonald and Ms. Harman.

H.R. 550: Mr. Levin, Mr. Rogers of Michigan, Mr. Upton, Mr. Bonior, Mr. Camp, and Mr. Barcia.

H.R. 551: Ms. Hooley of Oregon.

H.R. 585: Mr. Allen.

H.R. 606: Mr. Turner, Mrs. McCarthy of New York, Mr. Schiff, Ms. Velázquez, Mr. Bonior, and Mr. Ferguson.

H.R. 612: Mr. Blunt, Mr. Bryant, Mr. Tiahrt, and Mr. Lipinski.

H.R. 622: Mr. Graves, Mr. Otter, Mr. Baldacci, Ms. Solis, Mr. Hoeffel, Mr. Portman, Ms. Dunn, and Mr. Hyde.

H.R. 687: Mr. Kucinich and Mr. Owens.

H.R. 698: Mr. Clay, Ms. Carson of Indiana, Mr. Delahunt, Mr. Kucinich, Mr. Payne, and Ms. Slaughter.

H.R. 756: Ms. Millender-McDonald and Mrs. Davis of California.

H.R. 758: Mr. Lantos, Ms. Slaughter, and Ms. Millender-McDonald.

H.R. 760: Ms. Baldwin, Ms. Berkley, Ms. Woolsey, and Mr. Barcia.

H.R. 762: Mrs. Meek of Florida.

H.R. 779: Mr. Lucas of Kentucky.

H.R. 785: Mrs. Thurman.

H.R. 787: Mr. Simmons.

H.R. 801: Mr. Filner, Mr. Pascrell, Mr. Ehrlich, Mrs. Roukema, and Mr. Goode.

H.R. 811: Mrs. Roukema.

H.R. 822: Mr. Paul, Mr. Gillmor, and Mr. Evans.

H.R. 826: Mrs. Thurman.

H.R. 871: Mr. Otter.

H.R. 912: Mr. Ganske, Mr. Baird, Mr. Clyburn, Mr. Holt, Ms. Eddie Bernice Johnson of Texas, Mr. Langevin, Mr. Maloney of Connecticut, Mr. Moran of Virginia, Mrs. Napolitano, Mr. Owens, Mr. Pascrell, Mr. Sabo, Mr. Serrano, Mr. Udall of New Mexico, Mr. Cummings, and Mrs. Tauscher.

H.R. 920: Ms. McKinney.

H.R. 936: Ms. Lee, Mr. Boswell, Mr. Mascara, Mr. Conyers, Mr. English, Mr. Olver, Ms. Velázquez, Mr. Green of Wisconsin, Mr. Pastor, and Mr. Stearns.

H.R. 1005: Mr. Murtha.

H.R. 1009: Mr. Shays.

H.J. Res. 36: Mr. Barr of Georgia, Mr. Nethercutt, Mr. Lucas of Kentucky, and Mr. Wamp.

H. Res. 56: Ms. Ros-Lehtinen.

H. Res. 72: Mr. Dooley of California and Mr. Evans.

H. Res. 73: Mr. Simmons.

H. Res. 87: Ms. PELOSI and Mr. NETHERCUTT.

SENATE—*Wednesday, March 14, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable GEORGE ALLEN, a Senator from the State of Virginia.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, source of strength to live life to the fullest, replenish our enthusiasm for the people of our lives, the work that You have given us to do, and the leadership we must provide. What Vesuvius would be without fire, or Niagara without water, or the firmament without the Sun, so leaders would be without enthusiasm. You desire it. We require it. And other people never tire of it.

Lord, You know what happens to us in the pressures and problems of life. The ruts of sameness become well worn, the blight of boredom settles on the bloom of what was once thrilling. You know we need a fresh gift of enthusiasm, when prayer becomes routine or people are taken for granted or the national anthem and the Pledge of Allegiance do not send a thrill up our spines or the privilege of living in this free land becomes mundane.

Bless the Senators and all of us who work with them today with a burst of enthusiasm for the privilege of being here in the Senate. Renew our awe and wonder, our vision and hope for our Nation, and our sense of gratitude that You have chosen to be our God and chosen us to love and serve You here in Government. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE ALLEN led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The bill clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, March 14, 2001.*
>
> *To the Senate:*
>
> Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable GEORGE ALLEN, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.
>
> STROM THURMOND,
> *President pro tempore.*

Mr. ALLEN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Wyoming is recognized.

SCHEDULE

Mr. THOMAS. Mr. President, today the Senate will be in a period of morning business until 10:30 a.m. Following morning business, the Senate will resume consideration of the Bankruptcy Reform Act. There will be three stacked votes at approximately 10:45 a.m. on the Carnahan amendment No. 40, the Smith of Oregon amendment No. 95, and the Wyden amendment No. 78. Following the votes, the Senate will resume consideration of the Wellstone amendment regarding debt collection. As a reminder, the cloture vote on the bankruptcy bill will occur at 4 p.m. today. Pursuant to rule XXII, the filing deadline for second-degree amendments is 3 p.m. Senators should be prepared for votes throughout the day and into the evening.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak therein for up to 5 minutes each. Under the previous order, the time until 10 a.m. shall be under the control of the Senator from Wyoming, Mr. THOMAS, or his designee.

TAX CUT RELIEF

Mr. THOMAS. Mr. President, the issue the Senate is debating is bankruptcy. We will also be dealing with education, and we will be dealing with the budget.

Somewhat overlying all these issues is the idea of tax relief, of doing something with the tax burden of American citizens, coming to some agreement on how that can indeed be done with some of our associates to come to the conclusion that, in fact, taxpayers are entitled to some relief in their taxes, if indeed those taxes exceed the needs of the Federal Government.

It has been, of course, the highest priority for this administration, the highest priority for President Bush, as he has outlined his plan in his campaign and has brought it forth as a specific proposal to the Congress. The House has acted on a portion of it at this point. I happen to believe it is reasonable for the Senate to hold off a bit in terms of acting on it until we have seen our budget. That is appropriate.

We need to try as much as we can to get people to understand what is out there. There are all kinds of notions being thrown about. What we need to do is to try to get it as accurate as we can so people can, indeed, make their decisions.

Some are concerned about the idea that you have to project revenues into the future. Of course, there is some uncertainty. We don't know exactly what will happen. In anything you do, whether it is an organization, whether it is a business, whether, indeed, it is your family, as you take into account longer term expenditures, one has to reach out and make an estimate as to what they think the revenues are going to be. That is not unusual. We have the best people who have made prognostications in the past doing that.

Under the budget, receipts grow from $2.1 trillion in 2001 to $3.2 trillion in 2011, an increase of 51 percent. Overall, the budget projection totals collections of almost $30 trillion over the next 10 years. Despite the fact that to all of us, I assume, $1.6 trillion is an almost unimaginable amount, it is, indeed, a little less than 6 percent of the total projected revenues. When you put it into the context of what we are talking about, it becomes a reasonable proposal.

I imagine probably more important than anything is that we have to take a look at the fact that we do have a surplus. Frankly, when we do have a surplus, we find, if we ask people, how much more involvement of the Federal Government, how much growth of the Federal Government do you want over here, they would say: We have about enough growth. We have about enough Government. But then over here you have a surplus so every expenditure that anyone has ever had in mind suddenly becomes a possibility, and we find ourselves then with growth beyond what most people would want to have.

The American people are paying a record level of taxation, over 20.5 percent of the gross domestic product.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

That is the highest it has been since World War II. The individual burden has doubled since the Clinton tax increases of 1993. All this points toward doing something meaningful in terms of tax reduction. The cut would be $1.6 trillion; that would be left in the pockets of taxpayers.

We hear all kinds of notions that it is actually going to be $2.2 trillion or whatever. That is not the case. It is aimed towards being $1.6 trillion, and that is where it would be.

There is tax relief for all taxpayers. We can get into, obviously, a discussion of the fact that there are people who don't pay income taxes who will not have relief from income tax reduction. That is fairly reasonable.

Everyone who pays taxes will get some relief. A typical family of four will see their tax liabilities reduced by $1,600, which is a sizable amount.

The other part of the equation is that there are moneys to strengthen education. There are moneys to help with defense and security. Those are a couple of the top priorities we have. We will do more with Medicare. Those dollars will be there for Medicare. Those dollars will be there for Social Security.

I hope people understand the whole package. It sometimes is made to sound as though, if we give those taxpayers a break, we will not be able to do the things we should. Not true. There will be dollars to do the things the Federal Government has as priorities. There will be dollars to reduce the debt, and, in fact, all of the reducible debt will be done by 2010. That will not be all of it because much of it is long term and, frankly, people who hold the certificates are not ready to do that.

It is something on which we need to continue to work. I think it is a good thing for the country. It is a good thing for the taxpayers. Certainly, it is something I support, and I hope others support. I see my friend from Missouri.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Missouri is recognized.

Mr. BOND. I thank the Chair.

(The remarks of Mr. BOND pertaining to the introduction of S. 528 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BOND. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

RACIAL PROFILING

Mr. FEINGOLD. Mr. President, we Americans take pride in our freedom and independence. Central to our sense of who we are is our firm belief that we are free to walk the paths of our own choosing, free to move about as we please, free from the intrusion of the government in that movement.

As Thomas Jefferson wrote in his Draft of Instructions to the Virginia Delegates in the Continental Congress, "The God who gave us life, gave us liberty at the same time."

From the start, immigrants came to these shores to escape the state's intrusion into their lives. When in the early 1600's, the English government began arresting Separatists for their religious practices, about a hundred of them became the Pilgrims and sailed to Plymouth. When in 1620 the Parliament enacted a law requiring all to worship according to the laws of the Church of England, the Puritans came to Massachusetts, the Quakers came to New Jersey and then Pennsylvania, and Catholics came to Maryland.

When, in 1636, Roger Williams sought freedom from the intrusions of the Massachusetts colony into religious practices, he founded Rhode Island. And two decades later, Jews fleeing the persecutions of numerous states settled there in Newport.

Even separated by the Atlantic Ocean, however, the American colonists continued to chafe at the intrusion of the British government into their lives. Among the colonists' foremost grievances was the manner in which the British government harassed and searched Americans without reason or probable cause. The British government did so under color of general warrants known as "writs of assistance," which gave British customs officers blanket authority to search where they pleased for goods imported in violation of British tax laws.

This harassment by the state's officers helped to spark the American Revolution. In 1761, the Massachusetts patriot James Otis attacked the writs and their use to hound American colonists as, he said, "the worst instrument of arbitrary power, the most destructive of English liberty, and the fundamental principles of law, that ever was found in an English law book," because, in Otis' words, they placed "the liberty of every man in the hands of every petty officer."

Otis' argument did much to sow the seeds of America's Declaration of Independence. "Then and there," said John Adams, "then and there was the first scene of the first act of opposition to the arbitrary claims of Great Britain. Then and there the child Independence was born."

The Supreme Court later wrote: "Vivid in the memory of the newly independent Americans were those general warrants known as writs of assistance under which officers of the Crown had so bedeviled the colonists." And in another case, the Court wrote: "It is familiar history that indiscriminate searches and seizures conducted under the authority of 'general warrants' were the immediate evils that motivated the framing and adoption of the Fourth Amendment."

That Amendment states:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Early on, Chief Justice Marshall assumed that the Fourth Amendment was intended to protect against arbitrary arrests. And that position has become settled law. More recently, the Supreme Court has said:

> Unreasonable searches or seizures conducted without any warrant at all are condemned by the plain language of the first clause of the Amendment." The Court went on to state that "the warrantless arrest of a person is a species of seizure required by the Amendment to be reasonable.

It is thus fundamental to American history and rooted in American law that the officers of the state may not arrest or detain its citizens arbitrarily or without cause. Our law and Constitution protect our freedom to walk those paths of our own choosing, free from the intrusion of the government as we walk.

And it is that very individual freedom that gives our great Nation its strength. As John Quincy Adams wrote: "Individual liberty is individual power, and as the power of a community is a mass compounded of individual powers, the nation which enjoys the most freedom must necessarily be in proportion to its numbers the most powerful nation."

The point of my comments today is this is not the case for all Americans.

But, some Americans still cannot walk where they choose. Some Americans cannot travel free from the harassment of the government. Some Americans still do not receive the full benefit of their civil rights.

Too many Americans are subject to being detained by officers of the state without reasonable suspicion, without good reason, for no other reason than the color of their skin.

As I noted at the outset of my remarks, many came to these shores as immigrants to escape the intrusive state. We must not forget that many also came to these shores in chains, because of the color of their skin. They and their decendents endured our Nation's long struggle against slavery and discrimination.

Sadly, even now, skin color alone still makes too many Americans more likely to be a suspect, more likely to be stopped, more likely to be searched, more likely to be arrested, and more likely to be imprisoned.

The numbers alone are devastating: A 1999 ACLU report found that along Interstate 95 in Maryland, while African-Americans were only 17 percent of the drivers and traffic violators, African-Americans accounted for an alarming 73 percent of the drivers searched.

Last November, a front-page New York Times story reported that New Jersey state documents acknowledged that at least 8 of every 10 automobile searches carried out by state troopers on the New Jersey Turnpike over most of the last decade were conducted on vehicles driven by African-Americans and Hispanics.

Racial profiling is not limited to I–95. The Justice Department has recently been investigating 14 police departments for civil rights violations, including Charleston, West Virginia; Riverside, California; Orange County, Florida; Prince George's County, Maryland; Eastpointe, Michigan; New Orleans; Buffalo; Washington; and New York City. In Los Angeles, the Justice Department recently forced the police department to accept an independent monitor's supervision after a 4-year investigation of police abuse in the city's largely minority Rampart section.

The practice of racial profiling has not respected status or standing, wealth or privilege.

Last September, the Director of Personnel at the White House, Bob Nash, and his wife were stopped for no other apparent reason than that they are African-American. As Mr. Nash said at the time:

> Until that moment, we had an intellectual understanding of the bogus crime, "Driving While Black." But, in a few terrifying moments, we felt it more deeply and more personally than any words could ever convey. Said Nash, the experience left them embarrassed, humiliated and afraid for our lives.

The Houston Chronicle reported that last year the Border Patrol pulled over and questioned United States District Judge Filemon Vela traveling to court—not once but twice—as part of an immigration crackdown in South Texas, called Operation Rio Grande.

Last November, the well-known singer Lenny Kravitz was handcuffed and detained by Miami Beach police. Mr. Kravitz, whose 1989 song "Mr. Cab Driver" speaks out against racial profiling, appears to have fallen victim to it himself. Said Kravitz:

> I was very concerned and upset. Being black, I've dealt with all kinds of things because of my color, but nothing like this.

Last month, 60 Minutes aired the story of Harvard law student Bryonn Bain, who appears to have been the victim of "walking while black." He was stopped by police while simply walking down the street. In an article in the May 2, 2000, Village Voice, Bain said:

> After hundreds of hours and thousands of pages of legal theory in law school, I have finally had my first real lesson in the Law.

Said Bain:

> The lesson for the day was that there is a special Bill of Rights for nonwhite people in the United States—one that applies with particular severity to Black men. It has never had to be ratified by Congress because—in the hearts of those with the power to enforce it—the Black Bill of Rights is held to be self-evident.

Plainly, the practice of racial profiling is profoundly at variance with the fundamental tradition of American law and justice.

In 1790, President George Washington wrote the congregation of Touro Synagogue in Newport, Rhode Island, in words that are etched in the Holocaust Memorial Museum in Washington:

> The government of the United States . . . gives to bigotry no sanction, to persecution no assistance.

But what other than "bigotry" and "persecution" can we call this practice of "racial profiling," which targets drivers, airline passengers, or pedestrians, not because of any action they take, not because of any probable cause, but solely because of the color of their skin. Too many law enforcement entities have made a crime out of DWB—"Driving While Black."

Among the many corrosive effects of this insidious practice is the way it undermines the willingness of good people to work with the police. As one victim of racial profiling in Glencoe, Illinois, said:

> Who is there left to protect us? The police just violated us.

As the U.S. Civil Rights Commission found last year:

> Communities of color do not want to choose between safety and civil rights.

They should not have to.

We as a Nation cannot and should not tolerate this injustice. As the philosopher Herbert Spencer wrote:

> No one can be perfectly free till all are free.

And as Woodrow Wilson said:

> Liberty does not consist . . . in mere general declarations of the rights of man. It consists in the translation of those declarations into definite action.

Many leaders have spoken out against this intolerable abuse. Many have worked to translate the traditions of American law and justice into legislation to address this evil.

First and foremost is our colleague in the other body, Representative JOHN CONYERS. Representative JOHN CONYERS has been at the forefront of legislative efforts on this subject. We have worked together on legislation focused on a study of traffic stop data. Shortly, Congressman CONYERS and I will introduce, along with many of our colleagues, an improved version of that bill.

Last Congress and this Congress, I have been proud to cosponsor a bill introduced by my friend and colleague from Illinois, Senator DURBIN, that focuses on "flying while Black"—the practice of targeting people of color to be stopped and searched in airports. Senator DURBIN has provided valuable leadership on this issue.

Let me take a moment to notice the very intense and sincere efforts of a new colleague of ours, Senator JON CORZINE, of New Jersey, who has made addressing this racial profiling issue one of his top priorities. I very much look forward to working with the new Senator from New Jersey on this issue.

Leaders of both parties have expressed support for doing something about racial profiling.

During the second Presidential debate, on October 11 of last year, then-Governor Bush said that he would support or sign as President a federal law banning racial profiling by police and other authorities at all levels of government.

Governor Bush said:

> I can't imagine what it would be like to be singled out because of race and stopped and harassed. That's just flat wrong, and that's not what America's all about. And so we ought to do everything we can to end racial profiling.

Governor Bush went on:

> I do think we need to find out where racial profiling occurs and do something about it. And say to the local folks, get it done, and if you can't, there'll be a federal consequence.

He further said:

> [R]acial profiling isn't just an issue at the local police forces. It's an issue throughout our society. And as we become a diverse society, we're going to have to deal with it more and more.
>
> I believe, sure as I'm sitting here, that most Americans really care. They're tolerant people. They're good, tolerant people. It's the very few that create most of the crisis. And we just happen to have to find them and deal with them.

On February 9 of this year, at remarks marking Black History Month, President Bush said that he would "look at all opportunities" to end racial profiling. While visiting a predominantly African-American elementary school here in Washington, D.C., President Bush said:

> I'll look at all opportunities, starting with the gathering of information where the federal government can help jurisdictions gather information, compile information, to get the facts on the table to make sure people are treated fairly in the justice system.

And in his State of the Union Address two weeks ago, the President addressed the issue again. There, he said:

> As government promotes compassion, it also must promote justice. Too many of our citizens have cause to doubt our nation's justice when the law points a finger of suspicion

> at groups instead of individuals. All our citizens are created equal and must be treated equally. Earlier today, I asked John Ashcroft, the Attorney General, to develop specific recommendations to end racial profiling. It's wrong, and we will end it in America.

I certainly welcome our new President's comments.

Attorney General Ashcroft has also stated that racial profiling will be a priority in his Department of Justice. At his confirmation hearing on January 17, Senator Ashcroft said:

> I think racial profiling is wrong. I think it's unconstitutional. I think it violates the 14th Amendment. I think most of the men and women in our law enforcement are good people trying to enforce the law. I think we all share that view. But we owe it to provide them with guidance to ensure that racial profiling does not happen. I look forward to working together with you to try to find a way to do that.

Senator Ashcroft summed up:

> I will make racial profiling a priority of mine.

In a follow-up written question to that hearing, I asked Senator Ashcroft whether his opposition to racial profiling included racial profiling of airline passengers or people walking down the street. Senator Ashcroft replied:

> I have stated my strong opposition to racial profiling across the spectrum. There should be no loopholes or safe harbors for racial profiling. Official discrimination of this sort is wrong and unconstitutional no matter what the context.

And two weeks ago, at an extensive statement and press conference on the subject, Attorney General Ashcroft said:

> I have long believed that to treat people solely on the basis of their race was a violation of the 14th Amendment to the U.S. Constitution.

He declared: "It's wrong," and said:

> I believe Congress can, and will, respond constructively.

Attorney General Ashcroft also sent a letter to the Chairmen and Ranking Democratic Members of the Judiciary Committees on this subject, and I ask unanimous consent that a copy of that letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FEINGOLD. Mr. President, Wisconsin's former Governor Tommy Thompson, now Secretary of Health and Human Services, created a Task Force on Racial Profiling when he was Governor. That Task Force just completed its report, and concluded, among other things, that more data is needed, and recommended data collection. Congressman CONYERS and our legislation calls for data collection, among other things.

I am pleased that the President and Members of his Cabinet recognize the gravity of this issue for all Americans. Particularly in the wake of the racially divisive election and nomination of Attorney General Ashcroft, the Administration needs to make special efforts to heal the wounds that separate us as a Nation. And with the support of the Administration, we should be able to enact racial profiling legislation this year.

But we should do more. Once again, I call on President Bush to resubmit the nomination of Judge Ronnie White to serve as a U.S. District Court judge.

I also call on the President publicly to support the nomination of Judge Roger Gregory to the Fourth Circuit Court of Appeals.

These distinguished jurists deserve to sit on the Federal bench. And the effective administration of justice in America demands that the Federal courts, even the Fourth Circuit Court of Appeals, reflect the diversity of this Nation.

Let us do more to advance the cause of justice for all, and then we can truly live out the ancient wisdom, inscribed on the Liberty Bell, and "[p]roclaim liberty throughout all the land unto all the inhabitants thereof."

I yield the remainder of my time.

EXHIBIT 1

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, February 28, 2001.

Hon. PATRICK LEAHY,
Ranking Minority Member, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR SENATOR LEAHY: As you know, I received a directive from the President late yesterday asking me to work with Congress to develop effective methods to determine the extent to which law enforcement officers in the United States engage in the practice of racial profiling. As you further know, racial profiling is the use of race as a factor in conducting stops, searches, and other investigative procedures. While we all recognize that the overwhelming majority of law enforcement officers perform their demanding jobs in an outstanding manner, any practice of racial profiling, even by a small minority, is unacceptable.

You may recall that during the hearing I held on the subject last year as a Senator, I stated that racial profiling, even if practiced only by a few, is extremely problematic for two reasons. First, it undermines the public trust in the impartiality of law enforcement officers which is essential to effective law enforcement. Second, and more importantly, I personally believe such a practice violates the Equal Protection Clause of the Fourteenth Amendment to the Constitution. I share the President's commitment to ending any unequal treatment of Americans, particularly by law enforcement.

To this end, I urge you in your capacity as Ranking Member of the Judiciary Committee to consider quickly legislation authorizing the Department of Justice to conduct a study of traffic stops data that currently is being collected voluntarily by law enforcement agencies across the country. Such a study will assist us in determining the extent of the problem of racial profiling.

The Traffic Stops Statistics Study Act introduced last Congress by Congressman Conyers in the House, and proposed by Senator Feingold in the Senate, is an excellent starting place for such an enterprise. I would hope that any legislation you consider makes clear that such information is provided voluntarily, in order to quell any potential federalism concerns. Such legislation ought to permit consideration of broad categories of data, such as the reasons and circumstances of any stop, the identifying characteristics of the driver and passengers as perceived and discernable by the officer making the stop, the characteristics of the officer making the stop, the racial or ethnic composition of the area in which the stop was made, and any other data that will ensure as full a picture as possible of these contacts, such as arrest and conviction outcomes linked to traffic stops. In order to encourage participation, the legislation hopefully will make clear that the legislation will not change the burdens or standards of proof in any lawsuits. The legislation, therefore, would lend to a better study, by emphasizing the importance and seriousness of the issue while, at the same time, encouraging cooperation.

I am eager to begin work on this important task, and hope that Congress will consider such legislation quickly. If Congress is unable to authorize such a study in 6 months, I will instruct the Department to begin promptly its own study of available data. I look forward to working with you on this important issue to ensure that all Americans are guaranteed equal justice under law.

Sincerely,

JOHN ASHCROFT,
Attorney General.

Mr. FEINGOLD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BANKRUPTCY

Mr. BINGAMAN. Mr. President, I ask unanimous consent to be allowed to speak as if in morning business for a few minutes on two amendments that are pending to the bankruptcy bill—amendments offered by Senator WYDEN and Senator SMITH related to discharge of debts and prohibition of discharge of debts related to the California energy crisis.

I oppose the Smith amendment to the underlying Wyden amendment, and I also oppose the Wyden amendment.

In my view, both amendments are unfair in that they give an unfair advantage to government agencies at the expense of private companies in the event that California utilities wind up in bankruptcy. They ensure that a large Federal utility like Bonneville, itself the beneficiary of billions of dollars of Federal investment, and other utilities will be paid ahead of the banks, small renewable energy generators, natural gas companies, and other creditors.

Both amendments are not helpful in our current circumstance. The State of California and its utilities are trying desperately to keep the utilities out of bankruptcy. Without these amendments, they stand a good chance of succeeding. If the amendments are adopted, the utilities will almost certainly be forced to declare bankruptcy.

I also oppose the amendments because, in my view, they are unwise. The consequences of the three largest utilities in California going bankrupt are unknown, as is the rest of the State's economy and the rest of our Nation's economy. But it is clear that it will not just affect the ratepayers served by the three utilities, or even just the people of California. It will affect all Americans. As Chairman of the Federal Reserve, Alan Greenspan, testified several weeks ago, "it's scarcely credible that you can have a major economic problem in California which does not feed to the rest of the 49 States."

In my view, the amendments are also unnecessary. If utilities are able to avoid bankruptcy, then the power suppliers that these amendments seek to protect will be paid. Even if they go bankrupt, those power suppliers stand a reasonably good chance of being paid—if not by the utilities themselves, then by the government, for the reasons that Senator MURKOWSKI explained last night on the Senate floor.

In my view, the amendments are also unworkable. By trying to jump certain creditors to the head of the line to receive payment, they will most likely force the remaining creditors to move to put the utilities into bankruptcy immediately so that the utilities' assets can be divided immediately, 6 months before the amendments in fact take effect.

Even if the amendments are enacted, the generators would not likely receive any benefit from the enactment of the amendments.

Finally, these amendments, in my view, are uncharitable in that the administration has declared the California electric crisis to be California's problem, and has left it to California to solve the problem. The Federal Energy Regulatory Commission, which is the independent agency charged with seeing to it that electric rates are just and reasonable, has done little to help the situation. Governor Davis, and the State legislature in California, the utilities, and their creditors have been working valiantly in recent weeks, and even months, to fix this problem. All they are now asking of this Senate is that we not intervene and send the utilities into bankruptcy by adopting amendments of this type.

In my view, Senators need to weigh the potential enormous harm to millions of Americans that would result in the adoption of these amendments against the illusory benefit that the amendments hold out for the few generators that would be benefited.

In sum, to paraphrase Shakespeare, which is not done very often on the Senate floor, adoption of the amendments will rob California of that which cannot enrich the northwest generators and yet will make California poor, indeed.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I believe the unanimous consent order provided 5 minutes for Senator HAGEL to speak against the Wyden amendment. Senator HAGEL will not be able to be present, and I ask unanimous consent to use that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Thank you very much, Mr. President.

I thank the ranking member of the Energy Committee, the Senator from New Mexico, Mr. BINGAMAN, for his remarks in opposition to the Wyden amendment. I also wish to thank Senator MURKOWSKI, the chairman, who came to the floor last night and spoke against the amendment.

Last evening, I submitted for the RECORD several letters in opposition to the amendment from the Electric Power Supply Association, the Edison Electric Institute, The Williams Companies, Calpine, Pacific Gas and Electric, Southern California Edison, International Brotherhood of Electrical Workers, The Utility Reform Network, a consumer group, and the American Gas Association, all in strong opposition to the Wyden amendment, and also with one general theme. That general theme is that if the Congress of the United States were to determine the order in which debts would be discharged, it would trigger a bankruptcy because those who are not favored in that order would seek to protect their right by moving both Pacific Gas and Electric and Southern California Edison into bankruptcy. Virtually every single letter reiterated that concern.

I would like to reread from one of the letters so the Senate might understand the concern, and that is from the Electric Power Supply Association. That letter states:

> We are writing to express our deep concern and opposition to [the amendment]. Our fear is that this amendment could precipitate a financial crisis and exacerbate the already precarious situation in the West.

The PRESIDING OFFICER. Will the Senator suspend.

Mrs. FEINSTEIN. I will.

BANKRUPTCY REFORM ACT OF 2001—Resumed

The PRESIDING OFFICER. We were to lay down the bill at 10:30. The hour of 10:30 having arrived, the clerk will report the pending bill.

The bill clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Leahy amendment No. 20, to resolve an ambiguity relating to the definition of current monthly income.

Wellstone amendment No. 35, to clarify the duties of a debtor who is the plan administrator of an employee benefit plan.

Wellstone modified amendment No. 36, to disallow certain claims and prohibit coercive debt collection practices.

Wellstone amendment No. 37, to provide that imports of semifinished steel slabs shall be considered to be articles like or directly competitive with taconite pellets for purposes of determining the eligibility of certain workers for trade adjustment assistance under the Trade Act of 1974.

Kennedy amendment No. 38, to allow for reasonable medical expenses.

Collins amendment No. 16, to provide family fishermen with the same kind of protections and terms as granted to family farmers under chapter 12 of the bankruptcy laws.

Leahy amendment No. 41, to protect the identity of minor children in bankruptcy proceedings.

Wyden amendment No. 78, to provide for the nondischargeability of debts arising from the exchange of electric energy.

Carnahan amendment No. 40, to ensure additional expenses associated with home energy costs are included in the debtor's monthly expenses.

Smith of Oregon amendment No. 95 (to amendment No. 78), of a perfecting nature.

Reid (for Durbin) amendment No. 93, in the nature of a substitute.

Reid (for Breaux) amendment No. 94, to provide for the reissuance of a rule relating to ergonomics.

AMENDMENT NO. 78

The PRESIDING OFFICER. The Senator now has 5 minutes.

Mrs. FEINSTEIN. I thank the Chair, and I would like to continue:

> This amendment seeks to give certain entities a favorable status in the event that California utilities fall into bankruptcy.

That is what the Wyden amendment does.

The letter goes on:

> Many companies have provided power to California's consumers and [this association] believes emphatically that all these entities deserve to be fully and fairly compensated.

As do I, Mr. President.

> However, it is inappropriate for the Senate to try and create winners and losers in this desperate situation. Rather than orderly resolution, this legislation could lead to a premature declaration of bankruptcy and the inevitable liquidation of the California electric utilities' assets in a legal free-for-all.

The American Gas Association, on behalf of all of the natural gas companies involved in this, also states the same thing. They go on, however, to say:

> As the preferred creditors would in actuality control the bankruptcy proceedings through their status, in effect Chapter 11 reorganization would not be an option. Liquidation of assets through Chapter 7 filing would result. Such action could cause serious disruption and harm to the utility customers, not to mention the non-preferred creditors.

So, Mr. President, you have virtually all of the electric power producers, as well as the natural gas producers, in effect, saying that if you give these Federal entities preferred status, should there be a bankruptcy, they would, in effect, have to assert their rights to force an involuntary bankruptcy, and that then would put both of the utilities into chapter 7 rather than chapters 11 or 13. This was the theme—the dominant theme—from virtually every generator, producer, and creditor.

I know of virtually no electric power producer or gas producer that believes this amendment will do anything other than trigger a bankruptcy of these two companies. Therefore, I am strongly in opposition to it.

Last evening, the proponent of this legislation, Senator WYDEN, said in fact the legislation does not do this. So we went out and we contacted the bankruptcy attorney for Pacific Gas and Electric. We asked them for a letter and their interpretation of the Wyden amendment. I have that letter. I will read it into the RECORD.

> My firm is special reorganization counsel to Southern California Edison. In connection with the debate over the Wyden Amendment to S. 420, it has been suggested that the Amendment is not intended to prefer the debt covered by the Amendment over the debts of other creditors of Southern California Edison and the other utilities affected by the Amendment. Please be advised that, in my view, the Amendment would do exactly that.

This is the bankruptcy counsel for one of the utilities at risk of bankruptcy.

The letter goes on:

> The purpose of the Wyden Amendment is to exclude from the binding effect of a plan of reorganization in chapter 11 certain creditors of the utility who provided wholesale electric power to the utility under certain conditions. It provides that such debts are nondischargeable. As a consequence, a utility in chapter 11 could not bind such preferred creditors under a plan of reorganization, and such creditors would be able to pursue the utility following confirmation of a plan to collect in full, in cash, their obligations while the other creditors were bound by the terms of a confirmed plan of reorganization. Depending upon the magnitude of such preferred claims, the utility might find it very difficult to confirm a plan under such circumstances. Such result would be very detrimental to not only the utility but to its other creditors.

This is the bankruptcy counsel himself.

> It is also my understanding that there has been a suggestion in argument on behalf of the Amendment that the magnitude of the preferred obligations would not exceed $100 million to $200 million. I am advised by Southern California Edison that based upon the amount of power purchased during the emergency orders of the Federal Energy Regulatory Commission, the amount of power procured to serve Southern California Edison's customers substantially exceeded that amount.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent to use the remainder of Senator BINGAMAN's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Thank you very much.

Continuing:

> Based upon the foregoing, it should be clear that if Southern California Edison was involved in a bankruptcy proceeding, the proposed legislation would have significant impact upon Southern California Edison and its other creditors.

Mr. President, this is the bankruptcy counsel.

So we know two things: One, from bankruptcy counsel, that this amendment—the Wyden amendment and the Smith amendment—do in fact create two classes of creditors. And they do, in fact, give premier standing to one class of creditors, the Federal subsidized entities. Those entities are given preference in a bankruptcy. Secondly, we know in fact that the amount involved is a good deal more than the amount represented in this Chamber.

We also know that virtually every other power producer and supplier—every single one—believes that if this amendment were to pass, they would have to exercise their rights, which would be to push Southern California Edison and Pacific Gas and Electric into an involuntary bankruptcy and most probably in chapter 7, which would mean a dissolution of the companies involved.

This would be tragic because the State has negotiated an agreement with two utilities to buy their transmission lines and to put $7 billion into the purchase of those transmission lines. The result would then be a securitization of that back debt and enable these utilities to pay their debtors and creditors without going into bankruptcy. So a plan to enable the payment of the debtors and creditors is now underway by the State.

Various Members of this body may not like how the State is handling the problem, but the State does have the right to try to redress the debts and in fact is doing so. These amendments can only wreak devastation on that attempt. I strongly oppose the Wyden and Smith amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I am going to a gathering for Jesse Brown. I ask unanimous consent that I be allowed to bring the Wellstone amendment, which is supposed to come next, to the floor at 1:15.

The PRESIDING OFFICER. Is there objection?

Mr. SESSIONS. Reserving the right to object, is that a modification of the earlier amendment?

Mr. WELLSTONE. That is correct.

Mr. SESSIONS. How would it be, again?

Mr. WELLSTONE. The modification is that the section dealing with coercive practices is out, which was a question of Banking Committee jurisdiction.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 40

The PRESIDING OFFICER. There will now be a 5-minute debate on the Carnahan amendment No. 40. Who yields time?

The Senator from Missouri.

Mrs. CARNAHAN. Mr. President, I understand the managers have agreed to accept my amendment on home energy. I thank Senator COLLINS, cosponsor of the amendment, as well as Senators HATCH, GRASSLEY, and LEAHY for their willingness to help on this very important amendment. I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment? The Senator from Alabama.

Mr. SESSIONS. I understand that pending is the Carnahan amendment. I ask unanimous consent that following the concluding debate, the amendment be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Therefore, the next vote will occur in relation to the Wyden-Smith amendment regarding the California utilities matter.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I yield back the time on the Carnahan amendment.

The PRESIDING OFFICER. The time is yielded back on the Carnahan amendment. By unanimous consent, the amendment is agreed to.

The amendment (No. 40) was agreed to.

Mr. SESSIONS. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be counted against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 78

Mr. SESSIONS. Mr. President, I say to the Senator from Alaska that we are waiting on a 5-minute debate before we vote, and the debaters have not arrived. That could delay our vote. Will the Senator speak long?

Mr. MURKOWSKI. If I may, I will take some of the time, perhaps, allotted to the Senator from California to just make a statement on the amendment, which will not take more than a minute.

The PRESIDING OFFICER. The time has expired.

Mrs. FEINSTEIN. Mr. President, I don't believe the time has expired. I believe I have 2½ minutes. I will be happy to give some of that to the Senator from Alaska.

The PRESIDING OFFICER. The Senator is correct. She has 2½ minutes.

Mr. MURKOWSKI. I will just use a minute. Let me leave you with one thought. Article I, section 8, of the Constitution clearly states that Congress shall "establish uniform laws on the subject of bankruptcies throughout the United States."

There is absolutely nothing uniform about the pending amendment. It only protects electric sales ordered by the Federal Government to California, or sales only to California by State, local, or Federal Government entities. If similar power sales arose in New York or Georgia, these provisions would not apply.

In other words, this amendment says there is one set of bankruptcy rules for electric sales into California and another set of bankruptcy rules for electric sales into the other 49 States. Clearly, this is completely contrary to the intent of our Founding Fathers and the Constitution; they wanted one set of uniform rules to govern bankruptcy throughout the entire country. As a consequence, I urge my colleagues to reflect on this legitimate question of the constitutionality of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, there are 2½ minutes on our side for the Smith-Boxer-Wyden amendment. I yield a minute and a half of that time to Senator BOXER, and I thank her. I remind our colleagues on this issue affecting the Pacific Northwest, there is a disagreement among the Californians.

Mrs. BOXER. Mr. President, I am supporting the Wyden-Smith amendment because it sends the right signal—an ethical signal to the private utilities in California who owe billions of dollars of unpaid bills to those who supplied energy to my State when my State was in dire need. Sometimes these power generators, many municipal utilities, were forced by the Federal Government to send this power, even though they were concerned that they needed to conserve it for themselves or that they might not get paid.

Call me old-fashioned, but I say pay your bills. Don't send your parent company $4.8 billion—which is what one private utility did—to pay dividends of the shareholders and repurchase stock when you know you have bills to pay.

I have a Washington Post article. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 31, 2001]

AUDIT RESULTS ANGER CONSUMER GROUPS

(By William Booth and Rene Sanchez)

LOS ANGELES, Jan. 30—The first of several audits to be released by state regulators said that one of California's two nearly bankrupt utilities, Southern California Edison, legally passed along nearly $5 billion in net income to its parent, Edison International, which used the money to pay dividends to its shareholders and to repurchase its own stock.

The audit, released Monday night by the California Public Utilities Commission, also showed that Southern California Edison is now broke and so strapped for cash it cannot keep buying electricity at rates higher than it can pass along to consumers.

The $4.8 billion was, in part, proceeds from the sale of the Southern California Edison's power plants, which the utility was required to sell under California's 1996 deregulation plan. Deregulation here sought to break up the utility monopolies and open the state up to free-market forces.

Consumer advocates—and some elected officials—reacted angrily to the audit, accusing the utilities of pleading poverty and begging for financial assistance from the state to avoid bankruptcy.

"Basically, they took the money and ran," John Burton, a Democratic leader of the state Senate from San Francisco, told reporters. "Had they not done that they would not be in the financial problem they are in. If ratepayers bail them out, ratepayers should get something in return, like power lines or something."

But officials with the utilities said their critics are playing politics and misinterpreting their books. Tom Higgins, senior vice president at Edison International, said: "There's been no profit, no windfall. This is the recovery of capital investment."

The past profits and current solvency of the state's two struggling utilities are central to California's energy crisis. Most experts agree that the state is suffering from soaring prices and its 15th day of emergency energy rationing because of a failed and dysfunctional deregulatory plan, which allowed wholesale energy prices to soar while capping the rates utility companies could charge consumers. In the past six months, the utilities have gone bust, while wholesale power producers have reaped huge profits.

California is fast running out of time to solve its immediate energy crisis. The state already has used up the first $400 million in emergency appropriations for electricity purchases. The Legislature is considering bills to make the state a major buyer of power—and to pass along possible steep increases in costs to consumers. Gov. Gray Davis (D) worked through the weekend trying to hammer out a longer-range plan, but so far the Legislature has passed only emergency measures and decrees—and no long-term solutions.

Higgins, the Edison International executive, said Southern California Edison was required to sell off its plants after deregulation in 1996, and that it did so—mostly to out-of-state companies that are now the wholesale suppliers of California's electricity. The utility sold off its gas and coal-fired plants, but retained its nuclear and hydroelectric facilities.

The money they got from plant sales, Higgins said, went to pay off the banks that loaned them the cash to build the generating stations and to repay investors and shareholders who also put money into plant construction. The transfer of money occurred from 1996 through last November.

"It's like you have a house and mortgage and you sell the house and you recover your initial investment and then pay off the mortgage," Higgins said.

Another audit of Pacific Gas and Electric Co., the other struggling utility, will be released within days. That results are expected to be similar.

"The only reason this would be controversial is that the consumer groups are trying to rewrite history," said John Nelson, a spokesman for PG&E.

Nelson said his utility did the same thing as Southern California Edison—it sold plants, paid off loans and sent the rest to its holding company, PG&E Corp. He would not disclose exactly how much was transferred, but said it is safe to assume a figure of several billion dollars.

Consumer advocates around California, however, said it did not matter that the utilities were returning investments to their shareholders, a practice that no one has asserted is financially improper or illegal. Today, they began lobbying state lawmakers to scrap an emerging legislative plan that would cover much of the utilities' purported debts with billions of dollars in publicly financed bonds.

"This confirms what we've been saying all along," said Matt Freedman, a director of the Utility Reform Network. "Edison is not being straight with the public or the Legislature about the extent of its debt."

Freedman also said that the audit shows that in recent months Edison has been selling some of its own generating power back to itself at high prices on the open market, then claiming both profit and debt.

"It's like a laundering scheme," he said.

Michael Shames of the Utility Consumers Action Network said the audit could significantly influence the fast-moving legislative debate on the state's energy crisis. He said that while it was not illegal for the utilities to transfer money to their parent companies, "the question is, 'Was it prudent?'"

But Paul Hefner, a spokesman for Assembly Speaker Robert Hertzberg (D), said there are no substantive new revelations in the Edison audit and that the Legislature is proceeding with a plan outlined last Friday that would cover much of the utilities' debts in exchange for the state receiving warrants to buy stock in the companies.

"I don't know that it changes the landscape at all," Hefner said, referring to the audits. "All along we've been saying we're not going to do this and get nothing back. We're driving as hard a bargain as we can."

Mrs. BOXER. Another private utility did the same thing to the tune of $5 billion. That is $9 billion these private utilities sent out.

In my opinion, this amendment sends a strong message to the utilities in my State: It is not right to ask for help and walk away from your obligations. This amendment helps 12 power companies in California, municipal companies. In the end, it will help consumers because the next time there is a crisis, power companies will not fear they will be left high and dry and they will be willing to assist us in the future.

This amendment was not offered in anger; it was offered in fairness. I support it.

I yield back the remainder of my time.

The PRESIDING OFFICER. There are 37 seconds remaining.

Mr. WYDEN. To finish the debate, I yield to Senator Smith, my colleague.

Mr. SMITH of Oregon. Mr. President, I appreciate the chance to say a few closing words on this debate, which has been a good one.

All the neighbors of California are asking—at least those affected by the Bonneville Power Administration—is that they be paid. I believe California wants to pay. Ultimately, they have to work through their law that makes it difficult to pay. We want them to do that. We need them to do that because people in the Northwest already are paying higher rates because of this California law. We should not have to pay additional, higher rates.

I thank the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, how much of my time remains?

The PRESIDING OFFICER. One minute 4 seconds.

Mrs. FEINSTEIN. Mr. President, I rise to thank Senators Murkowski and Bingaman for opposing this amendment and also to join them in saying that I believe this is a very dangerous amendment. It creates two classes of creditors. The first is a protected class; namely, certain Federal entities.

Yesterday, I introduced into the Record a series of letters from virtually all of the electricity and natural gas providers. Those letters had one common theme, and that theme was that to do this is not only unprecedented, but it will probably force an involuntary bankruptcy because once the dam is broken, other creditors will then seek to protect their rights under bankruptcy law. Hence, it is a very dangerous amendment.

The State of California is currently seeking to purchase the transmission lines of the utilities to be able to inject $7 billion and solve the problem. I urge a "no" vote on this amendment.

Is all time expired?

The PRESIDING OFFICER. Yes, it is.

Mrs. FEINSTEIN. Mr. President, I move to table the Wyden amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table Amendment No. 78.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. REID. I announce that the Senator from New Jersey (Mr. Corzine) and the Senator from New Jersey (Mr. Torricelli) are necessarily absent.

The PRESIDING OFFICER (Mr. Bunning). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 67, nays 30, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—67

Akaka
Allard
Allen
Bayh
Bingaman
Bond
Breaux
Brownback
Bunning
Carper
Chafee
Clinton
Cochran
Collins
Conrad
Daschle
DeWine
Dodd
Domenici
Dorgan
Edwards
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kerry
Kohl
Landrieu
Leahy
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Murkowski
Nelson (NE)
Nickles
Reed
Reid
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—30

Baucus
Bennett
Biden
Boxer
Burns
Byrd
Campbell
Cantwell
Carnahan
Cleland
Craig
Crapo
Dayton
Durbin
Harkin
Hollings
Inouye
Kennedy
Kyl
Levin
McCain
Miller
Murray
Nelson (FL)
Roberts
Santorum
Smith (OR)
Stabenow
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—2

Corzine
Torricelli

The motion was agreed to.

Mr. SESSIONS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Burns). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, Senator Breaux, Senator Enzi, and myself had an interesting and, I think, enlightening discussion on the issue of ergonomics, as well as Senator Specter.

I ask unanimous consent there now be a period of about 30 minutes for a discussion of this issue, the time to be equally divided between Senators Breaux and Enzi for debate only.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, does the Senator have an idea how long this will take?

Mr. NICKLES. About 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I thank my colleagues for the discussion with me—Senator Enzi, Senator Landrieu, and Senator Blanche Lincoln—on the issue of an amendment I have at the desk, which we will not vote on right now, but I hope to perhaps reach an agreement on at a later hour.

The amendment addresses the question of the so-called ergonomics rule, which this body addressed last week, through the use of a procedure which is not normally utilized, when the Senate of the United States said that a rule that had been promulgated by the Department of Labor would not be allowed to go into effect addressing injuries in the workplace that workers receive which cause them to lose very valuable hours of service, both to themselves and their employers. Those workplace injuries clearly cause a loss to companies and small businesses, as well as the personal loss that is caused to the individual.

There was a great deal of concern raised by myself and by some Republican colleagues to the rule because in many cases it would have an adverse effect on the States' workers compensation laws. And they had concerns about the potential that the rule would, in fact, allow injuries to be covered that were not directly related to having been brought about by conditions in the workplace.

The third thing I heard a great deal of was that employers really didn't have enough information to know whether they were covered or what were their responsibilities. Therefore, in order to try to answer those questions and still address the concern that I think most people have about injuries in the workplace, which are estimated to cost between $45 million and $54 million annually, I have offered an amendment that I think is one this body should embrace in a bipartisan fashion.

No. 1, we say the Secretary of Labor, within the next 2 years, shall promulgate regulations dealing with these injuries in the workplace. In addition to giving her the mandate from the Congress to promulgate these regulations, we also go further and say that, in trying to address the concerns we heard on the floor of the Senate, for instance, in issuing this new rule, the Secretary of Labor shall ensure that nothing in the rule expands the application of the State workers comp law. We had a lot of concern about whether it would be altered or expanded. This amendment clearly says that nothing would be in the bill and the rule could expand the application of the State workers compensation law. It also says that nothing in this amendment or in the rule could affect the OSHA laws. They are in place as they are, and if somebody wants to change them, that would be for a later date.

The other thing I think was very important, which we heard from so many of our people, was that the injuries they are talking about under the rule shall be work-related disorders that occur within the workplace. Many people were concerned that, well, someone could injure their back on a Saturday at home during a recreational activity and come to work on Monday and blame it on conditions in the workplace.

The amendment I have offered, along with my bipartisan cosponsors, says the standard shall not apply to nonwork-related disorders that occur outside the workplace or nonwork-related disorders that are aggravated by the workplace.

So every objection I heard, particularly from my colleagues on this side of the aisle, I think has been taken care of in the amendment we have offered. It is my intent that if this rule would be promulgated, nothing in this amendment would prohibit Congress from using the same Congressional Review Act procedures if they did not like the rule. If some think it is too much or too little, they can still use the Congressional Review Act, as we did last week to knock down the rule with which a majority of the Members of the Congress did not agree.

I think our amendment addresses every concern. The question is, Do you want to do something about the workplace that is fair, reasonable, responsible; that businesses can embrace, working people can embrace, and say, all right, this is a problem, let's recognize it and do something about it? Just to say, well, the Secretary may not do that, really doesn't give any guidance to what the Congress says. We should make the rules.

My amendment takes care of every objection I heard, I think, and I think there is a proper balance between employers and business, as well as the working men and women of this country. I do not, for the life of me, understand why this would not be something that should not be unanimously agreed to by Republicans as well as my Democrat colleagues.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. BREAUX. I guess we are equally divided under the agreement.

The PRESIDING OFFICER. Correct.

Mr. BREAUX. I will yield 15 minutes to my colleague. I reserve 15 minutes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I thank Senator BREAUX for his efforts on ergonomics. These injuries are happening in this country and we need to do something about them. I appreciated the conciseness with which he made a statement during the last debate we had on ergonomics.

I wish his bill more closely followed the statement he made. I suspect there is leeway in there to do exactly what he said when he made that statement, and I think this comes fairly close. I hope we will be able to work together to make some changes in what is in his amendment. Most of all, what I hope is that the Senators who are interested in this issue will work with me. I am the subcommittee chairman for Employment, Safety and Training. It is all of the labor issues. It includes the ergonomics issue. I had planned to begin a process of holding some hearings. I already have my staff members looking at past efforts—and there are supposed to be 10 or 12 years of efforts on ergonomics already—to see what was done and where it went wrong before. Also, I am scheduling some meetings with Secretary Chao. I am pleased to have other people involved in those meetings with me. We need to come up with a mechanism that will actually prevent injuries. I am not interested in the mechanism that just does paperwork or just puts costs on business. I know the people who submitted this amendment—particularly Senator BREAUX—are not interested in having that either.

I have been trying to work on this compliance issue through a number of mechanisms since I got here. One of them is something called the SAFE Act. It was encouragement for businesses—particularly small businesses—to hire professional consultants to come in and take a look at their business. I would suggest using OSHA people, but they are already overworked doing OSHA inspections. In State plan States, which are the States where there are the least OSHA accidents, there are more inspections but there is more consultation that is done. So I have put a huge emphasis on consultation with businesses.

The way the consultation works in States is the OSHA team, or inspector, comes in and looks at the place and says this is wrong, this is wrong, and this is wrong. If they say that, you better fix it. And if you fix it, then you are not subject to the penalties.

That is an incentive process. That is what I envision for compliance with an ergonomics rule as well: Somebody helping the small businessman. I am not worried about the big businesspeople because they have the VPP program, the specialists, and they have the professionals on staff. It is the little guy, and that is what we talked about when we did the ergonomics CRA last week. They cannot digest all the information. They do not even know what is absolutely essential and what is suggested.

If somebody can tell them what to do—they know the value of their employees; they want to protect their employees. In most instances, they do not know how to protect their employees. If there is more of the consultation aspect to it and the incentive to do it, if the folks come in and tell you to do those things and you do those things, you will not be fined. I am so pleased there is a compliance piece to this.

Something I hope will be incorporated in the future, perhaps even in this rule, is the ability of the managers to talk to the employee or employees directly. The way the current national labor standards read is that management cannot talk to the employees unless they are in a union. Of course, if they are in a union, then the management can talk to the representative of the employees.

We are missing this step of being able to say to an employee: How are you feeling? How is your workstation? Are there any improvements we can make? These are folks who are doing that same job in all of the examples we use, the same job day in and day out. They are the experts on it. They know the things that can be done to make their work easier.

Those are the things that need to be incorporated in ergonomics; very specific suggestions for a particular kind of a—it is not even for a particular kind of business because within an industry, several different businesses will do the same operation differently. If they conferred more, which I am not sure they are allowed to do either, then they would probably wind up with a standard method of doing things, and they would be able to compare the ergonomics process, as well as any other safety issue and come to an agreement on how those safety issues can be reached.

Another thing that needs to be done while we are at it is changing the rulemaking process. One of the things that fascinated me in my comments and visits with Assistant Secretary Jeffress, who is in charge of OSHA, was that in the 28 years OSHA has been in effect, there has not been one rule revised even though there have been huge changes in the workplace.

What that tells me is that our rulemaking process is so cumbersome, so subject to court action that we cannot take a look at things that were done 28 years ago even though the technologies have changed tremendously.

There are some things that need to be done. I wish we had been consulted a bit more on some of the specific wording. I know there is an effort to work together on some of these things, so we may be able to come up with an agreement in a short while so this amendment can be accepted.

I thank the Senator from Louisiana for making this effort, for getting us started on it. I hope he will work with me on the process. I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I will use whatever time I need, and I will then yield to the Senator from Arkansas.

Some of the points the Senator made are valid. However, our amendment addresses those concerns, particularly the concern about an employer knowing exactly what his or her requirements are because we say that the rule shall set forth in clear terms the circumstances under which an employer is required to take action, the measures required of an employer under the standard, and the compliance obligation of an employer under the standard.

We give the employers clear direction. We let them know when they are in compliance, and we clearly spell out what their obligations are and also the measures that are required.

Under the requirements of our legislation, the rule has to come back and clarify to an employer exactly what is being required.

I think the amendment is a good one; ergo, I think it should be adopted.

I yield whatever time she consumes to the Senator from Arkansas, Mrs. LINCOLN.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. I thank the Chair.

Mr. President, with all of this talk we have heard recently about bipartisanship and wanting to do what is right by everyone, not leaving anyone behind, I am certainly glad we have at least a few minutes to have a debate on an alternative to last week's issue of workplace safety.

I have been delighted to work with my colleagues, Senator BREAUX and Senator LANDRIEU—and Senator SPECTER has worked with us—in developing an amendment that requires the Department of Labor to draft a new ergonomics standard that addresses the ergonomic hazards in the workplace without penalizing business owners who act in good faith.

As I stated in my remarks last week, I voted to repeal the ergonomics standard last year because, in my opinion, it was unreasonable in terms of the requirements it imposed on businesses and how unworkable it was with regard to the vagueness of the standards with which employers were expected to comply.

However, I do not believe our action to overturn the current ergonomics rule should in any way be interpreted as congressional intention to end the debate on this issue of workplace safety. That is what we did last week. That certainly was not my intention. In fact, I believe the Federal Government does have a responsibility to set safety standards and to protect workers against hazards that exist in their place of employment.

Certainly, the new Secretary of Labor and the new administration, through working with our colleagues in hearings and other ways, I think would relish the idea of being able to come up with a standard that is workable, something that can give us workplace safety but encourage businesses to be involved. That is certainly possible.

The ergonomics standard or the rule we saw last year was a no-win for anyone because we were not going to see, because of the court cases that were already involved with that rule, workers protected, nor were we able to see a reasonable compliance that industries could meet. It was not a win for anyone.

If we fail to come back with anything else, and if we fail to encourage the Department of Labor to come up with something that is reasonable and workable, then we, once again, have failed everyone—businesses and employees—because we can do better at providing better workplace safety, and we can also provide businesses a better way of complying with it. Everyone wins with that—workers and businesses.

The amendment we are offering gives the Department of Labor 2 years to craft a new Federal ergonomics standard. In addition, our amendment directs the Department to address serious problems that exist in the previous rule.

Specifically, we make clear that the new standards should not apply to injuries that occur outside the workplace or, as Senator BREAUX mentioned, injuries that are aggravated by activities that employees perform as a part of their job.

Furthermore, this amendment requires the Secretary of Labor to set forth in clear terms what businesses are required to do to comply with this new standard before it takes effect.

Finally, we prohibit the new rule from expanding the application of State workers compensation laws.

In short, I believe our amendment is a reasonable, commonsense approach that will allow the Department of Labor to address a serious health and safety issue in the workplace in a manner that is fair to both employees and employers. After all, in the debate last week, is that not what we said we were striving for?

As a founding member of the Senate's new Democrats coalition who is inclined to seek compromise whenever possible, I wish we had been given the opportunity to draft and offer a compromise proposal on ergonomics last week when it was most appropriate. Unfortunately, we did not have that opportunity.

Now that the consideration of the resolution of disapproval has been concluded, I am certainly hopeful my colleagues will want to work in a bipartisan way and permit a reasonable period of debate and vote on this amendment and come up with something that is going to be workable for absolutely everybody, certainly employees as well as employers and businesses, all of which can be brought to the table in the next 2 years, and we can craft something that is going to be workable and meet the objectives we have all expressed.

I thank the Senator from Louisiana for his hard work and leadership in this effort, and I look forward to working with all of our colleagues in the next several days to come up with something we can adopt and prove to the people of this Nation and businesses of this Nation that we are truly concerned about workplace safety and about being sensible.

I yield back to the Senator from Louisiana the remainder of his time.

Mr. BREAUX. I thank the Senator from Arkansas for her contribution. She comes from a State deeply involved in these issues. I know she speaks with a "mine" of experience in addressing these concerns. I thank her for her contribution, as well as my colleague from Louisiana, Senator LANDRIEU.

I take this time to say to our colleagues our staffs are currently talking with each other across party lines to see whether there might be some agreement we can reach on an authorization bill as an amendment either to this legislation that is currently pending before the Senate or to some other legislative package that is going to come before the Senate. I will continue to work with our colleagues and our staffs trying to find a way to reach an agreement on a pending amendment.

I yield the floor.

Mr. ENZI. I thank the Senator from Arkansas and the Senator from Louisiana for their consideration and their work in a bipartisan way to see we get something done and to extend that opportunity to go to meetings with Secretary Chao and also to participate in hearings on my subcommittee. We want to make some progress on this issue.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I know Senator ENZI is not managing the bill—he is on the floor for other reasons—but I wonder if we could have some idea in the near future as to what we are going to do for the rest of the day. Senator WELLSTONE, by virtue of the unanimous consent agreement, is going to come in at 1:15. We have Senator DURBIN who has offered what is, in effect, a substitute. That was laid down last night. He is willing to start debating that amendment.

We have others we could get over here to offer amendments. We want the record to be clear that we are doing everything we can. Senator LEAHY has instructed everyone to move this bill along as quickly as possible. I certainly agree with that. I see Senator GRASSLEY, too. Maybe we could have some information as to whether we could set aside the amendment that is pending and move on to something else?

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, it is my understanding the bill managers are looking at what is left on the bankruptcy bill at this moment. Senator WELLSTONE's bill will be the amendment pending. He is planning on being here at 1:15.

I had heard some concern that most of the actual bankruptcy issues had been covered and we were just doing some peripheral ones. There is some concern on our side as to what the process is going to be, too. It is my understanding they are discussing that now. The chairman probably can give us some information.

Mr. GRASSLEY. If the Senator from Nevada will yield, I will try to respond to his inquiry.

No. 1, since so many people are busy during the lunch hour with the steering committees and the type meeting that both parties have, we might not be so fortunate as to get something up before 1:15 when the Wellstone amendment is up.

The second is, the Senator asked if we could do another amendment. What amendment would the Senator suggest we move to, then?

Mr. REID. There is one amendment about which I have received a number of calls today. Mr. DURBIN, the Senator from Illinois, wants to offer his substitute. In effect, that is what it is. The Senator from Iowa is familiar with that. It is at the desk.

It is at the desk. He would be willing to have a relatively short time agreement for the opportunity to express his views on that.

Mr. GRASSLEY. As the main sponsor of this legislation, I should be able to tell you we could go to the Durbin amendment. But we have some reservation at this time on moving forward on the Durbin amendment, particularly because it would take a good deal of time and would interfere with the Wellstone amendment. If there is some other amendment the Senator from Nevada would like to take up, he might suggest something, and we would quickly consider that.

Mr. REID. We have one that Senator LEAHY has been trying to get up, amendment No. 19, a set-aside amendment.

Mr. GRASSLEY. That is the same amendment, if we went back to regular order. If we called regular order, we would end up on that amendment.

Mr. REID. It is my understanding that No. 20 is regular order. This one isn't before the Senate.

Mr. GRASSLEY. This is an amendment that has not been before the Senate.

Mr. REID. That is my understanding. It has been filed but it has not been debated.

Mr. GRASSLEY. I suggest we put in a quorum call, and then we will take a look at it.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask that the pending amendment be set aside temporarily and amendment No. 19 on behalf of Senator LEAHY be offered.

It is my understanding that the Senator from Iowa will also want a unanimous consent agreement to indicate there would be no second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 19

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

> The Senator from Nevada [Mr. REID], for Mr. LEAHY, proposes an amendment numbered 19.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To correct the treatment of certain spousal income for purposes of means testing)
>
> On page 17, line 8, strike "and the debtor's spouse combined" and insert ", or in a joint case, the debtor and the debtor's spouse".

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now be in a period of morning business with Senators speaking up to 10 minutes each until 1:15 today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BANKRUPTCY REFORM ACT OF 2001—Continued

AMENDMENT NO. 36, AS MODIFIED

The PRESIDING OFFICER. The clerk will report the pending amendment of the Senator from Minnesota.

The legislative clerk read as follows:

> Amendment No. 36, as modified, previously proposed by Mr. WELLSTONE.

Mr. WELLSTONE. Mr. President, I want to be clear with my colleagues and the majority leader that I came to the floor very early on with several amendments to move this process forward. Last week, when I initially objected to a motion to proceed, the majority leader said we would have substantive debate on amendments. This amendment has been "hanging out there" for several days. I have wanted a vote on this amendment. I modified this amendment because there was concern on the part of one of my colleagues on the other side that there was a jurisdictional problem with a committee. I had assumed we would have an up-or-down vote on this amendment. My understanding is that it might not happen and there might be a second-degree amendment. I don't know what that amendment is, but it will probably be an amendment that will gut this amendment.

It makes me start to wonder, even more, about what we have been doing out on the floor of the Senate with this bankruptcy bill. My colleague called this a reform bill, but I wish to mention a couple of articles that have been published recently. I will soon ask to have them printed in the RECORD.

There was a piece that appeared on Tuesday, March 13, in the Wall Street Journal entitled, "Auto Firms See Profit In Bankruptcy-Reform Bill Provision." The first paragraph:

> The nation's three major auto makers are always interested in making deals, and they hope to close one in the U.S. Senate this week that is worth millions of dollars to each of them.
>
> The deal lies in the bankruptcy-reform bill expected to clear the Senate this week. Buried in the bill's 42 pages is a section that changes the way auto loans are treated when an individual declares bankruptcy, making it more likely the car loans will have to be paid back in full—even while other creditors collect only part of what they are owed.

That might include child support payments as well.

There also is in here a chart that deals with the soft money, PAC, and individual contributions by members of the Coalition for Responsible Bankruptcy Laws.

I actually think the bitter irony is that the debate we have been having on this bill—for the 2½ or 3 years I have been working on this—is probably, unfortunately, a perfect bridge to the debate we are going to have on campaign finance reform.

Again, I want to be real clear with my colleagues. I don't like to come to the floor and do a one-to-one correlation that money has been given, so that is why you are voting this way. I don't believe in that for several reasons. One, it would be arrogant on my part to believe that if somebody has a different point of view, that means, ipso facto, they are receiving all this money from, for instance, the financial services industry and that is why they are voting the way they are. That is not my argument.

Rather, my argument is institutional, which is more serious. The problem with this political process is not that there is "corruption," as in the wrongdoing of individual officeholders, as in one-to-one quid pro quo—here is the money, here is how you should vote.

The problem is institutional, and that is a more serious problem. It is the imbalance of power, the imbalance of access, the imbalance of influence, not affluence, between the people I have tried to represent as a Senator—low- and moderate-income people, people of color, poor people, consumers—and the heavy hitters, the investors, the players, the lobbying coalition. There has been article after article about the full-court press of the financial services industry over this bill.

The auto firms get a good deal. That is worked into this bill. Buried in the bill's 42 pages is a special deal for them.

By the way, it is not a special deal for you if you are going under because of major medical expenses, which is 50 percent of the cases. It is not a special deal for you if you have lost your job in the Iron Range of Minnesota, 1,400 taconite workers out of work. It is not a special deal for you if you have gone through a divorce and there is a sudden loss of income. But it is a special deal for these folks. This is a piece by Tom Hamburger of the Wall Street Journal.

There is another piece in the Wall Street Journal by Tom Hamburger, Laurie McKinley, and David S. Cloud:

> For the businesses that invested more money than ever before in George W. Bush's costly campaign for the presidency, the returns have already begun.
>
> MBNA America Bank was one of the largest corporate donors to the Bush campaign and other GOP electoral efforts last year. The bank and its employees gave a total of $1.3 million, according to the Center for Responsive Politics, a nonpartisan clearinghouse here. Charles Cawley, MBNA's president, was a member of the Bush "pioneers," wealthy fund-raisers who each personally gathered at least $100,000 for the presidential campaign.

I guess I am not going to get any support from the pioneers in my Senate race.

> Mr. Cawley hosted Bush fund-raising events at his home in Wilmington, Del., last year and, in 1999, at his summer home in Maine, north of the Bush family retreat in Kennebunkport.

This whole piece—you get the point—is all about huge amounts of money, lobbying coalitions, access, and influence.

I ask unanimous consent that both of these articles by Mr. Hamburger in the Wall Street Journal be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

INFLUENCE MARKET: INDUSTRIES THAT BACKED BUSH ARE NOW SEEKING RETURN ON INVESTMENT—TOBACCO WANTS TO KILL A SUIT, OIL TO DRILL IN ALASKA; PATIENT PRIVACY TARGETED—WHITE HOUSE STRESSES MERITS

(By Tom Hamburger, Laurie McGinley and David S. Cloud)

WASHINGTON.—For the businesses that invested more money than ever before in George W. Bush's costly campaign for the presidency, the returns have already begun.

MBNA America Bank was one of the largest corporate donors to the Bush campaign and other GOP electoral efforts last year. The bank and its employees gave a total of about $1.3 million, according to the Center for Responsive Politics, a nonpartisan clearinghouse here. Charles Cawley, MBNA's president, was a member of the Bush "pioneers," wealthy fund-raisers who each personally gathered at least $100,000 for the presidential campaign.

Mr. Cawley hosted Bush fund-raising events at his home in Wilmington, Del., last year and, in 1999, at his summer home in Maine, north of the Bush family retreat in Kennebunkport. At the Maine affair, 200 guests gathered in the early evening on the large porch of the Cawley home, situated on a hill with a sweeping view of the Atlantic Ocean. Guests sipped cocktails and heard a brief talk by the candidate.

The money didn't stop on election day. Mr. Cawley and his wife each gave the maximum of $5,000 to help fund Mr. Bush's fight in the Florida vote recount. Mr. Cawley gave an additional $100,000 to the Bush-Cheney inaugural committee, the most the committee would take from a single donor.

Last week, MBNA's investment began paying off. The company, one of the nation's three largest credit-card issuers, has been pushing for years to tighten bankruptcy laws that allow certain consumers filing for court protection, in effect, to disregard obligations to credit-card companies and other unsecured lenders. On Wednesday, the White House announced that President Bush would sign a bill now moving through Congress that would make it tougher for consumers to escape such debts. If enacted, the measure could translate into an estimated tens of millions of dollars in additional annual earnings for each of the big credit companies.

MBNA's vice chair, David Spartin, says his firm has no way to estimate how the legislation would affect the company's bottom line. MBNA has backed the bill for years "because we think it is good for consumers," as it will "reduce the cost of credit for everyone," Mr. Spartin says. The donations to President Bush and other candidates were made because "we think they would make excellent public officials," he adds. No MBNA official "has ever spoken to President Bush about the bill," Mr. Spartin says.

Many corporations feel like a new day is dawning in Washington. "We have come out of the cave, blinking in the sunlight, saying to one another, 'My God, now we can actually get something done,'" says Richard Hohlt, Washington lobbyist for several other major banks which, like MBNA, are backing an industry coalition whose members provided some $26 million to Republicans during the 1999–2000 campaign cycle.

President Clinton last year vetoed a similar bill that would have toughened bankruptcy law. Consumer groups argue that such legislation would weaken protection for working families, many of whom have been the targets of aggressive credit-card marketing.

Also in action last week were members of a large coalition of Mr. Bush's business backers who want to roll back new federal rules designed to protect workers from repetitive-motion injuries.

In a private meeting with congressional leaders last Tuesday, President Bush signed off on a plan to kill the ergonomic regulations, using the powers of the Congressional Review Act. That act, passed in 1996, gives Congress 60 days to reject regulations issued by federal agencies. But it was never used during Mr. Clinton's term because to take effect, a resolution rejecting new rules has to be approved by the president.

Repealing the ergonomic rules ranks high on the priority lists of the U.S. Chamber of Commerce, the National Association of Manufacturers and the National Association of Wholesaler-Distributors. The trade groups technically don't endorse candidates, but each of them mounted major grass-roots and advertising campaigns that benefited Mr. Bush and other Republicans in the 2000 elections.

A repeal would be a particularly hard loss for organized labor, which has fought for enactment of the ergonomic rules for 10 years, saying they are needed to protect workers from wrist, back and other injuries.

On employee safety, consumer bankruptcy and a host of other issues, Bush administration officials maintain they are acting strictly on the merits, not the money. Proponents of the bankruptcy bill, for example, point out that personal bankruptcy filings reached a record 1.4 million in 1998. The bill that would toughen the bankruptcy law won strong bipartisan support in the House last week, passing 309–106.

Business advocates maintain that the ergonomics rules include an overly broad definition of "musculoskeletal disorders" and that the new standards give employees claiming to have such disorders overly generous treatment: 90% of their salary and benefits for up to three months.

But a strongly as they believe in their arguments, business lobbyists acknowledge it's no accident that, following their massive support for the GOP, Republicans are moving quickly to address some of their top issues.

Mr. Bush ran the most costly presidential campaign in American history. Donors to his campaign and the Republican National Committee contributed a total of $314 million. Of that, more than 80% came from corporations or individuals employed by them. Al Gore and the Democratic National Committee raised $213 million, receiving strong support from labor organizations and their members. But more than 70% of the Democratic total also came from businesses and their employees.

These totals can be seen as somewhat inflated because most donors to either party work for a business. But the amounts don't include separate contributions from trade associations or independent business advertising. "The role of business last year was huge, and it overwhelmingly benefited Republicans," says Larry Makinson of the Center for Responsive Politics.

As the bankruptcy and ergonomics bills move through the Senate over the next few days, business groups also will be looking for early action on other key issues. Here's a preview.

With then-Vice President Al Gore and many Democratic congressional candidates railing against alleged profiteering by drug companies, the industry made its biggest-ever contributions to the GOP cause.

Drug companies contributed $14 million to Republican campaigns over the past two years and spent an additional $60 million to fund their own independent political-advertising campaign. Industry executives will be lobbying the new administration on a wide range of issues, such as the proposal to overhaul the Medicare program and include a prescription-drug benefit for senior citizens. The industry wants to make sure such a benefit doesn't lead to drug-price controls.

But the fight isn't likely to command center stage for many months. In the meantime, drug companies will press for a rewrite of federal rules protecting the privacy of patients' medical records. The rules were announced with much fanfare in the final weeks of the Clinton administration. The drug companies recently got a sign that they, too, were making progress with the new administration.

Health and Human Services Secretary Tommy Thompson, in a move that infuriated consumer groups, invited additional public comments on the rules until the end of this month. The industry is hoping the move will lead to more delays and, ultimately, significant revisions.

Last December, Mr. Clinton heralded the rules as "the most sweeping privacy protections ever written." For the first time, patients would have access to their medical files and could correct mistakes. Providers, such as hospitals and health plans, would be required to get written permission from patients to use or disclose patients' health information. Providers also would have to create sophisticated record-keeping systems and privacy policies to document compliance with the rules.

Hailed by privacy advocates, the rules include provisions anathema to nearly every segment of the health-care industry. Drug makers, HMOs, drugstore chains and hospitals say that while they back the goal of increased privacy, the rules have a potential cumulative price tag in the tens of billions of dollars, much of it to overhaul data-collection and information-technology systems.

The companies warn that the new requirements mean that pharmacies would need signed customer consents on file before they could do something as simple as sending a prescription home with a neighbor. The drug industry also says that research critical to boosting corporate innovation and tracking the safety of drugs would be inhibited. Academic researchers seeking personal health information from hospitals would have to get authorization from the patient or undergo a special privacy review by a hospital panel.

Privacy advocates such as Janlori Goldman of the Health Privacy Project at Georgetown University counter that such dire predictions are inaccurate and "hysterical."

Technically, the regulations apply to the use of information by hospitals, doctors, pharmacists and HMOs. But they have big implications for drug companies, which depend on access to that data for research and marketing. Among the drug companies most concerned is Merck & Co., because of its Merck-Medco unit. Like other pharmacy-benefits managers, which obtain contracts from HMOs and employers to keep drug costs down, Merck-Medco fears it would be hindered in its ability to track physician-prescribing patterns and other information.

Taking the lead on combating the rules is the Confidentiality Coalition, an industry group that meets at the offices of the Healthcare Leadership Council, overlooking Farragut Square, a few blocks from the White House. Dubbed the "Anti-confidentiality Coalition" by privacy advocates, the alliance has 120 members, including Merck, Eli Lilly & Co., Cigna Corp. and Medtronic Inc., the big medical-device maker. A core group of 20 to 30 lobbyists shows up regularly for strategy sessions.

[From the Wall Street Journal, Mar. 13, 2001]

AUTO FIRMS SEE PROFIT IN BANKRUPTCY-REFORM BILL PROVISION

(By Tom Hamburger)

WASHINGTON.—The nation's three major auto makers are always interested in making deals, and they hope to close one in the U.S. Senate this week that is worth millions of dollars to each of them.

The deal lies in the bankruptcy-reform bill expected to clear the Senate this week. Buried in the bill's 420 pages is a section that changes the way auto loans are treated when an individual declares bankruptcy, making it more likely the car loans will have to be paid back in full—even while other creditors collect only part of what they are owed.

Automobile lenders and academic experts say the financing arms of the large auto companies will gain hundreds of millions of dollars annually if the auto-loan provision remains in the final bill, despite efforts by Illinois Sen. Richard Durbin and other Democrats to pull it out.

The long-sought bill, which tightens the rules under which consumers can declare bankruptcy, contains several other obscure provisions that, like the one on auto loans, provide special benefits to groups with the ability to influence decision makers. For example, the legislation contains a two-paragraph section—not the subject of any hearings or public debate—that could make it more difficult for Lloyd's of London to collect debts from American investors in the insurance firm who can show they were victims of fraud. The legislation also exempts credit unions from the bill's disclosure requirements for voluntary repayment plans.

But it is the auto-loan provision that draws the loudest complaints.

"This is one of the best examples of why this is legislation that is at war with itself," says Brady C. Williamson, who teaches at the University of Wisconsin Law School and who was chairman of the National Bankruptcy Review Commission in 1996 and 1997.

The bankruptcy bill is designed to reduce the number of Chapter 7 bankruptcy filings, in which consumers erase debts to unsecured creditors, and increase the number of Chapter 13 filings, which require debtors to repay at least a portion of their obligations under the supervision of a court-appointed trustee.

The auto giants gain because the proposed law would eliminate the so-called cram-down rules that allow borrowers entering Chapter 13 bankruptcy to repay only an automobile's market value plus interest, not the full value of the outstanding loan.

Consider, for example, the situation of someone entering bankruptcy who bought a car two years ago for $10,000. The car is now worth $6,000, but the buyer still owes $8,000 in a multiyear note to the auto dealer. Under current law, a person filing for Chapter 13 bankruptcy would pay the dealer the $6,000 market value and keep the car. The remaining debt would be considered, along with debts owed to other unsecured creditors such as retailers, credit-card firms and medical providers.

The theory behind the cram-down was that secured creditors could get the value of their collateral back, cars wouldn't get repossessed as often and bankruptcy filers could continue to pay off at least a portion of their obligations to auto lenders and other creditors under the supervision of a trustee.

But under the bill's change, says Mr. Williamson, the debtor will have to devote a larger share of remaining resources to satisfying the auto dealer. Many may lose their cars to repossession. Others will fall in Chapter 13, which already has a 66% failure rate. He worries that more creditors will thus end up filing under Chapter 7, precisely the outcome the bill was designed to avoid.

Lobbyists for the major auto companies, whose financing arms make loans to their customers, acknowledge encouraging Michigan's former senator—now energy secretary—Spencer Abraham to add the provision to the bankruptcy bill in 1999.

"We think cram-down is a bad idea," says Anne Marie Sylvester, media-relations manager for GMAC North America, the financing arm of General Motors Corp. "It raises costs because it forces us to accept losses, which we may have to spread among our customer base. In effect, it rewards debtors who don't fulfill their obligations and penalizes those who follow the rules." She said GMAC contributed $1.6 billion to GM's $5 billion earnings last year. The bill also stands to benefit GM's main competitors, Ford Motor Co. and Daimler Chrysler AG.

This provision was in the bill that passed Congress last year but was vetoed by then President Clinton, who said it hit working families too hard. In another sign of the effect a change in the presidency can make, the Bush White House has formally signaled its intention to sign the bill.

Because removal of the cram-down effectively puts auto lenders ahead of other creditors, the proposed shift threatened a powerful business coalition, led by credit-card companies, that has been pushing for an overhaul of bankruptcy law in recent years. Despite some dissent, though, the coalition generally held together, says Jeff Tassey, organizer of the Coalition for Responsible Bankruptcy Laws. Coalition members calculated that the advantages gained by auto companies were worth accepting to keep that powerful constituency behind the new law.

"There are provisions that are important to some industries that aren't important to others," Mr. Tassey says. "But the members took a mature approach . . . It was important to have the automobile industry in there."

To the auto industry, the change has been needed since cram-down was introduced into law in 1978. Since that law passed, bankruptcy rates have gone up nearly 800% and automobile companies, which make a significant portion of revenue from lending, were upset about the losses.

They argued that eliminating cram-down will make the overall system more disciplined, helping all creditors. Mr. Tassey says that cram-down works as an incentive to enter Chapter 13 bankruptcy and argues that removing it will "be a deterrent to filing specious bankruptcies."

But opponents scoff at those arguments. "This is the worst provision in this bill for those who want to induce people to pay their debts back," says Henry Hildebrand of Nashville, Tenn., chairman of the legislative- and legal-affairs committee of the National Association of Chapter 13 Trustees.

As Mr. Hildebrand and others see it, the legislation will hurt all creditors, and will run contrary to the intent of the law's proponents. He cites studies by his organization showing that a fifth of Chapter 13 debtors would be driven into Chapter 7, where they can discharge or liquidate credit-card and other unsecured debt.

And in the Senate last week, Sen. Durbin launched his effort to remove the auto section from the final bill, or at least modify it significantly.

"This provision is unjustly tipped in favor of the creditor, providing little or no protection for debtors," Mr. Durbin says. "A person who want to keep their car and go to work ends up being a loser."

The bankruptcy coalition's Mr. Tassey, though, dismisses the critics: "The bankruptcy establishment likes the system the way they have been running it," he says.

A STAKE IN BANKRUPTCY

SOFT MONEY, PAC AND INDIVIDUAL CONTRIBUTIONS BY MEMBERS OF THE COALITION FOR RESPONSIBLE BANKRUPTCY LAWS

(In thousands of dollars)

Organization	To Democrats	To Republicans	Total
American Bankers Association	$588.90	$1,109.60	$1,709.50
Credit Union National Association	763.40	873.04	1,642.44
Ford Motor	208.47	548.21	772.13
DaimlerChrysler	161.03	483.08	700.11
General Motors	172.20	502.83	688.80
America's Community Bankers	201.57	334.85	536.42
Independent Bankers Association	164.62	261.25	429.47
Visa USA	172.25	167.85	340.10
National Retail Federation	28.50	204.78	233.28
American Financial Services Association	38.84	155.73	194.57
Mastercard International	11.60	82.60	96.65
Consumer Bankers Association	10.25	13.00	23.25
Total (in millions)	$2.52	$4.74	$7.37

Note: Numbers don't add up because some contributions went to non-partisan causes.

Sources: The Center for Responsive Politics, Federal Election Commission.

Mr. WELLSTONE. Mr. President, I also ask unanimous consent that a New York Times piece—all of these articles are dated Tuesday, March 13, 2001—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From The New York Times, Mar. 13, 2001]

LOBBYING ON DEBTOR BILL PAYS DIVIDEND

(By Philip Shenon)

WASHINGTON, March 12.—A lobbying campaign led by credit card companies and banks that gave millions of dollars in political donations to members of Congress and contributed generously to President Bush's 2000 campaign is close to its long-sought goal of overhauling the nation's bankruptcy system.

Legislation that would make it harder for people to wipe out their debts could be passed by the Senate as early as this week. The bill has already been approved by the House, and Mr. Bush has pledged to sign it.

Sponsors of the bill acknowledge that lawyers and lobbyists for the banks and credit card companies were involved in drafting it. The bill gives those industries most of what they have wanted since they began lobbying in earnest in the late 1990's, when the number of personal bankruptcies rose to record levels.

In his final weeks in office, President Bill Clinton vetoed an identical bill, describing it as too tough on debtors. But with the election of Mr. Bush and other candidates who received their financial support, the banks and credit card industries saw an opportunity to quickly resurrect the measure.

In recent weeks, their lawyers and lobbyists have jammed Congressional hearing rooms to overflowing as the bill was redebated and reapproved. During breaks, there was a common, almost comical pattern. The pinstriped lobbyists ran into the hallway, grabbed tiny cell phones from their pockets or briefcases and reported back to their clients, almost always with the news they wanted to hear.

"Where money goes, sometimes you see results," acknowledged Representative George W. Gekas, a Pennsylvania Republican who was a sponsor of the bill in the House. But Mr. Gekas said that political contributions did not explain why most members of Congress and Mr. Bush appeared ready to overhaul the bankruptcy system.

"People are gaming this system," Mr. Gekas said, describing the bill as an effort to end abuses by people who are declaring bankruptcy to wipe out their debts even though they have the money to pay them. "We need bankruptcy reform."

Among the biggest beneficiaries of the measure would be MBNA Corporation of Delaware, which describes itself as the world's biggest independent credit card company. Ranked by employee donations, MBNA was the largest corporate contributor to the Bush campaign, according to a study by the Center for Responsive Politics, an election research group.

MBNA's employees and their families contributed about $240,000 to Mr. Bush, and the chairman of the company's bank unit, Charles M. Cawley, was a significant fundraiser for Mr. Bush and gave a $1,000-a-plate dinner in his honor, the center said. After Mr. Bush's election MBNA pledged $100,000 to help pay for inaugural festivities.

MBNA was obviously less enthusiastic about the candidacy of former Vice President Al Gore, Mr. Bush's Democratic rival; according to the center, only three of the company's employees gave money to the Gore campaign, and their donations totaled $1,500.

The center found that of MBNA's overall political contributions of $3.5 million in the last election 86 percent went to Republicans, 14 percent to Democrats. The company, which did not return phone calls for comment, made large donations to the Senate campaign committees of both political parties—$310,000 to the Republicans, $200,000 to the Democrats.

MBNA's donations were part of a larger trend within the finance and credit card industries, which have widely expanded their contributions to federal candidates as they stepped up their lobbying efforts for bankruptcy overhaul.

According to the Center for Responsive Politics, the industries' political donations more than quadrupled over the last eight years, rising from $1.9 million in 1992 to $9.2 million last year, two-thirds of it to Republicans.

Kenneth A. Posner, an analyst for Morgan Stanley Dean Witter, said that the bankruptcy bill would mean billions of dollars in additional profits to creditors, and that it would raise the profits of credit card companies by as much as 5 percent next year. In the case of MBNA, that would mean nearly $75 million in extra profits in 2002, based on its recent financial performance.

The bill's most important provision would bar many people from getting a fresh start from credit card bills and other forms of debt when they enter bankruptcy. Depending on their income, it would bar them from filing under Chapter 7 of the bankruptcy code, which forgives most debts.

Under the legislation, they would have to file under Chapter 13, which would require repayment, even if that meant balancing overdue credit card bills with alimony and child-support payments.

Consumer groups describe the bill as a gift to credit card companies and banks in exchange for their political largess, and they complain that the bill does nothing to stop abuses by creditors who flood the mail with solicitations for high-interest credit cards and loans, which in turn help drive many vulnerable people into bankruptcy.

"This bill is the credit card industry's wish list," said Elizabeth Warren, a Harvard law professor who is a bankruptcy specialist. "They've hired every lobbying firm in Washington. They've decided that its time to lock the doors to the bankruptcy courthouse."

The bill's passage would be evidence of the heightened power of corporate lobbyists in Washington in the aftermath of last year's elections, which left the White House and both houses of Congress in the hands of business-friendly Republicans.

Last week, corporate lobbyists had another important victory when both the Senate and the House voted to overturn regulations imposed during the Clinton administration to protect workers from repetitive-stress injuries.

Credit card companies and banks would not be the only interests served by the bankruptcy bill. Wealthy American investors in Lloyd's of London, the insurance concern, have managed through their lobbyists to insert a provision in the bill that would block Lloyd's from collecting millions of dollars that the company says it is owed by the Americans.

Lloyd's has hired its own powerful lobbyist, Bob Dole, to help plead its case on Capitol Hill. Last week, the chief executive of Lloyd's was in Washington to plot strategy.

The issue involves liabilities incurred by Lloyd's in the 1980's and 1990's when it was forced to pay off claims on several disasters, like the Exxon Valdez oil spill. Investors in Lloyd's are expected to share both its profits and its losses, but the Americans have refused to settle the debts, claiming they were misled by Lloyd's.

As he watched consumer-protection amendments to the bankruptcy bill fail by lopsided margins last week, Senator Patrick J. Leahy of Vermont, the ranking Democrat on the Judiciary Committee and a leading critic of the bill, said that colleagues had told him privately that they were "committed to the banks and credit card companies—and they are not going to change.

"Some of them do this because they think it's the right thing to do," Mr. Leahy said.

But he said other senators were voting for the bill because they know that the banks and credit card companies "are a very good source" of political contributions. "I always

> assume senators are doing things for the purest of motives," he added, his voice thick with sarcasm. "But I have never had credit card companies show up at my fund-raisers, and I don't think they ever will."
>
> Mr. Gekas said the implication that money was buying support for the bankruptcy bill was insulting, and that the bill did most consumers a favor by ending practices by some debtors that had forced up interest rates for everybody else. "Bankruptcies are costly to all of us who don't go bankrupt," Mr. Gekas said.
>
> In the late 1990's, banks, credit card industries and others with an interest in overhauling the bankruptcy system formed a lobbying group, the National Consumer Bankruptcy Coalition, for the purpose of pushing a bankruptcy-overhaul bill through Congress.
>
> They said they needed to act to deal with what was then a record number of personal bankruptcy filings. According to court records, the number of personal bankruptcies hit nearly 1.4 million in 1998, a record up from 718,000 in 1990. The number fell to just under 1.3 million last year, although it is expected to rise again if the economy continues to sour.
>
> The coalition's founders included Visa and Mastercard, as well as the American Financial Services Association, which represents the credit card industry, and the American Bankers Association.
>
> The Center for Responsive Politics found that the coalition's members contributed more than $5 million to federal parties and candidates during the 1999–2000 election campaign, a 40 percent increase over the last presidential election.

Mr. WELLSTONE. By the way, there was also a piece on this on National Public Radio this morning. There is another piece by Mr. Samuelson in the Washington Post this morning. His argument is that it is not so much that it is a bad bill—I think because I had to skim read it; I was in a rush—he was saying that at a time with an economic downturn, there may now be more people filing bankruptcy. Actually, it has fallen off over the last year and a half, but that may happen again, and we are going to make it really difficult for a whole lot of people in very difficult economic circumstances to rebuild their lives. Mr. Samuelson was saying he questioned the timing of this bill.

The New York Times piece is: "Lobbying On Debtor Bill Pays Dividend." That is a headline that should give ordinary citizens, the people of Minnesota and the country, a whole lot of faith in our political process. "Lobbying On Debtor Bill Pays Dividend":

> A lobbying campaign led by credit card companies and banks that gave millions of dollars in political donations to members of Congress and contributed generously to President Bush's 2000 campaign is close to its long-sought goal of overhauling the Nation's bankruptcy system.

It goes on to talk about all of the breaks the credit card industry is going to get, that all of the money they put into politics is going to pay a huge dividend in terms of support.

By the way—this is interesting as well—while I probably have been one of the strongest critics of President Clinton, it is interesting that this piece about the support from all of the financial contributions paying off—I think one reason my colleagues are in such a rush to pass this bill is to show now we have a President who is going to sign the bill as opposed to veto the bill because we could not override the veto.

President Clinton, wherever you are, with whatever kind of tough stories you have had to deal, with whatever you have done by way of pardons that may not be right that I do not agree with, I want you to know that as a Senator I thank you for standing up to all of these big contributors, to all of these interests, to the financial services industry. It wasn't easy to do, and you did it. Thank you, President Clinton.

I am not at all surprised President Bush cannot wait to sign this bill. This is his crowd, as my good friend FRITZ HOLLINGS from South Carolina would say. This is his crowd. I am sure he cannot wait to sign the bill.

Let me go to this amendment which I do not think my colleagues want to vote on up or down. I thought when I modified it we had at least an implicit understanding we would have an up-or-down vote, but they do not want to vote on this amendment, and I do not blame them. I would not want to vote against this amendment either.

This amendment is an amendment that deals with the predatory lending which targets low- and moderate-income families.

This bankruptcy "reform" bill, does it have much that deals with predatory lending practices? No. Does it call on the credit card industry—broadly defined—to perhaps take some accountability for pumping credit cards on our children and all sorts of other people who then find themselves in trouble and have to file for bankruptcy? No.

I will tell you what it does do. It makes it very difficult for a whole lot of people who find themselves in desperate financial straits to file for chapter 7, and, for that matter, it goes beyond the means test. There are provisions in this 50-page bill plus that make it really hard for ordinary people to get relief and rebuild their lives. That is absolutely outrageous.

I believe somebody needs to challenge this rush to get this done. We may have a cloture vote. We are going to have a cloture vote this afternoon, I take it. Colleagues should vote against it. There are a number of Senators who want to have amendments and want to have a vote on amendments, and they are right.

By the way, I did not file for cloture. That was the majority leader. My understanding is there is going to be a cloture vote, and my understanding is Senators would have a chance to have votes on their amendments. That was my understanding. That is what should happen. There are some substantive amendments that deal directly with alternatives to this harsh bill.

I want to know why we are not going to have votes on those amendments—I mean major amendments. And this amendment I think is also a major amendment, but I know other colleagues, who have worked on this many more years than I have and have more expertise, probably have even more important amendments. What do you think about this one? This amendment will prevent claims in bankruptcy on high-cost transactions in which the annual interest rate—if you are ready for this—exceeds 100 percent. These are payday car title pawns. It is an extremely small amount. These are low-income folks who pay this price who are having a difficult time because someone was ill and had to go to the doctor and they do not have much margin month to month. Go for a loan and you are extended a small amount, $100 to $500, for an extremely short time, 1 or 2 weeks. The loans are marketed as giving the borrower a little extra until payday.

The loan works like this, if you can believe these loan sharks, these vultures. The borrower writes a check for the loan amount, plus a fee. The lender agrees to hold on to the check until the agreed upon date and give the borrower the cash. On the due date, the lender either cashes the check or, as quite often it happens, allows the borrower to extend the loan by writing a new check for the loan amount, plus an additional fee. Calculated on an annual basis, these fees are exorbitant. For example, a $15 fee on a 2-week loan of $100 is an annual interest rate of 391 percent. Rates as high as 2,000 percent per year have been reported on these loans.

Why in the world do we want to allow claims in bankruptcy for these kinds of credit transactions? Why are we in such a rush to support these sleazy loan sharks? Can somebody come out on the floor of the Senate and tell me what the goodness is in what they do? Can somebody give me one good argument why you don't want to vote up or down on this amendment? I am indignant. I have to be careful not to get too hot. I am really angry.

Let me talk about the other area that is so egregious. Car title pawns are 1-month loans secured by the title to the vehicle by the borrower. Please remember, Senators, these are not our sons and daughters or brothers or sisters or our wives or husbands. I am talking about poor people. We, luckily by the grace of God, or by luck of another kind, are not in this position. We don't have to put our car up for collateral. We don't live month by month on meager incomes and desperate to get credit. That doesn't happen to us.

A typical title pawn costs 300 percent interest, and consumers who miss the payments have their cars repossessed. In some States, consumers do not receive the proceeds from the sale of the repossessed vehicle even if the value of the car exceeds the amount of the loan.

The Presiding Officer knows all about this because of his position in the State of Florida. For example, a borrower might put up their $2,000 car as collateral for a $100 car title loan and an outrageous interest rate, and if the borrower defaults, the lender can take the car, sell it, and keep the full $2,000 without returning the excess value to the borrower.

And we want to protect these loan sharks? Members don't want to vote for this amendment? Members want to come second-degree this amendment? Why?

These schemes actually are more lucrative if the borrower defaults. Often the borrower—are you ready for this?—is required to leave a set of keys to the car with the lender, and if the borrower is even 1 day late with the payment, he or she might look out the window and find the car is gone.

This amendment would prohibit claims in bankruptcy for credit transactions such as these payday loans and car title pawns where they charge over 100 percent interest in a year.

Could somebody explain to me why this is a bad amendment? Could somebody defend these sleazy loan sharks? So far, no one has.

There is no question these high-interest-rate loans take advantage of working people. On the face of it, paying 300 percent or 500 percent or 800 percent for a $100 loan or $200 loan is unconscionable. No fully informed person with a choice would do it. But that is exactly the issue: These folks may not always have a choice.

I am sorry I believe this has been happening over and over again in the last couple of weeks. This is similar to the ergonomics standard. This is a class issue. These are poor people we are talking about. None of us is ever put in this situation.

President Bush, whatever happened to compassionate conservatism? My Republican colleagues, whatever happened to compassionate conservatism?

Often these borrowers turn to payday lenders and car title pawns because they can't get enough credit through the normal channels. So these borrowers are a captive audience, unable to shop around to seek the best interest rates, uninformed about choices, unprotected from coercive collection practices.

I thank the Chair for having the graciousness to face me while I speak. I always thought that was important. I thank the Chair. It is much harder to speak when the presiding Chair is reading or not paying attention. I thank the Chair for his graciousness. When I shout, I am not shouting at the Presiding Officer.

There is no way the borrower can win. At best, they are robbed by high interest rates, and at worst their lives are ruined by the $100 loan which spirals out of control. These loans are patently abusive. They should not be protected by a bankruptcy system. Because they are so extensive, they should be completely dischargeable in bankruptcy so the debtors can get a true fresh start and so that more responsible lenders' claims are not crowded out by the shifty operators.

Colleagues, vote for this amendment because you are for responsible lenders. Vote for this amendment. I call this the responsible lender's amendment. Why should unscrupulous lenders who have equal standing in bankruptcy court with a community bank or a credit union that tries to do right by their customers? Why do we give equal value to these sleazy loan sharks with community banks or credit unions?

By the way, I don't think these lenders should be able to take advantage of customers' vulnerability through harassment or coercion, but that was considered to be a terrible provision. That challenged jurisdiction in another committee, so I even dropped the language on the coercive practices.

My amendment simply says if you charge interest over 100 percent on a loan, and if the borrower goes bankrupt, you cannot make a claim on that loan or the fees from the loan. In other words, the borrower's slate is wiped clean of your usurious loan and he gets a fresh start.

Additionally, such lenders will be penalized if they try to collect—well, no. See, there you go; there was my prepared statement. I shouldn't use a prepared statement. I was going to say, additionally such lenders will be penalized if they try to collect on their loan using coercive tactics, but I have taken that out. That was the modification my colleagues asked for, as if that would be such a terrible thing. And now I don't even get an up-or-down vote on the amendment. That is my understanding.

This amendment is a commonsense solution to the problem I have described. It allows the Senate to send a message to those loan sharks. If you charge an outrageous interest rate, if you profit from the misery and misfortune of others, if you stack the deck against the customers so they become virtual slaves to their indebtedness, you will get no protection in bankruptcy court for your claims.

As I say that, it sounds good to me. It really does. What is wrong with this proposition? If a lender wants to make these kinds of loans under this amendment, he or she can. But if he wants to be able to file claims in bankruptcy, he can't charge more than 100 percent interest. I don't believe any one of my colleagues will come to the floor to claim that a 100-percent interest rate is an unreasonable ceiling.

This amendment is in the spirit of reducing bankruptcies. I think if it was adopted it would significantly improve the bill, and I urge its adoption.

I will deal with a few more questions that have been raised. I assume we will have a debate on this. This whole bankruptcy bill and debate make me uncomfortable because one of the Senators for whom I have the greatest respect is Senator GRASSLEY from Iowa—and he or another Senator may come out here. He is a great Senator, in my opinion. But I have to say one of two things is going to happen. Senators are going to come out here and say: Senator WELLSTONE, your amendment is all wrong. These loan sharks need the protection. We are for the loan sharks. We are for the 100 percent interest-plus. Or they are going to come out with a second-degree amendment which I fear will have the same effect because it will gut this amendment, in which case we will have a debate about that.

But, so far, the silence has been deafening. I assume we will have that debate or maybe it will be accepted; I don't know. We will have a vote one way or the other.

This amendment is necessary. For those who say some States are starting to institute regulation of payday lenders—that is true, and I am glad; if States do more than we do, I am all for it—more and more payday loans are being made over the Internet, and they cannot be effectively regulated by the States. In addition, payday lenders have explored using national bank charters to avoid State regulation. So both tactics require a Federal response.

These payday lenders, if you are ready for this, are generating 35 percent to 50 percent. The fees are grossly disproportionate to the risk or the profit margins would not be so high. We are talking about loan sharks who feed off misery and illness, all too often, and desperation, and low- and moderate-income people, many of them families headed by single parents, many of them families headed by women, many of them people of color, many of them urban, many of them rural—and we ought to be willing to stand up for these people.

This amendment challenges Senators: Are you on the side of these sleazy loan sharks? Or are you willing to defend poor people in the United States of America?

I am not holding the Senate up. I am waiting for the debate.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 37

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I be allowed to bring up my amendment No.

37, and I then be allowed to withdraw the amendment No. 37 which relates to trade adjustment assistance.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President and my good friend from Montana, the reason that I offered this amendment previously is because the crisis that we are facing in the steel industry in general is having a particularly devastating effect on workers in my state—and also, quite frankly in the state of Michigan as well.

In the northeastern part of Minnesota—an area we call the Iron Range—a material called taconite is mined and then becomes an input into the steel production process. Taconite is basically iron ore; it's crushed, melted in blast furnaces, and then cast to be used to produce finished steel products.

As you know, the steel industry is highly integrated. To make finished steel products, producers can purchase semi-finished steel or they can make their own semi-finished steel with taconite or iron ore. Due to the recent surge in dumped semi-finished steel slab imports it has become cheaper for steel mills to import this steel and finish it rather than make their own. This, coupled with the general decline in the U.S. steel industry, has had a devastating effect on taconite workers in my state and in Michigan. Just one example of many that I'm sure you're familiar with is LTV Corp's announcement in December that it was filing for bankruptcy.

I ask unanimous consent to have this document, which sets forth the chronology of the major layoffs, shutdowns, etc. that have been devastating working families in the Iron Range of my state, printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHRONOLOGY OF WORKER DISLOCATION IN THE TACONITE INDUSTRY ON THE IRON RANGE IN MINNESOTA

In December 1999 the Iron Mining Association of Minnesota (IMA) reported that 5,760 workers were employed in taconite plants in Minnesota. After the announced cuts described below take effect, our projections show that there will be approximately 4,480 workers employed in this industry. That's more than 1,200 workers laid off in one year.

Below is a chronology of the worker dislocation we have been experiencing.

1. On May 24, 2000, the LTV Corp. announced its plan to permanently close the taconite plant in Hoyt Lakes. There are 1,400 people who work at this plant.
2. On December 29, 2000, LTV, the Nation's third leading producer of basic steel, filed for bankruptcy court protection.
3. On December 31, 2000, National Steel Pellet Co. laid off 15 hourly workers and 7 salaried staff members.
4. On January 28, 2001, Hibbing Taconite announced a six-week shut down, idling about 650 hourly workers.
5. On February 16, 2001, Minnesota Twist Drill laid off 64 of 195 full-time employees.
6. On February 19, 2001, Hibbing Taconite announced the elimination of between 29 and 38 salaried positions.

Mr. WELLSTONE. Mr. President, the difficulty, and the reason I offered my amendment, is that the previous Administration had an inconsistent record with respect to recognizing U.S. iron ore workers' eligibility to receive Trade Adjustment Assistance, despite the fact that they are clearly being injured by unfairly traded steel imports. In its most recent decision, involving a different taconite producer, a determination was made that low grade iron ore is not "like or directly competitive with" semi-finished steel slabs. I remain hopeful that a new Administration, taking a fresh look at this issue, will resolve the issue differently. Meanwhile, however, I was offering this amendment to make it explicit that taconite workers will be eligible to receive the trade adjustment assistance they so clearly need.

Mr. BAUCUS. Mr. President, I want to begin by saying that I am very sympathetic to the plight of taconite workers described by Senator WELLSTONE. Unfortunately, the situation is not at all unusual. Taconite workers are an example, and unfortunately not an isolated example, of the fate of workers who supply critical inputs to American industries that face stiff import competition.

When American workers lose their jobs because their production is replaced by imports of "like or directly competitive articles," we help those workers through the Trade Adjustment Assistance Program. TAA provides extended unemployment benefits, retraining benefits, and job search and relocation benefits to workers who lose their jobs through the effects of trade. I am and have been a strong supporter of the Trade Adjustment Assistance Program for many years. But the present TAA program helps only the workers whom the Department of Labor determines produce the same product that is being imported.

This year presents an opportunity to consider how the TAA program can be more effective in meeting the needs of all workers who lose their jobs as a result of import competition. That means recognizing that trade-related job losses and dislocation are devastating for all workers, no matter where they are in the overall production process.

The TAA program comes up for reauthorization this year. I think that is the right context for addressing the problem raised today. I want to assure my colleague Senator WELLSTONE that I would look favorably on expanding the TAA program to cover workers, whenever imports from any country lead to job loss. In fact, we are already working on legislation in the Finance Committee which would do just that. I invite Senator WELLSTONE to work with the Finance Committee in this effort and to testify before the Committee when we hold hearings on TAA later this year. It is certainly my hope that we will be able to address the trade adjustment needs of taconite and other similarly situated workers, as we work to reauthorize and expand the TAA program this year.

Mr. DAYTON. Mr. President and my colleagues, the Senior Senator from Minnesota, Senator WELLSTONE and Senator BAUCUS from Montana, I appreciate Senator BAUCUS' candor in recognizing that taconite workers have been inconsistently treated in the Department of Labor's definition of workers, eligible for Trade Adjustment Assistance. The efforts of taconite workers, from the Iron Range of Minnesota, to obtain relief from reduced production of semi-finished steel slab and steel plant closings, have been frustrated by how the Department of Labor considers the taconite industry. This is the reason Senator WELLSTONE and I introduced the Taconite Workers Relief Act. This bill underscores what I believe is certain: that taconite production is an essential part of an integrated steel-making process. Steel, no matter where it is made, is produced by a process initiated by iron ore or taconite pellets. Taconite pellets are melted in blast furnaces and then blown with oxygen to make steel. Every ton of imported semifinished steel displaces 1.3 tons of iron ore in basic domestic steel production.

In Minnesota, in the mid-1990's, seven operating taconite mines and 6,000 workers produced 45 million tons of taconite, which is 70 percent of the nation's supply. Today, the painful reality is that production cutbacks have ravaged the United States' iron ore industry. Northshore Mining Company announced that it would cut 700,000 tons of production; U.S. Steel's Minntac plant is cutting 450,000 tons; and the Hibbing Taconite Company is cutting 1.3 million tons of production.

On December 29, 2000 LTV, the third largest steel producer in the United States, filed for bankruptcy, bringing the number of steel producing companies under Chapter 11 protection to nine. The closing of LTV permanently eliminates 8 million tons of production and 1,400 jobs in Minnesota. I am sure that the pain of unemployed steelworkers in Minnesota, and the fear of those who face an uncertain future, is mirrored among steelworkers in northern Michigan. This is the reason why Senators LEVIN and STABENOW are also cosponsors of the Taconite Workers Relief Act.

The men and women of the Iron Range, who have worked for generations in the iron ore mines of northeastern Minnesota, are members of long standing in the union of the United Steelworkers of America. These are hard working people who believe that America's steel industry is a basic industry, essential to the economic and national security of our country. These are people, with an unwavering work ethic, who understand that the steel industry is highly integrated, and who believe they are part of that industry. This is the reason I want to work to ensure the Department of Labor clearly recognizes the eligibility of taconite workers for TAA, and I also believe that eligibility should be retroactive to include workers permanently laid off in the past year.

I commend the leadership of Senator BAUCUS in offering to support the expansion of TAA to cover taconite workers. I stand firmly on the principle that taconite workers must be treated equally at the trade table, and in the definition of eligibility for trade adjustment assistance. The opportunity the Senator has offered within the context of reauthorizing TAA is a wise strategy. I will join the Senator in working hard to eliminate any question there may be about the importance of taconite as part of an integrated steel industry.

Mr. BAUCUS. I thank Senator WELLSTONE and Senator DAYTON for their detailed and thoughtful presentation of the situation of taconite workers in Minnesota and Michigan. I also welcome their willingness to work with me and the Finance Committee on the reauthorization and expansion of the TAA program.

Mr. GRASSLEY. Mr. President, I concur with my colleagues that the Trade Adjustment Assistance Act needs a thorough review to protect workers who lose their jobs or income as a result of import competition. I am committed to a top to bottom review of the Act this year and to work with members to make the necessary changes.

The amendment (No. 37) was withdrawn.

Mr. WELLSTONE. I thank the Chair.

Mr. LEAHY. Mr. President, I thank the Senator from Minnesota.

Mr. President, the Senator from Utah and I have been working together on a managers' package. We might be able to move that forward. We are not right at that spot yet.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). Without objection, it is so ordered.

Mr. KERRY. Mr. President, I ask unanimous consent I be permitted to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. If the Senator would just withhold, how long does the Senator wish to speak? We are about to do a unanimous consent request.

Mr. KERRY. I don't know exactly. About 10 minutes or so.

Mr. REID. Fine. It will take us that long to get things in order.

Mr. WELLSTONE. If I could say to my colleague, with his indulgence, I certainly will not object, but I want to make it clear, because we are also in the middle of something else, that I have an amendment out here. I have been debating it. I am ready to hear somebody else debate it. I am ready to have a vote. I am not holding anything up. Democrats have a number of amendments to this bill that should be offered, debated, and voted on.

I question what is going on here.

Mr. KERRY. Mr. President, I am not sure which dog I have in this fight at the moment. I appreciate what the Senator from Minnesota is trying to accomplish. I gather that various people are trying to work on that. I certainly don't want to interrupt the flow. I will speak. If at some moment the Senate needs to move back to business, I will obviously be happy to do so.

(The remarks of Mr. KERRY are located in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I want to accommodate two colleagues who are on the floor, Senator LEVIN and Senator BIDEN, but I want to just be clear about what is going on here. It is 2:30. I have been asking for a vote on the amendment. Eight other Democrats have amendments on which they would like to have votes.

The strategy on the other side is to not have votes and basically shut this down with a cloture vote. I want to be clear about this.

I ask unanimous consent that my amendment be voted on within the next 30 minutes—first of all, voted on within the next 30 minutes, with no second-degree amendments.

Mr. HATCH. Mr. President, I have to object to that unless we can work out some matters that have to be worked out.

Mr. WELLSTONE. If I may go on, I was going to go on and ask unanimous consent that the managers' package be dealt with—I would not think that would require a rollcall vote—and that the pending Durbin amendment No. 93 be dealt with. But I would like to say to Democrats—and this is not aimed at my colleague from Utah—this is a violation of an agreement that we had.

Last week, the majority leader came out here on a motion to proceed. I blocked it. We talked about it and said we would have substantive debate. We were given the assurance that before any cloture vote, we would have the opportunity to have our amendments down here and voted on. I have come out here with an amendment. I have not delayed at all. I still can't get a vote on this amendment after 3 days. You have someone such as Senator DURBIN, who has been working as hard on bankruptcy as anybody, who can't get a vote on his amendment. This cloture motion should not have been filed. It is in violation of the agreement that was made. Any number of us are not having the opportunity to have up-or-down votes.

Frankly, I would not want a vote on behalf of these payday lenders, these sleazeball shark lenders, myself. We ought to have a vote.

Mr. HATCH. If the Senator will yield, Mr. President, as the Senator knows, we have been here for almost 2 weeks on this bill. This is a bill that has been modified. Some of the amendments of the other side have been agreed to. Some have been on the floor.

This bill passed 70–28 last December. Frankly, there appears to us to be an effort to have amendment after amendment, and some of these amendments are not even germane. In fact, quite a few of them are not germane. Our side exercised a prerogative of the rules to file cloture, to end what really is a debate that is going out of bounds.

Mr. REID. Will the Senator yield?

Mr. HATCH. Excuse me, if I may finish. I would have preferred not to have filed cloture. I would have preferred to agree to a small number of amendments and we go forward on those amendments and then have a vote on final passage, but we were not able to get that agreement, or at least have not been able to up to now. As far as I know, there is only one Senator stopping that agreement.

I say this to my distinguished friend from Minnesota: As far as I am concerned, I have no real objection to the Senator proceeding on his amendment and having a vote prior to the cloture vote. I prefer to vitiate the cloture vote. If the Senator feels aggrieved, I am going to try to accommodate him, but I hope our colleagues on both sides will be willing to work with us to get this bill completed because it is an important bill.

Yes, there are a variety of viewpoints in this bill, but this is a very important bill. We believe we have bent over backwards to try to work it out with both sides in this matter.

I ask unanimous consent—I hope the distinguished Senator from Minnesota will listen—that a vote occur in relation to the pending Wellstone amendment No. 36, as I understand it, as modified, at 3:40 p.m. today, and the time between now and then be equally divided and no second-degree amendments be in order prior to the vote, and at some point it be in order to lay aside the amendment for up to 5 minutes for consideration of a managers' amendment.

Mr. REID. Reserving the right to object, I appreciate the Republicans allowing a vote on the amendment of the

Senator from Minnesota. We have now approximately 1 hour 5 minutes. I am told the Senator from Minnesota wishes to speak an additional period of time on his amendment. The Senator from Delaware, who is the ranking member on the Foreign Relations Committee——

Mr. BIDEN. If the Senator will yield, that is fine.

Mr. REID. The Senator from Michigan is here to talk about something he worked out with the chairman and ranking member. I wonder if we can make sure they all have an opportunity to speak. I ask the Senator from Minnesota how he feels about that.

Mr. WELLSTONE. I am sorry, I did not hear.

Mr. REID. Does the Senator have a problem with Senator LEVIN having 5 minutes and the Senator from Delaware 15 minutes prior to the vote at 4 p.m. because there are no another amendments being offered prior to that time?

Mr. WELLSTONE. Reserving the right to object, I ask my colleague from Utah whether I may amend his unanimous consent request to assure that the managers' package be accepted or voted on and that the Durbin amendment be out here. If I may—I have the floor, if I may finish for a moment. I want to let my colleagues speak. It is an outrageous proposition here. I am not just speaking about my own amendment. I want a vote on my own amendment.

Mr. HATCH. Will the Senator yield?

Mr. WELLSTONE. If I may finish, and then I will take a question. I want to know why, No. 1—maybe there is something I do not know—I want to know whether or not there is a commitment that the managers' amendment will be accepted before we get a cloture vote and it gets clotured out, and I want to know why Senator DURBIN, who has worked on this bill long before I understood the issue, cannot bring it out. I want a vote. I have been trying to have a vote on it for days. I am ready to have Senator BIDEN and Senator LEVIN speak and have a vote on my amendment right away. I want to know why.

I ask unanimous consent that my amendment be disposed of at 3:40 p.m. and also Senator DURBIN be allowed to come to the floor and debate his amendment and have a vote on the Durbin amendment as well after 3:40 p.m. and that we either have a voice vote or recorded vote on the managers' package before the cloture vote.

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HATCH. Will the Senator yield for a comment?

Mr. WELLSTONE. I am not going to yield the floor, but I——

Mr. HATCH. You already yielded the floor.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. Let me accommodate my colleague.

I am trying to accommodate the Senator. I am trying to be reasonable, and I am trying to make this matter acceptable. We have a cloture vote at 4. I am willing to accommodate the Senator so he can have a debate on his amendment equally divided until 3:40 when we vote on the amendment.

Mr. WELLSTONE. Mr. President, will——

Mr. HATCH. Let me finish. Then we will vote on that amendment, as modified. As I understand it, Senator LEVIN wants to speak—is that correct?—for 5 minutes, and Senator BIDEN wants to speak for how much time?

Mr. BIDEN. Will the Senator yield for a question?

Mr. HATCH. I will be happy to without losing my right to the floor.

Mr. BIDEN. I am not standing here seeking recognition to speak, although I would like to do that at whatever time is convenient, but I ask the question: Isn't it fair that the request—and I strongly disagree with Senator WELLSTONE's characterization of this bill, and I strongly disagree with Senator DURBIN's characterization of this bill, but are they not entitled to have a vote? I am standing here to support their right to have a vote before cloture. I thought that was the general understanding, that we would have the ability to vote on both those amendments before cloture.

I do not understand why they are not being given that right. Again, I strongly disagree with both of them. I think there has even been a little bit of demagoguery on the bill. I resent some of the ways they have characterized the positions of some of us who support the bill, but I think they have a right to have a vote on their amendments. I thought there was an understanding.

My question is: Was there not an understanding that we would be voting today prior to cloture on some of these amendments that would be kicked out by cloture if cloture were invoked?

Mr. WELLSTONE. Will the Senator yield?

Mr. BIDEN. I cannot yield. The Senator from Utah has the floor. I asked a question so I cannot yield. That is my question.

Does it also not make sense for the legitimacy of the cloture vote to let them have their votes on both those amendments?

Mr. HATCH. I am not aware of the promise to Senator DURBIN, but I am trying to accommodate the distinguished Senator. We have a limited time prior to the cloture vote.

Mr. BIDEN. I ask unanimous consent——

Mr. HATCH. Will the Senator withhold?

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. HATCH. Will the Senator withhold before I ask unanimous consent myself? I am trying to accommodate the distinguished Senator from Minnesota. If Senator DURBIN wants to come to the floor and do his amendment, personally I do not have any objection to that. Let me check with our side and make sure we can do that, as long as we have an opportunity to amend the Durbin amendment.

Would it be possible to cut down the time so we could accommodate both amendments before the vote?

Mr. WELLSTONE. Absolutely. That has been my point.

Mr. HATCH. If you will be willing to take less time, we can allow 5 minutes for Senator LEVIN; and how much time does the Senator from Delaware need?

Mr. BIDEN. If the Senator will yield, I am not asking for any time to speak on NATO—that is what I want to speak on—because I thought this was a dead period. It is kind of a dead period for different reasons.

I ask the Senator to consider the request. If the Senator from Minnesota is willing to knock down his time—the Senator can speak for himself—the staff of the Senator from Illinois tells me he will be willing to cut down his time as well so they both can get a vote on their amendments prior to 4 o'clock.

What I am asking the Senator from Utah, whom I support on this bill, is to give them a chance, if they will cut down their time, to have a vote on both of their amendments. That is my request of the Senator from Utah. They are both here and can speak for themselves, obviously, better than I can.

Mr. HATCH. Let me suggest the absence of a quorum, and I will immediately see if I can get this done.

Mr. LEVIN. Will the Senator withhold so I may speak?

Mr. HATCH. I ask unanimous consent that the Senator from Michigan be given 5 minutes and then the floor come back to me at the conclusion of his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I thank my good friend from Utah. I was going to offer an amendment on behalf of Senator FEINSTEIN and myself. It is amendment No. 91 at the desk. It is similar to an amendment adopted last Congress during debate of the bankruptcy bill, which was deleted during negotiations with the House of Representatives. I am not going to offer this as an amendment to this year's bankruptcy bill but, rather, introduce it as a freestanding bill because of the agreement of Senator GRAMM, who is the chairman of the Banking Committee, to hold a hearing on our bill when it is filed as a freestanding bill.

When it is introduced, it will be referred to his committee. However, I want to spend 1 or 2 minutes explaining what this amendment is all about.

What credit card companies do now is charge interest to people, even though they pay part of their indebtedness on time.

It would be fine if they were just charging interest on part of the indebtedness which was outstanding and not paid on time. That is perfectly appropriate. But if somebody, for instance, starts with a zero balance, charges $1,000 on their credit card, pays $900 on time by the due date, then that person is not only charged interest on the $100 owed, that person is charged interest on the full $1000, even the part of his bill that is paid by the due date.

I don't know any other situation where somebody who pays an obligation on time is nonetheless charged interest on the part that is paid.

Again, our bill will address this by addressing the imposition of interest for on-time payments during the so-called "grace period." Currently, credit card lenders use complicated definitions of "grace period" to allow interest charges for payments even if they are made on time. Credit card lenders define "grace period" as applicable only if the balance is paid in full. Mastercard, for example, defines their "grace period" as "a minimum of 25 days without a finance charge on new purchases if the New Balance if paid in full each month by the payment due date." That means that even if a person pays 90 percent of his balance, he is still charged interest on money which is timely paid.

This is an overreach by the credit card companies. It should be corrected by the credit card companies. Most credit card customers, when they send in a check to pay their credit card on time, fairly assume they will not be charged interest on the money paid. But in fact they are, unless they happen to pay off the entire amount of their obligation. It is unfair. It is an overreach. It ought to be corrected by the credit card companies themselves. If it isn't, our bill will correct it for them.

Credit card companies are adding new and higher fees all the time in the small print of their lending terms. According to Credit Card Management, late fees, balance transfer fees, over-limit fees, and other penalty fees were a source of $5.5 billion in revenue for credit card companies in 1999, up from $3.1 billion in 1995.

Hopefully, the credit card companies will correct this overreach themselves, and this bill will not be necessary, but the chairman of the Banking Committee has indicated he is willing to hold a hearing on this bill and on similar practices by the credit card companies that might be brought to the attention of the Banking Committee, and based on that agreement by the Senator from Texas, I will not be offering this amendment on the bankruptcy bill but instead will be offering a free-standing bill on behalf of Senator FEINSTEIN and myself.

I thank the Chair. I thank the Senator from Utah for yielding me this time. I will not offer the amendment, and I withdraw the amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is recalled.

Mr. HATCH. Mr. President, I ask unanimous consent that the time prior to the vote in relation to the pending Wellstone amendment numbered 36, as modified, be limited to 10 minutes equally divided and no second-degree amendments be in order prior to the vote, and following that time, the amendment be laid aside and Senator DURBIN, be recognized to call up his amendment No. 93, and following the reporting, Senator HATCH be recognized to offer a second degree, and time on both amendments be limited to 30 minutes equally divided.

Further, then, these votes occur first in relation to the second degree to Durbin, then in relation to the Durbin amendment, as amended, if amended, and finally in relation to the Wellstone amendment, with 2 minutes between each vote for explanation, and the votes to begin no later than 3:20, and Senator WELLSTONE's time as previously ordered be limited to 5 minutes, and the majority leader be recognized for 5 minutes just prior to cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

Mr. DURBIN. If I understood the unanimous consent, I can call up my amendment numbered 93 at this time. At some point, Senator HATCH may offer a second degree.

Mr. HATCH. I ask unanimous consent the Wellstone time be reserved to follow the 30 minutes equally divided between Senator DURBIN and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 93

Mr. DURBIN. Mr. President, I don't know the sequence, but I want to make certain we are considering amendment No. 93 that I have offered. Senator WELLSTONE has a pending amendment as well. I am prepared to argue my amendment.

The PRESIDING OFFICER. The amendment is now pending.

Mr. DURBIN. The amendment has been filed.

The PRESIDING OFFICER. The amendment was called up earlier. It is pending.

AMENDMENT NO. 96 TO AMENDMENT NO. 93

Mr. HATCH. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Utah [Mr. HATCH] proposes an amendment numbered 96 to amendment No. 93.

Mr. HATCH. I ask unanimous consent reading of the amendment be dispensed with.

Mr. DURBIN. Mr. President, I object, unless a copy is provided. We have no idea what is in the amendment.

Mr. HATCH. It is on your desk.

Mr. DURBIN. I do not object.

Mr. HATCH. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

The Amendment is as follows:

> Strike all after the words "Section 1" and insert the following:

(The language of the amendment is the text of bill S. 420, as reported from the Committee on the Judiciary, beginning with the word "SHORT" on page 1, line 3.)

Mr. DURBIN. Mr. President, it took a few minutes to sort out what we are doing, and this is what it has come down to. I am offering an amendment to the bill before us with a bankruptcy reform bill which was considered 2½ years ago in the Senate and passed by a vote of 97–1.

Senator HATCH has come back and said, instead, it is a take it or leave it deal. We have this bill that is presently before us—take it or leave it. That is what the choice will be for my colleagues in the Senate. But I encourage them to take a close look at the differences between the substitute I am offering and what is being considered today in this Chamber.

This bankruptcy debate has gone on for over 4 years. A very small percentage of Americans will never set foot in bankruptcy court, thank the Lord, but those who do hope they will have a new day in their lives. Because of their income situations they cannot repay their debts. Many of these people would love to repay their debts but, unfortunately, they have been faced with medical bills far beyond what any family could take care of. They might have gone through a divorce and found themselves with little or no income to raise a family and all the bills finally stacked up and pushed them over the edge. They could face a situation where they have lost a job that they had for a lifetime and then they find themselves in bankruptcy court.

My colleague, Senator GRASSLEY of Iowa, spoke eloquently, when I offered my bill, about the need for us to change the process so the Senate could have bankruptcy reform. Let me read a little bit of what Senator GRASSLEY said in the CONGRESSIONAL RECORD of September 23, 1998. He said:

> Mr. President, first of all I want to thank everyone in this body for the overwhelming vote of confidence on the work that Senator DURBIN and I have done on this bankruptcy

> bill. Getting to this point has been a very tough process involving a lot of compromise and a lot of refinement.

Senator GRASSLEY went on to say:

> You heard me say on the first day of debate that for the entire time that I have been in the Senate that on the subject of bankruptcy—maybe not on every subject, but the subject of bankruptcy—there has been a great deal of bipartisan cooperation . . . this legislation has always passed with that sort of tradition.

About the amendment I am offering now, Senator GRASSLEY went on to say:

> So I want to say to all of my colleagues that I not only thank them for their support but, more importantly . . . that tradition has continued. . . . I don't think we would have had the vote that we had today if it had not been for the bipartisanship that has been expressed. . . .

The vote was 97–1. The Grassley-Durbin bankruptcy reform had overwhelming bipartisan support. But, on two successive occasions, that bankruptcy bill went into a conference committee and, frankly, never emerged. What came back from the conference committee was a slam dunk, unbalanced, one-sided bankruptcy reform that favored credit card companies and financial institutions, and, frankly, did little or nothing for consumers and families across America.

I am pleased we have had this debate before us. But I tell you in the spirit that Senator GRASSLEY spoke to the Members of the Senate on the floor, I have offered the very bill which he and I worked on for so long, the bill that passed so overwhelmingly. We already have before us a thoroughly researched and broadly considered bill which was found acceptable to virtually every Member of this body in 1998. The bill before the Senate now, the Bankruptcy Reform Bill, is not a balanced bill. The bill we have before us today is one that is tipped decidedly in favor of credit card companies and banks.

There have been efforts made over the span of this debate to amend this bill to give consumers a fighting chance. Those efforts have failed. I have tried to offer an amendment, for example, which would require more complete disclosure on the monthly statements on credit cards. The credit card industry has refused. Why send a message to America of how divided we are in bankruptcy reform instead of coming up with a bipartisan bill that addresses the issue? The Senate can speak in a united, bipartisan voice, making clear we have reached a broad-based consensus on bankruptcy reform.

Let me review a few of the major differences between the bills and point out why I believe the bill I offer as a substitute is a much more balanced approach, a decision made by 96 of my colleagues and myself when we last voted on this.

The Durbin amendment uses a means test that requires every debtor, regardless of income, who files for chapter 7 bankruptcy to be scrutinize by the U.S. Trustee to determine whether the filing is abusive. We want to stop abusive filings and those who would exploit the bankruptcy court. The bill creates a presumption that a case is abusive if the debtor, the person who owes the debt, is able to pay a fixed percentage of unsecured nonpriority claims or a fixed dollar amount.

In my home State of Illinois, the average annual income for bankruptcy filers in the Central District where I live in Springfield, in 1998, was $20,448. Yet the average amount of debt which people brought into bankruptcy court was more than $22,000. It is clear that these people were over the edge. You can't get blood out of a turnip. When the credit industry wants to keep pushing and pushing and pushing for more and more money, they have lost sight of the reason for bankruptcy court. When people have reached the end of the road, it is time to give them a fresh start.

This figure shows these filers were hopelessly insolvent. They owed more money on debt than they had in collateral and their total income for the entire year. They don't even come close to meeting the standards where they would go through the scrutiny of this bill.

My amendment gives the courts discretion to dismiss or convert a chapter 7 bankruptcy case if the debtor can fund a chapter 13 repayment plan. What it means in simple language is this: If the court takes a look at the person in bankruptcy court and says, "You can pay back a substantial part of this debt, we are not going to let you off the hook entirely," the Durbin amendment says: Yes, the court can reach that decision. And that is an appropriate decision. Everybody should try in good faith to pay their bills.

But let us also concede there are some people who will never be able to repay these bills. Unfortunately, the amendment offered by Senator HATCH is one that doesn't give that kind of latitude and flexibility.

My approach is cheaper, it is more flexible, it is more sensible, and it is more fair. What is the sense of applying a complicated means test to every bankruptcy filing when studies have clearly shown the types of means tests envisioned in the amendment of Senator HATCH would only apply to a small fraction, far less than 10 percent of the people filing bankruptcy? A study by the American Bankruptcy Institute put the figure at 3 percent. That means that 100 percent of the people filing in bankruptcy court would have to go through a process that only applies to 3 percent of them.

Beyond the administrative costs, there is a lot of stress on poor families in this approach. Let me tell you why I think this bill is also balanced. I don't believe we should ration credit in America, but I believe as consumers and families across America you have a right to be informed, well informed about what you are getting into with a credit card. My amendment was more balanced in its approach. This bill before us, Senator HATCH's bill, does not approach credit card disclosure in a meaningful way. This should be a primary objective of bankruptcy reform: Reform the bankruptcy court, but also end some of the abuses of the credit card industry.

When you go home tonight and open the mail, you know what you are going to find—another credit card solicitation. If you happen to be a college student, you are a prime target for these credit card companies. They want to get students with limited or no income with credit cards in hand, charging debts across the campus and around the town, many of them finding themselves in over their head in no time at all.

If I want to take out a large loan at a reasonable interest rate, a few thousand dollars, or $100,000 as the mortgage on my home, I have to go through all kinds of scrutiny. The banks want to see my income tax forms, my bank statements, my pay stubs, and the like. But many of you know when you want to apply for a credit card the same tests don't apply.

We have heard a lot about the democratization of credit. On the one hand, it is a good thing; credit should be broadly available. The marketplace should work in a way so everyone who needs credit has access. But the pendulum has swung too far in the wrong direction. According to BAI Global, a market research firm in Tarrytown, NY, in 1999 Americans received 3 billion mailings advertising credit cards. That is more than three times the 900 million mailings in 1992, and those are only the ones that go through the mail. We know there are Internet solicitations and television and radio solicitations and magazine solicitations as well.

Let me tell you a little bit about the college students. At American University here in Washington, DC, every time a student purchases something from the bookstore at American U, he or she gets this bag. At the bottom of this bag are four—not one, but four—credit card solicitations for these students every time they go into the bookstore.

Another college has a phone-in system for registering for class. That sounds pretty convenient. I can remember standing in long lines when I had to register. But when the students come in, the first thing they hear from the university is a credit card solicitation. There is no avoiding it. If they want to register for class, the first thing they have to find out is whether they need a credit card. That is the most important question.

When I go to a University of Illinois football game, they wave a T-shirt at me: Do you want a free T-shirt? Sure. Well, all you have to do is sign up for a credit card.

Students are signing up. The dean of students tells us the No. 1 reason kids leave school—not because of academic failure—is because they are in over their heads when it comes to credit cards.

That sort of thing is absolutely indefensible. When you consider the fact the median family income for chapter 7 bankruptcy filers has been declining, it tells us that more and more people of limited means are taking out too many credit cards and getting in too far.

This bill that is being offered by the credit industry says several things:

First, if you get in over your head and want to file for bankruptcy, it is going to be tough.

Think about this for a minute.

There was an interesting article which appeared today in the Washington Post that said, "Bad timing on the bankruptcy bill." If we are worried about confidence, and if people are worried about making purchases, are we going to pass the Hatch-Grassley bankruptcy bill to tell people if they purchase something and get in over their heads they are not going to be able to get out of their debt in bankruptcy court? Is that supposed to restore consumer confidence? Just the opposite is going to be true.

I think the writer of this, Robert Samuelson, makes a very good point.

One of the provisions I think we should consider is that consumers have more information on their monthly bill they receive from a credit card company—something that is clear and understandable and not ambiguous. The credit industry that wrote the bill before us said they will say to consumers across America that they will give them an 800 telephone number so they can call if they have any questions about the credit card.

When you go home tired at night and are fighting all the phone calls coming in, you don't want anyone to say they will give you an 800 telephone number.

What I suggested is something very simple, and it is a part of my amendment. I have a little show and tell. Let me demonstrate it.

This is a credit card statement that came to one of the people in my office. As you can see, it is pretty familiar to you. It has a second page with all of the things we read so carefully each month to figure out what the terms of the credit card are.

The concern I have is this whole question of the minimum monthly payment. I said to the credit card companies: When it comes to the minimum monthly payments on these monthly statements, could you be so kind as to say to the people who are being billed, if they make the minimum monthly payment and they don't increase their balance, how many months it will take for them to pay off the balance and how much will they have paid in principal and interest.

I don't think that is an outrageous idea.

This is an example of what it might look like. This says, if you make the minimum monthly payment, it will take you 8 months to pay off your current balance, and the total cost to you will be approximately $9,407 instead of the remainder of $5,435.

Do you know what the credit card companies told me when I suggested they put this information on the monthly statement? "Impossible." It is impossible for us to calculate if they made the minimum monthly payment how long it would take them to pay the principal and interest.

You know better and I know better. The technology and the computers are such that they can provide this in an instant. But they do not want people to know this. Make the minimum monthly payment, and things are going to be just fine. When you get in too far, why don't you "consolidate your debt" and get another credit card, and pretty soon you are in over your head.

Pretty soon, if this bankruptcy bill passes, they will find when they walk into bankruptcy court they will be stuck with these debts. They cannot get away from them.

This is the greatest boon to the credit industry that has ever been passed by the Senate. And we are about to do it today, if we don't adopt the Durbin amendment.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DURBIN. Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I admire our colleague. He is very articulate. He is a very effective Member of this body.

We have filed an amendment to his amendment that basically, if we vote for it, would enact the bill we passed last year 72–28 in the Senate, which I think would be a fitting conclusion to what has gone on here over the last number of weeks. But I know it causes heartburn for our colleague from Illinois. So, as a courtesy to him, I am going to withdraw my amendment at this time.

I ask unanimous consent that my amendment be withdrawn. And we will have a vote. I will move to table the Senator's amendment at the appropriate time, and I will also, if he needs more time for his amendment, grant him some of my time.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 96) was withdrawn.

Mr. HATCH. Mr. President, let's understand the Senator's amendment. His amendment does not have the Schumer language in it that was passed yesterday. It doesn't have the Schumer language on abortion in it that we worked out very meticulously with the distinguished Senator from New York. That is very important language.

It doesn't have the privacy language that Senator LEAHY and the distinguished Senator from Vermont and I worked out over a long period of time. That is very critical language. Frankly, it is just an amendment that would substitute the current legislation with the bankruptcy reform bill that passed the Senate in the 105th Congress.

This amendment by the distinguished Senator from Illinois is a transparent attempt to kill bankruptcy reform. It was hastily produced and does not even include the amendments to keep it current; that is, some of the bankruptcy judgeship provisions that have been overtaken by them.

The Durbin amendment throws away 4 years of revision, compromise, and improvement.

The Durbin amendment is lacking in several important areas:

The amendment has no enforceable means test;

The amendment does not include the improved child support provisions requested by the child support community;

The amendment does not include the Leahy-Hatch "Toysmart" consumer privacy amendment;

The amendment does not have the reaffirmation provisions in the current bill which substantially improved consumer protections;

The amendment lacks the important consumer protections such as the "Debtors' Bill of Rights";

The amendment does not include 4 years of improvements for the financial netting provision;

The amendment does not address the abuse of the bankruptcy system by those who wish to discharge debts arising from violence; that is, the Schumer-Hatch compromise. That is a very important part of what we hope will be the final bill.

The amendment has much weaker anti-fraud provisions, such as weakened audit provisions and being more tolerant of repeated abusive filings.

The amendment deletes current law provisions allowing the court to consider charitable contributions when making a determination as to whether the debtor's filing is an abuse.

The amendment does not provide for retroactive enactment of Chapter 12 filings—farmers—from July 1, 2000 through the date of enactment.

The amendment would create an immediate effective date, which, given the scope of the legislation, is wholly inappropriate.

The amendment lacks improvements to the small business bankruptcy provisions in the bill.

This is a blatant effort to turn back the clock and force considerable renegotiation of provisions that have been negotiated in good faith by literally hundreds of Senators and Congresspeople over the last 4 years.

Make no mistake. A vote for this substitute is a vote to kill bankruptcy reform.

We oppose the Durbin amendment. I hope my colleagues on the other side will oppose it as well because basically it will upset everything we have tried to do and tried to accommodate Democrats on and Republicans on over the last 4 years.

A vote for this amendment is a vote against meaningful bankruptcy reform. I appreciate the fact the distinguished Senator believes deeply and he doesn't like this bill. He is one of a few who does not like this bill. He is one of the 28 who voted against the bill when it passed last year. If anything, the bill from last year has been modified with amendments from the other side.

The bill we ultimately, hopefully, will vote on and vote to invoke cloture on has been modified to please Members on the other side in a wide variety of ways.

We have tried to accommodate our friends on the other side. I certainly believe I have been fair as the manager of the bill; and I intend to continue to be. But this amendment would work against almost everything we have tried to accomplish over the last 4 years.

With that, does the distinguished Senator need some time?

Mr. DURBIN. Yes, I do.

Mr. HATCH. Mr. President, how much time?

Mr. DURBIN. I do not know how much time is remaining, but if I could have 10 minutes.

Mr. HATCH. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Utah has 9 minutes remaining.

Mr. HATCH. Could I give the Senator 5 minutes, and I will take 4?

Mr. DURBIN. That would be fine. I thank the Senator from Utah for his courtesy.

We have locked horns many times, but we are friends. I respect him very much.

Every time Senator HATCH tells you there is a provision in the bill before us that is not included in the Durbin bill—believe me, every time the credit industry gave us a morsel, they took away a beef steak. And that is what happened when it was all over.

The bill before us today is much worse on consumers in America than the bill this Senate passed by a vote of 97–1. And though the Senator from Utah tells me how terrible my bill is, he voted for it. He voted for it, as did most of the Senators who are here today.

Let me read to you some comments from people I think are worth repeating. This first comment comes from David Broder. We know him. He is a respected journalist and is published in the Washington Post, and other newspapers. This is what he says about this bankruptcy bill I am trying to replace:

> As for the bankruptcy bill, it deserves the veto Clinton gave it. Despite some useful provisions, it is an unbalanced measure, which does nothing to curb the mass marketing of credit cards to young and low-income people who perpetually pay the exorbitant interest on their monthly balances. It will squeeze money out of people who have been clobbered by job losses, divorce or medical disasters, yet allow some millionaires to plead bankruptcy while turning their assets into mansions in states with unlimited homestead exemptions.
>
> In both cases, money interests prevailed over the public interest.

That was David Broder in this morning's Washington Post.

Lawrence King is a law professor at New York University. I quote him:

> I fear this [bill] will end up creating an underground economy. People will go off the books. They'll ask to be paid in cash. They'll get a false Social Security number. They'll move.
>
> In my 40 years of dealing with Congress on bankruptcy legislation, this is the worst I've ever seen. It's the kind of bill that makes you want to point your fingers at individual congressmen and say, "Shame on you."

This bill before us today is not balanced. If that credit industry will not even include a provision on your monthly statement so you can make an informed decision about the kind of debt which you and your family can face, it tells the whole story, as far as I am concerned.

What we have offered in this substitute is a carefully crafted and balanced bill. It says the credit card companies have to end some of their abuses and that we believe that abuses in the bankruptcy court have to end.

I salute my colleague and friend from New York, Senator SCHUMER. It is true that his language yesterday on predatory lending is a good addition to the bill. But I will tell him that the bill I am offering—the one that passed 97–1—has my provision which directly attacks predatory lending.

Who are these predatory lenders? They are people who want a second mortgage on your grandmother's home, that turns into a balloon payment, that turns into a foreclosure, that turns into a trip to bankruptcy court, where the home she saved for for a lifetime is lost to these people, these loan sharks, who take advantage of the system. Sadly, the financial and credit card industry came to the rescue of these loan sharks at the expense of elderly Americans who are being exploited by them.

Senator SCHUMER's amendment has helped immeasurably. I assure those who are listening to this debate that the Durbin amendment I have offered today has equally powerful language when it comes to ending predatory lending in the United States.

The credit industry and the financial industry oppose both measures. That ought to tell you the whole story about what is before us.

We have precious few opportunities in the Congress—certainly on the floor of this Senate—to consider any legislation to help consumers and families across America. Passing the Durbin amendment will help them. It will provide some balance to the bill. If we should defeat this amendment and go back to the original bill—which is now before us—as David Broder and others have said, the net losers will be families across America facing a slowdown in this economy, who fall behind in their debts and end up in bankruptcy court as the targets and as the victims of the credit industry. That is a wrong move.

I hope my colleagues in the Senate will join me in supporting this amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I will yield to the distinguished Senator from Wisconsin, without losing my right to the floor, for the purpose of modifying his amendment.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that I be permitted to modify amendment No. 51 with the modification I now send to the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The submitted amendment (No. 51), as modified, is as follows:

(Purpose: To strike section 1310, relating to barring certain foreign judgments)

On page 439, strike line 19 and all that follows through page 440, line 12.

Mr. FEINGOLD. Mr. President, I thank the chairman for his courtesy and assistance.

Mr. HATCH. Thank you.

The PRESIDING OFFICER. The Senator from Utah.

AMENDMENT NO. 93

Mr. HATCH. As I said before, the Durbin amendment would upset 4 solid years of negotiations between both sides of the aisle on both sides of Capitol Hill. It is lacking in all kinds of areas. There is no enforceable means test. It does not include the improved child support provisions that have been requested and desired by the child support community. It does not have the Leahy-Hatch privacy language. It does not have the reaffirmation provisions.

It lacks the Debtors' Bill of Rights. It lacks 4 years of improvements in the financial netting provisions. It does not address the abuse of the bankruptcy system by those who wish to discharge debts arising from violence, the Schumer-Hatch compromise. It has much weaker antifraud provisions, such as weakened audit provisions. You can just go on and on.

It deletes current law provisions in allowing the courts to consider charitable contributions when making a determination as to whether the debtor's filing is an abuse. It does not provide for retroactive enactment of chapter 12 filings that benefits our farmers from July 1, 2000, to the date of enactment.

The amendment would create an immediate effective date which, given the scope of the legislation, is wholly inappropriate, and it lacks improvements to the small business bankruptcy provisions that are in the bill currently before the Senate.

In my opinion, it is an attempt to turn back the clock and force considerable renegotiation of all of these provisions, and many other provisions, that we have worked so hard to put together over the last 4 years.

The bankruptcy bill is a bipartisan bill. It is not a Republican bill; it is not a Democrat bill. It is a bipartisan bill. We worked very strongly all these years to bring it about. I have to say, there are certain Senators in this body who have a right to do this but who have never wanted a change in the bankruptcy laws, at least the way the bill has been negotiated by the vast majority of people in both Houses of Congress. But a vote for this substitute is a vote to kill the bankruptcy bill.

I hope, after all of these years, and all of these months, and all of the time we have spent on the floor on this bill, that my colleagues will vote to table the amendment.

Mr. President, I yield back the remainder of my time and move to table the amendment, and ask for the yeas and nays. And I ask unanimous consent that the votes occur as we had in the original unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HATCH. No. We have to wait until the Wellstone—my motion to table has been approved?

The PRESIDING OFFICER. The Chair was in error. The unanimous consent agreement was that we now debate the Wellstone amendment.

Mr. HATCH. Right, before the motion to table.

The PRESIDING OFFICER. The motion to table has been made, and the rollcall vote will be ordered at the appropriate time.

The Senator from Minnesota.

AMENDMENT NO. 36, AS MODIFIED

Mr. WELLSTONE. Mr. President, I have spoken about this amendment for some time. I have just a few minutes to summarize again. This is already in the RECORD. In addition to the Broder piece that my colleague, Senator DURBIN, mentioned, I have the New York Times, Tuesday, March 13, "Lobbying on Debtor Bill Pays Dividend"; two pieces by Tom Hamburger in the Wall Street Journal—"Auto Firms See Profit in Bankruptcy-Reform Bill Provision" and "Influence Market: Industries That Backed Bush Are Now Seeking Return on Investment," including in bankruptcy. Also, another piece by Robert Samuelson, "Bad Timing on the Bankruptcy Bill."

Mr. President, I have an amendment that I think is a real test case. It simply says, if you charge over 100 percent interest on a loan, and the borrower goes bankrupt, you cannot make a claim on that loan or the fees from that loan. In other words, the borrower's slate is wiped clean of the usurious loan, and he gets a fresh start.

This amendment is a commonsense solution to the problem I have talked about all afternoon. It allows the Senate to send a message to these loan sharks: If you charge an outrageous interest rate, if you profit from the misery and misfortune of others, if you stack the deck against the customer so that they become virtual slaves to your indebtedness, you will get no protection in bankruptcy court for your claims.

In talking about these payday loans, I say to my colleagues, these are poor people, low- and moderate-income people. They don't have other sources of credit. They get charged on these loans as they roll over every several weeks up to 2,000 percent interest per year. Is it too much to say that if you charge over 100 percent per year, you are not going to get the protection in bankruptcy? Is it too much for the Senate to be on the side of consumers, to be on the side of poor people?

This amendment is simple: Are we on the side of poor people? Do we provide some protection—for a single woman who is raising her family, for communities of color, senior citizens, working-income people who were put under by these interest rates—or are we on the side of some of the sleaziest loan sharks?

I hope Senators will support this amendment. It certainly will make this bill less harsh. It doesn't change the overall equation. This is a great bill for the credit card industry, a great bill for the financial services industry. I congratulate them. What a lobbying force; how much money and how much lobbying and how much power. A whole lot of vulnerable people have been left out; a whole lot of middle-income families have been left out.

I believe my colleagues will regret voting for this bill, but at the very minimum, they could vote for this amendment that goes after these loan sharks, that goes after these payday loans. It is such a deplorable practice. It is so outrageous, making such exorbitant profit off the misery of people. We ought to be on the side of vulnerable consumers. We ought to be on the side of low- and moderate-income families. We ought not be on the side of these loan sharks. This amendment should receive 100 votes.

I say to my colleague from Illinois, for all the hours I have been out here, so far I have not heard one Senator come to the floor and debate this amendment. That is unbelievable to me.

Mr. DURBIN. Will the Senator yield?

Mr. WELLSTONE. I yield.

Mr. DURBIN. What the Senator is saying is that no one has come to the floor defending the payday loans and the loan sharks?

Mr. WELLSTONE. No one has come to the floor to defend the payday loans and the loan sharks. I have had this amendment on the floor for 3 or 4 days.

Mr. DURBIN. They have had ample opportunity. The Senator should get a unanimous vote.

Mr. WELLSTONE. I say to my colleague from Illinois, I think this may be the first amendment I have introduced that is going to get 100 votes.

Mr. DURBIN. I look forward to it.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, lest there be a failure to talk about the other side, I might just do that.

Although the amendment is described as only attacking "payday loans," it imposes new and burdensome regulation on virtually any company that offers consumer loans, including automobile or truck loans, or that cashes personal checks and charges a fee. It represents an attempt to use Federal law to in effect abolish "payday loans", intruding into an area traditionally reserved to the States.

Although lenders who provide "payday loans" are an easy target because the credit they offer is expensive, they in fact provide access to legitimate, short term credit for many poor families who otherwise would be forced to borrow from loan sharks to cover short term emergencies. Some borrowers, particularly poor borrowers, cannot qualify with conventional lenders. For that reason, some States permit "payday" lenders to operate.

This amendment would in effect drive payday lenders out of business.

It also is vastly overbroad, imposing new, burdensome regulation on many legitimate businesses.

The amendment amends the Bankruptcy Code to deny the claim of any creditor who charged more than a new, Federal maximum price ceiling for any type of automobile or consumer credit.

The amendment also imposes a maximum Federal price limit of 100 percent annual percentage rate on what any consumer creditor, automobile dealer, or check casher could charge in fees or interest for a loan or check cashing service, possibly preempting State regulation setting a lower or higher price limit. Violations of the maximum Federal price limit would result in denial in bankruptcy proceedings of the claim of the creditor, auto dealer or check casher.

This amendment strikes at any lender or merchant who charges flat fees permitted by State law in a lending transaction. For example, a $10 cash advance fee or a $15 Federal Express fee permitted by State law for quickly sending a check back to the borrower could exceed the limit if the credit was short term.

This amendment intrudes into an area traditionally regulated by the States. Some States permit "payday" loans, but this regulation would initiate Federal regulation of the service.

Oppose this unwise and overbroad attempt to federally regulate an area traditionally regulated by the States.

This could hurt the very poor people who have to have these instant loans the Senator is trying to help. In fact, he hurts them.

I yield the remainder of my time to the distinguished Senator from Texas.

Mr. WELLSTONE. May I ask the Chair if I have any time left?

The PRESIDING OFFICER. The Senator has 51 seconds remaining. The Senator from Texas has 2 minutes 30 seconds.

Mr. GRAMM. Mr. President, this amendment is really a usury limit amendment. Our distinguished colleague from Minnesota simply objects to people lending at high interest rates.

I am sure there are some people who believe that if contracts are entered into at terms they find objectionable, the terms should not be enforced. But that is not the way the American commercial code works. What this amendment would do, in essence, is say that if I borrowed $100 for a week and I paid a $2 service charge on that loan, if the borrower went bankrupt, I wouldn't have to pay the loan because the Senator from Minnesota has judged that interest rate to be too high.

That is great when you are making $146,000 a year. That is great when every bank in your State would love to lend you money. But the plain truth is, there are a lot of Americans who need to borrow money, a lot of Americans who would like to borrow money for a week to get over a temporary credit problem they have. The terrible impact of this amendment is that it would destroy the ability of those people to use legitimate lenders and, in the process, would force them in many cases to borrow elsewhere and pay many times as much in interest.

Not only is this Government simply imposing its will on the marketplace, but it also has real unintended consequences. Let me give an example. Let's say you have a debit card and you pay a fee in case you have an overcharge from your balance. If you write a check for $100, that fee is going to exceed the amount prohibited under the Wellstone amendment and, as a consequence, you wouldn't have to pay that charge if something happened to the company and it went into bankruptcy.

Here is the problem: The kinds of interest rates that are being talked about sound high, and they are high when they are calculated on an annualized basis. But when you borrow for a week, the carrying charges and the finance charges, which aren't necessarily high for that period of time, by their very nature, produce a high annual rate.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAMM. Mr. President, I ask unanimous consent for 1 additional minute.

Mr. WELLSTONE. Mr. President, I would not object, although I would like to have, and ask unanimous consent for, 1 additional minute to respond.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Let me give another example: If you took a cab in the District of Columbia and were driven to the airport, you would not consider the rate to be usurious. But if you took that same cab and were driven to Los Angeles, CA, and you were charged $50,000, you would likely consider that charge to be usurious. Do we have a law that tries to say that a rate going to California, which would be considered usurious, not be charged for traveling a much shorter local distance in the District of Columbia? The point is, when you are borrowing money for a week, you pay high annual interest rates.

So, the net result of this amendment is to deny people access to credit. If the amendment were adopted, it is true that borrowers would no longer be paying high rates, but it is equally, and more significantly, true they wouldn't be getting any loans at all for which they were willing to pay. They will be driven into the black market, and they will pay a higher rate.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, no legitimate lender charges over 100 percent interest on an annual basis. We have usury laws that deal with banks at the State level, and we should do so. But these payday lenders have carved out an exemption for themselves. These loan sharks have carved out an exemption for themselves.

If Senators are concerned about poor people, we should be thinking about other ways they can have access to credit. We are not doing that at all. But we now have an opportunity to make it clear that we are not going to let these loan sharks continue to feed off of the misery of poor people. We are not going to let them engage in this kind of exploitation.

To my colleagues who say, oh, no, 100 percent, or 300 percent, or 2,000 percent interest rates on an annual basis are just what poor people need, so please don't have an amendment, Senator WELLSTONE, that will hurt poor people; they need to be able to pay over 100 percent per year—your arguments are absurd, as much as I like you. They are absurd.

Frankly, you can't get out of this vote. You are either for vulnerable citizens and families and you are against this kind of loan shark practices or you are on the side of these loan sharks. Senators, step up to the plate and vote.

I yield the floor.

Mr. HATCH. Mr. President, I move to table the amendment of the Senator from Minnesota, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 93

Mr. FEINGOLD. Mr. President, I rise to support Mr. DURBIN's amendment that is a complete substitute for the pending bankruptcy reform bill. This amendment is essentially the bill that passed the Senate in 1998 by a vote of 97–1. This near unanimous vote in favor of a bill shows that it is possible to have bankruptcy reform that the whole Senate can support if it is balanced and fair.

Unfortunately, I have said before, S. 420 is not balanced and fair. I have outlined in detail my concerns with this bill. Mr. DURBIN's amendment goes a long way to addressing those concerns and I will vote for it if we are permitted to vote on it.

One of the most significant improvements that the Durbin amendment accomplishes is that it contains much stronger credit card disclosure requirements.

Literally billions of credit card solicitations flood consumers' mailboxes each year. Not millions but billions.

Even though the number of bankruptcies is now on the way down, most experts agree that the rise in bankruptcy filings that occurred in the past decade was due in significant part to the irresponsible extending of credit by credit card companies and banks to people who have already shown that they cannot handle additional debt.

Just to give a single tangible example of the blizzard of solicitations that credit card issuers are now sending out, one member of my staff has collected solicitations he received by mail since this bill was marked up in the last Congress. In the last 20 months, he has received 95 mail offers for a new credit card. Now I am sure my staffer is a very creditworthy individual, but 95 offers for a new credit card? I am sure that my colleagues have received at least as many solicitations, even if they did not count them all up. And of course, these direct mail offers don't include the constant invitations for credit cards that people see every day on TV and on the Internet.

This is an industry whose sales pitches are out of control. The credit card companies are making bad decisions every day. People receive new cards with thousands of dollars of new credit when they have maxed out on 2, 5, or even 10 other cards.

And now the credit card companies have come before Congress asking for our help. And boy, are we about to give it to them. This bill is a bailout for the credit card industry. It is going to make it easier for credit card companies to collect more on the bad decisions they have made, the credit they have extended to people who are demonstrably poor credit risks. And make no mistake, giving the credit card companies more power will work to the detriment of women trying to collect alimony and child support from ex-husbands who have filed for bankruptcy.

Last December, the Wisconsin State Journal, a very middle-of-the-road paper in my home State, summarized well my concern about the extent to which this bill gives the credit card industry what it wants. The Journal wrote:

> When the credit card industry came to Congress to ask for help in collecting debts from deadbeats, Congress should have said: It's not government's job to bail you out. Why don't you tighten up your own lending practices? Instead, Congress let the industry turn a bankruptcy reform bill into a debt collection assistance plan.

The editorial continues:

> The House and Senate had before them 172 recommendations from the National Bankruptcy Reform Commission, which was led by Madison attorney Brady Williamson. The commission had stressed that bankruptcy law must remain balanced: It must work for creditors and debtors.
>
> But the congressmen also had before them lobbyists for the credit card industry and similar lenders. Quickly, bankruptcy reform legislation became a campaign fund-raising bonanza for the politicians, with the lending industry "investing" $20 million in contributions. Just as quickly, bankruptcy reform turned into the credit card industry's bill.

My colleagues are well aware of my concern about the influence of campaign money on politics and policy. As I have said a number of times, the bankruptcy bill is a poster child for the need for campaign finance reform. You only have to look at what the credit card industry gets in this bill, and just as importantly, the disclosure that consumers do not get, to understand that.

A full discussion of this amendment, or the larger bankruptcy issue, is impossible without a Calling of the Bankroll. Money and influence are at the very core of this debate.

I would like to call my colleagues' attention to an article from the February 26th issue of Business Week magazine. It's called "Tougher Bankruptcy Laws—Compliments of MBNA?" The article points out the extraordinary largesse of this one credit card company, which is, of course, a significant leader of the coalition supporting this bill.

The contributions of MBNA were also noted in an article in the New York Times entitled, "Hard Lobbying on Debtor Bill Pays Dividend."

Most of the $1.2 million in soft money that MBNA gave to the parties in the last cycle was given in the second half of 2000, when a "shadow conference" determined what the final bankruptcy bill would look like, and the bill was brought back to the House and the Senate in an extraordinary procedural maneuver. In particular, MBNA gave $100,000 in soft money to the National Republican Senatorial Committee on October 12, 2000, the very same day that the House gave final approval to the bill. MBNA has a habit of making well-timed contributions. On the very day that the House passed a bankruptcy conference report in 1998 and sent it to the Senate, MBNA gave a $200,000 soft money contribution to the NRSC.

To give my colleagues and the public an idea of just how generous MBNA has been, the corporation's Chairman & CEO, Alfred J. Lerner, and his wife, Norma, each made contributions of a quarter of a million dollars to the Republican National Committee in the last cycle.

And the generosity didn't stop there. According to an article in the Wall Street Journal from March 6th, MBNA President Charles M. Cawley is also an active political donor and fundraiser who gave $100,000 to the Bush-Cheney Inaugural Committee.

Of course, MBNA is not the only wealthy interest fighting against this bill, on the contrary, they have plenty of company. According to the Center for Responsive Politics, the nine members of the National Consumer Bankruptcy Coalition contributed more than $5 million in soft money, PAC money and individual contributions during the 2000 election cycle. The Coalition's members include Visa USA, Mastercard International and several financial industry trade groups, including the American Bankers Association and the American Financial Services Association.

This is the fourth time I have Called the Bankroll on the bankruptcy issue from this floor. You might wonder how I manage to come up with new information, bankroll after bankroll after bankroll. Well, the answer is simple: the industry keeps giving more and more money.

Huge sums, like quarter million dollar contributions, and six figure donations that just happen to be delivered on key days when legislation is up for a vote. This industry is not subtle. They want this legislation to become law, and they aren't shy about using the campaign finance system to get their way.

That is the context in which we consider this amendment. And that is all the more reason why sensible protections like that proposed in this amendment need to be adopted.

I urge my colleagues to support the Durbin amendment.

I ask unanimous consent that the articles from Business Week and The New York Times be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Business Week, Feb. 26, 2001]

TOUGHER BANKRUPTCY LAWS—COMPLIMENTS OF MBNA?

(By Christopher H. Schmitt)

Last December, as Congress struggled to wrap up a lame-duck session, it sent President Clinton an overhaul of bankruptcy laws. The bill, the most sweeping change in bankruptcy policy in two decades, had handily passed both houses. But Clinton, complaining that it was unfair to those who fall on hard times, let it die. That was a big disappointment to credit-card issuer MBNA Corp., which has spent several years lobbying for a bankruptcy rewrite and stands to be the biggest beneficiary of an overhaul.

Now, MBNA is about to hit pay dirt. New bankruptcy legislation is on a fast track. Judiciary panels in the House and Senate have held perfunctory hearings, and a bill could be on the House and Senate floors as early as late February. A White House spokesman has indicated that George W. Bush will sign it.

The bill—a carbon copy of last year's version—is aimed at stopping consumers from dissolving debts they can afford to repay. It would establish a "needs-based" formula that would determine whether debtors can pay off part of their debt under court supervision. Those earning at or above the median for their state would have to make good on at least part of their obligations. LARGESSE. While this would help all lenders, it especially benefits MBNA, the world's largest credit-card issuer. The credit that MBNA and its fellow plastic-issuers extend is typically unsecured, so they have less recourse than other creditors when a customer can't pay. Morgan Stanley Dean Witter analyst Kenneth A. Posner estimates that the overhaul could boost credit-card issuers' earnings by 5% this year. For MBNA, that could mean some $75 million more in profit, based on third-quarter earnings.

With the kind of payoff, the company has been pushing hard for the bill—and the election of a President who will sign it. In Campaign 2000, MBNA employees contributed $237,675 to Bush, making them the candidate's single biggest source of cash, according to the Center for Responsive Politics, a campaign-finance think tank in Washington. On the soft-money side, MBNA chipped in nearly $600,000, with about two-thirds going to the GOP. (Most of the rest went to a Democratic Party committee.) On top of that, MBNA Chairman and CEO Alfred Lerner and his wife, Norma, each kicked in $250,00 to the Republicans. Charles M. Cawley, CEO of MBNA's bank unit and a friend of Bush Sr., organized fund-raisers and gave $18,660 to Bush and the GOP.

Much of the money flowed in the second half of last year, when the bankruptcy bill was moving on Capitol Hill. One example: On the same day the House gave final approval, MBNA ponied up $100,000 for the Republican Party. "This is just a real good illustration of the way things work in Washington: Money is given, money is given strategically, [and] money is given by industries for a particular purpose,"says Celia Viggo Wexler, author of a Common Cause report on consumer-credit companies' political giving. Adds Edmund Mierzwinski, consumer director for the U.S. Public Interest Research Group: MBNA's largesse is "clearly money well spent." Lerner, Cawley, and an MBNA spokesman did not return calls seeking comment.

Consumer groups say they'll continue to fight the bill, which they contend is especially ill-advised in the slowing economy. After falling 12% from a high of 1.44 million in 1998, bankruptcy filings are ticking up again. One early report shows cases in January rose 15% over a year ago. A handful of Democrats will seek to soften the bill's impact on indebted consumers, but quick approval seems guaranteed. "This legislation is on a downward ski slope, never to be stopped." said Representative Sheila Jackson Lee (D-Tex.) at a recent hearing. And smoothing the way is MBNA.

[From the New York Times, Mar. 13, 2001]

HARD LOBBYING ON DEBTOR BILL PAYS DIVIDEND

(By Philip Shenon)

WASHINGTON, Mar. 12.—A lobbying campaign led by credit card companies and banks that gave millions of dollars in political donations to members of Congress and contributed generously to President Bush's 2000 campaign is close to its long-sought goal of overwhelming the nation's bankruptcy system.

Legislation that would make it harder for people to wipe out their debts could be passed by the Senate as early as this week. The bill has already been approved by the House, and Mr. Bush has pledged to sign it.

Sponsors of the bill acknowledge that lawyers and lobbyists for the banks and credit card companies were involved in drafting it. The bill gives those industries most of what they have wanted since they began lobbying in earnest in the late 1990's, when the number of personal bankruptcies rose to record levels.

In his final weeks in office, President Bill Clinton vetoed an identical bill, describing it as too tough on debtors. But with the election of Mr. Bush and other candidates who received their financial support, the banks and credit card industries saw an opportunity to quickly resurrect the measure.

In recent weeks, their lawyers and lobbyists have jammed Congressional hearing rooms to overflowing as the bill was redebated and reapproved. During breaks, there was a common, almost comical pattern. The pinstriped lobbyists ran into the hallway, grabbed tiny cell phones from their pockets or briefcases and reported back to their clients, almost always with the news they wanted to hear.

"Where money goes, sometimes you see results," acknowledged Representative George W. Gekas, a Pennsylvania Republican who was a sponsor of the bill in the House. But Mr. Gekas said that political contributions did not explain why most members of Congress and Mr. Bush appeared ready to overhaul the bankruptcy system.

"People are gaming this system," Mr. Gekas said, describing the bill as an effort to end abuses by people who are declaring bankruptcy to wipe out their debts even though they have the money to pay them. "We need bankruptcy reform."

Among the biggest beneficiaries of the measure would be MBNA Corporation of Delaware, which describes itself as the world's biggest independent credit card company. Ranked by employee donations, MBNA was the largest corporate contributor to the Bush campaign, according to a study by the Center for Responsive Politics, an election research group.

MBNA's employees and their families contributed about $240,000 to Mr. Bush, and the chairman of the company's bank unit, Charles M. Cawley, was a significant fundraiser for Mr. Bush and gave a $1,000 a-plate dinner in his honor, the center said. After Mr. Bush's election, MBNA pledged $100,000 to help pay for inaugural festivities.

MBNA was obviously less enthusiastic about the candidacy of former Vice President Al Gore, Mr. Bush's Democratic rival; according to the center, only three of the company's employees gave money to the Gore campaign, and their donations totaled $1,500.

The center found that of MBNA's overall political contributions of $3.5 million in the last election, 86 percent went to Republicans, 14 percent to Democrats. The company, which did not return phone calls for comments, made large donations to the Senate campaign committees of both political parties—$310,000 to the Republicans, $200,000 to the Democrats.

MBNA's donations were part of a larger trend within the finance and credit card industries, which have widely expanded their contributions to federal candidates as they stepped up their lobbying efforts for a bankruptcy overhaul.

According to the Center for Responsive Politics, the industries' political donations more than quadrupled over the last eight years, rising from $1.9 million in 1992 to $9.2 million last year, two-thirds of it to Republicans.

Kenneth A. Posner, an analyst for Morgan Stanley Dean Witter, said that the bankruptcy bill would mean billions of dollars in additional profits to creditors, and that it would raise the profits of credit card companies by as much as 5 percent next year. In the case of MBNA, that would mean nearly $75 million in extra profits in 2002, based on its recent financial performance.

The bill's most important provision would bar many people from getting a fresh start from credit card bills and other forms of debt when they enter bankruptcy. Depending on their income, it would bar them from filing under Chapter 7 of the bankruptcy code, which forgives most debts.

Under the legislation, they would have to file under Chapter 13, which would require repayment, even if that meant balancing overdue credit card bills with alimony and child-support payments.

Consumer groups describe the bill as a gift to credit card companies and banks in exchange for their political largess, and they complain that the bill does nothing to stop abuses by creditors who flood the mail with solicitations for high-interest credit cards and loans, which in turn help drive many vulnerable people into bankruptcy.

"This bill is the credit card industry's wish list," said Elizabeth Warren, a Harvard law professor who is a bankruptcy specialist. "They've hired every lobbying firm in Washington. They've decided that it's time to lock the doors to the bankruptcy courthouse."

The bill's passage would be evidence of the heightened power of corporate lobbyists in Washington in the aftermath of last year's elections, which left the White House and both houses of Congress in the hands of business-friendly Republicans.

Last week, corporate lobbyists had another important victory when both the Senate and the House voted to overturn regulations imposed during the Clinton administration to protect workers from repetitive-stress injuries.

Credit card companies and banks would not be the only interests served by the bankruptcy bill. Wealthy American investors in Lloyd's of London, the insurance concern, have managed through their lobbyists to insert a provision in the bill that would block Lloyd's from collecting millions of dollars that the company says it is owed by the Americans.

Lloyd's has hired its own powerful lobbyist, Bob Dole, to help plead its case on Capitol Hill. Last week, the chief executive of Lloyd's was in Washington to plot strategy.

The issue involves liabilities incurred by Lloyd's in the 1980's and 1990's when it was forced to pay off claims on several disasters, like the Exxon Valdez oil spill. Investors in Lloyd's are expected to share both its profits and its losses, but the American have refused to settle the debts, claiming they were misled by Lloyd's.

As he watched consumer-protection amendments to the bankruptcy bill fail by lopsided margins last week, Senator Patrick J. Leahy of Vermont, the ranking Democrat on the Judiciary Committee and a leading critic of the bill, said that colleagues had told him privately that they were "committed to the banks and credit card companies—and they are not going to change.

"Some of them do this because they think it's the right thing to do," Mr. Leahy said.

But he said other senators were voting for the bill because they know that the banks and credit card companies "are a very good source" of political contributions. "I always assume senators are doing things for the purest of motives," he added, his voice thick with sarcasm. "But I have never had credit card companies show up at my fund-raisers, and I don't think they ever will."

Mr. Gekas said the implication that money was buying support for the bankruptcy bill was insulting, and that the bill did most consumers a favor by ending practices by some debtors that had forced up interest rates for everybody else. "Bankruptcies are costly to all of us who don't go bankrupt," Mr. Gekas said.

In the late 1990's, banks, credit card industries and others with an interest in overhauling the bankruptcy system formed a lobbying group, the National Consumer Bankruptcy Coalition, for the purpose of pushing a bankruptcy-overhaul bill through Congress.

They said they needed to act to deal with what was then a record number of personal bankruptcy filings. According to court records, the number of personal bankruptcies hit nearly 1.4 million in 1998, a record, up from 718,000 in 1990. The number fell to just under 1.3 million last year, although it is expected to rise again if the economy continues to sour.

The coalition's founders included Visa and Mastercard, as well as the American Financial Services Association, which represents the credit card industry, and the American Bankers Association.

The Center for Responsive Politics found that the coalition's members contributed more than $5 million to federal parties and candidates during the 1999-2000 election campaign, a 40 percent increase over the last presidential election.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Illinois, Mr. DURBIN.

Mr. LEAHY. I ask unanimous consent that I be able to continue for 1 minute, with the same amount of time for the Senator from Utah, before we go to a vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I wish to take the time to simply ask the Senator from Utah where we stand on the managers' package? Are we getting close to that time? We have a number of items being cleared or have been cleared. I would like to get that taken care of. I would like to be able to present the managers' package prior to the cloture vote.

Mr. HATCH. We are working on that, but we don't have it put together yet. I don't know if we can do that before the cloture vote, but we will continue to work on it.

Mr. LEAHY. Mr. President, I further ask of the Senator from Utah, if they are unable to complete the ones we have agreed on—the paperwork—it would fall, if cloture was voted, on the basis of germaneness.

The PRESIDING OFFICER. The time has expired.

Mr. HATCH. We are going to try to work with the Senator. It may take a unanimous consent postcloture.

Mr. LEAHY. Mr. President, I ask unanimous consent that when the managers' package is brought forward, and it is agreed on by the Senator from Utah and the Senator from Vermont, the items in it be considered germane.

Mr. HATCH. I cannot agree to that at this time, but I will certainly run that by the appropriate people.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the motion to table the amendment of the Senator from Illinois. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 64, nays 35, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—64

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carnahan
Carper
Chafee
Cleland
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NAYS—35

Akaka
Boxer
Byrd
Cantwell
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Harkin
Hollings
Inouye
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lincoln
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The motion was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 36, AS MODIFIED

Mr. GRASSLEY. Mr. President, I oppose the amendment of Senator WELLSTONE dealing with payday loans. For people who aren't familiar with this kind of loan, payday loans occur when a borrower gives a personal check to someone else, and that person gives the borrower cash in an amount less than the amount of the personal check. The check isn't cashed if the borrower redeems the check for its full value within 2 weeks.

At the onset, I would like to point out the fact that payday loans are completely legal transactions in many states. If a financial transaction is perfectly legal under state law, I don't think that it is wise policy to use the bankruptcy code to try and undo that legal state transaction.

Using the Bankruptcy Code for this purpose leads to perverse results because the only people who will receive any benefit or relief will be those who file for bankruptcy. The amendment would deny payday lenders the right to sit at the bankruptcy bargaining table. So other people who use payday loans who never file for bankruptcy will not benefit from this amendment. These people who have taken out loans but don't take the easy way out in bankruptcy court will still have to pay back their loan. Therefore, you have the perverse result of people who do not have the money to file for bankruptcy who will have to pay the loan as agreed. Even if you share Senator WELLSTONE's distaste for payday loans, this amendment won't benefit the poorest of the poor because most of them do not seek bankruptcy relief.

I also think that the Wellstone amendment would have the effect of making it harder for the poor and those with bad credit histories to gain access to cash—the very people that Senator WELLSTONE is concerned about. People who use payday loans simply cannot get loans through traditional sources because they are too risky, so a payday loan may be the only way they can get quick cash to pay for family emergencies or essential home and auto repairs.

I know that the intentions of my friend from Minnesota are honorable, but the effect of this amendment would be to make it harder for poor people to get the help they need when they need it. So I urge my colleagues to reject the Wellstone payday amendment.

The PRESIDING OFFICER (Mr. BROWNBACK). The question is on agreeing to the motion to table amendment No. 36, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—58

Allard
Allen
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carper
Chafee
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kyl
Landrieu
Lincoln
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Reid
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—41

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Carnahan
Cleland
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Kennedy
Kerry
Kohl
Leahy
Levin
Lieberman
Mikulski
Murray
Nelson (FL)
Reed
Rockefeller
Sarbanes
Schumer
Torricelli
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The motion to lay on the table was agreed to.

CHANGE OF VOTE

Mr. BIDEN. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Would it be appropriate at this time to be able to ask unanimous consent to change my vote on the last tabling motion? It will not affect the outcome of the vote. I intended to vote with Senator WELLSTONE. I did not realize it was a tabling motion. I voted "aye." I would like to change my vote to "no." I ask unanimous consent to do that.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. Mr. President, I will not object.

Mr. BIDEN. I thank my friend.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. HATCH. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is recognized for up to 5 minutes.

The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Mr. President.

First of all, I think this vote on the—

The PRESIDING OFFICER. The Senator will suspend for a moment.

We will have order in the body.

The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, we really do need order.

The PRESIDING OFFICER. We will please have order in the body. Please take your conversations off the floor. We cannot proceed until we have order.

Mr. WELLSTONE. I thank the Chair and thank my colleagues for their courtesy.

Mr. President, we just had a vote that dealt with payday loans, whether or not we were going to provide some protections to the most vulnerable consumers. That amendment failed.

My colleague, Senator DURBIN, and other colleagues, have come out on the floor with amendments that have gone after predatory practices. They have said: Look, let's give consumers some protection. Those amendments—or most of those amendments—have failed.

I had an amendment earlier which said, look, if you want to go after those people who are gaming this system, fine, but for goodness' sake, for the 50 percent of the people who are going under because of medical bills and who find themselves in these difficult circumstances, carve out an exemption. Do not make it so difficult for them to file for chapter 7. Do not make it so difficult for them to go through this procedure, this procedure, and this procedure. Do not put so many hurdles in their way.

Bankruptcy is a safety net not just for low-income people but for middle-income people.

There was a front page story the other day in the New York Times. The headline was: "Lobbying On Debtor Bill Pays Dividend."

I do not want to get myself in trouble with people in whom I believe. I do not make a one-to-one correlation such as, for example, the Senator from Utah and the Senator from Iowa; they have a different viewpoint. That is why they have argued for this bill, period. Let's just make that argument and stop there.

But I will tell you, at an institutional level, there is a serious problem with this bill. And it is this: When it comes to the financial services industry, the credit card industry, broadly defined, big givers, heavy hitters, a huge and powerful lobbying coalition, they have way too much access, and they have way too much say.

It is an institutional problem because the people filing for chapter 7, trying to rebuild their lives because of a major medical bill or because they have lost their job on the Iron Range or because there has been a divorce, they do not have the same clout. They do not have the same economic resources.

Quite frankly, I think this bill is too harsh, it is not balanced, it is not just, it is not fair, and there are a whole lot of families in this country who are going to pay the price.

I call on my colleagues to vote against cloture. I know the vast majority of Senators will not do so, but I will tell you, I do not believe by voting for cloture and then going forward and passing this bankruptcy bill we have done the right thing. I think this is good for the credit card industry. It is good for the financial services industry. But I think we have left out consumers.

We have left out a lot of low- and moderate- and middle-income people. We have left out a lot of women who are single and the heads of their households. We have left out a whole lot of people of color and a whole lot of people who are disproportionately among the ranks of working-income and low-income people.

So I say to Senators, I hope you will vote against cloture. This bill does not deserve to go forward. This bill represents the power of the financial services industry that has marched on Washington every single day for the last 3 years. And it leaves out ordinary citizens in a very profound and very harsh way. Senators, please vote against cloture.

The PRESIDING OFFICER. Under the previous order, the majority leader or his designee is recognized for up to 5 minutes.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I hate to disagree with my friend and colleague from Minnesota, but he could not be more wrong. This bill actually will do an awful lot of good for people in our society. I will not go into all the details on that. All I have to say is that a vote at this stage against cloture is a vote against bankruptcy reform.

The bill we are voting on is the same bill that got 70 votes last year, plus it includes the Schumer-Hatch violence amendment among a number of other Democratic Party amendments. Let me remind my colleagues, and everyone else who wants bankruptcy reform, that many of those who voted against this bill that passed 70–28 last December said if the Schumer violence language had been included, they would have voted for it. Well, it is included. We have worked that language out. It is a shame we have been forced to file cloture after all of the accommodations we have made. I would have preferred not to file cloture, but I believed that was the way we needed to proceed.

We have been very fair on this bill. I hope our colleagues will realize this is a very important bill. It makes very important changes that are needed in the bankruptcy laws of this country. We have accommodated both sides in virtually every way we possibly could. I hope everybody will vote for cloture, and let's get this bill passed and get it enacted into law.

Is there any time remaining?

The PRESIDING OFFICER. The Senator has 3 and a half minutes remaining.

Mr. HATCH. Is that all the time that is remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 28 seconds remaining.

Mr. HATCH. We are prepared to yield back.

CLOTURE MOTION

The PRESIDING OFFICER. All time is yielded back. Under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on S. 420, an original bill to amend title 11, United States Code, and for other purposes:

Trent Lott, Robert F. Bennett, Chuck Grassley, Orrin G. Hatch, Susan Collins, Pat Roberts, Lincoln Chafee, Strom Thurmond, Frank H. Murkowski, Mitch McConnell, Rick Santorum, Jeff Sessions, Richard G. Lugar, Gordon Smith, George Voinovich, and Bill Frist.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on S. 420, a bill to amend title 11, United States Code, and for other purposes, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The yeas and nays resulted—yeas 80, nays 19, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—80

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Cochran
Collins
Conrad
Craig
Crapo
Daschle
DeWine
Domenici
Dorgan
Edwards
Ensign
Enzi
Feinstein
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kohl
Kyl
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (NE)
Nickles
Reid
Roberts
Rockefeller
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NAYS—19

Boxer
Clinton
Corzine
Dayton
Dodd
Durbin
Feingold
Harkin
Kennedy
Kerry
Landrieu
Leahy
Levin
Nelson (FL)
Reed
Sarbanes
Schumer
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The PRESIDING OFFICER. On this vote, the yeas are 80, the nays are 19, and one voted "present." Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

AMENDMENT NO. 19

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

Mr. LEAHY. Mr. President, what is the pending business?

The PRESIDING OFFICER. Amendment No. 19 is pending.

Mr. LEAHY. Mr. President, have the yeas and nays been ordered on amendment No. 19?

The PRESIDING OFFICER. No.

Mr. LEAHY. Is amendment No. 19 germane?

The PRESIDING OFFICER. It appears to be.

Mr. LEAHY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I know the Senator from Alaska wishes to speak on his time. I am going to yield to him in just a second.

Is my understanding from the Senator from Iowa correct that it is now in order—I realize we are not about to vote right now—to get the yeas and nays on this amendment?

Mr. GRASSLEY. Sure.

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I seek time under the time allocated to me under the current procedure in the Senate.

The PRESIDING OFFICER. The Senator is recognized.

PORK

Mr. STEVENS. Mr. President, today the Citizens Against Government Waste issued their 2001 Pork List. I am here to discuss that briefly.

Five items on the first page of this list were requested in the President's budget as part of the Corps of Engineers regular program, but they are charged to be pork. Those were requested by President Clinton and his administration, not by me. Also, $11 million listed as pork in the Interior Department budget was also requested by the President, not me, to manage fish and game in Alaska. It shows the accuracy of this list.

Other items listed on this "waste" list include runway lights. It so happens that 80 villages in Alaska have no roads or hospitals. They depend on medical evacuation by aircraft when people have babies, suffer a heart attack, or have to have medical assistance. Those same villages have no runway lights at all.

North of the Arctic Circle, the Sun doesn't even rise beginning in mid-December until the end of the following January, making it impossible for an evacuation plane to land without lights. In fact, this is a persistent problem for us all winter throughout Alaska. After a Native man in Hoonah, AK, suffered a heart attack and sat on the tarmac for 3 days waiting for medical evacuation, the mayor wrote to me and asked for runway lights. We looked into it and found that it was true. I really did not realize there were so many of these small airports that had no lights.

I not only am proud that the Senate acceded to my request for runway lights in last year's appropriations bills, I want to put the Senate on notice that this year I am going to seek funds so that every village in Alaska has runway lights. Under the current procedure for allocation aid for improvement of airports, they are not eligible.

I believe if it is wasteful to make sure a woman in hard labor can deliver her baby in a hospital with a doctor attending, instead of in an airplane hangar with the help of a mechanic, then I am guilty of asking the Senate for pork and proud of the Senate for giving it to me.

The Citizens Against Government Waste listed funding to aid in the recovery of the endangered stellar sea lion as pork. The Senate and the whole Congress remember the battle over the sea lion at the end of the last session. That issue threatened to shut down the pollack fishery in Alaska, which supplies most of the fish for fast food and frozen products nationwide. The Office of Management and Budget estimated the closure of that fishery would cost the national economy as much as a half billion dollars annually. By making a Federal investment to assure sound science to protect the sea lions, we will avoid that loss in our fisheries, families will not lose their jobs, and the Federal Government will continue to collect corporate and personal income taxes far in excess of the money we put up to assure sound science is used in addressing that problem.

Likewise, the list includes transportation vouchers so welfare mothers can get to their jobs and get off welfare. By making another small investment in public transportation—$60,000 in this case—women, particularly in the Matanuska-Susitna Borough in our State, can work, pay taxes, and save the Government thousands and thousands—hundreds of thousands of dollars in welfare benefits. If that is pork, again I am guilty.

Alaska has the highest rate of alcoholism in the Nation. Alaska is No. 1 in child abuse, No. 1 in domestic violence, and No. 1 in suicide, particularly among young men in the Native villages. Working with our Governor and State legislature, and faith-based institutions such as Catholic Charities that utilize volunteers, and an enormous number of volunteers, some of this pork brought the Federal Government in as a partner to address these problems that are persistent in our State. Those projects, along with homeless shelters, are listed as shameful pork in this list. For me, not addressing these crying human needs would be what would be shameful, and I am ashamed of the people who made the list.

Alaska has the highest unemployment rate in our Nation. Some communities have unemployment rates four times the national unemployment rate during the Great Depression. We have unemployment as high as 80 percent in some of our cities and villages. I addressed that issue with job training programs to help get people off welfare rolls and into productive employment where they will pay taxes. That, too, is listed as pork.

Despite the nationwide shortages of nurses, teachers, and pilots, those training programs which we instituted in our State are listed as pork. In a State where only a handful of communities have doctors, let alone nurses, our health needs are tremendous. By utilizing cost-effective telemedicine for our veterans and Native people, we offer basic health care services using community health aides in areas that have no doctors, no clinics, and no hospitals. Those programs, again, are listed as wasteful, even though they are the most cost-effective programs in the country, delivering health care service to people who are literally hundreds of miles from the doctors who provide the care through telemedicine.

Alaska, also unfortunately, is failing in educational achievement. In some of our school districts, not only will the schools receive a failing grade, but not one of the students in those schools can pass the State exit exam in order to graduate. But summer reading programs that we put in place to address those needs, and similar programs to address the problems of education in a State that is one-fifth the size of the United States and has such a small population, all of these things are listed as pork. The criterion seems to be if President Clinton requested it, it was not pork. If I requested it or a member of our committee requested it, it is pork.

Our State has 70 percent of the lands in national parks, 85 percent of the lands in national wildlife refuges, over one-third of the national forest lands, and receives less money for improvements and utilization of those lands than any other State that has such parks or wildlife refuges or forests. We have 50 percent of the coastline of the United States, and we harvest over 50 percent of the fish that are consumed in the United States. We have more than half of the Indian tribes in the United States. I challenge anyone to look at the dismal record of the executive branch in stewardship of either the Natives or these lands or fisheries areas, and compare that to what we have done here in the Congress.

My amendments last year were not pork. Not one of them will enrich any person or any community. They meet needs in my State. We don't build tunnels under rivers for $8 billion. We don't build sports stadiums with tax advantages. We are a sovereign State, and so long as I am here, we will receive a fair share of Federal spending in order to meet our needs.

I criticize those who made this list. I wish they would come out and face us. I will have a hearing, let them come and face us. It is high time these people who are issuing these lists have some responsibility. They issue the lists in order to get contributions from our citizens to try to prevent so-called pork. It is not pork at all. It is meeting the needs of the people in my State, and I for one am pleased, pleased, very pleased that my colleagues have supported my request to meet those needs.

Mr. BYRD. Will the Senator yield?

Mr. STEVENS. I will be happy to yield.

Mr. BYRD. Let me thank the Senator from Alaska for being a good servant of his people. He was selected as the Alaskan of the Century—I believe that was the title, the Alaskan of the Century—last year.

Mr. STEVENS. That is correct.

Mr. BYRD. He knows the needs of its people. He knows who sends him here.

I welcome the Senator to the club. I have been in the same boat with the Senator in many ways, and I have no apologies to make for serving my people. I know who sends me here. I grew up in West Virginia when we had only 4 miles of divided four-lane highway in the whole State. There were only 4 miles in the whole State when I was starting out in the West Virginia Legislature.

I know West Virginia, and what is one man's pork is another man's job.

I hope the Senator will just turn the back of his hand to those who criticize him for helping his people. His people recognize that he deserves the kind of award they gave him. I join them.

As long as I am here I am going to remember the people who sent me here. This money isn't going overseas. The money—so-called pork—doesn't go overseas. It goes to help people in West Virginia—their schools, their highways. People need highways on which to get to work or just to go to the grocery store or go to the schools or to the doctor or to the hospital. Those highways I helped to build with that kind of "pork" have saved a lot of lives. It is much safer to drive on those four-lane highways in West Virginia than down through the curves and hollows, and along the deep ravines where one can't see up ahead beyond that next curve.

Let me pay my respect to the Senator for doing a good job, being a good Alaskan, and a good representative of the people of Alaska.

Mr. STEVENS. I thank the Senator.

Mr. LEAHY. Will the Senator yield to the Senator from Vermont?

Mr. STEVENS. I am happy to yield.

Mr. LEAHY. Mr. President, the Senator from Alaska and the Senator from Vermont represent, population-wise, two of the smallest States in the Union. There are differences, of course, as the Senator from Alaska represents a State greater than much of the continental United States.

I have always thought the genius of the founders of this country, as the Senator from West Virginia has pointed out on many occasions, was when they set up the Senate and they said every State will have equal representation. Vermont has two Senators—not determined by landmass, because if Alaska had two Senators based on landmass no other State would have any Senators. California, larger than many countries, has two Senators. The Senate is one place where States are equal.

Frankly, I have never heard the Senator from Alaska—I have served with him for 26 years, and I served with him on the Appropriations Committee during that time—ask for something for himself, never. I have heard him fight for his own State, the same way I hope I fight for my State, or the Senator from West Virginia fights for his State, or the Senator from Nevada for his.

I point out to those who may be critical of the Senator from Alaska fighting for Alaska that never has the senior Senator from Alaska gone in there and sought anything for himself. But he has fought for the needs of his State. Those needs are great. Nobody—I visited Alaska on several occasions—can possibly conceive of the enormous needs of a State such as Alaska because of its size and diversity. I think of the horrendous winters we sometimes get in Vermont. They cannot begin to match what they have in Alaska.

Frankly, I have always been proud to serve with the Senator from Alaska. We are of different parties. We are in many areas of different political philosophies. But I consider him one of the closest friends I have in the Senate. I have been proud to serve with him on the Appropriations Committee.

Mr. STEVENS. Mr. President, I thank each of the Senators for their comments. The other night someone asked me how big Alaska really is. We got out the statistics book and examined it. I will bet no one present realizes that my State is larger than Spain, plus France, plus Germany, plus Italy.

I would be willing to bet that we send more money to those areas than we spend in Alaska to meet the needs of the Americans who live there.

BANKRUPTCY REFORM ACT OF 2001—Continued

Mr. STEVENS. Mr. President, under the provisions of rule XXII, I yield the remainder of my hour to the bill's manager.

The PRESIDING OFFICER. The Senator has that right.

AMENDMENT NO. 20, AS MODIFIED

The Senator from Vermont.

Mr. LEAHY. Mr. President, I understand we have amendment No. 19, the amendment of the Senator from Vermont, pending. I ask unanimous consent that amendment No. 20 be modified by an amendment by myself and Mr. HATCH.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Mr. President, I withhold that for a moment.

While we are waiting on that matter—I am surely going to make the request again—we have my amendment with the yeas and nays on it. And I understand that the leader would prefer that votes begin in the morning. I have no objection to the leader stacking that with other votes to occur in the morning. We have the yeas and nays on it.

I urge, however, that those who have germane amendments on our side come to the floor and offer them, seek the yeas and nays, if they wish, and speak on them tonight. There is no reason why we cannot finish this bill sometime during the day tomorrow.

Mr. President, there appears to be some difficulty. I was of the understanding that Senator HATCH wanted this modified. I was going to offer that modification as a courtesy to Senator HATCH. I will not offer the modification and am perfectly happy to have them go ahead and vote on my original amendment.

I yield the floor.

Mr. President, I ask unanimous consent to modify amendment No. 20 on behalf of myself and Mr. HATCH. I send the modification to the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 20), as modified, is as follows:

(Purpose: To protect the identity of minor children in bankruptcy proceedings)

On page 124, between lines 10 and 11, insert the following:

SEC. 233. PROHIBITION ON DISCLOSURE OF IDENTITY OF MINOR CHILDREN.

(a) PROHIBITION.—Chapter 1 of title 11, United States Code, is amended by adding after section 111, as added by this Act, the following:

“§ 112. Prohibition on disclosure of identity of minor children

“In a case under this title, the debtor may be required to provide information regarding a minor child involved in matters under this title, but may not be required to disclose in the public records in the case the name of such minor child. Notwithstanding section 107(a), the debtor may be required to disclose the name of such minor child in a nonpublic record maintained by the court. Such nonpublic record shall be available for inspection by the judge, United States Trustee, the trustee, or an auditor under section 603 of the Bankruptcy Reform Act of 2001. Each such judge, United States Trustee, trustee, or auditor shall maintain the confidentiality of the identity of such minor child in the nonpublic record.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

“112. Prohibition on disclosure of identity of minor children.”.

Mr. LEAHY. Mr. President, have the yeas and nays been ordered on that amendment?

The PRESIDING OFFICER. The yeas and nays have not been called for.

Mr. LEAHY. I ask unanimous consent that it be in order at this point to ask for the yeas and nays on amendment No. 20, as modified.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LEAHY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

VITIATION OF MODIFICATION

Mr. LEAHY. Mr. President, I ask unanimous consent to vitiate the action on amendment No. 20.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 41, AS MODIFIED

Mr. LEAHY. Mr. President, I ask unanimous consent that similar action be now done in relation to amendment No. 41; that is, that amendment No. 41 be modified on behalf of myself and Senator HATCH.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 41), as modified, is as follows:

(Purpose: To protect the identify of minor children in bankruptcy proceedings)

On page 124, between lines 10 and 11, insert the following:

SEC. 233. PROHIBITION ON DISCLOSURE OF IDENTITY OF MINOR CHILDREN.

(a) PROHIBITION.—Chapter 1 of title 11, United States Code, is amended by adding after section 111, as added by this Act, the following:

“§ 112. Prohibition on disclosure of identity of minor children

“In a case under this title, the debtor may be required to provide information regarding a minor child involved in matters under this title, but may not be required to disclose in the public records in the case the name of such minor child. Notwithstanding section 107(a), the debtor may be required to disclose the name of such minor child in a nonpublic record maintained by the court. Such nonpublic record shall be available for inspection by the judge, United States Trustee, the trustee, or an auditor under section 603 of the Bankruptcy Reform Act of 2001. Each such judge, United States Trustee, trustee, or auditor shall maintain the confidentiality of the identity of such minor child in the nonpublic record.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

“112. Prohibition on disclosure of identity of minor children.”.

Mr. LEAHY. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays, instead, on amendment No. 41, as modified.

The PRESIDING OFFICER. Apparently, the yeas and nays have already been ordered.

Mr. LEAHY. I thank the Chair.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I ask unanimous consent, notwithstanding rule XXII, that at 12 o'clock noon on Thursday, the Senate proceed to vote in relation to the pending amendment No. 19; that upon disposition of amendment No. 19, the Senate vote in relation to amendment No. 41, as modified; that the amendments now be laid aside; and that there be 2 minutes prior to each vote for explanation.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate resumes consideration of S. 420 at 9:30 on Thursday, there be 10 hours remaining under the provisions of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I further ask unanimous consent that at 9:30 on Thursday, Senator WELLSTONE be recognized to offer any of his germane amendments, Nos. 69, 70, 71, 72, 73, and 74, and time consumed be considered Senator WELLSTONE's time under the provisions of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I further ask unanimous consent that at 10:30 a.m. on Thursday, Senator KOHL be recognized in order to call up a filed amendment, No. 68, regarding the homestead provision. Further, I ask that there be 90 minutes for debate equally divided in the usual form, and that following the debate, the Kohl amendment be temporarily set aside with a vote to occur in relation to the amendment at a time determined by the two managers; further, that there be no amendments to the Kohl amendment in order prior to the vote.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLEAN AIR AND GLOBAL WARMING

Mr. KERRY. Mr. President, I rise to make a few remarks about the rather stunning announcement we read this morning on the front page of a number of newspapers about President Bush's reversal of a campaign promise he made with great clarity in the course of the last year. That is the reversal of a very clear promise by the President to support efforts to reduce pollution, particularly carbon dioxide emissions from powerplants in this country.

On the campaign trail last year, then-candidate Bush made clear his support for legislation to reduce nitrogen oxide, sulfur dioxide, mercury, and carbon dioxide from powerplants, the so-called four pollutants. There has been a great deal of science, a great deal of research done over these last years with respect to the impact of these pollutants on the quality of our life on this planet.

On September 29, 2000, President Bush could not have been more clear. He said:

> With the help of Congress, environmental groups and industry, we will require all powerplants to meet clean air standards in order to reduce emissions of sulfur dioxide, nitrogen oxide, mercury and carbon dioxide within a reasonable period of time.

Only 10 days ago, EPA Administrator Christie Whitman reaffirmed the President's position that he would support and seek legislation to cut global warming pollution from powerplants.

This is the second time in 2 weeks that a policy announcement by a Secretary in the Bush administration has been reversed by the White House only a few days after that policy announcement was made. I am referring to the prior policy announcement made by Secretary Powell with respect to the efforts to renew negotiations left off by the Clinton administration with North Korea. Two days after Secretary Powell said, indeed, that is what the administration would do, the President and the White House announced they would not, and the rug was essentially pulled out from under Secretary Powell. Now we see the same thing with Secretary Whitman. She announces that, indeed, she intends to enforce the President's campaign promise, and many groups around the country welcomed having a President of the United States who was prepared to offer leadership and to move us in the right direction.

Yesterday it became clear, all of a sudden, that the President was no longer interested in doing what he said, helping Congress and environmental groups and industry and, apparently, even his own EPA Administrator in that effort. It turns out that the President not only does not support it but he opposes it.

A lot of Americans will have their own judgments about what happens when people run for office and within a few months of running for office renege on the promises they make to the American people about why it is they ought to be elected. In a letter to Senator HAGEL and others, the President said:

> I do not believe that the government should impose on power plants mandatory emissions reductions for carbon dioxide, which is not a pollutant under the Clean Air Act.

The White House has offered explanations for the President's flipflop by saying that the President did not understand that carbon dioxide emissions from powerplants is currently not regulated. Therefore, his pledge was misinformed, and the mistake.

With all due respect, I find that statement to be an inadequate explanation, not so much because the President didn't know the current implementation requirements of the Clean Air Act but because, despite that lack of awareness, he proceeded to make such a sweeping promise to the American people and to allow his EPA Administrator to continue that promise for a few weeks while in office.

The second reason for the President's reversal, the White House claims, is a "new" study by the Department of Energy that concludes that the cost of environmental protections is too great. Let me underscore that: The cost of environmental protections is too great.

I don't think that analysis properly balances the many different variables in how you arrive at the true cost because that cost has to be balanced, not just based on the exact cost of putting in the implementing technology, you also have to measure the downside cost to the United States of America, indeed to the globe, for not taking the kinds of steps we need to take.

Our country, I regret to say, has been the largest emitter in the world, growing at the fastest rate in the world in terms of energy use, and the least responsive in terms of the steps we should be taking to deal with this. This country has to come to grips at sometime with the realities of the profligate energy policies we are pursuing that wind up using extraordinary amounts of resources relative to our population without the kind of balance necessary to create what is called a sustainable energy policy, a sustainable environmental policy.

I find it also troubling that this one study, called "Analysis of Strategies for Reducing Multiple Emissions from Power Plants," is deemed to be somehow a new revelation. The study was a request of the Department of Energy by former Congressman David McIntosh who, it happens, has been one of the harshest critics of environmental protections who has served in the Congress. The study is a classic case of bad information in, bad information out. Some would call it, with respect to the technology world, computers: Garbage in, garbage out. It purposefully restricts market mechanisms, and it assumes highest cost generation. As a result, its conclusions are entirely prefixed, preordained to come out with an expense factor that does not reflect where the technology is, where the state of the art is, or where the realities are economically.

I recommend that the President review a series of other economic analyses that embrace market mechanisms, that reflect real costs, and other kinds of environmental protections. This includes a different and more recent study by the Department of Energy that concludes that a multipollutant approach can reduce pollutions from large generators with net savings to the consumer.

I am not someone who comes to the floor as an environmentalist and suggests that the environmental movement has not on occasion pressed for a solution that may, in fact, demand too much too quickly, or sometimes, I agree, we have environmental rules that are not even thoughtfully applied. There are times when we require of small businesses the same meeting of standards as we require for large businesses. It obviously does not make sense to the economies of scale or the gains or the capacities of those businesses to perform.

I readily accept the notion that there are some places that we can do better, there are some ways in which we can harness the energy of the marketplace and use market forces to find solutions. I believe Republican and Democrat alike in past administrations have been negligent in being creative about reaching out to the private sector and putting the private sector at the table and asking the private sector for ways in which we could do things with least cost, least regulation, least intrusiveness from Washington, and harness the energy of the marketplace in finding some of these solutions.

Regrettably, even when that has happened, when companies have stepped forward and shown that there are cheaper ways of doing things, we now see the President embracing a study that reflects none of that creativity and none of that capacity on the part of the private sector.

Let me be very specific about that. A number of companies have stepped forward to embrace the four pollutant approach I am talking about. They include Consolidated Edison, PG&E, Northeast Utilities, PECO, and others. These companies have found a way to embrace a four pollutant reduction strategy and do so in a way that benefits their company's bottom line and also benefit the consumers at the same time.

I want to put this in a context, if I may. Why is this so important to our country and to the concerns we have about global warming and about pollutants in the air and the quality of life? I don't know a thoughtful Republican or Democrat who doesn't understand the linkage of some of the things we emit into the air and water in various forms of pollution, which have a terrible impact on the lives of our fellow citizens.

The country has been treated to a couple of movies recently that showed what happens when you have that kind of pollution taking place—the impact of it on the lives of our fellow citizens. I had the privilege of attending, as an official observer for the Senate, the discussions in Rio when President Bush's father was President in 1992—the Earth Summit, when the United States said we would try to hold ourselves to the emissions baseline of 1990 levels. We never took the steps necessary to live up to that voluntarily agreed-upon goal. Since then, I have been to Kyoto, to The Hague, and Buenos Aires, in each place where global negotiations were taking place, where Presidents and prime ministers and environmental ministers and financial ministers were all struggling together to find a way to reduce emissions. In every one of those discussions, all of the less developed countries, and our European partners, looked at the United States of America as a culprit, as the problem, because we weren't willing to embrace some of the steps they were taking, or were prepared to take, in order to enter a global solution that has an impact on all of us.

I say to my colleagues, I am not talking about politics, I am talking about facts—scientific facts. Just recently, 2,500-plus scientists at the United Nations, through the IPCC, released increased data regarding our status with respect to global warming.

The decade of the 1990s was the hottest decade in all of human history. The glaciers on five continents are receding at record rates. One thousand square miles of the Larsen ice shelf in Antarctic has collapsed into the ocean. Arctic sea ice has thinned by 40 percent in only 20 years.

For the first time, boats are traversing the Canadian Arctic without hitting ice pack. What used to take 2 years as a journey has now taken only 2 months. Permafrost in Alaska and Siberia is defying its name by thawing. Ocean temperatures throughout the world are rising, and a quarter of the world's reefs have been bleached.

The scientific evidence that pollution is dangerously altering the atmosphere is becoming more compelling as each year passes. This is peer-reviewed, hard science—reviewed science from the best researchers in the world. I believe it is compelling and it demands action.

In January of 2000, the Intergovernmental Panel on Climate Change released its third assessment report. The IPCC involves thousands of scientists from around the world and many of the very best American scientists. It was organized in the early nineties by President Bush to assist governments in assessing the state of the global climate and what threat pollution may or may not pose to it.

This January, the IPCC released its strongest, most conclusive and most alarming assessment of the global climate. It warned that rising temperatures are attributable to human activities; that temperatures may rise at a far faster rate than previously expected—as high as 10.4 degrees over the next 100 years—and that the consequences will be adverse and far reaching. The potential consequences include droughts, floods, rising seas, the displacement of tens of millions of people living in coastal areas, and the massive die of plant and animal species.

The chair of IPCC, Dr. Robert Watson, put it his way:

> We see changes in climate, we believe we humans are involved, and we're projecting future climate changes more significant over the next 100 years than the last 100 years.

And the IPCC report is only the latest in a body of science that demands action.

October 2000, "Coral Reefs Dying; Most May Be Dead In 20 Years."

> Addressing the International the Coral Reef Symposium on the island of Bali, researchers warn that more than a quarter of the world's coral reefs have been destroyed and remaining reefs could be dead in 20 years. The most serious threat to the reefs is global warming. Coral reefs are crucial anchors for marine ecosystems, and more than a half billion people depend on reefs for their livelihood, researchers at the conference say.

March 2000, "NOAA Finds Oceans Warming."

> Scientists at the National Oceanographic Data Center find that the world's oceans have soaked up much of the warming of the last four decades, delaying its full effect on air temperatures. Scientists speculate that perhaps half of human-caused climate change is not yet in evidence in the form of higher air temperatures, because of the delay caused by oceans.

January 2000, "NAS Concludes Warming Is 'Undoubtedly Real.'"

> A study by the National Research Council of the National Academy of Sciences concludes that the warming of the Earth's surface is "undoubtedly real" and that surface temperatures in the last two decades have risen at a rate substantially greater than the average for the past 100 years. This study put to rest charges that satellite data contradicted land-based data.

December 1999, "Arctic Melting Almost Certainly The Result of Pollution."

> A computer-based study by the University of Maryland and NASA's Goddard Space Flight Center finds less than a 2 percent chance that observed melting of Arctic sea ice is the result of normal climatic variations—and less than a 0.1 percent chance that melting over the last 46 years is the result of normal variations. Arctic sea ice is melting at a rate of 14,000 square miles per year, an area larger than Maryland and Delaware combined. Melting of arctic ice accelerates global warming, since ice reflects 80 percent of solar energy back into space and water absorbs solar energy. Meanwhile, the melting of arctic ice could disrupt ocean currents and salinity levels.

June 1999, "Greenhouse Gases Higher Now Than Any Time In 420,000 Years."

> A two-mile-long ice core drilled out of an Antarctic ice sheet shows that levels of heat-trapping greenhouse gases are higher now than at any time in the past 420,000 years. Scientists with the National Center for Scientific Research in Grenoble, France, find that carbon dioxide levels rose from about 180 parts per million during ice ages to 280-300 parts per million in warm periods—far below the current CO_2 concentration of 360 parts per million. Methane levels, meanwhile, rose from 320-350 parts per billion during ice ages to 650-770 parts per billion during the warm spells. The current methane concentration is about 1,700 parts per billion.

April 1998, "20th Century Was The Warmest In 600 Years."

> Based on annual growth rings in trees and chemical evidence contained in marine fossils, corals and ancient ice, scientists at the University of Massachusetts at Amherst find that the 20th century was the warmest in 600 years, and that 1990, 1995 and 1997 were the warmest years in all of the 600-year period. Scientist conclude that the warming "appears to be closely tied to emission of greenhouse gases by humans and not any of the natural factors," such as solar radiation and volcanic haze.

January 1998, "Changes May Happen Quickly With A Climate Shock."

> A University of Rhode Island study of ice cores from Greenland shows that when the last ice age ended, the change was sudden. In Greenland, a 9 to 18 degree F increase in temperatures probably took place in less than a decade. The finding challenges the widespread assumption that climate changes are in all cases gradual, and suggests that human-induced climate change could occur rapidly rather than slowly.

I could go on; the science is compelling.

I committed to finding a solution to the problem of global warming. Some of my colleagues—and now the President—have charged that dealing with this problem will bankrupt the American economy. I disagree. I believe that America can have a strong economy and a healthy environment. Fortunately, more and more companies are stepping forward to solve this problem and lead the way where government won't. BP will reduce its emission to 10 percent below its 1990 levels by 2010. Polaroid will cut its emissions to 20 percent below 1994 levels by 2005. Johnson & Johnson will reduce its emissions to 7 percent below 1990 levels by 2010. IBM will cut emissions by 4 percent each year till 2004, based on 1994 emissions. And, Shell International, DuPont, Suncor Energy Inc., Ontario Power Generation have all made similar commitments.

All the dire predictions of economic calamity from entrenched polluters just is not credible when leading companies are doing exactly what they say cannot be done. We know the power of technology to transform an industry—just look at the impact of technology on information and medicine—and technology and innovation can transform how we produce and use energy.

President Bush's reversal will also weigh heavily on the international talks to fight global warming. As a Senate observer to the talks, I have seen firsthand how America's inaction has prevented progress. In 1992, the U.S. pledged to reduce its greenhouse gas emissions to 1990 levels by 2000 through the strictly voluntary Framework Convention on Climate Change. We will miss that goal and end the year with emissions 13 percent above 1990 levels.

Our failure goes beyond numbers alone. In the past 8 years, we have not taken a single meaningful step toward our commitment. We have not seized opportunities to increase efficiency and reduce pollution from automobiles, appliances, electric utilities, housing, commercial buildings, industry, or transportation. Nor have we provided sufficient economic incentives for the development and proliferation of solar, wind, hydrogen, and other clean energy technologies. A range of sound proposals have been floated in Congress, but almost all have been relegated to the legislative scrap heap.

Instead, Congress has enacted budget riders to keep us mired in the unsustainable status quo. An unwise mix of politics and special interests has produced laws prohibiting the Government from even studying the efficacy of strengthening efficiency standards for cars and light trucks, laws blocking stronger efficiency standards for appliances, and laws hampering energy and environmental programs because, their sponsors mistakenly argue, these programs represent an unconstitutional implementation of the unratified Kyoto Protocol.

This regressive record is fatal to the international effort. It heightens distrust, undermines the credibility essential to success, and gives opening to our sharpest critics to seek advantage. For example, the U.S. has insisted that unrestricted, international emissions trading be part of the global warming pact. Trading is a proven method to achieve greater environmental benefits at lower costs; it has halved the cost and accelerated the environmental gains of Clean Air Act. But European nations—led by Germany and France—charge the trading program must be severely restricted or it will become a loophole by which the U.S. will avoid domestic action. They make that charge as much for reasons of economic and political self-interest as they do for environmental concerns, but, nonetheless, our paltry environmental record at home lends dangerous credibility to their charge, and that makes the work of our negotiators all more difficult. Moreover our inaction has an equally dangerous practical effect. Every year we fail to act, our environmental goals become more difficult to achieve.

Mr. President, it is early in this Congress and even earlier in President Bush's new administration. I remain hopeful, but being hopeful is becoming increasingly difficult, particularly today. President Bush has rejected a policy that can work, that can benefit the environment and the Nation. He did it really before the debate even started. And he broke the most important campaign pledge he made regarding the environment. And it took him less than 2 months to do it.

Let me just say that I wanted to review for my colleagues—and I hope some will perhaps take an interest in reviewing these other assessments—a number of major assessments of the negative impact on crops, on quality of health, on sea life, on major areas that should be of enormous concern to all of us, not as Republicans and Democrats, but as thinking U.S. Senators. I don't want to approach this in a doctrinaire way, but I know that we have a responsibility to contribute our part to a major solution and reduction in global greenhouse gases, as well as to contribute to the better quality and health of our citizens.

This decision by the President which, once again, gives increased power to the large energy interests of the country is the wrong decision for our Nation and the wrong decision in the long run for creating the sustainable environmental approach. My hope is that my colleagues and the administration itself will review and come up with an approach that will better serve the interests of our Nation.

ERWIN MITCHELL AND THE GEORGIA PROJECT

Mr. CLELAND. Mr. President, on March 7, 2001, the Washington Post reported that the recent census indicates a 60-percent growth in our Nation's Hispanic population, which now totals 35.3 million. Georgia has also been witness to this growth. In 1991, the Hispanic student population in Dalton, GA, was only 4 percent, and now 10 years later, Hispanic enrollment in Dalton public schools has skyrocketed to 51 percent. The data from the 1999–2000 school year show that 45 percent of students in Dalton and 13 percent in Whitfield County are Spanish speaking. There are children of hard-working families who are an important part of the Dalton community. Accordingly, business and community leaders in that north Georgia community recognize the need for innovative and comprehensive solutions to address the recent influx of immigrants. Recent studies show that where quality education programs are joined with community-based services, immigrants have an increased opportunity to become an integral part of their community and their children are better prepared to achieve success in school.

The Georgia Project has provided an innovative solution to the needs of northwest Georgia. This is a teacher exchange program which brings bilingual teachers from Mexico to provide language instruction to all Dalton/Whitfield students. In addition, the program also sponsors a Summer Institute which provides Dalton/Whitfield teachers with the opportunity to study Mexican culture and history and the Spanish language in Monterrey, Mexico.

The driving force behind this endeavor has been the creative efforts of Erwin Mitchell. His dedication to public service and fairness was evident during his days as a Member of the House of Representatives. This same dedication and spirit of duty were the guiding forces behind the award-winning Georgia Project. As the mastermind behind the Georgia Project, Erwin Mitchell's efforts have been confirmed by the rising test scores of Dalton/Whitfield students on the Iowa Test of Basic Skills. His work has recently been recognized by both the National Education Association, NEA, and the National Association for Bilingual Education, NABE. The NEA has selected him to receive the NEA's 2001 George I. Sanchez Memorial Award for his "exemplary contributions in the area of human and civil rights." NABE has named him the 2001 Citizen of the Year for his "efforts in shaping a successful future for America's students."

This wave of immigration is not limited to Georgia alone. For example, the Waterloo, IA, school system is being challenged to teach 400 Bosnian refugee children who came here without knowing our language, culture or customs. Schools in Wausau, WI, are filled with Asian children wanting to achieve success in the United States. In Wayne County, MI, 34 percent of the student population are Arabic-speaking and receive special help. According to the

U.S. Census Bureau, the recently arrived immigrant and refugee population living here today will account for 75 percent of the total U.S. population growth over the next 50 years. This growth is occurring in places like New York, Los Angeles, and Miami, but also in nontraditional immigrant communities like Gainesville, GA, and Fremont County, ID. Innovative programs are being offered across the country to help accommodate these populations, which is why I have once again introduced the Immigrants to New Americans Act. This legislation will create a competitive grant program within the Department of Education that funds model programs, which, one, help immigrant children to succeed in America's classrooms and, two, help their families access community services such as job training, transportation, counseling, and child care.

Our country's diversity is growing and it is vital for us to support successful programs like the Georgia Project that address the needs of changing communities.

ADDITIONAL STATEMENTS

TRIBUTE TO HOOSIER ESSAY CONTEST WINNERS

• Mr. LUGAR. Mr. President, I rise today to congratulate a group of young Indiana students who have shown great educative achievement. I would like to bring to the attention of my colleagues the winners of the 2000–2001 Eighth Grade Youth Essay Contest which I sponsored in association with the Indiana Farm Bureau and Bank One of Indiana. These students have displayed strong writing abilities and have proven themselves to be outstanding young Hoosier scholars. I submit their names for the CONGRESSIONAL RECORD because they demonstrate the capabilities of today's students and are fine representatives of our Nation.

This year, Hoosier students wrote on the theme, "Eating Around the World From Hoosier Farms." I would like to submit for the RECORD the winning essays of John Leer of Hamilton County, and Michelle Kennedy of Jasper County. As State winners of the Youth Essay Contest, these two outstanding students are being recognized on Friday, March 16, 2001 during a visit to our Nation's Capitol.

The essays are as follows:

EATING AROUND THE WORLD FROM HOOSIER FARMS

(By John Leer, Hamilton County)

Jean woke up on a crisp, Canadian morning to the smell of moist hot cakes baking on the skillet; to accent the hot cakes, Jean's mother had prepared apple compote with sweet brown sugar. Fresh sausage patties were succulently sizzling in their own oils and grease. On this particular morning, Jean thought to himself of the rich Canadian culture this meal represented. To his own dismay, however, his mother told him most of the ingredients used had come from the farms of Indiana.

After looking deeper into the issue, Jean too realized that most of his food had originated in the Midwest and especially in Indiana. If something were to happen to the farms of Indiana, he would be devastated. He would miss the grain used in the bread, all of the pork and beef, and even the chilled glass of milk used to wash down a chocolate chip cookie.

Then, Jean went outside to accomplish his daily, morning chores of feeding the oxen and cleaning their stalls; he noticed that in bold letters the sack said the feed was made in Indiana. The idea that his entire daily routine depended on a successful yield from Hoosier farms scared him; if a long drought began or a downfall of water occurred, he would not be eating hot cakes or drinking milk very much longer. The Hoosier farmer was invaluable to him.

Throughout the day he noticed more foods of his daily diet grown in Indiana: melons, tomatoes, pumpkins, corn, and more. During geography class, Jean learned that Indiana is a leading importer to Canada and that Canada depends on the Hoosier fields. After getting off the school bus, he raced towards the television only to turn on the weather station; he had finally realized that Indiana food and weather played a critical role in his daily life.

EATING AROUND THE WORLD FROM HOOSIER FARMS

(By Michelle Kennedy, Jasper County)

As an eighth grade student from the country of Japan, I enjoy many American products. My day starts early in the morning. As I prepare for my school day I usually have breakfast which might include eggs and sausage from Indiana farms. Grains from Indiana farms are imported so we might enjoy cereals, breads, and pastries.

Japan does not have the space available for farmground or livestock operations. What we have are very small farms. Indiana grains and livestock products are very important to us. We grow much rice but, other products such as pork, beef, and poultry are needed to compliment our rice industry.

After a day of school I might stroll through the open markets in our city. These market places have fruits and vegetables from the Hoosier farms. In Japan we are always studying new technology. We are very interested in by-products of Indiana farmers.

Many things I use at school are by-products of American farms. Soy ink and soy crayons are by-products of Indiana soybeans. It is important for countries in the world to be able to trade with one another. We are all dependant upon each other.

Japan buys 8.9 billion dollars of United States Agriculture products each year. Indiana agriculture plays a big part in this.

2000–2001 DISTRICT ESSAY WINNERS

District 1: Christoper Wacnik (Lake County) and Megan Spillman (St. Joseph County).

District 2: Andrew Pasquali (Noble County) and Natalie Rummel (Elkhart County).

District 3: Mitchell Swan (Jasper County) and Michelle Kennedy (Jasper County).

District 4: Jacob Little (Jay County) and Janna Rines (Jay County).

District 5: Tyler Smith (Hendricks County) and Laura Trust (Morgan County).

District 6: John Leer (Hamilton County) and Jeri Boone (Hamilton County).

District 7: Kegan Knust (Clay County) and Nicole Dike (Knox County).

District 8: Carson Ritz (Franklin County) and Erin Rauch (Franklin County).

District 9: John Michel (Warrick County) and Michelle Jochim (Gibson County).

District 10: Max Muhoray (Jefferson County) and Jennifer Prickel (Ripley County).

2000–2001 COUNTY ESSAY WINNERS

Benton: Jesse Becker and Carolyn Jenkinson; Cass: John Workman and Julie Richardson; Clay: Kegan Knust and Nicole Hayes; Delaware: Cais Hasan and Aleisha Fetters; Elkhart: Natalie Rummel; Fayette: Sarah King; Franklin: Carson Ritz and Erin Rauch; Fulton: Thomas Landis and Alicia Long; Gibson: Michelle Jochim; Greene: Alex Weathers and Jessica Chaney; Hamilton: John Leer and Jeri Boone.

Hendricks: Tyler Smith; Jackson: Kim Meier; Jasper: Mitchell Swan and Michelle Kennedy; Jay: Jacob Little and Janna Rines; Jefferson: Max Muhoray and Amanda Simmons; Jennings: Wayne Carmickle and Andrea Webster; Knox: Josh Anthis and Nicole Dike; Lake: Christopher Wacnik and Aubrette Marie Biegel; Marion: Ben Campbell and Fatima Patino; Martin: Nicole Lengacher; Morgan: Laura Trusty.

Noble: Andrew Pasquali; Posey: Tracie Johnson; Ripley: Jennifer Prickel and Jeremy Borgman; St. Joseph: Daniel Seitz and Megan Spillman; Starke: John Gibson and Sonya Crouch; Vanderburgh: Mark Turpin; Vermillion: Marvin Woolwine and Kelli Knight; Wabash: Matt Street and Mandy Renbarger; Warrick: John Michel and Erika Downey; Washington: Ryan Satterfield and Ashley Ingram; Wayne: Nick Kerschner and Anne Hamilton.•

NORTH GEORGIA COLLEGE AND STATE UNIVERSITY

• Mr. MILLER. Mr. President, I would like to take this opportunity to recognize the achievements of the Blue Ridge Rifles and Color Guard of North Georgia College and State University, who recently placed first overall at the 29th annual Tulane Naval ROTC Mardi Gras Invitational Drill Meet in New Orleans, LA.

The North Georgia College and State University is one of six 4-year military colleges in the United States. Since its inception in 1873, NGCSU's military college has been renowned for its ability to produce exceptional officers in all service branches. This skill has resulted in many performance championships, including 12 titles from the Mardi Gras Drill Meet.

The Mardi Gras Invitational Drill Meet draws teams representing the service academies, senior and junior military colleges, and reserve officer training corps programs at civilian colleges and universities. The Blue Ridge Rifles and the Color Guard of NGCSU have exhibited consistently excellent performances at the Mardi Gras Invitational. This tradition continued with the most recent Mardi Gras Invitation Drill Meet, held on February 23, 2001, where the NGCSU cadets competed against 42 military drill teams from colleges and universities throughout the United States. The Blue Ridge Rifles, under the command of Cadet Captain Phillip Pelphry and Cadet Master

Sergeant Zachary Poole, received first place in platoon basic drill, second place in squad drill, and first place in platoon exhibition drill. The North Georgia College and State University Color Guard, under the command of Cadet Captain Chris Rivers, received first place in the color guard competition.

I would like to recognize the following cadets for their fine representation of North Georgia College and State University and of the entire state of Georgia.

The Blue Ridge Rifle Team: Joseph Byerly; Gregg Carey; Joshua Carvalho; Josh Clemmons; Byron Davison; John Filiatreau; Kurt Fricton; Jason Howard; Joseph Marty; Phillip Pelphry; Jason Pon; Zachary Poole; Jason Ryncarz; Jonathan Sellars; Benjamin Sisk; Jeffrey Wagner; Zachary Zeis; and The Color Guard Team: Colin Arms; Peter Bender; Kyle Harvey; Ernesto Johnson and Chris Rivers.●

TRIBUTE TO ELIZABETH ROBERT

● Mr. LEAHY. Mr. President, I want to congratulate Elizabeth Robert, a graduate of Middlebury College and the University of Vermont, for her success in transforming the struggling Vermont Teddy Bear Company into a highly profitable e-business.

Ms. Robert joined the Vermont Teddy Bear Company as its Chief Financial Officer in 1995 and only two years later rose to the position of Chief Executive Officer. In 1997, profits at Vermont Teddy Bear Company were way down and the future was bleak. Now, only three years later, sales are up 50 percent and the company boasts more than $22 million in annual sales. This spectacular turnaround was spearheaded by Elizabeth Robert, who harnessed the power of the Internet to transform the Teddy Bear Company into a successful Bear-Gram gift delivery service. The company's website is http://store.yahoo.com/vtbear/.

Recently, The Rutland Herald and The Times Argus, featured Ms. Robert as a "captain of industry." I ask that the full text of the Rutland Herald/Times Argus article of March 11, 2001, titled "Elizabeth Robert: A 'captain of industry' bears watching" be printed in the RECORD.

Liz's success is a shining example for all Vermonter business leaders to follow. By taking advantage of the new markets offered by the Internet and developing a sharply focused business plan, the Vermont Teddy Bear Company has doubled its sales and significantly expanded its customer base.

Last year, I invited Liz Robert to be the keynote speaker at my annual Women's Economic Opportunity Conference in Vermont. Ms. Robert shared her personal story with hundreds of women who attended the conference and encouraged each of them to follow their dreams. As an incredibly successful businesswoman and the mother of two teen-aged daughters, she is an inspiration for all of us. My wife, Marcelle, and I were proud to be there with her.

ELIZABETH ROBERT: A "CAPTAIN OF INDUSTRY" BEARS WATCHING

(By Sally West Johnson)

Elizabeth Robert is nothing like her product. This woman, who took over the floundering Vermont Teddy Bear Co. and returned it to solvency, exudes a cool, angular self-confidence that is not a bit like the warm and cuddly personae of her stuffed bears.

A wiry, athletic 45-year-old, Robert has been with Vermont Teddy Bear since 1995, when she signed on as chief financial officer in what was already a financially troubled time. The charm of founder John Sortino's bear-peddling pushcart operation on Church Street in Burlington had long since worn thin; his successor, Patrick Burns, "took us on a trip down teddy-bear lane," says Robert, explaining that Burns had a vision of turning the company into a Disney-like conglomerate that sold all things ursine. But that idea tanked, and when Burns left town, Robert took over as chief executive officer in October 1997.

In truth, taking on a top job had been in her game plan for a long time. It's part of who she is, and she knew it. She comes from several generations of highly accomplished women. Her grandmother emigrated from Armenia to Paris, where she worked in the laboratory of Mme. Marie Curie and later, according to Robert, became the first female pediatrician in Geneva. In the early 1940s, Robert's mother was working as a photo editor at Time-Life Inc. "I grew up in a household where everything was possible," she says.

A Middlebury College alumna, class of 1978, she married English professor Bob Hill in 1980, then had her first child 10 days before entering graduate school at the University of Vermont. They have since divorced. With an MBA in hand, she worked at all sorts of jobs for the next few years: at Vermont Gas Systems, as a financial consultant, and as campaign manager for Louise McCarren's 1990 run for lieutenant governor. It was McCarren, now president of Verizon in Vermont, who pointed out the obvious to her.

"She told me that I wanted to be a captain of industry . . . and she was exactly right," says Robert of her mentor. "I had been learning, accumulating a skill set with undefined purpose. Now I knew what the purpose was."

She leapt into her future by signing on as chief financial officer with a high-tech start-up in Williston, Air Mouse Remote Controls. "We were constantly groveling for money, constantly short of cash," she recalls. If it didn't seem to be a blessing at the time, "all that experience would be relevant to me when I got to Vermont Teddy Bear."

Robert's success at VTB has made her much in demand as a speaker, especially when the subject is business strategizing. Invited to address a UVM graduate class last fall, she immediately turns the tables on her students. "What business is Vermont Teddy Bear in?" she asks them. (Hint: The correct answer is not "selling teddy bears.")

"We are in the Bear-Gram gift delivery service," she informs them after a few proffer hesitant guesses. "We are delivering a highly personalized message, and one that can be changed right up to the last minute."

Are Vermont Teddy Bears expensive? Yes, partly because they are exclusively made in America, which costs more than making them overseas. But then VTB isn't selling toys for kids. "You can't sell the Lover Boy bear off the retail shelf for $65 or $75 even on Madison Avenue," explains Robert, "but you can sell them for $85 if you guarantee delivery the next day and sell them with an embroidered shirt and a personal message transcribed by a bear counselor."

She settles into the story of VTB's decline into—and resurrection from—bankruptcy with the confidence born of success. It is a classic tale of a company getting too big, too fast. "We went from revenues of $300,000 in 1990 to $20 million in 1994," she recounts. But after an IPO in late 1993, "the company hit the wall. We were spending huge amounts of money: We were advertising on Rush Limbaugh for $1 million a year; we spent $8.1 million on the new building (in Shelburne)."

In some ways, the financial crisis was relatively easy to manage: "When there is no money," she notes, "the answer is always 'no.'" With Robert's modified, and sharply focused, sales strategies, the company began to come back. A hugely successful Valentine's Day in 1998 liquidated the old inventory and brought in a huge pile of cash. The company picked up corporate-gift clients such as Seagrams, Nabisco and Triaminic, the cold-medicine people. It also focused on direct marketing of Bear-Grams through radio advertising to a clientele Robert calls generically "Late Jack"—a guy between 18 and 54 years old who has forgotten the holiday, whatever it is. They can bail him out at the last minute with a gift that costs about the same as a nice bouquet of flowers but lasts a lot longer and is more personal.

In fiscal 1998, VTB reported a net loss of $2 million. Thanks to "Late Jack," in fiscal 2000 company books showed sales of $33 million, with a profit of $3.7 million. At the moment, Elizabeth Robert is pretty much where she wanted to be.

"I am now a captain of industry," she says. The remark is candid, not boastful. "I'm not at the end of my career by any means, but I don't see the need to move on at this point."●

TRIBUTE TO GENE CONNOLLY

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Gene Connolly of Windham, NH, for being recognized as the "2001 Principal of the Year" by the New Hampshire Association of Principals.

Gene has been the principal of Gilbert H. Hood Middle School in Derry, NH, for the past six years and has focused on the needs of the students as his most important priority. He is an inspirational leader whose vision offers a focus for the child-centered curriculum which provides opportunities for everyone. The teachers who work with Gene feel valued and challenged by his leadership.

A graduate of Springfield College, Gene received a Bachelor of Science degree in Physical Education. He later earned a Masters of Education degree from Notre Dame College and is a Doctoral candidate in Leadership at the University of Massachusetts.

Gene is a school district negotiator and member of the negotiating team for Derry, NH. In service to his community, Gene also coached AAU Youth Basketball and the Windham Youth Basketball League.

Gene is a tribute to his community and profession. It is an honor and a privilege to represent him in the United States Senate.●

TRIBUTE TO PAMELA ILG

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Pamela Ilg of New Boston, NH, for being recognized as the "2001 Assistant Principal of the Year" by the New Hampshire Association of Principals.

Pamela serves as Assistant Principal and Vocational Director at Concord High School in Concord, NH. She has created a caring, supportive and accountable environment with high expectations for students and staff. A strong leader, Pamela possesses an exceptional ability working with people.

A graduate of the University of Lowell, Pamela earned Bachelor of Arts degrees in English and Social Studies. She later earned a Masters of Education degree in Counseling, attended a Principal's Academy on Learning at Dartmouth College and earned a C.A.G.S. in Administration and Supervision at the University of New Hampshire.

As an educator, Pamela has been an integral part of the school community working with staff, students, parents and the community in the total education process.

Pamela's commitment to serving the education community in New Hampshire has set an example that is admirable. It is an honor to represent her in the United States Senate.●

TRIBUTE TO TOM THOMSON

● Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Tom Thomson of Orford, NH, for being recognized with the "Outstanding Achievements in Sustainable Forestry" award by the American Forest Foundation.

As a young man, Tom purchased his first wood lot of 125 acres with his two older brothers near Orford, NH. He continued to purchase more land and managed its resources adhering to the principles of sound forestry.

Tom's family tree farm is certified by the American Tree Farm System as being a productive, sustainable forest that provides outstanding wildlife habitat and recreational opportunities, and contributes to soil conservation and water quality. The tree farm has now expanded to over 2,600 acres in New Hampshire and Vermont.

Tom has been a tireless promoter of sustainable forestry for both New England and national woodland owners. A contributor to his community, he takes every opportunity to share information about tree farming. The Thomson Family Tree Farm is open year-round to school groups and individuals who want to learn more about sound, long-term forest management.

His wise management of forest land and his commitment to promoting good forestry practices to others has earned Tom many honors throughout the years. Tom has accomplished a great deal for New Hampshire and the people of this State look upon him with tremendous gratitude and admiration for all that he has done.

I am honored to call Tom a friend and a fellow Granite Stater. It is an honor and a privilege to represent Tom Thomson in the United States Senate.●

MESSAGE FROM THE HOUSE

At 12:36 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 223. An act to amend the Clear Creek County, Colorado, Public Lands Transfer Act of 1993 to provide additional time for Clear Creek County to dispose of certain lands transferred to the county under the Act.

H.R. 308. An act to establish the Guam War Claims Review Commission.

H.R. 834. An act to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails in the System, and for other purposes.

H.R. 880. An act to provide for the acquisition of property in Washington County, Utah, for implementation of a desert tortoise habitat conservation plan.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 57. Concurrent resolution condemning the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California.

The message further announced that pursuant to Public Law 106-292 (36 U.S.C. 2301), the Speaker appoints the following Members of the House of Representatives to the United States Holocaust Memorial Council: Mr. LANTOS and Mr. FROST.

The message also announced that pursuant to section 206 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616), the Speaker appoints the following member on the part of the House of Representatives to the Coordinating Council on Juvenile Justice and Delinquency Prevention: Mr. Michael J. Mahoney of Chicago, Illinois, to a 1-year term.

The message further announced that pursuant to section 5(a) of the James Madison Commemoration Commission Act (Public Law 106-550), the Minority Leader appoints the following Members of the House of Representatives to the James Madison Commemoration Commission: Mr. BOUCHER and Mr. MORAN of Virginia.

The message also announced that pursuant to section 5(b) of the James Madison Commemoration Commission Act (Public Law 106-550), the Minority Leader appoints the following individuals on the part of the House to the James Madison Commemoration Advisory Committee: Dr. James Billington of Virginia and the Honorable Theodore A. McKee of Pennsylvania.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 223. An act to amend the Clear Creek County, Colorado, Public Lands Transfer Act of 1993 to provide additional time for Clear Creek County to dispose of certain lands transferred to the county under the Act; to the Committee on Energy and Natural Resources.

H.R. 308. An act to establish the Guam War Claims Review Commission; to the Committee on Energy and Natural Resources.

H.R. 834. An act to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails in the System, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 880. An act to provide for the acquisition of property in Washington County, Utah, for implementation of a desert tortoise habitat conservation plan; to the Committee on Energy and Natural Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 57. Concurrent resolution condemning the heinous atrocities that occurred on March 5, 2001, at Santana High School in Santee, California; to the Committee on the Judiciary.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-989. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update" (Notice 2001-20) received on March 12, 2001; to the Committee on Finance.

EC-990. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "2001 Census Count" (Notice 2001-21) received on March 12, 2001; to the Committee on Finance.

EC-991. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Coordinated Issue: Class Life of Floating Gaming Facilities" (UIL168.20-07) received on March 12, 2001; to the Committee on Finance.

EC-992. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Form 7004—Research Credit Suspension Period" ((Notice 2001-29)(OGI110763-

01)) received on March 13, 2001; to the Committee on Finance.

EC–993. A communication from the Chief of the Regulatory Policy Office, Bureau of Alcohol, Tobacco and Firearms, Department of Treasury, transmitting, pursuant to law, the report of a rule entitled "T.D. ATF–444; Puerto Rican Tobacco Products and Cigarette Papers and Tubes Shipped from Puerto Rico to the United States" (RIN1512–AC24) received on March 13, 2001; to the Committee on Finance.

EC–994. A communication from the General Counsel of the General Accounting Office, transmitting, a report concerning the scope of congressional authority in election administration; to the Committee on Rules and Administration.

EC–995. A communication from the Director of Finance of the United States Capitol Historical Society, transmitting, the report of audited financial statements from January 31, 1998, 1999, and 2000; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute:

S. 143: A bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes (Rept. No. 107–3).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. HUTCHISON:

S. 527. A bill to amend the Internal Revenue Code of 1986 to exempt State and local political committees from duplicative notification and reporting requirements made applicable to political organizations by Public Law 106–230; to the Committee on Finance.

By Mr. BOND:

S. 528. A bill to amend the National Voter Registration Act of 1993 to modify the requirements for voter mail registration and for other purposes; to the Committee on Rules and Administration.

By Mr. CLELAND (for himself and Mr. MILLER):

S. 529. A bill to provide wage parity for certain Department of Defense prevailing rate employees in Georgia; to the Committee on Governmental Affairs.

By Mr. GRASSLEY (for himself, Mr. JEFFORDS, Mr. LEAHY, Mr. MURKOWSKI, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DORGAN, Mrs. FEINSTEIN, Mr. CRAIG, Mrs. MURRAY , Mr. JOHNSON, Mr. SCHUMER, and Mr. CONRAD):

S. 530. A bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind; to the Committee on Finance.

By Mrs. LINCOLN (for herself, Mr. CLELAND, and Mr. DORGAN):

S. 531. A bill to promote recreation on Federal lakes, to require Federal agencies responsible for managing Federal lakes to pursue strategies for enhancing recreational experiences of the public, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DORGAN (for himself, Mr. BAUCUS, Mr. BURNS, Mr. DASCHLE, Mr. JOHNSON, and Mr. CONRAD):

S. 532. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURBIN (for himself and Mr. FITZGERALD):

S. 533. A bill to provide for the equitable settlement of certain Indian land disputes regarding land in Illinois; to the Committee on Indian Affairs.

By Mr. CAMPBELL:

S. 534. A bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as "mad cow disease") and foot-and-mouth disease in the United States; to the Committee on Governmental Affairs.

By Mr. BINGAMAN (for himself, Mr. MCCAIN, Mr. DASCHLE, Mr. BAUCUS, Mrs. CLINTON, Mr. DOMENICI, Mr. FEINGOLD, Mr. KENNEDY, Mr. JOHNSON, Mrs. MURRAY, Ms. STABENOW, and Mr. WELLSTONE):

S. 535. A bill to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Cancer Prevention and Treatment Act of 2000; to the Committee on Indian Affairs.

By Mr. SHELBY:

S. 536. A bill to amend the Gramm-Leach-Bliley Act to provide for a limitation on sharing of marketing and behavioral profiling information, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. TORRICELLI (for himself and Mr. CORZINE):

S. 537. A bill to direct the Secretary of Transportation to require the use of dredged material in the construction of federally funded transportation projects; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SMITH of Oregon:

S. Res. 60. A resolution urging the immediate release of Kosovar Albanians wrongfully imprisoned in Serbia, and for other purposes; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 16

At the request of Mr. DASCHLE, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 16, a bill to improve law enforcement, crime prevention, and victim assistance in the 21st century.

S. 27

At the request of Mr. MCCAIN, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 27, a bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

S. 41

At the request of Mr. HATCH, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 41, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

S. 124

At the request of Mr. BROWNBACK, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 124, a bill to exempt agreements relating to voluntary guidelines governing telecast material, movies, video games, Internet content, and music lyrics from the applicability of the antitrust laws, and for other purposes.

S. 148

At the request of Mr. CRAIG, the names of the Senator from Minnesota (Mr. DAYTON), the Senator from Wisconsin (Mr. KOHL), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 148, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

S. 244

At the request of Mrs. FEINSTEIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 244, a bill to provide for United States policy toward Libya.

S. 275

At the request of Mr. KYL, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 275, a bill to amend the Internal Revenue Code of 1986 to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers, to preserve a step up in basis of certain property acquired from a decedent, and for other purposes.

S. 278

At the request of Mr. JOHNSON, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 278, a bill to restore health care coverage to retired members of the uniformed services.

S. 304

At the request of Mr. HATCH, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 304, a bill to reduce illegal drug use and trafficking and to help provide appropriate drug education, prevention, and treatment programs.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Nevada (Mr.

ENSIGN) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 349

At the request of Mr. HUTCHINSON, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 349, a bill to provide funds to the National Center for Rural Law Enforcement, and for other purposes.

S. 367

At the request of Mrs. BOXER, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 388

At the request of Mr. MURKOWSKI, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 388, a bill to protect the energy and security of the United States and decrease America's dependency on foreign oil sources to 50% by the year 2011 by enhancing the use of renewable energy resources conserving energy resources, improving energy efficiencies, and increasing domestic energy supplies; improve environmental quality by reducing emissions of air pollutants and greenhouse gases; mitigate the effect of increases in energy prices on the American consumer, including the poor and the elderly; and for other purposes.

S. 409

At the request of Mrs. HUTCHISON, the names of the Senator from North Dakota (Mr. CONRAD) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 409, a bill to amend title 38, United States Code, to clarify the standards for compensation for Persian Gulf veterans suffering from certain undiagnosed illnesses, and for other purposes.

S. 466

At the request of Mr. HAGEL, the names of the Senator from Montana (Mr. BAUCUS), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Georgia (Mr. CLELAND), the Senator from Minnesota (Mr. DAYTON), the Senator from Vermont (Mr. LEAHY), the Senator from Michigan (Ms. STABENOW), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 466, a bill to amend the Individuals with Disabilities Education Act to fully fund 40 percent of the average per pupil expenditure for programs under part B of such Act.

S. 509

At the request of Mr. MURKOWSKI, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 509, a bill to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes.

S. 525

At the request of Mr. GRAHAM, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 525, a bill to expand trade benefits to certain Andean countries, and for other purposes.

S. CON. RES. 23

At the request of Mrs. FEINSTEIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. Con. Res. 23, a concurrent resolution expressing the sense of Congress with respect to the involvement of the Government in Libya in the terrorist bombing of Pan Am Flight 103, and for other purposes.

S. RES. 21

At the request of Mr. MCCAIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. Res. 21, a resolution directing the Sergeant-at-Arms to provide Internet access to certain Congressional documents, including certain Congressional Research Service publications, Senate lobbying and gift report filings, and Senate and Joint Committee documents.

S. RES. 24

At the request of Mr. SANTORUM, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Res. 24, a resolution honoring the contributions of Catholic schools.

S. RES. 25

At the request of Mr. CRAIG, the names of the Senator from Connecticut (Mr. DODD), the Senator from Wisconsin (Mr. KOHL), the Senator from Utah (Mr. HATCH), the Senator from California (Mrs. BOXER), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of S. Res. 25, a resolution designating the week beginning March 18, 2001 as "National Safe Place Week."

S. RES. 43

At the request of Mr. MURKOWSKI, the names of the Senator from Kansas (Mr. ROBERTS), the Senator from Virginia (Mr. ALLEN), the Senator from Idaho (Mr. CRAPO), the Senator from Idaho (Mr. CRAIG), the Senator from Kansas (Mr. BROWNBACK), the Senator from Kentucky (Mr. BUNNING), the Senator from North Carolina (Mr. HELMS), the Senator from Utah (Mr. HATCH), the Senator from Wyoming (Mr. THOMAS), the Senator from Tennessee (Mr. THOMPSON), the Senator from Wyoming (Mr. ENZI), the Senator from New Hampshire (Mr. GREGG), the Senator from Nevada (Mr. ENSIGN), the Senator from Tennessee (Mr. FRIST), the Senator from Virginia (Mr. WARNER), the Senator from Montana (Mr. BURNS), the Senator from Oklahoma (Mr. NICKLES), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. Res. 43, a resolution expressing the sense of the Senate that the President should designate the week of March 18 through March 24, 2001, as "National Inhalants and Poisons Awareness Week."

AMENDMENT NO. 94

At the request of Mrs. LINCOLN, the names of the Senator from New York (Mrs. CLINTON) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of Amendment No. 94 proposed to S. 420, an original bill to amend title II, United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOND:

S. 528. A bill to amend the National Voter Registration Act of 1993 to modify the requirements for voter mail registration and for other purposes; to the Committee on Rules and Administration.

Mr. BOND. Mr. President, today I rise to introduce a commonsense election reform bill which we have entitled the Safeguard the Vote Act. I realize other reform issues have received a lot of media attention, but I think it is vital to focus on the fundamental issue of casting and counting votes honestly and fairly as well.

Over the past months, many Americans saw for the first time how actual vote counting is done or not done. We have had a real-life civics lesson that was as unexpected as it was frustrating. Those of us in positions of responsibility need to fix what needs fixing, reform what needs reforming, and prosecute where actual wrongdoing has occurred.

Voting is the most important civic duty and responsibility for citizens in our form of government. It should not be diluted by fraud, false filings in lawsuits, judges who do not follow the law, politicians who try to profit from confusion, and people who just abuse the system.

Let me be clear, at the same time voters must not be unduly confused by complicated ballots or confounded by inadequate phone lines or voting booths. These barriers to voting are absolutely unacceptable, and we need to make sure they do not exist.

Having said that—and I believe very strongly in it—I also say to some who want to hide the other abuses, do not try to use general confusion as an excuse or a justification for fraud.

I want to make one simple point as I begin. Vote fraud is not about partisanship. It is not about Democrats versus Republicans. It is not about the north side of St. Louis versus the south side of St. Louis. It is not about somebody getting a partisan advantage. It is about justice.

Vote fraud is a criminal not a political act. Illegal votes dilute the value of votes cast legally. When people try to stuff the ballot box, what they are really doing is trying to steal political power from those who follow election laws.

On election night in November of 2000, I was exercised and somewhat upset, one might say, as we learned about what was going on in St. Louis city where orders had been issued to keep the voting booths open in certain areas for an extended period of time. Lawyers appealed that decision, and the Missouri Court of Appeals shut them down. They wrote:

> (E)qual vigilance is required to ensure that only those entitled to vote are allowed to cast a ballot. Otherwise, the rights of those lawfully entitled to vote are inevitably diluted.

Unfortunately, what we have seen in St. Louis these past months has been nothing short of breathtaking. Some might say that we have even become a national laughingstock. We have dead people registering by mail.

This city alderman died more than 10 years ago. He was registered to vote on cards turned in just before the March 6 mayoral primary. We had people registering from vacant lots. The media in St. Louis was very aggressive, and they checked on some of the voter addresses. There was no building there. They did not even see the tents in which people were living.

Voter rolls in St. Louis had more names on the registered active and inactive list than there were people in St. Louis city. It begins to raise suspicions.

A city judge exceeded the law by providing extended voting hours for only selected polling places. Then there is the strange story of a plaintiff in that case who claimed he "has not been able to vote and fears he will not be able to vote because of long lines at the polling places and machine breakdowns." It was discovered he had two problems. He was dead, in which case long lines should not have been a problem because he was not going anywhere anyway.

The lawyer then came up with somebody else: Oh, what we really meant to say was a guy whose name is similar to that, so they tracked him out. The problem was he had already voted when the lawyers filed the sworn statement saying that he was worried about not being able to vote, which, I guess, we can only conclude meant he was worried about casting a second illegal ballot.

We have had felons voting, people not even registered voting. Just when you think we have seen it all—this is my favorite—here is the voting registration card that was sent in in October of 1994 by one Ritzy Mekler. The interesting thing about Ritzy Mekler is that Ritzy is a dog. We do not know how many times Ritzy may have voted, but this seems to be an unwarranted extension of the voting franchise. Much as I love dogs, I don't really think they should be voting. This is certainly a new avenue for those who like pets. But that is the kind of thing with which we need to deal.

The end result of all these revelations is that a city grand jury in St. Louis is now investigating fraudulent voter registration, and the lawyers involved have sent the U.S. attorney a 250-page report. People are beginning to take it seriously. You don't have to take my word for it. Local St. Louis city Democrats have had a few things to say.

St. Louis' current mayor, Clarence Harmon, said:

> I think there is ample, longstanding evidence of voter fraud in our community.

State representative Quincy Troupe said:

> There is no doubt in any black elected official's mind that the whole process has discouraged honest elections in the city of St. Louis for some time. We know that we have people who cheat in every election. The only way you can win a close election in this town, you have to beat the cheat.

From another side, 11th ward alderman, Matt Villa, said:

> Who knows who did it. But it is apparent they are trying to cheat and steal this election.

The St. Louis Post-Dispatch, which has been aggressively covering this story, noted on its editorial page:

> St. Louis appears to have a full-blown election scandal that grows with each newly discovered box of bogus registration cards.

As I noted earlier, I believe it is our duty to fix what needs to be fixed, reform what needs to be reformed, and prosecute where there has been wrongdoing. In St. Louis, I believe criminal prosecutions are being considered. Coupled with the bill I am introducing today, this should go a long way toward cleaning up what has gone wrong in St. Louis.

I might add, just the threat of criminal prosecutions appear to have made a difference in the mayoral primary in St. Louis last week. It was a lot more honest than it has been in a long time. There is nothing like the healthy atmosphere of possible criminal prosecutions to make people think maybe we should not try to steal this election.

Well, let me go through the list of things we found out are contributing to fraud.

The first obvious problem is the blatant fraud of the bogus voter registrations. With dead people reregistering, fake names, phony addresses, and dogs being registered, it is clear the system is being abused.

Nearly all of these fraudulent registrations were the mail-in forms. Our plan begins by addressing this type of fraud with a few simple reforms. These are changing Federal law, which in some instances, has actually facilitated voter fraud.

1. First-time voters who register by mail would be required to vote in person and present a photo ID the first time after registration. We trust that the local officials would recognize the dog if she came in—even with a photo registration.

2. If the follow-up registration card is returned to the election office as undeliverable by the post office, States would be allowed immediately to remove those names from the rolls, provided they made a good-faith effort to ensure that eligible voters would not be removed from the rolls.

3. Finally, the bill would give the States the authority to include on the mail registration form a place for notarization or other form of authentication. Under current Federal law, States are actually prohibited from including this safeguard.

I believe the incentives for the bogus addresses and fake names would be virtually eliminated by these simple safeguards, while all the legitimate efforts to encourage new voters to register could, should, and must continue.

The second major problem we have seen in St. Louis is that the voter rolls are so clogged up with incorrect or fraudulent data that legal voters are shortchanged. St. Louis city actually, as I said earlier, has more voters listed on its active plus inactive rolls than the voting age population of the city. That is not surprising if they are registering dead people, dogs, and people from vacant lots.

Even more amazing is the fact that the Secretary of State said in a recent report that 5,000 of the names on the inactive list are actually duplicates of other names on the inactive list. There are numerous other examples of names on both the active and inactive lists at the same time. These inactive lists are what is being used for election day registration and voting. They just go in and say my name is on the inactive list. Hundreds were allowed to vote in that instance.

Thus, it is painfully clear that something must be done to keep the voter rolls clean and accurate.

The bill I introduce includes two basic reforms to assist in the cleanup of voter rolls. First, it would require States to conduct a program of cleaning up lists wherever the voter roll list of eligible voters is larger than the number of people of voting age in that county or city. That seems to make only common sense. I can't imagine anyone opposing that if you have more people registered than you have people, something is wrong.

Second, my proposal adopts the commonsense approach just used by the St. Louis election board in their March primary. For those voters whose names have been moved to the inactive list, it would require that a photo ID be presented by the voter as part of their oral or written affirmation of their address when they seek to vote again. The board of elections just required this in last week's election, and that election seemed to go off without a hitch.

I believe these straightforward reforms will go a long way toward restoring the confidence in the voter registration and balloting process. But for those who insist on continuing their fraudulent activities, this bill strengthens criminal penalties for those who commit fraud or conspire to commit voter fraud.

Finally, given the dimensions of the vote fraud scandal in St. Louis, this legislation creates a national pilot project to clean up voter lists in St. Louis in order to assist in ending election day corruption across the Nation.

I have proposed that the Federal Election Commission run the project in St. Louis city and St. Louis County to develop a method we can use nationally to maintain accurate voter rolls and ensure that all properly registered voters are permitted to vote without wrongfully being disenfranchised by failure of their registration to be effective, or by allowing others who are not qualified and registered to vote, diluting their votes. The FEC would also coordinate records of voters registered to vote at places authorized under the National Voter Registration Act of 1993, along with State death and felony conviction records and the official voter registered for each polling place.

As the Missouri Court of Appeals wrote when they shut down the improper efforts to keep only certain polling places open:

> . . . (C)ommendable zeal to protect voting rights must be tempered by the corresponding duty to protect the integrity of the voting process. . . . (E)qual vigilance is required to ensure that only those entitled to vote are allowed to cast a ballot. Otherwise, the rights of those lawfully entitled to vote are inevitably diluted.

With these new tools, and some real leadership, the election boards of St. Louis City, and St. Louis County could get the big broom—and start cleaning up the mess. Criminal investigations are ongoing, I hope that anyone responsible for cheating will be caught and punished. But we must get a handle on the voter rolls. People who register and follow the rules shouldn't be frustrated by inadequate polling places and phone lines or confused by out-of-date lists. At the same time, we must require voter lists to be scrubbed and reviewed in a much more timely manner—so the cheaters cannot use confusion as their friend.

I certainly don't want St. Louis to have the lasting reputation described by my old friend Quincy Troupe:

> The only way you can win a close election in this town, you have to beat the cheat.

By Mr. GRASSLEY (for himself, Mr. JEFFORDS, Mr. LEAHY, Mr. MURKOWSKI, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DORGAN, Mrs. FEINSTEIN, Mr. CRAIG, Mrs. MURRAY, Mr. JOHNSON, Mr. SCHUMER, and Mr. CONRAD):

S. 530. A bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I rise today to introduce important tax legislation for myself and Senators JEFFORDS, LEAHY, MURKOWSKI, BREAUX, SMITH of Oregon, DORGAN, FEINSTEIN, CRAIG, MURRAY, JOHNSON, SCHUMER, and CONRAD.

This legislation, entitled the "Bipartisan Renewable Efficient Energy with Zero Effluent, (BREEZE) Act", extends the production tax credit for energy generated by wind for five years. The current tax credit is set to expire on January 1, 2002.

As author of the Wind Energy Incentives Act of 1993, I sought to give this alternative energy source the ability to compete against traditional, finite energy sources. I strongly believe that the expansion and development of wind energy must be facilitated by this production tax credit.

Wind, unlike most energy sources, is an efficient and environmentally safe form of energy production. Wind energy makes valuable contributions to maintaining cleaner air and a cleaner environment. Every 10,000 megawatts of wind energy produced in the United States can reduce carbon monoxide emissions by 33 million metric tons by replacing the combustion of fossil fuels.

Since the inception of the wind energy production tax credit in 1993, more than 1,128 megawatts of generating capacity have been put online. This generating capacity powers nearly 300,000 homes, or 750,000 people.

Over 900 megawatts of new wind energy capacity was added just last year, bringing wind energy generating capacity in the U.S. to more than 2,500 megawatts. This new wind energy will power the equivalent of over 240,000 American homes, while displacing over 1.8 million tons of carbon dioxide.

Equally important, wind energy increases our energy independence, thereby providing the United States with insulation from an oil supply dominated by the Middle East. Our national security is currently threatened by a heavy reliance on oil from abroad.

The price of wind energy has been reduced more than 80 percent in the past two decades, making it the most affordable type of renewable energy. In order to continue this investment in America's energy future, we must extend the production tax credit.

Currently, my own State of Iowa has 4 new wind power projects ready to go online just this year. These 4 projects, with the megawatt capacity of over 240, will join the already existing 20 facilities in Iowa. Even large petroleum producing States like Texas are recognizing the growing potential of wind energy. Texas has the third largest wind farm in the world, and plans to add 5 new facilities this year, adding to the 7 already online.

Moreover, wind energy has vast potential to contribute to California's electricity supply. As we all know, California is currently suffering because of an energy market with insufficient energy generation and production that is overly dependent on natural gas.

Just in the past few weeks, plans have been unveiled to develop what will be the world's two largest wind power plants in the Northwest. One will be installed on the Oregon-Washington boundary and the other at the U.S. Department of Energy's Nevada Test Site. Together, the two plants will have a capacity of 560 megawatts and will generate enough power annually to serve more than half a million people. In addition, a number of other new projects coming online this year in the West will also bring much-needed additional generating capacity to the region.

Wind energy also produces substantial economic benefits. For each wind turbine, a farmer or rancher can receive more than $2,000 per year for 20 years in direct lease payments. Iowa's major wind farms already pay more than $640,000 per year to landowners. In California, the development of 1,000 megawatts would mean annual payments of approximately $2 million to farm and forest landowners.

Extending the wind energy tax credit would allow for even greater expansion in the wind energy field. Wind is a domestically produced natural resource, found abundantly across the country. Because wind energy is homegrown, it cannot be controlled by any foreign power.

Wind energy can be harnessed without injury to our environment. Wind is a reliable form of power that is renewable and inextinguishable. This legislation ensures that wind energy does not fall by the wayside as a productive alternative energy source.

The Senate needs to extend this important legislation and I encourage my colleagues to join us in this effort.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Bipartisan Renewable, Efficient Energy with Zero Effluent (BREEZE) Act".

SEC. 2. 5-YEAR EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM WIND.

Section 45(c)(3)(A) of the Internal Revenue Code of 1986 (relating to wind facility) is amended by striking "January 1, 2002" and inserting "January 1, 2007".

By Mrs. LINCOLN (for herself, Mr. CLELAND, and Mr. DORGAN):

S. 531. A bill to promote recreation on Federal lakes, to require Federal agencies responsible for managing Federal lakes to pursue strategies for enhancing recreational experiences of the public, and for other purposes; to the Committee on Energy and Natural Resources.

Mrs. LINCOLN. Mr. President, I rise today to introduce the National Recreation Lakes Act of 2001—a bill that will recognize the benefits and value of recreation at federal lakes and give recreation a seat at the table in the management decisions of all our federal lakes. I am proud to be joined in this effort today by Senator CLELAND of Georgia and Senator DORGAN of North Dakota.

Recreation on our federal lakes has become a powerful tourist magnet, attracting some 900 million visitors annually and generating an estimated $44 billion in economic activity—mostly spent on privately-provided goods and services. And by the middle of this century, our federal lakes are expected to host nearly 2 billion visitors per year.

Yet, even with the millions of visitors each year to our lakes and reservoirs, recreation has suffered from a lack of unifying policy direction and leadership, as well as insufficient interagency and intergovernmental planning and coordination. Most federal agencies are focused on the traditional functions of man-made lakes and reservoirs: flood control, hydroelectric power, water supply, irrigation, and navigation. And often recreation is left out of the decision process.

This legislation will reaffirm that recreation is also an authorized purpose at almost all federal lakes and direct the agencies managing these projects to take action to reemphasize recreation programs in their management plans. This legislation will emphasize partnerships between the Federal Government, local governments, and private groups to promote responsible recreation on all our federal lakes.

It will establish a National Recreation Lakes Demonstration Program comprised of up to 25 lakes across the nation. At each of these federal lakes, the managing agency will be empowered to develop creative agreements with private sector recreation providers as well as state land agencies to enhance recreation opportunities. Rather than just building new federal campgrounds with tax dollars, we need to create new partnerships to provide support for building recreation infrastructure that is in line with visitor and tourist desires for recreation. The National Recreation Lakes Demonstration Program will be a pilot project to test these creative agreements and management techniques on a small scale to demonstrate their effectiveness at promoting recreation on federal lakes.

Second, this legislation will establish a Federal Recreation Lakes Leadership Council to coordinate the National Recreation Lakes Demonstration Program and coordinate efforts among federal agencies to promote recreation on federal lakes.

It also will include the Bureau of Reclamation and the U.S. Army Corps of Engineers in the Recreation Fee Demonstration Program. The Fee Demo Program has had wide successes in Arkansas and across the country in allowing individual parks and recreation areas to keep more of their fee revenues on-site to reduce the often overwhelming maintenance backlog.

The legislation will also provide for periodic review of the management of recreation at federal water projects—something long overdue. A great deal has changed since many of the water projects were authorized, yet the initial legislative direction from over 70 years ago continues to be the basis for the management practices now in the year 2001—and that is not right.

Finally, the legislation will provide new opportunities to link the national recreation lakes initiative with other federal recreation assistance efforts, including the Wallop-Breaux program for boating and fishing.

Let me give you a little background on how this legislation was developed. In 1996, the U.S. Senate recognized that recreation was becoming more important on federal lakes and conceived the National Recreation Lakes Study Commission to review the current and anticipated demand for recreational opportunities on federally managed lakes and reservoirs. The National Recreation Lakes Study Commission were charged to "review the current and anticipated demand for recreational opportunities at federally managed manmade lakes and reservoirs" and "to develop alternatives for enhanced recreational use of such facilities."

The Commission released its long-awaited report confirming the impact of recreation on federally-managed, man-made lakes in June of last year. The Commission also recognized that we are far from realizing their full potential. The study documented that these lakes are powerful tourist magnets, attracting some 900 million visitors annually and generating an estimated $44 billion dollars in economic activity—mostly spent on privately-provided goods and services.

During the Energy and Natural Resources Committee's hearing in 1999 on the Recreation Lakes Study, the chairman and I spent some time discussing how children today do not take full advantage of the outdoor opportunities that are available to them. It is so important that we encourage our children to enjoy the great outdoors that often times is less than an hour's drive away.

As the mother of twin 4-year-old boys, I feel we need to encourage our children to be children, not to become adults too quickly, to learn how to enjoy the outdoors. The only way we can do that is by exposing them to it early and often.

In this Nation, we have nearly 1,800 federally managed lakes and reservoirs. There are 38 in my home state of Arkansas. With so many federal lakes throughout the country, there's no reason why we shouldn't do all we can to promote recreation. I know that in Arkansas, we don't think twice about getting away to the lake for the weekend to go boating or fishing, or to just get away from the day-to-day grind. And that doesn't even begin to get into the tremendous economic impact from recreation on our federal lakes.

Last August, I conducted a tour of two of our Corps of Engineers managed lakes in Arkansas—Lake Ouachita and Greers Ferry Lake—to observe how our lakes are managed and to see where recreation falls on the priority list. I saw many opportunities where the Corps of Engineers, working with local officials and private citizens, could, through innovative management techniques, better provide for the recreation needs of the thousands of Arkansans that visit Arkansas' lakes each year. This bill will enable our federal lakes in Arkansas and around the country to invest in and manage for recreation so we all can enjoy a day out on the lake.

This bill is not an attempt to completely rewrite how federal lakes in this country are managed or to put recreation in front of all other authorized purposes at federal lakes. The National Recreation Lakes Act of 2001 will work with all current laws and regulations to ensure that recreation is given a seat at the table when the management decisions are made for our federal lakes.

This is a good bill. In everything from the creation of jobs to the money that tourists like myself spend at the marinas and local stores surrounding the lake—our Federal lakes and reservoirs have an immense recreational value that can and does bring revenues into our local economies. The best way to encourage and expand this aspect is to ensure that recreation is given a higher priority in the management of our federal lakes.

I encourage my colleagues to support this legislation and look forward to the debate on how we can promote recreation on our federal lakes.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Recreation Lakes Act of 2001".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) recreation is an authorized purpose at almost all Federal lakes;

(2) lakes created by Federal dam projects have become powerful magnets for diverse recreation activities, drawing hundreds of millions of visits annually and generating tens of billions of dollars in economic benefits;

(3) recreational opportunities are provided at such lakes, on surrounding land, and on downstream tailwaters by Federal agencies and through partnerships among Federal, State, and local government agencies and private persons; and

(4) the quality of recreational opportunities at and around Federal lakes depends on clean air and water and attractive viewsheds.

(b) PURPOSES.—The purposes of this Act are—

(1) to require Federal agencies responsible for management of lakes created by Federal dam projects to pursue strategies for enhancing recreational experiences at the lakes; and

(2) to direct Federal agencies to investigate the possibilities for the use of, and to use, creative management of the project lakes that optimizes both recreational opportunities and other purposes of the project lakes, including—

(A) provision of agricultural and municipal water supplies;

(B) provision of flood control and navigation benefits;

(C) production of hydroelectric power; and

(D) protection of water quality.

SEC. 3. DEFINITIONS.

In this Act:

(1) COUNCIL.—The term "Council" means the Federal Lakes Recreation Leadership Council established by section 5.

(2) NATIONAL RECREATION DEMONSTRATION LAKE.—The term "national recreation demonstration lake" means a project lake that is designated as a national recreation demonstration lake under section 4.

(3) PARTICIPATING AGENCY.—The term "participating agency" means—

(A) the Bureau of Indian Affairs;

(B) the Bureau of Land Management;

(C) the Bureau of Reclamation;

(D) the National Park Service;

(E) the United States Fish and Wildlife Service;

(F) the Forest Service;

(G) the Army Corps of Engineers;

(H) the Tennessee Valley Authority; and

(I) any other project lake management agency that participates in the Program at the request of the Council.

(4) PROGRAM.—The term "Program" means the national recreation lakes demonstration program established by section 4.

(5) PROJECT LAKE.—The term "project lake" means an impoundment of water that—

(A) is part of a water resources project operated, maintained, or constructed by or with the participation of any Federal agency;

(B) has a maximum storage capacity of 200 acre feet or more; and

(C) includes recreation as an authorized purpose.

(6) PROJECT LAKE MANAGEMENT AGENCY.—The term "project lake management agency" means a Federal agency that manages a project lake.

(7) RECREATION.—

(A) IN GENERAL.—The term "recreation" means—

(i) a water-related recreational activity that takes place on, adjacent to, or in a project lake or tailwater; and

(ii) a recreational activity or wildlife-related activity that takes place on federally managed land in the vicinity of a project lake that is permitted under a land management plan in effect on the date of enactment of this Act.

(B) INCLUSIONS.—The term "recreation" includes—

(i) boating (including power boating, sailing, rafting, kayaking, and canoeing), diving, swimming, camping, trail-based activities, and picnicking; and

(ii) fishing and other wildlife-related activity.

SEC. 4. NATIONAL RECREATION LAKES DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—There is established the National Recreation Lakes Demonstration Program consisting of the 25 national recreation demonstration lakes to be established under this Act.

(b) CRITERIA.—

(1) IN GENERAL.—The Council shall develop and establish criteria for use in selecting project lakes managed by participating agencies for designation as national recreation demonstration lakes.

(2) REQUIREMENTS.—The criteria shall—

(A) include lake size, diversity of current and potential recreational uses, opportunities for partnerships with private and public entities, and present and projected regional recreation demand; and

(B) require a strong showing of local support from the area of the lake, including support from State and local governments, private citizens, and businesses.

(3) CONSULTATION.—In developing the criteria, the Council shall consult with participating agencies to encourage the nomination of project lakes for the Program so as to include project lakes in all regions of the country and project lakes that will provide a variety of recreational experiences.

(c) NOMINATION OF NATIONAL RECREATION DEMONSTRATION LAKES.—A participating agency or an interest group located in the immediate vicinity of a project lake may nominate the project lake to become a national recreation demonstration lake by submitting to the Council a nomination in accordance with such procedures as the Council may establish.

(d) DESIGNATION OF NATIONAL RECREATION DEMONSTRATION LAKES.—

(1) IN GENERAL.—On receiving the nominations from participating agencies and local interest groups, the Council shall designate 25 project lakes to be national recreation demonstration lakes.

(2) SELECTION CRITERIA.—In selecting project lakes for designation as national recreation demonstration lakes, the Council shall endeavor to include project lakes in all regions of the country and project lakes that will provide a variety of recreational experiences.

(3) EFFECTIVE PERIOD.—A designation of a project lake as a national recreation demonstration lake shall be effective for a period not to exceed 10 years.

(e) AUTHORIZED ACTIVITIES AT NATIONAL RECREATION DEMONSTRATION LAKES.—

(1) ENHANCEMENT OF RECREATION ACTIVITIES.—Each participating agency shall use authorities under this Act to enhance opportunities for recreation activities on, in, and in the vicinity of national recreation demonstration lakes.

(2) NEW AUTHORITIES.—In accordance with the Act of October 22, 1986 (16.U.S.C 497b) and the Act of November 13, 1998 (16 U.S.C. 5951 et seq.), the head of any participating agency except the National Park Service may conduct any activity to experiment with permits, fees, concession agreements, and innovative management structures at a national recreation demonstration lake under the jurisdiction of the participating agency.

(3) ASSISTANCE TO UNITS OF LOCAL GOVERNMENT IN THE VICINITY OF A NATIONAL RECREATION DEMONSTRATION LAKE.—The head of any participating agency that manages a national recreation demonstration lake may carry out activities (including planning and marketing activities, the establishment of advisory boards, and other activities) to improve communications and cooperation between the agency and local community interests in the vicinity of the lake with respect to management of the national recreation demonstration lake.

(f) LOCAL ADVISORY COMMITTEES.—

(1) ESTABLISHMENT AND PURPOSE.—Under guidelines developed by the Council, the head of a participating agency shall establish, for each national recreation demonstration lake managed by the agency, a local advisory committee comprised of State and local government and private sector representatives.

(2) DUTIES.—The duties of a local advisory committee shall be to recommend and coordinate with project lake managers on projects proposed to be completed by the participating agency under the Program.

(3) OTHER AUTHORITIES AND REQUIREMENTS.—

(A) MEETINGS.—All meetings of a local advisory committee shall be announced at least 1 week in advance in a local newspaper of record and shall be open to the public.

(B) RECORDS.—A local advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

(C) COMPENSATION.—Members of a local advisory committee shall not receive any compensation.

(D) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to a local advisory committee established under paragraph (1).

SEC. 5. FEDERAL LAKES RECREATION LEADERSHIP COUNCIL.

(a) ESTABLISHMENT.—There is established a council to be known as the "Federal Lakes Recreation Leadership Council" as contemplated by the memorandum of agreement among the Secretary of the Interior, Secretary of Agriculture, Secretary of the Army, and Chairman of the Tennessee Valley Authority dated October 27, 1999.

(b) MEMBERSHIP.—The Council shall be composed of—

(1) the Secretary of the Interior (or designee), who shall serve as the Chairperson of the Council;

(2) the Secretary of the Army (or designee);

(3) the Secretary of Agriculture (or designee);

(4) the Director of the Tennessee Valley Authority (or designee);

(5) a representative of the recreation industry, appointed by the President;

(6) a representative of the National Association of State Park Directors, appointed by the President; and

(7) a director of a State Fish and Wildlife Agency, appointed by the President.

(c) Terms; Vacancies.—

(1) Term.—

(A) In general.—Except as provided under subparagraph (B), a member shall be appointed for the life of the Council.

(B) Presidential appointee.—A member of the Council appointed under paragraphs (5), (6), or (7) of subsection (b) shall be appointed for a term of 5 years.

(2) Vacancies.—A vacancy on the Council—

(A) shall not affect the powers of the Council; and

(B) shall be filled in the same manner as the original appointment was made.

(d) Purpose.—The purpose of the Council shall be to—

(1) increase the awareness of the social and economic values associated with project lake recreation among project lake management agencies and other stakeholders with an interest in recreation at project lakes;

(2) develop policies that provide an environment for success that emphasizes the role of recreation at project lakes;

(3) protect and manage recreation and other resources to optimize all resource benefits; and

(4) promote a process that will involve Federal, State, tribal, and local units of government and field managers in the planning, development, and management of recreation uses at project lakes.

(e) Duties.—The Council shall—

(1)(A) work to implement the goals and recommendations of the National Recreation Lakes Study Commission as detailed in the Commission's 1999 report entitled "Reservoirs of Opportunity"; and

(B) use the report as a guide for all Council actions;

(2) solicit each project lake management agency to become a participating agency;

(3) respond to requests for assistance from Members of Congress in drafting legislation, including new authorization and funding requirements, to best achieve the purposes of this Act;

(4) promote collaboration among agencies to provide training opportunities, interagency development assignments, and regular lake manager meetings;

(5) promote the development and consistency of—

(A) data collection at project lakes, including—

(i) making scientific assessments of watershed and natural resource conditions; and

(ii) making assessments of customer facility and infrastructure needs; and

(B) required maintenance schedules;

(6) promote agency policies that encourage construction, operation, and maintenance of high quality visitor and recreational services and facilities by concessioners and permittees at project lakes, including adequate opportunities for profitability and recovery of capital investments;

(7) develop consistent guidance to encourage construction, operation, and maintenance of commercial recreation facilities and other visitor amenities at project lakes;

(8) recognize and reward innovation and collaboration at project lakes;

(9) develop public information materials to identify the type and location of recreation facilities and programs at project lakes;

(10) promote cooperation and share new approaches from Federal and State managing agencies, Indian tribes, and the private sector to embrace a culture of innovation and entrepreneurship;

(11) develop training courses on business skills to close the recreation needs gap;

(12) support annual regional workshops with State, tribal, local, and private sector participants to seek feedback and assistance in achieving the goals of the Program;

(13) develop and establish an application and selection process to implement the Program;

(14) develop guidelines for the formation of local advisory committees to be established by project lake management agencies managing national recreation demonstration lakes; and

(15) develop and administer a competitive grant program for distributing available funds among national recreation demonstration lakes for purposes described in this Act under which—

(A) the total number of lakes improved under the program shall not exceed 25 lakes; and

(B) grants are provided in a manner that, to the maximum extent practicable, reflects the geographical diversity of the United States.

(f) Principles.—In all its actions and recommendations, the Council shall consider the following principles:

(1) Watershed health.—The health of the watersheds associated with project lakes must be protected.

(2) Neighboring communities.—Neighboring communities should be encouraged to participate in planning the recreation needs and other uses of project lakes to help to diversify the economic base of the community and promote sustainable practices to protect resources.

(3) Federal responsibilities.—Federal responsibilities to enhance recreation at project lakes while operating projects to optimize water use for all beneficial purposes should be reaffirmed.

(4) Management flexibility.—Management flexibility should be increased and support for management innovation should be demonstrated.

(5) Support.—Public and private support should be attracted to provide public outdoor recreation activities at project lakes.

(g) FACA.—The Council shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(h) Termination of Council.—The Council shall terminate 15 years after the date on which funds are first made available to carry out this section.

SEC. 6. PERIODIC REVIEW AND REVISION OF OPERATING POLICIES FOR PROJECT LAKES.

(a) Reports.—

(1) Project lake management agencies.—Not later than 1 year after the date of enactment of this Act, the head of each project lake management agency shall submit to the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and the Council a report that describes—

(A) actions taken by the agency to communicate to personnel of the agency the requirements of this Act and other laws relating to recreation use of project lakes; and

(B) actions to be taken by the agency to expand recreation opportunities at project lakes, including a schedule for taking the actions.

(2) Council.—Not later than 3 years after the date of enactment of this Act, and every 2 years thereafter, the Council shall submit to the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives a report describing actions taken by participating agencies to expand recreation opportunities at project lakes.

(3) Participating agencies.—

(A) Periodic reports.—The head of each participating agency shall periodically report to the Council regarding activities of the participating agency under this section.

(B) Comprehensive review.—Not later than 5 years after the date of enactment of this Act and at least once every 15 years thereafter, the head of each participating agency shall conduct a comprehensive review of operating policies for project lakes managed by the agency that describes—

(i) the actions taken by the agency to communicate to personnel of the agency the requirements of this Act and other laws relating to recreation use of project lakes; and

(ii) the actions to be taken by the agency to expand recreation opportunities at project lakes, including a schedule for taking the actions.

(b) Policies.—

(1) In general.—The head of each project lake management agency shall—

(A) revise the policies of the agency as necessary to incorporate new information and ensure coordinated management of project lakes to produce high levels of benefits for recreation and all authorized purposes and designated uses of project lakes; and

(B) where recreation is consistent with the project lake purposes and designated uses of project lands and waters, give recreation appropriate attention in all agency decisions and policies relating to the project lake.

(2) Tailwaters.—In conducting any activity relating to the tailwater of a project lake, the head of a project lake management agency shall—

(A) investigate ways to consider recreational uses dependent on water release schedules and release volumes;

(B) consider release schedules to enhance such opportunities and uses of the tailwater; and

(C) appropriately balance all of the purposes of the project.

SEC. 7. RECREATION FEE DEMONSTRATION PROGRAM.

Section 315 of the Department of the Interior and Related Agencies Appropriations Act, 1996 (16 U.S.C. 460l–6a note; Public Law 104–134), is amended—

(1) in subsection (a)—

(A) by inserting ", the Bureau of Reclamation," after "the National Park Service";

(B) by striking "Service) and" and inserting "Service),"; and

(C) by inserting before "shall each" the following: ", and the Secretary of the Army (acting through the Corps of Engineers)";

(2) in subsection (b), by striking "four agencies" and inserting "6 agencies"; and

(3) in subsection (e)—

(A) by striking "and" and inserting a comma; and

(B) by inserting ", and the Secretary of the Army" before "shall carry out".

SEC. 8. USE OF FEDERAL WATER PROJECT FUNDING FOR MATCHING REQUIREMENTS FOR RECREATION PROJECTS AT NATIONAL RECREATION DEMONSTRATION LAKES.

(a) Federal Water Project Recreation Act.—The Federal Water Project Recreation Act is amended—

(1) in section 2 (16 U.S.C. 460l–13)—

(A) in subsection (a), by striking "it and to bear" and all that follows through "recreation," and inserting "the project,"; and

(B) in subsection (b)—

(i) by striking "recreation and"; and

(ii) by striking "recreation or";

(2) in section 3 (16 U.S.C. 460l–14)—

(A) in subsection (b)(1), by striking "it and will bear" the first place it appears and all that follows through "recreation," and inserting "the project,"; and

(B) in subsection (c), by striking paragraph (2); and

(3) in section 4 (16 U.S.C. 460l–15), by striking "recreation and" and all that follows through "those purposes" and inserting "fish and wildlife purposes".

(b) FEDERAL AID IN FISH RESTORATION ACT.—The Act of August 9, 1950 (16 U.S.C. 777 et seq.) is amended by striking the first section 13 (relating to effective date) and the second section 13 (relating to State use of contributions) and inserting the following:

"SEC. 13. APPLICATION OF FEDERAL WATER PROJECT SPENDING TO NON-FEDERAL SHARE OF COVERED RECREATION PROJECTS.

"(a) DEFINITIONS.—In this section:

"(1) COVERED RECREATION PROJECT.—The term 'covered recreation project' means construction or reconstruction of a facility for recreation at a national recreation demonstration lake that is carried out with assistance under this Act.

"(2) NATIONAL RECREATION DEMONSTRATION LAKE.—The term 'national recreation demonstration lake' has the meaning given the term in section 2 of the National Recreation Lakes Act of 2001.

"(3) RECREATION.—The term 'recreation' has the meaning given the term in section 2 of the National Recreation Lakes Act of 2001.

"(b) TREATMENT OF USE OF AMOUNTS APPROPRIATED FOR A FEDERAL WATER PROJECT.—The use for any covered recreation project of amounts appropriated for a Federal water project shall be treated as payment of the non-Federal share of costs required under this Act.".

(c) FEDERAL AID IN WILDLIFE RESTORATION ACT.—The Act of September 2, 1937 (16 U.S.C. 669 et seq.) is amended—

(1) by redesignating section 10 as section 11; and

(2) by inserting after section 9 the following:

"SEC. 10. APPLICATION OF FEDERAL WATER PROJECT SPENDING TO NON-FEDERAL SHARE OF RECREATION PROJECTS.

"(a) DEFINITIONS.—In this section:

"(1) COVERED RECREATION PROJECT.—The term 'covered recreation project' means construction or reconstruction of a facility for recreation at a national recreation demonstration lake that is carried out with assistance under this Act.

"(2) NATIONAL RECREATION DEMONSTRATION LAKE.—The term 'national recreation demonstration lake' has the meaning given the term in section 2 of the National Recreation Lakes Act of 2001.

"(3) RECREATION.—The term 'recreation' has the meaning given the term in section 2 of the National Recreation Lakes Act of 2001.

"(b) TREATMENT OF USE OF AMOUNTS APPROPRIATED FOR A FEDERAL WATER PROJECT.—The use for any covered recreation project of amounts appropriated for a Federal water project shall be treated as payment of the non-Federal share of costs required under this Act.".

SEC. 9. COST-SHARE ASSISTANCE FOR RECONSTRUCTION OR REPLACEMENT OF RECREATION FACILITY.

(a) ASSISTANCE AUTHORIZED.—The head of each project lake management agency may provide financial assistance to a State or local agency to cover a portion of the total costs incurred for the reconstruction or replacement of a recreation facility operated under an agreement with the State or local agency at a project lake.

(b) COSTS INCLUDED.—The total costs of reconstruction or replacement of a recreation facility include the costs associated with all components of the reconstruction or replacement project, including—

(1) project administration;

(2) the provision of technical assistance; and

(3) contracting and construction costs.

(c) LIMITATION.—Assistance provided under subsection (a) shall not be used for costs incurred in maintaining or operating the recreation facility.

SEC. 10. RELATIONSHIP TO OTHER LAWS.

This Act does not affect—

(1) the purposes of any project lake authorized before the date of enactment of this Act;

(2) the authority of any State to manage fish and wildlife; or

(3) the authority of any State or the Federal Government to enter into any agreement relating to a project lake.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act $10,000,000 for each of fiscal years 2002 through 2006, to remain available until expended.

(b) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available under subsection (a) may be used to pay administrative costs incurred by the Secretary of the Interior in coordinating the activities of the Council and participating agencies under this Act.

Mr. DORGAN. Mr. President, I want to express my support for the National Recreation Lakes Act which is being introduced today by Senator BLANCHE LINCOLN and others. This bill will give recreation interests a seat at the table when decisions are made about the use of Federal lakes. I think that this bill in an important part of recognizing the great benefits that our Federal lakes provide to communities all across the country.

This bill creates a pilot program that will encompass 25 national recreation demonstration lakes. These lakes will ensure that recreational interests get a voice in the decision making process. We rely on these lakes for so many different things: irrigation, hydro-power, navigation. In many cases, recreational interests are an afterthought. This bill will give recreation the priority that it deserves.

Lake Sakakawea is located in my home state of North Dakota. I have worked with the community leaders there to try and make the importance of recreational interests a part of the discussion regarding the level of the lake and the use of the water in the lake. This is a perfect example of a lake that would benefit from this legislation.

I commend Senator LINCOLN for the hard work that she has done on this legislation and I look forward to working with her to move this bill through the legislative process.

By Mr. DORGAN (for himself, Mr. BAUCUS, Mr. BURNS, Mr. DASCHLE, Mr. JOHNSON, and Mr. CONRAD):

S. 532. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. DORGAN. Mr. President, today, along with Senators BAUCUS, BURNS, DASCHLE, JOHNSON, and CONRAD, I am introducing legislation that would provide equitable treatment for U.S. farmers in the pricing of agricultural pesticides. This legislation would allow a state, a person, or a farm organization or cooperative/farm supply company to serve as a registrant for a Canadian pesticide which is identical or substantially similar to a U.S. registered pesticide. This bill is identical to the legislation I introduced last September.

The need for this legislation is as great as ever. We are about to start spring planting, and U.S. farmers are once again going to be required to pay more—in some cases almost twice as much—than their Canadian counterparts for crop protection products that are virtually identical in substance.

I have pointed out in the past that when the U.S.-Canada Free Trade Agreement came into effect, part of the understanding on agriculture was that our two nations were going to move rapidly toward the harmonization of pesticide regulations. Howsever, we have entered a new decade, and century, no less, and relatively little progress in harmonization has been accomplished that is meaningful to family farmers.

Since this trade agreement took effect, the pace of Canadian spring and durum wheat, and barley exports to the United States have grown from a barely noticeable trickle into annual floods of imported grain into our markets. Over the years, I have described many factors that have produced this unfair trade relationship and un-level playing field between farmers of our two nations. The failure to achieve harmonization in pesticides between the United States and Canada compounds this ongoing trade problem.

Our farmers are concerned that agricultural pesticides that are not available in the United States are being utilized by farmers in Canada to produce wheat, barley, and other agricultural commodities that are subsequently imported and consumed in the United States. They rightfully believe that it is unfair to import commodities produced with agricultural pesticides that are not available to U.S. producers. However, it is not just a difference of availability of agricultural pesticides between our two countries, but also in the pricing of these chemicals.

A year ago, our farmers were denied the right to bring a pesticide across the border that was cleared for use in our country, but was not available locally because the company who manufacturers this product chose not to sell it here. They were selling a more expensive version of the product here. The simple fact is, this company was using our environmental protection laws as a means to extract a higher price from our farmers. This simply is not right.

I have pointed out, time and time again, the fact that there are significant differences in prices being paid for essentially the same pesticide by farmers in our two countries. In fact, in a recent survey, farmers in the United States were paying between 117 percent and 193 percent higher prices than Canadian farmers for a number of pesticides. This was after adjusting for differences in currency exchange rates at that time.

The farmers in my state are simply fed up with what is going on. They see grain flooding across the border, while they are unable to access the more inexpensive production inputs available in our "free trade" environment. And I might add, this grain coming into our country has been treated with these products which our farmers are denied access to. This simply must end.

As I stated earlier, today, my colleagues and I are reintroducing legislation that would take an important step in providing equitable treatment for U.S. farmers in the pricing of agricultural pesticides. This bill would only deal with agricultural chemicals that are identical or substantially similar. It only deals with pesticides that have already undergone rigorous review processes and whose formulations have been registered and approved for use in both countries by the respective regulatory agencies.

The bill would establish a procedure by which states may apply for and receive an Environmental Protection Agency label for agricultural chemicals sold in Canada that are identical or substantially similar to agricultural chemicals used in the United States. Thus, U.S. producers and suppliers could purchase such chemicals in Canada for use in the United States. The need for this bill is created by pesticide companies which use chemical labeling laws to protect their marketing and pricing structures, rather than the public interest. In their selective labeling of identical or substantially similar products across the border they are able to extract unjustified profits from farmers, and create un-level pricing fields between our two countries.

This bill is one legislative step in the process of full harmonization of pesticides between our two nations. It is designed specifically to address the problem of pricing differentials on chemicals that are currently available in both countries. We need to take this step, so that we can begin the process of creating a level playing field between farmers of our two countries. This bill would make harmonization a reality for those pesticides in which their actual selling price is the only real difference.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REGISTRATION OF CANADIAN PESTICIDES BY STATES.

(a) IN GENERAL.—Section 24 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136v) is amended by adding at the end the following:

"(d) REGISTRATION OF CANADIAN PESTICIDES BY STATES.—

"(1) DEFINITIONS.—In this subsection:

"(A) CANADIAN PESTICIDE.—The term 'Canadian pesticide' means a pesticide that—

"(i) is registered for use as a pesticide in Canada;

"(ii) is identical or substantially similar in its composition to a comparable domestic pesticide registered under section 3; and

"(iii) is registered in Canada by the registrant of the comparable domestic pesticide or by an affiliated entity of the registrant.

"(B) COMPARABLE DOMESTIC PESTICIDE.—The term 'comparable domestic pesticide' means a pesticide—

"(i) that is registered under section 3;

"(ii) the registration of which is not under suspension;

"(iii) that is not subject to—

"(I) a notice of intent to cancel or suspend under any provision of this Act;

"(II) a notice for voluntary cancellation under section 6(f); or

"(III) an enforcement action under any provision of this Act;

"(iv) that is used as the basis for comparison for the determinations required under paragraph (4);

"(v) that is registered for use on each site of application for which registration is sought under this subsection;

"(vi) for which no use is the subject of a pending interim administrative review under section 3(c)(8);

"(vii) that is not subject to any limitation on production or sale agreed to by the Administrator and the registrant or imposed by the Administrator for risk mitigation purposes; and

"(viii) that is not classified as a restricted use pesticide under section 3(d).

"(2) AUTHORITY TO REGISTER CANADIAN PESTICIDES.—

"(A) IN GENERAL.—A State may register a Canadian pesticide for distribution and use in the State if the registration—

"(i) complies with this subsection;

"(ii) is consistent with this Act; and

"(iii) has not previously been disapproved by the Administrator.

"(B) PRODUCTION OF ANOTHER PESTICIDE.—A pesticide registered under this subsection shall not be used to produce a pesticide registered under section 3 or subsection (c).

"(C) EFFECT OF REGISTRATION.—A registration of a Canadian pesticide by a State under this subsection—

"(i) shall be deemed to be a registration under section 3 for all purposes of this Act; and

"(ii) shall authorize distribution and use only within that State.

"(D) REGISTRANT.—

"(i) IN GENERAL.—A State may register a Canadian pesticide under this subsection on its own motion or on application of any person.

"(ii) STATE OR APPLICANT AS REGISTRANT.—

"(I) STATE.—If a State registers a Canadian pesticide under this subsection on its own motion, the State shall be considered to be the registrant of the Canadian pesticide for all purposes of this Act.

"(II) APPLICANT.—If a State registers a Canadian pesticide under this subsection on application of any person, the person shall be considered to be the registrant of the Canadian pesticide for all purposes of this Act.

"(3) REQUIREMENTS FOR REGISTRATION SOUGHT BY PERSON.—A person seeking registration by a State of a Canadian pesticide in a State under this subsection shall—

"(A) demonstrate to the State that the Canadian pesticide is identical or substantially similar in its composition to a comparable domestic pesticide; and

"(B) submit to the State a copy of—

"(i) the label approved by the Pesticide Management Regulatory Agency for the Canadian pesticide; and

"(ii) the label approved by the Administrator for the comparable domestic pesticide.

"(4) STATE REQUIREMENTS FOR REGISTRATION.—A State may register a Canadian pesticide under this subsection if the State—

"(A) obtains the confidential statement of formula for the Canadian pesticide;

"(B) determines that the Canadian pesticide is identical or substantially similar in composition to a comparable domestic pesticide;

"(C) for each food or feed use authorized by the registration—

"(i) determines that there exists an adequate tolerance or exemption under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) that permits the residues of the pesticide on the food or feed; and

"(ii) identifies the tolerances or exemptions in the notification submitted under subparagraph (E);

"(D) obtains a label approved by the Administrator that—

"(i)(I) includes all statements, other than the establishment number, from the approved labeling of the comparable domestic pesticide that are relevant to the uses registered by the State; and

"(II) excludes all labeling statements relating to uses that are not registered by the State;

"(ii) identifies the State in which the product may be used;

"(iii) prohibits sale and use outside the State identified under clause (ii);

"(iv) includes a statement indicating that it is unlawful to use the Canadian pesticide in the State in a manner that is inconsistent with the labeling approved by the Administrator under this subsection; and

"(v) identifies the establishment number of the establishment in which the labeling approved by the Administrator will be affixed to each container of the Canadian pesticide; and

"(E) not later than 10 business days after the issuance by the State of the registration, submit to the Administrator a written notification of the action of the State that includes—

"(i) a description of the determination made under this paragraph;

"(ii) a statement of the effective date of the registration;

"(iii) a confidential statement of the formula of the registered pesticide; and

"(iv) a final printed copy of the labeling approved by the Administrator.

"(5) DISAPPROVAL OF REGISTRATION BY ADMINISTRATOR.—

“(A) In general.—The Administrator may disapprove the registration of a Canadian pesticide by a State under this subsection if the Administrator determines that the registration of the Canadian pesticide by the State—

“(i) does not comply with this subsection or the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); or

“(ii) is inconsistent with this Act.

“(B) Effective period.—If the Administrator disapproves a registration by a State under this subsection by the date that is 90 days after the date on which the State issues the registration, the registration shall be ineffective after the 90th day.

“(6) Labeling of canadian pesticides.—

“(A) In general.—Each container containing a Canadian pesticide registered by a State shall bear the label that is approved by the Administrator under this subsection.

“(B) Display of label.—The label shall be securely attached to the container and shall be the only label visible on the container.

“(C) Original canadian label.—The original Canadian label on the container shall be preserved underneath the label approved by the Administrator.

“(D) Preparation and use of labels.—After a Canadian pesticide is registered under this subsection, the registrant shall—

“(i) prepare labels approved by the Administrator for the Canadian pesticide; and

“(ii) conduct or supervise all labeling of the Canadian pesticide with the approved labeling.

“(E) Registered establishments.—Labeling of a Canadian pesticide under this subsection shall be conducted at an establishment registered by the registrant under section 7.

“(F) Establishment reporting requirements.—An establishment registered for the sole purpose of labeling under this paragraph shall be exempt from the reporting requirements of section 7(c).

“(7) Revocation.—

“(A) In general.—After the registration of a Canadian pesticide, if the Administrator finds that the Canadian pesticide is not identical or substantially similar in composition to a comparable domestic pesticide, the Administrator may issue an emergency order revoking the registration of the Canadian pesticide.

“(B) Terms of order.—The order—

“(i) shall be effective immediately;

“(ii) may prohibit the sale, distribution, and use of the Canadian pesticide; and

“(iii) may require the registrant of the Canadian pesticide to purchase and dispose of any unopened product subject to the order.

“(C) Request for hearing.—Not later than 10 days after issuance of the order, the registrant of the Canadian pesticide subject to the order may request a hearing on the order.

“(D) Final order.—If a hearing is not requested in accordance with subparagraph (C), the order shall become final and shall not be subject to judicial review.

“(E) Judicial review.—If a hearing is requested on the order, judicial review may be sought only at the conclusion of the hearing on the order and following the issuance by the Administrator of a final revocation order.

“(F) Procedure.—A final revocation order issued following a hearing shall be reviewable in accordance with section 16.

“(8) Suspension of state authority to register canadian pesticides.—

“(A) In general.—If the Administrator finds that a State that has registered 1 or more Canadian pesticides under this subsection is not capable of exercising adequate controls to ensure that registration under this subsection is consistent with this subsection, other provisions of this Act, or the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), or has failed to exercise adequate controls of 1 or more Canadian pesticides registered under this subsection, the Administrator may suspend the authority of the State to register Canadian pesticides under this subsection until such time as the Administrator determines that the State can and will exercise adequate control of the Canadian pesticides.

“(B) Notice and opportunity to respond.—Before suspending the authority of a State to register a Canadian pesticide, the Administrator shall—

“(i) notify the State that the Administrator proposes to suspend the authority and the reasons for the proposed suspension; and

“(ii) before taking final action to suspend authority under this subsection, provide the State an opportunity to respond to the proposal to suspend within 30 calendar days after the State receives notice under clause (i).

“(9) Limits on liability.—No action for monetary damages may be heard in any Federal court against—

“(A) a State acting as a registering agency under the authority of and consistent with this subsection for injury or damage resulting from the use of a product registered by the State under this subsection; or

“(B) a registrant for damages resulting from adulteration or compositional alteration of a Canadian pesticide registered under this subsection if the registrant did not have and could not reasonably have obtained knowledge of the adulteration or compositional alteration.

“(10) Disclosure of information by administrator to the state.—The Administrator may disclose to a State that is seeking to register a Canadian pesticide in the State information that is necessary for the State to make the determinations required by paragraph (4) if the State certifies to the Administrator that the State can and will maintain the confidentiality of any trade secrets and commercial or financial information provided by the Administrator to the State under this subsection to the same extent as is required under section 10.

“(11) Provision of information by registrants of comparable domestic pesticides.—

“(A) In general.—On request by a State, the registrant of a comparable domestic pesticide shall provide to the State that is seeking to register a Canadian pesticide in the State under this subsection information that is necessary for the State to make the determinations required by paragraph (4) if the State certifies to the registrant that the State can and will maintain the confidentiality of any trade secrets and commercial and financial information provided by the registrant to the State under this subsection to the same extent as is required under section 10.

“(B) Penalty for noncompliance.—

“(i) In general.—If the registrant of a comparable domestic pesticide fails to provide to the State, not later than 15 days after receipt of a written request by the State, information possessed by or reasonably accessible to the registrant that is necessary to make the determinations required by paragraph (4), the Administrator may assess a penalty against the registrant of the comparable pesticide.

“(ii) Amount.—The amount of the penalty shall be equal to the product obtained by multiplying—

“(I) the difference between the per-acre cost of the application of the comparable domestic pesticide and the application of the Canadian pesticide, as determined by the Administrator; and

“(II) the number of acres in the State devoted to the commodity for which the State registration is sought.

“(C) Notice and opportunity for hearing.—No penalty under this paragraph shall be assessed unless the registrant is given notice and opportunity for a hearing in accordance with section 14(a)(3).

“(D) Issues at hearing.—The only issues for resolution at the hearing shall be—

“(i) whether the registrant of the comparable domestic pesticide failed to timely provide to the State the information possessed by or reasonably accessible to the registrant that was necessary to make the determinations required by paragraph (4); and

“(ii) the amount of the penalty.

“(12) Penalty for disclosure by state.—

“(A) In general.—The State shall not make public information obtained under paragraph (10) or (11) that is privileged and confidential and contains or relates to trade secrets or commercial or financial information.

“(B) Disclosure.—Any State employee who willfully discloses information described in subparagraph (A) shall be subject to penalties described in section 10(f).

“(13) Data compensation.—A State or person registering a Canadian pesticide under this subsection shall not be liable for compensation for data supporting the registration if the registration of the Canadian pesticide in Canada and the registration of the comparable domestic pesticide are held by the same registrant or by affiliated entities.

“(14) Formulation changes.—

“(A) In general.—The registrant of a comparable domestic pesticide shall notify the Administrator of any change in the formulation of a comparable domestic pesticide or a Canadian pesticide registered by the registrant or an affiliated entity not later than 30 days before any sale or distribution of the pesticide containing the new formulation.

“(B) Statement of formula.—The registrant of the comparable domestic pesticide shall submit, with the notice required under subparagraph (A), a confidential statement of the formula for the new formulation if the registrant has possession of or reasonable access to the information.

“(C) Suspension of registration for noncompliance.—

“(i) In general.—If the registrant fails to provide notice or submit a confidential statement of formula as required by this paragraph, the Administrator may issue a notice of intent to suspend the registration of the comparable domestic pesticide for a period of not less than 1 year.

“(ii) Effective date.—The suspension shall become final not later than the end of the 30-day period beginning on the date of the issuance by the Administrator of the notice of intent to suspend the registration, unless during the period the registrant requests a hearing.

“(iii) Hearing procedure.—If a hearing is requested, the hearing shall be conducted in accordance with section 6(d).

“(iv) Issues.—The only issues for resolution at the hearing shall be whether the registrant has failed to provide notice or submit a confidential statement of formula as required by this paragraph.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(c) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136v(c)) is amended—

(A) in paragraph (1), by inserting "IN GENERAL.—" after "(1)";

(B) in paragraph (2), by inserting "DISAPPROVAL.—" after "(2)";

(C) in paragraph (3), by inserting "CONSISTENCY WITH FEDERAL FOOD, DRUG, AND COSMETIC ACT.—" after "(3)"; and

(D) by striking "(4) If the Administrator" and inserting the following:

"(4) SUSPENSION OF AUTHORITY TO REGISTER PESTICIDES.—Except as provided in subsection (d)(8), if the Administrator".

(2) The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prec. 121) is amended by striking the item relating to section 24(c) and inserting the following:

"(c) Additional uses.
"(1) In general.
"(2) Disapproval.
"(3) Consistency with Federal Food, Drug, and Cosmetic Act.
"(4) Suspension of authority to register pesticides.
"(d) Registration of Canadian pesticides by States.
"(1) Definitions.
"(2) Authority to register Canadian pesticides.
"(3) Requirements for registration sought by person.
"(4) State requirements for registration.
"(5) Disapproval of registration by Administrator.
"(6) Labeling of Canadian pesticides.
"(7) Revocation.
"(8) Suspension of State authority to register Canadian pesticides.
"(9) Limits on liability.
"(10) Disclosure of information by Administrator to the State.
"(11) Provision of information by registrants of comparable domestic pesticides.
"(12) Penalty for disclosure by State.
"(13) Data compensation.
"(14) Formulation changes.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section take effect 180 days after the date of enactment of this Act.

Mr. BURNS. Mr. President, I rise today to express my support of the Pesticide Harmonization Act. Last year, Senator DORGAN attempted to address this problem in the VA/HUD Appropriations Conference. I committed myself to work with him and move this legislation this year. I am a cosponsor of this bill because of this commitment and to even out a serious trade imbalance facing the agriculture industry in our country.

In my home State of Montana and many other western and mid-western States, we have faced a number of trade disputes between Canada and the United States. One of the most glaring discrepancies deals with pesticides. Chemicals that are sold for one price just across the border in Canada are sold at a considerably higher cost to American producers. Why does this happen you may ask? The EPA places strong regulations on chemicals used in the United States and therefore, the chemical companies believe they should hike up the prices to pay for their trouble.

The chemicals in Canada and the United States, in most cases, have the exact same chemical make-up. The same company manufactures them, but often gives them a different name and nearly always prices the American chemicals higher. The crops treated with chemicals our farmers are not allowed to use are easily imported into the United States. These crops were developed at a lower production cost and are now competing with American products. I am a strong believer in fair trade, but for free trade to actually occur, this problem must be addressed.

Currently, American farmers are facing a serious economic recession. Prices are the lowest they have been in a number of years and there does not appear to be a light at the end of the tunnel. Additionally, the West is looking at yet another year of severe drought. Already, snow packs are considerably below normal. Also, fertilizer costs are sky-rocketing with the high cost of fuel and energy. Compounding their problem is being forced to pay twice as much for nearly the same chemicals as their foreign neighbors.

If enacted, this bill would eliminate current obstacles and even the playing field for our farmers. It would allow States or individual producers to seek a registration for a Canadian pesticide. This could only be done if, upon request by the State, the pesticide is found to be identical or substantially similar to the U.S. pesticide. The EPA still has final authority to disapprove the registrations within 90 days. Once the pesticide is found to be the same or similar and the EPA approves, the State or individual can travel to Canada and purchase the chemical.

Our farmers and ranchers have been paying too much for their pesticides and chemicals for too long. From my years as a football referee, I learned everyone needs to follow the same rules to play the game. We need to make sure Canadian farmers and U.S. farmers are playing under the same rules. I believe this bill makes that happen. I look forward to working with my colleagues on this crucial issue to America's farmers and ranchers.

By Mr. CAMPBELL:

S. 534. A bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as "mad cow disease") and foot-and-mouth disease in the United States; to the Committee on Governmental Affairs.

Mr. CAMPBELL. Mr. President, today I introduce the Mad Cow Prevention Act of 2001 which would help ease the American consumer's growing concern about our food supply. We can no longer take for granted that our food supply will not be tainted by bovine spongiform encephalopathy, BSE, commonly known as Mad Cow Disease, which has infected over 175,000 cattle in Great Britain and Europe. We also should be concerned about the growing threat of foot-and-mouth disease and other associated diseases to America's meat supply.

The bill I introduce today establishes a Federal Interagency Task Force, to be chaired by the Secretary of Agriculture, for the purpose of coordinating actions to prevent the outbreak of Mad Cow Disease. The agencies will include the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Health and Human Service, the Secretary of Treasury, the Commissioner of the Food and Drug Administration, the Director of the National Institutes of Health, the Director of the Centers for Disease Control, the Commissioner of Customs, and any other agencies the President deems appropriate.

No later than 60 days after the enactment of this legislation the task force will submit to Congress a report which will describe the actions the agencies are taking and plan to take to prevent the spread of BSE and make recommendations for the future prevention of the spread of this disease to the United Sates. The Task Force should also consider and report on foot-and-mouth disease, chronic wasting disease and other diseases associated with our meat industries.

Recently, a situation developed in Texas prompting the quarantine of over a 1000 head of cattle. The animals were quickly purchased and taken out of the food chain by Purina. But, this incident shows how easily a contamination may start. It also has raised questions on how this disease can be controlled.

In order to address this problem, on February 9, 2001, I wrote to Secretary Veneman and requested a report from the USDA regarding our government's response to mad cow disease specifically addressing: what USDA is doing to address this problem; what other federal agencies are doing; what any future plans are; and how USDA proposes to prevent the introduction and spread of mad cow disease in the United States.

However, since I sent my letter to the USDA Secretary, the situation in Europe has gone from bad to worse. Therefore, I believe a government-wide approach is now necessary and that is why I am introducing this bill today. We simply must act quickly.

Currently, our nation's farmers and ranchers are benefitting from profitable good cattle prices, and our meat supply is safe. But, as a Western Senator from a state with a significant cattle industry that trades in the international market, I share the growing fears of constituents about the potential devastating impact mad cow disease would have if it spreads to and within the United States. The emerging potential for mad cow disease in the United States would also raise devastating health implications for humans. We cannot, in good conscience, take a chance that would allow an outbreak to occur in the U.S. which would destroy America's cattle industry and devastate consumers' confidence in our food supply.

In my home state of Colorado alone there are more than 3.15 million head of cattle and more than 12,000 beef producers. Nationwide, Colorado ranks 4th in cattle on feed and 10th in overall cattle numbers. Nearly one-third of Colorado counties are classified as either economically dependent on the cattle industry or a vital role in their economies. It is critical that we in Congress do everything we can to protect this industry in Colorado and across the country.

Over the past two months, there has been a series of news reports which highlight the spread of Mad Cow in Europe. Newsweek ran a cover story, ABC aired a provocative story and countless other reports have shown the potential situation we could face. And, today, the crisis surrounding foot-and-mouth disease is on the front page of our major newspapers. With the focus shifting to the United States, consumers are becoming wary and growing more concerned about the potential of the spread of the disease to our shores.

The Mad Cow Prevention Act of 2001 I introduce today is a necessary step towards addressing the potential disaster of this disease in our country. I urge my colleagues to support its speedy passage.

I ask unanimous consent that recent news clips, and the text of the bill be printed in the RECORD.

There being no objection, the additional material was ordered to be printed in the RECORD, as follows:

S. 534

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mad Cow Prevention Act of 2001".

SEC. 2. INTERAGENCY TASK FORCE.

(a) IN GENERAL.—There is established a Federal interagency task force, to be chaired by the Secretary of Agriculture, for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as "mad cow disease"), foot-and-mouth disease and related diseases in the United States.

(b) MEMBERSHIP.—The membership of the task force shall be composed of—

(1) the Secretary of Agriculture;

(2) the Secretary of Commerce;

(3) the Secretary of Health and Human Services;

(4) the Secretary of the Treasury;

(5) the Commissioner of Food and Drug;

(6) the Director of the National Institutes of Health;

(7) the Director of the Centers for Disease Control and Prevention;

(8) the Commissioner of Customs; and

(9) the heads of such other Federal departments and agencies as the President considers appropriate.

(c) REPORT.—Not later than 60 days after the date of enactment of this Act, the task force shall submit to Congress a report that—

(1) describes actions that are being taken, and will be taken, to prevent the outbreak of bovine spongiform encephalopathy, foot-and-mouth disease and related diseases in the United States; and

(2) contains any recommendations for legislative and regulatory actions that should be taken to prevent the outbreak of bovine spongiform encephalopathy, foot-and-mouth disease and related diseases in the United States.

[From ABCNEW.com: "20.20" Feature, Mar. 3, 2001]

COULD MAD COW REACH AMERICA?

SOME SCIENTISTS WORRY THE U.S. IS NOT TAKING PROTECTIVE MEASURES

Across Europe, hundreds of thousands of cows and bulls suspected of having mad cow disease have been ground up and stored in huge mounds in airplane hangars—still infected and dangerous to humans. Others are being incinerated but the ashes themselves are contaminated.

Michael Hansen, of the consumer advocacy group the Consumers Union, says the infectious strain is "virtually indestructible . . . it defies all of our thinking about what living things are and how they should act."

No cases of mad cow disease have been found yet in the United States, but some say America is not in the clear.

POSSIBLE THREAT IN UNITED STATES

Professor Richard Lacey is one of the leading experts on mad cow disease and was one of the first to sound the alarm in Britain. He says America needs to be very much on the alert. "It is just possible that there is no mad cow disease in the U.S.A., but I believe it's more likely there is, but not detected yet," he says.

Lacey, a microbiologist at Leeds University in England, was perhaps the most outspoken scientist to warn British authorities that human could contract bovine spongiform encephalopathy by eating infected beef. The warning was largely ignored and dismissed as scientifically impossible until five years ago when people began to die.

Victims of the degenerative brain disease lose their motor skills and slowly waste away. There is no vaccine and no treatment, which is why Lacey is concerned that the United States isn't doing all it could to protect itself.

The U.S. banned British beef and cattle products in 1989 and the American beef industry has taken additional precautions. The head of the National Cattleman's Beef Association, Chuck Shroeder, says that along with federal regulators, his group has actually gone through mock drills to prepare for the discovery of mad cow disease. Containment procedures have been planned and a full-scale public relations campaign is ready to go. "We're not just whistling on our way past the graveyard on this," he says.

Shroeder is confident that necessary measures have been taken and protections in place. "If the disease were ever discovered here, we could number one, identify it, number two contain it, and number three, eliminate it as quickly as possible." The government reports that its inspectors have yet to find a single cow with mad cow disease in the U.S.

FEEDING CATTLE TO CATTLE

How was mad cow disease able to spread from cow to cow in England and elsewhere in Europe?

A key reason, Lacey says, was the practice of including group-up remnants of cattle in cattle feed. This practice was widespread in Europe and, to a lesser extent, the United States.

Lacey refers to this as a kind of forced animal cannibalism.

When mad cow disease broke out, the practice of feeding cattle back to cattle was stopped in England, but it continued in the United States until four years ago. And Hansen says other potentially dangerous feeding practices now banned in the U.K. continue in the United States today.

It remains legal in the United States, for example, to "grind up cattle, feed them to pigs, and then grind up the pigs and feed them to the cows," says Hansen. Lacey calls this a "real danger," that "must be stopped immediately."

But government and industry officials say there's no reason to follow Europe in banning the practice, because there's no evidence to date that the disease can spread between pigs and cattle.

Lacey says nevertheless the United States should adopt the same ban as a precaution: "My advice to the U.S. authorities is to simply ban the incorporation of animal remains in animal feed."

But Shroeder defends U.S. practices. "We have been driven here by the best science that we can access, we have protected the U.S. beef supply very, very carefully," he says.

CHRONIC WASTING DISEASE: A DIFFERENT STRAIN?

There's another concern no so easily answered. There is growing concern about a possible American version of mad cow disease showing up in deer and elk in the West. It is called chronic wasting disease and some suspect it has already claimed human lives.

Hansen says this chronic wasting disease is dangerously similar to mad cow disease. "It's a different strain of the disease and it appears to be spreading in the wild," he says.

Tracie McEwen believes her 30-year-old husband Doug, who ate elk all his life, may have been a victim. He died of a rare brain disorder normally only seen in people older than 55, with symptoms remarkably similar to those who died the slow, agonizing death of mad cow disease in England.

The death of Tracie McEwen's husband and that of two others under the age of 30 have raised questions for health officials concerned about the similarity to mad cow disease.

Lacey thinks the "link between eating deer and getting a type of mad cow disease is very plausible," and it's one more reason that American authorities shouldn't think they have all the answers about the disease. He says, "you have to act on the assumption that the disease may well be there, because if you wait until you know it's there, then it's too late."

Meanwhile, some members of Congress have asked for an investigation into whether the government should be taking additional steps to protect against the spread of mad cow disease should it arrive in this country.

[From Newsweek, Mar. 12, 2001]

CANNIBALS TO COWS: THE PATH OF A DEADLY DISEASE

(By Geoffrey Cowley)

Health officials say they've got Mad Cow under control, but millions of unaware people may be infected. Why it could still turn into an epidemic.

Peter Stent was a seasoned dairyman, but he had never seen anything like this. Just before Christmas, in 1984, one of his cows at Pitsham Farm in South Downs, England, started shedding weight, losing its balance and acting as skittish as a cat.

When the vet came to investigate, the animal was acting completely crazy—drooling, arching its back, waving its head, threatening its peers. And by the time it died six weeks later, Stent was seeing the same symptoms in other cows. Nine were soon dead, and no one could explain why. The vet dubbed the strange malady Pitsham Farm syndrome, since it didn't seem to exist anywhere else. Little did he know.

Alison Williams was 20 years old at the time, and living in the coastal village of Caernarfon, in north Wales. She was bright and outgoing, a business student who loved to sail and swim in the nearby mountain lakes. but her personality changed suddenly when she was 22. She lost interest in other people, her father recalls, and quit school to live at home with her parents and her brother. She still enjoyed the outdoors, but she took to sitting alone on her bed, staring out the window for hours at a time. By 1992, Alison was having what her doctors diagnosed as nervous breakdowns, and by 1995 she had grown paranoid and incontinent. "A month before she died, she went blind and lost use of her tongue," her dad recalls. "She spent her last five days in a coma."

SOMETHING BIGGER?

Anyone with a television has heard such stories, maybe even sussed out the connection between them. Mad-cow disease, or bovine spongiform encephalopathy (BSE), has killed nearly 200,000 British and European cattle since it cropped up on Pitsham Farm. The human variant that Alison Williams contracted has claimed 94 lives as well. What few of us realize is that these tolls could mark the beginning of something vastly bigger. No one knows just how BSE first emerged. But once a few cattle contracted it, 20th-century farming practices guaranteed that millions more would follow. For 11 years following the Pitsham Farm episode, British exporters shipped the remains of BSE-infected cows all over the world, as cattle feed. The potentially tainted gruel reached more than 80 countries. And millions of people—not only in Europe but throughout Russia and Southeast Asia—have eaten cattle that were raised on it.

It's possible, of course, that the worst is already behind us. After dithering for a decade, governments in the United Kingdom and Europe have lately taken bold steps to control BSE. The number of bovine cases is now falling in Britain—and the United States has yet to even report one. American officials banned British cattle feed in 1988, as soon as scientists implicated it in BSE, and later barred the recycling of domestic cows as well. The U.S. government, the cattle industry and many experts now voice confidence in the nation's fire wall and say the risk to consumers is slight. In truth, however, America's safeguards and surveillance efforts are far weaker than most people realize. And in many of the developing countries that now face the greatest risk, such efforts are nonexistent. How many of the world's cattle are now silently incubating BSE? How many people are contracting it? The truth is, we don't know. "We have no idea how many deaths we're going to seek in the coming years," says Dr. Frederic Saldmann, a French physician who has recently seen both cows and people stricken in his country. "We've been checkmated."

Mad cow is the creepiest in a family of disorders that can make Ebola look like chickenpox. Scientists are only beginning to understand these afflictions. Known as transmissible spongiform encephalopathies, or TSEs, they arise spontaneously in species as varied as sheep, cattle, mink, deer and people. And once they take hold they can spread. Some TSEs stick to a single species, while others ignore such boundaries. But each of them is fatal and untreatable, and they all ravage the brain—usually after long latency periods—causing symptoms that can range from dementia to psychosis and paralysis. If the prevailing theory is right, they're caused not by germs but by "prions"—normal protein molecules that become infectious when folded into abnormal shapes. Prions are invisible to the immune system, yet tough enough to survive harsh solvents and extreme temperatures. You can freeze them, boil them, soak them in formaldehyde or carbolic acid or chloroform, and most will emerge no less deadly than they were.

[From the Washington Post, Mar. 14, 2001]

U.S. ADDS TO BAN ON EUROPEAN MEATS—FOOT-AND-MOUTH EPIDEMIC IS CITED

(By David Brown)

The Agriculture Department yesterday banned importation of most pork and goat products from the 15 European Union countries to protect American livestock from an epidemic of foot-and-mouth disease causing panic overseas.

Canada instituted a similar ban yesterday in an effort to keep the highly contagious animal disease out of North America. Foot-and-mouth does not spread to human beings, but can kill or severely sicken animals. The disease was last seen in the United States in 1929, and in Canada in 1952.

An epidemic of the disease broke out in England last month and French officials confirmed yesterday that it had found foot-and-mouth in a herd of cattle in the nation's northwest region. It was the first detection of the viral infection in the country since 1981 and the first case on the continent since the British outbreak began.

While the economic impact of the U.S. ban is relatively small, the move illustrates the level of concern about this pathogen in particular, and the ease of spread of infectious diseases across national boundaries in general.

The ban will cover about $294 million worth of meat products and about $1 million in live animals. The vast majority of the meat is pork from Denmark and other Scandinavian countries.

Certain dairy products, such as hard cheeses and yogurt, will not be covered by the ban. Canned hams also will not be affected by the ban. Importation of horses will be permitted.

"This temporary ban is in place for USDA to take time to assess our exclusion efforts as a precaution to ensure that we do not get" foot-and-mouth disease in the United States, said department spokeswoman Meghan Thomas.

A spokeswoman for the European Commission expressed surprise at yesterday's announcement, saying the organization learned of it from reporters. "We've had no formal prior notification," said Maeve O'Beirne. "We don't know what the definitive list [of banned products] O'Beirne. "We don't know what the definitive list [of banned products] will be. This is, hopefully, a temporary measure."

The value of the products is small compared to total meat imports to the United States, although not trivial. Total pork imports from all countries last year totaled slightly more than $1 billion in value. Beef and veal imports from all sources in 1999 were worth $2.1 billion.

This latest move almost eliminates nonfish meat imports from Europe. Beef imports from Britain were banned in 1989 as protection against bovine spongiform encephalopathy, also known as "mad cow disease." Beef and sheep products have also been banned from other European countries.

Nicholas D. Giordano, international trade specialist with the National Pork Producers Council, said the pork imported from Europe consists mostly of ribs produced in Denmark. The United States is a net exporter of pork, and European imports equal about 1 percent of U.S. pork production, he said.

Non-meat products covered by the new ban consist mostly of purebred pigs and pig seman, an Agriculture Department official said.

The ban was also praised by Sen. Tom Harkin (D–Iowa), a member of the Senate Agriculture Committee from a large pork-producing state.

"If [the disease] were to return to America, the results would be absolutely devastating," he said in a statement. "USDA is taking the right step in temporarily banning imports . . . Right now we just don't know how far this disease has spread. It is common sense to take protective measures."

Although horses can still be brought from Europe to the United States, they must be cleaned and disinfected, along with any equipment that accompanies them, said Thomas, the USDA spokeswoman. Straw and manure are burned.

Agriculture officials have alerted airports and ports of entry to more closely inspect travelers from Europe for products that might possibly carry the foot-and-mouth virus. Food-sniffing dogs are being used in some places. The virus can persist in feed and environmental surfaces for weeks, and people reporting visits to farms or contact with livestock must have any footwear disinfected.

French Agriculture Minister Jean Glavany yesterday announced that the disease had been found among cattle on a farm in Mayenne, between Paris and the Atlantic coast. The disease was evidently carried by sheep imported from Britain to a nearby farm, and then spread to the Mayenne cows.

In Britain, more than 120,000 carcasses have been burned because of the disease, the Agriculture Ministry said, with another 50,000 due for destruction. Separate cases have broken out at more than 200 farms and sluaghterhouses.

France has burned some 20,000 sheep that were imported from Britain before the outbreak was known, and another 30,000 homegrown animals that might have been exposed. Most other European countries have also burned animals imported from Britain. Now, they will presumably burn any recent imports from France as well—as some parts of Germany started doing yesterday.

The basic approach is to kill and burn any animal that may have been exposed to the disease. The animals are lined up, shot, and then piled around gasoline-stacked timbers for burning. Farms where even a single case was suspected now have no animals left—and thus no source of income. Governments are now gearing up large-scale compensation programs.

[From the New York Times, Mar. 14, 2001]

Meat From Europe Is Banned by U.S. as Illness Spreads

(By Christopher Marquis and Donald G. McNeil Jr.)

WASHINGTON, March 13.—The United States banned imports of animals and animal products from the European Union today after learning that foot-and-mouth disease had spread to France from Britain.

The Agriculture Department said it was taking the precaution to protect the domestic industry from a possible outbreak of the virus, which could cost the American industry billions of dollars in just one year.

The virus poses little danger to people, even if they eat the meat of infected animals. But it is virulently contagious and is devastating for cattle, swine, sheep, deer and other cloven-hoofed animals, which it generally debilitates and often leaves unable to grow or produce milk.

The ban, which applies to exports from all 15 countries of the European Union, prompted some European officials to complain that the Bush administration was overreacting.

But three members of the European Union—Belgium, Portugal and Spain—are closing their borders to French meat, as is Switzerland. Norway banned imports of French farm products, and Germany and Italy took protective measures. Canada also banned meat imports from the European Union, as well as from Argentina, which has found foot-and-mouth disease in the northwest. Argentina said it would voluntarily restrict beef exports.

Kimberley Smith, a spokeswoman for the Agriculture Department, said many items including most cheeses and cured or cooked meats, are not affected because they are heated in a way that kills the virus.

The ban is expected to hit pork producers the most. European beef is already banned by the United States because of mad cow disease, which can cause fatal Creutzfeldt-Jakob disease in humans.

The Agriculture Department is "taking this time to assess our exclusion activities as a precaution to ensure that we don't get foot-and-mouth disease in the United States," Ms. Smith said. She said the department could not say how long the ban would last.

Department officials did not detail which European products would be subject to the ban. But they said it would prohibit the importation of live swine, pork and meat from sheep and goats, regardless of whether it is fresh or frozen. Yogurt and most cheeses would be permitted, they said, because those sold in the United States are made from pasteurized milk.

Canned ham or any other food products that have been heated above 175 degrees Fahrenheit are permitted because such processing inactivates the virus, the officials said.

The production of such favored items as French brie and Italian prosciutto is closely monitored to meet stringent export standards, she said, so they are not affected by today's ban. Brie entering the United States is made from pasteurized milk and is considered safe.

A spokesman for the European Commission in Washington, Gerry Kiely, said the ban would cost European exporters as much as $458 million a year in sales. The agriculture department put the cost at $400 million at most.

Earlier today French officials confirmed that foot-and-mouth disease was found among cattle at a dairy farm in Laval, in northwestern France. Officials said farmers in the area had imported sheep from Britain, which is at the center of the current outbreak and has already slaughtered about 170,000 animals to contain the disease.

The disease, which is so infectious that it can be spread by footwear and cars, appeared in France despite tight precautions. The infected dairy farm, near La Baroche-Gondouin in the Mayenne district, was inside an isolation zone.

By Mr. BINGAMAN (for himself, Mr. McCain, Mr. Daschle, Mr. Baucus, Mrs. Clinton, Mr. Domenici, Mr. Feingold, Mr. Kennedy, Mr. Johnson, Mrs. Murray, Ms. Stabenow, and Mr. Wellstone):

S. 535. A bill to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Cancer Prevention and Treatment Act of 2000; to the Committee on Indian Affairs.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation with 11 original cosponsors, including Senators McCain and Daschle, entitled the "Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001." The legislation makes a simple, yet important, technical change to the "Breast and Cervical Cancer Treatment and Prevention Act" by correcting a provision of last year's bill to ensure the coverage of breast and cervical cancer treatment for Native American women.

The National Breast and Cervical Cancer Early Detection Program, funded through the Centers for Disease Control and Prevention, CDC, supports screening activities in all 50 states and through 15 American Indian/Alaska Native organizations. However, the CDC program provides funding only for screening services and not for treatment.

Last year's bill, which passed the Senate by unanimous consent and had 76 cosponsors, gives states the option to extend Medicaid treatment ooverage to certain women who have been screened by programs operated under the National Breast and Cervical Cancer Early Detection Program and diagnosed as having breast or cervical cancer. Through passage of the "Breast and Cervical Cancer Treatment and Prevention Act," for those women not otherwise eligible for Medicaid, States may elect to expand their Medicaid programs to provide breast and cervical cancer treatment as an optional benefit and receive an enhanced federal match to encourage participation.

Last year's legislation restricts Medicaid treatment coverage to those who have no "creditable coverage" or treatment options. Unfortunately, the term "creditable coverage" is defined under the Act to include the Indian Health Service, IHS. In short, the reference to IHS in the law effectively excludes Indian women from receiving Medicaid breast and cervical cancer treatment, as provided for under last year's bill, regardless of whether a State chooses to provide that coverage. Not only does the definition deny coverage to Native American women, but the provision runs counter to the general Medicaid rule treating IHS facilities as full Medicaid providers. My legislation corrects these issues.

During 2001, almost 50,000 women are expected to die from breast or cervical cancer in the United States despite the fact that early detection and treatment of these diseases could substantially decrease this mortality. While passage of last year's bill makes significant strides to address this problem, it fails to do so for Native American women and that must be changed as soon as possible.

In support of Native American women across this country that are being diagnosed through CDC screening activities as having breast or cervical cancer, my legislation would assure that they can also access much needed treatment through the Medicaid program. I urge its immediate adoption.

I request unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Breast and Cervical Cancer Treatment Technical Amendment Act of 2001".

SEC. 2. CLARIFICATION OF INCLUSION OF INDIAN WOMEN WITH BREAST OR CERVICAL CANCER IN OPTIONAL MEDICAID ELIGIBILITY CATEGORY.

(a) Technical Amendment.—The subsection (aa) of section 1902 of the Social Security Act (42 U.S.C. 1396a) added by section 2(a)(2) of the Breast and Cervical Cancer Prevention and Treatment Act of 2000 (Public Law 106-354; 114 Stat. 1381) is amended in paragraph (4) by inserting ", but applied without regard to paragraph (1)(F) of such section" before the period at the end.

(b) BIPA Technical Amendments.—

(1) Section 1902 of the Social Security Act (42 U.S.C. 1396a), as amended by section 702(b) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106-554), is amended by redesignating the subsection (aa) added by such section as subsection (bb).

(2) Section 1902(a)(15) of the Social Security Act (42 U.S.C. 1396a(a)(15)), as added by section 702(a)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as so enacted into law), is amended by striking "subsection (aa)" and inserting "subsection (bb)".

(3) Section 1915(b) of the Social Security Act (42 U.S.C. 1396n(b)), as amended by section 702(c)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as so enacted into law), is amended by striking "1902(aa)" and inserting "1902(bb)".

(c) EFFECTIVE DATES.—

(1) BCCPTA TECHNICAL AMENDMENT.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Breast and Cervical Cancer Prevention and Treatment Act of 2000 (Public Law 106–354; 114 Stat. 1381).

(2) BIPA TECHNICAL AMENDMENTS.—The amendments made by subsection (b) shall take effect as if included in the enactment of section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554).

By Mr. SHELBY:

S. 536. A bill to amend the Gramm-Leach-Bliley Act to provide for a limitation on sharing of marketing and behavioral profiling information, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SHELBY. Mr. President, I rise today to introduce the "Freedom From Behavioral Profiling Act of 2001." This legislation would require financial institutions to provide proper notice and obtain permission from a consumer before they could buy, sell or otherwise share an individual's behavioral profile.

Everyone recognizes the importance of insuring the accuracy and security of credit and debit card transactions. Without basic safety features, consumers would avoid non-cash transactions and our economy would greatly suffer as a result. However, financial institutions have taken their data gathering efforts far beyond what is necessary to protect consumers from fraud, inaccurate billing and theft. Companies are using transactional records generated by debit and credit card use and are developing detailed consumer profiles. From these files they know the food you eat, the drugs you must take, the places you go, and the books you read, as well as every other thing about you that can be gleaned from your buying habits.

Troubling as it is that financial institutions are assembling such profiles, I find it even more worrisome that these companies are selling and trading these intimate details without consumer knowledge or consent. In as much, "your" sensitive personal information has become a commodity bought and sold like some latter day widget. I believe the American people have the right to be informed of these activities and should have the option to decide for themselves whether or not their personal information is shared or sold.

I find it quite ironic that the very institutions that work so hard to secure sensitive corporate information are the same companies that work so hard to exploit the personal information of consumers. Unfortunately, it would seem that corporate America has decided that the "Golden Rule" is not applicable in the Information Age.

The American people are only now becoming aware of the behavioral profiling practices of the industry. The more they find out, the more they do not like it. That is why I am offering this legislation, to give the consumer the ability to control his or her most personal behavioral profile. Where they go, who they see, what they buy and when they do it, all of these are personal decisions that the majority of Americans do not want monitored and recorded under the watchful eye of corporate America.

Colleagues in the Senate, I hope you will join me in an effort to give the people what they want, the ability to control the indiscriminate sharing of their own personal, and private, consumption habits.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 60—URGING THE IMMEDIATE RELEASE OF KOSOVAR ALBANIANS WRONGFULLY IMPRISONED IN SERBIA, AND FOR OTHER PURPOSES

Mr. SMITH of Oregon submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 60

Whereas the Military-Technical Agreement Between the International Security Force ("KFOR") and the Governments of the Federal Republic of Yugoslavia and the Republic of Serbia (concluded June 9, 1999) ended the war in Kosovo;

Whereas in June 1999, the armed forces of the Federal Republic of Yugoslavia (Serbia and Montenegro) (in this resolution referred to as the "FRY") and the police units of Serbia, as they withdrew from Kosovo, transferred approximately 1,900 ethnic Albanians between the ages of 13 and 73 from prisons in Kosovo to Serbian prisons;

Whereas some ethnic Albanian prisoners that were tried in Serbia were convicted on false charges of terrorism, as in the case of Dr. Flora Brovina;

Whereas the Serbian prison directors at Pozarevac prison stated that of 600 ethnic Albanian prisoners that arrived in June 1999, 530 had no court documentation of any kind;

Whereas 640 of the imprisoned Kosovar Albanians were released after being formally indicted and sentenced to terms that matched the time already spent in prison;

Whereas representatives of the FRY government received thousands of dollars in ransom payments from Albanian families for the release of prisoners;

Whereas the payment for the release of a Kosovar Albanian from a Serbian prison varied from $4,300 to $24,000, depending on their social prestige;

Whereas Kosovar Albanian lawyers, including Husnija Bitice and Teki Bokshi, who are fighting for fair trials of the imprisoned have been severely beaten;

Whereas approximately 600 Kosovar Albanians remain imprisoned by government authorities in Serbia;

Whereas the Geneva Conventions of August 12, 1949, and their protocols give the international community legal authority to press for, in every way possible, the immediate release of political prisoners detained during a period of armed conflict;

Whereas, on July 16, 1999, the United Nations Mission in Kosovo (UNMIK) Special Representative to the Secretary General, Bernard Kouchner, formed an UNMIK commission on prisoners and missing persons for the purpose of advocating the immediate release of prisoners in four categories: sick, wounded, children, and women;

Whereas on March 15, 2000, the Kosovo Transition Council, a co-governing body with the Interim Administrative Council in Kosovo, repeated an appeal to the United Nations Security Council requesting the release of Kosovar Albanians imprisoned in Serbia;

Whereas on February 26, 2001, the FRY Assembly enacted an Amnesty Law under which only 108 of the 600 prisoners are eligible for amnesty; and

Whereas Vojislav Kostunica, as President of the Federal Republic of Yugoslavia (Serbia and Montenegro), is responsible for the policies of the FRY and of Serbia: Now, therefore, be it

Resolved,

SECTION 1. URGING THE IMMEDIATE RELEASE OF ALL KOSOVAR ALBANIAN PRISONERS WRONGFULLY IMPRISONED IN SERBIA.

The Senate hereby—

(1) calls on FRY and Serbian authorities to provide a complete and precise accounting of all Kosovar Albanians held in any Serbian prison or other detention facility;

(2) urges the immediate release of all Kosovar Albanians wrongfully held in Serbia, including the immediate release of all Kosovar Albanian prisoners in Serbian custody arrested in the course of the Kosovo conflict for their resistance to the repression of the Milosevic regime; and

(3) urges the European Union (EU) and all countries, including European countries that are not members of the EU, to act collectively with the United States in exerting pressure on the government of the FRY and of Serbia to release all prisoners described in paragraph (2).

AMENDMENTS SUBMITTED AND PROPOSED

SA 96. Mr. HATCH proposed an amendment to amendment SA 93 proposed by Mr. Reid to the bill (S. 420) to amend title II, United States Code, and for other purposes.

SA 97. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 82 submitted by Mr. Sessions and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

SA 98. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 58 submitted by Mr. Sessions and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

SA 99. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 88 submitted by Mr. Sessions and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

SA 100. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 85 submitted by Mr. Sessions and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

SA 101. Mr. LEAHY submitted an amendment intended to be proposed to amendment

SA 59 submitted by Mr. Sessions and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

SA 102. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 45 submitted by Mr. Bond and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

SA 103. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 88 submitted by Mr. Sessions and intended to be proposed to the bill (S. 420) supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 96. Mr. HATCH proposed an amendment to amendment SA 93 proposed by Mr. REID to the bill (S. 420) to amend title II, United States Code, and for other purposes; as follows:

Strike all after the words "Section 1" and insert the following:

(The language of the amendment is the text of bill S. 420, as reported from the Committee on the Judiciary, beginning with the word "SHORT" on page 1, line 3.)

SA 97. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 82 submitted by Mr. SESSIONS and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 1, line 3, strike "**TREASURY**" and all that follows through the end of the amendment and insert the following:

PROHIBITION ON ASSERTING CLAIMS IN CASES OF VIOLATIONS OF THE PRIVACY PROTECTIONS OF THE GRAMM-LEACH-BLILEY ACT.

A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.), may not assert any claim under this Act or the amendments made by this Act, against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements.

SA 98. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 58 submitted by Mr. SESSIONS and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 1, line 2, strike "**EXPEDITED**" and all that follows through the end of the amendment and insert the following:

PROHIBITION ON ASSERTING CLAIMS IN CASES OF VIOLATIONS OF THE PRIVACY PROTECTIONS OF THE GRAMM-LEACH-BLILEY ACT.

A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.), may not assert any claim under this Act or the amendments made by this Act, against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements.

SA 99. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 88 submitted by Mr. SESSIONS and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 1, beginning on line 7, strike "and the spouse of the debtor, combined" and insert ", or in a joint case, the debtor and the debtor's spouse".

SA 100. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 85 submitted by Mr. SESIONS and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, strike line 20, and insert the following:

audit was filed.

SEC. . PROHIBITION ON ASSERTING CLAIMS IN CASES OF VIOLATIONS OF THE PRIVACY PROTECTIONS OF THE GRAMM-LEACH-BLILEY ACT.

A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) may not assert any claim under this Act or any amendment made by this Act against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements.

SA 101. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 59 submitted by Mr. SESSIONS and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 3, strike line 14, and insert the following:

the terms of clause (i).

SEC. . PROHIBITION ON ASSERTING CLAIMS IN CASES OF VIOLATIONS OF THE PRIVACY PROTECTIONS OF THE GRAMM-LEACH-BLILEY ACT.

A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) may not assert any claim under this Act or any amendment made by this Act against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements.

SA 102. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 45 submitted by Mr. BOND and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, strike line 12, and insert the following:

fore the existing deadline expired.".

SEC. . PROHIBITION ON ASSERTING CLAIMS IN CASES OF VIOLATIONS OF THE PRIVACY PROTECTIONS OF THE GRAMM-LEACH-BLILEY ACT.

A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.) may not assert any claim under this Act or any amendment made by this Act against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements.

SA 103. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 88 submitted by Mr. SESSIONS and intended to be proposed to the bill (S. 420) to amend title II, United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 1, line 3, strike "No" and insert the following: "A creditor that fails to comply with the financial privacy requirements of subtitle A of title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.), may not assert any claim under this Act or the amendments made by this Act against any debtor for the amount of a debt that the debtor accrues on a credit card that is issued in violation of any such financial privacy requirements. No".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on March 22, 2001, in SH-216 at 9 a.m. The purpose of this hearing will be to review the Food Safety and Inspection Service.

Mr. President, I would also like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on March 29, 2001, in SR-328A at 9 a.m. The purpose of this hearing will be to review Environmental Trading Opportunities for Agriculture.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, March 29, 2001, at 2:30 p.m., in room SD-124 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to conduct oversight on the Administration's National Fire Plan.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey (202) 224-2878.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, March 14, 2001, at 9:30 a.m., on Internet tax.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 14, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, March 14, 2001, to hear testimony on Encouraging Charitable Giving.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, March 14, 2001, at 9:30 a.m., in room 485 of the Russell Senate Office Building to conduct a business meeting to consider the committee's views and estimates on the President's FY 2002 Budget Request for Indian Programs to be followed immediately by a hearing on S. 211, the Native American Education Improvement Act of 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, March 14, 2001, at 10 a.m., in Dirksen 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, March 14, 2001, at 9:30 a.m., to receive testimony on election reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentations of the Disabled American Veterans. The hearing will be held on Wednesday, March 14, 2001, at 10 a.m., in room 345 of the Cannon House Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 14, 2001, at 2 p.m., to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President of the Senate, and after consultation with the Democratic leader, pursuant to Public Law 106-286, appoints the following members to serve on the Congressional-Executive Commission on the People's Republic of China: The Senator from Montana (Mr. BAUCUS), the Senator from Michigan (Mr. LEVIN), the Senator from California (Mrs. FEINSTEIN), and the Senator from North Dakota (Mr. DORGAN).

ORDERS FOR THURSDAY, MARCH 15, 2001

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Thursday, March 15. I further ask unanimous consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of S. 420.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRASSLEY. Mr. President, for the information of all Senators, the Senate will immediately resume consideration of the bankruptcy legislation with 10 hours remaining for postcloture debate. Senator WELLSTONE will be recognized at 9:30 a.m. to offer any of his germane amendments. Following his time, Senator KOHL's amendment regarding the homestead issue will be debated for up to 90 minutes. Under the previous order, there will be two votes at 12 noon on Leahy amendment No. 19 and amendment No. 41. Further, amendments will be offered and debated during tomorrow's session, and therefore votes will occur throughout the day. It is hoped that we can complete action on the bill very early in the evening.

ADJOURNMENT UNTIL TOMORROW AT 9:30 A.M.

Mr. GRASSLEY. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:07 p.m., adjourned until Thursday, March 15, 2001, at 9:30 a.m.

EXTENSIONS OF REMARKS

IN COMMEMORATION OF PHILIP MORSE

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. DEUTSCH. Mr. Speaker, I rise today to commemorate a dear friend and distinguished citizen of South Florida, Mr. Philip Morse. Philip Morse's inspiring courage, successful business career, and generous philanthropic initiatives serve as a beacon of American achievement for the causes of peace, freedom, and humanity. Sadly, Mr. Morse passed away on March 9, 2001. Today, I wish to celebrate his life's achievements and mourn the passing of a great American.

Mr. Speaker, Philip Morse's life is a testament to the triumph of humanity over the greatest adversity, and the limitless opportunities earned by a hard-working American entrepreneur. Born as Ephraim Mushacski in Wolkowysh, Poland, Phil fled the 1939 Nazi invasions of his homeland and the horrors of the Holocaust. Traveling through Sweden, Russia, Japan, and Settle, he settled with relatives in New York City in 1940. Phil arrived in America as an impoverished refugee but through hard work and ingenuity, he realized his dreams of success and freedom. It was his unwavering commitment to the values of justice and liberty combined with his entrepreneurial and innovative spirit which lead to his great success in business.

Phil's training in the repair and reconditioning of industrial machinery led to the creation of the Morse Electro Products Corp. where Phil first revolutionized the sewing machine, then developed a new way to transform the cumbersome radio console into a compact stereo. This innovation greatly reduced the cost of stereo production, making stereos affordable for working Americans. In little time, the Morse Electro Products Corp. became a multi-million dollar company with factories in New York, Texas, and California, Phil's entrepreneurial enthusiasm and strong work ethic kept his business ventures successful throughout the twentieth century.

Mr. Morse's entrepreneurial spirit was equally matched by his commitment to the advancement of knowledge, peace, and freedom both in the United States and abroad. As a Holocaust refugee, Phil was a strong supporter of the Zionist movement and active promoter of business and cultural development in Israel. As a devoted member of his South Florida community, he was a founder of the Aventura-Turnberry Jewish Center-Beth Jacob Synagogue and a member of the Beth Jacob's Board of Directors.

In addition, Phil has been honored internationally for his commitment to spreading the values and culture of Judaism. For his efforts to bring together people of all races, religions, and ethnicity, the Anti-Defamation League awarded Phil the Torch of Liberty Award. In addition, for his visionary philanthropic leadership, he was awarded the Guardian of Israel Award by Shimon Peres. His care for both the spiritual and physical health of his community led to his founding of the Chair for Clinical Studies in Rheumatology at the Ben-Gurion University where he also served as a Board Member.

In short, Mr. Speaker, Philip Morse embodies the best of American ingenuity, devotion to community, and love of freedom and humanity. He was a pioneer of American industrial development, a virtual institution for South Florida's Jewish community, and internationally honored philanthropist. While we mourn his passing, Mr. Morse's profound legacy will be treasured by current and future generations.

IN HONOR OF THE 50TH ANNIVERSARY OF CENTRAL BANK OF KANSAS CITY

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today in tribute to a pillar of the Kansas City community, the Central Bank of Kansas City. This month marks the 50th anniversary of Central Bank's service to the residents and businesses of Northeast Kansas City.

Chartered in August of 1950, this financial institution has remained a stronghold in the community throughout the cultural and economic changes and growth that have occurred since it opened its doors. Through expansion and innovative services, Central Bank has demonstrated and continues to live up to its commitment and dedication to Northeast Kansas City.

The American Bankers Association Banking Journal considers Central Bank of Kansas City one of the top performing banks in its category. A leader in community development, the bank joined with Old Northeast, Inc. Community Development Corporation, in 1999, to construct thirty new homes in the Northeast Community for low and moderate income families. Central Bank has also partnered with the Kansas City Neighborhood Alliance and Bishop Sullivan Community Center in an effort to revitalize housing in the Blue Valley neighborhood. In addition to promoting housing and small business initiatives such as the First Step Fund designed to assist small business entrepreneurs, they serve on the Safe Neighborhood Grant Advisory Council, which addresses the quality of life for the residents.

Quality education is another priority of Central Bank. They participate in the "Bank at School" program which gives fifth grade students basic bank training. They participate on various boards such as the national Academy Foundation's business partnership for American education.

Mr. Speaker, I ask you to join me in celebrating the 50th anniversary of Central Bank of Kansas City. Its outstanding leadership serves the community well. Its continuing commitment to Old Northeast assures the vitality of this historic neighborhood.

MONTEREY BAY MEDICAL SURGERY CENTER FIRST EVER IN THE NATION TO BE ACCREDITED FOR OFFICE-BASED SURGERY

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. FARR of California. Mr. Speaker, I rise today to brag a little. In fact, I rise today to brag a lot. Why? Because again my district is the site of cutting-edge advances in health care services and health care technology.

On March 15, the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) will accredit the first office-based surgery practice in the nation. The Monterey Bay Medical Surgery Center and practice of Robert Mraule, D.D.S., M.D., and David Perrott, D.D.S., M.D., in Salinas, will be the first recipient of this standards-based accrediting process.

The Monterey Bay Medical Surgery Center was awarded office-based accreditation following a thorough on-site evaluation. The practice was evaluated on its compliance with no less than 146 standards that address key patient safety and quality issues, such as patient care, staffing, customer service, improving care and improving health, and responsible leadership.

The Monterey Bay Medical Surgery Center provides services for patients requiring surgical intervention, and care of oral and maxillofacial/cosmetic conditions. Digital radiography, anesthetic techniques and equipment, computerized patient education processes and electronic records are used there.

More than 8.3 million surgeries were performed last year in an estimated 41,000 office-based surgery sites across the United States. Experts predict the number will surpass those performed in hospitals in another year or two. This trend bespeaks the critical need for standards-based practices, like those developed by JCAHO, in order to protect patients and ensure only the highest quality of care from any office-based surgery practice to which they avail themselves.

As the nation's leading evaluator of safety and quality in healthcare organizations, JCAHO has more than 25 years' experience in promoting safe, high-quality care for patients

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

seeking care at more than 40 types of outpatient settings. The office-based surgery standards were established specifically for single sites of care with up to four physicians, dentists or podiatrists.

JCAHO evaluates and accredits nearly 19,000 health care organizations and programs in the United States. Accreditation is recognized nationwide as a symbol of quality that indicates that an organization meets certain performance standards. JCAHO has certainly chosen a good place to start its accreditation program of office-based surgery by starting in Salinas. Even more, it has chosen a solid model for others to follow in meeting the stringent JCAHO standards by choosing Drs. Mraule and Perrott. I congratulate them on their fine work and urge my colleagues to join me in acknowledging their contribution to health care services on the Central Coast of California.

IN HONOR OF JOHN GALLAGHER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. KUCINICH. Mr. Speaker, I rise today in tribute to John Gallagher. Known as "Bobo" by friends, John Gallagher dedicated himself to working for justice and creating a safer community. As bailiff for Judge Norm Fuerst, Mr. Gallagher strove to fight crime and create a more secure community. He worked hard and was dedicated to the public interest.

His dedication to his community did not end with his job. In his free time, Mr. Gallagher devoted himself to improving his neighborhood and creating a better home for his family. His love for his family could be seen in how he spoke of them to his friends, neighbors, and coworkers. John Gallagher contributed to the restoration of St. Colman Church and he worked tirelessly to support the West Side Irish Club. John Gallagher loved his country and was active in many political campaigns, working to advance the causes in which he believed.

Even greater than his dedication to his community was John Gallagher's commitment to his family. The father of three, John Gallagher always worked to help strengthen his family. He was a loving, caring father who saw the importance of creating a safe neighborhood for his family to live. He was proud of his family as well as his heritage. John Gallagher was always quick with a smile, or a kind comment or word of encouragement. John was, in the words of a longtime friend, a "ray of sunshine."

John Gallagher was a model citizen who recognized the connection between a strong family and a safe community. Throughout his life, he worked to strengthen both. He will be missed. My fellow colleagues, please help me in honoring John Gallagher.

TRIBUTE TO LEAMON KING

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. BACA. Mr. Speaker, I would like to salute Leamon King, of California. Leamon has been recognized by Adelante, California Migrant Leadership Council, and American Legion Merle Reed Post 124 as an outstanding individual who has made significant contributions to the improvement of education opportunities for Latino Children in California.

A lifelong educator in the Richgrove and Delano Elementary School Districts, Olympic Gold Medalist, World Record Holder on the 100 yard dash and Delano High School graduate, Leamon has provided a positive role model for the local youth.

Leamon was born on February 13, 1936 in Tulare, California. His parents were Loyd King and Beatrice Wallace King. They owned a farm in Earlimart, and Leamon lived there the first year of his life. His father, Loyd King, sold their farm in 1937, and the King family moved to Delano, California where Leamon completed his elementary and secondary education.

Leamon began his education at Ellington School and later transferred to Fremont School. His mother wanted him to learn music and to play the saxophone. The only elementary school in Delano with a band at that time was Cecil Avenue Elementary School, so he transferred to this school. While attending Cecil Avenue and learning music, Leamon began to excel in track as a sprinter, and was ultimately elected student body president.

Upon graduation from Cecil Avenue, Leamon transferred to Delano High School. He attended and won his first state meet at the age of fifteen during his freshman year in high school. During the next four years, Leamon King continued to excel as both a student and as a runner. This outstanding athlete provided a positive image for Delano High School and the City of Delano, as well as being a positive role model for students to emulate.

Following graduation from Delano High School in June 1954, Leamon began to pursue higher education at University of California, Berkeley. He was the first child in his family to pursue a college education. The April 10, 1956 Delano Record stated, "Delano Sprinter Ready for Olympics. Sophomore Leamon King, Delano High School graduate, a young man with wings on his feet, is California's newest hope for 'World's Fastest Human' honors, and the Bear sprint sensation will have ample opportunity to earn such acclaim this spring."

The following month Leamon King tied the world record for the 100-yard dash at the West Coast Relays in Fresno, California. Merle Reed Post 124 First Vice Commander Joe Viray and former educators Wayne and Wava Billingsley witnessed this spectacular event. They stated Leamon King's historic race was an awesome sight to see. It appeared as though Leamon King had wings on his feet as he majestically flew across the finish line and into the world record history book.

The Delano Record dated May 15, 1956 stated the following: "King's 9.3 Dash Brings Another Record to City. Delano became the home of two world champions Saturday when Leamon King, local resident and former Delano High School track star, ran the 100 yards dash in 9.3 at the Fresno Relays to tie the world record. King's victory brought another world record to Delano, making it the home of one the fastest sprinters and the residence of Lon Spurrier, holder of the world record for the 880. There is no city in the United States the size of Delano, which can boast two world champions."

Both Leamon King and Lon Spurrier were selected to participate in the 1956 Olympics in Melbourne, Australia. Delano became the only city of its size in the United States to have two representatives make the 1956 Olympic team. Because of the fame the City of Delano had received due to the athletic accomplishments of these two track stars, Leamon King and Lon Spurrier were the Grand Marshalls of the Eleventh Annual Harvest Holidays Parade on October 6, 1956.

During the October 1956 United States Olympic camp practice meet at Ontario, California, Leamon King set his second world record when he tied the 10.1 time for the world record for 100 meters set by Ira Murchison and Willie Williams in Germany the previous summer. Following this splendid achievement, Leamon traveled to Australia to represent the City of Delano and the United States. Dr. Clifford Loader, Mayor of Delano, also traveled to Australia to give support to the two Delano Olympic participants.

Delano High School Educator Gary Girard, who was serving as a staff writer for the Delano Record, stated in his article dated November 23, 1956, "King's Efforts Pulled U.S. to Victory in 400-Meter Relay at Olympic Games. Dr. Clifford Loader, Mayor of Delano, believes that it was the running of ex-Delano High star Leamon King that pulled the United States to victory in the 400-meter relay at the Olympic Games in Australia. The U.S. had stiff competition from Russia. Loader said that after the relay, Thane Baker, another member of the U.S. relay team ran over to hug King, realizing that it was his leg on the relay team that had won the race. King received a gold medal for his effort on the winning U.S. 400-meter relay quartet."

Following the Olympic games, the foursome set a New World record. In a meet with the British Empire, the U.S. team of King, Andy Stanfield, Thane Baker and Bobby Morrow set a new world mark of 1:23.8 for the 880 yard relay. The old mark was 1:24.

According to Leamon King, when he first arrived in Melbourne, he ran on grass and set a grass record. It appeared as though every time he ran, he would break a record.

Bakersfield Californian Staff Writer Kevin Eubanks stated "King's omission from the 100 meter team certainly didn't affect his moment in the spot light. The news that the world's fastest man was not competing in the 100 meter race was received as something of a shock by the rest of the sporting world." For his outstanding attributes as an athlete, Leamon King served as Grand Marshall for the Delano Cinco de Mayo Parade, was inducted into the University of California, Berkley Hall of Fame, and the Bob Elias Hall of Fame in Bakersfield, California.

During the past twenty-nine years, Leamon King has served as an educator in the Delano area. Mr. King taught for two years in Richgrove prior to transferring to the Delano Union School District where he has served as educator for the past twenty-seven years. Mr. King has taught the sixth grade at both Terrace Elementary and Almond Tree Middle School. During his tenure as an educator for the Delano Union School District, Mr. Leamon King has proven to be an extraordinary educator and is highly respected. This educator has served as an excellent example for his peers, as well as our youth.

On his sixty-fifth birthday this year, during Black History Month, the Delano Union School District named in Leamon's honor the athletic facilities at Almond Tree Middle School, which include the school gym and outside athletic facilities, including a track and basketball courts.

It is a pleasure to honor Leamon King, who has made and continues to make a difference for California youth and the Latino community.

CONDEMNING HEINOUS ATROCITIES THAT OCCURRED AT SANTANA HIGH SCHOOL, SANTEE, CALIFORNIA

SPEECH OF

HON. JIM DeMINT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. DEMINT. Mr. Speaker, what are we to make of the most recent school shooting in California? How do we respond to events that are so beyond belief, so tragic that goodness in our world appears no stronger than a flickering flame on a shrinking wick?

The accused is a scrawny, quiet fifteen-year-old named Andy. He was relentlessly picked on at his new school in San Diego. A victim of bullies, he found no refuge in his broken home. He longed for a relationship with his estranged mother. He searched for acceptance. "He tried to act cool, but he wasn't cool," said one skateboarder who saw him trying to fit in with a rougher crowd. He was relentlessly hounded for his haircut, his voice, and his clothes. Andy reached out to old friends. "He told me many times that I was the reason he hadn't killed himself," his closest friend from Maryland said.

Within minutes of the shooting, the televisions blared with quick-fix commentary. Gun control. Lack of self-control. Blame the parents. Blame the schools. The answers seemed empty, earthly, leaving many with more questions and more confusion.

I trust you will agree that Andy's actions are a condition of the heart. The answer lies in something more than smaller classroom sizes or higher test scores.

Tragically, a dark shadow of spiritual emptiness has eclipsed our reliance on the truth and dignity that come from a belief in God—the very essence of what provides us with guidance, worth, and meaning. I humbly offer this saying from Dorothy Sayers who writes that the problem is "the sin that believes in nothing, cares for nothing, seeks to know nothing, interferes with nothing, enjoys nothing, lives for nothing, finds purpose in nothing, and remains alive because there is nothing for which it will die."

That, my friends, is the challenge of our time. It is the desperate calls of Andy and the despondent cries of the victims. Our youth are looking for something beyond the nothing. It is my prayer that we give them a reason to believe.

TRIBUTE TO JOHN E. RUDOLPH

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. OXLEY. Mr. Speaker, I am honored today to salute an exceptional citizen and good friend of mine, John E. Rudolph.

John, the founder of Lima, Ohio-based Rudolph Foods Company, was recently presented with the Snack Food Association's (SFA) 2001 Circle of Honor Award. John and his wife, Mary, have transformed their small company that sold Mexican specialty snacks into the world's largest producer of pork rinds. In 1984 he was the first non-potato chip manufacturer to be elected SFA chairman. John's career path certainly exemplifies the American dream.

John has been an asset not only to his business, but also our country and his community. After graduating from college he served as an artilleryman in World War II. An active member in the community; he has been president of the Lima Rotary Club, president of St. Luke's Lutheran Church, chairman of the Lima YMCA and a member of the board of directors of Lima Memorial Hospital.

I would like to thank John on behalf of the people in the snack food industry, and the city of Lima for all of his service and devotion. Congratulations, John, on the fine award.

MARCH SCHOOL OF THE MONTH

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mrs. McCARTHY of New York. Mr. Speaker, I have named Powell's Lane Elementary School in Westbury as School of the Month in the Fourth Congressional District for March 2001. In February, Powell's Lane won Newsday's Stock Market Game for the third time.

John Ogilvie is Principal of Powell's Lane Elementary, and Dr. Constance R. Clark is the Superintendent of Schools for the Westbury School District.

I'm so excited to have such an innovative and remarkable school as School of the Month. Powell's Lane is singlehandedly training future Wall Street investors. There was a time when the stock market was too daunting and confusing even for adults, but new computer technology and the use of the web has cut through to many barriers—and Powell is making that happen every day.

Recently, Powell's Lane received the New York State School of Excellence Award, and is one of seven schools nominated by the state for the U.S. Department of Education Blue Ribbon Schools 2000–2001 Elementary School Program.

Powell's academic record—and their national recognition as a "Blue Ribbon School" nominee—displays the qualities of excellence that consistently train Long Island's students to excel through the rest of their lives.

The mission of Powell's Lane Elementary School focuses on child development, blending in academic achievement and social relationships. Powell's Lane Elementary teaches students in grades 3, 4 and 5, and has many achievements and programs of note. The students are involved in community outreach such as helping with Newsday's "Help a Family" campaign.

I commend Powell's Lane Elementary School for its innovation, and I look forward to great achievement from Powell's students.

IN HONOR OF GEORGE BECKER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. KUCINICH. Mr. Speaker, I rise today in recognition of George Becker, the recently retired president of the United Steelworkers of America. Through his leadership, courage and determination, labor unions across our nation have been revitalized and reenergized with a newfound strength.

George Becker became a member of the United Steelworkers of America when he became a mill worker in Granite City, Illinois. His determination and dedication to helping others allowed his ascent to the presidency of the union. As a vice-president of the United Steelworkers, George Becker organized a strike against Ravenswood Aluminum Corporation. Lasting over twenty months, the eventual resolution benefited steelworkers. The first major strike in years to offer positive tangible results, the Ravenswood protest was just the beginning of how George Becker worked to organize and lead the labor movement.

Upon becoming the president of the United Steelworkers of America, George Becker promptly restructured the union, bringing new efficiencies and operational improvements. He also worked to redefine its mission, so that the union would help foster new leaders for tomorrow. Creating the Legislative Internship Project, George Becker invited young people to become involved in the labor movement. He fostered a sense of community from within, and as President Becker was able to create a stronger labor union with a newfound political clout.

George Becker has continually fought and stood up for the steel industry in the United States. He founded Stand Up For Steel, an alliance of unions and steel manufacturers. United to help stop unfair trade practices, Stand Up For Steel has become an important organization in the battle to promote fair trade.

As George Becker ends his long term of service to the United Steelworkers of America, he leaves behind a stronger, more assertive union. He has spent a lifetime helping his fellow workers by representing and expressing their needs and concerns. My fellow colleagues, please join me in honoring Mr. George Becker.

TRIBUTE TO VERA FIGUEROA

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. BACA. Mr. Speaker, I would like to salute Vera Figueroa, of California. Vera has been recognized by Adelante, California Migrant Leadership Council and American Legion Merle Reed Post 124 as an outstanding individual who has made significant contributions to the improvement of education opportunities for Latino Children in California.

Delano High School Board Member, a highly respected community leader and cultural dance instructor, Vera has made major contributions to the youth and parents over the past years.

Born in El Paso, Texas, on January 4, 1937, daughter of Mrs. Elvira Villegas, Vera has five brothers and two sisters. Her family moved to Delano in 1946. Married since 1955 to Johnny Figueroa, they have three children: Lorriane Melendez, 28 years of age, who resides in McFarland, Johnny Figueroa III, 24 years, of Delano, and Edmundo Figueroa, age 14, a student at Delano High School.

Attending Fremont Elementary, Richgrove Elementary, and Delano High School, Vera graduated in 1955. She worked as a Community Aide at Delano High School from 1979 to 1985, and currently works at the school as a Record Clerk, since 1985.

Vera has been an active community volunteer, freely giving of her time, efforts, and talent. She has served as a coach for Delano Parks and Recreation, coaching 3rd to 12th grades, all sports. In honor of her achievements and volunteerism, Vera was appointed Delano Parks and Recreation Commissioner, July 1980—December 1984.

Vera is also known for dance. She has served as Dance Instructor at Albany Park and Fremont School for 2nd, 3rd and 4th graders.

She started dancing as "Vera" for the soldiers at Ft. Bliss and other places in Texas. While still in El Paso, she studied classical Spanish Dances. In Delano she continued to learn on her own. In the late 40s and early 50s she danced at both the Albany Park and Fremont Schools.

In the '70s she started the Figueroa Troup. It was multicultural group, featuring dances of Spain, Mexico, Russia, Hawaii, Japan and the Philippines. At one time the group included her daughter, and several other Cinco de Mayo Queen Contestants. They performed for the Boy Scouts Jamboree in Hayward and for the Men's Prison in San Luis Obispo. They performed in San Jose, Santa Ana, San Fernando, and Bakersfield.

Vera's love of dance and her Mexican culture inspired her to devote many hours to teaching the cultural dances of Mexico and Spain. She choreographed most Cinco de Mayo queen show pageants. She devoted thousands of hours to their celebration.

Vera served as Grand Marshal of the 30th Fiesta and Parade for Cinco de Mayo Fiesta, Inc., in Delano, in honor of her accomplishments and devotion to preserving the culture.

She also helped found Community of Concerned Parents for Better Education, (CCPBE), and has been President for four years. The group works for better education and greater parent participation. Under her leadership, CCPBE raised $2,000 for the Fremont School Track. They also provide $1,000 scholarship awards for Delano High graduates. Vera has always worked for better education for the community's economically and academically disadvantaged.

Vera has been a member of Delano High PTA and Terrace School PTA. As president of the CCPBE, she has been instrumental in helping with back-to-school nights at the Delano schools, contributing monies to Fremont School and many other local school activities.

It is a pleasure to honor Vera Figueroa, who has made and continues to make a difference for California youth and the Latino community.

SCHOOLYARD SAFETY ACT

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Ms. DUNN. Mr. Speaker, we continue to see tragic examples that reinforce the need for immediate action to stop the violence in our nation's schools. Today I am reintroducing, along with my colleagues PETER DEFAZIO and ZACH WAMP, the Schoolyard Safety Act. This legislation is aimed at keeping America's youth safe in their schools by establishing an incentive program for States to create a 24-hour holding period for students who bring guns to school.

The tragic May 1998 schoolyard shooting in Springfield, Oregon best illustrates the need for this bill's incentive program for States to impose a 24-hour holding period. As you may recall, a student showed up at school with a gun. He was immediately expelled and sent home. He was not, however, held to undergo psychological evaluation, nor was he placed in juvenile detention for further questioning. The next day, the student returned to his high school with a gun and used it to kill two classmates, and later, his parents.

Several hundred times a year, young people bring guns to school, and disciplinary action is taken. But we know that simply expelling a child does nothing to protect innocent students, communities, or the troubled youth himself. When a student brings a gun into the classroom, concrete steps must be taken immediately to deal with the problem. A 24-hour holding period would put the student into a secure environment where he can receive the attention he needs. This will not only protect the safety of other students and the public, but will ensure that the student carrying the gun receives proper counseling.

The Schoolyard Safety Act gives States access to Federal Incentive Grants for Local Delinquency Prevention Programs if they seek to create a 24-hour holding period. It does not mandate another burdensome Federal program; rather, it gives States greater flexibility to use their Federal dollars how they see fit. We believe local officials and educators know best how to solve the problem of youth violence.

School shootings show us how easily gun violence can break the heart of a community. Every man, woman, and child across America have the right to expect to live on a safe street and send their kids to a safe school. Children who learn in fear are learning the wrong lessons and we have a responsibility to do whatever we can to prevent future tragedies.

INTRODUCTION OF THE VOTING EQUIPMENT MODERNIZATION ACT OF 2001

HON. STEVE C. LaTOURETTE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. LATOURETTE. Mr. Speaker, today I introduced a measure called the "Voting Equipment Modernization Act of 2001" (VEMA) that will create a special tax "checkoff" segment on income tax returns so Americans can direct $1 to $2 of their tax dollars to help defray the cost of replacing antiquated voting machines across the country.

Mr. Speaker, the temporary election modernization checkoff on income tax forms will be separate from the current checkoff for the Presidential Election Campaign Fund. As with the presidential election checkoff, the voting equipment modernization checkoff will not increase a taxpayer's tax bill. Those filing individual tax returns would be able to contribute $1 and those filing jointly could contribute $2. More than 120 million individual income tax returns are filed each year.

The idea for a temporary election modernization checkoff came from a constituent of mine in Mentor, OH, who was embarrassed by events surrounding the November election and the accuracy of voting equipment across the country. In my home State of Ohio, 60 of the State's 88 counties use punch-card ballots similar to those used in Florida.

Mr. Speaker, right now we have a patchwork quilt of aging voting systems across the country and if the November election taught us anything it is that the patchwork quilt is a frayed mess. We have lottery machines that are far more modern and accurate than our current voting machines and that is just wrong.

My bill, the Voting Equipment Modernization Act of 2001, will establish a temporary checkoff on income tax returns that would allow taxpayers to designate $1 to $2 to the Federal Election Commission, which would then distribute funds to newly created Election Administration Improvement Funds in each State. The funding level for each State will be based on population derived from Census figures.

I believe Americans want modern voting equipment and know that State and local governments are not capable of bearing the enormous costs of replacing antiquated equipment. The cost of replacing voting equipment in each of the country's 191,000 voting precincts is estimated to cost at least $4 billion and some estimates have voting modernization costs exceeding $8 billion.

The current presidential tax checkoff has had mixed results, but I believe Americans will respond favorably to an opportunity to help defray the costs of new voting equipment if it will ensure accurate election results. Using Census figures as a guide, if 12 percent of Ohio taxpayers opted for the checkoff, it would amount to $1.35 million in revenue that could be used to update voting equipment and pay to train poll workers.

Participation in the checkoff to help pay for presidential elections has fallen since it was first initiated in 1972, and studies show that only 12.5 percent of Americans checked the box on their 1997 returns. The remainder left the box blank or checked "NO." Through 1999, about $1.2 billion had been designed for presidential elections.

I blame the low participation for the presidential checkoff on two factors: The public's unwillingness to help pay for increasingly hostile presidential elections, and widespread misunderstanding that checking off the box increases one's tax bill.

It is my belief that folks will be willing to do a tax checkoff if it will ensure that their vote will be counted and counted accurately. I think when folks realize this won't negatively impact their tax refund or tax bill, they will be willing to check the box.

Secretaries of State across the Nation agree that voting machines need to be modernized but they realize the costs will be enormous. The voting modernization checkoff will be a temporary measure to generate funds, and will only appear on tax return forms as long as there is a need to pay for new voting machines.

Mr. Speaker, States will be able to use money generated by the checkoff to purchase and maintain modern voting equipment, and educate and train those using the new voting equipment, including those working the polls on election day. Decisions about specific equipment and training would be left up to the States. Also, Puerto Rico will be excluded from this plan because it does not pay Federal taxes.

Mr. Speaker, I believe VEMA offers a simple, common-sense solution to a problem that must be remedied as soon as possible so we can restore accuracy and integrity to our voting system. I urge my colleagues to support the Voting Equipment Modernization Act of 2001.

PERSONAL EXPLANATION

HON. JIM MATHESON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. MATHESON. Mr. Speaker, on Tuesday, March 13, 2001, I was unable to cast votes on rollcall votes 46 and 47. However, had I been present, on rollcall vote 46 I would have voted "yea", and on rollcall vote 47 I also would have voted "yea".

CONDEMNING HEINOUS ATROCITIES THAT OCCURRED AT SANTANA HIGH SCHOOL, SANTEE, CALIFORNIA

SPEECH OF

HON. JIM LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 13, 2001

Mr. LANGEVIN. Mr. Speaker, I rise today to honor the victims of gun violence at Santana High School, the countless lives that have been affected by this tragic incident, and the numerous similar tragedies that have happened over the past few years. The violence at Santana is deeply disturbing. No child should fear for her life in school, and no child should feel so alienated that he perceives violence as his only option.

When Charles Andrew Williams entered school on Monday, March 5, he had already cried out for help. He had told his friends his plan. He had even told his friend's parent. In all, Andy Williams told over 20 people what he planned to do. But no one took him seriously and now two children are dead. While this was clearly an act of rage, it was also one of fear and desperation.

And sadly, Andy was not alone. Within 48 hours of his arrest, 16 other children in California had been arrested or detained for suspicion of gun-related violence. In fact, since Dylan Kelbold and Eric Harris killed thirteen of their classmates at Columbine High School almost two years ago, over eighteen separate incidents of student-to-student gun violence have occurred. Many more planned attempts to emulate this violence have gone unreported or perhaps never even known. Just six weeks ago in East Providence, Rhode Island, a hit list was found that was written by four fifth graders.

Many of us are at a loss to explain this explosion of school violence in recent years, but everyone agrees that we must address the mental health needs of our children. Education Secretary Rod Paige has attributed the rash of school shootings to 'alienation and rage.' A recent Secret Sservice study concluded that the common theme underlying perpetrators of violent crimes in schools is depression. Three-quarters of children committing these crimes have talked about or attempted suicide. More than two-thirds report having been bullied by their peers. Disturbing emotions of alienation and rage in our nation's schools are real and pervasive and deep-seated. We must take steps to alleviate this pain and provide the help that our children are crying out for in these violent actions.

Our schoolchildren need professional counselors who can help them cope with the pressures of being a teenager. They need supportive adults in their lives. They also need a moral compass that will help them sort through the violence that permeates our culture. What they do not need is easy access to weapons. Whatever alienation Andy Williams was feeling, he could not have committed such a heinous act without the help of a .22 caliber revolver.

Guns are simply too accessible to children today, and American children are suffering the consequences. The accidental death rate among children from gunshot wounds is nine times higher in the United States than in the other largest 25 industrialized countries combined, and at least six loopholes still exist that allow children and violent offenders obtain guns. Guns alone do not kill children, but in times of extreme emotional distress they enable a disturbed innocent child to become a murderer.

Efforts to increase children's self-esteem and to reduce their access to guns will decrease the number of these incidents. While I applaud my colleagues in honoring the children and families of Santana High School, I urge you to let this be the first step toward change, not the last. As one whose life was forever altered when a gun accidentally discharged, I know first hand that guns are dangerous and far too often fatal. For the sake of our children, I implore my colleagues to pass meaningful legislation to end school violence once and for all.

TRIBUTE TO JOE ORTIZ CARDONA

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. BACA. Mr. Speaker, I would like to salute Joe Ortiz Cardona, of California. Joe has been recognized by Adelante, California Migrant Leadership Council and American Legion Merle Reed Post 124 as an outstanding individual who has made significant contributions to the improvement of education opportunities for Latino children in California.

A highly-respected community leader in Earlimart for more than 33 years, a Barber by trade, Joe Cardona has spent most of his life helping others. He is active in improving the conditions of the people of Earlimart, in such areas as flood control, schools, health care, food and clothing acquisition and distribution, and support for families in need.

Joe was born in 1933 in Somerton, Arizona. His family migrated to Earlimart in 1940, where Joe enrolled in first grade at Earlimart Elementary School. Following the seasonal crops, Joe's family moved to Brawley where he graduated from eighth grade in 1948.

Joe enlisted in the Army in the late 1950's serving two years. In 1957, Joe studied and obtained his apprenticeship for Barbering from Moler Barber College, Fresno, California. In 1959, Joe married Cruz Amaya Cardona and raised four children, Larry, Joe Jr., Frankie and Vicky. In 1974, Joe was determined to receive a high school diploma. He enrolled in Adult Education at Delano Joint Union High School. Along with the forty-seven area citizens, he was one of the proud graduates of the commencement exercises in June 2, 1975.

Joe Cardona is a man of integrity, dependability and dedication. In 1967, understanding the poverty and hardships of some of the community members of Earlimart, he had an idea to have members of the community contribute to a fund, which could be used to assist families on the occasion of bereavement. With this idea the Earlimart Funeral Fund Association was formed and to-date Joe is still an active member of this organization, and besides the monetary support, you probably will see Joe attending the funerals and expressing his sympathy to the bereaved families.

Serving his country was one of Joe's proudest moments, and because of his active membership, he has received recognition for participation in the American Legion Post. Joe has proudly served in the position of president and commander of the American Legion Post. Representing the American legion Post 745, Joe helps raise funds for scholarship to annually honor a deserving Earlimart Junior High School student.

Joe helped coordinate the first Food Link Program for the community of Earlimart in 1995, dedicating countless hours gathering volunteers, and through his example, others have continued to take on this responsibility. This program continues to serve the needy families of this community. During the flood of 1997, Joe helped form a Flood Control Committee, gathering local active members, as well as invoking assistance from political representatives to help disaster stricken families, and was also involved in the issue of the White River Dam. Joe recruits volunteers to assist with the annual clean-up day activities in the community. One of Joe's biggest accomplishments is the annual Christmas "Give Away" to the needy families of the Earlimart community.

Joe has received recognition by the California State Assembly and California State Senate for outstanding leadership and community services. Joe speaks very softly, and with his congenial and humble character, never boasts of his accomplishments. If you know Joe personally, you are aware of the relentless hours he has served on various committees expressing concerns. Although the town of Earlimart is not incorporated, the majority of the community will still refer to Joe as the "Town Mayor" and through his dedication and commitment he has made the difference!

HUMAN RIGHTS AND REPUBLIC OF CHINA PRESIDENT CHEN SHUI-BIAN

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, while the world's attention has focused on human rights abuses in the People's Republic of China, attention ought also be given to the commendable human rights record of the Republic of China.

The Republic of China's constitution guarantees its citizens basic civil liberties, including freedom of peaceful assembly and association, freedom of speech and press, and freedom of religion. The Republic of China is also now a recognized full-fledged democracy that respects political rights, as evidenced by last year's election of President Chen Shui-bian in free and fair elections. This occasion marked the first time in Chinese society that an opposition party candidate was elected President. Son of a farm laborer, Mr. Chen was an active political reformer and activist for many years and served time in prison for his beliefs. After gaining his release, he served as a lawmaker and later as mayor of Tapei. His presidential victory last March 18 signaled to the world that true democracy has taken hold in the Republic of China.

In his inaugural address last May 20, President Chen announced: "We are willing to promise a more active contribution in safeguarding international human rights. The Republic of China cannot and will not remain outside global human rights trends. We will abide by the Universal Declaration of Human Rights, the International Convention for Civil and Political Rights, and the Vienna Declaration and Program of Action. We will bring the Republic of China back into the international human rights system. . . . We hope to set up an independent national human rights commission in Taiwan, thereby realizing an action long advocated by the United Nations. We will also invite two outstanding non-governmental organizations, the International Commission of Jurists and Amnesty International, to assist us in our measures to protect human rights and make the Republic of China into a new indicator for human rights in the 21st Century."

Mr. Speaker, I applaud President Chen's commitment to democracy and human rights. As we approach President Chen's first anniversary in office, I hope my colleagues will acknowledge his full commitment to safeguarding human rights in the Republic of China. President Chen and his cabinet ought to be applauded for their continuing efforts to make Taiwan one of the freest places on earth and for proving once again that political freedom and a prosperous market-oriented economy go hand-in-hand. I wish to congratulate president Chen and send him my support and best wishes.

ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mrs. MINK of Hawaii. Mr. Speaker, I rise in opposition to H.R. 3. It is based on unreal assumptions and fuzzy scenarios.

H.R. 3 income tax rate reductions for single taxpayers are as follows:

For taxable income up to $6,000 the current rate of 15 percent would be reduced under H.R. 3 and the Bush plan to 10 percent.

For taxable income between $6,000 and 27,050 the rate of 15 percent is unchanged.

For taxable income between $27,050 and $65,550 the current rate of 28 percent is reduced to 25 percent.

For taxable income between $65,550 and $136,750 the current rate of 31 percent is reduced to 25 percent.

For taxable income between $136,750 and $297,350 the current rate of 36 percent is reduced to 33 percent.

For taxable income above $297,350 the current rate of 39.6 percent is reduced to 33 percent.

These income tax rate changes take effect gradually over a 10-year period:

For single taxpayers with income under $6,000 the 15 percent rate is reduced to 12 percent in 2001 and 2002, to 11 percent in 2003 and 2004 and to 10 percent beginning in 2005.

The 15 percent tax rate on taxable income between $6,000 and $27,050 is unchanged.

For taxable income between $27,050–$65,550 the 28 percent rate is reduced to 27 percent in 2002 and 2003, to 26 percent in 2004 and 2005 and to 25 percent beginning in 2006.

For taxable income between $65,660–$136,750 the 31 percent rate is reduced to 30 percent in 2002, to 29 percent in 2003, to 28 percent in 2004, to 27 percent in 2005 and to 25 percent beginning in 2006.

For taxable income between $136,750–$297,350 the current 36 percent rate is reduced to 35 percent in 2002 and 2003, 34 percent in 2004 and 2005 and declines to 33 percent beginning in 2006.

For taxable income above $297,350, the current 39.6 percent rate is reduced to 38 percent in 2002, to 37 percent in 2003, to 36 percent in 2004, to 35 percent in 2005 and to 33 percent beginning in 2006.

This tax reduction plan has three fundamental flaws.

First, the tax cuts are premised upon there being a $5.6 trillion surplus over the next 10 years. But the actual surplus is much less, and the cost of the tax cuts are much larger than claimed.

The $5.6 trillion "surplus" includes $2.5 trillion from the Social Security Trust fund and $400 billion in the Medicare Trust funds. It also includes another $111 billion in the Military Retirement Trust Fund that is needed for the retirement benefits of our military personnel. That leaves only $2.6 trillion in real surpluses.

From that the Bush tax plan would cost $1.6 trillion in tax cuts leaving a surplus of $1 trillion. But the tax cuts would increase the Federal government's interest costs by $400 billion, leaving only a $600 billion surplus.

Making the tax cuts retroactive to January 1, 2001 adds another $100 billion in costs. Other Bush proposals, including adjustments to the alternative minimum tax, extending expiring tax credits, and promised spending add another $500 billion. Added together, the Bush proposal uses up all the non-Social Security surplus.

It is unconscionable to pass a tax cut based on Social Security and Medicare surpluses after you have promised not to touch this surplus.

In fact Congress has voted many times on legislation not to touch these surpluses (lock box.) Congress even took Social Security "off budget" to make sure Congress did not forecast "surpluses" based on surpluses currently accumulated in Social Security and Medicare Trust Funds.

These tax cuts endanger the Social Security–Medicare Trust Funds.

Second, President Bush states that he wants to pay down this debt. But his tax cuts mean that we will not be able to pay down the national debt.

Of the $5.7 trillion in current federal debt, the public holds $3.4 trillion. The remaining $2.3 trillion is held by the Social Security and

Medicare trust funds. The interest on the Federal debt in fiscal year 2000 was $362 billion.

But in fact the Bush plan does not pay down the debt, and threatens any possibility of paying it.

The Clinton 1993 Balanced Budget plan cut spending by $250 billion and raised revenues by $250 billion. Not a single Republican in the House or Senate voted for this in 1993. This courageous action by the Congress eliminated the annual budget deficits. It cost the Democrats plenty. In 1994 we lost 50 seats and the Republicans became the majority party.

In 1993 the annual deficit was $255.1 billion. The total national debt in 1993 had already reached $3.248 trillion. This debt was caused by faulty revenue projections under Reagan-Bush tax cuts. George W. Bush is repeating the same mistakes.

In FY 1998, under the Democrats budget plan, we achieved the first budget surplus since 1969 in the amount of $69.2 billion. The Social Security surplus was $99 billion and the Medicare surplus was $9 billion. In FY 1999 the budget surplus was $124.4 billion, the Social Security surplus was $124.7 billion and the Medicare surplus was $21.5 billion. In FY 2000 the surplus was $236.2 billion, the Social Security surplus was $151.8 billion and the Medicare surplus $30 billion. For the current FY 2001, the total surplus is estimated to be $281 billion, the Social Security surplus is estimated at $156 billion and the Medicare surplus at $29 billion.

If we don't pay down substantial portions of our debt with these surpluses the interest on our debt could increase by over $400 billion in 10 years.

Lastly, no one can make accurate economic forecasts covering ten years into the future.

Having served on the U.S. House of Representatives Budget Committee for 6 years, I can attest to the fact that none of the experts or agencies assigned the task of forecasting either the "deficit" or the "surplus" ever forecast it accurately nor did they even come close.

Any tax cut plan based on a "10 year" forecast of surpluses is totally unrealistic.

Even Federal Reserve Chairman Alan Greenspan has problems deciding whether the economy is going up or down in the next 3 months. How can we plan 10 years ahead? It is a course guaranteed to lead us to terrible consequences.

Then-Governor Bush led Texas, based on a "rosy scenario," to enact massive tax cuts which today has Texas reeling over a $700 million annual deficit.

Once you cut federal revenues by $1.6 trillion and if the surpluses melt away to deficits, we will repeat the 10 years of agony we all suffered under the Reagan-Bush deficits of 1982–1992 federal budgets.

For these reasons, I shall vote "no" on H.R. 3 and urge my colleagues to do the same.

IN MEMORY OF BEATRICE L. PETERSON

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. TRAFICANT. Mr. Speaker, today, I am deeply saddened to share the news of the passing of Beatrice L. Peterson.

Beatrice L. Peterson was born on June 16, 1931 to Raymond H. and Annabelle Allen McFate. She married Edward Kerr Peterson July 1, 1946 who died December 20, 1997. She is survived by a brother, Charles McFate; a sister, Mrs. Shirley Peterson; two daughters, Diane Was and Brenda Ellis; and a son, Edward K. Peterson, Jr. Two of her children, Rita Ann Peterson and Robert Carlson are deceased.

Beatrice was an amazing woman. A graduate of Choffin School of Nursing in Youngstown, she worked for over a decade at St. Joseph Riverside Hospital as a licensed practical nurse before retiring in 1985.

Beatrice loved the outdoors. Whenever she had a spare moment, she could be found outside, usually working in her garden. Camping was another of her beloved pastimes.

Beatrice Peterson will be sorely missed in the Bristolville community, where she loyally attended Grace Baptist Church. She touched the lives of many people, including mine, and was adored by all who had the privilege to know her. I extend my deepest sympathy to her friends and family.

SMALL BUSINESS TELECOMMUTING ACT

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. UDALL of Colorado. Mr. Speaker, today I am joined by my colleagues, Representatives FROST, OWENS, HILLIARD, MCKINNEY, BALDACCI, BLUMENAUER, CUMMINGS, DAVIS (IL), HINOJOSA, KUCINICH, MCGOVERN, TAUSCHER, BAIRD, BALDWIN, TUBBS JONES, UDALL (NM), WU, and JO ANN DAVIS (VA), in introducing the Small Business Telecommuting Act to assist our nation's small businesses in establishing successful telework programs for their employees. Senator JOHN KERRY of Massachusetts will be introducing companion legislation in the Senate.

Across America, numerous employers are responding to the needs of their employees and establishing telecommuting programs. In 2000, there were an estimated 16.5 million teleworkers. By the end of 2004, there will be an estimated 30 million teleworkers, representing an increase of almost 100%. Unfortunately, the majority of growth in new teleworkers comes from organizations employing over 1,500 people, while just a few years ago, most teleworkers worked for small to medium-sized organizations.

By not taking advantage of modern technology and establishing successful telecommuting programs, small businesses are losing out on a host of benefits that will save them money, and make them more competitive. The reported productivity improvement of home-based teleworkers averages 15%, translating to an average bottom-line impact of $9,712 per teleworker. Additionally, most experienced teleworkers are determined to continue teleworking, meaning a successful telework program can be an important tool in the recruitment and retention of qualified and skilled employees. By establishing successful telework programs, small business owners would be able to retain these valuable employees by allowing them to work from a remote location, such as their home or a telework center.

In addition to the cost savings realized by businesses that employ teleworkers, there are a number of related benefits to society and the employee. For example, telecommuters help reduce traffic and cut down on air pollution by staying off the roads during rush hour. Fully 80% of home-only teleworkers commute to work on days they are not teleworking. Their one-way commute distance averages 19.7 miles, versus 13.3 miles for non-teleworkers, meaning employees that take advantage of telecommuting programs are, more often than not, those with the longest commutes. Teleworking also gives employees more time to spend with their families and reduces stress levels by eliminating the pressure of a long commute.

Mr. Speaker, our legislation seeks to extend the benefits of successful telecommuting programs to more of our nation's small businesses. Specifically, it establishes a pilot program in the Small Business Administration (SBA) to raise awareness about telecommuting among small business employers and to encourage those small businesses to establish telecommuting programs for their employees.

Additionally, an important provision in our bill directs the SBA Administrator to undertake special efforts for businesses owned by, or employing, persons with disabilities and disabled America veterans. At the end of the day, telecommuting can provide more than just environmental benefits and improved quality of life. It can open the door to people who have been precluded from working in a traditional office setting due to physical disabilities.

Our legislation is also limited in cost and scope. It establishes the pilot program in a maximum of five SBA regions and caps the total cost to five million dollars over two years. It also restricts the SBA to activities specifically proscribed in the legislation: developing educational materials; conducting outreach to small business; and acquiring equipment for demonstration purposes. Finally, it requires the SBA to prepare and submit a report to Congress evaluating the pilot program.

Several hurdles to establishing successful telecommuting programs could be cleared by enacting our legislation. In fact, the number one reported obstacle to implementing a telecommuting program is a lack of know-how. Our bill will go a long way towards educating small business owners on how they can draft guidelines to make a telework program an affordable, manageable reality.

LEGISLATION TO CHANGE THE INTERNAL REVENUE CODE'S COST RECOVERY RULES

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. SHAW. Mr. Speaker, as a Member of Congress, I am continually seeking sound policy changes that will make and keep our economy productive, create jobs and improve the overall quality of life for Americans. It is my belief that an important elements of a productive economy is modern, efficient and environmentally responsible space for Americans to work, shop and recreate. In order to create and maintain such space, a building owner must regularly change, reconfigure or somehow improve office, retail and commercial space to meet the needs of new and existing tenants.

I believe that the Internal Revenue Code's cost recovery rules associated with leasehold improvements are an impediment for building owners needing to make such improvements. Therefore, I am pleased to introduce this legislation to change the cost recovery rules associated with leasehold improvements.

Simply stated, this legislation would allow building owners to depreciate specified building improvements using a 10-year depreciable life, rather than the 39 years required by current law, thereby matching more closely the expenses incurred to construct these improvements with the income the improvements generate under the lease.

To qualify under the legislation, the improvement must be constructed by a lessor or lessee in the tenant-occupied space. In an effort to ensure that the legislation is as cost efficient as possible, improvements constructed in common areas of a building, such as elevators, escalators and lobbies, would not qualify; nor would improvements made to new buildings.

Office, retail, or other commercial rental real estate is typically reconfigured, changed or somehow improved on a regular basis to meet the needs of new and existing tenants. Internal walls, ceilings, partitions, plumbing, lighting and finish each are elements that might be the type of improvement made within a building to accommodate a tenant's requirements, and thereby ensure that the work or shopping space is a modern, efficient, and environmentally responsible as possible.

Unfortunately, today's depreciation rules do not differentiate between the economic useful life of a building improvement—which typically corresponds with a tenant's lease-term—and the life of the overall building structure. The result is that current tax law dictates a depreciable life for leasehold improvements of 39 years—the depreciable life for the entire building—even though most commercial leases typically run for a period of 7 to 10 years. As a result, after-tax cost of reconfiguring, or building out, office, retail, or other commercial space to accommodate new tenants or modernizing workplace is artificially high. This hinders urban reinvestment and construction job opportunities as improvements are delayed or not undertaken at all.

Additionally, a widespread shift to more energy-efficient, environmentally sound building elements is discouraged by the current tax system because of their typically higher expense. If a greater conservation potential of energy-efficient lighting were to be realized, the demand for the equivalent of one hundred 1,000-megawatt powerplants could be eliminated, with corresponding reductions in air pollution and global warming.

Reform of the cost recovery rules for leasehold improvements has been long overdue. In the 106th Congress, this bill enjoyed widespread support with 144 Members co-sponsoring it. This legislation should be enacted this year. This would acknowledge the fact that improvements constructed for one tenant are rarely suitable for another, and that when a tenant leaves, the space is typically build-out over again for a new tenant. It is important to note that prior to 1981 our tax laws allowed these improvement costs to be deducted over the life of the lease. Subsequent legislation, however, abandoned this policy as part of a move to simplify and shorten building depreciation rules in general to 15 years. Given that buildings are now required to be depreciated over 39 years, it is time to face economic reality and reinstate a separate depreciation period for building improvements to tenant occupied space.

Mr. Speaker, I urge my fellow members to review and support this important job producing, urban revitalization legislation. I look forward to working with my colleagues on the Ways and Means Committee to enact this bill.

THE INTRODUCTION OF THE "ANTI-SPAMMING ACT OF 2001"

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. GOODLATTE. Mr. Speaker, unsolicited commercial e-mail, such as advertisements, solicitations or chain letters, is the "junk mail" of the information age. When unwanted mail is hand delivered to your home or post office box, you can ask the postmaster not to deliver it. When telemarketers call you at home you may ask to be taken off their solicitation list. But currently, there is no mechanism to prevent unwanted e-mail.

Jupiter Communications reported that in 1999 the average consumer received 40 pieces of spam. By 2005, Jupiter estimates, the total is likely to soar to 1,600. These numbers are truly astounding. Unsolicited e-mail messages burden consumers by slowing down their e-mail connections, and cause big problems for the small business owner who is trying to compete with larger companies and larger servers.

Consumers are not the only ones victimized by spam. In recent instances, unsolicited e-mail transmissions have paralyzed small Internet Service Providers (ISPs) by flooding their servers with unwanted e-mail. This has the potential to do great damages to small ISP companies and the communities they serve.

Currently, ISPs are developing programs that require the individual sending the unsolicited message to include a valid e-mail address, which can then be replied to in order to request that no further transmissions be sent. Under these programs, once the individual sending the original e-mail receives a request to remove an address from their distribution list, they are required to do so. However, offending spammers get around this requirement by using the e-mail address of an unsuspecting user to spam others.

To address this problem, I am introducing legislation to give law enforcement the tools they need to prosecute individuals who send unsolicited e-mail that clog up consumers' inboxes: the Anti-Spamming Act of 2001.

The Anti-Spamming Act would amend 18 U.S.C. § 1030 (which addresses criminal fraud in connection with computers) in several respects to address fraudulent unsolicited electronic mail. It would add to the substantive conduct prohibited by 18 U.S.C. § 1030(a), both the intentional and unauthorized sending of unsolicited e-mail that is known by the sender to contain information that falsely identifies the source or routing information of the e-maill, and the intentional sale or distribution of any computer program designed to conceal the source or routing information of such e-mail.

This legislation would subject those who commit such prohibited conduct to a criminal fine equal to $15,000 per violation or $10 per message per violation, whichever is greater, plus the actual monetary loss suffered by victims of the conduct. In addition, prohibited conduct that results in damage to a "protected computer" (as defined in 18 U.S.C. § 1030(e)(2)) would be punishable by a fine under Title 18 or by imprisonment for up to one year.

I would also like to thank Representative HEATHER WILSON for her tireless efforts to address this issue. Representative WILSON should be commended for bringing the problem of spam to the forefront of public debate. I look forward to working with her to achieve our common goal of reducing the burden of unwanted e-mail on consumers and Internet Service Providers.

Legislation addressing the problem of unsolicited commercial e-mail is greatly needed to protect consumers and Internet Service Providers from victimization by spam. I urge my colleagues to support this much needed legislation.

TRIBUTE TO FRANK MARSH

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. BEREUTER. Mr. Speaker, this week Nebraskans said good-bye to Frank Marsh, our former lieutenant governor, secretary of state and state treasurer. Frank was a loyal Nebraskan, a dedicated public servant, and an enthusiastic Republican. He was elected secretary of state in 1953 and served in that position for 17 years. He was lieutenant governor from 1971 to 1975. He served twice as state treasurer. He was State director of the Farmers Home Administration. In all, he devoted nearly 40 years of his life to public service.

Indeed, public service was a family affair for the Marshes. Frank's father, Frank Marsh Sr., was secretary of state for 16 years. Frank's wife Shirley was a state senator—my close friend and seatmate for the last two years of my service in the Nebraska Legislature.

Frank was a staunch Republican, but he worked amicably with partisans of all persuasion. Indeed, his stint as lieutenant governor was served under a Democratic governor. They got along well. After Frank left elective office, he continued his career in public service by serving the poor. He helped to begin a food distribution network that came to involve 300 volunteers working in 33 distribution sites in Lincoln, Nebraska, his hometown.

All of us who knew Frank Marsh and worked with him and all of those who were beneficiaries of his compassion and dedication will miss him. We send our condolences to his wife Shirley and their children and the many foreign guests—extended family in effect—who were hosted by the Marsh family in their home for varying lengths of time. Frank Marsh was a citizen ambassador for our country and a model for voluntarism for all Americans. His contributions to the public good will be missed throughout Nebraska and far beyond.

SPECIAL ORDER ON WOMEN'S HEALTH

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mrs. MALONEY of New York. Mr. Speaker, I would like to join my colleagues of the Women's Caucus to discuss the importance of women's health.

As a Caucus, we are working hard to improve health for all women. From protecting Social Security and strengthening Medicare to working for a Patient's Bill of Rights.

And we are working to add a reliable, affordable prescription drug benefit.

We must ensure that the progress made to improve women's health continues.

To this point, I urge my distinguished colleagues to join me in the following measures.

I am working to improve the health and well-being of women—young and old.

I will soon reintroduce the Osteoporosis Early Detection and Prevention Act and the Cancer Screening Coverage Act to give women a fighting chance against these diseases.

I am working with my distinguished colleague, CONNIE MORELLA, to make women's health research a priority. We will introduce the Women's Health Office Act to make the women's health offices at the Department of Health and Human Services permanent.

And for our littlest people and their moms, I have introduced the Breastfeeding Promotion Act, which supports and protects mothers who choose to breastfeed. Everyday, new medical studies are released highlighting the positive health effects of breastfeeding for both mother and child.

We must continue to work hard to ensure that the priorities of our country include policies that promote healthy women and healthy families. I urge my colleagues to join me on these measures.

A TRIBUTE TO DANIEL R. ENSLEY

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. ETHERIDGE. Mr. Speaker, I rise today to pay tribute to one of North Carolina's leading citizens and to bring to the attention of my colleagues of the 107th Congress his many contributions.

Daniel R. Ensley, director of the mass communications program at Campbell University and a 1993–94 "Professor of the Year" at the institution, is retiring from Campbell due to health concerns. He will be greatly missed by fellow professors, by students in the mass communications school, and by the hundreds of alumni who remember the courses they took there.

Ensley, a native of Dover, Delaware, grew up in a military family and lived in New Jersey, Illinois, Florida, Georgia, and Oklahoma as a youngster. He is a 1979 magna cum laude graduate of Campbell. He worked for the college radio station throughout his college years and became station manager during his senior year. After graduation, he managed the station until 1984 and also taught courses at the University.

In 1984, Ensley entered graduate school at the University of South Carolina College of Journalism. He earned his Master of Arts degree from that institution in 1986 and was accepted for a Ph.D. program at the University of Wisconsin. Just before leaving for Madison, Wisconsin, Ensley was contacted by the administrators at Campbell and offered a position as an instructor in the Department of Communications. He accepted and joined the Campbell family.

Ensley was promoted to assistant professor in 1990 and twice—1989 and 1999—has won the Dean's Award for Teaching Excellence. The Student Government Association honored him with the first "Professor of the Year" award in 1993–94, and he was also honored as "Teacher of the Year" by the Omicron Delta Kappa society in June of 1994. That same year, the college yearbook was dedicated to him. In 1987, the college of Journalism at the University of South Carolina awarded him its Excellence in Research Award for his masters thesis.

Ensley's most dramatic contribution to the University came in 1991 when he created the Department of Mass Communications at the university. As director of the new department, he designed curriculum, taught courses, and established and monitored an internship program.

Hundreds of former students owe Ensley a debt of gratitude for the work he did with them while they were at Campbell. One former student, Dallas Woodhouse, a political reporter for NBC–17 in Raleigh, says he owes his career to the retiring educator.

"Ensley gave his life to his students," Woodhouse says. "Nights. Weekends. Overnights. He gave it all and never complained. I have never seen someone work so much and so hard. I have never seen someone like Dan Ensley. I only hope I can teach my children his work ethic and his selflessness."

IN RECOGNITION OF THE EIU PANTHERS

HON. DAVID D. PHELPS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. PHELPS. Mr. Speaker, today I rise to recognize and congratulate one of my district's college basketball teams. The Eastern Illinois University Panthers of Charleston, IL recently won the OVC tournament championship. The Panthers defeated Austin Peay 107–100 in the championship game at Eastern Illinois University's Lantz Gym. The Panthers finished the season with a 17–12 record.

Led by coaches Rick Samuels, Troy Collier, and Steve Weemer, members of the 2001 EIU Panthers include Rod Henry, Jan Thompson, Craig Lewis, Chris Herrera, Kyle Hill, Matt Britton, Eric Sandholm, Nate Schroeder, Merve Joseph, Andy Gobczynski, John Thorsen, Todd Bergmann, Henry Domercant, Ryan Kelly, and Jesse Mackinson.

The members of the EIU Panthers should be proud of their achievement. I congratulate them and wish them good luck in future basketball seasons.

RETIREMENT OF JAMES I. SMITH, III

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. COYNE. Mr. Speaker, I rise today to mark the retirement of a man who has been a fixture in Allegheny County's public life for a number of decades.

On June 1, 2001, James I. Smith III will retire as the executive director of the Allegheny County Bar Association. Mr. Smith has served as the executive director of this organization for the last 38 years.

In the course of his tenure, Mr. Smith has made a number of innovative changes in the organization's operations. In addition to supervising the ACBA's many departments, Mr. Smith instituted the ACBA's first Bench-Bar Conference, developed a daily in-house legal newspaper, and developed the first video deposition service in the nation. He has carried out his duties with great dedication and professionalism.

I commend Mr. Smith for his many contributions to the community, and I wish him a long and happy retirement.

CONGRATULATIONS TO HCFA FOR SAVING MEDICARE MONEY; CONGRESS SHOULD GIVE HCFA MORE COMPETITIVE PURCHASING TOOLS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. STARK. Mr. Speaker, a lot of Members of Congress have been criticizing HCFA lately, largely because they are trying to carry out impossible complex laws passed by Members of Congress.

We also complain that HCFA isn't competitive enough. In the BBA of 1997, we gave authority to HCFA to carry out competitive bidding demonstrations on the purchase of durable medical equipment. Those demonstrations are indeed showing substantial savings. I would like to enter in the RECORD a press release of March 1st describing the progress of these demonstrations.

Mr. Speaker, Congress should immediately allow those demonstrations to become permanent and to be extended nationwide. Congress should stop calling HCFA inefficient when we aren't willing to give it the power to be efficient.

[From the HCFA Press Office, Mar. 1, 2001]

SECOND ROUND OF MEDICARE COMPETITIVE BIDDING PROJECT FOR MEDICAL SUPPLIES IN POLK COUNTY, FLA.

Medicare has launched the second round of its successful pilot project in Polk County, Fla., that uses competition to provide quality medical equipment and supplies to beneficiaries at better prices. The Balanced Budget Act of 1997 authorizes the Health Care Financing Administration (HCFA) to demonstrate how competitive bidding can help Medicare beneficiaries and the program pay more reasonable prices for quality medical equipment and supplies. Several studies by the U.S. General Accounting (GAO) and the HHS Inspector General have shown that the Medicare program and its beneficiaries often pay more for medical equipment and supplies than the prices paid by other insurers and individual patients. Requiring suppliers interested in serving Medicare beneficiaries to submit bids including quality and price information assures access to high-quality medical equipment at a fairer price. The changes also can reduce Medicare waste and abuse.

During the first round of the Polk County demonstration, HCFA, the agency that administers Medicare, invited companies to compete to sell medical equipment and supplies to 92,000 Medicare beneficiaries in Polk County. Bids were evaluated on the basis of quality and price. The new rates set by this competitive process are saving individual beneficiaries and Medicare an average of 17 percent on the cost of certain medical supplies, while protecting quality and access for Polk County beneficiaries. The competitive bidding process took place in the spring of 1999. The new rates took effect on Oct. 1, 1999, and will remain in effect until Sept. 30, 2001.

HCFA implemented a similar demonstration in three Texas counties in the San Antonio area—Bexar, Comal and Guadelupe counties. Suppliers who wished to sell products in five categories to Medicare beneficiaries in the region were required to compete on the basis of quality and price in the spring of 2000. As in the Polk County process, the new prices are saving individual beneficiaries and Medicare an average of 20 percent on the cost of certain medical supplies while protecting quality and access for San Antono beneficiaries. The new rates took effect on Feb. 1, 2001, and will remain in effect until Dec. 31, 2002.

In the second round of the Polk County demonstration, suppliers will again compete this spring on the basis of quality and price for four of categories of medical equipment and supplies categories included in the first round of the pilot. The categories are: oxygen supplies; hospital beds; urological supplies and surgical dressings. The fifth product category, enteral nutrition, is not being included in the second round because the focus of the demonstration is on medical equipment and supplies delivered to the home, and enteral nutrition is primarily provided to nursing home residents. The rates determined for the second round are to take effect on Oct. 1, 2001, and will remain in effect until Sept. 30, 2002.

GUEST CHAPLAIN, DR. CALVIN TURPIN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. FARR of California. Mr. Speaker, I am pleased to submit background material on Dr. Calvin Turpin. Dr. Turpin, from my district, offered the prayer to open the House today.

Dr. Calvin C. Turpin of Hallister, CA, is a native of Illinois. He is a retired professor of religion and an administrator from Hardin Simmons University, Abilene, TX.

Dr. Turpin earned a B.A., and M.A. from Baylor University, Waco, TX; An M.A. from Vanderbilt University, Nashville, TN; Bachelor of Divinity; M.R.E. (Master of Religious Education) and a Master of Divinity from Southern Baptist Theological Seminary, Louisville, KY, and a Doctor of Science in Theology from Golden Gate Baptist Theological Seminary, Mill Valley, CA.

Dr. Turpin served as Deputy Chief of Chaplains for the Civil Air Patrol. He and his wife Eudell are the parents of a son and daughter.

Dr. Turpin served in the Army during World War II and has served as a minister in Southern Baptist Churches in Texas, Kentucky, Tennessee, and California.

Presently he serves as National Chaplain of the American Legion (2000–2001).

REVIVING STEEL

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. KUCINICH. Mr. Speaker, I submit into the RECORD the following editorial from the March 11th edition of the Cleveland Plain Dealer. I believe this piece speaks to the urgent need for action to aid the American steel industry, and I encourage my colleagues to read it.

[From the Plain Dealer, Mar. 11, 2001]

REVIVING STEEL

Why is America's steel industry in such a sorry state?

Poor management, inefficient work rules, runaway imports, outrageous energy costs, low prices, expensive obligations to retirees, skeptical landers and rapidly changing technology have all played a role. But the collective impact is undeniable: In little more than three years, 16 firms, including Cleveland LTV Corp., have sought bankruptcy protection. Since last spring, profits at even the best-run firms have largely melted into pools of red ink; LTV lost $351 million in the last quarter alone. The mini-mills that once seemed to be steel's new wave now look almost as vulnerable as the dinosaurs in this historically cyclical industry.

Since steel is an economic and military necessity, America needs a healthy industry. And in our system, that's largely the responsibility of individual steelmakers. They have to be intelligently managed, flexible, able to see technological change before it overwhelms them. Companies that can't or won't change will fail. And yet, it's not unreasonable for government to help such a vital enterprise negotiate a market shaped by forces that bear little resemblance to economic theory.

The Bush administration is said to be studying how best to assist steel. And a bipartisan group in the House of Representatives has offered a set of proposals, many of them rooted in ideas put forward by industry leaders and the United Steel Workers of America. While specifics of the legislation, whose co-sponsors include Cleveland-area Democrats Dennis J. Kucinich, Stephanie Tubbs Jones and Sherrod Brown, may be a bit dubious, they do pinpoint areas that need attention: foreign competition, "legacy costs," consolidation and capital.

Ask most steelmakers and their allies to identify the industry's No. 1 problem and chances are they'll finger the glut of low-priced foreign steel that flooded this country last year. But the import crush is not some foreign plot. A strong U.S. dollar, while good for the overall economy, makes imports relatively cheaper and more desirable to cost-conscious steel users. Even in the best of times, American steel makers cannot meet domestic demand. Industry officials concede that about a quarter of the steel used in this country will always come from abroad, much of it slab that's then finished by American steel firms.

Still, American steel firms need some respite from bargain-basement competition. The question is how to give it to them, especially since the world Trade Organization has rejected America's anti-dumping laws. Perhaps the administration at least could give American producers the "anti-surge" warnings that NAFTA partners Mexico and Canada provide their steelmakers by constantly monitoring imports.

U.S. steelmakers proudly point to billions invested in modernization since the late 1970s. America today makes as much steel with a third as many workers. But shrinking the work force meant early retirement for thousands of empoloyees; LTV's integrated steel operations, for example, support 12,000 active workers and 72,000 retirees. Many established steel firms thus face enormous "legacy costs," mostly for retiree health care, that add an estimated $15 to $20 to the price of each ton. It's a burden not shared by domestic upstarts or by foreign competitors whose governments pay for health care.

The House bill proposes a surcharge on every ton of steel sold in the United States to help cover retiree health costs. A similar program operates in the coal industry. Spreading the burden of legacy costs might speed the consolidation that many think the steel industry desperately needs. Treasury Secretary Paul O'Neill, who led a troubled aluminum industry back to profitability while at Alcoa, has signaled that any long-range fix for steel probably will require some global reduction in capacity that pushes up prices. Retrenchment may cost some American firms, but their workers and retirees should not be punished in the process.

Finally, steel may be on the verge of technological quantum leaps. But they won't be cheap, and already many banks are understandably leery of investing in such a dicey industry. Even a federal program that currently guarantees 85 percent of a loan has attracted so few takers that the Bush budget suggests cancelling it. Some suggest that governments or pension funds could step in as financiers. But before heading down that risky road, let's see whether help on import competition and legacy costs encourages private lenders to take another look at steel.

DR. THOMAS STARZL

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. COYNE. Mr. Speaker, I rise today to call my colleagues' attention to an important anniversary—the 20th anniversary of Dr. Thomas Starzl's first liver transplant in Pittsburgh, Pennsylvania.

Dr. Starzl has been a pioneer in the field of organ transplants for the last 40 years. Dr. Starzl performed the world's first liver transplant in 1963 and the world's first successful liver transplant in 1967. His successful use of azathioprine and corticosteroids in kidney transplants in 1962 and 1963 produced a surge of transplant research around the world. Dr. Starzl's successful experiments with antilymphocyte globulin and cyclosprine in 1980 enabled transplantation to move from the experimental stage to an accepted medical procedure. And in 1989, Dr. Starzl's experimentation with another anti-rejection agent, FK506, led to additional advances in transplantation.

These are only a few of the highlights of Dr. Starzl's long and productive career. One measure of his contribution to modern medicine is the sheer volume of research that he has produced. He has authored or co-authored more than 2,000 articles, as well as four books and 292 chapters. I would point out that Dr. Starzl has been identified by the Institute for Scientific Information as the most cited scientist in the field of clinical medicine. Truly, he is a remarkable man.

Dr. Starzl was born in 1926 in Iowa. He graduated with a bachelor's degree in biology from Westminster College in Missouri. He studied medicine at the Northwestern University Medical School in Chicago, and he did graduate work at Johns Hopkins Hospital in Baltimore. He subsequently worked and studied at Johns Hopkins, the University of Miami, and the Veterans Administration Research Hospital in Chicago. Dr. Starzl served on the faculty of Northwestern University from 1958 until 1961 and held several positions, including chairman of the department of surgery, at the University of Colorado School of Medicine from 1962 until 1980.

Since 1981, Dr. Starzl has been associated with the University of Pittsburgh School of Medicine. Under his leadership, Pittsburgh became one of the largest and most successful centers for transplant surgery in the world. More than 5,700 liver transplants, 3,500 kidney transplants, 1,000 heart transplants, and 500 lung transplants have been performed at the University of Pittsburgh Medical center. In 1991. Dr. Starzl became director of the University of Pittsburgh Transplantation Institute, and in 1996, the Institute was renamed in his honor. Dr. Starzl now holds the title of director emeritus, and continues to conduct cutting-edge research on transplantation. Dr. Starzl has also been active as a leader—and often as a founding member—of a number of professional and scientific organizations, and he received nearly 200 awards and honors for his work.

I salute Dr. Starzl for his many contributions to the field of medicine on the occasion of the 20th anniversary of his first liver transplant in Pittsburgh.

INTRODUCTION OF YOUNG AMERICAN WORKERS' BILL OF RIGHTS ACT—H.R. 961

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. LANTOS. Mr. Speaker, last week, with the support of 48 of our colleagues, I introduced comprehensive domestic child labor law reform—H.R. 961, The Young American Workers' Bill of Rights Act. This much-needed legislation will provide greater protection for American children in the workplace. The unfortunate exploitation of child labor in America is not a thing of the past. It is a problem that continues to threaten the welfare and education of millions of American young people. Unless we swiftly enact this important legislation, children will continue to be employed in jobs that place their lives in danger, and students will continue to struggle with the competing interests of holding a job and gaining an education at a time when education should be "priority number one". I urge my colleagues to join me in supporting this important legislation.

The exploitation of child labor is a national problem that continues to jeopardize the health, education and lives of many of our nation's children and teenagers. In farm fields and in fast-food restaurants all over this country, employers are breaking the law by hiring under-age children. Many of these youth put in long, hard hours and often work under dangerous conditions. Our legislation seeks to eliminate the all-too-common exploitation of children—working long hours late into the night while school is in session, and working under hazardous conditions.

Mr. Speaker, I am saddened to report that in this country, a young person is killed on the job every five days. Every 40 seconds a child is injured on the job. It is appalling to learn that the occupational injury rate for children and teens is more than twice as high than it is for adults. These statistics are a national disgrace. It is totally unacceptable for a civilized, advanced society such as ours to have our children injured and killed on the job.

Mr. Speaker, The Young American Workers' Bill of Rights Act would establish new, tougher penalties for willful violations of child labor laws that result in the death or serious bodily injury to a child. Not only does the bill increase fines and prison sentences for willful violation of our laws, but it will also assure that the names of child labor law violators are publicized. Nothing will deter corporate giants more than negative publicity. Negative publicity is one of the most effective tools we have to change corporate behavior.

While people often associate the evils of child labor with Third World countries, American children and teenagers are also exploited on the job. Our economy has changed significantly since the days when teenagers held after school jobs at the "Mom and Pop" grocery store or soda shop on the corner. In today's low unemployment economy, teenagers are hired to fill-in or replace jobs previously held by adults in full-time positions. They work in franchise fast food restaurants and national supermarket chains.

Many high-school students are working 30 to 40 hours a week, and they often work well past midnight. Research shows that long hours on the job take away time needed for schoolwork or family and extracurricular activities. The Young American Workers' Bill of Rights Act sets limits on the amount of time students can work during the school year. This is important Mr. Speaker, because studies show that the more hours children work during the school year, the more likely they are to do poorly academically. Studies have also shown that children who work long hours also tend to use more alcohol and drugs.

Mr. Speaker, The Young American Workers' Bill of Rights Act will reduce the problem of children working long hours when school is in session, and it strengthens existing limitations on the number of hours children under 18 years of age can work on school days. The bill would eliminate all youth labor before school. After-school work would be limited to 15 or 20 hours per week, depending on the age of the child. Additionally our legislation will require better record keeping and reporting of child labor violations. It also prohibits minors from operating or cleaning certain types of dangerous equipment, and prohibits children from working under certain particularly hazardous conditions.

Children working early in the morning before school or working late into the evening on days when school is in session is a serious problem facing our country. Recently, I met with students from Aragon High School of San Mateo, California, in my Congressional district. After talking about The Young American Workers' Bill of Rights Act to these students, who were visiting our nation's capitol, the students spoke up and voiced their concerns about being required to work past 11 or later on school nights. Every one of these students spoke in favor of enacting The Young American Workers' Bill of Rights Act.

Mr. Speaker, our legislation also increases protection for children under the age of 14 who are migrant or seasonal workers in agriculture. Current labor laws allow children—even those under 10 years of age—to be employed in agriculture. Child farm laborers can work unlimited hours before and after school, and they are not even eligible for overtime pay. At the age of 14, or even earlier, children working in agriculture are using knives and machetes, operate dangerous machinery, and are exposed to dangerous toxic pesticides. In no other industry in this nation are children so exploited as they are in agriculture. These are not children working on family farms, these are children working for agribusiness, these are children exploited by agribusiness.

I want to make it adamantly clear that as supporters of child labor reform we do not oppose young people working. I firmly believe that children must be taught the value of work. They need to learn the important lessons of responsibility, and they need to enjoy the rewards of working. It is not our aim to discourage employers from hiring young people. Rather, our goal is to ensure that the job opportunities available to young people are meaningful, safe and healthy and do not interfere with their important school responsibilities.

Mr. Speaker, let me state unequivocally that we do not oppose children taking on after-school employment. What we oppose are the senseless deaths and needless injuries of our teenagers. We oppose the negative effects on academic achievement that result when children work excessive hours while school is in session. A solid education—not after-school employment—is the key to a successful future.

I ask my colleagues on both sides of the aisle to join me in cosponsoring The Young American Workers' Bill of Rights Act. I urge swift enactment of meaningful child labor law reform legislation during this Congress.

KANE HONORED FOR 47 YEARS IN EDUCATION

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to my very good friend, Anthony Kane of Sugar Notch, Pennsylvania, who is being honored with a testimonial dinner on March 17 by the Luzerne County Coordinating Council and the Northeastern Region of the Pennsylvania State Education Association for his 47 years of hard work in the field of education.

Tony was born in Sugar Notch, graduated from Sugar Notch High School and went on to continue his education at Wilkes College, Bucknell University and New York University. He obtained his master's degree in music education from Ithaca College.

Tony started teaching in 1954, choosing to work at the Old Edwardsville School district because the pay was, as he put it, "a little better" than elsewhere: $2,400 a year, the equivalent of just $15,622 today.

From that humble beginning, Tony has become a singularly important force in elevating the wages and working conditions of teachers in the region and all of Pennsylvania to a level that recognizes their education, dedication and the importance of the duty with which we entrust them, that of preparing our children for the future.

The right to collective bargaining has been crucial to raising the standard of living for teachers in Pennsylvania. In addition to advocating for the improved wages and benefits, Pennsylvania teachers have also used their voice to secure more education funding.

Mr. Speaker, Tony has been a leader in all those efforts. In 1969, his fellow teachers recognized his abilities as a labor leader and elected him president of the Wyoming Valley West Education Association. He has served in that post ever since, and in 1981, he was elected to the Pennsylvania State Education Association's political action committee. He has chaired numerous state and local task forces and committees.

Tony's dedication to the labor movement and improving the standard of living for his colleague also carried over into his career as an accomplished accordion player. He became secretary of the American Federation of Musicians, Local 140, in 1962, another post he still holds. One of his accomplishments for his fellow musicians was securing a pension plan for the Northeast Philharmonic Orchestra.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the hard work and distinguished career of Anthony Kane, and I join his many friends in wishing him and his wife, Sarah, well.

SECURITY AT THE NATIONAL LABORATORIES: A PROBLEM DEMANDING A REMEDY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. BEREUTER. Mr. Speaker, this Member rises to call attention to the continuing threat to U.S. national security posed by lax security standards at our national weapons laboratories. As we have learned in recent years, lax security at our Department of Energy national weapons laboratories has resulted in the loss of some of this nation's most important secrets. This Member had the honor to serve on the select committee tasked with investigating the loss of highly sensitive, classified program technology to the People's Republic of China (the Cox Committee), and can testify that security at our national weapons laboratories had been dangerously compromised. Other investigations have come to similar conclusions.

In 1999, a Presidential Commission led by former Senator Warren Rudman pointed to a dysfunctional culture that rebelled at the notion of addressing security requirements at the labs. In recent days, yet another commission has issued a devastating critique, noting that "there is a dissonance within the system" and that "security people are not talking to scientists."

Mr. Speaker, the issues at stake are too important to ignore. This Member urges President Bush to ensure that proper security becomes a priority at Federally funded institutions, such as the national weapons laboratories, which perform classified work. This Member commends to his colleagues an editorial in the February 24, 2001, edition of the Omaha World-Herald. As the editorial notes, "George W. Bush campaigned last year on a pledge that he would make the security of the nation's nuclear labs a priority. In the wake of these ongoing embarrassments, it is essential that his Department of Energy deliver on that promise."

NUCLEAR SECURITY PARTICULARLY URGENT

One of the Clinton administration's greatest failures was the Department of Energy's bumbling efforts to maintain security at the nation's nuclear weapons labs. Last year, after embarrassing security breaches exposed the department's Keystone Kops approach to security, then-Energy Secretary Bill Richardson said his department had finally set things right. Yet, according to a new press report, in his final days in office, Richardson suspended those security measures pending a review, saying they had harmed morale.

Richardson's action was ill-considered and exasperating. If scientists lack the professionalism to accept the security requirements necessary to safeguard the nation's pre-eminent nuclear research labs, those researchers should seek employment elsewhere.

This situation did not come about overnight. For many years, well preceding Clinton, scientists at Los Alamos and other labs tended to display an inappropriate elitist attitude, acting as if they were above the common-sense, if inconvenient, security protocols routinely required of everyone else in the defense establishment. The situation worsened during the Clinton administration as top administrative slots at energy were filled by appointees who exhibited far more enthusiasm for "progressive" endeavors such as unsealing classified documents about past radiation-exposure scandals than in something as passe as buttressing weapons-lab security.

Last week, the chairman of a commission charged with overseeing security at the nuclear labs described ongoing problems. There is "dissonance within the system," he said, and "security people are not talking to scientists." Those are astounding admissions. Even at this late date, after all the scandals and exposes and reviews, the security arrangements for the weapons tabs are still in a shambles?

George W. Bush campaigned last year on a pledge that he would make the security of the nation's nuclear labs a priority. In the wake of these ongoing embarrassments, it is essential that his Department of Energy deliver on that promise.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 15, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 19

1 p.m.
Banking, Housing, and Urban Affairs
Housing and Transportation Subcommittee
To hold hearings to examine the current state of Department of Housing and Urban Development's Federal Housing Administration Insurance Fund.
SD–538

2:30 p.m.
Armed Services
Strategic Subcommittee
To hold hearings to examine the fiscal year 2000 report to assess the reliability, safety, and security of the United States nuclear stockpile.
SR–222

MARCH 20

9:30 a.m.
Armed Services
Readiness and Management Support Subcommittee
To hold hearings to examine the readiness impact of range encroachment issues, including endangered species and critical habitats; sustainment of the maritime environment; airspace management; urban sprawl; air pollution; unexpioded ordinance; and noise.
SR–232A

10:30 a.m.
Foreign Relations
To hold hearings on the nomination of Marc Isaiah Grossman, of Virginia, to be Under Secretary of State (Political Affairs).
SD–419

MARCH 21

9 a.m.
Environment and Public Works
Clean Air, Wetlands, Private Property, and Nuclear Safety Subcommittee
To hold hearings on harmonizing the Clean Air Act with our nation's energy policy.
SD–406

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to review current United States energy trends and recent changes in U.S. energy markets.
SD–106

10 a.m.
Appropriations
Defense Subcommittee
To hold hearings to examine issues surrounding the North Atlantic Treaty Organization.
SD–192

2 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on the Klamath Project in Oregon, including implementation of PL 106-498 and how the project might operate in what is projected to be a short water year.
SD–628

Foreign Relations
To hold hearings on the nomination of Grant S. Green, Jr., of Virginia, to be Under Secretary of State for Management.
SD–419

3 p.m.
Intelligence
To hold closed hearings on intelligence matters.
SH–219

MARCH 22

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review the Food Safety and Inspection Service, Department of Agriculture.
SH–216

10 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Retired Officers Association, and the National Association of State Directors of Veterans Affairs.
345 Cannon Building

Governmental Affairs
Oversight of Government Management, Restructuring and the District of Columbia Subcommittee
To hold hearings to assess the District of Columbia Metropolitan Police Department's achievement of its year 2000 performance goals.
SD–342

2:30 p.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold oversight hearings to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Title IV of the National Parks Omnibus Management Act of 1998.
SD–192

MARCH 29

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review environmental trading opportunities for agriculture.
SR–328A

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the implementation of the Administration's National Fire Plan.
SD–124

APRIL 3

10 a.m.
Judiciary
To hold hearings to examine online entertainment and related copyright law.
SD–226

APRIL 24

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Bureau of Reclamation, of the Department of the Interior, and Army Corps of Engineers.
SD–124

APRIL 25

10 a.m.
Judiciary
To hold hearings to examine the legal issues surrounding faith based solutions.
SD–226

APRIL 26

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Nuclear Security Administration, Department of Energy.
SD–124

MAY 1

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD–124

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD–226

MAY 3

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radio Active Waste Management.
SD–124

MAY 8

10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD–226

POSTPONEMENTS

MARCH 16

9:30 a.m.
Finance
To hold hearings to examine issues relating to international trade and the American economy.
SD–215

MARCH 27

10:30 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings on issues relating to Yucca Mountain.
SD–124

APRIL 3

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings to examine issues surrounding nuclear power.
SD–124

HOUSE OF REPRESENTATIVES—*Thursday, March 15, 2001*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. FOSSELLA).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 15, 2001.

I hereby appoint the Honorable VITO FOSSELLA to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Richard P. Camp, Jr., Executive Director of A Christian Ministry in the National Parks and formerly Chaplain, United States Military Academy, offered the following prayer:

Let us give thanks to the Lord, for He is good, for His mercy endures forever.

We pause a moment, Heavenly Father, before the business of this day, to acknowledge You. Your love surrounds us, Your mercy upholds us, Your goodness blesses us.

Graciously give to the Members and all who serve in this House the wisdom and courage to lead us in the way of righteousness and peace. May the ripple effect of their decisions bring hope to all people for generations to come.

In Your strong name we pray. Amen.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minutes at the end of legislative business today.

SMALL BUSINESS PAPERWORK RELIEF ACT

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 89 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 89

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 pursuant to clause 8 of rule XVIII. Each section of that amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 89 is an open rule providing for the consideration of H.R. 327, the Small Business Paperwork Relief Act.

The rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform.

The rule provides that it shall be in order to consider as an original bill for the purpose of amendment an amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1. The rule further provides that the amendment in the nature of a substitute shall be open for amendment by section.

Finally, the rule allows the chairman of the Committee of the Whole to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD, and provides for one motion to recommit, with or without instructions.

Mr. Speaker, the purpose of H.R. 327 is to facilitate compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses.

This bill is similar to legislation passed by the House in the 106th Congress but on which the Senate failed to act. However, this year's bill omits language contained in the earlier version which limited the imposition of civil penalties on small businesses for certain first-time violations.

In addition, H.R. 327 requires the director of the Office of Management and Budget to publish annually in the Federal Register a list of requirements applicable to small businesses with respect to the collection of information by Federal agencies, so that small businesses can easily inform themselves about these requirements.

The bill also requires that all such information be made available on the Internet.

H.R. 327 would require every Federal agency to establish a single point of contact between the agency and small businesses.

Finally, the bill requires each Federal agency to make additional efforts to reduce the paperwork burdens on small businesses with fewer than 25 employees.

Mr. Speaker, as a longtime small business owner myself, I can assure my colleagues that this is a bill whose time has come. It is hard enough for most small businesses to comply with the paperwork requirements that they know about, but it is the requirements that we do not know about that can really come back to haunt us.

Large firms have in-house accounting, legal, and reporting compliance personnel that are beyond the means of small businesses. I know firsthand the costs and difficulty of wading through time-consuming, duplicative, and sometimes unnecessary paperwork.

Small business men and women should not have to sacrifice productivity in order to complete endless forms when paperwork requirements can easily be streamlined.

For years small businesses have created the largest share of new jobs in our economy. We should act today to reduce their paperwork burden so that they can continue to do so.

Mr. Speaker, because H.R. 327 was not reported by a committee, no official cost estimate is available. However, the Committee on Government Reform did receive a preliminary estimate from the Congressional Budget Office which stated that the bill, and I quote, "would result in minimal costs for Federal agencies each year because the bill would not affect direct spending or governmental receipts. Pay-as-you-go procedures would not apply."

Accordingly, I urge my colleagues to support both the rule and the underlying legislation, H.R. 327.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this open rule and the underlying bill. It is noncontroversial. Concerns that were raised during consideration of the measure regarding civil penalties during the last Congress have been addressed.

The business community has often voiced concern about the burden of government regulations and the resulting paperwork. In response to this concern, Congress has passed paperwork reduction legislation such as the Paperwork Reduction Act, PRA, and the Small Business Reporting Enforcement Fairness Act.

Moreover, the last administration streamlined regulations by reinventing government and implementing many of the recommendations made by the White House Conference on Small Businesses.

The measure before us today, H.R. 327, continues this effort to reduce unnecessary paperwork for small businesses.

There are a number of provisions in H.R. 327 to address streamlining paperwork that bear mentioning. They require agencies to publish annually paperwork requirements on small businesses, to establish a small business liaison, to make efforts to reduce further the paperwork burden on small businesses with fewer than 25 employees, and to establish a task force to study the feasibility of streamlining paperwork requirements.

Again, I know of no opposition to this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Speaker, I rise today to speak in support of the rule for this good government bill to streamline and reduce paperwork burdens on small businesses, that is, H.R. 327, the Small Business Paperwork Relief Act.

H.R. 327 includes helpful provisions for small businesses, including a requirement for the Office of Management and Budget to annually publish in the Federal Register and on the Internet an identification of each agency's Federal paperwork requirements for small businesses; a requirement for each agency to establish a single point of contact for small businesses; a requirement for each agency to make further efforts to reduce paperwork for small businesses with fewer than 25 employees; and to establish an interagency task force to study streamlining of paperwork requirements for small businesses.

CBO, as the gentleman from Washington has said, has scored this as having a minimal cost for Federal agencies each year. It is time for us to move forward on doing this. I support the open rule.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I think my colleagues have covered the rule very well. I thank the gentleman from Washington (Mr. HASTINGS) and the Committee on Rules for bringing an open rule down to the floor.

I think the gentleman from California (Mr. OSE) and the gentlewoman from New York (Ms. SLAUGHTER) and the gentleman from Washington (Mr. HASTINGS) have covered the bill rather well.

There are 24 million small business people in this country that have been suffering dramatically under the burden of overregulation and paperwork. This bill takes a giant step toward eliminating a lot of the problems they face.

This is supported strongly by the U.S. Chamber of Commerce. I think it is a great bill. Its time has come, as the gentleman from Washington (Mr. HASTINGS) has said.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 89 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 327.

□ 1013

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, with Mr. FOSSELLA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California (Mr. OSE) and the gentleman from Massachusetts (Mr. TIERNEY) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

GENERAL LEAVE

Mr. OSE. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 327.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 327, the Small Business Paperwork Relief Act was introduced by the gentleman from Indiana (Chairman BURTON) on January 31, 2001.

This good government bill continues congressional efforts to streamline and reduce paperwork burdens on small businesses.

During the 105th and 106th Congresses, the Committee on Government Reform and Oversight reported out bills H.R. 3310 and H.R. 391, respectively, that passed the House by votes of 267 to 140 and 274 to 151, respectively.

□ 1015

These earlier bills included all of the substantive provisions in H.R. 327. However, unlike the predecessor bills, H.R. 327 does not include any provisions relating to the waiver of sanctions for first-time violations by small businesses of Federal paperwork requirements.

H.R. 327 includes the following helpful provisions for small businesses.

First, a requirement for the Office of Management and Budget to annually publish in the Federal Register and on the Internet an identification of each agency's Federal paperwork requirements for small businesses.

Second, a requirement for each agency to establish a single point of contact for small businesses.

Third, a requirement for each agency to make further efforts to reduce paperwork for small businesses with fewer than 25 employees.

Fourth, a requirement to establish an interagency task force to study streamlining of paperwork requirements for small businesses.

H.R. 327 asks this task force to consider having each agency consolidate its reporting requirements for small businesses, resulting in reporting to the agency's single point of contact, in a single format or using a single electronic reporting system, and on one date.

The definition of small business in this bill is the one used in the Small Business Act, 15 U.S.C., subsection 631 et seq.

H.R. 327 amends the Paperwork Reduction Act, the successor to the Federal Reports Act of 1942, which began the requirement for OMB approval before paperwork could be imposed on nine or more members of the public. The 1980 Paperwork Reduction Act which established the office of Information and Regulatory Affairs in OMB began by stating "information needed by Federal agencies shall be obtained with a minimum burden upon business enterprises, especially small business enterprises, and other persons required to furnish the information and at a minimum cost to the government."

The 1995 reauthorization of the Paperwork Reduction Act set 10 percent and 5 percent goals for paperwork reduction each year from 1996 to 2001.

OMB's most recent estimate of Federal paperwork burden on the public is 7.2 billion hours annually, at a cost of $190 billion a year. Despite the statutory requirements for annual reductions in paperwork burden, there have been annual increases, instead of annual decreases, in paperwork in each of the last 5 years. Those being from 1996 to 2000.

OMB's April 2000 report to Congress entitled the Information Collection Budget of the United States Government: Fiscal Year 2000 does not identify any interagency efforts to streamline paperwork requirements on small businesses. Also, although Congress required OMB to provide an analysis of impacts of Federal regulation on small business, OMB's June 2000 "Report to Congress on the Costs and Benefits of Federal Regulations: 2000" devotes less than one page to the impact of Federal regulatory and paperwork burdens on small businesses.

H.R. 327 has been endorsed by the U.S. Chamber of Commerce, the National Association of Manufacturers, the National Federation of Independent Business, the National Small Business United, the Small Business Coalition for Regulatory Relief, the Small Business Legislative Council, the Small Business Survival Committee, the Academy of General Dentistry, Agriculture Retailers Association, the American Farm Bureau Federation, the American Road and Transportation Builders Association, Associated Builders and Contractors, the Associated General Contractors, the Automotive Parts and Service Alliance, the Food Marketing Institute, GrassRoots Impact Inc., the National Association of Convenience Stores, the National Automobile Dealers Association, the National Business Association, the National Pest Management Association, the National Restaurant Association, the National Roofing Contractors Association, the National Tooling and Machining Association, the North American Equipment Dealers Association, and the Society of American Florists.

Mr. Chairman, I have introduced an amendment in the nature of a substitute which includes provisions requested by the Government Reform Minority, or the Committee on Small Business. Specifically, calling for, first, a clarification that was added that the annual list of requirements applicable to small businesses shall be organized so that small businesses can easily identify requirements with which they are expected to comply; second, the Department of Treasury was added to the membership of the interagency task force since the IRS accounts for nearly 80 percent of all paperwork burden on the public; third, a clarification was added that the consolidation requirements on small businesses shall not negatively impact the effectiveness of the underlying laws; fourth, the task force's report shall be submitted not only to Congress but also to OMB; and, fifth, a requirement was added to the task force to report in 2 years on recommendations for interactive, electronic recording with on-line editing, electronic dissemination and coordination across agencies so that agency single points of contact can provide small businesses with information from other agencies.

In addition, the Small Business Committee stressed that, first, the interagency task force should reach out to actual small businesses for their views and recommendations, and that agencies should create user-friendly Web sites for small businesses, including links to each agency's reporting requirements for small businesses and organized, where possible, by the North American Industrial Classification System formally known as the SIC codes.

Small businesses are particularly hurt by regulatory and paperwork burden. The Small Business Administration estimates that it costs large firms $3,400 per employee to comply with Federal regulatory and paperwork requirements. However, the costs to small businesses is 50 percent greater, a staggering $5,100 per employee. Not only are such costs higher for small businesses, but clearly they are also harder to absorb.

Small businesses cannot afford to comply with Federal requirements in the same way that large businesses can. The high costs of such requirements often makes it impossible for small businesses to expand. It threatens their ability to stay afloat or it prevents them from opening in the first place.

Mr. Chairman, H.R. 327 should result in needed relief for small businesses.

Mr. Chairman, I reserve the balance of my time.

Mr. TIERNEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from California (Mr. OSE), the chairman of the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs.

Mr. Chairman, H.R. 327 is a substantial improvement over the small business paperwork bills that were considered by the House in the last two Congresses because in the last two Congresses, these contained controversial penalty provisions, and they have since been removed. This bill includes provisions suggested by the Democratic minority that will reduce the paperwork burden on truly small businesses.

Mr. Chairman, small businesses as everyone is familiar with, are the backbone of the economy and, now, are where the new jobs are being created. However, many small- and family-owned businesses spend a great deal of their resources learning about and complying with applicable laws.

I am very pleased that we are looking at ways to make it easier for small businesses to understand what information they are required to provide and the ways to simplify and streamline the paperwork process.

Mr. Chairman, H.R. 327, as amended, requires the Office of Management and Budget to annually produce a list of information collection requirements applicable to small businesses and to do that in a manner that is useful to small businesses. This list must be printed in the Federal Register and on the Internet.

The bill also requires each agency to establish one point of contact to act as a liaison with small businesses.

It requires agencies to make efforts to further reduce paperwork on businesses with fewer than 25 employees.

It establishes a task force to study the feasibility of streamlining information collection and dissemination.

Mr. Chairman, 3 years ago, we considered similar provisions when we considered H.R. 3310. Unfortunately, that bill also contained provisions that would have probably prohibited agencies from penalizing businesses for most first-time information-related violations. These provisions would remove agency discretion. It would have created a safe haven for willful, substantial, and long-standing violations.

They were obviously strongly opposed by the prior administration, by labor, environmental, consumer, senior citizen, health, trade and firefighter groups, as well as by some State attorneys general.

The gentleman from Ohio (Mr. KUCINICH) and I offered an amendment to address these concerns. However, the amendment failed. Because of the surrounding controversy, the bill was never considered in the Senate; and we lost a chance to implement the provisions that we are considering today.

The bill was resurrected in the next Congress as H.R. 391. The amendment of the gentleman from Ohio (Mr. KUCINICH), which fixed controversial provisions, narrowly failed by a vote of 214–210. Again, because the controversial provisions remained in the bill, it never became law.

Mr. Chairman, I am pleased to see that H.R. 327 does not include those controversial penalty provisions and now there is a strong chance that this bill will in fact become law.

Mr. Chairman, I am also pleased to say that the managers amendment to H.R. 327 includes suggestions made by the Democratic minority of this committee. For instance, the task force will study the feasibility of strengthening the dissemination so that agencies can more effectively share that information with other agencies and with the public.

The task force must make recommendations for implementing an interactive system for information collection requirements so the small businesses can identify applicable requirements over the Internet.

It will provide guidelines for developing an interactive system that edits the information submitted by small businesses and checks for consistency.

It will make recommendations for electronic dissemination of collected information.

Finally, it will make recommendations for coordinating information collection between the different agencies.

Another change that was suggested by the Democratic minority clarifies that the annual list of information requirements will be produced in a manner that is useful to small businesses. The original bill required that the lists be made by statistical code; however, that list likely would not be used by small businesses, it would merely provide a statistical analysis of the quantity of information regulations.

After all, the purpose of this bill is not to count regulations but to help small businesses understand and comply with the information collection requirements. The new language ensures that the list is produced in such a manner that such small business concerns can easily identify requirements with which they are expected to comply.

Further, H.R. 327 includes a provision suggested by the gentleman from Vermont (Mr. SANDERS), and it was adopted 3 years ago. And it focuses paperwork reduction on small businesses with fewer than 25 employees. This amendment directs our efforts to truly small businesses that need our help the most.

The definition of small businesses that was incorporated to H.R. 327 and was so broad that it included numerous businesses that many do not really consider as small.

It would have included petroleum refineries with up to 1500 employees, pharmaceutical companies with up to 750 employees, and banks with up to $100 million in assets. Thus, this bill, as amended, helps most businesses not just small businesses, and I believe it is appropriate to focus the agency efforts on businesses that truly are small.

Mr. Chairman, the information collection is one of the more important jobs of the Federal Government. It allows the government to enforce the law without burdening businesses with indepth site investigations; nevertheless, it is difficult for small businesses to fully understand what is required of them. And many businesses have expressed frustration with the fact that they provided similar information to more than one source in government.

Mr. Chairman, I believe the government should help small businesses understand their responsibilities and streamline the information collection process. This bill serves both purposes without jeopardizing the underlying protections. Furthermore, it should help us take advantage of the information age by using the Internet to gather and disseminate information. These changes have been suggested by numerous sources, including the General Accounting Office.

Mr. Chairman, it is a bit ironic that we are considering this bill to help small businesses at a time when the President has proposed cutting funding to the Small Business Administration by over 46 percent.

He has recommended eliminating the New Markets Venture Capital Program, which provides venture capital and technical assistance to small businesses in less prosperous areas in the country.

The President also recommends eliminating the BusinessLINC Program which encourages mentoring between large and small businesses. I am hoping that as the session moves forward, we will be able to deal with those matters and to truly help small businesses there, as well as with this Paperwork Reduction Act.

I am pleased that we are at least willing to consider this bill which would help small businesses comply with the law and encourage the government to take advantage of electronic reporting and reduce duplicative paperwork burdens. I urge your support for passage.

Mr. Chairman, I reserve the balance of my time.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the gentleman from Massachusetts (Mr. TIERNEY) for his efforts in helping us identify for small businesses across this country what the exact paperwork burden is that exists on them.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Indiana (Mr. BURTON), my good friend and chairman of the Committee on Government Reform.

Mr. BURTON of Indiana. Mr. Chairman, I would like to thank the gentleman from California (Mr. OSE), the chairman of the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, for his hard work on this bill, and the gentleman from Massachusetts (Mr. TIERNEY). He has worked very hard on this. I would like to thank as well the gentleman from California (Mr. WAXMAN), the minority member on the Committee on Government Reform.

Mr. Chairman, this is a very, very important bill. We talk about a lot of bills around here, Mr. Chairman, that do not seem to be very significant to the American people. But this is one that probably will not get front page across the country but it really is important.

□ 1030

We have 24 million small business people in this country, 24 million. The gentleman from California (Mr. OSE) said there was 190 billion hours that are devoted to small business paperwork. The Chamber of Commerce says that is 229 billion hours that they have to devote to paperwork for the Federal Government. My figures are 232 billion. But no matter how one cuts it, that is an awful lot of time and money that they have to spend just messing with regulations and paperwork in this country.

It costs them, as the gentleman from California (Mr. OSE) and the gentleman from Massachusetts (Mr. TIERNEY) and others have said, on average $5,100 per employee to comply with these regulations each year. Just think how much money we could save in this country and how much money could be turned into capital improvements and economic expansion if they did not have to spend all this time and money on paperwork.

So this bill, I think, is a very, very important bill. It will not be, like I said, front page, but I think everybody in this country that is a small business person is going to be very, very happy that we pass it.

I might also state that the U.S. Chamber of Commerce is very supportive of the bill. They have 96 percent of their members that are small business people across this country, 96 out of 100. I know that all of those people are going to be thanking the gentleman from Massachusetts (Mr. TIERNEY) and the gentleman from California (Mr. OSE) and hopefully me as well for helping get this terrible workload off their backs so that they can make more money and help make the economy even stronger.

Mr. Chairman, I include the following letter from the Chamber of Commerce for the RECORD, as follows:

CHAMBER OF COMMERCE
OF THE UNITED STATES OF AMERICA,
Washington, DC, March 13, 2001.

Hon. DAN BURTON,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE BURTON: Later this week, the full U.S. House is expected to consider H.R. 327, "The Small Business Paperwork Relief Act." The U.S. Chamber of Commerce is the world's largest business federation, representing more than three million businesses of every size, sector, and region. More than 96 percent of the U.S. Chamber's members are small businesses with 100 or fewer employees.

With the plethora of regulatory mandates on small business growing to unpredicted levels, so too is the prodigious task of filling out the required paperwork. Our nation's 23 million small businesses spent approximately 7 billion hours filling out federal paperwork in 1998, according to the Office of Management and Budget (OMB). The cost associated with this paperwork burden is estimated at $229 billion and that does not take into account state and local requirements.

Specifically, H.R. 327 would require each agency to establish one point of contact for small businesses on federal paperwork requirements. In addition, a task force with representatives across federal agencies would be established to examine the feasibility of requiring each agency to reduce, consolidate and harmonize requirements regarding collections of information with respect to small-business concerns.

We urge you to support H.R. 327 and to oppose amendments that would weaken the important paperwork reduction requirements in the bill.

Sincerely,

R. BRUCE JOSTEN.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to just make one add-on to the chairman's comments. He had said there were 190 billion hours. It was actually 7.2 billion hours per year in paperwork and 190 billion per year in cost.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. OSE. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, when one gets into those figures, it gets very confusing; but the fact of the matter is, it is costing small business people in this country a ton of money.

Mr. OSE. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois (Mr. MANZULLO), my good friend and chairman of the Committee on Small Business.

Mr. MANZULLO. Mr. Chairman, I rise today in support of H.R. 327, the Small Business Paperwork Relief Act. This bill represents an excellent start in reducing the paperwork burdens that are swamping millions of small businesses. If we can get them out from under this deluge, they can devote themselves to hiring workers, investing capital and moving the economy forward.

Twenty years after the passage of the Paperwork Reduction Act, there is no evidence that the government has reduced the amount of paperwork on small businesses. The Federal Government requires the filing of more than 7,700 forms, resulting in nearly 66 million responses with a total burden of more than 7.5 billion man-hours.

The Office of Management and Budget estimates that the annual cost of these paperwork burdens cost the American economy over $61.7 billion. This is a vast amount of paperwork.

Do we know how much of this burden is imposed on small businesses? Do we know how much of this burden is imposed on particular classes of small businesses? Does the Office of Management and Budget know which forms apply to which businesses? If it does, has that agency considered whether the information is duplicated? This bill, H.R. 327, provides the answers to these questions.

For example, convenience store owners that sell gasoline may have to prepare 46 different Federal forms. That is in addition to the basic forms for starting a business which are numerous, forms related to the sale and service of food, et cetera, et cetera. The forms and their associated instructions for the 46 different forms particularly associated with convenience stores total 250 pages of legal and regulatory prose. I got this information not from the Federal Government, which does not compile according to the function of the retailer or the wholesaler, but from a trade association.

So if someone wants to start a convenience store that sells gasoline, he or she would have to go to seven different Federal agencies. That assumes that they even knew that they should be going to some of those agencies. The situation is simply intolerable. H.R. 327 corrects this problem.

The bill requires the Office of Management and Budget to classify forms by business category, mandates that OMB put the information on the Internet in a user-friendly manner for small businesses, forces Federal agencies to create a single point of contact for small businesses to obtain information concerning paperwork requirements, and creates an interagency task force to consider ways to reduce and streamline the paperwork burdens now facing small businesses.

As the chairman of the Committee on Small Business, I would like to thank the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. OSE) for moving H.R. 327. I look forward to working with the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. OSE) on improving the Paperwork Reduction Act to ensure that the Federal Government reduces paperwork burdens on America's small businesses.

Mr. Chairman, the first thing the bill does is require that the OMB identify by North American Industrial Classification or other appropriate industry identification, the forms that every small business must fill out. In essence, a chart would be created that can be reviewed to determine the total number of forms that each agency imposes on each type of small business. OMB could then utilize this identification process to estimate the total burdens imposed on small businesses in each industrial classification. This is vital information that OMB does not yet estimate. OMB should be able to use this information in its internal management of approving existing and new information collection requests under the Paperwork Reduction Act.

There seems to be some concern about using industrial classifications because small businesses do not know their industrial classification. First, any small business that contracts with the Federal Government must know its industrial classification because the Federal Government classifies contracts using the North American Industrial Classification. The Securities and Exchange Commission requires the use of the North American Industrial Classification in all of its filings. So there are many small businesses that already know there industrial classification. And I would expect that OMB would provide a website link to the North American Industrial Classification system so small business owners could actually check their classification. I also would expect that the agency would put the title of the industrial classification in the data it collects for ease of reference in any event.

By itself, that single step would prove valuable to the Federal Government management of paperwork burdens and to the small business community. But H.R. 327, as amended, does more than that. It makes the information available to the small business community in a user-friendly manner. H.R. 327, as amended, requires the agencies to establish a single point of contact within each agency where small businesses can go to obtain information on the paperwork requirements associated with the agency. My colleagues are well aware that within a single Federal agency are numerous subagencies. I see no reason that a small business owner has to negotiate among this multitude in order to find out a simple question—what forms do I need to fill out to comply with the law. The structure of Federal agencies has made this a game. If a small business owner guesses correctly, they might find out what forms they need to fill out; if they guess incorrectly, they might not find out. That is just plain stupid.

H.R. 327 would correct that problem by appointing one person in each agency to act as a central point of contact for small businesses to obtain information on the paperwork requirements associated with its small business. Small businesses then would be able to obtain the appropriate forms from this point of contact. I also would expect that the point of contact would create a website where all of the agency's forms are located for easy downloading by small businesses.

The bill also would establish an interagency task force to address ways to reduce burdens on small businesses. For example, the task force, armed with identification of all appropriate forms identified by industry, could begin to examine processes to improve interagency sharing information so that similar information would not have to be filed with multiple agencies. Or agencies might share knowledge about how to make forms more user-friendly and thereby reduce the time that small businesses expend in completing forms.

Mr. Chairman, I would like to enter into a colloquy with the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. Yes, I yield to the gentleman from California.

Mr. OSE. Mr. Chairman, I will be happy to engage in a colloquy with the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, I thank the gentleman from California for agreeing to engage in a colloquy. I think it is absolutely imperative on the task force created by the bill to obtain input from the small business community. Does the gentleman from California concur?

Mr. OSE. Mr. Chairman, if the gentleman will yield, I concur with the gentleman from Illinois. I certainly would not understand how a task force that is designed to reduce the paperwork burdens on small businesses could accomplish its goal without obtaining input from the small businesses that are buried by Federal reporting and recordkeeping requirements.

Mr. MANZULLO. Mr. Chairman, I thank the gentleman from California for clarifying that issue.

I also note that the bill would require the Office of Management and Budget place the information on small business paperwork burdens on the Internet. I agree that this would make the information more accessible.

However, I believe more can be done. I think that OMB should establish a link on its website to the agency point of contact established by the bill. Each agency's website then would have links to the relevant paperwork required for small business. I would like the opinion of the gentleman from California on this point.

Mr. Chairman, I yield to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I agree with the gentleman from Illinois. The bill was intended to make information available in a user-friendly format, which means making it easy for small businesses to find the relevant paperwork requirements on the Internet. That would include providing appropriate links on OMB's website to the single points of contact established by the bill. In addition, I would expect links on OMB's website to other general access points, such as the FirstGov website and the Small Business Administration's website.

I look forward to working with the distinguished gentleman from Illinois to ensure that the Federal agencies provide appropriate links to this critical information.

Mr. MANZULLO. Mr. Chairman, finally, I would like to clarify one point. The bill as introduced required that the information be organized by the North American Industrial Classification System. The amendment would modify that requirement by leaving it up to the discretion of OMB.

Is it the opinion of the gentleman from California (Mr. OSE) that the best method of classifying the information remains the North American Industrial Classification System because that would enable small businesses to best identify the paperwork burdens associated with the particular businesses?

Mr. Chairman, I yield to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I thank the gentleman for raising that critical point. I believe that OMB should classify the information using the North American Industrial Classification System. Otherwise, a small business searching for information on its paperwork burdens might not find the information most applicable to its business. By using the North American Industrial Classification System, it would ensure that restaurants find information relevant for restaurants and not information for steel manufacturers.

In conclusion, I fully agree with the gentleman from Illinois on this point.

Mr. MANZULLO. Mr. Chairman, I thank the gentleman from California (Mr. OSE).

Mr. TIERNEY. Mr. Chairman. I yield myself such time as I may consume.

Mr. Chairman, I understand the desire that the task force address concerns of the small business community. It is my understanding that is why the task force in fact includes someone from the Small Business Office of Advocacy. That is what they do. So I should not think we would all be surprised about that. I think that should continue and we support that.

But I think it is also important that the task force obtain input from the environmental, public health and the labor communities as well. Because the study, in fact, is looking at the feasibility of streamlining paperwork without negatively impacting underlying protections.

I think, as much as we can all rail here about the need for paperwork reduction and streamlining, we all believe that is a good goal. I think few of us would argue that the regulations in fact are there for a purpose. While we are achieving our goal for this bill, we want to make sure we do not undercut the purposes of those regulations that are so important.

I would also like to clarify a point made by the gentleman from California (Mr. OSE). I understand his preference of the Office of Management and Budget to use the North American Industrial Classification System. However, I want to ensure that he understands the bill has changed. The bill now states that the information should be organized in such a manner that such small business concerns can easily identify requirements by which they are expected to comply.

If the North American Industrial Classification System is the easiest, then I think that is obviously the one OMB will select. But we should all know that the NAIC categories are used for census purposes and for compiling statistics. OMB may not find that to be the most significant or most proper way to do that, in which case they will use another way of presenting the information.

I thank the chairman for that.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BACA).

Mr. BACA. Mr. Chairman, I stand in support of this legislation, H.R. 327. If we are not choking small businesses with overburdensome regulations, we are choking them with paperwork.

Today small business owners have to contend with an increased competition with big businesses who are merging and consolidating and putting a squeeze on the little guy. Then they have big government come in, squeezing the little guy with tons of regulations and paperwork. This is why this country is heading into a recession.

Small business is the engine of the economic growth in this country. The biggest employer is the Inland Empire in my area with the largest growth of small businesses.

What we have done is we have stalled the engine. I state we have stalled the engine. We have forced small businessmen and women to spend hours filling out forms. These are hours they cannot spend with customers, their families, vendors, civic organizations.

Time is money. As a former small business owner, I know how tough it can be to keep up with small regulations and forms. I wanted to be a good businessman, not a good form-filler-outer.

For those of us who are in small businesses, we understand what is going on in the world around us and the kind of competition that we are faced with as well. We want to be just as competitive as anybody else. But we also want to spend our time wisely. The way to do that is to get rid of some of the burdens that we have in the filling out of the paperwork.

In addition, I am also concerned that the President's budget cuts Small Business Administration almost in half from its level of 2000 and that the President's tax plan does not allow for specific tax relief for small businesses.

Small businesses deserve our support and help. They need financing programs. They deserve specific tax relief measures. They need less burdensome regulations and less paperwork.

Let us unharness small business owners and get the engine going again. I ask for support for H.R. 327.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find myself thanking the gentleman from Massachusetts (Mr. TIERNEY) often, which is good. I want to thank the gentleman from Massachusetts for bringing up the very valid suggestion that the task force should visit with labor and environmental groups in particular. I think that is an excellent point that needs to be in the RECORD.

Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the gentleman from California for yielding me the time.

Mr. Chairman, I am grateful for this opportunity to come to the floor this morning to urge my colleagues to support the Small Business Paperwork Reduction Act. I specifically thank the gentleman from California (Chairman OSE) and the gentleman from Massachusetts (Mr. TIERNEY) for their efforts in this regard.

My good friends, the gentleman from Indiana (Chairman BURTON) and the gentleman from Illinois (Chairman MANZULLO), have introduced and worked with these gentlemen to introduce an important bill to help the new administration protect small business from an ever-expanding regulatory burden.

As the new chairman of the Subcommittee on Regulatory Reform and Oversight, I am especially pleased to pick up the regulatory reform mantle from the gentlewoman from New York (Mrs. KELLY) and my good friend and predecessor David McIntosh. They did a tremendous job as advocates for small business, and I hope to continue to fight regulatory excess and burdensome paperwork that acts as such an impediment to economic growth and expansion.

In fact, Mr. Chairman, reducing this burden is as important to small businesses as tax relief, because filling out forms competes directly with the business manager's principal goal, growing his or her business. This mountain of paperwork has been the enemy.

In spite of the importance of small business to the success of our economy, small businesses face serious hurdles. One of the hardships that I have heard over and over again in east central Indiana from small business leaders in my district is the burden of paperwork and Federal red tape.

The Office of Management and Budget estimates the Federal paperwork burden at 7.2 billion hours. What does this mean, Mr. Chairman? It means that it takes an army of 3.5 million workers working 40 hours a week, 52 weeks of the year to simply fill out all of the paperwork the Federal Government requires each year. According to the Office of Management and Budget, this costs the American public $190 billion a year.

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Much of the information that is gathered in this paperwork is important, sometimes even crucial for the government to function. However, too often the paperwork is duplicative and sometimes unnecessary.

Unfortunately, past efforts to fix the paperwork problem have not worked. In 1995, Congress passed amendments to the Paperwork Reduction Act. The goal of the act was to annually reduce the requirements of the Federal Government. These annual reductions in paperwork, however, have not been achieved. In fact, paperwork burdens have increased over the past 5 years.

As my colleagues know, the regulatory burden that the Federal Government imposes on business is staggering. According to the Small Business Administration, it costs large firms $3,400 per employee to comply with Federal regulations. However, the cost to small businesses is 50 percent greater, a staggering, $5,100 per employee; and for small businesses, nearly $2,000 of this cost is for paperwork alone. H.R. 327 starts to deal with these paperwork issues.

Mr. Chairman, I urge my colleagues to support the Small Business Paperwork Relief Act.

Mr. TIERNEY. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. WAXMAN), the able ranking member of the Committee on Government Reform.

Mr. WAXMAN. Mr. Chairman, I rise to urge my colleagues to support passage of H.R. 327, the Small Business Paperwork Relief Act. As my colleagues may recall, similar legislation was on the House floor during the 105th and the 106th Congresses, which I did not support. H.R. 327, however, does not contain the controversial provisions as in the past years that would have condoned violations of important health and safety laws.

In addition to stripping the bill of the egregious language regarding violations, the majority worked with us to add new provisions that call for agencies to make it easier for small businesses to learn what is expected of them and improve the dissemination of regulatory information to the public. This bill calls on agencies to work together to create a way for a small business person to be able to contact one agency for information instead of multiple agencies as is currently required.

I especially want to highlight one provision which calls on agencies to work toward an interactive computer system which will allow small businesses to electronically identify information collection requirements. A small business person should be able to go online and determine what are the government requirements with which the business needs to comply.

Just this week the General Accounting Office released a report, Regulatory Management: Communication About Technology-Based Innovations Can Be Improved, drafted at my request and the request of Senators LIEBERMAN and THOMPSON. It demonstrates how information technology can and should be used by agencies when they interact with the public to accomplish their missions. The report explains that increased use of information technology in regulatory management has the potential to yield significant benefits, including reducing burden on regulated entities; and I believe the changes to this bill start us on the right track.

Mr. Chairman, of course this bill's attempt to help small businesses should not obscure what this Congress has done to hurt small businesses. This Republican Congress began down the wrong path earlier this month when it included anti-small business provisions in the bankruptcy bill it passed. One such provision created an inflexible trigger which requires a court to order liquidation even if the small business is still viable.

Similarly, the President's budget recently submitted to Congress funding cuts of the Small Business Administration by 46.4 percent. Specifically, the budget eliminates the New Markets Venture Capital program, which provides venture capital and technical assistance to small businesses in less prosperous areas of the country.

In addition, it eliminates the business link program which encourages mentoring between large and small businesses.

Mr. Chairman, although there were a number of additional provisions that I would have liked to see in this bill, because this bill no longer has the violations sections and because some of the Democratic suggestions were included, I urge passage of H.R. 327.

In closing, I would like to commend the gentleman from California (Mr. OSE), the subcommittee chairman; the gentleman from Indiana (Mr. BURTON), the full committee chairman; and the gentleman from Massachusetts (Mr. TIERNEY), the subcommittee ranking member. They have worked together to produce a bill that deserves our support.

Mr. OSE. Mr. Chairman, I yield 1 minute to the gentleman from Idaho (Mr. OTTER).

Mr. OTTER. Mr. Chairman, I rise today in support of H.R. 327, the Small Business Paperwork Relief Act. The Office of Management and Budget estimates that small businesses spend 7.2 billion man-hours to fill out Federal Government paperwork. This means it takes an army of 3.5 million workers, working 8 hours a day, 260 days a year, to fill out the paperwork that the Federal Government requires. Think now, how many government employees it takes to read, file, store, analyze, and then answer this same paperwork.

For the hard-working American people who own and operate small businesses, we must stop these regulations now; and by doing so, we create an opportunity for them to become more efficient, drive down costs, stimulate the economy, and let them spend more time of that 7.2 billion hours with their families and keeping their businesses competitive. It is the American consumer that buys the products from these companies that pays the bill.

Mr. Chairman, once again I thank the gentleman from California for yielding me this time.

Mr. OSE. Mr. Chairman, may I inquire how much time remains?

The CHAIRMAN. The gentleman from California (Mr. OSE) has 9 minutes remaining.

Mr. OSE. Mr. Chairman, I yield 1 minute to one of our newest Members, the gentleman from Florida (Mr. PUTNAM).

Mr. PUTNAM. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 327, the Small Business Paperwork Relief Act. In my State of Florida, 98.9 percent of the businesses are small businesses, and 84 percent of the jobs in Florida come from firms having 25 or fewer employees.

Small business ownership is the great gateway to the middle class for many minorities in my State. In Florida, there are over 40,000 small businesses owned by African Americans and over 118,000 Hispanic-owned small businesses. In my home county there are about 9,300 business establishments, 86 percent of which the employment comes from firms employing fewer than 20.

Small business is truly the lifeblood of our economy. Bureaucracy and its attendant costs, however, have invaded nearly every aspect of our economic life. Nowhere does the growing burden of Federal regulation fall more heavily than on small business.

Among the early victories of the Reagan years was the passage of the Paperwork Reduction Act of 1980. The Paperwork Reduction Act targeted several classes of the public for relief, especially the small business community. Unfortunately, since that time, the burden of Federal regulation has once again reared its ugly head. Mr. Chairman, that means that 86 percent of the employment is burdened by this hidden tax of $2,000 per employee.

Mr. Chairman, I urge the passage of H.R. 327.

Mr. OSE. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GRUCCI).

Mr. GRUCCI. Mr. Chairman, I thank my colleague, the gentleman from California (Mr. OSE), for yielding me this time.

Mr. Chairman, during my career, both in the private sector as a small family businessman, and in the public sector, when I served as supervisor of the largest town in Suffolk County, on Long Island, I have always been a proponent of streamlining the costly bureaucracies that hinder the success of small businesses and stifle the entrepreneurial spirit.

When I ran my family business, I experienced firsthand how encyclopedia-sized applications discouraged owners from competing on government projects. I had to hire additional attorneys, accountants, and consultants just to fill out the basic paperwork. These requirements place unnecessary burdens on the backbone of our Nation's economy, the entrepreneur and the small business owner.

As a local town supervisor, I streamlined and enhanced the planning and review process so small businesses could obtain permits at a faster pace. By streamlining the process, small businesses open faster, expand at a greater rate, create additional jobs, protect our environment, and provide the improvement for the quality of life of all Americans.

This commonsense measure aims to ease the unnecessary burdensome paperwork by requiring public electronic disclosure of all Federal paperwork requirements and establishing a one-stop shop.

Mr. Chairman, I ask that my colleagues join me in passing this resolution.

Mr. TIERNEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding me this time and for his leadership. I also thank the committee for its leadership and thank the chairman as well.

Mr. Chairman, I wanted to come to the floor to suggest to my colleagues that I wish that we could be doing more. I happen to be a member of the House Committee on Science, and during my tenure on that committee I have often said that small business is the backbone, the infrastructure, of America, along with science. Science is the work of America. In many instances, small businesses are engaged in activities that generate research and improvements in our quality of life.

I believe the backbone of this legislation is the idea of providing access to small businesses as relates to our Federal agencies. So I am certainly supportive of the aspects that would require Federal agencies to reduce paperwork requirements for very small businesses; and certainly I am very supportive of establishing single points of contacts for information on paperwork requirements and the fact that we are publishing each year a list of all paperwork requirements on small businesses and establishing a task force to study the feasibility of streamlining small business reporting requirements.

But I would like to see us continue outreach activities to small businesses. I think the concept promoted in the last administration of the U.S. General Store, where there was a central point where small businesses could access the Federal agencies and find out how to market products to the Federal agencies and how to work with the Federal agencies, is a concept that this Congress should take up again.

I think this Congress should be looking at how we can lower the cost of health care for our smaller businesses in a manner that provides health care to their employees in an economical way. I think this Congress should be looking at how we can address the energy crisis so that the high cost of fuel is not putting our small businesses out of business. And I would hope that this Congress could as well look at the mobile concerns around the Nation, because it is the employees of small businesses that most suffer in terms of mobility. In particular, my city of Houston is fighting for a light rail system to assist in our mobility and air-quality issues.

So though I come and support this legislation, inasmuch as I believe the economy is driven by small businesses, I think that we will do well to spend a great deal of our legislative agenda in helping to address the questions that really drive small businesses, which is bringing down their health care costs, providing them with regional mobility, and ensuring that they have the kind of lower costs in energy and overhead costs that will keep them strong and vibrant.

With that, Mr. Chairman, I support the legislation and ask my colleagues to continue their work.

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Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

I want to compliment the gentlewoman from Texas. I look forward to working with her on further relieving the burden on the small businesses that exist in all of our districts. I thought her remarks were right on point.

Mr. Chairman, I yield 2 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I rise today to urge all of my colleagues to support the small business paperwork relief act, H.R. 327. Many who have spoken have cited the various benefits of this bill to small businesses: reduced costs, greater efficiency and new jobs. But I would like to highlight yet another benefit of this bill, greater business opportunities for women and more women-owned businesses.

Women have made great strides in the workplace, especially as entrepreneurs. Between the years of 1987 and 1997, the number of women-owned businesses has increased by 89 percent. In my State of West Virginia, small business is 80 percent of the businesses in West Virginia. In February of this year, six of my constituents received Small Business Administration loans. Four of these business owners were women. All of them are happy to receive the financial support, but they would be even happier if the government would remove some of the unnecessary regulations and paperwork that prevent them from doing such things as offering expanded health insurance policies or creating new jobs, all these things that could be done with the costs they expend on filling out large amounts of Federal paperwork.

As leaders entrusted with the responsibility to preserve the ideas that this country was founded on, we need to be constantly vigilant, recognizing these needless barriers that unduly burden small business. We need to be constantly aware and unwilling to tolerate the unnecessary obstacles that prevent all Americans, men and women, from achieving the American dream. If we fail our country and our constituents of this responsibility, then we cheat our national economy of many talented and capable workers and potential commercial assets.

I cannot help but wonder how many more women or minority entrepreneurs we could have if we made starting and running a small business a little bit easier. I urge my colleagues today to recognize this. Today we have the opportunity to preserve and extend the idea of the American dream to millions more women who think that when it comes to starting and running a business it is just too hard. Send them a message that the true entrepreneurial spirit is available to them.

I urge support of H.R. 327, the small business paperwork relief act.

Mr. OSE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. Mr. Chairman, I rise today in strong support of small business owners and of common sense. I ask my colleagues to support H.R. 327, the small business paperwork relief act. Despite the importance of small businesses to our economy, they face serious regulatory hurdles. The single most costly type of regulation is paperwork compliance. The Office of Management and Budget estimates the Federal paperwork burden at 7.2 billion man hours and $190 billion each year. These small businesses are drowning in a sea of red tape. The time and money required to keep up with government paperwork prevents small businesses from securing their first priority, growing and creating new jobs.

According to the Small Business Administration, it costs large firms $3,400 per employee to comply with Federal regulations. But the cost to small business is 50 percent higher, a staggering $5,100 per employee. This common sense legislation would help ease the paperwork burden by establishing a central Internet site listing all the Federal paperwork requirements for small businesses, allowing small businesses to anticipate the otherwise unknown paperwork hurdles that they must clear in launching new businesses.

As a former small business owner, I have personally witnessed the tremendous strain that paperwork places on small business owners. In fact, in my district in Fanwood, New Jersey, Mary Ellen Cagnassola's small business provides work for my constituents who make the popular scented soaps at Mary Ellen's Sweet Soaps. Mary Ellen is one of thousands of small business owners across the country who employ more than 50 percent of our country's workforce and face a 50 percent higher cost than larger business owners in regulatory paperwork.

I ask my colleagues to support this bill which takes an important first step in trying to lift the paperwork burden that the Federal Government imposes every year on America's small business owners.

Mr. Chairman, I rise today in support of small business owners—and common sense—and ask my colleagues to support H.R. 327, the "Small Business Paperwork Relief Act."

Despite the importance of small businesses to our economy, they face serious regulatory hurdles. The single most costly type of regulation is paperwork compliance. The Office of Management and Budget estimates the federal paperwork burden at 7.2 billion man-hours and $190 billion a year.

But these small businesses are drowning in a sea of redtape. The time and money required to keep up with government paperwork prevents small businesses from securing their first priority—growing and creating new jobs.

According to the Small Business Administration, it costs large firms $3,400 per employee to comply with federal regulations. But the cost to small business is 50 percent greater—a staggering $5,100 per employee.

This commonsense legislation would help ease the paperwork burden by establishing a central Internet site listing all the federal paperwork requirements for small businesses—allowing small businesses to anticipate the otherwise unknown paperwork hurdles they must clear in launching new business.

In addition, it directs each agency to provide a contact for small businesses on paperwork requirements.

As a former small business owner I have personally witnessed the tremendous strain that paperwork places on small business owners.

I have also had the opportunity to speak with other small business owners on this issue. Small businesses are the backbone of our nation's economy. In my district, in Fanwood, NJ, Mary Ellen Cagnassola's small business provides work for my constituents who make the popular scented soaps at "Mary Ellen's Sweet Soaps". Mary Ellen is one of thousands of small business owners across the country who employ more than 50 percent of the country's workforce and face a 50-percent greater cost than larger businesses in regulatory paperwork.

Small businesses are responsible for 47 percent of all sales and 51 percent of the private gross domestic product.

But small businesses provide more than just jobs and sales. They offer most initial on-the-job training. And, even more importantly, they are more likely to employ younger and older workers, former welfare recipients and women, many of whom prefer or are able to work only on a part-time basis.

In addition to being centers for training, small businesses are also laboratories of innovation and entrepreneurship. Small businesses give women and minority's a chance to build on their dreams and enhance the communities they live in.

A great source of American strength has always been the dream of economic growth, equal opportunity and upward mobility. Small businesses enable millions, especially women, to access that American dream.

I ask my colleagues to support this bill, which takes an important first step in trying to lift the paperwork burden that the federal government imposes every year on America's small business owners.

Mr. OSE. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. SCHROCK).

Mr. SCHROCK. Mr. Chairman, America's small business owners collectively spend thousands of hours and billions of dollars each year filling out government paperwork. A friend of mine, Kent Winquist, is a small business owner in Virginia Beach and Norfolk. He tells me that every week he must maintain and update tax forms, Social Security forms, immigration forms, health care forms and many other mandatory Federal forms just to comply with Federal regulations, or face stiff penalties. Small business owners like Kent are stuck in back offices filling out forms and meeting Federal deadlines instead of training new employees and expanding their businesses. Federal regulatory agencies will continue to hold back small business from thriving in their communities unless we take action.

Mr. Chairman, I believe that less government involvement in our lives will allow us to give more to our communities, our families and our economy.

It is time for us to give small businesses back their time so that they continue to be the engine that drives our economy. I urge my colleagues to support H.R. 327, the small business paperwork relief act which will give small business owners more time to invest in their businesses and share with their families.

Mr. OSE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I have been a small business owner for about 10 years. Like many of us, I am sure, I know many hundreds of small business owners across my district, the Lehigh valley of Pennsylvania. There is no question that small business is the critical engine of economic growth and the critical creator of jobs. It is also, I would point out, an amazing source of the charitable contributions in our communities, of volunteer work that goes to improve the quality of life in our communities.

It is a thrill to own a small business if you are fortunate enough to have a successful one. There is a great satisfaction in creating a business from scratch and employing people and seeing that become productive. But it is also an enormous challenge. There is a great deal of worry, whether you are going to make that payroll every Friday, whether you are going to have the funds to make that bank payment that is coming due next week, how are you going to figure out how to innovate and stay alive in business.

What we in government ought to be doing is we ought to be finding ways to reduce the obstacles that we impose on the small businesspeople of America who achieve this great success. The two big things we can do is we can relieve the tax burden, the enormous tax burden that small business owners contend with every day. We can support the President's proposal and in fact expand on the President's proposal for tax relief and do wonders for small business. The other thing we can do is reduce the regulatory burden. H.R. 327 clearly does that. This is a very constructive step to give small business owners the time and energy to be able to spend productively improving their business, creating more jobs and more opportunity. That is what we ought to be doing here.

I urge my colleagues to vote for H.R. 327. I congratulate the members of the committee who have made this possible.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise today in strong support of H.R. 327, the Small Business Paperwork Relief Act of 2001.

It is estimated that small business owners spend at least a billion hours each year filling out government paperwork at a cost of $100 billion. For companies with fewer than 20 employees, paperwork regulations cost $2,017 per employee per year. For those with 20 to 499 employees, paperwork regulations cost $1,931 per employee per year. This is simply unacceptable.

Although there have been attempts to mitigate this burden in the past, they are clearly not working. In fact, the Office of Management and Budget's FY 2000 Information Collection Budget shows that there have been increases in paperwork in each of the last 5 years. Such figures reinforce the notion that the Federal Government is simply a regulatory beast, better suited to imposing complex rules and creating extra work for the American people than being a source of assistance.

This has to stop. Every effort must be made to make it as easy as possible for small businesses to conduct business with, and abide by the rules of, the Federal Government. H.R. 327 goes a long way toward making this a reality, and I commend Chairman BURTON for his leadership in bringing this bill before the House so early in this Congress. H.R. 327 makes it easy for small businesses to find out their paperwork obligations by requiring that a comprehensive, annual list be published on the Internet and in the Federal Register. It also requires every agency to establish a single point of contact to act as a liaison to small businesses. Finally, it requires every agency to make special efforts to reduce paperwork for businesses with fewer than 25 employees, and establishes a task force to study the feasibility of streamlining reporting requirements for all small businesses.

Small businesses have a hard enough time trying to survive in the competitive marketplace. There is no reason not to minimize the amount of resources that they must divert from conducting business to complying with the Federal Government. I urge my colleagues to fully support this bill.

Mr. OTTER. Mr. Chairman, I rise today in support of H.R. 327, the "Small Business Paperwork Relief Act."

The Office of Management and Budget estimates that small businesses spend 7.2 billion man hours to fill out federal paperwork.

This means it takes an army of 3.5 million workers, working 40 hours a week, 52 weeks a year, to fill out the paperwork the Federal Government requires. Think now, how many government employees it takes to read, file, store, analyze, and answer the same paper.

And according to the Chamber of Commerce of the United States, this burden costs the American public $229 billion per year, and this does not take into account state and local requirements.

For the hard-working Americans who own and operate small businesses we must ease these regulations.

By doing so, we create an opportunity for them to become more efficient, drive costs down, stimulate the economy, and let them spend more of that 7.2 billion hours of paperwork with their family and keeping their business competitive.

As most of my colleagues know, it costs money to comply with the regulations the federal government requires. According to the Small Business Administration it costs large firms $3,400 per employee to comply with federal regulations. However, it costs small businesses 50 percent more—an amazing $5,100 per employee.

How can we sit here and continue to justify this burden on our friends and neighbors who are just trying to fill out mandated paperwork.

Let me just tell you about redundant paperwork. In Idaho we have a small business, Land Mark Promotions, who every now and then ships items overseas.

In order to compete internationally they are required to fill out a shipper export declaration, a certificate of origin, maintain a harmonized export number, and have four to five copies of of the invoice, I think we can do better than that and abolish the duplication process in these type of regulations.

In a time where our economy is slowing down, let us free up small business so they can work on job training, innovations, and productivity.

And if anyone can tell me how 7.2 billion hours of bureaucratic paperwork is productive, I have some ocean front property in Idaho.

Mr. Chairman, let us get back to common sense, streamline the requirements for small business, get the monkey off the back of small business owners so they can help this economy grow, and support the "Small Business Paperwork Relief Act."

Ms. HOOLEY of Oregon. Mr. Chairman, anyone who's ever been to Oregon knows that the backbone of our local economy are small businesses and family farms.

Unfortunately, the time and money required to keep up with government paperwork prevents them from growing and creating new jobs.

For example, I recently heard from a local funeral home owner whose business has been in his family for three generations—and was astounded to learn of the increasing mountain of paperwork that he's had to deal with over that time period.

And according to the Office of Management and Budget (OMB), this individual isn't alone—paperwork counts for one-third of all total federal regulatory costs (over $230 billion a year).

I think it would be great if we could get more agencies to work with small businesses to solve their differences instead of immediately taking an adversarial relationship with them.

That's why I support the Small Business Paperwork Relief Act, because it gives Oregon's entrepreneurs some much-needed relief from federal redtape.

Specifically, it would put on the Internet a comprehensive list of all the Federal paperwork requirements for small businesses organized by industry, and it would establish a paperwork czar in each agency who is the point of contact for small businesses on paperwork requirements.

Finally, it would establish a task force, including representatives from the major regulatory agencies, to study how to streamline reporting requirements for small businesses.

I urge my colleagues to support H.R. 391.

Mr. GRAVES. Mr. Chairman, I rise today in strong support of the Small Business Paperwork Relief Act. Small business is the backbone of our Nation's economy. In fact small businesses are the largest employer in the State of Missouri. 96 percent of all businesses have fewer than 100 employees in Missouri. For Missourians the success and prosperity of our State quite literally depends on the success and prosperity of our small businesses.

Which is why I am an ardent supporter of the Small Business Paperwork Relief Act. This act works to reduce the overwhelming paperwork requirements imposed on small businesses by federal agencies.

Mr. Chairman, I would like to give you an idea of the total requirements that the Federal Government forces on small businesses: For firms with fewer than 20 employees, paperwork regulations cost $2,017 per employee per year. This is the single most costly type of regulation.

I spoke with Jim Oldebeken, a constituent in my district, and he stated that in order to be in compliance with OSHA's paperwork requirements, small bussiness owners must know and understand the entire OSHA code—which happens to be longer than the Bible—both New and Old Testament. On average, small business owners spend more time reading, filling out, and filing paperwork than they spend on protecting their employees and making their workplace safe. Another constituent of mine, Bruce Copsey, who owns Hollaway Telephone Co. in Maitland, MO, estimates that he spends three times as much time filing out paperwork today than he did when he opened his business in 1988.

Mr. Chairman, I believe these small businessmen share the same concerns as many of my constituents and small business people across the country. It is not that they do not want to comply with government standards; they just do not want the act of compliance and the art of filling out paperwork to become their job. Small businesses are vital to the economic success of our nation, and they provide millions of good jobs across this nation. The Paperwork Relief Act will streamline the regulatory paperwork process for small business owners. As we deliberate in this body how best to stimulate our economy and insure that there is an abundance of good jobs available, there will be few bills that have the potential to have the sort of impact that this legislation will have on the job providers of our nation. Without regulatory reform and a reduction in the unnecessary regulations and paperwork, our small business people and the jobs that they create will be placed in jeopardy unnecessarily. This bill recognizes the importance of our small business community and the detrimental effect that unnecessary redtape and regulations has on our small businesses. Mr. Chairman, I urge my colleagues today to join me in supporting our small businessmen and women across the country by passing the Small Business Paperwork Relief Act.

Mr. TIERNEY. Mr. Chairman, I thank the gentleman from California (Mr. OSE) for the leadership he has shown on this bill, and I yield back the balance of my time.

Mr. OSE. Mr. Chairman, I thank the gentleman from Massachusetts, who has been a gentleman in this entire process, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1 shall be considered by section as an original bill for the purpose of amendment and each section is considered read.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Paperwork Relief Act".

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PAPERWORK REQUIREMENTS.

(a) REQUIREMENTS APPLICABLE TO THE DIRECTOR OF OMB.—Section 3504(c) of chapter 35 of title 44, United States Code (commonly referred to as the "Paperwork Reduction Act"), is amended—

(1) in paragraph (4), by striking "; and" and inserting a semicolon;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) publish in the Federal Register on an annual basis—

"(A) a list of the requirements applicable to small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)) with respect to collection of information by agencies, organized in such a manner that such small-business concerns can easily identify requirements with which they are expected to comply (e.g., organized by North American Industrial Classification System code and industrial/sector description (as published by the Office of Management and Budget)); and

"(B) the agency that issued each such requirement and the website address for such agency; and

"(7) make available on the Internet the information described in paragraph (6).".

(b) ESTABLISHMENT OF AGENCY POINT OF CONTACT.—Section 3506 of such chapter 35 is amended by adding at the end the following new subsection:

"(i) In addition to the requirements described in subsection (c), each agency shall, with respect to the collection of information and the control of paperwork, establish one point of contact in the agency to act as a liaison between the agency and small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)).".

(c) ADDITIONAL REDUCTION OF PAPERWORK FOR CERTAIN SMALL BUSINESSES.—Section 3506(c) of such chapter is amended—

(1) in paragraph (2)(B), by striking "; and" and inserting a semicolon;

(2) in paragraph (3)(J), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) in addition to the requirements of this Act regarding the reduction of paperwork for small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)), make efforts to further reduce the paperwork burden for small-business concerns with fewer than 25 employees.".

(d) EFFECTIVE DATE REGARDING PUBLICATION OF REQUIREMENTS.—The Director of the Office of Management and Budget shall publish the first list of requirements required under paragraph (6) of section 3504(c) of title 44, United States Code (as added by subsection (a)), and make such list available on the Internet as required by paragraph (7) of such section (as added by subsection (a)), not later than the date that is one year after the date of the enactment of this Act.

The CHAIRMAN. Are there any amendments to section 2?

The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. ESTABLISHMENT OF TASK FORCE TO STUDY STREAMLINING OF PAPERWORK COLLECTION REQUIREMENTS AND DISSEMINATION FOR SMALL-BUSINESS CONCERNS.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is further amended by adding at the end of subchapter I the following new section:

"§ 3521. Establishment of task force on feasibility of streamlining information collection requirements and dissemination

"(a) There is hereby established a task force (in this section referred to as the 'task force') to study the feasibility of streamlining requirements with respect to small-business concerns regarding collection of information and strengthening dissemination of information.

"(b) The members of the task force shall be appointed by the Director, and shall include the following:

"(1) At least two representatives of the Department of Labor, including one representative of the Bureau of Labor Statistics and one representative of the Occupational Safety and Health Administration.

"(2) At least one representative of the Environmental Protection Agency.

"(3) At least one representative of the Department of Transportation.

"(4) At least one representative of the Department of the Treasury.

"(5) At least one representative of the Office of Advocacy of the Small Business Administration.

"(6) At least one representative of each of two agencies other than the Department of Labor, the Environmental Protection Agency, the Department of Transportation, the Department of the Treasury, and the Small Business Administration.

"(7) At least two representatives of the Department of Health and Human Services, including one representative of the Health Care Financing Administration.

"(c) The task force shall examine the feasibility of requiring each agency to consolidate requirements regarding collections of information with respect to small-business concerns within and across agencies without negatively impacting the effectiveness of underlying laws regarding such collections of information, in order that each small-business concern may submit all information required by an agency—

"(1) to one point of contact in the agency;

"(2) in a single format, or using a single electronic reporting system, with respect to the agency; and

"(3) on the same date.

"(d)(1) Not later than one year after the date of the enactment of the Small Business

Paperwork Relief Act. the task force shall submit a report of its findings under subsection (c) to—

"(A) the chairmen and ranking minority members of the Committee on Government Reform and the Committee on Small Business of the House of Representatives, and the Committee on Governmental Affairs and the Committee on Small Business of the Senate; and

"(B) the Director of the Office of Management and Budget.

"(2) Not later than two years after the date of the enactment of such Act, the task force shall submit to the individuals described in paragraph (1) a report examining strengthening dissemination of information and including—

"(A) recommendations for implementing an interactive system for the requirements in section 3504(c)(6) that would allow small-business concerns to identify information collection requirements electronically;

"(B) guidelines for each agency for developing interactive reporting systems that include a component that edits the information submitted by a small-business concern for consistency;

"(C) recommendations for electronic dissemination of such information; and

"(D) recommendations, created in consultation with the Chief Information Officers Council (established pursuant to Executive Order 13011, issued July 16, 1996), for the coordination of information among the points of contact described in section 3506(i), so that those points of contact can provide small-business concerns with information collection requirements from other agencies.

"(e) As used in this section, the term 'small-business concern' has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 631 et seq.).".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3520 the following new item:

"3521. Establishment of task force on feasibility of streamlining information collection requirements and dissemination.".

The CHAIRMAN. Are there any amendments to section 3?

If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. FOSSELLA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, pursuant to House Resolution 89, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 14, as follows:

[Roll No. 50]

YEAS—418

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Ackerman
Boyd
Cannon
Davis, Tom
Evans
Ganske
Gephardt
Hilleary
Hoekstra
Jones (NC)
Keller
Largent
Moakley
Schaffer

□ 1135

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I rise to inquire about next week's schedule.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Texas (Mr. ARMEY), the distinguished majority leader, for the purposes of apprising us of the schedule for next week.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I did not get the gentleman from Maryland's comment. I missed it.

Mr. HOYER. I said I would yield to the distinguished gentleman from Texas (Mr. ARMEY), the majority leader, for the purposes of informing Members about the schedule.

Mr. ARMEY. I thank the gentleman from Maryland for yielding. I thought I had heard the gentleman say "distinguished." I just wanted to hear him say it again. I thank the gentleman from Maryland.

Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Tuesday, March 20, at 12:30 p.m. for morning hour and 2 o'clock p.m. for legislative business.

The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

On Tuesday, no recorded votes are expected before 6 o'clock p.m.

On Wednesday, March 21, and Thursday, March 22, the House will meet at 10 o'clock a.m. for legislative business.

The House will consider the following measures:

H.R. 802, the Public Safety Officer Medal of Valor Act;

H.R. 247, the Tornado Shelters Act.

Mr. Speaker, we are working with several committees at this time that may have further business ready for consideration on the floor next week. My office will advise the Democratic leadership and the House as soon as further floor business is ready to be announced this afternoon and tomorrow.

Mr. HOYER. Mr. Speaker, I thank the gentleman for that information.

Mr. Speaker, the gentleman from Texas, the majority leader, indicates that there are some possibilities of discussions with some of the committees resulting in bills being reported to the floor.

Would the gentleman be able to inform us as to what those possibilities are, realizing they may or may not come to the floor? Do we know what the possible bills that might come to the floor would be?

Mr. ARMEY. Mr. Speaker, let me thank the gentleman for his inquiry.

I am working with a lot of committees. Quite frankly, at this point, I cannot tell the gentleman what they might be. I do not see anything that would be controversial in the mix of things that might be available, but we certainly will advise the Members and the leadership as soon as we can find something, whatever it is.

Mr. HOYER. I thank the gentleman, particularly for his observation that if something came that we did not hear about today, the probability is it would not be controversial.

Mr. ARMEY. I would expect nothing controversial.

Mr. HOYER. Mr. Speaker, when does the leader expect the next tax bill to come to the floor? Do we have any information on that?

Mr. ARMEY. Again, I want to thank the gentleman for his inquiry.

I just spoke with the chairman of the Committee on Ways and Means. He is working out a few details for an announcement he expects to make this afternoon. It will be a very public announcement.

I believe it will serve the interests of the body best for us to wait for the chairman to make that announcement, rather than for me to speculate at this time.

Mr. HOYER. I thank the gentleman for that response.

Would I be correct, however, in concluding from the gentleman's remarks that there would not be anything controversial coming to the floor next week?

Mr. ARMEY. If the gentleman will continue to yield, I would expect nothing from the Committee on Ways and Means, certainly not a major tax bill. Perhaps they may have something that would be noncontroversial. That basic characterization of noncontroversial I would apply to anything that we should expect on the floor next week.

Mr. HOYER. I thank the leader for his information.

ADJOURNMENT TO MONDAY, MARCH 19, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 20, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, March 19, 2001, it adjourn to meet at 12:30 p.m. on Tuesday, March 20, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute speech requests.

CONGRATULATIONS TO GEORGE BATCHELOR, FOUNDER OF THE BATCHELOR CHILDREN'S CENTER

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I rise today to congratulate my constituent, George Batchelor, for his wonderful philanthropy and generosity in founding the Batchelor Children's Center, a state-of-the-art facility housing the University of Miami's bench and clinical research programs in childhood diseases.

As one of only a handful of children's research centers in the Nation, the Batchelor Children's Center will enable an unprecedented collaboration among scientists. Scheduled to open in May, 2001, it will attract the best scientific minds and provide an atmosphere conducive to finding cures and treatments for cystic fibrosis, for cancer, leukemia, and other diseases plaguing children.

George Batchelor's son, Falcon, was diagnosed with cystic fibrosis at the age of 14. Specialists projected that Falcon would only live to age 17; but George, refusing to accept that, began bringing his son to the University of Miami's cystic fibrosis center. Falcon lived to be 35, and George said that the 20 quality years he spent with Falcon after his first visit to UM was a gift that he will never be able to repay.

Today I pay tribute to George for returning the gift of health for his son with the gift of hope for parents and their suffering children.

URGING MEMBERS TO SIGN PETITION TO REUNIFY KOREAN-AMERICANS WITH FAMILIES IN NORTH KOREA

(Mr. KIRK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIRK. Mr. Speaker, Mrs. Stanfield has not seen her brother for 50 years. She is a symbol of the 500,000 Korean-Americans separated from their families in North Korea.

While substantial progress has been made to reunite South-Korean families with their known relatives, nothing has been done for Korean-Americans living in this country. Her cause is our cause, and we have now formed the Korean-American Coalition of the Midwest.

I issue a call to sign our petition to put the reunification of 500,000 families, Korean-American families, with their known relatives on the U.S. DPRK agenda. Together we can make this humanitarian cause our cause.

I salute our Secretary of State, Colin Powell, and his commitment this morning to review this issue.

SUPPORTING THE SMALL BUSINESS PAPERWORK RELIEF ACT

(Mr. KENNEDY of Minnesota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY of Minnesota. Mr. Speaker, I often joke that the only thing I hate worse than taxes is burdensome regulations. But our small businesses spend at least 1 billion hours a year filling out government forms. As a businessman myself, I understand the impact that this has on business. Every hour that is really spent on filling out this needless paperwork is an hour that our small business owners could use to grow their business.

In a rural district such as mine, almost all of our businesses are small, and this has a very profound effect. Small businesses need to thrive in order for our communities to prosper in rural America.

The Small Business Paperwork Relief Act that we just passed I hope is the beginning of a new era to be friendly to small business. When we support rural small business we support rural hospitals, we support rural schools, and we support the rural infrastructure that is necessary for our communities to prosper.

That is why this KENNEDY was very happy to vote for the Small Business Paperwork Relief Act.

□ 1145

TAX RELIEF IS A HOME RUN FOR AMERICAN FAMILIES

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, Will Rogers once said "baseball is a skilled game. It's America's game, it, and high taxes."

Well, it seems that Will Rogers was right.

Currently, Americans are taxed at the highest levels since World War II.

During a time of projected record surpluses, there is absolutely no reason, no justification for these high taxes.

American families deserve a tax break, and according to recent polls, nearly two out of three Americans want, need and deserve a tax break, but the critics of the tax plan want to keep taking more and more money from hard-working Americans just to pay for their growing, yet inefficient, bureaucracy.

Mr. Speaker, spring is just around the corner, marking the beginning of the baseball season and, unfortunately, the tax season as well.

Let us hit a home run for Americans. Let us pass meaningful tax relief and help them pay the mortgage, buy a computer, or simply go to school.

Mr. Speaker, I yield back the criticisms of the tax relief which only serve to strike out for America's families trying to realize the American dream.

WE NEED TAX RELIEF

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, yesterday I had the honor of being visited by the Savannah Christian Middle School, and in the back row of this large crowd of students, there was a young woman named Amy. Amy made about $20 a day working for her father, but, of course, she only took home about $16. Mr. Speaker, $4 going for taxes.

Amy and the other students understood that we in government need taxes to pay for roads and bridges and military and education and all those things. She did not regret that. She did not begrudge that a bit; but I said to her, Amy, if you knew we could do all that, plus debt reduction for $3.50, what would you want done with the remaining 50 cents? Would you want me to keep it and expand government and take away more rights and privileges from you, or would you like to keep that 50 cents? She said, with all the other students, give it back to me. It is my money.

What a pity that our Washington bureaucracy does not understand this principle. If Amy has that money, what she is going to do is buy more CDs, more hamburgers, more clothes. It adds up.

When she does that, small businesses expand, they create jobs and opportunities for people. More people work. More people are paying taxes, and it is a win-win.

Mr. Speaker, we need tax relief. It will get the economy moving.

FLAG PROTECTION AMENDMENT

(Mr. GRUCCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRUCCI. Mr. Speaker, I rise today as an original cosponsor of the Flag Protection Amendment which was introduced earlier this week with the support of 109 of my fellow members.

The Flag amendment embodies the hopes and sacrifices and freedoms of this great Nation. The American flag is more than just a symbol. It is the fabric that binds our Nation, its citizens, and those brave individuals who have sacrificed to preserve our unity and independence.

Mr. Speaker, I remember June 29 of last year, when I was joined by more than 75 Long Island veterans and high school students as we called upon our Federal officials to pass a similar measure.

The meaning of the American flag could be easily seen in the eyes of these veterans. It is easy to be seen in the eyes of our children who every day look upon the flag as they recite their Pledge of Allegiance as the start of each school day begins.

There is not a place, setting or an event where the American flag is flown where its true meaning is not understood.

To those in need, when they see the Stars and Stripes, they know America has arrived to help.

To our neighbors around the world, the flag means an ally is not far away.

Mr. Speaker, I call upon my colleagues to once again in overwhelming numbers support the flag protection amendment in the 107th Congress.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. FOSSELLA). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

H.R. 918, THE CLEAN DIAMONDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. HALL) is recognized for 5 minutes.

Mr. HALL of Ohio. Mr. Speaker, I appreciate the opportunity to speak for 5 minutes with the gentleman from Virginia (Mr. WOLF), my friend.

Mr. Speaker, a month ago a coalition of 75 respected human rights organizations launched a campaign aimed at eliminating the root cause of the wars in Sierra Leone, Guinea, Angola and the Congo, the trade in conflict diamonds, what we call blood diamonds.

They took action because the diamond industry reneged on its solemn promise that it would do its best to help end this problem. These dedicated advocates have reached out to tens of thousands of people with a simple message, do something.

I am here today to echo the call, and I am pleased to be joined by the gentleman from Virginia (Mr. WOLF), the gentleman from California (Mr. ROYCE), and other dedicated colleagues, certainly the gentlewoman from Georgia (Ms. MCKINNEY).

I appreciate their commitment to Africa and the support of more than 90 Members in this House that have given their sponsorship to this effort by cosponsoring the Clean Diamonds Act, H.R. 918.

As our colleagues know, for more than a year, we have been looking for a way to do something about the innocent African civilians who are being viciously attacked, simply because they live on diamond-rich land in these countries.

In Sierra Leone, for example, thousands were senselessly punished for voting by having their hand that cast a ballot in the country's first democratic election chopped off by a machete, and countless victims met similar fates as rebels played cruel games with their victims, like betting on the gender of an unborn child and then cutting the struggling mother open to learn who won the bet.

While Sierra Leone's situation has claimed the most headlines, the suffering is equally bad in Angola, the Congo, and now Guinea.

I hope you and our colleagues will take a moment to hear what these dedicated people have to say. I commend them for bringing this to the American people's attention. I also want to specifically point out what they are not saying. There have been some pretty wild claims made by some African politicians and the army of lobbyists and PR firms that they have hired.

They warn that a boycott of diamonds could hurt some countries that depend on the legitimate trade, and they are right. But no one is calling for a boycott of diamonds, Mr. Speaker. I am not. My colleagues are not. Certainly, the ones who support the Clean Diamonds Act are not. Human rights activists are not.

With that said, any feeling human being knows that if this butchery continues, American consumers, who are the primary source of rebels' funds, will recoil in horror. I do not know what they might do; at a minimum, they probably will think twice before they buy a diamond.

That is the reality that the diamond industry, African countries and U.S. diplomats need to grapple with. They had a good start last summer, but that effort has evolved in meetings about when the next meetings might be and about what report on the situation they might write up before this year ends.

That is simply not enough, Mr. Speaker. That approach does nothing to help the 70 million people of these embattled nations. It does nothing to help, for example, this young lady here and people like her who have lost their hands and so many people that the gentleman from Virginia (Mr. WOLF) and I have seen who have lost their ears and nose and feet, because of the horror of what we call blood diamonds. In this instance and in thousands of others, diamonds certainly are not a girl's best friend.

The legitimate diamond industry has been complicit in funding these atrocities for years and years.

Without its eagerness to launder rebel diamonds in violation not only of human decency but of U.N. sanctions and long-standing international trade law, the rebels in Sierra Leone could not have transformed themselves from a gang of 400 into a well-equipped force of 20,000.

Without the help of otherwise honorable diamond dealers, the rebels in Angola would not have earned nearly $4 billion in recent years, money which has gone into buying land mines and attacking anyone who gets in the way of the diamond mining.

Mr. Speaker, there are a lot of terrible things that are going on in Africa and in desperately poor places. Usually, it is hard for us to figure out what we can do. The problems are usually so awesome and bedeviling and so enormous that we kind of throw up our hands. But this is not one of those cases.

There is something we can do sitting at home in America about diamond wars, because we buy two-thirds of all the diamonds in the world, and as this industry's biggest consumer, Americans have enormous clout.

Mr. Speaker, I urge my colleagues and others who are listening to go to their local jewellers and tell them to do something to bring an end to these diamond wars and peace to Africa and do it without any further delay.

H.R. 918, THE CLEAN DIAMONDS ACT

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

Mr. WOLF of Virginia. Mr. Speaker, this is a young girl whose arm was cut off that the gentleman from Ohio (Mr. HALL) and I saw while we were in Sierra Leone.

The gentleman from Ohio (Mr. HALL) is exactly right, and I want to congratulate him for that. I also want to send a message to the lobbyists who have been hired by some of the powerful firms in this city and in this country, when you lobby for the diamond industry against the bill of the gentleman from Ohio (Mr. HALL), you are, in essence, validating the cutting off of the arm of this young child.

Having practiced law in this town for a number of years, I will tell my colleagues, the law firms that are being hired will some day be held accountable for what they are doing, because they have within them the ability to bring about the passage of Mr. HALL's legislation and keep the diamonds and the war and the killing to stop, not only in Sierra Leone, but in Angola and in the Congo.

I rise today with the gentleman from Ohio (Mr. HALL), my colleague and good friend, to speak in support of this bill to address the trade in blood diamonds.

Millions have died in Africa because of the blood shed with regard to diamonds. Rebel groups, as the gentleman from Ohio (Mr. HALL) said, in Sierra Leone, Angola, the Congo, where I just visited have committed horrible atrocities to gain control in and to profit from diamonds and the diamond mines, with regard to drugs, with regard to weapons and diamonds.

Last year, traveling with the gentleman from Ohio (Mr. HALL), we went to Sierra Leone and saw the devastation. This is an individual whose picture a staff member from the office of the gentleman from Ohio (Mr. HALL) took while there and other men and women who have their arms off. Some talked about their ears were off.

Others were asked do you want to short sleeve or a long sleeve. If they said a short sleeve, their arm was cut off here; a long sleeve, it was cut off there.

In Sierra Leone, an estimated 75,000 have died because of the rebel campaign. Diamonds are fueling this issue in the Congo and Sierra Leone and in Angola.

□ 1200

In the Congo where I visited, the same effect is taking place. These diamond wars are notorious for the atrocities and aggressions committed against innocent victims. In all three countries, the civilian population has been the victims of the war crimes.

So I want to thank the gentleman from Ohio (Mr. HALL), and I see the gentleman from California (Mr. ROYCE), the chairman, who was there who has done such a great job on this issue, who have led the way on how the Congress in this country and hopefully this administration treats Charles Taylor who is, in essence, a war criminal in Liberia who is funding the efforts.

I will just say that passage of this bill will stop the killing, stop the maiming.

If you are a lawyer downtown and the diamond industry comes to you and asks you to represent them to oppose the bill of the gentleman from Ohio (Mr. HALL), think about it. Because, in essence, you are representing the people, the people that have been responsible for this.

The bill of the gentleman from Ohio (Mr. HALL) is a responsible bill. It is a balanced bill. I think he is exactly right. We do not want to see a boycott against the diamond industry. We do not want to hurt the jewelers in this country. We do not want to hurt the legitimate diamond merchants in the world and some of the good places in Africa that are doing it.

So by the passage of the bill of the gentleman from Ohio (Mr. HALL), we can resolve this issue and stop the killing of people and the cutting off of arms.

CONFLICT DIAMONDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROYCE) is recognized for 5 minutes.

Mr. ROYCE. Mr. Speaker, I would like to thank the gentleman from Virginia (Mr. WOLF) and the gentleman from Ohio (Mr. HALL) for focusing our attention on this very important issue. They have been tireless in their efforts to raise awareness of conflict diamonds.

Over the last year, increasing attention has been given to the issue of conflict diamonds in Africa. The gross misuse of these resources in countries like Sierra Leone and Angola raise the stakes in Africa's all too many wars, making these conflicts more deadly by funding otherwise unaffordable weapons that are purchased overseas.

Yesterday, the Subcommittee on Africa, which I chair, held a hearing on the situation in West Africa, with particular emphasis on the destabilizing role of President Charles Taylor of Liberia and what has happened with conflict diamonds there.

The West African country of Liberia, I have to report, is in terrible shape. Over the past 4 years, President Charles Taylor has waged a continuous assault on the democratic dreams of the Liberian people. He rules by decree. He suppresses the press, including USAID-supported STAR radio, which he forced off the air. He sanctions, if not directs, the murder of political opponents.

As the subcommittee has profiled over the last several years, Charles Taylor is a menace to West Africa. One of our witnesses yesterday stated that, "Charles Taylor's role has been to mastermind carnage in Sierra Leone for the sole purpose of controlling its diamond mines from which he derives income to enrich himself and to buy arms and ammunition to continue his control over Liberia and ultimately over the entire West African sub-region."

Now, Charles Taylor's accessories to this in Sierra Leone are a group that we call the Revolutionary United Front. Sometimes they are referred to as the RUF. A Panel of Experts report issued last December found unequivocal and overwhelming evidence that Liberia has been actively supporting the Revolutionary United Front at all levels in providing training, in providing weapons and related material, logistical support, a staging ground for tanks that they make and then a safe haven to retreat and to recoup, and has been aiding them in public relations activities.

President Charles Taylor, the report goes on, is actively involved in fueling the violence in Sierra Leone. Underscoring his tight ties with the Revolutionary United Front, this report found that Taylor even uses personnel from the Front for his own personal security detail. This is the same Revolutionary United Front whose signature is forced amputations of men and women and children. I highly commend this report. It well documents the frightening syndicate of international crime and diamond smuggling that Taylor now stands at the center of to anyone concerned about West Africa's fate.

Acting on this report, the UN Security Council last week acted to impose diamond export and other sanctions on Charles Taylor. Sanctioning Charles Taylor was the right thing to do, but it was a mistake to give him 2 months to comply with UN demands that he stop aiding the Revolutionary United Front before the sanctions bite.

This man has a record. For him, peace agreements are tactical delays designed to lull opponents before he strikes again. This was the case with the Lome Accord to Sierra Leone. Taylor has worked a cease-fire between the Revolutionary United Front and the UN peacekeeping operation in Sierra Leone. Why did he do that? So he could free up the Revolutionary United Front to attack Guinea, which is now under way.

So now Taylor is making a bid to stave off the diamond sanctions and the travel sanctions, but it is a feint. Instead of waiting 2 months, the Security Council should have imposed these sanctions now.

West African states, frankly, in this region that are being impacted by the terror that is emanating from his training camps are weak, and these states are getting weaker. If we do not act with vigor now, the region neighboring Liberia will become an irreversible humanitarian and environmental nightmare. In a few years, our ability to do anything constructive may well be gone. We need to bring a sense of urgency to our West Africa policy. We are not serious about Africa if we are not serious about this crisis of what is going on here.

So let me just say that Charles Taylor's time is up. For the sake of tens of millions of West Africans, it is time to act forcefully against President Charles Taylor.

UNITED STATES RELATIONS WITH IRELAND IMPORTANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, we are delighted President Bush has arrived in the Capitol complex, and he is here to celebrate Speaker HASTERT's Saint Patrick's Day luncheon here in our wonderful Nation's Capitol.

I want to take a moment, obviously, to celebrate this important day that is arriving in just 2 short days and to commend President Clinton for his work in Ireland, particularly to try and bring together peace in that region. Ireland is a beautiful country, and anyone who has visited there recognizes its emerald beauty, its hospitality, its friendliness and its importance to the United States.

But for too many years there has been strife, ethnic division, division created by religious beliefs that has gone on for far too long. President Clinton did his best to bring about a cease-fire, working with all parties to make a practical approach to peace, but the one thing that seems apparent to me more than anything else is our continued interest in economic ties with Ireland.

Wherever I have traveled and whoever I have met in the world's theater, one thing seems to be clear in their presentations to members of our congressional delegations; that if we bring jobs and opportunity, America's economic might and stick-to-it-iveness, what emerges from strife and fighting and decay and despair, what emerges from those difficult situations, are hope and opportunity, progress and peace.

When we recently went to the Middle East, King Abdullah, II, who is now the ruling leader of Jordan, rather than ask for military hardware and military might or more American funding, specifically asked could we introduce them to companies like Oracle and Microsoft and companies that may bring jobs and opportunity to Amman and places in Jordan. Because he gets it. He readily acknowledges that with work and opportunity and with income comes peace. People lay down their weapons in order to find jobs and prosper for themselves and their family.

In Northern Ireland, we have that same opportunity; and, yes, we have that same obligation. The President has announced his choice for Ambassador of the United States to Ireland. I hope the Senate speedily confirms this appointment. It is important that we put someone in place to grapple with the difficult and tenuous issues we face in this region. But it is heartening and encouraging to see the progress that has been made under the past administration and the hopefulness of the future. Combining our resources, combining our strength, combining our character and our ability to persuade is our mission now.

So as we toast a cheer to Ireland and we celebrate a holiday in our Catholic faith, Saint Patrick's Day, and our remembrance of Ireland and the many immigrants that came to this country based on the potato famine or for other reasons, we are really encouraged today as we see many of Irish descent returning to their roots and their homeland because there is jobs, opportunity and strength.

Finally, if we could figure out the peace part of that equation and bring stability to the region, peace to our people and happiness for all, we will truly not only extend the blessings of our country but hopefully solve some of the world's problems.

SUPPORT THE NATIONAL SEA GRANT COLLEGE PROGRAM AUTHORIZATION ENHANCEMENT ACT OF 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce the National Sea Grant College Program Authorization Enhancement Act of 2001.

In 1998, Congress passed and the President signed Public Law 105–160, an act to reauthorize the National Sea Grant College Program. In authorizing the National Sea Grant College Program, Congress stressed the importance of the coastal ocean, its margins, the Great Lakes and the Exclusive Economic Zone to the national interest and economic and social well-being of our Nation.

Congress also recognized the National Sea Grants' university-based network offers the most cost-effective way to promote understanding, assessment, development, utilization and conservation of our Nation's coastal regions.

But given the geographic scope and complexity of coastal regions, the Sea Grant faces a variety of unmet needs and challenges. These challenges include increased coastal growth and development and economic and environmental concerns.

Mr. Speaker, the U.S. has 95,000 miles of coastline and more than 3.4 million square miles of ocean within its U.S. territorial sea. Since 1960, the square mileage of coastal urban lands has increased by over 130 percent. Today, approximately 54 percent of the Nation's population, our Nation's population, lives along the coast; and U.S. coastal population is expected to increase by 25 million people between 1996 and 2015.

There are more than 14,000 new housing starts every week in coastal areas, and approximately 1,300 acres of coastal lands are developed into urban lands every day. But our Nation's investment in coastal science continues to lag behind coastal population growth and development.

More than 180 million people visit the Nation's coasts annually, affecting the coastal infrastructure and resources. In 1993, 43 percent of the Nation's fisheries were listed as overfished. The Nation's 6,500 square miles of coral reefs, the rainforests of the sea, face new threats every day, with many already severely damaged or succumbing to environmental conditions and disease.

Runoff is adding nutrients and toxic chemicals to coastal waters, resulting in fish kills, loss of habitat and harmful health conditions. Expanded international trade and travel are causing unprecedented invasions of non-native plants and animals into U.S. coastal waters.

Mr. Speaker, Sea Grant's ability to address these problems have been significantly limited by financial resources. For example, although 54 percent of U.S. population lives on the coast, current funding for Sea Grant is only about 3 percent of the equivalent Federal funding from the U.S. Department of Agriculture for university-based Land Grant/Cooperative Extension Service Programs. In other words, Mr. Speaker, Land Grant Institutions collectively receive a direct appropriation of more than $550 million per year and an additional $350 million in Federal grant funding. I have no problems with that, Mr. Speaker. But, in comparison, the National Sea Grant College Program receives barely $58 million per year.

Mr. Speaker, I believe it bears repeating. More than 54 percent of our Nation's population lives along the coast, but we only devote pennies to marine research. Sea Grant funds on an average less than $2 million per State program. Many geographic regions are not represented, including the Western Pacific, which alone has a huge Economic Exclusive Zone. Some States like Mississippi and Alabama share funding, while other eligible States like Pennsylvania and Vermont have no institutional Sea Grant programs.

On average, there are fewer than seven extension agents per coastal State; and, in many cases, there is only one extension agent serving a major urban area. In Los Angeles, for example, there is only one extension agent serving 14 million people. In New York City, there is only one serving 12 million people.

Mr. Speaker, clearly Sea Grant's potential is limited with respect to its potential. The National Sea Grant College Program is a coastal science management and service program that engages the Nation's top universities through a network of 30 Sea Grant programs and some 200 affiliated institutions located in coastal and Great Lake States and territories.

Sea Grant conducts mission-critical research and development and utilizes a highly effective network of extension and communications professionals to transfer research results to users.

Sea Grant has been actively expanding its capabilities in areas of national interest, including health and medicine. In fact, Sea Grant is looking to the sea to find new pharmaceuticals and medicines and maybe even a cure for cancer.

Sea Grant is also on the cutting edge of marine science and marine aquaculture research. The U.S. imports over $9 billion worth of sea food and shellfish a year.

Mr. Speaker, I ask my colleagues to support this legislation, a very conservative one.

WOMEN IN CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, 11 years ago, the 101st Congress marked the bicentenary of this institution by compiling and printing a volume entitled Women in Congress, 1917 to 1990, a compendium of photographs and brief biographies of the 129 women who had served in the House and Senate as of that time.

The senior congresswoman in the House then, Congresswoman Lindy Boggs of Louisiana, who was later appointed as the United States of America's first woman ambassador to the Vatican, took responsibility for the printing of that document.

□ 1215

Since then, another 79 women have served. Thus, a new addition of "Women in Congress" would gather in one updated volume useful information for teachers, students and others about the 208 women who have served to date through all of America's history, including the 61 who now serve here in the House and the 13 serving in the other body. Currently we have 74 women serving in both the House and Senate, and 461 men.

Mr. Speaker, as we enter the 21st century, the time has come to update and reprint "Women in Congress." With it America marks the progress and substantial contribution that women are making in this most democratic legislative body on Earth.

I am confident that a revised volume will quickly become, like the previous edition, a tremendous historical resource and serve to inspire readers across America to seek careers in public service. I hope my colleagues in the House support this resolution. It is important especially that we do this and introduce this resolution during Women's History Month; and thus the concurrent resolution that I have introduced would provide for the reprinting of that revised edition of the House document.

It is a particular privilege to announce this resolution in that it is cosponsored by every single woman serving in the House, as well as every single Member of the Committee on House Administration. I thank each and every one of them for their support and especially the gentleman from Maryland (Mr. HOYER), who has been a force inside this institution for an equal voice for women.

During the first 128 years of America's history, no woman served in either House of the Congress. That is nearly a century and a quarter. Finally, in the early years of the 20th century, decades of struggle for women's political and social equality began to bear fruit. In 1917, Jeanette Rankin of Montana became the first woman to serve in this House of Representatives; and then 5 years later, Rebecca Felton of Georgia became the first women Senator. So our history, the written word and the spoken word, of women in political environments is still very, very fresh.

Since Representative Rankin and Senator Felton broke the congressional gender barrier, dozens of women have followed in their footsteps.

Mr. Speaker, I would ask my colleagues to sponsor the resolution that I have dropped today to reprint and update the edition of "Women in Congress, 1917–1990," to make it current for this new 21st century when all opportunities are available to young women across our country; and, indeed, America is an ideal for so much of the world to follow.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EVANS (at the request of Mr. GEPHARDT) for today on account of attending the funeral of a staff member's spouse.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Mr. HALL of Ohio, for 5 minutes, today.

Mrs. JONES of Ohio, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

(The following Members (at the request of Mr. KINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. ROYCE, for 5 minutes, today.

Mr. TOOMEY, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

ADJOURNMENT

Ms. KAPTUR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until Monday, March 19, 2001, at 2 p.m.

OATH FOR ACCESS TO CLASSIFIED INFORMATION

Under clause 13 of rule XXIII, the following Members executed the oath for access to classified information:

Neil Abercrombie, Aníbal Acevedo-Vilá, Gary L. Ackerman, Robert B. Aderholt, W. Todd Akin, Thomas H. Allen, Robert E. Andrews, Richard K. Armey, Joe Baca, Spencer Bachus, Brian Baird, Richard H. Baker, John Elias E. Baldacci, Tammy Baldwin, Cass Ballenger, James A. Barcia, Bob Barr, Roscoe G. Bartlett, Joe Barton, Charles F. Bass, Ken Bentsen, Doug Bereuter, Shelley Berkley, Howard L. Berman, Marion Berry, Judy Biggert, Michael Bilirakis, Rod R. Blagojevich, Earl Blumenauer, Roy Blunt, Sherwood L. Boehlert, John A. Boehner, Henry Bonilla, David E. Bonior, Mary Bono, Robert A. Borski, Leonard L. Boswell, Rick Boucher, Allen Boyd, Kevin Brady, Robert A. Brady, Corrine Brown, Sherrod Brown, Henry E. Brown, Jr., Ed Bryant, Richard Burr, Dan Burton, Steve Buyer, Sonny Callahan, Ken Calvert, Dave Camp, Chris Cannon, Eric Cantor, Shelley Moore Capito, Lois Capps, Michael E. Capuano, Benjamin L. Cardin, Brad Carson, Julia Carson, Michael N. Castle, Steve Chabot, Saxby Chambliss, Wm. Lacy Clay, Eva M. Clayton, Bob Clement, Howard Coble, Mac Collins, Larry Combest, Gary A. Condit, John Cooksey, Jerry F. Costello, Christopher Cox, William J. Coyne, Philip M. Crane, Ander Crenshaw, Joseph Crowley, Barbara Cubin, John Abney Culberson, Elijah E. Cummings, Randy "Duke" Cunningham, Danny K. Davis, Jim Davis, Jo Ann Davis, Susan A. Davis, Thomas M. Davis, Nathan Deal, Peter A. DeFazio, Diana DeGette, William D. Delahunt, Rosa L. DeLauro, Tom DeLay, Jim DeMint, Peter Deutsch, Lincoln Diaz-Balart, Norman D. Dicks, John D. Dingell, Lloyd Doggett, Calvin M. Dooley, John T. Doolittle, Michael F. Doyle, David Dreier, John J. Duncan, Jr., Jennifer Dunn, Chet Edwards, Vernon J. Ehlers, Robert L. Ehrlich, Jr., Jo Ann Emerson, Eliot L. Engel, Phil English, Anna G. Eshoo, Bob Etheridge, Lane Evans, Terry Everett, Eni F.H. Faleomavaega, Sam Farr, Chaka Fattah, Mike Ferguson, Bob Filner, Jeff Flake, Ernie Fletcher, Mark Foley, Harold E. Ford, Jr., Vito Fossella, Barney Frank, Rodney P. Frelinghuysen, Martin Frost, Elton Gallegly, Greg Ganske, George W. Gekas, Richard A. Gephardt, Jim Gibbons, Wayne T. Gilchrest, Paul E. Gillmor, Benjamin A. Gilman, Charles A. Gonzalez, Virgil H. Goode, Jr., Bob Goodlatte, Bart Gordon, Porter J. Goss, Lindsey O. Graham, Kay Granger, Sam Graves, Gene Green, Mark Green, James C. Greenwood, Felix J. Grucci, Jr., Gil Gutknecht, Ralph M. Hall, Tony P. Hall, James V. Hansen, Jane Harman, Melissa A. Hart, J. Dennis Hastert, Alcee L. Hastings, Doc Hastings, Robin Hayes, J. D. Hayworth, Joel Hefley, Wally Herger, Baron P. Hill, Van Hilleary, Earl F. Hilliard, Maurice D. Hinchey, David L. Hobson, Joseph M. Hoeffel, Peter Hoekstra, Tim Holden, Rush D. Holt, Michael M. Honda, Darlene Hooley, Stephen Horn, John N. Hostettler, Amo Houghton, Steny H. Hoyer, Kenny C. Hulshof, Duncan Hunter, Asa Hutchinson, Henry J. Hyde, Jay Inslee, Johnny Isakson, Steve Israel, Darrell E. Issa, Ernest J. Istook, Jr., Jesse L. Jackson, Jr., Sheila Jackson-Lee, William J. Jefferson, William L. Jenkins, Christopher John, Eddie Bernice Johnson, Nancy L. Johnson, Sam Johnson, Timothy V. Johnson, Stephanie Tubbs Jones, Walter B. Jones, Paul E. Kanjorski, Marcy Kaptur, Ric Keller, Sue W. Kelly, Mark R. Kennedy, Patrick J. Kennedy, Brian D. Kerns, Dale E. Kildee, Carolyn C. Kilpatrick, Ron Kind, Peter T. King, Jack Kingston, Mark Steven Kirk, Gerald D. Kleczka, Joe Knollenberg, Jim Kolbe, Dennis J. Kucinich, John J. LaFalce, Ray LaHood, Nick Lampson, James R. Langevin, Tom Lantos, Steve Largent, Rick Larsen, John B. Larson, Tom Latham, Steven C. LaTourette, James A. Leach, Barbara Lee, Sander M. Levin, Jerry Lewis, John Lewis, Ron Lewis, John Linder, William O. Lipinski, Frank A. LoBiondo, Zoe Lofgren, Nita M. Lowey, Frank D. Lucas, Ken Lucas, Bill Luther, Carolyn B. Maloney, James H. Maloney, Donald A. Manzullo, Edward J. Markey, Frank Mascara, Jim Matheson, Robert T. Matsui, Carolyn McCarthy, Betty McCollum, Jim McCrery, John McHugh, Scott McInnis, Mike McIntyre, Howard P. McKeon, Cynthia A. McKinney, Michael R. McNulty, Martin T. Meehan, Carrie P. Meek, Gregory W. Meeks, Robert Menendez, John L. Mica, Juanita Millender-McDonald, Dan Miller, Gary G. Miller, Patsy T. Mink, John Joseph Moakley, Alan B. Mollohan, Dennis Moore, James P. Moran, Jerry Moran, Constance A. Morella, John P. Murtha, Sue Wilkins Myrick, Jerrold Nadler, Grace F. Napolitano, Richard E. Neal, George R. Nethercutt, Jr., Robert W. Ney, Anne M. Northup, Eleanor Holmes Norton, Charlie Norwood, Jim Nussle, James L. Oberstar, David R. Obey, John W. Olver, Solomon P. Ortiz, Tom Osborne, Doug Ose, C. L. Otter, Major R. Owens, Michael G. Oxley, Frank Pallone, Jr., Bill Pascrell, Jr., Ed Pastor, Ron Paul, Nancy Pelosi, Mike Pence, Collin C. Peterson, John E. Peterson, Thomas E. Petri David D. Phelps, Charles W. Pickering, Joseph R. Pitts, Todd Russell Platts, Richard W. Pombo, Rob Portman, David E. Price, Deborah Pryce, Adam H. Putnam, Jack Quinn, George Radanovich, Nick J. Rahall, II, Jim Ramstad, Charles B. Rangel, Ralph Regula, Dennis R. Rehberg, Silvestre Reyes, Thomas M. Reynolds, Bob Riley, Lynn N. Rivers, Ciro D. Rodriguez, Tim Roemer, Harold Rogers, Mike Rogers, Dana Rohrabacher, Ileana Ros-Lehtinen, Mike Ross, Steven R. Rothman, Marge Roukema, Edward R. Royce, Bobby L. Rush, Paul Ryan, Jim Ryun, Martin Olav Sabo, Loretta Sanchez, Bernard Sanders, Max Sandlin, Tom Sawyer, Jim Saxton, Joe Scarborough, Bob Schaffer, Janice D. Schakowsky, Adam B. Schiff, Edward L. Schrock, Robert C. Scott, F. James Sensenbrenner, Jr., José E. Serrano, Pete Sessions, John B. Shadegg, E. Clay Shaw, Jr., Christopher Shays, Brad Sherman, Don Sherwood, John Shimkus, Ronnie Shows, Rob Simmons, Michael K. Simpson, Norman Sisisky, Joe Skeen, Ike Skelton, Louise McIntosh Slaughter, Adam Smith, Christopher H. Smith, Lamar S. Smith, Nick Smith, Vic Snyder, Mark E. Souder, Floyd Spence, John N. Spratt, Jr., Cliff Stearns, Charles W. Stenholm, Bob Stump, Bart Stupak, John E. Sununu, John E. Sweeney, Thomas G. Tancredo, John S. Tanner, Ellen O. Tauscher, W. J. (Billy) Tauzin, Charles H. Taylor, Gene Taylor, Lee Terry, William M. Thomas, Bennie G. Thompson, Mike Thompson, Mac Thornberry, John R. Thune, Karen L. Thurman, Todd Tiahrt, Patrick J. Tiberi, John F. Tierney, Patrick J. Toomey, James A. Traficant, Jr., Jim Turner, Mark Udall, Robert A. Underwood, Fred Upton, Peter J. Visclosky, David Vitter, Greg Walden, James T. Walsh, Zach Wamp, Maxine Waters, Wes Watkins, Melvin L. Watt, J.C. Watts, Jr., Henry A. Waxman, Curt Weldon, Dave Weldon, Jerry Weller, Ed Whitfield, Roger F. Wicker, Heather Wilson, Frank R. Wolf, Lynn C. Woolsey, Albert Russell Wynn, C.W. Bill Young, Don Young.

CORRECTION TO THE CONGRESSIONAL RECORD OF WEDNESDAY, MARCH 14, 2001, PAGES H924 AND H925, HOUSE BILLS AND JOINT RESOLUTIONS AND SENATE BILLS APPROVED BY THE PRESIDENT

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT PRIOR TO SINE DIE ADJOURNMENT

November 22, 2000:

H.R. 2346. an act to authorize the enforcement by State and local governments of certain Federal Communications Commission regulations regarding use of citizens band radio equipment.

H.R. 5633. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

December 5, 2000:

H.J. Res. 126. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 6, 2000:

H.R. 2941. an act to establish the Las Cienegas National Conservation Area in the State of Arizona.

December 7, 2000:

H.J. Res. 127. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 8, 2000:

H.J. Res. 128. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 11, 2000:

H.J. Res. 129. An act making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 15, 2000:

H.J. Res. 133. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

SENATE BILLS APPROVED BY THE PRESIDENT PRIOR TO SINE DIE ADJOURNMENT

November 22, 2000:

S. 11. An act for the relief of Wei Jingsheng.

S. 150. An act for the relief of Marina Khalina and her son, Albert Miftakhov.

S. 276. An act for the relief of Sergio Lozano.

S. 768. An act to amend title 18, United States Code, to establish Federal jurisdiction over offenses committed outside the United States by persons employed by or accompanying the Armed Forces, or by members of the Armed Forces who are released or separated from active duty prior to being identified and prosecuted for the commission of such offenses, and for other purposes.

S. 785. An act for the relief of Frances Schochenmaier and Mary Hudson.

S. 869. An act for the relief of Mina Vahedi Notash.

S. 1078. An act for the relief of Mrs. Elizabeth Eka Bassey, Emmanuel O. Paul Bassey, and Mary Idongesit Paul Bassey.

S. 1513. An act for the relief of Jacqueline Salinas and her children Gabriela Salinas, Alejandro Salinas, and Omar Salinas.

S. 1670. An act to revise the boundary of Fort Matanzas National Monument, and for other purposes.

S. 1880. An act to amend the Public Health Service Act to improve the health of minority individuals.

S. 1936. An act to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other National Forest System land in the State of Oregon and use the proceeds derived from the sale or exchange for National Forest System purposes.

S. 2000. An act for relief of Guy Taylor.

S. 2002. An act for the relief of Tony Lara.

S. 2019. An act for the relief of Malia Miller.

S. 2020. An act to adjust the boundary of the Natchez Trace Parkway, Mississippi, and for other purposes.

S. 2289. An act for the relief of Jose Guadalupe Tellez Pinales.

S. 2440. An act to amend title 49, United States Code, to improve airport security.

S. 2485. An act to direct the Secretary of the Interior to provide assistance in planning and constructing a regional heritage center in Calais, Maine.

S. 2547. An act to provide for the establishment of the Great Sand Dunes National Park and Preserve and the Baca National Wildlife Refuge in the State of Colorado, and for other purposes.

S. 2712. An act to amend chapter 35 of title 31, United States Code, to authorize the consolidation of certain financial and performance management reports required of Federal agencies, and for other purposes.

S. 2773. An act to amend the Agricultural Marketing Act of 1946 to enhance dairy markets through dairy product mandatory reporting, and for other purposes.

S. 2789. An act to amend the Congressional Award Act to establish a Congressional Recognition for Excellence in Arts Education Board.

S. 3164. An act to protect seniors from fraud.

S. 3194. An act to designate the facility of the United States Postal Service located at 431 North George Street in Millersville, Pennsylvania, as the "Robert S. Walker Post Office."

S. 3239. An act to amend the Immigration and Nationality Act to provide special immigrant status for certain United States international broadcasting employees.

December 11, 2000:

S. 2796. An act to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT AFTER SINE DIE ADJOURNMENT

December 19, 2000:

H.R. 3048. An act to amend section 879 of title 18, United States Code, to provide clearer coverage over threats against former Presidents and members of their families, and for other purposes.

H.R. 4281. An act to establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new or revised scientifically valid toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness.

H.R. 4640. An act to make grants to States for carrying out DNA analyses for use in the Combined DNA Index System of the Federal Bureau of Investigation, to provide for the collection and analysis of DNA samples from certain violent and sexual offenders for use in such system, and for other purposes.

H.R. 4827. An act to amend title 18, United States Code, to prevent the entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport, to prevent the misuse of genuine and counterfeit police badges by those seeking to commit a crime, and for other purposes.

December 20, 2000:

H.R. 3514. An act to amend the Public Health Service Act to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

H.R. 5016. An act to redesignate the facility of the United States Postal Service located at 514 Express Center Road in Chicago, Illinois, as the "J.T. Weeker Service Center."

December 21, 2000:

H.R. 2903. An act to reauthorize the Striped Bass Conservation Act, and for other purposes.

H.R. 4577. An act making consolidated appropriations for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4942. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 5210. An act to designate the facility of the United States Postal Service located at 200 South George Street in York, Pennsylvania, as the "George Atlee Goodling Post Office Building."

H.R. 5461. An act to amend the Magnuson-Stevens Fishery Conservation and Management Act to eliminate the wasteful and unsportsmanlike practice of shark finning.

December 23, 2000:

H.R. 1653. An act to complete the orderly withdrawal of the NOAA from the civil administration of the Pribilof Islands, Alaska, and to assist in the conservation of coral reefs, and for other purposes.

H.R. 2570. An act to require the Secretary of the Interior to undertake a study regarding methods to commemorate the national significance of the United States roadways that comprise the Lincoln Highways, and for other purposes.

H.R. 3756. An act to establish a standard time zone for Guam and the Commonwealth of the Northern Mariana Islands, and for other purposes.

H.R. 4907. An act to establish the Jamestown 400th Commemoration Commission, and for the other purposes.

December 27, 2000:

H.R. 5528. An act to authorize construction of a Wapka Sica Reconciliation Place in Fort Pierre, South Dakota, and for other purposes.

H.R. 5630. An act to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 5640. An act to expand homeownership in the United States, and for other purposes.

December 28, 2000:

H.R. 207. An act to amend title 5, United States Code, to make permanent the authority under which comparability allowances may be paid to Government physicians, and to provide that such allowances be treated as part of basic pay for retirement purposes.

H.R. 2816. An act to establish a grant program to assist State and local law enforcement in deterring, investigating, and prosecuting computer crimes.

H.R. 3594. An act to repeal the modification of the installment method.

H.R. 4020. An act to authorize the addition of land to Sequioa National Park, and for other purposes.

H.R. 4656. An act to authorize the Forest Service to convey certain lands in the Lake Tahoe Basin to the Washoe County School District for use as an elementary school site.

December 29, 2000:

H.R. 1795. An act to amend the Public Health Service Act to establish the National Institute of Biomedical Imaging and Bioengineering.

SENATE BILLS APPROVED BY THE PRESIDENT AFTER SINE DIE ADJOURNMENT

December 19, 2000:

S. 1972. An act to direct the Secretary of Agriculture to convey to the town of Dolores, Colorado, the current site of the Joe Rowell Park.

S. 2594. An act to authorize the Secretary of the Interior to contract with the Mancos Water Conservancy District to use the Mancos Project facilities for impounding, storage, diverting, and carriage of nonproject water for the purpose of irrigation, domestic, municipal, industrial, and any other beneficial purposes.

S. 3137. An act to establish a commission to commemorate the 250th anniversary of the birth of James Madison.

December 21, 2000:

S. 439. An act to amend the National Forest and Public Lands of Nevada Enhancement Act of 1988 to adjust the boundary of the Toiyabe National Forest, Nevada and to amend chapter 55 of title 5, United States Code, to authorize equal overtime pay provisions for all Federal employees engaged in wildland fire suppression operations.

S. 1508. An act to provide technical and legal assistance to tribal justice systems and members of Indian tribes, and for other purposes.

S. 1898. An act to provide protection against the risks to the public that are inherent in the interstate transportation of violent prisoners.

S. 3045. An act to improve the quality, timeliness, and credibility of forensic science services for crininal justice purposes, and for other purposes.

December 23, 2000:

S. 1694. An act to direct the Secretary of the Interior to conduct a study on the reclamation and reuse of water and wastewater in the State of Hawaii, and for other purposes.

December 27, 2000:

S. 2943. An act to authorize additional assistance for international malaria control, and for other purposes.

December 28, 2000:

S. 1761. An act to direct the Secretary of the Interior, through the Bureau of Reclamation, to conserve and enhance the water supplies of the Lower Rio Grande Valley.

S. 2749. An act to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the settling of the western portion of the United States, and for other purposes.

S. 2924. An act to strengthen the enforcement of Federal statutes relating to false identification, and for other purposes.

S. 3181. An act to establish the White House Commission on the National Moment of Remembrance, and for other purposes.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for official foreign travel during the fourth quarter of 2000, by Committees of the House of Representatives, pursuant to Public Law 95–384, and for miscellaneous groups in connection with official foreign travel during the first quarter of 2001 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 2000

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. James Sensenbrenner	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. Ken Calvert	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. Joe Knollenberg	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.38
Hon. Eddie Bernice Johnson	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. Lynn Rivers	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. JoAnn Emerson	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Todd Schultz	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Harlan Watson	11/16	11/22	Netherlands		1,194.00		6,027.28				7,221.28
Jeff Lungren	11/16	11/22	Netherlands		1,194.00		3,732.28				4,926.28
Hon. Nick Smith	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Committee total					11,940.00		58,377.80				70,317.80

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

SHERWOOD BOEHLERT, Chairman, Feb. 21, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HOUSE DELEGATION TO ITALY, MACEDONIA, KOSOVO, MOROCCO, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Speaker Hastert	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Joe Moakley	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Jim Leach	1/7	1/9	Italy		900.00		(3)				900.00
Hon. Chris Smith	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Sherwood Boehlert	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Chris Cox	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Bud Cramer	1/7	1/11	Italy		1,600.00		(3)				1,600.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HOUSE DELEGATION TO ITALY, MACEDONIA, KOSOVO, MOROCCO, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Chris John	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Don Sherwood	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Ms. Nancy Dorn	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Scott Palmer	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Ms. Christy Surprenant	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. John Feehery	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Sam Lancaster	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Mike Stokke	1/7	1/9	Italy		814.00		2,591.12				3,405.12
Mr. Steve LaRosa	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Fr. Daniel Coughlin	1/8	1/11	Italy		1,108.00		2,771.80				3,879.80
Mr. Dwight Comedy	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Dr. John Eisold	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Ralph Hellmann	1/7	1/11	Italy		1,600.00		2,771.80				1,600.00
Speaker Hastert	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Joe Moakley	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Chris Smith	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Sherwood Boehlert	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Chris Cox	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Bud Cramer	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Chris John	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Don Sherwood	1/11	1/14	Morocco		536.00		(3)				536.00
Ms. Nancy Dorn	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Scott Palmer	1/11	1/14	Morocco		536.00		(3)				536.00
Ms. Christy Surprenant	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. John Feehery	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Sam Lancaster	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Steve LaRosa	1/11	1/14	Morocco		536.00		(3)				536.00
Fr. Daniel Coughlin	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Dwight Comedy	1/11	1/14	Morocco		536.00		(3)				536.00
Dr. John Eisold	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Ralph Hellmann	1/11	1/14	Morocco		536.00		(3)				536.00
Committee total											

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military air transportation.

J. DENNIS HASTERT, Speaker, Feb. 14, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO DEMOCRATIC REPUBLIC OF CONGO, RWANDA, BURUNDI, UGANDA, SUDAN AND KENYA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Frank R. Wolf		1/6	U.S.				8,515.82				8,515.82
	1/7	1/9	D.R. Congo		681.00						681.00
	1/9	1/11	Rwanda		476.00						476.00
	1/10	1/10	Burundi		N/A						N/A
	1/11	1/12	Uganda		214.00						214.00
	1/12	1/13	Sudan		96.00						96.00
	1/13	1/13	Kenya		252.00						252.00
	1/14		U.S.		[3] 1,100.00						[3] 1,100.00
Committee total					619.00		8,515.82				9,134.82

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Less $1,100 in unused per diem returned to State Dept.

FRANK R. WOLF, Chairman, Feb. 14, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO DEMOCRATIC REPUBLIC OF CONGO, RWANDA, BURUNDI, UGANDA, SUDAN AND KENYA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Daniel F. Scandling		1/6	U.S.				8,515.82				8,515.82
	1/7	1/9	D.R. Congo		681.00						681.00
	1/9	1/11	Rwanda		476.00						476.00
	1/10	1/10	Burundi		N/A						N/A
	1/11	1/12	Uganda		214.00						214.00
	1/12	1/13	Sudan		96.00						96.00
	1/13	1/13	Kenya		252.00						252.00
	1/14		U.S.		[3] – 700.00						[3] 700.00
Committee total					1,019.00		8,515.82				9,534.82

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Less $700 returned to U.S. Treasury/State Department. #55N.

DANIEL F. SCANDLING, Feb. 14, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO CHILE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 14 AND JAN. 18, 2001

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Robert W. VanWicklin	1/14	1/18	Chile		1,184.00		4,624.60				5,808.60
Committee total					1,184.00		4,624.60				5,808.60

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT W. VANWICKLIN, Feb. 2, 2001.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1222. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clethodim; Pesticide Tolerance [OPP-301105; FRL-6770-8] (RIN: 2070-AB78) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1223. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Chlorothalonil; Pesticide Tolerance [OPP-301088; FRL-6759-4] (RIN: 2070-AB78) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1224. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the Board's report entitled, "Report on Use of Plain Language In Agency Rulemakings," pursuant to section 722 of the Gramm-Leach-Bliley Act; to the Committee on Financial Services.

1225. A letter from the Secretary, Department of Energy, transmitting notification regarding the establishment of the Northeast Home Heating Oil Reserve; to the Committee on Energy and Commerce.

1226. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives: Adhesives and Components of Coatings and Paper and Paperboard Components [Docket No. 99F-2081] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1227. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted for Direct Addition to Food for Human Consumption; Natamycin (Pimaricin) [Docket No. 00F-0175] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1228. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Minnesota Designation of Areas for Air Quality Planning Purposes; Minnesota [MN61-01-7286a; MN62-01-7287a; FRL-6901-1] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1229. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Chromite Ore from the Transvaal Region of South Africa; Toxic Chemical Release Reporting; Community Right-to-Know [OPPTS-400134A; FRL-6722-9] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1230. A letter from the Acting Assistant Secretary for Administration and Management, Department of Labor, transmitting the Department's 2000 FAIR Act Inventory Of Commercial Activities; to the Committee on Government Reform.

1231. A letter from the Chief Scout Executive and President, Boy Scouts of America, transmitting the Boy Scouts of America 2000 report to the Nation, pursuant to 36 U.S.C. 28; to the Committee on the Judiciary.

1232. A letter from the Acting Assistant Attorney General, Department of Justice, transmitting a report entitled, "Contacts Between the Police and the Public"; to the Committee on the Judiciary.

1233. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC-8-100, -200, and -300 Series Airplanes [Docket No. 2000-NM-102-AD; Amendment 39-12120; AD 2001-04-02] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1234. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B4 Series Airplanes, and Model A300 B4-600, A300 B4-600R, and A300 F4-600R (Collectively Called A300-600) Series Airplanes [Docket No. 2000-NM-47-AD; Amendment 39-12118; AD 2001-03-14] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1235. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace (Jetstream) Model 4101 Airplanes [Docket No. 2000-NM-224-AD; Amendment 39-12116; AD 2001-03-12] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1236. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-100, -200, -300, -400, and 747SR Series Airplanes [Docket No. 99-NM-206-AD; Amendment 39-12114; AD 2001-03-10]. (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1237. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; SOCATA—Groupe Aerospatiale Model TBM 700 Airplanes [Docket No. 2000-CE-69-AD; Amendment 39-12126; AD 2001-04-07] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1238. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-145 Series Airplanes [Docket No. 2000-NM-256-AD; Amendment 39-12121; AD 2001-04-03] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1239. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; BAe Systems (Operations) Limited Model BAe 146 and Model Avro 146-RJ Series Airplanes [Docket No. 2000-NM-253-AD; Amendment 39-12119; AD 2001-04-01] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1240. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL-600-2B19 Series Airplanes [Docket No. 2000-NM-142-AD; Amendment 39-12112; AD 2001-03-08] (RIN: 2120-AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1241. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Grouping Rules for Foreign Sales Corporation Transfer Pricing [TD 8944] (RIN: 1545-AX41) received March 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. WELLER (for himself, Mr. Barcia, Ms. Capito, Mr. Kerns, Mr. Aderholt, Mr. Akin, Mr. Armey, Mr. Baird, Mr. Baker, Mr. Ballenger, Mr. Barr of Georgia, Mr. Bartlett of Maryland, Mr. Barton of Texas, Mr. Bass, Mr. Bachus, Mr. Bereuter, Ms. Berkley, Mrs. Biggert, Mr. Bilirakis, Mr. Bishop, Mr. Blunt, Mr. Boehner, Mr. Boehlert, Mr. Bonilla, Mrs. Bono, Mr. Brady of Texas, Mr. Brown of South Carolina, Mr. Bryant, Mr. Burr of North Carolina, Mr. Burton of Indiana, Mr. Buyer, Mr. Callahan, Mr. Calvert, Mr. Camp, Mr. Cannon, Mr. Cantor, Mr. Chabot, Mr. Chambliss, Mr. Coble, Mr. Collins, Mrs. Cubin, Mr. Combest, Mr. Cooksey, Mr. Cox, Mr. Crane, Mr. Crenshaw, Mr. Culberson, Mr. Cunningham, Mrs. Jo Ann Davis of Virginia, Mr. Deal of Georgia, Mr. DeMint, Mr. Diaz-

Balart, Mr. Dreier, Mr. Duncan, Ms. Dunn, Mr. Ehlers, Mr. Isakson, Mr. Ehrlich, Mr. English, Mrs. Emerson, Mr. Everett, Mr. Ferguson, Mr. Flake, Mr. Fletcher, Mr. Foley, Mr. Fossella, Mr. Frelinghuysen, Mr. Gallegly, Mr. Gekas, Mr. Ganske, Mr. Gibbons, Mr. Gilchrest, Mr. Gilman, Mr. Goode, Mr. Goodlatte, Mr. Gordon, Mr. Goss, Mr. Graham, Ms. Granger, Mr. Graves, Mr. Green of Wisconsin, Mr. Greenwood, Mr. Grucci, Mr. Gutknecht, Mr. Hansen, Ms. Hart, Mr. Hastings of Washington, Mr. Hayes, Mr. Hayworth, Mr. Hefley, Mr. Herger, Mr. Hilleary, Mr. Hobson, Mr. Hoekstra, Mr. Holt, Mr. Horn, Mr. Hostettler, Mr. Houghton, Mr. Hulshof, Mr. Hunter, Mr. Hutchinson, Mr. Hyde, Mr. Issa, Mr. Istook, Mr. Jenkins, Mrs. Johnson of Connecticut, Mr. Sam Johnson of Texas, Mr. Johnson of Illinois, Mr. Jones of North Carolina, Mr. Keller, Mrs. Kelly, Mr. Kennedy of Minnesota, Mr. Knollenberg, Mr. King, Mr. Kingston, Mr. Kirk, Mr. Kolbe, Mr. Largent, Mr. Latham, Mr. LaHood, Mr. LaTourette, Mr. Leach, Mr. Lewis of Kentucky, Mr. Linder, Mr. Lipinski, Mr. LoBiondo, Mr. Lucas of Oklahoma, Mr. Maloney of Connecticut, Mr. Manzullo, Mrs. McCarthy of New York, Mr. McCrery, Mr. Larsen of Washington, Mr. McHugh, Mr. McInnis, Mr. McIntyre, Mr. McKeon, Mr. Mica, Mr. Miller of Florida, Gary Miller of California, Mr. Moran of Kansas, Mrs. Myrick, Mr. Ney, Mr. Nethercutt, Mrs. Northup, Mr. Norwood, Mr. Nussle, Mr. Osborne, Mr. Ose, Mr. Otter, Mr. Oxley, Mr. Paul, Mr. Pence, Mr. Peterson of Pennsylvania, Mr. Petri, Mr. Pickering, Mr. Pitts, Mr. Platts, Mr. Pombo, Mr. Portman, Ms. Pryce of Ohio, Mr. Putnam, Mr. Quinn, Mr. Radanovich, Mr. Ramstad, Mr. Regula, Mr. Rehberg, Mr. Reynolds, Mr. Riley, Mrs. Roukema, Mr. Roemer, Mr. Rogers of Kentucky, Mr. Rogers of Michigan, Mr. Rohrabacher, Mr. Royce, Mr. Ryan of Wisconsin, Mr. Ryun of Kansas, Mr. Scarborough, Mr. Sandlin, Mr. Schaffer, Mr. Schrock, Mr. Sensenbrenner, Mr. Sessions, Mr. Shadegg, Mr. Shaw, Mr. Shays, Mr. Sherwood, Mr. Shimkus, Mr. Shows, Mr. Simmons, Mr. Skeen, Mr. Smith of New Jersey, Mr. Smith of Texas, Mr. Simpson, MR. Souder, Mr. Spence, Mr. Stearns, Mr. Stump, Mr. Sununu, Mr. Sweeney, Mr. Tauzin, Mr. Tancredo, Mr. Taylor of North Carolina, Mr. Terry, Mr. Thune, Mr. Tiahrt, Mr. Tiberi, Mr. Toomey, Mr. Upton, Mr. Vitter, Mr. Wamp, Mr. Walden of Oregon, Mr. Watkins, Mr. Watts of Oklahoma, Mr. Weldon of Florida, Mr. Whitfield, Mr. Wicker, Mrs. Wilson, Mr. Wolf, Mr. Young of Florida, Mr. Young of Alaska, Mr. Walsh, Mr. Thornberry, and Mr. Condit):

H.R. 6. A bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to allow the nonrefundable personal credits against regular and minimum tax liability; to the Committee on Ways and Means.

By Mr. MANZULLO (for himself, Ms. Velázquez, Mr. Hefley, Mrs. Kelly, Mr. Issa, and Mr. Grucci):

H.R. 1037. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for small businesses, and for other purposes; to the Committee on Ways and Means.

By Mr. JACKSON of Illinois (for himself, Mr. Rodriguez, Mr. Clay, Mr. Hoeffel, and Ms. Jackson-Lee of Texas):

H.R. 1038. A bill to place a moratorium on executions by the Federal Government and urge the States to do the same, while a National Commission on the Death Penalty reviews the fairness of the imposition of the death penalty; to the Committee on the Judiciary.

By Mr. TERRY (for himself, Mr. Knollenberg, and Mr. Pickering):

H.R. 1039. A bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes; to the Committee on House Administration, and in addition to the Committees on the Judiciary, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ARMEY (for himself, Mrs. Myrick, Mr. Toomey, Mr. Hefley, Mr. Smith of Michigan, and Mr. Sununu):

H.R. 1040. A bill to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PETERSON of Pennsylvania:

H.R. 1041. A bill to amend title XIX of the Social Security Act to permit additional States to enter into long-term care partnerships under the Medicaid Program in order to promote the use of long-term care insurance; to the Committee on Energy and Commerce.

By Mr. GRUCCI:

H.R. 1042. A bill to prevent the elimination of certain reports; to the Committee on Science.

By Mr. WAXMAN (for himself, Mr. Hansen, Mr. Meehan, Mr. Ganske, Mr. Dingell, Mrs. Morella, Mr. Brown of Ohio, Mr. Doggett, Mr. Bonior, Ms. DeGette, Mrs. Capps, Ms. DeLauro, Mr. Lantos, Mr. Markey, Ms. Eshoo, Mr. Stark, Mr. Allen, Mr. McDermott, Mrs. Mink of Hawaii, Ms. Schakowsky, Mr. Olver, Mr. Hinchey, Ms. Norton, Mrs. Tauscher, Mr. Oberstar, Mr. George Miller of California, Ms. Rivers, Mr. Baldacci, Mr. Payne, Mr. Borski, Ms. Roybal-Allard, Mr. LaFalce, Mr. DeFazio, Ms. Slaughter, Ms. Pelosi, Mr. Coyne, Mr. Blumenauer, Mrs. Maloney of New York, and Mr. Wexler):

H.R. 1043. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide the Food and Drug Administration jurisdiction over tobacco; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. Hansen, Mr. Meehan, Mrs. Morella, Mr. Doggett, Mr. Bonior, Ms. DeGette, Mrs. Capps, Ms. DeLauro, Mr. Lantos, Mr. Markey, Mr. Stark, Mr. Allen, Mr. McDermott, Ms. Schakowsky, Mr. Olver, Mr. Hinchey, Ms. Norton, Mrs. Tauscher, Mr. Oberstar, Mr. George Miller of California, Ms. Rivers, Mr. Baldacci, Mr. Payne, Mr. Borski, Ms. Roybal-Allard, Mr. LaFalce, Mr. Kildee, Mr. DeFazio, Ms. Slaughter, Ms. Pelosi, Mr. Coyne, Mr. Blumenauer, Mrs. Maloney of New York, Mr. Wexler, Mr. McGovern, Ms. Carson of Indiana, and Ms. Solis):

H.R. 1044. A bill to prevent children from using tobacco products, to reduce the health costs attributable to tobacco products, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. WILSON (for herself, Mr. Hunter, and Mr. Issa):

H.R. 1045. A bill to lower energy costs to consumers, increase electric system reliability and provide environmental improvements, through the rapid deployment of distributed energy resources, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 1046. A bill to require cigarette products to be placed under or behind the counter in retail sales; to the Committee on Energy and Commerce.

By Mr. ANDREWS:

H.R. 1047. A bill to amend the Electronic Fund Transfer Act to prohibit any operator of an automated teller machine that displays any paid advertising from imposing any fee on a consumer for the use of that machine, and for other purposes; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1048. A bill to facilitate transfers between interest-bearing accounts and transactions accounts at depository institutions for small businesses; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1049. A bill to amend chapter 89 of title 5, United States Code, to make available to Federal employees the option of obtaining health benefits coverage for dependent parents; to the Committee on Government Reform.

By Mr. ANDREWS:

H.R. 1050. A bill to amend the Internal Revenue Code of 1986 to allow credits against income tax for an owner of a radio broadcasting station which donates the license and other assets of such station to a nonprofit corporation for purposes of supporting nonprofit fine arts and performing arts organizations, and for other purposes; to the Committee on Ways and Means.

By Mr. LaFALCE (for himself, Mr. Kanjorski, Mrs. Maloney of New York, Mr. Gutierrez, Ms. Lee, Mrs. Jones of Ohio, Mr. Capuano, Mr. Clay, Mr. Hinchey, Mr. Engel, and Ms. Schakowsky):

H.R. 1051. A bill to amend the Home Ownership and Equity Protection Act of 1994 and other sections of the Truth in Lending Act to protect consumers against predatory practices in connection with high cost mortgage transactions, to strengthen the civil remedies available to consumers under existing law, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, Mr. BONIOR, Mr. GEORGE MILLER of California, Ms. DELAURO, Mr. DELAHUNT, and Ms. SCHAKOWSKY):

H.R. 1052. A bill to amend the Truth in Lending Act to enhance consumer disclosures regarding credit card terms and charges, to restrict issuance of credit cards to students, to expand protections in connection with unsolicited credit cards and third-party checks and to protect consumers from unreasonable practices that result in unnecessary credit costs or loss of credit, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1053. A bill to amend the Equal Credit Opportunity Act and the Home Mortgage Disclosure Act of 1975 to reduce the disparate impact of predatory lending on minorities, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1054. A bill to amend the Truth in Lending Act to expand protections for consumers by adjusting statutory exemptions and civil penalties to reflect inflation, to eliminate the Rule of 78s accounting for interest rebates in consumer credit transactions, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. KANJORSKI, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1055. A bill to amend the Federal Deposit Insurance Act and the Truth in Lending Act to prohibit federally insured institutions from engaging in high-cost payday loans, to expand protections for consumers in connection with the making of such loans by uninsured entities, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1056. A bill to amend the Consumer Credit Protection Act to enhance the advertising of the terms and costs of consumer automobile leases, to permit consumer comparison of advertised lease offerings, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1057. A bill to amend the Truth in Savings Act to enhance civil liability and other enforcement, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. KANJORSKI, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1058. A bill to amend the Truth in Lending Act to prohibit the distribution of any check or other negotiable instrument as part of a solicitation by a creditor for an extension of credit, to limit the liability of consumers in conjunction with such solicitations, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. KANJORSKI, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1059. A bill to require insured depository institutions to make affordable transaction accounts available to their customers, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1060. A bill to amend the Truth in Lending Act to prohibit unfair or deceptive creditor acts or practices, and for other purposes; to the Committee on Financial Services.

By Mr. LaFALCE (for himself, Mr. KANJORSKI, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1061. A bill to authorize permanently an annual survey and report by the Board of Governors of the Federal Reserve System on fees charged for retail banking services; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1062. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax to C corporations which have substantial employee ownership and to encourage stock ownership by employees by excluding from gross income stock paid as compensation for services, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 1063. A bill to enhance competition for prescription drugs by increasing the ability of the Department of Justice and Federal Trade Commission to enforce existing antitrust laws regarding brand name drugs and generic drugs; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 1064. A bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for annual screening mammography for any class of covered individuals if the coverage or plans include coverage for diagnostic mammography for such class and to amend title XIX of the Social Security Act to provide for coverage of annual screening mammography under the Medicaid Program; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 1065. A bill to protect the Social Security system and to amend the Congressional Budget Act of 1974 to require a two-thirds vote for legislation that changes the discretionary spending limits or the pay-as-you-go provisions of the Balanced Budget and Emergency Deficit Control Act of 1985 if the budget for the current year (or immediately preceding year) was not in surplus; to the Committee on Ways and Means, and in addition to the Committees on Rules, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPPS (for herself, Ms. ESHOO, Mr. CONDIT, Mr. THOMPSON of California, Mr. FARR of California, Mrs. TAUSCHER, and Mr. FILNER):

H.R. 1066. A bill to amend the Outer Continental Shelf Lands Act to direct the Secretary of the Interior to cease mineral leasing activity on submerged land of the Outer Continental Shelf that is adjacent to a coastal State that has declared a moratorium on such activity, and for other purposes; to the Committee on Resources.

By Mr. COLLINS (for himself and Mr. LEWIS of Georgia):

H.R. 1067. A bill to suspend temporarily the duty on certain steam or other vapor generating boilers used in nuclear facilities; to the Committee on Ways and Means.

By Mr. DEMINT:

H.R. 1068. A bill to redesignate the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as the Federal Old-Age and Survivors Insurance Accounting Fund and the Federal Disability Insurance Accounting Fund, respectively; to the Committee on Ways and Means.

By Mr. DEMINT:

H.R. 1069. A bill to establish a Bipartisan Social Security Reform and Results Commission; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EHLERS (for himself, Mr. KIRK, and Mr. BARCIA):

H.R. 1070. A bill to amend the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to make grants for remediation of sediment contamination in areas of concern and to authorize assistance for research and development of innovative technologies for such purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FALEOMAVAEGA (for himself and Mr. ABERCROMBIE):

H.R. 1071. A bill to increase the amounts authorized to be appropriated to carry out the National Sea Grant College Program Act; to the Committee on Resources.

By Mr. FOLEY:

H.R. 1072. A bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax for higher education loan interest payments; to the Committee on Ways and Means.

By Mr. FRANK (for himself, Mr. NEY, Mr. SANDLIN, Mrs. MORELLA, Mr. RANGEL, Mr. STUMP, Mr. BONIOR, Mr. SAXTON, Mr. PAUL, Mr. LAHOOD, Mr. ABERCROMBIE, Mr. SMITH of New Jersey, Ms. SCHAKOWSKY, Mr. MCHUGH, Mr. ALLEN, Mr. GILMAN, Ms. DELAURO, Mr. FOLEY, Mr. DELAHUNT, Mr. JONES of North Carolina, Mr. FROST, Mr. BARCIA, Mr. VISCLOSKY, Mr. BERMAN, Mr. WEXLER, Mr. DEFAZIO, Mrs. CAPPS, Mr. MORAN of

Virginia, Mr. BALDACCI, Mr. KUCINICH, Mrs. CHRISTENSEN, Mr. GEORGE MILLER of California, Mr. WAXMAN, Mr. CLEMENT, Mr. MCGOVERN, Mr. COSTELLO, Ms. RIVERS, Mr. LUCAS of Kentucky, Mr. EVANS, Mr. COYNE, Ms. BALDWIN, Mr. ANDREWS, Mr. RAHALL, Mr. HINCHEY, Ms. ROYBAL-ALLARD, Ms. BERKLEY, Ms. MCKINNEY, Mr. LANTOS, Mr. PALLONE, and Mr. OLVER):

H.R. 1073. A bill to amend title II of the Social Security Act to restrict the application of the windfall elimination provision to individuals whose combined monthly income from benefits under such title and other monthly periodic payments exceeds $2,000 and to provide for a graduated implementation of such provision on amounts above such $2,000 amount; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 1074. A bill to direct the Secretary of Transportation to issue regulations relating to the transfer of airline tickets and to amend title 49, United States Code, relating to air carrier ticket pricing policies; to the Committee on Transportation and Infrastructure.

By Mr. HUNTER (for himself, Mr. ROYCE, Mr. POMBO, Mr. ROHRABACHER, Mr. HORN, Mr. RADANOVICH, Mr. DOOLITTLE, Mr. GARY MILLER of California, Mrs. BONO, Mr. CALVERT, Mr. OSE, Mr. CUNNINGHAM, and Mr. ISSA):

H.R. 1075. A bill to allow any business or individual in any State experiencing a power emergency to operate any type of power generation available to ensure their economic stability, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. JOHNSON of Connecticut (for herself, Mr. RANGEL, Mr. HOUGHTON, Mr. STARK, Mr. RAMSTAD, Mr. MATSUI, Mr. ENGLISH, Mr. COYNE, Mrs. MORELLA, Mr. LEVIN, Mr. LEACH, Mr. CARDIN, Mrs. KELLY, Mr. MCDERMOTT, Mr. GILMAN, Mr. KLECZKA, Mr. BOEHLERT, Mr. LEWIS of Georgia, Mr. LATOURETTE, Mr. NEAL of Massachusetts, Mr. KING, Mr. MCNULTY, Ms. ROS-LEHTINEN, Mr. JEFFERSON, Mr. NEY, Mr. BECERRA, Mr. FERGUSON, Mrs. THURMAN, Mr. HORN, Mr. POMEROY, Mr. QUINN, Mr. GEPHARDT, Mr. SMITH of New Jersey, Mr. GEORGE MILLER of California, Mr. MCHUGH, Mr. ETHERIDGE, Mr. WALSH, Mr. CONYERS, Mr. MOAKLEY, Mr. HOEFFEL, Ms. SCHAKOWSKY, Mrs. TAUSCHER, Mr. MALONEY of Connecticut, Mr. ENGEL, Ms. DELAURO, Mr. KILDEE, Mr. BERRY, and Mr. LARSEN of Washington):

H.R. 1076. A bill to amend the Internal Revenue Code of 1986 to expand the incentives for the construction and renovation of public schools; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. JONES of North Carolina:

H.R. 1077. A bill to provide that pay for prevailing rate employees in Pasquotank County, North Carolina, be determined by applying the same pay schedules and rates as apply with respect to prevailing rate employees in the local wage area that includes Carteret County, North Carolina; to the Committee on Government Reform.

By Mr. KLECZKA:

H.R. 1078. A bill to amend title XVIII of the Social Security Act, the Employee Retirement Income Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code of 1986 to provide for an election for retirees 55-to-65 years of age who lose employer-based coverage to acquire health care coverage under the Medicare Program or under COBRA continuation benefits, and to amend the Employee Retirement Income Security Act of 1974 to provide for advance notice of material reductions in covered services under group health plans; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LEWIS of Kentucky (for himself and Mr. SCHAFFER):

H.R. 1079. A bill to amend the Internal Revenue Code of 1986 to change certain threshold and other tests in order to decrease the amount of farm labor wages that are subject to Social Security and Medicare taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. LINDER:

H.R. 1080. A bill to amend the Federal Election Campaign Act of 1971 to prohibit national political parties from using soft money, to restrict the use of soft money by corporations and labor organizations, to impose additional reporting requirements under such Act on corporations, labor organizations, and nonprofit organizations, and for other purposes; to the Committee on House Administration.

By Mr. OSE:

H.R. 1081. A bill to amend title 44, United States Code, to direct the Archivist of the United States to maintain an inventory of all gifts received from domestic sources for the President, the Executive Residence at the White House, or a Presidential archival depository; to the Committee on Government Reform.

By Mr. PETERSON of Minnesota (for himself, Mr. ABERCROMBIE, Mr. ALLEN, Mr. BALDACCI, Ms. BALDWIN, Mr. BENTSEN, Mr. BEREUTER, Mr. BOEHLERT, Mr. BOSWELL, Mr. BOUCHER, Mr. CHAMBLISS, Mr. COSTELLO, Mr. CUNNINGHAM, Mr. DEAL of Georgia, Mr. DELAHUNT, Mr. DINGELL, Mrs. EMERSON, Mr. ENGLISH, Mr. EVANS, Mr. FROST, Mr. GANSKE, Mr. GILLMOR, Mr. HILLIARD, Mr. HINCHEY, Mr. HOLDEN, Mr. ISAKSON, Ms. KAPTUR, Mr. KENNEDY of Minnesota, Mr. KOLBE, Mr. LUTHER, Mr. MARKEY, Ms. MCCOLLUM, Mr. GEORGE MILLER of California, Mr. NEY, Mr. OBERSTAR, Mr. OXLEY, Mr. PHELPS, Mr. PICKERING, Mr. POMBO, Mr. SESSIONS, Mr. SHOWS, Mr. STUPAK, Mr. THOMPSON of California, Mr. THUNE, Mr. TOWNS, Mr. UDALL of Colorado, Mr. WELDON of Pennsylvania, Mr. KENNEDY of Rhode Island, Mrs. THURMAN, Mr. CONDIT, and Mr. JOHN):

H.R. 1082. A bill to amend the Food Security Act of 1985 to expand the number of acres authorized for inclusion in the conservation reserve; to the Committee on Agriculture.

By Mr. PETERSON of Minnesota (for himself, Mr. WEXLER, Mr. ABERCROMBIE, Mr. CONYERS, Ms. KAPTUR, Mr. HOUGHTON, Mr. LAFALCE, Mr. PAYNE, Mr. SABO, Ms. SCHAKOWSKY, and Mr. CAPUANO):

H.R. 1083. A bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given by section 8(e) of such Act to employers and employees in similarly situated industries, to give such employers and performers the same rights given by section 8(f) of such Act to employers and employees in the construction industry, and for other purposes; to the Committee on Education and the Workforce.

By Mr. POMEROY (for himself, Mr. BALDACCI, and Mr. MCHUGH):

H.R. 1084. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State; to the Committee on Agriculture.

By Mr. RAHALL:

H.R. 1085. A bill to address certain anachronistic provisions of the general mining laws, and for other purposes; to the Committee on Resources.

By Mrs. TAUSCHER (for herself, Mr. GREENWOOD, Mrs. THURMAN, Ms. LEE, and Mr. WELDON of Pennsylvania):

H.R. 1086. A bill to provide for infant crib safety, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WEINER (for himself, Mr. SOUDER, Mr. DEUTSCH, Mr. BENTSEN, Mr. BERMAN, Mr. CROWLEY, Mr. FROST, Mr. MCNULTY, and Mr. NADLER):

H.R. 1087. A bill to prohibit United States assistance for the Palestinian Authority and for programs, projects, and activities in the West Bank and Gaza; to the Committee on International Relations.

By Mr. PAUL:

H.J. Res. 38. A joint resolution disapproving the rule submitted by the Department of Health and Human Services on December 28, 2000, relating to standards for privacy of individually identifiable health information; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CLEMENT (for himself, Ms. RIVERS, Mr. TIBERI, Mr. HOLT, Mrs. DAVIS of California, and Mr. BLUNT):

H. Con. Res. 64. Concurrent resolution expressing the sense of the Congress supporting music education and Music in Our Schools Month; to the Committee on Education and the Workforce.

By Mr. COLLINS (for himself, Mr. KINGSTON, Mr. BISHOP, Mr. CHAMBLISS, Mr. ISAKSON, Mr. LEWIS of Georgia, Mr. BARR of Georgia, Mr. DEAL of Georgia, Mr. LINDER, Mr. NORWOOD, and Ms. MCKINNEY):

H. Con. Res. 65. Concurrent resolution honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they deploy to Bosnia in March 2001, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States; to the Committee on Armed Services.

By Ms. KAPTUR (for herself, Mrs. ROUKEMA, Mr. NEY, Mr. HOYER, Ms. BALDWIN, Ms. BERKLEY, Mrs. BIGGERT, Mrs. BONO, Ms. BROWN of Florida, Mrs. CAPITO, Mrs. CAPPS, Ms. CARSON of Indiana, Mrs. CHRISTENSEN, Mrs.

CLAYTON, Mrs. CUBIN, Mrs. JO ANN DAVIS of Virginia, Mrs. DAVIS of California, Ms. DEGETTE, Ms. DELAURO, Ms. DUNN, Mrs. EMERSON, Ms. ESHOO, Ms. GRANGER, Ms. HARMAN, Ms. HART, Ms. HOOLEY of Oregon, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JOHNSON of Connecticut, Mrs. JONES of Ohio, Mrs. KELLY, Ms. KILPATRICK, Ms. LEE, Ms. LOFGREN, Mrs. LOWEY, Mrs. MCCARTHY of New York, Ms. MCCARTHY of Missouri, Ms. MCCOLLUM, Ms. MCKINNEY, Mrs. MALONEY of New York, Mrs. MEEK of Florida, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mrs. MORELLA, Mrs. MYRICK, Mrs. NAPOLITANO, Mrs. NORTHUP, Ms. NORTON, Ms. PELOSI, Ms. PRYCE of Ohio, Ms. RIVERS, Ms. ROS-LEHTINEN, Ms. ROYBAL-ALLARD, Ms. SANCHEZ, Ms. SCHAKOWSKY, Ms. SLAUGHTER, Ms. SOLIS, Mrs. TAUSCHER, Mrs. THURMAN, Ms. VELÁZQUEZ, Ms. WATERS, Mrs. WILSON, Ms. WOOLSEY, Mr. EHLERS, Mr. MICA, Mr. LINDER, Mr. DOOLITTLE, Mr. REYNOLDS, Mr. FATTAH, and Mr. DAVIS of Florida):

H. Con. Res. 66. Concurrent resolution authorizing the printing of a revised and updated version of the House document entitled "Women in Congress, 1917–1990"; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. GILCHREST and Mrs. LOWEY.

H.R. 28: Mrs. EMERSON, Ms. SOLIS, and Mr. HYDE.

H.R. 31: Mr. WELDON of Florida.

H.R. 40: Ms. MCKINNEY and Mrs. TAUSCHER.

H.R. 51: Mr. JONES of North Carolina, Ms. HART, Mrs. CLAYTON, Mrs. THURMAN, and Mr. SIMMONS.

H.R. 81: Mr. FOLEY.

H.R. 117: Mr. CRAMER.

H.R. 126: Ms. BALDWIN.

H.R. 128: Mr. MCGOVERN, Mr. MCDERMOTT, and Ms. VELÁZQUEZ.

H.R. 133: Mr. UNDERWOOD.

H.R. 169: Mr. PETRI, Ms. NORTON, Ms. CARSON of Indiana, Ms. BROWN of Florida, and Mr. TOWNS.

H.R. 179: Mr. CRENSHAW, Mr. NEAL of Massachusetts, Mr. HYDE, and Mr. CANTOR.

H.R. 183: Ms. MILLENDER-MCDONALD, Ms. SCHAKOWSKY, Ms. BALDWIN, Mr. FILNER, and Mr. SANDERS.

H.R. 184: Mr. RUSH and Mr. KANJORSKI.

H.R. 187: Mr. FROST, Mr. STENHOLM, and Mr. PETRI.

H.R. 191: Mr. PAUL.

H.R. 192: Mr. FOLEY and Mr. BAKER.

H.R. 218: Mr. DEAL of Georgia, Mr. GIBBONS, Mr. SHADEGG, Mr. GRAHAM, Mr. LINDER, Mrs. NORTHUP, Mr. DUNCAN, Mr. SAXTON, Mr. HINCHEY, and Mr. BAKER.

H.R. 247: Mr. BLUNT, Mr. ISTOOK, and Mr. EVERETT.

H.R. 294: Ms. HART.

H.R. 303: Mrs. CLAYTON, Mr. MATHESON, Mr. SNYDER, Mr. PHELPS, Mr. DUNCAN, Mr. HOLT, Mr. CLYBURN, Mr. CONYERS, and Mr. HYDE.

H.R. 326: Mr. UDALL of New Mexico, Mr. TOWNS, and Mr. LAFALCE.

H.R. 327: Mr. OSE, Mr. PENCE, Mr. OTTER, Mr. PUTNAM, Mr. GRUCCI, Mrs. CAPITO, Mr. FERGUSON, Mr. SCHROCK, Mr. TOOMEY, Mr. MANZULLO, and Mr. GRAVES.

H.R. 336: Ms. BALDWIN, Mrs. JONES of Ohio, and Mr. HOYER.

H.R. 340: Mrs. NAPOLITANO.

H.R. 356: Mr. FOLEY and Mr. KINGSTON.

H.R. 369: Mr. CLAY.

H.R. 415: Ms. CARSON of Indiana, Ms. WATERS, Mr. TOWNS, Mr. HOLDEN, Mr. PAUL, Ms. BROWN of Florida, Mrs. THURMAN, Ms. LEE, and Mr. WEXLER.

H.R. 446: Mr. RODRIGUEZ and Mr. MCGOVERN.

H.R. 458: Mr. SAM JOHNSON of Texas.

H.R. 476: Mr. WELDON of Florida, Mr. HAYES, Ms. HART, Mr. BARTLETT of Maryland, Mr. ROGERS of Michigan, and Mr. LEWIS of Kentucky.

H.R. 478: Mr. MURTHA.

H.R. 494: Mr. WELDON of Pennsylvania.

H.R. 500: Ms. SCHAKOWSKY and Mr. CROWLEY.

H.R. 516: Mr. RAHALL, Ms. CARSON of Indiana, Mr. FILNER, Mr. LOBIONDO, Mr. BACA, Mr. HUTCHINSON, Mr. ENGEL, and Mr. CRAMER.

H.R. 538: Ms. ROS-LEHTINEN, Mr. ARMEY, Mr. SOUDER, Mr. WATTS of Oklahoma, Mr. BRADY of Texas, Mr. FROST, Mrs. BONO, Mr. CALVERT, and Mr. YOUNG of Alaska.

H.R. 539: Mr. BLUNT, Mr. KENNEDY of Minnesota, and Mr. HEFLEY.

H.R. 573: Mr. BERMAN, Mr. FILNER, Mr. MCDERMOTT, Mr. BLUMENAUER, Ms. SCHAKOWSKY, Mr. ANDREWS, Mr. STARK, and Mr. SAWYER.

H.R. 576: Mr. MALONEY of Connecticut.

H.R. 581: Mr. DUNCAN, Mr. KOLBE, and Mr. TANCREDO.

H.R. 586: Mr. CARDIN and Mr. BURTON of Indiana.

H.R. 606: Mr. FOLEY, Mr. SCARBOROUGH, Mrs. LOWEY, and Mr. MICA.

H.R. 609: Mr. PAYNE.

H.R. 611: Mr. OXLEY and Mr. HINCHEY.

H.R. 623: Mr. SCOTT, Mr. CUMMINGS, Mr. ANDREWS, Mr. LANTOS, Ms. MILLENDER-MCDONALD, Ms. SCHAKOWSKY, Mr. HOEFFEL, and Ms. MCCOLLUM.

H.R. 630: Mr. ETHERIDGE, Mr. JEFFERSON, Mr. TOWNS, Mr. GUTIERREZ, Mr. WAXMAN, Mr. RUSH, Mr. SIMMONS, Ms. HARMAN, Mr. ENGEL, Ms. SCHAKOWSKY, and Mr. PAYNE.

H.R. 638: Mr. ABERCROMBIE.

H.R. 665: Mr. RODRIGUEZ.

H.R. 668: Mr. GILCHREST, Mr. OLVER, Ms. BALDWIN, Mr. COYNE, Mr. NEY, Mr. BALDACCI, Mr. WATKINS, and Mr. BURR of North Carolina.

H.R. 674: Mr. BOYD.

H.R. 676: Mr. OTTER.

H.R. 686: Ms. LEE.

H.R. 692: Mr. CAMP and Mr. HASTINGS of Washington.

H.R. 695: Mr. HOEFFEL and Mr. GEORGE MILLER of California.

H.R. 699: Mr. FOLEY.

H.R. 700: Mr. ABERCROMBIE.

H.R. 701: Mr. PICKERING, Mr. THOMPSON of California, Mr. HAYES, Mr. PHELPS, Mr. CHAMBLISS, Mr. PETERSON of Minnesota, Mr. UDALL of Colorado, Mr. VITTER, Mr. CROWLEY, Mr. BURR of North Carolina, Ms. MCCARTHY of Missouri, Mr. BAKER, Mr. LOBIONDO, Mr. LEWIS of Georgia, Mr. JEFFERSON, Mr. FRELINGHUYSEN, Mr. DELAHUNT, Mr. RAMSTAD, Mr. WELLER, Mrs. CHRISTENSEN, Ms. BALDWIN, Mrs. ROUKEMA, Mr. MALONEY of Connecticut, Mr. PALLONE, Mr. WYNN, Mrs. JONES of Ohio, Mr. BRADY of Pennsylvania, Mr. LUTHER, Mr. TOWNS, Mr. CAPUANO, Mr. HOLDEN, Mr. SNYDER, Mrs. MCCARTHY of New York, Mr. ABERCROMBIE, Mr. NADLER, Mr. MEEHAN, Mr. BERMAN, Mr. BOSWELL, Mr. PASCRELL, Mrs. MEEK of Florida, Mr. BOUCHER, Mrs. MALONEY of New York, Ms. LEE, Ms. DELAURO, Mr. ANDREWS, Mr. SOUDER, Mr. KING, Mr. FILNER, Ms. SCHAKOWSKY, Mr. TAYLOR of Mississippi, and Mr. MCCRERY.

H.R. 718: Mrs. BIGGERT, Mr. THORNBERRY, Ms. GRANGER, Ms. PRYCE of Ohio, Mr. HUNTER, Mr. CUNNINGHAM, Mr. HAYES, Mr. WATKINS, Mr. EHLERS, Mr. DOOLITTLE, Mr. WHITFIELD, Mr. BRADY of Texas, Mr. LEWIS of Kentucky, and Ms. SCHAKOWSKY.

H.R. 726: Mr. GUTIERREZ.

H.R. 737: Mr. TERRY and Mr. WAXMAN.

H.R. 759: Ms. LOFGREN and Mrs. CLAYTON.

H.R. 778: Ms. HART.

H.R. 779: Mr. HYDE.

H.R. 786: Mr. MARKEY, Ms. WOOLSEY, and Ms. BALDWIN.

H.R. 808: Mr. DEFAZIO and Mr. KENNEDY of Rhode Island.

H.R. 822: Mr. ABERCROMBIE.

H.R. 823: Mrs. THURMAN.

H.R. 827: Mr. MCGOVERN and Mr. LAMPSON.

H.R. 862: Mr. BALDACCI.

H.R. 865: Mr. LIPINSKI, Mr. KUCINICH, Mr. FROST, Mr. BORSKI, Mrs. DAVIS of California, Mr. DOYLE, and Ms. LEE.

H.R. 938: Mr. CAPUANO.

H.R. 945: Mr. RUSH and Mr. KUCINICH.

H.R. 967: Mr. MCNULTY, Mrs. KELLY, Mr. FRANK, and Mr. BALDACCI.

H.R. 969: Mr. BURR of North Carolina, Mr. CALVERT, and Mrs. MYRICK.

H.R. 1015: Mr. SMITH of New Jersey, Mr. SISISKY, Mr. PUTNAM, Mr. BILIRAKIS, Mr. BUYER, and Mr. STEARNS.

H.J. Res. 11: Mr. FOLEY.

H.J. Res. 32: Mrs. MALONEY of New York.

H.J. Res. 36: Mr. LUTHER and Mr. BRADY of Texas.

H. Con. Res. 8: Mrs. THURMAN.

H. Con. Res. 23: Mr. BLUNT.

H. Con. Res. 52: Mr. SHERMAN.

H. Con. Res. 58: Mr. HOYER.

H. Res. 23: Ms. HART and Mr. CLEMENT.

SENATE—*Thursday, March 15, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable MIKE CRAPO, a Senator from the State of Idaho.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, Rev. Alan Mitchell, Sligo Presbyterian Church, Republic of Ireland.

PRAYER

The guest Chaplain, Rev. Alan Mitchell, offered the following prayer:

O God, our Father, we acknowledge that the destiny of the nations and peoples of this world is in Your control.

We pray for all Senators and leaders elected to represent the interests and further the welfare of their constituents; especially we pray for the President, Mr. George W. Bush. May the leadership he gives this Nation and the nations of the Western World, be in accord with Your will and purpose.

We thank You for the commitment of the United States to peacemaking. Continue to inspire this administration as it seeks to create prosperity, equality, justice, freedom, and peace for people in this country and wherever the influence of this great Nation impacts on every continent.

On this weekend when we celebrate St. Patrick's mission in Ireland, may the message he proclaimed be proclaimed now with even greater fervor and passion, lighting fires of forgiveness and reconciliation, giving joy to Irish people within their own country and around the world.

Father, as we commence the business of this day, may Your Spirit, through our deliberations, accomplish Your purposes for this Nation as it fulfills its obligations to its own citizens and to people around the world who look to the United States for inspiration and example.

We offer these prayers through Jesus Christ. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 15, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MIKE CRAPO, a Senator from the State of Idaho, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. CRAPO thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

GUEST CHAPLAIN MITCHELL

Mr. LOTT. Mr. President, I join all of our colleagues in the Senate in welcoming and thanking our guest Chaplain today for the beautiful prayer he just delivered. He is Rev. Alan Mitchell. With that name, he could just as easily be from Sledge, MS, instead of Sligo, Ireland.

I love the accent he has but, more importantly, the beauty of his prayer. So many in America have roots back in Ireland, Scotland, and that area of the world. We feel a special kinship to the people in Ireland, and we wish them well and pray for them often as they seek greater economic opportunity and continued democracy and freedom. We are delighted to have Reverend Mitchell with us today.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will immediately resume consideration of the bankruptcy legislation with 10 hours remaining for postcloture debate. This morning, Senator WELLSTONE is here and ready to go, and he will be recognized to offer any of his germane amendments. Following the Wellstone debate, we will go to Senator KOHL who will be recognized to offer his homestead amendment, with up to 90 minutes of debate on that issue.

Under the previous order, there will be two votes at 12 noon on the Leahy amendments, Nos. 19 and 41. A vote is possible just prior to the vote scheduled at noon if time is yielded back with regard to the homestead amendment. Further amendments will be offered and debate will continue during today's session. Therefore, votes will occur throughout the day. The Senate will complete action on this bill as early as late this afternoon or tonight.

I, again, thank Senator WELLSTONE for his persistence and also his willingness to cooperate as we have gone along.

I was very pleased and impressed with the vote on cloture. I believe it was 80–19. It is clear the Senate wants to vote on this issue and wants to pass some needed bankruptcy reform.

I yield the floor.

Mr. REID. Before the leader leaves, it is my understanding—and the Presiding Officer can correct me if I am wrong—that in the 10 hours, which starts now, votes are counted, quorums are counted, so we will be here no later than 7:30, plus whatever time it takes to complete the votes. Is that right?

Mr. LOTT. That is correct. I hope that maybe it will not even be that late. It is possible we could get completed with our work a little earlier—6 or 6:30. That would be ideal. I believe, counting the votes and all of the time, it would not go beyond 7:30, so Senators should be aware of that. I might note, in terms of any other legislative action, certainly we wouldn't consider anything further without close consultation with the Democratic leader. We have the possibility of considering the SEC fees bill, but we want to do that in such a way it can be done either by voice vote or in wrap-up, or if there had to be votes, it would not occur until late on Monday afternoon. We will work through that. I put Senators on notice that we will at least consider how we will bring that bill up at some point.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BANKRUPTCY REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 420, which the clerk will report.

The bill clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Leahy amendment No. 20, to resolve an ambiguity relating to the definition of current monthly income.

Wellstone amendment No. 35, to clarify the duties of a debtor who is the plan administrator of an employee benefit plan.

Kennedy amendment No. 38, to allow for reasonable medical expenses.

Collins amendment No. 16, to provide family fishermen with the same kind of protections and terms as granted to family farmers under chapter 12 of the bankruptcy laws.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Leahy modified amendment No. 41, to protect the identity of minor children in bankruptcy proceedings.

Reid (for Breaux) amendment No. 94, to provide for the reissuance of a rule relating to ergonomics.

Reid (for Leahy) amendment No. 19, to correct the treatment of certain spousal income for purposes of means testing.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Minnesota, Mr. WELLSTONE, is recognized to offer any of his germane amendments.

Mr. WELLSTONE. Mr. President, am I correct that my time starts now at 20 minutes of?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. WELLSTONE. Mr. President, I will probably take about 40 minutes of my hour right now and probably later on speak again on the bill.

AMENDMENTS NOS. 70, 71, AND 73, EN BLOC

Mr. WELLSTONE. Let me start by calling up some amendments. I send to the desk amendments Nos. 70, 71, and 73.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes amendments Nos. 70, 71, and 73, en bloc.

Mr. WELLSTONE. I ask unanimous consent the reading of the amendments be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 70

(Purpose: To change the relevant time period in determining current monthly income)

On page 18, line 9, strike "6" and insert "2".

AMENDMENT NO. 71

(Purpose: To address the acceptable period of time between the filing of petitions for relief under chapter 13 of title 11, United States Code)

On page 151, strike line 18 and all that follows through page 152, line 3, and insert the following:

Section 727(a)(8) of title 11, United States Code, is amended by striking "six" and inserting "8".

AMENDMENT NO. 73

(Purpose: To create an exemption for certain debtors)

On page 441, after line 2, add the following:

(c) EXEMPTIONS.—

(1) CERTAIN UNEMPLOYED WORKERS.—This Act and the amendments made by this Act do not apply to any debtor that can demonstrate to the satisfaction of the court that the reason for filing is due to the debtor having become unemployed and the debtor is part of a group of workers certified by the Secretary of Labor as being eligible for trade adjustment assistance under title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.), unless the debtor elects to make a provision of this Act or an amendment made by this Act applicable to that debtor.

(2) APPLICABILITY.—Title 11, United States Code, as in effect on the day before the effective date of this Act and the amendments made by this Act, shall apply to persons referred to in paragraph (1) on and after the date of enactment of this Act, unless the debtor elects otherwise in accordance with paragraph (1).

AMENDMENT NO. 70

Mr. WELLSTONE. Mr. President, amendment No. 70 would fix the means test so it only looks at present and future income, not an average of the past 6 months. This is a really important amendment and I am interested in a vote. The means test in the bill determines a debtor's ability to pay a certain threshold amount of debt by averaging the debtor's last 6 months of income. This may be a very poor snapshot of a debtor's circumstances, especially if the debtor's income has gone down shortly before the filing due to a job loss or disability. This will have the effect of inappropriately forcing some debtors into chapter 13 repayment plans which they will never be able to complete.

This means test is unfair. It does not really look at the debtor's current income in determining ability to repay debt. It is abusive to workers who file shortly after losing well-paying jobs, particularly given the current weakness in the manufacturing sector of our economy.

This amendment changes the means test so it looks at an average of the debtor's last 2 months of income instead of the last 6. This is a more accurate picture of the debtor's circumstances and will ensure that only individuals with actual ability to repay will be captured by the means test.

Think about this for a moment. You better be thinking about it if there is a downturn in this economy. I am saying if somebody loses his or her job, and you are looking at the average income over the past 6 months, that doesn't do that person or their family a whole lot of good in terms of making an accurate assessment. If you look at it just over the last 2 months before they file for bankruptcy, then you are providing some protection to the people who have lost their jobs.

I will give a perfect example from the Iron Range. We now have about 1,300 taconite workers who have lost their jobs just with the LTV mine that is shutting down. For Minnesota, these were well-paying jobs with wages and health care. These were $65,000 jobs. For people who lose those kinds of jobs because the manufacturing sector is struggling, it does not do them a whole lot of good to look at the average income over the prior months—not when you have just lost your job or not when you have been in an accident and all of a sudden find yourself disabled. So I say again, this amendment is an amendment that tries to address the harshness of this legislation.

I cannot understand why Senators would not vote for this amendment and therefore this is the first amendment that I bring before the Senate today.

AMENDMENT NO. 71

Amendment No. 71 strikes the 5-year waiting period for a new chapter 13 filing. When people file a chapter 13 case, by definition they are paying all they can afford. There is no disagreement about that on the floor. That is supposed to be the reason this bill puts more people into chapter 13. So why does this bill prevent debtors from filing another chapter 13 case for 5 years, even if those debtors have fulfilled all their obligations in bankruptcy? This change simply adds insult to injury. It is particularly harmful, I maintain, to elderly individuals who might file a chapter 13 case to save their homes. Under this bill, an elderly person might file a chapter 13 case because of medical bills or because a spouse dies, successfully complete chapter 13 and save the home.

But if they have another illness in the next 5 years or they become disabled or lose their income, they will not be able to file for chapter 13. That is ridiculous. That is ridiculous. Again, I point to the harshness of this legislation. Under this bill, chapter 13 filers are not supposed to be abusers. They are supposed to be the good guys. Adopting this amendment would restore current law and allow the filing of new chapter 13 cases. It is very simple.

AMENDMENT NO. 73

Finally, I go to amendment No. 73. This is a safe harbor for folks who file because of job losses that are a result of foreign trade. Mr. President, 1,400 steelworkers have lost their jobs on the Iron Range of Minnesota due to unfair foreign competition.

By the way—and this will be the broader context I want to give about this legislation in a moment—does this Senate, does this Congress, does this administration offer proposals that assure a fair trade policy so many of our industrial workers, such as steelworkers and auto workers, do not get thrown out of work through no fault of their own? Do we do anything about the import surge of steel, quite often produced well below the cost of production, sometimes because of unfair dumping of steel on our market, sometimes because our workers lose their jobs in relation to other developing countries, workers who do not have the right to organize and bargain collectively, where there is no environmental protection, where there is no support for human rights, where people get paid 13 cents an hour? Do we do anything about that? No.

But, by golly, if you lose your job, you are not going to be able to file for chapter 7. You are going to have a very difficult time making it in chapter 13, rebuilding your life, or be in debt for the rest of your life. This amendment speaks for the 1,400 steelworkers who lost their jobs on the Iron Range due to unfair competition.

By the way, these steelworkers are not really interested in even getting to the point where they have to declare bankruptcy. They would like us to do something about an unfair trade policy. That is really what should be part of our agenda. Many more jobs in the timber industry are threatened by Canadian imports.

It is crystal clear that too many of these families are going to need to file for bankruptcy. If they do, I do not think a bill aimed at scofflaws and deadbeats should hold these workers back from a fresh start. This amendment would simply exempt from this entire bill any debtor who files because of a trade-related job loss. The people are not gaming the system. They have been devastated by the uncertainties of the global economy, by forces beyond their control. They have been devastated by the failure of the Senate to be on their side and pass legislation that will assure fair trade. They should not be subjected to this harsh bill.

Let me try to put the last 3 years in context. I think it has been about 2½ or 3 years that we have been going through this debate. It has been 2½ or 3 years that I have tried to prevent this bill from passing. The majority leader says he is very pleased by the vote on cloture. I will let history judge us. The majority leader can be very pleased by the vote. The majority leader can be very pleased the Senate is about to pass this very harsh bankruptcy bill. But later on today, the big guys are going to win. The big guys are going to win, and the little people are going to get smashed. There is no question about it. It is embarrassing—or it should be embarrassing to the Senate—the number of articles and now media coverage that have come out over the last several weeks about all of the ways in which this financial services industry, broadly defined, has hijacked this political process.

It should be embarrassing. There is no one-to-one correlation. I have said that many times over.

I accept the fact that my good friend, Senator GRASSLEY, can have an honestly held but different view. I am telling you that when it comes to elderly people who are put under because of medical bills and now cannot file chapter 13 for another 13 years, or when it comes to families, 50 percent of whom file for bankruptcy because of medical expenses, who are going to be put through one provision and one hurdle and another hurdle and another test, which is going to make it so difficult for them to file for chapter 7 or, for that matter, to be able to rebuild their economic lives, or when it comes to workers who have lost their jobs and don't figure in really well with the 6 months of average income and are going to find it so difficult to rebuild their lives, or when it comes to women where there has been a divorce in the family—and all too often it is the woman who is the one who really has to take care of the children—when it comes to a lot of low- and moderate-income people, there is an awful lot of harshness in this piece of legislation.

They never were able to mount the same lobbying effort. They were never able to get special provisions in the bill. The auto makers or the auto dealers get a special provision for them. There was an article about that. It is embarrassing.

Investors in Lloyd's of London get a special provision for themselves. It is embarrassing.

The homestead exemption for millionaires or multimillionaires—it is embarrassing.

I have to say it. I don't see any balance to this legislation.

Senator DURBIN and others tried to go after the predatory lending practices. They were not successful.

Is there any significant focus in this legislation on the ways in which the credit card industry pumps these credit cards out to people so they are held accountable? No.

Was the Senate willing to vote for low-income and vulnerable people who are picked on by loan sharks or take on these payday loans or take on these lenders? No.

Was the Senate willing to provide an exemption for people who went under because of medical bills? No.

Today I have an amendment that at least says do this for people who lost their jobs. There will probably be again another "no" vote.

We have in this legislation the following provisions:

Prebankruptcy credit counseling requirements at the debtor's expense.

So you lose your job. You are being put under because of an injury or a disability or a medical bill based upon a major illness. How do you counsel away a job loss? Why are we asking people who have lost their jobs or are filing for bankruptcy because of medical bills to go through prebankruptcy credit counseling at their own expense? Can someone explain that?

No limits on prefilings, regardless of personal circumstances;

Revocation of automatic stay relief for failure to surrender collateral;

You can't file a new 7 case for 8 years or a new chapter 13 case for 5 years.

There is no current law under chapter 13. That is in one of my amendments.

My friend—I wish I had known him well—Hubert Humphrey, a Senator from Minnesota, later Vice President of the United States of America, once said—and we have all heard this quote—that the moral test of a society in that matter of government is the way we treat people in the dawn of their lives, the children; the way we treat people in the twilight of their lives, the elderly; and the way we treat people in the shadow of their lives, people who are struggling with a disability; and people who are poor.

This bankruptcy bill fails that moral test.

The majority leader says he is delighted with the vote. I say to the majority leader I believe this piece of legislation fails that moral test. I believe the Senate, when it votes for this legislation, will fail that moral test. I believe this will be a vote for the heavy hitters, the investors, the well connected, and the big players. And this will be a vote against ordinary people.

Bankruptcy has been a safety net for them—not just for low-income people but for middle-income people as well. It is being shredded with this piece of legislation. I have tried, as my friend from Iowa knows, for 2½ to 3 years to do this.

This bill is going to pass. When it passes, all I can say is we will have to judge it.

Initially, the case was made that it was all about fraud—that people were gaming the system. But the American Bankruptcy Institute took care of that argument when it said only 3 percent were gaming the system. Other studies got it up to 10 or 13 percent, at the most, of people who were gaming the system and who were filing for chapter 7 but really could pay back more. That is not widespread fraud or abuse.

The argument that there was a dramatic increase in filing of bankruptcies, although in the last year and a half it has gone down, is kind of chasing a problem that doesn't exist. This economy may very well turn down. Then there will be more people who live in our States who will find themselves in difficult economic circumstances through no fault of their own. They will go to try to file for bankruptcy, and they will find it impossible to rebuild their economic lives. And they will hold us accountable. They will say: Were you on the side of the financial services industry with all of these big banks and all of these big lenders and this credit card industry? Why weren't you on our side?

I think it is only fitting—I will conclude this way and reserve the rest of my time—that the bankruptcy bill is considered right after what we did with the ergonomics rule and right before campaign finance reform because basically last week when we were dealing with repetitive stress injury, we took a rule that was a result of 10 years of work—repetitive stress injury, blue-collar, white-collar workers, the majority of working women, the most serious injury in the workplace, providing people with some protection—and in 10 hours the Senate overturned it. That was not a good week for working people.

Then we go to bankruptcy. Now when one of our constituents is injured in the workplace—because we have stripped away the protection—and she can't work because of a disability, when she goes to file for bankruptcy, she may find it impossible, given all of these provisions and all of these hurdles and obstacles, to rebuild her life for herself and her children.

Do we have out here for consideration legislation to raise the minimum wage? No.

Do we have any kind of legislation that talks about a living wage; that is to say, an income where people can support their families and give their children what they need and deserve? No.

Do we have legislation that focuses on affordable prescription drug costs for elderly people? No.

Do we have legislation to expand health care coverage for people so they don't have to file for bankruptcy? No.

Do we have legislation which would call for much more by way of resources to expand the amount of available low-cost housing for people? This has become a huge crisis. No.

Do we have legislation that calls for a fair trade policy so that workers on the Range and other workers in this country don't end up losing their jobs through no fault of their own? No.

The only thing we have is a bill that is a wish list for the credit card industry and a nightmare for vulnerable families and vulnerable citizens in Minnesota and the country.

(Mr. ALLEN assumed the chair.)

Mr. President, I guess this is a bridge to campaign finance reform because I am not going to argue that any Senator's vote or support for this bill is because of contributions because there are Senators who have a different viewpoint. Senator GRASSLEY absolutely believes in this, has argued for it, has been effective, and will get this bill passed. It is what he believes. I know that.

But I will say, thinking about it in institutional terms, which is the only way I can do it—not in personal terms—anybody can say any Senator's vote or position is based on campaign finance. We do that to everybody. But if you look at it in broader institutional terms, I am sorry, this is a classic example of too few people with too much wealth, too much power, too much access, and too many people in the country locked out, left behind.

If the standard of a representative democracy is that each person should count as one, and no more than one, I will tell you something: This political process fails that standard. And I will tell you something else: I think the next debate we have will be the most fundamental debate of all when it comes to what representative democracy is about because if we fail that test, that each person should count as one, and no more than one—and there is not one Senator in this Chamber who believes that that is true; we have strayed far away from that—then we are undercutting representative democracy.

If legislation that is passed—and what happens in the Senate; the majority leader said he is so pleased about this—is the result of who has power in Washington, who can march on Washington every day, who can do a full court press for several years, I hand it to the financial services industry; you have done that well.

If that is the test of a representative democracy, the pattern of power in the Nation's Capital, we are in really serious trouble because a whole lot of ordinary people are left out, and they know it.

I will tell you what. This debate has me thinking more about this campaign finance reform bill. I do not want to make an absolute commitment, but I want to say a few things about it. I am absolutely convinced that the McCain-Feingold bill is a step in the right direction. But most of the money is hard money, not soft money. These proposals to raise the limit from $2,000 to 6,000 are just unbelievable to me.

Do you know it is something like four-tenths of 1 percent who contribute over $200. So now what we are going to say is, for the four-tenths of 1 percent who can contribute over $200—who have the big bucks, from whom all of us ask for funding when we run for office—we are now going to put more importance on these citizens, the highest incomes and the wealthiest, who, by the way, quite often contribute because they want to support you, they do not do it, hopefully, because they are corrupt or because we are corrupt. But now we are going to attach more importance to them and leave even more people out, and having even more people believe if you pay, you play, and if you don't pay, you don't play. I will spend hours opposing that proposal.

I am absolutely convinced McCain-Feingold is a step in the right direction but does not even get at one-tenth of the way in which money hijacks politics. We have an example—I need to say this well—of corruption—not corruption as in the wrongdoing of individual officeholders, the wrongdoing of individual Senators; no, not that. I do not think so. I do not think so. I am trying to get everybody to like me. I do not think so. I really believe not. But there is a worse kind of corruption, systemic corruption, where too few people have all the access and the say.

This bankruptcy bill has been a perfect example of it. The vast majority of the people are left out. There is a huge imbalance between the big givers and investors—yes, in both parties—and the majority of people.

I will tell you something. I am going to make sure we have a vote on a public financing bill. I have written the clean money/clean election bill. JOHN KERRY has joined me on it. We should have a vote on it.

When my good friend MITCH MCCONNELL comes to the floor, first of all, he will say it is constitutionally legal. It is constitutional. That is what he will say, which I appreciate. Then he will say—and he will say it better than I can say it—this is "food stamps" for politicians. Then we will have the debate.

But the debate will be: But wait a minute, do the elections belong to politicians? Does the Government belong to politicians or does it belong to people? And if you could take the clean money/clean election efforts—successful in Massachusetts, and started in Maine, and then in Arizona—I forget the other State—and Vermont; I am sorry, Vermonters, people from Vermont—why not apply that to Federal elections?

Another amendment would be to just simply change three words in the Federal election code, which would allow any State that wanted to—the Presiding Officer might like this one—which would just say: leave it up to Virginia, leave it up to Iowa, leave it up to Minnesota. And if our States want to apply clean money/clean election to Federal elections, they should be able to do so.

There was an Eighth Circuit Court of Appeals decision on this which said: Look, Minnesota, if you want to apply some kind of public financing to elections, we might be for it, but the way the Federal election law reads, you cannot. I would like to enable States to do it if they want to; then let the discussion bubble up from the State level.

But I am telling you something. What we have been going through over the last couple of weeks, and the last couple of years, on a variety of different pieces of legislation—what we have done and what we have not done; what has been on the agenda and what has been off the agenda; what has been on the table and what has been off the table; who decides who benefits and who is asked to sacrifice—those are the questions I ask.

As I look at this within that kind of framework, we need McCain-Feingold-plus. We need sweeping campaign finance reform, we need clean money, and we need clean elections. Ultimately, we have to go down the path of the people owning these elections, and therefore they will have a much better chance of owning the Government and a much better chance of defeating a harsh bankruptcy bill.

I yield the floor and reserve the remainder of my time.

How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 30 minutes remaining.

Mr. WELLSTONE. I reserve the remainder of my time for later today. I thank the Chair.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa, Mr. GRASSLEY.

Mr. GRASSLEY. I have had an opportunity now for 30 minutes to listen to the Senator from Minnesota. Besides responding to his specific amendments, I would like to—on, hopefully, the last day of debating this bill; and there have been a lot of "last days" over the last three Congresses to finally get a bill to the President that will be signed into law—take an opportunity to express some history.

First of all, let me suggest to the Senator from Minnesota that there are a lot of trade associations that are very interested in getting this bill passed. I am not oblivious to that. But I think you ought to take into consideration how Senator GRASSLEY got to the point of considering legislation such as this.

I have town meetings around Iowa, just as I am sure you do in Minnesota. You go to the small towns of Minnesota to hold town meetings; I go to the small towns of Iowa, in each of the 99 counties every year, to hold town meetings. Maybe it is not always a town meeting. It might be at a coffee break for the workers at a factory; it might be at a Rotary Club, and all those things. I have a dialog with my constituents. And over the period of the time I have been in the Senate—maybe not immediately, but in the late 1980s and early 1990s—where did I first hear about abuses of bankruptcy laws that we passed in 1978, which were not intended to make it easier to get into bankruptcy but it ended up that way, 20 years later, so we realized?

It was from the small business people of Main Street USA that I heard about the irritating impact of people declaring bankruptcy. Maybe in some of those cases those bankruptcies would have been legitimate. As we all agree, some people deserve a fresh start. Even under that circumstance, it is irritating to the small businessperson to have somebody declare bankruptcy and then, maybe a month later, to see that person driving a new car.

These are the impressions I have of the use of bankruptcy that brought me to this point, along with the Senator from Alabama, Mr. Heflin, who, until he left the Senate in 1996, was either chairman of this subcommittee when Democrats were in the majority, or I was the chairman and he was the ranking member. He and I worked together on bankruptcy legislation. It was nothing very major through the 1980s and early 1990s, just a technical correction here or there. We were impressed with the number of small businesspeople who would tell us about the abuse of bankruptcy laws, people not paying their bills, and then the small businessperson being stuck with it. That is one point.

The second point is, over the period since the 1978 law passed, we have had a lot of changes in the economy of our country and also the globalization of the economy. The bankruptcy law has not changed with the economics and the changing conditions of the American economy. So early in the 1990s—and I think it took us about 4 years to get a commission set up—we decided, even though we had been working on bankruptcy legislation for a period of time and making some technical corrections, things of that nature—nothing real major—we had been thinking about how to handle this proposition of some corrections, some fine-tuning of the bankruptcy code—we decided to set up the Bankruptcy Commission.

All during that period of time of hearing from our constituents at the grassroots of America about abuse of bankruptcy laws or our seeing the need for some change in bankruptcy laws because of the changing economy, we never heard from these trade associations the Senator is referring to that a commission ought to be set up to change the bankruptcy laws. We set up a commission not made up of political people but experts in bankruptcy laws to bring about some suggested changes. Three Congresses ago, Senator DURBIN and I introduced the results of that commission.

Obviously, at that point, people started lobbying for and against legislation. That is the way the process has worked for a long time. We are here today not because of those trade associations that are very much involved for and against this bill. Don't forget, when you talk about the business interests, there is as much fighting within business as to who is going to be on top or who is going to be on the bottom in the priorities as there is between business as creditors and the debtors the Senator is protecting.

There is a lot of dispute among these trade associations; there is a lot of dispute among various segments of our business community as to just exactly how the laws should be changed. I suggest to the Senator that there is probably as much effort in lobbying between business as there is between all business on one hand and the debtors on the other hand.

I am not saying anything he said is incorrect, nothing whatsoever. I am just saying that, please, look at it from the perspective of the 15 years that I have been involved in bankruptcy legislation and how we came from point A to point B today.

Mr. WELLSTONE. Will the Senator yield?

Mr. GRASSLEY. I will yield.

Mr. WELLSTONE. The reason I make this awkward request is that in just a minute or two, I have to go back to the office for a conversation with journalists about a mental health bill. I apologize for leaving.

I say to the Senator from Iowa two things: First, here is our disagreement. I think there has been abuse. That is what the Senator from Iowa has focused on and heard about in his town meetings. I just think, to be as honest as I can be, that we have lost our way, and we went way beyond dealing with the abuse and ended up with this bill, as opposed to the original bill. I was the only vote against it. Frankly, if I had known what was going to happen, I wish I would have voted for it. I think we lost our way, and we went way beyond dealing with the abuse. We have written a bill that makes it easier for the credit card companies. That is my honest view. I have been speaking about this day after day.

I thank my colleague for what he said. This may sound too flowery—if that is the right word—but I don't think there is anything the Senator from Iowa would say on the floor of the Senate that I would not believe came out of his personal and political conviction. I know that, period.

This is a profound and deep, honest disagreement. It is not personal. He is a great Senator.

Mr. GRASSLEY. I thank the Senator from Minnesota for his kind remarks and his intellectually honest approach to this issue, even though there is great disagreement. One of the tests, I suggest to the Senator from Minnesota, that my position might be right is the fact that this bill passed three Congresses ago, 97–1. It passed two Congresses ago, one time 84–13, another time 70–28. It would be the law of the land now because we had the votes to override a veto, except that it was pocket vetoed by President Clinton. It was not vetoed by President Clinton in the way that we could override it.

I hope, for the cynical people—maybe everybody is somewhat cynical about Congress, but some people are more cynical than others—they are a little less cynical on legislation that gets broad bipartisan support. In other words, what I am saying is, there are 31 Members of Senator WELLSTONE's party who voted for cloture on this bill yesterday to help us get it passed. That is a test that this legislation is well compromised—in my judgment, maybe too much compromised; I would rather have a stronger bill—and it is a good product to send to the President to be the law of the land.

This legislation should be passed. I hope it will. I am going to leave to other Republicans to speak about the merits or demerits of the Wellstone legislation because I have to go to a committee meeting. I do want to give a historical context of why we are here today.

I pursued this bankruptcy legislation because I have a real conviction that when you are right, you eventually win out. This is the third Congress. It would be the law of the land now except for President Clinton's pocket veto. President Bush has said he will sign it. The bipartisanship shows the rightness of it. We are going to have an example this year of right winning out.

I thank the Senator from Utah for coming to the floor. The distinguished chairman of the Judiciary Committee has done so much to help move this legislation along, particularly when I have been so busy as the new chairman of the Senate Finance Committee. I thank Senator HATCH for doing that.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I am here in opposition to the Wellstone amendment to permit a debtor to repeatedly use chapter 13. The effect of his amendment is that it strikes the provisions of the reform act which require a debtor to wait 5 years between chapter 13 bankruptcies.

Present law allows the debtor to file repeated chapter 13s, one right after another. The amendment is unnecessary. Senator LEAHY and myself have already worked out an adjustment to be included in the managers' amendment, which permits a debtor to refile a chapter 13 within 2 years after a previous bankruptcy and provides a hardship exception if the debtor absolutely has to have chapter 13 relief more frequently.

The amendment encourages debtors to repeatedly use chapter 13 regardless of whether they need it. It undercuts personal responsibility. Repeated use of chapter 13 should only be rarely necessary. It should never be allowed, unless a judge determines the debtor is really experiencing hardship. The amendment encourages bankruptcy mills to abuse the system by repeatedly putting their clients into chapter 13. This is a documented abuse that has been noted by many observers.

It is difficult for me to see what merit the distinguished Senator from Minnesota finds in this particular amendment. I oppose this amendment that would undercut personal responsibility and encourage abuse of the bankruptcy system.

I hope our colleagues will vote this amendment down.

Now, with regard to the other amendments the Senator from Minnesota has called up this morning, I oppose the Wellstone amendment to allow the debtor to defraud the court and shield income.

With regard to this legislation, the legislation calculates a debtor's "current monthly income" for purposes of the means test by averaging the debtor's monthly income from all sources over a 6-month period.

The amendment of the distinguished Senator from Minnesota would change the time period to a 2-month period instead of 6 months. This amendment would allow the debtor to defraud the system more easily. By limiting the scope of current monthly income, the amendment allows the debtor to hide earnings from the court more easily. For example, it may be worthwhile for the debtor to quit a job for 2 months in order to have no income for purposes of the means test than to take the income into account and risk being converted to chapter 13.

The point of the legislation is to cut down on loopholes, not create them. This amendment of the distinguished Senator from Minnesota creates an obvious loophole, which would allow debtors to game the system prior to filing.

A 2-month period does not give an accurate picture of an individual's income. Wealthier debtors may receive quarterly or semiannual investment distributions which may not be picked up under the Wellstone definition if the debtor is lucky, or extremely clever.

Supporters of the amendment may claim a 6-month period is too long, taking into account income or circumstances that are no longer relevant at the time of filing; that is, the debtor may have recently lost his job. This is the exact reason the legislation includes provisions to allow the judge to take such "special circumstances" into account. It is more appropriate to deter fraud in all cases and allow the judge to allow special circumstances in some cases than to presume such circumstances in all cases while making fraud easier.

So I hope our colleagues will oppose that Wellstone amendment as well.

I also oppose the Wellstone amendment excepting those who lose their jobs on account of imports from all provisions of the reform legislation.

The effect of his amendment is, if a debtor can demonstrate "the reason for filing is due to the debtor having become unemployed" on account of imports, the debtor is exempt from every provision of S. 420 except those he or she elects to cover them.

The amendment unwisely creates two classes of debtors: One class must use the bankruptcy bill as 420 would amend it, and another class can use bankruptcy law as it exists today, or pick and choose what provisions of this new law apply. To allow some group of our citizens, no matter how unfortunate, to pick and choose what parts of the law will apply to them is absolutely unprecedented.

The amendment would allow debtors to evade child support, alimony, and marital property settlement provisions of this bill that help women and children. That is one thing this bill is doing—moving women and children, or spouses and children, to the front of the line. The debtor who owes child support could evade his basic responsibilities to pay child support by fitting under the loophole created by the Wellstone amendment.

This particular amendment would allow debtors to evade the homestead exemption caps imposed by this bill.

The amendment is unworkable. For example, creditors would not know if they had to make the truth-in-lending disclosures this bill imposes on them until after the debtor files for bankruptcy; yet the disclosures must be given in credit card solicitations and on the monthly statement.

The amendment would have the strange effect of apparently exempting creditors from complying with consumer protections in this bill, such as the reaffirmation reforms, the restrictions on creditors that fail to credit plan payments, the privacy protections, and so forth.

The amendment ignores the basic reality that the bill's primary effect is to require debtors who have the means to repay a meaningful portion of their debts. In most cases, people who lose their jobs will likely not be affected by the means test. For those who still have the ability to repay a meaningful portion of their debts—because they are independently wealthy, regardless of employment—the fact that the person lost a job has nothing to do with whether the debtor can repay a meaningful portion of his or her debt.

We cannot allow this loophole in this legislation. Although I am sure the efforts of the distinguished Senator from Minnesota are well intentioned and made in good faith, the fact is these amendments would do a great deal of harm rather than good and would undermine the purposes of this bill and what we are trying to do, which is bring honesty and justice to the bankruptcy code.

I surely hope our colleagues will vote down all three of the amendments of the distinguished Senator from Minnesota and that we can go forward and, of course, get this bill completed today. I hope we can keep all amendments from being on this bill, except perhaps the managers' package, which we hope we can work out before final passage.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KOHL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the hour of 10:30 having arrived, the Senator from Wisconsin, Mr. KOHL, is recognized to call up No. 68, on which there shall be 90 minutes of debate, equally divided.

AMENDMENT NO. 68

Mr. KOHL. Mr. President, I send this amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Wisconsin [Mr. KOHL] proposes an amendment numbered 68.

Mr. KOHL. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KOHL. Mr. President, I rise today to offer an amendment with Senator FEINSTEIN to eliminate the most flagrant abuse of the bankruptcy system—the unlimited homestead exemption.

The homestead exemption allows debtors in five states to purchase expensive homes and shield millions of dollars from their creditors. All too often, millionaire debtors take advantage of this loophole by buying mansions in states with unlimited exemptions like Florida and Texas, and declaring bankruptcy—yet continuing to live like kings. Our amendment will generously cap the homestead exemption at $125,000—that is, it permits a debtor to keep $125,000 of equity in his home after declaring bankruptcy.

The Senate voted on our amendment last session 76–22 after rejecting an amendment that would have gutted our amendment by a vote of 69–29. That was the right thing to do then, and it is the right thing to do now.

Let me give you a few of the numerous examples of rich debtors taking advantage of this loophole:

Abe Gosman, a health care and real estate magnate, declared bankruptcy last week in Florida citing debts of over $233 million. Despite these debts incurred from business losses in Massachusetts and Rhode Island, he will hold onto his 64,000 square foot mansion in West Palm Beach on a street known as "Billionaire's Row."

This January, convicted Wall Street financier Paul Bilzerian filed bankruptcy for the second time while owing at least $140 million in debts, but still kept his $5 million, 37,000 square foot Florida mansion.

Movie star Burt Reynolds wrote off more than $8 million in debt through bankruptcy, but still held onto his $2.5 million estate, named Valhalla.

Sadly, those examples are just the tip of the iceberg. We asked the General Accounting Office to study this problem. They estimated that 400 homeowners in Florida and Texas—all with over $100,000 in home equity—profit from this unlimited exemption each year. While they continue to live in luxury, they write off an estimated $120 million owed to honest creditors. A Brown University study estimated that 3 percent of all people who move to Texas and Florida are motivated by bankruptcy concerns.

Opponents of this amendment will say that while their hearts are with us on this issue, there is a compromise in this bill that is satisfactory. That is, they simply require someone be a resident of a state for 2 years. Unfortunately, that so-called compromise is so watered down that it doesn't accomplish anything. Instead, it bends over backwards for millionaire debtors who are trying to evade their creditors.

There are several ways that the current provision fails. First, it is easily evaded. It lets anyone who has had their home for more than two years to take advantage of the homestead loophole. Bankruptcy professors throughout the nation have written us to say that any decent bankruptcy planner will be able to stall for two years while their client squirrels money away in a mansion and away from creditors. If you can afford a multi-million dollar house, you can afford an attorney good enough to get around this provision.

Second, the provision would do absolutely nothing to catch the wealthy debtor who already lives in Florida, Texas, or three other states. Former Governor John Connally, who hid millions from his creditors in Texas, and Burt Reynolds, who shielded $2.5 million in Florida, do not deserve their mansions any more than people who just moved to Florida from Wisconsin or California.

For these reasons, Mr. President, the provision in the bill is just not good enough. It is a blueprint for rich debtors. It shows them how to dodge their creditors. Avoiding personal responsibility and using the bankruptcy laws as a method of financial planning is contrary to the stated purpose of this bill. A hard cap is not only the best policy; it also sends the best message: bankruptcy is a tool of last resort, not financial planning. And it gives credibility to reform by targeting the worst abusers, no matter how wealthy.

This is a simple idea that makes sense. There is no greater bankruptcy abuse than this. Last Congress, an overwhelming number of our colleagues agreed with us and voted to cap the homestead exemption by a vote of 76–22. The vote this year is exactly the same as the one last Congress. If you were against rich debtors avoiding their creditors last time, then you should be against rich debtors avoiding their creditors this time.

Mr. President. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Utah, Mr. HATCH.

Mr. HATCH. Mr. President, one of the most difficult aspects of this bankruptcy bill we have had is trying to resolve the problems with regard to home ownership and homestead exemption. It has been a very difficult problem and we have worked on both sides of Capitol Hill to try to come up with a solution that will work. Frankly, the solution we have come up with is in this bill, basically recognizing the States have the right to set the homestead cap rather than the Federal Government.

My distinguished friend, Senator KOHL, is trying to change that with this amendment. This amendment jeopardizes bankruptcy reform by stripping out the bipartisan compromise homestead provision that we have worked out over a long period of time, over many years. This bipartisan compromise homestead exemption is in the bill, and the distinguished Senator from Wisconsin would require home equity, wherever acquired, that exceeds $125,000, will be subject to collection under the bankruptcy code. The bipartisan compromise homestead provision now in the bill substantially improves current law by requiring home equity acquired within 2 years before bankruptcy, not to exceed $100,000, to be subject to crediting in a bankruptcy estate.

What the code does is prohibits individuals from shielding more than $100,000 in new equity in their home—paying down the mortgage, building an addition—if that new equity was obtained within 2 years of filing.

Finally, the compromise would disallow any acquisition of homestead property within 7 years of filing if done to "delay, hinder, or defraud" a creditor.

The amendments proposed by Senators KOHL and FEINSTEIN would add no additional antifraud protection and would, instead, threaten final passage of the bankruptcy bill. The Bush administration supports the existing homestead language contained in the underlying bill, the compromise that we have all worked out, and the Kohl-Feinstein amendment is opposed by the National Governors' Association and the National Conference of State Legislators. I think we would be very wrong to go against allowing the States to set their own standards in this area.

Some States will have different standards than others, but it is up to the States. If they set the standards too high or too low, they are going to suffer as a result of it. They will gradually get it right. But for us to arbitrarily set a homestead exemption standard here in the Senate, in this bankruptcy bill, is the wrong thing to do. I prefer to leave it up to the States.

I hope our colleagues will vote against this homestead exemption language of the distinguished Senator from Wisconsin.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin, Mr. KOHL.

Mr. KOHL. Just briefly, to respond to Senator HATCH, bankruptcy is a Federal proceeding that occurs in Federal courts, so there is every logical reason to have Federal standards. Right now, there are only five States with an unlimited exemption—Florida, Texas, South Dakota, Nebraska, and Iowa—and only two States have one over $125,000, and that is $200,000. Those two States are Minnesota and Massachusetts. Every other State has an exemption of $125,000, which is ours, or less.

The argument that every State should be allowed to set an unlimited exemption if they so wish is not logical because it is not a States rights issue. Bankruptcy is a Federal issue.

I think that argument doesn't hold water. Again, I point out the exemption that has been worked out simply says that a person would have to have 2 years residency in any one of these five States, and then they could shield an unlimited amount in a home in a bankruptcy proceeding. As I said in my earlier statement, it is very easy to work a 2-year residency while you are planning to have a bankruptcy proceeding. Furthermore, it does nothing to address the issue of people who currently live in those five States—maybe for 5 years, 10 years, 15 years, or 20 years. They would have the opportunity to shield an unlimited amount in a home.

This is a very simple amendment. We debated it 2 years ago, and by a 76–22 margin, the Senate accepted that amendment 2 years ago. We are simply requesting that same expression of the Senate's intent be stated again today.

I reserve the remainder of my time.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas. Who yields time to the Senator?

Mr. BROWNBACK. Mr. President, I rise to speak against the amendment.

Mr. HATCH. I will be happy to yield 10 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. I thank the chairman of the committee for yielding the 10-minute time for me to speak on this topic.

Mr. President, we have an issue that has been worked on extensively. I appreciate my colleague from Wisconsin bringing this back to the floor this year. We had spirited debate and discussion on it last year. We had an aggressive effort to work this out in conference. We did—I don't think to everybody's satisfaction—but there are a number of people on that side of the aisle and our side of the aisle who thought this was an area that should be addressed.

I personally think this is an area that should be left in the State's constitution and away from bankruptcy law the way it has been for 132 years, and I continue to believe that now. But what has come forward has been a compromise that has been worked out by a number of people who worked on the bankruptcy issue, people of good faith from different perspectives, and that compromise is in the bill.

The chairman of the committee spoke about what that compromise was. To deviate from that will cause a number of us to then say that is something with which we will not be able to live. I personally will be voting against the bill if that is in it, and I will fight this bill coming back in any form from conference if it has this new language in it.

I respect the thoughts on the part of my colleague from Wisconsin. I know his heart is good and clear on this.

But there is another matter here for me; that is, Kansas, along with a number of other States, has put in the State constitution a homestead provision that says you are entitled to be able to keep your home and 160 contiguous acres. This dates back to the period of homesteading, which Kansas, the State of Nebraska, and the United States granted to people. It said, if for 5 years you can go out there and tame 160 acres and build a home, you get to keep it. It is yours. That is your homestead. We settled much of the Midwest in that way—not all of it. It was settled that way.

Over succeeding years, a number of farmers would borrow against the land. They would say, I need to buy fertilizer, or seed, or some stock and cattle to put on it. They would borrow against the land. Then a bad market would hit, or bad weather would hit, and they would lose the land. So a number of States built not just in their laws but their constitution a law to say you can protect your home and 160 contiguous acres so you can farm again.

This was very much thought through, and it has been used a lot—even as recently as the eighties in Kansas. This provision was used extensively by farmers who lost most of their land, most of their machinery, and most of their livestock. But they could keep the home and 160 acres to be able to start farming again.

At that time, I did a number of foreclosures for farmers, defending farmers, and bankruptcy work for farmers. A number of them lost everything but the home and 160 acres. Today they are still out there farming—some because they were able to protect it. They were able to continue and start farming again.

A compromise has been carefully worked out in this legislation that says we are not going to let people defraud others, or try to protect more than they are entitled to, and we are going to continue to allow States 2 years out—people who have lived there for more than 2 years—to protect what the State law would allow you to protect.

In my State, 160 acres is your homestead; or, in town, a home and one-half acre. That is in our law and the constitution of the State of Kansas. I think that is fully appropriate. It is fair. I think it is right, and it is what a number of States have done.

I point out some of the States that have worked on this either in their constitution or in their laws—Florida, Iowa, Kansas, South Dakota, Texas, Oklahoma, Minnesota, and Massachusetts. And there are other States that have different provisions as well.

We have had a Federal bankruptcy law for 133 years that has not addressed this issue and has said this should be left to what an individual State would decide. If California or Wisconsin or Kansas want to do this differently within their State, we will let the State determine what they want to do. I think it is important we allow that provision to continue. The effect of this would be that the Federal Government identifies this law and would say for the first time in 133 years that we are going to take up this issue.

There have been a few high profile instances of abuse of the homestead exemption. Debtors have moved to other States to take advantage of a higher exemption in that State or have transferred assets of the homestead to shield them. Those are, by far, the exception rather than the rule.

I can tell you that during the 1980s during the bankruptcy crisis in Kansas they weren't moving. Some were trying to shield assets but most were trying to hold onto enough so they could start farming again. That is, by far, the typical situation, while there have been some high profile cases where it has been different. In fact, a recent survey of bankruptcies by the Executive Office for the United States Trustees said they "did not find a single debtor who came close to the popular stereotype of homestead abuse. Our conclusion is that this is a relatively rare phenomenon in bankruptcy."

For every Burt Reynolds-type example out there, there are hundreds of honest, middle-class people who find themselves in financial trouble who would be forced to move out of their homes or off their farms under this particular well-meaning amendment. As well meaning as it may be, it is going to hit them, and it is going to harm them.

What is in the bill now to end homestead abuse?

The bill now contains compromise language on the homestead issue that was adopted during the debate on the bill last year. That was approved by the Senate as part of the overall bill by a 70-vote margin. We worked a long time to get this language worked out. There were a lot of parties involved. We were able to get it through by a 70-vote majority. Taken together, the protections against homestead abuse contained in the bill virtually guarantee that the few instances of true abuse will never occur again.

They include a cap of $100,000, indexed to inflation, on any new equity obtained in the homestead within 2 years of filing for bankruptcy. Thus, a debtor would not be able to shield a $200,000 addition to a house built within 2 years of filing. This would, however, leave the large majority of homeowners unaffected since very few homeowners can expect to acquire more than $100,000 in equity within a 2-year period.

The bill requires that, before a debtor can use the homestead exemption in a particular State, he or she must have resided in that State for no less than 2 years. This will prevent the problem of "forum shopping" by bankruptcy filers.

If you are trying to plan bankruptcy and looking more than 2 years out, that is a pretty aggressive effort. And, like I said, from the Bankruptcy Trustees' perspective in their study, they don't find any cases of this abuse, and there is a relatively very rare phenomenon of that.

The bill contains a heightened scrutiny of any transfer of assets to the homestead made within 7 years of filing for bankruptcy done to "delay, hinder, or defraud" creditors—for example, getting cash from a credit card to fraudulently pay-down a mortgage before filing for bankruptcy.

The bill now makes it very hard for anyone who makes or who can make above the national median income to even file chapter 7, where the homestead exemption is at issue. This effectively guarantees that high-income debtors will not be able to shield their assets in their home and discharge their debts.

Finally, these and other general provisions of the bill and of existing law grant any bankruptcy judge in the country the power to disallow the use of the homestead or any other exemption, if it is being used improperly to shield assets. The bankruptcy judge can step in as well and say: No. I am not going to allow this to take place.

With all of these protections against abuse or fraud, one can only conclude that this amendment will have the effect of forcing middle-class Americans to sell their homes if they encounter financial difficulty.

As I stated, if this gets in the bill, I will be voting against the overall bankruptcy bill, and I will be fighting against it coming out of conference. I will be fighting against it in conference and on the floor by every means possible. It is in the Kansas Constitution. Their right of a homestead is in it. It is in the constitution of several States. It is something that has been used by farmers for generations and will continue to be used.

For those reasons, I will adamantly oppose the Kohl amendment, with as much respect as I have for the Senator from Wisconsin and his heart and his desire to see that people do not fraudulently keep too many of their assets. But it is going to have a detrimental impact on my State. I cannot support that.

I reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I will briefly respond to the Senator from Kansas.

He argues against changing what is in the current bill and is against accepting my amendment and believes that farmers would undergo an extreme correction.

This bill and its amendment can be crafted for acceptance on the floor today to protect a farmer's exemption. There is a recognition that the intention of this amendment is not to impoverish any farmers or homesteaders, as Senator BROWNBACK has referred. And if that language is not clear enough, we would be more than happy to work out the farmer exemption, which is currently in our amendment. The intent of our amendment is not to do anything to get at family farmers who have owned their land for many years and who would be impoverished beyond reasonableness in a bankruptcy proceeding.

I don't think it is an argument that should be used against this amendment because the amendment includes the recognition that farmers need an exemption.

I thank the Chair.

The PRESIDING OFFICER (Mr. ALLARD). Who yields time?

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, there is an attempt to start some votes in about half an hour, at about 11:35. We have a long list of people who have germane amendments. If any of those individuals wish to offer their amendments, this would be an ideal time to do that. As the day wears on, there is going to be less and less time to do that. There may come a time when all time has expired and they will not be able to call up their amendments.

So if those people who have germane amendments wish to come and offer them, they should do so because otherwise—I have spoken to Senator HATCH and Senator LEAHY, and we could be finished early this afternoon on everything.

So I think the Senator from Utah would agree, Senators should get over here and get moving on these amendments; otherwise, there will come a time this afternoon when there will not be any time and we will wrap up consideration of the bill.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I agree with the distinguished Senator. I think we should move ahead. I understand there is one other person, the distinguished Senator from Texas, who would like to speak on the Kohl amendment. After she gets here and gives her remarks, we intend to proceed to a vote on the Kohl amendment. Then we will try to stack votes on the two Leahy amendments, I think with a minute on each side to explain them, if I have that right. So we are hopeful we can move this.

Mr. REID. If my friend will yield, the mere fact that you have a germane amendment does not mean it automatically is protected. There are certain procedures that have to be initiated before there can be a vote.

The point is, we have had some down time already this morning. We will have some during the noon hour. These amendments could be called up.

So I hope people who have these amendments—they are listed; it would be easy to ascertain who they are and what the amendments are—will call them up as soon as possible.

There are some people who have already started calling the Cloakroom. They have other things they want to do this evening and tomorrow and are asking us when we are going to be able to complete this bill.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I rise today in opposition to the Kohl-Feinstein amendment now before the Senate. I do so because it is unwarranted and unwise—it is an intrusion upon well-established State constitutions and laws—and because it throws out the window a carefully crafted compromise reached last year on this issue that virtually guarantees the elimination of any fraud or abuse of State homestead exemptions.

I am pleased to be joined in my opposition to this amendment by my colleagues from Kansas and Florida, as well as the managers of the bill, Senators HATCH, GRASSLEY, and SESSIONS, as well as our leader and assistant leader, Senators LOTT and NICKLES.

Also on our side is the President of the United States who has singled out this issue in the bankruptcy debate and who supports the existing language in the bill.

Finally, my colleagues should know that the National Governors' Association, the National Conference of State Legislatures, and the National Association of Home Builders strongly oppose this amendment.

As my colleagues know, this amendment would impose a one-size-fits-all nationwide cap of $125,000 on all State homestead exemptions in bankruptcy. I must confess that I don't think you could, by any stretch of the imagination, say that property values in Wisconsin are the same as those in Florida or New York the same as those in California or Texas the same as those in Kansas. The arbitrary limit runs roughshod over the constitution and laws of at least nine States that have homestead protection above that amount.

In my home State of Texas, we don't even mention amount. We go by acreage. It is in the State constitution. It has been there for over 100 years. Other States that have different caps are Kansas, Iowa, South Dakota, Oklahoma, Minnesota, and Massachusetts.

It would also immediately threaten the homestead exemptions of two other States, Nevada and California, which are right at the $125,000 figure that is in their amendment. It would threaten two States, and it would, frankly, threaten all States because there is no allowance in the amendment for the rate of real estate inflation which we all know has been on the rise in recent years.

This is a States rights issue. We have, for over 130 years, allowed the States to set homestead exemptions because, clearly, property values are different in different States. Bankruptcy is a Federal issue. Homestead exemptions have been allowed to be set by the States because we differ in our approach to homesteads and to bankruptcy itself. It is important that we address this issue in a way that allows States to have the ability to keep their constitutions intact. There is no overriding interest for us to run over a State constitution.

It is very important that we curb fraud and abuse. That is why this bill contains the airtight antifraud and antiabuse provisions that it does. Under this bill, you must live in a State for at least 2 years before you can even avail yourself of that State's homestead exemption. Moreover, even if you have lived in a State for more than 2 years, you can only protect up to $100,000 in any new equity you obtain in that home within 2 years of filing for bankruptcy. This eliminates the scenario of someone running to a State, buying a home, putting a lot of equity into it, and then filing for bankruptcy.

It is important that we look at this issue in the bigger picture of bankruptcy reform. When we took this amendment up last year, it passed overwhelmingly in the Senate. The House was diametrically opposed. The House had a State opt-out. That would have been my position, to keep States rights in the homestead exemption as it has been for 130 years. I would like to have had the House position. I lost on the Senate floor.

When this bill went to conference, this amendment was hammered out in a very hard-fought conference negotiation. What was hammered out between the two Houses and agreed to by the House and Senate is what we have in the bill today.

Senator SESSIONS and Senator GRASSLEY were two of those who fought hard for the Kohl amendment last year. This year they are saying: Stay with the bill so we can keep the compromise that was forged last year and so we will have a chance to get in place the other bankruptcy reforms that this bill provides.

They are doing something that I think has great integrity because they are saying, we have hammered it out now let's stick to the agreement we made. In fact, I urged my colleagues on the House side not to go back to their original position because I thought the Senate would stick with the bill. I think this goes against what we hammered out last year, and the bill was vetoed by President Clinton, so we are back this year. But President Bush, who has the ability to veto the bill again, has specifically said he hopes the provision that is in the bill that would be altered by the Kohl amendment stays in the bill.

If we vote for the Kohl amendment, we are now putting the bill in jeopardy once again, and if we don't prevail in conference with what is in the bill today, we could face another delay or, possibly, a veto of the bankruptcy reform bill.

So if you are a Senator who favors bankruptcy reform, you should not vote for the Kohl-Feinstein amendment. Instead, you should stick with the bill, stick with the compromise that was forged in a bipartisan way in Congress last year between the House and the Senate, and let's allow States to have the ability to set their own homestead exemptions, except in the case of fraud and abuse and in the case of someone who moves and in 2 years declares bankruptcy.

I think the bill provides closure of every loophole that would allow someone to come in, buy a big house, declare bankruptcy, and still have the big house in which to live. The statistics show that the declarations of bankruptcy in the last couple of years have actually gone down. So the purpose of the bankruptcy bill has been alleviated by the fact that people are not declaring as many bankruptcies.

What we want to do is provide a fair bill that deals with creditors in a fair way but also requires that people pay their debts, if they possibly can. That is the purpose of the bankruptcy reform bill. Running roughshod over States rights is not a good addition to this bill. And, of course, if we do run roughshod over States rights, I could not possibly support a bill that would violate my State's constitution. It would be unthinkable.

So I am urging my colleagues to set this to rest once and for all with the compromise that was hard fought, but forged, last year between the two Houses of Congress, if you believe in real bankruptcy reform. If you do, we should not let this amendment derail the whole bill. If it passes and if it prevails, it will do so. I hope that does not happen.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I will just respond to the Senator from Texas. I think one of the major arguments, if not the major argument, she makes is that this amendment is about States rights, in her opinion, and that we should preserve States rights.

I want to make the point that, in my judgment, nothing could be further from the truth because anybody who files for bankruptcy is choosing to invoke Federal law in a Federal court to get a fresh start, which is uniquely a Federal benefit. So in these circumstances it is only fair to impose Federal kinds of limits.

In fact, this bill is full of provisions that do rewrite State law. For example, one of the provisions in this bill establishes a Federal provision that allows creditors to come into a debtor's home, if necessary, to take their stereo and then sell it. So there is no reason Federal law should determine if you can keep a stereo but not the amount of equity in your house. I believe this argument about States rights with respect to a Federal bankruptcy bill just doesn't equate.

The other point she makes is that we worked out a generous compromise and that is the one we should keep. That is the compromise that requires 2 years of residency before you can keep the equity in your house to the full extent. Bankruptcy professors and practitioners across our Nation have told us, and will tell you, that the 2-year residency requirement is something that any planner can deal with in providing for the bankruptcy of their client. So that is not an adequate kind of a resolution, and that is why we are here today to make our arguments in favor of this amendment.

I thank the Chair.

Mrs. HUTCHISON. Mr. President, I say to the distinguished Senator from Wisconsin that I think the fact that we have a 7-year antifraud lookback certainly assures that someone who is planning a bankruptcy and comes in and makes the 2-year move is still going to be very vulnerable. In fact, that was part of the hard-fought compromise.

That 7-year antifraud lookback means it doesn't matter what else is in your favor if you have fraudulently tried to come in and, within 5 years or 6 years—which it would be very hard to plan for—declare a bankruptcy; then you can go back 7 years to make sure you catch someone who would defraud the court or the debtors and lenders of another State.

Secondly, I think that to take away what has been a State right for 130 years is against the rest of the States rights that are allowed in the exemptions the Federal courts take into account. We don't put a limit on the value of personal property. Someone could have a fabulous art collection and defraud creditors, perhaps, in one State. We haven't taken on that. They could have a great car collection that would not have a cap.

The point is, if someone does this in a fraudulent way, we have steps in the bill that can be taken to keep someone from defrauding their lender. We take care of that in the bill. But we have different property values in different States. We have different valuations in personal property, different valuations of cars, and we in this country have acknowledged that, very wisely, for the last 130 years.

It is certainly not unusual but, in fact, oftentimes the Federal courts look to the State laws to be the guiding principle. So that is not an argument not to allow States rights to prevail as they have for 130 years in this country.

So I hope we will look at the bigger picture and keep States rights intact. We have amply provided for antifraud provisions in the compromise that was forged between the two Houses last year. I hope the Senate will stick with that compromise and keep the integrity of the bill.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I want to respond briefly. There is in the bankruptcy code today a limit on cars. I think it is $5,000. There is a limit on art, along with other provisions, which I think is at $8,000. The claim that you can shield an unlimited amount of art, or a fabulous car collection, in a bankruptcy proceeding today is simply not true.

Mrs. HUTCHISON. Mr. President, I will respond by saying the States set their own limit on personal property.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I understand the distinguished Senator from Florida would like to speak prior to the vote. How much time does the Senator desire?

Mr. GRAHAM. Ten minutes.

Mr. HATCH. And the distinguished Senator from Wisconsin would like some time to respond?

Mr. KOHL. I am prepared to yield my time if we want to vote.

Mr. HATCH. I ask unanimous consent after the 10 minutes of the distinguished Senator from Florida, all time be yielded back in relation to the pending Kohl amendment; that further, the Senate proceed to a vote in relation to the amendment at that time, which would be approximately 11:41, to be immediately followed by a vote in relation to the Leahy amendment numbered 41.

Finally, I ask consent that the second vote in the series, that is, the Leahy amendment, be limited to 10 minutes.

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I will not object other than to inform Senators that it appears, following the two votes, Senator BOXER will be over to offer her amendment. Then we really don't have many amendments remaining. Senator FEINGOLD has two amendments and he has tentatively agreed to time agreements. We have Wellstone amendments of which we have to dispose. I don't know if he will offer more, but we have at least three votes there. Senator LEAHY has a number of issues to be resolved and, of course, Senator SESSIONS. We need to work on matters he wants to bring up. We are getting down to the end of this bill. With a little bit of luck, we could be completed late this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. Mr. President, the Florida Constitution grants the citizens of my State unlimited protection of the equity in their homes. I think we can all agree that this provision was not created so that wealthy, non-resident debtors could escape their obligations. The provision was created because the people of my State understood the importance of preserving a debtor's most essential asset, their home.

I do not think that a previously wealthy person should have the right to purchase a very expensive home in order to shield his remaining assets from creditors, and I do agree that we must address homestead abuse. But, we should not take away the homes of innocent debtors who have worked hard to build equity in their homestead. The median income of debtors in bankruptcy is $22,000 per year. Working people in that income range do not have the ability to shelter a significant amount of money in a home.

My State has many retirees from around the country. Many have worked their entire lives to own their own home and under the Kohl amendment they may lose their residence even though they fell into hard times through no fault of their own. Forcing a bankrupt retiree out of her home simply because she has more than $125,000 in equity does not meet any standard of fair play.

The $125,000 cap proposed by this amendment does not adequately represent the value of homes in Florida today and certainly will not reflect the value of homes five years from now. The Kohl amendment's catch-all, national cap ignores the differences in property value that vary not only from State to State, but also from city to city. Furthermore, the amendment unfairly lumps long-time residents and retirees into the same category as abusers who move to the State one day and file for bankruptcy the next.

The current language of S. 420 avoids these problems by protecting homeowners who have fallen on hard times, but who have worked and played by the rules in a State for more than 2 years. The current language is clear, if you move to a State simply to avoid paying your creditors you will not be protected and you should not be protected. However, people who play by the rules will have a real chance to start over without losing the equity in their homes.

I ask my colleagues today to protect the home equity of those debtors who legitimately need a fresh start by opposing this amendment.

Mrs. FEINSTEIN. Mr. President, I rise in support of the Kohl-Feinstein amendment to cap the homestead exemption at $125,000 for all States, and to eliminate from our bankruptcy laws a loophole so large that you could fit a $50 million mansion right through it.

This amendment will correct a longstanding discrepancy between the States, a discrepancy that on the one hand forces most debtors to struggle to pay back every dime they owe, but on the other hand allows many of the most "wealthy" debtors declaring bankruptcy to shield their assets in multi-million dollar homes.

The discrepancy I speak of occurs because in five States, Florida, Texas, South Dakota, Iowa and Kansas, where debtors are allowed to keep their homes no matter what they owe, or to whom they owe it, and no matter how much the home is worth.

The "homestead" laws in these five States differ radically from the other 45:

Many States have virtually no homestead exemption at all. In Michigan, for instance, the cap is $3,500; in Pennsylvania, just $300.

Other States, recognizing a benefit in allowing debtors some ability to remain in their homes as they dig out of bankruptcy, place slightly higher caps on their homestead exemptions and allow debtors to keep $15,000, $30,000, $60,000, or even $75,000 equity in their homes.

My own State of California has a sliding scale cap, ranging from $75,000 for most debtors to $125,000 for seniors.

Massachusetts and Minnesota have relatively high caps of $200,000, and Minnesota's cap even goes to $500,000 for farms, the highest cap of all the States that have at least some restriction on how much equity can be protected.

A vast majority of the 50 States have homestead caps of under $125,000, and this bill would do nothing to affect those States.

The glaring exceptions are those five cases where a State has chosen to allow debtors to hide assets in luxury homesteads and essentially avoid their obligations under Federal bankruptcy law.

What does this mean? This means that wealthy debtors facing bankruptcy can take their remaining assets, buy a home in one of those five States, and tell their creditors to get lost. Their assets are protected permanently.

Let me give an example of homestead abuse that has been highlighted in the press and even on "Sixty Minutes."

When this Wall Street financier and convicted felon finally declared bankruptcy, he listed more than $140 million in debts and only $15,805 in assets.

But one particular asset was not itemized, and the financier was not obligated to itemize it. That asset was his 37,000 square foot Florida mansion, worth an estimated five to $6 million.

This "house" has ten bedrooms, two libraries, a business center, a double gourmet kitchen, an indoor squash and racquetball court, an indoor basketball court complete with electronic scoreboard, a private movie theater, full weight and exercise rooms, a swimming pool, a spa, an outdoor entertainment area, game rooms, a nine-car garage, a lakefront gazebo, an elevator, 21 bathrooms, and a 6,000 square foot quest house.

The quest house alone has been described as a mansion in and of itself.

But in Florida, the entire home, 21 bathrooms and all, as well as the property on which it sits, is completely exempt from the bankruptcy laws. The "bankrupt" financier owes millions, but through careful planning he can continue to live like a king.

Meanwhile, his creditors can only stand outside the gates of the home and look with awe upon the home they paid for—$140 million in debts, and nothing his creditors can do.

And this case is not all that unique. Actors, Wall Street financiers, participants in felonious savings and loan scandals, and others, all have taken advantage of the homestead exemption loophole.

Essentially, these five States act as heavens for the most determined avoiders of debt, an escape of last resort for wealthy individuals who play fast and loose with their money.

A General Accounting Office study of bankrupt debtors who take advantage of the homestead loophole in Florida and Texas alone found that each year more than 400 wealthy debtors are able to protect more than $100,000 in equity in their home, at a cost to creditors of $120 million.

The bankruptcy reform bill as a whole attempts to increase personal responsibility by forcing more people to repay more of their debts. This goal is a good one, but the bill as drafted sends mixed signals.

To poor debtors struggling to climb out of bankruptcy and to simply put a roof over the heads of their family, the bill takes a stern view, debts must be paid back, assets must be sold, and you'll face some hard years ahead.

To more sophisticated debtors, many of whom had every advantage before making the bad, or even criminal, decisions that led to bankruptcy, the bill says that with a little planning, you can get away scot free.

This is just plain wrong.

This bankruptcy bill forces lower- and middle-class families to give up the family computer in many instances.

The bill takes your second television set and even family heirlooms.

The bill requires most debtors to enter strict payment plans to pay back even extraordinary medical or other debts incurred due to circumstances beyond their control.

Yet the homestead exemption allows sophisticated debtors to avoid repayment entirely.

This must be changed.

That is why Senator KOHL and I are proposing a cap of $125,000. For States that already have a cap of or below that $125,000 level, and this is almost every State in the Union, this amendment will do nothing to change current bankruptcy proceedings.

For those few States that have chosen to provide a safe haven for debtors fleeing from their creditors, this amendment will create a new, national cap that must be followed.

The last time the Senate considered a homestead cap, an even lower $100,000, we approved of the cap by an overwhelming margin.

The provision was watered down during a shadow conference so that in the end, the conference report and now this bill do virtually nothing to prevent debtors from shielding millions of dollars in luxurious mansions.

Some will argue that the current bill does provide a "compromise" homestead exemption cap.

As drafted, that cap only applies if a debtor purchases a home within two years of bankruptcy. Any good bankruptcy attorney will tell you that this provision can be easily avoided. In fact, dozens of professors and attorneys have told us just that. I ask unanimous consent that their letter be printed in the RECORD after my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mrs. FEINSTEIN. Under this so-called "compromise" language, as long as a debtor plans a couple of years in advance, or already lives in one of those five States, there is no cap. This is a very soft cap, indeed.

So the current language in the bill does not represent a real compromise, it does little to stop wealthy debtors from protecting their assets through bankruptcy and living the rest of their lives in luxury, while leaving their creditors with nothing.

Bankruptcy is a federal matter. In fact, our Constitution explicitly gives Congress the right to establish "uniform laws on the subject of bankruptcies throughout the United States."

So this Congress is constitutionally authorized, even obligated, to see that bankruptcy laws are fair and uniform throughout our Nation.

We must ensure that bankruptcy is a refuge of last resort for those truly in need of a fresh start, not just another financial planning tool to help felons and deadbeats protect their assets from creditors.

This bill rightly encourages responsibility for those who enter bankruptcy, so that those who can pay their debts, do pay their debts.

But we must encourage responsibility across the board, not just for those who cannot afford a god accountant or don't happen to live in Texas, Florida, Iowa, South Dakota or Kansas.

I urge my colleagues to support his amendment. I thank my distinguished colleague, Senator KOHL, for working so diligently on this amendment.

EXHIBIT 1

OCTOBER 30, 2000.

Re the Bankruptcy Reform Act Conference Report (H.R. 2415).

DEAR SENATORS: We are professors of bankruptcy and commercial law. We have been following the bankruptcy reform process with keen interest. The 91 undersigned professors come from every region of the country and from all major political parties. We are not a partisan, organized group, and we have no agenda. Our exclusive interest is to seek the enactment of a fair and just bankruptcy law, with appropriate regard given to the interests of debtors and creditors alike. Many of us have written before to express our concerns about the bankruptcy legislation, and we write again as yet another version of the bill comes before you. This bill is deeply flawed, and we hope the Senate will not act on it in the closing minutes of this session.

In a letter to you dated September 7, 1999, 82 professors of bankruptcy law from across the country expressed their grave concerns about some of the provisions of S. 625, particularly the effects of the bill on women and children. We wrote again on November 2, 1999, to reiterate our concerns. We write yet again to bring the same message: the problems with the bankruptcy bill have not been resolved, particularly those provisions that adversely affect women and children.

Notwithstanding the unsupported claims of the bill's proponents, H.R. 2415 does *not* help women and children. Thirty-one organizations devoted exclusively to promoting the best interests of women and children continue to oppose the pending bankruptcy bill.

The concerns expressed in our earlier letters showing how S. 625 would hurt women and children have not been resolved. Indeed, they have not even been addressed.

First, one of the biggest problems the bill presents for women and children was stated in the September 7, 1999, letter: "Women and children as creditors will have to compete with powerful creditors to collect their claims after bankruptcy." This increased competition for women and children will come from many quarters: from powerful credit card issuers, whose credit card claims increasingly will be excepted from discharge and remain legal obligations of the debtor *after* bankruptcy; from large retailers, who will have an easier time obtaining reaffirmations of debt that legally could be discharged; and from creditors claiming they hold security, even when the alleged collateral is virtually worthless. *None* of the changes made to S. 625 and none being proposed in H.R. 2415 addresses these problems. The truth remains: if H.R. 2415 is enacted in its current form, women and children will face increased competition in collecting their alimony and support claims after the bankruptcy case is over. We have pointed out this difficulty repeatedly, but no change has been made in the bill to address it.

Second, it is a distraction to argue—as do advocates of the bill—that the bill will "help" women and children and that it will "make child support and alimony payments the top priority—no exceptions." As the law professors pointed out in the September 7, 1999, letter: "Giving 'first priority' to domestic support obligations does not address the problem." Granting "first priority" to alimony and support claims is not the magic solution the consumer credit industry claims because "priority" is relevant only for distributions made to creditors in the bankruptcy case itself. Such distributions are made in only a negligible percentage of cases. More than 95 percent of bankruptcy cases make NO distributions to any creditors because there are no assets to distribute. Granting women and children a first priority for bankruptcy distributions permits them to stand first in line to collect nothing.

Women's hard-fought battle is over reaching the ex-husband's income after bankruptcy. Under current law, child support and alimony share a protected post-bankruptcy position with only two other recurrent collectors of debt—taxes and student loans. The credit industry asks that credit card debt and other consumer credit share that position, thereby elbowing aside the women trying to collect on their own behalf. The credit industry carefully avoids discussing the increased post-bankruptcy competition facing women if H.R. 2415 becomes law. As a matter of public policy, this country should not elevate credit card debt to the preferred position of taxes and child support. Once again, we have pointed out this problem repeatedly, and nothing has been changed in the pending legislation to address it.

In addition to the concerns raised on behalf of the thousands of women who are struggling now to collect alimony and child support after their ex-husband's bankruptcies, we also express our concerns on behalf of the more than half a million women heads of household who will file for bankruptcy this year alone. As the heads of the economically most vulnerable families, they have a special stake in the pending legislation. Women heads of households are now the largest demographic group in bankruptcy, and according to the credit industry's own data, they are the poorest. The provisions in this bill, particularly the many provisions that apply without regard to income, will fall hardest on them. Under this bill, a single mother with dependent children who is hopelessly insolvent and whose income is far below the national median income would have her bankruptcy case dismissed if she does not present copies of income tax returns for the past three years—even if those returns are in the possession of her ex-husband. A single mother who hoped to work through a chapter 13 payment plan would be forced to pay every penny of the entire debt owed on almost worthless items of collateral, such as used furniture or children's clothes, even if it meant that successful completion of a repayment plan was impossible.

Finally, when the Senate passed S. 625, we were hopeful that the final bankruptcy legislation would include a meaningful homestead provision to address flagrant abuse in the bankruptcy system. Instead, the conference report retreats from the concept underlying the Senate-passed homestead amendment. "The homestead provision in the conference report will allow wealthy debtors to hide assets from their creditors." Current bankruptcy law yields to state law to determine what property shall remain exempt from creditor attachment and levy. Homestead exemptions are highly variable by state, and six states (Florida, Iowa, Kansas, South Dakota, Texas, Oklahoma) have literally unlimited exemptions while twenty-two states have exemptions of $10,000 or less. The variation among states leads to two problems—basic inequality and strategic bankruptcy planning. The only solution is a dollar cap on the homestead exemption. Although variation among states would remain, the most outrageous abuses—those in the multi-million dollar category—would be eliminated.

The homestead provision in the conference report does little to address the problem. The legislation only requires a debtor to wait two years after the purchase of the homestead before filing a bankruptcy case. Well-counseled debtors will have no problem timing their bankruptcies or tying-up the courts in litigation to skirt the intent of this provision. The proposed change will remind debtors to buy their property early, but it will not deny anyone with substantial assets a chance to protect property from their creditors. Furthermore, debtors who are long-time residents of states like Texas and Florida will continue to enjoy a homestead exemption that can shield literally millions of dollars in value.

These facts are unassailable: H.R. 2415 forces women to compete with sophisticated creditors to collect alimony and child support after bankruptcy. H.R. 2415 makes it harder for women to declare bankruptcy when they are in financial trouble. H.R. 2415 fails to close the glaring homestead loophole and permits wealthy debtors to hide assets from their creditors. We implore you to look beyond the distorted "facts" peddled by the credit industry. Please do not pass a bill that will hurt vulnerable Americans, including women and children.

Thank you for your consideration.

[Signed by 91 law professors.]

Mr. HATCH. I ask for the yeas and nays on the Kohl amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The Senator from Florida is recognized for 10 minutes.

Mr. GRAHAM. Mr. President, for 133 years, since Congress established a Federal personal bankruptcy law, there has been a recognition that the law is a balance of the interests of the National Government in uniformity and the interests of the States in terms of local values and circumstances. Federal law presently allows States, for instance, to establish how much of their residents' property can be protected or exempt from seizure during bankruptcy.

This delicate relationship tests our fundamental commitment to the concept of federalism. Everybody is for federalism. Everyone favors more local control, placing decisions closest to those who are involved, until it begins to affect a specific interest of their own. Then they become what I refer to as "situational federalists." If the situation does not result in a conclusion that is to your liking, you decide that federalism becomes a lesser value.

We are being tested today on, do we believe, as this Congress has for 133 years, that personal bankruptcy should be a balance of the interests of uniformity at the national level, but recognize the legitimate interests of the States and their citizens in protecting certain important values.

Since most of the creditor-debtor relationships tend to be within a single State, this is an issue in which States have had to make the same kinds of hard choices that we have been dealing with in consideration of this bill: How to set the proper balance between the person who has indebted himself and who is now unable to meet their responsibilities against the person who has extended that credit.

Many States, including my own, have placed such an importance on protecting the value of the residence in which an individual lives that they have enshrined that in their State constitution.

I have the following commentaries on the amendment before us as it relates to that Federal-State balance. The amendment makes no allowance for the wide variance in property values from State to State. There are places in America where if you live in a home valued at $125,000, it is a veritable mansion. There are other places in America where a home valued at $125,000 meets minimum adequacy standards. This bill provides only one standard to cover the wide range of circumstances.

The standard itself, even by national standards, is inadequate. The national average value of existing single family homes in the United States of America is $176,000, $51,000 higher than the proposed cap on the amount that can be exempt from foreclosure in bankruptcy. This amendment would threaten home ownership for millions of American families.

States also have given special recognition to individual classes of persons as it relates to the exemption. For instance, some States have recognized a different standard for seniors or disabled citizens and providing additional homestead protection when they experience a serious illness or other financial crisis. We know, for instance, that seniors tend to have a higher proportion of their net worth in the equity of their home, typically because they have been living in the home for an extended period of time and have paid down the mortgage. The circumstance of older Americans will become more pronounced in the immediate future because within two decades 54 million Americans will be 65 years of age or older. An estimated two-thirds of these seniors will own their own homes free and clear.

This amendment makes no allowance for real estate inflation. In the last few years, parts of America have been experiencing a real estate inflation on residential housing above 10 percent per year. Fewer and fewer States will be able to protect home and farm ownership in the same way they do now as real estate purchasing power of the $125,000 limit contained in this amendment is eroded by inflation.

As the Senator from Texas has already stated, this bill does not ignore, is not unmindful of this balance between the National Government's interest in uniformity and the State's interest in the particular circumstances of its citizens. This bill contains compromised language on the homestead issue which was adopted during debate on the bill last year and has already been approved once by the Senate.

As an example, in this bill before the Senate, without the amendment that has been proposed, the homestead exemption would be capped at $100,000, with an inflation adjustment provision for any property purchased within 2 years of filing for bankruptcy. So the case that is frequently cited as the reason to require this amendment, the person who rushes into a State such as mine which has an exemption of the residential property from bankruptcy in the last moments before they declare, will not be the case. If you have not owned that home for 2 years before declaring bankruptcy, your exemption is limited to $100,000 adjusted for inflation.

There is a further requirement before a debtor can use the homestead exemption in a particular State that he or she must have been a resident of that State for more than 2 years—again, an appropriate recognition of the national desire for uniformity.

Additionally, these and other provisions of the bill and of existing law grant any bankruptcy judge in the country the power to disallow the use of the homestead or any other exemption if it is being used improperly to shield assets.

So this legislation contains effective barriers to inappropriate use of the homestead exemption while recognizing the 130-year theory of Federal relationship within the personal bankruptcy law between national uniformity and State values.

This amendment tests our commitment to the fundamental principle of federalism. The States and the Federal Government share in the responsibility for developing and applying our bankruptcy code. In my judgment, this amendment distorts that relationship. The provisions that are already in the bill honor federalism.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I move to table the Kohl amendment.

The PRESIDING OFFICER. There is still time remaining. That motion is not in order at the present time.

Mr. KOHL. Mr. President, I request just 1 minute.

Mr. HATCH. I request the Senator have 1 minute.

Mr. KOHL. I will respond to some of the comments made by the distinguished Senator from Florida.

We need to recognize there is no question in this legislation that we have every right and have, in fact, asserted a Federal right in bankruptcy legislation. We have done it in many cases in this legislation. To suggest we do not have the right or it is improper to assert in bankruptcy a Federal right in establishing a minimum amount to shield a home just is not consistent with the rest of this legislation.

I also want to point out that the $125,000 limit we imposed is negotiable in conference to $150,000 to $200,000. There are only five States with unlimited exemptions. There are only two States with exemptions in excess of $125,000—Minnesota and Massachusetts, which have $200,000. So it is not difficult to correct any of these problems in conference.

Again, by a vote of 76–22 2 years ago, we accepted this amendment. I am requesting and hoping the Senate will again vote to accept this amendment today.

I yield the floor.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. KOHL. I yield back my time.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I move to table the Kohl amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion to table amendment No. 68.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—39

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Craig
Crapo
Ensign
Enzi
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Hatch
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
Miller
Murkowski
Nelson (FL)
Nickles
Roberts
Sessions
Shelby
Smith (NH)
Stevens
Thomas
Thompson
Thurmond
Voinovich

NAYS—60

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Feingold
Feinstein
Harkin
Helms
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
McConnell
Mikulski
Murray
Nelson (NE)
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Smith (OR)
Snowe
Specter
Stabenow
Torricelli
Warner
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The motion was rejected.

Mr. HATCH. Mr. President, I move to vitiate the yeas and nays.

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

The question is on agreeing to amendment No. 68.

The amendment (No. 68) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. HATCH. I move to lay that motion on the table.

The motion to reconsider was laid on the table.

VOTE ON AMENDMENT NO. 41, AS MODIFIED

The PRESIDING OFFICER. The question now is on agreeing to the Leahy amendment No. 41, as modified. The yeas and nays have been ordered. The clerk will call the roll.

Mr. LEAHY. Mr. President, parliamentary inquiry: Was there not time reserved of 1 minute before the vote?

The PRESIDING OFFICER. The 2 minutes were vitiated by the last unanimous consent agreement.

Mr. LEAHY. Mr. President, I ask unanimous consent that I have 1 minute and the Senator from Utah have 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont.

Mr. LEAHY. I thank my friend from Kentucky.

Mr. President, our amendment protects the identity of minor children in bankruptcy court records. It permits a debtor to withhold the name of a minor child in the public record, especially as these records go on the Internet where anybody who wants the names and addresses of children can find them. To prevent fraud, it permits the judge, or trustee, or an auditor to review a child's name in a nonpublic record.

The amendment is modest, but it is a first step in protecting personal privacy and protecting criminal activity through the unnecessary disclosure of personal information. We know, unfortunately, that there are people who prey on children who are out there. What my friend from Utah and I are trying to do is to prevent their access to these names.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, this is a good amendment. It protects the privacy of minors. It is just one of the steps the distinguished Senator from Vermont and I are taking to try to protect privacy rights. I recommend everybody vote for this amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is agreeing to the Leahy amendment No. 41, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—99

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The amendment (No. 41), as modified, was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent Senator BOXER be recognized in order to call up amendment No. 42, and further, following the debate, the amendment be temporarily set aside. Further, I ask that at 2:30 today the Senate proceed to a vote in relation to the Boxer amendment No. 42 and, following that vote, the Senate proceed to votes in relation to the Wellstone amendments No. 70, No. 71, No. 73, and Leahy No. 19.

Further, I ask consent there be 2 minutes equally divided in the usual form between each vote and there be no second-degree amendments in order to the amendments prior to the votes.

Finally, I ask that following the first vote, the remaining votes in the series be limited to 10 minutes in length.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. REID. Mr. President, I ask my friend from Utah to change the unanimous consent agreement as follows: That immediately the senior Senator from West Virginia would be recognized and use whatever period of time up to an hour that he wishes. I have been told by the Senator he would yield to Senator BOXER so she could offer her amendment.

Mr. HATCH. That is appropriate and fine with me.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Mr. President, if I might, I so appreciate the opportunity to offer the amendment. I know Senator BYRD is going to yield to me to do that and then he will get the floor. I just want to make sure we can vote on that in the next block, which we are hoping will be around the 2:30 area.

Mr. REID. It is in the unanimous consent agreement.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. REID. Will the Senator yield?

Mr. BYRD. Mr. President, I thank the Chair. I ask unanimous consent that I may yield to the distinguished minority whip without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask that Senator FEINGOLD's amendments No. 76 and No. 51 be called up and then set aside.

Mr. HATCH. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Utah is reserving the right to object?

Mr. HATCH. It is my understanding that on the Sessions amendment we have asked for a modification.

Mr. REID. We are doing our best to work that out.

Mr. HATCH. I know you are trying to work that out. We have tried to work on modifications for your side as well. I hope that can be worked out.

Mr. REID. We are doing our best.

Mr. HATCH. May we withhold until we get that resolved?

Mr. REID. Yes.

Mr. HATCH. I appreciate that.

The PRESIDING OFFICER. Objection is heard.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, I ask unanimous consent that I may speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from California, Mrs. BOXER, for not to exceed 15 minutes without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from California is recognized.

Mr. BYRD. Mr. President, I also ask unanimous consent that the time utilized by the distinguished Senator not come out of my hour under the cloture rule.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 42

Mrs. BOXER. Mr. President, I thank my good friend, my dear friend, for yielding me this time. This is an amendment about which I care an awful lot. Senator CLINTON cares a lot about this. We just want to take a brief time, and speak as concisely as we can, to explain why we believe this amendment is so important.

I think I must call up amendment No. 42 because I have this amendment pending at the desk, and I ask the clerk to report it.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 42.

Strike Section 310.

Mrs. BOXER. Mr. President, I am very sad to say that there is great controversy surrounding this amendment because there is a misunderstanding about it. I guess what I want to say is I am putting my faith in a number of groups that have written to me about the current status of this bill. I would like to put the names of those groups up on the easel right now. These are groups that have very astute attorneys who have studied this bill. They have enlisted our support. We are about to tell you who they are:

The American Association of University Women, Children NOW, Children's Defense Fund, Center for Law and Social Policy, Feminist Majority, National Association of Commissions For Women, National Center for Youth Law, National Organization for Women, National Partnership for

Women and Families, National Youth Law Center, National Women's Conference, National Women's Law Center, NOW Legal Defense and Education Fund, the Older Women's League, the Women Activist Fund, Wider Opportunities for Women, Women Employed, Women Work, Women's Law Center of Maryland, and the YWCA.

I put my faith in these groups. Their purpose is to protect women and children. I believe they are correct when they say this bill will hurt women and children. Let me explain their position, and mine.

Under the current bankruptcy laws—I want you to remember this number, $1,075—it is presumed that 60 days before you declare bankruptcy, if you have accumulated charges of $1,075 or more, then those charges are presumed fraudulent and the credit card companies can go after those charges. I think it is fair. This number did not come out of the air. It has been adjusted for inflation. It makes sense. I think the credit card companies have the right to say, if you are going to declare bankruptcy and you have charged that much, that you should not be able to discharge it.

Let me tell you what happens in S. 420. That number, rather than being increased for inflation, is brought down to $250 over 90 days. So if someone charges, in that 90-day period, more than $250, all charges on that card in a 90-day period are presumed to be fraudulent and the credit card companies can go after you.

Can you prove these were not luxuries? Sure. You could take time off from work, time away from your children. Can you hire a lawyer? You can fight the credit card companies. But it just makes me ill to think we are presuming that a single woman who may be plagued with all kinds of problems who used her credit card to purchase food at the supermarket would in fact be told that she is a fraud, that she meant to defraud the poor credit card companies.

I have to tell you a story.

The member of my family who has part-time work and is going through a difficult time right now just received today an application for a credit card where they say: Take a trip to exotic lands and put it on your credit card. It happens to be Diners Club. And, don't worry about paying it back for months. The poor credit card company. You would think they would investigate to whom they were sending these cards. But, no, they want us to protect them from some poor woman with a single child, perhaps, or two, who is struggling with a divorce, and let us say is charging $250 on her credit card over 90 days. These charges are fraudulent.

Let me read for you a letter that was sent to me by a women's group, and then I am going to yield 5 minutes to Senator CLINTON.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has used 5 minutes 45 seconds.

Mrs. BOXER. If the Chair would inform me when I have used another 5 minutes, I would greatly appreciate it. Thank you.

This is the letter:

> The undersigned women's and children's organizations write to urge you to support Senator Boxer's amendment to S. 420, the "Bankruptcy Reform Act of 2001." This amendment is necessary to protect parents and children owed child support from facing increased competition from credit card companies after bankruptcy.
>
> Senator Boxer's amendment to the "luxury goods" provision of S. 420 would prevent credit card debt from being routinely elevated to the same protected status as child support and alimony obligations after bankruptcy. Under current law, child support and alimony are among the few debts that are not dischargeable in bankruptcy. The bankruptcy process allows debtors to get back on their feet and focus their resources on paying their most important debt: their obligation to support their families. Credit card debts generally are discharged in bankruptcy, unless there has been an abuse of the bankruptcy process; for example, by purchasing "luxury goods" on the eve of filing for bankruptcy.
>
> S. 420 would apply the label "luxury goods" to very modest levels of expenditures, allowing much more credit care debt to survive bankruptcy and compete with support obligations. Under S. 420, purchases on a credit card that total $250 over the 90-day period prior to filing bankruptcy would be presumed to be nondischargeable "luxury goods." For example, a debtor who charged just $25 a week at the supermarket would have to prove that the purchases—because they would exceed $250 over the 90-day period—were necessities, not luxuries. Cash advances of any more than $75 per week in the 70 days before filing for bankruptcy would be presumed to be nondischargeable.
>
> Senator Boxer's amendment would retain the current "luxury goods" exception, preventing abuse of the bankruptcy process by debtors without allowing its abuse by the credit card industry. We urge you to support this important amendment to prevent the credit card industry from making it even more difficult for women and children to collect child support after bankruptcy.

I already talked about how credit card companies solicit and coax people into spending more than they earn.

I do not feel sorry for the companies. I have seen the interest rates. I have seen the profits. Mr. President, $250 is not an amount that says it is a luxury over a 90-day period.

Where is the committee coming from? I don't understand it.

Let's take an example. A woman who grocery shops with a credit card for her family of four at the local Safeway or Albertson's would be able to spend no more than $25 per week in the 12 weeks before declaring bankruptcy. It is true. My colleagues on the other side of the aisle say: No problem. They just have to prove that in a court of law as they go through the filing.

This is a mother who is going through probably a hellish time in her life and she now has to dig out the receipts, or get a lawyer, by the way, or take off from work. Why are we presuming that a person is bad if they charge $250 over 90 days before they file bankruptcy? Can't we give people a break? Don't we respect the American people? People do not want to do this. Keep the current law.

There are many other examples I could show you, all of which they would have to prove in a court of law. The burden is on them. Why not give this exemption? Why not keep the current law?

That is the purpose of this amendment. It just says trust folks a little bit more. That is why I believe very strongly.

I ask Senator CLINTON if she would now wish to use 5 minutes on this amendment at this time.

The PRESIDING OFFICER. The Senator has 5 minutes remaining on her time.

Mrs. BOXER. I ask the Senator to take 4 minutes and I will wrap it up.

Mrs. CLINTON. Mr. President, I thank the Senator.

AMENDMENT NO. 104

First, I ask unanimous consent that it be in order, considered germane for the purpose of S. 420, and the following agreed to: In the amendment on behalf of myself and Mr. HATCH, on page 80, line 25, after the word "resides)" add the following: ", and the holder of the claim,".

I ask that this be adopted because this remedies the problem that was also brought to our attention with respect to this particular legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 104) was agreed to, as follows:

> At page 80, on line 25, after "resides)" insert the following: ", and the holder of the claim,".

AMENDMENT NO. 42

Mrs. CLINTON. Mr. President, I rise to support my very good friend, the Senator from California, who is one of the strongest advocates on behalf of women and children in our entire country. I do so because I find myself in agreement that there is some confusion about the meaning and application of this provision. That certainly should be clarified before we move to a vote on the underlying legislation.

As the Senator has so eloquently stated, we are making a dramatic change in both cutting the amount and the period of time for which a debtor would be held accountable with respect to any luxury goods or services.

I respect my very good friend, the Senator from Delaware, in his pointing out that the legislation makes clear that this is not goods for services and is reasonably necessary for the support or maintenance of the debtor or a dependent of the debtor.

We have several issues with this. One which the Senator from California pointed out is the size and the timing. The other is to make clear that this presumption is absolutely sustainable with respect to the meaning of support and maintenance.

I urge that we adopt the amendment of the Senator from California because I believe it is reasonable for existing law to have the amount and the time period.

I don't believe it is a great disservice to the credit card companies and other creditors to keep the status quo in this provision since we are so dramatically changing the law in so many other respects.

I yield the remainder of my time to the Senator from California.

Mrs. BOXER. How much time is remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 2 minutes 20 seconds.

Mrs. BOXER. I thank Senator CLINTON for her support. I know Senator BIDEN would like to have some time. I am glad he got that by unanimous consent.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I ask the distinguished Senator from West Virginia, since he has the floor, whether I can use up to 5 minutes of the hour I have under cloture.

Mr. BYRD. Mr. President, I have no objection to such a request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. I will be necessarily brief.

First of all, with regard to the credit card companies, this isn't a problem for credit card companies. If you go to the grocery store and use a credit card, it lists the grocery store. You have an automatic receipt. There is a presumption that you went to the grocery store and you bought groceries. They are not luxury goods. That is automatic. You could go in and charge $1,000 of groceries on that credit card and there would be no problem.

Second, if you take a look at what we are talking about, in addition to the credit card companies, you can draw up to $750 in cash. You if go above $750, you have to explain. If you go up to $749 in cash, you don't have to explain anything to anybody.

We are talking about the mother who is in real trouble and can't pay her bills. I am as sympathetic to that as anyone. But that is not with this is about. We are misreading.

First of all, it applies to only luxury goods. On page 147, line 2, a consumer's debt owed to a single creditor—if you have five different credit cards and go out and charge $250 on five different credit cards, it doesn't matter. This is a bunch of malarkey, with all due respect.

I understand the intention, and I think this is just a misreading of the legislation.

Let me speak to the issue of my good friend. I happen to be on the opposite side of Senator BOXER. She is literally my closest friend in the Senate. I don't like doing this. But here is the deal.

Her staff—my former staff—is telling her how this works, as well as these groups are telling her how this works. This is how it works. When you file for bankruptcy, you go before a bankruptcy judge or you go before a master. You have to show up. You have to pay for the cab or the bus to get there. You have to be there.

When you get there, it is a one-stop shopping deal. You have a list, and you have to submit what you spent. You have to submit everything as to why you deserve to go into chapter 13. It is required under the law. For anybody now—no matter when—it is required.

So you have the list and the credit card. You list the credit card. You have all these groceries you bought on the credit card. They are listed. The problem is the non-credit-card guys. You go into Boscov's—and you have credit with Boscov's—and you decide to buy a couch. It is arguable whether that is a luxury good or not. Boscov's might want to fight you about that. They then have to come into court and say: Hey, judge, that was a couch she bought. That was not a luxury good, she says. No, no. It was a crib for my baby. Well, then, file the receipt. Was it a crib for a baby and/or was it a brand new leather couch? What is the deal?

Look, I will do anything I can to change this to accommodate what the concern is of my friends. But I do not understand the concern. It says "Per creditor." You could have five credit cards, No. 1. No. 2, you can take up to $750 in cash out per credit card that you have. You can take it out. No. 3, you can go in and spend $249 on a zircon ring for your daughter because it has been a bad day at Boscov's. That is a luxury good, but you can do that. And, No. 4, you can take all your credit cards and/or your checking account and/or anything and buy $10,000 worth of jeans for your kids—shirts for your baby, formula—whatever dire example I am going to be given here.

Look, with all due respect, this is much ado about nothing. It is the same way in which you would have to go in under $10,750 under the law now. How do you do it now?

Mrs. BOXER. It is $1,075.

Mr. BIDEN. Excuse me, $1,075. You walk in now and say: Judge, here is my form. You get a date to show up or you are going to be discharged from bankruptcy, whether you are going to be in chapter 7 or chapter 13. You walk in—with or without a lawyer—and say: Your Honor, here is the deal. And you list your debt. You list your obligations and you list your assets. You have to do that no matter what.

If you list $1,075 now, and it turns out you bought $1,075 worth of good wine, the creditor can come in and say: Whoa, they bought wine with that—in grocery stores like when I used to stack Schaefer beer in New York State when I was in law school working for the Schaefer beer company. They do not sell alcohol in those stores in my State, but in New York State I think they still do. If you say you bought $1,075 worth of beer, then it is not dischargeable. That would not be dischargeable, any more than $250 or $750 would be.

Look, it is easy to make it sound complicated. When you take out your credit card, it lists what you bought. You have a receipt. You walk in and file and say: Judge, I used five credit cards, and I spent $5,000 in the last 90 days on food and clothing. Here is the deal. That is dischargeable. But if you walk in with those credit cards, and you spend it on, say, Versace——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. BIDEN. I thank the Chair.

Mrs. BOXER. Mr. President, this is painful, to have a debate with your brother. But the question of who is full of malarkey is debatable. I have some pretty good folks on my side. May we show them again? I have never known my friend to say the American Association of University Women is full of malarkey, or the Children's Defense Fund, or on and on. I really haven't. That is a debate we will have privately.

But this is the point. To me, it is a question of faith and trust in Americans—in particular, in this case, women, who most of all find themselves caught in this problem. I would like to know where you get a leather couch for $250.

Mr. BIDEN. You don't.

Mrs. BOXER. If you can find one, let me know, because I need one. The fact is, you can't.

The other fact is, if we could put this chart back up, under current law this is the cash card advance. You play with that, too, I say to my friend, it used to be $1,075 over 60 days. Now he rolls it back to $750 and says it is a great deal.

This reminds me of the debates on a woman's right to choose. The presumption is, we can't trust women to make this decision. People supported a 24-hour waiting period, as if a woman never thought about it. They want Government to be involved and make the rules. In a way, it is very similar. It is treating people with distrust.

We have a good law here, the current law. At $1,075, it is presumed you needed these things. It is fine. The other point about: Oh, you have the receipts; it is not a problem, I would ask every American today to put their hands on their receipt that they got when they made their last purchase. Now maybe I am just not good at it. My husband is good. He is probably the one guy I know who keeps every receipt.

Mr. BIDEN. Will the Senator yield for 2 seconds?

Mrs. BOXER. Yes.

Mr. BIDEN. The credit card company, as you point out, will send you the bill. That is your receipt.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. BOXER. I ask for 3 seconds.

The PRESIDING OFFICER. The Senator from West Virginia controls the time.

Mrs. BOXER. May I have 30 seconds?

Mr. BYRD. Mr. President, I have never seen 3 seconds yielded in this Chamber. Does the Senator want 1 minute or 2 minutes or 3 minutes?

Mrs. BOXER. I would be delighted to have 1 minute.

Mr. BYRD. I yield 1 minute to the Senator.

Mrs. BOXER. The only reason I asked for 3 seconds is my friend asked for 2 seconds. I am trying to be fair.

The bottom line here is, as I look at this, this is the little person against the huge credit card companies. The CEOs, who are getting paid millions of dollars, look at the little people and say if they charge $250 cumulatively over 90 days before they declare bankruptcy, they are presumed to be bad people. I have more faith in people than that. I really hope that Senators will support this amendment.

Let's go back to current law. It is fair. And let's reject this portion of S. 420. It is unfair.

I thank my friend from West Virginia very much for his generosity.

The PRESIDING OFFICER. The Senator from West Virginia is now recognized.

Mr. BYRD. Mr. President, the distinguished Senator from California is very gracious, and she was welcome to whatever time I have been able to yield to her.

THE BUDGET AND TAX CUTS

Mr. BYRD. Mr. President, on February 28, 2001, President Bush sent to the Congress his fiscal year 2002 budget outline entitled, "A Blueprint for New Beginnings." Sadly, this budget is a blueprint for putting tax cuts for the wealthy at the front of the line, above all of the needs of the American people.

Now I say to my colleagues, caution, we have not yet seen the real budget. The President's budget will be sent up to the Hill in the early part of April. We have not seen it yet. So I would suggest to all of us that we go slowly until we see the fine print in the President's budget.

What we have seen thus far is a mere blueprint entitled "A Blueprint for New Beginnings." But I say again, this is a blueprint for putting tax cuts for the wealthy at the front of the line, above all other needs of the American people.

The President's Budget allocates 80 percent, over $2 trillion of the $2.5 trillion non-Social Security, non-Medicare surplus, on tax cuts.

Two trillion dollars. Does anyone know how long it would take to count $1 trillion at the rate of $1 per second? It would take 32,000 years—32,000 years—to count $1 trillion at the rate of $1 per second.

The President's budget allocates 80 percent, over $2 trillion—that would take 64,000 years to count at the rate of $1 per second—of the $2.5 trillion non-Social Security/non-Medicare surplus on tax cuts. I believe the President is not on the same page—I say this respectfully about the President—with the American people.

I keep hearing this said: "Give the money back to the people. Give the people their money back." Well, we are going to give a few of the rich people in this country a lot of money back, if this tax cut is passed as proposed. Don't we also owe the people clean water? Don't we also owe the people modern highways, safe bridges, a reliable energy supply, and modern school buildings for their taxes? It is their money. Yes. It is also their school buildings, also their highways, their bridges, their debt, the public debt. Isn't it true that this country's infrastructure, its supply of clean water, its sewers, its transportation capabilities, its energy delivery systems are vitally important to a healthy economy?

These things are vital to support thriving businesses. They enhance productivity. They provide jobs. They are basic to the quality of life for our people. A strong infrastructure is basic to a strong economy.

We can't continue to expect the performance of an eight-cylinder economy if we refuse to clean the spark plugs and tune up the engine. Our Nation's infrastructure is fast becoming a Model T, riding on retread tires. Yet, this administration seems to believe that the old buggy can continue to keep rolling with no maintenance and no repairs.

I submit that putting a few dollars back into the pockets of the rich—and I have nothing against a person being rich; I wish I could be rich; that was never one of my fondest dreams, never one of my goals in life to become rich—is no substitute for addressing crumbling schools, outdated highways, and dirty drinking water, and on and on and on. Yes, it is the people's money, but it is also the people's dirty drinking water. It is also the people's crumbling schools.

These things are the first responsibility of Government, and they are what we owe the people for their taxes. They are things the people cannot provide for themselves. I was a Member of Congress when President Eisenhower advocated legislation establishing the Interstate Highway System. I voted for that. I have voted for the taxes to build it. These are things the people cannot provide for themselves. People cannot provide interstate highways, a national system of highways for themselves.

By putting tax cuts at the head of the line, the President does not leave enough of the surpluses—although he may say otherwise; he may be advised otherwise, but it is not true—to adequately fund programs that meet the needs of the Nation.

You people out there watching through those electronic eyes, I am talking about you. You are the taxpayers of the country. It is your children in the dilapidated schools. It is your children who are in the crowded classrooms.

The President's budget proposes to increase discretionary spending by just 4 percent, barely enough to adjust for inflation. Much of this increase, however, is for defense programs. I don't complain about national defense. I have helped to build this country's defenses with my votes and with my taxes, too. While defense programs are increased $3.1 billion, which is 1 percent above baseline—and baseline is last year's appropriation plus inflation, so the President's budget provides for 1 percent above that, above last year's budget plus inflation and then add another 1 percent; that is for defense—while defense programs are increased $3.1 billion above baseline for fiscal year 2002, nondefense programs are cut $5.9 billion or 1.6 percent below baseline, baseline being last year's appropriation, plus inflation. The President's budget is not going to add plus inflation. He is going to cut below baseline for nondefense programs.

Senators, wait until you see this President's budget. Wait until you can see the fine print. In revolutionary war terms, "wait until you see the whites of their eyes." I say to my colleagues on both sides of the aisle, wait until you see the fine print in this President's budget. When are we going to see it? It will be after April Fools' Day, sometime in early April.

The Senate Budget Committee has estimated that domestic programs that are not Presidential initiatives—get that, domestic programs that are not Presidential initiatives—will be cut by 6.6 percent in fiscal year 2002. Most of these cuts are not yet specified in the budget for review. They are not in that blue outline about which I am talking. This is what we have to go on up to now, "a Blueprint for New Beginnings." I have read this thing from cover to cover, as they say, but that is not it yet. That is not the fine print. This is just the bare skeleton. You can see through it, as Paul said, "through a glass darkly."

After 2002, discretionary spending grows with inflation, not population.

This means we will be spending less on man, woman, and child in America. Despite the fact that the Census Bureau is predicting that the country's population will grow by 8.9 percent by 2010—that is not far away—the President's budget provides no resources—none—to deal with that growth.

I have been around a long time. I can remember that when I graduated from high school, there were 130 million people in this country. When I was born, there were 100 million, in 1917. Today, there are 280 million. The population, we hear, will grow by 8.9 percent by 2010. The President's budget provides no resources—none—to deal with that growth. Nor does the budget include resources to respond to a recognized long-term infrastructure deficit in this country. Over the next 5 years, nondefense programs are cut $24.5 billion below baseline.

So, Senators, before we get on board for this colossal tax cut for the wealthy, just back off a little bit, just hold on and say, whoa, let's wait and see the fine print. Let's see how that affects the people back home, the people who send you here.

The President calls the surplus "the people's money." Have you heard that expression? You are going to keep on hearing it a lot. And he is right, it is the people's money. And we are elected by the people to make the right choices, the disciplined choices, about the use of their money.

The Wall Street Journal of March 8, 2001, contained the results of a recent poll that asked this question:

> If taxes are cut this year, would you prefer a large tax cut or a smaller tax cut and one of the following:

I will read that again:

> If taxes are cut this year, would you prefer a large tax cut or a smaller tax cut and one of the following:

It goes on to enunciate as "one of the following": A smaller tax cut and more education. So would you prefer a large tax cut or a smaller tax out and more education funding? Which would you rather have: A large tax cut, the so-called $1.6 trillion tax cut the President is talking about; or would you prefer a smaller tax cut and more education funding? Well, 64 percent of adults responded, yes, they prefer a smaller tax cut and more education funding; 64 percent preferred that against 30 percent who preferred a large tax cut.

Now the next bars in the graph indicate a response to this question: Would you prefer a large tax cut or a smaller tax cut and more Social Security funding? The chart shows that 65 percent of the respondents answered they would prefer a smaller tax cut and more Social Security funding. Only 29 percent preferred to have the large tax cut.

Then the third category: Would you prefer a large tax cut—let's say the President's proposed tax cut of $1.6 trillion—although it is growing every day—or would you prefer a smaller tax cut and paying down the national debt? Well, the respondents answered that question, and 60 percent said they prefer to pay down the national debt; 32 percent preferred the large tax cut.

So, again, I will say the President is not on the same page with the American people.

We have had a series of hearings in the Senate Budget Committee that have exposed a number of important, unanswered questions about the President's budget. His tax cuts are based on highly uncertain 10-year surplus estimates. The Congressional Budget Office, which prepared those surplus estimates, projects that there is only a 10-percent chance their surplus estimates for 2006 will be correct. The CBO witness testified before the committee that the probability of the 10-year surplus estimates coming through shrinks even further by 2011. Yet the costs of the President's tax cut proposal explode in the outyears—meaning the years 2007 through 2011. Over 72 percent of the revenue losses from the tax cuts occur between fiscal years 2007 and 2011, and these cuts total at least $344 billion per year, beginning in fiscal year 2011.

Let me say that again. If we take a microscope and look at these projections concerning surpluses and put them alongside the tax cut proposal, we find that the probability of the 10-year surplus estimate coming through shrinks. After having said there is only a 10-percent chance that that surplus estimate for 2006 will be correct, it goes on to say that the probability of the surplus estimate coming through shrinks even further by 2011.

Yet, on the other side of the coin, the costs of the President's tax cut proposal explode in the outyears. They are backloaded, you see—the years 2007 through 2011. Over 72 percent of the revenue losses from the tax cuts occur between fiscal years 2007 and 2011, and these cuts total at least $344 billion per year beginning in fiscal year 2011.

Let me ask you, the public out there, as I look through these electric eyes here: If we can't project 24 hours in advance that the stock market is going to drop 436 points—in 1 day, within 24 hours—if we can't project 24 hours ahead that we are going to have this big loss in the stock market of 436 points, how can we project 10 years out and say the surpluses will be this much, or that much, or some other amount? We are living in a fool's paradise when we gamble on such estimates.

My good friend, Howard Baker, referred to the Reagan tax cut of 1981 as a riverboat gamble. That is what they were talking about. Apparently gambling is not out of style. This is another riverboat gamble.

This administration's plan would sap the budget of the resources needed to solve the Social Security and Medicare crises that loom just over the horizon due to the impending retirement of the baby boom generation. The baby boom generation—it just started about the time I got into politics, about 1946. That was the beginning. So the baby boom generation will really be retiring about 10 years from now.

Currently, 45 million people receive Social Security and that number is expected to grow to 60 million in the year 2015. Yet the Social Security trustees estimate that Social Security expenditures will exceed receipts in 2015. Currently, 40 million people receive Medicare, and the number is expected to grow to 46 million in 2010. Yet the Medicare trustees estimate that Medicare expenditures will exceed receipts in 2010. That is just 9 years away.

Despite the 407–2 vote in the House last month and similar votes in the House and Senate last year to protect the Medicare hospital insurance trust fund, the budget does not even project the existing $526 billion Medicare surplus for Medicare, instead putting it into a fantasy reserve, an Alice in Wonderland reserve, a fantasy reserve, to be used for "unspecified purposes." Now, does that cause you to remember anything about the Reagan tax cut in 1981 where they had a $44 billion magic asterisk—$44 billion magic asterisk. Those were "unspecified" cuts. Nobody knew what cuts. But really in the minds of the planners back then they had Social Security in mind, Social Security and Medicare. That is what they had in mind. But they didn't quite have the nerve to come out and say so. So they just put a little asterisk down at the bottom of the page. The "magic asterisk" it was called.

We are seeing the same thing over again. History does repeat itself. The American people expect the President—here is what they expect the President to do—to put forward a serious, disciplined budget that addresses their long-term needs. That is what they expect. Yet the President is offering the people candy first, putting tax cuts in front of the hard work of fixing Social Security and Medicare. That is hard work. That is going to take some political capital, and politicians will have to expend some of that political capital when it comes to fixing Social Security and Medicare. But just hold on a moment, we will wait on that. Put the tax cuts first. We will give them the candy first.

It is very disturbing that Congress is moving ahead on the tax cut in the absence of a complete budget. A few days ago, the House of Representatives passed the first of several bills that cut taxes. The first bill alone cuts taxes by almost $1 trillion; yet the House has not taken up a budget resolution. We do not even have a full budget, as I said earlier, from the President. Most of the details of the President's budget are not expected to be sent to Congress until after the debate on the budget resolution next month.

The President is telling the American people, in essence, let's serve up the candy now and put off the tough questions on what programs will be cut until later. Instead of a menu designed to nourish the Nation with the vitamins needed for healthy growth, I can see only a sweet snack of tax candy.

The President's tax cut proposal could put us back on the course toward deficits, returning us to the days when we had to spend the Social Security surplus for day-to-day Federal operations. By undermining fiscal discipline, this could return us to the days of high interest rates, making the average wage earner's mortgage, education, and automobile more expensive.

We should not return to an era of deficits like the 1980s. We have been down the road of big tax cuts and promised surpluses, and we ended up where? In the ditch.

When President Reagan presented his first budget to the Congress, he, too, proposed big tax cuts and future surpluses. There are not many in this town who remember that President Reagan's 5-year budget plan projected surpluses for fiscal year 1984, $1 billion; fiscal year 1985, $6 billion; and fiscal year 1986, $28 billion. Those were the projected surpluses. Congress passed a tax cut bill that reduced revenues by over $2 trillion from fiscal year 1981 to fiscal year 1991.

Did the Reagan administration projections of surpluses come to pass? No. In fact, precisely the opposite occurred. The fiscal year 1984 deficit was not a surplus of $1 billion but a deficit of $185 billion. The fiscal year 1985 deficit was not a surplus of $6 billion, but a deficit of $212 billion. And the fiscal year 1986 deficit was not a surplus of $28 billion, which we were promised, but it was a deficit of $221 billion.

That was an error, that was just a small error amounting to $653 billion over just 3 years.

How much is $1 billion? $1 billion is a dollar for every minute since Jesus Christ was born. That is $1 billion. It doesn't sound like that much when it is jingling in your pocket, or you are making big promises to the taxpayer. But it is $1 for every minute since Jesus Christ was born. We are talking about an error not of $1 billion but of $663 billion over 3 years.

The President asked his Secretary of Defense to undertake a thorough review of the defense needs of the Nation. I am for that review. I support the President's proposal. As he stressed in his address to the joint session last month, he wanted a policy first, with a budget to follow. In fact, the President said, these are his words "our defense vision will drive our defense budget. Not the other way around."

It makes sense to me. I also think the President should have the same philosophy for our domestic needs. Our domestic vision should drive our domestic budget, not the other way around. If the defense review results in further proposed increases for defense, the budget is not clear on whether those increases will have to be absorbed within the 4-percent increase proposed in the budget. If that is the case, domestic programs, which are already $5.9 billion below baseline, will have to be cut even more. Already, this budget leaves infrastructure needs, education, science, technology, and many other domestic programs, behind. This budget continues to let the underpinnings of our economy slide into disrepair and neglect. No help is on the way in this budget blueprint.

According to the American Society of Civil Engineers, one-third of the nation's roads are in poor or mediocre condition, costing American drivers an estimated $5.8 billion and contributing to as many as 13,800 highway fatalities annually.

As of 1998, 29 percent of the Nation's bridges were structurally deficient or functionally obsolete. It is estimated that it will cost $10.6 billion a year for 20 years to eliminate all bridge deficiencies.

Capital spending on mass transit must increase 41 percent just to maintain the system in its present condition.

Airport congestion delayed nearly 50,000 flights in one month alone last year.

Seventy-five percent of our nation's school buildings are inadequate to meet the needs of schoolchildren. The average cost of capital investment needed is $3,800 per student.

The nation's 54,000 drinking water systems face an annual shortfall of $11 billion needed to replace facilities that are nearing the end of their useful life and to comply with Federal water regulations.

In 1955 I traveled around the world in an old Constellation. We traveled for 68 days, I believe it was. They call that a junket these days. We went to the Middle East and we saw people there carrying their water around in what appeared to be gasoline cans.

We traveled around the world. I saw the Taj Mahal; I saw the pyramids of Egypt; I saw many beautiful sites in many lands. But the most beautiful site I saw on the whole trip was the little red lights flashing on the top of the Washington Monument on the night I returned.

I was able to go to the house, turn the faucet, and get a drink of good, clean water. I had been in many countries where we couldn't drink the water—couldn't drink the water. So we take our blessings for granted—clean water. Yet there are places in this country where the water is not clean. There are places in the great cities of this country where the water is not clean. And some sewer systems are 100 years old or over 100 years old. Currently, there is a $12 billion annual shortfall in funding for infrastructure needs in this category.

Give the people back their money? Yes. Remember, it is their dirty water, also; their sewer systems. Right here in the District of Columbia, take a look at the potholes. Read about what happens to the sewer system in this city.

There are more than 2,100 unsafe dams in the United States. There were 61 reported dam failures in the past 2 years.

Since 1990, actual capacity has increased only 7,000 megawatts per year, an annual shortfall of 30 percent. More than 10,000 megawatts of capacity must be added each year until 2008 to keep up with the 1.8 percent annual growth in demand.

President Bush's budget does not respond to these needs.

The Bush budget could leave billions of dollars of gas tax receipts sitting in the Highway Trust Fund rather than helping us develop our highways, bridges and mass transit systems for the 21st century.

According to the Federal Highway Administration, less than half of the miles of roadway in rural America are considered to be in good or very good condition. Of the road miles in rural America, 56.5 percent are in fair to poor condition. The people's money? Yes. Whose highway? The people's highway. Conditions are even worse in urban America, where 64.6 percent of the road miles are considered to be in some level of disrepair, and only 35.4 percent of urban roadways are considered to be in good or very good condition.

Violence pervades our schools. Our students score poorly when pitted against students from other countries. Seventy percent of our 4th graders have difficulty even reading. The people's money? Yes, it is the people's money. But we are talking about the people's children. While the President takes credit for proposing an 11.5 percent increase in education programs, the Education Secretary has testified that the actual increase is just 5.9 percent. The President's increase of 5.9 percent just doesn't make the grade.

A study by the National Center for Education Statistics, in June, 2000, the "Condition of America's Public School Facilities: 1999," estimated that the total cost of putting the nation's public schools in good repair is $127 billion. The people's money? Yes, it is the people's money. But it is the people's school buildings. A 1994 General Accounting Office study put the cost of school renovations at $112 billion.

Of the schools surveyed in the more recent study, half reported at least one building feature, such as heating, plumbing, roofs, or sprinklers and fire alarms, in less than adequate condition, and nearly half reported at least one environmental factor, such as ventilation, security or indoor air quality, in unsatisfactory condition. The average age of a public school is 40 years;

the functional age, that is, the age since the last major renovation, is 16 years. Yet the Bush budget proposes to eliminate the Federal program that is specifically designed for renovating schools.

Our needs for clean water projects are growing. Wastewater treatment plants prevent pollutants from reaching America's rivers, lakes, and coastlines. They prevent water-borne disease, keep our waters safe for fishing and swimming, and preserve our natural resources like the Chesapeake Bay, Great Lakes, and Colorado River. However, the President proposes only level funding for the national program and he proposes to eliminate about $350 million of projects that were earmarked by Congress last year.

We have learned that just through this outline, this blue book, "A Blueprint For New Beginnings." That is the large print, and not all the large print. Wait until we see the budget; just wait until we see the small print. Then I will make another speech, if it is the Good Lord's will, and I am still here.

Energy programs are proposed for over $700 million in cuts this year, including steep cuts in programs designed to promote energy independence, such as energy efficiency and renewable programs and fossil fuel programs.

The President's Budget proposes cuts below baseline of 2 percent for the National Science Foundation, 2 percent for NASA and 7 percent for the Department of Energy. In the March 9, 2001 New York Times, Dr. D. Allan Bromley stated that the major driver of our nation's economic success is scientific innovation. He stressed that many economists attribute much of America's 1990's boom to increased productivity stemming, in large part, from scientific research. He concluded that the cuts proposed in the budget are, "a self-defeating policy". Dr. Bromley was the science and technology adviser to President George H. W. Bush from 1989 to 1993. I could not agree with him more.

What are we leaving to America's children? How much longer can we afford to ignore the infrastructure needs of this nation? If we hand them a worn out 19th century infrastructure which cannot support a vital economy, what do we tell them.

We can tell them: We gave your parents a tax cut. That is what we can tell our children.

I am not against tax cuts. I want to see us wipe out this marriage penalty that subsidizes the cohabitation of people who are not married. I want to wipe that out, or at least cut it. So I am for some tax cut.

But if we leave our children with dirty water, antiquated schools, poor mass transit, rusting bridges, what do we tell them? We gave your parents a tax cut. Can't you be happy with that?

If the projections are wrong, and we go back in debt, bequeathing our children nothing tangible except red ink and interest payments, will they really appreciate the government's generosity in giving their parents a tax cut?

Instead, as I look at the President's budget priorities we haven't seen them up close; we just see them through a glass—and that is what a budget is, a statement of priorities—I see a plan that focuses on an enormous tax cut instead of supporting efforts to promote school safety. After the school shooting in California last week, one of the students commented that he believed that the presence of a police officer who is regularly on campus helped to save lives when the gunfire broke out. The "COPS in Schools" program has been a valuable resource for students, teachers and school administrators. It has helped to stop would-be violent acts at schools before they start. Yet the Bush administration's budget proposes to "redirect"—.

Remember that word "redirect." I find that word in this so-called "A Blueprint for New Beginnings." I find that word "redirect" in that blueprint more than once. It is an interesting word. See how it is used.

I have strong concerns about the word redirect—to redirect $1.5 billion from Department of Justice grant programs like COPS. The President is not on the same page with the American people.

Mr. President, we are a nation of dreamers. We dream of a better life for all of our people. We dream of a brighter future for all of our children. We are inspired by a challenge—we rise to it, we embrace its promise, we enjoy righting wrongs, breaking new ground, achieving the impossible. When our collective will is engaged, and we agree to put resources behind a challenge, the United States can be an awesome force for remarkable progress and for good in the world. We need leadership to fully galvanize our attention. Yet, when that combination of American determination and drive is motivated by a vision, great things can be achieved. Witness space exploration and putting a man on the moon; witness beating the old Soviet Union in the arms race; witness mapping the human genome for which the distinguished Senator from New Mexico, a member of the Senate Appropriations Committee, Mr. DOMENICI, is to be given great credit. This is something that originated in the brain of a Member of this body to support this research.

Witness the mapping of the human genome and all of the other mind-boggling advances in science and medicine over the last 50 years.

But, where is the leadership and inspiration for this new millennium? I find none in the trumpeting of a tax cut, and this tax cut in particular. I see no call to make the world a better place for our children. I see no appeal to mount a massive effort to beat cancer or aids. I see no drive to make our children the best educated in the world. I hear no determination to make us energy independent.

I hear nothing about a Moon shot to make our Nation energy independent. I hear nothing about a Moon shot to make our children the best educated children. I hear nothing about a Moon shot to conquer cancer. I was here when Sputnik burst forth from the headlines of the Nation's newspapers and the world's newspapers. I heard John F. Kennedy say, "We are going to put a man on the Moon," and we did that. We put a man on the Moon and brought him back safely to Earth again.

Yes. We made the world safer for democracy. We participated in two world wars. We had the dream of the Marshall Plan. We had the dream finally culminating in the breaking down and the tearing down of the Berlin Wall.

We remember the Berlin airlift. President Harry Truman was determined to break that Soviet ring that had Berlin enclosed. We didn't back away from that challenge.

The Interstate Highway System was another dream.

We hear no determination to do great things today. The centerpiece of this administration is not a dream. It is not a great dream. It is not a great call for a Moon shot to beat back the ravages of cancer, tuberculosis, sugar diabetes, and the other diseases that confront our people. We hear only a call for huge tax cuts for the wealthy.

I hear no appeal to American pride to repair our dilapidated system of transportation. Our roads, our bridges, our mass transit systems, our airports, our national parks should be the envy of the world. What has happened to our pride in American know how, American skills, American research, and America as a show place to inspire visitors to our shores with the tangible achievements of this great experiment in representative democracy? Are we to forgot our glory days? Are we to settle for smaller dreams, and more limited horizons.

Is this what we are going to settle for? Do we tell our children that we didn't want to go for bigger things because we gave their parents a tax cut?

I hear no call to greatness in this peddling of massive tax cuts. I hear only a veiled appeal to greed and to distrust of government.

The President is not on the same page with the American people. The American people, according to these polls, are not asking for a refund. They are not asking for a refund. They want their government to lead. They want their government to inspire. They want their government to do the great things for the country, the very things they pay their taxes for. That is what they want. In short, they are not asking for their money back. They want their money's worth. And a king's ransom of a tax cut will be worth nothing to them if it shortchanges our Nation's children and downsizes our dreams.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

BANKRUPTCY REFORM ACT OF 2001—Continued

Mr. SESSIONS. Mr. President, we are now proceeding on the bankruptcy bill in the regular order.

I want to say a few general remarks about this process of bankruptcy. It is provided for in the U.S. Constitution. It was not written out in the early days of our founding precisely how bankruptcy law should apply, but it did provide for uniform Federal laws of bankruptcy. So our bankruptcy court system is a Federal court system presided over by Federal bankruptcy judges, and all the clerks are Federal civil servants.

England developed some procedures to deal with persons who owed debts. Basically, they would turn over everything to the Crown, and sometimes they would get thrown in jail. But their assets would be distributed equally to whoever was claiming money from that person in sort of a realistic-priority way.

Over the years, we have provided tremendous protections for the person filing bankruptcy. It does aid them in a lot of different ways. How does it actually work?

Let's say you are in debt and telephone calls start coming from the creditors. You promised to pay certain debts and you are not paying them. I do not know how we can complain too much about somebody calling to ask what your intentions are about paying them. They become burdensome on the family after a while, though—very burdensome. Then people threaten lawsuits. Then they file lawsuits. And lawsuits get carried on to judgment.

The person is being sued. They are being called. Their lives are really being disrupted because they are unable to pay the debts they owe. So under this circumstance, a person is allowed to file bankruptcy. When bankruptcy is filed, that stops everything. You cannot be harassed by phone calls or other claims for debts because all the creditors—people who are claiming money—have to be sent a notice; and when they get the notice that you filed bankruptcy, all they can do is file a claim at the bankruptcy court.

They cannot keep bugging the individual American citizen. They have to leave him or her alone or the bankruptcy judge will slap them with a fine if they do that, because bankruptcy does stay those kinds of activities. It stops the lawsuits. All lawsuits are stopped under the bankruptcy. It is called a stay. A stay is issued, and the legal proceedings stop, so a debtor can take a breather.

Basically, they go into court, if it is an individual. And the individual has two choices. He can file, under current law, under chapter 7. He can say: I am exempting my homestead. You can't take that. And certain of my personal property, you can't take that. This is all the money I have otherwise. This is all the assets I have. You take that and divide it up among all those people I can't pay. It may be 5 cents on the dollar, 10 cents on the dollar, 50 cents on the dollar—usually less than 10 cents on the dollar, or less than 30 cents on the dollar, anyway—when they do that.

Then they wipe out those debts. They are forever gone. They signed a contract. They signed agreements. They got sued. And they got judgments against them. It is all wiped out; a person does not have to pay.

That goes on in America regularly. And it is a healthy thing for people who are in debt so deep that it is not possible for them to get out. And we affirm that.

So over the years bankruptcy law has been amended and improved. We had a Bankruptcy Reform Act in 1978, the last real reform of bankruptcy law in the United States. At that time, there were fewer than 300,000—I think 270,000—bankruptcies a year.

Since 1978, bankruptcies have increased at a steady pace. Now the filings exceed—well, in 1998 or 1999 it was 1.4 million. It dropped a little last year, but it is projected to go up again significantly this year. So we are talking about nearly 1.5 million filings this year. You may say: That is not too many. We have 250, 260 million people in America. A lot of them are children, and a lot of them are in jail, and so on. You take those numbers down—who is really eligible—and that is getting to be a significant number. We do not think about the fact that it is happening every year. When you add up 5 years, that is 5, 6, 7 million people who have filed bankruptcy in a period of 5 years. That becomes a significant portion of the American population. If they all qualify, then I do not have a problem with it.

But what has occurred in recent years is the proliferation—and I think virtually every city in America has it—of some sort of promotional bankruptcy mill. For years, lawyers could not advertise. Some people can still remember that day. But now they can. So you turn on the TV at 11:30 at night or Saturday afternoon, or pick up the dime store, corner market shopping guide, and there are these advertisements: Wipe out your debts. Don't pay anybody you owe. Call old Joe, your friendly lawyer. He will tell you how to do the deal.

So people call. They are in debt and having trouble managing their money. Some of them are in debt because they could not help it—maybe there were serious injuries, maybe medical causes, maybe bad business deals, bad judgment. Some of them just cannot manage their money. Some of them have drug problems. Some have alcohol problems. Some are just unable to manage and just will not stop spending.

So they go to the lawyer. And this is fundamentally what the lawyer tells them. He says: Now, when you get your paycheck, you save that money, and you bring it straight to me—all that money—and maybe your second check. As soon as I have $1,500 or $1,000, I will file your bankruptcy. Don't pay any of your other debts. Don't pay any more debts. He will say: Use your credit card. Run up everything you want to on your credit card. Live off your credit card. Come down here, and we will file bankruptcy as soon as you get your money together to pay me. That is what has happened. That is the kind of message. They are told this is the right thing to do. These people in debt are in trouble. They are hurting. They are tired of people calling them. It is embarrassing their children and their families. They want it to end. This seems to be the best way out, so they do so. The numbers through this promotional activity have been going through the roof.

A lot of people are troubled by it. People who are regularly involved in bankruptcy and see what is happening are rightly concerned that quite a number of people are filing who don't qualify, who really don't meet our traditional standards of someone who cannot pay all or a part of their debts.

The discussion went on for a number of years about how to deal with it. A Federal bankruptcy commission dealt with it, others have dealt with it, lawyers groups, experts, and so forth. We have had, in the Senate and in the House of Representatives, hearings that have gone on for over 4 years now. As a result of those hearings and refinements, bankruptcy bills have come forward. One passed this body 2 years ago with about 88 votes. The last one passed with 70 votes. It has passed the House every year with a veto-proof margin, strong bipartisan Republican and Democratic support.

We are dealing with this incredible surge in bankruptcies and trying to do it in a way that allows everybody who previously legitimately wanted to file bankruptcy, that they could file bankruptcy, by trying to identify those who don't qualify and should be contained in their filing. So this is a fundamental change in bankruptcy. We adopted what has come to be called a means test. It says if you have the means to pay some or all of your debt, we ought to set up a plan for you to do so.

In law today, we have two sections. I mentioned chapter 7, where you go in and wipe out all your debts. Basically, the debtor can choose that. He can choose in which chapter he wants to go.

There is a another chapter called chapter 13. In that case, if you file in chapter 13, all of the lawsuits stop; all of the phone calls stop. The court sits down with the debtor and works out a payment arrangement. They prioritize the debts to be paid. Some of them are secured; some are not secured. The right priorities are all set. Then that person basically takes his paycheck in every month. He or she gives it to the court. He or she keeps enough money to live on. They give the money to the court, and they pay out to the debtors every dime.

Under chapter 13, many people work through their debts, people with low incomes and higher incomes. They pay off all their debts.

In my State of Alabama, I am proud to say that in the southern district of Alabama, where I practiced, 50 percent of the people who filed filed under chapter 13. They wanted to pay their debts back. In fact, there are some good incentives to filing under chapter 13, a lot of good things for a creditor that I won't go into here.

They are doing it in Birmingham. In the northern district of Alabama, I understand 60 percent file there. I also understand there are some districts in New York and other places where less than 10 percent, maybe even less than 5 percent use chapter 13. Just routinely, the debtors come in and wipe out all their debts.

How should we deal with that? After much thought, it was decided that we ought to focus this legislation on a relatively small number of people filing for bankruptcy who have income sufficient to pay back some or all of their debts. We thought that was a good approach, and it has been widely received and voted on by most of the Members of this body.

Basically, we drew a bright line. We said: Based on the size of your family and the income of your family, if you make below median income, which in America for a family of four is $50,000, you will be able to file bankruptcy any way you want, 7 or 13, just like today.

There is no change for them in that regard. We believe probably 70, 80, 85 percent of the people who file bankruptcy are below median income, but for that 20, that 10, that 15 percent who make above median income—some make $70, $80, $90, $200,000, $250,000, some are doctors, some are lawyers, some have professional incomes, and so forth—to them we say: We are going to look at your income. We are going to look at your earning possibilities. If you are able to pay back at least 25 percent of that debt over 3 to 5 years, we are going to put you in chapter 13, as half the people in my State do anyway, and we are going to ask you to try to pay those debts over that period of time. You will be monitored by the court.

By the way, this bill says, in a historic step, child support and alimony will be moved up to the top, to the first item that will be paid. For 5 years, you will be under the supervision financially of a Federal bankruptcy judge, and you will pay your alimony. You will pay your child support on time. As a matter of fact, the judge will order a repayment of past due alimony and child support under court supervision.

I thought that ought to greatly please most people in America. It deals only with the abusive cases. It confronts the problem we are seeing in bankruptcy. Maybe somewhat fewer people will file if they don't think they can get away with ripping off the average taxpayer, citizen.

They say: These credit card companies, these are evil companies. They go out and actually lend people money. They are not citizens, they are corporations. They are evil. They are always trying to cheat you, and we don't need to pay them. They care about this bill. Therefore, the bill is no good.

That is silly. That is not right. The first principle of economics, which a lot of people in this body apparently don't know or forgot, is there is no such thing as a free lunch. Somebody is going to pay this debt if you don't pay it. Somebody is going to eat that loss. If it is a bank or a credit card company, they have computers. They figure it out. They start seeing greater losses. What do they do? They have to raise the interest rate on all of us.

Experts have studied this; economists have studied it. They have concluded that the average debt-paying American citizen who pays his bills is annually imposed a bankruptcy cost of $450. That is about $40 a month they are having to pay every month because other people in this country don't pay their debts.

They say: Well, maybe it was because they had a high medical bill. Therefore, we don't want them to pay their hospital bill. Heaven knows, they should not pay the doctor and the hospital who treated them and helped them get well. This bill is oppressive because it would suggest that people ought to pay their hospital bill if they can.

Basically, that is what the argument is. If you are making below median income, lower than median income in America, then you can file, just as you always did, and you can wipe out your bills to the hospital, to any other people that you owe, including your bookie, I guess—wipe that all out. But if you are making above median income, and the judge finds you are able, only if he finds you are able to pay 25 percent of what you owe to the hospital over a period of 3 to 5 years, he can order a payment plan that requires you to pay that 25 percent. And he will allow you every month to have sufficient funds to live on, in the court's judgment.

Well, I don't think this is oppressive. This is a reform. This is a piece of legislation that deals with a fundamental question. I was asked by a young reporter yesterday afternoon, while doing a piece for one of the TV shows, "Do you think this is a moral question?" I said, "I absolutely think it is a moral question."

What we do here when we establish law, as our Founding Fathers always knew, and I think we are forgetting, is that we are setting public policy that guides and shapes American values. What we say you must do and what we say you don't have to do shapes opinions and values.

So I think it is a bad suggestion, an unhealthy value to promote, that a person who can pay a substantial portion of his or her debt can just walk away from it—not pay the hospital, for example.

I have visited 20 hospitals in my home State this year. They have a bad debt section that they write off regularly. They are not expecting any great, huge surge of benefits from this bill. But why should you not pay the hospital if you can pay a portion of it? What is bad about them? Is that not a good institution that ought to be valued? Who else is going to pay for the hospital if the person who is using it doesn't pay?

Well, they say: Maybe you didn't have health care insurance. If you make above the median income, you ought to have health care insurance. Maybe somebody who is struggling to get by every day, who would be below median income, is not able to take out health care insurance. If you are making above median income, you need to have some health insurance. Why should a person who is not responsible, making above median income, who didn't have health insurance—why should they be able to stiff the hospital when the "honest Joe" and his family, who are making below median income, takes out his health insurance every month and pays it and makes sure his hospital is paid if he and his family go there?

I think it is a moral question. I think we need to set a public policy that says, yes, we validate the great privilege of American law—and that has really been increased in recent years—

that allows a person to wipe out their debts and start over again. We validate that. We do not object to that. We have tried to create a bill that does just that. But we also say that if you have a higher than average income and you can pay some of those debts, we want to set up a system where you pay them.

I believe this is a fair approach, a balanced approach, a generous approach. And the legislation has quite a number of factors in it that cut down on fraud and abuse. We raise up the protections for women and children, as I said. We have tightened up the language on the bill to reaffirm a debt from a person who maybe wants to keep his car, or a washing machine, and they can come in and negotiate with them. We can put extra protections in before they can reaffirm a debt after bankruptcy and want to keep something, so that the creditors are protected.

We put in another amendment that people have asked for. I think, in general, I will challenge people to tell me what it is about this bill that is precisely unfair to anybody. If we want to talk about the means test, we will talk about that. That is the real change, the only thing that really happens here of significance.

We have made a number of other improvements to reduce abuses and problems with the bill and the processing of cases in bankruptcy, which I think everybody would support.

We have had a lot of amendments. If anybody listens carefully, they will find they are not focusing primarily on the improvement of bankruptcy law and the administration of assets in a bankruptcy court. They are focused on rules for credit cards or bank lending rules, all of which are not in the jurisdiction of the Judiciary Committee. They are in the jurisdiction of the Banking Committee. Periodically, that kind of legislation comes forward. We will have amendments that touch on issues outside the bill, but, for the most part, we are right on.

We had a vote on homestead. The homestead law in this bill eliminated quite a number of abuses. The homestead law basically said that States could set their own standard for how much you could protect in your home. If you file bankruptcy, each State has a homestead limit—some as low as $5,000; some are unlimited. So in certain States you can buy a home and put $2 million into your home, and when you file bankruptcy, you get to keep your home.

I never thought that was a good idea. I voted to eliminate that. Some State laws have unlimited assets, and some Senators wanted to keep that. They fought us and fought us and fought us. Frankly, after being a cosponsor with Senator KOHL on a limit of $100,000, which we passed, we went along with a compromise that we reached that restricted homesteads, but not as much as I would like.

We just voted this morning to go back to the $100,000 limit. The vote was here. I voted, as I agreed to last time, for the compromise. But I certainly am happy with that public policy. I hope the Senators who lost on that vote will see just how strong this body cares about it and will realize they are not really benefiting, and the citizens of their States are not benefiting by allowing a millionaire to keep a million dollars in his home and not pay the gas station or local hospital or bank.

So those are the kinds of things that have occurred. The complaints here are either about issues outside of the reform of bankruptcy court law or it is a matter in which we have it go.

I think we have done well. I salute Senator HATCH, the chairman of the Judiciary Committee, for his steadfast leadership, and Senator GRASSLEY, who formerly chaired the Courts and Administration Subcommittee, which I am honored now to chair, when this bill came out of his subcommittee. He battled steadfastly to bring this bill up for a vote. I believe we will be able to do that today.

I am quite confident we will have an overwhelming vote for one of the most historic reforms that we can imagine. It will improve the operation of bankruptcy courts, I am confident. If we made any errors in it, I am willing to listen to that and make further amendments, if needed.

I thank the Chair and yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, on the Leahy amendment, I will make a few comments. It includes the spouse's income in a bankruptcy.

The PRESIDING OFFICER. The Chair notifies the Senator there is an order for a vote to occur at this time.

Mr. LEAHY. I ask unanimous consent the Senator from Alabama be allowed to proceed for 1 minute and then I be allowed to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I have no objection, but reserving the right to object, it is my understanding that, regarding the previous order entered, we are going to change the order in which the votes take place; is that right?

Mr. SESSIONS. I was going to make a change in the order according to the agreement that has been reached.

Mr. REID. I withdraw my objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

Mr. SESSIONS. I believe the Senator from Delaware has a request.

Mr. CARPER. I ask unanimous consent to speak for 1 minute to engage in a colloquy with Mr. LEAHY and Mr. SESSIONS.

Mr. LEAHY. Reserving the right to object, and I will not object, if the Senator from Delaware amends that to also add 1 minute for the Senator from Vermont.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

Mr. SESSIONS. Mr. President, this would be an amendment on the surface that appears to be good. However, I am of the firm opinion that it would be unwise and cause a very difficult problem with filing for bankruptcy. Under the present law, the median income is determined by household size which includes a spouse when married and living together. Yet a debtor filing singly will be tested based on his or her income only and not based on the income of the spouse as well.

Under the current bill, for a debtor who is married but has been abandoned by her spouse, that will be corrected. She will be tested under the means test from her income. If she is abandoned, her expenses will exceed her income and she will not be prevented from filing under chapter 7.

However, the ability of couples to maneuver income——

The PRESIDING OFFICER. The Senator from Alabama has used his 1 minute.

Mr. SESSIONS. I thank the Chair.

Mr. LEAHY. Mr. President, I believe we are dealing with a bill with a drafting error and I am trying to correct it. For example, in the bill before the Senate, a battered spouse who flees the home with children can be denied bankruptcy relief regardless of circumstances because the bill would count her husband's income, as well, even though she did not receive any money from him.

Without the Leahy amendment, it is hard to imagine a more antiwoman, antichild, or antifamily result. My amendment would not allow separated spouses to somehow shield assets when they file for bankruptcy because the bill already counts income of the debtor from all sources. That is why my amendment is supported by virtually every group in the country that has advocated for battered women and battered spouses. They say, we support this effort to correct this oversight which "if left unrepaired would create a severe injustice to many women, children, and families across the country."

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. The amendment offered by Senator LEAHY is a good amendment and he has pointed to a problem with the bill, I think unintentional.

This is the situation we face: We have a husband and a wife and they are living separately, maybe at the end of their marriage, and the wife wants to file for bankruptcy. The income of her spouse will be imputed, regardless of whether or not that spouse is providing any kind of support at all.

As a result, in most cases the wife would not be able to file chapter 7 and enjoy the benefit of safe harbor. Mr. LEAHY would have us fix that. That is a good thing.

Unfortunately, the problem that flows out of the amendment is that in some cases that husband really is providing support for that spouse. It is important we find that out; that we not create a situation, unwittingly, where fraud could prevail and where that husband, in most cases, is supporting the wife and supporting the family and does not acknowledge as much. There is a simple way to fix it, and I hope in conference Senator LEAHY and others will find that appropriate fix.

Mr. LEAHY. Mr. President, I thank my friend from Delaware, but I note my amendment does not allow a separated spouse to somehow shield assets because the bill already counts income of the debtors from all sources.

The definition of "current monthly income" on page 18, lines 4 to 21, of the bill includes income from all sources. So if a battered spouse or anybody else conceal income on a bankruptcy schedule, that is a Federal crime.

What I do not want is a battered wife who is getting no income from a separated spouse to suddenly, if she is out there trying to put her financial situation in order, to have to consider the income of a spouse from whom she is getting no income.

I ask unanimous consent a letter from the American Academy of Matrimonial Lawyers, and a second letter on behalf of a number of organizations, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ACADEMY OF
MATRIMONIAL LAWYERS,
Chicago, IL, March 15, 2001.

Hon. PATRICK LEAHY,
Ranking Minority Member, Committee on the Judiciary, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: I write in strong support of your "separated spouse" amendment to the pending means test provisions of the bankruptcy bill not being considered by the Senate.

I assume the current language in the bill is the result of an unintentional drafting error. If left uncorrected, the existing language will be draconian in its application to all single parents with children who do not have the benefit of any spousal income. It will particularly jeopardize a battered spouse who flees her home with her children. This debtor could be denied bankruptcy relief regardless of her circumstances because the bill would count her husband's income as well, even if she did not receive any money from him.

The current language would impute to a single parent debtor, for purposes of a means test, the income of a separated spouse irrespective of whether the absentee spouse actually contributes any income to the household.

There can be no justification that single parents with children should suffer unduly in the bankruptcy process because false and inflated income of an absentee spouse is credited to debtor spouse. I support your laudable effort to correct this oversight, which if left unrepaired, would create a severe injustice to many women, children and families across the country.

Respectfully yours,
CHARLES C. SHAINBERG.

MARCH 15, 2001.

Hon. PATRICK LEAHY,
Ranking Minority Member, Committee on the Judiciary,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: We write in strong support of your "separated spouse" amendment to the pending means test provisions of the bankruptcy bill now being considered by the Senate.

We assume the current language in the bill is the result of an unintentional drafting error. If left uncorrected, the existing language will be draconian in its application to all single parents with children who do not have the benefit of any spousal income. It will particularly jeopardize a battered spouse who flees her home. This debtor could be denied bankruptcy relief regardless of her circumstances because the bill would count her husband's income as well, even if she did not receive any money from him.

The current language would impute to a single parent debtor, for purposes of a means test, the income of a separated spouse irrespective of whether the absentee spouse actually contributes any income to the household. The effect of such language would be to falsely inflate the single parent's income such that it could exceed the means test for purposes of the safe harbor, for access to Chapter 7, or to determine how much an individual can actually repay in bankruptcy.

There can be no justification that single parents with children should suffer unduly in the bankruptcy process because false and inflated income of an absentee spouse is credited to the debtor spouse. We support your laudable effort to correct this oversight, which if left unrepaired, would create a severe injustice to many women, children and families across the country.

Sincerely,
Association for Children for Enforcement of Support (ACES).
National Center for Youth Law.
National Partnership for Women & Families.
National Women's Law Center.
National Organization for Women.
NOW Legal Defense and Education Fund.

Mr. SESSIONS. Mr. President, will the Senator yield for a question?

Mr. LEAHY. I don't think I have time left.

The PRESIDING OFFICER. The Senator's minute has expired.

The Senator from Alabama.

Mr. SESSIONS. Mr. President, I think we can fix this.

I ask unanimous consent the votes now commence under the previous order, with the vote relative to the Boxer amendment being postponed, to occur at the end of the voting sequence, and the Leahy amendment being first in the sequence.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. I thank the Chair.

VOTE ON AMENDMENT NO. 19

The PRESIDING OFFICER. The question is on agreeing to amendment No. 19.

Mr. LEAHY. Have the yeas and nays been ordered, Mr. President?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—56

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Stevens
Torricelli
Wellstone
Wyden

NAYS—43

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Craig
Crapo
DeWine
Domenici
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Thomas
Thompson
Thurmond
Voinovich
Warner

ANSWERED "PRESENT"—1

Fitzgerald

The amendment (No. 19) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. CONRAD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 70, 71, AND 73

The PRESIDING OFFICER. The question is on agreeing to amendment No. 70 offered by Mr. WELLSTONE of Minnesota.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I have 1 minute; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. WELLSTONE. Would it be helpful, I say to the Senator from Utah and the Senator from Vermont, if I did a quick summary of each one of the amendments right now, one right after the other?

Mr. LEAHY. Mr. President, there is so much noise. I know the Senator from Minnesota is addressing us. I couldn't hear him.

Mr. WELLSTONE. I asked my colleagues, if they want me to, I could do quick summaries of each one of these amendments. They can respond and then we can vote one after another, if that would expedite the process.

Mr. HATCH. That is fine with me.

The PRESIDING OFFICER. The Senator may proceed for 3 minutes.

Mr. WELLSTONE. Amendment No. 70, the first amendment, fixes the means test so that it looks at present and future income, not over the past 6 months. If someone has been laid off work just yesterday and you look at their income over the past 6 months, that is not a very accurate way of determining whether or not they can file for chapter 7 or how they can rebuild their lives. So this means test now in the bill is unfair. This is a very important correction.

Amendment No. 71 strikes the 5-year waiting period for a new chapter 13 filing. I thought colleagues wanted people to go chapter 13. You have an elderly person, a major medical bill puts them under. They file for chapter 13 under existing law. If it happens a year from now, they can file for chapter 13 again. With this bill, they can't file chapter 13 for 5 more years. This is especially discriminatory against elderly people who are struggling with medical illness.

Finally, amendment No. 73, a safe harbor for folks who file because of job losses as a result of unfair foreign trade. What I am saying is, there are many egregious loopholes that will make it hard for people to get the relief they need. At the very minimum, if you have people in your State who have lost their jobs because of unfair competition, because of unfair trade competition, at the very minimum, they ought to be exempt from these very harsh provisions. Many of us come from States where there are industrial workers. At the very minimum, we ought to be there for them.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. How much time do we have?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. HATCH. How much time remains? Did the Senator from Minnesota use all his time?

Mr. WELLSTONE. Do I have time remaining?

The PRESIDING OFFICER. One minute 4 seconds.

Mr. WELLSTONE. Did my colleague from New Mexico need this minute and a half?

Mr. DOMENICI. I would like to use half of it, if the Senator would give it to me, and I would ask the permission of the Senate to use the time for something else.

Mr. WELLSTONE. That would be fine.

Mr. DOMENICI. I so request.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 543 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HATCH. Has the time of the Senator from Minnesota expired?

The PRESIDING OFFICER. Yes.

Mr. HATCH. Mr. President, I will be short. I know these amendments are well intentioned, but they are terrible amendments.

The first amendment allows dishonest debtors to shield legitimate income from the court. The amendment creates a significant new loophole for debtors to exploit. The amendment would create an inaccurate picture of even an honest debtor's income by limiting the time period over which the income was measured. The legislation already allows the court to make adjustments to a debtor's income if necessary and, if necessary, to do justice. That amendment should be defeated.

The second amendment will allow debtors to game the bankruptcy system by repeatedly filing in chapter 13. By striking the 5-year waiting period, the amendment encourages abusive repeat filings one right after the other. I hope our colleagues will vote that down.

The third amendment would jeopardize bankruptcy reform by completely exempting debtors who lose their jobs because of trade imports from the provisions of the bill. Under the bill's means test, an unemployed worker would still be able to discharge all of his or her debts under chapter 7. This amendment, however, would exempt debtors from the alimony, child support, and other important protections provided by this bill. I worked long and hard for that, and I think almost everybody in this body wants it. I can't imagine anybody voting for that amendment, but I know it is well intentioned. We will leave it at that.

I yield back the remainder of my time.

VOTE ON AMENDMENT NO. 70

The PRESIDING OFFICER. The question is on agreeing to amendment No. 70.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 22, nays 77, as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—22

Akaka
Boxer
Carnahan
Clinton
Corzine
Daschle
Dayton
Dodd
Durbin
Feingold
Feinstein
Inouye
Kennedy
Kerry
Leahy
Levin
Murray
Nelson (FL)
Reed
Rockefeller
Sarbanes
Wellstone

NAYS—77

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Cleland
Cochran
Collins
Conrad
Craig
Crapo
DeWine
Domenici
Dorgan
Edwards
Ensign
Enzi
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kohl
Kyl
Landrieu
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Nelson (NE)
Nickles
Reid
Roberts
Santorum
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

The amendment (No. 70) was rejected.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WELLSTONE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 71

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 71 offered by Mr. WELLSTONE.

Mr. WELLSTONE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 36, nays 63, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—36

Akaka
Bayh
Boxer
Cantwell
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Graham
Harkin
Hollings
Inouye
Jeffords
Kennedy
Kerry
Kohl
Landrieu
Leahy

Levin
Lieberman
Lincoln
Mikulski
Murray
Reed
Reid
Rockefeller
Sarbanes
Schumer
Wellstone
Wyden

NAYS—63

Allard
Allen
Baucus
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Carnahan
Carper
Chafee
Cleland
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Ensign
Enzi
Feinstein
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Johnson
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

ANSWERED "PRESENT"—1

Fitzgerald

The amendment (No. 71) was rejected.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 73, WITHDRAWN

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the next amendment be withdrawn. I will be back with this amendment, but I want to move things along for a little while.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 73) was withdrawn.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

AMENDMENT NO. 42, AS MODIFIED

Mrs. BOXER. Mr. President, I ask unanimous consent to modify my amendment No. 42. It has been cleared on all sides. I send the modification to the desk at this time.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, it is so ordered.

Mr. HATCH. Reserving the right to object, do we have a copy of that?

Mrs. BOXER. We showed it to the Senator's staff.

Mr. HATCH. I don't think we will object. It is OK. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 147, line 3, strike "$250" and insert "$750".

Mrs. BOXER. Mr. President, I thank Senator BIDEN, Senator HATCH, and Senator CLINTON, who worked so hard with me on this issue. I thank Senator PHIL GRAMM as well. What we do is simply say that the definition of a luxury item will be raised from $250 cumulative to $750. Frankly, I don't think that is high enough, but it certainly moves us in the right direction. I hate to think that people who accumulate $250 on a credit card 90 days before bankruptcy will be assumed to be a bad person and committing fraud. I think this is a step in the right direction. I appreciate it.

I also thank Senator HATCH and Senator LEAHY on the other issue that they have agreed to place into the managers' amendment: My amendment to ensure that public education expenses are protected in bankruptcy as well as private education expenses. I am very pleased that would be in the managers' amendment.

I will not ask for a rollcall vote but a voice vote on my amendment, as modified.

The PRESIDING OFFICER. Does the Senator from Utah yield back time?

Mr. HATCH. I am happy to accept this amendment and modification. I yield back whatever time we have.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 42, as modified.

The amendment (No. 42), as modified, was agreed to.

Mrs. BOXER. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 105

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, a number of Senators have been discussing the issue of, for want of a better word, the cramdown issue. I ask unanimous consent that it be in order, notwithstanding cloture, to send to the desk an amendment related to the so-called cramdown issue, and that it be considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 105.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To change the period for no cramdown of debt secured by an automobile from 5 years to 3 years)

On page 138, line 19, strike "5-year", and insert "3-year".

Mr. LEAHY. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? The question is on agreeing to amendment No. 105.

The amendment (No. 105) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I further ask unanimous consent that the Senator from New Jersey be recognized for up to 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Mr. President, I thank the distinguished Senator from Nevada for yielding the time.

For more than 4 years, this body has considered the need for comprehensive bankruptcy reform. I have been very proud in each of those years to work with Senator HATCH and Senator GRASSLEY in accommodating the needs of individual Senators in fashioning what I think is a fair and balanced approach.

I am certainly grateful to each of them, as well as Senator BIDEN, Senator SESSIONS, and Senator LEAHY, for what I think has been an extraordinary and a very balanced approach on incredibly complicated legislation that has accommodated so many individual Senators.

We are now approaching the end of this very long and detailed debate. I think it is worth noting, as we approach a final vote, that the legislation before the Senate has not only been considered for many years but has received extraordinarily broad and deep support in the Congress. Indeed, very similar legislation passed the House of Representatives 2 weeks ago on a bipartisan basis with more than 300 votes.

That legislation provided an important change to what is, by any reasonable assessment, a very flawed bankruptcy system. Indeed, the best evidence of the need for this reform is that in 1998 alone, in the midst of one of the greatest economic expansions in American history, nearly 1.5 million Americans sought bankruptcy protection. This is a staggering 350-percent increase since 1980.

Indeed, while the filings may have been reduced slightly in 1999, they are still far too high. It is estimated that 70 percent of filings were made in chapter 7, allowing a debtor to obtain relief from almost all of their unsecured debts. Conversely, only 30 percent of petitions filed were under chapter 13, which requires a repayment plan. This is the heart of the problem. People with an ability to repay some debts are repaying almost no debts because current bankruptcy law allows them to choose, totally escaping responsibility.

The Department of Justice estimated that 182,000 people last year could have repaid some of these debts and didn't. The question has come to the floor of the Senate, these 182,000 people, representing some $4 billion that could have been repaid but escaped repayment, what this means in public policy. Members of the Senate appropriately have raised questions about the impact on families, on poor people, on middle-income people, and on small businesses. Each of us has an obligation to ensure people meet their responsibilities, that we are not ending the opportunities for people who want, need, and deserve a second chance in American life.

To our credit, in our system we have allowed people who often, through no fault of their own, face bankruptcy to get another chance. We have been particularly sensitive to the poor, that those who have been disadvantaged or face tragedy in their lives are given a chance to reorganize their lives, to start over, through the protection of bankruptcy. It is important that every Member of the Senate know that this bankruptcy bill was rewritten to be sensitive to these needs, and more.

It has been argued on the Senate floor that these protections would help large American companies—credit card companies, banks, large retailers—who sometimes now are left with the price of inappropriate bankruptcies. It may help their interests. But how about the small retailer or the consumer who ultimately pays for inappropriate bankruptcies? How about the small business—the contractor, the subcontractor—that is left to absorb the cost of these inappropriate bankruptcies? It happens every day. As when one person or business inappropriately files for bankruptcy, though they could pay the bills and escape their obligation, that cost is passed along, not only to the consumer who pays more for everything in every store through every product but the subcontractors, the mom-and-pop businesses that are sometimes forced out of business by abuse of the bankruptcy law.

I believe this reform and these changes protect them as well. But even so, if we did so while still victimizing the single mother or the child or child support, it wouldn't be worth doing. Indeed, I would be here opposing the bill rather than fighting for it.

That is not what we did. This bill protects the American family, the vulnerable child, the single mother. Under current bankruptcy law, a single parent and the child are seventh in line behind the Government, accountants, rent, storage, and tax claims. Under this bill, a mother and child seeking money in bankruptcy stand behind no one. They are first in line in claiming assets in any bankruptcy.

Second, the question has been brought to the Senate, How about those who are poor and seek protection in bankruptcy? Are they jeopardized if they are not single mothers or not children who, through no fault of their own, find themselves in bankruptcy?

This bill provides a waiver so any judge can use discretion to ensure any citizen who needs bankruptcy protection because of extraordinary or extenuating circumstances, who is otherwise not eligible, can and will get it.

Finally, the question has been raised on the Senate floor: Is it not true that all the fault of bankruptcy is not with the individual, it is sometimes with unscrupulous, unnecessary, even unconscionable credit solicitations? I cannot tell the Senate that in every way this bill provides all the consumer protection I think it should have. Rarely in the Senate do we get to vote on perfect legislation as envisioned by any Member. The question is, as in protection for women and children, Is it better than current law? Unquestionably, the answer is yes.

There are 3.5 billion solicitations for credit cards in America every year, 41 mailings for every man, woman, and child in the country. The issue before the Senate is, If this bill is passed, is the consumer better protected than under current law?

Under this bill, we will require the prominent disclosure of the impact of making only minimum payments every month so every consumer knows. Every consumer today does not know.

It will require the disclosure of late fees, what they will be, and when they will be imposed. That is not required under current law.

It will require disclosure of the date under which introductory or teaser rates will expire, as well as what the permanent rate will be after that time. That is not required under current law.

I do not say this will provide perfect consumer protection but it is better consumer protection.

So in all these ways we have taken a difficult situation, recognizing the reality of abuse of bankruptcy laws, and provided a more fair bill, with access to the courts, protecting the most vulnerable with meaningful consumer protection. For all those reasons I ask Members of the Senate who on several occasions previously have voted for this bill to do so again, recognizing the balance we have tried to reach in one of the most extraordinarily complex pieces of legislation in which I have ever been involved, and that we follow our 300 colleagues in the House, vote for this legislation, get it to the President in the belief that he will sign bankruptcy reform and will provide these added protections for American businesses, large and small, and for American consumers.

With all the costs being imposed on American businesses in difficult and competitive times, one of the costs that should not be imposed is unfair and unreasonable petitions for bankruptcy from people and businesses that have the ability to repay these debts.

At long last, after all these years, having spoken on this floor more times than I care to remember for bankruptcy reform, this is my last speech. The Senate is nearing its last action. It is time to vote for the bill and implement bankruptcy reform. I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent the Senator from Delaware be recognized. We are trying to work out a unanimous consent agreement here. He will yield to us at such time as that is ready to go.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, I thank Senator REID. As we come to a conclusion on this bill, I just ask a couple of rhetorical questions I want us to consider. One of those is, do we believe as a people—not just as a Senate but as a people—that those in our country who incur substantial debt, in many cases through no fault of their own, should be able to gain access to help, to the forgiveness that can be found in a bankruptcy court? I think most of us would say, yes, they ought to have that right.

If we ask the second question: If someone filing for bankruptcy has the ability to repay a portion of their debts, should we expect that of them? I think most of us in this Chamber and across the country would agree, if they have the ability to repay a portion of their debts, they ought to do that.

Those are really the easy questions. The harder question in this debate is how do you determine who has the ability to repay a portion of their debts? In some cases, we give to a bankruptcy judge the discretion to make those decisions. In the legislation before us today, that we will vote on in a short while for final passage, we go a step beyond that. It is a good step.

What we do is provide, in essence, a safe harbor for those who really do not have a whole lot of money in the first place, so they can gain access to file under chapter 7 and not have to go through an extended process of demonstrating a need or lack of means.

The way it works is pretty simple. I will discuss it again. I want to reiterate it.

Those families whose income is below 100 percent of family median income—that is about $46,000 in Delaware for a family of four; in Alabama it might be $33,000; in Connecticut it might be $50,000—have a safe harbor. They can go right to chapter 7 and file. That is pretty much the ball game.

For those whose income is between 100 percent of median income and 150 percent of median income, they have the option to get an expedited review, and in all likelihood will go ahead and file under chapter 7 as well.

For those people who have extenuating circumstances, and they don't meet either the test of safe harbor, the test of 100 percent or 150 percent of median family income, or they have extra medical expenses, those can be taken into account. If they have extra expenses for educational needs, those can become extenuating circumstances. For people who have seen a marriage end or for people who have lost their jobs, those can be extenuating circumstances and be accounted for by a bankruptcy judge who is given discretion to decide whether or not a person can then go ahead and file under chapter 7.

There is another very important change in the bill. I would like to share a letter I received from the child support enforcement agency in my State. As in other States, Delaware has a child support enforcement agency to make sure parents meet their obligations to their children for whom they do not have custody. In my State, our child support enforcement agency endorsed this legislation.

Frankly, that has been the case in virtually every State across America. The reason they do it is simple. This legislation makes it more likely that people who have an obligation to the children for whom they don't have custody will meet their obligations. Similarly, people who have an obligation to their spouse or former spouse for alimony will meet that obligation.

Under current law, once satisfied in bankruptcy, there are secured creditors, and there is money left over. When it comes to unsecured creditors, children and former spouses are near the end of the line.

Under this bill, children, alimony payments, and child support payments move not to the end of the line under the nonsecured creditors but to the front of the line. That is an important change of which we need to be mindful.

I know not everybody agrees with what we have done. There is some disagreement as well.

We had debate on an amendment that said to those people who might try to take their assets and go to a State where there is no limit on the amount of money they can put into an estate, a home, or residence to protect it from bankruptcy—we have attempted to make a real change there—to the extent they would have done it, it would have had to have been at least 2 years before bankruptcy, and it is capped at $150,000.

I know that causes heartburn for some people. But it also goes a long way in protecting the abuses that occasionally occur when people do just that.

I thank Senator HATCH and Senator SESSIONS. I express my thanks to those on our side—especially to Senator BIDEN and Senator TORRICELLI, and others—who have worked real hard to get us to a compromise which I think is fairer to creditors and certainly fairer to those who incur debt than is the current case.

I think it significantly increases the ability for those who have the capability of paying their debts to do so while better ensuring that those who do not will not be punished.

I yield back the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENSIGN). Without objection, it is so ordered.

Mr. LOTT. Mr. President, I believe we are ready to go with a unanimous consent agreement which will allow us to complete action on this legislation and hopefully go to conference. Let me propound the request, see if we can get it locked in so that we can go ahead and get a vote here shortly. Let me note before I do that, we may allow, for instance, 10 minutes or 15 minutes for debate. I am assuming that maybe most of it will be yielded back. Obviously, you don't have to use the full time. That is why we do put some amount of time in here so that it will be available if there is a need for it.

I ask unanimous consent that Senator SESSIONS be recognized to offer his amendment No. 59, that it be considered in order, and there be up to 10 minutes for debate, and following that debate, the amendment be agreed to and the motion to reconsider be laid upon the table. I further ask unanimous consent that Senator FEINGOLD then be recognized to call up his amendment No. 51 and there be up to 15 minutes for debate and, following the debate, a vote occur.

I further ask unanimous consent that all of the pending amendments be withdrawn, and I ask unanimous consent that following that, the Senate proceed to a managers' amendment, to be followed by third reading of the Senate bill, and the Senate proceed to the House companion bill, H.R. 333, and that the text of S. 420 be inserted, the bill be advanced to third reading, and passage occur on H.R. 333, as amended, and the Senate bill be placed on the calendar.

Mr. WELLSTONE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Will the Senator allow me to make a statement?

Mr. LOTT. I yield to Senator REID for a comment at this point.

Mr. REID. I ask that we vote on the Senate bill. That is what we had agreed to do.

Mr. LOTT. Mr. President, on that, since the Chair asked for consent and it was objected to, Senator REID is suggesting that a change be made. For the information of all Senators, this is standard and routine language necessary to send a bill to conference. This action is made and agreed to 40, 50 times on average in a year of a Senate session. However, this objection indicates to me that, once again, the goal here is to try to make it difficult for us to get to conference. The Senator from Minnesota knows what the rules are and what his rights are. You recall last year we had a hard time getting the bankruptcy bill into conference. It was for a different set of reasons, but that is what we have here, too.

Again, I may have to go through some hoops to get this bill to conference. That could take some time, and I am prepared to do that, since there was objection heard. I think that with the kind of support this bill has, with Senators speaking for it on both sides of the aisle, and with 80 Senators voting to invoke cloture, surely a bill with that kind of support—and I assume there are going to be about 80 votes for it on final passage—we should find a way to get it to conference.

Since objection was heard, then I renew my request but amend it to withdraw the reference to the House companion bill so that passage would occur on the Senate bill.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, I say to my friend from Alabama principally, because of a Senator wanting to vote on the underlying Feingold amendment and time being so precious, would the Senator from Alabama agree to roll those, have his after Senator FEINGOLD debates his?

Mr. SESSIONS. We are not going to vote on my amendment.

Mr. REID. That is correct.

Mr. SESSIONS. I would like to have it accepted before, and I would not need but 1 minute to comment on it.

Mr. REID. Senator FEINGOLD is here on the floor. The other question is, he has another amendment; it was my understanding that that was not going to be offered.

Mr. FEINGOLD. I would just need a couple minutes to offer that as well.

Mr. LOTT. Mr. President, I thought we clearly had an understanding on that. That additional Feingold amendment was not included in the UC. I urge the Senators to let us proceed with this UC because we are under severe time constraints now. Could we proceed with the UC as requested?

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, reserving the right to object, I want to be clear on the amendment No. 51, that was No. 51, as modified. The leader originally said amendment No. 51.

Mr. REID. As modified.

Mr. FEINGOLD. As modified.

Mr. LOTT. We will make that change in the request: Amendment No. 51, as modified.

Mr. FEINGOLD. Although I had intended to offer the other amendment, given the situation here, even though it is a very worthy amendment and really should be brought up on the floor, I am going to withdraw it at this time.

Mr. LOTT. I would like to express our appreciation to Senator FEINGOLD for his willingness to do that in an effort to accommodate Senators on both sides of the aisle.

Mr. REID. Mr. Leader, I will just briefly say it is my fault. I explained that to Senator HATCH, and that was the agreement we had. I apologize to my friend from Wisconsin.

Prior to passage, Senator DASCHLE wishes 5 minutes and Senator JOHN KERRY 10 minutes.

Mr. LOTT. Mr. President, I would modify the request but also would need to reserve an equal amount of time for Senator HATCH or his designee of 15 minutes in addition to that 15 minutes.

Mr. SESSIONS. Reserving the right to object, I want to be sure that the modified language Senator FEINGOLD cared about and that he wanted in there—we have agreed on that language?

Mr. FEINGOLD. Mr. President, it is my understanding that we have agreed on the modification.

Mr. SESSIONS. I believe we have, and I will not object.

Mr. REID. The Chair has not accepted the unanimous consent agreement yet; is that true?

I have been informed that the manager on this side wants 5 minutes, and the manager on the other side wants 5 minutes before final passage.

Mr. LOTT. I believe Senator HATCH would be in control, or his designee, of a total of 20 minutes and 20 minutes on the other side divided among Senators DASCHLE, LEAHY, KERRY and I hope none of them will take the full time.

The PRESIDING OFFICER. Is there objection to the leader's request, as amended?

Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 59, AS MODIFIED

Mr. SESSIONS. Mr. President, I offer my amendment No. 59, as modified.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 59, as modified.

The amendment is as follows:

On page 148, strike line 4 and all that follows through page 151, line 15, and insert the following:

(a) IN GENERAL.—Section 362(b) of title 11, United States Code, is amended—

(1) by inserting after paragraph (21), as added by this Act, the following:

"(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property—

"(A) on which the debtor resides as a tenant; and

"(B) with respect to which—

"(i) the debtor fails to make a rental payment that first becomes due under the unexpired specific term of a rental agreement or lease or under a tenancy under applicable State, or local rent control law, after the date of filing of the petition or during the 10-day period preceding the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification upon the debtor; or

"(ii) the debtor has a month to month tenancy (or one of shorter term) other than under applicable State or local rent control law where timely payments are made pursuant to clause (i), if the lessor files with a court a certification that the requirements of this clause have been met and serves a copy of the certification upon the debtor.

"(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property, if during the 2-year period preceding the date of filing of the petition, the debtor or another occupant of the leased premises—

"(A) commenced another case under this title; and

"(B) failed to make any rental payment that first became due under applicable nonbankruptcy law after the date of filing of the petition for that other case;

"(25) under subsection (a)(3), of an eviction action, to the extent that it seeks possession based on endangerment of property or the illegal use of controlled substances on the property, if the lessor files with the court a certification that such an eviction has been filed or the debtor has endangered property or illegally used or allowed to be used a controlled substance on the property during the 30-day period preceding the date of filing of the certification, and serves a copy of the certification upon the debtor;"; and

(2) by adding at the end of the flush material at the end of the subsection the following: "With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in any such paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under any such paragraph, unless—

"(A) the debtor files a certification with the court and serves a copy of that certification upon the lessor on or before that 15th day, that—

"(i) contests the truth or legal sufficiency of the lessor's certification; or

"(ii) states that the tenant has taken such action as may be necessary to remedy the subject of the certification under paragraph (23)(B)(i), except that no tenant may take advantage of such remedy more than once under this title; or

"(B) the court orders that the exception to the automatic stay shall not become effective, or provides for a later date of applicability.".

(3) by adding at the end of the flush material added by paragraph (2), the following:

Where a debtor makes a certification under subparagraph (A), the clerk of the court shall set a hearing on a date no later than 10 days after the date of the filing of the certification of the debtor and provide written notice thereof. If the debtor can demonstrate to the satisfaction of the court that the sent payment due post-petition or 10 days prior to the petition was made prior to the filing of the debtor's certification under subparagraph (A), or that the situation giving rise to the exception in paragraph (25) does not exist or has been remedied to the court's satisfaction, then a stay under subsection (a) shall be in effect until the termination of the stay under this section. If the debtor cannot make this demonstration to the satisfaction of the court, the court shall order the stay under subsection (a) lifted forthwith. Where a debtor does not file a certification under subparagraph (A), the stay under subsection (a) shall be lifted by operation of laws and the clerk of the court shall certify a copy of the bankruptcy docket as sufficient evidence that the automatic stay of subsection (a) is lifted.

Mr. SESSIONS. Mr. President, Senator FEINGOLD and I have worked on this for some time. He cares very deeply about this. I did, too, as a matter of legal principle and what I thought was correct. I think we have language with which both of us can live. The perfect being the enemy of the good, we might as well just take the good and bring this matter to a conclusion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, as the Senator from Alabama suggested, I don't think either one of us is entirely happy with the outcome of this. I hope we have something that takes a more reasonable approach to the landlord-tenant situation.

Mr. SESSIONS. Mr. President, I yield back my time on the amendment and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Under the previous order, the amendment No. 59, as modified, is agreed to.

The amendment (No. 59), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

AMENDMENT NO. 51, AS MODIFIED

Mr. FEINGOLD. Mr. President, I send amendment No. 51, as modified, to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows.

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. THOMPSON and Mr. WELLSTONE, proposes an amendment numbered 51, as modified.

The amendment is as follows:

(Purpose: To strike section 1310, relating to barring certain foreign judgments)

On page 439, strike line 19 and all that follows through page 440, line 12.

Mr. FEINGOLD. Mr. President, I am happy to be joined in offering this bipartisan amendment by the Senator from Tennessee, Mr. THOMPSON, and the Senator from Minnesota, Mr. WELLSTONE. I ask unanimous consent they be listed as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, this amendment would delete section 1310 from the bill. Section 1310 is the epitome of a special interest fix—its language purports to be general, it identifies no particular person, but it is targeted to affect only a tiny number of people who were involved in cases arising out of transactions with Lloyd's of London, a large multinational insurance company.

Those people who invested with Lloyd's are called "names." This provision, which bars the enforcement of certain foreign judgments against some of the "names" has nothing whatsoever to do with bankruptcy law. Very few people have heard of it but it has some history: It has been quietly promoted for at least a couple of years now, but it has never been the subject of a full hearing in the Judiciary committee. It found its way into the conference report that served as a vehicle for bankruptcy legislation last year, although it had never been debated or discussed in committee or on the floor. Let me emphasize that point: this special provision was nowhere to be found in the Senate bankruptcy bill in the last Congress. Nor was it in the House bankruptcy bill last year. Yet somehow, late last year, it was quietly slipped into the conference vehicle that was negotiated in secret. That vehicle was the empty shell of a bill unrelated to bankruptcy, into which was inserted the version of the bankruptcy bill favored by the majority leadership, along with the special-interest provision that my amendment seeks to strike. Somebody in Congress arranged that, but nobody in Congress ever voted on it. In the end, last year's conference report was vetoed.

As a result Section 1310 has been treated as part of the bill we started with this year, and it has reappeared in the version of the bill before us: the same provision, designed to assist only about 250 investors in Lloyds of London, the Names, who lost money on asbestos-related claims in the 1980s. These individuals had judgments entered against them in British courts, and American courts repeatedly have declined to throw out those judgments. In fact, eight circuit courts have ruled that these investors' disputes with Lloyds should be settled in British courts. Now, to be fair, the Names have attorneys who argue that the British courts won't treat their clients fairly and that their clients have suffered as a result. So they have been seeking special treatment from the Congress, and if the final conference vehicle had not been vetoed last year they would have succeeded.

Mr. President, this provision has been opposed by the State Department, under President Bill Clinton and George W. Bush. The State Department is worried about the impact of a law that gives the back of the hand to respected foreign courts, courts that we will rightly expect to respect and enforce the judgments of American courts. Here is what a State Department spokesman had to say about this issue in a Reuters article, dated March 13:

> We have reservations about section 1301. There are commercial disputes involving U.S. and British companies every day. It is inevitable that, in some of those disputes, U.S. parties will lose.
>
> But this cannot be the basis for the U.S. Congress to overturn decisions of both British and U.S. courts. Such action would be directly at odds with our own international economic policy, which promotes a rules-based system premised on the rule of law to protect U.S. investors abroad.

Just this morning Mr. President, I received a letter in support of our amendment, signed by Secretary of State Colin Powell and Secretary of the Treasury Paul O'Neill.

I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, March 15, 2001.

Hon. RUSSELL D. FEINGOLD,
U.S. Senate.

DEAR SENATOR FEINGOLD: We write in support of the amendment that you and Senator Thompson have introduced to S. 420 (The Bankruptcy Reform Act). The Administration supports the overall bankruptcy reforms contained in S. 420. However, the Administration opposes Section 1310, which would bar enforcement in the United States of any foreign judgment between 1975 and 1993 if a U.S. court finds that the judgment was derived from fraud.

Section 1310 is intended to provide relief for some American investors who have a private commercial dispute with the Lloyd's of London (UK) insurance market that, according to the contracts they signed with Lloyd's, must be heard in British courts. U.S. courts have dismissed all attempts by these investors to sue here, requiring that they resolve their dispute in the United Kingdom as provided by their contractors. U.S. courts have upheld the enforcement of the U.K. court judgments. The investors now want legislation to overturn these decisions.

By directing the outcome in these court cases, Section 1310 has the potential to undercut the rule of law as it applies across international borders today, with serious consequences for U.S. commercial and other interests. Commercial disputes involving American and British companies arise every day, and it is inevitable that American parties sometimes lose. However, that cannot be the basis for federal legislation to overturn the decisions of both British and U.S. courts. Such action would be directly at odds with our goals of promoting a rules-based system to protect U.S. investors abroad.

The American investors have had the opportunity to argue the merits of their position before U.S. courts, as well as in the United Kingdom, but have not prevailed. For example, under U.S. law, our courts can refuse to enforce foreign court judgments if they find that the foreign court failed to follow fundamental standards of fairness and due process, or if the judgments violated our public policy. State and federal courts hearing these cases have not found this threshold to be met.

In these circumstances, intervening in these private commercial matters through legislation could open the door to reciprocal treatment in other countries. The result would be to undercut the orderliness and predictability that are essential to international business transactions and crucial to our Nation's economic well-being. It could also weaken our ability to negotiate new international rules on enforcement of civil judgments and to promote the enforcement of child custody cases.

We respectfully urge that the Senate adopt the amendment to remove Section 1310 from the Bankruptcy Reform Act.

Sincerely,

PAUL H. O'NEILL,
Secretary of the Treasury.
COLIN L. POWELL,
Secretary of State.

Mr. FEINGOLD. The Organization for International Investment, the National Association of Insurance Commissioners, and the Council of Insurance Agents and Brokers oppose the provision because of their concern over its potential impact on the international insurance market.

Now I realize there are arguments on the other side. The Names argue that they were defrauded by Lloyds, misled into investing when Lloyds knew that there were going to be many claims based on asbestos litigation. And despite their consistent losses in courts on both sides of the Atlantic, they might be right, and maybe the courts have been wrong not to let them make their claims of fraud in the way that they desired.

They may believe they were right to try to avoid the judgments against them. But Mr. President, I don't think we in the Senate are in a better position than the courts to assess those arguments at this point. I am not yet convinced that this is a matter that should be addressed by legislation, certainly not by bankruptcy legislation, and very certainly not without a hearing. At the very least, we need to have a full hearing and air these issues in a public forum, that will lend itself to a thoughtful and deliberate consideration of the issues. The kind of insiders' deal that led to this provision being added for a small group of people should be unacceptable to anyone who cares about maintaining the people's confidence in the integrity of the legislative process.

I hope my colleagues will join me in this bipartisan effort to strike this provision for a few simple reasons: It is a special deal for a very small group of people—they represent about one one-millionth of our population, but they somehow had the clout to get it inserted into the bill; it will undermine the ability of American courts to see their judgments enforced abroad; and it has not been fully considered by the Judiciary Committee or the full Senate—there have been no hearings, no debate and until the last few days, no knowledge by most members that this provision was even a part of the bill.

We should strike Section 1310 and then we should ensure that it does not sneak back into the bill at a later date. If we adopt this amendment, I will keep an open mind on the issue of the remaining Lloyds names if it comes before the committee in the future, and I won't oppose a request to the chairman of the Judiciary Committee to schedule a hearing to examine the issues in full if the Names wish to pursue a legislative remedy through the normal channels. But until then, this special interest provision has no place in the bankruptcy bill or any other bill.

Mrs. LANDRIEU. Mr. President, I have received a number of letters on this subject. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

New York, NY.

Re 8-420 Bankruptcy Abuse Prevention and Consumer Protection Act of 2001, Sec. 1310. Enforcement of Certain Foreign Judgments Barred.

Dear Senator Landrieu: I write to enlist your support in protecting hundreds of innocent victims from what many consider to be the biggest, most sophisticated, deliberate securities fraud in financial history that has been perpetrated by Lloyd's of London.

In the mid-seventies, when Lloyd's realized the extent of their exposure from underwriting insurance policies exposed to huge losses from asbestosis and pollution they set out to recruit Americans and other foreign investors to fund their losses. They did this with what we now know were fallacious financial statements for unregistered securities. More than three thousand Americans, who are called Names, were recruited. They were induced on the basis of Lloyd's three hundred year history to undertake what was purported to be a safe, conservative investment. My involvement with Lloyd's has resulted, so far, in the loss of my family home, over three hundred thousand dollars and my good health. Stress from Lloyd's produced heart attack. Am 77.

Over the years, many Names have become old and the draining of their resources has brought much hardship to those employed and to those no longer employed, especially those who were counting on some income from their Lloyd's investment to help sustain them in retirement. The constant stress, effort and anxiety endured in battling for our constitutional right to a fair trail, which Lloyd's has fought with over eighty million dollars paid to lawyers, lobbyists and campaign contributions to legislators and insurance commissioners, has taken a toll on all of us. Names have already sacrificed millions of dollars, stock and real estate to satisfy Lloyd's claims, but they are not through with having us cover their losses and that is why we need your help in passing Sec. 1310. I implore you to resist efforts by those conspiring to deny Names of their right to due process. The deceit and arrogance of Lloyd's can no longer be tolerated.

For the full, sordid story of fraud at Lloyd's I refer you to www.truthaboutlloyds, the special twenty-four page report in the February 21, 2000 European Edition of Time magazine and current articles in the Los Angeles Times on the former California Insurance Commissioner's acceptance of gifts and four hundred thousand dollars from Lloyd's and their lawyers, LeBoeuf, Lamb, Greene & MacRae, for among other things promoting opposition in the insurance and legal communities to the just claims and interests of the Names.

Thank you for your kind attention and, I hope, your vote in favor of S. 420, Sec. 1310.

Yours truly,

Edith Anthoine.

San Antonio, TX,
March 13, 2001.

Hon. Mary Landrieu,
Hart Office Building,
Washington, DC.

Dear Senator Landrieu: I am an 80-year-old grandmother who has worked and saved all my life and who attempts to live honorably, only to be cheated and lied to by fancy pants, smooth talking Englishmen representing Lloyd's of London. For the past decade I have been traumatized by their threats. Much of my life savings have been depleted by their fraudulent representations. They have used every legal trick known, plus many they invented, to keep out of U.S. courts because they, along with those who have aided and abetted them, know that their lawlessness and misdeeds would be exposed.

As I understand the Bankruptcy Bill, Section 1310 prohibits the granting of a foreign judgment without giving the defrauded defendant an opportunity to present the merits of his/her case in a U.S. court. It seems to me that any fair-minded person would savor the justice implicit in this Amendment. Foreign interlopers who commit fraud in this country should not use the technicalities of foreign judgments to harvest their fraudulent gains. This will provide Constitutional due process to me and other Lloyd's victims. It will also provide American due process to future victims of fraud by foreigners.

I urge, and count on you to enthusiastically support this Amendment. Thank you for your help on this vital matter.

Sincerely yours,

Joan B. Wilson.

March 13, 2001.

Dear Senator Landrieu, I am a senior citizen and am among those who have been hurt by Lloyds.

Right now, of course, I need what funds I do have to live on as I cannot work anymore. We (my now deceased husband & myself) had to sell an income producing apartment house in downtown Reno in order to pay what they requested of our letter of credit. In addition they wanted even more than that. We could not pay it. So, we were not "wealthy Americans" who could afford a big loss, or who refused to pay—we just didn't have it.

With the constant threat of Lloyds grabbing everything—life as you may understand—was not easy. However, compared to those who went bankrupt or homeless—as dreadful as our situation was, we were better off than those who went bankrupt or lost their homes. Lloyds is without a conscience.

Sincerely,

Beverly Hudson.

New Orleans, LA,
March 13, 2001.

Re Section 1310 of the Bankruptcy Bill (S-420).

Hon. Mary Landrieu,
Hart Senate Office Building,
Washington, DC.

Dear Senator Landrieu: I am a 72-year-old widow whose husband was an investor in Lloyd's of London along with my son and daughter. When my husband learned of Lloyd's fraud and the devastating affect it could have upon our two children he spent tireless hours attempting to right this very very wrong. It seemed at every turn, Lloyd's was far too powerful and far too well heeled, for my husband to fight this massive institution. As the stress continued to mount against him, in November of 1993 he died of a heart attack.

What Lloyd's of London did to my husband and my family, I will never forgive. It is my understanding that you are making the effort to stand up for the rights of Lloyd's investors by urging the passage of Section 1310 in the Bankruptcy Bill. It is my understanding that Section 1310 is designed to provide a level playing field, something that neither my husband nor children have had in connection with their investment at Lloyd's. You are absolutely doing the right thing.

I would ask that you let other colleagues in the Senate know that if Section 1310 is not passed it will likely wipe out all that my husband and two children have worked for. I ask for my children, that you ask your colleagues to pass Section 1310 and give all of Lloyd's investors a fighting chance to put Lloyd's fraud behind them forever.

I would also like to thank you very much on behalf of my family for taking the time to correct this wrong and not having asked for anything in return.

Thank you very much,

Ruth G. Tufts.

San Antonio, TX,
March 13, 2001.

Senator Mary Landrieu of Louisiana,
U.S. Senate.

I am writing to you about S. 420 Bankruptcy Bill, Sec. 1310. I am desperately in need of your support of this legislation. It will allow me to raise a defense of fraud prior to any enforcement of Lloyd's of London judgment against me issued by a thoroughly biased English Court. Why is Lloyd's so fearful of facing the U.S. Justice system if they are not guilty?

Lloyd's of London purposely withheld and actively concealed information from U.S. citizens regarding existing asbestos claims. I foolishly believed their prior reputation and invested the inheritance that my father worked so hard for—only to lose it all—and much more. I was repeatedly falsely reassured in written communications that "things would certainly improve next year". As you no doubt know, the U.S. Justice Department and Postal Service is currently investigating Lloyd's. How can they have any credibility at all? I resigned in 1993 and have been fighting them at great financial and emotional expense ever since.

I am not a wealthy person. I am the same Shirley Cook, third grade teacher, mentioned in the Time Magazine article of February 28, 2000. I am now retired, age 65 and receive slightly over $20,000.00 per year in retirement. I live in a quite average house with a leaky roof and currently drive a seven-year-old automobile.

Lloyd's has offered me a "settlement" of its fraudulent claims against me, but offer no legitimate proof of the validity of their demands. Even worse, there is no finality. If they want more money anytime in the future, all they have to do is bill me. If I move, I must notify them of my whereabouts! In fact, by payment of the settlement offer, I absolve them of any past, present or future claim of fraud and give up all rights to recourse of any kind. This is certainly not the American way. It is a travesty, and to me, personally, a tragedy.

I implore you to vigorously support and vote for justice for the Americans, your constituents, who were ill treated by a foreign court favoring a dishonest foreign company.

Most respectfully,
SHIRLEY M. COOK.

SAN ANTONIO, TX,
March 13, 2001.

Hon. MARY LANDRIEU,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LANDRIEU: As an 80 year old grandmother, who has been thoroughly skinned by Lloyd's of London, I am again dismayed by their arrogance and audacity in coming to Washington to oppose legislation aimed at assuring Americans Constitutional due process in United States courts.

It is obvious to me that they are afraid that a trial on the merits would expose their fraud and deviousness. The United States Department of Justice, the Postal Service and the California Attorney General all seem to smell a rat in their behavior. Please don't let them pull the wool over the eyes of the Senate. I plead with you to support Section 1310 of the Bankruptcy Bill.

Trusting your wisdom and support, I remain

Respectfully and sincerely yours,
JOAN B. WILSON.

NEW YORK, NY,
March 13, 2001.

Senator MARY LANDRIEU,
U.S. Senate,
Washington, DC.

DEAR SENATOR LANDRIEU: I write to you in explanation of why it seems so terribly important that you vote for the bill which includes section 1301: it's a request for your understanding of the difficulty of being 79 years old and under acute stress because I wait to see what terrible move Lloyd's will make next. I'm not the suicide type and I intend to fight to the last ditch, but they have made light of the many years I have worked and lived carefully, of the fact that I trusted them on their assurance that Names would be first in their consideration, that they would certainly honor my request for modest and safe participation in their investments.

I had a sum of money because I lost my husband in an airplane accident from which I miraculously was rescued. The court awarded me some money. That together with my earnings which were at the time $39,000 annually, gave me $400,000, which was enough for them to accept me. Obviously it had to be a modest participation. I told them my goals were to make a bit of supplementary money annually. They appeared to understand. But what they did was something else again. They put me on syndicates which they knew to be already treacherous—with upcoming liabilities of billions of dollars. What kind of a character does that? Do they deserve the immunity that their courts have granted them? The inside traders all took themselves off the syndicates. The man who handled my affairs retired (in his 50s) and I should have suspected.

I'm still working. I really dare not stop. If we can get 1301 through, we will not be ducking our debts. We will simply be getting the time and opportunity to bring our fraud charges to the American court system where we as citizens should be able to plead our case and have it aired once and for all. Please help to give us that chance.

Thank you for your attention to my letter.

Sincerely yours,
BARBARA LYONS.

NEW ORLEANS, LA,
March 13, 2001.

Re Section 1310 of the Bankruptcy Bill (S-420).

Hon. MARY LANDRIEU,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LANDRIEU: I respectfully urge your continued support of Section 1310 and that you inform your Senate colleagues of the importance of this provision, which will do no more than give me and hundreds of other defrauded U.S. citizens the ability to defend ourselves against the fraud perpetrated by Lloyd's of London.

Already as a result of Lloyd's fraud, I have had several hundred thousand dollars confiscated by them; my wife and I have partitioned our community to protect what is left of our estate, and I have spent countless hours and spent thousands of dollars in attorneys fees preparing for bankruptcy and otherwise fighting the terrible Lloyd's nemace.

If Section 1310 is not adopted, it is highly likely that Lloyd's will successfully (and wrongly) reap the rewards of their fraud against those hundreds of U.S. citizens and, personally, require me to file for bankruptcy.

As always, your help in protecting me, the citizens of Louisiana, and in this case hundreds of U.S. citizens across the country, is most appreciated.

Sincerely,
THOMAS O. LIND.

Mr. THOMPSON. Mr. President, I agree with my colleague's assessment. This is simply an effort to abrogate a series of contracts. This was a contract dispute involving thousands of people; 97 percent of those people settled those lawsuits. There were some who didn't settle them. They went to court in England and raised a fraud claim and lost. They went to court in this country and raised the fraud claim and lost.

In fact, there were two sets of lawsuits in England and two sets in America, and in every case the ultimate disposition at the appellate court level—five appellate courts in the U.S. ruled on the venue question, for example. In each and every case, they had their day in court and they lost. Some of them were on the fraud issue and some on other issues.

The bottom line is that it is not our job in Congress to determine factual issues in a lawsuit. So after having lost two sets of lawsuits in each country, they have here a provision in the bankruptcy bill that would in effect open the lawsuit again. It says, "notwithstanding any other provision of law or contract . . .." So it is a clear abrogation of contracts and opens the situation again for courts in this country.

In addition to that, I am afraid it is clearly unconstitutional. Specifically, it violates article III in that it represents a congressional attempt to dictate a result with respect to the parties in a final determination by an article III court. As Judge Posner, of the Sixth Circuit, said, this thing has been litigated in England. The English system comports to our system. It is not exactly as if there was a due process of law situation. Most of us understand from where our court system comes. It was litigated. By this law, we are attempting to open up and overturn a final determination by an American court. If we get in the business in the Congress of overturning lawsuits with results we don't like, we will have clearly gone down a slippery slope and will be going contrary to the rule of law.

Secretary Powell and Secretary O'Neill have sent us a letter, and it contains this provision:

> By directing the outcome in these court cases, Section 1310 has the potential to undercut the rule of law as it applies across international borders today, with serious consequences for U.S. commercial and other interests.

I think they are right. Our sympathy is with the 300 or so Americans who had the opportunity to litigate this and lost, just as our sympathy is with the several thousand people who lost money and settled the lawsuits.

But the rule of law must prevail, and we must be concerned about our own commercial interests if, in fact, we do this when we have a British citizen over here in our court that makes a similar determination.

Mr. FEINGOLD. Mr. President, how much time do I have?

The PRESIDING OFFICER. Two minutes.

Mr. FEINGOLD. I ask the Senator from Tennessee if he will yield so I can offer a minute to the Senator from Texas and a minute to the Senator from Delaware.

Mr. THOMPSON. Yes.

Mr. FEINGOLD. I thank the Senator from Tennessee.

I yield a minute to the Senator from Texas.

Mr. GRAMM. Mr. President, all over the world tonight, legislative bodies are meeting to try to protect their citizens from living up to obligations that they have with American economic interests. All over the world tonight, legislative bodies that don't live up to the standards we have set for this, the greatest deliberative body in history, are trying to change domestic laws to make it possible for people to violate international standards of business.

There is no one in this body I care more about than the distinguished Senator from Alabama, and I have no doubt that there may very well have been wrongs committed in terms of selling people part of this liability. But I urge my colleagues tonight to look at the big issue of the viability of world commerce, and the enforceability of contracts, and to live up to the standards of the greatest deliberative body in history by adopting this amendment.

Mr. FEINGOLD. I thank the Senator.

I yield the remainder of my time to Senator BIDEN.

Mr. BIDEN. Mr. President, I associate myself with the remarks of the Senator from Tennessee, as well as the Senator from Texas. International relations, this would be a very serious mistake for us to make. Beyond commerce, this will do damage, in my view, to our relations also with Great Britain. This will make it difficult for us to make the case that when we want foreign courts to make concessions based upon our needs, for them to be willing to do so, I think it is a mistake.

I understand and admire the Senator from Alabama for his desire to protect the interests of a citizen or citizens of his State, or others, but I think this is a mistake.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama has 7½ minutes.

Mr. SESSIONS. Mr. President, I will refer to a letter from Congressman HENRY HYDE, chairman of the House of Representatives Committee on International Relations and former chairman of the House Judiciary Committee, a man of great knowledge and experience. He says:

> This provision does not impact State regulation of insurance and it does not violate any treaty obligations of this country. Consistent with the Hague Convention, recognition of a foreign award may be refused if the court in the country where enforcement is sought finds that "recognition or enforcement of the award would be contrary to the public policy of that country." It certainly is contrary to the public policy of this country [Chairman Hyde continues] for an individual to be defrauded and then denied the right to assert fraud as a defense.

I ask unanimous consent to have printed in the RECORD letters from the former Chief Justice of the Supreme Court of Alabama, and a former Democratic Senator from this body, Howell Heflin, who said:

> As a former judge, I am appalled at this entire situation.

I also ask unanimous consent to have a letter from Senator ROBERT KERREY of Nebraska and MARY LANDRIEU of Louisiana in reference to this matter, as well as a letter from Laura Unger, acting chairman of the Securities and Exchange Commission, printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SECURITIES AND EXCHANGE COMMISSION,
Washington, DC, March 1, 2001.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN OXLEY: Thank you for your letter dated February 28, 2001 regarding Lloyd's of London. As you stated in your letter, the SEC has filed a number of briefs amicus curiae with United States Courts of Appeals stating that forum selection provisions entered into between Lloyd's and plaintiffs in the cases violated the anti-waiver provisions of the United States federal securities laws. The SEC stated that these provisions acted to prohibit courts from giving effect to contractual provisions precluding purchasers from obtaining relief under the federal securities laws.

As we stated in our briefs, Congress has made a legislative determination of the rights and obligations necessary to protect investors in the United States and directed that those provisions cannot be waived. As a result, we continue to believe that the antiwaiver provisions of the federal securities laws render void any agreement to waive compliance with those laws. The SEC, however, submitted its briefs solely to address the legal issue of the applicability of the anti-waiver provisions and took no position on any other issue.

I hope this information is helpful. If you have any further questions, please do not hesitate to contact me.

Sincerely,

LAURA S. UNGER,
Acting Chairman.

U.S. SENATE,
Washington, DC, May 16, 2000.

Hon. ORRIN HATCH,
Chairman, Committee on the Judiciary, Washington, DC.

DEAR MR. CHAIRMAN: We are writing you regarding an issue of concern to a number of us on both sides of the aisle. As we understand it, you are aware that English courts have entered summary judgments against hundreds of Americans who contend that they were defrauded in the United States by Lloyd's of London. These Americans were deprived of the right in these actions of raising a fraud defense to Lloyd's claims. As a result, they have asked Congress to give them the right to raise their fraud claims in any collection action brought by Lloyd's in the United States. They are merely asking to have their day in court.

Enclosed is a copy of the proposed language which would provide these Americans with the right to their day in court. As you will see, it is limited in scope and the burden of proof will be upon those seeking to raise a fraud defense to prove such fraud. The amendment would in no way mandate how a court might ultimately decide whether fraud occurred. It simply gives these Americans their day in court.

We hope that it could be included in the pending bankruptcy legislation when it emerges from conference. We would appreciate your consideration in this regard.

Sincerely,

MARY L. LANDRIEU,
U.S. Senator.

HOWELL HEFLIN,
U.S. SENATOR (RETIRED),
Tuscumbia, AL, March 2, 2001.

Hon. RUSSELL D. FEINGOLD,
U.S. Senator, Hart Senate Office Building, Washington, DC.

DEAR RUSS: I am writing you about a matter which will be on the Senate floor next week. I would prefer to visit directly with you, but unfortunately I am unable to make the trip at this time.

Our State Democratic Party chairman here in Alabama, Jack Miller, and his law firm are old friends and supporters who have been involved with me from the time I first ran for Chief Justice of the Alabama Supreme Court and throughout my political career. They tell me that over the last three years, they have been working with a group of Americans who invested in Lloyd's of London and they have been trying to help them secure "their day in court." This group invested in the 1980s before it was generally known that Lloyd's was facing horrendous asbestos losses. When they invested, they were not told of these losses. Obviously, had they been aware of the losses, they would not have made the investments.

Despite the strong support of the SEC, including the SEC's filing of amicus briefs with various courts, these Americans have not been allowed to assert their claims of fraud by Lloyd's. Lloyd's has used an agreement executed by agents appointed by Lloyd's to preclude these Americans from raising fraud as a defense. Lloyd's did this by passing a by-law which authorized Lloyd's to appoint an agent for the investors. The agent then signed away the investors' right to assert fraud as a defense or to question how Lloyd's had calculated what they allegedly owed. As a result of the agent's actions, the investors were just given a sheet of paper with the amounts owed and no backup information and they were not permitted to question how the numbers were calculated. Some of the investors instructed their agent not to sign away their rights and those agents which followed the investors' instructions were replaced by Lloyd's with an agent which would do as Lloyd's instructed in direct contravention of the instructions from the principal.

As a former judge, I am appalled at this entire situation. As I understand it, the provision in the pending bankruptcy bill, Section 1310, simply will give these Americans the right to have their case heard. The burden will be on them to prove by clear and convicing evidence, the highest civil standard, that they were defrauded.

There are no treaty implications. The Hague Convention only applies to arbitral awards, not judgements. Further, Article V of the Convention permits host countries to refuse enforcement of judgements which contravene the public policy of the host country. It would be difficult to find a situation which is more clearly against our country's public policy.

I hear that you have been concerned over the increasing use of arbitration provisions in the United States. Likewise, I am seriously concerned. What Lloyd's is attempting to do takes such provisions to a new level. The consumer is not only expected to sign away his constitutional rights and securities law protections, it can be done for him by another who is appointed his agent by the other party.

Finally, I gather that you have some questions regarding how this provision became part of the bankruptcy bill. As I understand it, my friends here in Alabama have been working for years to find a legislative vehicle to help these Americans secure a day in court. They have had bipartisan support, including former Senator Bob Kerrey and Senator Mary Landrieu. During their efforts over the last several years, the firm contacted Senator Jeff Sessions since the firm and Senator Sessions are both from Mobile. As a former U.S. Attorney, Senator Sessions agreed that these people had not been accorded their rights and he agreed to support their efforts.

I know that my friends here in Alabama would like the opportunity to meet with you and to respond to any questions you might have concenring this matter. If your scheduled permits this to occur, please let me know.

Thank you for considering what I have to say. I hope that it won't be too long before we can visit in person again.

Sincerely yours,

HOWELL HEFLIN.

HOUSE OF REPRESENTATIVES, COMMITTEE ON INTERNATIONAL RELATIONS,

Washington, DC, March 5, 2001.

Hon. JESSE HELMS,

Chairman, Senate Committee on Foreign Relations, Washington, DC.

DEAR CHAIRMAN HELMS: I am strongly supportive of Section 1310 of S. 420, the Bankruptcy Reform Act of 2001, and I seek your support of this provision as well. It is important that this provision remain in the Senate bill and not be stricken.

This provision is necessary to allow American investors who believe they may have been defrauded by Lloyd's of London an opportunity to be heard in American courts. Section 1310 is narrowly drafted to address the unique circumstances facing those Americans who were recruited in the United States to invest in Lloyd's before 1994 without full disclosure that they would be saddled with asbestos liabilities. The English court which rendered summary judgments in favor of Lloyd's and against the American investors denied those investors the right to assert fraud as an affirmative defense. Section 1310 provides a measured remedy in these cases, where, by clear and convincing evidence, the burden of proof is on the American investor to assert and prove fraud. As you are probably aware, a number of Members and Senators on both sides of the aisle, as well as the Securities and Exchange Commission have endeavored to give the Americans who believe they have been defrauded by Lloyd's legal forum in American courts with respect to the representations that were made to them in this country by Lloyd's and its agents. (See attached copy of the Commission's letter to Chairman Oxley)

The provision does not impact state regulation of insurance and it does not violate any treaty obligations of this country. Consistent with the Hague Convention, recognition of a foreign award may be refused if the court in the country where enforcement is sought finds that "recognition or enforcement of the award would be contrary to the public of that country." It is certainly contrary to the public policy of this country for an individual to be defrauded and then denied the right to assert fraud as a defense.

If you have any questions concerning this provision or my support of it, I would be happy to discuss this matter with you.

Sincerely,

HENRY HYDE.

Mr. SESSIONS. This is a front page copy of Time magazine:

LLOYD'S OF LONDON, 1688—?

Its watchword is utmost good faith. So why does Lloyd's stand accused of the greatest swindle ever?

I was a Federal prosecutor for 12 years in Alabama. I was also in litigation. I am personally aware that there is fraud in big insurance companies. I had the opportunity and the responsibility to prosecute perhaps the largest insurance fraud case in the history of the United States that had even been investigated by committees here in the Senate. In that case, people were defrauded out of over $50 million-plus. The guy who did that, Alan Teal, was convicted. It just so happened he had previously, years before, been a member of Lloyd's. That has nothing to do with this, but I relay it here to let you know that I understand insurance fraud and I have been involved in prosecuted the big cases.

In addition, I was involved in asbestos litigation in the late 1970s. I know in the late 1970s there were thousands of asbestos cases being filed, tens of thousands were being filed, and more were on the way. Everyone knew it. Plaintiffs were beginning to win tremendous verdicts. Everybody who knew anything about the litigation wondered if there would ever be enough money to pay those verdicts.

During this same period of time, the companies that had the guaranteeing of the insurance, the reinsurance, was Lloyd's of London. What did they do? They were sending representatives to the United States, asking those people to invest hundreds of thousands of dollars of their own money into these accounts, and they told them: People have done well investing in Lloyd's. We think you will do well. But you are liable for everything that can come up. It is in the fine print. But they invested, thinking Lloyd's had a good reputation. The company began in 1688 with Members of Parliament, with lords and earls as investors in this.

So they invested, little knowing that the bullet was already in the heart, that this company faced absolute financial ruin as a result of the most unprecedented series of lawsuits in American history, asbestos lawsuits.

Now, when this case went to trial, they said they had a trial over there. They passed a securities law in England similar to our securities law, except they exempted one named entity—Lloyd's of London. Many Members of Parliament who passed that law were investors in Lloyd's. I don't know if they recused themselves or not.

These are some of the facts at which we are looking. The heart of the claim is this, that these American investors were not allowed to put on evidence in the British court that omission could lead to liability. In other words, they were not allowed to show under the law under which they were forced to operate, that Lloyd's had any duty to tell them when they were investing in these syndicates, that they were doomed to lose, and there would be money they would have to pay—really, tens of billions of dollars in asbestos claims, enough to ruin all of Lloyd's.

They sold these investments to American citizens, who did not fully know what they were facing. As one said, these were massive, unquantifiable losses that were heading Lloyd's way like a tidal wave, visible only to the few professional insiders who were tracking asbestos claims.

That was a fraud, I think, under any definition of the word.

The British judge, who excluded all evidence except the written documents that were submitted to the investors as the only evidence that went in on the question of fraud, those documents were submitted and they said you could be liable for any claims that may come against Lloyd's, but they did not say this tidal wave of claims was coming.

Up to 7 or more people all over the world, possibly up to 12, have committed suicide as a result of this. It has ruined the lives of many, many citizens.

The judge who tried the case and who was bound by the law so he didn't let this evidence in, said, "The catalog of failings and incompetence in the 1980s by underwriters, managing agents, members and agents and others is staggering and has brought disgrace on one of the city's great markets." He goes on to skewer Lloyd's for their behavior, yet we can't get a remedy.

This says you don't get money as a result, you only go to court and show in a court of law you may have been defrauded.

Mr. President, let me take just a moment to more fully explain the issues involved in this section of S. 420 that we are debating here today.

The Lloyd's of London provision would allow American investors in Lloyd's to defend against debt collection actions by Lloyd's in American courts by attempting to show that Lloyd's defrauded them when it recruited them as investors in the United States. The investors claim that Lloyd's of London recruited them as investors with unlimited liability and without disclosing to them massive impending liabilities for asbestos and pollution losses.

This provision was added in the quasi-conference on the Bankruptcy Bill last year. Republicans and Democrats alike agreed to it.

The provision was in the Bankruptcy bill as introduced and passed by the Judiciary Committee of the House and by the whole House this year. It was in the Bankruptcy Bill as introduced and passed by the Senate Judiciary Committee this year where Senator FEINGOLD mentioned his objections to it.

There are legitimate arguments on both sides of this issue. I have listened to investors, and I have listened to Lloyd's of London. Further, my colleague from Wisconsin has spoken against this provision, and I respect his view.

Lloyd's asserts that an English court has found that Lloyd's, as a corporate entity, was not liable for fraud to several American investors that participated in that trial; that international law and comity among nations demands that we respect the judgment of the English courts;

That the agreements signed by the investors had forum-selection and choice-of-law clauses which provided that any dispute would be litigated in English courts under English law; and

That American courts have upheld the forum-selection and choice-of-law clauses.

On the other hand, the investors contend that Parliament precluded suits against Lloyd's for negligence and breach of contract in 1982 and for securities fraud in 1986; that after the investment contract was signed, Lloyd's changed its by-laws to require investors to pay their losses before asserting fraud as a defense even though many investors can't afford to pay their losses in full!;

That the English court failed to address allegations of fraud that took place in America;

That in 1995 a Colorado court, at the behest of state attorneys working under Gale Norton, issued a preliminary injunction against Lloyd's stating its statements to American investors were "materially misleading and false because, as a result of underwriting and reinsurance of asbestos-related liabilities in various syndicates, which liabilities had not been disclosed to [investors], those [investors] . . . are exposed to indefinite liability both in terms of amount and duration . . . .";

That in 1996, Lloyd's settled the fraud claims of numerous State securities regulators by agreeing to reduce its claims against settling investors by $62 million; and

That in the February 26th edition of the Wall Street Journal it was reported that Lloyd's is currently under criminal investigation relating to defrauding its American investors.

In my view, this comes down to a very simple question:

Is this situation egregious enough to warrant an exception to the general rule of comity on judgments?

I believe that it is because of my personal experience as both Attorney General of my State and a federal of prosecutor.

I prosecuted criminals who defrauded policy-holders and investors.

In 1979, I became aware that insurance companies knew of large asbestos losses discovered in litigation in Pascagoula, Mississippi, and that these losses would be catastrophic to the insurance companies.

I know what it means to a family to be defrauded by an insurance company. It is wrong.

I believe in the sanctity of contract, but there is no contract if the investors were fraudulently induced to enter the investment agreement.

I believe in comity with the British government, but there is no comity if Parliament protects Lloyd's, but Congress does not protect American investors.

I believe that helping wealthy investors should not be at the top of our priority list, but many of these investors are not wealthy and as Time magazine reported some have even lost their homes to Lloyd's.

I also believe that defrauding investors is intolerable, but that it is possible Lloyd's did not commit fraud.

However, under the current post-contract term that requires the investors to pay before they assert fraud as a defense, investors who cannot afford to pay their loss in full cannot prevent debt collection actions by Lloyd's even if Lloyd's did defraud them.

This amendment says that international comity is a two-way street. The British Parliament cannot protect wealthy British investors from negligence and securities law claims and expect the American Congress not to at least give American investors a chance to assert fraud as a defense to debt-collection actions—a right that the investors had when they signed their investment contracts but that was unilaterally stripped away from them by Lloyd's after the fact.

Accordingly, I support this narrow provision in the bill to allow pre-1994 American investors to assert fraud as a defense prior to payment. If they cannot prove fraud by clear and convincing evidence, they will lose. If they can prove it, they will win. That is only fair.

Mr. FEINGOLD. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the Feingold amendment, No. 51, as modified.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. STEVENS (when his name was called). Present.

Mr. REID. I announce that the Senator from California (Mrs. BOXER) is necessarily absent.

The result was announced—yeas 79, nays 18, as follows:

(Rollcall Vote No. 35 Leg.)

YEAS—79

Akaka
Allard
Allen
Bayh
Biden
Bond
Brownback
Burns
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Gramm
Hagel
Harkin
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Leahy
Levin
Lieberman
Lincoln
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Shelby
Smith (OR)
Snowe
Specter
Stabenow
Thomas
Thompson
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—18

Baucus
Bennett
Bingaman
Breaux
Bunning
Campbell
Grassley
Gregg
Hatch
Helms
Hutchinson
Kyl
Landrieu
Lott
Nelson (FL)
Sessions
Smith (NH)
Thurmond

ANSWERED "PRESENT"—2

Fitzgerald
Stevens

NOT VOTING—1

Boxer

The amendment (No. 51), as modified, was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the pending amendments are withdrawn.

The Senator from Utah.

AMENDMENTS NOS. 15 AS MODIFIED, 16, 20 AS MODIFIED, 24, 30 AS MODIFIED, 35, 38 AS MODIFIED, 43, 45 AS MODIFIED, 49, 50, 54 AS MODIFIED, 58, 60 AS MODIFIED, 66 AS MODIFIED, 81 AS MODIFIED, 106, 107, 108, AND 109

Mr. HATCH. Mr. President, I have sent a package of amendments to the desk that have been cleared by both sides. Pursuant to the prior agreement, I ask unanimous consent that the package be agreed to at this time, and I also ask unanimous consent the pending Breaux amendment No. 94 be withdrawn, pursuant to previous agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 94) was withdrawn.

The amendments (Nos. 15 as modified, 16, 20 as modified, 24, 30 as modified, 35, 38 as modified, 43, 45 as modified, 49, 50, 54 as modified, 58, 60 as modified, 66 as modified, 81 as modified, 106, 107, 108, and 109) were agreed to, as follows:

AMENDMENT NO. 15, AS MODIFIED

(Purpose: To clarify provisions relating to involuntary cases)

On page 413, after line 25, insert the following:

SEC. 1237. INVOLUNTARY CASES.

Section 303 of title 11, United States Code, is amended—

(1) in subsection (b)(1), by—

(A) inserting "as to liability or amount" after "bona fide dispute"; and

(B) striking "if such claims" and inserting "if such undisputed claims"; and

(2) in subsection (h)(1), by inserting before the semicolon the following: "as to liability or amount".

AMENDMENT NO. 16

(Purpose: To provide for family fishermen)

At the appropriate place insert the following:

SEC. . FAMILY FISHERMEN.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (7) the following:

"(7A) 'commercial fishing operation' includes—

"(A) the catching or harvesting of fish, shrimp, lobsters, urchins, seaweed, shellfish, or other aquatic species or products;

"(B) for purposes of section 109 and chapter 12, aquaculture activities consisting of raising for market any species or product described in subparagraph (A); and

"(C) the transporting by vessel of a passenger for hire (as defined in section 2101 of title 46) who is engaged in recreational fishing;

"(7B) 'commercial fishing vessel' means a vessel used by a fisherman to carry out a commercial fishing operation;";

(2) by inserting after paragraph (19) the following:

"(19A) 'family fisherman' means—

"(A) an individual or individual and spouse engaged in a commercial fishing operation (including aquaculture for purposes of chapter 12)—

"(i) whose aggregate debts do not exceed $1,500,000 and not less than 80 percent of whose aggregate noncontingent, liquidated debts (excluding a debt for the principal residence of such individual or such individual and spouse, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such individual or such individual and spouse; and

"(ii) who receive from such commercial fishing operation more than 50 percent of such individual's or such individual's and spouse's gross income for the taxable year preceding the taxable year in which the case concerning such individual or such individual and spouse was filed; or

"(B) a corporation or partnership—

"(i) in which more than 50 percent of the outstanding stock or equity is held by—

"(I) 1 family that conducts the commercial fishing operation; or

"(II) 1 family and the relatives of the members of such family, and such family or such relatives conduct the commercial fishing operation; and

"(ii)(I) more than 80 percent of the value of its assets consists of assets related to the commercial fishing operation;

"(II) its aggregate debts do not exceed $1,500,000 and not less than 80 percent of its aggregate noncontingent, liquidated debts (excluding a debt for 1 dwelling which is owned by such corporation or partnership and which a shareholder or partner maintains as a principal residence, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such corporation or such partnership; and

"(III) if such corporation issues stock, such stock is not publicly traded;"; and

(3) by inserting after paragraph (19A) the following:

"(19B) 'family fisherman with regular annual income' means a family fisherman whose annual income is sufficiently stable and regular to enable such family fisherman to make payments under a plan under chapter 12 of this title;".

(b) WHO MAY BE A DEBTOR.—Section 109(f) of title 11, United States Code, is amended by inserting "or family fisherman" after "family farmer".

(c) CHAPTER 12.—Chapter 12 of title 11, United States Code, is amended—

(1) in the chapter heading, by inserting "**OR FISHERMAN**" after "**FAMILY FARMER**";

(2) in section 1201, by adding at the end the following:

"(e)(1) Notwithstanding any other provision of law, for purposes of this subsection, a guarantor of a claim of a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.

"(2) For purposes of a claim that arises from the ownership or operation of a commercial fishing operation, a co-maker of a loan made by a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.";

(3) in section 1203, by inserting "or commercial fishing operation" after "farm";

(4) in section 1206, by striking "if the property is farmland or farm equipment" and inserting "if the property is farmland, farm equipment, or property of a commercial fishing operation (including a commercial fishing vessel)"; and

(5) by adding at the end the following:

"§ 1232. Additional provisions relating to family fishermen

"(a)(1) Notwithstanding any other provision of law, except as provided in subsection (c), with respect to any commercial fishing vessel of a family fisherman, the debts of that family fisherman shall be treated in the manner prescribed in paragraph (2).

"(2)(A) For purposes of this chapter, a claim for a lien described in subsection (b) for a commercial fishing vessel of a family fisherman that could, but for this subsection, be subject to a lien under otherwise applicable maritime law, shall be treated as an unsecured claim.

"(B) Subparagraph (A) applies to a claim for a lien resulting from a debt of a family fisherman incurred on or after the date of enactment of this chapter.

"(b) A lien described in this subsection is—

"(1) a maritime lien under subchapter III of chapter 313 of title 46 without regard to whether that lien is recorded under section 31343 of title 46; or

"(2) a lien under applicable State law (or the law of a political subdivision thereof).

"(c) Subsection (a) shall not apply to—

"(1) a claim made by a member of a crew or a seaman including a claim made for—

"(A) wages, maintenance, or cure; or

"(B) personal injury; or

"(2) a preferred ship mortgage that has been perfected under subchapter II of chapter 313 of title 46.

"(d) For purposes of this chapter, a mortgage described in subsection (c)(2) shall be treated as a secured claim.".

(d) CLERICAL AMENDMENTS.—

(1) TABLE OF CHAPTERS.—In the table of chapters for title 11, United States Code, the item relating to chapter 12, is amended to read as follows:

"12. Adjustments of Debts of a Family Farmer or Family Fisherman with Regular Annual Income .... 1201".

(2) TABLE OF SECTIONS.—The table of sections for chapter 12 of title 11, United States Code, is amended by adding at the end the following new item:

"1232. Additional provisions relating to family fishermen.".

(e) APPLICABILITY.—

Nothing in this section shall change, affect, or amend the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801, et seq.).

Amend the table of contents accordingly.

AMENDMENT NO. 20, AS MODIFIED

(Purpose: To resolve an ambiguity relating to the definition of current monthly income)

On page 18, beginning on line 10, after "preceding the date of determination" insert ", which shall be the date which is the last day of the calendar month immediately preceding the date of the bankruptcy filing. If the debtor is providing the debtor's current monthly income at the time of the filing, and otherwise the date of determination shall be such date on which the debtor's current monthly income is determined by the court for the purposes of this Act.".

AMENDMENT NO. 24

(Purpose: To amend the definition of a bankruptcy petition preparer)

On page 85, beginning on line 12, strike "a person, other than".

AMENDMENT NO. 30, AS MODIFIED

(Purpose: To provide a clarification of postpetition wages and benefits)

At the end of title III, add the following:

SEC. 330. CLARIFICATION OF POSTPETITION WAGES AND BENEFITS.

Section 503(b)(1)(A) of title 11, United States Code, is amended to read as follows:

"(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case, and wages and benefits awarded pursuant to an action brought in a court of law or the National Labor Relations Board as back pay attributable to any period of time after commencement of the case as a result of the debtor's violation of Federal or State law, without regard to when the original unlawful act occurred or to whether any services were rendered if the court determines that the award will not substantially increase the probability of layoff or termination of current employees or of nonpayment of domestic support obligations during the case;"

AMENDMENT NO. 35

(Purpose: To clarify the duties of a debtor who is the plan administrator of an employee benefit plan)

At the appropriate place, insert the following:

SEC. ___. DUTIES WITH RESPECT TO A DEBTOR WHO IS A PLAN ADMINISTRATOR OF AN EMPLOYEE BENEFIT PLAN.

(a) IN GENERAL.—Section 521(a) of title 11, United States Code, as so designated by section 106(d) of this Act, is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(6) unless a trustee is serving in the case, if at the time of filing, the debtor, served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator.".

(b) DUTIES OF TRUSTEES.—Section 704(a) of title 11, United States Code, as so designated and otherwise amended by this Act, is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) in paragraph (11), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(12) where, at the time of the time of the commencement of the case, the debtor served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator;".

(c) CONFORMING AMENDMENT.—Section 1106(a) of title 11, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) perform the duties of the trustee, as specified in paragraphs (2), (5), (7), (8), (9), (10), (11), and (12) of section 704;".

Amend the table of contents accordingly.

AMENDMENT NO. 38, AS MODIFIED

(Purpose: To allow a debtor to purchase health insurance)

Page 25, line 7, insert the following new subsection and redesignate the subsequent subsections accordingly:

"(i) SPECIAL ALLOWANCE FOR HEALTH INSURANCE.—Section 1329(a) of title 11, United States Code, is amended by inserting the following new paragraph—

" '(4) reduce amounts to be paid under the plan by the actual amount expended by the debtor to purchase health insurance for the debtor and any dependent of the debtor (if those dependents do not otherwise have health insurance coverage) if the debtor documents the cost of such insurance and demonstrates that—

" '(A) such expenses are reasonable and necessary;

" '(B)(i) if the debtor previously paid for health insurance, the amount is not materially larger than the cost the debtor previously paid or the cost necessary to maintain the lapsed policy, or;

" '(ii) if the debtor did not have health insurance, the amount is not materially larger than the reasonable cost that would be incurred by a debtor who purchases health insurance and who has similar income, expenses, age, health status, and lives in the same geographic location with the same number of dependents that do not otherwise have health insurance coverage; and

" '(C) the amount is not otherwise allowed for purposes of determining disposable income under section 1325(b) of this title.

Upon request of any party in interest the debtor shall file proof that a health insurance policy was purchased.' "

AMENDMENT NO. 43

(Purpose: To address exceptions to discharge)

On page 173, line 11, strike "discharge a debtor" and insert "discharge an individual debtor".

On page 244, line 8, strike "described in section 523(a)(2)" and insert "described in subparagraph (A) or (B) of section 523(a)(2) that is owed to a domestic governmental unit or owed to a person as the result of an action filed under subchapter III of chapter 37 of title 31, United States Code, or any similar State statute,".

AMENDMENT NO. 45, AS MODIFIED

(Purpose: To make amendments with respect to filings by small business concerns, and for other purposes)

On page 212, strike line 8 and all that follows through page 212, line 14, and insert the following:

SEC. 438. PLAN CONFIRMATION DEADLINE.

Section 1129 of title 11, United States Code, is amended by adding at the end the following:

"(e)(1) In a small business case, the plan shall be confirmed not later than 45 days after the date that a plan is filed with the court as provided in section 1121(e).

"(2) The 45 day period referred to in paragraph (1) may be extended only if—

"(A) the debtor, after notice and hearing, demonstrates that it is more likely than not that the court will confirm a plan within a reasonable period of time;

"(B) a new deadline is imposed at the time at which the extension is granted; and

"(C) the order extending time is signed before the existing deadline has expired.".

On page 217, line 16, strike "establishes" and all that follows through "time" on line 20 and insert the following: "establishes that—

"(A) there is a reasonable likelihood that a plan will be confirmed within the timeframes established in sections 1121(e) and 1129(e) of this title, as amended, or in cases in which these sections do not apply, within a reasonable period of time".

AMENDMENT NO. 49

(Purpose: To provide that Federal election law fines and penalties are nondischargeable debts)

At the appropriate place, insert the following:

SEC. . FEDERAL ELECTION LAW FINES AND PENALTIES AS NONDISCHARGEABLE DEBT.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14A) (as added by this Act) the following:

"(14B) incurred to pay fines or penalties imposed under Federal election law;".

Amend the table of contents accordingly.

AMENDMENT NO. 50

(Purpose: to provide that political committees may not file for bankruptcy)

At the appropriate place, insert the following:

SEC. . NO BANKRUPTCY FOR INSOLVENT POLITICAL COMMITTEES.

Section 105 of title 11, United States Code, is amended by adding at the end the following:

"(e) A political committee subject to the jurisdiction of the Federal Election Commission under Federal election laws may not file for bankruptcy under this title.".

Amend the table of contents accordingly.

AMENDMENT NO. 54, AS MODIFIED

(Purpose: To encourage debtors to file in chapter 13 to repay their debts)

On page 151, strike line 23 and all that follows through page 152, line 3, and insert the following:

"(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502, if the debtor has received a discharge: (1) in a case filed under chapter 7, 11 or 12 of this title during the three-year period preceding the date of the order for relief under this chapter, or (2) in a case filed under chapter 13 of this title during the two-year period preceding the date of such order, except that if the debtor demonstrates extreme hardship requiring that a chapter 13 case be filed, the court may shorten the two-year period.".

AMENDMENT NO. 58

(Purpose: To make an amendment to preserve the existing bankruptcy appellate structure while providing a mechanism for obtaining early review by the court of appeals in appropriate circumstances)

Strike section 1235 and insert the following:

SEC. 1235. EXPEDITED APPEALS OF BANKRUPTCY CASES TO COURTS OF APPEALS.

(a) APPEALS.—Section 158 of title 28, United States Code, is amended—

(1) in subsection (c)(1), by striking "Subject to subsection (b)," and inserting "Subject to subsections (b) and (d)(2),"; and

(2) in subsection (d)—

(A) by inserting "(1)" after "(d)"; and

(B) by adding at the end the following:

"(2)(A) A court of appeals that would have jurisdiction of a subsequent appeal under paragraph (1) or other law may authorize an immediate appeal of an order or decree, not otherwise appealable, that is entered in a case or proceeding pending under section 157 or is entered by the district court or bankruptcy appellate panel exercising jurisdiction under subsection (a) or (b), if the bankruptcy court, district court, bankruptcy appellate panel, or the parties acting jointly certify that—

"(i) the order or decree involves—

"(I) a substantial question of law;

"(II) a question of law requiring resolution of conflicting decisions; or

"(III) a matter of public importance; and

"(ii) an immediate appeal from the order or decree may materially advance the progress of the case or proceeding.

"(B) An appeal under this paragraph does not stay proceedings in the court from which the order or decree originated, unless the originating court or the court of appeals orders such a stay.".

(b) PROCEDURAL RULES.—

(1) TEMPORARY APPLICATION.—A provision of this subsection shall apply to appeals under section 158(d)(2) of title 28, United States Code, as added by subsection (a) of this section, until a rule of practice and procedure relating to such provision and appeal is promulgated or amended under chapter 131 of such title.

(2) CERTIFICATION.—A district court, bankruptcy court, or bankruptcy appellate panel may enter a certification as described in section 158(d)(2) of title 28, United States Code,

during proceedings pending before that court or panel.

(3) PROCEDURE.—Subject to the other provisions of this subsection, an appeal by permission under section 158(d)(2) of title 28, United States Code, shall be taken in the manner prescribed in rule 5 of the Federal Rules of Appellate Procedure.

(4) FILING PETITION.—When permission to appeal is requested on the basis of a certification of the parties, a district court, bankruptcy court, or bankruptcy appellate panel, the petition shall be filed within 10 days after the certification is entered or filed.

(5) ATTACHMENT.—When permission to appeal is requested on the basis of a certification of a district court, bankruptcy court, or bankruptcy appellate panel, a copy of the certification shall be attached to the petition.

(6) PANEL AND CLERK.—In a case pending before a bankruptcy appellate panel in which permission to appeal is requested, the terms “district court” and “district clerk”, as used in rule 5 of the Federal Rules of Appellate Procedure, mean “bankruptcy appellate panel” and “clerk of the bankruptcy appellate panel”, respectively.

(7) APPLICATION OF RULES.—In a case pending before a district court, bankruptcy court, or bankruptcy appellate panel in which a court of appeals grants permission to appeal, the Federal Rules of Appellate Procedure apply to the proceedings in the court of appeals, to the extent relevant, as if the appeal were taken from a final judgment, order, or decree of a district court, bankruptcy court, or bankruptcy appellate panel exercising appellate jurisdiction under subsection (a) or (b) of section 158 of title 28, United States Code.

AMENDMENT NO. 60, AS MODIFIED

(Purpose: To make technical corrections to Title IX—Financial Contract Provisions)

On page 294, line 10, delete the comma after “mortgage”;

On page 295, line 15, insert “mortgage” before “loan”;

On page 296, line 25, strike “or” and insert “including”;

On page 299, line 17, strike “or” and insert “including”;

On page 301, line 18, strike “or any” and insert “including any”;

On page 302, line 23, insert “mortgage” before “loans”;

On page 303, line 3, insert “mortgage” before “loans”;

On page 304, line 16, strike “or” after “(V)” and insert “including”;

On page 306, line 10, insert “is of a type” after “clause and”;

On page 308, line 5, strike “or any” and insert “including any”;

On page 308, line 23, strike “the Gramm-Leach-Bliley Act,” and insert “the Gramm-Leach-Bliley Act, and”;

On page 308, line 25, strike all after “2000” and insert a period following “2000”;

On page 309, strike line 1 through 3;

On page 320, line 10, strike “and”;

On page 321, line 4, strike the period at the end of the line and insert “; and”

On page 321, insert after line 4 the following:

“(3) by including at the end of section 11(e) the following new paragraph:

‘( ) SAVINGS CLAUSE.—The meaning of terms used in this subsection (e) are applicable for purposes of this subsection (e) only, and shall not be construed or applied so as to challenge or after the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities law (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.”

On page 327, line 7, strike “408” and insert “407A”;

On page 327, line 20, strike “or” the second time it appears;

On page 328, line 3, strike all following “receiver” through “agency” on line 4;

On page 328, line 7, strike all following “receiver” through “bank” on line 9;

On page 328, line 12, strike the comma after “Act”;

On page 328, line 18, strike all following “conservator” through “agency” on line 20;

On page 338, line 23, strike all following “conservator” through “bank” on line 25;

On page 329, line 25, insert “in the case of an uninsured national bank or uninsured Federal branch or agency” after “Currency”;

On page 330, line 1, insert “in the case of a corporation chartered under section 25A of the Federal Reserve Act. or an uninsured State member bank that operates, or operates as a multilateral clearing organization pursuant to section 409 of the Act,”;

On page 330, line 3, insert “solely” before “to implement”.

On page 330, line 5, strike “to implement this section,” and insert “, limited solely to implementing paragraphs (8), (9), (10) and (11) of section 11(e) of the Federal Deposit Insurance Act,”;

On page 330, line 7, insert “each” before “shall ensure”;

On page 330, line 8, strike “that the” and insert “that their”;

On page 332, line 4, strike “(D), or” and insert “(D) including”;

On page 333, line 14, insert “mortgage” before “loans”;

On page 333, line 18, insert “mortgage” before “loans”;

On page 334, line 21, strike “(iv), ,or” and insert “(vi) including”;

On page 336, line 5, strike “or an” and insert “or”;

On page 336, line 8, strike “or a” and insert “or”;

On page 336, line 10, strike “credit spread, total return, or a” and insert “total return, credit spread or”;

On page 336, line 22, insert after “(I)” the following: “is of a type that”;

On page 338, line 13, strike “(v), or” and insert “(v); including”;

On page 338, line 18, strike “do”;

On page 339, line 9, insert “and” after “Act,”;

On page 339, line 10, strike all after “2000” through “Commission” on line 13 and insert a period after “2000”;

On page 340, line 20, insert “mortgage” before “loan”;

On page 342, line 2, strike “or any” and insert “Including any”;

On page 343, line 21, strike “or any” and insert “including any”;

On page 346, line 7, strike “or” the first time it appears;

On page 346, line 25, Insert “, including any guarantee or reimbursement obligation related to 1 or more of the foregoing” following “foregoing”;

On page 352, line 24, insert “a securities clearing agency,” after “association,”;

On page 353, line 25, insert “a securities clearing agency,” before “a contract market”;

On page 355, line 5, insert “a securities clearing agency,” after “association,”;

On page 355, line 6, strike the end parenthesis after “Act”;

On page 358, line 13, strike “5(c)” and insert “5c(c)”;

On page 358, line 24, strike “a national securities exchange”;

On page 359 line 4, insert “a securities clearing agency,” after “association”;

On page 363, line 13, insert “a securities clearing agency,” after “association,”;

On page 365, strike lines 18 through 22, and on page 366, strike lines 1 through 2, and insert in lieu thereof the following:

“(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the appropriate Federal banking agencies, may by regulation require more detailed recordkeeping by any insured depository institution with respect to qualified financial contracts (including market valuations) only if such insured depository institution is in a troubled condition (as such term is defined by the Corporation pursuant to 12 USC 1831i).”;

On page 372, line 18, insert “governmental unit, limited liability company (including a single member limited liability company),” after “partnership,”;

On page 373, line 22, insert “on or” after “State law”;

On page 374, line 10, insert “and” before “the Commodity” and strike all after “Act” through line 12 and insert a period after “Act”.

AMENDMENT NO. 66 AS MODIFIED

(Purpose: To save taxpayers $4,000,000 over 5 years, the costs associated with the storage of the tax returns of debtors in certain bankruptcy cases, according to the Congressional Budget Office)

Strike line 21, page 160 to line 12, page 161 and insert thereof:

“(f) An individual debtor in a case under chapter 7, 11, or 13 shall file with the court at the request of the Judge, U.S. Trustee, any party in interest—

“(1) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, with respect to the period from the commencement of the case until such time as the case is closed;

“(2) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order of relief;

“(3) any amendments to any of the Federal tax returns or transcripts thereof described in paragraph (1) or (2); and”.

AMENDMENT NO. 81, AS MODIFIED

(Purpose: To require the General Accounting Office to conduct a study of the reaffirmation process, and for other purposes)

At the end of subtitle A of title II, add the following:

SEC. 204. GAO STUDY ON REAFFIRMATION PROCESS.

(a) STUDY.—The General Accounting Office (in this section referred to as the “GAO”) shall conduct a study of the reaffirmation process under title 11, United States Code, to determine the overall treatment of consumers within the context of that process, including consideration of—

(1) the policies and activities of creditors with respect to reaffirmation; and

(2) whether consumers are fully, fairly and consistently informed of their rights pursuant to this title.

(b) REPORT TO CONGRESS.—Not later than 1½ years after the date of enactment of this Act, the GAO shall submit a report to the Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address any abusive or coercive tactics found within the reaffirmation process.

AMENDMENT NO. 106

(Purpose: To improve the bill)

On page 187, line 20, strike "(25)" and insert "(24)".

On page 187, line 21, strike "(26)" and insert "(25)".

On page 191, strike line 25 and insert the following:

(2) in subsection (i), as so redesignated, by inserting "and subject to the prior rights of holders of security interests in such goods or the proceeds thereof," after "consent of a creditor,"; and

On page 192, line 1, strike "(2)" and insert "(3)".

On page 199, line 4, strike "through (5)" and insert "and (4)".

On page 255, line 8, strike "(26)" and insert "(25)".

On page 255, line 10, strike "(27)" and insert "(26)".

On page 278, line 9, strike "(28)" and insert "(27)".

On page 281, line 23, strike "(28)" and insert "(27)".

On page 347, line 21, strike "to, under" and insert "to and under".

On page 347, line 24, strike "to, under" and insert "to and under".

On page 348, line 13, strike "to, under" and insert "to and under".

On page 348, line 17, strike "(27)" and insert "(26)".

On page 348, line 19, strike "(28)" and insert "(27)".

On page 349, line 8, strike "to, under" and insert "to and under".

On page 349, line 21, strike "(28)" and insert "(27)".

On page 361, line 23, strike "(28)" and insert "(27)".

On page 362, lines 4 and 8, strike "(28)" each place it appears and insert "(27)".

On page 385, line 10, strike ", including" and insert ". If the health care business is a long-term care facility, the trustee may appoint".

On page 385, line 13, add at the end the following: "In the event that the trustee does not appoint the State Long-Term Care Ombudsman to monitor the quality of patient care in a long-term care facility, the court shall notify the individual who serves as the State Long-Term Care Ombudsman of the name and address of the individual who is appointed.".

On page 386, line 12, insert after the first period the following: "If the individual appointed as ombudsman is a person who is also serving as a State Long-Term Care Ombudsman appointed under title III or title VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq., 3058 et seq.), that person shall have access to patient records, consistent with authority spelled out in the Older Americans Act and State laws governing the State Long-Term Care Ombudsman program.".

On page 388, line 4, strike "(28)" and insert "(27)".

On page 388, line 6, strike "(29)" and insert "(28)".

On page 394, strike lines 9 through 13.

Redesignate sections 1220 through 1223 as sections 1219 through 1222, respectively.

On page 397, strike line 16 and all that follows through page 398, line 12.

On page 405, line 13, strike "after" and insert "prior to".

On page 406, line 5, strike "after" and insert "prior to".

Redesignate sections 1225 through 1236 as sections 1223 through 1234, respectively.

Amend the table of contents accordingly.

AMENDMENT NO. 107

(Purpose: To provide for an additional bankruptcy judgeship for the district of Nevada)

On page 400, insert between lines 10 and 11 the following:

(T) One additional bankruptcy judgeship for the district of Nevada, and one for the district of Delaware.

AMENDMENT NO. 108

(Purpose: To correct the treatment of certain spousal income for purposes of means testing)

On page 10, line 14, after "private" insert "or public" and

On page 10, line 17, after "necessary" insert ", and that such expenses are not already accounted for in the Internal Revenue Service Standards referred to in 707(b)(a) of this title."

AMENDMENT NO. 109

At the end of the bill, add the following:

TITLE XV—MISCELLANEOUS PROVISIONS

SEC. 1501. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.

(a) IN GENERAL.—Not later August 1, 2001, the Federal Crop Insurance Corporation shall promulgate final regulations to carry out section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 522(b)), without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Corporation shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—The final regulations promulgated under subsection (a) shall take effect on the date of publication of the final regulations.

Amend the table of contents accordingly.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, just so Senators know, that included the Baucus, Feingold, Feinstein, Leahy, Schumer, Wellstone, Leahy, Ensign/Reid, Leahy, Kohl/Kennedy, Levin/Grassley, Biden/Specter/Sessions/Leahy, Collins/Kerry, Gramm of Texas, Reed of Rhode Island, Kennedy, Leahy, Bond/Kerry, Boxer, and Grassley amendments.

AMENDMENT NO. 30, AS MODIFIED

Mr. KENNEDY. Mr. President, this bipartisan amendment protects workers who face bankruptcy because they are owed money by employers for back pay. This amendment was passed by voice vote last year, but was dropped in conference. This should be a noncontroversial change, a change that would ensure that workers receive all the wages that are due them, workers who were denied minimum wage or overtime pay, workers who were victims of discrimination, workers who were wrongfully fired, and veterans who were denied jobs when they returned from active military duty.

Amending the bankruptcy bill to protect the back pay of workers is especially appropriate, because back pay awards help many of the people that this legislation places at risk, low income families, minorities, and women. My amendment helps workers take care of their families. Collecting a back pay award would give them more of the resources they need to afford food, clothing, and health care without turning to credit cards.

Our bankruptcy laws already protect wages so that businesses can continue to pay their workers during a reorganization. And some courts have taken the important step of requiring employers facing bankruptcy to live up to their obligations to provide back pay awards. This change would ensure that all workers are treated the same, no matter what bankruptcy court their employer has filed in.

The Department of Labor and the National Labor Relations Board obtain back pay awards on behalf of workers. For fiscal year 1998, the NLRB got back pay awards on behalf of about 24,000 workers, with an average award of $3,750 per worker. During the past 5 years, the NLRB also recovered about $1 million on behalf of approximately 300 American veterans who were wrongfully denied jobs after they returned to work from active military duty.

Similarly, for fiscal year 1999 the Department of Labor got back pay awards on behalf of about 2,000 workers, with an average award of about $900 per worker.

If these back pay awards do not receive protection in bankruptcy, most workers will never receive them. They will have earned the back pay, but will never see a dime. Without this amendment, workers lose twice—first when they are wrongfully denied wages, and then again when they are unable to collect the wages because their employers have declared bankruptcy.

Mr. KOHL. Mr. President, I am pleased that the Senate agreed to accept this amendment as part of the bankruptcy bill. Last session, my amendment was accepted by the Senate only to be stripped out of the conference report. The compromise reached on the amendment this year should ensure that it remains in the bill this year. In addition, I would like to thank Senator KENNEDY for joining me this year in offering this amendment.

The amendment corrects an inconsistency in current law regarding the treatment of backpay awards issued for violations of state or federal laws such as whistle blower protection laws, the Fair Labor Standards Act, or civil rights laws. For example, an employee who works ten hours of overtime during a pay period, but is only paid for nine, or an employee who is wrongfully fired for being a whistle blower does not currently receive the same treatment as the employee who continues to work for the bankrupt company postpetition. Some courts have held that where an award of backpay covers a time both before and after the employer's bankruptcy petition, the entire award is considered a general unsecured claim.

This amendment would clarify the treatment of backpay awards for the postpetition period. For example, the postpetition backpay due an employee who has been reinstated after a successful suit under whistleblower protection laws would clearly be an administrative expense under 11 U.S.C. § 503(b)(1)(A). So too would backpay due to workers whose overtime compensation was illegally denied or reduced.

Under the terms of the compromise agreed to in this amendment, before the postpetition award is treated as an administrative expense, the bankruptcy court must first determine that "the award will not substantially increase the probability of layoff or termination of current employees or nonpayment of domestic support obligations during the case." The court should evaluate the possible impact of the award in the context of all other administrative expenses being awarded. The term "substantial" will ensure that the bankruptcy court only refuses to treat postpetition backpay awards as an administrative expense in the rarest of circumstances.

In general, these backpay awards range on average from only a few hundred dollars up to a couple of thousand dollars. Given that these awards are so small, there is virtually no chance that the award will substantially affect any part of an ongoing business concern. Should the award of the postpetition amount be significantly more than a couple of thousand dollars, it is still highly unlikely that it will substantially change the probability of layoff or termination of other employees.

This amendment is an important clarification to the code. I am pleased that the Senate recognized the consequence of these postpetition backpay awards.

AMENDMENT NO. 107, AS MODIFIED

Mr. ENSIGN. Mr. President, today I introduce, along with the senior Senator from Nevada, an amendment to the Bankruptcy Reform Act of 2001 to create an additional bankruptcy judgeship position for the District of Nevada.

This amendment follows the recommendation of the Judicial Conference Committee on the Administration of the Bankruptcy Committee to the Judicial Conference of the United States that legislation be transmitted to Congress to create an additional judgeship for the District of Nevada.

The combination of a rapidly growing population in Nevada and a high number of bankruptcy filings makes it imperative for Nevada to have another judgeship. Nevada continues to be the fastest growing state in the nation, and the Las Vegas metropolitan area remains one of the most rapidly growing cities. Between 1990 and 1999, the population of the state of Nevada grew by more than 66 percent. Its population growth is projected to increase by 10 percent from 2000 to 2005. At this current rate of growth, the Las Vegas area alone will nearly double to 2.5 million people in the next ten years.

Unfortunately, the growth in bankruptcy case filings in Nevada has been even more dramatic. Between 1990 and 1999 case filings grew by more than 226 percent. In 2000, the District of Nevada was ranked fifth highest in U.S. total filings per capita and first in the U.S. in filings of Chapter 7 per capita. By every measure, weighted filings per judgeship, case filings per judgeship, Chapter 11 filings—the District of Nevada measured well above the national average.

The population growth in my state and the increased number of case filings clearly justifies the need for an additional bankruptcy judgeship position for the District of Nevada. We offer this amendment today in the hopes that we can accomplish this critical task for our home state of Nevada.

Mr. LEAHY. Mr. President, I am pleased that we finally adopted the amendments in the managers' package to improve this bill. I thank the efforts of Senators HATCH, DASCHLE, GRASSLEY, and REID.

For the information of my colleagues, we adopted the following amendments to improve this bill.

We adopted an amendment by Senator BAUCUS to resolve an ambiguity regarding involuntary bankruptcies.

We adopted an amendment by Senator BOXER to provide that public education expenses are treated equally with private education expenses in the bill's means-test.

We adopted an amendment by Senator FEINSTEIN regarding bankruptcy petition preparers.

We adopted an amendment by Senator JACK REED calling for a General Accounting Office review of the bill's reaffirmation provisions.

We adopted an amendment by Senator FEINGOLD to make Federal Election Commission fines and judges nondischargeable in a bankruptcy proceeding.

We adopted another amendment by Senator FEINGOLD to clarify that the Federal Election Commission has jurisdiction over insolvent Political Action Committees.

We adopted an amendment that I offered to clarify the definition of current monthly income in the bill's means-test to prevent unnecessary litigation.

We adopted another Leahy amendment to allow a person who has successfully completed a chapter 13 plan and paid off all her creditors to file another chapter 13 plan if some unforeseen economic disaster—such as a job loss or high medical expenses—hits that person within two years of the first chapter 13 completion.

We adopted a third Leahy amendment to modify the requirements for debtors to file tax returns to only Federal returns or transcripts to streamline the process and reduce unnecessary court storage costs.

We adopted an amendment by Senator SCHUMER and Senator GRASSLEY on corporate business reorganizations to prevent a single creditor from alleging fraud to delay the reorganization and to clarify that debts from violations of the False Claims Act are nondischargeable in bankruptcy.

We adopted an amendment by Senator WELLSTONE to clarify that the companies in bankruptcy must fulfil their legal obligations as sponsors and administrators of health care and other benefit plans.

We adopted an amendment by Senators REID and ENSIGN to authorize a bankruptcy judgeship for Nevada the fastest growing state in the nation.

We also adopted, at the request of Senators BIDEN and CARPER, an authorization for an additional bankruptcy judgeship for the District of Delaware, which has the heaviest caseload of bankruptcy cases in the country.

We accepted a colloquy between Senator LEVIN and Senator GRASSLEY to ensure that spikes in gasoline prices will be taken into account in the bill's means-test.

We adopted an amendment by Senators KOHL and KENNEDY to require that back pay awards are given the same priority as regular wages in bankruptcy proceedings.

We adopted an amendment by Senator GRAMM, which Senator SARBANES has cleared as the ranking member of the Senate Banking Committee, making corrections to the bill's financial contract provisions.

We adopted an amendment by Senators BOND and KERRY to improve the bill's small business provisions.

We adopted an amendment by Senator KENNEDY to include health insurance costs in the bill's means-test.

We adopted an amendment by Senator COLLINS and Senator KERRY on family fisherman protection in bankruptcy.

We adopted an amendment by Senators SESSIONS, LEAHY, SPECTER, and BIDEN regarding appeals of bankruptcy cases.

I am glad we made these important bipartisan changes to improve this bill and add more balance and fairness to it.

AMENDMENT NO. 59, AS FURTHER MODIFIED

Mr. SESSIONS. Mr. President, I ask unanimous consent that amendment No. 59 be further modified so that it strikes section 311 of the Kohl amendment No. 68.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment (No. 59), as further modified, is as follows:

Strike section 311 of Kohl amendment No. 68, and insert the following:

(a) IN GENERAL.—Section 362(b) of title 11, United States Code, is amended—

(1) by inserting after paragraph (21), as added by this Act, the following:

"(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property—

"(A) on which the debtor resides as a tenant; and

"(B) with respect to which—

"(i) the debtor fails to make a rental payment that first becomes due under the unexpired specific term of a rental agreement or lease or under a tenancy under applicable State, or local rent control law, after the date of filing of the petition or during the 10-day period preceding the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification upon the debtor; or

"(ii) the debtor has a month to month tenancy (or one of shorter term) other than under applicable State or local rent control law where timely payments are made pursuant to clause (i), if the lessor files with a court a certification that the requirements of this clause have been met and serves a copy of the certification upon the debtor.

"(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property, if during the 2-year period preceding the date of filing of the petition, the debtor or another occupant of the leased premises—

"(A) commenced another case under this title; and

"(B) failed to make any rental payment that first became due under applicable nonbankruptcy law after the date of filing of the petition for that other case;

"(25) under subsection (a)(3), of an eviction action, to the extent that it seeks possession based on endangerment of property or the illegal use of controlled substances on the property, if the lessor files with the court a certification that such an eviction has been filed or the debtor has endangered property or illegally used or allowed to be used a controlled substance on the property during the 30-day period preceding the date of filing of the certification, and serves a copy of the certification upon the debtor;"; and

(2) by adding at the end of the flush material at the end of the subsection the following; "With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in any such paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under any such paragraph, unless—

"(A) the debtor files a certification with the court and serves a copy of that certification upon the lessor on or before that 15th day, that—

"(i) contests the truth or legal sufficiency of the lessor's certification; or

"(ii) states that the tenant has taken such action as may be necessary to remedy the subject of the certification under paragraph (23)(B)(i), except that no tenant may take advantage of such remedy more than once under this title; or

"(B) the court orders that the exception to the automatic stay shall not become effective, or provides for a later date of applicability.".

(3) by adding at the end of the flush material added by paragraph (2), the following:

"Where a debtor makes a certification under subparagraph (A), the clerk of the court shall set a hearing on a date no later than 10 days after the date of the filing of the certification of the debtor and provide written notice thereof. If the debtor can demonstrate to the satisfaction of the court that the sent payment due post-petition or 10 days prior to the petition was made prior to the filing of the debtor's certification under subparagraph (A), or that the situation giving rise to the exception in paragraph (25) does not exist or has been remedied to the court's satisfaction, then a stay under subsection (a) shall be in effect until the termination of the stay under this section. If the debtor cannot make this demonstration to the satisfaction of the court, the court shall order the stay under subsection (a) lifted forthwith. Where a debtor does not file a certification under subparagraph (A), the stay under subsection (a) shall be lifted by operation of law and the clerk of the court shall certify a copy of the bankruptcy docket as sufficient evidence that the automatic stay of subsection (a) is lifted."

FLUCTUATING GAS PRICES

Mr. LEVIN. Mr. President, as the Senator knows, gas prices have fluctuated significantly in the last year. In my own state of Michigan, gas prices went from .80 cents a gallon in October 1999 to a high of $1.46 a gallon by June 2000. The Internal Revenue Service, IRS, Local Standards for Operating Costs and Public Transportation Costs, which includes costs for gasoline, are revised in October of each year but are often based on statistics from as long as 2 or 3 years before that. The IRS standards for gasoline costs can be out of date in a fast changing economy.

In the event a debtor has experienced significant increases in the costs of buying gasoline for their car, how would the means test adjust for this?

Mr. GRASSLEY. Mr. President, under the special circumstances provision, the debtor could explain in the debtor's petition why an additional allowance in excess of the amounts allowed under the Internal Revenue Standards was reasonable and necessary. As a practical matter, if the costs for gas have increased significantly over the costs for gas used by the Internal Revenue Service, the excess costs of gasoline over the IRS standard should and would be allowed under the special circumstances provision.

Mr. NELSON of Florida. Mr. President, I am opposed to the Bankruptcy Reform Act of 2001. I do not take my decision to vote against this legislation lightly. The growing personal debt of the American people and the dramatic rise in bankruptcy filings over the last 10 years should give us all reason for concern.

However, this legislation simply fails as a matter of sound public policy. Rather than addressing this complex issue with a solution that focuses on consumer and private sector responsibility, this bill almost exclusively places the burden of change on the people that bankruptcy law is supposed to help. It almost completely ignores the aggressive marketing practices of lenders who in some cases, seem to have lost the ability to judge a bad credit risk.

It is difficult to have sympathy for an industry that mails three billion solicitations a year, and expends very little effort to ensure that they are marketing to people who have the financial means or are even old enough to hold a credit card. It's clear that young and low-income individuals, who often have the least ability to repay, are prime targets of the credit industry's overly aggressive marketing tactics.

It appears that these companies have made a calculation that it is more profitable to have liberal lending policies and higher interest rates, than it is to deny credit or at least putting a reasonable credit limit in place.

I have heard many of my colleagues talk a lot over the past week about how consumers need to be more financially responsible. Fair enough. But I'm here to say that we should also demand more responsibility from big lenders who fail to do their homework.

Especially in a time of economic slow-down, I do not believe we should make it more difficult for people to get a fresh start unless we also make further demands of an industry that could solve many of its problems by simply making credit available responsibly.

I realize that this legislation also would benefit many small businesses that extend credit to their customers, and that are sometimes forced to foot the bill for individuals who choose to abuse the system. My concern about reckless lending practices is not aimed at the small businessman, and, I strongly want to stamp out abuse in the bankruptcy system.

However, a better bankruptcy bill would encourage responsible marketing of credit services and would include stronger provisions to curb predatory lending. This bill falls short of the mark in these areas and as result will not get my vote.

Mr. KERRY. Mr. President, the Bankruptcy Reform bill we are voting on today has a valid, uncontroversial and necessary purpose. It is intended to curb bankruptcy abuse and ensure that those who can afford to pay their debts, do pay their debts. And I would say to you, Mr. President, if this were—all about those goals—if this were a debate about personal responsibility—there would be a very different dialogue in the United States Senate and it would have given us a very different bill than the one we're voting on today. But Mr. President the bill we are voting on is seriously flawed and will harm innocent debtors who are genuinely in need of the protections and "fresh start" that bankruptcy procedures are intended to provide. It is for that reason that I must vote against this bill.

During the 106th Congress, I voted in favor of the Senate bankruptcy bill, because I believe that we need to reform the system and curb abuse. I had some serious reservations about that bill and had hoped that many of the concerns I had at that time would be addressed in conference. Unfortunately the conference bill, like the bill we are voting on today, did not target only those who abuse the bankruptcy system. What we needed during the 106th Congress, and what we need now, is bankruptcy reform that does not lump together those who need the protections of bankruptcy with those who abuse the system.

We must absolutely prevent the abuse of the bankruptcy system by the millionaires whom we know have received the protections of the bankruptcy system despite their ability to repay their debts. But even beyond the flagrant, high profile abuse of the bankruptcy system that we have read about in the papers, we must also be sure that every consumer acts responsibly and does not charge meals, vacations and clothes that he can't afford, only to turn to the bankruptcy system to bail him out of his debt.

At the same time, we must not forget that a fresh start in bankruptcy serves a valuable purpose for many individuals who truly need its protections. When an individual gets into financial trouble because, for example, she has catastrophic, unforeseen medical expenses, it is better for her, for her creditors and even for society as a whole if she is given the opportunity to have her debts discharged and is given a fresh start. The alternative is that the innocent but unlucky debtor may have as much as 25 percent of her wages garnished by her creditors. Most people live paycheck to paycheck and would be put in serious financial trouble if their paychecks were reduced by that much. In those circumstances, consumers have no choice but to cut back on other, important expenses. They stop paying for their auto insurance and health insurance. They deplete any savings they might have and stop contributing to their retirement accounts. This is a perverse result that doesn't benefit anyone and certainly should not be the outcome of our efforts to reform the bankruptcy system.

As you know, this bill implements a means-testing system that would create a presumption that a Chapter 7 bankruptcy, or fresh start bankruptcy, should be dismissed or converted to a Chapter 13 reorganization if a certain financial formula is satisfied. The means test applies an IRS standard to determine whether a case should be dismissed or converted. The IRS standard is inflexible, and it provides no room for a bankruptcy judge to determine whether the circumstances that led to the debtor's financial situation warrant treatment under Chapter 7. A father with a sick child is treated the same way as a reckless spender who ran up his credit cards on luxury items. Judges should have some discretion to distinguish those situations and exempt from means-testing debtors who, due to circumstances beyond their control, have come to the court to ask for the protection bankruptcy is intended to provide.

The purpose of the means test is to ensure that more individuals file in Chapter 13 and therefore pay off more of their debts. That sounds like a laudable goal. But it is likely to fail. Simply because more people are forced into Chapter 13 plans does not mean that they will be able to successfully complete those plans. Even under the current system, only a third of those who file for Chapter 13 successfully complete their plans. Simply funneling more individuals into Chapter 13 does not in any way guarantee that more debts will be paid off.

Finally, the means test imposes financial disclosure requirements that put significant burdens on all debtors, not just the ten percent or fewer whom experts say abuse the system. Under the means test, everyone who files for bankruptcy must engage in more preparation, more paperwork and more attorney and other expenses prior to filing for bankruptcy, leaving fewer assets to distribute to creditors.

A narrowly targeted reform bill designed to reduce abuse of the system would have provided bankruptcy judges with the discretion to dismiss or convert a case to Chapter 7, but would not have mandated it. It would have provided creditors the opportunity to ask for a dismissal or conversion, but would not have put the burden on every filer to prove that he or she deserves the protections of Chapter 7. This bill simply fails to take that reasonable, targeted approach toward curbing abuse.

In its attempt to thwart abuse of the system, the bill we are voting will also result in some innocent debtors losing their rented homes and apartments. Current bankruptcy law allows individuals in bankruptcy to remain in their apartments as long as they keep paying their rent while the bankruptcy is pending, and as long as they repay any unpaid rent. A landlord must go to the bankruptcy court for permission to evict tenants who have filed for bankruptcy. There is no question that some tenants will abuse this provision, and withhold rent while gambling on the fact that the time and expense of going to bankruptcy court will prevent the landlord from getting permission to evict the tenant. This bill, which allows landlords to evict debtors without going to bankruptcy court, punishes the innocent tenant who is paying his rent while it attempts to get at those who abuse the system. And once again, the answer lies in more narrowly targeting reform. We simply need to make it easier and less expensive for a landlord to evict a tenant when that tenant has failed to pay his rent. It is not necessary, nor is it good public policy, to allow a landlord to evict a tenant who is paying rent and who will pay back any debts owed.

Perhaps one of the most disturbing parts of the bill is its impact on children. The bill's supporters claim that by moving child support claims from seventh to first priority in Chapter 7 cases, the bill "puts child support first." What they don't say is that this provision is virtually meaningless and will help very few children. The reason is because few debtors in Chapter 7 have any assets to distribute to priority unsecured creditors, such as credit card companies, after secured creditors receive the value of their collateral. Therefore, this change would affect only the smallest number of cases.

In addition, by forcing more debtors to file Chapter 13, more debt, including credit card debt, will have to be repaid. The result is that banks and credit card companies will be in direct competition with single parents trying to collect child support after bankruptcy. Once again, Mr. President, a bill that claims to reform the system may actually make it worse for those most in need.

While this bill puts more burdens on the innocent debtor, it does not place more responsibility on the creditors who provide the consumers with the opportunity to take on increasing amounts of debt. A simple provision requiring credit card bills to state the length of time it would take and the interest that would be paid on the current debt if only the monthly minimum was paid would have provided real reform. Such a provision would have provided valuable information to consumers, and given them the tools they need to decide whether they can afford to take on any new debt. This bill, however, fails to include such a balanced reform provision. Instead, it includes an inadequate disclosure provision that would free 80% of all banks from any disclosure responsibility and place the burden of disclosure on the Federal Reserve for two years. After that time, it is unclear whether and how the consumer disclosure requirements would be maintained.

This bill is not only detrimental to consumers, but it also hurts our small businesses. This effort to reform our bankruptcy laws will make it more difficult for entrepreneurs to start a small business and impose additional regulations and reporting requirements on small businesses who file for bankruptcy. I believe we must do everything possible to ensure the viability of small businesses and to assist in fostering entrepreneurship in our economy. It has been the Congress's long-held belief that regulatory and procedural burdens should be lowered for small business wherever possible. However, the Bankruptcy Reform Act fails to meet this challenge. Instead, this legislation promotes additional red tape and a government bureaucracy that we have worked to reduce for small business. Specifically, the provisions included in the Bankruptcy Reform Act impose new technical and burdensome reporting requirements for small businesses who file for bankruptcy that are more stringent on small businesses than they are on big business. Further, the bill will provide creditors with greatly enhanced powers to force small businesses to liquidate their assets.

Any big business would have difficulty complying with these new burdensome reporting requirements. But think of the difficulties an entrepreneur or a mom and pop grocery store will have in complying with this dizzying array of new and complex reporting and other requirements. These small businesses are the most likely to need, but least likely to be able to afford, the assistance of a lawyer or an accountant to comply with these new taxing requirements. That is why during the consideration of this bill I offered an amendment to strike the small business provisions which will make it easier for creditors to force liquidations of small business during the bankruptcy process. Unfortunately, that amendment was not adopted.

A limited number of provisions do help small businesses and family fishing businesses. The amendments that I offered last year to extend the reorganization plan filing and confirmation deadlines for small business are included in this bill along with a provision to include small businesses in the creditors committee. Those amendments help small businesses, but they cannot compensate for the greater burdens this bill imposes.

Additionally, I am pleased that an amendment sponsored by Senator COLLINS and I which will extend Chapter 12 bankruptcy protections to our family fishermen has been included in the bill. Mr. President, small, family-owned fishing businesses are in serious trouble. Severe environmental factors such as coastal pollution, warmer oceans and changing currents have resulted in severely depleted fish stocks around the country. We are making progress in rebuilding stocks, however, the cost of this progress has been a steep decline in the amount of fishing allowed in Georges Bank and the Gulf of Maine. This in turn has made it much more difficult for fishermen in Massachusetts and Maine to maintain profitable businesses.

This amendment Senator COLLINS and I sponsored will ensure that fishermen have the flexibility under Chapter 12 of the bankruptcy code to wait out the rebuilding of our commercial fish stocks without back-tracking on our conservation gains to date. It will help preserve the rich New England fishing heritage in Massachusetts without wiping out the fiercely independent small-boat fishermen.

Despite those provisions, which I do believe improve the system, overall this bill does not provide for real bankruptcy reform. Mr. President, sponsors of this bill say it is necessary because we are in the midst of a "bankruptcy crisis." There has been widespread and justifiable concern over the increase in consumer bankruptcies during the 1990s. There were more than 1.4 million bankruptcy filings in 1998. However, personal bankruptcy filings have fallen steadily since then, down to 1.3 million in 1999 and to 1.2 million last year. That is fewer bankruptcies per capita than there were at the time the bankruptcy bill was first introduced. I cannot help but think that had we enacted bankruptcy reform in 1998, the sponsors of the bill would have been taking credit for this downturn in bankruptcies.

But without congressional intervention, bankruptcies have been on the decline. The reason, Mr. President, is simple. Lenders are profit-maximizing institutions which select their own credit criteria. If there is an increase in personal bankruptcies, credit card companies simply won't offer their cards to consumers who don't have the means to pay. The free-market thus corrects any upswing in bankruptcy.

Although the free market will correct the over-extension of credit to those who can least afford it, the market will not address the small percentage of bankruptcy filers who abuse the system. We need legislation for that. But that legislation should be targeted; it should be narrowly crafted; and it should avoid punishing those who truly need and deserve bankruptcy protection. This bill does not do that, and I must vote against it.

Mr. HATCH. Mr. President, I am pleased that S. 420, the bankruptcy legislation, cures some abuses in the Bankruptcy Code regarding executory and unexpired leases.

One provision, Section 404 of the bill, amends Section 365(d)(4) of the Bankruptcy Code. Presently, Section 365(d)(4) provides a retail debtor 60 days to decide whether to assume or reject its lease. A bankruptcy judge may extend this deadline for cause, and therein is the problem. Too many bankruptcy judges have allowed this exception essentially to eliminate any notion of a reasonable and firm deadline on a retail debtor's decision to assume or reject a lease. Bankruptcy judges have been extending this deadline for months and years, often to the date of confirmation of a plan.

This situation is unfair. A shopping center operator is a compelled creditor. It has no choice but to continue to provide space and services to the debtor in bankruptcy. Yet, the current Code permits a retail debtor as much as years to decide what it will do with its lease. Coupled with the increased use of bankruptcy by retail chains, the Bankruptcy Code is tipped unfairly against the shopping center operator.

Some stores curtail their operations or go dark, and still the lessor cannot regain control of its space.

This legislation, like the conference report in the last two Congresses, ends this abuse. It imposes a firm, bright line deadline on a retail debtor's decision to assume or reject a lease, absent the lessor's consent. It permits a bankruptcy trustee to assume or reject a lease on a date which is the earlier of the date of confirmation of a plan or the date which is 120 days after the date of the order for relief. A further extension of time may be granted, within the 120-day period, for an additional 90 days, for cause, upon motion of the trustee or lessor. Any subsequent extension can only be granted by the judge upon the prior written consent of the lessor: either by the lessor's motion for an extension, or by a motion of the trustee, provided that the trustee has the written approval of the lessor. This is important. We are taking away the bankruptcy judges' discretion to grant extensions of the time for the retail debtor to decide whether to assume or reject a lease after a maximum possible period of 210 days from the time of entry of the order of relief. Beyond that maximum period, there is no authority in the judge to grant further time unless the lessor has agreed in writing to the extension.

Retail debtors filing for bankruptcy will factor into their plans this new deadline. Most retail chains undertake a careful review of their financial condition and business outlook before they file for bankruptcy. They will already have an understanding of which leases are ones they wish to assume and which ones they wish to dispose of. The legislation gives them an additional 120 days to decide on what to do with their leases, once they file for bankruptcy. Within that 120 day time period, an additional 90 days can be granted for cause. A further extension may be negotiated by the retail debtor and the lessor if circumstances warrant, and any such extension can be granted by a judge only with prior written consent of the lessor. Further, a lessor's prior written approval of one such extension does not constitute approval for any further extensions, each such extension beyond the 210 day period requires the lessor's prior written approval. The current imbalance between the retail debtor and the lessor will be redressed by the legislation.

The bill in Section 404 also amends Section 365(f)(1) of the Bankruptcy Code to make sure that all of the provisions of Section 365(b) are adhered to and that Section 365(f) does not override Section 365(b).

This addresses another growing abuse under the Bankruptcy Code. The bill makes clear that an owner must be able to retain control over the mix of retail uses in a shopping center. When an owner enters into a use clause with a retail tenant forbidding assignments of the lease for a use different than that specified in the lease, that clause should be honored. Congress has so intended already, but bankruptcy judges have sometimes ignored the law.

Congress made clear, in Section 365(f)(2)(B), that the trustee may assign an executory contract or unexpired lease of the debtor, only if the trustee makes adequate assurance of future performance under the contract or lease.

In Section 365(b)(3), Congress provided that for purposes of the Bankruptcy Code:

> "Adequate assurance of future performance of a lease of real property in a shopping center includes adequate assurance—
>
> "(A) of the source of rent and other consideration due under such lease, and in the case of an assignment, that the financial condition and operating performance of the proposed assignee and its guarantors, if any, shall be similar to the financial condition and operating performance of the debtor and its guarantors, if any, as of the time the debtor became the lessee under the lease;
>
> (B) that any percentage rent due under such lease will not decline substantially;
>
> (C) that assumption or assignment of such lease is subject to all provisions thereof, including (but not limited to) provisions such as a radius, location, use, or exclusivity provision, and will not breach any such provision contained in any other lease, financing agreement, or master agreement relating to such shopping center; and
>
> (D) that assumption or assignment of such lease will not disrupt any tenant mix or balance in such shopping center.

Congress added these provisions to the Code in recognition that a shopping center must be allowed to protect its own integrity as an on going business enterprise, notwithstanding the bankruptcy of some of its retail tenants. A shopping center operator, for example, must be able to determine the mix of retain tenants it leases to. Congress decided that use or similar restrictions in a retail lease, which the retailer cannot evade under nonbankruptcy law, should not be evaded in bankruptcy.

Regrettably, bankruptcy judges have not followed this Congressional mandate. Under another provision of the Code, Section 365(f), a number of bankruptcy judges have misconstrued the Code and allowed the assignment of a lease even though terms of the lease are not being followed. This ignores Section 365(b)(3) and is wrong.

For example, if a shopping center's lease with an educational retailer requires that the premises shall be used solely for the purpose of conducting the retail sale of educational items, as the lease in the In re Simon Property Group, L.P. v. Learningsmith, Inc. case provided, then the lessor has a right to insist on adherence to this use clause, even if the retailer files for bankruptcy. The clause is fully enforceable if the retailer is not in a bankruptcy proceeding, and the retailer should not be able to evade it in bankruptcy. Otherwise, the shopping centers operator loses control over the nature of his or her business.

Unfortuantley, in the Learningsmith case, the judge allowed the assignment of the lease to a candle retailer because it offered more money than an educational store to buy the lease, in contravention of Section 365(b)(3) of the Code. As a result, the lessor lost control over the nature of its very business, operating a particular mix of retail stores. If other retailers file for bankruptcy in that shopping center, the same result can occur.

The bill remedies this problem by amending Section 365(f)(1) to make clear it operates subject to all provisions of Section 365(b).

The legal holding in the Learningsmith case, and other cases like it which do not enforce Section 365(b), particularly 365(b)(3), are overturned by this legislation.

Mr. GRAMM. Mr. President, Title IX of S. 420, the Bankruptcy Reform Act of 2001, involves financial contract provisions. The provisions of Title IX have been carefully crafted with the assistance of the President's Working Group on Financial Markets following a review of current statutory provisions governing the treatment of qualified financial contracts and similar financial contracts upon the insolvency of a counterparty.

Title IX amends the Bankruptcy Code, the Federal Deposit Insurance Act, FDIA, as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, FIRREA, the payment system risk reduction and netting provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991, FDICIA, and the Securities Investor Protection Act of 1970, SIPA. These amendments address the treatment of certain financial transactions following the insolvency of a party to such transactions. The amendments are designed to clarify and improve the consistency between the applicable statutes and to minimize the risk of a disruption within or between financial markets upon the insolvency of a market participant.

Since its adoption in 1978, the Bankruptcy Code has been amended several times to afford different treatment for certain financial transactions upon the bankruptcy of a debtor, as compared with the treatment of other commercial contracts and transactions. These amendments were designed to further the policy goal of minimizing the systemic risks potentially arising from certain interrelated financial activities and markets. Similar amendments have been made to the FDIA and the FDICIA, both the Federal Deposit Insurance Corporation, (FDIC), and the Securities Investor Protection Corporation (SIPC), have issued policy statements and letters clarifying general issues in this regard.

Systemic risk has been defined as the risk that a disruption at a firm, in a market segment, to a settlement system, etc., can cause widespread difficulties at other firms, in other market segments or in the financial system as a whole. If participants in certain financial activities are unable to enforce their rights to terminate financial contracts with an insolvent entity in a timely manner, to offset or net payment and other transfer obligations and entitlements arising under such contracts, and to foreclose on collateral securing such contracts, the resulting uncertainty and potential lack of liquidly could increase the risk of an inter-market disruption.

Congress has in the past taken steps to ensure that the risk of such systemic events is minimized. For example, both the Bankruptcy Code and the FDIA contain provisions that protect the rights of financial participants to terminate swap agreements, forward contracts, securities contracts, commodity contracts and repurchase agreements following the bankruptcy or insolvency of a counterparty to such contracts or agreements. Furthermore, other provisions prevent transfers made under such circumstances from being avoided as preferences or fraudulent conveyances, except when made with actual intent to defraud and taken in bad faith. Protections also are afforded to ensure that the acceleration, termination, liquidation, netting, setoff and collateral foreclosure provisions of such transactions and master agreements for such transactions are enforceable.

In addition, FDICIA was enacted in 1991 to protect the enforceability of close-out netting provisions in "netting contracts" between "financial institutions." FDICIA states that the goal of enforcing netting arrangements is to reduce systemic risk within the banking system and financial markets.

The orderly resolution of insolvencies involving counterparties to such contracts also is an important element in the reduction of systemic risk. The FDIA allows the receiver for an insolvency insured depository institution the opportunity to review the status of certain contracts to determine whether to terminate or transfer the contracts to new counterparties. These provisions provide the receiver with flexibility in determining the most appropriate resolution for the failed institution and facilitate the reduction of systemic risk by permitting the transfer, rather than termination, of such contracts.

In general, Title IX is designed to clarify the treatment of certain financial contracts upon the insolvency of a counterparty and to promote the reduction of systemic risk. It furthers the goals of prior amendments to the Bankruptcy Code and the FDIA regarding the treatment of those financial contracts and of the payment system risk reduction provisions in FDICIA. It has four principal purposes:

1. To strengthen the provisions of the Bankruptcy Code and the FDIA that protect the enforceability of acceleration, termination, liquidation, close-out netting, collateral foreclosure and related provisions of certain financial agreements and transactions.

2. To harmonize the treatment of these financial agreements and transactions under the Bankruptcy Code and the FDIA.

3. To amend the FDIA and FDICIA to clarify that certain rights of the FDIC acting as conservator or receiver for a failed insured depository institution (and in some situations, rights of SIPC and receivers of certain uninsured institutions) cannot be defeated by operation of the terms of FDICIA.

4. To make other substantive and technical amendments to clarify the enforceability of financial agreements and transactions in bankruptcy or insolvency.

All these changes are designed to further minimize systemic risk to the banking system and the financial markets.

In section 901, subsections (a) through (f) amend the FDIA definitions of "qualified financial contract," "securities contract," "commodity contract," "forward contract," "repurchase agreement" and "swap agreement" to make them consistent with the definitions in the Bankruptcy Code and to reflect the enactment of the Commodity Futures Modernization Act of 2000 (CFMA). It is intended that the legislative history and case law surrounding those terms, to the date of this amendment, be incorporated into the legislative history of the FDIA.

Subsection (b) amends the definition of "securities contract" expressly to encompass margin loans, to clarify the coverage of securities options and to clarify the coverage of repurchase and reverse repurchase transactions. The inclusion of "margin loans" in the definition is intended to encompass only those loans commonly known in the securities industry as "margin loans," such as arrangements where a securities broker or dealer extends credit to a customer in connection with the purchase, sale or trading of securities, and does not include loans that are not commonly referred to as "margin loans," however documented. The reference in subsection (b) to a "guarantee by or to any securities clearing agency" is intended to cover other arrangements, such as novation, that have an effect similar to a guarantee. The reference to a "loan" of a security in the definition is intended to apply to loans of securities, whether or not for a "permitted purpose" under margin regulations. The reference to "repurchase and reverse repurchase transactions" is intended to eliminate any inquiry under the qualified financial contract provisions of the FDIA as to whether a repurchase or reverse repurchase transaction is a purchase and sale transaction or a secured financing. Repurchase and reverse repurchase transactions meeting certain criteria are already covered under the definition of "repurchase agreement" in the FDIA (and a regulation of the FDIC). Repurchase and reverse repurchase transactions on all securities (including, for example, equity securities, asset-backed securities, corporate bonds and commercial paper) are included under the definition of "securities contract".

Subsection (b) also specifies that purchase, sale and repurchase obligations under a participation in a commercial mortgage loan do not constitute "securities contracts." While a contract for the purchase, sale or repurchase of a participation may constitute a "securities contract," the purchase, sale or repurchase obligation embedded in a participation agreement does not make that agreement a "securities contract."

A number of terms used in the qualified financial contract provisions, but not defined therein, are intended to have the meanings set forth in the analogous provisions of the Bankruptcy Code or FDICIA (for example, "securities clearing agency"). The term "person," however, is not intended to be so interpreted. Instead, "person" is intended to have the meaning set forth in 1 U.S.C. §1.

Subsection (e) amends the definition of "repurchase agreement" to codify the substance of the FDIC's 1995 regulation defining repurchase agreement to include those on qualified foreign government securities. See 12 CFR §360.5. The term "qualified foreign government securities" is defined to include those that are direct obligations of, or fully guaranteed by, central governments of members of the Organization for Economic Cooperation and Development, OECD. Subsection (e) reflects developments in the repurchase agreement markets, which increasingly use foreign government securities as the underlying asset. The securities are limited to those issued by or guaranteed by full members of the OECD, as well as countries that have concluded special lending arrangements with the International Monetary fund associated with the Fund's General Arrangements to Borrow.

Subsection (e) also amends the definition of "repurchase agreement" to include those on mortgage-related securities, mortgage loans and interests therein, and expressly to include principal and interest-only U.S. government and agency securities as securities that can be the subject of a "repurchase agreement." The reference in the definition to United States government- and agency-issued or fully guaranteed securities is intended to include obligations issued or guaranteed by Fannie Mae and the Federal Home Loan Mortgage Corporation (Freddie Mac) as well as all obligations eligible for purchase by Federal Reserve banks under the similar language of section 14(b) of the Federal Reserve Act.

This amendment is not intended to affect the status of repos involving securities or commodities as securities contracts, commodity contracts, or forward contracts, and their consequent eligibility for similar treatment under the qualified financial contract provisions. In particular, an agreement for the sale and repurchase of a security would continue to be a securities contract as defined in the FDIA, even if not a "repurchase agreement" as defined in the FDIA. Similarly, an agreement for the sale and repurchase of a commodity, even though not a "repurchase agreement" as defined in the FDIA, would continue to be a forward contract for purposes of the FDIA.

Subsection (e), like subsection (b) for "securities contracts," specifies that repurchase obligations under a participation in a commercial mortgage loan do not make the participation agreement a "repurchase agreement." Such repurchase obligations embedded in participations in commercial loans (such as recourse obligations) do not constitute a "repurchase agreement." However, a repurchase agreement involving the transfer of participations in commercial mortgage loans with a simultaneous agreement to repurchase the participation on demand or at a date certain one year or less after such transfer would constitute a "repurchase agreement", as well as a "securities contract".

Subsection (f) amends the definition of "swap agreement" to include an "interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow,. tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option." As amended, the definition of "swap agreement" will update the statutory definition and achieve contractual netting across economically similar transactions.

The definition of "swap agreement" originally was intended to provide sufficient flexibility to avoid the need to amend the definition as the nature and uses of swap transactions matured. To that end, the phrase "or any other similar agreement" was included in the definition. (The phrase "or any similar agreement" has been added to the definition of "forward contract," "commodity contract," "repurchase agreement" and "securities contract" for the same reason.) To clarify this, subsection (f) expands the definition of "swap agreement" to include "any agreement or transaction that is similar to any other agreement or transaction referred to in Section 11(e)(8)(D)(vi) of the FDIA and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets and that is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value."

The definition of "swap agreement," however, should not be interpreted to permit parties to document non-swaps as swap transactions. Traditional commercial arrangements, such as supply agreements, or other non-financial market transactions, such as commercial, residential or consumer loans, cannot be treated as "swaps" under either the FDIA or the Bankruptcy Code simply because the parties purport to document or label the transactions as "swap agreements." In addition, these definitions apply only for purposes of the FDIA and the Bankruptcy Code. These definitions, and the characterization of a certain transaction as a "swap agreement," are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in subsection (f). Similarly, Section 914 and a new paragraph of Section 11(e) of the FDIA provide that the definitions of "securities contract," "repurchase agreement," "forward contract," and "commodity contract," and the characterization of certain transactions as such a contract or agreement, are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in subsection (f).

The definition also includes any security agreement or arrangement, or other credit enhancement, related to a swap agreement, including any guarantee or reimbursement obligation related to a swap agreement. This ensures that any such agreement, arrangement or enhancement is itself deemed to be a swap agreement, and therefore eligible for treatment as such for purposes of termination, liquidation, acceleration, offset and netting under the FDIA and the Bankruptcy Code. Similar changes are made in the definitions of "forward contract," "commodity contract," "repurchase agreement" and "securities contract."

The use of the term "forward" in the definition of "swap agreement" is not intended to refer only to transactions that fall within the definition of "forward contract." Instead, a "forward" transaction could be a "swap agreement" even if not a "forward contract."

Subsection (g) amends the FDIA by adding a definition for "transfer," which is a key term used in the FDIA, to ensure that it is broadly construed to encompass dispositions of property or interests in property. The definition tracks that in section 101 of the Bankruptcy Code.

Subsection (h) makes clarifying technical changes to conform the receivership and conservatorship provisions of the FDIA. This subsection (h) also clarifies that the FDIA expressly protects rights under security agreements, arrangements or other credit enhancements related to one or more qualified financial contracts, (QFCs). An example of a security arrangement is a right of setoff, and examples of other credit enhancements are letters of credit, guarantees, reimbursement obligations and other similar agreements.

Subsection (i) clarifies that no provision of Federal or state law relating to the avoidance of preferential or fraudulent transfers, (including the anti-preference provision of the National Bank Act) can be invoked to avoid a transfer made in connection with any QFC of an insured depository institution in conservatorship or receivership, absent actual fraudulent intent on the part of the transferee.

Section 902 provides that no provision of law, including FDICIA, shall be construed to limit the power of the FDIC to transfer or to repudiate any QFC in accordance with its powers under the FDIA. As discussed below, there has been some uncertainty regarding whether or not FDICIA limits the authority of the FDIC to transfer or to repudiate QFCs of an insolvent financial institution. Section 902, as well as other provisions in the Act—clarify that FDICIA does not limit the transfer powers of the FDIC with respect to QFCs.

Section 902 denies enforcement to "walkaway" clauses in QFCs. A walkaway clause is defined as a provision that, after calculation of a value of a party's position or an amount due to or from one of the parties upon termination, liquidation or acceleration of the QFC, either does not create a payment obligation of a party or extinguishes a payment obligation of a party in whole or in part solely because of such party's status as a non-defaulting party.

In Section 903, subsection (a) amends the FDIA to expand the transfer authority of the FDIC to permit transfers of QFCs to "financial institutions" as defined in FDICIA or in regulations. This provision will allow the FDIC to transfer QFCs to a non-depository financial institution, provided the institution is not subject to bankruptcy or insolvency proceedings.

The new FDIA provision specifies that when the FDIC transfers QFCs that are cleared on or subject to the rules of a particular clearing organization, the transfer will not require the clearing organization to accept the transferee as a member of the organization. This provision gives the FCIC flexibility in resolving QFCs cleared on or subject to the rules of a clearing organization, while preserving the ability of such organizations to enforce appropriate risk reducing membership requirements. The amendment does not require the clearing organization to accept for clearing any QFCs from the transferee, except on the terms and conditions applicable to other parties permitted to clear through that clearing organization. "Clearing organization" is defined to mean a "clearing organization" within the meaning of FDICIA (as amended both by the CFMA and by Section 906 of the Act).

The new FDIA provision also permits transfers to an eligible financial institution that is a non-U.S. person, or the branch or agency of a non-U.S. person or a U.S. financial institution that is not an FDIC-insured institution if, following the transfer, the contractual rights of the parties would be enforceable substantially to the same extent as under the FDIA. It is expected that the FDIC would not transfer QFCs to such a financial institution if there were an impending change of law that would impair the enforceability of the parties' contractual rights.

Subsection (b) amends the notification requirements following a transfer of the QFCs of a failed depository institution to require the FDIC to notify any party to a transferred QFC of such transfer by 5:00 p.m. (Eastern Time) on the business day following the date of the appointment of the FDIC acting as receiver or following the date of such transfer by the FDIC acting as a conservator. This amendment is consistent with the policy statement on QFCs issued by the FDIC on December 12, 1989.

Subsection (c) amends the FDIA to clarify the relationship between the FDIA and FDICIA. There has been some uncertainty whether FDICIA permits counterparties to terminate or liquidate a QFC before the expiration of the time period provided by the FDIA during which the FDIC may repudiate or transfer a QFC in a conservatorship or receivership. Subsection (c) provides that a party may not terminate a QFC based solely on the appointment of the FDIC as receiver until 5:00 p.m. (Eastern Time) on the business day following the appointment of the receiver or after the person has received notice of a transfer under FDIA section 11(d)(9), or based solely on the appointment of the FDIC as conservator, notwithstanding the provisions of FDICIA. This provides the FDIC with an opportunity to undertake an orderly resolution of the insured depository institution.

The amendment also prohibits the enforcement of rights of termination or liquidation that arise solely because of the insolvency of the institution or are based on the "financial condition" of the depository institution in receivership or conservatorship. For example, termination based on a cross-default provision in a QFC that is triggered upon a default under another contract could be rendered ineffective if such other default was caused by an acceleration of amounts due under that other contract, and such acceleration was based solely on the appointment of a conservator or receiver for that depository institution. Similarly, a provision in a QFC permitting termination of the QFC based solely on a downgraded credit rating of a party will not be enforceable in an FDIC receivership or conservatorship because the provision is based solely on the financial condition of the depository institution in default. However, any payment, delivery or other performance-based default, or breach of a representation or covenant putting in question the enforceability of the agreement, will not be deemed to be based solely on financial condition for purposes of this provision. The amendment is not intended to prevent counterparties from taking all actions permitted and recovering all damages authorized upon repudiation of any QFC by a conservator or receiver, or from taking actions based upon a receivership or other financial condition-triggered default in the absence of a transfer (as contemplated in Section 11 (e)(10) of the FDIA).

The amendment allows the FDIC to meet its obligation to provide notice to parties to transferred QFCs by taking steps reasonably calculated to provide notice to such parties by the required time. This is consistent with the existing policy statement on QFCs issued by the FDIC on December 12, 1989.

Finally, the amendment permits the FDIC to transfer QFCs of a failed depository institution to a bridge bank or a depository institution organized by the FDIC for which a conservator is appointed either (i) immediately upon the organization of such institution or (ii) at the time of a purchase and assumption transaction between the FDIC and the institution. This provision clarifies that such institutions are not to be considered financial institutions that are ineligible to receive such transfers under FDIA section 11(e)(9). This is consistent with the existing policy statement on QFCs issued by the FDIC on December 12, 1989.

Section 904 limits the disaffirmance and repudiation authority of the FDIC with respect to QFCs so that such authority is consistent with the FDIC's transfer authority under FDIA section 11(e)(9). This ensures that no disaffirmance, repudiation or transfer authority of the FDIC may be exercised to "cherry-pick" or otherwise treat independently all the QFCs between a depository institution in default and a person or any affiliate of such person. The FDIC has announced that its policy is not to repudiate or disaffirm QFCs selectively. This unified treatment is fundamental to the reduction of systemic risk.

Section 905 states that a master agreement for one or more securities contracts, commodity contracts, forward contracts, repurchase agreements or swap agreements will be treated as a single QFC under the FDIA (but only to the extent the underlying agreements are themselves QFCs). This provision ensures that cross-product netting pursuant to a master agreement, or pursuant to an umbrella agreement for separate master agreements between the same parties, each of which is used to document one or more qualified financial contracts, will be enforceable under the FDIA. Cross-product netting permits a wide variety of financial transactions between two parties to be netted, thereby maximizing the present and potential future risk-reducing benefits of the netting arrangement between the parties. Express recognition of the enforceability of such cross-product master agreements furthers the policy of increasing legal certainty and reducing systemic risks in the case of an insolvency of a large financial participant.

In section 906, subsection (a)(1) amends the definition of "clearing organization" to include clearinghouses that are subject to exemptions pursuant to orders of the Securities and Exchange Commission or the Commodity Futures Trading Commission and to include multilateral clearing organizations, (the definition of which was added to FDICIA by the CFMA).

Subsection (a)(2). FDICIA provides that a netting arrangement will be enforced pursuant to its terms, notwithstanding the failure of a party to the agreement. However, the current netting provisions of FDICIA limit this protection to "financial institutions," which include depository institutions. This subsection amends the FDICIA definition of covered institutions to include (i) uninsured national and State member banks, irrespective of their eligibility for deposit insurance and (ii) foreign banks, (including the foreign bank and its branches or agencies as a combined group, or only the foreign bank parent of a branch or agency).[1] The latter change will extend the protections of FDICIA to ensure that U.S. financial organizations participating in netting agreements with foreign banks are covered by the Act, thereby enhancing the safety and soundness of these arrangements. It is intended that a non-defaulting foreign bank and its branches and agencies be considered to be a single financial institution for purposes of the bilateral netting provisions of FDICIA (except to the extent that the non-defaulting foreign bank and its branches and agencies on the one hand, and the defaulting financial institution, on the other, have entered into agreements that clearly evidence an intention that the non-defaulting foreign bank and its branches and agencies be treated as separate financial institutions for purposes of the bilateral netting provisions of FDICIA).

Subsection (a)(3) amends FDICIA to provide that, for purposes of FDICIA, two or more clearing organizations that enter into a netting contract are considered "members" of each other. This assures the enforceability of netting arrangements involving two or more clearing organizations and a member common to all such organizations, thus reducing systemic risk in the event of the failure of such a member. Under the current FDICIA provisions, the enforceability of such arrangements depends on a case-by-case determination that clearing organizations could be regarded as members of each other for purposes of FDICIA.

Subsection (a)(4) amends the FDICIA definition of netting contract and the general rules applicable to netting contracts. The current FDICIA provisions require that the netting agreement must be governed by the law of the United States or a State to receive the protections of FDICIA. However, many of these agreements, particularly netting arrangements covering positions taken in foreign exchange dealings, are governed by the laws of a foreign country. This subsection broadens the definition of "netting contract" to include those agreements governed by foreign law, and preserves the FDICIA requirement that a netting contract not be invalid under, or precluded by, Federal law.

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[1] The Federal Reserve Board has by regulation included certain institutions, including certain foreign banks, swaps dealers and insurance companies, in the definition of a "financial institution" for purposes of FDICIA. See 12 C.F.R. Part 231.

Subsections (b) and (c) establish two exceptions to FDICIA's protection of the enforceability of the provisions of netting contracts between financial institutions and among clearing organization members.

First, the termination provisions of netting contracts will not be enforceable based solely on (i) the appointment of a conservator for an insolvent depository institution under the FDIA or (ii) the appointment of a receiver for such institution under the FDIA, if such receiver transfers or repudiates QFCs in accordance with the FDIA and gives notice of a transfer by 5:00 p.m. on the business day following the appointment of a receiver. This change is made to confirm the FDIC's flexibility to transfer or repudiate the QFCs of an insolvent depository institution in accordance with the terms of the FDIA. This modification also provides important legal certainly regarding the treatment of QFCs under the FDIA, because the current relationship between the FDIA and FDICIA is unclear.

The second exception provides that FDICIA does not override a stay order under SIPA with respect to foreclosure on securities, (but not cash), collateral of a debtor (section 911 makes a conforming change to SIPA). There is also an exception relating to insolvent commodity brokers.

Subsections (b) and (c) also clarify that a security agreement or other credit enhancement related to a netting contract is enforceable to the same extent as the underlying netting contract.

Subsection (d) adds a new section 407 to FDICIA. This new section provides that, notwithstanding any other law, QFCs with uninsured national banks, uninsured Federal branches or agencies, or Edge Act corporations, or uninsured State member banks that operate, or operate as, a multilateral cleaning organization and that are placed in receivership or conservatorship will be treated in the same manner as if the contract were with an insured national bank or insured Federal branch for which a receiver or conservator was appointed. This provision will ensure that parties to QFCs with these institutions will have the same rights and obligations as parties entering into the same agreements with insured depository institutions. The new section also specifically limits the powers of a receiver or conservator for such an institution to those contained in 12 U.S.C. §§1821(e)(8), (9), (10), and (11), which address QFCs.

While the amendment would apply the same rules to such institutions that apply to insured institutions, the provision would not change the rules that apply to insured institutions. Nothing in this section would amend the International Banking Act, the Federal Deposit Insurance Act, the national Bank Act, or other statutory provisions with respect to receiverships of insured national banks or Federal branches.

In section 907, subsection (a)(1) amends the Bankruptcy Code definitions of "repurchase agreement" and "swap agreement" to conform with the amendments to the FDIA contained in sections 901(e) and 901(f) of the Act.

In connection with the definition of "repurchase agreement," the term "qualified foreign government securities" is defined to include securities that are direct obligations of, or fully guaranteed by, central governments of members of the Organization for Economic Cooperation and Development OECD. This language reflects developments in the repurchase agreement markets, which increasingly use foreign government securities as the underlying asset. The securities are limited to those issued by or guaranteed by full members of the OECD, as well as countries that have concluded special lending arrangements with the International Monetary Fund associated with the Fund's General Arrangements to Borrow.

Subsection (a)(1) also amends the definition of "repurchase agreement" to include those on mortgage-related securities, mortgage loans and interests therein, and expressly to include principal and interest-only U.S. government and agency securities as securities that can be the subject of a "repurchase agreement." The reference in the definition to United States government- and agency-issued or fully guaranteed securities is intended to include obligations issued or guaranteed by Fannie Mae and the Federal Home Loan Mortgage Corporation (Feddie Mac) as well as all obligations eligible for purchase by Federal Reserve banks under the similar language of section 14(b) of the Federal Reserve Act.

This amendment is not intended to affect the status of repos involving securities or commodities as securities contracts, commodity contracts, or forward contracts, and their consequent eligibility for similar treatment under other provisions of the Bankruptcy Code. In particular, an agreement for the sale and repurchase of a security would continue to be a securities contract as defined in the Bankruptcy Code and thus also would be subject to the Bankruptcy Code provisions pertaining to securities contracts, even if not a "repurchase agreement" as defined in the Bankruptcy Code. Similarly, an agreement for the sale and repurchase of a commodity, even though not a "repurchase agreement" as defined in the Bankruptcy Code, would continue to be a forward contract for purposes of the Bankruptcy Code and would be subject to the Bankruptcy Code provisions pertaining to forward contracts.

Subsection (a)(1) specifies that repurchase obligations under a participation in a commercial mortgage loan do not make the participation agreement a "repurchase agreement." Such repurchase obligations embedded in participations in commercial loans, such as recourse obligations, do not constitute a "repurchase agreement." However, a repurchase agreement involving the transfer of participations in commercial mortgage loans with a simultaneous agreement to repurchase the participation on demand or at a date certain one year or less after such transfer would constitute a "repurchase agreement" (as well as a "securities contract").

The definition of "swap agreement" is amended to include an "interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option." As amended, the definition of "swap agreement" will update the statutory definition and achieve contractual netting across economically similar transactions.

The definition of "swap agreement" originally was intended to provide sufficient flexibility to avoid the need to amend the definition as the nature and uses of swap transactions matured. To that end, the phrase "or any other similar agreement" was included in the definition. (The phrase "or any similar agreement" has been added to the definitions of "forward contract," "commodity contract," "repurchase agreement," and "securities contract" for the same reason.) To clarify this, subsection (a)(1) expands the definition of "swap agreement" to include "any agreement or transaction that is similar to any other agreement or transaction referred to in Section 101(53B) of the Bankruptcy Code and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets and that is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value."

The definition of "swap agreement" in this subsection should not be interpreted to permit parties to document non-swaps as swap transactions. Traditional commercial arrangements, such as supply agreements, or other non-financial market transactions, such as commercial, residential or consumer loans, cannot be treated as "swaps" under either the FDIA or the Bankruptcy Code because the parties purport to document or label the transactions as "swap agreements." These definitions, and the characterization of a certain transaction as a "swap agreement," are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in subsection (a)(1)(C). Similarly, Section 914 provides that the definitions of "securities contract," "repurchase agreement," "forward contract," and "commodity contract," and the characterization of certain transactions as such a contract or agreement, are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in the definition of "swap agreement."

The definition also includes any security agreement or arrangement, or other credit enhancement, related to a swap agreement, including any guarantee or reimbursement obligation related to a swap agreement. This ensures that any such agreement, arrangement or enhancement is itself deemed to be a swap agreement, and therefore eligible for treatment as such for purposes of termination, liquidation, acceleration, offset and netting under the Bankruptcy Code and the FDIA. Similar changes are made in the definitions of "forward contract," "commodity contract," "repurchase agreement," and "securities contract." An example of a security arrangement is a right of setoff; examples of other credit enhancements are letters of credit and other similar agreements. A security agreement or arrangement or guarantee or reimbursement obligation related to a "swap agreement," "forward contract," "commodity contract," "repurchase agreement" or "securities contract" will be such an agreement or contract only to the extent of the damages in connection with such agreement measured in accordance with Section 562 of the Bankruptcy Code (added by the Act). This limitation does not affect, however, the other provisions of the Bankruptcy Code (including Section 362(b)) relating to security arrangements in connection with agreements or contracts that otherwise qualify as "swap agreements," "forward contracts," "commodity contracts," "repurchase agreements" or "securities contracts."

The use of the term "forward" in the definition of "swap agreement" is not intended to refer only to transactions that fall within the definition of "forward contract." Instead, a "forward" transaction could be a "swap agreement" even if not a "forward contract."

Subsections (a)(2) and (a)(3) amend the Bankruptcy Code definitions of "securities contract" and "commodity contract," respectively, to conform them to the definitions in the FDIA.

Subsection (a)(2), like the amendments to the FDIA, amends the definition of "securities contract" expressly to encompass margin loans, to clarify the coverage of securities options and to clarify the coverage of repurchase and reverse repurchase transactions. The inclusion of "margin loans" in the definition is intended to encompass only those loans commonly known in the securities industry as "margin loans," such as arrangements where a securities broker or dealer extends credit to a customer in connection with the purchase, sale or trading of securities, and does not include loans that are not commonly referred to as "margin loans," however documented. The reference in subsection (b) to a "guarantee" by or to a "securities clearing agency" is intended to cover other arrangements, such as novation, that have an effect similar to a guarantee. The reference to a "loan" of security in the definition is intended to apply to loans of securities, whether or not for a "permitted purpose" under margin regulations. The reference to "repurchase and reverse repurchase transactions" is intended to eliminate any inquiry under Section 555 and related provisions as to whether a repurchase or reverse repurchase transaction is a purchase and sale transaction or a secured financing. Repurchase and reverse repurchase transactions meeting certain criteria are already covered under the definition of "repurchase agreement" in the Bankruptcy Code. Repurchase and reverse repurchase transactions on all securities (including, for example, equity securities, asset-backed securities, corporate bonds and commercial paper) are included under the definition of "securities contract". A repurchase or reverse repurchase transaction which is a "securities contract" but not a "repurchase agreement" would thus be subject to the "counterparty limitations" contained in Section 555 of the Bankruptcy Code (i.e., only stockbrokers, financial institutions, securities clearing agencies and financial participants can avail themselves of Section 555 and related provisions).

Subsection (a)(2) also specifies that purchase, sale and repurchase obligations under a participation in a commercial mortgage loan do not constitute "securities contracts." While a contract for the purchase, sale or repurchase of a participation may constitute a "securities contract," the purchase, sale or repurchase obligation embedded in a participation agreement does not make that agreement a "securities contract."

Subsection (b) amends the Bankruptcy Code definitions of "financial institution" and "forward contract merchant." The definition for "financial institution" includes Federal Reserve Banks and the receivers or conservators of insolvent depository institutions. With respect to securities contracts, the definition of "financial institution" expressly includes investment companies registered under the Investment Company Act of 1940.

Subsection (b) also adds a new definition of "financial participant" to limit the potential impact of insolvencies upon other major market participants. This definition will allow such market participants to close-out and net agreements with insolvent entities under sections 362(b)(6), 555 and 556 even if the creditor could not qualify as, for example, a commodity broker. Sections 362(b)(6), 555 and 556 preserve the limitations of the right of close-out and net such contracts, in most cases, to entities who qualify under the Bankruptcy Code's counterparty limitations. However, where the counterparty has transactions with a total gross dollar value of at least $1 billion in notional or actual principal amount outstanding on any day during the previous 15-month period, or has gross mark-to-market positions of at least $100 million (aggregated across counterparties) in one or more agreements or transactions on any day during the previous 15-month period, sections 362(b)(6), 555 and 556 and corresponding amendments would permit it to exercise netting and related rights irrespective of its inability otherwise to satisfy those counterparty limitations. This change will help prevent systemic impact upon the markets from a single failure, and is derived from threshold tests contained in Regulation EE promulgated by the Federal Reserve Board in implementing the netting provisions of the Federal Deposit Insurance Corporation Improvement Act. It is intended that the 15-month period be measured with reference to the 15 months preceding the filing of a petition by or against the debtor.

"Financial participant" is also defined to include "clearing organizations" within the meaning of FDICIA (as amended by the CFMA and Section 906 of the Act). This amendment, together with the inclusion of "financial participants" as eligible counterparties in connection with "commodity contracts," "forward contracts" and "securities contracts" and the amendments made in other Sections of the Act to include "financial participants" as counterparties eligible for the protections in respect of "swap agreements" and "repurchase agreements," take into account the CFMA and will allow clearing organizations to benefit from the protections of all of the provisions of the Bankruptcy Code relating to these contracts and agreements. This will further the goal of promoting the clearing of derivatives and other transactions as a way to reduce systemic risk. The definition of "financial participant" (as with the other provisions of the Bankruptcy Code relating to "securities contracts," "forward contracts," "commodity contracts," "repurchase agreements" and "swap agreements) is not mutually exclusive, i.e., an entity that qualifies as a "financial participant" could also be a "swap participant," "repo participant," "forward contract merchant," 'commodity broker," "stockbroker," "securities clearing agency" and/or "financial institution."

Subsection (c) adds to the Bankruptcy Code new definitions for the terms "master netting agreement" and master netting agreement participant."

The definition of "master netting agreement" is designed to protect the termination and close-out netting provisions of cross-product master agreements between parties. Such an agreement may be used (i) to document a wide variety of securities contracts, commodity contracts, forward contracts, repurchase agreements and swap agreements or (ii) as an umbrella agreement for separate master agreement between the same parties, each of which is used to document a discrete type of transaction. The definition includes security agreements or arrangements or other credit enhancements related to one or more such agreements and clarifies that a master netting agreement will be treated as such even if it documents transactions that are not within the enumerated categories of qualifying transactions (but the provisions of the Bankruptcy Code relating to master netting agreements and the other categories of transactions will not apply to such other transactions).

A "master netting agreement participant" is an entity that is a party to an outstanding master netting agreement with a debtor before the filing of a bankruptcy petition.

Subsection (d) amends section 362(b) of the Bankruptcy Code to protect enforcement, free from the automatic stay, of setoff or netting provisions in swap agreements and in master netting agreements and security agreements or arrangements related to one or more swaping agreements or master netting agreements. This provision parallels the other provisions of the Bankruptcy Code that protect netting provisions of securities contracts, commodity contracts, forward contracts, and repurchase agreements. Because the relevant definitions include related security agreements, the references to "setoff" in these provisions, as well in section 362(b)(6) and (7) of the Bankruptcy Code, are intended to refer also to rights to foreclose on, and to set off against-obligations to return, collateral securing swap agreements, mater netting agreements, repurchase agreements, securities contracts, commodity contracts, or forward contracts. Collateral may be pledged to cover the cost of replacing the defaulted transactions in the relevant market, as well as other costs and expenses incurred or estimated to be incurred for the purpose of hedging or reducing the risks arising out of such termination. Enforcement of these agreements and arrangement free from the automatic stay is consistent with the policy goal of minimizing systemic risk.

Subsection (d) also clarifies that the provisions protecting setoff and foreclosure in relation to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, and master netting agreements free from the automatic stay apply to collateral pledged by the debtor but that cannot technically be "held by" the creditor, such as receivables and book-entry securities, and to collateral that has been repledged by the creditor and securities re-sold pursuant to repurchase agreements.

The current codification of section 546 of the Bankruptcy Code contains two subsections designated as "(g)"; subsection (e) corrects this error.

Subsections (e) and (f) amend sections 546 and 548(d) of the Bankruptcy Code to provide that transfers made under or in connection with a master netting agreement may not be avoided by a trustee except where such transfer is made with actual intent to hinder, delay or defraud and not taken in good faith. This amendment provides the same protections for a transfer made under, or in connection with, a master netting agreement as currently is provided for margin payments, settlement payments and other transfers received by commodity brokers, forward contract merchants, stockbrokers, financial institutions, securities clearing agencies, repo participants, and swap participants under Sections 546 and 548(d), except to the extent the trustee could otherwise avoid such a transfer made under an individual contract covered by such master netting agreement.

Subsections (g), (h), (i) and (j) clarify that the provisions of the Bankruptcy Code that protect (i) rights of liquidation under securities contracts, commodity contracts, forward contracts and repurchase agreements also protect rights of termination or acceleration under such contracts, and (ii) rights to terminate under swap agreements also protect rights of liquidation and acceleration.

Subsection (k) adds a new section 561 to the Bankruptcy Code to protect the contractual right of a master netting agreement participant to enforce any rights of termination, liquidation, acceleration, offset or netting under a master netting agreement. Such rights include rights arising (i) from the rules of a derivatives clearing organization, multilateral clearing organization, securities clearing agency, securities exchange, securities association, contract market, derivatives transaction execution facility or board of trade, (ii) under common law, law merchant or (iii) by reason of normal business practice. This reflects the enactment of the CFMA and the current treatment of rights under swap agreements under section 560 of the Bankruptcy Code. Similar changes to reflect the enactment of the CFMA have been made to the definition of "contractual right" for purposes of Sections 555, 556, 559 and 560 of the Bankruptcy Code.

Subsections (b)(2)(A) and (b)(2)(B) of new Section 561 limit the exercise of contractual rights to net or to offset obligations where the debtor is a commodity broker and one leg of the obligations sought to be netted relates to commodity contracts traded on or subject to the rules of a contract market designated under the Commodity Exchange Act or a derivatives transaction execution facility registered under the Commodity Exchange Act. Under subsection (b)(2)(A) netting or offsetting is not permitted in these circumstances if the party seeking to net or to offset has no positive net equity in the commodity accounts at the debtor. Subsection (b)(2)(B) applies only if the debtor is a commodity broker, acting on behalf of its own customer, and is in turn a customer of another commodity broker. In that case, the latter commodity broker may not net or offset obligations under such commodity contracts with other claims against its customer, the debtor. Subsections (b)(2)(A) and (b)(2)(B) limit the depletion of assets available for distribution to customers of commodity brokers. This is consistent with the principle of subchapter IV of chapter 7 of title 11 that gives priority to customer claims in the bankruptcy of a commodity broker. Subsection (b)(2)(C) provides an exception to subsections (b)(2)(A) and (b)(2)(B) for cross-margining and other similar arrangements approved by, or submitted to and not rendered ineffective by, the Commodity Futures Trading Commission, as well as certain other netting arrangements.

For the purposes of Bankruptcy Code, sections 555, 556, 559, 560, and 561, it is intended that the normal business practice in the event of a default of a party based on bankruptcy or insolvency is to terminate, liquidate or accelerate securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, and master netting agreements with the bankrupt or insolvent party.

The protection of netting and offset rights in sections 560 and 561 is in addition to the protections afforded in sections 362(b)(6), (b)(7), (b)(17), and (b)(28).

Under the Act, the termination, liquidation, or acceleration rights of a master netting agreement participant are subject to limitations contained in other provisions of the Bankruptcy Code relating to securities contracts and repurchase agreements. In particular, if a securities contract or repurchase agreement is documented under a master netting agreement, a party's termination, liquidation, and acceleration rights would be subject to the provisions of the Bankruptcy Code relating to orders authorized under the provisions of SIPA or any statute administered by the SEC. In addition, the netting rights of a party to a master netting agreement would be subject to any contractual terms between the parties limiting or waiving netting or set off rights. Similarly, a waiver by a bank or a counterparty of netting or set off rights in connection with QFCs would be enforceable under the FDIA.

Section 502 of the Act clarifies that, with respect to municipal bankruptcies, all the provisions of the Bankruptcy Code relating to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, and master netting agreements (which by their terms are intended to apply in all proceedings under title 11) will apply in a Chapter 9 proceeding for a municipality. Although sections 555, 556, 559, and 560 provide that they apply in any proceeding under the Bankruptcy Code, Section 502 makes a technical amendment in Chapter 9 to clarify the applicability of these provisions.

New section 561 of the Bankruptcy Code clarifies that the provisions of the Bankruptcy Code related to securities contracts, commodity contracts, forward contracts, repurchasing agreements, swap agreements, and master netting agreements apply in a proceeding ancillary to a foreign insolvency proceeding under new Chapter 15.

Subsections (l) and (m) clarify that the exercise of termination and netting rights will not otherwise affect the priority of the creditor's claim after the exercise of netting, foreclosure, and related rights.

Subsection (n) amends section 553 of the Bankruptcy Code to clarify that the acquisition by a creditor of setoff rights in connection with swap agreements, repurchase agreements, securities contracts, forward contracts, commodity contracts and master netting agreements cannot be avoided as a preference.

This subsection also adds setoff of the kinds described in sections 555, 556, 559, 560, and 561 of the Bankruptcy Code to the types of setoff excepted from section 553(b).

Subsection (o), as well as other subsections of the Act, adds references to "financial participant" in all the provisions of the Bankruptcy Code relating to securities, forward and commodity contracts, and repurchase and swap agreements.

Section 908 amends section 11(e)(8) of the Federal Deposit Insurance Act to explicitly authorize the FDIC, in consultation with appropriate Federal banking agencies, to prescribe regulations on recordkeeping by any insured depository institution with respect to QFCs only if the insured depository institution is in a troubled condition (as such term is defined in the FDIA).

Section 909 amends FDIA section 13(e)(2) to provide that an agreement for the collateralization of governmental deposits, bankruptcy estate funds, Federal Reserve Bank or Federal Home Loan Bank extensions of credit, or one or more QFCs shall not be deemed invalid solely because such agreement was not entered into contemporaneously with the acquisition of the collateral or because of pledges, delivery, or substitution of the collateral made in accordance with such agreement.

The amendment codifies portions of policy statements issued by the FDIC regarding the application of section 13(e), which codifies the "D'Oench Duhme" doctrine. With respect to QFCs, this codification recognizes that QFCs often are subject to collateral and other security arrangements that may require posting and return of collateral on an ongoing basis based on the mark-to-market value of the collateralized transactions. The codification of only portions of the existing FDIC policy statements on these and related issues should not give to any negative implication regarding the continued validity of these policy statements.

Section 910 adds a new section 562 to the Bankruptcy Code providing that damage under any swap agreement, securities contract, forward contract, commodity contract, repurchase agreement, or master netting agreement will be calculated as of the earlier of (i) the date of rejection of such agreement by a trustee or (ii) the date of liquidation, termination or acceleration of such contract or agreement.

New section 562 provides important legal certainty and makes the Bankruptcy Code consistent with the current provisions related to the timing of the calculation of damages under QFCs in the FDIA.

Section 911 amends SIPA to provide that an order or decree issued pursuant to SIPA shall not operate as a stay of any right of liquidation, termination, acceleration, offset, or netting under one or more securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, or master netting agreements (as defined in the Bankruptcy Code and including rights of foreclosure on collateral), except that such order or decree may stay any right to foreclose on or dispose of securities (but not cash) collateral pledged by the debtor or sold by the debtor under a repurchase agreement or lent by the debtor under a securities lending agreement. (A corresponding amendment to FDICIA is made by section 906). A creditor that was stayed in exercising rights against such securities would be entitled to post-insolvency interest to the extent of the value of such securities.

Section 912 generally protects asset-backed securitization transactions from legal uncertainties and disruptions related to the bankruptcies of certain parties and allows for the further development of structured finance. Asset securitization involves the issuance of securities supported by assets having an ascertainable cash flow or market value. Securitization of receivables, such as small-business loans, commercial and multifamily mortgages, and car loans, allows for the funding of such loans from capital market sources. The process generally enlarges the pool of capital available and reduces financing costs for vital lending purposes such as the financing of small-business operations and home ownership.

Through a number of definitions designed to ensure that the exclusion from property of the estate applies only to the intended type of transaction, new section 541(b)(5) of the Bankruptcy Code excludes from the property of a debtor's estate any "eligible asset" (and proceeds thereof) to the extent that such eligible asset was "transferred" by the debtor, before the date of commencement of the case, to an "eligible entity" in connection with an "asset-backed securitization." Each term is explicitly defined to reflect its specific role or application in the securitization process to ensure that only bona fide securitizations are eligible for the safe harbor exclusion. All defined elements of a securitization must be present for the safe harbor to apply. Other commercial transactions lacking any of the defined elements, such as transactions documented and structured as collateralized lending arrangements and other commercial asset sales or financings that are unrelated to securitization transactions, would be ineligible for the safe harbor provided by section 541(b)(5).

The phrase "to the extent" in new section 541(b)(5) makes clear that a portion of the eligible asset may remain part of the debtor's estate, for example, where the eligible entity obtains the right to receive only interest payments on the first 10 percent of payments due on a receivable in connection with an asset-backed securitization. In addition, the reference to section 548(a) in new section 541(b)(5) will make clear that the safe harbor does not supersede a trustee's power to avoid fraudulent transfers.

New section 541(b)(5) is not intended to override state law requirements, if any, regarding "perfection" of an asset sale. However, regardless of strict compliance with such state law requirements, new section 541(b)(5) is intended to provide an exclusion of the debtor's interest in eligible assets (and proceeds thereof) from the debtor's estate, upon compliance with section 541(b)(5). Thus, despite an eligible entity's failure to have properly perfected a sale for state law purposes, the eligible assets in question would remain excluded from the debtor's estate. In such event, however, a third party creditor with an interest in such eligible assets under state law would not be precluded from asserting, outside of the bankruptcy proceedings, such interest against the issuer or any other party purporting to have an interest in those assets. In other words, the amendments do not purport to extinguish any party's interest in the securitized assets other than the debtor's interest to the extent transferred by the debtor to the securitization vehicle. In order to provide certainty to participants in the asset-backed securities market (including both issuers and purchasers of such securities), it is noted that the "strong-arm" provisions of section 544 of the Bankruptcy Code are not intended to override the general rule set forth in new section 541(b)(5) so as to bring such assets back into the debtor's estate.

Frequently, asset securitizations involve the issuance of more than one class of securities with differing payment priorities, subordination provisions and other characteristics. The definition of "asset-backed securitization" contained in new section 541(e)(1) requires that at least one tranche of the asset-backed securities backed by the eligible assets in question be rated investment grade, thereby requiring that each asset-backed securitization as to which eligible assets are excluded from the debtor's estate be a carefully reviewed transaction subjected to third party scrutiny by a nationally recognized statistical rating organization. The investment-grade rating requirement applies only when the security is initially issued. In view of the cost and time associated with obtaining an investment-grade rating, such ratings are generally not pursued for smaller transactions. These and other burdens of the rating process add further protection against potential abuse of the safe harbor for sham transactions and ensure its application of its intended purpose—to preserve payments on asset-backed securities issued in the public and private markets.

New section 541(e)(4) defines the term "eligible asset." This definition is based upon the definition provided in rule 3a-7 under the Investment Company Act of 1940, which provides an exemption from registration under the Investment Company Act for issuers of asset-backed securities (i.e., issuers in the business of purchasing, or otherwise acquiring, and holding eligible assets). The phrase "or other assets" is intended to cover assets often conveyed in connection with securitization transactions such as letters of credit, guarantees, cash collateral accounts, and other assets that are provided as additional credit support. This phrase would also cover other assets, such as swaps, hedge agreements, etc., that are provided to protect bondholders against interest rate, currency and other market risks. The inclusion of cash and securities as eligible assets allows so-called market-value based securitizations of equity and other non-amortizing securities to fall within the purview of the amendment, although securitizations of such securities are not included under Rule 3a-7 and therefore would be subject to regulation under the Investment Company Act if another exemption therefrom were not available.

New sections 541(e)(3) and (4) define the terms "eligible entity" and "issuer," respectively. The definitions exclude operating companies by encompassing only single purpose entities. Because securitization transactions often involve intermediary transferees, an eligible entity can be either an issuer or an entity engaged exclusively in the business of acquiring and transferring eligible assets directly or indirectly to an issuer.

New section 541(e)(5) defines the term "transferred." In order for the eligible assets to be excluded from the debtor's estate under section 541, the debtor must represent and warrant in a written agreement that such eligible assets were sold, contributed or otherwise conveyed with the intention of removing them from the debtor's estate pursuant to section 541 (whether or not reference is made to section 541 in the written agreement). The definition makes clear that the debtor's written intention as to the exclusion of the eligible assets will be honored, regardless of the state law characterization of the transfer as a sale, contribution or other conveyance, and regardless of any other aspect of the transaction (such as the debtor's holding an interest in the issuer or any securities issued by the issuer, the ongoing servicing obligation of the debtor; the tax and accounting characterization; or any recourse to the debtor, whether relating to a breach of a representation, warranty or covenant, or otherwise) which may affect a state law analysis as to the true sale.

Section 913, subsection (a) provides that the amendments made under Title IX take effect on the date of enactment.

Subsection (b) provides that the amendments made under Title IX shall not apply with respect to cases commenced, or to conservator/receiver appointments made, before the date of enactment. The amendments would, however, apply to contracts entered into prior to the date of enactment, so long as a Bankruptcy Code case were commenced or a conservator/receiver appointment were made on or after the date of enactment under any Federal or state law.

Section 914 provides that the meaning of terms used in Title IX are applicable for purposes of Title IX only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities laws (as that term is defined in Section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.

Mr. HUTCHINSON. Mr. President, I rise in support of S. 420, the Bankruptcy Reform Act of 2001, and I commend Senators GRASSLEY, HATCH, and SESSIONS for their hard work, dedication, and perseverance. As a result of their efforts, a sense of balance and fairness has been restored to our legal system and American consumers and businesses will both benefit.

This bill is long overdue as over the past decade there has been an explosion in the number of bankruptcy filings. Last year, there were 1.25 million total bankruptcy filings in America, in 1990, a mere ten years earlier, there were 782,960 filings. In Arkansas, there were 7,062 filings in 1990 and 16,784 in 2000. This explosion is due in no small part to the current Bankruptcy Code's generous, no questions asked policy of providing complete debt forgiveness under Chapter 7 without seriously considering whether a person filing bankruptcy can repay some or all of those debts.

Furthermore, the United States economy loses $40 billion annually as a result of bankruptcy filings and the U.S. Department of Justice estimates that creditors lose $3.22 billion every year because of bankruptcies filed by persons who could repay their debts. These losses are passed on to all consumers—including, and especially, those who responsibly pay at least part of their debts but choose not to use the bankruptcy code to escape them. The Congressional Budget Office estimates that as a result each American household pays an extra $400 annually in the form of higher costs for goods, services, and credit.

The Bankruptcy Reform Act of 2001 will reduce the number of frivolous bankruptcy filings while still allowing those who truly need help to obtain a fresh start. I am proud to support this legislation and I ask my colleagues to join me in support of the Bankruptcy Reform Act of 2001.

Mrs. MURRAY. Mr. President, I rise to express my support for the bankruptcy reform legislation. This legislation offers an imperfect but fairly balanced approach to reforming the bankruptcy system. Through the amendment process we have improved the bill, but it could be more fair to all sectors of our society. I am disappointed some good amendments that would have improved the legislation were rejected.

The bankruptcy reform legislation that passed the House a couple of weeks ago is less friendly to individuals in adverse circumstances not of their own doing. If this bankruptcy reform bill is weakened in conference, I will have a hard time supporting it. I will likely oppose a conference agreement that looks at all like the House bill.

In recent years, consumer bankruptcy filings have dramatically increased. We debated bankruptcy reform in the last two Congresses. Those discussions showed our desire to elevate personal responsibility in consumer financial transactions; to prevent bankruptcy filings from being used by consumers as a financial planning tool; and, to recapture the stigma associated with a bankruptcy filing. It is clear the system is broke, and bankruptcy reform is needed.

I voted for bankruptcy reform in both the 105th and 106th Congresses, and I plan to vote for this bill. Despite these votes, I have reservations about how the unintended consequences of this bill will affect the less fortunate.

The bill will have an enormous impact on women and child support. The largest growing group of filers are women, usually single mothers. The bill's overall philosophy of pushing debtors from chapter 7 to chapter 13 will have an unintended effect on women. They usually have fewer means and are more susceptible to crafty creditors seeking to intimidate and reaffirm their debts. They need the protection of chapter 7, but could be pushed into chapter 13.

Women will also be disadvantaged by provisions in this bill that fail to prioritize domestic obligations. Under the provisions of this bill, women will find themselves competing with powerful commercial creditors for necessary resources, such as past-due child support, from spouses who are in bankruptcy. It is unfair to place the critical needs of families and single mothers trying to survive behind those of well-off commercial creditors.

Another problem with this bill is the new filing requirements are very complex, which could result in unintended discrimination against lower-income individuals and families. Many low-income families don't have the means to combat most creditors. Because debtors must prove they are filing for legitimate reasons, those without the means to combat powerful commercial interests will be placed at an unfair disadvantage.

I was also disappointed that the U.S. Senate failed to adopt some very good amendments that would have significantly improved the bill. Senator KOHL offered an amendment that would have limited the practice of wealthy debtors shielding themselves from creditors in bankruptcy behind State homestead exemption laws that allow them to shelter large amounts of money in a new home. His amendment would have placed a national cap on this exemption, and limited the abusive practice of sheltering large amounts of money in large homes. I supported this needed amendment, but it was rejected on the floor of the Senate.

Several amendments were also offered that would have restricted the marketing to and use of credit cards by young people. Credit card companies are aggressively marketing to young people, and many young people are getting into massive debt. Companies should only be allowed to offer credit cards to those who can pay for them.

Finally, I am disappointed that amendments were rejected that would have limited predatory lending practices. Some of these predatory loans can have interest rates over 100%.

I was pleased to see that the bill included language to end the practice of using the bankruptcy code to escape civil punishment for violence, intimidation or threats against individuals using family planning services. This provision was added in the Judiciary Committee and greatly improves the bill. It ensures that those who violate the law cannot escape justice through the bankruptcy laws. This critical provision of this bill that must not be stripped or drastically changed in conference.

Overall, this is a decent bill that will improve on the current abuses of the bankruptcy system. While I have concerns over many of this bill's provisions, I hope they can be dealt with in conference or in future legislation.

This bill should be strengthened in conference, not weakened as has happened to other versions of bankruptcy legislation. I will closely examine a conference agreement with this in mind before voting to send this legislation to the President.

Mr. LEVIN. Mr. President, once again the Senate will vote on a bankruptcy reform bill. In the last session of Congress, when the bankruptcy bill came before the Senate, I voted in favor of the bill. I said at the time that because of the amendments adopted in the Senate, the bill was a more reasonable approach to bankruptcy reform that had been reported by the Judiciary Committee. However, I further stated that if the legislation came back from conference, without those modest amendments, I would consider opposing the bill. In the end, the bankruptcy legislation came back from conference in a form that I could not support. The conferees who worked out the differences on the bill deleted or weakened many of the provisions I had supported.

Today, I will vote for this bill with the hope that it does not return from conference in a form I cannot support. The Senate today adopted the Kohl amendment establishing a nationwide homestead cap. That provision must be retained in conference. The Senate has now spoken twice with respect to homestead abuse. We cannot legitimately reform the bankruptcy system if we do not prevent wealthy debtors from shielding luxurious homes while shedding thousands of dollars of debt in bankruptcy.

In addition, the conferees should keep in the final bill, the amendment making debts arising from clinic violence nondischargeable, the amendment on landlord-tenant, the amendment on separated spouses, and the amendment on the means test with respect to high energy costs. It is also my hope that the conference will yield more protections for consumers.

If the bankruptcy bill comes back from conference without these and some of the other reasonable amendments adopted in the Senate, I may once again be forced to oppose the final legislation.

Mrs. CLINTON. Mr. President, I rise today in support of final passage of S. 420, the Bankruptcy Reform Act. Many of my colleagues may remember that I was a strong critic of the bill that passed out of the 106th Congress because I did not believe it provided a balanced approach to bankruptcy reform.

While we have yet to achieve the kind of bankruptcy reform I believe is possible, I have worked with a number of people over the past three years to make improvements that bring us closer to our goals, particularly when it comes to child support.

Women can now be assured that they can continue to collect child support payments after the child's father has declared bankruptcy. The legislation makes child support the first priority during bankruptcy proceedings.

This year, we have made more progress. The Senate agreed to include a revised version of Senator SCHUMER's amendment to ensure that any debts resulting from any act of violence, intimidation, or threat would be non-dischargeable. Earlier today, this body agreed to include a cap on the homestead exemption to ensure that wealthy debtors could not shield their wealth by purchasing a mansion in a state with no cap on homestead exemption. And finally, today I worked hard to make sure that once a person has been declared bankrupt, single mothers can still collect the child support they depend upon. Senator HATCH and I passed an amendment to ensure that child's custodian—usually the mother—will be informed by the bankruptcy trustee of her right to have the State child support agency collect the non-dischargeable child support from the ex-spouse.

In addition, I was concerned about competing non-dischargeable debt so I worked hard with Senator BOXER to ensure that more credit card debt can be erased so that women who use their credit cards for food, clothing and medical expenses in the 90 days before bankruptcy do not have to litigate each and every one of these expenses for the first $750.

Let me be very clear—I will not vote for final passage of this bill if it comes back from conference if these kind of reforms are missing. I am voting for this legislation because it is a work in progress, and it is making progress towards reform.

Bankruptcy reform is important. I grew up with a father who worked hard to avoid having debts. In recent weeks, I have heard form many small credit unions throughout New York, hard working small lenders whose entire membership suffers when the credit union is faced with covering bankruptcy losses.

One credit union from Hoosick Falls has assets of only $2.5 million, but when one of their members filed a Chapter 7 bankruptcy, this small credit union was left with a bill of thousands, which penalized the entire 1,000 membership with increased fees.

Reform is needed. The right kind of reform is necessary. We're on our way toward that goal, and I hope we can achieve final passage of a good bankruptcy reform bill this year.

Mrs. FEINSTEIN. Mr. President, I rise in support of final passage of the bankruptcy bill.

The Senate has worked on this legislation for over four years. The Judiciary Committee, on which I sit, has debated this issue again and again, and we have even sent a bill to the President although that bill was fatally flawed and was vetoed as a result.

This bill is by no means perfect. However, the bill now before us is better than the Conference Report we were faced with at the end of last year, and it is better and more balanced than the bill presented to us in the Judiciary Committee just a few weeks ago.

I believe that the modifications to the legislation made in Committee and on the Floor merit a "Yes" vote on final passage.

Since the bill's introduction, I have consistently supported its underlying goal of promoting personal responsibility—as, I think, has every member of this Senate. Debtors who can pay back what they owe, should pay what they owe or at least part of it.

Moreover, the bankruptcy code should not be a haven for irresponsible individuals who have recklessly accumulated debts by spending freely without regard to the consequences. After all, bankruptcy has a societal cost.

And although much has been made of the big credit card companies and banks, not every creditor is a big business. Many harmed by bankruptcy filings are small businessmen and women dry cleaners, home repair workers, and others.

An empirical review of bankruptcy filings indicates that reform is needed. Despite a recent drop, bankruptcy filings continue to remain at unacceptably high levels.

In 1980, individuals filed 287,000 bankruptcies.

In 1999, more than 1.3 million Americans filed for bankruptcy—an increase of 358 percent over 20 years. Bankruptcy has become so commonplace that more than one in a hundred households will file for bankruptcy this year.

The bill we are voting on today appropriately readjusts our bankruptcy laws so that bankruptcy filers must repay a portion of their debts, if they can do so. At the same time, the bill protects debtors below the median income who are truly in need of a fresh start.

This bill assists single parents with children in collecting child support debt from the bankruptcy estate. Philip Strauss, Principal Attorney of the San Francisco Department of Child Support Services, testified on this issue at a February 8, Judiciary Committee hearing, noting that the Bankruptcy Act of 2001 "will enhance substantially the enforcement of child support obligations against debtors in bankruptcy."

Specifically, the Bankruptcy Act of 2001 gives child support the highest priority of unsecured claims in a bankruptcy estate. Moreover, the bill prevents a debtor from confirming a bankruptcy plan if the debtor does not make full payment of any child support becoming due after the petition date.

This bill is significantly improved from the Conference Report I voted against in December. While I voted for the Senate-passed bankruptcy bill in the 106th Congress, I voted against the Conference Report because the shadow conference deleted key Senate-passed amendments and did not strike a fair enough balance between creditors and debtors.

For example, last year, the Conference Report deleted a Senate passed amendment that would prevent anti-abortion extremists from using bankruptcy laws to avoid paying civil judgements against them under the Freedom of Access to Clinic Entrances Act.

The FACE Act has led to successful criminal and civil judgements against groups that use intimidation and outright violence to prevent people from obtaining or providing reproductive health services. This amendment is crucial to protecting a woman's safe access to reproductive services.

This year, however, I am pleased that the Bankruptcy Act of 2001 has incorporated a modified version of the FACE amendment, and now makes "non-dischargeable" all debts incurred for harassing, obstructing, or other threatening violence against a person seeking any lawful goods and services, including access to reproductive health clinics. I appreciate the efforts of Senators SCHUMER and HATCH in coming to this agreement.

Additionally, this bill includes the Kohl-Feinstein homestead amendment, which places a nationwide $125,000 cap on the amount of money a bankruptcy filer can shield from creditors simply by buying a home. This amendment closes a loophole in bankruptcy code that permits wealthy bankruptcy filers to hide their assets in multimillion dollar estates.

This bill contains my amendment to curb abuses by bankruptcy mills. These operations, generally under the control of a non-attorney bankruptcy petition preparer, are often linked with price gouging of debtors, incompetent service, and remain a significant source of fraud in the bankruptcy system. California, in particular, has suffered from the abuses of these mill operators.

Bankruptcy courts will now have the authority to fine these mill operators $500 per violation, with triple fines if the mill operator does not tell debtor she was filing for bankruptcy or advises the debtor to hide assets. The amendment empowers the U.S. Trustee to take enforcement actions against the mills, sets maximum fees for petition preparers, and victims can sue for increased damages.

In addition, the Senate bill includes a compromise amendment I forged with Senator SESSIONS and Senator FEINGOLD to balance the needs of landlords and tenants, when a tenant files bankruptcy.

Finally, this legislation contains my amendment directing the Federal Reserve Board to investigate the practice of issuing credit cards indiscriminately, without taking steps to ensure that consumers are capable of repaying their debt, or in a manner that encourages consumers to accumulate additional debt.

The amendment allows the Federal Reserve Board to issue regulations that would require additional disclosures to consumers, and to take any other actions, consistent with its statutory authority, that the Board finds necessary to ensure responsible industry-wide practices and to prevent resulting consumer debt and insolvency.

It was my hope that we could improve this bill even more—with limits on how credit card companies provide products to minors, and with disclosure and other requirements to give consumers the tools to handle the burdens of credit card debt. I also believe bankruptcy judges should have some discretion in applying the means test. Unfortunately, several such amendments failed.

So I do have concerns about this bill, and I know that I will make some people in my State unhappy by voting for it. I understand their point of view, and by voting for this legislation I am not turning my back on those concerns. I do think we should try this approach. If it turns out that this bill does not appropriately solve the current problems with our nation's bankruptcy laws, I will be on the front lines of the fight to reopen this debate and to fix the glitches.

Nevertheless, this bill is a necessary, reasoned approach to solving some real problems with our bankruptcy laws. Abuses are rampant. For many, bankruptcy has become a financial planning tool, rather than its intended use as an option of last resort. Something must be done, and I will vote for this bill.

Mr. DOMENICI. Mr. President, I rise today in support of the bankruptcy reform bill. We have been working on this reform for several years now. Indeed, we passed this bill last year, only to have it pocket vetoed by President Clinton. It is time we get it passed and signed by the President.

Although there has been a slight decline in bankruptcies recently, the 1990s saw a steady increase, despite a robust economy. There are now more than a million bankruptcies a year. Many people are concerned that bankruptcy is being used as a financial planning tool and the public has become frustrated with many stories of bankruptcy abuse.

This bill goes a long way to curbing the abuse without undercutting the truly needy debtor's right to a fresh start. This legislation accounts for the honest but unfortunate debtor who faces mounting bills as a result of medical expenses, divorce, and other reasonable causes.

However, it prevents a debtor from pursuing a lavish lifestyle and then using bankruptcy to avoid obligations. Debtors must take responsibility for their spending. After all, the money creditors lose in bankruptcy is passed on to consumers in higher prices for consumer goods, services, and credit. This often has the greatest adverse affect on the neediest in our society.

This bill strikes a fair balance between the interests of debtors and creditors. Those who truly need bankruptcy relief will receive a "fresh start" under Chapter 7. Those debtors who can afford to repay some of their debt will be required to do so under a Chapter 13 repayment plan. It is just common sense that a debtor who can afford to repay some of their debt should do so.

Here's how the crux of the bill works. The bankruptcy court looks at 100 percent of the debtor's living expenses, priority expenses, and secured debt. If after their review, the debtor can still pay $10,000 or 25 percent of his or her debt, they are required to do so under a Chapter 13 repayment plan. This makes sense.

The legislation also provides a $125,000 homestead exemption cap so that the debtor cannot declare bankruptcy but still retain his million dollar home. Again, this makes sense.

This is reasonable reform that benefits debtors, consumers, and creditors alike and I will again vote for its passage.

Mr. DASCHLE. Mr. President, the bankruptcy bill before us today has come this far because it is needed to address the record number of bankruptcy filings this country has seen in recent years.

The number of personal bankruptcies hit 1.4 million in 1998—a new record. While that number declined slightly last year—to 1.3 million bankruptcy filings—it is still too high. It is still nearly twice the number we saw in 1990, during the depths of a recession.

What accounts for this increase?

It's clear that most people who file for bankruptcy do so only after suffering a serious reversal, such as serious illness, divorce or job loss. And most do so only as a last resort.

But economic conditions clearly are not the only factor. If they were, we would have seen a drop in bankruptcy filings during the 1990s, given the booming economy. Instead, we saw record increases during the 90s.

Clearly, some people are gaming and abusing the bankruptcy system. For them, the old stigma associated with bankruptcy has faded.

The purpose of this bill is to stop those abuses.

Many have asked—fairly—whether the solution it imposes is too tough on ordinary debtors who deserve the protection of bankruptcy court.

Critics of this bill say that it makes it more difficult for people who have incurred overwhelming debts through no fault of their own to get back on their feet.

In many ways, I agree with them.

This bill could have been more balanced. It could have been crafted in a way that would have allowed all consumers to have their problems fully considered in bankruptcy court.

A number of Democratic Senators offered amendments that would have made this bill better. Unfortunately, many of those amendments were rejected.

I am pleased, however, that two key amendments were adopted. Both Senator SCHUMER's amendment on clinic violence, and Senator KOHL's amendment closing the homestead loophole, were needed to address real abuses of the bankruptcy code.

If we are going to insist that consumers repay more of their debts, certainly we should also insist that people who resort to violence at health clinics must repay the debts they incur as a result of their illegal behavior. And certainly we must ensure that people who declare bankruptcy can't squirrel away millions of dollars in fancy homes that creditors can't touch.

These abuses were not addressed in the bill President Clinton refused to sign last year. Their inclusion in this bill is one reason I am able to support it today.

A bigger reason for my support is a basic principle that I grew up with. People who incur debts have a responsibility to repaying them if they can.

That is a fundamental belief in South Dakota. It's part of the fabric of who we are.

The pioneers who settled our state relied on each other during the hard times, the weak harvests, and at planting times. They knew they could trust each other to make good on their debts—because they had to.

Their survival depended on it.

Most people I know still feel that way.

This bill is needed because of the people who do not share that belief—the minority of people who see bankruptcy as an easy out, rather than a last resort. It says to those people: "Paying your debts isn't a matter of choice. It's a matter of honor. And it is a legal responsibility to which you will be held accountable."

There are real costs when somebody does not repay their debts. Somebody has to pick up the tab.

Some of those costs fall on lenders. But some are passed on to honest borrowers who do repay their debts. They get stuck with higher interest rates. So there are consumers on both sides of this equation.

Under current law, people can file under Chapter 7 to wipe out their debts, and a judge can throw out a case if he or she determines that the filer can afford to repay some of the debts. But there is no consistent legal standard for determining one's ability to pay.

This bill establishes such a standard. It says that bankruptcy judges must determine if a filer can pay $10,000—or 25 percent of his debts—over the next five years.

It is important to note: This new standard does not apply to filers who—after deducting food, rent, transportation, education and other expenses—earn less than their state's median income. These people can still file for relief under chapter 7.

Opponents of the bill say it imposes new legal hurdles and paper burdens on consumers that will deny many the protection they deserve. These are serious concerns.

We must monitor implementation of this new standard closely. If this bill is enacted into law—if we see that creditors are abusing the provisions of this law to harass debtors—we have a moral responsibility to revisit this law. And I can tell you, I will be the first Senator on this floor calling for that re-examination.

Time will tell if this bill strikes the right balance.

The Senate has heard good arguments on both sides of this debate.

Because of the improvements that were made in committee and on the floor, and because of the fundamental values with which I was raised, I will vote for it.

At the same time, I urge the conferees who will take it up next to respect and preserve the balance in it, so it can continue to command the broad, bipartisan support it will need to reach the President's desk and be signed into law.

Mr. GRASSLEY. Mr. President, I encourage my colleagues to vote for this important bankruptcy bill. We've been working on bankruptcy reform for a long time, and it's high time that we pass this bill. This bill will be a big step forward in restoring personal responsibility and in cracking down on bankruptcy abuse. It will also be a big step forward in providing key information to credit card customers and helping people manage their debt.

Let me remind my colleagues that the fundamental question we face with this bill is whether or not people should repay their debts. S. 420 provides that when a person can repay his or her debts, then that person won't be able to take the easy way out. The bill will end the free ride for wealthy deadbeats who walk away from their debts and pass the tab on to honest consumers. No more will those freeloaders get off scott free. But the bill does this by preserving the ability for people who truly need to go into bankruptcy and wipe away their debts so they can have a fresh start.

The point I'm trying to make is that we have a good balance in the bill. Contrary to what our critics say, bankruptcy should not be easy. Yes, we need to have a way for people who are in dire straits to be able to start anew. Our bill does not close out the availability of bankruptcy for these people. Yet, it is just and fair for people who can pay their debts to do just that—pay up. I don't know what people think, but the fact is that someone has to pay if people walk away from their debts. It is not only businesses that have to pay—we all pay when people walk away from their debts. Economic losses from bankruptcy cause higher prices for goods and services, so everyone picks up the tab—consumers, small businesses, the economy.

Our bill makes many improvements with the current system. We make it harder for people to commit fraud and abuse. We prioritize certain debts, such as child support and alimony. We include a number of consumer protections, such as more expansive disclosure requirements, credit counseling, and increased penalties for abusive creditors and deceptive advertising. These are all important steps in correcting many problems in the bankruptcy system.

An important provision in the bill is the permanent extension of Chapter 12, which expired last June. Our family farmers need this crucial protection because they can face bankruptcy due to low commodity prices. The bill also provides significant new tax relief when they sell off assets. This is an extra reason to vote for this bill for my colleagues from farm country.

So, let me remind my colleagues again what this bill does. S. 420 reforms the bankruptcy system to require repayment of debts by individuals who have the ability to pay, while protecting the right of debtors to a financial fresh start. S. 420 strengthens protections for child support and alimony payments by making family support obligations a first priority in bankruptcy. S. 420 makes permanent Chapter 12 bankruptcy for family farmers and lessens the capital gains tax burden on financially strapped farmers who declare bankruptcy.

S. 420 also creates new protections for patients when hospitals and nursing homes declare bankruptcy. S. 420 requires credit card companies to disclose the dangers of making only minimum payments and prohibits deceptive advertising of low introductory rates. S. 420 strengthens enforcement and penalties against abusive creditors for predatory debt collection practices.

So the bill is fair and balanced. S. 420 deserves to be passed by an overwhelming vote.

Mr. LEAHY. Mr. President, I have tried over the last several weeks to improve this bankruptcy legislation through the legislative process. We were able to have an informative hearing and a productive Committee markup. Unfortunately, the Committee did not provide a Committee report to inform other Senators of what was good about the bill and what prompted eight members of the committee to vote against it.

This important matter was, instead, rushed to the floor last week. Last Monday we began debating the bill, but on Tuesday, the first day the bill was open to amendment, the Republican leadership abandoned work on the bill. Instead, the Republican leadership chose to shift the Senate's attention to overriding the ergonomics rule that had been developed by the Department of Labor over the past decade.

On Wednesday we returned to the bankruptcy bill but beginning on Thursday and carrying through until Tuesday of this week, the main focus of the debate were the competing budgetary amendment on providing a lockbox for Medicare. That too is an exceedingly important topic and one on which a majority of the Senate voted to adopt the Democratic lockbox proposal.

That proposal is not in the bill because after the vote the Republican side invoked the Budget Act and the chair ruled that the amendment, although supported by a majority of the Senate was not consistent with the technical requirements of the Budget Act. That debate was a major disruption in our efforts to otherwise improve the bankruptcy bill.

Beginning last Wednesday and continuing through today I have offered amendments to improve the bill and urged others with amendments to do the same. There has never been an effort to filibuster this debate or this bill. The only threat of a filibuster I can recall is when the Republican chairman of the Banking Committee spoke against certain amendments.

That threat was overcome and with the commitment of Senator GRASSLEY and the cooperation of Senator HATCH, we were able to obtain votes on the Schumer predatory lending amendment and in relation to the Durbin amendment. I thank both Senator GRASSLEY and Senator HATCH for their cooperation in this regard. In fact, once the Senate had an opportunity to consider it, we voted to adopt the Schumer amendment.

Despite the lack of a filibuster threat or a filibuster, the Republican Senate leadership filed a cloture petition on Monday afternoon. There was no need for cloture then or on Wednesday when, with the support of the Senate leadership, cloture was invoked. I voted against cloture. I voted against it because I reject the use of cloture as a time management tool. I believe that cloture is properly reserved in the Senate to those circumstances where unreasonable delay or a filibuster are interfering with the work of the Senate.

Unfortunately, over the last 6 years the Republican leadership has abused the cloture process to avoid considering amendments and to interfere with the Senate doing its work. In my view, the invocation of cloture this week on this bill was unnecessary and unfortunate. It signals a retreat from the progress shown by Senate adoption of S. Res. 8 in January and threatens a return to the dark days of the last few Congresses when cloture became a regular instrument, rather than the last resort, of Senate leadership.

Through the legislative process, through our hearing and Judiciary Committee markup and by means of amendments being adopted on the Senate floor, we have made some progress. It is sufficient for me to support the bill.

I had hoped and worked for a more open process. I wanted to be able to moderate the bill, improve it and be able to support it. I supported the bankruptcy bill that passed the Senate 97 to one in the 105th Congress.

I even supported the bankruptcy bill that passed the Senate in the last Congress given the progress we showed during Senate consideration and in hopes that we would be able to continue to improve the bill in cooperation with the House. I vote for this bill in that same spirit—to move the process forward and improve our legislative product. Unfortunately, last year the conference that resulted was under the auspices of the Foreign Relations Committee and not the Judiciary Committee and the product that resulted was changed and tilted too harshly against American consumers and working people. That was the modified bill that I voted against last year, that was the bill the President vetoed, and that was the bill that was the basis for S. 220 and S. 420 this year.

I am encouraged that we have included some privacy protection in the bill. The Leahy-Hatch amendment adopted by the Judiciary Committee to deal with the Toysmart.com-type situation and customer information of bankrupt companies is a good start. It is something I have worked on for some time and thank Senator HATCH for his joining with me in that effort.

I am pleased that we were also able to add some protection today for shielding the identity of children whose names appear in bankruptcy records. By a vote of 99 to none, the Senate agreed to adopt our amendment. I thank Senator HATCH for joining with me in that effort, as well.

I filed amendments to do more to enforce financial privacy laws and protections. Unfortunately, the bill still falls short in this regard.

I am encouraged that we have made progress in assuring access to health clinics. Senator SCHUMER is to be commended for his steadfast efforts in this regard. The Schumer-Leahy amendment that the Senate adopted by a bipartisan vote with 80 Senators in favor last year was dropped in S. 220 and S. 420. I again want to commend Senator HATCH for working with Senator SCHUMER to include a modified version of Senator SCHUMER's amendment in the bill.

I am encouraged that the Senate beat back an attempt to table the Kohl-Feinstein amendment and their sensible cap on the homestead exemption has been included in the bill. Throughout the debate Republican supporters have indicated that a key outstanding issue is the homestead exemption cap. That question was answered today when the Senate adopted the Kohl-Feinstein amendment today.

I was pleased that we adopted the Bingaman LIHEAP amendment, which I cosponsored, and the Carnahan energy cost amendment.

I am pleased that the Leahy amendment on separate spouses to protect battered women was adopted by a bipartisan majority of Senators and I thank them.

I am encouraged that we were able to make other improvements in the measures included in the managers' package. We started work on that package last Friday. Unfortunately Republican delay prevented its adoption before the cloture vote on Wednesday.

I regret that we have not made the progress that we should have, and that we have made in the past, in terms of providing consumers with greater disclosures and protections to help them avoid overextending their credit and consumption.

Early in the debate I took the bill's supporters at face value when they argued that we need this bill to help small businesses. Those claims began this debate and were repeated today. In between I gave them the chance to show that they meant it by voting for a small business amendment that would have allowed small businesses, as already defined in the bill, priority over large corporate creditors. That amendment was unfortunately, and in my view unwisely, rejected.

We have also heard claims from the outset of this debate and through today that the bill is needed to address the $500 a family "tax" that bankruptcy abuse loads onto each American family. I have been asking how this bill benefits the average American family and where that "tax refund" is achieved. I have heard only silence from the other side. I have noted in this year's debate and in debates past that billions of dollars in benefits that are expected to flow to credit card companies and other large corporate creditors, hundreds of millions to individual companies.

What I have been asking is where this bill or those corporations' practices will pass those benefits on to ordinary Americans. Again, I have heard only silence. In fact, the benefits of this bill will flow to the profits of those large corporate interests. There is no provision in this bill to lower annual fees for credit cards, for example. There is no provision to lower interest rates for consumers. If this bill will benefit creditors to the tune of $5 billion or over the next several years, the why have they made no commitment to pass those benefits through to their customers and American consumers?

Instead, what this bill does is require American taxpayers through our taxpayer-financed bankruptcy courts to assist creditors in their debt collection efforts and requires consumers to do more paperwork and confront more rules and hurdles and government bureaucracy to file for bankruptcy.

I will continue to work in good faith with Chairman HATCH, Senator GRASSLEY, Senator SESSIONS, Senator BIDEN and others who strongly support S. 420.

I will continue to work through the legislative process to improve this measure, to add balance, moderation and fairness. I hope to be able to support the final legislative product after a productive conference. I trust that this Congress, the Senate conferees will support the Senate position where we have made improvements to the bill and not so easily abandon those advancements in our discussions with our House counterparts. Had we done that in the 105th Congress, three years ago, we would already have a reformed bankruptcy law. Unfortunately, that was not the position of Republican Senate conferees in those days.

I commend all Senators on both sides of the aisle who have worked so hard this year to improve this bill. I commend those who have participated in our debates and discussions. I especially appreciate the help I received in managing this bill from Senator SCHUMER, who consented to manage from time to time when I could not and who is the Ranking Democrat on the Judiciary Subcommittee of jurisdiction, and Senator REID, who remains a great help in some many ways on so many matters. I congratulate Senator SCHUMER, Senator KOHL, Senator FEINSTEIN, and Senator FEINGOLD for the improvements they have been able to make. I thank Senator HATCH for his courtesy to Senator DURBIN on his alternative amendment and thank Senator GRASSLEY for his courtesy to Senator SCHUMER with respect to his predatory lending amendment. I thank Senator BIDEN for his support of our efforts to have this matter considered by the Judiciary Committee.

I thank the staffs of all Senators who participated in this debate for their hard work and, in particular, the staffs of Senators KENNEDY, BIDEN, KOHL, FEINSTEIN, FEINGOLD, SCHUMER, DURBIN, DASCHLE, and REID and the staffs of Senators HATCH, GRASSLEY and SESSIONS. In particular, I want to thank the following staff: Makan Delrahaim, Renee Augustine, Rita Lari, Kolan Davis, Ed Haden, Melody Barnes, Jim Greene, Victoria Bassetti, Jeff Miller, David Hantman, Tom Oscherwitz, Jennifer Leach, Bob Schiff, Ben Lawsky, Natacha Blain, Jim Williams, Perry Lang, Mark Childress, Jonathan Adelstein, Eddie Ayoob, Peter Arapis, Liz McMahon, and Greg Cota. I appreciate the exceptional work of my counsel Ed Pagano, who has labored long and hard to help improve this bill.

Although bankruptcy filing had been going down over the last two years, I have seen recent reports that link this bill with an expected rise in such filings. Unfortunately, the effect of House passage of its bill has been to generate fear in the public that people had better file for bankruptcy now rather than wait for the harsh and onerous new burdens contemplated in that bill and, unfortunately, in the Senate bill. I can understand if bankruptcy lawyers feel an obligation to advise their clients of the possibility that the terms and paperwork and costs of filing for bankruptcy may soon change.

Indeed, a principal reason Senator FEINSTEIN successfully opposed the Wyden-Smith amendment was a similar argument with respect to California utilities—that a prospective change in the law would force them into premature and possibly unnecessary bankruptcies.

In much the same way that the Bush administration's talk about weakness in the economy has served to drive the market down, shatter consumer confidence and contribute to a further weakening, this drive for exacting requirements of those on the brink of insolvency seems to be accelerating bankruptcy filings and contributing to the economic downturn. That is an immediate and unfortunate byproduct of this effort.

Perhaps it is appropriate that we end this phase of the debate today, on March 15. It is on this day that we are reminded to beware the Ides of March. There remains much about this bill that counsels caution. Unless it is further moderated and balanced in discussions between the Houses or at the insistence of the President, enactment of a bill like the one the Senate is voting on today will be the start of a process that will likely consume several years.

Just as the overreaching that occurred in so-called immigration reform and welfare reform and telecommunications reform have required us to revisit those matters and still require corrections, so, too, the bankruptcy bill as currently constituted will result in hardships and consequences that will require us to return to these matters again and again in the days, months and years ahead.

In addition, I expect we will be hearing more about this bill and the lobbying efforts and the contributions by the bill's corporate beneficiaries as soon as next week, when campaign finance reform is debated.

Mr. HATCH. Mr. President, S. 420, the Consumer Bankruptcy Reform Act, is one of the most important legislative efforts to reform the bankruptcy laws in decades.

I want to thank a few of the people who have worked on the bill. Let me first acknowledge the majority leader, who has worked very hard to keep this bill moving forward. Because of his dedication to the important reforms in this bill, we now have legislation that makes enormous strides in eliminating abuse in the bankruptcy system. I am also grateful to the assistant majority Leader, Senator NICKLES, along with Senators DASCHLE and REID for their efforts in trying to work with us to move the legislation forward.

Let me also acknowledge the ranking Democratic member of the Senate Judiciary Committee, Senator LEAHY, who has worked where he can to reach agreement on many of the bill's provisions, and who ably managed the bill for his side of the aisle. I also want to commend my colleagues, Senators GRASSLEY, BIDEN and others for their sponsorship of and leadership on this much needed legislation. I particularly appreciate the dedication they have shown in working with me in making the passage of this bill an inclusive and bipartisan process.

Also, let me express my thanks to Senator SESSIONS who has shown unwavering dedication to accomplishing the important reforms in this bill, to Senator GRAMM for his efforts over the past several years in helping see sensible reform through the Senate, and to the many other members of the Senate for their hard work and cooperation.

At the Committee staff level, let me acknowledge a few people who have worked very hard on this bill. Kolan Davis and Rità Lari Jochun, of Senator GRASSLEY's staff, along with Ed Haden and Brad Harris of Senator SESSIONS' staff, all of whom deserve praise for their impressive efforts on this legislation. In addition, Judiciary Committee Staff Director, Makan Delrahim, who has been lead counsel on this bill, and Judiciary Committee Counsel, René Augustine, who has really been working day and night to make sure this bill stayed on track.

Let me make one observation here. When we started this bankruptcy reform process, René didn't have any children, and by the time this bill becomes effective, she will have two children. Mr. President, I feel like I have given birth twice during this process myself. Thanks as well should be given to the Judiciary Committee's Chief Counsel, Sharon Prost, and all of the other Judiciary Committee staff who have worked hard on this.

On Senator LEAHY's Committee staff, I want to acknowledge Minority Chief Counsel Bruce Cohen, and thank counsel Ed Pagano for his efforts. In addition, I want to recognize the efforts of Jennifer Leach of Senator TORRICELLI's staff, as well as the dedicated work of Jim Greene of Senator BIDEN's staff, as well as the very able Ben Lawsky of Senator SCHUMER's staff.

I also want to commend John Mashburn and Dave Horpe of the majority leader's staff, Stewart Verdery, Eric Ueland, and Matt Kirk of the Assistant Majority Leader's staff, and Eddie Ayoob of the Minority Whip's office for their efforts on this legislation.

Also, my thanks goes to Laura Ayoud, and others in the office of Senate Legislative Counsel, for their extraordinary efforts that have made this legislation possible.

The compelling need for this reform is underscored by the dramatic rise we have seen over the past several years in bankruptcy filings. The Bankruptcy Code was liberalized back in 1978, and since that time, consumer bankruptcy filings have risen at an unprecedented rate.

Mr. President, the bankruptcy system was intended to provide a "fresh start" for those who truly need it. We need to preserve the bankruptcy system within limits to allow individuals to emerge from financial hardship. What we do not need is to preserve the elements of the system that allow it to be abused—that allow some debtors to use bankruptcy as a financial planning tool rather than as a last resort. I firmly believe that by allowing people who can repay their debts to avoid their financial obligations, we are doing a disservice to the honest and hardworking people in this country who end up paying for it.

Mr. President, again I would like to applaud the bipartisan efforts of my colleagues who have made S. 420 a broadly-supported bill. The impact of this important legislation not only will be to curb the rampant number of frivolous bankruptcy filings, but also will be to give a boost to our economy.

Thank you. I yield the floor.

Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, all time is yielded back.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. REID. I announce that the Senator from California (Mrs. BOXER) is necessarily absent.

I further announce that, if present and voting, the Senator from California (Mrs. BOXER) would vote "nay".

The result was announced—yeas 83, nays 15, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—83

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Craig
Crapo
Daschle
DeWine
Domenici
Dorgan
Edwards
Ensign
Enzi
Feinstein
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Inhofe
Inouye
Jeffords
Johnson
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (NE)
Nickles
Reid
Roberts
Santorum
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wyden

NAYS—15

Brownback
Corzine
Dayton
Dodd
Durbin
Feingold
Harkin
Hutchison
Kennedy
Kerry
Nelson (FL)
Reed
Rockefeller
Sarbanes
Wellstone

ANSWERED "PRESENT"

Fitzgerald

NOT VOTING—1

Boxer

The bill (S. 420), as amended, was passed, as follows:

[The bill was not available for printing. It will appear in a future edition of the RECORD.]

Mr. REID. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

BROWNFIELDS REVITALIZATION AND ENVIRONMENTAL RESTORATION ACT

Mr. REID. Mr. President, prior to our going out today, I want to speak on something that is not related to bankruptcy. What I would like to talk about today is the disappointment I have that we are not going to be able to do a bipartisan brownfields bill, S. 350, tomorrow or Monday. I want to talk about this bill which is entitled the Brownfields Revitalization and Environmental Restoration Act. I am sorry we cannot take this up today.

We cannot take it up because there has been objection on the other side. We have worked very hard. We wanted to have a unanimous consent agreement. We have a window with some time on Friday before we get into any heavy lifting on campaign finance reform. We could do it anytime: Early in the morning, late at night tomorrow, or on Monday.

This is a bill blessed with wide support. The bill has almost 60 cosponsors and passed out of our committee last week with a 15-3 vote. We went to tremendous effort to satisfy those three. For example, Senator VOINOVICH, who is a very fine legislator, had some problems. I told him during the markup that we would work with him to try to resolve those differences, and we did that. I know some of my colleagues on the committee voiced their concerns about some specific bill language, including my friend Senator VOINOVICH, at the markup. I am pleased to say that Senator VOINOVICH and all of the others who had problems, we worked night and day, the staff worked night and day to reconcile differences.

The chairman of the committee is BOB SMITH of New Hampshire. I am the ranking member. We have worked extremely hard on this legislation. We wanted to have a bipartisan bill come out of that committee, a 50/50 committee, as are all the committees over here. The President supports this bill. This bill reflects the bipartisan efforts of Senator SMITH and myself on the committee. It also reflects the tremendous staff work of our committee in helping us work out these differences we had, even though the bill was reported out 15-3. We wanted to make sure they were satisfied.

I appreciate the cooperation of my colleagues on both sides of the aisle to address these concerns and others and produce a bill with even more broad support. We have worked closely with Senators INHOFE, BOND, and CRAPO—I have already mentioned Senator VOINOVICH—as well as Senators CLINTON, BOXER, CORZINE, and GRAHAM to accommodate the interests they expressed at our committee hearing. I understand the bill we have before us to date does just that. I am very proud of that.

This bill is truly the best compromise we could reach and is a symbol of our ability to reach across the aisle and enact truly bipartisan legislation.

I understood, when we entered into this historic power-sharing agreement this year, that we would truly work together. I understood that we would truly work to pass thoughtful bipartisan legislation, just like the bill we had before us today.

This brownfields legislation, S. 350, is an issue on which President Bush campaigned. This is a bill his administration has endorsed. Yet we stand here today basically being denied the opportunity to bring up this bill. We know there is a need for this legislation. There are more than 500,000 contaminated, abandoned sites in the United States. They are waiting to be cleaned and to become thriving parts of our communities. It works in urban areas; it works in rural areas.

Redeveloping a site will create almost 600,000 jobs nationally. In the State of Nevada, it would create hundreds of new jobs, millions of dollars in tax revenue, and, on a national level, tax revenues would be increased to as much as $2.5 billion.

This bill is good, and we need it. This bill provides three important things to directly spur cleanup and reuse of these abandoned and contaminated sites.

No. 1, it provides critically needed money to assess and clean up abandoned and underutilized brownfields sites, which will create jobs, increase tax revenues, and preserve and create parks and open space.

No. 2, it encourages cleanup and redevelopment by providing legal protections for innocent parties such as contiguous property owners, prospective purchasers, and innocent landowners.

Every day that goes by that we do not pass this legislation means property owners have problems. One reason I care so strongly about this issue is that we waited for 2 years, the entire last Congress, to get this to the Senate floor, and we were always prevented from doing so.

No. 3, this legislation provides for funding and enhancement of State cleanup programs and a balance between providing certainty for developers, which they want, and others but still ensuring protection of public health.

This legislation has been signed off on by the business community, the development community. It has been signed off on by the environmental community. It is a fine balance, but it is good legislation.

This bill does a number of additional things that are not in the committee report. It clarifies the coordination between the States and EPA. Senator VOINOVICH thought this was important. It provides clarification that cities and others can purchase insurance at brownfields sites. It provides for an additional $50 million per year for addressing abandoned sites which are contaminated by petroleum, such as corner gas stations.

For those of you not familiar with Superfund, it does not cover petroleum, so our original brownfield bill did not cover these sites either. I am pleased, however, that we were able to work out provisions so that these numerous sites can also be addressed.

This was a provision requested by Senators INHOFE and CRAPO, and I am pleased we were able to agree to it. Senator CRAPO felt very intensely about his objections to this bill. He expressed them well. As a result of that, we came back and corrected this problem. I do appreciate the intenstity of his feelings about this.

This legislation also adds provisions so that areas with higher than average instances of cancer and disease and sites with disproportionate effects on children, minority communities, or other sensitive subpopulations will be given consideration in making grant decisions. This is something that was advocated very well by Senators CLINTON, CORZINE, and BOXER.

This legislation also increases citizen participation by adding to the list of State brownfields program elements the right for citizens to request that a site be considered under the State program.

All these changes have been carefully considered and provide improvements to the bill. We acknowledge that. Moreover, they collectively represent the same delicate balance, as does the underlying bill, in the managers' amendment. We address the different but often complementary needs of the real estate community, environmentalists, States, mayors, and other local government officials, land and conservation groups, and the communities that are most directly affected by these sites. This balance is what makes this bill unique and makes it a success.

As we all know, S. 350 has the support of a wide variety of groups including, as I have already mentioned, environmentalists, mayors, businesses, and the real estate community. This is a bill that reflects a meeting of the minds from all sectors of American society because it is so badly needed. It is also something that is bipartisan in nature. This is not something that either the Democrats or Republicans are trying to cram down our throats. It is a model of how an evenly divided committee can work.

I urge the Senate to recognize how good this legislation is and to prove to Americans that a 50/50 Senate can be productive and we can enact these laws. I am terribly disappointed that we are in a position now where we cannot go forward with this legislation. I am not going to ask unanimous consent that this agreement be effectuated. I will not do that. I understand there is an objection on the other side. I acknowledge that.

I do say, however, that it is too bad we can't move forward on this legislation. It has been signed off on by every Democratic Senator. I hope there will be work done, maybe even during the night, so we can do something about this legislation and move forward on it. It is important legislation. It would be great for America in so many different ways, and I hope that very quickly we can have whatever problems are on the side of the Republicans alleviated and we can move forward on this most timely and important legislation.

The PRESIDING OFFICER. The Senator from Alabama.

MORNING BUSINESS

Mr. SESSIONS. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPRESSION OF APPRECIATION

Mr. SESSIONS. Mr. President, I will take one moment to express my appreciation to the people who worked extremely hard to make this bankruptcy bill a success. The 83–15 vote is a strong testament to the wisdom and the balance that this bill maintains. Some said it is not balanced and is unfair but when we had the final full debate and people voted, there was an overwhelming vote.

As the Presiding Officer knows, seldom on legislation of this kind does that large a vote result. I am pleased with that.

I am honored to have worked with Senator HATCH and Senator GRASSLEY in making this a reality. I think it is appropriate that we take just a moment to express appreciation to some people who gave extraordinary effort to make this successful conclusion a reality.

First, I note that in my office Ed Haden, who is with me today, is one of the finest legal minds in this Senate, an exceedingly hard worker, a man of integrity and ability who dedicated himself to reaching the just result of today.

I could not have been successful without Ed's leadership and assistance. Also, Brad Harris on our staff, and Sean Costello, who used to be there; Lloyd Peeples, on our staff previously, now in private practice; Kristi Lee, who preceded Ed, is now a U.S. magistrate judge. They all worked in previous years on this legislation. I know they are happy to see it come to a conclusion. I am, too.

I must note that Makan Delrahim on Senator HATCH's staff has provided tremendous leadership, as did Rene Augustine; Senator GRASSLEY's Rita Lari Jochum and Kolan Davis provided tremendous effort. Senator GRASSLEY was the original sponsor of this legislation. I must also thank Dave Hoppe and John Mashburn of Senator LOTT's office, who also worked on it significantly.

Mr. President, one more thing about this. Senator BIDEN has been a strong leader in this legislation, and he is here to speak. I have thought, from day one, there was a good concept of this bill. I have expressed my overall view of what it is about, what it attempted to do, and why I thought it was important.

I have been somewhat disappointed to see certain people in consumer groups I admire take positions that I thought were unconnected to the reality of this legislation. I am glad that after full and open hearings, now three different times have we voted here, all those issues were aired and people had the chance to have their say. I am very confident that it is good legislation that will improve the administration of justice in the Federal bankruptcy courts of America.

RADIATION EXPOSURE COMPENSATION TRUST FUND

Mr. DOMENICI. Mr. President, today I rise to express my continued dismay with the lack of funding for the Radiation Exposure Compensation Trust Fund. Hundreds of former uranium miners, including many New Mexicans, have recently been mailed IOUs from the Department of Justice. These individuals have had their claims approved, but have been told that there is no money in the Fund to compensate them. These are former miners who are stricken with radiation-related diseases, and unfortunately, many will die soon.

We often pledge that we will never forget our Nation's veterans, who have sacrificed so much in order to secure our freedoms. But, we have forgotten the uranium miners, who also sacrificed for our nation's security while building up our nuclear arsenal. These miners endured long, dark, and dust-filled days underground. Often, the only fresh air that they breathed was what leaked out of the air compressors used to operate their jack-hammers. These miners were not even given protective masks or gloves, and they were never warned about the lethal medical risks until decades later.

These miners are afflicted with cancer and various respiratory diseases, and very few have sufficient money to pay their staggering medical bills. Most of these miners were never given the opportunity to build up a pension because they were continuously moved from one company to another. And now, while our veterans rightfully enjoy a great many benefits, these miners are left with only a depleted compensation fund and a handful of IOUs. Unfortunately, an IOU does not pay their medical bills.

I recently introduced legislation to provide $84 million in emergency supplemental appropriations to pay for those claims that have already been approved, as well as the projected number of claims for FY2001. Because of the urgency of these claims, I will make this promise to our miners: I will introduce this legislation as an amendment to the first appropriate legislative vehicle to ensure our miners are compensated as quickly as possible.

We must replenish the trust fund immediately. Our miners have urgent health care needs and medical bills that will continue to pile up. Many miners have died without receiving any of the compensation that they were promised. Many will die without compensation, if we do not take action now. We must not break our promise to the miners who sacrificed and suffered to protect our Nation's security.

I promise today to make every effort to ensure that our miners are compensated for their sacrifice. We must make sure that they don't die with only an IOU in their hands.

I ask unanimous consent that an article from the Albuquerque Tribune be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Albuquerque Tribune, Mar. 14, 2001]

HALF-LIVES, HALF MEASURES

(By M.E. Sprengelmeyer)

They were promised government compensation, but dying former uranium miners say they get nothing but IOUs.

Richard Leavell doesn't want to die with a government IOU in his pocket.

Like his father, Merle, Leavell helped the United States fight the Cold War from the trenches of the Colorado Plateau. And like his father, he paid a high price.

The Leavells were uranium miners, helping provide the raw material America craved for its nuclear arsenal.

Only years later did the federal government tell miners about the deadly health risks they faced while blasting and digging through the hills of the Four Corners region, breathing radioactive dust that would take its toll as they aged.

After Merle Leavell was left with radiation-related lung damage, the federal government promised $100,000 of "compassionate compensation" under a law enacted by Congress in 1990. But the check didn't arrive until after his death in 1995.

Now the same thing could happen to his son because of a funding oversight in Congress last year and a long list of unpaid government IOUs.

At 57, Richard Leavell suffers from pulmonary fibrosis and silicosis of the lungs, which leave him gasping for air and tied to expensive, ever-present bottles of oxygen.

"I can't do anything," he said. "This is no kind of life."

Last year, the government sent him a notice that he qualifies for $100,000 compensation. "Regretfully," the letter said, there's no money to back it up.

Doctors aren't sure whether Leavell, who lives in Cortez, Colo., will live another six months or several years, but he says government officials don't seem to be in any hurry.

"They told us they accept responsibility, and this was supposed to be some kind of apology," Leavell said. "It's not much of an apology if you don't get it."

The Radiation Exposure Compensation Act is in a crisis, but even an emergency fix could come too late for many of the 275 aging former miners, nuclear test participants, downwinders or their surviving spouses with unpaid IOUs.

Commonly known as RECA, the program got only $10.8 million this fiscal year but needs at least $84 million on top of that to pay all the claims expected to be approved in 2001.

Although Congress voted to increase each victim's compensation by $50,000, President Bush put that on hold while he reviews virtually every new regulation approved last year. Bush also signaled he is reluctant to approve any supplemental funding requests while he focuses on a proposed $1.6 trillion tax cut.

"Here we've got this huge surplus in Washington, D.C., and the government is sending these IOUs to people who are dying," said Rebecca Rockwell, a private investigator from Durango, Colo., who helps miners compile their claims.

"I've lost 10 of my IOU holders since October," Rockwell said. "The problem is people are dying. I've gone to about as many funerals as I can take."

Republican Sens. Pete Domenici, of Albuquerque, and Orrin Hatch, of Utah, recently introduced legislation asking for $84 million in emergency appropriations. Rep. Scott McInnis, a Republican whose district includes the mining county of western Colorado, plans to introduce a House version of the emergency funding bill.

However, legislative analysts say it's unlikely any new money will be approved before the summer or, more likely, at the end of the fiscal year in October.

The IOUs are worse than an embarrassment or inconvenience, said Ed Brickey, cochairman of the Western States RECA Reform Coalition, a collection of citizen groups that are advocates for victims covered by the act.

"It has been an injustice to delay any further appropriations or the regulations because the people that have (IOUs) are dying," Brickey said.

The RECA program has long been plagued by complaints about a complex application process that often takes victims many tries and several years to clear.

The program got into its current funding mess during the 11th-hour haggling over the budget in late 2000. Ironically, it came just months after Congress amended the law to ease restrictions, cover more medical conditions, add another $50,000 in compensation under a separate program, and allow uranium mill workers and ore transporters to qualify for the first time.

The Justice Department estimated it would take $93 million to cover all the claims expected to be approved in fiscal 2001. But that request came too late, and when the budget was approved in December it included only $10.8 million for the trust fund. The shortfall includes about $23 million for those already waiting for their money.

The waiting has left many victims bitter and hopeless in the small towns of southern and western Colorado, eastern Utah and northwest New Mexico, where uranium once meant a livelihood.

These guys went underground. They would work their butts off, sometimes 10 to 16 hours a day . . . so the government could get their damned uranium," said Anna Cox of Montrose, Colo. "And how do they get repaid? They die for it, with a promissory note that maybe you'll get something . . . after you're dead."

Her 63-year-old husband, Eugene, has lung cancer. He worked 10 years in the uranium mines outside Grants in New Mexico and Naturita, Slick Rock and Gateway, Colo.

In the early days, before strict radon monitoring, companies and workers gave little regard to the health risks, he said.

"It was work, guaranteed," Eugene Cox said. "You drilled holes with a jackhammer and you shot, blasted out. Then you loaded, either with a slusher or by hand and a scoop shovel."

Dust filled the air, but workers never wore protective masks. They used gloves only if they brought their own. Some miners remember days when the only "fresh air" they breathed was what leaked out of the air compressors that ran the jackhammers.

"I was a young, healthy man," Eugene Cox said. "I did not know. It was a livelihood for me and my three children and my wife."

It took three years for Eugene Cox to verify his work history and qualify his illness for compensation. Last year, he finally got an approval letter, which explained the lack of funding and told him to wait.

"I stuck it in a box," Anna Cox said. "That's what good it's doing me."

Uranium left its mark on whole communities throughout the Four Corners region.

In tiny Monticello, Utah, local newspaper editor Bill Boyle has a map stuck with more than 200 pins, one for each local resident who died or is dying of a radiation-related illness.

One pin represents a small, one-story house in the center of town.

There, former miner Joe Torres has turned his family's living room into a medical ward, with a bed propped where the sofa should be. Cancer has spread from his lungs to his liver, and a government IOU is doing him little good when he needs to buy more painkilling patches.

"I'm very shaken," he said. "I can't do a bit of work. And Social Security doesn't give me enough money to pay for my medicines. . . . I'd like to get at least part of my money to get by."

Combined, he and his wife, Vicenta, get just over $1,000 a month from Social Security. The painkillers alone cost $300 a month, and health insurance is coming due soon, she said.

Torres, 74, started working in the mines in 1951.

"They went in and worked and came back pretty well dusty from head to toe," Vicenta remembers. "But he had no idea that in time it would do something to them."

Shortly after talking with a reporter, Torres was hospitalized.

Since 1990, the radiation compensation program has relied on year-to-year allocations in the federal budget. Several lawmakers say it should be converted into an entitlement program so payments are guaranteed without a year-to-year budget fight. But they disagree on how to accomplish that.

Regardless of the answer, Rep. Mark Udall, D-Colo., says filling the trust fund's coffers should be a national priority.

"These people, as you know, have been jacked around for a lot of years," he said. "The statement we would make by providing them with this compensation they're due would be more than the money."

Meanwhile, surviving victims struggle to pay high medical bills and widows wait, not knowing when the government's promise will be kept.

In the northwest New Mexico town of Aztec, 56-year-old miner's widow Helen Story says she works two jobs, a day shift and an overnight shift taking care of elderly hospice patients to get by.

She worked the same jobs while her husband, Jerald, fought the final months against cancer before he died last March at age 59.

Jerald Story started working in the uranium and coal mines as a teen-ager.

He never built up a pension because, like many miners, he bounced from one company to another over several decades. Health problems forced him to retire and go onto Social Security disability in the early 1980s.

"I was having to work as much as I could, which took time away from him," Helen Story said. "Some days you think you just can't take much more."

The couple first applied for RECA compensation three years ago. The government

IOU came after Jerald Story's death, and his widow has become bitter.

"If they weren't going to stand good with the program, they never should have started it," Helen Story scoffs. "It's for sure that if we owed the government, they wouldn't wait this long on us."

PEOPLE WHO CARE ABOUT KIDS

Mr. LEVIN. Mr. President, last weekend, I joined members of the Michigan Partnership to Prevent Gun Violence and the Michigan Million Mom March, part of the coalition of People Who Care About Kids to circulate petitions calling for a citizens' referendum on Public Act 381, the "shall issue" law.

Passed by the Michigan Legislature in December 2000 and signed by the Governor, the Act takes discretion away from local gun boards and requires that authorities "shall" or must issue concealed weapons licenses to any one 21 years or older without a criminal record, with limited exceptions.

People Who Care About Kids is collecting signatures to suspend implementation of the law, which would otherwise go into effect on July 1st of this year. If enough signatures are collected by the deadline, the issue will be put before voters in 2002. Petition organizers need only 151,356 valid signatures by the deadline, March 27th, but are seeking 225,000 signatures in total.

The "shall issue" law is opposed by many law enforcement groups, religious leaders, child advocates and community leaders. They oppose the law because they believe if people are able to carry handguns into restaurants, stores, shopping malls, movie theaters, courtrooms, parks or in cars, our communities will be less safe. I also oppose the "shall issue" law. Last weekend, I signed the petition to put the issue before the voters and I urge others to sign it as well.

ST. PATRICK'S DAY STATEMENT BY THE FRIENDS OF IRELAND

Mr. KENNEDY. Mr. President, today, the Friends of Ireland in Congress released its annual St. Patrick's Day Statement. The Friends of Ireland is a bipartisan group of Senators and Representatives opposed to violence and terrorism in Northern Ireland and dedicated to a United States policy that promotes a just, lasting and peaceful settlement of the conflict.

I believe this year's Friends of Ireland Statement will be of interest to all of our colleagues who are concerned about this issue, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FRIENDS OF IRELAND STATEMENT—ST. PATRICK'S DAY 2001

The Friends of Ireland in the Congress join 44 million Irish Americans in celebrating the unique ties between America and the island of Ireland. We welcome the Taoiseach, Bertie Ahern, to the United States, and we send warm greetings to the President of Ireland, Mary McAleese.

We commend President Bush for expressing his willingness to remain involved in the pursuit of peace in Northern Ireland. The active engagement of President Clinton played an instrumental role in advancing the peace process, and it is vital that President Bush remain engaged.

The valuable work carried out by the new institutions set up under the Good Friday Agreement demonstrates the capacity of these institutions to contribute significantly to the welfare of the people of Northern Ireland and throughout Ireland. We call on all political representatives to develop the potential of the new arrangements by operating them to the full, under the rules, and in the spirit of the Agreement and thereby to consolidate the institutions for which the people have voted and which they clearly want to see working for the common benefit. We appeal to all parties to work together to remove the remaining obstacles standing in the way of the full achievement of this goal.

The Good Friday Agreement was endorsed by the people of Ireland and Northern Ireland with majorities from both communities. It provided a mandate to those working on behalf of peace, justice, and the creating of a new beginning in Northern Ireland. Its provisions are interdependent, and to ensure the successful implementation of the Good Friday Agreement, those provisions must be addressed concurrently.

In the past, dangerous political vacuums have been avoided when all parties to the Good Friday Agreement have been willing to make difficult political decisions and implement confidence-building measures. We urge them to do so again.

We believe the Patten recommendations on police reform must be fully implemented. We acknowledge that progress has been made, but further steps must be taken to ensure that the police service will be representative of all people in Northern Ireland and have the support of the community it serves. An inclusive and credible police service, which is supported by nationalists and unionists, is in the interest of everyone in Northern Ireland. Likewise, the criminal justice system must be fair and impartial. It must be responsive to the community's concerns, encourage community involvement wherever possible, and have the confidence of all parts of the community.

We also believe the British Government should scale back its military presence in Northern Ireland, particularly in South Armagh. The dismantlement of watchtowers and military installations in Northern Ireland would represent a significant confidence-building measure that would advance the pursuit of peace.

We welcome the May 5, 2000 statement by the IRA that it "will initiate a process that will completely and verifiably put IRA arms beyond use . . . in such a way as to avoid risk to the public and misappropriation by others and ensure maximum public confidence," and we welcome the IRA's recent decision to reengage with the de Chastelain Commission on decommissioning. The IRA's decision is a welcome first step, and we hope it will pave the way for further action by all parties. We urge the IRA to engage in meaningful dialogue with the Commission and take tangible steps to put weapons beyond use.

We also emphasize the importance of advancing human rights and equality issues under the Good Friday Agreement, including the creation of a Bill of Rights. Similarly, we call for the establishment of independent inquiries into the Finucane, Nelson, and Hamill cases, to demonstrate commitment to human rights and accountability.

We commend the Irish and British Governments for their ongoing efforts to work with the political leaders in Northern Ireland and to advance the peace process in Northern Ireland. On St. Patrick's Day, we urge all the leaders to recognize the danger of delay and redouble efforts to fully implement the Good Friday Agreement.

Friends of Ireland Executive Committee.

House: Dennis J. Hastert, Richard A. Gephardt, James T. Walsh.

Senate: Edward M. Kennedy, Christopher J. Dodd, Susan M. Collins.

HOUSE THE SENATE BUILT

Mr. ALLARD. Mr. President, I will be participating in the Habitat for Humanity "House the Senate Built." We will be breaking ground March 17th at 1:00 p.m. This home will be built for the Portillo family at 1209 Raven Place in Loveland, Colorado. I am especially proud to be working with the Loveland Habitat for Humanity chapter because Loveland is my hometown. In addition, the Loveland chapter has existed for 14 years and, in that time, they have built 41 houses. Forty-one families that may have never been in a position to own a home, are now homeowners thanks to the Loveland chapter of Habitat for Humanity.

This is not my first involvement with Habitat for Humanity. During the Republican Convention last year my wife Joan and I had the opportunity to work on a project with the Philadelphia chapter of Habitat. I have also participated in builds with Colorado affiliates in Fort Morgan and in Loveland. This September Habitat International will be celebrating their Silver Anniversary. Since its inception, Habitat has built a total of 100,000 houses.

When I reflect on my vision of housing assistance, an old saying comes to mind: "If you give a man a fish, you feed him for a day. If you teach a man to fish, you feed him for a lifetime." I am especially supportive of Habitat for Humanity because the way that they operate as an organization, fits this old saying perfectly. While Habitat homes are purchased by the individual homeowner families, corporations, faith groups and others all provide financial support and assistance in building the home, and the work is organized at the local level. Instead of relying solely on perennial handouts from the government, Habitat seeks out both private and community resources to form a partnership that results in homes for people who, otherwise, may not have them. This approach works because people at the local level are best equipped to know who needs assistance and are most familiar with the way that local systems operate. Homeowner families are chosen by the local Habitat affiliate according to their need;

their ability to repay the no-profit, no-interest mortgage; and their willingness to work in partnership with Habitat. Each family is responsible for paying back their loan and participating in the building of their own home. All of this indicates that Habitat is far more interested in helping people to create a new life for themselves than they are in simply putting a roof over their heads. Put quite simply, Habitat is a very effective way to promote the American dream of home ownership.

On this same note, I would also like to talk for a moment about two people that I hold in high esteem. The first person I would like to recognize is someone whom I can say, with very little bias, is one of the most wonderful women in the world: my wife Joan. She is someone who often seems tireless in her willingness to pitch in. This willingness was exemplified again at the House the Senate Built. Now, as I said before, Joan has worked on several of the Habitat projects with me, and this project was no exception. Just before the Senate members departed the building site to return to the Capitol, many of us passed our hammers on to our spouses so that they could continue building into the afternoon. I was proud to be able to hand my hammer over to Joan. She came home exhausted, but pleased with the progress that was made on the home, which I understand was considerable. In fact, I am told that when a crew member was walking back to the building site with several of the ladies Joan warned him that "now that the men are gone it's time for the real work to begin." She then put in several hours in her hard-hat pounding nails, stuffing insulation and lending a hand wherever it was needed.

The second is Colorado's first lady Frances Owens. She has made Habitat for Humanity projects a top priority since her husband was elected several years ago. She has participated in three builds within the last few years and will now be host to a program called Women Building a Legacy. This program will take place May 5–11 in Montbello, a suburb of Denver. Women Building a Legacy will be a blitz build that will result in five houses in seven days. These homes will be a much needed addition to the Montbello neighborhood where they are to be built and I commend Mrs. Owens for her efforts.

Again, I say thank you to Habitat for Humanity for the services that they provide to so many communities throughout America and the world, thank you to Frances Owens for the work that she does on behalf of Habitat and thank you to my wife Joan for always being willing to do what needs to be done for no bigger reason than because it needs to be done.

FOIA TURNS 35

Mr. LEAHY. Mr. President, James Madison said that if men were angels, no government would be necessary. But because people and governments are fallible, he added, "experience has taught mankind the necessity of auxiliary precautions." The Freedom Of Information Act (FOIA), a modern improvement in American government, has proved itself as a vital precaution that has served the people well in defending their right to know what their government is doing—or not doing. Friday is the 250th birthday of James Madison and, appropriately, this is also the day that we commemorate FOIA's 35th anniversary.

I am not sure that we could pass FOIA if it were offered in Congress today, but thank heaven it is firmly etched by now in our national culture. Just this month a unanimous U.S. Supreme Court affirmed FOIA's mandate of broad disclosure, noting that full agency disclosure would "help ensure an informed citizenry, vital to the functioning of a democratic society."

FOIA may be an imperfect tool, but as one foreign journalist observed, "in its klutzy way, it has become one of the slender pillars that make America the most open of modern societies."

In recent years records released under FOIA have revealed the government's radiation experiments on human guinea pigs during the Cold War, the evidence that the Food and Drug Administration had about heart-valve disease at the time it approved the Fen-Phen diet drug, the Federal Aviation Administration's concerns about ValuJet before the 1996 crash in the Everglades, radiation contamination by a government-run uranium processing plant on nearby recreation and wildlife areas in Kentucky, the government's maltreatment of South Vietnamese commandos who fought in a CIA-sponsored army in the early 1960's, the high salaries paid to independent counsels, and the unsafe lead content of tap water in the nation's capital.

Five years ago we updated FOIA's charter with the Electronic Freedom of Information Act that I proposed as a way to bring the law into the information age, recognizing that technology is dramatically changing the way government handles and stores information. The "E-FOIA" law directs federal agencies to make the information in their computer files available to citizens on the same basis as that in conventional paper files. We also took this as an opportunity to encourage agencies to use technology and the Internet to make government more accessible and accountable to its customers, the citizens. For instance, we now have the technology to translate government records into Braille or large print or synthetic speech for people with sight or hearing impairments, and the new law promotes that. Electronic records also make it possible to offer dial-up access to citizens over the Internet so they can have instant direct access to unclassified information stored in government computer banks. This is far easier for Vermonters than having to travel to Washington to visit an agency's public reading room. Information is a valuable commodity, and the federal government is the largest single producer and repository of data on topics ranging from agriculture to geography to labor statistics and the weather. Better and timelier access to this information helps lubricate our economy.

FOIA today is healthy, but only constant vigilance will keep Congress from needlessly whittling away its promise to the American people. We fought back one such effort last year, and new carve-out proposals are already in the air.

FOIA gives each American the power to ask—and the government the obligation to answer—questions about official actions or inaction. We can count on a government agency to tell us when it does something right, but we need FOIA to help tell us when it does something wrong. Of all the laws that fill our law libraries, none better than FOIA breathes life into the first words in our Constitution, "We the people of the United States" and into our First Amendment rights to petition our government. This is a law to celebrate, to use, and to defend.

VETERANS EDUCATION AND HEALTH CARE PRIORITIES

Mr. JOHNSON. Mr. President, as I travel my state of South Dakota and meet with veterans, I am reminded of the very core of what the Founding Fathers meant when they talked about America's citizen soldiers who serve as the bulwark of defending our democracy and freedom. The sacrifices of the men and women who served this nation in time of war are a dramatic story that we need to tell to future generations.

We need to remind younger generations of the sacrifice of the quiet heroes who have served our nation in the military service. We need to remind them that freedom isn't really free. Throughout our nation's proud history, people have made profound sacrifices to preserve liberty and democracy.

I have had the privilege this past year of honoring the South Dakotans who so bravely defended the seeds of democracy in the foreign soil of Korea and remember those who fought and died for democracy. In ceremonies across my state, I have had the honor of presenting the Korean War Service Medals as a long-overdue expression of gratitude from the American public and the South Korean government. It may have taken 50 years for us to properly recognize these veterans for their sacrifices in Korea. But there is no time limit on their patriotism or our country's gratitude.

Unfortunately, it has also taken too long for our government to fully honor the commitment made to our veterans for educational benefits and lifetime health care.

I am pleased to report that Congress has finally begun to honor additional commitments made to veterans nationwide. We all know the history: for decades, men and women who joined the military were promised educational benefits and lifetime health care coverage for themselves and their families. Many of the veterans we honor today were told, in effect, "If you disrupt your family, if you work for low pay, if you endanger your life and limb, our nation will in turn guarantee an opportunity for an education and lifetime health benefits."

Those promises have too often not been kept, not only to our veterans but also our military retirees, and that is threatening our national security. Veterans are our nation's most effective recruiters. However, inadequate education benefits and poor health care options make it difficult for these men and women to encourage the younger generation to serve in today's voluntary service. We are blessed to have unprecedented federal budget surpluses, and the only question is whether veterans health care and educational benefits should be a priority instead of an afterthought.

Veterans from around the nation have been calling on Congress to provide the VA with adequate funding to meet the health care needs for all veterans. Without additional funding, VA facilities will be unable to deliver the necessary health care services to our veterans population.

For a number of years, I have worked with veterans to increase flat-line appropriations for veterans' health care. Thanks to the grass roots efforts of veterans, we were successful two years ago in getting a historic $1.7 billion increase for VA medical care. We fought last year for another $1.4 billion increase. While these increases will help relieve some of the VA's budgetary constraints, I believe that more needs to be done to make up for those years of budgetary neglect, as well as to keep pace with rising costs of health care.

Another priority for me this year will be to continue to improve educational benefits for veterans. The Montgomery GI Bill has been one of the most effective tools in recruiting and retaining the best and the brightest in the military. It has also been a critical component in the transition of veterans to civilian life. Unfortunately, the current GI Bill fails to keep pace with the rising costs of higher education. On the first day of this legislative year, I joined Senator SUSAN COLLINS in introducing legislation to bring the GI Bill in the 21st Century by creating a benchmark level of education benefits that automatically covers inflation to meet the increasing costs of higher education. Our concept is a very simple one: at the very least, GI Bill benefits should be equal to the average cost of a commuter student attending a four-year university. Currently, less than one-half of the men and women who contribute $1200 of their pay to qualify for the GI Bill actually use these benefits.

The Veterans' Higher Education Opportunities Act—S. 131—has broad bipartisan support and the support of an unprecedented partnership of veterans groups and higher education organizations.

My bipartisan "Keep Our Promises to America's Military Retirees Act" called for the government to fulfill its obligation of lifetime health care for military retirees and their dependents. While I am pleased that last year's enactment of the TRICARE-for-Life program begins to address problems with military retiree health care, there is more work that needs to be done.

In fact, a recent federal court of appeals ruling finally supported what we have been saying all along: that the government has not lived up to its contract with millions of military retirees who were told they would receive lifetime health care in return for 20 years of service in the military. That is why I am once again working with Senator OLYMPIA SNOWE and Senator JEFF BINGAMAN to finish the job we started last year and fulfill our country's commitment. Honoring our commitment to active duty personnel, military retirees, and veterans is of special importance to me for a number of reasons. My oldest son, Brooks, currently serves in the Army and tells me firsthand how broken promises impact the morale of active duty personnel and their families.

Finally, an issue that needs to be addressed this year is concurrent receipt. I find it indefensible that our government forces men and women who fought for our country and are disabled as a result of it to choose between retirement pay and disability compensation. This nickel-and-diming of our country's heroes must stop, and I recently joined Senator HARRY REID in introducing the Retired Pay Restoration Act of 2001, S. 170. I am hopeful that we will be able to continue on the progress made last year on Concurrent Receipt and finally make this long-overdue correction for 437,000 disabled veterans nationwide.

Veterans are our country's heroes, and their selfless actions will inspire generations of Americans yet to come. Our country must honor its commitments to veterans, not only because it's the right thing to do, but also because it's the smart thing to do. I consider myself fortunate to live in our democracy, and I am filled with a sense of patriotism each day as I travel to work and see the United States Capitol come into view. In this city that is filled with monuments to the heroism of our Founding Fathers and the men and women who have served to protect our freedoms, I pledge that I will continue to fight to make veterans issues a priority in Congress.

PRESIDENT BUSH'S NEW JERSEY VISIT

Mr. CORZINE. Mr. President, yesterday, I joined with my distinguished colleague from New Jersey, Senator TORRICELLI, in welcoming the President of the United States to our State of New Jersey.

I was very pleased that the President decided to visit our State, and out of respect for him I decided to go to New Jersey to welcome him personally. In my view, it is critical that members of both parties work together in a positive and constructive way to address our Nation's problems. Although the President and I disagree on a number of issues, I sincerely want to cooperate with him wherever possible to help the people of New Jersey and all Americans, and I appreciated the chance to spend some time with him.

Unfortunately, because I was in New Jersey with the President, I missed a vote on the motion to table the Wyden amendment, No. 78. This amendment would have made nondischargeable certain debts arising from the exchange of electric energy in response to the recent crisis in California. If I had been present, I would have voted "aye" on the motion to table. Like Senator FEINSTEIN, I am concerned that by interjecting ourselves into this issue and giving a priority to certain creditors, we could trigger a rush to bankruptcy court that could force California utilities into bankruptcy.

NATIONAL GUARD AND RESERVES TAX CREDIT

Mr. JOHNSON. Mr. President, last week I met with South Dakota National Guard Adjutant General Phil Killey and a group of about 30 men and women from the South Dakota Guard and Reserves. Almost every community in our state benefits from the work of these Guardsmen and Reservists. For example, Guard units helped clean up the debris from last August's windstorm that hit Spearfish and Mitchell. Guard units in Aberdeen and Brookings spearheaded city-wide clean up efforts, and soldiers in Brookings even sponsored underprivileged children during the holiday season. The Guard also was instrumental in fighting the Jasper fire in the Black Hills last summer. The list goes on. From Aberdeen to Yankton, the Guard and Reserves are active members of the South Dakota community.

In addition to the support the Guard and Reserves give to South Dakota, they have also supported overseas operations including those in Central America, the Middle East, Europe, and Asia. The South Dakota Air Guard is currently preparing for its mission later this year, where it will patrol the "No-Fly Zone" in Iraq.

Most South Dakotans know at least one of the 4,500 current members of the South Dakota Guard and Reserves or the thousands of former Guardsmen and Reservists. Sometimes, the connection is even more direct. Before joining the Army, my oldest son was a member of the South Dakota Army Guard in Yankton.

General Killey reported that South Dakota ranks third in the nation in the readiness of its Guard and Reserve units. South Dakota's units are also tops in the nation in the quality of its new recruits. I commend the South Dakota Guard and Reserves for their continued excellence. National rankings only confirm the quality that has come to be expected of the Guard and Reserve of a great state.

However, recruiting and keeping the best of the best in the South Dakota National Guard and Reserves is becoming more of a challenge as our military's operations tempo has remained high while the number of active duty military forces has decreased. This tempo places significant pressure on members of the reserve component and those who employ them as they experience greater training and participation demands. That is why I am joining Senator MIKE DEWINE in introducing targeted tax relief for Guardsmen, Reservists, and those who employ them.

The legislation, called the Reserve Component Tax Assistance Act, will allow Guardsmen and Reservists to claim deductions for travel, meals, and lodging when they travel away from home and remain overnight to attend National Guard and Reserve meetings. A significant portion of the Guard and Reserve in South Dakota must travel at least 40 miles for training and meetings.

The second part of this legislation gives their employers a tax credit when the Reservists and Guardsmen are called up for a contingency operation. Often, these men and women will be gone months in support of overseas military efforts, leaving employers in a difficult position. This year the Air Guard will be deployed to Iraq, and members of the Army National Guard will be deployed to Bosnia next year. Our bipartisan legislation helps to minimize the economic impact by giving a maximum tax credit per employee of $2000. Each employer would be eligible for a maximum credit of $7500. This credit will help an estimated 1,100 to 1,300 businesses in our state who employ Guardsmen and Reservists.

Our legislation provides much needed tax relief to Guardsmen and Reservists, and the employers who support them, and I will continue to do all I can to support our National Guard and Reserves.

ADDITIONAL STATEMENTS

NATIONAL GIRL SCOUT WEEK

• Mrs. CARNAHAN. Mr. President, this week marks the 89th anniversary of the founding of the Girl Scouts of America. What began with a single troop of 12 girls in 1912 has grown into a 3.6 million member organization. Missouri alone has nearly 100,000 members. Over the last 89 years Girl Scouts of America has helped to instill in countless girls strong values, a social conscience, and the conviction of their own potential and self-worth.

Earlier this week, I cosponsored a resolution to designate this week as National Girl Scout Week. I thank my colleagues for unanimously passing that resolution. The Girl Scouts of America has become a national institution. The organization has held a Congressional charter for more than 50 years, and spread to nearly every city in the nation. Girl Scouts learn to be, as the Girl Scout Law says, "considerate, caring, courageous and strong." They develop a strong sense of community responsibility along with a sense of self worth. These girls serve as role models in their communities and become tomorrow's leaders.

Community service is a bedrock principal of the Girl Scouts. Every year, each troop conducts a service project to assist their community. The Girl Scout Council of Greater St. Louis is about to start their annual April Showers project. Every year they collect and distribute personal care items like shampoo, toothbrushes, and diapers to families in need throughout the area. Last year they collected nearly one million items, helping countless families.

On the other side of Missouri, Kara Dorsey, a member of Troop 706 in Warrensburg, recently won her Girl Scout Gold Award for creating a library at the new Warrensburg Veteran's Home. Kara organized two fundraising events then purchased books, tapes and magazine subscriptions with the proceeds. Because of Kara's work, the veterans in Warrensburg have a recreational and educational outlet they might not have had otherwise.

Girl Scouts may be most famous for Thin Mints, Samoas and Tagalongs, but those cookies are more than delicious snacks. Cookie sales teach the scouts about money management, selling skills, and give the girls a chance to give back to their community. Junior Girl Scout Troop 59, in Odessa, Missouri, voted to give a percentage of the money it earned in January to the House of Hope, a shelter for victims of domestic violence. When someone asked Rachel Kopp, a member of the troop, why they had donated the money, she said, "It was the Girl Scout thing to do." Indeed it is. That is what makes the Girl Scouts so unique. Girl Scouts provide an environment where girls are challenged and guided to become capable, self-reliant, ethical women who make a difference.

On this, their anniversary, I want to thank the Girl Scouts of America for enriching so many young lives, and once again thank my colleges for unanimously calling for the recognition of National Girl Scout Week.•

50TH WEDDING ANNIVERSARY OF THE REV. AND MRS. BENJAMIN HOOKS

• Mr. FRIST. Mr. President, every day in towns and cities across America, moms and dads, uncles and cousins, gather, in time-honored tradition, to celebrate the milestones of their lives—the births, baptisms, and anniversaries that bind them together and make them one.

Perhaps the most cherished of these is the celebration of marriage because it is marriage, after all, that creates the first and most essential cell of human society—the family.

If they are blessed, Mr. President, these anniversary celebrations of marriage include larger circles of friends and colleagues who recognize not only the value of a special couple's commitment to each other, but also the value of that commitment to all of us as the larger family of God.

On March 24, 2001, in Memphis, Tennessee, Mr. President, such a gathering will occur, and it is in honor of that occasion that I rise today to pay special tribute to a special couple, the Rev. Benjamin Hooks and his bride, Frances, who will celebrate 50 years as husband and wife.

Mr. President, this son of Memphis, is a man whose accomplishments as a pioneer of the civil rights movement, a courageous leader of the Southern Christian Leadership Conference and, more recently, as Director of the NAACP are well-known to most Americans. Less known, perhaps, is his work as a public defender, the first African American judge in Tennessee elected since Reconstruction, an outspoken critic of media portrayals of minority stereotypes, and pastor of the Greater Middle Baptist Church in Memphis where I have been honored to worship, and where both Benjamin and Frances have tirelessly dedicated themselves to bringing the goodwill of the family to all society.

But as important as their public work is and has been, it is the private union of these two remarkable human beings that we honor today—their affection and devotion, their deep and lasting commitment and, most of all, the love that encompasses not only each other but all who know them.

Mr. President, it is my honor and privilege to join with their daughter, Patricia, their family, and all their many friends, in congratulating the Rev. and Mrs. Benjamin Hooks on 50 years of marriage. May the good Lord continue to bless them all the days of their lives.●

IN MEMORY OF GINA PENNESTRI

● Mrs. BOXER. Mr. President, it is with a combination of great sadness and great joy that I ask the Senate to pause briefly so that I may share a little of the remarkable life of my dear friend and confidante Gina Pennestri.

I first met Gina when she was working for my hero and former boss, Congressman John Burton. When John announced his decision to leave the House in 1982, I decided to run for his seat. I can say without hesitation that without Gina I never would have won my first election to Congress. In fact, it is almost certain that without Gina I would not be here today as a U.S. Senator. After that first election she came to work for me and headed my district office until her retirement in 1989. For these and all her other gifts, I will be forever in her debt.

Gina was born on September 30, 1923 in Washington, DC. In retrospect, this makes perfect sense. She always seemed to have been born into politics. She attended George Washington University and became active locally advocating for voting rights for District residents. She began her long career in public service during World War II conducting employee relations for civilian employees stationed overseas. After the War she assisted with the Berlin Airlift working to assure that medical, food and other supplies got to those who needed them.

Gina moved to San Francisco in 1951, where she began at once to raise a family and more than one ruckus. From her first days in the City until her very last, Gina was known for her community spirit and activism. Over the years she worked to protect open space, to achieve civil rights, to end the war in Vietnam and so much more. Gina could be tough. She believed deeply in the inherent worth of all people, and worked especially hard to protect those less fortunate. She was that all-too-rare person whose depth of compassion was matched by an astute political mind. When it came to fighting for what was right, she let nothing and no one stand in the way. Her example inspires me to this day.

A thorn in the side to a few, she was deeply beloved by countless more. And to those who knew her best she was more than just an ally or friend, she was a member of the family. When Gina let you into her life you were there for keeps. Her loyalty was legendary, and her wisdom helped me navigate many difficulties, both in my professional and private life. My family and I will miss her tremendously. Our thoughts and prayers are with her son Marc, his wife Nancy and their children Laura and Daniel, to all of whom Gina was deeply devoted.

So today, I stand before you full of tremendous sorrow over the loss of a true friend and partner. But through the process of remembering Gina and her time among us, I am also filled with tremendous joy—joy that I was so fortunate to have met her and shared in her generous gifts and spirit. It comforts me to know that although she is gone, these will most assuredly live on in the many lives she touched.●

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Banking, Housing, and Urban Affairs.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:32 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it: requests the concurrence of the Senate:

H.R. 327. An act to amend chapter 35 of title 44, United State Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses.

H.R. 364. An act to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Majory Williams Scrivens Post Office."

H.R. 725. An act to direct the Secretary of Commerce to provide for the establishment of a toll-free telephone number to assist consumers in determining whether products are American-made.

H.R. 741. An act to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes.

H.R. 809. An act to make technical corrections to various antitrust laws and to references to such laws.

H.R. 821. An act to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building."

H.R. 860. An act to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiforum civil actions.

H.R. 861. An act to make technical amendments to section 10 of title 9, United States Code.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 320. An act to make technical corrections in patent, copyright, and trademark laws.

The message further announced that pursuant to section 4(a) of Public Law 94–118 (22 U.S.C. 2903), the Speaker appoints the following Member of the House of Representatives to the Japan-United States Friendship Commission: Mr. McDERMOTT.

The message also announced that pursuant to paragraph 8 of section 801(b) of Public Law 100–696, the Minority Leader appoints the following Member of the House of Representatives to the United States Capitol Preservation Commission: Mr. MORAN of Virginia.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated.

H.R. 327. An act to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, to the Committee on Governmental Affairs.

H.R. 364. An act to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office", to the Committee on Governmental Affairs.

H.R. 725. An act to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made; to the Committee on Commerce, Science, and Transportation.

H.R. 741. An act to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes; to the Committee on the Judiciary.

H.R. 809. An act to make technical corrections to various antitrust laws and to references to such laws; to the Committee on the Judiciary.

H.R. 821. An act to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building"; to the Committee on Governmental Affairs.

H.R. 860. An act to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiforum civil actions; to the Committee on the Judiciary.

H.R. 861. An act to make technical amendments to section 10 of title 9, United States Code, to the Committee on Armed Services.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–996. A communication from the Director of the American Forces Information Service, Department of Defense, transmitting a report concerning the consolidation of two field activities located in California and Pennsylvania; to the Committee on Armed Services.

EC–997. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Determination of Nonattainment as of November 15, 1996, and Reclassification of the St. Louis Ozone Nonattainment Area; States of Missouri and Illinois" (FRL6955-4) received on March 14, 2001; to the Committee on Environment and Public Works.

EC–998. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Final Rule; Official Staff Interpretation" (Docket No. R-1074) received on March 14, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–999. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (North English, IA; Pendleton, SC; Hamilton, TX; Munday, TX)" (Docket Nos. 00-222, 00-223, 00-224, 00-225) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1000. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b). Table of Allotments, FM Broadcast Stations (Hornbrook, California)" (Docket No. 00-73) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1001. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Lexington, KY)" received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1002. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Chattanooga, Tennessee)" (Docket No. 99-268) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1003. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Sumter, South Carolina)" (Docket No. 00-182) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1004. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "1998 Biennial Regulatory Review—Streamlining of Radio Technical Rules in Parts 73 and 74 of the Commission's Rules, Second Report and Order" (Docket No. 98-93) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 20: A resolution designating March 25, 2001, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

By Mr. McCAIN, for the Committee on Commerce, Science, and Transportation.

The following named officer for appointment as Commander, Atlantic Area, United States Coast Guard, and to the grade indicated under title 14, U.S.C., section 50:

To be vice admiral

Rear Adm. Thad W. Allen, 3199

(The above nomination was reported with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. McCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation.

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

To be rear admiral (lower half)

Capt. Harvey E. Johnson Jr., 0186

Capt. Sally Brice-O'Hara, 0516

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. McCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably a nomination list which was printed in the RECORD on the date indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that this nomination lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Coast Guard nominations beginning Timothy Aguirre and ending William J. Ziegler, which nominations were received by the Senate and appeared in the Congressional Record on January 3, 2001.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. FEINSTEIN:

S. 538. A bill to provide for infant crib safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEVIN (for himself, Mrs. FEINSTEIN, and Mr. BIDEN):

S. 539. A bill to amend the Truth in Lending Act to prohibit finance charges for ontime payments; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DEWINE (for himself, Mr. WARNER, Mr. LEVIN, Mr. McCAIN, Mr. LIEBERMAN, Mr. HELMS, Mr. MILLER, Mr. HUTCHINSON, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. ALLARD, Mr. ALLEN, Mr. COCHRAN, Ms. COLLINS, Mr. DURBIN, Mrs. HUTCHISON, Mr. INOUYE, Mr. JOHNSON, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. THURMOND, Mr. VOINOVICH, Mr. SESSIONS, and Mr. LOTT):

S. 540. A bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN:

S. 541. A bill to improve foreign language instruction; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DODD:

S. 542. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Finance.

By Mr. DOMENICI (for himself, Mr. WELLSTONE, Mr. SPECTER, Mr. KENNEDY, Mr. CHAFEE, Mr. DODD, Mr. COCHRAN, Mr. REED, Mr. REID, Mr. WARNER, Mr. GRASSLEY, Mr. ROBERTS, Mr. DURBIN, and Mr. JOHNSON):

S. 543. A bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BURNS (for himself, Mr. BOND, Mr. CRAIG, and Mr . THOMAS):

S. 544. A bill to amend the Federal Meat Inspection Act to provide that a quality grade label issued by the Secretary of Agriculture may not be used for imported meat and meat food products; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. FRIST:

S. 545. A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity credit to small business employees working or living in areas of poverty; to the Committee on Finance.

By Mr. WARNER (for himself, Mr. ALLEN, Mr. GRAHAM, and Mr. NELSON of Florida):

S. 546. A bill to expand the applicability of the increase in the automatic maximum amount of Servicemembers' Group Life Insurance scheduled to take effect on April 1, 2001, to the deaths of certain members of the uniformed services who die before that date; to the Committee on Veterans' Affairs.

By Mr. McCAIN:

S. 547. A bill to redesignate the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as the Federal Old-Age and Survivors Insurance Accounting Fund and the Federal Disability Insurance Accounting Fund, respectively; to the Committee on Finance.

By Mr. HARKIN (for himself, Ms. SNOWE, Ms. MIKULSKI, Mr. MURKOWSKI, Mrs. MURRAY, Mr. SCHUMER, and Mr. REID):

S. 548. A bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes; to the Committee on Finance.

By Mr. CRAPO (for himself and Mr. AKAKA):

S. 549. A bill to ensure the availability of spectrum to amateur radio operators; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself, Mr. McCAIN, Mr. INOUYE, Mr. BAUCUS, Mr. COCHRAN, and Mrs. FEINSTEIN):

S. 550. A bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas; to the Committee on Finance.

By Mr. DORGAN (for himself, Mr. GREGG, and Mr. DURBIN):

S. 551. A bill to amend the Internal Revenue Code of 1986 to simplify the individual income tax by providing an election for eligible individuals to only be subject to a 15 percent tax on wage income with a tax return free filing system, to reduce the burdens of the marriage penalty and alternative minimum tax, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM:

S. 552. A bill to provide that no electric utility shall be required to enter into a new contract or obligation to purchase or to sell electricity or capacity under section 210 of the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Natural Resources.

By Mr. WELLSTONE:

S. 553. A bill to help establish and enhance early childhood family education programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. MURRAY (for herself, Ms. COLLINS, Ms. MIKULSKI, Ms. CANTWELL, Mr. COCHRAN, and Mr. CHAFEE):

S. 554. A bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals; to the Committee on Finance.

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 555. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health and Human Services to establish a tolerance for the presence of methylmercury in seafood, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. COLLINS, Mr. SCHUMER, Ms. SNOWE, Mrs. FEINSTEIN, Mr. LEAHY, Mrs. CLINTON, Mr. KERRY, Mr. DODD, Mr. TORRICELLI, Mr. CORZINE, Mr. KENNEDY, Mr. REED, and Mrs. BOXER):

S. 556. A bill to amend the Clean Air Act to reduce emissions from electric powerplants, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 557. A bill to clarify the tax treatment of payments made under the Cerro Grande Fire Assistance Act; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. DASCHLE, Mr. INOUYE, Mr. BAUCUS, and Mr. CAMPBELL):

S. 558. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for investment in Indian reservation economic development, and for other purposes; to the Committee on Finance.

By Mr. ALLARD:

S. 559. A bill to reform the financing of Federal elections; to the Committee on Rules and Administration.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MILLER (for himself and Mr. CLELAND):

S. Con. Res. 25. A concurrent resolution honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they deploy to Bosnia for nine months, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States; considered and agreed to.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. HAGEL, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 22, a bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes.

S. 27

At the request of Mr. FEINGOLD, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 27, a bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

S. 128

At the request of Mr. JOHNSON, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 128, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 155

At the request of Mr. BINGAMAN, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 155, a bill to amend title 5, United States Code, to eliminate an inequity in the applicability of early retirement eligibility requirements to military reserve technicians.

S. 170

At the request of Mr. REID, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 244

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 244, a bill to provide for United States policy toward Libya.

S. 255

At the request of Ms. SNOWE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 255, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 258

At the request of Ms. SNOWE, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 264

At the request of Ms. SNOWE, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 264, a bill to amend title XVIII of the Social Security Act to expand coverage of bone mass measurements under part B of the medicare program to all individuals at clinical risk for osteoporosis.

S. 281

At the request of Mr. HAGEL, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Maryland (Mr. SARBANES), the Senator from Michigan (Ms. STABENOW), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 284

At the request of Mr. McCAIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 to provide incentives to expand health care coverage for individuals.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 350

At the request of Mr. CHAFEE, the names of the Senator from Indiana (Mr. BAYH), the Senator from West Virginia (Mr. BYRD), the Senator from Washington (Ms. CANTWELL), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 350, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 385

At the request of Mr. THURMOND, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 385, a bill to amend title 10, United States Code, to remove a limitation on the expansion of the Junior Reserve Officers' Training Corps, and for other purposes.

S. 441

At the request of Mr. CAMPBELL, the names of the Senator from Wyoming (Mr. THOMAS) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 441, a bill to provide Capitol-flown flags to the families of law enforcement officers and firefighters killed in the line of duty.

S. 452

At the request of Mr. MURKOWSKI, the names of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 461

At the request of Mr. FRIST, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 461, a bill to support educational partnerships, focusing on mathematics, science, and technology, between institutions of higher education and elementary schools and secondary schools, and for other purposes.

S. 466

At the request of Mr. HAGEL, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 466, a bill to amend the Individuals with Disabilities Education Act to fully fund 40 percent of the average per pupil expenditure for programs under part B of such Act.

S. CON. RES. 23

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Con. Res. 23, a concurrent resolution expressing the sense of Congress with respect to the involvement of the Government in Libya in the terrorist bombing of Pan Am Flight 103, and for other purposes.

S.J. RES. 4

At the request of Mr. HOLLINGS, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S.J. Res. 4, a joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from North Carolina (Mr. EDWARDS), the Senator from Kentucky (Mr. BUNNING), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as "National Airborne Day."

S. RES. 20

At the request of Mr. LEAHY, his name was added as a cosponsor of S. Res. 20, a resolution designating March 25, 2001, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

At the request of Mr. FEINGOLD, his name was added as a cosponsor of S. Res. 20, supra.

S. RES. 25

At the request of Mr. CRAIG, the names of the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Kansas (Mr. ROBERTS), the Senator from Ohio (Mr. DEWINE), the Senator from Texas (Mrs. HUTCHISON), the Senator from Tennessee (Mr. FRIST), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Tennessee (Mr. THOMPSON), the Senator from Colorado (Mr. CAMPBELL), the Senator from Montana (Mr. BAUCUS), the Senator from California (Mrs. FEINSTEIN), the Senator from Oregon (Mr. WYDEN), the Senator from Washington (Ms. CANTWELL), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Indiana (Mr. LUGAR), the Senator from Maryland (Ms. MIKULSKI), the Senator from South Dakota (Mr. DASCHLE), the Senator from Oklahoma (Mr. NICKLES), the Senator from Missouri (Mr. BOND), the Senator from Louisiana (Mr. BREAUX), the Senator from Kansas (Mr. BROWNBACK), the Senator from Illinois (Mr. DURBIN), and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. Res. 25, a resolution designating the week beginning March 18, 2001 as "National Safe Place Week."

S. RES. 41

At the request of Mr. SHELBY, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of S. Res. 41, a resolution designating April 4, 2001, as "National Murder Awareness Day."

S. RES. 43

At the request of Mr. MURKOWSKI, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Maryland (Mr. SARBANES), and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. Res. 43, a resolution expressing the sense of the Senate that the President should designate the week of March 18 through March 24, 2001, as "National Inhalants and Poisons Awareness Week."

AMENDMENT NO. 51

At the request of Mr. FEINGOLD, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of Amendment No. 51 proposed to S. 420, an original bill to amend title II, United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN:

S. 538. A bill to provide for infant crib safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. FEINSTEIN. Mr. President, today, I am introducing legislation designed to eliminate injuries and deaths that result from crib accidents.

While there are strict guidelines on the manufacture and sale of new cribs, there are still 25 to 30 million unsafe cribs sold throughout the U.S. in "secondary markets," such as thrift stores and resale furniture stores. These cribs should be taken off the market, and either made safe, or destroyed.

There are a number of reasons why unsafe cribs should be taken off the market.

Each year, at least 50 children ages two and under die from injuries sustained in cribs. That is almost one child a week.

The number of deaths from crib incidents exceeds deaths from all other nursery products combined.

Over 12,000 children are hospitalized each year as a result of injuries sustained in cribs.

To illustrate the need for this legislation, I want to share with you the story of Danny Lineweaver.

At the age of 23 months, Danny was injured during an attempt to climb out of his crib. Danny caught his shirt on a decorative knob on the cornerpost of his crib and hanged himself.

Though his mother was able to perform CPR the moment she found him, Danny lived in a semi-comatose state for nine years and died in 1993. This injury and subsequent death could have been prevented.

Since Danny's accident, we have passed laws mandating safety standards for the manufacture of new cribs. But this is not enough.

There are nearly four million infants born in this country each year, but only one million new cribs sold. As many as half of all infants are placed in secondhand, hand-me-down, or heirloom cribs, cribs that are sold in thrift stores or resale furniture stores. These cribs may be unsafe, and may in fact threaten the life of the infants placed in them.

This legislation requires thrift stores and retail furniture stores to remove decorative knobs on the cornerposts of cribs before selling those cribs.

Additionally, the bill prohibits hotels and motels from providing unsafe cribs to guests, or risk being fined up to $1,000.

The Infant Crib Safety Act makes the sale of used, unsafe cribs illegal. I hope my colleagues will join me in putting a stop to preventable injuries and deaths resulting from unsafe cribs.

By Mr. DEWINE (for himself, Mr. WARNER, Mr. LEVIN, Mr. MCCAIN, Mr. LIEBERMAN, Mr. HELMS, Mr. MILLER, Mr. HUTCHINSON, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. ALLARD, Mr. ALLEN, Mr. COCHRAN, Ms. COLLINS, Mr. DURBIN, Mrs. HUTCHISON, Mr. INOUYE, Mr. JOHNSON, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. THURMOND, Mr. VOINOVICH, Mr. SESSIONS, and Mr. LOTT).

S. 540. A bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes; to the Committee on Finance.

Mr. DEWINE. Mr. President, I rise today to join my distinguished colleagues, including Senators WARNER, LEVIN, MCCAIN, LIEBERMAN, HELMS, MILLER, HUTCHINSON from Arkansas, CLELAND, INHOFE, and LANDRIEU, to introduce the "Reserve Component Tax Assistance Act of 2001."

We are introducing this bill today because it represents one way we can help retain the brave men and women who serve in our military's Guard and reserve components. Our bill would offer much-needed support for them and their families by restoring a tax deduction to our reservists for travel expenses incurred getting to and from duty assignments. The bill also would provide a tax credit to employers who support employees serving in the reserve component.

As my colleagues are well aware, the security of our nation hinges on all the men and women who serve in uniform, both active duty and reserves. That became very clear a decade ago, when members of our active duty and reserve forces came together to drive Saddam Hussein and the Iraqi Republican Guard out of Kuwait. Operation Desert Storm was one of the largest and most successful military operations since the inception of the all-volunteer force of the early 1970's. Its success was due in large part to the efforts of reserve component personnel. Since then, our reservists and Guardsmen and women have contributed in every U.S. military and humanitarian operation.

This increased reliance on our reserve personnel came at a time when U.S. military forces were downsizing in response to the "peace dividend" linked to the collapse of the Soviet Union and the fall of the Berlin Wall. Despite the end of the Cold War, the tempo of our military's operations remains at a steady beat. In fact, the military's dependence on our reservists and Guardsmen and women has remained at near Gulf War levels. The military has placed greater training and participation demands on our reservists, taking them away from family and civilian employment.

This increased demand does not occur without cost, particularly financial costs to our reserve military components and their full time employers. The bill we are introducing today is an attempt to provide some additional compensation for these dedicated men and women. It is a small step, but one that is necessary. I urge my colleagues to support our bill and demonstrate our commitment to supporting the proud and dedicated reservists, Guardsmen and women, and employers who play such a pivotal role in our national defense. I am pleased that this legislation already has the support of the Reserve Officers Association, the National Guard Association, the Military Coalition, and the U.S. Chamber of Commerce.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 540

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reserve Component Tax Assistance Act of 2001".

SEC. 2. DEDUCTION OF CERTAIN EXPENSES OF MEMBERS OF THE RESERVE COMPONENT.

(a) DEDUCTION ALLOWED.—Section 162 of the Internal Revenue Code of 1986 (relating to certain trade or business expenses) is amended by redesignating subsection (p) as subsection (q) and inserting after subsection (o) the following new subsection:

"(p) TREATMENT OF EXPENSES OF MEMBERS OF RESERVE COMPONENT OF ARMED FORCES OF THE UNITED STATES.—For purposes of subsection (a), in the case of an individual who performs services as a member of a reserve component of the Armed Forces of the United States at any time during the taxable year, such individual shall be deemed to be away from home in the pursuit of a trade or business during any period for which such individual is away from home in connection with such service.".

(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ELECTS TO ITEMIZE.—Section 62(a)(2) of the Internal Revenue Code of 1986 (relating to certain trade and business deductions of employees) is amended by adding at the end the following new subparagraph:

"(D) CERTAIN EXPENSES OF MEMBERS OF RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—The deductions allowed by section 162 which consist of expenses paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001.

SEC. 3. CREDIT FOR EMPLOYMENT OF RESERVE COMPONENT PERSONNEL.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

"SEC. 45E. RESERVE COMPONENT EMPLOYMENT CREDIT.

"(a) GENERAL RULE.—For purposes of section 38, the reserve component employment credit determined under this section is an amount equal to the sum of—

"(1) the employment credit with respect to all qualified employees of the taxpayer, plus

"(2) the self-employment credit of a qualified self-employed taxpayer.

"(b) EMPLOYMENT CREDIT.—For purposes of this section—

"(1) IN GENERAL.—The employment credit with respect to a qualified employee of the taxpayer for any taxable year is equal to 50 percent of the amount of qualified compensation that would have been paid to the employee with respect to all periods during which the employee participates in qualified reserve component duty to the exclusion of normal employment duties, including time spent in a travel status had the employee not been participating in qualified reserve component duty. The employment credit, with respect to all qualified employees, is equal to the sum of the employment credits for each qualified employee under this subsection.

"(2) QUALIFIED COMPENSATION.—When used with respect to the compensation paid or that would have been paid to a qualified employee for any period during which the employee participates in qualified reserve component duty, the term 'qualified compensation' means compensation—

"(A) which is normally contingent on the employee's presence for work and which would be deductible from the taxpayer's gross income under section 162(a)(1) if the employee were present and receiving such compensation, and

"(B) which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other form of pay for a nonspecific leave of absence, and with respect to which the number of days the employee participates in qualified reserve component duty does not result in any reduction in the amount of vacation time, sick leave, or other nonspecific leave previously credited to or earned by the employee.

"(3) Qualified employee.—The term 'qualified employee' means a person who—

"(A) has been an employee of the taxpayer for the 21-day period immediately preceding the period during which the employee participates in qualified reserve component duty, and

"(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as defined in sections 10142 and 10101 of title 10, United States Code.

"(c) Self-Employment Credit.—

"(1) In general.—The self-employment credit of a qualified self-employed taxpayer for any taxable year is equal to 50 percent of the excess, if any, of—

"(A) the self-employed taxpayer's average daily self-employment income for the taxable year over

"(B) the average daily military pay and allowances received by the taxpayer during the taxable year, while participating in qualified reserve component duty to the exclusion of the taxpayer's normal self-employment duties for the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status.

"(2) Average daily self-employment income and average daily military pay and allowances.—As used with respect to a self-employed taxpayer—

"(A) the term 'average daily self-employment income' means the self-employment income (as defined in section 1402) of the taxpayer for the taxable year divided by the difference between—

"(i) 365, and

"(ii) the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status, and

"(B) the term 'average daily military pay and allowances' means—

"(i) the amount paid to the taxpayer during the taxable year as military pay and allowances on account of the taxpayer's participation in qualified reserve component duty, divided by

"(ii) the total number of days the taxpayer participates in qualified reserve component duty, including time spent in travel status.

"(3) Qualified self-employed taxpayer.—The term 'qualified self-employed taxpayer' means a taxpayer who—

"(A) has net earnings from self-employment (as defined in section 1402) for the taxable year, and

"(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States.

"(d) Credit in Addition to Deduction.—The employment credit provided in this section is in addition to any deduction otherwise allowable with respect to compensation actually paid to a qualified employee during any period the employee participates in qualified reserve component duty to the exclusion of normal employment duties.

"(e) Limitations.—

"(1) Maximum credit.—

"(A) In general.—The credit allowed by subsection (a) for the taxable year—

"(i) shall not exceed $7,500 in the aggregate, and

"(ii) shall not exceed $2,000 with respect to each qualified employee.

"(B) Controlled groups.—For purposes of applying the limitations in subparagraph (A)—

"(i) all members of a controlled group shall be treated as one taxpayer, and

"(ii) such limitations shall be allocated among the members of such group in such manner as the Secretary may prescribe.

For purposes of this subparagraph, all persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as members of a controlled group.

"(2) Disallowance for failure to comply with employment or reemployment rights of members of the reserve components of the armed forces of the united states.—No credit shall be allowed under subsection (a) to a taxpayer for—

"(A) any taxable year in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

"(B) the two succeeding taxable years.

"(3) Disallowance with respect to persons ordered to active duty for training.—No credit shall be allowed under subsection (a) to a taxpayer with respect to any period for which the person on whose behalf the credit would otherwise be allowable is called or ordered to active duty for any of the following types of duty:

"(A) active duty for training under any provision of title 10, United States Code,

"(B) training at encampments, maneuvers, outdoor target practice, or other exercises under chapter 5 of title 32, United States Code, or

"(C) full-time National Guard duty, as defined in section 101(d)(5) of title 10, United States Code.

"(f) General Definitions and Special Rules.—

"(1) Military pay and allowances.—The term 'military pay' means pay as that term is defined in section 101(21) of title 37, United States Code, and the term 'allowances' means the allowances payable to a member of the Armed Forces of the United States under chapter 7 of that title.

"(2) Qualified reserve component duty.—The term 'qualified reserve component duty' includes only active duty performed, as designated in the reservist's military orders, in support of a contingency operation as defined in section 101(a)(13) of title 10, United States Code.

"(3) Normal employment and self-employment duties.—A person shall be deemed to be participating in qualified reserve component duty to the exclusion of normal employment or self-employment duties if the person does not engage in or undertake any substantial activity related to the person's normal employment or self-employment duties while participating in qualified reserve component duty unless in an authorized leave status or other authorized absence from military duties. If a person engages in or undertakes any substantial activity related to the person's normal employment or self-employment duties at any time while participating in a period of qualified reserve component duty, unless during a period of authorized leave or other authorized absence from military duties, the person shall be deemed to have engaged in or undertaken such activity for the entire period of qualified reserve component duty.

"(4) Certain rules to apply.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.".

(b) Conforming Amendment.—Section 38(b) of the Internal Revenue Code of 1986 (relating to general business credit) is amended—

(1) by striking "plus" at the end of paragraph (12),

(2) by striking the period at the end of paragraph (13) and inserting ", plus", and

(3) by adding at the end the following new paragraph:

"(14) the reserve component employment credit determined under section 45E(a).".

(c) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45D the following new item:

"Sec. 45E. Reserve component employment credit.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

By Mr. COCHRAN:

S. 541. A bill to improve foreign language instruction; to the Committee on Health, Education, Labor, and Pensions.

Mr. COCHRAN. Mr. President, today I am introducing The Foreign Language Acquisition and Proficiency Improvement Act of 2001. It is a bill which makes changes in the Elementary and Secondary Education Act that encourage and make possible the teaching of a second language to students in elementary and secondary schools, in particular, those schools heavily impacted by the unique problems of educating a high population of disadvantaged students.

My bill also provides schools an incentive to initiate foreign language programs, promotes technology, distance learning, and other innovative activities in the effective instruction of a foreign language.

According to the Center for Applied Linguistics in Washington, D.C., the early study of a second language offers many benefits for students: academic achievement, positive attitudes toward diversity; flexibility in thinking; sensitivity to language; and a better ear for listening and pronunciation. Foreign language study also improves children's understanding of their native language, increases creativity, helps students get better SAT scores, and increases their job opportunities.

The evidence shows that children who learn foreign languages score higher in all academic subjects than those who speak only English. Most developed countries recognize this and, according to the National Foreign Language Center, the United States is alone in not teaching foreign languages routinely before the age of twelve.

In 1999, the Center for Applied Linguistics released the results of a U.S. Department of Education funded survey of foreign language teaching in preschool through twelfth grade in the United States. The results show a rising awareness and increase in the teaching of foreign languages, but in the 31 percent of elementary schools that offered foreign language instruction, only 21 percent had proficiency as the goal of the program. Among the most frequently cited problems facing foreign language programs were inadequate funding, inadequate in-service teacher training, teacher shortages and a lack of sequencing from elementary to secondary school.

This survey is a good snapshot of the state of the teaching of foreign languages K–12 in our country. It can be read as encouraging: that we know we should be teaching languages earlier; that more schools are attempting to teach foreign languages; and, that more languages are being taught. It also clearly shows where we need improvement: that we need to show accomplishment in teaching our students foreign languages; that more schools need to have the resources to offer the necessary course work for attaining this skill; and, that foreign languages should be a priority.

The picture hasn't changed dramatically in the last two years.

Last year, I chaired hearings of the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services which examined the relationship between foreign language preparedness and national security.

These are some of the things we learned about foreign language learning at those hearings:

The most attainable skill students can acquire for likely college admission is foreign language proficiency;

The best predictor of foreign language proficiency in college is previous foreign language training, even if in another language;

There are not enough foreign language teachers. For example, Fairfax County, Virginia schools have an agreement with the Education Ministry in Spain, which provided at least five Spanish language teachers last year. In Mississippi, it is not unusual to be taught French or German by distance learning, using live video transmission in classrooms around the state.

The earlier one begins to learn any language, the quicker he or she will become proficient and sound like a native speaker.

And, as to how foreign language acquisition relates to national security, it was clear from the testimony of representatives from the CIA, FBI, Department of Defense, and the State Department, that:

There is a continuing need for highly proficient speakers of many languages for surveillance, reconnaissance, negotiations and other defense and intelligence gathering activities;

The federal government spends up to $70,000 to train one person in a language as common as Spanish;

Recruiting for language specialists includes attracting current teachers;

Language learning, especially in sensitive government positions, best includes experience in the mother tongue country. This enhances cultural understanding, colloquialisms and other language usage that cannot be approximated in a classroom.

Another fact is that America's businesses need foreign language speakers. According to a USA TODAY survey, top executives cited foreign language skills twice as great as any other skill in demand.

The National Foreign Language Center published a 1999 report titled, Language and National Security for the 21st Century: The Federal Role in Supporting National Language Capacity. This report is very compelling in its review of the need for military and civilian personnel with foreign language capability. It explains that the language training business is estimated to be $20 billion internationally. That is money spent by our government, our businesses and individuals to teach adults a skill essential in the global relationships of industry, diplomacy, defense, and higher education.

The evidence of need is great, and yet there is a lack of sufficient foreign language training at the K–12 level. We have one program in the Elementary and Secondary Education Act aimed at providing incentives and giving grants to schools for this purpose.

I am happy that we've been successful in raising the funding for this program from $5 million in 1998 to $14 million in FY 2001. However, the section of this law providing grants to schools that already offer foreign language instruction programs has never been funded. A frustrating aspect of this good program is that the schools in the most need of the assistance can't afford the ante. My amendments establish a 50 percent set-aside for schools serving the most disadvantaged students, and eliminates the matching share requirement for those schools. This bill also increases the annual authorization for the program from $55,000,000 to $75,000,000.

I hope that we will give greater attention to this program when we make funding decisions, so that schools without the advantages of plentiful resources can provide their students with a high quality and competitive education.

The Foreign Language Acquisition and Proficiency Improvement Act will provide new opportunities and encouragement to our school children, teachers, and parents, so we can better meet our global business challenges and national security needs.

By Mr. DODD.

S. 542. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Finance.

Mr. DODD. Mr. President, I rise to introduce legislation that would make a simple correction to our Harmonized Tariff Schedule creating a separate subheading for hair clippers used for animals.

The United States has been engaged in an on-going dispute with the European Union, EU, over the EU's refusal to import hormone-treated beef from the U.S. In reaction to the EU's failure to comply with a WTO ruling that found that this ban on treated beef has been harmful to the U.S. economy, the United States Trade Representative issued a list of products on which retaliatory duties of 100 percent would be levied. Pursuant to Section 407 of the Trade and Development Act of 2000, the products designated for retaliatory duties must be related to the industries that are affected by the EU's non-compliance with the WTO decision.

One of the many products included on the Trade Representative's list is hair clippers. However, no distinction is made between those clippers used for animals and those used for humans, specifically, beard trimmers. Since both types of clippers are grouped within the same subheading under the Harmonized Tariff Schedule, human beard trimmers could potentially be subject to 100 percent duties. Yet, the personal care industry and beard trimmers have no relationship to the current beef-hormone dispute as is required by Section 407.

In an effort to prevent this inadvertent application of duties on beard trimmers, the bill I am introducing would provide a separate subheading for clippers used by animals. I believe that this simple clarification will ensure the fair application of our trade laws and provide safeguards to U.S. companies and consumers from the unintended consequences resulting from these types of trade disputes. I hope my colleagues will join me in supporting this legislation.

By Mr. DOMENICI (for himself, Mr. WELLSTONE, Mr. SPECTER, Mr. KENNEDY, Mr. CHAFEE, Mr. DODD, Mr. COCHRAN, Mr. REED, Mr. REID, Mr. WARNER, Mr. GRASSLEY, Mr. ROBERTS, Mr. DURBIN, and Mr. JOHNSON):

S. 543. A bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits; to the Committee on Health, Education, Labor, and Pensions.

Mr. DOMENICI. Mr. President, I rise today with great pleasure and excitement to introduce the "Mental Health

Equitable Treatment Act of 2001." I would also like to thank Senator WELLSTONE for once again joining me to cosponsor this important piece of legislation.

The human brain is the organ of the mind and just like the other organs of our body, it is subject to illness.

And just as we must treat illnesses to our other organs, we must also treat illnesses of the brain.

Building upon that, I would ask the following question: what if thirty years ago our nation had decided to exclude heart disease from health insurance coverage?

Think about some of the wonderful things we would not be doing today like angioplasty, bypasses, and valve replacements and the millions of people helped because insurance covers these procedures.

I would submit these medical advances have occurred because insurance dollars have followed the patient through the health care system. The presence of insurance dollars has provided an enticing incentive to treat those individuals suffering from heart disease.

But sadly, those suffering from a mental illness do not enjoy those same benefits of treatment and medical advances because all too often insurance discriminates against illnesses of the brain.

Individuals suffering from a mental illness face this discrimination even though medical science is in an era where we can accurately diagnose mental illnesses and treat those afflicted so they can be productive.

I simply do not understand, why with this evidence would we not cover these individuals and treat their illnesses like any other disease?

There simply should not be a difference in the coverage provided by insurance companies for mental health benefits and medical benefits, merely because an individual suffers from a mental illness.

The introduction of our Bill marks a historic opportunity for us to take the next step towards mental health parity. The timing of our Bill is even more important because the landmark Mental Health Parity Act of 1996 will sunset on September 30 of this year.

As my colleagues know, this is an issue I have a long involvement with and I would like to begin with a few observations.

I believe that we have made great strides in providing parity for the coverage of mental illness. However, mental illness continues to exact a heavy toll on many, many lives.

Even though we know so much more about mental illness, it can still bring devastating consequences to those it touches; their families, their friends, and their loved ones. These individuals and families not only deal with the societal prejudices and suspicions hanging on from the past, but they also must contend with unequal insurance coverage.

I would submit the Mental Health Parity Act of 1996 is a good first start, but the Act is also not working. While there may adherence to the letter of the law, there are certainly violations of the spirit of the law. For instance, ways are being found around the law by placing limits on the number of covered hospital days and outpatient visits.

That is why I believe it is time for a change.

Some will immediately say we cannot afford it or that inclusion of this treatment will cost too much. But, I would first direct them to the results of the Mental Health Parity Act of 1996. That law contains a provision allowing companies to no longer comply if their costs increase by more than one percent.

And do you know how many companies have opted out because their costs have increased by more than one percent? Less than ten companies throughout our entire country.

With that in mind I would like to share a couple of facts about mental illness with my colleagues:

Within the developed world, including the United States, 4 of the 10 leading causes of disability for individuals over the age of five are mental disorders.

In the order of prevalence the disorders are major depression, schizophrenia, bipolar disorder, and obsessive compulsive disorder.

Disability always has a cost and the direct cost to the United States per year for respiratory disease is $99 billion, cardiovascular disease is $160 billion, and finally $148 billion for mental illness.

One in every five people, more than 40 million adults, in this Nation will be afflicted by some type of mental illness.

Nearly 7.5 million children and adolescents, or 12 percent, suffer from one or more mental disorders.

Schizophrenia alone is 50 times more common than cystic fibrosis, 60 times more common than muscular dystrophy and will strike between 2 and 3 million Americans.

Let us also look at the efficacy of treatment for individuals suffering from certain mental illnesses, especially when compared with the success rates of treatments for other physical ailments. For a long time, many who are in this field, especially on the insurance side, have behaved as if you get far better results for angioplasty than you do for treatments for bipolar illness.

Treatment for bipolar disorders, that is, those disorders characterized by extreme lows and extreme highs, have an 80 percent success rate if you get treatment, both medicine and care. Schizophrenia, the most dreaded of mental illnesses, has a 60-percent success rate in the United States today if treated properly. Major depression has a 65 percent success rate.

Lets compare those success rates to several important surgical procedures that everybody thinks we ought to be doing:

Angioplasty has a 41-percent success rate.

Atherectomy has a 52-percent success rate.

I would now like to take a minute to discuss the Mental Health Equitable Treatment Act of 2001. The Bill seeks a very simple goal: provide the same mental health benefits already enjoyed by Federal employees.

The Bill is modeled after the mental health benefits provided through the Federal Employees Health Benefits Program, FEHBP, and expands the Mental Health Parity Act of 1996 to prohibit a group health plan from imposing treatment limitations or financial requirements on the coverage of mental health benefits unless comparable limitations are imposed on medical and surgical benefits.

Our Bill provides full parity for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, DSM IV, with coverage being contingent on the mental health condition being included in an authorized treatment plan, the treatment plan is in accordance with standard protocols, and the treatment plan meets medical necessity determination criteria.

Like the Mental Health Parity Act of 1996, the Bill does not require a health plan to provide coverage for alcohol and substance abuse benefits. Moreover, the Bill does not mandate the coverage of mental health benefits, rather the Bill only applies if the plan already provides coverage for mental health benefits.

In conclusion, the Bill provides mental heath benefits on par with those already enjoyed by Federal employees and I would urge my colleagues to support this important piece of legislation.

I ask unanimous consent that the text of the bill and a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mental Health Equitable Treatment Act of 2001".

SEC. 2. AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Section 712 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a) is amended to read as follows:

“SEC. 712. MENTAL HEALTH PARITY.

“(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health benefits, such plan or coverage shall not impose any treatment limitations or financial requirements with respect to the coverage of benefits for mental illnesses unless comparable treatment limitations or financial requirements are imposed on medical and surgical benefits.

“(b) CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any mental health benefits.

“(c) SMALL EMPLOYER EXEMPTION.—

“(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of any employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year.

“(2) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection—

“(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

“(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

“(C) PREDECESSORS.—Any reference in this paragraph to an employer shall include a reference to any predecessor of such employer.

“(d) SEPARATE APPLICATION TO EACH OPTION OFFERED.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

“(e) DEFINITIONS.—For purposes of this section—

“(1) FINANCIAL REQUIREMENTS.—The term ‘financial requirements’ includes deductibles, coinsurance, co-payments, other cost sharing, and limitations on the total amount that may be paid with respect to benefits under the plan or health insurance coverage with respect to an individual or other coverage unit (including annual and lifetime limits).

“(2) MEDICAL OR SURGICAL BENEFITS.—The term ‘medical or surgical benefits’ means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include mental health benefits.

“(3) MENTAL HEALTH BENEFITS.—The term ‘mental health benefits’ means benefits with respect to services for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM IV-TR), or the most recent edition if different than the Fourth Edition, as defined under the terms of the plan or coverage (as the case may be), if such services are included as part of an authorized treatment plan that is in accordance with standard protocols and such services meet applicable medical necessity criteria, but does not include benefits with respect to the treatment of substance abuse or chemical dependency.

“(4) TREATMENT LIMITATIONS.—The term ‘treatment limitations’ means limitations on the frequency of treatment, number of visits or days of coverage, or other limits on the duration or scope of treatment under the plan or coverage.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to plan years beginning on or after January 1, 2002.

SEC. 3. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE GROUP MARKET.

(a) IN GENERAL.—Section 2705 of the Public Health Service Act (42 U.S.C. 300gg-5) is amended to read as follows:

“SEC. 2705. MENTAL HEALTH PARITY.

“(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health benefits, such plan or coverage shall not impose any treatment limitations or financial requirements with respect to the coverage of benefits for mental illnesses unless comparable treatment limitations or financial requirements are imposed on medical and surgical benefits.

“(b) CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any mental health benefits.

“(c) SMALL EMPLOYER EXEMPTION.—

“(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of any employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year.

“(2) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection—

“(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

“(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

“(C) PREDECESSORS.—Any reference in this paragraph to an employer shall include a reference to any predecessor of such employer.

“(d) SEPARATE APPLICATION TO EACH OPTION OFFERED.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

“(e) DEFINITIONS.—For purposes of this section—

“(1) FINANCIAL REQUIREMENTS.—The term ‘financial requirements’ includes deductibles, coinsurance, co-payments, other cost sharing, and limitations on the total amount that may be paid with respect to benefits under the plan or health insurance coverage with respect to an individual or other coverage unit (including annual and lifetime limits).

“(2) MEDICAL OR SURGICAL BENEFITS.—The term ‘medical or surgical benefits’ means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include mental health benefits.

“(3) MENTAL HEALTH BENEFITS.—The term ‘mental health benefits’ means benefits with respect to services for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM IV), or the most recent edition if different than the Fourth Edition, as defined under the terms of the plan or coverage (as the case may be), if such services are included as part of an authorized treatment plan that is in accordance with standard protocols and such services meet applicable medical necessity criteria, but does not include benefits with respect to the treatment of substance abuse or chemical dependency.

“(4) TREATMENT LIMITATIONS.—The term ‘treatment limitations’ means limitations on the frequency of treatment, number of visits or days of coverage, or other limits on the duration or scope of treatment under the plan or coverage.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to plan years beginning on or after January 1, 2002.

SEC. 4. PREEMPTION.

Nothing in the amendments made by this Act shall be construed to preempt any provision of State law that provides protections to enrollees that are greater than the protections provided under such amendments.

SEC. 5. GENERAL ACCOUNTING OFFICE STUDY.

(a) STUDY.—The Comptroller General shall conduct a study that evaluates the effect of the implementation of the amendments made by this Act on the cost of health insurance coverage, access to health insurance coverage (including the availability of in-network providers), the quality of health care, and other issues as determined appropriate by the Comptroller General.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall prepare and submit to the appropriate committees of Congress a report containing the results of the study conducted under subsection (a).

MENTAL HEALTH EQUITABLE TREATMENT ACT OF 2001—SUMMARY

The Bill seeks to ensure greater parity in the coverage of mental health benefits by prohibiting a group health plan from treating mental health benefits differently from the coverage of medical and surgical benefits.

The Bill only applies to group health plans already providing mental health benefits and is modeled after the mental health benefits provided through the Federal Employees Health Benefits Program (FEHBP).

FULL PARITY FOR ALL MENTAL ILLNESSES

Expands the Mental Health Parity Act of 1996 (MHPA) to prohibit a group health plan from imposing treatment limitations or financial requirements on the coverage of mental health benefits unless comparable limitations are imposed on medical and surgical benefits.

Provides full parity for all categories of mental health conditions listed in the “Diagnostic and Statistical Manual of Mental Disorders,” 4th Edition (DSM IV-TR).

Coverage is also contingent on the mental health condition being included in an authorized treatment plan, the treatment plan is in accordance with standard protocols, and the treatment plan meets medical necessity determination criteria.

Defines "treatment limitations" as limits on the frequency of treatment, the number of visits, the number of covered hospital days, or other limits on the scope and duration of treatment and defines "financial requirements" to include deductibles, coinsurance, co-payments, and catastrophic maximums.

REQUIREMENTS AND EXEMPTIONS

Eliminates the September 30, 2001 sunset provision in the MHPA.

Like the MHPA the bill does not require plans to provide coverage for benefits relating to alcohol and drug abuse.

There is a small business exemption for companies with 25 or fewer employees.

Mr. WELLSTONE. Mr. President, I am pleased today to join my colleague from New Mexico once again to introduce a bill for fairness in health coverage for those with mental illness. The Mental Health Equitable Treatment Act of 2001 will take the critical next steps to ensure that private health insurance companies provide the same level of coverage for mental illness as they do for other diseases. This bill will be a major step toward ending the discrimination against people who suffer from mental illness.

In 1996, I was proud to introduce the Mental Health Parity Act, a law which broke new ground, placing mental health alongside other medical and surgical coverage for parity in insurance coverage. Although the 1996 bill was limited to parity in annual and lifetime limits in care, the message was clear: there is no place for discrimination against those with mental illness. Since the Mental Health Parity Act became law, we have seen that the costs have remained low and manageable, but, unfortunately, we have also seen that employers and insurance companies have taken advantage of the gaps that remain in coverage for mental illness. Patients have faced increases in copayment and deductible costs, more problems in gaining access to care, fewer approvals for hospital stays and outpatient days, and refusals to cover care. The suffering of people with mental illness has grown, and the time to end this discrimination is now.

For too long, mental illness has been stigmatized as a character flaw, rather than as the serious disease that it is. As a result, people with mental illness are often ashamed and afraid to seek treatment, for fear that they will lose their jobs or friends; for fear that people will not recognize the suffering that they endure; for fear that they will not be able to receive help. We have all seen portrayals of mentally ill people as somehow different, as dangerous, or as frightening. Such stereotypes only reinforce the biases against people with mental illness. Can you imagine this type of portrayal of someone who has a cardiac problem, or who happens to carry a gene that predisposes them to diabetes? And yet, we have all known someone with a serious mental illness, within our families or our circle of friends, or in public life. Many people have courageously come forward to speak about their personal experiences with their illness, to help us all understand better the effects of this illness on a person's life, the ways in which effective treatments have helped them, or, sadly, the ways in which a loved one died through suicide as a result of untreated mental illness. I commend those who speak out on this issue, for their honesty and courage to come forward about their experiences, to help the world to understand the reality of this disease.

The statistics concerning mental illness, and the state of health care coverage for adults and children with this disease are startling, and disturbing. A watershed in our understanding of the impact of mental disorders is the 1996 Global Burden of Disease, GBD, study, conducted for the World Bank and World Health Organization by experts at Harvard University. The GBD defined a very useful concept, called the Disability Adjusted Life Year, DALY, which refers to healthy years of life lost to either disability or premature mortality. Based on this measure of disease burden, mental disorders—which are prevalent worldwide, often begin early in life, and frequently are characterized by recurrent episodes, as in depression, or chronicity, as in schizophrenia, produce a disproportionate share of DALYs, much of which is due to the disabling nature of mental illness. According to the GBD study, in the U.S. and throughout the developed world, depression is the leading cause of disability, and three other mental disorders are among the top ten causes of disability, bipolar disorder, schizophrenia, and obsessive-compulsive disorder.

The National Institute of Mental Health, a NIH research institute within the U.S. Department of Health and Human Services, describes serious depression as an extremely critical public health problem. More than 18 million people in the United States will suffer from a depressive illness this year, and many will be unnecessarily incapacitated for weeks or months, because their illness goes untreated. The cost to the nation is in the billions of dollars. The suffering of depressed people and their families is immeasurable.

The situation is worse for children. The 1998 Surgeon General's Report on Mental Health estimates that between 5 and 9 percent of those under age 18 have mental disorders so severe that they face overwhelming difficulties in their efforts to function well with their families, friends, and teachers. For children, mental illness carries a double burden: both the suffering of the disorder itself, as well as the lost period of healthy learning and social development needed to help children live up to their potential. The recent tragic episodes of violence in our schools remind us that inadequately treated emotional and behavioral disorders in our children can literally have lethal consequences in terms of suicide and murder.

Our investment in mental health research is paying off well. We know so much more now about brain disease, behavioral and emotional disorders, and treatment. But without access to care, such treatments cannot help those who are suffering from mental illness. We know from NIH-funded research that available medications and psychological treatments, alone or in combination, can help 80 percent of those with depression. But without adequate treatment, future episodes of depression may continue or worsen in severity. Yet, the steady decline in the quality and breadth of health care coverage is truly disturbing.

The inequities related to the status of mental disorders in health insurance is indisputable. The U.S. General Accounting Office issued a report in May, 2000, that verified that despite passage of the 1996 mental health parity law, 14 percent of employers failed to comply with even the limited protections required by that law. Of the 86 percent that did comply, most (87%) continued to limit their mental health benefits, thus violating the spirit, if not the letter, of the law. In other words, the majority of employers who claim to provide mental health benefits restrict actual care through limitations on coverage or access, or by increasing the cost to the patient. And they do this despite the fact that costs are low. According to most reports on parity, including the most recent analysis requested by Congress from the National Advisory Mental Health Council, when mental health coverage is managed appropriately, premium increases can be as low as 1 percent.

Yet inequities in coverage continue, despite the 1996 law and the numerous state laws that have tried without success to finally put an end to this health care discrimination. The discrimination continues despite the fact that there is no biomedical justification for differentiating serious mental illness from other serious and potentially chronic disorders, nor for judging mental disorders to be in any way less real or less deserving of treatment. What does exist and continues to grow is an extensive body of rigorous research that has demonstrated that treatment for mental disorders is both precise and cost-effective.

Although the costs for coverage have been shown to be low, the consequences of untreated mental illness in our society are very serious and far-reaching—especially when one looks at how it affects individuals, families, employers, corporations, social service systems, and criminal justice systems. I have seen first hand in the juvenile corrections system what happens when mental illness is criminalized, when youth with mental illness are incarcerated for exhibiting symptoms of their illness. To treat ill people as criminals is outrageous and immoral. We must make treatment for this illness as available and as routine as treatment for any other disease. The discrimination must stop.

The Mental Health Equitable Treatment Act of 2001 is modeled after the Federal Employees Health Benefit Plan, and provides full parity for all categories of mental health conditions. Group health plans would be prohibited from imposing treatment limitations, including restricting numbers of visits or covered hospital days, or financial requirements, such as higher copayments, that are different from other medical/surgical benefits. This bill is a major step forward in coverage for mental illness by private health insurers. It does not require that mental health benefits be part of a health benefits package, but establishes a requirement for parity in coverage for those plans that offer mental health benefits. This bill goes a long way toward our bipartisan goal: that mental illness be treated like any other disease in health care coverage.

The Mental Health Equitable Treatment Act of 2001 is designed to take a large step toward ending the suffering of those with mental illness who have been unfairly discriminated against in their health coverage. The time to pass this bill is now.

Mr. KENNEDY. Mr. President, I am pleased today to join Senator DOMENICI and Senator WELLSTONE in introducing the Mental Health Equitable Treatment Act of 2001. This Act is an important step in the fight to end the stigma against mental illness and ensure that those suffering from mental illness receive the services they need. For too long, individuals with mental disorders have faced unfair treatment restrictions and paid more for the services they need than have individuals requiring medical or surgical services.

The groundbreaking report on mental health that the Surgeon General released last year reveals that disproportionate cost-sharing requirements and treatment limitations "reduce appropriate use, of mental health services," and "leave people to bear catastrophic costs themselves."

The Mental Health Equitable Treatment Act aims to halt these troubling trends by ensuring that group health plans treat mental health benefits the same way they do medical and surgical benefits.

In 1996, we enacted the Mental Health Parity Act. While this important legislation made progress in advancing the fair treatment of individuals with mental illness, it did not go far enough in providing true protection for all people suffering from mental disorders.

The Mental Health Equitable Treatment Act of 2001 improves upon this earlier legislation by providing full parity for a broad range of mental health disorders. Under the Act, group health plans must limit the treatment restrictions and financial requirements that they impose for mental health benefits to the same level that they set for medical or surgical benefits. Copayments for office visits must be comparable, for example, regardless of whether the office is a physician's or a psychiatrist's. While the Act does not apply to group health plans that do not provide any mental health benefits or that have 25 employees or less, it is a critical step in ending the blatant discrimination that people with mental disorders face in trying to obtain necessary and affordable treatment.

As we have learned more about the brain and the way it works, we have developed promising treatments that can significantly improve the health of individuals with mental illness and help them lead productive lives. Success rates for treating mental illnesses are now as high as 80 percent. Without strong parity legislation, however, these effective treatments will remain elusive for the millions of individuals who need them.

The Mental Health Equitable Treatment Act will finally help these individuals receive the care they need by eliminating one of the biggest barriers to care, cost. I strongly encourage my colleagues to support this groundbreaking piece of legislation.

By Mr. BURNS (for himself, Mr. BOND, Mr. CRAIG, and Mr. THOMAS):

S. 544. A bill to amend the Federal Meat Inspection Act to provide that a quality grade label issued by the Secretary of Agriculture may not be used for imported meat food products; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. BURNS. Mr. President, I rise today to sponsor a bill on an issue of great importance to my state and to the entire livestock industry. The subject is that of restricting the quality USDA Grade Stamp to only U.S. livestock products. It would prohibit foreign meat from coming into America and unfairly receiving the USDA Grade Stamp.

This language offered today, will insure that all meat products imported from foreign countries will not be allowed to use the USDA Grade. For years, other countries have used the USDA Grade Stamp to their advantage, and to the disadvantage of our own producers. Historically, Canada and Mexico have shipped livestock into the United States, and by doing so they have reaped the benefits of the premium given by USDA for our labeled grades.

USDA Prime and USDA Choice grades are given a premium price in the marketplace. By allowing foreign countries to compete using our grade labels, American livestock producers are effectively prevented from receiving a premium for something that should belong solely to them.

Agricultural producers from across our borders ship livestock to the United States, and feed them for a short period of time in order to bypass current restrictions. The animals are then slaughtered here as a United States product. This is not only unfair, but it is a betrayal of trust that our producers have placed in the system. It is one that American producers should not have to tolerate. My bill provides for a 90 day feeding period to prevent this from happening, yet maintains the profits lightweight cattle from foreign countries bring to American feeders.

The huge influx of imports from both Canada and Mexico, that American agricultural producers are currently faced with, has provided an added hardship to the agricultural economy. This is one obstacle that could easily be remedied by this legislation.

When consumers see the USDA Grade Stamp on meat, most assume that they are buying a U.S. raised product. Even though imported carcasses are required to have a "foreign origin mark," it is trimmed off prior to retail sales for marketing purposes. This is very misleading for our consumers.

This bill will protect both the American producer and the American consumer. If the Grade Stamp is reserved exclusively for U.S. products, we eliminate the disadvantage American producers face in competing with imported meats. We would also be ensuring that American consumers know that the meat they purchase, is the top quality American product they have always assumed they were buying. Producers and consumers alike deserve to know that the USDA grade label really means what it says, produced in the U.S.

This bill would also help assure the American consumer that the meat they are eating is disease free, something that our friends in Europe are truly concerned about right now.

I am proud and pleased to sponsor this bill, and I look forward to moving it through the process so we may insure that Americans truly have the opportunity to use what is theirs and theirs alone, the USDA Grade.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "USDA Grade Recision Act of 2001".

SEC. 2. QUALITY GRADE LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(1) in paragraph (11), by striking "or" at the end;

(2) in paragraph (12), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(13) if it is an imported carcass, part thereof, meat, or meat food product (including any carcass, part thereof, meat, or meat food product produced from any cattle, sheep, or goats that have not been fed in the United States for at least 90 days) and bears a label that indicates a quality grade issued by the Secretary.".

By Mr. FRIST:

S. 545. A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity credit to small business employees working or living in areas of poverty; to the Committee on Finance

Mr. FRIST. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 545

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANSION OF WORK OPPORTUNITY TAX CREDIT.

(a) IN GENERAL.—Section 51(d)(1) of the Internal Revenue Code of 1986 (relating to members of targeted groups) is amended by striking "or" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ", or", and by adding at the end the following:

"(I) a qualified small business employee."

(b) QUALIFIED SMALL BUSINESS EMPLOYEE.—Section 51(d) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (10) through (12) as paragraphs (11) through (13), respectively, and by inserting after paragraph (9) the following:

"(10) QUALIFIED SMALL BUSINESS EMPLOYEE.—

"(A) IN GENERAL.—The term 'qualified small business employee' means any individual—

"(i) hired by a qualified small business located in a population census tract with a poverty rate not less than 20 percent, or

"(ii) hired by a qualified small business and who is certified by the designated local agency as residing in such a population census tract.

"(B) QUALIFIED SMALL BUSINESS.—The term 'qualified small business' has the meaning given the term 'small employer' by section 4980D(d)(2).

"(C) USE OF CENSUS DATA.—The poverty rate for any population census tract shall be determined by the most recent decennial census data available.".

(c) REPORT.—The Secretary of the Treasury shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the date which is 18 months after the date of enactment of this Act on the effect of the expansion of the work opportunity credit under section 51 of the Internal Revenue Code of 1986, as amended by this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after the date of enactment of this Act.

By Mr. WARNER (for himself, Mr. ALLEN, Mr. GRAHAM, and Mr. NELSON of Florida):

S. 546. A bill to expand the applicability of the increase in the automatic maximum amount of Servicemembers' Group Life Insurance scheduled to take effect on April 1, 2001, to the deaths of certain members of the uniformed services who die before that date; to the Committee on Veterans' Affairs.

Mr. WARNER. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANDED APPLICABILITY OF INCREASE IN AUTOMATIC MAXIMUM COVERAGE UNDER SERVICEMEMBERS' GROUP LIFE INSURANCE.

(a) IN GENERAL.—Notwithstanding section 312(c) of the Veterans Benefits and Health Care Improvement Act of 2000 (Public Law 106–419; 114 Stat. 1854; 38 U.S.C. 1967 note) or any other provision of law, the amount of Servicemembers' Group Life Insurance in force under subchapter III of chapter 19 of title 38, United States Code, for each individual described in subsection (b) at the time of such individual's death as described in that subsection shall be $250,000.

(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual insured under section 1967 of title 38, United States Code, who—

(1) during the period beginning on October 1, 2000, and ending on March 30, 2001, dies in a manner covered by such insurance; and

(2) at the time of death, had not made an election under that section to be insured in an amount less than automatic maximum amount provided for in that section.

By Mr. McCAIN:

S. 547. A bill to redesignate the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as the Federal Old-Age and Survivors Insurance Accounting Fund and the Federal Disability Insurance Accounting Fund, respectively; to the Committee on Finance.

Mr. McCAIN. Mr. President, today I am introducing a simple, but essential bill that would change the name of the Social Security Trust Funds to the Social Security Accounting Funds. It is my honor to have Congressman DEMINT introducing an identical measure in the House of Representatives today.

It is time for us to talk straight to Americans about the Social Security program. When they see and hear "Trust Fund", it makes them believe that their retirement money is sitting in a bank vault safe and sound. However, the truth is precisely the opposite.

Payroll tax revenues for the Social Security program in excess of what is needed to pay Social Security benefits, are deposited into the government's general funds as part of the U.S. Treasury. They are accounted for through the issuance of federal securities to the Social Security "trust funds". However, the trust funds themselves do not hold the money; they are simply accounts.

This legislation would accurately designate the Social Security program funds as accounting funds not trust funds.

Additionally, I would like to take this opportunity to once again remind my colleagues of the precarious financial condition of the entire Social Security system and the urgent need for a serious, bipartisan effort to reform and revitalize this cornerstone of many Americans' retirement planning.

The only way to achieve real reform of the Social Security system is to work together in a bipartisan manner. It's time to abandon the irresponsible game of playing partisan politics with Social Security. Democrats will have to stop using the issue to scare seniors into voting against Republicans. Republicans will have to resist using Social Security revenues to finance tax cuts. And both parties must stop raiding the Trust Funds to fund more government spending. We must face up to our responsibilities, not as Republicans or Democrats, but as elected representatives of the American people with a common obligation to protect the generation of today and of tomorrow.

It is time for us to talk straight to Americans about Social Security and begin working together in a bipartisan fashion to make the necessary changes to strengthen and save the nation's retirement program for the seniors of today and tomorrow.

We must work together to develop fair and effective reforms that will preserve and protect the Social Security system for current and future retirees, while allowing all Americans, particularly low- and middle-income individuals, the opportunity to share in the great prosperity that our nation enjoys today.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

The Act may be cited as the "Straighter Talk on Social Security Act of 2001".

SEC. 2. REDESIGNATION OF SOCIAL SECURITY TRUST FUNDS.

The Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are hereby redesignated as the "Federal Old-Age and Survivors

Insurance Accounting Fund" and the "Federal Disability Insurance Accounting Fund", respectively.

SEC. 3. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) IN GENERAL.—Sections 201, 202, 206, 215, 217, 221, 222, 228, 229, 703, 706, 709, 710, 1106, 1129, 1131, 1140, 1145, 1147, 1817, and 1840 of the Social Security Act (42 U.S.C. 401, 402, 406, 415, 417, 421, 422, 428, 429, 903, 907, 910, 911, 1306, 1320a–8, 1320b–1, 1320b–10, 1320b–15, 1320b–17, 1395i, and 1395s) are each amended (in the text and in the headings) by striking "Federal Old-Age and Survivors Insurance Trust Fund" and "Federal Disability Insurance Trust Fund" each place they appear and inserting "Federal Old-Age and Survivors Insurance Accounting Fund" and "Federal Disability Insurance Accounting Fund", respectively.

(b) CONFORMING AMENDMENTS.—Sections 201, 215, 217, 221, 222, 229, 231, 234, 706, 709, 1110, and 1148 of such Act (42 U.S.C. 401, 415, 417, 421, 422, 429, 431, 434, 907, 910, 1310, and 1320b–18)) are each amended (in the text and in the headings) by striking "Trust Funds" and "trust funds" each place they appear and inserting "Funds".

SEC. 4. OTHER CONFORMING AMENDMENTS.

(a) IN GENERAL.—The following provisions are amended by striking "Federal Old-Age and Survivors Insurance Trust Fund" and "Federal Disability Insurance Trust Fund" each place they appear and inserting "Federal Old-Age and Survivors Insurance Accounting Fund" and "Federal Disability Insurance Accounting Fund", respectively:

(1) sections 3121 and 6402 of the Internal Revenue Code of 1986;

(2) section 7 of the Railroad Retirement Act of 1974 (45 U.S.C. 231f);

(3) section 8331 of title 5, United States Code; and

(4) sections 3720A and 3806 of title 31, United States Code.

(b) ADDITIONAL AMENDMENT.—Section 405 of the Congressional Budget Act of 1974 (2 U.S.C. 655) is amended by striking "the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds" and inserting "the Federal Old-Age and Survivors Accounting Fund and the Federal Disability Insurance Accounting Fund".

SEC. 5. RULE OF CONSTRUCTION.

Whenever any reference is made in any provision of law, regulation, rule, record, or document to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, such reference shall be considered a reference to the Federal Old-Age and Survivors Accounting Fund or the Federal Disability Insurance Accounting Fund, respectively.

By Mr. HARKIN (for himself, Ms. SNOWE, Ms. MIKULSKI, Mr. MURKOWSKI, Mrs. MURRAY, Mr. SCHUMER, and Mr. REID):

S. 548. A bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes; to the Committee on finance.

Mr. HARKIN. Mr. President, I am pleased to be joined today by Senators SNOWE, MIKULSKI, MURKOWSKI, MURRAY, SCHUMER and REID to introduce the "Assure Access to Mammography Act of 2001." This important legislation will help improve access to life-saving breast screenings for millions of women.

I lost both of my sisters to breast cancer. I strongly believe that if they had had access to regular mammography services and today's advanced treatments, they would still be alive today.

Over the past several years, we've made a great deal of progress against breast cancer. In particular, we've been able to secure significant funding increases for research to understand the causes of and find treatments for breast cancer.

Almost a decade ago, when I looked into the issue of breast cancer research, I discovered that barely $90 million was spent on breast cancer research.

That's why, in 1992, I offered an amendment to dedicate $210 million in the Defense Department Budget for breast cancer research. This funding was in addition to the funding for breast cancer research conducted at the National Institutes of Health. My amendment passed and, overnight, it doubled Federal funding for breast cancer.

Since then, funding for breast cancer research has been included in the Defense Department Budget every year.

Today, I am proud to say, between the DoD and NIH, over $600 million is being spent on finding a cure for this disease.

But our success in building our research enterprise will be pointless if breakthroughs in diagnosis, treatment and cures are not available for patients.

That is why, a decade ago, as Chairman of the Senate Labor, Health and Human Services and Education Appropriations Subcommittee, I worked with Senator MIKULSKI to create a program, run by the Centers for Disease Control and Prevention, to provide breast and cervical cancer screening for low-income, uninsured women. And last year, I pushed a new law to provide Medicaid coverage to women diagnosed through this program so they can get the treatment they need.

But we still have a long way to go. Breast cancer is the second-most common form of cancer in the United States, next to skin cancers. Approximately 3 million women are living with cancer today, 2 million who have been diagnosed, and an estimated 1 million who do not yet know they have the disease. If we are going to win the war against breast cancer, we've got to be able to detect it early enough to apply the latest treatments effectively. We can prolong and save the lives of millions of women if the cancer is detected when it is small and has not yet spread to other areas of the body. Although not the perfect solution, screening mammograms are the best known way to diagnose breast cancer and reduce mortality. For example, routine mammograms in clinical trials resulted in a 25–30 percent decrease in breast cancer mortality for women aged 50–70.

In 1990, Congress acted to ensure access to screening by creating a Medicare mammography benefit and provided adequate payment for screening mammography by setting reimbursement for the procedure at $55, indexed to inflation. Today that amount is $69.23. Unfortunately, this payment has not kept pace with the costs of the procedure, and women's access to screening mammography is being curtailed.

Hundreds of facilities across the country are losing money on screening mammography, and since September of 1999, 243 facilities have closed their doors; close to 100 of them in the last 5 months. At the same time, one million additional women each year need regular mammograms.

To compound the problem, there is increasing evidence of a shortage of practicing radiologists and radiology residents willing to conduct mammography screening and receive the necessary specialty training. Radiologists report that mammography is under-reimbursed and has a comparatively higher workload, high malpractice costs and more on-the-job stress.

In addition, this shortage of radiologic technologists appears to be worsening at the same time as the demand for medical imaging escalates. The number of RT trainees who take the certification exams has declined dramatically in the past several years, from 10,330 in 1995 to 7,149 in 2000. Facilities nationwide report an inability to find and keep qualified RTs.

As a result, women in many different parts of the country are having to wait many weeks and months to get a mammogram. These kinds of delays put women at risk for more advanced and less treatable forms of breast cancer.

Some of my colleagues may have read in TIME Magazine recently about Paula Sperling from New York. When she called her local mammography facility, they told her she'd have to wait 5 months for her annual mammogram, even though she has a history of breast cancer in her family. She told TIME, "Three or four months could mean the difference between a tumor that's localized and one that's spread into the lymph nodes."

In my home state of Iowa, the situation is less dire, but our mammography facilities are struggling because reimbursement doesn't come anywhere near the costs of providing the service. For example, Mercy Medical Center's Cedar Rapids mobile mammography unit serves thousands of women in 7 rural counties in the surrounding area. Many of these women would find it very difficult, if not impossible, to get their mammograms in any other way. But because of low reimbursements, this mobile unit lost $75,000 last year; losses that simply cannot be sustained. It is a day to day struggle to keep that mobile unit going.

Congress has a responsibility to make sure our Medicare policy ensures that women have access to timely, quality mammography services. Our legislation would do the following:

Increase the Medicare reimbursement for screening mammograms to $90 for 2002, based on currently available cost data.

Increase Medicare graduate medical education funding for added radiology residency slots, some of whom will choose mammography as a specialty.

Increase funding for allied health profession loan programs to increase the supply of qualified radiologic technicians (RTs) available to conduct mammograms.

In addition, we have included two important studies in our bill. Recent research has suggested that the Medicare reimbursement structure for physician work undervalues services and procedures done primarily in women when compared to similar male-specific procedures. Our bill requires the General Accounting Office to further evaluate this research and make recommendations to Congress on how to make Medicare reimbursement more equitable.

Also, there is evidence that screening services are undervalued in the physician fee schedule relative to other procedures. Given the importance of regular screening to prevent and catch disease in the early stages, from breast cancer to colorectal and prostate cancer, we include a provision in our bill requiring the Medicare Payment Advisory Commission, MedPAC, to study this issue and make recommendations to Congress.

Our legislation has the support of the American Cancer Society, American College of Radiologists, Society of Breast Imaging, and the American Society of Radiologic Technologists. I ask unanimous consent that their letters of endorsement be printed in the CONGRESSIONAL RECORD. And for the sake of women across America and their families and friends, I urge my colleagues to join us in cosponsoring this important bill.

I ask unanimous consent that the text of the bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Assure Access to Mammography Act of 2001".

TITLE I—ENHANCED REIMBURSEMENT FOR SCREENING MAMMOGRAPHY UNDER THE MEDICARE PROGRAM

SEC. 101. ENHANCED REIMBURSEMENT UNDER THE MEDICARE PROGRAM FOR SCREENING MAMMOGRAPHIES FURNISHED IN 2002.

(a) ONE-YEAR DELAY OF INCLUSION OF PAYMENT FOR SCREENING MAMMOGRAPHY IN PHYSICIAN FEE SCHEDULE.—Section 104(c) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554) is amended by striking "January 1, 2002" and inserting "January 1, 2003".

(b) CHANGE IN PAYMENT AMOUNT.—Section 1834(c)(3)(A) of the Social Security Act (42 U.S.C. 1395m(c)(3)(A)) is amended—

(1) in the heading, by striking "$55, INDEXED.—" and inserting "IN GENERAL.—";

(2) in clause (i), by striking "and" at the end;

(3) in clause (ii)—

(A) by striking "a subsequent year" and inserting "1992 through 2001,"; and

(B) by striking "that subsequent year." and inserting "that year, and"; and

(4) by adding at the end the following new clause:

"(iii) for screening mammography performed in 2002, is $90.".

(c) EFFECTIVE DATES.—

(1) BIPA AMENDMENT.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 104 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554).

(2) MAMMOGRAPHY IN 2002.—The amendments made by subsection (b) shall apply with respect to screening mammographies furnished during 2002.

(d) CONSTRUCTION.—Nothing in this section shall be construed as affecting the provisions of section 104(d) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554) (relating to payment for new technologies).

TITLE II—EXPANDED CAPACITY FOR MAMMOGRAPHY SERVICES

SEC. 201. NOT COUNTING CERTAIN RADIOLOGY RESIDENTS AGAINST GRADUATE MEDICAL EDUCATION LIMITATIONS.

For cost reporting periods beginning on or after October 1, 2001, and before October 1, 2006, in applying the limitations regarding the total number of full-time equivalent residents in the field of allopathic or osteopathic medicine under subsections (d)(5)(B)(v) and (h)(4)(F) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) for a hospital, the Secretary of Health and Human Services shall not take into account a maximum of 3 residents in the field of radiology to the extent the hospital increases the number of radiology residents above the number of such residents for the hospital's most recent cost reporting period ending before October 1, 2001.

SEC. 202. ALLIED HEALTH PROFESSIONAL FUNDING.

Section 757 of the Public Health Service Act (42 U.S.C. 294g) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this part—

"(1) $55,600,000 for fiscal year 1998;

"(2) such sums as may be necessary for each of the fiscal years 1999 through 2001;

"(3) $70,600,000 for fiscal year 2002; and

"(4) such sums as may be necessary for fiscal year 2003 and each subsequent fiscal year."; and

(2) in subsection (b)(1)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking ", 754, and 755." and inserting "and 754; and"; and

(C) by adding at the end the following new subparagraph:

"(D) not less than $15,000,000 for awards of grants and contracts under section 755.".

TITLE III—STUDIES AND REPORTS ON MEDICARE REIMBURSEMENT FOR GENDER-SPECIFIC AND SCREENING SERVICES

SEC. 301. GAO STUDY AND REPORT ON MEDICARE REIMBURSEMENT FOR GENDER-SPECIFIC SERVICES.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the relative value units established by the Secretary of Health and Human Services under the medicare physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for physicians' services that are gender-specific.

(b) REPORT.—Not later than December 31, 2001, the Comptroller General shall submit to Congress a report on the study conducted under subsection (a), together with such recommendations regarding the appropriateness of adjusting the relative value units for physicians' services that are gender-specific as the Comptroller General determines appropriate.

SEC. 302. MEDPAC STUDY AND REPORT ON MEDICARE REIMBURSEMENT FOR SCREENING SERVICES.

(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study of the relative value units established by the Secretary of Health and Human Services under the medicare physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for screening services that are reimbursed under such fee schedule.

(b) REPORT.—Not later than March 1, 2002, the Commission shall submit to Congress a report on the study conducted under subsection (a), together with such recommendations regarding the appropriateness of adjusting the relative value units for screening services that are reimbursed under the physician fee schedule as the Comptroller General determines appropriate.

AMERICAN CANCER SOCIETY,
Washington, DC, March 13, 2001.

Hon. TOM HARKIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR TOM: On behalf of the American Cancer Society and its more than 28 million supporters, I am writing to thank you for recognizing the importance of assuring that American women have adequate access to mammography and for drafting legislation aimed at addressing this complex issue. We are most grateful for your leadership and commitment.

As you know, there have been increasing indicators that suggest an erosion in the current capacity to meet the breast imaging needs of American women. We have been troubled by recent reports of problems related to economic pressures, personnel shortages, and a growing disinterest in mammography on the part of practicing radiologists and recent residency program graduates. Unfortunately, we do not yet have much concrete data to illuminate the extent of the problem.

The Society is currently working in collaboration with the Society of Breast Imaging (SBI) and the American College of Radiology (ACR) to gather data to better understanding the underlying systemic problems that are reflected in a growing number of anecdotal reports about problems with mammography. We are also in the process of convening a series of meetings with other breast cancer advocacy groups to try to answer the questions raised by the recent news reports.

The Society strongly believes that continued access to quality mammography must be assured and that this issue must be addressed in a timely fashion. Increasing women's access to high quality breast cancer screening is a goal that has long had strong bi-partisan Congressional support, as evidenced by the enactment of legislation in 1990 to provide a Medicare breast cancer screening benefit and the passage of the "Mammography Quality Standards Act" in 1992. Congress has also taken steps to increase access to mammography and breast cancer treatment for the medically underserved by establishing the Breast and Cervical Cancer Early Detection Program and enacting the Breast & Cervical Cancer Treatment Act. In addition, thanks to successful public-private partnerships, many women have gotten the message about the importance of regular mammograms. Your support on these issues has been greatly appreciated.

Now that women are getting the message and seeking out screening services, the country needs to ensure that the capacity to provide mammography services meets the demand. Approximately 40,600 Americans will die this year from breast cancer. We knew that early detection is key to saving lives from breast cancer, and it increases a women's treatment options. Mammography is the only scientifically proven tool currently available to detect breast cancer before the onset of symptoms. The aging of the baby boomer population means that the number of American women requiring regular screening is increasing dramatically at an estimated rate of over one million per year.

Your legislation, the "Assure Access to Mammography Act," is an important step in addressing these issues. We know that increasing the reimbursement rate and raising the number of radiology residents—measures addressed in your legislation—are important components of the mammography capacity issue. We also believe the MedPAC study called for in the bill will lay the groundwork for shoring up future capacity by evaluating whether or not screening services are undervalued in the physician fee schedule.

Once again, we commend you for your leadership on this critical issue. As our data collection and analysis efforts progress, we look forward to sharing this information with you and working together to ensure that women across the country continue to have access to high quality mammography services. If you or your staff have any additional questions, please contact Megan Gordon, Manager of Federal Government Relations (202-661-5716).

Sincerely,

DANIEL E. SMITH,
National Vice President, Federal and State Government Relations.

AMERICAN COLLEGE OF RADIOLOGY,
Reston, VA, March 12, 2001.

Hon. TOM HARKIN,
U.S. Senate, Washington, DC.

DEAR SENATOR HARKIN: On behalf of the American College of Radiology (ACR), I would like to commend you on your efforts to improve women's health by introducing the "Assure Access to Mammography Act of 2001" and offer the College's full support for the enactment of this legislation.

As you know, the College has been working closely with you and your staff to address the growing access problem to timely mammography screening. For over a decade, the Congress and the College have recognized screening mammography as an essential element in women's health and have been committed to providing this valuable service. With the enactment of this legislation, that commitment to women's health will continue.

Raising reimbursement for screening mammography, and maintaining that level of reimbursement, will allow radiologists to continue providing this lifesaving service in a timely fashion and help avoid the delays that have been widely reported in the media. The College also fully supports the provisions in your legislation regarding the need for additional radiologists and associated allied health personnel. In addition, your provisions requesting the study of Medicare reimbursement of gender-specific services and Medicare reimbursement for screening services in general are solely needed.

Since the College and you share the common goal of continuing to provide timely access to screening mammography, ACR looks forward to continuing our work together to pass this vital legislation.

Sincerely,

HARVEY L. NEIMAN, M.D.,
Chair, Board of Chancellors.

SOCIETY OF BREAST IMAGING,
Reston, VA, March 12, 2001.

Hon. TOM HARKIN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: Mammography can have a significant impact on women's lives. When screening mammography detects breast cancer at an early stage, women have a better chance of survival and an improved quality of life. Early detection may also spare many women from mastectomy. The American Cancer Society, the American Medical Association, and many other medical organizations now recommend that women begin annual screening mammography at age 40 years.

The number of screening mammograms performed each year in our country has doubled over the past decade. There are now 56 million American women age 40 or older. About 30 million women have had a mammogram during the past 2 years.

The need for mammography is expected to increase even further in the future. Each year, a greater percentage of women in the breast cancer age group follow the mammography screening guidelines. Also, the population of women age 40 and older will grow by 1 million each year over the next five years.

Today, our medical care system is unable to keep up with this increasing demand for mammography by providing this examination in a timely manner. Waiting time for a mammography appointment has increased. Many facilities now report waits of weeks or even months. The underlying reason for these excessively long waits is inadequate reimbursement rates. At current reimbursement rates, mammography usually loses money. The more mammograms performed, the greater the loss. The current Medicare reimbursement rate of $68.00 for a screening mammogram is less than the cost of performing the examination. Reimbursement rates for other health care plans are based upon the Medicare fee schedule. At current reimbursement rates, many hospitals and clinics have been unable to purchase enough mammography equipment, hire enough radiologists and technologists, and pay for enough office space for breast imaging.

Long waits for a mammography appointment lead to unnecessary anxiety. Some women feel discouraged. Others may even be deterred from having a mammogram. Extremely long waiting times may result in delay in diagnosis and treatment of breast cancer. This can shorten a woman's life.

If the trend in financial loses from the performance of mammography continues, the availability of this study will be further curtailed. Some hospitals and medical facilities may even be forced to stop performing this examination. And, most facilities cannot afford to expand despite the projected increasing need for mammograms.

The Society of Breast Imaging supports your proposed legislation. By bringing reimbursement rates in line with the cost of performing mammography, your bill will ensure that American women will have access to this lifesaving procedure.

Sincerely,

STEPHEN A. FEIG, MD, FACR,
President.

AMERICAN SOCIETY OF RADIOLOGIC TECHNOLOGISTS,
March 9, 2001.

Hon. TOM HARKIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: On behalf of the American Society of Radiologic Technologists (ASRT), a nationwide organization representing more than 87,000 medical imaging and radiation therapy professionals, we would like to express our strong support for the "Fairness in Mammography Reimbursement Act of 2001."

ASRT supports your call for increases in both mammography reimbursement and federal support for allied health professions educational program grants. ASRT recognizes that current reimbursements do not cover costs for performance of these procedures. In addition, shortages of qualified radiologic technologists have had an adverse affect on access to quality mammography services. We appreciate your acknowledgment that the problem of access to quality mammography is both a reimbursement problem, as well as a personnel problem.

In 1991, you were one of the first Senators to recognize the need to improve access to and the quality of mammography services. Your cosponsorship of the Woman's Health Equity Act of 1991—which ultimately became the Mammography Quality Standards Act (MQSA) of 1992—was an important first step towards improving the quality of radiologic imaging services. An important component of that bill was the establishment of minimum federal standards for radiologic technologists performing mammography services.

While considerable progress has been made since 1992 in improving the quality of mammography services, we regret that a similar statement cannot be made with respect to other radiologic imaging services. We would therefore like to take this opportunity to bring to your attention legislation we are promoting entitled the Consumer Assurance of Radiologic Excellence (CARE). This legislation is designed to increase the quality of all radiologic services and reduce medical errors by establishing federal minimum standards for education and credentialing of personnel who perform plan or deliver medical imaging procedures or radiation therapy.

Again, we commend and support your efforts to improve access and availability of quality mammography services and we look forward to working with you on Legislation that will improve the quality of all medical imaging services.

Sincerely,

MICHAEL DELVECCHIO, B.S., R.T. (R),
ASRT President.

Ms. SNOWE. Mr. President, I am pleased to rise today to join Senator HARKIN and Senator MIKULSKI as an original cosponsor of the Assure Access to Mammography Act of 2001. This bill addresses an emerging need in the fight for breast cancer—the need for adequate reimbursement for screening mammography in the Medicare Program and the need to preserve access to mammographies services for women across the country.

Mr. President, we are clearly making small gains in fighting breast cancer, which is one of the most challenging and daunting health problems in America today. There is no question that a diagnosis of breast cancer is something that every woman dreads. But for an estimated 192,200 American women, this is the year their worst fears will be realized. One thousand new cases of breast cancer will be diagnosed among the women in Maine, and 200 women in my home state will die from this tragic disease. The fact is, one in nine women will develop breast cancer during their lifetime, and for women between the ages of 35 and 54, there is no other disease which will claim more lives.

But the fact is that mammograms are the most powerful weapon we have in the fight against breast cancer. They enable us to detect and treat breast cancer at its earliest stage when the tumors are too tiny to be detected by a woman or her doctor, providing a better prognosis. An estimated 30 million mammograms were performed last year at a cost of over $2 billion—a valuable down-payment in our fight against an unmerciful killer. And due to the aging of the baby boom generation it is estimated that more than one million additional women each year will need regular mammograms.

In 1990 we succeeded in making screening mammography the very first preventive benefit available under Part B of the Medicare Program, and we set the reimbursement level in statute. In 1998, the Medicare Program alone provided over 6 million mammography procedures. Unfortunately the Medicare payment, which was indexed to inflation under the statute, has not kept pace with the actual increase in health care costs. Last year the Medicare reimbursement for a screening mammogram was $69.23—well under the mean cost of $90 per procedure.

There is evidence that radiology clinics are closing their doors, and that radiologists are no longer able to provide mammography services due to the simple fact that providers are not reimbursed enough for their work and cannot justify the losses they incur by providing mammography services. Over the past 18 months 243 facilities have closed their doors; close to 100 of them in just the past four months. This is a problem that must be addressed immediately.

The legislation we introduce today would increase Medicare reimbursement for screening mammograms to $90 for 2002, insuring that radiologists across the country are appropriately reimbursed for the valuable service they provide.

On March 7, 2001, the Institute of Medicine (IOM) issued a fascinating report evaluating the new technologies of mammography titled "Mammography and Beyond: Developing Technologies for the Early Detection of Breast Cancer."

At the same time, the IOM recommended analyzing current Medicare and Medicaid reimbursement rates for mammography to determine whether they adequately cover the total costs of providing the procedure. The report also recommends that the Health Resources and Services Administration (HRSA) undertake or fund a study to analyze trends in speciality training for breast cancer screening among radiologists and radiologic technologists, and examine factors affecting the decision of practitioners to enter or remain in the field.

We have taken these recommendations very seriously and by introducing this legislation today, we are acting to preserve access to mammography. The truth is we simply cannot risk slipping back in our fight against breast cancer.

I urge my colleagues to join us in supporting this very important bill and work towards passing it this year.

Ms. MIKULSKI. Mr. President, I rise to join my colleagues Senators HARKIN, SNOWE, MURKOWSKI, MURRAY, SCHUMER, and REID in introducing the Assure Access to Mammography Act of 2001. The goal of this bill is to help ensure that women have access to screening mammograms.

Breast cancer mortality has decreased because of early detection, diagnosis, and treatment. Mammography is vital to early detection, yet I have seen press reports about women having to wait weeks or months for a mammogram. In Maryland, waiting times for mammograms at some facilities have increased from one to two weeks to six to eight weeks. In addition, some wait times have increased from one to two days to two weeks for a diagnostic mammogram. In these cases, usually a woman has already had a suspicious finding from a screening mammogram and has to wait longer to get the results of a diagnostic mammogram to determine if she has breast cancer or not.

I have also heard about mammography facilities closing down because they could no longer make ends meet. In fact, a couple mammography facilities in the Baltimore area have closed their doors. This coincides with a national trend. Over the last 18 months, close to 250 mammography facilities have closed down, with almost 100 facilities closing between October 2000 and February 2001. Women living in areas with no or few mammogram facilities are less likely to have mammograms than those living in areas with more facilities.

At the same time, the size of the population requiring annual mammograms is increasing about one million per year. The American population is aging. There will be 70 million Americans aged 65 and over in 2030. Age is also the most important risk factor for breast cancer. A woman's chance of getting breast cancer is 1 out of 2,212 by age 30. This increases to 1 out of 23 by age 60 and 1 out of 10 by age 80. More than 85 percent of breast cancers occur in women over the age of 50. This means that more and more women will be on Medicare and need screening mammograms. Screening mammograms have been shown to reduce breast cancer mortality by 25–30 percent in women age 50–70. About 68 percent of Maryland women age 65 and older had a mammogram within the last year. More women will need this screening at the same time that we are seeing fewer mammography facilities available to provide this valuable service to women.

Eleven years ago, I introduced the Medicare Screening Mammography Amendments of 1990 to provide Medicare coverage of annual screening mammography. This bill set out the conditions under which Medicare would cover screening mammograms and how they would be reimbursed. My legislation was included in the Omnibus Budget Reconciliation Act of 1990. Before that, Medicare did not cover routine annual screening mammograms. The Health Care Financing Administration (HCFA) reimburses screening mammograms at a rate of $55 indexed to inflation. This means that for 2001, Medicare pays $69.23 for screening mammograms. Last year, Congress changed how Medicare pays for screening mammograms. Starting in 2002, screening mammograms will be reimbursed through the Medicare physician fee schedule like diagnostic mammograms and other services.

Mammography is a unique procedure. Screening mammography has been reimbursed differently under Medicare than diagnostic mammography. Mammography is also one of the most technically challenging radiological procedures. Ensuring the quality of the image is difficult and mammograms are the most difficult radiologic images to read. I authored the mammography Quality Standards Act of 1992 to set uniform quality standards for mammography facilities, personnel, and equipment so that women would have safe and reliable mammograms. These standards are unique to mammography. A study has found that allegation of error in the diagnosis of breast cancer is now the most prevalent reason for medical malpractice lawsuits among all claims against physicians and is associated with the second highest indemnity payment size.

Last week, the Institute of Medicine (IOM) released a report entitled "Mammography and Beyond: Developing Technologies for the Early Detection of Breast Cancer". Among the IOM's recommendations is that HCFA should analyze the current Medicare and Medicaid reimbursement rates for mammography, including a comparison with other radiological techniques, to determine whether they adequately cover the total costs of providing the procedure. The cost analysis should include the costs associated with meeting the requirements of the Mammography Quality Standards Act. The bill we are introducing today would delay for one year (until 2003) the inclusion of screening mammography in the Medicare physician fee schedule. This would give time for HCFA to collect data and review Medicare reimbursement rates for screening mammography before moving it into the physician fee schedule and to help ensure a smooth transition into the fee schedule. This is important given the unique characteristics of mammography that I have already outlined. In the meantime, the bill would increase Medicare reimbursement for screening mammograms to $90 in 2002 to help decrease waiting times and the closure of mammography facilities so that women have timely access to screening mammograms.

In addition, there is evidence that fewer numbers of radiologists and technologists are going into mammography. That's why this bill increases Medicare Graduate Medical Education funding for additional radiology residency slots and increases funding for Allied Health Professions programs to increase the supply of radiologic technologists (RTs) able to conduct mammograms. The IOM report last week acknowledges this concern by recommending that the Health Resources and Services Administration (HRSA) should undertake or fund a study that analyzes trends in specialty training for breast cancer screening among radiologists and radiologic technologists and that examines the factors that affect practitioners' decision to enter or remain in the field.

Finally, this bill would require a General Accounting Office study of the Medicare reimbursement structure for gender-specific procedures and require a Medicare Payment Advisory Commission study of Medicare reimbursement for screening services. These studies will provide important information for Congress and HCFA to consider as we look at ways to improve and modernize Medicare.

I'm pleased that this legislation has the support of the American Cancer Society, the American College of Radiology, the American Society of Radiologic Technologists, and the Society of Breast Imaging. I hope this bill will begin a conversation about the adequacy of Medicare reimbursement of screening mammograms. I urge my colleagues to support this bill, and I urge my colleagues on the Finance Committee to consider this bill as they craft Medicare reform legislation. A decade ago Congress provided coverage of annual mammograms to women under Medicare. This legislation will help ensure that the promise we made a decade ago remains a meaningful promise to current and future Medicare beneficiaries. Without it, some women at risk for breast cancer may not have access to screening that could detect cancer earlier and help them live longer.

By Mr. CRAPO (for himself and Mr. AKAKA):

S. 549. A bill to ensure the availability of spectrum to amateur radio operators; to the Committee on Commerce, Science, and Transportation.

Mr. CRAPO. Mr. President, I rise to introduce the Amateur Radio Spectrum Protection Act of 2001. This bill would help preserve the amount of radio spectrum allocated to the Amateur Radio Service during this era of dramatic change in our telecommunications system. I am pleased to be joined today in this bi-partisan effort by Senator DANIEL AKAKA.

Organized radio amateurs, more commonly known as "ham" operators, through formal agreements with the Federal Emergency Management Agency, the National Weather Service, the Red Cross, the Salvation Army, and other government and private relief services, provide emergency communication when regular channels are disrupted by disaster. In Idaho, these trained volunteers have performed tasks as various as helping to rescue stranded back-country hikers, organizing cleanup efforts after the Payette River flooded, and helping the Forest Service communicate during major forest fires. In other communities, they may be found monitoring tornado touchdowns in the Midwest, helping authorities reestablish communication after a hurricane in the Gulf or sending "health and welfare" messages following an earthquake on the West Coast. Not only do they provide these services using their own equipment and without compensation, but they also give their personal time to participate in regular organized training exercises.

In addition to emergency communication, amateur radio enthusiasts use their spectrum allocations to experiment with and develop new circuitry and techniques for increasing the effectiveness of the precious natural resource of radio spectrum for all Americans. Much of the electronic technology we now take for granted is rooted in amateur radio experimentation. Moreover, amateur radio has long provided the first technical training for youngsters who grow up to be America's scientists and engineers.

The Balanced Budget Act of 1997 requires the Federal Communications Commission, FCC, to conduct spectrum auctions to raise revenues. Some of that revenue may come from the auction of current amateur radio spectrum. This bill simply requires the FCC to provide the Amateur Radio Service with equivalent replacement spectrum if it reallocates and auctions any of the Service's current spectrum.

The Amateur Radio Spectrum Protection Act of 2001 will protect these vital functions while also maintaining the flexibility of the FCC to manage the nation's telecommunications infrastructure effectively. It will not interfere with the ability of commercial telecommunications services to seek the spectrum allocations they require. I ask my colleagues to join the more than 670,000 U.S. licensed radio amateurs in supporting this measure and welcome their co-sponsorship.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 549

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Amateur Radio Spectrum Protection Act of 2001".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) More than 650,000 radio amateurs in the United States are licensed by the Federal Communications Commission.

(2) Among the basic purposes of the Amateur Radio and Amateur Satellite Services are to provide voluntary, noncommercial radio service, particularly emergency communications.

(3) Emergency communications services by volunteer amateur radio operators have consistently and reliably been provided before, during, and after floods, hurricanes, tornadoes, forest fires, earthquakes, blizzards, train accidents, chemical spills, and other disasters.

(4) The Federal Communications Commission has taken actions which have resulted in the loss of at least 107 MHz of spectrum to radio amateurs.

SEC. 3. FEDERAL POLICY REGARDING REALLOCATION OF AMATEUR RADIO SPECTRUM.

Section 303 of the Communications Act of 1934 (47 U.S.C. 303) is amended by adding at the end the following new subsection:

"(z) Notwithstanding subsection (c), after the date of the enactment of this subsection—

"(1) make no reallocation of primary allocations of bands of frequencies of the amateur radio and amateur satellite services;

"(2) not diminish the secondary allocations of bands of frequencies to the amateur radio or amateur satellite service; and

"(3) make no additional allocations within such bands of frequencies that would substantially reduce the utility thereof to the amateur radio or amateur satellite service;

unless the Commission, at the same time, provides equivalent replacement spectrum to amateur radio and amateur satellite service.".

Mr. AKAKA. Mr. President, I thank my distinguished colleague from Idaho (Mr. CRAPO) for introducing this very important legislation that will help to protect and preserve the radio spectrum necessary to ensure the continuation of the Amateur Radio Service. The Amateur Radio Spectrum Act of 2001 is a bipartisan effort to secure the amateur radio spectrum as the telecommunications industry continues to change.

Amateur radio operators, more commonly known as "hams," have been around as long as radio itself, and a few pioneers in amateur radio provided valuable insight into the current communications system that we know today. While many people may look at amateur radio operators as radio enthusiasts with a fun hobby, I would like to remind everyone that they also provide a valuable service to communities all over the world.

Mr. President, the Amateur Radio Service was created by the Federal Communications Commission (FCC) to utilize amateur radio operators to provide backup emergency communications. These operators set up and operate organized communications networks locally for governmental and emergency officials.

While television and radio broadcast stations are the more common methods of providing emergency information to the public, these stations may not be in service for weeks after such disasters as tornados and hurricanes. Instead, this valuable emergency service usually is provided by the Amateur Radio Service. Through several networks that are decentralized, with many transceivers and antennas, amateur radio operators are able to transmit safety and health conditions in times of disasters.

In the State of Hawaii, the sole source of information in the immediate aftermath of Hurricane Iniki, which hit the island of Kauai on September 11, 1992, was from amateur radio operators. The devastation to the island was immense; one out of five of the island's power and telephone poles were down, power, cable television, and phone lines were out, cellular phone, microwave dishes, two-way radio antenna boosters, television station translators, and radio station transmitters were damaged. Kauai Electric Company was inoperable and 100 percent of its customers were without power. While the company did have a disaster plan, no one fathomed that a storm would have such a devastating effect. Fortunately, amateur radio operators on Kauai were able to keep state officials informed about the island's condition.

Mr. President, Senator CRAPO and I are here today because the Balanced Budget Act of 1997 requires the FCC to conduct spectrum auctions as a means to increase revenue. While these auctions may not immediately take away from the Amateur Radio Service, there is nothing to prevent the FCC from selling off portions of the spectrum currently utilized by amateur radio operators.

Mr. President, this bill will protect the Amateur Radio Service by requiring the FCC to provide the Service with equivalent spectrum if it reallocates and auctions any of the Service's current spectrum. The Amateur Radio Spectrum Protection Act of 2001 will ensure that the valuable service provided by amateur radio operators will continue.

Mr. President, I am pleased to join Senator CRAPO in this bipartisan effort to protect the Amateur Radio Service and ask my colleagues to support this important measure.

By Mr. DASCHLE (for himself, Mr. McCAIN, Mr. INOUYE, Mr. BAUCUS, Mr. COCHRAN, and Mrs. FEINSTEIN):

S. 550. A bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas; to the Committee on Finance.

Mr. DASCHLE. Mr. President, today I am reintroducing legislation to correct an inequity in the laws affecting many Native American children. I am joined by Senators McCAIN, INOUYE, BAUCUS, FEINSTEIN, and COCHRAN in supporting this important piece of legislation. This effort is also supported by the National Indian Child Welfare Association, American Public Human Services Association, and National Congress of American Indians.

Every year, for a variety of often tragic reasons, thousands of children across the country are placed in foster care. To assist with the cost of food, shelter, clothing, daily supervision and school supplies, foster parents of children who have come to their homes through state court placement receive money through Title IV–E of the Social Security Act. Additionally, states receive funding for administrative training and data collection to support this program. Unfortunately, because of a legislative oversight, many Native American children who are placed in foster care by tribal courts do not receive foster care and adoptive services to which all other income-eligible children are entitled.

Not only are otherwise eligible Native children denied foster care maintenance payments, but this inequity also extends to children who are adopted through tribal placements. Currently, the IV–E program offers limited assistance for expenses associated with adoption and the training of professional staff and parents involved in the adoption. These circumstances, sadly, have meant that many Indian children receive little Federal support in attaining the permanency they need and deserve.

In many instances, these children face insurmountable odds. Many come from abusive homes. Foster parents who open their doors to care for these special children deserve our help. These generous people who take these children into their homes should not have sleepless nights worrying about whether they have the resources to provide nourishing food or a warm coat, or even adequate shelter for these children. This legislation will go a long way to ease their concerns.

Currently, some tribes and states have entered into IV–E agreements, but these arrangements are the exception. They also, by and large, do not include funds to train tribal social workers and foster and adoptive parents. This bill would make it clear that tribes would be treated like States when they run their own programs under the IV–E program. The bill would make funding fair and equitable for all children, Native and non-Native.

The bill I am introducing today would do the following:

Extend the Title IV–E entitlement programs to tribal placements in foster and adoptive homes;

Authorize tribal governments to receive direct funding from the Department of Health and Human Services for administration of IV–E programs (tribes must have HHS-approved programs);

Allow the Secretary flexibility to modify the requirements of the IV–E law for tribes if those requirements are not in the best interest of Native children; and

Allow continuation of tribal-State IV–E agreements.

In a 1994 report, HHS found that the best way to serve this underfunded group is to provide direct assistance to tribal governments and qualified tribal families. I want to emphasize that this bill would not result in reduced funding for the States, as they would continue to be reimbursed for their expenses under the law. I strongly believe Congress should address this oversight and provide equitable benefits to Native American children who are under the jurisdiction of their tribal governments, and I hope my colleagues will join me in supporting this bill.

Mr. McCAIN. Mr. President, I am pleased to cosponsor legislation with my colleagues, Senators DASCHLE, INOUYE, BAUCUS, FEINSTEIN and COCHRAN, to amend the Social Security Act and extend eligibility for Indian tribes to fully implement, like states, the Title IV–E Foster Care and Adoption Assistance Act. This important legislation will make certain that Indian children living in tribal areas have the same access to services of the Title IV–E Foster Care and Adoption Assistance Program enjoyed by other children nationwide.

The purpose of the Title IV–E program is to ensure that children receive adequate care when placed in foster care and adoption programs. The Title IV–E program operates as an open-ended entitlement program for eligible state governments with approved plans. State governments receive funding for foster care maintenance payments to cover food, shelter, clothing, school supplies, and liability insurance for income-eligible children placed in foster homes by state courts, and for related administrative and training costs.

While Congress intended that the Title IV–E program should benefit all eligible children, Indian children who are under the jurisdiction of the respective tribal court are generally not considered eligible. When enacted, the Title IV–E law did not properly consider that Indian tribal governments retain sole jurisdiction over the domestic affairs of their own tribal members, particularly Indian children.

State administrators have attempted to meet the intended goals of these programs by extending their efforts to Indian country. However, administrative and jurisdictional hurdles make it nearly impossible to provide these services. As a result, Indian children in need of foster care and child support are not accorded the same level of service as other children nationwide. Tribal governments, who are legally responsible for Indian children in foster care, are not entitled to federal reimbursement for children placed in foster care by a tribal court, unless the tribe, as a public agency, enters into a cooperative agreement with the state.

A cooperative agreement may not sound all that difficult, but in reality, such an agreement can prove impossible. Rather than providing incentives, current law often discourages states from entering into agreements with tribes. For example, a state is accountable for tribal compliance with Title IV–E requirements. If a tribe cannot fulfill a matching requirement, the state must assume the costs on behalf of the tribe in order to retain federal funds. It is entirely possible that states could lose their Title IV–E funds if tribal records were out of compliance.

Unfortunately, State-tribal relations are not always productive, particularly when disputes arise over issues unrelated to child welfare. Providing this direct eligibility for tribal governments, with the same accountability and enforcement requirements, will resolve such problems. State agencies have indicated that direct participation by the tribes would help address an overburden of casework and preclude tension over jurisdictional issues. While direct tribal authority would be authorized by enactment of this legislation, I want to make clear that we have no intention to supplant or discourage State-tribal agreements. Existing agreements will be honored, while allowing Indian tribes to directly access needed resources for further protection for income-eligible Indian children.

The Congressional Budget Office, CBO, estimated that this legislation would cost $236 million over a five-year period, which generally amounts to less than 1 percent of total federal Title IV–E expenditures. While this legislation does not currently include any identified offsets to pay for adding tribal eligibility for this entitlement program, I have been assured by Senator DASCHLE that the inclusion of an offset, prior to final passage, will in no way affect the Social Security Trust Fund or increase the federal debt. We have pledged to work together to find the necessary and agreeable offset for this program.

Enactment of this legislation will bring an end to the disparate treatment of eligible Indian children under Title IV–E programs. I urge my colleagues to correct this unfair oversight and make the benefits of the Title IV–E entitlement program available for all children as intended.

Mr. BAUCUS. Mr. President, I am happy to co-sponsor this legislation with my colleagues, Senators DASCHLE, MCCAIN, INOUYE, FEINSTEIN, and COCHRAN, to extend the Title IV–E Foster Care and Adoption Assistance programs to Indian tribes. This legislation will enhance tribal sovereignty by giving tribes choices when it comes to providing child welfare services to their children.

Hundreds of thousands of children are currently in foster care due to abuse, neglect, or abandonment. The programs authorized under Title IV–E of the Social Security Act play an important role in safeguarding the well-being of these children. The programs provide funding to states to cover the costs of food, shelter, clothing, and other supplies for eligible children that are placed in foster care. States also receive funding for related administrative and training costs.

Unfortunately, thousands of Native American children who meet income eligibility criteria are not automatically eligible to receive this funding if they are placed in foster care or up for adoption by a tribal agency. Under current law, only states can directly benefit from this funding source. In order to receive these monies, tribes must form cooperative agreements with their respective states.

In Montana, all seven of our tribes have developed foster care agreements with the state government, and the agreements reportedly are successful for the parties involved. But we are lucky. Not all tribes or states have been able to form these agreements with each other. Nor should they have to.

This legislation will allow tribes, like states, to submit plans to the Department of Health and Human Services in order to receive Title IV–E payments directly. Or tribes could continue their cooperative state agreements. The point is, this bill will give tribes choices when it comes to their child welfare services. It will enhance tribal sovereignty. And for many tribes, it will give them access to funding sources currently not available to them.

I believe this legislation is important for Indian children and tribal sovereignty. I urge my colleagues to join us in supporting this bill and making Title IV–E programs available to all eligible children.

By Mr. DORGAN (for himself, Mr. GREGG, and Mr. DURBIN):

S. 551. A bill to amend the Internal Revenue Code of 1986 to simplify the individual income tax by providing an election for eligible individuals to only be subject to a 15 percent tax on wage income with a tax return free filing system, to reduce the burdens of the marriage penalty and alternative minimum tax, and for other purposes; to the Committee on Finance.

Mr. DORGAN. Mr. President, there is a great deal of discussion and debate going on right now about cutting taxes. Everyone, it seems, supports a tax cut although there is great disagreement over how big it should be, when it should take effect and who it should benefit.

The American people deserve and need a tax cut, and I hope they will get one.

But there is another part to this discussion that's not getting much attention. The American people also deserve and need tax simplification. There is broad agreement on this question, much broader and much deeper than any consensus on the need for a tax cut.

I think we ought to act to provide it.

Just a few months ago, the press reported several independent studies showing that American families and businesses will spend at least $115 billion trying to comply with federal tax laws this year. That is an enormous amount of money. It represents an enormous amount of time, an enormous amount of effort, and I'm pretty certain, it represents an enormous amount of frustration for tens of millions of American taxpayers.

Lately there has been a lot of talk about lifting tax burdens, and we should be talking about that, but let's also talk about one of the biggest tax burdens of all: the tax compliance burden, the colossal hassle taxpayers face to file their tax returns each year. I think it is simply inexcusable that it is so complex, so difficult, and so expensive for Americans to fulfill this basic civic duty.

I find it even more unacceptable that we should do nothing to lift this burden, even as the nation is focused on lifting the tax burden when it comes to what is owed.

We must do both.

As I mentioned, taxpayers will spend somewhere around $115 billion and more than 3 billion hours this year in the effort to meet their federal income tax obligations. At this very moment, millions of taxpayers are probably just beginning the gut-wrenching process of wading through complex forms and instruction books so they can meet this year's fast-approaching filing deadline. After completing this annual ritual, they will once again start barraging congressional offices with letters imploring us to simplify the tax code. I don't blame them for doing so.

They are right. Each little provision in the tax code has a justification, but together they add up to a big headache for the American taxpayer. We can't blame the IRS for the misery endured this year or in the years ahead. There's no way to truly simplify tax day unless Congress changes the underlying law. Nevertheless, the President and Congress appear ready to move forward with tax relief of possibly historic proportions without addressing the tax compliance burden that most Americans urgently want fixed.

That's why I am pleased to be joined by Senators GREGG and DURBIN in reintroducing a tax reform proposal that we call the "Fair and Simple Shortcut Tax", FASST plan. Our plan would give most taxpayers the opportunity to pay their federal income taxes without having to prepare a tax return if they so choose. More than thirty countries already enable their citizens to pay their federal taxes in this way. We believe tax simplification along these lines can work in this country, too.

Our bill is based on a principle that both sides of the aisle generally are eager to espouse, namely, choice. The bill would allow taxpayers to choose to pay their taxes without complexity, paperwork and hassle. Those who prefer to use the current system, with its complexity and expenses, could do so if they wanted. But if they want something simpler, they could choose our approach instead.

Under FASST, most taxpayers could forget about filing a federal tax return on April 15th. Instead, their entire income tax liability would be withheld at work. There would be no more deciphering statements from mutual funds, no more frantic search for records and receipts, and no last minute dash to the Post Office in order to meet the midnight deadline. According to Treasury Department officials who have studied it, the FASST plan could give at least 70 million Americans the opportunity to elect the no-return option.

Specifically, under the FASST plan, most taxpayers could choose the no-filing option by filling out a slightly modified W–4 form at work. Using tables prepared by the IRS, their employers would determine the employee's exact tax obligation at a single rate of 15 percent on wages, after several major adjustments, and withhold that amount. This amount would satisfy the taxpayer's entire federal income tax obligation for the year, absent some unforeseeable changes in circumstances.

The FASST plan would be available for couples earning up to $100,000 in wages and no more than $5,000 in other income such as interest, dividends or capital gains. In the case of individual taxpayers, the wage and non-wage income limits would be $50,000 and $2,500, respectively. Popular deductions would continue under this plan: the standard deduction, personal exemptions, the child credit and Earned Income Tax Credit, along with a deduction for home mortgage interest expenses and property taxes. Our bill would include critical savings incentives for average Americans by exempting up to $5,000 of all interest, dividends and capital gains income from taxation for couples, $2,500 for singles. Moreover, savings contributions made through employers would be excluded from the wage calculations in the beginning.

Consider some of the advantages of this hassle-free plan:

No taxpayers would lose. If a taxpayer prefers to file an ordinary return, he or she would still have that choice, and no one would be forced to lose a tax deduction that he or she wants to keep.

Wages would be taxed at a single, low rate of 15 percent.

A deduction for home mortgage interest expenses, the Earned Income Tax Credit, and other popular parts of our current tax code would be preserved. Other major tax reform plans would eliminate those deductions, which many people count on.

The alternative minimum tax, AMT, and the marriage penalty would be eliminated.

Compliance costs for taxpayers and government alike would fall. If 70 million Americans chose the FASST option, hundreds of millions of dollars now spent on paper pushing could be used in more productive ways.

Those taxpayers who continued to file under the old system would get relief too. The plan would reduce the marriage penalty by making the standard deduction for married couples double the amount available for single filers. Also, it would virtually eliminate the complicated AMT for most sole proprietors, farmers and other small businesses by exempting the first $1 million in self-employment income from the AMT calculations. This legislation also would provide a 50 percent credit for up to $1,000 in expenses that businesses might incur implementing the FASST plan. In addition, it would grant taxpayers who continue to use the current system a 50 percent tax credit for up to $200 in tax preparer expenses, provided they file their returns electronically. Finally, the bill would offer individuals a substantial incentive for savings and investment by exempting up to $500 of dividend and interest income, $1,000 for couples.

Our bill is both simple and fair, and it gives most taxpayers the choice to avoid the annual tax filing nightmare that they have come to dread.

In testimony before a Senate subcommittee last year, IRS Commissioner Rossotti testified that it's "unquestionable that this bill provides significant tax simplification." Imagine how much better life would be if April 15th were just another day. Under the FASST plan, for millions of Americans, that could be true.

I ask unanimous consent that the full text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE

(a) SHORT TITLE.—This Act may be cited as the "Fair and Simple Shortcut Tax Plan".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—FAIR AND SIMPLE SHORTCUT TAX PLAN

SEC. 101. FAIR AND SIMPLE SHORTCUT TAX PLAN.

(a) IN GENERAL.—Subchapter A of chapter 1 (relating to determination of tax liability) is amended by adding at the end the following:

"PART VIII—FAIR AND SIMPLE SHORTCUT TAX PLAN

"Sec. 60. Tax on individuals electing FASST.
"Sec. 60A. Computation of applicable taxable income.
"Sec. 60B. Credit against tax.
"Sec. 60C. Election.
"Sec. 60D. Liability for tax.

"SEC. 60. TAX ON INDIVIDUALS ELECTING FASST.

"(a) TAX IMPOSED.—If an individual who is an eligible taxpayer has an election in effect under this part for a taxable year, there is hereby imposed a tax equal to 15 percent of the taxpayer's applicable taxable income.

"(b) COORDINATION WITH OTHER TAXES.—The tax imposed by this section shall be in lieu of any other tax imposed by this subchapter. The preceding sentence shall not apply to taxes described in section 26(b)(2) other than subparagraph (A) thereof.

"SEC. 60A. COMPUTATION OF APPLICABLE TAXABLE INCOME.

"(a) IN GENERAL.—For purposes of this part, the term 'applicable taxable income' means the taxpayer's applicable wage income, minus—

"(1) the standard deduction,

"(2) the deductions for personal exemptions provided in section 151, and

"(3) the homeowner expense deduction allowable under subsection (c).

"(b) APPLICABLE WAGE INCOME.—For purposes of this part—

"(1) IN GENERAL.—The term 'applicable wage income' means, with respect to an individual, wages received by such individual for the taxable year for services performed as an employee of an employer.

"(2) EMPLOYMENT.—The term 'employment' has the meaning given such term in section 3121(b).

"(3) WAGES.—The term 'wages' has the meaning given such term in section 3401(a).

"(c) HOMEOWNER EXPENSE DEDUCTION ALLOWED.—

"(1) IN GENERAL.—For purposes of subsection (a), there shall be allowed as a deduction for the taxable year an amount equal to the product of—

"(A) $5,000, and

"(B) a fraction, the numerator of which is the number of months in such year in which the taxpayer owned and used property as the taxpayer's principal residence (within the meaning of section 121) and the denominator of which is 12.

"(2) SPECIAL RULES.—For purposes of this subsection—

"(A) MARRIED INDIVIDUALS.—In the case of a married individual, the ownership and use requirements of paragraph (1) shall be treated as met for any month if either spouse meets them.

"(B) DIVORCE; COOPERATIVE HOUSING.—Rules similar to the rules of paragraphs (3) and (4) of section 121(d) shall apply.

"(C) OUT-OF-RESIDENCE CARE.—If a taxpayer becomes physically or mentally impaired while owning and using property as a principal residence, then the taxpayer shall be treated as meeting the ownership and use requirements of paragraph (1) during any period the taxpayer owns the property and resides in any facility (including a nursing home) licensed by a State or political subdivision to care for an individual in the taxpayer's condition.

"SEC. 60B. CREDITS AGAINST TAX.

"No credit shall be allowed against the tax imposed by this part other than—

"(1) the credit allowable under section 24 (relating to child tax credit),

"(2) the credit allowable under section 32 (relating to earned income credit), and

"(3) the credit for overpayment of tax under section 6402.

"SEC. 60C. ELECTION.

"(a) ELECTION.—An eligible taxpayer may elect to have this part apply for any taxable year.

"(b) ELIGIBLE TAXPAYER.—

"(1) IN GENERAL.—For purposes of this part, the term 'eligible taxpayer' means, with respect to any taxable year, a taxpayer who receives—

"(A) applicable wage income in an amount not in excess of—

"(i) $100,000, in the case of a taxpayer described in section 1(a), and

"(ii) 50 percent of the amount in effect under clause (i) for the taxable year, in the case of any other taxpayer, and

"(B) gross income (determined without regard to applicable wage income) in an amount not in excess of—

"(i) $5,000, in the case of a taxpayer described in section 1(a), and

"(ii) 50 percent of the amount in effect under clause (i) for the taxable year, in the case of any other taxpayer.

"(2) EXCLUSIONS.—The term 'eligible taxpayer' shall not include—

"(A) a married individual unless the individual and the spouse both have the same taxable year and both make the election,

"(B) a nonresident alien individual, or

"(C) an estate or trust.

"(3) INFLATION ADJUSTMENTS.—In the case of a taxable year beginning after 2002, each dollar amount under paragraph (1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.

"(b) FORM OF ELECTION.—

"(1) IN GENERAL.—An individual shall make an election to have this part apply for any taxable year by furnishing an election certificate to such individual's employer not later than the close of the first payroll period after the individual commences work for such employer or January 1 of the taxable year to which such election relates, whichever is later.

"(2) CONTENTS OF CERTIFICATE.—The election certificate furnished under paragraph (1) shall—

"(A) contain such information as the Secretary requires to enable the Secretary to carry out this part and enable the employer to withhold the appropriate amount of wages under section 3402, and

"(B) contain a certification by the employee under penalty of perjury that the information furnished is correct.

"(3) AMENDMENT OF CERTIFICATE.—A new election certificate shall be filed within 30 days after the date of any change in the information required under paragraph (2).

"(4) ELECTION CERTIFICATE.—For purposes of this section, the term 'election certificate' means the withholding exemption certificate used for purposes of chapter 24.

"(5) ADVANCE PAYMENT OF EARNED INCOME AMOUNT.—The Secretary shall prescribe such regulations as may be necessary to allow an eligible taxpayer to treat an election certificate furnished under this section as including an earned income eligibility certificate under section 3507 in the case of an eligible individual claiming the earned income credit under section 32.

"(c) PERIOD ELECTION IN EFFECT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an election under this section shall be effective for the taxable year for which it is made and all subsequent taxable years.

"(2) TERMINATION.—An election under this part shall terminate with respect to an individual for any taxable year and all subsequent taxable years if at any time during such taxable year such individual—

"(A) is no longer an eligible taxpayer,

"(B) elects to terminate such individual's election, or

"(C) commits fraud with respect to any information required to be provided under this section.

"(d) SAFE HARBOR FOR INELIGIBILITY.—In the case of an individual who has a termination under subsection (c)(2)(A), no addition to tax under section 6654 shall apply to any underpayment attributable to eligible wage income of such individual for such taxable year if such underpayment was not due to fraud, negligence, or disregard of rules or regulations (within the meaning of section 6662).

"(e) MARITAL STATUS.—For purposes of this part, marital status shall be determined under section 7703.

"SEC. 60D. LIABILITY FOR TAX.

"(a) AMOUNT WITHHELD TREATED AS SATISFACTION OF LIABILITY.—Except as provided in this section, any amount withheld as tax under section 3402(t) for an eligible individual with an election in effect under section 60C for the taxable year shall be treated as complete satisfaction of liability for the tax imposed by section 60(a) for such taxable year.

"(b) EXCEPTIONS.—Notwithstanding subsection (a)—

"(1) OVERPAYMENT.—If the amount withheld as tax under section 3402(t) for an eligible taxpayer with an election in effect under section 60C for the taxable year exceeds the tax imposed under section 60(a) for the taxable year, the excess amount shall be treated as an overpayment for purposes of section 6402.

"(2) UNDERPAYMENT.—

"(A) IN GENERAL.—If the Secretary determines that the amount withheld as tax under section 3402(t) for an eligible taxpayer is less than the tax imposed under section 60(a) and such underpayment is not due to fraud, the Secretary may assess and collect such underpayment in the same manner as if such underpayment were on account of a mathematical or clerical error appearing on a return of the individual for the taxable year.

"(B) DE MINIMIS EXCEPTION.—If the amount by which the tax imposed by section 60(a) exceeds the amount withheld as tax under section 3402(t) by less than the lesser of $100 or 10 percent of the tax so imposed, the taxpayer shall be treated as having no underpayment.

"(c) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section, including regulations—

"(1) to allow a refund of an overpayment under subsection (b)(1) to a taxpayer without requiring additional filing of information by the taxpayer, and

"(2) to notify taxpayers of eligibility for credits allowable under section 60B and allow a claim and refund of any credit not claimed by an eligible taxpayer during the taxable year.".

(b) WITHHOLDING FROM WAGES.—Section 3402 (relating to income tax collected at source) is amended by adding at the end the following new subsection:

"(t) WITHHOLDING UNDER THE FAIR AND SIMPLE SHORTCUT TAX PLAN.—

"(1) IN GENERAL.—An employer making payment of wages to an individual with an election in effect under section 60C shall deduct and withhold upon such wages a tax (in lieu of the tax required to be deducted and withheld under subsection (a)) determined in accordance with tables prescribed by the Secretary in accordance with paragraph (2).

"(2) WITHHOLDING TABLES.—The Secretary shall prescribe 1 or more tables which set forth amounts of wages and income tax to be deducted and withheld based on information furnished to the employer in the employee's election form and to ensure that the aggregate amount withheld from such employee's wages approximates the tax liability of such individual for the taxable year. Any tables prescribed under this paragraph shall—

“(A) apply with respect to the amount of wages paid during such periods as the Secretary may prescribe, and

“(B) be in such form, and provide for such amounts to be deducted and withheld, as the Secretary determines to be most appropriate to carry out the purposes of this chapter and to reflect the provisions of chapter 1 applicable to such periods, including taking into account any credits allowable under section 24 or 32.

The Secretary shall provide that any other provision of this section shall not apply to the extent such provision is inconsistent with the provisions of this subsection.

“(2) Election Certificate.—

“(A) In general.—In lieu of a withholding exemption certificate, an employee shall furnish the employer with a signed election certificate and any amended election certificate at such time and containing such information as required under section 60C.

“(B) When certificate takes effect.—

“(i) First certificate furnished.—An election certificate furnished to an employer in cases in which no previous such certificate is in effect shall take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the date on which such certificate is so furnished.

“(ii) Replacement certificate.—An election certificate furnished to an employer which replaces an earlier certificate shall take effect as of the beginning of the 1st payroll period ending (or the 1st payment of wages made without regard to a payroll period) on or after the 30th day after the on which the replacement certificate is so furnished.”.

(c) Waiver of Requirement To File Return of Income.—Subsection (a)(1)(A) of section 6012 (relating to persons required to make return of income) is amended by striking “or” at the end of clause (iii), by striking the period at the end of clause (iv) and inserting “, or”, and by inserting after clause (iv) the following new clause:

“(v) who is an eligible taxpayer with an election in effect for the taxable year under section 60C.”.

(d) Technical and Conforming Amendments.—

(1) The table of parts for subchapter A of chapter 1 is amended by adding at the end the following new item:

“Part VIII. Fair and Simple Shortcut Tax Plan.”.

(2) Section 6654(a) is amended by inserting “and section 60C(d)” after “this section”.

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 102. TAX CREDIT FOR EMPLOYER FASST PLAN STARTUP COSTS.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

“SEC. 45E. FASST PLAN EMPLOYER START-UP CREDIT.

“(a) Credit Allowed.—

“(1) In general.—For purposes of section 38, the Fair and Simple Shortcut Tax plan start-up credit determined under this section for the taxable year is an amount equal to the lesser of—

“(A) 50 percent of eligible start-up costs of the taxpayer for the taxable year, or

“(B) $1,000.

“(2) Maximum credit.—The maximum credit allowed with respect to a taxpayer under this subsection for all taxable years shall not exceed the amount determined under paragraph (1) for all taxable years.

“(b) Eligible start-up costs.—For purposes of this section, the term ‘eligible start-up costs’ means amounts paid or incurred by an employer (or any predecessor) during the 1 year period beginning on the date on which the employer first employs 1 or more employees with an election in effect under section 60C for the taxable year, in connection with carrying out the withholding requirements of section 3402.

“(c) Credit Available for Each Worksite.—If a taxpayer maintains a separate worksite for employees, such person shall be treated as a single employer with respect to such worksite for purposes of the credit allowable under subsection (a).”.

(b) Conforming Amendments.—

(1) Section 38(b) is amended—

(A) by striking “plus” at the end of paragraph (12),

(B) by striking the period at the end of paragraph (13), and inserting a comma and “plus”, and

(C) by adding at the end the following new paragraph:

“(14) the Fair and Simple Shortcut Tax plan start-up credit determined under section 45E.”.

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 45E. Fair and Simple Shortcut Tax plan start-up credit.”.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—PROVISIONS TO SIMPLIFY THE TAX CODE

SEC. 201. REDUCTION IN MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) In General.—Section 63(c)(2) (relating to basic standard deduction) is amended to read as follows:

“(2) Basic standard deduction.—For purposes of paragraph (1), the basic standard deduction is—

“(A) 200 percent of the amount under subparagraph (C) for the taxable year, in the case of a joint return or a surviving spouse (as defined in section 2(a)),

“(B) 150 percent of such amount, in the case of a head of household (as defined in section 2(b)), and

“(C) $3,000, in the case of an individual who is not married and who is not a surviving spouse or head of household or a married individual filing a separate return.”.

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 202. ALTERNATIVE MINIMUM TAX EXCLUSION OF SELF-EMPLOYMENT INCOME AND CERTAIN ITEMS OF PREFERENCE AND ADJUSTMENTS.

(a) Increased Exemption for Self-Employment Income.—Section 55(d)(1) (relating to exemption amount for taxpayers other than corporations) is amended to read as follows:

“(1) Exemption amount for taxpayers other than corporations.—In the case of a taxpayer other than a corporation, the term ‘exemption amount’ means the sum of—

“(A) an amount equal to—

“(i) $45,000 in the case of—

“(I) a joint return, or

“(II) a surviving spouse,

“(ii) $33,750 in the case of an individual who—

“(I) is not a married individual, or

“(II) is not a surviving spouse, and

“(iii) $22,500 in the case of—

“(I) a married individual who files a separate return, or

“(II) an estate or trust, and

“(B) an amount equal to the lesser of—

“(i) the self employment income (as defined in section 1402(b)) of the taxpayer for the taxable year, or

“(ii) $1,000,000.

For purposes of this paragraph, the term ‘surviving spouse’ has the meaning given to such term by section 2(a), and marital status shall be determined under section 7703.”.

(b) Exclusion of Certain Items of Preference and Adjustments.—Section 55 (relating to alternative minimum tax imposed) is amended by adding at the end the following new subsection:

“(f) Special Rule for Small Businesses.—

“(1) In general.—For purposes of this part, in computing the alternative minimum taxable income of a taxpayer to which this subsection applies for any taxable year—

“(A) no adjustments provided in section 56 which are attributable to a trade or business of the taxpayer shall be made, and

“(B) taxable income shall not be increased by any item of tax preference described in section 57 which is so attributable.

“(2) Application.—

“(A) In general.—This subsection shall apply to a taxpayer for a taxable year if the taxpayer is not a corporation and the gross receipts of the taxpayer for the taxable year from all trades or businesses do not exceed $1,000,000.

“(B) Special rules.—Rules similar to the rules of paragraphs (2), (3)(B), and (3)(C) of section 448(c) shall apply for purposes of this subsection.”.

(c) Conforming Amendments.—Section 55(d)(3) is amended—

(1) by striking “paragraph (1)(A)” and inserting “paragraph (1)(A)(i)” in subparagraph (A),

(2) by striking “paragraph (1)(B)” and inserting “paragraph (1)(A)(ii)” in subparagraph (B),

(3) by striking “paragraph (1)(C)” and inserting “paragraph (1)(A)(iii)” in subparagraph (C), and

(4) by striking “paragraph (1)(C)(i)” and inserting “paragraph (1)(A)(iii)(I)” in the second sentence.

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 203. NONREFUNDABLE TAX CREDIT FOR TAX PREPARATION EXPENSES.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by adding at the end the following new section:

“SEC. 25B. TAX PREPARATION EXPENSES.

“(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the lesser of—

“(1) 50 percent of the qualified tax preparation expenses of the taxpayer for the taxable year, or

“(2) $100.

“(b) Qualified Tax Preparation Expenses.—For purposes of this section, the term ‘qualified tax preparation expenses’ means expenses paid or incurred during the taxable year by an individual in connection with the preparation of the taxpayer’s Federal income tax return for such taxable year, but only if such return is electronically filed. Such term shall include any expenses related to an income tax return preparer.

“(c) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any amount taken into account in determining the credit under this section.”.

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 25B. Tax preparation expenses.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses paid or incurred for taxable years beginning after December 31, 2001.

SEC. 204. EXEMPTION OF CERTAIN INTEREST AND DIVIDEND INCOME FROM TAX.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to amounts specifically excluded from gross income) is amended by inserting after section 115 the following new section:

“SEC. 116. PARTIAL EXCLUSION OF DIVIDENDS AND INTEREST RECEIVED BY INDIVIDUALS.

“(a) EXCLUSION FROM GROSS INCOME.—In the case of an individual who does not have an election in effect under section 60C for the taxable year, gross income does not include dividends and interest otherwise includible in gross income which are received during the taxable year by such individual.

“(b) LIMITATION.—The aggregate amount excluded under subsection (a) for any taxable year shall not exceed $500 ($1,000 in the case of a joint return).

“(c) CERTAIN DIVIDENDS EXCLUDED.—Subsection (a) shall not apply to any dividend from a corporation which, for the taxable year of the corporation in which the distribution is made, or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organization) or section 521 (relating to farmers’ cooperative associations).

“(d) SPECIAL RULES.—For purposes of this section—

“(1) TREATMENT OF CERTAIN DIVIDENDS.—

“For treatment of dividends received from regulated investment companies and real estate investment trusts, see sections 854(a), 854(b), and 857(c).

“(2) CERTAIN NONRESIDENT ALIENS INELIGIBLE FOR EXCLUSION.—In the case of a nonresident alien individual, subsection (a) shall apply only—

“(A) in determining the tax imposed for the taxable year under section 871(b)(1) and only in respect of dividends which are effectively connected with the conduct of a trade or business within the United States, or

“(B) in determining the tax imposed for the taxable year under section 877(b).

“(3) DIVIDENDS FROM EMPLOYEE STOCK OWNERSHIP PLANS.—Subsection (a) shall not apply to any dividend described in section 404(k).”.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 32(c)(5) is amended by striking “or” at the end of clause (i), by striking the period at the end of clause (ii) and inserting “; or”, and by inserting after clause (ii) the following new clause:

“(iii) interest and dividends received during the taxable year which are excluded from gross income under section 116.”.

(2) Subparagraph (A) of section 32(i)(2) is amended by inserting “(determined without regard to section 116)” before the comma.

(3) Subparagraph (B) of section 86(b)(2) is amended to read as follows:

“(B) increased by the sum of—

“(i) the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax, and

“(ii) the amount of interest and dividends received during the taxable year which are excluded from gross income under section 116.”.

(4) Subsection (d) of section 135 is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

“(4) COORDINATION WITH SECTION 116.—This section shall be applied before section 116.”.

(5)(A) Subsection (a) of section 246A is amended—

(i) by inserting “or the exclusion from gross income under section 116,” after “245(a)” in the matter preceding paragraph (1), and

(ii) by inserting “received by a corporation” after “dividend” in paragraph (1).

(B) Subsection (e) of section 246A is amended by inserting “or the exclusion from gross income under section 116” after “245”.

(6) Paragraph (2) of section 265(a) is amended by inserting before the period “, or to purchase or carry obligations or shares, or to make deposits, to the extent the interest thereon is excludable from gross income under section 116”.

(7) Subsection (c) of section 584 is amended by adding at the end the following new flush sentence:

“The proportionate share of each participant in the amount of dividends or interest received by the common trust fund and to which section 116 applies shall be considered for purposes of such section as having been received by such participant.”.

(8) Subsection (a) of section 643 is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

“(7) DIVIDENDS OR INTEREST.—There shall be included the amount of any dividends or interest excluded from gross income under section 116.”.

(9)(A) Subsection (a) of section 854 is amended by inserting “section 116 (relating to partial exclusion of dividends and interest received by individuals) and” after “For purposes of”.

(B) Paragraph (1) of section 854(b) is amended—

(i) by striking “subparagraph (A)” in subparagraph (B) and inserting “subparagraphs (A) and (B)”,

(ii) by redesignating subparagraph (B) as subparagraph (C), and

(iii) by inserting after subparagraph (A) the following new subparagraph:

“(B) EXCLUSION UNDER SECTION 116.—If the aggregate dividends and interest received by a regulated investment company during any taxable year are less than 95 percent of its gross income, then, in computing the exclusion under section 116, rules similar to the rules of subparagraph (A) shall apply.”.

(C) Paragraph (2) of section 854(b) is amended by inserting “the exclusion under section 116 and” after “for purposes of”.

(10) Subsection (c) of section 857 is amended to read as follows:

“(c) RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.—For purposes of section 116 (relating to partial exclusion of dividends and interest received by individuals) and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.”.

(11) The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 115 the following new item:

“Sec. 116. Partial exclusion of dividends and interest received by individuals.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

By Mr. WELLSTONE:

S. 553. A bill to help establish and enhance early childhood family education programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. WELLSTONE. Mr. President, today I am introducing legislation that creates a competitive grant program modeled on one of Minnesota’s greatest successes in education, the Early Childhood and Family Education program. Let me first mention my gratitude to some of the finest educators my home state has to offer—Betty Cooke, Lois Engstrom, Jackie Anderson, and Don Kramlinger. I would like to also thank Ernie Pines for his vision and spirit and former Minnesota State Senator Jerry Hughes, whose vision for early childhood education in the sixties has led to stronger families today. Of course, I must also thank the many early childhood education coordinators, parent educators, teachers and paraprofessionals in our small rural communities for reaching from within to give parents and their children every opportunity to succeed.

The ECFE program, which has broad bipartisan support in Minnesota, is based on the idea that the family provides a child’s first and most important learning environment, and parents are a child’s first and most significant teachers. ECFE is a voluntary, center-based, parent-child education program that is open to all families in a school district or locality with children under the age of 5 regardless of cost. It provides concurrent or joint classes for parents and children that include training in parenting skills and children’s social, emotional, cognitive and physical development. The classes teach ways for parents to foster strong learning environments for their children and ways to help prepare children for kindergarten. They provide activities geared toward enhancing children’s social, emotional, cognitive and physical development and school readiness.

ECFE is not a child care program, but rather offers parents a few hours a week to get the support they need to be better parents and teachers for their children through discussion groups, play activities for kids, parent-child interactive activities, home visits, early screening for health and developmental problems and community resource referrals.

The program addresses the need of all communities and has been successful in all communities and with all types of families, whether it is dealing with the unique needs of immigrant communities, communities of color, suburban communities, first time families, single parent families, families with members with disabilities, families with a history of abuse and families that for whatever reason, want some extra help and support as they try to be the best parents that they can.

The program in Minnesota has been extraordinarily successful. It is the largest early childhood program in Minnesota and is now offered in districts that together encompass 99 percent of the population of infants and toddlers in the state. 44 percent of all young children and their families participate in the program.

Four different studies of outcomes of the ECFE program have all concluded that ECFE is effective with all types of families. Benefits for children include improved social interactions and relationships, improved social skills, increased self confidence and self-esteem, and improvement in language and communication skills. For parents, ECFE increases the ability to know what is important for children's healthy growth and development over time, improves their confidence and leads to far higher participation in parental involvement activities in elementary school.

A recent study by the Office of Educational Research and Improvement at the United States Department of Education has described the Minnesota ECFE program as an example of the type of program that can provide children and families with "continuity and [can] ease the critical transition to school."

The words of parents probably tell the story the best. One parent said, "when my son throws things, I try to keep it in perspective. I no longer yell and slap. I relax and do not push him all the time. I've learned different ways to discipline." Another said, "Raising a child is a wonderful, awesome and sometimes overwhelming experience. It is a shame that a job so important is generally without adequate preparation. ECFE provides some of that preparation, knowledge and support that is vital to being a good parent. It is not a frill, it is a necessity."

Recently, I had the opportunity to spend a morning at the South Washington County School's ECFE program. There I met with a group of parents who were committed to being the best parents they could be. I met a father who was learning English, a single mother who was learning child raising skills from other mothers in the class, and a new immigrant from Korea who talked of the isolation she felt before meeting other parents in her community. This program was a model as it combined Early Childhood Family Education with Adult Basic Education giving parents the tools to not only be great parents, but to learn English and obtain their GED as well. These parents told me that ECFE was teaching them to better parent their children.

Last year, the Minnesota Early Care and Education Finance Commission, a non-partisan Commission dedicated to improving the lives of young children in Minnesota, issued a report called "The Action Plan for Early Care and Education in Minnesota." That non-partisan Commission, led by Don Fraser, the former Mayor of Minneapolis, and Bob Caddy issued a challenge to the people of my state when they unequivocally concluded that "without question, the importance of the parent child relationship must be asserted as a fundamental moral value of our state." They asked for a "new covenant between parents and Minnesota."

Today I ask for the same between parents and the United States. The need is so clearly established. 40 percent of all American children enter kindergarten unprepared for school. This is unacceptable. We know that children need to be in a stimulating environment to spur the brain development that is critical to intelligence. We know the role that parents can play in creating that environment. ECFE will help with this.

We have an obligation to do more for children. The whole debate around the elementary and secondary education act and our desire to close the achievement gap between poor and more affluent students will be moot if we do not intervene early. The achievement gap is greatest when children start school. If we want children to have an equal start, we have to start with our youngest children. ECFE is not the only answer, but it is one way to meet this covenant so aptly called for in Minnesota, that we have with our parents and our children.

By Mrs. MURRAY (for herself, Ms. COLLINS, Ms. MIKULSKI, Ms. CANTWELL, Mr. COCHRAN, and Mr. CHAFEE):

S. 554. A bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals; to the Committee on Finance.

Mrs. MURRAY. Mr. President, today I am pleased to be joined by Senators COLLINS, MIKULSKI, CANTWELL, COCHRAN, and CHAFEE in introducing the Access to Innovation for Medicare Patients Act of 2001. This legislation will give Medicare patients access to innovative medical treatments that are convenient and affordable and will remove a bureaucratic burden to promising new drugs.

For many years, patients with diseases like rheumatoid arthritis, multiple sclerosis, hepatitis C and deep vein thrombosis could only get effective treatments in a doctor's office. This method of drug delivery puts a great burden on patients with limited mobility.

Fortunately, in recent years, new medical technologies have created promising drug treatments that patients can use in their own homes. These drugs don't have to be administered by a doctor. Patients can inject the drugs themselves. So instead of traveling to a doctor's office several times a week, patients can now get the same treatments in their own homes. These new treatments, known as self-injectible biologics, mean patients can save time and have a better quality of life.

Biologics are genetically-engineered proteins that must be infused or injected into a patient to be effective. If swallowed orally, biologics simply pass through the body during the digestion process and are not absorbed into the system. These drugs represent a major breakthrough in disease treatment and management.

Today, many patients with private insurance and those on Medicaid have coverage for many self-injectible biologics. Unfortunately, patients on Medicare do not. Today, Medicare discriminates against these effective medical treatments and patients are feeling the impact.

The time has come to remove this unfair burden and give Medicare patients access to self-injectible biologics. As sponsors of this bill, we believe that Medicare should not discriminate against patients who are treated with the same drugs either in a doctor's office or at home. The bill we are introducing today will correct this mistake and ensure that Medicare patients have access to safe, promising drugs.

Our legislation has been endorsed by the Arthritis Foundation, the American Public Health Association, National Association of Retired Federal Employees, National Council on the Aging, National Farmers Union, National Hispanic Council on Aging, Association of Jewish Aging Services and the Visiting Nurses Associations of America.

I want my colleagues to understand that this bill does not address the broader need for prescription drug coverage overall. Congress still must address that hole in the Medicare system. But this bill does correct a clear mistake in Medicare's payment rules for self-injectible biologics.

This unfair policy has several consequences. First, it prevents patients from getting the treatments they need. The FDA has recently approved several new self injected biologics to treat rheumatoid arthritis, multiple sclerosis, hepatitis C and deep vein thrombosis. Medicare beneficiaries should have immediate access to these new treatments without delay. Many of these diseases hinder a patient's mobility and quality of life. It is difficult to explain to these patients that in order to have treatments covered they must travel to their physicians office once, twice or even three times a week. Many of these patients are disabled and depend on family or friends for transportation. Patients in rural areas are particularly hurt by this policy, where their doctor may be many miles away. These patients might have to drive 50 or 60 miles a week. For individuals living on fixed income, this policy is especially difficult.

This outdated policy hits women the hardest. As many of my colleagues know, more women are covered by Medicare, and women are twice as likely as men to live with a disabling, chronic condition. Women are also twice as likely as men to live in poverty after age 65. Older women or disabled women simply do not have the same economic resources as men. In addition, many of the illnesses that could be treated with self injected biologics strike women in larger numbers. Rheumatoid arthritis and multiple sclerosis most often affect women. Any policy that limits access to new innovative treatments for rheumatoid arthritis and multiple sclerosis places women at a severe disadvantage.

In addition to the impact this policy has on patients, it also affect drug development. This practice discourages drug companies from offering patients new drugs that are self-injectible. That can hinder innovations and developments in biotechnology research. In the future, companies may choose not to develop self injected biologics. Our policies should promote new drug development, not discourage it.

As you know, the U.S. Senate has voted overwhelmingly to doubling NIH funding to encourage more research, it's one of my top priorities, and we are on track. However, I am troubled that patients on Medicare might not benefit from our efforts. It is counterproductive to invest in medical research, but then deny Medicare beneficiaries the fruits of that investment.

I would like to briefly mention one particular new self-injected biologic treatment that has literally changed the lives of hundreds of RA patients. This particular treatment, Enbrel, took well over 10 years to develop and bring to patients. Since its introduction, however, it has dramatically improved the lives of RA suffers. I have heard from many patients about how Enbrel has allowed them to remain productive and how it has dramatically reduced their daily pain and suffering. Since RA can and does lead to disability, preventing or delaying the disabled effects of this disease means huge economic savings for all of us. Medicare should not discriminate against this new, patient-friendly therapy simply because it is self-injected.

I urge my colleagues to carefully review this legislation and to talk to patients and health providers about how an outdated policy hinders access and discourages innovation and how the measure we are introducing today can give Medicare patients access to innovative drugs.

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 555. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health and Human Services to establish a tolerance for the presence of methylmercury in seafood, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. LEAHY. Mr. President, last month the Food and Drug Administration issued new consumer guidance, warning pregnant women, women of childbearing age, nursing mothers, and young children not to eat shark, swordfish, king mackerel, and tilefish in order to avoid exposure to methylmercury. I commend the FDA for issuing this guidance, which is important information for the most vulnerable members of our population. Unfortunately, despite acknowledging the problem of mercury contamination in large fish, the FDA still has not revised its so-called "action level," which is important data for consumers and local governments, nor do they enforce this level. There is a lot more to be done to protect the public, and after so many years of delays, we should not wait any longer.

That is why Senator HARKIN and I are introducing important legislation today to promote food safety and protect thousands of Americans, especially pregnant women and young children, from the serious risks of methylmercury. The "Mercury-Safe Seafood Act of 2001" requires the Food and Drug Administration to establish a formal tolerance for safe methylmercury levels in seafood. It mandates seafood testing to ensure compliance, along with public education and health advisories to inform the public.

Mercury is a dangerous poison that is still not fully regulated in the United States. According to the Environmental Protection Agency, coal-fired power plants, waste incinerators, and other sources spew 150 tons of mercury into the atmosphere each year. Although new and expected EPA rules address much of this pollution, full compliance and large emission reductions are still years away. Much of this mercury returns to earth with rain to pollute our waterways. It accumulates in fish as methylmercury, especially in large predatory species, and is passed on to the humans who eat these fish. Methylmercury is a powerful neurotoxin that affects the human central nervous system. It is especially harmful to pregnant women, infants, and young children, where even small doses can cause permanent damage to their developing brains and nervous systems.

Last year's comprehensive report by the National Academy of Sciences, "Toxicological Effects of Methylmercury," estimates that 60,000 newborns each year may be at risk from prenatal mercury exposure. Two weeks ago, the Centers for Disease Control released preliminary results from an ongoing study showing that 10 percent of American women may have potentially hazardous levels of mercury. This means that a lot more newborns may be at risk. This is a public health problem we cannot ignore.

Certain commercial seafood species—large predators such as swordfish, shark, mackerel, and tuna—can have dangerously high levels of methylmercury contamination. Food and Drug Administration data throughout the 1990's showed numerous fish samples with high mercury levels, exceeding FDA's own action level and presenting a direct hazard to consumers. FDA stopped testing for mercury in 1998, which means they have no way to enforce their action level. Yet recent testing by independent organizations still shows high mercury levels in some fish species.

FDA's action level of 1.0 part per million was established in 1979 using information from the 1970's, without regard for the greater vulnerability of pregnant women, infants, and children. More recent studies have highlighted the damaging effects of mercury, especially for these populations. In 1997, EPA's "Mercury Study Report to Congress" recommended a level five times more strict than FDA's action level, and this was confirmed by last year's National Academy of Sciences report. FDA's current action level, even if there were sampling and enforcement, is not stringent enough to protect the most vulnerable American consumers from mercury.

Last month the General Accounting Office released a report on seafood safety, at the request of Senator HARKIN and Senator LUGAR. That report confirms that FDA has not acted vigorously enough to address the issue of mercury in seafood.

This bill seeks to remedy these problems. It amends the Federal Food, Drug, and Cosmetic Act to require a tolerance level for methylmercury in seafood, with special attention to pregnant women, infants, and children. This will replace FDA's outdated and unenforced action level with a formal tolerance that must be enforced. It mandates ongoing sampling of mercury levels to ensure compliance. This will restart the testing which FDA stopped three years ago. It mandates public education and health advisories to ensure the public is aware of the new standards and of the risks of mercury contamination in seafood. It requires consideration of last year's National Academy of Sciences report, which clearly shows the need for prompt, strong action. Finally, it authorizes modest appropriations to support not only FDA's sampling and public education but also the efforts of our States to protect our citizens from methylmercury in freshwater fish.

I enjoy fishing and I love eating fish. This legislation is not meant to harm the fishing industry—it is meant to help bring the safest fish to market for the American consumer. Most importantly, this bill will protect pregnant women and young children who may now unknowingly be exposed to high levels of mercury. No one can dispute the science that tells us mercury is toxic and unsafe at certain levels in fish. We need to bring those levels down. But, until we do, we also need to keep the food supply safe for all Americans—especially those most at risk.

We have a responsibility to protect the American public, especially our children. Until such time as mercury emissions are drastically reduced and seafood is no longer contaminated, we must take this action to protect Americans from this dangerous pollutant..

The American Public Health Association has endorsed this bill.

I ask unanimous consent that the text of bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mercury-Safe Seafood Act of 2001".

SEC. 2. FINDINGS.

Congress finds that—

(1) mercury pollution from coal-fired power plants, waste incinerators, and other anthropogenic sources continues to contaminate inland waterways and territorial waters of the United States;

(2) mercury accumulates in fish as methylmercury and is passed on to humans that eat those fish;

(3) methylmercury is a potent neurotoxin that, even in small quantities—

(A) can cause serious damage to the human central nervous system and adverse effects on many other systems in the human body;

(B) is especially harmful to pregnant women and young children; and

(C) puts an estimated 60,000 newborns at risk for adverse neurodevelopmental effects each year in the United States from in utero exposure;

(4) certain commercial seafood species can have dangerously high levels of methylmercury, as evidenced by Food and Drug Administration data acquired in the 1990's, up to the time that the agency discontinued domestic sampling in 1998;

(5) the Food and Drug Administration's long-standing action level of 1.0 parts per million for methylmercury in fish—

(A) is out of date; and

(B) according to scientific evidence, does not adequately protect pregnant women and young children;

(6) the comprehensive Mercury Study Report to Congress issued by the Environmental Protection Agency in December 1997 recommended a methylmercury consumption limit of 0.1 micrograms per kilogram of body weight per day, which is 5 times lower than the Food and Drug Administration's current action level;

(7) the report entitled "Toxicological Effects of Methylmercury", issued by the National Academy of Sciences in July 2000, confirmed that the Environmental Protection Agency's limit is "scientifically justifiable for the protection of public health";

(8) the report entitled "Food Safety: Federal Oversight of Seafood Does Not Sufficiently Protect Consumers", issued by the General Accounting Office in February 2001, highlights the inadequacies of Food and Drug Administration guidance regarding methylmercury in commercial seafood;

(9) many States have been forced to issue mercury advisories for inland waterways and health warnings regarding the fish that may be caught in those waterways; and

(10) some States have also issued mercury advisories for commercial seafood.

SEC. 3. TOLERANCE FOR METHYLMERCURY IN SEAFOOD.

Chapter IV of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341 et seq.) is amended—

(1) in section 402(a)(2), by inserting after "section 512; or" the following: "(D) if it is seafood that bears or contains methylmercury that is unsafe within the meaning of section 406A(a); or"; and

(2) by inserting after section 406 the following:

"SEC. 406A. TOLERANCE FOR METHYLMERCURY IN SEAFOOD.

"(a) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary shall by regulation establish a tolerance for the presence of methylmercury in seafood.

"(b) REQUIREMENTS.—The tolerance established under subsection (a) shall—

"(1) be based on a scientific analysis of the health risks attributable to methylmercury; and

"(2) be set at a level for which the Secretary determines that there is a reasonable certainty that no harm will result from aggregate exposure to methylmercury in seafood, including all anticipated dietary exposures for which there is reliable information.

"(c) SEAFOOD DEEMED UNSAFE.—Any seafood bearing or containing methylmercury shall be deemed to be unsafe for purposes of section 402(a)(2)(D) unless the quantity of methylmercury is within the limits of the tolerance.

"(d) PREGNANT WOMEN, INFANTS, AND CHILDREN.—In establishing or modifying the tolerance under subsection (a), the Secretary shall ensure that there is a reasonable certainty that no harm will result to pregnant women, infants, and children from aggregate exposure to methylmercury.

"(e) SAMPLING SYSTEM.—

"(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary, after consultation with the Secretary of Agriculture, shall establish a system for the collection and analysis of samples of seafood to determine the extent of compliance with the tolerance under subsection (a).

"(2) MONITORING.—The sampling system shall provide statistically valid monitoring (including market-basket studies) with respect to compliance with the tolerance.

"(3) AVOIDANCE OF DUPLICATION OF EFFORT.—To the extent practicable, the sampling system shall be consistent with, and shall be coordinated with, other seafood sampling systems that are in use, so as to avoid duplication of effort.

"(f) PUBLIC EDUCATION AND ADVISORY SYSTEM.—

"(1) PUBLIC EDUCATION.—The Secretary, in cooperation with private and public organizations (including cooperative extension services and appropriate State entities) shall design and implement a national public education program regarding the presence of methylmercury in seafood.

"(2) FEATURES.—The program shall provide—

"(A) information to the public regarding—

"(i) Federal standards and good practice requirements; and

"(ii) promotion of public awareness, understanding, and acceptance of the standards and requirements;

"(B) information to health professionals so that health professionals may improve diagnosis and treatment of mercury-related illness and advise individuals whose health conditions place those individuals at particular risk; and

"(C) such other information or advice to consumers and other persons as the Secretary determines will promote the purposes of this section.

"(3) HEALTH ADVISORIES.—The Secretary, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, shall work with the States and other appropriate entities to—

"(A) develop and distribute regional and national advisories concerning the presence of methylmercury in seafood;

"(B) develop standardized formats for written and broadcast advisories regarding methylmercury in seafood; and

"(C) incorporate State and local advisories into the national public education program under paragraph (1).".

SEC. 4. CONSIDERATION OF REPORT OF NATIONAL ACADEMY OF SCIENCES.

In carrying out section 406A(a) of the Federal Food, Drug, and Cosmetic Act (as added by section 3), the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs, shall consider the findings of the National Academy of Sciences regarding the Environmental Protection Agency's recommended level for methylmercury exposure and the presence of methylmercury in seafood, as such findings are described in the report issued by the National Academy of Sciences in July 2000.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) SAMPLING.—There is authorized to be appropriated to carry out sampling under section 406A(e) of the Federal Food, Drug, and Cosmetic Act (as added by section 3) $500,000 for each of fiscal years 2002 through 2011.

(b) PUBLIC EDUCATION AND ADVISORY SYSTEM.—There is authorized to be appropriated to develop and implement the public education and advisory system under section 406A(f) of the Federal Food, Drug, and Cosmetic Act (as added by section 3) $500,000 for each of fiscal years 2002 through 2011.

(c) STATE SUPPORT.—

(1) IN GENERAL.—There is authorized to be appropriated to support efforts of the States to sample noncommercial fish and inland waterways for mercury and to produce State-specific health advisories related to mercury $2,000,000 for each of fiscal years 2002 through 2011.

(2) EQUITABLE DISTRIBUTION.—The Administrator of the Environmental Protection Agency shall distribute amounts made available under paragraph (1) equitably among the States through programs in existence on the date of enactment of this Act.

SEC. 6. REPORT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs, shall submit to Congress a report on the progress of the Secretary in establishing the tolerance required by section 406A of the Federal Food, Drug, and Cosmetic Act (as added by section 3).

(b) CONTENTS.—The report shall include a description of the research that has been conducted or reviewed with respect to the tolerance.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. COLLINS, Mr. SCHUMER, Ms. SNOWE, Mrs. FEINSTEIN, Mr. LEAHY, Mrs. CLINTON, Mr. KERRY, Mr. DODD, Mr. TORRICELLI, Mr. CORZINE, Mr. KENNEDY, Mr. REED, and Mrs. BOXER):

S. 556. A bill to amend the Clean Air Act to reduce emissions from electric powerplants, and for other purposes; to the Committee on Environment and Public Works.

Mr. JEFFORDS. Mr. President, today I am here to announce the introduction of the Clean Power Act of 2001 which reduces emissions from power plants of the four primary air pollutants. These four pollutants, nitrogen oxides, sulfur dioxide, mercury, and carbon dioxide are the major cause of the nation's most serious public health and environmental problems: smog, soot, acid rain, mercury contamination, and global warming. The Clean Power Act set standards for these four serious pollutants that are both cost-effective and technologically feasible.

The 1970 Clean Air Act, and its subsequent amendments, were enacted to improve the quality of our nation's air. This was a major milestone in environmental legislation. I was proud to be one of the principle negotiators of the 1990 amendments to the Clean Air Act. Those were important steps to take to improve the quality of our Nation's air and since that time we have made significant headway in that direction. Although current legislation sets standards for nitrogen oxides and sulfur dioxide, they are at levels that we now know are far too high to protect us from the devastating effects of resulting smog, acid rain, and increased respiratory disease. Currently, there is no standard for carbon dioxide pollution, the primary greenhouse gas responsible for global warming, and no standard for mercury emissions, a dangerous pollutant linked to cognitive and developmental ailments in children and responsible for fish advisories in forty states. Therefore, there is still much to be done to protect the quality of our nation's air and now is the time to take the next step.

Electric generating power plants are our nation's single largest source of air pollution and greenhouse gas emissions. Annual power plants emissions are responsible for 64 percent of the nation's sulfur dioxide, or 13 million tons, 26 percent of the nitrogen oxides, or 6 million tons, 40 percent of the carbon dioxide, that's over 2 billion tons, and 52 tons of mercury.

Updating electric power plants represent the most cost-effective way to reduce emissions of nitrogen oxides and sulfur dioxide. Many of the most polluting power plants were exempt from stringent controls imposed by the original Clean Air Act and today, after more than 30 years, they are still in use. As a result, these outdated power plants can emit between 10 and 100 times the amount of nitrogen oxides and sulfur dioxide pollution emitted by a modern power plant.

Sulfur dioxide fine particle pollution for U.S. power plants cuts short the lives of over 30,000 people each year. Ground-level ozone smog triggers over 6.2 million asthma attacks each summer in the eastern United States alone; another 160,000 people are sent to the emergency room and 53,000 are hospitalized due to smog induced respiratory distress. The National Academy of Sciences' National Research Council has concluded that over 60,000 children are born in the U.S. each year at risk for adverse neurodevelopmental effects due to in utero exposure to mercury. Over forty states have issued fish consumption advisories to mitigate this threat. Power plants are our nation's largest unregulated source of mercury emissions.

Fortunately, we now have technologies available that will permit power plants to reach the levels set in the Clean Power Act. The nitrogen oxides, sulfur dioxide and mercury reductions are set at levels in the Clean Power Act that are known to be cost effective with available technologies. The Clean Power Act will allow power plants to use market-oriented mechanisms in order to reach these much needed emissions standards for nitrogen oxides, sulfur dioxide and carbon dioxide. Therefore, with new technologies at our disposal and trading mechanisms providing flexibility to the utilities, we no longer need to compromise the health of our great nation; neither it's citizens nor it's environment. We only need the will to act.

By Mr. DOMENICI (for himself and Mr. BINGAMAN).

S. 557. A bill to clarify the tax treatment of payments made under the Cerro Grande Fire Assistance Act; to the Committee on Finance.

Mr. DOMENICI. Mr. President, this is a simple bill that stands for the proposition that when the Federal Government burns your house down it is not a taxable event.

I can't believe any member of this chamber would argue that the Federal Government is so hard up for revenue that it would try to tax the very payment that it makes to someone whose home, business, and community it burned down.

Let me summarize the events:

The Park Service decided to start a fire—a so-called "controlled burn."

The Park Service didn't follow its own guidelines regarding when it is safe to conduct a controlled burn.

They lit a fire when the rules were clear that they shouldn't.

The fire raged out of control and burned 48,000 acres.

It burned down hundreds of homes, and businesses.

No dispute that this fire should never have been set.

Congress passed a bill to compensate the victims for their losses.

When Congress passed the Cerro Grande Fire Assistance Act we were assured that the FEMA payments to the victims of the Cerro Grande Fire would not be taxed under current law.

Well, apparently there are some in the IRS who now have a different view.

While it only took Congress 50 days from the day the fire was lit to the day legislation creating the claims process was signed into law, it has taken the IRS at least seven months to answer pretty basic questions, and the best they can offer is that people have extra time to file their income taxes.

These victims should be paid. They should rebuild their lives and the IRS shouldn't be trying to tax the payments that are intended to put them back to the same place they were on the day before the Park Service lit the fire.

I hope my colleagues will support me in expeditiously passing this bill.

By Mr. MCCAIN (for himself, Mr. DASCHLE, Mr. INOUYE, Mr. BAUCUS, and Mr. CAMPBELL):

S. 558. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for investment in Indian reservation economic development, and for other purposes; to the Committee on Finance.

Mr. MCCAIN. Mr. President, I am pleased to introduce legislation, along with my colleagues, Senators DASCHLE, INOUYE, BAUCUS and CAMPBELL, to foster economic investment, development, and growth in Native American communities. This legislation would establish investment tax credits that will serve to attract private sector investments on Indian reservations.

As a nation, the United States ranks third in entrepreneurial activity among the world's leading economies. The level of entrepreneurial activity in the country remains strong despite recent fluctuations in the market. However, what also remains are deep pockets of poverty in our country that have not substantially improved along with the economic growth that has swept the rest of our Nation, and those areas include Native American reservations.

During my tenure in the Congress, I have worked on various legislative initiatives to help Indian tribes address the problems and barriers they face in attracting private sector activity onto reservation areas. Indian country, both historically and at the present time, cannot successfully compete with other areas in attracting businesses due to the unique issues affecting Indian country, such as jurisdictional complexities, taxation, and infrastructure deficits. Most Indian communities continue to struggle to provide basic jobs, infrastructure, housing and telephone service to tribal members.

Some of my colleagues might only be aware of the handful of Indian tribes that have been successful in generating economic revenues through gaming activities. However, for the majority of Indian tribes, the main economic activity is the kind generated by federal or tribal government employment. I understand why this is the case, but I also believe that free enterprise must be allowed to flow freely on Indian lands as it does in the rest of our nation.

By their very nature, governments, including tribal governments, simply are not good at running businesses. I know this is acknowledged by many tribes, who, consistent with their cultural traditions, have created tribal corporations or cooperative ventures that mix private sector business with tribal principles. I believe that private investment needs to be encouraged on Indian reservations if we are to see a significant improvement in the economies of Indian tribes.

The investment tax credits we are proposing today are geared specifically to Indian reservations where there is economic need. The full credit is available to those reservations whose Indian unemployment rate exceeds the Nation's average unemployment by 300 percent. One-half of the credit is available on reservations where the unemployment rate is 150 to 300 percent of the national average. No investment tax credit is provided where the Indian unemployment rate is less than 150 percent of the national average. The bill is restricted to non-gaming related economic activity, which would prevent the investment from being used for development and/or operation of gaming establishments on Indian reservations.

While this legislation may not be the panacea for all the economic ills afflicting Indian reservations today, I believe that the adoption of a specific program of Indian tax incentives would be a critical step toward the goal of providing Indian tribal governments with the opportunity to strengthen their economies.

In previous Congresses, I have offered amendments to the federal tax code to create incentives for private sector investment on Indian reservations and remove inequities in the tax code so that tribal governments can enjoy the same tax benefits accorded other non-taxable government entities. I have offered these provisions, not to provide an advantage to Indians, but merely to give them the same kind of tax incentives and benefits the Congress has given other economically depressed areas and other units of government. We have been successful in enacting a few measures, but given the extremely underdeveloped economies of Native American communities, I believe we should enact these additional tax incentives.

My colleagues and I are sponsoring this measure today because we believe these investment tax credits are necessary to reach out to those tribal communities that do not have the economic advantage of living near a booming metropolitan area, or do not enjoy the benefits of Indian gaming revenue. We believe that a strategy of tax incentives such as this legislation proposes is the most effective way that the federal government can act to stimulate reservation economic development. Tax incentives do not depend for their effectiveness on the actions of federal bureaucracies that are often slow-moving and unimaginative. The incentives are usable only by viable businesses ready and able to invest in Indian communities, which will consequently foster a strong entrepreneurial environment on Native American.reservations.

I look forward to working with my respective colleagues on both sides of the aisle to enact this important legislation. I ask unanimous consent that the text of bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Reservation Economic Investment Act of 2001".

SEC. 2. INVESTMENT TAX CREDIT FOR PROPERTY ON INDIAN RESERVATIONS.

(a) ALLOWANCE OF INDIAN RESERVATION CREDIT.—Section 46 of the Internal Revenue Code of 1986 (relating to investment credits) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding after paragraph (3) the following new paragraph:

"(4) the Indian reservation credit.".

(b) AMOUNT OF INDIAN RESERVATION CREDIT.—

(1) IN GENERAL.—Section 48 of such Code (relating to the energy credit and the reforestation credit) is amended by adding after subsection (b) the following new subsection:

"(c) INDIAN RESERVATION CREDIT.—

"(1) IN GENERAL.—For purposes of section 46, the Indian reservation credit for any taxable year is the Indian reservation percentage of the qualified investment in qualified Indian reservation property placed in service during such taxable year, determined in accordance with the following table:

"In the case of qualified Indian reservation property which is—	**The Indian reservation percentage is—**
Reservation personal property	10
New reservation construction property.	15
Reservation infrastructure investment.	15

"(2) QUALIFIED INVESTMENT IN QUALIFIED INDIAN RESERVATION PROPERTY DEFINED.—For purposes of this subpart—

"(A) IN GENERAL.—The term 'qualified Indian reservation property' means property—

"(i) which is—

"(I) reservation personal property;

"(II) new reservation construction property; or

"(III) reservation infrastructure investment; and

"(ii) not acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (within the meaning of section 465(b)(3)(C)).

The term 'qualified Indian reservation property' does not include any property (or any portion thereof) placed in service for purposes of conducting or housing class I, II, or III gaming (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)).

"(B) QUALIFIED INVESTMENT.—The term 'qualified investment' means—

"(i) in the case of reservation infrastructure investment, the amount expended by the taxpayer for the acquisition or construction of the reservation infrastructure investment; and

"(ii) in the case of all other qualified Indian reservation property, the taxpayer's basis for such property.

"(C) RESERVATION PERSONAL PROPERTY.—The term 'reservation personal property' means qualified personal property which is used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation. Property shall not be treated as 'reservation personal property' if it is used or located outside the Indian reservation on a regular basis.

"(D) QUALIFIED PERSONAL PROPERTY.—The term 'qualified personal property' means property—

"(i) for which depreciation is allowable under section 168;

"(ii) which is not—

"(I) nonresidential real property;

"(II) residential rental property; or

"(III) real property which is not described in subclause (I) or (II) and which has a class life of more than 12.5 years.

For purposes of this subparagraph, the terms 'nonresidential real property', 'residential rental property', and 'class life' have the respective meanings given such terms by section 168.

"(E) NEW RESERVATION CONSTRUCTION PROPERTY.—The term 'new reservation construction property' means qualified real property—

"(i) which is located in an Indian reservation;

"(ii) which is used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation; and "(iii) which is originally placed in service by the taxpayer.

"(F) Qualified real property.—The term 'qualified real property' means property for which depreciation is allowable under section 168 and which is described in subclause (I), (II), or (III) of subparagraph (D)(ii).

"(G) Reservation infrastructure investment.—

"(i) In general.—The term 'reservation infrastructure investment' means qualified personal property or qualified real property which—

"(I) benefits the tribal infrastructure;

"(II) is available to the general public; and

"(III) is placed in service in connection with the taxpayer's active conduct of a trade or business within an Indian reservation.

"(ii) Property may be located outside the reservation.—Qualified personal property and qualified real property used or located outside an Indian reservation shall be reservation infrastructure investment only if its purpose is to connect to existing tribal infrastructure in the reservation, and shall include, but not be limited to, roads, power lines, water systems, railroad spurs, and communications facilities.

"(H) Coordination with other credits.—The term 'qualified Indian reservation property' shall not include any property with respect to which the energy credit or the rehabilitation credit is allowed.

"(3) Real estate rentals.—For purposes of this section, the rental to others of real property located within an Indian reservation shall be treated as the active conduct of a trade or business in an Indian reservation.

"(4) Indian reservation defined.—For purposes of this subpart, the term 'Indian reservation' means—

"(A) a reservation, as defined in section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)), or

"(B) lands held under the provisions of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) by a Native corporation as defined in section 3(m) of such Act (43 U.S.C. 1602(m)).

"(5) Limitation based on unemployment.—

"(A) General rule.—The Indian reservation credit allowed under section 46 for any taxable year shall equal—

"(i) if the Indian unemployment rate on the applicable Indian reservation for which the credit is sought exceeds 300 percent of the national average unemployment rate at any time during the calendar year in which the property is placed in service or during the immediately preceding 2 calendar years, 100 percent of such credit;

"(ii) if such Indian unemployment rate exceeds 150 percent but not 300 percent, 50 percent of such credit; and

"(iii) if such Indian unemployment rate does not exceed 150 percent, 0 percent of such credit.

"(B) Special rule for large projects.—In the case of a qualified Indian reservation property which has (or is a component of a project which has) a projected construction period of more than 2 years or a cost of more than $1,000,000, subparagraph (A) shall be applied by substituting 'during the earlier of the calendar year in which the taxpayer enters into a binding agreement to make a qualified investment or the first calendar year in which the taxpayer has expended at least 10 percent of the taxpayer's qualified investment, or the preceding calendar year' for 'during the calendar year in which the property is placed in service or during the immediately preceding 2 calendar years'.

"(C) Determination of Indian unemployment.—For purposes of this paragraph, with respect to any Indian reservation, the Indian unemployment rate shall be based upon Indians unemployed and able to work, and shall be certified by the Secretary of the Interior.

"(6) Coordination with nonrevenue laws.—Any reference in this subsection to a provision not contained in this title shall be treated for purposes of this subsection as a reference to such provision as in effect on the date of the enactment of this paragraph.".

(2) Lodging to qualify.—Paragraph (2) of section 50(b) of such Code (relating to property used for lodging) is amended by striking "and" at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting "; and", and by adding at the end the following subparagraph:

"(E) new reservation construction property.".

(c) Recapture.—Subsection (a) of section 50 of such Code (relating to recapture in case of dispositions, etc.), is amended by adding at the end the following new paragraph:

"(6) Special rules for Indian reservation property.—

"(A) In general.—If, during any taxable year, property with respect to which the taxpayer claimed an Indian reservation credit—

"(i) is disposed of; or

"(ii) in the case of reservation personal property—

"(I) otherwise ceases to be investment credit property with respect to the taxpayer; or

"(II) is removed from the Indian reservation, converted, or otherwise ceases to be Indian reservation property,

the tax under this chapter for such taxable year shall be increased by the amount described in subparagraph (B).

"(B) Amount of increase.—The increase in tax under subparagraph (A) shall equal the aggregate decrease in the credits allowed under section 38 by reason of section 48(c) for all prior taxable years which would have resulted had the qualified investment taken into account with respect to the property been limited to an amount which bears the same ratio to the qualified investment with respect to such property as the period such property was held by the taxpayer bears to the applicable recovery period under section 168(g).

"(C) Coordination with other recapture provisions.—In the case of property to which this paragraph applies, paragraph (1) shall not apply and the rules of paragraphs (3), (4), and (5) shall apply.".

(d) Basis Adjustment To Reflect Investment Credit.—Paragraph (3) of section 50(c) of such Code (relating to basis adjustment to investment credit property) is amended by striking "energy credit or reforestation credit" and inserting "energy credit, reforestation credit, or Indian reservation credit other than with respect to any expenditure for new reservation construction property".

(e) Certain Governmental Use Property To Qualify.—Paragraph (4) of section 50(b) of such Code (relating to property used by governmental units or foreign persons or entities) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) Exception for reservation infrastructure investment.—This paragraph shall not apply for purposes of determining the Indian reservation credit with respect to reservation infrastructure investment.".

(f) Application of At-Risk Rules.—Subparagraph (C) of section 49(a)(1) of such Code is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) the qualified investment in qualified Indian reservation property.".

(g) Clerical Amendments.—

(1) Section 48 of such Code is amended by striking the heading and inserting the following:

"SEC. 48. ENERGY CREDIT; REFORESTATION CREDIT; INDIAN RESERVATION CREDIT.".

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 48 and inserting the following:

"Sec. 48. Energy credit; reforestation credit; Indian reservation credit.".

(h) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2001.

By Mr. ALLARD:

S. 559. A bill to reform the financing of Federal elections; to the Committee on Rules and Administration.

Mr. ALLARD. Mr. President, I realize that I am not going out on a limb here, but I want to say this: I support Campaign Finance Reform. To that end, today I am introducing the Campaign Finance Integrity Act of 2001.

My bill would:

Require candidates to raise at least 50 percent of their contributions from individuals in the state or district in which they are running.

Equalize contributions from individuals and political action committees, PACs, by raising the individual limit from $1000 to $2500 and reducing the PAC limit from $5000 to $2500.

Index individual and PAC contribution limits for inflation.

Reduce the influence of a candidate's personal wealth by allowing political party committees to match dollar for dollar the personal contribution of a candidate above $5000.

Require corporations and labor organizations to seek separate, voluntary authorization of the use of any dues, initiative fees or payment as a condition of employment for political activity, and requires annual full disclosure of those activities to members and shareholders.

Prohibit depositing an individual contribution by a campaign unless the individual's profession and employer are reported.

Encourage the Federal Election Commission to allow filing of reports by fax machines and other emerging technologies and to make that information accessible to the public on the Internet less than 24 hours of receipt.

Ban the use of taxpayer financed mass mailings.

This is common sense campaign finance reform. It drives the candidate back into his district or state to raise money from individual contributions. It has some of the most open, full and timely disclosure requirements of any other campaign finance bill in either the Senate or the House of Representatives. I strongly believe that sunshine is the best disinfectant.

The right of political parties, groups and individuals to say what they want in a political campaign is preserved—but the right of the public to know how much they are spending and what they are saying is also recognized. I have great faith that the public can make its own decisions about campaign discourse if it is given full and timely information.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 25—HONORING THE SERVICE OF THE 1,200 SOLDIERS OF THE 48TH INFANTRY BRIGADE OF THE GEORGIA ARMY NATIONAL GUARD AS THEY DEPLOY TO BOSNIA FOR NINE MONTHS, RECOGNIZING THEIR SACRIFICE WHILE AWAY FROM THEIR JOBS AND FAMILIES DURING THAT DEPLOYMENT, AND RECOGNIZING THE IMPORTANT ROLE OF ALL NATIONAL GUARD AND RESERVE PERSONNEL AT HOME AND ABROAD TO THE NATIONAL SECURITY OF THE UNITED STATES

Mr. MILLER (for himself and Mr. CLELAND) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 25

Whereas on February 2, 2001, 1,200 National Guard citizen-soldiers of the 48th Infantry Brigade of the Georgia Army National Guard were activated at Fort Stewart, Georgia, as one of the last official steps before the brigade departs for a nine-month deployment in Bosnia;

Whereas this brigade of Georgia Guardsmen represents the largest such deployment of National Guard personnel in support of the North Atlantic Treaty Organization peace-keeping mission in Bosnia and is the largest mobilization of Georgia National Guard personnel since Operation Desert Storm in 1991;

Whereas the deploying soldiers have been involved in training for their mission in Bosnia since early December and will depart for Bosnia throughout March, with the last elements scheduled to depart on March 22;

Whereas the Georgia Guardsmen have been ordered to active duty for a period of 270 days and are not expected to return home until October 2001 at the earliest;

Whereas the more than 1,200,000 citizen-soldiers who comprise the National Guard and Reserve components of the Armed Forces nationwide commit significant time and effort in executing their important role in the Armed Forces; and

Whereas these National Guard and Reserve citizen-soldiers serve a critical role as part of the mission of the Armed Forces to protect the freedom of United States citizens and the American ideals of justice, liberty, and freedom, both at home and abroad: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) honors the service and commitment of the 1,200 citizen-soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they depart for Bosnia for a deployment of nine months;

(2) honors the sacrifices made by the families and employers of these individuals during their time away from home;

(3) recognizes the critical importance of the National Guard and Reserve components to the security of the United States; and

(4) supports providing the necessary resources to ensure the continued readiness of the National Guard and Reserve.

AMENDMENTS SUBMITTED AND PROPOSED

SA 104. Mrs. CLINTON (for herself and Mr. HATCH) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes.

SA 105. Mr. LEAHY proposed an amendment to the bill S. 420, supra.

SA 106. Mr. HATCH (for himself and Mr. LEAHY) proposed an amendment to the bill S. 420, supra.

SA 107. Mr. ENSIGN (for himself and Mr. REID) proposed an amendment to the bill S. 420, supra.

SA 108. Mrs. BOXER proposed an amendment to the bill S. 420, supra.

SA 109. Mr. GRASSLEY proposed an amendment to the bill S. 420, supra.

TEXT OF AMENDMENTS

SA 104. Mrs. CLINTON (for herself and Mr. HATCH) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At page 80, on line 25, after "resides)" insert the following: ", land the holder of the claim,".

SA 105. Mr. LEAHY proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 138, line 19, strike "5-year" and insert "3-year".

SA 106. Mr. HATCH (for himself and Mr. LEAHY) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 187, line 20, strike "(25)" and insert "(24)".

On page 187, line 21, strike "(26)" and insert "(25)".

On page 191, strike line 25 and insert the following:

(2) in subsection (i), as so redesignated, by inserting "and subject to the prior rights of holders of security interests in such goods or the proceeds thereof," after "consent of a creditor,"; and

On page 192, line 1, strike "(2)" and insert "(3)".

On page 199, line 4, strike "through (5)" and insert "and (4)".

On page 255, line 8, strike "(26)" and insert "(25)".

On page 255, line 10, strike "(27)" and insert "(26)".

On page 278, line 9, strike "(28)" and insert "(27)".

On page 281, line 23, strike "(28)" and insert "(27)".

On page 347, line 21, strike "to, under" and insert "to and under".

On page 347, line 24, strike "to, under" and insert "to and under".

On page 348, line 13, strike "to, under" and insert "to and under".

On page 348, line 17, strike "(27)" and insert "(26)".

On page 348, line 19, strike "(28)" and insert "(27)".

On page 349, line 8, strike "to, under" and insert "to and under".

On page 349, line 21, strike "(28)" and insert "(27)".

On page 361, line 23, strike "(28)" and insert "(27)".

On page 362, lines 4 and 8, strike "(28)" each place it appears and insert "(27)".

On page 385, line 10, strike ", including" and insert ". If the health care business is a long-term care facility, the trustee may appoint".

On page 385, line 13, add at the end the following: "In the event that the trustee does not appoint the State Long-Term Care Ombudsman to monitor the quality of patient care in a long-term care facility, the court shall notify the individual who serves as the State Long-Term Care Ombudsman of the name and address of the individual who is appointed.".

On page 386, line 12, insert after the first period the following: "If the individual appointed as ombudsman is a person who is also serving as a State Long-Term Care Ombudsman appointed under title III or title VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq., 3058 et seq.), that person shall have access to patient records, consistent with authority spelled out in the Older Americans Act and State laws governing the State Long-Term Care Ombudsman program.".

On page 388, line 4, strike "(28)" and insert "(27)".

On page 388, line 6, strike "(29)" and insert "(28)".

On page 394, strike lines 9 through 13.

Redesignate sections 1220 through 1223 as sections 1219 through 1222, respectively.

On page 397, strike line 16 and all that follows through page 398, line 12.

On page 405, line 13, strike "after" and insert "prior to".

On page 406, line 5, strike "after" and insert "prior to".

Redesignate sections 1225 through 1236 as sections 1223 through 1234, respectively.

Amend the table of contents accordingly.

SA 107. Mr. ENSIGN (for himself and Mr. REID) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On pase 400, insert between lines 10 and 11 the following:

(T) One additional bankruptcy judgeship for the district of Nevada, and one for the district of Delaware.

SA 108. Mrs. BOXER proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 10, line 14, after "right" insert "or public" and

On page 10, line 17, after "necessary" insert ", and that such expenses are not already accounted for in the Internal Revenue Service Standards referred in section 707(b)(2) of this title."

SA 109. Mr. GRASSLEY proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the end of the bill, add the following:

TITLE XV—MISCELLANEOUS PROVISIONS

SEC. 1501. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.

(a) IN GENERAL.—Not later August 1, 2001, the Federal Crop Insurance Corporation shall promulgate final regulations to carry out section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 522(b)), without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Corporation shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—The final regulations promulgated under subsection (a) shall take effect on the date of publication of the final regulations.

Amend the table of contents accordingly.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, March 22, 2001, at 2 p.m., in room 485 of the Russell Senate Office Building to conduct a hearing to discuss the goals and priorities of the Member Tribes of the National Congress of the American Indians for the 107th Congress.

Those wishing additional information may contact Committee staff at 202/224-2251.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this oversight hearing is to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Titles I, II, III, V, VI, VII, and VIII of the National Parks Omnibus Management Act of 1998.

The hearing will take place on Thursday, March 29, 2001, at 10 a.m., in room SD-628 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SRC-2, Russell Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole or Shane Perkins of the Committee staff at (202) 224-1219.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 15, 2001, to conduct a markup of S. 149, the Export Administration Act of 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, March 15, 2001, at 9:30 a.m., pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATIONAL RESOURCES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 15, at 9 a.m., to conduct a hearing. The committee will receive testimony on S. 26, a bill to amend the Department of Energy Authorization Act to authorize the Secretary of Energy to impose interim limitations on the cost of electric energy to protect consumers from unjust and unreasonable prices in the electric energy market, S. 80, California Electricity Consumers Relief Act of 2001, and S. 287, a bill to direct the Federal Energy Regulatory Commission to impose cost-of-service based rates on sales by public utilities of electric energy at wholesale in the western energy market, and amendment No. 12 to S. 287.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 15, 2001, to hear testimony on Preserving and Protecting Family Business Legacies.

Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 15, 2001, to hear testimony on Living Without Health Insurance: Solution to the Problem.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 15, 2001, at 10:30 a.m., and 2 p.m., to hold two hearings.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be permitted to meet on Thursday, March 15, 2001, at 9:30 a.m., for a hearing regarding High Performance Computer Export Controls.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, March 15, 2001, after the first rollcall vote in the President's Room.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure of the Committee on Environment and Public Works be authorized to meet on Thursday, March 15, 2001, at 9:30 a.m., on Army Corps of Engineers management reforms.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Colleen Hermann of my staff be granted the privilege of the floor for today's debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HONORING THE 48TH INFANTRY BRIGADE OF THE GEORGIA ARMY NATIONAL GUARD

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Con. Res. 25, submitted earlier today by Senators MILLER and CLELAND.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 25) honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia National Guard as they deploy to Bosnia for 9 months, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table and that any statements relating thereto be placed in the RECORD at the appropriate place as if read, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 25) was agreed to.

The preamble was agreed to.

(The text of the concurrent resolution is located in today's RECORD under "Submitted Resolutions.")

DESIGNATING MARCH 25, 2001, AS "GREEK INDEPENDENCE DAY: A NATIONAL DAY OF CELEBRATION OF GREEK AND AMERICAN DEMOCRACY"

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 20, which was reported by the Judiciary Committee.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

> A resolution (S. Res. 20) designating March 25, 2001, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

There being no objection, the Senate proceeded to consider the resolution.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and, finally, that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 20) was agreed to.

The preamble was agreed to.

(The text of the resolution is located in the RECORD of February 14, 2001, under "Submitted Resolutions.")

ORDERS FOR MONDAY, MARCH 19, 2001

Mr. SESSIONS. On behalf of the leader, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 12 noon on Monday, March 19.

I further ask consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 1 p.m., with Senators speaking therein for up to 10 minutes each, with the following exceptions: Senator DURBIN, or his designee, 12 noon to 12:30 p.m.; Senator MURKOWSKI, 12:30 to 12:50 p.m.; Senator THOMAS, or his designee, 12:50 to 1 p.m.

I further ask that following morning business, the Senate begin consideration of S. 27, the campaign finance reform bill, as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SESSIONS. For the information of all Senators, the Senate will convene at 12 noon on Monday and be in a period of morning business until 1 p.m. Following morning business, the Senate will begin consideration of the campaign finance reform bill. Under the previous order, there will be up to 3 hours of debate on all first-degree amendments, with a vote on or in relation to the amendments to occur following the use or yielding back of time. Amendments are possible on Monday, and therefore votes are expected. However, any votes ordered on Monday will be postponed to occur at 5 p.m.

All Members should be aware that the next 2 weeks will be extremely busy, and everyone should expect votes throughout the day and evening.

ORDER FOR ADJOURNMENT

Mr. SESSIONS. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of Senator BIDEN and Senator REID of Nevada.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Delaware is recognized.

THE BANKRUPTCY BILL WILL NOT DISADVANTAGE WOMEN AND CHILDREN

Mr. BIDEN. Mr. President, I know my colleagues are accustomed to seeing me leave the Chamber 5 minutes after the last vote to catch a train to go home. As a colleague said today when I indicated I was going to speak this evening, they are sorry to see I am not on the train today. They are very happy that I commute every day.

The reason I am speaking at this time is that I did not want to postpone the vote on the bankruptcy bill which, I might add, to state the obvious, passed overwhelmingly, with overwhelming bipartisan support. Only 14 Democrats voted against it and 1 Republican, as I best counted. So this was an overwhelming vindication of the point that this bill is at least thought by the vast majority of the Senate in both parties to be a fair and equitable bill.

But I want to go into some detail on this point, and it will take me somewhere in the range of 10 to 15 minutes to do it. This is the one portion of the bill that particularly Democratic colleagues most asked me about: Are women and children disadvantaged by the new bankruptcy law we passed today, assuming it becomes law after conference and is signed by the President? The resounding answer is: No.

When some in the credit industry came to me and asked for my support for this legislation early on, I indicated I would be unable to support the legislation as initially proposed several years ago. I thought it required some significant changes. And not to my surprise, but to my satisfaction, there was little or no opposition to the proposed changes with which I was most concerned. I want to thank Christian Cabral, who is with me this evening on the floor, for putting together the material I asked for, which I am about to speak to, which will demonstrate just how much better off women receiving alimony or support payments are under the new proposed legislation, which just passed out of here with 83 votes, than they are with the present law.

As I have indicated, I have heard a lot in recent days about how this bill lacks compassion—specifically, that it will hurt women and children who depend on alimony or child support. The critics claim that by making sure more money is paid back to other creditors, this bill will make it harder for women and children to get payments that should be coming to them through alimony and child support.

Mr. President, I am particularly proud of my record in protecting women and children during my 28-year career in the Senate. I am most proud of my work in drafting and passing the Violence Against Women Act, to protect women who are victims of domestic violence and all violence. I am also proud of my work to track down and hold responsible deadbeat dads.

As long ago as 1992, I was on the Senate Democratic task force for child support enforcement. While I was chairman of the Senate Judiciary Committee, we enacted two major child support initiatives. As far as I am concerned, this bill is an extension of years of work on my part and others' to protect and enhance family support enforcement.

I am here today to show that, contrary to a lot of the rhetoric we have heard tossed around on this floor over the last couple weeks, this bill actually improves the situation of women and children who depend upon child support. I specifically would like to speak to how this bill targets the problems they now face under the current bankruptcy law and turns the bankruptcy system into a virtual extension of the current national family support collection system.

S. 420, the bill we just passed, is so far superior to current law that the National Child Support Enforcement Association, representing 60,000 child support professionals, supports it. These are the people from Salt Lake City to Wilmington, DE, in their family courts or whatever you call them in your respective States, who have the job of collecting support that is ordered by the court or agreed to in a settlement by a father for his children. Sometimes it is a mother, but overwhelmingly it is the father who has a support requirement to take care of the financial needs of the children who are with the mother. These are 60,000 child support professionals, hardly harsh people.

The National Council for Child Support Directors supports the legislation we just passed.

S. 420 is so far superior to current law that the National Association of Attorneys General supports this law. The association's letter of support is personally signed by 27 State attorneys general.

The attorney general of the State of Vermont endorses the family support protection in this legislation.

The attorney general of Minnesota endorses this law, along with the attorneys general of Illinois, Massachusetts, California, Montana, North Carolina, Michigan, Maryland, Iowa, Hawaii, and Washington.

S. 420, the bill we passed tonight, is so far superior to current law that the National District Attorneys Association, representing more than 7,000 local prosecutors, supports this legislation.

In particular, California embraces this bill, the California Family Support Council, whose 2,500 enforcement professionals carry out the child support program in California. The California District Attorneys Association, consisting of elected district attorneys from each and every one of California's 58 counties and over 2,500 deputy district attorneys—they all support this bill that we were told is so heartless to children and women.

Support enforcement professionals west of the Mississippi support this bill. The Western Interstate Child Support Enforcement Council, composed of child support professionals from the private as well as the public sector west of the Mississippi, wanted this bill passed.

Finally, the corporation counsel of the City of New York supports the domestic support provisions. Yes, even New York City loves this bill.

Why has this legislation earned such overwhelming support from professionals who are out in the field, who are in the trenches trying to collect money from regular dads and deadbeat dads who owe child support for their children or alimony to their wives if this is such a compassionless bill? They support it because the system is broken and this bill fixes it.

When a deadbeat dad files for bankruptcy under the current system, what happens to mom and the kids? If the dad is actually making payments, those payments stop. They stop now. That is right, the payments stop cold. Mom then has to find a lawyer or a government advocate, take time off from work, go to the bankruptcy court, and try to get those payments started again.

When she goes to court, her claim may not be heard that day, so she will have to return again. If she is late, she will miss her day in court. In the meantime, the kids are getting no support payments.

This bill changes all that. She will be paid, and her children will get their child support payments while every other creditor has to wait for the bankruptcy court proceedings to unfold. This is a major improvement over current law.

Rather than putting women at a disadvantage, this bill empowers women. It gives them a say in the bankruptcy proceedings relating to her absent spouse. Once a father is under a bankruptcy plan and he fails to make his support payments, a mother can march to bankruptcy court and ask the court to dismiss his bankruptcy plan.

The court will call the dad back to explain himself. He does not want to make payments during the bankruptcy plan: that is what he says. That is how it was before. He did not have to do it before. Fine. He can be thrown out of bankruptcy and find himself back at square one.

Under current law, when the dad's bill collectors show up in the bankruptcy court, mom has to fight with them over the child support.

In asserting her claim, she is not the No. 1 collector in the line, nor No. 2, 3, 4, or 5. She is No. 7 in line, the seventh to be paid. The current code handicaps her at the starting line by permitting other bill collectors to beat her in the race to get dad's assets.

Why is this so important? As a practical matter, she does not have to find room in her hectic schedule to make an appearance in bankruptcy court, an intimidating place for most people. She can go to work without interrupting her day. She can run her errands. She can pick up her kids from school and, under this bill, she will automatically be first in line for her support and alimony claim. She will continue to receive her payments during the bankruptcy proceeding.

When we pass this bill, she does not have to work her way through the bankruptcy system; the system will work its way for her, not against her.

Another provision added to this bill in the managers' package was the moment the husband declares bankruptcy, the bankruptcy court is required to file with and notify, immediately, the spouse. So just in case the old man had not mentioned that he has these payments and there is not a record of it, she knows immediately. The court is required to notify the spouse if he files for bankruptcy.

The system will work for the mother. That is the beauty of the bill. It is self-executing. The provisions to be added to the bankruptcy code will function automatically, and that is vital. Women who do not have a lawyer to help them will be most helped by this aspect of the bill.

Under the current code, they have to get an attorney, go to court and assert their claims, and, again, they are No. 7 when they assert their claims.

There are other important ways in which this bill will remove real obstacles to justice that exist in the current bankruptcy law. This bill not only lifts the stay on support payments in bankruptcy—let me emphasize that.

The husband goes into Delaware and files for bankruptcy. What immediately happens is a stay on all the payments he makes occur. The family court wonders why he "ain't" paying. They automatically stay the payment when they get a notice that he has filed for bankruptcy. Bankruptcy can go on for weeks, months—a long time. In the meantime, what does that mother do? How does she feed her children if, in fact, that is her primary source of income for her children?

That is how it works now. That is how it works now in almost every State.

I have an order in my pile of papers. I will refer to the order.

In my home State of Delaware, a woman went to court and requested a restraining order against her abusive husband. He had already filed for bankruptcy. Incredibly, the judge found that under the current bankruptcy code, a proceeding for a domestic abuse restraining order is automatically stayed.

Did my colleagues hear what I just said? This is a woman who says she is being abused. She wants an order to keep her abusive husband away from her. The husband has filed for bankruptcy, and the court finds that under the current bankruptcy code, a proceeding for a domestic abuse restraining order is automatically stayed "by operation of law."

All those folks who stand on the floor—and I heard them lecture me about how abusive this law is—do not understand the present system and the part we are trying to correct and what we do correct in this bill. That is right. We have judges out there right now who look at today's bankruptcy code and find that filing bankruptcy stops all other proceedings. They find we have failed to write an exception for proceedings such as those for domestic violence. They find their hands are tied.

Then they send a woman in here to get the bankruptcy court to lift the automatic stay so she can go back into court and get a stay to keep the abusive husband away from her. This bill permits that restraining order to go forward, while the current law does not do that.

If anyone thinks it is fair, if anyone prefers this state of affairs—and I know the Presiding Officer does not—I guess you will think we passed a bad bill. Personally, I am proud of this bill. I am surprised opponents failed to take note of the important improvements this bill has made for women and children. If they have their way in a conference or when it comes back here, women and children in this country depending on alimony and child support will be robbed of real protections we have in this bill. I think that would be a crime.

This is another way the bill provides women with the resources and the influence they now lack under the current bankruptcy code. Section 219 of the bill requires the U.S. bankruptcy trustee to notify a woman of her rights to use the services of her State child support enforcement agency, and gives her the agency's address and phone number the moment the husband files. Better yet, the trustee, likewise, notifies the agency independently of the woman's claim.

That is striking. The bankruptcy judge is now, if we pass this law, required to notify the child support agency of what is going on, in addition to the woman. A woman who needs help will get information they need because the bankruptcy system is charged with reaching out to family support professionals, acting under the family Federal support collection law, which I helped pass, and putting them at the service of women and children who need these services.

This last item needs stressing because so much has been made about what will happen after someone who owes family support payments comes out of bankruptcy. The claim is that "a more powerful creditor will push women and children aside and strip the dad bare before he can make any payments to his family." That makes for a very moving story. However, it is plain, ordinary fiction. As one of our former colleagues used to say, with his great sense of humor, Senator Simpson of Wyoming, how many times through the years I served on this floor with him in the Judiciary Committee, and he turned and said: I understand the gentleman is entitled to his own opinion, but he is not entitled to his own facts. He is not entitled to his own facts.

The facts are, that after the bankruptcy payment is made, after they have worked out if they are in a chapter 7, afterwards, the bankruptcy trustee is required to notify both the woman and the family support collection professionals about the dad's release from bankruptcy, his last known address, the name and address of his employer, and a list naming all of the bill collectors that will still be there trying to collect from dad. This section helps mother both during and after bankruptcy. The new notification procedures will help a mother and the support enforcement agencies keep track of the father, where he is working, and what other bills he is required to pay. Because of this monitoring, which would be put in place by the bankruptcy system under this bill, mothers and collection agencies can more easily go to court and get that portion of the father's wages that now belong to them. Dad may complete his bankruptcy plan, but his obligations to mom will not stop.

These new procedures guarantee that family support claims of women and children will always receive No. 1 priority during and after bankruptcy. The process for obtaining a portion of the father's wages, through a wage attachment, already guarantees priority to women and children over all other collectors, whoever they are.

Under the wage attachment, the money is taken out of his paycheck before he even sees it. He can't be forced "by powerful creditors" to choose between them and his alimony or child support. These payments are automatic. Again, the picture of the greedy bill collector, rushing in front, elbowing mom out of line, and the starving children, is a dynamic story-telling device, but it is only that—story telling. It is a plain story. As I said, quoting my friend from Wyoming, everyone is entitled to their own opinion, but not their own facts.

Even if a father does not earn wages, support enforcement agencies still have many tools to ensure that the mother and children get paid. Support enforcement agencies can intercept taxes, unemployment benefits, revoke driver's license, professional' recreational licenses, deny passports, institute criminal and contempt proceedings. All of this she is unable to do now because she doesn't know where dad took off to but the bankruptcy court is required, even after he works out a bankruptcy, to tell her, and tell her who the collectors are. That is why, even compared to any imaginary powerful creditor you might be able to conjure up, mother and children have real, tangible, protections and resources at their disposal to bring a first priority claim against father's wages after bankruptcy, or anything else dad has.

Finally, let me conclude where I began, with the enthusiasm for this legislation that we have heard from the folks in the trenches. This is what the National Association of Attorneys General asserts. The bill "improves the treatment of domestic support obligations," and when the current code "obstacles are removed, as this legislation seeks to accomplish, we believe that our State and local support enforcement offices will continue to be able to collect those moneys effectively, regardless of whether the lower priority creditors remain."

The National District Attorneys Association, with more than 7,000 local prosecutors in their membership, is convinced that women and children will not be disadvantaged by this bill. "To the contrary, support collectors have vastly more effective, and meaningful, collection readiness before a bankruptcy case is filed, or after the case is completed, than any other financial institution. It is under the current law, during bankruptcy, that support collectors have the greatest difficulty, because they are in competition with all other creditors for bankruptcy estate assets and because their most effective collection remedies have been stayed. This legislation provides a major improvement to the problems facing child support creditors in bankruptcy proceedings."

I worked very hard to see that many of these things got in the bill. I support enthusiastically the reform that enforcement professionals call for from New York City to California, from Minnesota to Vermont, from Massachusetts to Michigan. I want to save women and children from having to fight their way through a broken bankruptcy system, and even if they get there, they end up seventh in line. I want to make some system work for them and not against them. I believe all those who voted for this bill today voted to do just that. That is why I so strongly supported the bill.

YUGOSLAV FORCES ENTER THE BUFFER ZONE

Mr. BIDEN. Mr. President, I rise today to discuss the agreement concluded this week under which NATO is allowing limited, selected units of the armed forces of Yugoslavia to reenter a part of the so-called Ground Safety Zone in extreme southern Serbia, opposite the southeastern tip of Kosovo.

This decision, which I consider to be a wise one, was prompted by the escalating violence of three loosely organized ethnic Albanian guerilla groups, which collectively call themselves the "Liberation Army of Preševo, Medvedja, and Bujanovac", or UCPMB.

These insurgents have taken advantage of the unintended military vacuum in the GSZ to operate with virtual impunity and take control of much of the small border area.

In this context, it is important to note that NATO's decision was quickly followed by a one-week cease-fire agreement between the rebels and the Yugoslav Government.

The Ground Safety Zone was created in the Preševo Valley as part of the Military-Technical Agreement concluded in June 1999 at the end of Operation Allied Force, the Kosovo Air War. It is a five-kilometer-wide strip, which was intended to separate the NATO-led troops occupying Kosovo from the Yugoslav Army and Serbian police in Serbia proper.

In the last half-year the situation has changed fundamentally. Slobodan Milošević, the authoritarian war-criminal who was responsible for starting four bloody wars in eight years, was deposed last October after he tried to thwart the will of the Yugoslav electorate.

Although some of his successors have extreme nationalist backgrounds of their own and, in the case of Yugoslav President Koštunica, often voice rather other-worldly anti-American pronouncements, they are democrats and represent a significant break with Milošević.

Therefore, NATO believes that the troops under its command in Kosovo no longer must fear attacks from Yugoslav units across the border in Serbia proper. In short, NATO, through this week's agreement, has given an important, if limited, vote of confidence in the new administration in Belgrade.

Again, this ground security zone, which coincidentally, as I know the Presiding Officer knows, is an area of southern Serbia bordering Kosovo which is predominantly Albanian. We did not put that ground security zone there because we were worried about the Albanian extremists, although we worry about them. We put it there so you wouldn't have the Serbian Army under Milošević's command facing off border to border with NATO forces. That is why it was put there.

In the meantime, there is no evidence that the KLA, the Kosovo Liberation Army, and its former leaders, Mr. Hashim Thaci and Mr. Ramush Haradinaj, are involved in these raids going on in that area of the Presevo Valley.

In light of that, when I spoke to Major General George W. Casey, who is in charge of Camp Bondsteel and the KFOR forces in that sector, about a month ago, he proposed two things: One, that the Serbs have to come up with a political solution to deal with the plight of the Albanians living in Serbia who are denied political representation. In the meantime, we had to think about working out an agreement whereby in at least part of the Ground Safety Zone, we would allow patrols by the Serbian military to stop the infiltration of these renegade Albanian guerrilla forces who are seemingly not united, but who could cause the spark for a new war in the region.

Meanwhile, the UCPMB attacks have grown bolder, and small groups of ethnic Albanian gunmen have begun attacks in the Former Yugoslav Republic of Macedonia, just across from southern Kosovo.

This latter outbreak of violence stems from local conditions, not the least of which is common criminality. Although the two insurgencies are fundamentally different—the ethnic Albanians in Macedonia have full rights and are represented in the highest levels of the national government—there has been a steady stream of smuggling of arms between the two areas. Moreover, this smuggling route goes directly through the sector of the GSZ that is to be re-occupied. NATO obviously hopes that one beneficial aspect of this week's agreement will be the interdiction of this smuggling route.

Incidentally, I believe that the Bush Administration made a mistake by refusing to go along with the proposal by our British allies for entry of KFOR troops into the Groud Safety Zone to help pacify the area.

Here I must underscore that the overall plan for the Preševo Valley is not a purely military one. It has an important civilian component, worked out by Serbian Deputy Prime Minister Čović. I will return to that aspect in a few minutes.

Several articles in today's press have given sketchy outlines of what has been agreed upon. I believe, however, that since American troops are directly involved in this new situation, it would be wise to go into greater detail for the benefit of the Members of this chamber and for American citizens.

First of all, the GSZ, Ground Safety Zone, has not been narrowed or otherwise reduced. The Commander of KFOR intends to permit certain forces of the Federal Republic of Yugoslavia, popularly known as the FRY, to enter the small Sector C, East, of the GSZ on specified dates and times.

The presence of FRY forces is subject to the authorization of the KFOR Commander, who retains the right to revoke his authorization in the event of a violation of the specified terms and conditions. Now to the most important specific military conditions in the agreement.

First, no FRY forces or authorities will be permitted to enter Kosovo. The agreement applies only to the GSZ in Serbia proper.

Second, no FRY or Serbian irregular or paramilitary forces are to enter the GSZ. Only regular forces are involved.

I will not take the time, but there is a gigantic difference between the regular FRY forces and the paramilitary forces that were responsible for the horrible damage and the horrible atrocities in Kosovo and other places.

Third, several categories of equipment and weapons systems are prohibited from the sector to be re-occupied by FRY units, and are not to be used to fire into Kosovo.

They include: tanks, helicopters, towed and self-propelled artillery, multiple launch rocket systems, mortars greater than eighty-two millimeters, anti-tank guns and guided missiles, and cannon greater than thirty millimeter caliber, anti-aircraft and air defense weapons systems, and mines and booby-traps of all types.

I am sorry to go into such detail, but it is important that this be in the RECORD.

Fourth and finally, FRY forces and authorities will at all times respect and ensure fundamental human rights and will abide by the provisions of all international humanitarian law conventions and covenants and the Geneva Convention. Monitoring of FRY forces will be conducted by the European Union.

NATO has insisted that the commanding officers of the FRY forces going back into the GSZ must not have been involved in any of the atrocities committed in Kosovo in 1998 and 1999.

Nonetheless, today's New York Times reported that the returning forces included General Pavković, the Chief of the General Staff of the Yugoslav Army, and General Lazarević, the head of the national paramilitary police, both of whom compiled a record of brutality in Kosovo two years ago.

Upon hearing this, my staff contacted U.S. Ambassador William Montgomery, who was on the scene in the Preševo Valley, to ascertain what had happened.

His report illustrates both the progress in democratization that Serbia and Yugoslavia have made, and also how much more there is to do in that regard.

Serbian Deputy Prime Minister Covic—as I said, who I met with for hours and is a democrat and a decent man—had been given authority to set up a special military unit to conduct the reentry of Yugoslav forces into the small southernmost area of the Ground Safety Zone.

He placed in charge a general, with loyal subordinates, all of whom were not associated with the brutality in Kosovo 2 years ago.

And, in fact, as of this morning there has not been any real violations of the cease-fire by either side.

Now comes the intrigue that illustrates the split in the Belgrade Government. Without informing anyone in advance, General Pavkovic went down to the Presevo Valley and went into the Ground Safety Zone in a white jeep—in a white jeep, like some tinhorn dictator—stayed about an hour to assert his authority as Chief of the General Staff of the Army, and then left.

Deputy Prime Minister Covic, a decent man about whom I will shortly speak, was apparently livid. In a press interview he snapped: "The dogs of war must go, no matter how important the positions they occupy"—obviously referring to the Chief of the General Staff of the Army who rode around in his white jeep like some tinhorn dictator.

We should not kid ourselves. Milosevic is gone from power, but many of his most important henchmen in the military and the police are trying to hang on to their posts.

I hope, and expect, that President Kostunica—who personally emphasized his commitment to constitutional government to me 2 months ago in Belgrade—will shortly dismiss General

Pavkovic, and General Lazarevic, and other military leaders who have Kosovar blood on their hands. President Kostunica must realize that this is a litmus test for Yugoslav democracy.

Mr. President, earlier I mentioned the so-called Covic Plan, drawn up by the Deputy Prime Minister of Serbia.

In January, I had a lengthy meeting with Mr. Covic and his senior advisors. I judge him to be a genuine democrat who can be trusted.

In fact, he already has won the grudging confidence of most ethnic Albanians in the Presevo Valley with whom he has been in negotiations.

The Covic Plan has six fundamental elements, which are intended to create long-term stability, but keep the Presevo Valley as part of Serbia.

First, Serbia and the FRY commit to solving the crisis by political and diplomatic means.

Second, there will be no special status or border changes for Presevo, Medvedja, and Bujanovac. I am getting good at these names, but not good enough, Mr. President.

Third, there will be no constitutional changes. Ethnic Albanians in the area will be integrated into the existing system.

Fourth, representatives of human rights organizations and the media will have free access to the area.

Fifth, both the Serbian and ethnic Albanian sides in the area will demilitarize.

And sixth, and most important, the ethnic Albanians will be integrated into the political, economic, and social systems of the Presevo Valley—in other words, the new government in Belgrade pledges to reverse the shameful discrimination and persecution of ethnic Albanians in the area carried out by Milosevic and his thugs.

Mr. President, NATO's move this week was calculated, and it was a two-part gamble. First, we are betting that the new government in Belgrade has made a clean break with the ruthless, racist, and exploitative policies of Milosevic.

Second—and this is probably more of a stretch—we are hoping that the majority of ethnic Albanian guerillas will permanently lay down their weapons if they see that Covic and his plan are being implemented in good faith and is producing tangible results.

I should add that if the Serbian and Yugoslav authorities meet their part of the bargain, we should be ready to provide economic and humanitarian assistance to the Presevo Valley.

Mr. President, one, or even both of these gambles may not pan out. If that happens, we, in concert with our allies, will have to recalibrate our policies.

But in the highly complex and emotionally charged current situation, this agreement is, I believe, a risk necessary to take.

As I have said innumerable times on this floor and elsewhere, the stakes for the United States in creating stability in the Balkans are too high for us to walk away from this problem.

Either we remain intimately engaged politically, militarily, and economically or, I am firmly convinced, at some future date we will have to go back into a newly devastated Balkan area with a much higher cost.

I thank the Chair, and I thank the pages. I thank the staff. I thank everybody for indulging me until 7:20 at night. But, Mr. President, I think it is vitally important that we all know what we are undertaking in the Presevo Valley and what we are undertaking in Kosovo. I am convinced we have no choice but to proceed as we have.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. I thank the Senator from Delaware.

ADJOURNMENT UNTIL MONDAY, MARCH 19, 2001

The PRESIDING OFFICER. The Senate stands in adjournment until Monday, March 19, 2001, at 12 noon.

Thereupon, the Senate, at 7:26 p.m., adjourned until Monday, March 19, 2001, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate March 15, 2001:

DEPARTMENT OF COMMERCE

KENNETH I. JUSTER, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION, VICE WILLIAM ALAN REINSCH, RESIGNED.

EXTENSIONS OF REMARKS

TRIBUTE TO REBECCA EVERS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to recognize 18-year-old Rebecca Denise Evers of Bayfield High School. Rebecca is the very first recipient in the school's history to receive the Boettcher Scholarship award. For this, Mr. Speaker, I would like the United States Congress to honor her.

She is one of 40 students statewide to receive this honor. The Boettcher Scholarship is recognized as the most prestigious private scholarship in the state of Colorado. Rebecca is one of 820 applicants and one of 72 finalists. For the honor, Rebecca had to finish in the top five percent of her class and have an ACT score of 27 or a 1,200 SAT score. Selections are based on academics, extracurricular leadership and involvement and character.

According to Rebecca's teachers, she is an energetic, hardworking, and caring young woman as well as an outstanding student, an exceptionally talented athlete, and is dedicated to helping others and contributing to her community. "She's an excellent student," said Paula Carron, her fifth grade teacher. "She was self motivated, happy, cheerful, and willing to help other people."

Rebecca is involved in many different activities. She is involved with the National Honor Society, the Future Business Leaders of America, the El Pomar Youth and Community Service Organization, and is her class president.

Rebecca was instrumental in the organization and implementation of Peer Helpers at Bayfield High School. She has dedicated several hours a week during the past two years helping many of her classmates solve personal problems as well as adjusting to high school life. She somehow has also found to time to excel at volleyball, basketball and track.

Mr. Speaker, it is students like Rebecca Evers who take our mind off of all the negative and tragic events in our nation's schools, and focus on all the positives. Rebecca is truly someone who can be looked up to by young people everywhere.

CENTRAL NEW JERSEY RECOGNIZES POLICE CHIEF JAMES T. MALETTO

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of James T. Maletto, retiring Chief of Police in West Long Branch, N.J. Over the last nearly four decades, Chief Maletto has made tremendous contributions to our community through his commitment to law enforcement in this part of New Jersy's 12th Congressional District.

James Maletto's distinguished career with the West Long Branch police department began in 1964, following his honorable discharge from the army one year earlier, when Jim was made a Special Police Officer. Shortly after being promoted to the rank of Sergeant, James, in an act of bravery befitting his office, helped to thwart a May 1972 armed robbery at a local gas station. After wounding one of the perpetrators in a shoot-out and aiding in the successful apprehension of the robbers, Sgt. Maletto received an official Commendation from West Long Branch's mayor, Henry Shaeen, in addition to being awarded the title of Man of the Year by the West Long Branch Chamber of Commerce, and a medal and citation for bravery by P.B.A. Local 141.

After being promoted to Sergeant and then to Lieutenant in 1985, James became Chief of the West Long Branch Police Department in 1991. During his tenure as the town's top law enforcement official, Chief Maletto supervised the institution of West Long Branch's D.A.R.E., Bike, and Explorer programs. Chief Maletto's tenure also saw the hiring of his department's first female officer.

Chief Maletto's other positions and accomplishments have included membership in West Long Branch's Fire Company No. 2, presidency of the P.B.A. Local No. 141, membership in the International and New Jersey state chiefs associations, as well as service as Regional Representative of the New Jersey Traffic Officers Association. Chief Maletto's efforts were also instrumental in the Court sanctioning of the Radar Unit as a reliable tool for gauging motor vehicle speeds.

James Maletto is truly a great asset to both Central New Jersey and our nation. I urge all my colleagues to join me today in recognizing his thirty-six years of dedication to law enforcement and in congratulating him on his upcoming retirement.

HONORING MARGE SHORTWAY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mrs. ROUKEMA. Mr. Speaker, I rise to call my colleagues' attention to Marge Shortway, a close friend of mine and one of the most prominent political and business figures in Hawthorne, New Jersey. Her dedication as a notable leader of the business community and the civic community has been widely reported throughout the district.

The former Marge Holmes met her future husband, Harry Shortway, in elementary school—she attended the White School House and later Franklin Elementary School. The couple married in March 1936, after both dropped out of high school to take hard-to-find jobs in the middle of the Depression. She went to work in a Hawthorne hosiery mill while her husband worked as an inspector at the Curtiss-Wright Corp. in Wood-Ridge and volunteered as a Hawthorne Borough firefighter. The couple eventually raised 11 children—six boys and five girls—in their Hawthorne home. Marge is the proud grandmother of 39 and great-grandmother to 46.

Marge soon found herself working for her father-in-law, Tunis Shortway, who converted his former horse barn into a bar—appropriately known as "Shortway's Barn"—in 1933. The Barn was a true tavern in those days, with sawdust on the floor on Friday nights, and turtle races and arm wrestling brought in over the years to attract patrons. Marge was always there, working to help the family as a waitress, cook, bartender and manager.

Harry Shortway and his brother, Anthony "Tex" Shortway, took over the business after their father died in 1942. Harry bought out his brother in 1952 and continued to run the Barn as a bar until his death in 1981. At that pointed, Marge took over, adding more dining tables and re-establishing the bar as the family restaurant it is today.

As tavern or restaurant, Shortway's Barn has long been a Hawthorne landmark. Marge, herself, became a landmark and a revered leader in the community. Shortway's is such a prominent fixture of local life that it was the setting for several scenes in Pride and Loyalty, a criminal suspense thriller by local filmmaker Kenneth Del Vecchio.

Life in the large Shortway family centers around the Barn. The family has always held its holiday meals there—there were too many children, wives, husbands and grandchildren to fit into one house—and the staff has always been primarily family members. The tradition continues today with five of Marge's children working at the restaurant.

While best known as the owner of Shortway's Barn, Marge has been active in a variety of roles in the community. She has supported many charities and is a prominent member of the Chamber of Commerce. As a leader of the Hawthorne Republican Club and a member of the Borough Council for the past 12 years, Marge is considered by many to be the matriarch of the local Republican Party.

Mr. Speaker, I ask my colleagues in the U.S. House of Representatives to join me in thanking Marge Shortway for her many years of hard work and dedication to her community. She has been a leading citizen and a role model. We need more like her.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

REINTRODUCTION OF THE BROKEN PROMISES RETIREE HEALTH COVERAGE ACT OF 2001

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. KLECZKA. Mr. Speaker, I am reintroducing legislation today, entitled the Broken Promises Retiree Health Coverage Act, which would assist our nation's retirees who face the unexpected loss of health care benefits promised by a former employer.

Thousands of hard-working retirees have been forced to cope with sudden cancellations and reductions of their health coverage over the past several years. In my hometown of Milwaukee, 750 retirees were left high and dry when the Pabst Brewing Company shut down its operations and cancelled retiree health coverage in 1996. Although they went to court and finally won a nominal prescription drug benefit, the loss of promised health coverage was a serious blow to their financial security. This treatment is not what retirees should get in exchange for many years of loyal service to their employer.

More recent events in Milwaukee underscore the pressing need for this legislation. Earlier this month, a bankruptcy court judge's decision left an additional 490 Milwaukee-area retirees plus their spouses and dependents of bankrupt Outboard Marine Corporation without any employer-promised health insurance.

Unfortunately, reports indicate that this problem will only get worse. Last year, the number of large firms with 500 or more employees offering health coverage for pre-Medicare-eligible retirees fell from 35 percent to 31 percent. This alarming statistic proves that coverage loss is not an isolated incident, but part of a disturbing national trend. As I reintroduce this measure in the 107th Congress, I renew my commitment to providing meaningful support to the retired workers and their families across the nation who have or will experience the tremendous loss of retiree health coverage.

My legislation would establish a safety-net for retirees. First, the bill would require employers to give at least six months notice to retirees about their impending loss of health coverage so retirees may be more prepared to handle the coverage loss, and if possible, seek other insurance options. To ensure the cancellations or reductions are lawful, the U.S. Department of Labor must certify that any changes to retiree health benefits meet the requirements of the collective bargaining agreement. Second, the bill ensures that health care options remain for those retirees over 55 by allowing retirees to either buy into the Medicare program or buy into their former employer's current health coverage plan until they turn 65 and become eligible for Medicare. Lastly, the bill would allow retirees, who did not sign up for Medicare or Medigap when they turned 65 years old, to apply for the programs without late-enrollment penalties.

Mr. Speaker, this legislation is critical to the retirement security of all American workers. I urge my colleagues to show their support for retired workers and their families by cosponsoring this bill.

TRIBUTE TO CHIEF KARL JOHNSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I wanted to ask that we all pause for a moment to remember Karl Johnson, a leader in the community of Grand Junction, Colorado who recently passed away at age 86. Karl spent 32 years of his life protecting the citizens of Grand Junction as a police officer. It is this life of service to his community, state and nation that I would now like to honor.

From 1954 to 1974, Karl served as the chief of police. During his 20 years he closed the door on corrupt activities and brought respect back to his police department. "He ran a tight ship and no scandals and that wasn't true of those before him," said Frank Spieker, a former Mesa County district attorney. It was no easy task to keep the department scandal-free for two decades, but according to Bob Evers, he was the leading force in restoring integrity to his department.

At the time Karl was police chief, there wasn't a Police Academy in the state of Colorado. Karl worked with the FBI to put on training sessions of officers in his department and from surrounding agencies. "He was a bit ahead of his time in that respect," said Vincent Jones, the FBI agent based on Grand Junction at the time.

Chief Johnson's yeoman's work in the Police Department was just one of many ways he served his community, said Terry Farina, who worked with him as a district attorney. After his retirement from the police department, Karl went on to win a seat on the city council and spent a year as mayor.

Mr. Speaker, Karl was a man of great character whose leadership and integrity left an impact on the Grand Junction Police Department that can still be felt today. For that, we are grateful.

It is clear, Mr. Speaker, that Grand Junction is a better place because of Karl's service. Though he will be missed greatly, Karl will not soon be forgotten.

CENTRAL NEW JERSEY RECOGNIZES OFFICER JACK BRYDEN

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of Police Officer Jack Bryden of the Ewing Township Police Department, who was recently named Police Officer of the Year by the Kiwanis Club of Ewing. Throughout his nearly three decades of service to the people of Central New Jersey, Officer Bryden has made significant contributions to our community through his professional interaction with its many grateful citizens.

After 6 years of distinguished service in the United States Navy, aboard both the U.S.S. *George Washington* and the U.S.S. T.A. *Edison*, Jack Bryden was appointed to the Ewing Township Police Department in 1973. During his career in the Ewing Police Department's Patrol Division, Officer Bryden has served as a firearms instructor. He is now assigned as an information officer and often acts as citizens' first contact with the police department.

Officer Bryden's professionalism and valor above and beyond the call of duty have made him the recipient of volumes of commendation letters for outstanding performance. As a result of his willingness to assist the public in all aspects of his interaction with those he protects, Jack has also received a number of letters of appreciation from community members. One of the crowning achievements of Officer Bryden's illustrious career was his aid in rescuing four people from a smoke-filled apartment and extinguishing of the potential blaze within, actions that demonstrate his courage in the line of duty. Jack was awarded the Ewing Police Department's Valor Award for his great bravery in the face of danger.

Clearly, Officer Jack Bryden is a great asset to both Central New Jersey and our nation. I urge all my colleagues to join me today in recognizing his dedication to law enforcement and to the people of my district.

CONGRATULATING BETTY GALLINGHOUSE

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate our good friend and a distinguished American, Betty Gallinghouse of Oakland, NJ, on receiving the 2001 Distinguished Service Award from West Bergen Mental Healthcare, Inc., a mental health treatment facility in my hometown of Ridgewood, New Jersey. This award is given each year to an "exceptional community leader," and Betty certainly meets that definition.

Betty has been an outstanding and committed volunteer at West Bergen Mental Healthcare since 1990 and is currently a member of the Board of Directors and chairwoman of the Development Committee. She has given selflessly of her time and effort in order to help West Bergen realize its mission of providing counseling and psychiatric services for individuals and families in distress. Known for her unparalleled efforts to help wherever possible, Betty is the No. 1 cheerleader and advocate for West Bergen and its patients.

Last year, Betty undertook her most ambitious project yet—the House and Garden Color Showhouse at the Havemeyer Mansion in Mahwah. This month-long event raised almost $100,000 for the mental health center and drew more than 10,000 visitors.

In addition to West Bergen, Betty has been actively involved in numerous community organizations, such as the Oakland Library, the Oakland Planning Board, the Oakland Parent-Teachers Organization, the Girl Scouts and many others. She is active at her church, Our Lady of Perpetual Help. She also serves as president of the Bergen County Women's Republican Club.

This is not the first time Betty has been honored for her devotion to others. Last year, she received the prestigious Bergen County Volunteer Center Service Award.

Betty is an officer with Proteus International, a venture banking and consulting firm in Mahwah. She and her husband, Bob, have two sons, two daughters and four grandchildren.

Mr. Speaker, I ask my colleagues in the U.S. House of Representatives to join me in congratulating this dedicated community volunteer for her many years of unparalleled service to her neighbors, our community and our American way of life.

MESQUITE INDEPENDENT SCHOOL DISTRICT

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. SESSIONS. Mr. Speaker, I would like to congratulate the Mesquite Independent School District for their centennial anniversary on March 12. Since 1901, the leaders and educators have strived to create an outstanding record in education. They continue to work tirelessly to ensure academic excellence and accountability for students, teachers, and administrators. Enriching these efforts are the partnerships and strong support of parents and the community.

As a result, the students acquire important learning skills and a foundation of knowledge that will serve them throughout life. Mesquite ISD is one of the largest districts to achieve "Recognized" status as a result of President George W. Bush's education initiatives while he was Governor of Texas.

With 42 schools and over 30,000 students, it has exemplified how successful our nation's public school system can be. I congratulate Mesquite ISD for one hundred years of educational excellence.

TRIBUTE TO BILL AND CLAUDIA COLEMAN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize Bill and Claudia Coleman for their gracious donation to the University of Colorado. On January 16, 2001, University of Colorado president Elizabeth Hoffman accepted their donation, the single largest gift ever given to an American University. The gift, totaling $250 million dollars, will be used to establish the University of Colorado Coleman Institute for Congenative Disabilities. The program will fund advanced research and development of innovative technologies intended to enhance the lives of people with congenative disabilities.

Cognitive disabilities are associated with a number of conditions, such as mental retardation and developmental retardation. "This will make CU the international center of excellence in developing adaptive assistance technologies, based on advanced biomedical and computer science research and computer science research, for people with congenative disabilities," Hoffman said.

Bill is the founder and chairman of BEA Systems of San Jose, California, and his wife Claudia, is a former manager with Hewlett Packard. An Air Force Academy graduate and former executive with Sun Microsystems, Bill said the idea for the donation came from a tour of CU's Center for LifeLong Learning and Design. Bill and Claudia are no strangers to congenative disabilities. They have a niece with the disability, and they understand the benefits and the promise new technologies offer.

The Coleman's plan to play an active role in the institute. They said the "incredibly strong" team of researchers at CU played a decisive role in the decision to give the University the endowment. "We have witnessed the challenges this population faces everyday with problem solving, reasoning skills and understanding and using language," Bill said. "I passionately believe that we as a society have the intelligence and the responsibility to develop technologies that will expand the ability of those with congenative disabilities to learn, to understand and to communicate," he added.

Mr. Speaker, this is an unprecedented gift by both Mr. and Mrs. Coleman. Their generosity and vision will help countless Americans now and in the future. For that, they deserve the thanks and praise of this body.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. BECERRA. Mr. Speaker, on March 13 and 14, I was unable to cast my votes on rollcall votes: No 46 on motion to suspend the rules and pass H.R. 834; No. 47 on motion to suspend the rules and pass H.R. 223; No. 48 on motion to suspend the rules and pass H.R. 725 as amended; and No. 49 on motion to suspend the rules and pass H.R. 861. Had I been present for the votes, I would have voted "yea" on rollcall votes 46, 47, 48, and 49.

TRIBUTE TO CLARISSA WALKER AND DOROTHY WOOLFORK IN CELEBRATION OF WOMEN'S HISTORY MONTH

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. SABO. Mr. Speaker, as we celebrate the historic achievements of American women this month, I wish to recognize two very special women from my Congressional district—Clarissa Walker and Dorothy Woolfork. For more than three decades, they have selflessly served the African-American community in Minneapolis through their work at Sabathani Community Center.

Ms. Walker—Sabathani's Family Resources Director—and Ms. Woolfork—a Sabathani civil rights activist—have tirelessly aided those in need in the south Minneapolis community that Sabathani Community Center serves. I admire both of these women for their selflessness in reaching out to others to enact true social change.

Mr. Speaker, I would like to tell you a little more about the life experiences that shaped Clarissa Walker and Dorothy Woolfork's beliefs, and helped them become the dedicated women of conviction they are today.

CLARISSA WALKER

A native of Kansas City, Missouri, Clarissa Walker settled in Minneapolis in 1955. Her service to the Twin Cities community began when she worked as an operating room technician at the University of Minneapolis Hospital.

In 1968, Ms. Walker was recruited to work for Sabathani Community Center as a youth supervisor. She quickly moved up the ranks, serving in various positions—social worker/counselor, assistant director, acting executive director, and agency director of the Center. In 1971, she earned a bachelor's degree in sociology. Since then she has done some post-graduate studies in business management, and has become a licensed social worker. Ms. Walker has served in her current position as director of the Family Resource program since 1985.

Through the years, Ms. Walker has worked diligently to enrich the Sabathani community in a number of capacities. She has donated much of her time to several important agencies and causes, including the Minnesota Extension Advisory Committee; the Neighborhood Reinvestment Regional Advisory Committee; the Second Harvest Food Bank Board; the United Way First Call for Help Committee; the First and Secondary Market Loan Committee; the Neighborhood Housing Services of America Board; and the Project for Pride in Living Board. She has also served as President of the Southside Neighborhood Housing Services Board President, and has served on the Central Neighborhood Improvement Association; the United Way Budget and Allocation panel; the Senior Citizen Advisory Committee to the Mayor; and the Lake Street Partners Board.

DOROTHY WOOLFORK

Dorothy Woolfork was born in rural Arkansas in 1916. The daughter of sharecroppers, she was taught the value of hard work and the importance of voting—both values she brought to Minneapolis when she moved there in 1939.

Upon arriving in Minneapolis, Ms. Woolfork learned about a neighbor who was returning to the South to teach, because Minneapolis did not hire black teachers. This experience, along with the prejudices she witnessed growing up in the South, inspired her to learn more about the political process.

Characteristically independent, Ms. Woolfork believes strongly in the collaboration of community involvement and government to make positive societal changes. She has demonstrated this belief by serving on several boards, including the Civil Rights Commission; the Board of Equalization; the Bryant Village Initiative; the Bryant Neighborhood Organization; and South Side Neighborhood Housing, Inc. Furthermore, she served for fifteen years on the Council of

Black Minnesotans and earned the Council's Martin Luther King Award. Ms. Woolfork served as the chairwoman for the Minneapolis NAACP for twenty years, and she has been recognized by the State of Minnesota and the City of Minneapolis for her volunteer work. She has also received the Harriet Tubman Award from the Bryant Neighborhood Organization, and several other accolades.

For over a generation, Clarissa Walker and Dorothy Woolfork have worked to open the "road less traveled" to other women seeking to enact positive societal change. Mr. Speaker, as we celebrate Women's History Month, we should salute these two exceptional women—ideal role models for women young and old across this country.

HONORING GULF WAR VETERANS AND THEIR FAMILIES

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. KINGSTON. Mr. Speaker, I am honored today to pay tribute to those brave men who fought in Desert Storm and the families who supported and prayed for them back at home. Families much like the Hart's from my district, who went without a father for almost two years. Steve Hart was not designated to fight in the Gulf Crisis, but rather volunteered to go overseas to protect American values and beliefs. Upon his return, he was welcomed back with a hero's reception as were all of our deserving soldiers. Perhaps the greatest reward was given to him recently, when his son wrote a tribute to him and his colleagues. I would like to submit that tribute, written by Steve's son David. I think it speaks for itself.

THE PRIDE OF AN ARMY SON

As a young adult blessed with the opportunity to have been born and raised in the United States of America, I feel it is essential for every American citizen to reflect on the fact that the many freedoms, which we enjoy, were bought with a price.

The Declaration of independence issued by our forefathers reflected centuries of struggle for freedom from England. From the battlefields at Lexington, Concord, and Yorktown, came our Constitution of the United States and a form of government that provides Americans freedom, opportunity, and justice under the law.

However, neither the victory at Yorktown nor the Constitution would have come about without the perseverance, dedication, and ingenuity of the American soldier.

Millions of Americans have put on this nation's uniform in war and in peace since those brave early Americans who fought for our freedom in the Revolutionary War. While our independence was won more than 220 years ago, it has been secured by those who have stood sentry over those ideals since.

It gives me great pride to acknowledge the fact that my Father is one of the many members of the United States Army who protect the way of life that sets our nation apart from the rest. One incident in particular epitomizes the privilege I celebrate to have been born into the military community.

My mind is drawn to 1990 and 1991 when my family (my Mother, brother and I) was separated for seven months due to my Father's deployment to the Persian Gulf for Operations Desert Shield and Storm. I recall not having my Father around to take me Trick-or-Treating during Halloween. I remember how solemn the normally joyous Thanksgiving and Christmas holidays were in 1990 because our family unit was disrupted. And my thoughts are brought back to how cavalier my friends were about the pending war with Iraq, with seemingly little regard for the death and destruction that accompanies war.

I am proud of my Dad, for he volunteered to go to the Persian Gulf. His section was not scheduled to deploy. Dad's job was supposed to stay at Fort Steward, Georgia and support the soldiers from behind the front lines. I remember him telling me that he "had to go." He likened the call to duty like being on the sports team and not getting playing time. He said he could not live with himself knowing that his friends and comrades were going to fight a war without him. Dad said, "there's plenty of time to accomplish things in civilian life; right now, my country needs me."

I remember how much I worried about my Dad being wounded or killed on the battlefield. I would always take refuge in the text of his many letters and his words during the few phone calls he was able to make. He told "me" to be brave, that everything would be all right and he would be home soon.

As the deployment wore on, my friends, as did much of America, experienced a renewed sense of patriotism. During the height of the Gulf War, many in my neighborhood would show their support for the soldiers of Fort Steward and Hunter Army Airfield, and the entire country, by displaying flags. I saw flags on people's homes, on kids' lunch boxes, on neckties, and on marquees.

When our soldiers came home, there were marching bands, colorful parades and an admiring public. The people of Coastal Georgia and the nation lavished heartfelt thanks upon its returning soldiers, both for their victory and their sacrifice.

Although most of the men and women from Fort Stewart did return safe-and-sound, many returned severely wounded or with emotional scars. Some did not return at all.

As our nation and its democratic ideals and institutions have evolved since colonial times, so, too, has our flag's message of freedom, equality, justice, and hope evolved to embrace all who choose the American way of life.

Our members of the Armed Forces know the loneliness of separation from family and friends, and the fear of dying in a foreign land, alone, far from home, away from their families. In serving America, they sweat, they bled, and they agonized. They have served for their devotion to duty and their love of this country and its ideals.

This is the sacrifice paid by the military and their families to maintain the way of life enjoyed by every United States citizen. The next time you take for granted your freedom of speech, your civil rights, your academic freedom, religious freedom, and the freedom of the press, remember, those freedoms were bought with a price.

DRAFT LAW ON RELIGION THREATENS FREEDOMS IN KAZAKHSTAN

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. PITTS. Mr. Speaker, I rise to voice concern about attempts underway in Kazakhstan to limit freedom of religion. Currently, several drafts of amendments to that country's 1992 law on religion are under consideration. In the view of the Keston News Service, one of the world's most respected organizations on religious liberty, the passage and implementation of these amendments would move Kazakhstan into the ranks of former Soviet republics with the "harshest climate for religious freedom."

Draft amendments to the religion law have surfaced in October 2000, as well as in January and February of this year. Oddly, they lack any indication of origin, which allows government officials to decline to comment on them. It seems clear, however, that the drafts in January and February did not include some of the most onerous and egregious earlier provisions, perhaps in response to criticism. Nevertheless, what remains is more than enough to evoke serious concern.

For example, Amendment 5 of the January and February drafts prohibits "the activity of religious sects in the Republic of Kazakhstan." Amendment 16 bans "the preparation, preservation and distribution of literature, cine-photo- and video-products and other materials containing ideas of religious extremism and reactionary fundamentalism." Amendment 11 of the February version introduces the provision that the charter of all religious organizations "is subject to registration."

Furthermore, Amendment 6 of the February draft would permit citizens of Kazakhstan, "foreign citizens and persons without citizenship" to conduct missionary activity in Kazakhstan "only with the permission of the competent state organ." The drafts also introduce harsh penalties for conducting missionary activity without permission. January's version stipulates fines ranging between two and five month's wages, or up to one year corrective labor, or up to two months in jail. The February draft strengthens these draconian provisions: those convicted could be sentenced to two years of corrective labor, up to six months arrest, or deprivation of freedom for up to one year.

Amendment 10 of the February draft would give the state enormous power over religious practice by the people of Kazakhastan—the activity of foreign religious organizations on the territory of Kazakhstan, "as well as the appointment of leaders of religious organizations in the Republic by foreign religious centers must take place with the agreement of the corresponding state organs." Moreover, Amendment 11 requires Islamic religious groups to "present a document confirming their affiliation with the Spiritual Directorate of Muslims of Kazakhstan."

To quote Keston News Service, "Any requirement that registration be made compulsory would violate Kazakhstan's international human rights commitments, as would a ban on missionary activity and a requirement for state involvement in the selection of leaders for any religious group."

Because these drafts have been "unofficial," even local representatives of the Organization for Security and Cooperation in Europe (OSCE) in Almaty have been unable to obtain any official texts. Nevertheless, on March 6, the head of OSCE center, Herbert Salber, communicated his concerns to the chairman of Kazakhstan's Senate (the upper chamber) of parliament. Mr. Salber described the drafts as having "masses of shortcomings" and running "counter to international legal norms."

Mr. Speaker, if these draft amendments to the religion law are passed, the effect could be to make only Islam and Russian Orthodoxy the permitted religions in Kazakhstan. Other faiths and religious organizations would be severely restricted if not actually outlawed.

It appears that attempts are being made to pass this legislation on March 16, 2001 without even a public reading. Mr. Speaker, I hope the Bush administration will join me in conveying to the leaders of Kazakhstan that we are deeply concerned by this initiative to turn the clock back and to limit the rights of religious believers in Kazakhstan.

TRIBUTE TO MR. DONALD G. CARLSON

HON. JOHN CULBERSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. CULBERSON. Mr. Speaker, our greatest asset as individuals is our good name, and few people in the United States Congress have earned as good a name as Donald G. Carlson. Today marks a very important occasion in the history of this great institution because this is the final day of Don Carlson's thirty four years of public service to the United States House of Representatives.

Don Carlson's work as Chief of Staff for Congressman Bill Archer and for me has established a standard of excellence and integrity and dedication that we should all aspire to maintain. Since 1970, every challenge or problem encountered by the people of Congressional District Seven or their Congressman has been answered by Don Carlson. He has labored tirelessly and quietly to improve the lives of the people of our district and to strengthen the accountability and integrity of the Congress, and he has always worked to achieve these noble goals without any thought of thanks or recognition for himself. His service to his country and to this institution truly exemplify the noble ideal of selfless public service.

On behalf of Congressman Archer and all of the members of the Texas Congressional Delegation and the people of Congressional District Seven, I express here today in the CONGRESSIONAL RECORD our profound and perpetual gratitude to Don Carlson for his unparalleled service to the United States Congress. His good works and his worthy example as a leader and role model will continue to influence the Congress for many years to come because he has touched so many lives here and inspired so many leaders here in so many ways. Don Carlson's good name is a priceless treasure here in the United States Capitol, and all of us who know him and love him will always be uplifted and inspired by the standard of service he established. We thank him from the bottom of our hearts for all he has done for this nation and this institution, and we wish him God Speed and good luck in his new endeavors alongside Chairman Archer.

TRIBUTE TO ANN HOLMES

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize Ann Holmes of La Jara, Colorado for her service to the elderly in her community. For 21 years Ann has dedicated her time to make sure the residents of the Conejos County Long Term Care Unit were comfortable and receiving top care. That is why I would like the 107th Congress to take a moment and recognize Ann for her work.

Ann worked in the district for five and a half years and recently decided it was time to slow down. Her dedication and hard work won her excellent ratings from the State Surveys. And because of these ratings the Conejos County Long Term Care Unit was able to participate in the ResQuip Program, which offers money for specific projects that will enhance the lives of area residents. Ann always put patients first.

The funds that came from the ResQuip Program were used to build a gazebo. One of Ann's goals, which she achieved, was to purchase a lift to transfer residents in comfort.

Ann also formed the Ethics Committee for the Conejos County Hospital. All of her staff members and residents will miss her tremendously. "It has been a privilege to work under her direction. I will miss her both professionally and personally," Julia King-Smith said.

Mr. Speaker, as Ann moves on to new pursuits, I would like to thank her for her remarkable work. In my opinion, Ann will long be remembered as a servant in the medical field, and for giving so much time to make sure that the elderly are comfortable.

For these things, Ann deserves the thanks and praise of this body.

W. JOE TROGDON POST OFFICE BUILDING

SPEECH OF

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. ETHERIDGE. Mr. Speaker, I rise in support of H.R. 821, a bill to designate a facility of the United States Postal Service as the W. Joe Trogdon Post Office Building. This legislation, which was cosponsored by every Member of the North Carolina Delegation, is a worthy and appropriate tribute to one of North Carolina's finest mayors.

Joe Trogdon was born on November 19, 1932 in Asheboro, North Carolina and is a graduate of North Carolina State University in my Congressional District. We honor Mayor Trogdon today because of his unique bond with the city of Asheboro. He grew up in Asheboro, was educated in its city schools, and with the exception of his college years in Raleigh and a brief stint in United States Army, he chose to live his life in the town where he was born.

Mayor Trogdon began his career in public service as a member of the Asheboro Planning Board in 1964 and then was elected to the city council in 1973. After ten years on the council he was elected mayor, a position he would hold for the next 18 years. During his tenure as mayor, he served on the North Carolina League of Municipalities Board of Directors and as chairman of the Piedmont Triad Council of Governments.

Trogdon is more than a mayor or member of the city council. He is an exemplary small businessman and father. As President of S.E. Trogdon & Sons, Inc., Joe continues to run the business his family started in 1928. He married the late Anne Peoples in 1955. Together they raised four children in Asheboro, and their family has now expanded to include six grandchildren. He is also a member of the Asheboro Jaycees, Kiwanis, and Rotary Clubs.

Mr. Speaker, in this age of mobility and change it is refreshing to recognize those who give their entire lives to their community. Joe Trogdon was a fixture in his community and a citizen in the truest sense of the word. He cared deeply for Asheboro. It is his hometown, the place where he was raised and where he chose to raise his own family and he served it well.

It gives me great pleasure to pay this fitting tribute to a great North Carolinian by naming the Post Office in Asheboro after that town's favorite son, W. Joe Trogdon. I ask my colleagues to support H.R. 821.

INTRODUCTION OF THE MEDICAL PRIVACY PROTECTION RESOLUTION

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. PAUL. Mr. Speaker, I rise to introduce the Medical Privacy Protection Resolution, which uses the Congressional Review Act to repeal the so-called Medical Privacy regulation. Many things in Washington are misnamed, however, this regulation may be the most blatant case of false advertising I have come across in all my years in Congress. Rather than protect an individual right to medical privacy, these regulations empower government officials to determine how much medical privacy an individual "needs." This "one-size-fits-all" approach ignores the fact that different people may prefer different levels of privacy. Certain individuals may be willing to exchange a great deal of their personal medical information in order to obtain certain benefits, such as lower-priced care or having information targeted to their medical needs sent to them in a timely manner. Others may forgo those benefits in order to limit the number of people who have access to their medical history. Federal bureaucrats cannot possibly know, much less meet, the optimal level of privacy for each individual. In contrast, the free market allows individuals to obtain the level of privacy protection they desire.

The so-called "medical privacy" regulations not only reduce an individual's ability to determine who has access to their personal medical information, they actually threaten medical privacy and constitutionally-protected liberties. For example, these regulations allow law enforcement and other government officials access to a citizen's private medical record without having to obtain a search warrant.

Allowing government officials to access a private person's medical records without a warrant is a violation of the fourth amendment to the United States Constitution, which protects American citizens from warrantless searches by government officials. The requirement that law enforcement officials obtain a warrant from a judge before searching private documents is one of the fundamental protections against abuse of the government's power to seize an individual's private documents. While the fourth amendment has been interpreted to allow warrantless searches in emergency situations, it is hard to conceive of a situation where law enforcement officials would be unable to obtain a warrant before electronic medical records would be destroyed.

Mr. Speaker, these regulations also require health care providers to give medical records to the federal government for inclusion in a federal health care data system. Such a system would contain all citizens' personal health care information. History shows that when the government collects this type of personal information, the inevitable result is the abuse of citizens' privacy and liberty by unscrupulous government officials. The only fail-safe privacy protection is for the government not to collect and store this type of personal information.

In addition to law enforcement, these so-called "privacy protection" regulations create a privileged class of people with a federally-guaranteed right to see an individual's medical records without the individual's consent. For example, medical researchers may access a person's private

Forcing individuals to divulge medical information without their consent also runs afoul of the fifth amendment's prohibition on taking private property for public use without just compensation. After all, people do have a legitimate property interest in their private information. Therefore, restrictions on an individual's ability to control the dissemination of their private information represents a massive regulatory taking. The takings clause is designed to prevent this type of sacrifice of individual property rights for the "greater good."

In a free society such as the one envisioned by those who drafted the Constitution, the federal government should never force a citizen to divulge personal information to advance "important social goals." Rather, it should be up to the individuals, not the government, to determine what social goals are important enough to warrant allowing others access to their personal property, including their personal information. To the extent these regulations sacrifice individual rights in the name of a bureaucratically-determined "common good," they are incompatible with a free society and a constitutional government.

The collection and storage of personal medical information "authorized" by these regulations may also revive an effort to establish a "unique health identifier" for all Americans. The same legislation which authorized these privacy rules also authorized the creation of a "unique health care identifier" for every American. However, Congress, in response to a massive public outcry, has included a moratorium on funds for developing such an identifier in HHS budgets for the last three fiscal years.

By now it should be clear to every member of Congress that the American people do not want their health information recorded on a database, and they do not wish to be assigned a unique health identifier. According to a survey by the respected Gallup Company, 91 percent of Americans oppose assigning Americans a "unique health care identifier" while 92 percent of the people oppose allowing government agencies the unrestrained power to view private medical records and 88 percent of Americans oppose placing private health care information in a national database. Mr. Speaker, Congress must heed the wishes of the American people and repeal these HHS regulations before they go into effect and become a backdoor means of numbering each American and recording their information in a massive health care database.

The American public is right to oppose these regulations, for they not only endanger privacy but could even endanger health! As an OB-GYN with more than 30 years experience in private practice, I am very concerned by the threat to medical practice posed by these regulations. The confidential physician-patient relationship is the basis of good health care. Oftentimes, effective treatment depends on the patient's ability to place absolute trust in his or her doctor. The legal system has acknowledged the importance of maintaining physician-patient confidentiality by granting physicians a privilege not to divulge confidential patient information.

I ask my colleagues to consider what will happen to that trust between patients and physicians when patients know that any and all information given their doctor may be placed in a government database or seen by medical researchers or handed over to government agents without so much as a simple warrant?

Mr. Speaker, I am sure my colleagues agree that questions regarding who should or should not have access to one's medical privacy are best settled by way of contract between a patient and a provider. However, the government-insurance company complex that governs today's health care industry has deprived individual patients of control over their health care records, as well as over numerous other aspects of their health care. Rather than put the individual back in charge of his or her medical records, the Department of Health and Human Services' privacy regulations give the federal government the authority to decide who will have access to individual medical records. These regulations thus reduce individuals' ability to protect their own medical privacy.

These regulations violate the fundamental principles of a free society by placing the perceived "societal" need to advance medical research over the individual's right to privacy. They also violate the fourth and fifth amendments by allowing law enforcement officials and government favored special interests to seize medical records without an individual's consent or a warrant and could facilitate the creation of a federal database containing the health care data of every American citizen. These developments could undermine the doctor-patient relationship and thus worsen the health care of millions of Americans. I, therefore, call on my colleagues to join me in repealing this latest threat to privacy and quality health care by cosponsoring the Medical Privacy Protection Resolution.

TRIBUTE TO THE SACRAMENTO SYMPHONY LEAGUE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. MATSUI. Mr. Speaker, I rise in tribute to the Sacramento Symphony League. On March 14th, 2001, the League will host a luncheon to celebrate its 50th Anniversary. As the members gather to celebrate, I ask all of my colleagues to join me in saluting one of Sacramento's finest organizations.

Fifty years ago, the Sacramento Philharmonic Association asked Mrs. Sheldon Brandenburger to organize a women's group to promote the activities of the orchestra. Thirty charter members entered into an active program of musical and financial support forming the Sacramento Symphony League.

In the ensuing years, the Sacramento Symphony has enjoyed unparalleled success. With the introduction of Harry Newstone as conductor in 1963–1964, the symphony began to draw large audiences. The standing room only crowds helped the symphony gain recognition. In 1965–1966, the Sacramento Symphony was chosen by the Ford foundation to receive a five-year grant, which established a million-dollar endowment.

The orchestra's success continued until the Symphony Association filed for bankruptcy in September of 1996. In the wake of this unfortunate occurrence, the Sacramento Symphony League voted immediately to continue with the broader purpose of supporting classical music and youth education.

Today, the Sacramento Symphony League is once again flourishing. Through its "Music in the Schools" programs, the League has made a dramatic difference in Sacramento youth music education and participation.

The Music Ensemble Program provides ensembles to play in schools throughout the area for music education programs. The Docent Program provides teams to visit schools and present an educational puppet show with musical accompaniment. The Classroom Classics Program provides quality CD players and classical CDs for teachers to play in their classrooms. In addition, the League provides scholarships for student musicians and oversees an instrument restoration program for area schools.

Mr. Speaker, as the Sacramento Symphony League gathers to celebrate its 50th Anniversary, I am honored to pay tribute to an invaluable resource to the Sacramento community. The League's commitment to youth music programs has been commendable. I ask all of my colleagues to join with me in wishing the Sacramento Symphony League continued success in all its future endeavors.

A SPECIAL TRIBUTE TO MR. CLARENCE SCHIEFER IN RECOGNITION OF HIS HEROISM

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. GILLMOR. Mr. Speaker, it is with great pride that I rise today to recognize a true hero, Mr. Clarence Schiefer, who was recently recognized for donating 50 gallons of blood. The recognition will be presented at a reception held in his honor by the Sandusky County Chapter of the American Red Cross.

Mr. Schiefer, from Fremont, OH, began donating blood at Heidelberg College many years ago. This retired school teacher, who served his country in the Navy during World War II, has spent more than 40 days of his life donating blood and platelets. His first 199 donations have been in the form of whole blood. Since then, Mr. Schiefer has been donating apherisis style, where a needle is placed in one arm and blood is processed through a Cobe Spectra Machine. This machine separates out blood platelets and returns the remaining blood to his body which allows him to donate more often because the body is capable of regenerating the donated platelets in about a day.

Mr. Schiefer's act of donating blood is an example of one of the most selfless acts of kindness and goodness. For more than 50 years, the American Red Cross has been a leader in blood collection, safety and development. In that time, their efforts have saved countless lives. This incredible act of kindness allows a stranger to celebrate another birthday, give birth to a child or share another Thanksgiving dinner with family and friends.

It is fitting, during American Red Cross month, to acknowledge not only the selfless efforts of Mr. Schiefer but also the efforts of the Sandusky Chapter of the American Red Cross and Red Cross Chapters across this country. Since 1960, this chapter has collected over 120,000 pints of blood.

Mr. Schiefer, volunteers of the Sandusky County Chapter of the American Red Cross and Red Cross Volunteers across the country, my colleagues of the 107th Congress and I salute you. Your selfless acts of volunteerism are an example for future generations.

TRIBUTE TO VAL ALVARADO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize a man of great courage and bravery, a man that this country owes a great debt to. On December 7, 1941, the Japanese attacked a sleeping Pearl Harbor, killing over 2,400 sailors. 60 years later, Val Alvarado of Montrose, Colorado recalls the events that brought the United States of America into the Second World War. Val, who was 18 years old at the time, served aboard the USS *Maryland.* Val's job was to load gun powder into the war ship's 16 inch guns. This was often referred to as the "no warning" tinder box of instant death.

Val and his shipmates were lucky to survive the strike on Pearl Harbor, but those of the neighboring USS *Oklahoma* were not. But if it were not for the fact that the *Oklahoma* was anchored next to them, Val would not be here today. In less than two hours, the United States lost 188 planes, 159 planes and had 18 U.S warships sunk or seriously crippled. But more than that, the U.S. lost over 2,400 service men, and another 1,100 were injured. One of the service men who died was a close boyhood friend of Val's. "On the fifth day we had time to check on our buddies. I found out that my good friend Jimmy Robinson had been killed. . . . We both came from Montrose, we had gone to Morgan School in Montrose. Jimmy was the first man from Montrose to be killed in the war," Val remembered.

After the attack on Pearl Harbor, Val was transferred to the USS *McCalla,* whose war prowess is the stuff of legends. The *McCalla,* with Val in tow, returned to the Pacific where it would earn three battle stars.

During his time in the military, Val took part in the Armed Forces Olympics where he boxed in what the Armed Forces called the Nimitz Bowl. "I won the fight between all the army, marines, and navy in the pacific theatre for my weight. I was pretty proud of that . . . I was pretty happy about that," according to Val.

Mr. Speaker, over 50 million people died in World War II. It took the courage of 18 year olds like Val for America to eventually win the war. That is why I am asking that we take this moment to recognize and honor Val Alvarado for his service to this country, and to wish him good luck in his future endeavors.

Val is the embodiment of the values that characterized the "Greatest Generation". For his service in WWII, America is exceedingly grateful.

MINING CLAIM MAINTENANCE ACT OF 2001

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. RAHALL. Mr. Speaker, today I am introducing legislation aimed at giving the appropriate authorizing committee of the House an opportunity to do its job and resolve a matter that has had to be addressed by appropriations measures instead. In this regard, the legislation being introduced today would make permanent two provisions relating to the management of mining claims under the Mining Law of 1872.

First, the "Mining Claim Maintenance Act of 2001" would make permanent a provision first enacted into law on a temporary basis by the Omnibus Budget Reconciliation Act of 1993 and then reauthorized through 2001 by the Omnibus Appropriations Act for fiscal year 1999 requiring that holders of unpatented mining claims, mill and tunnel sites under the Mining Law of 1872 pay the Interior Department a $100 per year maintenance fee in order to hold the claim or site, as well as pay a one-time $25 location fee.

This provision is in lieu of the 1872 requirement that the holder of a claim or site conduct $100 per year of "assessment work" in order to maintain the claim or site and the associated annual filing requirement under the Federal Land Policy and Management Act of 1976.

As with current law, provision is also made in this legislation to waive this requirement for holders of valid oil shale claims who must comply with a different regime as set forth under the Energy Policy Act of 1992, as well as for individuals holding 10 or fewer mining claims.

Since this provision has been in effect, speculation on public domain lands under the guise of the Mining Law of 1872 has been dramatically reduced. Indeed, in the year this requirement went into effect there were over 3 million mining claims located on the public lands. Today, there are about 253,000.

Further, as with the current practice, I would expect that the Appropriations Committee would utilize the receipts from the holding fee for the purpose of offsetting the cost of the Interior Department administering the mining law program.

Second, this legislation would make permanent a provision that was first included in the fiscal year 1995 Interior Appropriations Act placing a moratorium on the issuance of what is known as a "patent" for any mining claim and mill site claim except in those situations where "grandfather" rights may exist. The purpose of this provision is to eliminate the absurd practice embodied in the Mining Law of 1872 that allows corporations to receive a patent, which represents fee simple title, to public domain lands encumbered by valid mining or mill site claims at $2.50 or $5.00 an acre depending on the type of claim involved.

Mr. Speaker, both of these provisions have received overwhelmingly bipartisan support when debated as part of the Interior Appropriations legislation over the past several years. I have wholeheartedly supported these actions, and would hope that the Appropriators will continue to include these provisions in the upcoming budget bills if the Resources Committee fails to act. Nonetheless, it is properly the duty of the authorizing committee, the Resources Committee, to address this issue.

These two provisions—the imposition of a maintenance fee and the end to patenting—are part of a larger issue relating to the need to reform the 1872 Mining Law. Unlike other extractive industries, such as coal, timber or oil and gas development, the hard rock mining industry enjoys a special status, provided under the 1872 Mining Law, that allows access and free use of our Nation's rich public domain lands.

As responsible stewards of the public domain and to meet our responsibilities to the American people, it is incumbent upon us to rethink and reform the Mining Law of 1872. To that end, in the near future I will again introduce comprehensive mining law reform legislation.

MILITARY MYTHS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. FRANK. Mr. Speaker, one of the most thoughtful analysts of the appropriate level for American military spending is Lawrence Korb, a former high ranking Defense Department official in the administration of President Reagan. Unlike many others who served in the Reagan administration and subsequently, Lawrence Korb does not believe that conservatives ought to suspend their skepticism about public spending simply because the requests come from the Pentagon. He has consistently applied his experience with defense matters, his keen intelligence and his knowledge of government to point out that we could fully defend our legitimate interests with a military budget smaller than the current one. Along with Dr. Korb, I am pleased that President Bush is refusing to be pressured into asking for billions of dollars in increased military spending before he and his staff have a chance to study the important issues that are raised by Dr. Korb and others. But I also agree with Dr. Korb that an accurate analysis of the defense budget requires discarding some of the points which President Bush himself made during the campaign.

In a recent article, Lawrence Korb set forward some of the principles that ought to guide such an investigation of our true defense spending needs. Mr. Speaker, I disagree with Mr. Korb's first point, to some extent substantively, and also in the way in which he has phrased it. The fact that most military people aren't on food stamps does not mean that it is acceptable for even a small number of them to be in that situation. We owe the men and women who volunteer to face danger on our behalf better than this, and I am very supportive of proposals to raise the pay levels. Given the disruption of their lives and the danger they face, I do believe that our military personnel are underpaid.

But while I disagree with Dr. Korb's first point, I am an enthusiastic believer in the rest of his essay. I was particularly pleased when he noted the absurdity of trying to fix the relevant amount to spend on defense simply by looking at the percentage which a defense budget represents of the gross domestic product. According to this, if we have significant economic progress, we are required to increase military spending even if the threats against which we deploy our military have deceased. Mindlessness has never been on more graphic display.

Lawrence Korb's clear thinking is a very welcome antidote to the efforts being made by some to panic us into busting the budget on behalf of unnecessary military spending. I ask that his thoughtful article be reprinted here.

[From the Los Angeles Times, Mar. 11, 2001]

BUSH'S FIRST BATTLE: HIS OWN MILITARY MYTHS

(By Lawrence J. Korb)

NEW YORK.—His campaign rhetoric notwithstanding, President George W. Bush has taken a good first step by not increasing the defense budget he inherited from President Bill Clinton until he completes a top-down review of strategy. Such a review will come to naught, however, if the new president does not reject the six oversimplifications about the state of our armed forces that he embraced repeatedly during the campaign.

Military people are not overworked and underpaid and, despite campaign rhetoric, most aren't on food stamps. During the 1990s, an average of 40,000 military people were deployed in various "operations other than war." This represents less than 3% of the active force and less than 2% of the total force, counting reserves. A greater percentage of the active force was stationed in the United States than during the 1980s. Certain units like Army civil affairs battalions, which help restore order in foreign countries torn apart by civil wars, or Air Force search and rescue units were over-utilized. But that is a management problem, not a revenue problem. As for pay, most men and women in the armed services make more than 75% of their civilian counterparts. And, if the compensation levels of military people were adjusted to reflect the fair market value of their housing allowances, fewer than 1% would be eligible for food stamps.

The problem is that the military still uses an anachronistic "one size fits all" pay system that rewards longevity rather than performance. Also, the military employs a deferred-benefit retirement system that costs twice as much as a deferred-contribution plan, while providing the wrong incentives for retaining the right people for the appropriate length of time. For example, to justify the training investment, pilots need to be retained for 13 years, but infantrymen only five. Yet, no military person is vested in retirement until he or she serves 20 years.

The military does not need to be rebuilt; it needs to be transformed. In the 1990s, the Pentagon invested more than $1 trillion in developing and procuring new weapons. But much of it was wasted on Cold War relics—$200-million fighter planes, $6-billion aircraft carriers, $2-billion submarines, $400-million artillery pieces—that will be of little use in the conflicts of the 21st century.

The military is more than prepared to fight two wars. In fact, it is becoming more prepared each day as the military power of the likely opponents in these two conflicts, Iraq and North Korea, dwindles. Yet, while the capability of these states declines, the Pentagon has been increasing its estimates of the forces necessary to defeat these enemies. Moreover, the necessity of maintaining the capability to fight two wars simultaneously defies logic and history. During the Korea, Vietnam and Persian Gulf conflicts, no other nation took advantage of the situation by threatening U.S. interests elsewhere.

Calculating the size of the defense budget by measuring it against the gross domestic product is nonsensical. Yes, the U.S. spends a smaller portion of GDP on defense than it did during the Cold War, but the U.S. economy has grown substantially since the collapse of the Soviet Union while spending by adversaries has markedly declined. Even counting inflation, the $325-billion defense budget—which includes the military portion of the Energy Department budget—that Bush inherits from Clinton is about 95% of what this nation spent on average to win the Cold War. In fact, the last Clinton defense budget is higher than the budget that Defense Secretary Donald H. Rumsfeld prepared for the outgoing Ford administration 25 years ago, at the height of the Cold War.

Carrying out peacekeeping missions, like Bosnia and Kosovo, is not undermining readiness. During the 1990s, peacekeeping operations accounted for less than 2% of Pentagon spending, and readiness spending per capita was more than 10% higher in the 1990s than in the 1980s.

In order to meet their recruiting goals, the armed forces have not lowered their quality standards below those of the Reagan years. The force that Bush inherits from Clinton has a higher percentage of quality recruits—that is, high school graduates and individuals scoring average or above on the armed forces' qualification test—than at any time during the Reagan years. Most of the retention problems that the services are having are self-inflicted. For example, 80% of the pilot shortage in the Navy and Air Force is caused by the fact that, in the early 1990s, the military made a serious mistake by reducing the number of pilots it trained. Likewise, the shortage of people on Navy ships is because the people are not in the right place.

If Bush and his national security team abandon these myths, they will have a much better chance of developing a coherent defense program—and may even be able to cut defense spending to an appropriate level.

WE NEED TO KEEP RULES TO PROTECT FOREST ROADLESS AREAS

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. UDALL of Colorado. Mr. Speaker, the new Administration is reviewing a number of new rules and regulations proposed or adopted by the Clinton-Gore Administration last year.

I understand why a new Administration would want to undertake such a review. And there may be some areas where a change of course might be appropriate.

But there is definitely one set of new rules that should be retained as they stand—the new rules to protect the remaining roadless areas of our national forests.

Those rules make good sense as a way to protect natural resources, provide more diverse recreational opportunities, and preserve some of the undisturbed landscapes that make Colorado and other western States such special places to live and visit.

That is why the Mayor of Boulder, Colorado, has written to President Bush urging retention of the roadless-area rules. It is why the Boulder City Council has adopted a resolution supporting those rules. And it is why I have written Secretary of Agriculture Anne M. Veneman, urging that the rules be kept in place.

For the information of our colleagues, I am including in the RECORD at this point my letter to the Secretary, the letter to the President from Mayor R. Toor, and the resolution of the Boulder City Council.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 13, 2001.
Hon. ANN M. VENEMAN,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, DC.

DEAR SECRETARY VENEMAN: I am enclosing a copy of a letter to the President from William R. Toor, Mayor of the City of Boulder, Colorado, regarding the new rules for management of inventoried roadless areas published in the Federal Register in January, 2000, and a resolution regarding those rules that was recently adopted by the Boulder City Council.

As you can see, Mayor Toor's letter and the City Council's resolution support these rules and urge their full implementation.

I join in that recommendation. I am convinced that these rules make good sense as a way to protect natural resources, provide more diverse recreational opportunities and preserve some of the undisturbed landscapes that are such a special part of Colorado and other Western states.

The new rules were developed through an extensive public process. They were the subject of both draft and final environmental impact statements. They were discussed at more than 600 public meetings and were the subject of more than 1.5 million public comments.

In my opinion, these rules reflect the highest standards of science-based public policy. Biologists tell us the inventoried roadless areas of the national forests are valuable for wildlife, and support ecosystem health and the full range of native species. They also are important sources of clean water for many communities like Boulder, in Colorado and other states, and provide a bulwark against the spread of invasive species, such as the many species of weeds that plague ranchers in our state and throughout the west.

And, above all, these special areas "possess social and ecological values and characteristics that are becoming scarce in an increasingly developed landscape," in the words of the final environmental impact statement.

The areas to be covered by the new rules were identified by detailed, on-the-ground studies that have been regularly updated and supplemented through the regular forest-planning process and additional studies focused on threatened and endangered species or other aspects of forest management.

For example, the Forest Service's latest Arapaho-Roosevelt National Forest plan, developed with extensive public involvement, was completed in 1997. It identifies more than 300,000 acres of roadless areas—including some 40,000 acres in Boulder County alone. The new rules will apply to those areas and will simply mean that their roadless characteristics will be maintained. That forest is one of the closest to the Denver-metro area, so it is one of the most heavily used and affected. If we do not begin now to protect the unspoiled lands in that forest—and similar forests throughout Colorado and the West—we will lose forever the natural benefits and special qualities that they provide.

These rules will provide long-overdue protection for some of the most important parts of our federal lands. People in other states may have different reactions, but in view of the importance of the national forests for our state and our country I think they deserve the support of every Coloradan and should be retained by the Bush Administration.

Sincerely,

MARK UDALL.

CITY OF BOULDER,
OFFICE OF THE CITY MANAGER,
Boulder, CO, February 26, 2001.
PRESIDENT GEORGE W. BUSH,
The White House,
Washington, DC.

DEAR PRESIDENT BUSH, I am writing on behalf of the City of Boulder to voice our strong support for full and prompt implementation of the Roadless Area Conservation Rule published in the Federal Register on January 12, 2001 (66 Fed. Reg. 3244).

On February 6, 2001 the Boulder City Council unanimously approved the attached Resolution asking you to reaffirm the commitment to designate more than 58 million acres of inventoried roadless areas. In particular, the City of Boulder has a great interest in the protection of roadless areas in the Arapahoe and Roosevelt National Forests because of their proximity to Boulder and association with other public lands which are vital to protecting high quality native ecosystems and recreational opportunities.

On behalf of the City Council and the people of Boulder Colorado, I respectfully request that you direct the Secretary of Agriculture to initiate the process for protecting the 58 million acres designated in the Roadless Area Conservation Rule.

Thank you for your support in this matter.

Sincerely,

WILLIAM R. TOOR,
Mayor.

RESOLUTION NO. 875

A Resolution of the City Council for the City of Boulder, Colorado, in Support of the Executive Order Designating New Roadless Areas on United States Forest Service Lands.

Whereas, the City of Boulder strongly supports President Clinton's initiative to manage roadless areas on National Forest Land;

Whereas, the City of Boulder has a great interest in the protection of the Arapahoe and Roosevelt National Forests because of their proximity to Boulder and association with other public lands which are vital to protecting high quality native ecosystems and recreational opportunities;

Whereas, the City of Boulder supports the proposal to restrict certain activities in unroaded portions of inventoried roadless areas, as identified in RARE II and existing forest plan inventories;

Whereas, it is well known that road construction and use in wildlife habitat areas can contribute significantly to habitat fragmentation and stress on wildlife species;

Whereas, the initiative restricts road construction and establishes protective criteria for managing roadless areas that will have positive impacts for biodiversity and enhanced plant and wildlife protection;

Whereas, over the course of a 13 month period, the U.S. Forest Service received 1.7 million letters, faxes, e-mails and postcards in support of the Clinton Administration's forest initiative, providing the strongest possible protection to National Forest roadless areas;

Whereas, on November 13, 2000, the Forest Service released its Final Environmental Impact Statement (FEIS) that supported the roadless area designation;

Whereas, on January 5, 2001 President Clinton signed the Record of Decision designating 58 and half million acres of public land as roadless areas;

Whereas, the Record of Decision has been suspended by President Bush;

Therefore, be it resolved that the City of Boulder reaffirms its commitment to full implementation of the Executive Order designating 58 and half million acres of public land as roadless areas in perpetuity; and that the City of Boulder calls upon President Bush to reaffirm the executive order and not delay implementation of the Executive Order; and directs that copies of this Resolution be sent to the elected representatives of the residents of this municipality, including the U.S. Representative(s), U.S. Senators, and the President.

Passed and adopted this 6th day of February, 2001.

WILLIAM R. TOOR,
Mayor.

RECOGNIZING MARGARET M. CARROLL, MILLVILLE, MA, AS THE RECIPIENT OF THE BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR'S JOHN H. CHAFEE AWARD FOR 2000

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. NEAL. Mr. Speaker, I rise today to recognize Ms. Margaret M. Carroll and the announcement of her being named the recipient of the John H. Chafee Award, which was presented to her by the Blackstone River Valley National Heritage Corridor Commission.

Ms. Carroll has given of herself generously over the years for the good of the Blackstone and Millville communities and this award appropriately recognizes her tireless efforts. Ms. Carroll served as a fine educator in the Blackstone-Millville school district for thirty-seven years. The many success stories of the students she taught serves as testament to her teaching ability. The many success stories of the students she taught serves as testament to her teaching ability. Also, Ms. Carroll has familiarized herself with the Blackstone River Valley to a level that is matched by no one. The river valley is forever in Ms. Carroll's debt for the dedicated service she has provided to it over the years. In addition to her efforts related to the river valley, she has volunteered throughout the Blackstone-Millville communities countless times and in various ways.

Mr. Speaker, I can think of no one more fit to receive the John H. Chafee award than Ms. Margaret Carroll. I personally congratulate her and thank her for her dedicated service.

THE GENERATOR TARIFF SUSPENSION ACT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. COLLINS. Mr. Speaker, today I rise to introduce legislation that would suspend the duty on the importation of replacement steam generators used in nuclear power plants.

Steam generators are necessary for the operation of nuclear power facilities. However, because they are no longer produced in the United States, domestic electric utilities must import replacement nuclear steam generators.

Despite the fact that there is neither a current nor any reasonable likelihood of future domestic manufacturing capability, a tariff is imposed on these imports. Prior to the conclusion of last year's Congress, a reduction in this tariff was included in the Miscellaneous Trade and Technical Corrections Act (H.R. 4868). Because a full repeal would have breached the limitation on revenue impact for the bipartisan miscellaneous trade bill, the original full repeal of the tariff was changed to a reduction to 4.9 percent.

This tariff should be removed. While providing no benefit to any domestic manufacturer, this expensive tax is borne directly by domestic consumers of electricity. The cost of the duty is passed on to the ratepayer through the state public utility commissions in ratemaking proceedings. In short, the consumer pays this unnecessary tax directly and entirely. There is no domestic manufacturing industry to protect and the consumer derives no benefit from this tax. Except for raising a minor amount of revenue for the Treasury, this is a classic case of a tariff that serves no purpose other than to raise costs for consumers.

This tariff repeal legislation has enjoyed strong bipartisan support in both the House of Representatives and the other body. I ask my colleagues to join the effort again this year to eliminate this unneeded tariff by cosponsoring the Generator Tariff Suspension Act.

TRIBUTE TO SALVADOR LOPEZ

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this moment to recognize a very brave man who put his own personal safety at risk to protect the life of another. On March 5th Salvador Lopez saved a young 7 year old boy from serious injury or worse when the Postal Carrier rescued him from behind the wheel of a pickup truck that was fast heading toward a busy intersection. Mr. Lopez's gallant act deserves the recognition of this body. With this in mind, I would like to place in the CONGRESSIONAL RECORD the following article from the Grand Junction Daily Sentinel, written by Alex Taylor.

> It was a nice day for delivering the mail. The sun was out and the temperature was mild. Salvador Lopez was having a pretty pleasant day on the job as the postman in the area of North Seventh and Orchard Avenue on Monday afternoon . . . Shortly after 3 p.m., Lopez had to leap off the sidewalk when he saw a car veering toward him traveling in the wrong direction on Orchard.
>
> Behind the wheel were two wide eyes just barely gaping over the dashboard. Apparently 7-year-old Nicholas Reyes thought it was so nice out he'd go for his first-ever drive through the neighborhood. 'I was going down the sidewalk delivering the mail when I heard a noise,' said Lopez. 'I looked up and saw the car coming at me. I could see by the boy's eyes in the car that something was wrong, it was just the look on his face. I jumped out of the way.'
>
> After narrowly missing Lopez, Reyes turned to the right and was driving across Orchard. The vehicle he was driving headed toward a car stopped at the intersection. Lopez dropped his mail and dashed across the street to save the boy. He reached through the window and turned the wheel just before impact.
>
> The car side-swiped the other car in the intersection, and was headed towards another vehicle when Lopez leaped back through the window and yanked on the emergency brake. He stopped the car just in time as it gently hit the next in line and came to a stop. Lopez estimated the boy had been idling along at about 5 mph to 10 mph.
>
> The boy was taken to the hospital minutes later with minor injuries to his face. Lopez injured his ribs when diving through the window, but the injury was not serious . . .

As you can see, Mr. Speaker, Salvador risked his health to save the life of this young boy. He has made us all—particularly his wife Gloria, his children Yma, Sergio, Isabelle, and Mario, and his co-workers at the Post Office—very proud.

AIRBORNE EARLY WARNING SQUADRON 77

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. BARR of Georgia. Mr. Speaker, during times of peace, there are unfortunately many who take our nation's armed forces for granted. In the process, not only do they forget the time-tested wisdom that preparing for war is the best way to avoid it, they also forget the contributions that military units make to the functioning of our republic.

One would be hard pressed to find a better example of this principle in action than Airborne Early Warning Squadron 77, or VAW–77.

VAW–77 performs a vital role in our defense structure, by providing the most valuable of all defense commodities: information. Its E–2C Hawkeye aircraft collect and synthesize the information our fighter and attack aircraft depend on to perform their roles. By performing this function, VAW–77's "Nightwolves" serve as the eyes and ears for surface ships and naval aviators during engagements and exercises.

Fortunately for our families, schools, and neighborhoods, the work of the Nightwolves goes beyond simply deterring America's military enemies from attacking our shores and national interests. During its five year existence, the squadron has deployed to the Caribbean ten times.

These deployments have resulted in the confiscation and destruction of several metric tons of cocaine and marijuana. These are drugs that will not be reaching America's streets due directly to the efforts of VAW–77.

We owe the men and women of VAW–77 a great debt for their service in this area, and I encourage others to join in thanking them for their dedication and success.

TRIBUTE TO CHIEF MIKE HARSHBARGER

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. WELLER. Mr. Speaker, I rise today to honor Chief Mike Harshbarger who has retired from the Bourbonnais Fire Protection District after more than 31 years of service. Chief Harshbarger started with the Bourbonnais Fire Protection District on December 29, 1969 and retired on January 1, 2001.

Much has changed in firefighting since Chief Harshbarger started. Firefighting has become more complex and technical. Training levels have escalated and technology keeps changing. When the Chief first started, all he needed was a coat, gloves, and a pair of boots. Today, training is needed to deal with many modern hazards.

Chief Harshbarger has always subscribed to free thinking and is willing to listen to new ideas and suggestions. The Chief ran the fire department with the same philosophy as he ran his business, "Our customers, the people of the district, are first and foremost."

Chief Harshbarger rose to national recognition for his performance as head of the Amtrak rail crossing disaster scene on March 15, 1999. His work was chronicled in the August 2000, Readers Digest.

Chief Harshbarger lives in Bourbonnais Township with his wife Ellie. The Chief is the second generation in his family to serve with the fire department. His father, Lyle, was a long-time member of the fire department. On October 12, 2000, the Kankakee Elks Lodge #627 named the Chief "Citizen of the Year". No one in the 100 years of the Lodge has ever received this award.

Mr. Speaker, I urge this body to identify and recognize other institutions in their own districts whose actions have so greatly benefitted and strengthened America's communities.

IN HONOR OF DAVID OCEGUEDA BRACKER

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Ms. PELOSI. Mr. Speaker, I rise to pay tribute to David Ocegueda Bracker as he retires from his position as the Executive Director of a non-profit group in my district, Arriba Juntos. For the past three and a half years, David has led this agency through a time of transition and expansion. During his tenure with Arriba Juntos, he has helped low-income residents of San Francisco receive the training they need to find employment or to advance their careers. His inspirational leadership has had a profound effect on our city.

David has dedicated his entire professional life to public service. After receiving his Bachelor's and Master's degrees in social work from San Francisco State University, David began his career by working for four years at the organization from which he is now retiring, Arriba Juntos. As a Project Manager for the Model Cities program, he implemented an employment training program and directed other social services programs.

After a brief stint as Associate Director of the Mission Neighborhood Health Center, he joined the U.S. Department of the Interior as an Area Director. In this capacity, he founded and led an employment training program in the Western U.S. that became nationally known and emulated for its effectiveness.

In 1980, he began working for the University of California, San Francisco. First in the Office of the Public Programs, then in the Chancellor's Cultural Diversity Task Force, and then in the Office of the Vice Chancellor, David spent twelve years with U.C.S.F. While there, he raised support for their health programs and represented U.C.S.F. in the health care community; he helped to design and implement U.C.S.F.'s plan to achieve full diversity on campus; and he secured corporate and foundation support for many projects, including a joint gerontological research project with Mount Zion Medical Center, a pediatric crack cocaine project, a campus capital improvement project, and the 1990 International Conference on AIDS.

After leaving U.C.S.F., he spent four years as the Executive Director of the Hearing Society for the Bay Area before becoming the Executive Director of Arriba Juntos. At Arriba Juntos he has presided over a time of great transition as the agency has adapted to respond to the nation's welfare reform effort. Where many have been content to reduce the welfare rolls, David has fought to ensure meaningful employment for those losing benefits. He has been concerned not with saving money but with saving lives. David's concern for those around him and his emphasis on helping people better their own lives have earned him the respect and appreciation of the community.

It has been my distinct pleasure to know and to work with David Bracker. He is a caring and able man whose many talents will be missed at Arriba Juntos. I know, however, that he will continue to serve our community in new and creative ways.

I join Arriba Juntos in thanking David for his time there as Executive Director, and wish him, his wife Kathy, and his daughter Megan all the best in their future pursuits.

ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

SPEECH OF

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. EDWARDS. Mr. Speaker, I rise in opposition to H.R. 3, because I believe the product is fiscally irresponsible and the process rushed to the point where we are voting on 10-year tax cuts before we even have a 1-year budget in place. Congress is now making budget and tax decisions that will directly affect our families and our nation for the next 10 years and beyond. It is crucial that we make informed, fiscally responsible decisions on the budget and taxes, because the choices we make today could lock in our national priorities for the future.

I will support fiscally responsible tax cuts this year including reducing the estate tax and the marriage penalty as well as expanding child tax credits. I believe we must also fulfill the moral obligation we have to our children to reduce our $5.7 trillion national debt and a responsibility to protect Social Security and Medicare for our seniors. The question is not whether Congress will pass a tax cut this year—we will. The question is how large is the tax cut and will it be fiscally responsible and fair to all families, including middle and low-income working families?

These are difficult questions that must be answered satisfactorily before tax cuts are approved. Perhaps if these questions were asked and answered back in the 1980s, our country could have avoided the huge budget deficits that contributed to the $5.7 trillion national debt.

In 1981, President Reagan and Republicans and Democrats in Congress passed a huge tax cut into law. They predicted the then $55 billion a year deficits would become a surplus in 1984, 3 years later. What actually happened is that instead of having a surplus in 1984, the federal deficit exploded to $185 billion.

As a consequence of that tax cut, the national debt tripled in the 1980s—and now stands at $5.7 trillion. Last year Americans paid $223 billion in taxes, just to pay the interest on the national debt. On average, that would approximately be $800 in taxes for every man, woman and child in America.

Marvin Leath, my predecessor, said that the 1981 tax vote was his "worst vote" in 12 years of Congress. In 1990, President George Bush chose to reverse his previous pledge to oppose new taxes. Why? By 1990, the federal deficit had skyrocketed to $220 billion each year, with no end in sight.

President Bush, Republicans, and Democrats passed a tax increase in 1990 and it cost President Bush dearly, but not as much as the budget deficit would cost average Americans. By 1993, projections were that deficits would further explode to over $300

Those lower interest rates made it cheaper to buy a house or car or build a business. That, plus the new high tech economy that increased productivity of American workers, resulted in the longest sustained economic growth period in American history.

And, after 29 straight years of deficits, in 1997, we had the first balanced budget since Neil Armstrong set foot on the moon in 1969. So, we spent the 1990s stopping the deficit binge of the 1980s, but where does that leave us now?

The Congressional Budget Office and other government economists predict we will have a $5.6 trillion federal surplus over the next 10 years. (FY 02–FY 11). The promise of surplus has led President George W. Bush to propose a 10-year, $2.4 trillion tax cut. But do we really have the money needed to provide this tax cut, pay down the debt and protect Social Security and Medicare? Before we take the step of spending a surplus we may not have, let me ask you two questions. One, is there anyone in this chamber that would bet his or her family's entire net worth on the belief that a federal government economist's 10-year projections on the American economy will be 100 percent correct? Two, just how real is the $5.6 trillion surplus projected by 2011?

The projected surplus is $2.2 billion once you subtract the $3.4 trillion held in the Social Security, Medicare, and other trust funds that Congress has pledged not to touch. The proposed tax plan costs $2.4 trillion once you add the additional interest costs, tax break extensions, and the retroactive tax cuts. Over 10 years the country will be looking at a $200 billion budget deficit and that's before other priorities are paid for. The tax cut plan assumes an overly optimistic 3 percent annual economic growth rate over the next 10 years. If the growth rate is off by just 4/10 of 1 percent, then the surplus will be reduced by $1 trillion over 10 years. From 1974 to 1995 the economy grew an average of only 1.5 percent annually—half the rate assumed in the tax cut plan.

What if we proceed and cut taxes at this level and the economists are wrong? First, we'll see a return to budget deficits and interest rates will go up making it more expensive for families to make large purchases such as buying a home or starting a business. A larger national debt means more taxes to pay interest on the debt and less money to provide for priorities such as national defense and veterans, education, prescription drugs and protection Social Security and Medicare. Finally, the true cost of these tax cuts hits just as baby boomers are retiring and the Social Security and Medicare trust funds are running at a deficit.

We have more options than the House leadership would have us believe. The first option is the one we are looking at now: passing a $2.4 trillion, 10-year tax cut and hoping the rosy economic forecasts are correct and that spending cuts can be made.

The second option is to pass a smaller tax cut now, make spending cuts and then see if the surplus is real. Once the surplus is guaranteed, then it will be time to pass more tax cuts.

I will be guided by several principles on the tax cut question. I will do what I believe is right, not just politically popular at the moment. I will listen to the citizens of Central Texas before making a final decision. I will try to look at the numbers honestly—without the hype and false promises.

I will support fiscally responsible tax cuts this year, but we also have a moral obligation to our children to reduce our $5.7 trillion national debt and a responsibility to protect Social Security and Medicare for our seniors.

FEDERAL SUPPORT FOR FAITH BASED ORGANIZATIONS

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Ms. LOFGREN. Mr. Speaker, I rise today to commend to my colleagues the following articles by Joan Ryan of the San Francisco Chronicle and Patty Fisher of the San Jose Mercury News. I found these articles to be thoughtful examinations of the complex question of federal support for faith-based groups.

[From the San Francisco Chronicle]

WITH A HAND ON THE BIBLE

(By Joan Ryan)

Even as a Christian I felt uneasy when George W. Bush said during his campaign that Jesus was the most influential philosopher on his political beliefs.

The feeling returned during Bush's inauguration when he again wandered, either carelessly or purposefully, into the dangerous ground between church and state.

Inaugurations traditionally mention God in the context of a higher power recognized by most of the world's religions. But Bush's hand-picked pastors mentioned Jesus in both the invocation and prayer. one pastor punctuated the point with the unequivocal proclamation, "Jesus the Christ (is) the name that's above all other names."

Now comes news that Bush wants to disburse billions in public funds to religious groups that provide social services. The groups would compete for the money, and Bush's new "Office of Faith-Based and Community-Based Initiatives" would choose the recipients. All religions would be eligible, Bush said.

Everyone who believes that certain religious groups will be getting significantly more of this money than others, say, "Amen."

Bush has already shown that he won't fund groups that don't adhere to his particular set of moral beliefs. In his first full workday as president, he announced he was yanking funds to overseas organizations that use their own money to provide abortions or abortion counseling. These organizations were not breaking the laws of their countries or of ours. Bush's decision was based solely on his own

And Bush's call for a review of the FDA's approval of the abortion pill, RU-486, was not based on science or health but, again, his own brand of morality.

This is the problem with blurring the line between church and state, as Bush is doing. We begin to create a de facto national religion based on the values of those in power. These values might be perfectly respectable ones. They might even have the power to transform lives, as Bush's religious program in a Texas prison has. (Compared to non-participating inmates, inmates in the two-year indoctrination in biblical teachings and Christian behavior have shown a drastically lower recidivism rate once released from prison.)

It's difficult to argue that the world wouldn't be a better place if everyone adhered to so-called Christian values.

But who should interpret how those values will be applied to public policy? Ralph Reed? Jesse Jackson? The pope? All adhere to the same Bible, but each man's vision of government based on the book's teachings would be vastly different—and would feel like a tyranny to those who disagreed.

The infusion of religion into government is at the very heart of the revolution that created America. The colonists rebelled not only against the Church of England but also against the Puritanism and Calvinism that forced the citizenry to conform to particular religious views of face the government's wrath.

What Bush risks doing is establishing the legitimacy of one religion over all others, and this is just what our founding fathers didn't want. Yet there hasn't been much of an outcry. Perhaps people figure it's better to have a president who thinks he's the national deacon than one who thought he was the national Don Juan.

All would agree that the president should be guided by high morals. And one would hope that, if he is deeply religious, he could harness the power of his faith for the public good. But when Bush laid his hand on the Bible two Sundays ago, he didn't promise to uphold the teachings of Jesus.

He promised to uphold the Constitution of the United States.

[From the San Jose (CA) Mercury News, Jan. 28, 2001]

GOD AND GEORGE W. BUSH COULD FACE A FIGHT, EVEN WITH CHRISTIANS, IF HE TRIES TO MAKE RELIGION MORE PUBLIC

(By Patty Fisher)

I can think of only one topic that is controversial even though almost all Americans agree on it.

God.

Of course, when it comes to God, about the only thing we agree on is that God exists. And even proclaiming that publicly makes us nervous.

By many measures, the United States is one of the most religious countries in the world. Not only do 94 percent of those surveyed in a recent Harris poll believe in God, but 89 percent also believe in heaven. The country is also overwhelmingly Christian, with 81 percent describing themselves as Christians and even a greater number—86 percent—professing belief in the resurrection of Christ.

A separate poll taken after the election by Public Agenda, a non-partisan organization, found that 70 percent of Americans want religion to be more influential in society. Concerned about the moral decline in this country, 69 percent of those surveyed said religion is the key to strengthening family values and improving moral behavior.

With those numbers, George W. Bush might expect little opposition to his efforts to expand the presence of religion in

And yet, I suspect Bush is going to encounter stiff opposition to any attempt to make religion more public during his presidency. Not only from Jews, Muslims, Buddhists, atheists and agnostics, but from Christians as well.

I was raised a United Methodist and get to church almost every Sunday. But as I watched a Methodist minister give the benediction at the inauguration, calling on all who believe in Jesus to say "Amen," I cringed. My 11-year-old daughter, who was watching with me, put my thoughts into words.

"What about the Jews who are watching?" she said. "What about all the people who don't believe in Jesus? What are they supposed to do?"

A lot of them wrote letters of outrage to newspapers.

One letter writer, Roy Gordon of San Jose, is Jewish and grew up in England. He is disturbed by what seems to be a trend away from the ecumenism that has made him feel comfortable in this country.

"I respect President Bush's religious beliefs and expect that they make him a better person and president, but they are not mine nor are they those of a very large number of other Americans," he wrote. "This occasion was for the whole nation, but I felt left out at the end."

Gordon went on to say: "Respecting diversity does not end with a few Cabinet secretaries; it is an inclusive attitude that has to affect every aspect of our relationships with each other."

Activist attorney Alan Dershowitz put it more bluntly in the Los Angeles Times:

"The plain message conveyed by the new administration is that Bush's America is a Christian nation, and that non-Christians are welcome into the tent so long as they agree to accept their status as a tolerated minority rather than as fully equally citizens."

I doubt that Bush intended to offend non-Christians at the inauguration. In his speech, he made a point of mentioning synagogues and mosques. But he appears not to understand an important piece of Americans' complex attitude toward religion, which is: Just do it—and please don't talk about it.

A majority of Americans think children should be raised with a religious faith and want politicians to be religious, according to the Public Agenda poll. But they really don't think it's OK to discuss religion at work or at parties. A majority would support a moment of silence in public schools, but not a spoken prayer. More than 60 percent agree that "deeply religious people are being inconsiderate if they always bring up religion when they deal with other people." And nearly three-quarters of those polled said that politicians who talk about their religious faith are "just saying what they think people want to hear."

When Bush talked on the campaign trail about how his faith helped him stop drinking, I suspect he was not merely being a fisher of votes. People whose lives are changed by faith like to talk about it. Alcoholics Anonymous began in the Methodist Church.

But now that he is the president, he must be careful not to push his faith on others. He must not make the mistake of thinking that there is such a thing as the "religious" position on an issue. Just because I call myself a Christian doesn't mean I agree with Bush on abortion or the death penalty.

One reason religion is so much stronger in the United States than in Europe, I suspect, is our tradition of religious tolerance and separation of church and state. As long as the state is not forcing a particular religious view, faith flourishes.

The president needs to remember that while 94 percent of Americans believe in God, fewer than half voted for George W. Bush. Americans will support his efforts to bring morality back into public life, as long as he doesn't think he has God on his side.

A TRIBUTE TO ROGER LIPELT UPON HIS INDUCTION INTO THE MINNESOTA HIGH SCHOOL FOOTBALL COACHES HALL OF FAME

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. RAMSTAD. Mr. Speaker, Roger Lipelt is a teacher and coach who has had a positive influence on generations of Minnesotans, teaching young people the values of hard work, character, leadership and integrity while working toward a common goal.

Mr. Speaker, Roger Lipelt of Wayzata, Minnesota, one of my very best friends, will be inducted into the Minnesota High School Football Coaches Association's "Hall of Fame" on Friday, March 16.

Roger was the highly successful head football coach at Wayzata High School for 22 seasons before retiring in 1998. But if you asked him what he did during those seasons, he would tell you he was first and foremost a teacher. Roger represents the best and the brightest among educators. He's also one of the most successful high school football coaches in Minnesota history. Roger's legendary coaching career stretched over three and a half decades. His teams captured 17 conference and two section titles. His career record was 209 wins and 107 losses.

Roger Lipelt has been named recipient of virtually every coaching honor possible. Those awards were won not only because of Roger's superior coaching skills but because of his unique ability to motivate his players in a positive, uplifting way. Roger Lipelt has also been highly successful coaching both wrestling and tennis. His Wayzata High School tennis teams won two Minnesota state titles. "Coach of the Year," Minnesota All-Star Football head coach, and Hall of Fame at his alma mater, Hamline University, are just a few of the awards Roger Lipelt has received. But to simply recite Roger's remarkable coaching credentials is to not take the full measure of this great man.

Roger Lipelt truly cares about people and his community. His record of public service is as inspiring as it is long. Besides the countless young people he has helped in immeasurable ways, Roger has reached out to less fortunate people in his own backyard and across the globe in Peru.

Over the past dozen years, Roger has been deeply involved in helping the people of Peru. I have accompanied Roger to Peru twice and have seen, firsthand, the difference he has made in the lives of Peru's most impoverished people. Roger has spent countless hours with young abandoned children at CIMA Orphanage, the teenage youth leaders at Bridge House, and the poorest of the poor at Flores de Villes.

Roger Lipelt has been a friend to many families in Peru. He has facilitated numerous relationships that have been helpful in many ways. Through his efforts, 26 Minnesota families are now supporting 26 Peruvian families of Lima's "Shantytown," or Flores de Villes. Roger's group in Minnesota is known as Amigos del Peru which consists of Minnesotans who are contributing money and other resources to help the most impoverished people of Peru. Through Roger's leadership, a community health clinic has also been established at Flores de Villes.

Just like the young students whose lives Roger impacted at Wayzata High School, Roger Lipelt is now changing lives a continent away.

Mr. Speaker, Roger Lipelt is an amazing humanitarian and a legendary football coach. Please join me in honoring this great Minnesotan on his induction into the Minnesota High School Football Coaches Association's Hall of Fame. Roger is truly most deserving of our special recognition.

HONORING MS. BARBARA MELTON OF WHITE HOUSE, TENNESSEE ON THE OCCASION OF HER RETIREMENT

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. CLEMENT. Mr. Speaker, I rise today to honor Ms. Barbara Ann Garland Melton of White House, Tennessee, on the occasion of her retirement after thirteen years as Library Director for the White House Inn Library.

Barbara Melton's foresight and vision as Library Director are to be commended. As the very first Library Director for the City of White House beginning in 1987, Ms. Melton upgraded the library reading selection, computer access catalog, and expanded staff, adding special programs for children, summer reading, adult education and genealogy.

The first library housed 5,500 books. Today, under Melton's direction, the library has 16,000 volumes and circulated more than 55,000 in 2000. With White House as one of the fastest growing cities in Tennessee, Melton's challenge to improve the once small town library was significant. However, she rose to the challenge with excellence and enthusiasm.

Melton also acted as curator for the White House Inn Library museum, which houses numerous artifacts, news articles, and photographs chronicling the history of White House, Tennessee. The museum is located on the upper level of the facility and is often utilized by historians and genealogists thanks to Melton's hard work.

Barbara Melton was certified as a Public Library Manager in 1997, as a graduate of the Tennessee Department of State and the University of Tennessee. Further, she graduated from the University of Tennessee Municipal training program as Municipal Generalist in 1997.

Melton's efforts have not gone unnoticed by her peers. In 1998, the White House Chamber of Commerce named her White House Citizen of the Year. In fact, I was honored to participate in that special presentation recognizing her for all that she has accomplished for the citizens of White House.

In addition to Melton's outstanding work for the City of White House, she is devoted to her husband of 39 years, Ted K. Melton, daughter Paula Eller, son-in-law Christopher Eller, and granddaughter Savannah.

I congratulate Barbara Melton and thank her for laying a successful foundation promoting literacy for all citizens of White House, Tennessee, as Library Director, and wish her the best in her retirement.

INTRODUCTION OF FINANCIAL SERVICES "CONSUMER BILL OF RIGHTS" LEGISLATION

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. LAFALCE. Mr. Speaker, today I and number of my Democratic colleagues are introducing eleven bills that would significantly expand the protections in current law for consumers of financial services. Taken together, our bills provide a "Consumer Bill of Rights" in the financial services sector and an aggressive consumer policy agenda for the 107th Congress.

Consumers confront unfair and deceptive practices that can only be described a "predatory" in connection with almost every financial decision that affects daily lives. We see predatory practices in connection with the homes we buy, with the automobiles we buy or lease, with the credit cards we use for everyday purchases and with the short-term credit we need to stretch our paychecks. Most disturbing, we are seeing predatory practices in connection with the most intimate and confidential aspects of our personal lives and our financial privacy.

The financial marketplace has changed significantly in recent years, but not all the changes have been positive for consumers. Two broad trends, in particular, greatly concern me. The first involves the growing segmentation of financial services into two separate and unequal financial services structures—one for middle and upper income individuals that involves traditional regulated and insured financial institutions; a second for lower-income households that involves higher cost services from less-regulated finance companies, check cashing firms, payday lenders and other quasi-financial entities. Millions of American families are being relegated to a substructure of subprime credit and high-cost services from which few will escape.

The second trend involves the growing acceptance and adoption by traditional financial institutions of the predatory ethics and abusive practices of what was considered, until recently, the fringe elements of the financial services sector. Where once the local bank epitomized integrity, confidentiality and customer service, today the practices of some of our traditional institutions are nearly inseparable from the non-regulated lender that pushes unaffordable debt and preys on consumers' misfortune. The practices once the province of the loan shark are now common placed in the market for credit cards, second mortgages, auto financing and other short-term debt.

These changes have been gradual, but their effect is unmistakable. Some of our Nation's largest and most respected financial institutions now see few problem in acquiring a widely denounced predatory mortgage company or having their name associated with chains of pawn shops and check cashing outlets.

The growing complexity of today's financial marketplace, by itself, should prompt Congress to consider additional measures to protect consumers. But these trends toward market segregation and predatory ethics now demand that consumers have additional rights and greater protections against unfair and abusive financial practices.

The eleven bills we are introducing today seek to address the most widespread and abusive practices confronting consumers in today's market for consumer credit and basic financial services. I will soon separately introduce with a number of my Democratic colleagues a twelfth bill that addresses a variety of unaddressed concerns involving financial privacy and commercial use of personal financial information.

Two of the bills we are introducing today deal with abuses in an area that has come to epitomize predatory financial practices—the problems of high cost mortgage refinancing, home equity loans and home improvement loans. We have witnessed the growth of an entire industry of high-cost "subprime" commercial lenders that systematically target homeowners with low incomes or damaged credit for deceptive offers of high-cost credit. These practices seek to place borrowers more deeply in debt, strip away their accumulated equity and force many homes into foreclosure. Our bill, the "Predatory Lending Consumer Protection Act of 2001," would expand the protections in current federal law to prevent loan packing, mortgage flipping, excessive fee financing and other practices that make abusive loans profitable. A second bill, the "Equal Credit Enhancement and Neighborhood Protection Act of 2001," addresses the fair lending issues involved in predatory mortgage lending. It would add new federal protections to combat the discriminatory steering of racial groups to high cost loans and reverse redlining in subprime credit, and it would increase mortgage reporting requirements to help identify high-cost loans and patterns of discriminatory lending.

Two of the bills also address another area of widespread abuse—consumer credit cards. U.S. News reported earlier this week that Americans now charge more on credit cards than they spend in cash and that the average cardholder now carries a balance of more than $4,400. The bill entitled "Consumer Credit Card Protection Amendments of 2001" addresses a variety of abuses that are common to most credit cards—inadequate disclosure of interest rates and terms, hidden fees and charges, inappropriate solicitations to minors, and penalties for practically every consumer action, including paying late, not making the minimum payment and even paying off monthly balances in full. The second bill, the "Credit Card Predatory Practices Prevention Act of 2001" addresses more systematic fraud in subprime credit card solicitations which target people with low incomes or damaged credit. It provides more specific strict prohibitions than current law against abusive sales practices, bait and switch tactics and billing schemes intended to generate interest and penalty payments.

Another important bill addresses the growing problem of "payday" loans, which involved short term extensions of credit at annual interest rates of 450 percent to 600 percent. Since payday lenders use consumers' personal checks to secure credit advances, they hold enormous leverage over the consumer in collecting debts by threatening the loss of check writing privileges and even prosecution for writing bad checks. The "Payday Loan Consumer Protection Amendments of 2001" would end this practice by prohibiting any extension of credit based solely on a check or other instruments drawn on federally insured accounts.

Automobile leasing is another area of growing consumer abuse that is addressed by the legislation. The potential abuse in complex lease transactions begins with the misrepresentation of lease payments and terms in lease advertisements. Today's lease advertisements have the single purpose of enticing consumers into dealerships where they can be confined into signing almost any

Additional bills seek to update and modernize two of our nation's most important consumer protection statutes. Key protections of the Truth in Lending Act, stated in dollar amounts in the late 1960s, have not been updated and, consequently, have been eroded by inflation and changing market practices. The "Truth in Lending Modernization Act of 2001" updates these provisions and adds new protections to assure that TILA's important rescission and civil liability protections remain available for consumers. The "Truth in Savings Enhancement Amendments of 2001" extend the civil liability protections of the Truth in Savings Act, which will sunset on September 30, 2001, and make other changes to strengthen enforcement against deceptive practices in connection with consumer savings accounts.

Let me briefly describe the final three bills we are introducing. The "Unsolicited Loan Check Consumer Protection Act of 2001" would prohibit use of negotiable or "live" checks in credit solicitations. These solicitations unfairly encourage desperate consumers to take on unaffordable debt and raise unnecessary liability concerns for lost or stolen checks. The "Consumer Affordable Transaction Account Act of 2001" would require all insured banks, thrifts and credit unions to advertise and provide low-cost basic checking account services for lower-income consumers without banking accounts. The bill builds upon the basic banking account programs already required by New York and other states. My final bill, the "Consumer Banking Services Cost Assessment Act of 2001," extends authority for the Federal Reserve Board's annual survey of banking service fees and expands the survey to include credit unions and all fees associated with credit cards.

Mr. Speaker, recent reports indicate that American consumers are drowning in a sea of debt. While family income has stagnated, household debt has risen by more than one-third and the equity families hold in their homes is lower than it was a decade ago. These conditions create desperate consumers and encourage abusive credit practices. And the conditions will only worsen if our economy falters.

With the Truth in Lending Act of 1968, Congress recognized that consumers have a basic "right to know" the full and accurate costs of all financial services. The complexity of today's financial marketplace now demands that consumers have new rights and greater protections against unfair and abusive practices. The eleven bills that we are introducing today offer a broad program of reform that can restore consumer protection and customer service as the guiding principles of financial services policy.

The meager attention the Congress has given to consumer protection over the last several years has been the result of Democratic prodding. We will continue to prod until these important issues get the attention they deserve. I urge the support of my colleagues for this important legislation.

THE BOY SCOUTS OF AMERICA, REPORT TO THE NATION 2000

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. NEY. Mr. Speaker, yesterday I had the distinct pleasure to join you and a group of young leaders from the Boy Scouts of America as they presented their 2000 report to the U.S. House of Representatives. I was honored to meet with these young leaders and heroes. To further record their visit to the Capitol and efforts of the past year, I am submitting a copy of their report to follow my remarks for printing in the CONGRESSIONAL RECORD.

REPORT TO THE NATION 2000, BOY SCOUTS OF AMERICA

In 2000, the Boy Scouts of America celebrated its 90th anniversary and the addition of its 100-millionth youth member. Nearly five million youth had the opportunity to participate in the programs of the BSA during the past year, thanks to the efforts of more than 1.48 million committed adult volunteers. All of this is made possible through support from tens of thousands of chartered organizations and community groups throughout the nation.

For our youth members and participants, Scouting is about outdoor adventure and having fun with friends. But Scouting is much more. Scouting is a values-based program designed to instill self-discipline, self-confidence, self-reliance, and self-worth—qualities that last a lifetime.

OUR MISSION

The mission of the Boy Scouts of America is to prepare young people to make ethical choices over their lifetimes by instilling in them the values of the Scout Oath and Law.

The Boy Scouts of America has long been recognized as the nation's foremost leader in values-based youth development. Though we tend to view our movement through statistics that highlight our strengths and accomplishments, the real focus of Scouting is the powerful impact it has on a single youth and his or her family. In a time of declining ethics and shifting morals, we remain steadfast in our purpose: to instill positive values in young people that enable them to mature into adults of strong character.

OUR PROGRAMS

Cub Scouting. As a result of a national marketing program, Cub Scouting, for boys ages 7 to 10, served 2,114,420 youth members in 2000. Enhancement of age-appropriate programming has resulted in greater opportunity for youth to participate in Cub Scouting's contemporary family activities. Reflecting the increased emphasis on and expansion of day, resident, pact, and family camping opportunities, more than 41 percent of Cub Scouts participated in an outdoor activity.

Boy Scouting. Membership in Boy Scouting, for 11- to 17-year-olds, reached 1,003,691 in 2000. Eagle Scout, the highest rank a Scout or Venturer can achieve, was attained by 40,029 young men. The number of Scouts who experienced a long-term camping expedition reached its greatest level ever in 2000 with 58.2 percent of all Boy Scouts and Varsity Scouts participating in these educational outdoor adventures.

Venturing. This high-adventure program for young men and women ages 14 to 20 has enjoyed continuous growth since its introduction in 1998. Built around an advancement program with the Venturing Bronze, Silver, and Gold awards, Venturing grew to 233,858 members—a 15.7 percent increase. The number of Venturing crews increased 12.1 percent in 2000 to 17,684.

Learning for Life. Participation in this classroom- and workplace-based character education program continued to increase in 2000, growing 3.2 percent to 1,589,988 participants. More than 17,000 organizations nationwide used Learning for Life to help young people develop life skills, positive attitudes, values, and career awareness. New Jersey selected Learning for Life as a program of merit to be used in that state's new character education initiative.

Scoutreach. Scouting's coordinated effort to reach out to more urban and rural young people focused on the Hispanic market in 2000. New Spanish marketing materials and training aids were developed along with a number of bilingual publications designed to make Scouting programs more accessible to Hispanic youth and their families. The esteemed Whitney M. Young Jr. Service Award was bestowed upon 148 volunteers—the largest number of recipients in the history of the award.

AWARDS

The National Court of Honor presents the prestigious Silver buffalo Award to distinguished citizens for exemplary national service to youth. In 2000, recipients of Scouting's highest commendation included Charles L. Bowerman; M. Anthony Burns; Robert M. Gates; Roger R. Hemminghaus; Louise Mandrell; C. Dudley Pratt Jr.; Thomas E. Reddin; Frank G. Rubino, M.D.; Alfred S. Warren; Togo D. West Jr.; and Edward E. Whitacre Jr.

The BSA's National Court of Honor awarded the Honor Medal With Crossed Palms to six Scouts and Scouters who demonstrated unusual heroism and extraordinary skill or resourcefulness in saving or attempting to save a life at extreme risk to self. Other awards for lifesaving and meritorious action were presented to 234 Scouts and Scouters.

The Young American Awards recognizes excellence in the achievements of young people ages 15 to 25. The 2000 recipients were Julius D. Jackson, Carl F. Regelmann, Svati Singla, Alison L. Smith, and Christopher K. Sokolov.

AMERICA'S PROMISE—THE ALLIANCE FOR YOUTH

In 1997, the Boy Scouts of America pledged 200 million hours of service to America by our youth membership by the end of 2000. We are pleased to announce that we have surpassed that objective by completing more than 214 million hours. As part of this effort, members of Scouting's national honor society, the Order of the Arrow, performed more than 2,000 hours of service in Yosemite National Park. Scouts in New Orleans participated in Good Turn fairs in which they performed services for the community including removing graffiti and restoring playgrounds. The BSA's involvement in this worthwhile effort represents its commitment of service to our nation as expressed in the Scout Oath and Law.

PREPARING FOR THE FUTURE

Strong leadership has always been a hallmark of Scouting. In this tradition, this past year our National Executive Board selected Roy L. Williams as the Chief Scout Executive. In May, Williams will introduce a strategic plan for 2002–2006 that targets five issues critical to the future of the Scouting movement. Those issues are traditional membership and unit growth, total financial development and stewardship, marketing and strategic positioning, leadership, and Scoutreach. By addressing these key issues, the BSA will ensure that its values-driven programs will be around for generations to come, and will continue to reach out to share America's values with today's youth, tomorrow's leaders.

ROY L. WILLIAMS,
Chief Scout Executive.
MILTON H. WARD,
President.

TRIBUTE TO COMMUNITY HOME HEALTH AND HOSPICE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. KILDEE. Mr. Speaker, I am honored to rise before you today to recognize a group of people committed to protecting and enhancing human dignity. Community Home Health and Hospice, located in my hometown of Flint, Michigan, is a private nonprofit organization that has been serving patients throughout Genesee County and other surrounding communities for 20 years.

Since 1981, Community Home Health and Hospice has been the only local community based program providing health care to homebound patients and home care for those facing the end of life. They provide physicians, nurses, home health aides, social workers, chaplains, and many volunteers who selflessly donate their time and resources to give physical, emotional, and spiritual support to patients as well as their families. They also supply physical, occupational, and speech therapy, dietary counseling, transportation, and bereavement support.

Community Home is licensed by the State of Michigan and is accredited by the Joint Commission on Accreditation for Health Care Organizations. They are also certified by Medicare, Medicaid, and Blue Cross Blue Shield. Their building, a $3.5 million 19,000 square facility, ensures that the terminally ill receive comprehensive, cost-effective healthcare, and that they are granted the opportunity to live the remainder of their lives in a familiar and comfortable home-like setting.

Mr. Speaker, Community Home fully understands the hardships families face when a loved one nears the end of their life. In many situations, patients and their families would prefer to face the end of life at home, and the decision to seek outside care is truly difficult. However, I am happy that there is a place like Community Home Health and Hospice, where they may live in comfort and dignity.

THE HAMMOND SPORTS HALL OF FAME

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. VISCLOSKY. Mr. Speaker, it is my distinct pleasure to announce that the Hammond Sports Hall of Fame's 15th Annual Induction Banquet will be held tonight, March 15, 2001, at the Hammond Civic Center, in Hammond, Indiana. Eleven individuals, all of whom attended high school in Hammond, Indiana, will be inducted into the Hammond Sports Hall of Fame. The new members of the Hall of Fame include: Mike Bradburn, Bob Bradtke, Allison Buell, Donald Clark, Ray Cross, Rudy T. Folta, Terry Irk, Hal Morris, Kurt Nondorf, Frank P. Staucet, and Bob Wilson, Sr.

Mike Bradburn, a current resident of Chester, California, graduated from Hammond Morton High School in 1963. While at Morton, Bradburn was an outstanding athlete, participating in football, wrestling, and track and field. In football, what this speedy, hard-driving fullback lacked in size, he made up for in grit and determination. He played on the Governors' 1961 state championship squad and earned all-state honors the following season. He continued his football career at Northwestern University, from where he graduated in 1957.

An outstanding basketball and baseball player at Bishop Noll, Bob Bradtke graduated in 1956. Prior to moving to Lansing, Illinois, where he currently resides, Bradtke coached at Bishop Noll, Whiting and Gavit. As a basketball player at Bishop Noll, he was an all-state guard that teamed up with Oscar Robertson and fellow Hammond Sports Hall of Famer Frank Radovich on the Indiana all-star squad that played the Kentucky all-stars. On the baseball diamond, Bradtke played virtually all positions. He continued his career in college as a basketball player at Notre Dame, where he was a two-year letter winner before graduating in 1960.

Current resident of Hammond, Indiana, Allison Buell, became the first female athlete from a Hammond high school to qualify for the state finals in a field event. Buell was an outstanding high jumper and long jumper at Clark High School, where she graduated in 1988. While in college, Buell competed in the high jump at Cornell University, before transferring to Columbia College, from where she graduated with honors in 1996. As a junior, this Clark valedictorian placed third in the high jump at the state meet, then returned home to help the Lady Pioneers softball team win a sectional title the next day.

The late Donald L. Clark had an outstanding wrestling and football career. After graduating from Clark High School in 1952, Clark attended Purdue University and joined the wrestling team. In 1957, Clark graduated from Purdue with academic honors he then embarked on an outstanding career in education and coaching. As wrestling coach at Hammond High, he directed the Wildcats to back-to-back state championships in 1962 and 1963.

Longtime Hammond, Indiana, resident Ray Cross, will also be inducted into the Hammond Sports Hall of Fame. While at Hammond High, Cross played running back and defensive back on their 1960 state football championship team, earning Chicagoland All-Star Team honors, as well as a scholarship to West New Mexico University. Cross was a versatile player and signed as a free agent with the Atlanta Falcons of the National Football League, but his career was cut short by a knee injury. He then returned home, where he embarked on a teaching and coaching career, leading Eggers Middle School football, basketball and track teams to numerous city championships.

Rudy Folta, a current resident of Chicago, Illinois, won eight varsity letters as a football quarterback, basketball guard, and baseball shortstop for the Hammond Tech Tigers before graduating in 1957. After graduation, Folta continued his football career at Wabash College, where he captained the Little Giants in 1960.

Current Griffith, Indiana resident Hal Morris enjoyed a school record setting and state championship career as a high school sprinter at Clark High School. After placing fifth in the state track and field finals his sophomore and junior years, he won the 220-yard dash in the state finals in 1946. He also placed second in the state that year in the 100-yard dash.

Terry Irk, currently of Bainbridge, Indiana, was a 1971 Gavit graduate. While at Gavit, he was active in football, basketball and golf. As a versatile football player, Irk played quarterback and safety and his play earned him all-conference and all-area honors, as well as a scholarship to the University of Evansville.

Kurt Nondorf of Houston, Texas, was a standout in football and track at Hammond High School. After graduating from Hammond High, he continued competing in both sports as an Ivy Leaguer at Yale.

Frank Staucet of Slingerlands, New York, graduated from Catholic Central, now Bishop Noll, in 1941. After a season of college baseball at St. Joseph's College and three years representing his nation in the armed forces, he embarked in 1946 on a 10-year professional baseball career. Playing primarily shortstop for Albany, New York of the Eastern League, he compiled a career minor league batting average of .261, including a .300 mark his final season. He was a league all-star in 1948, 1949 and 1950.

While attending Clark High School, current Highland, Indiana resident Bob Wilson, Sr., was an exceptional football, basketball, and baseball player. He went on to achieve prominence in the sport of bowling. Wilson has won numerous titles in various bowling competitions, including the ABC's National Team Championship in 1979.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating Mike Bradburn, Bob Bradtke, Allison Buell, Donald Clark, Ray Cross, Rudy T. Folta, Terry Irk, Hal Morris, Kurt Nondorf, Frank P. Staucet, and Bob Wilson, Sr. for being inducted into the Hammond Sports Hall of Fame. Their service, dedication, and success have left an indelible mark on Hammond, Indiana and Indiana's First Congressional District.

IN RECOGNITION OF GUAM'S EXEMPLARY JUNIOR ROTC UNITS

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. UNDERWOOD. Mr. Speaker, I take this opportunity to offer words of praise and commendation for the three student cadet units of the U.S. Army Junior Reserve Officer Training Corps (ROTC) program on Guam. These deserving units, based at George Washington High School in Mangilao, Southern High School in Santa Rita, and Simon Sanchez High School in Yigo, have all been recently bestowed the designation of "Honor Unit with Distinction" following formal evaluation on the part of senior ROTC officers. This recognition is the third consecutive time that Guam's units have been awarded high marks of excellence from Cadet Command.

As part of the formal tri-annual certification process, officers from the U.S. Army ROTC Cadet Command, Fourth Region Headquarters, in Fort Lewis, Washington, recently conducted thorough on-site inspections of Guam's Junior ROTC units. Rigorous review of several critical areas, including cadet participation and performance, records and administration, public affairs and recruiting, training management, supply and logistics and school support were undertaken during this extensive inspection process. Cadets were responsible for briefing the inspection officers. Their performance was scrutinized and examined based on the Army's standards. The results yielded superior rating for the cadets, indicating that they executed their briefings well and were solid in drill and ceremony, curriculum knowledge, supply room inspection, and management.

This news is further testament to the success of the Junior ROTC program and the positive impact it has on the young men and women who choose to participate. Every year, Mr. Speaker, I am fortunate enough to have the opportunity to meet with the cadets and cadre of Guam's Junior ROTC units here in Washington. They make their annual journey each Fall to visit our Nation's capital city and learn about the legislative process. I have witnessed first-hand their remarkable growth and enjoy engaging in dialogue with them about their educational experiences.

Mr. Speaker, it is with these thoughts in mind and in proud recognition of their accomplishments, that I offer a whole-hearted congratulations to the young men and women of Guam's U.S. Army Junior Reserve Officer Training Corps (JROTC) program. Their accomplishments and efforts are to be lauded and appropriately acknowledged. I am honored to have been invited to speak at their upcoming Military Ball this Saturday, the 17th of March. I accepted their invitation without hesitation and look forward to personally meeting each one of the cadets and cadre to share in celebration of their success.

These distinguished cadets deserve our praise, our thanks, and our continued support. May the Junior ROTC Program continue to motivate young people to be better citizens. Mr. Speaker, I commend the Junior ROTC cadets and cadre on Guam. We on Guam are proud of their achievement. They have set the example for other units throughout the Nation to emulate. I urge them to keep up the good work and always remember the values instilled and skills acquired through participation in this invaluable program.

TRIBUTE TO THE AMERICAN CHEMICAL SOCIETY

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mrs. TAUSCHER. Mr. Speaker, I would like to congratulate the American Chemical Society and its more than 163,000 members on their remarkable achievements in chemistry throughout history. ACS was founded 125 years ago. In 1937, Congress charged ACS with advancing the chemical sciences and to promote research, education, and high standards of professional ethics. ACS members have played key roles in expanding the frontiers of knowledge, advancing medicine and industry, and creating products—from aspirin to the Hula Hoop.

Advances in the sciences have given us limitless possibilities to increase our knowledge, to share new discoveries, and to make life better for people across our country and around the world. Chemistry contributes to the safety and quality of our food, the fuel-efficiency of our cars, the speed of our computers, and the effectiveness of our medicines and vaccines. Those achievements wouldn't be possible without the vision and innovation of scientists and engineers.

We must do a better job teaching our children science and mathematics and motivating them to choose careers in these fields. The workforce of the future must be ready to tackle the complex challenges of an increasingly global society. ACS members are passionate about their mission to help educate Americans in science and technology and introduce everyone—young and old—to the wonders of scientific discovery.

The members of ACS, the world's largest scientific society, will continue to be in the forefront of research and development and science education in a challenging new century. America will benefit from their new discoveries and advances in technology. I join Americans and all people across the globe in celebrating the extraordinary accomplishments of the American Chemical Society and its members on its 125th anniversary.

IN RECOGNITION OF LA TRIBUNA NEWSPAPER

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize a truly special occasion, the 39th anniversary of La Tribuna newspaper. This momentous event in my state's journalism community will be recognized at a gala banquet to be held Friday, March 16, 2001.

In 1962, large numbers of Hispanic immigrants began relocating to New Jersey. At that time, few newspapers were being published in their native language. La Tribuna was one of the first news sources committed to keeping the Spanish-speaking community in touch with its government and the rest of the world.

For thirty-nine years, La Tribuna has shone light on daily events affecting the Hispanic community. Part of the foundation of the United States Constitution is freedom of the press. La Tribuna brings this ideal to life for the Hispanic community on a weekly basis through the paper's commitment to truth and fairness. Whenever and wherever news happens, La Tribuna is at the forefront of articulating events in a concise, non-nonsense manner.

Under the direction of publisher and editor Ruth Molenaar, La Tribuna has grown to be a well-respected member of New Jersey's news community. The people of my District, and New Jersey, are fortunate to have Ms. Molenaar and her staff, including Lionel Rodriquez, providing fair and accurate news coverage. They have been a reliable voice for the Hispanic community for almost two generations.

In recognition of the impact La Tribuna has had on the community, the City of Newark will name a street after the newspaper. The corner of Ferry Street and Niagara Street will be named La Tribuna Street.

It is an honor to have La Tribuna operating in my District. Its efforts have helped our nation's Hispanic community to blossom and flourish. I ask that my colleagues join me in applauding this remarkable organization for all it has done for the Hispanic community.

CELEBRATING CAMP FIRE BOYS' AND GIRLS' ABSOLUTELY INCREDIBLE KID DAY

HON. VERNON J. EHLERS

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 15, 2001

Mr. EHLERS. Mr. Speaker, I ask my colleagues to join me today in recognizing the birthday of the Camp Fire Boys and Girls' Absolutely Incredible Kid Day. Each year, on the third Thursday in March, the day is set aside to help adults communicate better with kids. As part of the celebration, adults are encouraged to send letters of love and appreciation to young people in their lives to show them how much they mean to them. Now in its fifth year, more than 450 million people have been touched by Absolutely Incredible Kid Day.

Absolutely Incredible Kid Day can make a positive impact that will last a lifetime. The campaign has received the critical acclaim of child and family care experts, award winning authors, noted psychologists, and adults and kids everywhere. Celebrities such as Oprah Winfrey, Jim Carrey and Cindy Crawford have also given their support to Absolutely Incredible Kid Day.

In my hometown of Grand Rapids, Michigan the Campfire Boys and Girls West Michigan Council has put an enormous amount of time and effort into this celebration. In addition to having adults write letters to kids they know, the organization is also encouraging adults to write letters for distribution to at-risk youths throughout Grand Rapids. The Council has also organized an extensive public awareness program complete with posters, stickers and stationary to spread the word about this special and important day. I applaud them for making this day a top priority.

Mr. Speaker, I ask that my colleagues, moms and dads, grandparents, aunts and uncles, teachers, mentors and other adults alike take time out of their day today to let a young person know how much they appreciate them. Let them know you care and help make a positive difference in their lives today and everyday by writing a letter of love and support. You'll be glad you did and so will the reader of the letter!

CENTRAL ASIAN REPRESSION AND MISMANAGEMENT ARE THE PROBLEM NOT THE SOLUTION TO COMBATING ISLAMIC EXTREMISM

HON. DAN BURTON

OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 15, 2001

Mr. BURTON of Indiana. Mr. Speaker, those of us who follow events in Central Asia are alarmed by the growing influence of Islamic extremism in Central Asia. As my colleagues are aware, an Islamic insurgency has taken root in the Fergana valley area where the borders of Uzbekistan, Tajikistan, and Kyrgyzstan meet. Reports indicate that this insurgency is being supported and fueled by the fiercely Islamic Taliban in Afghanistan.

So far, Kazakhstan has not been directly affected by this insurgency. However, because of its oil and mineral wealth, Kazakhstan is the crown jewel of the region and is thus another likely target of Islamic extremist groups. Kazakhstan's democratically challenged regime has taken note of the alarming developments in its neighbors to the south and has taken steps to strengthen its defenses. That's the good news. The bad news, however, is that President Nursultan Nazarbayev has apparently stepped up his repression, and it has been reported that he is plundering his oil and mineral rich country by siphoning hundreds of millions of dollars into foreign bank accounts. As a result, President Nazarbayev is said to be the eighth richest person in the world.

The people of Kazakhstan are not as blind. They can easily see that they inhabit a rich country, and they are justifiably beginning to ask why so little of their country's great wealth seems to be trickling down to them. The people are also not blind to sham elections, the stifling of press freedom, and the jailing of opposition leaders that have come to characterize the country's political life. I have been told that more and more people in Kazakhstan are losing hope, and are more willing to give Islamic extremists groups, who claim that they will eliminate the corruption of the current regime, a chance to govern.

In the March 3 issue of the Economist, there is an excellent article on Kazakhstan's security situation. At the end of the article, the author states "Government repression and mismanagement help to nourish extremism and terrorism in Central Asia. An effort to improve social and economic conditions and freedom of expression might make Kazakhstan less fertile ground for militant zealots." I wholeheartedly agree with this premise, and I ask that the full text of the Economist article appear immediately after my remarks.

Mr. Speaker, some people in Washington may be tempted to urge U.S. support for the Nazarbayev regime because it claims to be a bulwark of defense against Islamic extremism. But according to the information that I have been receiving, it is the Nazarbayev regime itself that will likely fuel the growth of Islamic extremism. Democracy, a free press, and respect for human rights are the keys to protecting a country like Kazakhstan from the influence of Islamic extremists groups. The United States must stand with regimes in Central Asia who share these key democratic values, not those regimes and leaders who subvert them.

[From the Economist, Mar. 3, 2001]

IN DEFENCE

When the Soviet Union broke up ten years ago, the leaders of Central Asia's newly independent states felt safe from possible attacks on their region. Their main concern was to promote order, economic reform and the assertion of power for themselves and their families. They were jolted out of their complacency by bomb blasts in Tashkent, the capital of Uzbekistan, in February 1999 and an attack by Islamic militants in Kirgizstan in August. Last year Islamists again attacked both countries.

Although Kazakhstan was not directly affected by these attacks, they have alerted the country to look to its defences. President Nursultan Nazarbaev has set about making Kazakhstan's armed forces capable of dealing with what he believes are the main threats to the state; terrorism as a result of religious extremism, and organized crime.

He is strengthening defences in the south, in the mountainous border regions from which an Islamic incursion might come. He wants his soldiers to be more mobile. Sniper groups are being formed. Villagers with local knowledge of the terrain are being recruited as guides. The country's defence budget has been more than doubled this year to $171m, or 1% of GDP. Soldiers' pay is to go up by 30–40%.

One difficulty is the Kazakhstan's borders were not clearly defined in Soviet times, so it is difficult to decide what is a "border incursion". Kazakhstan has 14,000 km (8,750 miles) of borders with neighboring states. It has agreed on its border with China, but it is still negotiating with Russia, Kirgizstan, Uzbekistan and Turkmenistan. Bulat Sultanov, of Kazakhstan's Institute of Strategic Studies, worries that "our border troops cannot carry out any operations because there is no legal basis for them."

Last year, Uzbek border guards entered southern Kazakhstan and claimed a stretch of land. Since then, there have been several brushes between Uzbeks and Kazakhs, mostly villagers unclear about which country they are living in. All this is a distraction from the task of making the south of Kazakhstan more secure.

Then there is Afghanistan. Although Kazakhstan is not a direct neighbour, the fiercely Islamic Taliban who control most of Afghanistan are a worry to all of Central Asia. They are believed to provide training for extremists, among them the Islamic Movement of Uzbekistan (IMU), which wants to set up a caliphate in the Fergana valley, where Kirgizstan, Tajikistan and Uzbekistan meet. The IMU was said to be behind the attacks in Kirgizstan and Uzbekistan in the past two years and is thought to be preparing another assault before long.

Most of Kazakhstan's military equipment dates back to the Soviet period. Replacing, say, old helicopters used in the border areas will be expensive, but necessary. In January a Mi-8 helicopter crashed in the south, injuring the defence minister, Sat Tokpakbaev, who was aboard. Another helicopter crashed near the Chinese border two weeks ago, killing six people.

Kazakhstan will receive arms from Russia worth $20m this year as part of its annual payment for the use of a space-rocket site at Baikonur. It is due to receive over $4m from the United States to improve border security. The government might also consider some nonmilitary measures. Government repression and mismanagement help to nourish extremism and terrorism in Central Asia. An effort to improve social and economic conditions and freedom of expression might make Kazakhstan less fertile ground for militant zealots.

RECOGNIZING MONMOUTH UNIVERSITY FOR WINNING THE NORTHEAST CONFERENCE MEN'S BASKETBALL CHAMPIONSHIP AND GOING TO THE NCAA TOURNAMENT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today to recognize the hard work of the Monmouth University Hawks men's basketball team who won the Northeast Conference basketball title recently with a 67–64 victory over St. Francis of New York. Mr. Speaker, this victory rounds out a "Cinderella" season that saw the Hawks reclaim the top spot in the Northeast Conference and earns them an automatic bid to the "big dance."

The 12th Congressional District of New Jersey has a proud tradition of sending teams into battle during March madness. This is Monmouth University's second NCAA tournament bid. As the field begins to fill out I salute the courage and determination of the Monmouth Hawks and wish them great success and a full dance card.

Men's Basketball 2000–01 Roster

Listed by number, position, height, weight, class, hometown, and highschool/college, as follows:

4 Rahsaan Johnson, G, 6′–0″, 195, Jr., Washington, D.C., Gonzaga/Allegany College.

5 Tom Kaplan, G, 6′–4″, 190, Fr., Tel Aviv, Israel, Elitzur Rishon Le Zion.

10 Jason Kray, G, 6′–5″, 215, Fr., Point Pleasant, N.J., Christian Brothers Academy.

11 Steve Birdgemohan, F, 6′–8″, 225, Jr., North Brunswick, N.J., North Brunswick.

12 Phil Bonczewski, F, 6′–8″, 220, Fr., Plymouth, Pa., Wyoming Valley West.

13 Cameron Milton, G, 6′–3″, 185, Jr., Philadelphia, Pa., Franklin Learning Center.

20 Demitry Courtney, G, 6′–1″, 165, Sr., Trenton, N.J., Notre Dame.

21 Jay Dooley, F, 6′–6″, 210, So., Rumson, N.J., Rumson-Fair Haven.

24 Gerry Crosby, F, 6′–5″, 205, Sr., Twinsburg, Ohio, R.B. Chamberlin/Monroe CC.

25 Kevin Owens, C, 6′–10″, 225, So., Haddonfield, N.J., Camden Catholic.

33 Nick Barnes, C, 6′–9″, 260, Fr., Mount Airy, MD., The Newport School.

45 Russ Anderson, F, 6′–7″, 210, So., Chester, N.Y., Don Bosco Prep.

Head Coach Dave Calloway.

Assistant Coach Mark Calzonetti.

Assistant Coach Ron Kray.

TRIBUTE TO STEVE VOSSMEYER

HON. KAREN McCARTHY

OF MISSOURI

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today along with my esteemed colleague from Missouri's 3rd District, the Democratic Leader, Mr. GEPHARDT, to honor a loyal friend, devoted father, remarkable public servant, and esteemed political and civic leader whose love of life will live on in the memory of all those lives he touched. Steve Vossmeyer died march 9, just five days before his 57th birthday. Citizens of the City of St. Louis, his beloved Central West End neighborhood, and the Great State of Missouri mourn his passing.

Steve loved the law and he loved people. He was a popular political figure who used his wit and humor to cajole and prevail upon others to accept his point of view. He was a force to be reckoned with because he researched the situation thoroughly, asked tough questions of opponents, and loved to galvanize those of like mind around a challenge then execute a winning strategy. His love of sports, particularly Cardinals baseball, was legendary and shared enthusiastically with family and friends. An invitation to partake of Steve's culinary skills was a treasured occasion that brought the best minds together around his table and provoked conversations which extended well into the night.

Mr. Vossmeyer served the United States Senate as the legislative Assistant to Missouri Senator Thomas F. Eagleton from 1969 to 1972. Steve accompanied Senator Eagleton and two other Senators on a fact finding mission to Vietnam in 1970. His interrogation of military personnel after their "canned" presentations uncovered significant admissions that the war was not going as well as public pronouncements had indicated. In response he drafted major portions of the War Powers Act. His strongly held beliefs in the democratic process motivated him to serve as an election observer for the first democratically conducted elections in Czechoslovakia after the fall of communism.

Mr. Vossmeyer was elected a Missouri State Representative of the 86th District in 1972, and held that office for ten years. His first election was one of the biggest upsets in the state. He ran against a well known labor union official who outspent him by a margin of more than 4 to 1. His campaign utilized innovative techniques and new technology not previously employed in Missouri elections. At the close of each session, he prepared a comprehensive newsletter on the successes and failures, and those newsletters were quickly imitated almost verbatim—with his approval—by legislative colleagues of both parties. Steve was aided in these elections and constituent communications by Sandy Rothschild, a close friend from Washington University undergraduate days.

During his tenure in the Missouri House he championed a number of measures that benefited women. He sponsored several measures to protect rape victims from spurious attacks by defense attorneys and to balance the playing field for both sides in domestic relations disputes. He sponsored public records reforms and legislation to ratify the Equal Rights Amendment. He helped numerous women in their campaigns for public office. This list includes State Representative Sue Shear, Lt. Governor Harriet Woods and Dee Joyce Hayes, his former wife, whom he helped a decade after their divorce in her successful effort to become St. Louis Circuit Attorney. As Chairman of the House Governmental Review Committee, Steve reformed many of the antiquated and ineffective procedures used by State agencies and modernized the State's mental health laws.

Steve served the City of St. Louis as a Member of the Board of Electors. This body examined a series of problems confronting the St. Louis region, recommending various reforms. In the St. Louis community he remained a political activist fighting for good government and preservation of historic neighborhoods. His opinion on a broad range of issues was sought by numerous federal, state, and local officials, including former Missouri Congressmen Jack Buechner and Alan Wheat, as well as the sponsors of this Congressional Record Statement. He was always very generous with his time and consistently demonstrated concern for issues of public interest. Steve practice law in St. Louis full time with the firm he co-founded in 1979, Newburger and Vossmeyer. His principal partner was David Newburger, whom he met while Mr. Newburger taught law at Washington University. His primary area of practice was civil litigation and domestic relations.

Steve has a son, Robert Stephen Vossmeyer, and a daughter, Rebecca Sarah Vossmeyer. "Becca" is the child of his current marriage with M. Celeste Vossmeyer. He loved his children dearly. They were with him during his last days, as were friends mentioned herein joined by Richard Callow, Betty Neill, and Paul Steinmann. We include an article from the Sunday, March 11 edition of "The St. Louis Post-Dispatch" where a number of his friends reflect with Jo Mannies on their memories of Steve.

Mr. Speaker, please join us in sending condolences to Steve's family in their time of grief. We will honor him by gathering March 19th from 4 p.m. to 8 p.m. in the courtyard at Bar Italia in his neighborhood per his wishes that friends celebrate his life. In Marc Connelly's profound 1930 play, The Green Pastures, has characters suffer as they fight to save their families and countryside from oppressors. They discover God's love through suffering. We are glad that Steve's suffering is over and he has found God's love. We doubt that he will ever stop fighting the good fight.

EX-STATE REPRESENTATIVE STEVE VOSSMEYER, PROMINENT FIGURE IN DEMOCRATIC POLITICS, DIES AT 56

(By Jo Mannies)

Former state Rep. Steve Vossmeyer, a St. Louis lawyer prominent in Democratic politics and local civic affairs, died Saturday of cancer at his home in the Central West End. He was 56.

His close friends included some of the state's top political figures, including former Sen. Thomas F. Eagleton, for whom Mr. Vossmeyer worked in the late 1960s and early '70s; former Rep. Jack Buechner, a Republican who practiced law with Mr. Vossmeyer for several years; and Rep. Karen McCarthy, D-Kansas City, an old ally in the state Legislature.

"He was involved in politics because of his abiding belief in the people and service to the people," said his friend and law partner, David Newburger.

Allies said that during his years in the Missouri House, from 1972–83, Mr. Vossmeyer played a key role in reforming Missouri's mental health laws and in changing the state's rape laws so that they treated married women equitably.

"He was one of the state's first feminists," McCarthy said Saturday.

Friends said Mr. Vossmeyer's sense of humor was a key reason why he was such a popular political figure. "He used his wit the way Old West gunfighters used their pistols," said political consultant Richard Callow, a close friend.

Mr. Vossmeyer was born March 14, 1944, in St. Louis.

His political involvement began early. After graduating with a bachelor's degree from Washington University, he studied international affairs at George Washington University in Washington.

In 1968, Mr. Vossmeyer joined then-Lt. Gov. Eagleton's campaign for the U.S. Senate. Following Eagleton's election, Mr. Vossmeyer joined Eagleton's congressional staff.

"Steve Vossmeyer was exceedingly bright . . . . He put in more hours per day than anyone else involved in the campaign," Eagleton recalled. "He was strongly against the Vietnam War. He simply couldn't believe the misinformation being put out by the Defense Department. He went with me on a trip to Vietnam in the early '70s. After we'd get the canned briefings by the generals and colonels he'd cross-examine them and turn up facts they'd left out."

Mr. Vossmeyer's friends said he was most proud of his involvement in Eagleton's successful effort to win congressional passage of the War Powers Act, which requires presidents to obtain congressional approval when waging war.

Mr. Vossmeyer returned to St. Louis to run for the Legislature in 1972. McCarthy said he was part of an alliance on women's issues that included the late Rep. Sue Shear and then-state Sen. Harriett Woods.

'He was one to galvanize those of like minds around an issue,' McCarthy said.

While serving in the state House, he also attended Washington University's School of Law, where he received his degree. In 1979, he co-founded the local law firm Newburger & Vossmeyer.

"I have never known a lawyer more dedicated and devoted to his clients," Newburger said.

After leaving the Legislature, Mr. Vossmeyer remained a political activist. A Democratic panel nominated him in 1985 to take over as chairman of the Missouri Democratic Party, but an internal dispute scuttled that plan. In the early 1990s, Mr. Vossmeyer was involved in a now-defunct city-county effort called the Board of Electors, charged with tackling regional issues.

Among survivors are his wife, Mary Celeste Vossmeyer; a son, Robert Stephen Vossmeyer; and a daughter, Rebecca Sarah Vossmeyer, all of St. Louis.

The funeral will be private. A memorial service will be held from 4 to 8 p.m. March 19 at Bar Italia, 4656 Maryland Avenue.

RECOGNIZING PRINCETON UNIVERSITY FOR WINNING THE IVY LEAGUE MEN'S BASKETBALL CHAMPIONSHIP AND GOING TO THE NCAA TOURNAMENT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today to recognize the hard work of the Princeton University Tigers men's basketball team who won the Ivy League basketball title earlier this month with a 68–52 victory over the University of Pennsylvania. Mr. Speaker, this victory gives the Tigers their eight Ivy League Championship in 13 years and an automatic bid to the "big dance."

The 12th Congressional District of New Jersey has a proud tradition of sending teams into battle during "March Madness." This is Princeton University's 23rd Ivy League title. As the field begins to fill out I salute the courage and determination of the Princeton Tigers and wish them great success and a full dance card.

MEN'S BASKETBALL 2001–01 ROSTER

Number, Name, Position, Class, Weight, High School/Hometown:

3, Kyle Wente, G, So., 180, St. Anthony's/Effingham, IL.

10, Ed Persia, G, Fr., 180, Monsignor Kelly/Beaumont, TX.

12, Pete Hegseth, G, So., 170, Forest Lake/Forest Lake, MN.

15, Ahmed El-Nokali, G, Jr., 175, Chartiers Valley/Pittsburgh, PA.

22, C.J. Chapman, G, Sr., 175, Denver East/Aurora, CO.

23, Mike Bechtold, F, Jr., 190, Lebanon/Lebanon, PA.

30, Andre Logan, F, Fr., 210, Polp Prep/Brooklyn, NY.

32, Conor Neu, F, Jr., 200, Monte Vista/Danville, CA.

33, Nate Walton, F/C, Sr., 205, University/San Diego, CA.

34, Konrad Wysocki, F, Fr., 215, Greensboro Day School/Lollar, Germany.

35, Terence Rozier-Byrd, C, Sr., 225, Christian Brothers/Lakewood, NJ.

45, Heath Jones, C, Fr., 230, Pender/Burgaw, NC.

Head Coach John Thompson.

Assistant Coach Mike Brennan.

Assistant Coach Robert Burke.

Assistant Coach Howard Levy.

HOUSE OF REPRESENTATIVES—*Monday, March 19, 2001*

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mr. WHITFIELD).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 19, 2001.

I hereby appoint the Honorable ED WHITFIELD to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

You alone, Lord God, call us to worship. Through Your prophet Isaias, You alone call even our prayer to judgment. You bring our vaulted ceilings to be a cracked roof upon our heads. You say, "What care I for the number of your sacrifices? Who asks these things of you? I will not listen."

Learn from the orphan's plea. Have you ever listened to the lament of the child in search of a father? When rid of your heart's indifference, I will be different. Only then will I again be attentive to your prayer.

You speak of the Nation. Yet ego blinds you to rejoice only in the gathering of your own. Steeled in your righteous Sunday best, I do not see your heart moved toward Me or toward those just outside the temple door or across the street.

O Lord, by Your Spirit, pierce us to the heart so the sacrifice born of spirit and truth be revealed in us now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The Speaker pro tempore led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed a concurrent resolution of the following title in which the concurrence of the House is requested:

S. Con. Res. 25. Concurrent Resolution honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they deploy to Bosnia for nine months, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States.

The message also announced that pursuant to Public Law 101–509, the Chair, on behalf of the Secretary of the Senate, announces the reappointment of James B. Lloyd, of Tennessee, to the Advisory Committee on the Records of Congress.

The message also announced that pursuant to Public Law 101–509, the Chair, on behalf of the Democratic Leader, announces the reappointment of Elizabeth Scott of South Dakota to the Advisory Committee on the Records of Congress.

The message also announced that pursuant to Public Law 106–286, the Chair, on behalf of the President of the Senate, and after consultation with the Democratic Leader, appoints the following Members to serve on the Congressional-Executive Commission on the People's Republic of China—

the Senator from Montana (Mr. BAUCUS);

the Senator from Michigan (Mr. LEVIN);

the Senator from California (Mrs. FEINSTEIN); and

the Senator from North Dakota (Mr. DORGAN).

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 25. Concurrent Resolution honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they deploy to Bosnia for nine months, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States; to the Committee on Armed Services.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the House stands adjourned until 12:30 p.m. tomorrow for morning hour debates.

There was no objection.

Accordingly (at 2 o'clock and 2 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, March 20, 2001, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1242. A letter from the the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of March 1, 2001, pursuant to 2 U.S.C. 685(e); (H. Doc. No. 107—52); to the Committee on Appropriations and ordered to be printed.

1243. A letter from the Secretary, Department of Defense, transmitting the approved retirement and advancement to the grade of lieutenant general on the retired list of Lieutenant General John Costello, United States Army; to the Committee on Armed Services.

1244. A letter from the Acting Under Secretary, Department of Defense, transmitting a report on the effect of the six-year bar to retroactive benefits; to the Committee on Armed Services.

1245. A letter from the Principal Deputy Under Secretary, Department of Defense, transmitting a letter regarding the Department's goal of building a stronger future acquisition workforce; to the Committee on Armed Services.

1246. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted for Direct Addition to Food for Human Consumption; Dimethyl Dicarbonate [Docket No. 00F–0812] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1247. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Revision of Administrative Practices and Procedures; Meetings and Correspondence; Public Calendars; Partial Stay, Amendments, and Correction [Docket No. 98N–1042] received March 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1248. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air

Quality Implementation Plans; Massachusetts; Amendment to the Massachusetts Port Authority/Logan Airport Parking Freeze and City of Boston/East Boston Parking Freeze [MA-01-082-7212a; A-1-FRL-6931-3] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1249. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; State of Utah; Ogden City Carbon Monoxide Redesignation to Attainment, Designation of Areas for Air Quality Planning Purposes, and Approval of Revisions to the Oxygenated Gasoline Program [UT-001-0022a, UT-001-0024a, UT-001-0025a, UT-001-0026a, UT-001-0027a, UT-001-0030a, UT-001-0031a; FRL-6888-9] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1250. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Standards of Performance for New Stationary Sources; Supplemental Delegation of Authority to the State of Colorado [CO-001-0056 and CO-001-0057; FRL-6951-1] received March 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1251. A letter from the Director, Office of Congressional Affairs, NMSS, Nuclear Regulatory Commission, transmitting the Commission's final rule—List of Approved Spent Fuel Storage Casks: HI-STAR 100 Revision (RIN: 3150-AG67) received March 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1252. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on the 2001 International Narcotics Control Strategy, pursuant to 22 U.S.C. 2291(b)(2); to the Committee on International Relations.

1253. A letter from the Deputy Chief Financial Officer, Department of Defense, transmitting reports on FY 2000 audited financial statements; to the Committee on Government Reform.

1254. A letter from the General Counsel, Federal Retirement Thrift Investment Board, transmitting the Board's final rule—Correction of Administrative Errors—received March 13, 2001, pursuant to 5 U.S.C. 301(a)(1)(A); to the Committee on Government Reform.

1255. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Catching Pacific Cod for Processing by the Inshore Component in the Central Regulatory Area of the Gulf of Alaska [Docket No. 010112013-1013-01; I.D. 030201A] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1256. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Scup and Black Sea Bass Fisheries; 2001 Specifications; Commercial Quota Harvested for Winter I Scup Period; Commercial Quota Harvested for Black Sea Bass Quarter I Period [Docket No. 001121328-1041-02; I.D. 111500C] (RIN: 0648-AN71) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1257. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Western Alaska Community Development Quota Program [Docket No. 000629198-1038-02; I.D. 051500D] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1258. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Atka Mackerel in the Western Aleutian District and Bering Sea Subarea of the Bering Sea and Aleutian Islands [Docket No. 010112013-1013-01; I.D. 030601B] received March 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1259. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Department's final rule—Fisheries off West Coast States and in the Western Pacific; Coastal Pelagic Species Fisheries; Change in Pacific Mackerel Incidental Catch [Docket No. 000831250-0250-01; I.D. 013100D] received March 5, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1260. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class D Airspace; Sacramento Mather Airport, CA [Airspace Docket No. 00-AWP-6] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1261. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class D and E Surface Areas; Sacramento Executive Airport, CA [Airspace Docket No. 00-AWP-15] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1262. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of a Class E Enroute Domestic Airspace Area, El Centro, CA [Airspace Docket No. 01-AWP-1] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1263. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Monroe City, MO [Airspace Docket No. 01-ACE-1] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1264. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30232; Amdt. No. 2037] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1265. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30233; Amdt. No. 2038] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1266. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Legal Descriptions of Multiple Federal Airways in the Vicinity of Douglas; WY [Airspace Docket No. 00-ANM-33] (RIN: 2120-AA66) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1267. A letter from the the Board of Trustees, Federal Old-Age And Survivors Insurance And Disability Insurance Trust Funds, transmitting the 2001 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, pursuant to 42 U.S.C. 401(c)(2), 1395i(b)(2), and 1395t(b)(2); (H. Doc. No. 107—55); to the Committee on Ways and Means and ordered to be printed.

1268. A letter from the the Board Of Trustees, Federal Hospital Insurance Trust Fund, transmitting the 2001 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to 42 U.S.C. 401(c)(2), 1395i(b)(2), and 1395t(b)(2); (H. Doc. No. 107—54); to the Committee on Ways and Means and ordered to be printed.

1269. A letter from the Acting Assistant Secretary, Pension and Welfare Benefits Administration, Department of Labor, transmitting the Department's final rule—Interim Final Rules for Nondiscrimination in Health Coverage in the Group Market (RIN: 1210-AA77) received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1270. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update [Notice 2001-20] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1271. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Determination of Interest Rate [Rev. Rul. 2001-16] received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1272. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Low-Income Housing Tax Credit-2001 Calendar Year Resident Population Estimates [Notice 2001-21] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1273. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Coordinated Issue Shipping And Gaming Industries Class Life Of Floating Gaming Facilities—received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1274. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Eleventh Annual Report describing the Board's health and safety activities relating to the Department of Energy's defense nuclear facilities during the calendar year 2000; jointly to the Committees on Armed Services and Energy and Commerce.

1275. A letter from the the Board Of Trustees, Federal Supplementary Medical Insurance Trust Fund, transmitting the 2001 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, pursuant to 42 U.S.C. 401(c)(2), 1395i(b)(2), and 1395t(b)(2); (H. Doc. No. 107—53); jointly to the Committees on Ways and Means and Energy and Commerce, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. FOSSELLA (for himself, Mr. Oxley, Mr. Baker, Mrs. Kelly, Mrs. Maloney of New York, Mr. Menendez, Mr. Reynolds, Mr. Royce, Mr. King, Mr. Ose, Mrs. Roukema, Mr. Foley, Mr. Toomey, Mr. Gillmor, Mr. Gary Miller of California, Mr. Rogers of Michigan, Mr. Shadegg, Mr. Grucci, Mr. Weldon of Florida, Mr. Shays, Mr. Manzullo, Mr. Ackerman, Mr. Crowley, Mr. Ford, Mr. Moore, Mr. Blagojevich, Mr. Israel, Mr. Bentsen, Mr. Bachus, Ms. Hart, Mr. Jones of North Carolina, Mr. Ney, Mr. Sweeney, Mr. Ross, Ms. Velázquez, and Mr. Engel):

H.R. 1088. A bill to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes; to the Committee on Financial Services.

By Ms. DUNN (for herself, Mr. McDermott, Mr. Pickering, Mrs. Capps, Mr. Watts of Oklahoma, Mr. Crane, Mr. Portman, Mr. English, Mr. Dicks, Mr. Hastings of Washington, Mr. Nethercutt, Mr. Inslee, Mr. Smith of Washington, Mr. Baird, Mr. Larsen of Washington, Mrs. Roukema, Mrs. Kelly, Mr. Wicker, Mr. Baker, Mr. Skelton, Mr. Paul, Mr. Moore, Mr. Baldacci, Mr. Weldon of Pennsylvania, Mr. Isakson, Mr. Jefferson, Mr. Allen, Mr. Deutsch, Ms. Eshoo, Mr. Brady of Pennsylvania, Mr. Wexler, Ms. Pryce of Ohio, Ms. DeGette, Mr. Doyle, Mr. Wynn, Mr. McGovern, Mr. Dooley of California, Mr. Deal of Georgia, Ms. DeLauro, Mr. Kleczka, Mr. Hilliard, Mr. Cunningham, Mrs. Morella, Mr. Wolf, Mr. Frost, Ms. Carson of Indiana, Mr. Coyne, Mrs. Lowey, Mr. Ehrlich, Mr. Taylor of Mississippi, Mr. Evans, and Mr. Shows):

H.R. 1089. A bill to amend title XVIII of the Social Security Act to expand Medicare coverage of certain self-injected biologicals; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TOM DAVIS of Virginia (for himself, Mr. Moran of Virginia, Mr. Wolf, and Mrs. Morella):

H.R. 1090. A bill to amend subchapter III of chapter 83 and chapter 84 of title 5, United States Code, to include assistant United States attorneys within the definition of a law enforcement officer, and for other purposes; to the Committee on Government Reform.

By Mrs. MINK of Hawaii:

H.R. 1091. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, and for other purposes; to the Committee on Ways and Means.

By Mr. SIMMONS (for himself, Mr. Cramer, Mr. Green of Wisconsin, Mr. Royce, Ms. Ros-Lehtinen, Mr. Shays, Mrs. McCarthy of New York, Mr. Smith of New Jersey, Mr. Flake, Mr. Udall of New Mexico, Ms. Hooley of Oregon, Mr. Abercrombie, and Mr. Hall of Ohio):

H.R. 1092. A bill to ensure that amounts in the Victims of Crime Fund are fully obligated; to the Committee on the Judiciary.

By Mr. THUNE (for himself, Mrs. Emerson, and Mr. Rehberg):

H.R. 1093. A bill to provide for grants to assist value-added agricultural businesses; to the Committee on Agriculture.

By Mr. THUNE (for himself, Mrs. Emerson, and Mr. Rehberg):

H.R. 1094. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for investment by farmers in value-added agricultural property.; to the Committee on Ways and Means.

By Mr. UDALL of New Mexico:

H.R. 1095. A bill to clarify the tax treatment of payments made under the Cerro Grande Fire Assistance Act; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey (for himself, Mr. Lantos, Ms. Ros-Lehtinen, Mr. DeLay, Mr. Diaz-Balart, Mr. Menendez, Mr. Armey, Mr. Ballenger, Mr. Deutsch, Mr. Chabot, Mr. Rohrabacher, Mr. Gilman, Mr. Engel, Mr. Burton of Indiana, Mr. Burr of North Carolina, Mr. Wexler, Mr. Crowley, Mr. Berman, Mr. Wolf, Mr. Hastings of Florida, and Mr. Ackerman):

H. Res. 91. A resolution expressing the sense of the House of Representatives regarding the human rights situation in Cuba; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Ms. Solis.

H.R. 31: Mr. Burton of Indiana and Mr. Barr of Georgia.

H.R. 39: Mr. Chambliss, Mr. Kerns, and Mr. Bryant.

H.R. 51: Mr. Rangel.

H.R. 244: Mr. King.

H.R. 247: Mr. Shows.

H.R. 250: Mr. Langevin, Mr. Smith of New Jersey, Mr. McDermott, Mr. Hyde, Mr. Weldon of Pennsylvania, Mr. Leach, and Mr. Goode.

H.R. 267: Mr. Petri, Mr. Brown of South Carolina, and Mr. Becerra.

H.R. 281: Mr. Weiner, Mr. Reyes, Mr. Baldacci, Mr. Baker, Mr. Wynn, Mr. Paul, Mr. Crowley, Mr. Payne, Mr. Lipinski, Mr. LoBiondo, Mr. Hall of Ohio, and Mr. Rangel.

H.R. 288: Ms. Lee, Ms. Norton, and Mr. Davis of Illinois.

H.R. 320: Ms. Solis.

H.R. 326: Mr. Ackerman, Ms. Sanchez, Mr. Pallone, Ms. Solis, Mr. Coyne, and Mr. Moran of Virginia.

H.R. 353: Mr. Camp, Mr. Stearns, Mr. Green of Wisconsin, Mr. Ryan of Wisconsin, Mr. Largent and Mr. Armey.

H.R. 369: Mr. Cramer.

H.R. 394: Mr. Hostettler, Mr. Clement, Mr. Turner, Mr. Baca, Mr. Chambliss, Mr. Gutknecht, Mr. Filner, Mr. Graham, Mrs. Jo Ann Davis of Virginia, Mr. Lucas of Oklahoma, Mr. Cantor, and Mr. Schaffer.

H.R. 429: Mr. Gutierrez.

H.R. 510: Mr. Burton of Indiana, Mr. Foley, and Mr. Hyde.

H.R. 589: Mr. Blagojevich.

H.R. 612: Mr. Dingell, Mr. Kingston, Mr. Hyde, Mr. Terry, Mr. Mollohan, Mr. Mascara, Mr. Ramstad, Ms. McCollum, Mr. Allen, Mrs. Christensen, and Mr. Deal of Georgia.

H.R. 622: Mr. Weldon of Pennsylvania.

H.R. 664: Mr. Gordon, Mr. Duncan, Mr. Hayworth, and Mr. Chabot.

H.R. 680: Mr. Gutierrez.

H.R. 687: Mr. Cramer and Mr. Langevin.

H.R. 699: Mr. Chambliss and Mr. Simmons.

H.R. 737: Mrs. Capps, Mr. Gutierrez, Mr. Filner, and Mr. Sanders.

H.R. 744: Mr. Cantor.

H.R. 752: Mr. Houghton and Mr. Rodriguez.

H.R. 783: Mrs. Thurman.

H.R. 801: Ms. Brown of Florida.

H.R. 811: Mr. Foley.

H.R. 818: Mr. Lipinski, Mr. Brady of Pennsylvania, Mr. Boehlert, Mr. Neal of Massachusetts, Mr. McNulty, and Mr. Payne.

H.R. 850: Mr. Bonior, Mr. Sessions, Mr. Wynn, Ms. Kilpatrick, and Mr. Platts.

H.R. 862: Mr. McDermott.

H.R. 871: Mr. English and Mr. Barr of Georgia.

H.R. 925: Mr. Meehan.

H.R. 926: Mr. Moakley and Mr. Meehan.

H.R. 951: Mrs. Johnson of Connecticut, Mrs. Capps, Mr. Allen, and Mr. Hall of Ohio.

H.R. 962: Mrs. Meek of Florida and Ms. Lee.

H.R. 971: Mr. Otter.

H.R. 981: Mr. Callahan, Mr. Portman, and Mr. Clement.

H.R. 1009: Mr. Bereuter and Mr. Royce.

H.R. 1015: Mr. Gibbons and Mr. Watts of Oklahoma.

H.R. 1032: Mr. Kleczka.

H. Con. Res. 29: Mr. Menendez and Mr. Gilman.

H. Con. Res. 45: Mr. Weldon of Pennsylvania, Mr. Calvert, Mr. Holden, Mrs. Capps, Mr. Langevin, Mr. Gillmor, Mrs. Thurman, and Mr. Camp.

H. Res. 13: Ms. McCarthy of Missouri.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 247

OFFERED BY MR. BACHUS

Amendment in the Nature of a Substitute

Amendment No. 1. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tornado Shelters Act".

SEC. 2. CDBG ELIGIBLE ACTIVITIES.

Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (22), by striking "and" at the end;

(2) in paragraph (23), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (23) the following new paragraph:

"(24) the construction or improvement of tornado- or storm-safe shelters for manufactured housing parks and residents of other manufactured housing, the acquisition of real property for sites for such shelters, and the provision of assistance (including loans and grants) to nonprofit or for-profit entities (including owners of such parks) for such construction, improvement, or acquisition; and".

SENATE—*Monday, March 19, 2001*

The Senate met at 12 noon and was called to order by the Honorable PAT ROBERTS, a Senator from the State of Kansas.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Lord, on Saturday we joyfully celebrated Saint Patrick's Day. We remember the words with which St. Patrick began his days. We pray them today as our prayer, "I arise today, through God's might to uphold me, God's wisdom to guide me, God's eye to look before me, God's ear to hear me, God's hand to guard me, God's way to lie before me and God's shield to protect me." In Your Holy Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable PAT ROBERTS led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, March 19, 2001.*
>
> *To the Senate:*
>
> Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAT ROBERTS, a Senator from the State of Kansas, to perform the duties of the Chair.
>
> STROM THURMOND,
> *President pro tempore.*

Mr. ROBERTS thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for up to 10 minutes each.

ORDER OF PROCEDURE

Mr. SPECTER. Mr. President, I ask unanimous consent that I be permitted to have the first 10-minute block of morning business.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The distinguished Senator from Pennsylvania is recognized.

SCHEDULE

Mr. SPECTER. Mr. President, before being allotted my 10 minutes, I have been asked by the distinguished majority leader to make the following announcement.

Today, the Senate will be in a period of morning business until 1 p.m. Following morning business, the Senate will begin debate on S. 27, the campaign finance reform bill. Under the agreement, each amendment offered will have up to 3 hours of debate prior to a vote on or in relation to the amendment. Amendments are expected to be offered during today's session. However, any votes ordered will be stacked to occur later today. Senators will be notified as a vote time is scheduled. Members are encouraged to offer their amendments as soon as possible in order to complete the bill in a timely manner.

I thank my colleagues for their attention.

CAMPAIGN FINANCE REFORM

Mr. SPECTER. Mr. President, I have sought recognition in morning business to reference legislation on campaign finance reform which I originally offered on September 18, 1997, as S. 1191. I refer to it today because there are a number of specific provisions which may form the basis for amendments to S. 27. I wanted to give my colleagues express notice that I might be offering such.

My bill does six things: First, it eliminates soft money; second, defines express advocacy; third, requires affidavits for independent expenditures; fourth, adopts the Maine standby public financing provision; fifth, eliminates foreign transactions which funnel money into U.S. campaigns; sixth, limits and requires reporting of contributions to legal defense funds.

A major portion of debate will occur on the issue of soft money. The Supreme Court of the United States in Buckley v. Valeo defined advocacy and issue ads in a way which has been very perplexing and very troubling, and in Buckley v. Valeo the Supreme Court said:

> In order to preserve the provision against invalidation on vagueness grounds, section 6608(e)(1) must be construed to apply only to expenditures for communications that in express terms advocate the election or defeat of a clearly identified candidate for Federal office.

And then the Supreme Court went on to amplify what express advocacy meant, saying vote for X or vote against X.

There have been decisions which have said that it is not mandatory to have a statement "vote for" or "vote against" in order to satisfy the requirements of express advocacy. It is my view that in the ensuing 25 years we have seen advertisements which were clear cut advocacy ads which did not contain any magic words such as "vote for" or "vote against." I would give two illustrations—one from the Democratic National Committee and a second from the Republican National Committee in the 1996 Presidential election.

A Democratic National Committee television commercial said:

> American values. Do our duty to our parents. President Clinton protects Medicare. The Dole-Gingrich budget tried to cut Medicare $270 billion. Protect families. President Clinton cut taxes for millions of working families. The Dole-Gingrich budget tried to raise taxes on eight million of them. Opportunity. President Clinton proposes tax breaks for tuition. The Dole-Gingrich budget tried to slash college scholarships. Only President Clinton's plan meets our challenges. Protect our values.

Inexplicably, this has been viewed as an issue ad, but nothing could be clearer on its face than that it advocates the election of then-President Clinton and the defeat of then-candidate Senator Dole.

Then compare a Republican National Committee ad. The announcer comes on and says:

> Compare the Clinton rhetoric with the Clinton record.

Then President Clinton comes on in a video tape saying:

> We need to end welfare as we know it.

Then the announcer comes back and says:

> But he vetoed welfare reform not once but twice. He vetoed work requirements for the able-bodied. He vetoed putting time limits on welfare, and Clinton still supports giving welfare benefits to illegal immigrants. The Clinton record hasn't matched the Clinton record.

Then President Clinton's face comes on and he says on a video tape:

> Fool me once, shame on you. Fool me twice, shame on me.

Then the announcer comes on and says:

> Tell President Clinton you won't be fooled again.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Here again the other side of the coin—inexplicably interpreted to be an issue ad and not an advocacy ad. In my judgment, Mr. President, those ads clearly constitute advocacy. And when the Supreme Court in Buckley v. Valeo said they needed to preserve the act against invalidation on vagueness grounds, I would suggest that what has happened in the intervening 25 years is that advocacy ads may now be defined legislatively. And as Justice Jackson said in one of his famous comments, when there are close issues and there is a congressional declaration, that is weighed very heavily by the Court on the consideration even of constitutional issues. The Supreme Court has ruled in Buckley v. Valeo on the critical issue of coordination, saying that when "expenditures are controlled by or coordinated with the candidate and his campaign," that such control or coordinated expenditures are treated as contributions rather than expenditures.

So the Court said if you have coordination on soft money, it constitutes a contribution and would be governed by the limitations of the Federal election campaign law. But what has occurred is exactly the opposite. In a 6–0 vote on December 10, 1998, the Federal Election Commission rejected its auditor's recommendation that the 1996 Clinton and Dole campaigns repay $17.7 million and $7 million, respectively, because the national committee parties had closely coordinated their soft money issue.

Here we have the Supreme Court saying that where there is coordination, they count, but you have coordination and the rule is flouted by the Federal Election Commission, which again illustrates the need for a modification of what is advocacy, what is coordination, and what ought to be subject to campaign finance limitations.

In Buckley v. Valeo, the Supreme Court ruled that:

> Even a significant interference with protected rights of political association may be sustained if the State demonstrates a sufficiently important interest and employs means closely drawn to avoid unnecessary abridgment of associational freedoms.

Then the Supreme Court goes on to talk about values to be preserved on the prevention of corruption and the appearance of corruption.

It is obvious at this stage, some 25 years after Buckley v. Valeo, with the public indignation as to what has happened with the avalanche of soft money and with the concurrence of much official action in a close time sequence with the avalanche of enormous sums of soft money, so that when the Supreme Court talks about the appearance of corruption, which of course is different from corruption—it is very difficult to prove a bribe, very difficult to prove a quid pro quo to establish the existence of corruption—but when the Court recognizes the "appearance of corruption" as a factor which justifies limitation on speech, then, with the 25 years of experience, it is my view that legislation directed at soft money and directed at a modification of the definitions of advocacy and issue ads would be upheld as being constitutional.

The legislation which I am introducing today with respect to soft money would prohibit the national committees or political parties from soliciting or receiving any contributions not subject to the provisions and caps of the Federal Election Campaign Act and provides further that State party committee expenditures that may influence the outcome of a Federal election may be made only from funds subject to the limitations and prohibitions imposed by Federal law.

The bill requires affidavits for independent expenditures for the individual making the so-called independent expenditure and affidavits from the candidate, the campaign manager, and the campaign treasurer that, in fact, those so-called independent expenditures were not made in coordination with the campaign. There is obviously a great deal more attention paid on individual conduct where that conduct is subject to an affidavit which is prosecutable under the substantial penalties for perjury. There is continuing suspicion that these so-called independent expenditures are, in fact, not independent.

The Supreme Court, in Buckley v. Valeo, has upheld independent expenditures saying that freedom of speech entitles someone to spend as much money as he or she may choose as long as it is not in coordination with the candidate or the campaign. In order to take a significant step forward in ascertaining and ensuring that so-called independent expenditures are really independent, my legislation calls for that kind of an affidavit.

The provision relating to the Maine standby public financing provision is an interesting one, which provides for public funding when an individual spends a phenomenal sum of money for his or her own campaign. It is an open secret that individuals are prepared to spend virtually unlimited sums of money, as illustrated by the past election, or by prior elections. I oppose public financing generally, but it seems to me that where that sort of excessive expenditure is made, there ought to be public financing which would come into play to match that enormous outpouring of an individual's wealth. If public financing were available, it is obvious that the individual wouldn't be inclined to spend all of his or her own money if it were to be matched by public funding. In a day when seats in the Senate are subject to purchase, the Maine standby provision is one which ought to be adopted as a matter of Federal law.

We are about to embark on the consideration of the McCain-Feingold, S. 27, at 1 o'clock. The provision of this legislation which I am submitting now, which, as I say, had been submitted on September 18, 1997, as then S. 1191, contains a number of revisions which are possibilities for my offering as amendments to S. 27. There is no doubt that we are going to become very deeply involved in the constitutional issue on what is an issue ad and what is an advocacy ad and how we deal with soft money.

In the 1996 Presidential elections, the line was blurred beyond recognition between party and candidate activities. There is substantial evidence that soft money was spent illegally during the 1996 campaign by both parties. According to a November 18, 1996, article in Time magazine, President Clinton's media strategists collaborated in the creation of a DNC television commercial. The article describes a cadre of Clinton-Gore advisors, including Dick Morris, working side by side with DNC operatives to craft the DNC advertisement which extolled the President's accomplishments and criticized Republican policies. Republicans did the same.

Such cooperation constitutes violation of the Federal Election Campaign Act [FECA] which provides:

> Expenditures made by any person in cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents, shall be considered to be a contribution to such candidate. 2 U.S.C. 441a(a)(7)(B)(1)

Thus, if the alleged cooperation between the Clinton/Gore campaign and the DNC took place, then all of the money spent on those DNC advertisements constituted contributions to the Clinton campaign. Under FECA, such contributions would have to be reported upon receipt and would have to be included when calculating the campaign's compliance with FECA's strict contribution and expenditure limits. The failure to treat the expenditures as contributions would be a violation of FECA, and the knowing and willful failure to treat the expenditures as contributions would be a criminal violation of FECA.

There are indications that the Clinton/Gore campaign advisors did realize they were violating the law at the time. The Time article quotes one as saying, "If the Republicans keep the Senate, they're going to subpoena us."

The content of the DNC and RNC advertisements appears to have violated Federal election law. When an entity engages in issues advocacy to promote a particular policy, it is exempt from the limitation of FECA and can fund these activities from any source. When an entity engages in express advocacy on behalf of a particular candidate, it is subject to the limitations of FECA and is not permitted to fund such activities with soft money. Where the

DNC and RNC advertisements did contain express advocacy, and funded these advertisements with soft money, then these committees violated FECA.

The FEC defines "express advocacy" as follows:

> Communications using phrases such as "vote for President," "reelect your Congressman," "Smith for Congress," or language which, when taken as a whole and with limited reference to external events, can have no other reasonable meaning than to urge the election or defeat of a clearly identified federal candidate. 11 CFR 100.22

In my judgment, both the DNC and RNC television advertisement crossed the line from issues advocacy to express advocacy. While the DNC and RNC ads did not use the words "Vote for Clinton" or "Dole for President," these advertisements certainly urged the election of one candidate and the defeat of another. For example, the following is the script of a widely broadcast DNC television commercial:

> American values. Do our duty to our parents. President Clinton protects Medicare. The Dole/Gingrich budget tried to cut Medicare $270 billion. Protect families. President Clinton cut taxes for millions of working families. The Dole/Gingrich budget tried to raise taxes on eight million of them. Opportunity. President Clinton proposes tax breaks for tuition. The Dole/Gingrich budget tried to slash college scholarships. Only President Clinton's plan meets our challenges, protects our values.

Does this advertisement convey any core message other than urging us to vote for President Clinton?

The RNC ads similarly crossed the line into express advocacy. The following is the script of a widely broadcast RNC television commercial:

> (Announcer) Compare the Clinton rhetoric with the Clinton record.
>
> (Clinton) "We need to end welfare as we know it."
>
> (Announcer) But he vetoed welfare reform not once, but twice. He vetoed work requirements for the able-bodied. He vetoed putting time limits on welfare. And Clinton still supports giving welfare benefits to illegal immigrants. The Clinton rhetoric hasn't matched the Clinton record.
>
> (Clinton) "Fool me once, shame on you. Fool me twice, shame on me."
>
> (Announcer) Tell President Clinton you won't be fooled again.

Similarly, the Democrats, through their shared use of campaign consultants such as Dick Morris for Clinton-Gore 1996 and the Democratic National Committee, crossed the line into illegal contributions on television advertisements.

There has been substantial information in the public domain about the President's personal activities in preparing television commercials for the 1996 campaign. The activity of the President has been documented in a book by Dick Morris and in public statements by former Chief of Staff, Leon Panetta. There is no doubt—and the Attorney General conceded this in oversight hearings by the Judiciary Committee on April 30, 1997—that there would be a violation of the Federal election law if, and when the President prepared campaign commercials that were express advocacy commercials contrasted with issue advocacy commercials.

This bill will end the charade by providing a clear-cut statutory definition of express advocacy wherever the name or likeness of a candidate appears with language which praises or criticizes that candidate.

This bill would put teeth into the law to make independent expenditures truly independent. Current law requires political committees or individuals to file reports quarterly until the end of a campaign and to report expenditures of more than $1,000 within 24 hours during the final 20 days of the campaign. This legislation would require reporting for independent expenditures of $10,000 or more within 24 hours during the last 3 months of a campaign. This bill would require the individual making the independent expenditure or the treasurer of the committee making the independent expenditure to take and file an affidavit with the FEC that the expenditures were not coordinated with the candidate or his-her committee. Then, the Federal Election Commission would notify within 48 hours the candidate, campaign treasurer, and campaign manager of that independent expenditure. Those individuals would then have 48 hours to take and file affidavits with the FEC that the expenditures were not coordinated with the candidate or his/her committees.

Taking such affidavits coupled with the penalty for perjury would be significant steps to preclude illegal coordination.

Anyone who watched the Governmental Affairs hearings in 1997 knows the alarming role of illegal foreign contributions in our 1996 campaigns. This legislation would strengthen the existing law to better prevent transactions which effectively fund domestic political campaigns with foreign financing schemes.

Under current law, it is illegal for a foreign national to contribute money or anything of value, including loan guarantees, either directly or indirectly through another person, in connection with an election to any political office. Knowing and willful violations can result in criminal penalties against the offending parties.

Mr. Haley Barbour's testimony before the Governmental Affairs Committee in 1997 highlights the need to strengthen and more actively enforce the foreign money statute to ensure that foreign nationals do not circumvent this intended prohibition on foreign political contributions. This bill would clarify the law to cover all arrangements from foreign entities through third parties where funds from these transactions ultimately reach a U.S. political party or candidate.

In his testimony, Mr. Barbour acknowledged that the National Policy Forum [NPF], which he headed, received a $2.1 million loan guarantee in October 1994, from Young Brothers Development, the U.S. subsidiary of a Hong Kong company which provided the money. The loan guarantee served as collateral for a loan NPF received from a U.S. bank. Shortly thereafter, NPF sent two checks totaling $1.6 million to the Republican National Committee [RNC]. NPF ultimately defaulted on its loan with the U.S. bank and Young Brothers eventually ended up paying approximately $700,000 to cover the default.

The weak link in the existing law is that many people have argued that the Federal campaign finance law does not apply to soft money. Accordingly, there are those who would argue that the NPF transaction described above would be legal so long as only soft money was involved. We need to make it 100 percent clear that foreign nationals cannot contribute to U.S. political parties or candidates under any circumstances. My bill closes this potential loophole by explicitly stating that the foreign money provisions of the bill apply to all foreign contributions and donations, both soft and hard money.

The decision of the Supreme Court of the United States in Buckley versus Valeo prohibits legislation limiting the amount of money an individual may spend on his-her campaign. Maine recently enacted a statute designed to deal with this issue which provides a model for Federal legislation.

Under the Maine legislation, a voluntary cap is placed on the total amount that candidates can spend during their campaigns for public office. The law further provides that if one candidate exceeds the spending limit, an opponent who has complied with the limit will be given public matching funds in an amount equal to the amount by which the offending candidate exceeded the spending limit. With such matching funds available, it would be a real deterrent to prevent a candidate from exceeding the expenditure cap since that candidate would no longer receive an advantage from his or her additional expenditure. This provision would probably not result in significant public expenditures; and to the extent it did, it would be worth it.

This bill would subject contributions for legal defense funds to limits and mandatory disclosure for all Federal office holders and candidates. Testimony before the Governmental Affairs Committee in 1997 disclosed that Mr. Yah Lin "Charlie" Trie brought in $639,000 for President Clinton's legal defense fund. While those funds were ultimately returned, there was never any identification of the donors and the fact of those contributions was delayed until after the 1996 election.

Contributions to legal defense funds pose a public policy issue similar to campaign contributions.

This bill would impose the same limits on contributions to legal defense funds which are required for political contributions.

Mr. President, I ask unanimous consent that the legislation I introduced in 1997, along with an executive summary, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1191

(Introduced September 18, 1997)

In lieu of the matter proposed to be inserted, insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Senate Campaign Finance Reform Act of 1998".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

Sec. 101. Senate election spending limits and benefits.

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Provisions Relating to Soft Money of Political Party Committees

Sec. 201. Soft money of political party committees.

Sec. 202. State party grassroots funds.

Sec. 203. Reporting requirements.

Subtitle B—Soft Money of Persons Other Than Political Parties

Sec. 211. Soft money of persons other than political parties.

Subtitle C—Contributions

Sec. 221. Prohibition of contributions to Federal candidates and of donations of anything of value to political parties by foreign nationals.

Sec. 222. Closing of soft money loophole.

Sec. 223. Contribution to defray legal expenses of certain officials.

Subtitle D—Independent Expenditures

Sec. 231. Clarification of definitions relating to independent expenditures.

Sec. 232. Reporting requirements for independent expenditures.

TITLE III—APPROPRIATIONS

Sec. 301. Authorization of appropriations.

TITLE IV—SEVERABILITY; JUDICIAL REVIEW; EFFECTIVE DATE; REGULATIONS

Sec. 401. Severability.

Sec. 402. Expedited review of constitutional issues.

Sec. 403. Effective date.

Sec. 404. Regulations.

TITLE I—SENATE ELECTION SPENDING LIMITS AND BENEFITS

SEC. 101. SENATE ELECTION SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (c) and (d);

"(2) meets the primary and runoff election expenditure limits of subsection (b); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—The requirements of this subsection are met if—

"(1) the candidate and the candidate's authorized committees did not make expenditures for the primary election in excess of 67 percent of the general election expenditure limit under section 502(a); and

"(2) the candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(a).

"(c) PRIMARY FILING REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of this subsection are met if the candidate files with the Commission a certification that—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (b); and

"(ii) will accept only an amount of contributions for the primary and runoff elections that does exceed those limits; and

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(a).

"(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

"(d) GENERAL ELECTION FILING REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of this subsection are met if the candidate files a certification with the Commission under penalty of perjury that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (b); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (b), whichever is applicable, reduced by any amounts transferred to the current election cycle from a preceding election cycle;

"(B) at least one other candidate has qualified for the same general election ballot under the law of the candidate's State; and

"(C) the candidate and the authorized committees of the candidate—

"(i) except as otherwise provided by this title, will not make expenditures that exceed the general election expenditure limit under section 502(a);

"(ii) will not accept any contributions in violation of section 315; and

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that the contribution would cause the aggregate amount of contributions to exceed the sum of the amount of the general election expenditure limit under section 502(a), reduced by any amounts transferred to the current election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii).

"(2) DEADLINE FOR FILING CERTIFICATION.—The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date on which the candidate qualifies for the general election ballot under State law; or

"(B) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

"(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

"(A) 10 percent of the general election expenditure limit under section 502(a); or

"(B) $250,000.

"(2) DEFINITIONS.—In this subsection:

"(A) ALLOWABLE CONTRIBUTION.—The term 'allowable contribution' means a contribution that is made as a gift of money by an individual pursuant to a written instrument identifying the individual as the contributor.

"(B) APPLICABLE PERIOD.—The term 'applicable period' means—

"(i) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on the date on which the certification under subsection (c)(2) is filed by the candidate; or

"(ii) in the case of a special election for the office of Senator, the period beginning on the date on which the vacancy in the office occurs and ending on the date of the general election.

"SEC. 502. LIMITATION ON EXPENDITURES.

"(a) GENERAL ELECTION EXPENDITURE LIMIT.—

"(1) IN GENERAL.—The aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the greater of—

"(A) $950,000; or

"(B) $400,000; plus

"(i) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(ii) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) INDEXING.—The amounts determined under paragraph (1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 1997.

"(b) PAYMENT OF TAXES.—The limitation under subsection (a) shall not apply to any expenditure for Federal, State, or local taxes with respect to earnings on contributions raised.

"SEC. 503. MATCHING FUNDS FOR ELIGIBLE SENATE CANDIDATES IN RESPONSE TO EXPENDITURES BY NON-ELIGIBLE OPPONENTS.

"(a) IN GENERAL.—Not later than 5 days after the Commission determines that a Senate candidate has made or obligated to make expenditures or accepted contributions during an election in an aggregate amount in excess of the applicable election expenditure limit under section 502(a) or 501(b), the Commission shall make available to an eligible Senate candidate in the same election an aggregate amount of funds equal to the amount in excess of the applicable limit.

"(b) ELIGIBLE SENATE CANDIDATE OPPOSED BY MORE THAN 1 NON-ELIGIBLE SENATE CANDIDATE.—For purposes of subsection (a), if an eligible Senate candidate is opposed by more than 1 non-eligible Senate candidate in the same election, the Commission shall take into account only the amount of expenditures of the non-eligible Senate candidate that expends, in the aggregate, the greatest amount of funds.

"(c) Time To Make Determinations.—The Commission may, on the request of a candidate or on its own initiative, make a determination whether a candidate has made or obligated to make an aggregate amount of expenditures in excess of the applicable limit under subsection (a).

"(d) Use of Funds.—Funds made available to a candidate under subsection (a) shall be used in the same manner as contributions are used.

"(e) Treatment of Funds.—An expenditure made with funds made available to a candidate under this section shall not be treated as an expenditure for purposes of the expenditure limits under sections 501(b) and 502(a).

"SEC. 504. CERTIFICATION BY COMMISSION.

"(a) In General.—Not later than 48 hours after an eligible candidate qualifies for a general election ballot, the Commission shall certify the candidate's eligibility for matching funds under section 503.

"(b) Determinations by Commission.—A determination (including a certification under subsection (a)) made by the Commission under this title shall be final, except to the extent that the determination is subject to examination and audit by the Commission under section 505.

"SEC. 505. REVOCATION; MISUSE OF BENEFITS.

"(a) Revocation of Status.—If the Commission determines that any eligible Senate candidate has received contributions or made or obligated to make expenditures in excess of—

"(1) the applicable primary election expenditure limit under this title; or

"(2) the applicable general election expenditure limit under this title,

the Commission shall revoke the certification of the candidate as an eligible Senate candidate and notify the candidate of the revocation.

"(b) Misuse of Benefits.—If the Commission determines that any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title or that a candidate has violated any of the spending limits contained in this Act, the Commission shall notify the candidate, and the candidate shall pay the Commission an amount equal to the value of the benefit.".

(b) Transition Period.—Expenditures made before January 1, 1998, shall not be counted as expenditures for purposes of the limitations contained in the amendment made by subsection (a).

TITLE II—REDUCTION OF SPECIAL INTEREST INFLUENCE

Subtitle A—Provisions Relating to Soft Money of Political Party Committees

SEC. 201. SOFT MONEY OF POLITICAL PARTY COMMITTEES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 301 et seq.) is amended by adding at the end the following:

"SEC. 324. SOFT MONEY OF POLITICAL PARTY COMMITTEES.

"(a) National Committees.—A national committee of a political party (including a national congressional campaign committee of a political party, an entity that is established, financed, maintained, or controlled by the national committee, a national congressional campaign committee of a political party, and an officer or agent of any such party or entity but not including an entity regulated under subsection (b)) shall not solicit or receive any contributions, donations, or transfers of funds, or spend any funds, not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) State, District, and Local Committees.—

"(1) Limitation.—Any amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party and an agent or officer of any such committee or entity) during a calendar year in which a Federal election is held, for any activity that might affect the outcome of a Federal election, including any voter registration or get-out-the-vote activity, any generic campaign activity, and any communication that identifies a candidate (regardless of whether a candidate for State or local office is also mentioned or identified) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Activity not included in paragraph (1).—

"(A) In general.—Paragraph (1) shall not apply to an expenditure or disbursement made by a State, district, or local committee of a political party for—

"(i) a contribution to a candidate for State or local office if the contribution is not designated or otherwise earmarked to pay for an activity described in paragraph (1);

"(ii) the costs of a State, district, or local political convention;

"(iii) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of any individual who spends more than 20 percent of the individual's time on activity during the month that may affect the outcome of a Federal election) except that for purposes of this paragraph, the non-Federal share of a party committee's administrative and overhead expenses shall be determined by applying the ratio of the non-Federal disbursements to the total Federal expenditures and non-Federal disbursements made by the committee during the previous presidential election year to the committee's administrative and overhead expenses in the election year in question;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs that name or depict only a candidate for State or local office; and

"(v) the cost of any campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, if the candidate activity is not an activity described in paragraph (1).

"(B) Fundraising.—Any amount that is expended or disbursed by a national, State, district, or local committee, by an entity that is established, financed, maintained, or controlled by a State, district, or local committee of a political party, or by an agent or officer of any such committee or entity to raise funds that are used, in whole or in part, to pay the costs of an activity described in subparagraph (A) shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(c) Tax-exempt Organizations.—No national, State, district, or local committee of a political party shall solicit any funds for or make any donations to an organization that is exempt from Federal taxation under section 501(c) of the Internal Revenue Code of 1986.

"(d) Candidates.—

"(1) In general.—Except as provided in paragraph (2), no candidate, individual holding Federal office, or agent of a candidate or individual holding Federal office may—

"(A) solicit or receive funds in connection with an election for Federal office unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit or receive funds that are to be expended in connection with any election for other than a Federal election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

"(2) Exception.—Paragraph (1) does not apply to the solicitation or receipt of funds by an individual who is a candidate for a State or local office if the solicitation or receipt of funds is permitted under State law for the individual's State or local campaign committee.".

SEC. 202. STATE PARTY GRASSROOTS FUNDS.

(a) Individual Contributions.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) (as amended by section 105) is amended—

(1) in subparagraph (B) by striking "or" at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000;

"(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $20,000; or"

(b) Multicandidate Committee Contributions to State Party.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which in the aggregate, exceed $15,000;

"(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000;

except that the aggregate contributions described in this subparagraph that may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $15,000; or".

(c) Overall Limit.—

(1) In general.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

"(3) Overall limit.—

"(A) Election cycle.—No individual shall make contributions during any election cycle that, in the aggregate, exceed $60,000.

“(B) CALENDAR YEAR.—No individual shall make contributions during any calendar year—

“(i) to all candidates and their authorized political committees that, in the aggregate, exceed $25,000; or

“(ii) to all political committees established and maintained by State committees of a political party that, in the aggregate, exceed $20,000.

“(C) NONELECTION YEARS.—For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which the contribution is made shall be treated as being made during the calendar year in which the election is held.”.

(2) DEFINITION.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

“(20) ELECTION CYCLE.—The term ‘election cycle’ means—

“(A) in the case of a candidate or the authorized committees of a candidate, the period beginning on the day after the date of the most recent general election for the specific office or seat that the candidate seeks and ending on the date of the next general election for that office or seat; and

“(B) in the case of all other persons, the period beginning on the first day following the date of the last general election and ending on the date of the next general election.”.

(d) STATE PARTY GRASSROOTS FUNDS.—

(1) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 301 et seq.) (as amended by section 201) is amended by adding at the end the following:

“SEC. 325. STATE PARTY GRASSROOTS FUNDS.

“(a) DEFINITION.—In this section, the term ‘State or local candidate committee’ means a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

“(b) TRANSFERS.—Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if the district or local committee—

“(1) has established a separate segregated fund for the purposes described in section 324(b)(1); and

“(2) uses the transferred funds solely for those purposes.

“(c) AMOUNTS RECEIVED BY GRASSROOTS FUNDS FROM STATE AND LOCAL CANDIDATE COMMITTEES.—

“(1) IN GENERAL.—Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in section 324(b)(1) that are for the benefit of that candidate shall be treated as meeting the requirements of 324(b)(1) and section 304(f) if—

“(A) the amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in paragraphs (1)(A) and (2)(A) of section 315(a); and

“(B) the State or local candidate committee—

“(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether those requirements are met; and

“(ii) certifies that the requirements were met.

“(2) DETERMINATION OF COMPLIANCE.—For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in paragraph (1)(A)—

“(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee; and

“(B) the committee must be able to demonstrate that its cash on hand contains funds meeting those requirements sufficient to cover the transferred funds.

“(3) REPORTING.—Notwithstanding paragraph (1), any State Party Grassroots Fund that receives a transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from the candidate committee.”.

(2) DEFINITION.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) (as amended by subsection (c)(2)) is amended by adding at the end the following:

“(21) STATE PARTY GRASSROOTS FUND.—The term ‘State Party Grassroots Fund’ means a separate segregated fund established and maintained by a State committee of a political party solely for the purpose of making expenditures and other disbursements described in section 325(a).”.

SEC. 203. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 232) is amended by adding at the end the following:

“(f) POLITICAL COMMITTEES.—

“(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

“(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 325 APPLIES.—A political committee (not described in paragraph (1)) to which section 325(b)(1) applies shall report all receipts and disbursements.

“(3) OTHER POLITICAL COMMITTEES.—Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements that are used in connection with a Federal election.

“(4) TRANSFERS TO STATE COMMITTEES.—Any political committee shall include in its report under paragraph (1) or (2) the amount of any contribution received by a national committee which is to be transferred to a State committee for use directly (or primarily to support) activities described in section 325(b)(2) and shall itemize such amounts to the extent required by subsection (b)(3)(A).

“(5) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraph (3)(A), (5), or (6) of subsection (b).

“(6) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).”.

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by adding at the end the following:

“(C) The exclusion provided in subparagraph (B)(viii) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.”.

(c) REPORTS BY STATE COMMITTEES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by subsection (a)) is amended by adding at the end the following:

“(g) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.”.

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(A) by striking “and” at the end of subparagraph (H);

(B) by inserting “and” at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

“(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;”.

(2) NAMES AND ADDRESSES.—Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking “within the calendar year”; and

(B) by inserting “, and the election to which the operating expenditure relates” after “operating expenditure”.

Subtitle B—Soft Money of Persons Other Than Political Parties

SEC. 211. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 203) is amended by adding at the end the following:

“(h) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—

“(1) IN GENERAL.—A person other than a committee of a political party that makes aggregate disbursements totaling in excess of $10,000 for activities described in paragraph (2) shall file a statement with the Commission—

“(A) within 48 hours after the disbursements are made; or

“(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

“(2) ACTIVITY.—The activity described in this paragraph is—

“(A) any activity described in section 315(b)(2)(A) that refers to any candidate for Federal office, any political party, or any Federal election; and

“(B) any activity described in subparagraph (B) or (C) of section 315(b)(2).

“(3) ADDITIONAL STATEMENTS.—An additional statement shall be filed each time additional disbursements aggregating $10,000 are made by a person described in paragraph (1).

“(4) APPLICABILITY.—This subsection does not apply to—

“(A) a candidate or a candidate's authorized committees; or

“(B) an independent expenditure.

“(5) CONTENTS.—A statement under this section shall contain such information about the disbursements as the Commission shall prescribe, including—

"(A) the name and address of the person or entity to whom the disbursement was made;

"(B) the amount and purpose of the disbursement; and

"(C) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.".

Subtitle C—Contributions

SEC. 221. PROHIBITION OF CONTRIBUTIONS TO FEDERAL CANDIDATES AND OF DONATIONS OF ANYTHING OF VALUE TO POLITICAL PARTIES BY FOREIGN NATIONALS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting "PROHIBITION OF CONTRIBUTIONS TO CANDIDATES AND DONATIONS OF ANYTHING OF VALUE TO POLITICAL PARTIES BY FOREIGN NATIONALS"; and

(2) in subsection (a)—

(A) by inserting "or to make a donation of money or any other thing of value to a political committee of a political party" after "office"; and

(B) by inserting "or donation" after "contribution" the second place it appears.

SEC. 222. CLOSING OF SOFT MONEY LOOPHOLE.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking "contributions" and inserting "contributions (as defined in section 301) to a candidate or donations (including a contribution as defined in section 301) to political committees".

SEC. 223. CONTRIBUTIONS TO DEFRAY LEGAL EXPENSES OF CERTAIN OFFICIALS.

(a) CONTRIBUTIONS TO DEFRAY LEGAL EXPENSES.—

(1) PROHIBITION ON MAKING OF CONTRIBUTIONS.—It shall be unlawful for any person to make a contribution to a candidate for nomination to, or election to, a Federal office (as defined in section 301(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(3))), an individual who is a holder of a Federal office, or any head of an Executive department, or any entity established on behalf of such individual, to defray legal expenses of such individual—

(1) to the extent it would result in the aggregate amount of such contributions from such person to or on behalf of such individual to exceed $10,000 for any calendar year; or

(2) if the person is—

(A) a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)); or

(B) a person prohibited from contributing to the campaign of a candidate under section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b).

(2) PROHIBITION ON ACCEPTANCE OF CONTRIBUTIONS.—No person shall accept a contribution if the contribution would violate paragraph (1).

(3) PENALTY.—A person that knowingly and willfully commits a violation of paragraph (1) or (2) shall be fined an amount not to exceed the greater of $25,000 or 300 percent of the contribution involved in such violation, imprisoned for not more than 1 year, or both.

(4) CONSTRUCTION OF PROHIBITION.—Nothing in this section shall be construed to permit the making of a contribution that is otherwise prohibited by law.

(b) REPORTING REQUIREMENTS.—A candidate for nomination to, or election to, a Federal office, an individual who is a holder of a Federal office, or any head of an Executive department, or any entity established on behalf of such individual, that accepts contributions to defray legal expenses of such individual shall file a quarterly report with the Federal Election Commission including the following information:

(1) The name and address of each contributor who makes a contribution in excess of $25.

(2) The amount of each contribution.

(3) The name and address of each individual or entity receiving disbursements from the fund.

(4) A brief description of the nature and amount of each disbursement.

(5) The name and address of any provider of pro bono services to the fund.

(6) The fair market value of any pro bono services provided to the fund.

Subtitle D—Independent Expenditures

SEC. 231. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17) INDEPENDENT EXPENDITURE.—The term 'independent expenditure' means an expenditure that—

"(A) contains express advocacy; and

"(B) is made without cooperation or consultation with any candidate, or any authorized committee or agent of such candidate, and which is not made in concert with, or at the request or suggestion of, any candidate, or any authorized committee or agent of such candidate.

"(18) EXPRESS ADVOCACY.—

"(A) IN GENERAL.—The term 'express advocacy' means a communication that, taken as a whole and with limited reference to external events, makes positive statements about or negative statements about or makes an expression of support for or opposition to a specific candidate, a specific group of candidates, or candidates of a particular political party.

"(B) EXPRESSION OF SUPPORT FOR OR OPPOSITION TO.—In subparagraph (A), the term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.

"(C) VOTING RECORDS.—The term 'express advocacy' does not include the publication and distribution of a communication that is limited to providing information about votes by elected officials on legislative matters and that does not expressly advocate the election or defeat of a clearly identified candidate.".

SEC. 232. REPORTING REQUIREMENTS FOR INDEPENDENT EXPENDITURES.

(a) TIME FOR REPORTING CERTAIN EXPENDITURES.—Section 304(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (4); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following:

"(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

"(1) EXPENDITURES AGGREGATING $1,000.—

"(A) INITIAL REPORT.—A person that makes or obligates to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made or obligated to be made.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person filing the report shall file an additional report each time that independent expenditures are made or obligated to be made aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) EXPENDITURES AGGREGATING $10,000.—

"(A) INITIAL REPORT.—A person that makes or obligates to make independent expenditures aggregating $10,000 or more after the 90th day and up to and including the 20th day before an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made or obligated to be made.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person filing the report shall file an additional report each time that independent expenditures are made or obligated to be made aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) CONTENTS OF REPORT.—A report under this subsection—

"(A) shall be filed with the Commission;

"(B) shall contain the information required by subsection (c).".

(b) AFFIDAVIT REQUIREMENT.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by subsection (a)) is amended—

(1) in subsection (c)(2)(B), by inserting "(in the case of a committee, by both the chief executive officer and the treasurer of the committee)" after "certification"; and

(2) by adding at the end the following:

"(e) CERTIFICATION REQUIREMENTS.—

"(1) COMMISSION.—Not later than 48 hours after receipt of a certification under subsection (c)(2)(B), the Commission shall notify the candidate to which the independent expenditure refers and the candidate's campaign manager and campaign treasurer that an expenditure has been made and a certification has been received.

"(2) CANDIDATE.—Not later than 48 hours after receipt of notification under paragraph (1), the candidate and the candidate's campaign manager and campaign treasurer shall each file with the Commission a certification, under penalty of perjury, stating whether or not the independent expenditure was made in cooperation, consultation, or concert, with, or at the request or suggestion of, the candidate or authorized committee or agent of such candidate.".

TITLE III—APPROPRIATIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

The Federal Election Campaign Act of 1971 is amended—

(1) by striking section 314 (2 U.S.C. 439c) and inserting the following:

"SEC. 314. [REPEALED].";

and

(2) by inserting after section 407 the following:

"SEC. 408. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for each fiscal year such sums as are necessary to carry out this Act and chapters 95 and 96 of the Internal Revenue Code of 1986.".

TITLE IV—SEVERABILITY; JUDICIAL REVIEW; EFFECTIVE DATE; REGULATIONS

SEC. 401. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance, shall not be affected thereby.

SEC. 402. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 403. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on January 1, 1999.

SEC. 404. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act not later than 9 months after the effective date of this Act.

THE CAMPAIGN FINANCE REFORM ACT OF 1997—EXECUTIVE SUMMARY

1. Spending Limits on Senate Campaigns.—The bill imposes the following voluntary limits on the amounts that a candidate can spend in a Senate primary and general election:

Primary—67% of the state's general election expenditure limit.

General—$400,000 plus an additional amount based upon the population of each state (with a floor of $950,000). Under this formula, New York would have a general election expenditure limit of $3,994,500, Pennsylvania would have a limit of $2,899,000 and Delaware would have a limit of $950,000.

2. Standby Public Financing.—Similar to the recently-enacted Maine statute, when a candidate exceeds the voluntary spending caps, his qualifying opponent(s) will receive public funding in the amount of the excess. This provisions should act primarily as a deterrent and should not result in significant public outlays.

3. Soft Money—Political Parties.—The bill prevents candidates for Federal office from using soft money (i.e. money not subject to the restrictions, caps and reporting requirements of FECA—the Federal Election Campaign Act) to fund their campaigns by doing the following:

Prohibits national committees of political parties (e.g. the DNC and the RNC) from soliciting, receiving or spending soft money.

Prohibits candidates for Federal office from soliciting or receiving soft money.

Prohibits state, district and local committees of political parties from spending or disbursing soft money for any activity that may affect the outcome of a Federal election.

Caps the amount any individual or entity may contribute to state parties for use in Federal elections at $20,000/year.

4. Foreign Money.—The bill clarifies Federal election law to provide that foreign nationals and other foreign entities may not make any contributions to Federal elections. This provision will make clear that the proscription on such contributions applies to soft money as well as hard money contributions.

5. Clarifying the Definition of Independent Expenditures.—The bill ensures that "independent expenditures" on behalf of a particular candidate by a third party will be truly independent from the candidate by providing that:

All entities which make independent expenditures relating to a candidate for Federal office will have to sign an affidavit stating whether or not such an expenditure was made in coordination with any candidate.

Within 48 hours of receipt of such a certification, the FEC shall notify the candidate to which the expenditure refers that such expenditure has been made.

Within 48 hours of such notice, the candidate (and his campaign manager and treasurer) will have to submit a signed affidavit stating whether or not the independent expenditure was made in coordination with the candidate.

6. Donations to Legal Defense Funds.—The bill seeks to control contributions to legal defense funds—the "first cousin" of campaign contributions—by imposing the following limitations and requirements:

No person can make a contribution of over $10,000 a year in the aggregate to the legal defense fund of a holder of Federal office or a candidate for Federal office.

A holder of Federal office or a candidate for Federal office that accepts contributions to a legal defense fund must file detailed quarterly reports on such contributions and the identity of the donors with the Federal Election Commission.

Mr. SPECTER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, will you advise me of the time available under the special orders?

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 12:30 p.m. was under the control of the Senator from Illinois. However, that time has arrived. Under the previous order, the time until 12:50 p.m. will be under the control of the Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

ENERGY

Mr. MURKOWSKI. Mr. President, I call the attention of my colleagues to a release by OPEC on Friday where OPEC indicated it was cutting the production of oil approximately 1 million barrels a day, to approximately 24.2 million barrels a day. This follows a cut in February of 1.5 million barrels a day. I am sure many will not reflect on the significance of this action, but as we go into the summer season, the realization, again, that we are dependent on OPEC warrants a little consideration this afternoon.

Many people forget that in 1973, when we had the Arab oil embargo and the Yom Kippur war, we were approximately 37 percent dependent on imported oil. Today we are 56 percent dependent on imported oil.

It is not that there is necessarily a shortage of oil in the world, but because of our increased dependence on OPEC and their awareness that they are better off tightening up the supply and keeping the price high, we have seen a rather curious and significant effect associated with our dependence on OPEC and our economy.

What has happened is the OPEC nations have decided it is better to curtail the supply and keep the price high than to continue to produce oil. As a consequence, we are seeing fourth quarter earnings of the Fortune 500 dramatically affected by the cost of energy, and particularly oil. It is estimated that in the last 18 months, one of the major contributors to a decline in our economy, and hence a decline in the stock market, is the cost of energy.

We have seen OPEC operate over the years in a rather undisciplined fashion. That has changed dramatically. Today we see an organized OPEC, a group of countries that actually set a cartel in the sense of setting a price, something that would be inappropriate and subject to antitrust laws in the United States. They got together and decided they were going to maintain a floor and ceiling on the price of oil. That floor was going to be about $22, and the ceiling was going to be about $28. So each time the price begins to fall, OPEC reduces its supply. As a consequence, we are seeing oil prices now about $25 a barrel. About 18 months ago, we were seeing oil prices at $10 a barrel.

OPEC fears, obviously, any slowdown in economic growth that will lead to an oil glut, so they simply reduce the supply. Any reduction in world supply does affect our economy as well as the world's economy and makes higher prices for energy.

There are those who suggest there might be another OPEC cut on the horizon that might be up to 2 million barrels per day if a continued slowdown in the economy actually prevails.

What does this mean for the American consumer? The Energy Information Agency predicts that prices of gasoline this summer may run from $1.60 to as high as $2.10 a gallon for the rest of this year. The reason for that, obviously, is supply and demand: our increasing demand and our increasing dependence on imports.

I indicated we were looking at about 56 percent dependence on OPEC, but it gets worse. The Department of Energy has suggested that by the year 2004 to 2005—somewhere in that area—we will be close to 60 percent dependent. In the year 2010, we will be somewhere in the area of 65 percent dependent.

What we really have to do is begin to spotlight how we can decrease our dependence on imported energy supplies, reduce reliance on foreign oil imports. That is rather amusing to me as we look at the facts associated with what is happening in our economy and the energy crisis that, for all practical purposes, with the exception of what is happening in California, we have chosen to ignore, in spite of the fact that last week the Wall Street Journal came out with an article indicating that the State of New York will have to increase its production generating capacity of energy somewhere in the range of 25 percent in the next year to avoid brownouts, blackouts, and shortages.

It is a funny thing because unless the wheel really squeaks, we do not maintain any attention to take the necessary steps to avoid that. We just simply assume it will not happen or it probably will occur on somebody else's watch or somehow we will get through.

Let me share with you what has changed. In 1988, U.S. consumption of oil was 13.2 million barrels a day. In January of this year, it was 14.6 million barrels a day. Consumption has gone up dramatically—roughly 1.3 million barrels a day.

The offset to that is production. What is our production in the United States? Our production in 1988 was 8.1 million barrels, and it has dropped. In January, production in the U.S. was 5.9 million barrels a day. We are down over 2 million barrels of U.S. daily production. That equates, obviously, to a dependence on more imports.

What are our imports? In 1989, they were 5.1 million barrels a day. In January of this year, they were 8.6 million barrels a day. So approximately 3.35 million barrels a day more is imported into this Nation than back in 1998. As I indicated, our foreign dependence in 1998 was about 39 percent; today it is 59 percent. The price of crude oil in 1998 was $18 compared to $29, $27 today. Adjusted for inflation for the year 2001, that is $26 vis-a-vis $35 a day. That is what has changed.

Let's talk a little bit about the national security interests of this country. I said many times on this floor it is rather ironic we should have a foreign policy that depends to a significant degree on imported oil from Iraq, our good friend Saddam Hussein. We fought a war in 1991. We lost 147 lives. We had 437 wounded, 23 taken prisoner. I don't want to even estimate the cost to the American taxpayer. That was a war over oil. Make no mistake about it. It was to ensure that Saddam Hussein did not invade Kuwait and go on into Saudi Arabia and control the world's supply of oil. We fought that war. We won that war.

But what are we doing today? We are importing 750,000 barrels of oil from Iraq, our good friend Saddam Hussein. Isn't that ironic?

Let me go a step further. It gets worse. We have flown 234,000 individual sorties—airplane flights to enforce the no-fly zone over Iraq—since 1992. What are we doing? One could simplify the debate and suggest we are taking that 750,000 barrels of oil, putting it in our airplanes, and then bombing.

Let's go a little further. What is he doing with the money we pay for that oil? He is taking care of his Republican Guards. No question about that. Then instead of taking care of the needs of his people, he is developing a missile delivery capability of biological and chemical capability. At whom is he aiming? One of our greatest allies—Israel. Maybe I am oversimplifying that, but if you boil it down, that is what it amounts to. Rather ironic. We just seem to shrug our shoulders and say that is the way it is.

I will ask the question of our national security interests. At what point do we reach a degree of dependence on imports where we compromise our national security?

There was a report prepared a few weeks ago by the Center for Strategic and International Studies. It took about 3 years to complete that report. It launched its strategic energy initiatives and began to examine at what point we began to compromise our national security. The bottom line is we are already there.

Some of the highlights of this report deserve some examination. The report assesses the international energy supply and demand relationship likely to prevail in the first two decades of the 21st century—in other words, the next 20 years—and is identifying what effect it will have on global markets between 2000 and 2020 in that study. The energy outlook to 2020 is not very bright. It suggests during the next 20 years, provided there is no extended global economic dislocation, energy demand is projected to expand more than 50 percent. Further, it states the growth will be unevenly distributed with demand increasing in the industrialized world by some 23 percent while more than doubling from a much lower base in the developed world, with Asia accounting for the bulk of the increase. It is not just the United States. We think the world revolves around us. There are developing nations; there is China.

Further, it states that central to the geopolitics of energy is the fact that energy demand will be met in essentially the same way it was met at the end of the 20th century, fossil fuels—mainly oil—providing the bulk of global energy consumption, rising marginally from 86 percent in 2000 to an 88-percent share in 2020.

And oil will dominate global energy use. They identify from where the oil will come. The Persian Gulf will remain the key marginal supplier of oil to the world markets, with Saudi Arabia in an unchallenged lead, and if estimates are correct, the Persian Gulf will expand oil production during that time of 2000 to 2020. That is from where it will come.

It further states that U.S. net imports will continue their steady growth. It further states that electricity will continue to be the most rapidly growing sector of energy demand in developing countries in Asia, central South Africa, and South America showing the greatest increase.

Then it goes into the geopolitics—this is on what every member of this body should reflect—the continuing domestic fragility of key energy producing states. We will be relying on oil from unstable countries and regions throughout much of the century. By the year 2020, fully 50 percent of the estimated total global oil demand will be met from countries that pose a high risk of internal instability.

Further, the growing fact of nonstate actors will be evident in three distinct areas: First, employing new information technologies, nongovernment organizations—NGOs will play a growing role in defining the ways energy is produced and consumed. Second, terrorist groups, with access to the same technologies, will be in a position to inflict greater operational damage on increasingly complex energy infrastructures. Radical activists will be in a position to disrupt operation infrastructures through cyberterrorism. The potential for armed conflict in energy-producing nations will remain high.

I recommend each member review this CSIS report because it stresses the vulnerability of the United States to increasing dependence on energy.

I conclude with one reference. A number of my colleagues are on a bill to put an area known as ANWR, in my State of Alaska, into a wilderness. We have a chart showing a map of the area in question. It is appropriate to recognize a few facts. They are often misstated. ANWR is 19 million acres. ANWR is not at risk because ANWR has already been foreclosed into a wilderness in this area, 8.5 million acres, and 9 million acres is set off as a refuge and is an undisturbed area. There is a village, Katovik, with 227 people. There are people in it who live their lives there. We have a picture of the village. You can see the ocean, the radar, the village homes, the airport, and so forth. My point in bringing this up is to shatter the myth that somehow this is an unoccupied area.

It is beyond my comprehension why some Members would object to our energy bill, which has ANWR in it as a relief, if you will, to reduce our dependence. I ask unanimous consent to speak for 5 more minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MURKOWSKI. In conclusion, let me bring up the reality that we have an energy bill that is about 303 pages long. It covers increasing energy efficiency, alternate fuels, and increasing our own domestic resources. It seems that all the interested parties, including the media, are concerned with one small portion, and that is the portion that suggests we reduce our dependence on imports and imported energy. That is one of the objectives in the bill—to reduce our imports of foreign energy to less than 50 percent by the year 2010.

To get back to this area, because it is the area of dispute, we are looking at a lease-sale in this coastal plain. The reason that is the area is that it is estimated approximately 10 billion to 16 billion barrels of oil are mainly in this area. If it is within the estimate of 16 billion barrels, it will be the largest oilfield found in the world in the last 40 years.

Here is Prudhoe Bay, which has been 20 percent of America's production for the last 27 years, and the pipeline, 800 miles long, traverses this area. There are some in this body who want to put it into wilderness. Some are proposing they filibuster the bill. That is like fiddling while Rome burns.

We have an energy crisis in this country. We are looking for relief. We have an area where we have identified a significant likelihood of a major discovery that would relieve our dependence on imported oil, and some Members want to put it into wilderness, some Members want to stop discussion of the bill, some Members want to filibuster. When will we learn from experience? The experience is, if you are looking for oil, you go where you are most likely to find it. The geologists tell us this is the place. The infrastructure and an 800-mile pipeline are already there. But the environmentalists say no. They don't have any scientific evidence to suggest it cannot be done, they simply say no because it gives them a cause, membership dollars, and so forth.

People are concerned about the caribou. Here is a picture of the caribou. You have seen it before, Mr. President. They are wandering around Prudhoe Bay, they are not disturbed, they are very comfortable. These are real, Mr. President, they are not stuffed.

I can show you another picture. This happens to be 3 bears going for a walk. They happen to be walking on a pipeline because it is easier than walking in the snow. There is a compatibility here. I am not suggesting there is not change, but I am suggesting we have the technology to do it safely.

Here is a chart with the new technology. This came out of the New York Times science section. This shows how drilling occurs today, with 3-D seismic. You can directionally drill and find these pockets of oil.

Lastly, the technology of how it is done with the ice roads. We develop no gravel roads. We put down chipped ice. This is a platform in Prudhoe Bay area, but it is the same in the ANWR area. You can see cars—not cars, these are pickup trucks, traversing to supply this. When this is gone, what you will see in the 2½ months of summer is a picture looking like this. That is the technology. There is absolutely no scientific evidence to suggest we cannot do it safely.

Finally, do we really care where our energy comes from? Virtually all the oil produced in Alaska is consumed in California, Washington, and Oregon. If it does not come from Alaska, they are going to get it. Do you know where it is going to come from? It is going to come in foreign ships, because every single drop of oil that moves from Alaska has to flow in a vessel owned by a U.S. company with U.S. crews, built in a U.S. shipyard, because that is what the Jones Act mandates regarding the movement of goods and services between two American ports.

California should concern itself, and so should Washington, because otherwise that oil will be coming in in foreign vessels, owned by foreign companies that do not have the deep pockets of an *Exxon-Valdez*.

I will be talking about this at other times, but I implore my colleagues to reflect on reality. We have some relief here if we have the gumption and commitment to recognize the scientific capability and technology that we now have to do it right.

Mr. President, I ask unanimous consent the portion of the executive summary of the CSIS study on the vulnerability of this Nation to imported energy be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE SUMMARY

The Center for Strategic and International Studies (CSIS) launched its Strategic Energy Initiative (SEI) in mid-1998 on the premise that the benign global energy situation that had prevailed since the late 1980s masked two dangers.

First, it obscured significant geopolitical shifts both ongoing and forthcoming that could affect future global energy security, supply, and demand.

Second, it led to complacency among policymakers and the public about the need to incorporate long-term global energy concerns into near-term foreign policy decisions.

By midyear 2000 the state of the world oil market had undergone considerable turbulence, marked by rapidly rising oil prices as oil-exporting countries were benefiting from staged reductions in production that had been initiated more than two years earlier. The delicate balance between supply and demand was demonstrated once again.

Instead of dwelling on the oil market turbulence in 2000, however, this report assesses the international energy supply-and-demand relationships likely to prevail in the first two decades of the twenty-first century, highlighting the different ways that geopolitical developments could affect global energy markets between 2000 and 2020. In light of the world's future energy needs, this report series also points out the contradictions inherent in certain of the energy objectives and foreign policies pursued by the United States and other Western governments. Finally, the report offers policy considerations that, if implemented, could help ensure that energy supplies are adequate to meet projected worldwide demand, are not excessively vulnerable to major interruptions, and are produced in ways that minimize damage to the environment.

It may appear that parts of this assessment are unduly pessimistic, that positive factors have been overlooked. These SEI assessments do stress prospects for instability and for interference in energy supplies, but only to alert policymakers about the fragility of reliable and timely supplies.

ENERGY OUTLOOK TO 2020

During the next 20 years, providing there is no extended global economic dislocation, energy demand is projected to expand more than 50 percent. This growth will be unevenly distributed, with demand increasing in the industrialized world by some 23 percent while more than doubling, from a much lower base, in the developing world, with Asia accounting for the bulk of this increase. At some point during this period, the developing world will begin to consume more energy than the developed world. Energy supply will need to be expanded substantially to meet this demand growth. Although the Persian Gulf will remain the key marginal oil supplier, all producing countries must contribute to supply to the extent they can.

Central to the geopolitics of energy during 2000–2020 is the fact that energy demand will be met in essentially the same ways as it was met at the end of the twentieth century. Fossil fuels will provide the bulk of global energy consumption, rising marginally from an 86 percent share in 2000 to an 88 percent share in 2020. Although oil will dominate global energy use and coal will retain its central role in electricity generation, natural gas use will increase noticeably. Indeed the relative contributions of oil and coal to world energy consumption will actually decline whereas only natural gas will demonstrate a growth in both absolute and relative terms. Nuclear power will decline in both relative and absolute terms; renewables, including hydropower, and alternative energy sources, while growing in absolute terms, will not capture a greater relative share of the market.

Development of oil and gas reserves is judged sufficient to meet projected global demand well beyond this period. The most noticeable trend during 2000–2020 will be the growing mutual dependencies between energy suppliers and consumers. Key aspects of this trend, which are set out below, may appear rather obvious—and they are; how to respond in today's changing environment is much less so.

The Persian Gulf will remain the key marginal supplier of oil to the world market, with Saudi Arabia in the unchallenged lead. Indeed, if estimates of future demand are reasonably correct, the Persian Gulf must expand oil production by almost 80 percent during 2000–2020, achievable perhaps if foreign investment is allowed to participate and if Iran and Iraq are free of sanctions.

While the Persian Gulf's share of world oil production continues to expand, the share of North America and Europe, the world's most stable regions, is projected to decline.

The share of world oil production from the Soviet Union is projected to increase from 9 percent to almost 12 percent. But, as had been the case in earlier years, this oil will follow the market, not attempt to lead it.

The Caspian oil contribution to world supply will be important at the margin but not pivotal.

Asian dependence on Persian Gulf oil will rise significantly, and the resulting necessity for longer tanker journeys will put more oil at risk in the international sea lanes.

European dependence on Persian Gulf oil will remain significant.

The European need for natural gas will be covered by a handful of suppliers, Russia being the most significant, which underscores a worrisome dependency.

U.S. net oil imports will continue their steady growth.

Anticipated growth in the use of natural gas—in considerable part engendered as a fuel for electric power stations—raises a new series of geopolitical issues, leading to new political alignments.

Electricity will continue to be the most rapidly growing sector of energy demand; developing economies in Asia and in Central and South America will show the greatest increase in consumption. The choice of primary fuel used to supply power plants will have important effects on the environment.

Technological change and improvements in energy efficiency have made their mark on recent energy supply-and-demand balances. Future energy supply and demand must reflect not only a continuation of these successes but an acceleration wherever possible.

GEOPOLITICS AND ENERGY: A SYMBIOTIC RELATIONSHIP

How Might Geopolitics Affect Energy?

Four main geopolitical trends are likely to influence energy supply and demand during the years ahead.

The continuing domestic fragility of key energy-producing states. The world drew some portion of its energy supplies from unstable countries and regions throughout much of the twentieth century. By 2020, fully 50 percent of estimated total global oil demand will be met from countries that pose a high risk of internal instability. A crisis in one or more of the world's key energy-producing countries is highly likely at some point during 2000-2020.

Globalization. Economic globalization will impose new competitive and political pressures on many of the world's leading energy producers and consumers. It will serve as a spur for growth in global energy supply and demand. It could also lead to serious swings in energy prices and demand because country-specific or regional recessions or other influencing events can now be transmitted quickly around the world. In such a globalized world, energy producers and consumers will become ever more sensitive to their mutual interdependence.

The growing impact of nonstate actors. This impact will be evident in three distinct areas. First, adroitly employing new information technologies, non-governmental organizations (NGOs) will play a growing role in defining the ways that energy is produced and consumed. Second, terrorist groups, with access to the same technologies, will be in a position to inflict great operational damage on increasingly complex energy infrastructures. Third, radical activists will be in a position to disrupt operational infrastructure through cyberterrorism.

Conflict and power politics. The potential for armed conflict in energy-producing regions will remain high. Early in the twenty-first century, as a result, a weakening of U.S. alliance relationships in Europe, the Persian Gulf, or Asia could have major impacts on global energy security. U.S. concerns over the proliferation of weapons of mass destruction (WMD) and the desire to promote democratization and market liberalization around the world will also have a significant effect on key energy exporters. The future viability of the energy-producing states in the Caspian and Central Asia will be shaped by the competing objectives or interests of Russia, the United States, and adjacent regional powers.

How Might Energy Affect Geopolitics?

There are five main ways in which energy may affect geopolitical outcomes:

Swings in energy demand. A dramatic decline in global energy consumption, brought on by economic recession, could trigger instability in many of the world's major energy-exporting countries. Conversely, continued economic growth, accompanied by rising energy demand, would place more power in the hands of the exporters.

Swings in energy supply. Just as demand is vulnerable to sharp shifts up or down, so is supply. If discovery and development of new reserves and the addition of producing capacities match demand growth, an acceptable balance between supply and demand can be maintained. But a number of factors must be satisfied if supply growth is to be encouraged, including an attractive host-country investment climate and the opportunity for acceptable investment returns. At the same time, political events and logistical interruptions can interfere with supply.

Competition for energy in Asia. As countries in Asia seek to secure growing levels of energy imports, two geopolitical risks emerge. First, historical enmities might boil over into armed conflict for control of specific energy reserves in the region. Second, the rising dependence of China on Persian Gulf oil could well alter political relationships within and outside the region. For example, China might seek to build military ties with energy exporters in the Persian Gulf in ways that would be of concern to the United States and its allies.

Energy and regional integration. Energy infrastructure projects may serve to strengthen bilateral economic and political ties in certain instances. In Asia, for example, energy networks, along with trade liberalization, could serve to reduce historical tensions and place Asian economic growth on a firmer footing. Similar forces might come into play in Europe, linking Russia to the European Union (EU); in South Asia, drawing Bangladesh and India closer together; and in the Far East, linking Russia and China.

Energy and the environment. Environmental concerns will have an increasingly important geopolitical bearing on energy decisionmaking by governments, by producers, and by consumers in the next decades. Should governments pursue aggressive strategies for reducing carbon emissions, a new political fault line could emerge between developed and developing countries.

POLICY CONTRADICTIONS AND CONSIDERATIONS

The interplay of geopolitics and energy early in the twenty-first century is at the root of an array of complex policy challenges that governments around the world must now confront. The three interlocking policy challenges are to ensure that (1) in the long term, supplies will be adequate to meet the world's energy needs; (2) in the short term, those supplies are reliable and not subject to serious interruptions; and (3) at all times, energy is produced and consumed in environmentally acceptable ways.

Energy Availability

U.S. policy today contains a fundamental contradiction. Oil and gas exports from Iran, Iraq, and Libya—three nations that have had sanctions imposed by the United States or international organizations—are expected to play an increasingly important role in meeting growing global demand, especially to avoid increasing competition for energy with and within Asia. Where the United States imposes unilateral sanctions (Iran and Libya), investments will take place without U.S. participation. Iraq, subjected to multilateral sanctions, may be constrained from building in a timely way the infrastructure necessary to meet the upward curve in energy demand. If global oil demand estimated for 2020 is reasonably correct and is to be satisfied, these three exporters should by then be producing at their full potential if other supplies have not been developed.

History has demonstrated that unilateral sanctions seldom are successful in persuading nations to alter their behavior. Multilateral sanctions provide a broader front and a greater guarantee of success. Multilateral sanctions test the ability and willingness of enforcing nations to hold together for the duration, however, while both multilateral and unilateral sanctions are viewed as targets of opportunity for the entrepreneurial trader.

Western governments should avoid the indiscriminate use of sanctions. The value of multilateral sanctions should be weighed against the value of engagement and dialogue. When the use of sanctions is deemed admissible in the support of international interests, governments should adopt a graduated approach and make every effort to ensure that the coverage of the sanctions is as targeted as possible. This should include a cost-benefit analysis of whether curtailing investment in, or revenue from, energy production will genuinely dissuade the target government from the specific behavior that provoked the imposition of sanctions.

Despite a limited success record, sanctions will continue to be used as a tool of foreign policy—as a means of rejecting the conduct of a particular nation—simply because there are no acceptable alternative courses of action. The world will have to live with the inherent limitations of the sanctions.

Policy consideration: Avoid the indiscriminate use of sanctions. The value of multilateral sanctions should be weighed against the value of engagement and dialogue. When the use of sanctions is deemed admissible in the support of international interests, ensure that the coverage of sanctions is as targeted as possible. Unilateral sanctions are not an effective policy tool.

A similar contradiction exists in U.S. policy toward the Caspian region and Central Asia, where the United States is committed to reinforcing the newly independent states but where contrasting U.S. policies toward Iran, Turkey, and Russia are likely to influence, rightly or wrongly, the construction of commercially viable pipelines for the export of Caspian oil and gas. A policy approach that ties exports primarily to one pipeline route—with the goal of avoiding Iran and Russia as transit states—before the political and economic viability of that route is known may undercut the pace of energy development in the region, to the dismay of both producing states and potential transit states.

Oil and gas exports from the Caspian region and Central Asia hold the prospect of becoming a valuable additional source of energy supply. Even as the U.S. government works to make feasible an East-West transportation corridor that bypasses Russia and Iran, the United States should not obstruct the development of alternative routes that would ultimately offer exporters a diverse and economically attractive set of options for transporting oil and gas to foreign markets, especially those markets in Asia and the Far East.

Policy consideration: Do not obstruct the development of economic routes that would ultimately offer Caspian and Central Asian exporters a diverse set of options for transporting oil and gas to foreign markets.

Beyond these contradictions, if Western governments are to ensure adequacy of supply early in the twenty-first century, policies must be framed toward encouraging energy-producing countries to open their energy sectors to greater foreign investment. This would include provisions for the enforcement of contracts, guarantees for private property, anticorruption measures, and stable fiscal regimes. Increased private investment must occur as early as possible in exploration and production facilities and in transportation infrastructure, especially in Asia, if the world's energy supplies are to reach markets in sufficient quantities during the 2010–2020 period.

Policy consideration: Encourage energy-producing countries to ensure that their energy sectors attract and support greater foreign investment.

Given the continuing importance of a small group of energy-producing and -exporting countries to the future health of the global economy, it is vital that the United States and other Western governments place diplomatic relations, trade policies, and foreign assistance programs with each of these countries at or near the top of policy priorities.

It is in the self-interest of the United States and other Western governments to support China—rapidly emerging as a major oil importer—as it diversifies its sources of and forms of imported energy and encourage China to not rely excessively on the Persian Gulf. China is considering development of an infrastructure to support oil and gas imports from Russia and Central Asia and also for transit onward to other countries in the Far East. Collaborative cross-national energy infrastructure projects can play an important role in lessening the risks of future conflict over energy resources. However, such energy linkages may not always be in the best political interests of the United States.

Energy Reliability

In the early decades of the twenty-first century, because burgeoning energy demand must be met largely by a small number of oil and gas suppliers and because supply routes are lengthening, the risk posed by supply interruptions will be greater than it was at the end of the twentieth century.

Military conflict will remain a threat to most energy-producing regions, particularly in the Middle East where almost two-thirds of the world's oil resources are located. In addition, domestic turmoil within the key energy-producing countries constitutes another threat to reliability of energy supplies. At least 10 of the 14 top oil-exporting countries run the risk of domestic instability in the near to middle term.

The United States should retain as far as possible its ability to defend open access to energy supplies and international sea lanes. At a time when the administration faces myriad competing demands for military and peacekeeping interventions, this mission should be considered a strategic priority and may call for greater emphasis on, and increased investment in, appropriate military capabilities.

Policy consideration: The United States should retain as far as possible its ability to defend open access to energy supplies and international sea lanes.

Some observers are concerned that the United States may seek relief from its self-imposed responsibility as the protector of the world's sea lanes, which are used for the transport of fuels and are becoming more crowded. U.S. allies in Europe and Asia should be prepared to shoulder a greater share of the financial cost of protecting energy supply, including sea-lane protection.

Policy consideration: U.S. allies in Europe and Asia should be prepared to shoulder a greater share of the financial cost of protecting energy supply, including sea-lane protection.

No protector comparable with the U.S. role on the high seas exists for the increasingly important long-distance pipeline infrastructure. At a government-to-government level, international agreements to protect pipeline systems might have a deterrent effect. Governments must also find ways to work with the private sector to minimize the vulnerability of all energy infrastructures to sabotage or terrorist attack. Cyberterrorism may well pose the greatest threat during the time period under review.

Policy consideration: Governments must find ways to work with the private sector to minimize the vulnerability of energy infrastructure to sabotage or terrorist attack, including cyberterrorism.

The more feasible approach in the near to medium term to mitigate the risks of gas-supply interruptions is to encourage importing countries to promote diversity among suppliers and delivery routes. European governments, particularly in view of their high dependence on Russian gas, should look closely at how security of gas supply might be enhanced.

To meet these challenges to reliable supply, importing nations must engage in contingency planning. The practice of holding government-financed strategic petroleum reserves is one essential method of limiting the impact of supply interruptions, provided that the stocks held are truly reserved for the intended purpose and not for manipulating domestic prices. Governments should maintain and, where appropriate, expand government-financed and -controlled strategic petroleum reserves. This could include extending the International Energy Agency (IEA) emergency preparedness program to nonmember countries that will become major oil importers and supporting the concept of regional stabilizing initiatives. For the foreseeable future, however, it would appear to be impractical and prohibitively expensive to hold strategic natural gas reserves.

Policy consideration: Governments should maintain and, where appropriate, expand government-financed and -controlled strategic petroleum reserves, reserving their use for supply interruptions.

Energy and the Environment

Energy production and use have become linked to environmental concerns. Air pollution, oil spills, and their impact on habitats are among the many challenges confronting government and the energy industry.

However, the energy industry's primary source of international friction may revolve around the issue of global climate change, as amply demonstrated by the contentious debate over the cost and benefits of the Kyoto Protocol.

The United States is unlikely to ratify the Kyoto Protocol in its present form. Clearly, global climate change can potentially have major implications for the economies of the world. Continued research and understanding of the facts are imperative for progress on this issue.

By 2020, energy consumption by the developing countries of the world is expected to exceed energy consumption by the developed countries. This may hold particular implications for the environment. Technologies must be made available to help ensure that, for developing countries, the burning of fossil fuels releases minimal pollutants. Moreover, fuel choices must be broadened to include cost-competitive nuclear electric power.

There will be no easy solutions. Clean-coal technology stands beyond the economic reach of most developing countries. Switching from coal to natural gas will take time inasmuch as deliveries will be dependent on the availability of costly long-distance natural gas pipelines and liquefaction and regasification facilities for the export and import of liquefied natural gas.

Policy consideration: Economically and environmentally sound technologies must be made available to help developing countries meet increasing energy demands.

Nuclear power is emissions free but poses its own set of competing policy concerns, ranging from reactor safety to waste disposal and nuclear weapons proliferation. Western governments should assess the conditions under which nuclear power could make a significant contribution to electricity supply in the developing world by first assessing those conditions under which nuclear power could make a continuing contribution to their own supply.

Developing country decisionmakers would have to ask themselves, "Is this the most sensible answer to our power problems, and is this option reasonably affordable?" Three essential criteria for a fourth-generation nuclear power reactor, suitable above all for use in developing countries, would have to be met.

Modular construction, with a generating capacity of approximately 100 MW;

Cost competitive compared with fossil-fuel generating plants; and

Proliferation resistant.

Policy consideration: Western nations should assess the conditions under which nuclear power could make a significant contribution to electricity generation in the developing world.

A major challenge for the future is quite evident: how to produce, transport, and burn fossil fuels in massive amounts but in an environmentally friendly manner. Is that possible only through technological breakthrough? Because in democratic countries the regulation and deregulation process can involve lengthy legislative and executive interaction and a complex public vetting process, simply recommending that policymakers eliminate those regulations that inhibit bringing technological innovation to market is meaningless. Instead, Organization for Economic Cooperation and Development (OECD) governments should expand basic research leading to more efficient fuel use and to viable alternative fuels. At the same time, governments should fashion regulatory processes and standards that favor the market success of environmentally friendly innovative energy technology.

Countries should review the extent to which subsidies for domestic energy sectors are inconsistent with their global energy policies.

Policy consideration: OECD governments should expand basic research on energy technologies; concurrently, policymakers should eliminate those environmental regulations that inhibit bringing technological innovation to market. All governments should review the extent to which domestic energy subsidies are inconsistent with global energy policies.

THREE BROAD CONCLUSIONS

Three broad conclusions can be drawn from this analysis of geopolitics of energy into the twenty-first century.

The United States, as the world's only superpower, must accept its special responsibilities for preserving worldwide energy supply.

Developing an adequate and reliable energy supply to realize the promise of a globalized twenty-first century will require significant investments, and they must be made immediately.

Decisionmakers face the special challenge of balancing the objectives of economic growth with concerns about the environment. This challenge has multiple parts: finding ways to increase security and reliability of supply; ensuring greater transparency in energy commerce; and strengthening the role of international institutions in matters of energy and the environment.

One of the ironies at the turn of the century is that, in an age when the pace of technological change is almost overwhelming, the world will remain dependent, during 2000–2020 at least, essentially on the same sources of energy—fossil fuels—that prevailed in the twentieth century. Political risks attendant to energy availability are not expected to abate, and the challenge for policymakers is how to manage these risks.

What's New?

The influence of nongovernmental organizations (NGOs) on public and private energy-related policy decisions is perceived to be expanding.

Projected energy consumption in developing countries will begin to exceed that of developed countries, a change that will carry political, economic, and environmental considerations.

The spread of information technology and use of the Internet dramatically change the way business is conducted, and this change carries with it a new set of vulnerabilities.

The prospects of cyberterrorist attacks on energy infrastructure are very real; such attacks may be the greatest threat to supply during the years under review.

Global warming is attracting growing attention, and that attention will likely shape debate on future energy policies; it is hoped that debate will reflect sound science and factual analysis.

Security of Supply

If U.S. military power is committed to a limited but extended protection effort in Northeast Asia, the capacity to respond to a crisis like that of 1990 in the Persian Gulf will be severely limited. The United States will need to rebalance its security relations.

Policy Contradictions

The greater need for oil in the future is at odds with current sanctions on oil exporters Libya, Iraq, and Iran.

The United States deals with energy policy in domestic terms, not international terms; U.S. energy policy is therefore at odds with globalization.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 1 p.m. shall be under the control of the distinguished Senator from Wyoming.

Mr. THOMAS. Mr. President, we have 5 minutes remaining in our time; is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. THOMAS. I thank the chairman of the Energy Committee, the Senator from Alaska, for the work he has done on the energy problem. Clearly, we have one; there is no question. The question is. How do we best resolve it?

We are in desperate need of a national energy policy. We have not had one for a number of years. We need to have some direction with respect to domestic production—how much we want to let ourselves become dependent on OPEC and other such issues. It seems there are a number of issues about which the chairman has talked.

We need to talk about diversity. We have all kinds of things we can go on: We can go on oil, on gas, on coal—which is one of our largest reserves. We need to make it more clean. Of course, we can do that. We can take another look at nuclear, look again at our storage problems. It is one of the cleanest sources we have. Hydro needs to be maintained and perhaps improved. We need to go to renewables, where we can use wind and sunlight and some of the other natural sources.

I will always remember listening to someone back in Casper, WY, a number of years ago, saying we have never run out of a source of fuel; what we have done is found something that worked a little better. So we need to continue research to find ways to do that.

We need to have access to public lands. That doesn't mean for a minute we are not going to take care of those public lands and preserve the resources and the environment. But we can do both. We have done that in Wyoming for a number of years. We have been very active in energy production, and at the same time we have been able to preserve the lands. That is not the choice, either preserve it or ruin it. That is not the choice we have.

We also need to do some more research on clean coal, one of our best energy sources.

I was just in Wyoming talking to some folks who indicated we need to find ways to get easements and move energy. If it is in the form of electricity, it has to be moved by wholesale transmission. We need a nationwide grid to do that, particularly if we are going to deregulate the transmission and the generation side, which we are planning to do.

We have to have gas pipelines. California has become the great example. They wanted to have more power. Their demand increased and production went down. Then they said: We will deregulate. So they deregulated the wholesale cost and put a cap on resale cost. Those things clearly don't work.

We have to have some incentives to produce—tax incentives, probably, for low-production wells.

We need to eliminate the boom-and-bust factor so small towns are not living high one day and in debt the next.

Finally, we need to take a look at conservation, of course. You and I need to decide how we can use less of that energy and still maintain our kind of economy and way of life.

I again thank the chairman of the Energy Committee for all he is doing and urge him to continue so we can set the right direction for this country in order to have the energy we need and save our national resources as well. I am persuaded we can do both.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. LINCOLN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The PRESIDING OFFICER. Under the previous order, S. 27 is discharged from the Committee on Rules and Administration, and the clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

The Senate proceeded to consider the bill.

Mr. McCONNELL. Madam President, I ask unanimous consent the time between 1 and 3:15 p.m. today be equally divided for debate only between the chairman and ranking member. I further ask unanimous consent that at 3:15 today I be recognized to offer an amendment.

Mr. McCAIN. Madam President, reserving the right to object—I will not object—that would not in any way preclude Members from coming down for opening statements. We want to make sure everyone can make their opening statements. I know there are a lot of Members who would like to make opening statements on the bill.

Mr. McCONNELL. Madam President, I believe that is what the time is for. I concur with the Senator from Arizona.

Mr. McCAIN. There may be more than 2 hours, and Members may come down afterwards since some Members are coming back late this afternoon. I would like to make that clear.

Mr. DODD. Madam President, reserving the right to object—I will not object—I urge Members who have opening statements to make on this bill to come to the floor between now and 3:15.

Obviously, later in the day during consideration of amendments Members can make whatever statements they wish. But to have some coherency to the remarks, this would be the appropriate time to do so. We urge Members to come to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Madam President, reserving the right to object, I am wondering if anyone knows that there is going to be a vote this afternoon. That was talked about last week.

Mr. McCONNELL. Madam President, it is my understanding that there was a plan to have a vote at 6:15.

The PRESIDING OFFICER. Is there objection to any of the requests? Without objection, it is so ordered.

The Senator from Kentucky.

Mr. McCONNELL. Madam President, we are in business for opening statements, if anyone would like to proceed.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I yield 30 minutes to the distinguished Senator from Wisconsin, Mr. FEINGOLD.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Thank you, Madam President.

Mr. McCAIN. Madam President, may I say to my distinguished colleague, my statement would be 5 minutes long.

Mr. FEINGOLD. As always, I defer to my commander on this, the senior Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Madam President, I thank my friend, Senator FEINGOLD, for his partnership and for his friendship.

Today we begin the first open Senate debate in many years on whether or not we should substantially reform our campaign finance laws. I want to thank Senators LOTT and DASCHLE for their commitment to allowing a fair and open debate, and for their assurance that the Senate will be allowed to exercise its will on this matter and vote on the legislation that emerges at the end of the amendment process.

Mr. REID. Madam President, may I ask my friend to yield?

Mr. McCAIN. No.

Mr. REID. Parliamentary inquiry.

Mr. McCAIN. I am into my statement. After 5 minutes, I will be privileged to do so.

Madam President, I want to thank as well, Senator MCCONNELL, our steadfast and all-too-capable opponent, who honestly and bravely defends his beliefs, for agreeing to the terms of this debate, a debate that we hope may settle many of the questions, held by advocates and opponents of reform, that have yet to be resolved by this body.

I, of course, want to thank from the bottom of my heart, all the co-sponsors of this legislation for their steadfast support, and for proving to be far more able and persuasive advocates of our cause than I have had the skill to be.

Most particularly, I want to thank my partner in this long endeavor, Senator RUSS FEINGOLD, a man of rare courage and decency, who has risked his own career and ambitions for the sake of his principles. To me, Madam President, that seem a pretty good definition of patriotism.

I want to thank the President of the United States for engaging in this debate, and for his oft stated willingness to seek a fair resolution of our differences on this issue for the purpose of providing the people we serve greater confidence in the integrity of their public institutions. Too often, as this debate approached, our differences on this issue have been viewed as an extension of our former rivalry. I regret that very much. For he is not my rival. He is my President, and he retains my confidence that the country we love will be a better place because of his leadership.

Lastly, I wish to thank every Member of the Senate—especially Senator HAGEL, my friend yesterday, my friend today, my friend tomorrow—for their cooperation in allowing this debate to occur so early in what will surely be one of the busier congressional sessions in recent memory. I thank all my colleagues for their patience, a patience that has been tried by my own numerous faults far too often, as I beg their indulgence again. Please accept my assurance that no matter our various differences on this issue, and my own failings in arguing those differences, my purpose is limited solely to enacting those reforms that we believe are necessary to defend the government's public trust, and not to seek a personal advantage at any colleague's expense.

I sincerely hope that our debate, contentious though it will be, will also be free of acrimony and rancor, and that the quality of our deliberations will impress the public as evidence of the good faith that sustains our resolve.

The many sponsors of this legislation have but one purpose: to enact fair, bipartisan campaign finance reform that seeks no special advantage for one party or another, but that helps change the public's widespread belief that politicians have no greater purpose than our own reelection. And to that end, we will respond disproportionately to the needs of those interests that can best finance our ambition, even if those interests conflict with the public interest and with the governing philosophy we once sought office to advance.

The sad truth is that most Americans do believe that we conspire to hold onto every single political advantage we have, lest we jeopardize our incumbency by a single lost vote. Most Americans believe that we would let this Nation pay any price, bear any burden for the sake of securing our own ambitions, no matter how injurious the effect might be to the national interest. And who can blame them? As long as the wealthiest Americans and richest organized interests can make the six and seven figure donations to political parties and gain the special access to power that such generosity confers on the donor, most Americans will dismiss the most virtuous politician's claim of patriotism.

The opponents of reform will ask if the public so distrusts us and so dislikes our current campaign finance system why is there no great cry in the country to throw us all out of office? they will contend—and this point is disputable—that no one has ever lost or won an election because of their opposition to or support for campaign finance reform. Yet public opinion polls consistently show that the vast majorities of our constituents want reform, and believe our current system of campaign financing is terribly harmful to the public good. But, the opponents observe, they do not rank reform among the national priorities they expect their Government to urgently address. That is true, but why is it so?

Simply put, they don't believe it will ever be done. They don't expect us to adopt real reforms and they defensively keep their hopes from being raised and their inevitable disappointment from being worse.

The public just doesn't believe that either an incumbent opposing reform or a challenger supporting it will honestly work to repair this system once he or she has been elected under the rules, or lack thereof, that govern it. They distrust both. They believe that whether we publicly advocate or oppose reform, we are all working either openly or deceitfully to prevent even the slightest repair of a system they believe is corrupt.

So they avoid investing too much hope in the possibility that we could surprise them. And they accommodate their disappointment by basing their pride in their country on their own patriotism and that of their neighbors, on the civilization that they have built and defended, and not on the hope that politicians will ever take courage from our convictions and not our campaign treasuries.

Our former colleague, Senator David Boren of Oklahoma, recently reminded me of a poll that Time magazine has conducted over many years. In 1961, 76 percent of Americans said yes to the question, "Do you trust your government to do the right thing?" This year, only 19 percent of Americans still believe that. Many events have occurred in the last 30 years to fuel their distrust. Assassinations, Vietnam, Watergate, and many subsequent public scandals have squandered the public's faith in us, and have led more and more Americans from even taking responsibility for our election. But surely frequent campaign finance scandals and their real or assumed connection to misfeasance by public officials are a major part of the problem.

Why should they not be? Any voter with a healthy understanding of the flaws of human nature and who notices the vast amounts of money solicited and received by politicians cannot help but believe that we are unduly influenced by our benefactors' generosity.

Why can't we all agree to this very simple, very obvious truth: that campaign contributions from a single source that run into the hundreds of thousands or millions of dollars are not healthy to a democracy? Is that not self-evident? Is it to the people, Madam President. It is to the people.

Some will argue that there isn't too much money in politics. They will argue there is not enough. They will argue that soft money, the huge, unregulated revenue stream into political party coffers, is necessary to ensure the strength of the two-party system. I find this last point hard to understand considering that in the 15 years or so that soft money has become the dominant force in our elections the parties have grown appreciably weaker as independents become the fast growing voter registration group in the country.

Some will observe that we spend more money to advertise toothpaste and yogurt in this country than to conduct campaigns for public office. I don't care, Madam President. I am not concerned with the costs of toothpaste and yogurt. We aren't selling those commodities to the public. We are offering our integrity and our principles, and the means we use to market them should not cause the consumer to doubt the value of the product.

Some will argue that the first amendment of the Constitution renders unlawful any restrictions on the right of anyone to raise unlimited amounts of money for political campaigns. Which drafter of the Constitution believed or anticipated that the first amendment would be exercised in political campaigns by the relatively few at the expense of the many?

We have restrictions now that have been upheld by the courts; they have simply been circumvented by the rather recent exploitation of the so-called soft money loophole. Teddy Roosevelt signed a law banning corporate contributions. Harry Truman signed a law banning contributions from labor unions. In 1974, we enacted a law to limit contributions from individuals and political action committees directly to the candidates. Those laws were not found unconstitutional and vacated by the courts. They were judged lawful for the purpose of preventing political corruption or the appearance of corruption.

Those laws were rendered ineffectual not unlawful by the ingenuity of politicians determined to get around them who used an allowance in the law that placed no restrictions on what once was intended essentially to be a building fund for the State parties. That fund has run to the billions of dollars, and I haven't noticed the buildings that serve as our local and State party headquarters becoming quite that magnificent.

Ah, say the opponents, if politicians will always find a way of circumventing campaign finance laws, what is the point of passing new laws? Do I believe that any law will prove effective over time? No, I do not. Were we to pass this legislation today, I am sure that at some time in the future, hopefully many years from now, we will need to address some new circumvention. So what. So we have to debate this matter again. Is that such a burden on us or our successors that we should simply be indifferent to the abundant evidence of at least the appearance of corruption and to the public's ever growing alienation from the Government of this great Nation, problems that this system has engendered? I hope not, Madam President. I hope not.

The supporters of this legislation have had differences about what constitutes the ideal reform, but we have subordinated those differences to the common good, in the hope that we might enact those basic reforms that Members of both parties could agree on. It is not perfect reform. There is no perfect reform. It could be improved, and we hope it will be during this debate. We have tried to exclude any provision that could be viewed as placing one party or the other at a disadvantage. Our intention is to pass the best, most balanced, most important reforms we can. All we ask of our colleagues is that they approach this debate with the same purpose in mind.

I beg my colleagues not to propose amendments intended only to kill this legislation or to seize on any change in this legislation that serves our basic goal as an excuse to withdraw your support. The sponsors want to have votes on all relevant issues involved in campaign finance reform and will support amendments that strengthen the bipartisan majority in favor of reform and that do not prevent us from achieving our fundamental goal of substantially reducing the influence of big money on our political system.

If we cannot agree on every aspect of reform; if we have differences about what constitutes genuine and necessary reform, and we hold those differences honestly—so be it. Let us try to come to terms with those differences fairly. That is what the sponsors of this legislation have tried to do, and we welcome anyone's help to improve upon our efforts as long as that help is sincere and intended to reach the common goal of genuine campaign finance reform.

I hope we will, for the moment, forget our partisan imperatives and take a risk for our country. Perhaps that is a hopelessly naïve aspiration. It need not be. I think the good men and women I am privileged to serve with are perfectly capable of surprising a skeptical public, and maybe ourselves, by taking on this challenge to the honor of the profession of which we are willing and proud members.

Real campaign finance reform will not cure all public cynicism about modern politics. Nor will it completely free politics from influence peddling or the appearance of it. But I believe it will cause many Americans who are at present quite disaffected from the machinations of politics to begin to see that their elected officials value their reputations more than their incumbency. And maybe that recognition will cause them to exercise their franchise more faithfully, to identify more closely with political parties, to raise their expectations for the work we do. Maybe it will even encourage more of them to seek public office, not for the privileges bestowed upon election winners, but for the honor of serving a great Nation.

I yield the floor.

Mr. DODD. Madam President, how much time remains of the original request?

The PRESIDING OFFICER. Fifty minutes remain under the original request.

Mr. DODD. My colleague from Wisconsin, I believe, yielded time to the Senator from Arizona. Of the 30 minutes that were yielded to the Senator from Wisconsin, 15 minutes remain.

The PRESIDING OFFICER. That is correct.

Mr. FEINGOLD. I yield my time to the Senator from Connecticut and then ask if I could speak after him.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, today the Senate begins debate on a defining issue in American politics—the question of whether unlimited, unregulated contributions to political campaigns are forwarding democracy or undermining it.

In this Senator's mind, the answer to that question is quite clear: no democracy can thrive—if indeed survive—if it is awash in massive quantities of money:

Money that threatens to drown out the voice of the average voter of average means; money that creates the appearance that a wealthy few have a disproportionate say over public policy; and money that places extensive demands on the time of candidates—time that they and the voters believe is better spent discussing and debating the issues of the day.

The McCain-Feingold legislation before the Senate today is a good first start toward reform of a campaign system that is broken, plain and simple. I, for one, would like to have public financing of our Federal Campaigns. I would like to see free or reduced-rate TV and radio time for candidates during the peak of the campaign season. I would like for any negative ad to display the face and voice of the candidate on whose behalf that ad is aired.

The McCain-Feingold legislation is not as comprehensive as some of us would prefer. But it does address two of the most pressing deficiencies in our system of campaign finance: Undisclosed soft money contributions, and sham issue ads.

I have consistently supported this legislation. Today I call on my colleagues, and President Bush, to work with us to restore accountability to our system of campaign finance and confidence in our system of representative democracy.

Let me be absolutely clear on one essential point. Unlike previous debates, this time we have an opportunity to pass meaningful campaign finance reform.

We can reclaim our system of financing campaigns by cutting off the flow of unregulated and unlimited soft-money. We must end it, and not just mend it.

Like many of my colleagues on both sides of the aisle, I feel strongly about the need for reform, and I am frustrated at this body's continued inability to move forward with legislation to address this problem.

Time and again we have seen thoughtful, appropriate and, I must emphasize, bipartisan efforts to stop the spiraling money chase that afflicts our political system, only to see a minority of the Senate block further consideration of the issue.

It is almost as if the opponents of reform are heeding the humorous advice of Mark Twain, who once said, "Do not put off until tomorrow what you can put off until the day after tomorrow."

It is now long past the day after tomorrow, and we simply cannot afford to wait any longer to do something about the tidal wave of money that is drowning our system of government and eroding the public's confidence in the integrity of our democracy.

With that said, I strongly support S. 27, known as the McCain-Feingold legislation. Why do I support it? Because it is "real" reform, not "sham" reform. And I congratulate my two colleagues for their persistence and tenacity in pursuing it.

This bill accomplishes critically important goals. It closes the most serious loopholes in our current campaign finance system. The bill shuts down the system of unlimited, unregulated, and undisclosed soft money; bans direct or indirect contributions from foreign nationals; requires disclosure of electioneering communications masquerading as issue ads; and prohibits fund-raising by Federal officials on Federal property.

There are those of my colleagues who would argue that when it comes to political campaigns, money is speech and speech should be unlimited.

Let me be clear—I cannot agree more that political speech should be unlimited. The free flow of information and ideas is the hallmark of a democracy. But to equate speech with money is not only a false equation, it is also a dangerous one to our democracy.

When that speech and those ideas are paid for overwhelmingly by a few wealthy individuals or groups or foreign nationals or anonymous groups or by undisclosed contributors, the speech is neither free nor democratic. It is encumbered by the unknown special interests who have paid for it. And it minimizes or excludes the speech of those who lack substantial resources to counter it.

This special interest speech—paid for with unlimited, undisclosed soft money—creates, at a minimum, the appearance of undue influence, if not an implied quid pro quo by the contributor.

Does anyone seriously believe that corporations and associations contribute millions of dollars in soft money just because they are good citizens and want to encourage free speech? Let us be serious.

It cannot be argued that such special interest soft money contributions were made to promote political speech and better public policy without any expectation of consideration in return.

That expectation of special consideration, or an unspoken quid pro quo, is the very appearance of undue influence that the Supreme Court has repeatedly upheld as a compelling reason for limiting campaign contributions.

Unlimited contributions simply do not equate to free speech. Although the final statistics on the total amount of money contributed in the 2000 election cycle is not yet complete, we do know the overall estimate for expenditures on federal elections in the 1999-2000 election cycle is between $2.4 and $2.5 billion. That is a conservative total.

Let me put that in perspective for my colleagues. The average expenditures necessary for a winning Senate candidate increased from $609,000 in 1976 to over $7 million in the 1999-2000 election cycle. At that amount, the average Senate candidate would have to raise the equivalent of $3,000 per day, seven days a week, for the entire six-year Senate term.

It is past time to restore sanity, and accountability, to our system of financing elections.

I welcome this debate and look forward to amendments offered to both improve the McCain-Feingold legislation and restore the integrity of the manner in which we finance elections.

This debate is one of the most significant and important ones we will have, not only in this session of Congress but at any time in recent memory. I welcome the debate and look forward to the arguments.

How much time have we consumed of that 30 minutes?

The PRESIDING OFFICER. The Senator has consumed 7 minutes.

Mr. DODD. I will withhold my time. Does the Senator want 7 minutes?

The PRESIDING OFFICER. The Senator has consumed 7 minutes.

Mr. FEINGOLD. How much time remains?

The PRESIDING OFFICER. There are 43 minutes of time.

Mr. DODD. I yielded 30 minutes to the Senator from Wisconsin and yielded time to the Senator from Arizona. I am told the Senator from Arizona used about 15 minutes of that. I presumed——

The PRESIDING OFFICER. Six minutes.

Mr. FEINGOLD. Madam President, I will yield back my time to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Madam President, in 1986 I was elected to the Senate. I can remember during the last week or 2, maybe 3 weeks of that campaign, I woke up one morning to learn that all over the State of Nevada there were signs placed by my opponent—4-by-8 signs. I thought, how foolish for him to be spending these dollars on this—money for signs. It had to cost tens of thousands of dollars to put those signs all over Nevada.

Little did I realize this was the beginning, from my perspective, of the loosening of campaign laws, because I learned that if you looked at these signs, they were paid for by the State Republican Party—thousands and thousands of dollars spent by the State Republican Party which benefited my opponent. Had my opponent had to pay for those out of the money he raised, he could not have afforded it.

I filed a complaint with the Federal Election Commission, and many months later they were saying it was OK. That was confirmed sometime later by the U.S. Supreme Court, saying there is, in effect, unlimited money that can be spent by State parties.

As we know, these issue advocacy ads all over the country have become part of the way it is done in America today. That is how campaigns are run.

The State of Nevada then was a very small State, with about a million people. I got up on the Senate floor in 1987 and talked about what happened to me and how this must not take place in the future. I could not believe we would not change the law, and we have not changed the law. It has gotten worse every year. I have been through two reelection cycles, and it has gotten worse. In 1998, Nevada was a State with fewer than 2 million people—about a million and a half people. In that race, my good friend JOHN ENSIGN and I spent over $20 million—$4 million with our campaign money and $6 million issue advocacy ads by the State Republican Party and the Republican Party—a State as small as Nevada, $20 million. And that doesn't count the independent expenditures that were made.

In Nevada, probably $23 million was spent in the race between Senator REID and Senator ENSIGN. Neither spent more money than the other. We both spent a lot of money. The independent expenditures were run against JOHN ENSIGN and were run against me.

I say to my friend from Wisconsin, I am depending on him to try to work through all this. I think I understand the law, what is being done. He has been a master at this. I admire and appreciate very much what he has done. I have said to my staff and to my friends, it can't be any worse than what it is now. We need to change the law. How in the world can you spend in the State of Nevada more than $23 million? People don't like to acknowledge it, but, of course, we are involved in raising the soft money, going to people and asking them for these huge amounts of money.

So I commend and applaud my friend from Wisconsin. I admire his tenacity, his courage, and I admire his ability to persevere through big obstacles. But also he should recognize that we as Democrats have stuck with him through thick and thin. I was here when Senator BYRD—I think we hold the record for attempts to invoke cloture: seven times on campaign finance. When Senator BYRD was leader, he tried to do that. I also say I am glad to see some Republicans coming aboard now. Previously, it was basically Senator MCCAIN alone on campaign finance reform; now there are others.

I know there is a lot of talk about, do we really need campaign finance reform. I want this record to pronounce to everyone within the sound of my voice, things cannot be worse than what they are now. We need to get back to the way it used to be, where you had to raise money from individuals and they would give you money unsolicited. This present system is not working, in my opinion, and it should be changed.

Mr. DODD. How much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 2 minutes of the original 30.

Mr. DODD. I yield to the Senator from Wisconsin.

Mr. FEINGOLD. Madam President, in the beginning, when nobody jumped for the ball, I was happy to commence my talk. But it is music to my ears to hear leaders such as Senators DODD and REID come out here in the beginning of the debate and talk about the importance of this issue. They have been with us every step of the way.

As Senator REID has indicated, I am extremely grateful for the kind of support we have had. This is when we need it, more than any other time. This is a great way to begin. I will give my longer statement later. It is better to get into the process.

Mr. DODD. Madam President, I commend RUSS FEINGOLD and JOHN MCCAIN. This has been a long battle, going back years now. Nobody is claiming perfection. We are sailing into uncharted waters when we engage in the reform of a campaign financing system, but I underscore what Senator REID of Nevada has said: A system that has over $23 million spent to win the votes of a State with a million and a half people is a system totally out of control.

These two Senators have taken the lead. I think America appreciates what they are trying to do. Our fervent hope is that before this debate concludes, either later this week or at the end of next week, this body, for the first time in more than a quarter century, will have substantially reformed a political process—not made it perfect. We should not hold that out as a possibility, but we can certainly make it better than it presently is.

Mr. MCCONNELL. Madam President, I assure my colleagues on the other side of this debate that we are not going to be too restrictive about time. There are more speakers on the other side, which is often the case in this debate. I want to make sure Senator HAGEL gets the time he needs. I will take the time I need. Unless someone else in our general orbit here on this subject comes, we will try to accommodate people on the other side. I know Senator COCHRAN is looking for an opportunity to speak. I hope we can accommodate him out of my time.

Having said that, Madam President, how much does the Senator from Nebraska desire?

Mr. HAGEL. I would like 15 minutes.

Mr. MCCONNELL. I yield 15 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Madam President, the Senate is about to engage in an open and full debate on campaign finance reform. It is time for this debate.

My friends, JOHN MCCAIN and RUSS FEINGOLD, deserve much credit for getting the Senate to this point. They have been passionate in their efforts to reform the system. If the Senate passes a campaign finance reform bill—and I believe we can—it will be largely due to their efforts and leadership.

We have an opportunity to achieve something relevant and meaningful. My hope, my goal, for the outcome of these 2 weeks is to get a bipartisan bill approved by the Senate that brings reform to the system, is constitutional, and that President Bush will sign.

Whatever we do, we must look to expand, not constrict, opportunities for people to participate in our democratic process.

We must be careful not to abridge the rights of Americans to participate in our political system and have their voices heard. Political parties, individuals, and organizations that represent millions of Americans all have rights guaranteed by the first amendment to the Constitution. These rights guarantee that they can express themselves politically and participate in the electoral process.

Democracy is messy. We are going to hear a number of examples of how messy and unfair democracy is over the next 2 weeks. Our system is imperfect, but our Government works because of the rights of all people to participate in this democracy. We should take steps to encourage greater participation in the process. We should expand the ability of the American people to get involved. We must not weaken political parties or other important political institutions of our system.

Over the next 2 weeks, we will need to guard against taking actions that will have unintended consequences. The answer to reforming our system is not to shut people out or diminish the abilities of our institutions and individuals to participate in the process.

We must also guard against impugning each other's motives on the floor of the Senate. No Senator has the high moral ground over any other Senator. There are and will be differences on campaign finance reform. Let us debate these differences without assigning sinister motives to our opponents. The Nation and the world will be peeking in through their television windows to witness this Senate debate. Will they see dignity, respect for others' opinions, honest discourse, and elevated debate? I believe so. Our country deserves it, and we owe it to our fellow citizens.

This is a historic moment for the Senate to rise above the shrill political rhetoric of our time. How do we best change our campaign finance system? For me, the core of campaign finance reform must begin with accountability, openness, and disclosure. These are the essential components of reform.

I start from a fundamental premise that the problem in the system is not the political party; the problem is not the candidate's campaign; the problem is the unaccountable, unlimited outside moneys and influence that flows into the system where there is either little or no disclosure. That is the core of the issue we will debate beginning today.

The political parties are and have been a vital component for our system, especially for a challenger to take on a well-financed, entrenched incumbent. Who else is there to support that challenger, be that challenger a Democrat or a Republican, unless the challenger is self-financed? It is the party who activates the base and gets out the vote and helps give that challenger a forum to get his or her message out. That is good. That is helpful. That is important to democracy.

Political parties encourage participation. They promote participation. They are about participation. They educate the public. They ensure the viability of all in the system. Their activities are open, accountable, and disclosed.

Have there been abuses? Oh, yes, there have been abuses. By the way, abuses in the political system did not just begin with so-called soft money or non-Federal money. It is instructive for all of America to go back into the mid-1800s and look at some of the Harper's Weekly magazines.

Ask yourself the question: Is our political system cleaner today, is it more open today, is it more honest today than it was in the 1800s, early 1900s? Oh, yes, it is; absolutely it is. So there must be some frame of reference that we come from with an educated debate on campaign finance reform.

Any reform that weakens the parties will weaken the system. It will lead to a less accountable system. It will lead to a system less responsive to and accessible by the American people.

Why do we want to ban soft money to political parties, that funding which is now accountable and reportable? This ban would weaken the parties and put more money and control in the hands of wealthy individuals and independent groups who are accountable to no one.

If any one of us in America wishes to find out who is running a television or a radio spot for a candidate or against a candidate, you cannot now find that information. Why is that? Because it is not disclosable. I know that is difficult for many in this country to believe but that is the case.

When you take power away from one group, it will expand power for another group. I do not believe, as well, that our problems lie with candidates for public office and their campaigns. Their campaigns are fully open to the public. All dollars raised and expended are disclosed. The voters can hold them responsible and should and must hold candidates accountable.

Have we had bad players in the system? Do we have bad players now in the system? The American public will make that judgment.

Recent years have been ripe with accounts of those who dance on the pin head of technicality and who skirt the law because there is no controlling legal authority, but I do not know how you legislate ethical behavior. Of course, if it was just a matter of laws and regulations, then we would have no crime in America. Why? Because we have laws against murder, we have laws against robbery, we have laws against everything. If it was that simple—just pass another law—the world would be just fine.

We cannot allow our outrage at the morally questionable actions of a few lead us to tamp down the system so tightly that we shut out the involvement of the overwhelming majority. What sense does that make?

The more money that is pushed outside the reportable system of candidates and political parties, the less control candidates will have over their own campaigns. Voters can hold candidates responsible for their conduct. They cannot hold outside groups and wealthy individuals accountable.

I believe the greatest threat to our political system today is those who operate outside the bounds of openness and accountability, not those who operate inside the bounds of accountability and reportability and disclosure.

In recent years, we have seen an explosion of multimillion-dollar advertising buys by outside organizations. These groups and wealthy individuals come into an election, spend unlimited sums of money, and leave without anyone knowing who they are or how much they spent or why. They can have a major impact on the outcome of any election—any election—especially in small States.

Do they have a right to participate? Of course they have a right to participate, but their actions must be disclosed.

In the fall of 1999, I introduced a bipartisan bill to reform our campaign finance system. I reintroduced that legislation this year with several Democratic and Republican colleagues. I am pleased to report that more and more of my colleagues have come on as cosponsors to this legislation in the last couple of days.

The components of our legislation will genuinely improve the way Federal campaigns are financed. We increase disclosure requirements for candidates, parties, independent groups, and individuals. The current system provides no disclosure for the activities of outside groups or individuals. We ensure that the name of the individual, the organization, its officers, addresses, phone numbers, and the amount of money spent are all made public immediately.

Our legislation limits soft money contributions to political parties to $60,000 per year. That is far below the unlimited millions—unlimited millions—that are now pouring into the system with no accountability, no disclosure. This is a significant limit.

The Wall Street Journal reported Friday that two-thirds of all the soft money contributions in the last election cycle came from those who gave more than the $120,000 limit for a 2-year cycle, which is part of our bill. Two-thirds of the soft money contributors in the last cycle would have been subject to this cap. I say to those who question the cap, whether it is relevant, important, or whether it does anything, I think the Wall Street Journal numbers address that issue. We limit soft money but do not ban it so political parties are not disadvantaged by wealthy individuals and independent organizations. This is particularly important because it is at the State level of our politics, State party organizations that have the responsibility of getting out the vote, of organizing the vote, the registration drives, the grassroots participation. In the process, that very vitality is the core of representative government. Why cut that off, that accountable disclosure of money, to make the system more a part of every citizen's opportunity to participate?

As originally provided for in the Federal Election Campaign Act of 1974, soft money, non-Federal money, in fact, can be used by political parties for various activities over the course of an electoral process. I hear some talk that this is a new phenomenon. If this is new, why, since 1974, has the Federal Election Commission had 7 pages of regulations as to how to use soft money? It isn't new. These are legitimate, worthy, and important functions of the political parties and should not be inhibited by a total ban on soft money. I do believe we need to tighten the definition on the uses of soft money. This should be part of any reform bill we pass, and we can do that and should.

Today's hard money contribution limits are worth less than one-third of their value when the 1974 act was passed. This funding goes directly to candidates' campaigns and political parties and is the most accountable method of political financing. Every dollar contributed, every dollar spent, is fully reported to the Federal Election Commission. Everybody knows who is making that contribution. The individual limit of $1,000 in 1974 equates to $3,300 today. Our bill raises this limit to $3,000 and indexes it for inflation. By doing this, we ensure individuals have the same ability to participate as they were granted in the groundbreaking 1974 legislation.

Furthermore, we believe our campaign finance reform proposals would all pass constitutional muster. This is a legitimate concern—whether, in fact, we pass a bill that will withstand appropriate constitutional scrutiny and protect the rights of the first amendment.

I believe the constitutional issues are as critical as any we will debate over the next 2 weeks. The Constitution is the foundational document of our Nation. The rights guaranteed within that document cannot be dismissed because of political expediency, regardless of how noble the motive of the reform effort. Our system is imperfect. Representative government is imperfect, but certainly we can expect a higher standard from our political leaders than we have seen in the past.

Personal accountability is the core of political accountability.

Congress has a genuine opportunity to work with President Bush to achieve real reform. The President supports campaign finance reform. I look forward to working with all my colleagues during this debate to get a constitutional, bipartisan campaign finance reform bill passed, one that the President will sign, that will genuinely reform our system. That would be an achievement of which we all would be proud.

Mr. MCCONNELL. How much time remains?

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Kentucky controls 43 minutes.

Mr. MCCONNELL. I thank the distinguished Senator from Nebraska for outlining the alternative he will be offering some time during the course of this debate. There is no question this is a constitutional amendment. There is no question the changes it seeks to achieve are constitutional. It is very thoughtful. I congratulate him for his fine statement.

I congratulate the Senator from Arizona. We are all in the business of looking at public opinion. We know the American people are interested in the energy crisis; they are interested in education; they are interested in tax relief. They are not particularly interested in campaign finance reform. I have often said it ranks with static cling as one of the great concerns among the American people. Through the sheer tenacity of the senior Senator from Arizona, we are here today beginning a debate over the next 2 weeks on a subject of very little interest to the American people. I give him credit for his tenacity and aggressiveness in pushing this item forward on the floor of the Senate early in this new administration.

I like the tone of the discussion I have heard so far. I have noticed there hasn't been any discussion about corruption. We had that discussion a year and a half ago and there has not been a single bit of proof offered. I like the restraint I sense in the Chamber today. Hopefully we will not have any unsubstantiated charges of corruption. Hopefully any Senator who makes such a charge will prove it. The absence of unsubstantiated charges of corruption, it seems to me, is also a step in the right direction in having a civil debate, and lowering our voices and pursuing this discussion in the way the President would like for us to pursue it with lower voices and in a civil manner.

The self-styled and media-pronounced reformers are captives of a Catch-22 that is titled "campaign finance reform." By the way, my favorite definition of "special interest" is a group against what I am trying to do. I love those groups that are for what I am trying to do. That is a group of outstanding Americans trying to achieve a worthwhile purpose. To truly achieve their professed goals, reduction of special interests means foreclosing all opportunities for participation in politics. Some of our Democratic allies have actually done that. I remember 10 years or so ago when we thought the Japanese had done everything right. We were afraid they were buying up all of the American property and there was a great fear that the Japanese somehow had gotten the better of us in world competition. In Japan, they have been concerned about the influence of money and politics and they have squeezed it all the way out. In Japan, where they are unimpeded, unfettered by anything such as the First Amendment we have, the Japanese Government limits the number of days you can campaign, the number of speeches you can give, the types of places you can speak, the number of handbills and bumper stickers you can print, and the number of megaphones you can buy—one. Each candidate is entitled to one megaphone.

This was passed in order to deal with money in politics. They wanted to get it all out of politics, and they have. In the desire to get money out of politics, it was designed to improve the image of the politicians and the Parliament, so they squeezed all the money out of politics, got them down to one megaphone per candidate, and "no confidence" in the legislators has risen to 70 percent and voter turnout has continued to decline.

That is just one example. There are others of our democratic allies around the world who have been into this issue much further than we have gone, at least so far, and they have all had the same results: Squeeze the money out of politics, quiet all the voices, the cynicism continues to rise, the turnout continues to go down; and the reason for that of course is that cynicism and turnout are not related to this issue at all; they are related to whether or not there is a belief that the legislators are tackling the real challenges confronting the country.

The original recipe of McCain-Feingold, back in 1995 and 1997, tried to do a lot of what I have just described they have done in Japan: It had candidate spending limits; it had a ban on PACs—eliminate them; it had a bundling ban; it had a party soft money ban and an all-encompassing restriction on citizens groups who engaged in issue advocacy and independent expenditures. In other words, the entire universe of political participation—with, of course, the glaring exception of the media, where political activism is conveniently carved out of the existing campaign finance law under which we operate today, as well as on page 15 of the current McCain-Feingold bill. The media we always sort of carve out of these restrictions because the presumption, I guess, is they have a greater right to the First Amendment than any of us.

In 1997, McCain-Feingold sponsors capitulated on the crown jewel of campaign reformers, and that was spending limits on campaigns themselves. Thus, those of us who approached this issue as the Supreme Court does, from a constitutional perspective, considered that a battle won. Candidate spending limits were gone. It was the belief—certainly my belief—that members of my party would be strenuously disadvantaged by spending limits, so we were happy they were gone. But prior to that, we had been told time and time again there could be no reform without spending limits. But candidate spending limits are gone. I am glad about that, and we consider that a victory.

Since that time, those advocating reform have been in retreat in one form or another. Having first waved the white flag on these previously nonnegotiable candidate spending limits, we stand here today with a very different kind of bill and, I must say, a brighter outlook than 8 years ago at the outset of the last big floor engagement, when we had lots and lots of amendments.

Eight years ago, campaign spending limits were on the verge of enactment and would have extinguished any chance of sustained success of my party in congressional elections. We Republicans have to spend millions every election just to get a fair shake and counter the liberal bias so prevalent in the news and entertainment media.

So candidate spending limits mercifully are off the table. That means our direct campaigns are not on the hook, and we rejoice in that.

The PAC and bundling bans were jettisoned from McCain-Feingold as well, and I must say I am happy about that. I don't think there is anything wrong with people banding together in order to pool their resources and support candidates of their choice. That is as constitutional as apple pie and ought not to be restricted.

A few months later, in 1998, the citizens group restrictions were altered and a new—and, I would argue, also unconstitutional—bright line was drawn by the Snowe-Jeffords provision where an unconstitutionally vague line had been in the original McCain-Feingold. But that did not get anywhere either, inviting vehement opposition from citizens groups who would be affected, and disdained and ridiculed by constitutional experts who would litigate if it were ever enacted, such restrictions already having been struck down in Federal court over 20 times.

Let me just take a moment on this. None of us really likes the degree to which outside groups get involved in our campaigns. We don't like it. We would like to control these campaigns. But under the First Amendment, the campaign is not ours to control, and be it ever so irritating when some group who hates us comes in and starts talking about us in proximity to an election, that doesn't mean we can legislate it out of existence through our votes in this Chamber.

It irritates us, but there are a lot of things you have to endure in public life, from media criticism to outside issue groups who irritate us. But just because it irritates us doesn't mean there is any constitutional basis for eliminating it. In fact, the courts over 20 times since Buckley—over 20 times since Buckley—have struck down various efforts by State and local governments to hamper, inhibit, make it more difficult for outside groups to criticize us in proximity to an election. So the chances of that being upheld are slim to none.

In 1999, McCain-Feingold was peeled back even further, and the last vote we had on this issue provided only two features: A party soft money ban and what we would have to charitably call a bogus Beck provision which actually eviscerates current worker protections rather than codifies them as the McCain-Feingold subtitle purports.

So the last time we had a vote on this issue in the Senate, a cloture vote, was on a party soft money ban only, with a bogus Beck provision. What we have before us now is a beefed-up McCain-Feingold, again with the party soft money ban plus various efforts to restrict the voices of outside groups.

One of the issues we are going to be dealing with here in the course of the debate is the so-called nonseverability clause. It is in the President's statement of principles. Why is it there? It is there because we have an obligation not to pass laws that are clearly unconstitutional.

I hear that some of the proponents of this year's version of McCain-Feingold oppose a nonseverability clause, and I really find that mystifying. If they are so confident that the bill is constitutional, what is wrong with a nonseverability clause to guarantee that the bill either rises or falls together? They should have had a nonseverability clause back in 1974. What happened then was legislation passed that had spending limits for campaigns and contribution limits for individuals. The spending limits got struck down, the contribution limits got upheld, were not indexed, and we have today a situation in which we are left with $1,000 contribution limits set at a time when a Mustang cost $2,700 and candidates, particularly in big States, who were not fortunate enough to be wealthy, have to spend—well, there is not enough time. There is not enough time. If you are running in California and you do not have the advantage of being already well known or extraordinarily rich, 2 years is not long enough to pool together enough resources at $1,000 a contributor to be competitive.

One of the single biggest problems we have is the failure to index the hard money contribution limit back in the 1970s. Why do you think parties are relying more on soft money? Because there isn't enough hard money. Nobody capped the cost of the media at the 1974 level. I hear that we may have an amendment to deal with the question of availability of media. I think that is a good idea. I look forward to taking a look at the details of it.

We ought to be dealing with the real problem here. The real problem is not that there is too much money in politics; there is too little money in politics—particularly hard money—all of which is limited and disclosed and it is given directly to parties and candidates to expressly advocate the election or defeat of a candidate. Yet nobody on the so-called "reform side" is trying to deal with the single biggest problem that we have. I hope during the course of this debate that problem will be taken care of.

The only way to get at the core of this problem, if Senators believe the influence of money and politics is so pernicious, is to change the First Amendment.

You have to go right to the core of the problem. The junior Senator from South Carolina, Mr. FRITZ HOLLINGS, will offer that amendment at some point as he has periodically over the years. He deserves a lot of credit for understanding the nub of the problem. The nub of the problem is you can't do most of these things as long as the First Amendment remains as it is.

So Senator HOLLINGS, at some point, I think under the consent agreement, will probably at the end of the debate offer a constitutional amendment so the Federal and all 50 State governments can have the unfettered latitude to regulate, restrict, and even prohibit any expenditures "by, in support of, or in opposition to a candidate for public office." It would carve and etch out of the First Amendment, for the first time since the founding of our country and the passage of the Bill of Rights, giving to the government at the Federal and State level the ability to control political speech in this country. It is worth noting that would also apply to the media.

One of the world's largest defense contractors, such as General Electric, could even be prohibited from owning America's No. 1 television station such as NBC, and a news anchor, such as Tom Brokaw, could even be prohibited from mentioning a candidate's name within 60 days of an election. This is a serious proposal. This will be offered once again on the floor of the Senate.

Barring such a wholesale repeal of constitutional freedom, a lot of what we are going to be doing in the next 2 weeks will probably fall well short of the constitutional mark. But I hope that Senators will take their responsibilities seriously and not just vote for anything, hoping the courts will at some point save us from ourselves.

A good deal of this is not in question. Virtually the exact language of the so-called Snowe-Jeffords language designed to make it more difficult for outside groups to criticize any of us in proximity to an election has been struck down within the last year and a half.

That is pretty clear evidence that this particular language is not constitutional.

As we go through these amendments, if they are clearly Federal court cases on point, I hope Members of the Senate will not ignore that. We swore to uphold the Constitution. I know sometimes it is hard to figure out what that means in the context of a given vote. But on some of these issues, it is not that unclear. There will be a decision on point.

I want to make another point about non-Federal money.

Senator HAGEL was talking about his proposal to cap but not completely eliminate non-Federal money. I do not know what I think about that. But I think it is important to get the record straight about non-Federal money.

The average soft money contribution to the Republican Senatorial Committee last cycle was $520. That is less than one-tenth of 1 percent of the money that the Republican Senatorial Committee raised.

If you look at the Republican National Committee and the Republican Senatorial Committee, the largest contribution either of us got during the course of the year was $250,000. Admittedly, that is a very large contribution, but any one of those $250,000 contributions would have represented less than one-half of 1 percent of the total money raised by either the Republican Senatorial Committee or the Republican National Committee.

You can make a case, as Senator HAGEL has made and will make again when he offers his substitute, that it ought to be capped. But I think you can't make a case that it ought to be eliminated. Why should the Republican National Committee or the Democratic National Committee have to finance their efforts on behalf of mayoral candidates in Omaha, NE, with Federal dollars? This is a Federal system. Under McCain-Feingold, the Republican Governors' Association would be obliterated, eliminated, gone; the Democratic Governors' Association, gone. Why? Because they don't operate with Federal money.

We have national political parties. We already have a scarcity of Federal hard dollars even to do the job for our Federal candidates. And under this proposal with that same sort of finite source of Federal hard dollars, the great national party committees would have to operate on behalf of Federal candidates and everybody else out of the same pool of resources. Regretfully, the bill does not take the money out of politics. It takes the parties out of politics. In what way is that a step in the right direction?

Yesterday, the Washington Post had a big article that included soft money contributions to the national political parties. It was pretty significant—the suggestion being that if we pass McCain-Feingold that money wouldn't be spent.

It would be spent all right. It just wouldn't be given to the parties.

Each of those interests who care about what we are doing here, who believe that it may have an impact on their business or their interest, cannot be constitutionally restricted from speaking. Maybe some court somewhere would let us completely federalize the national parties and completely eliminate their ability to operate in State and local races with Federal dollars. Maybe some court would let us do that. But no Federal court in America is going to let us quiet the voices of all these interests that have a perfect right to go out and engage in issue advocacy up to and including the day of the election. There isn't any serious person who knows anything about the First Amendment who believes that we could do that.

The proposal before us is designed to inhibit the ability of the political parties and would have no impact whatsoever on outside groups, nor should it.

They are entitled in this free society to have their say.

Mr. President, I have a series of newspaper editorials and columns from columnist George Will that I want to have printed in the RECORD. He has been particularly active in writing about this subject. I ask unanimous consent to have them all printed seriatim in the RECORD. I will add to the record in the next few days additional articles on this subject.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Newsweek, Mar. 19, 2001]

JAMES MADISON REMEMBERED

MADISONIAN DOCTRINE TODAY HAS ITS OPPOSITE—CALL IT MCCAINISM, AN ANTIPLURALIST POPULISM

(By George F. Will)

There is no monument to James Madison in Washington. There is a tall, austere monument to the tall (6′2″), austere man for whom the city is named, a man of Roman virtues and eloquent reticence. There is a Greek-revival memorial to Madison's boon companion, the tall (6′2″) elegant, eloquent Jefferson, who is to subsequent generations the most charismatic of the Founders. But there is no monument to the smallest (5′4″) but subtlest of the Founders, without whose mind Jefferson's Declaration and Washington's generalship could not have resulted in this republic.

So this Friday, as an insufficiently grateful nation gives scant notice to the 250th anniversary of Madison's birth, pause to consider what he wrought, such as the Constitution, and the first 10 amendments, called the Bill of Rights. Pretty good work, that, but not more impressive than Madison's thinking that was the Constitution's necessary precursor. He became the Father of the Constitution only because he was the founder of modern democratic thought.

Before Madison produced his revolution in democratic theory, there had been a pessimistic consensus among political philosophers: If democracy were to be possible, it would be only in small societies akin to Pericles' Athens or Rousseau's Geneva—"face to face" societies sufficiently small and homogeneous to avoid the supposed threats to freedom—"factions." In turning this notion upside down—that is what a revolution does—Madison taught the world a new catechism of popular government:

What is the worst result of politics? Tyranny. To what form of tyranny is democracy prey? Tyranny of the majority. How can that be avoided? By preventing the existence of majorities that are homogenous, and therefore stable, durable and potentially tyrannical. How can that be prevented? By cultivating factions, so that majorities will be unstable and short-lived coalitions of minorities. Cultivation of factions is a function of an "extensive" republic.

Which brings us to what can be called Madison's sociology of freedom, explained in his contributions to the most penetrating and influential newspaper columns ever penned—the Federalist Papers, to which Alexander Hamilton and John Jay also contributed.

In Federalist 10 Madison wrote that "the extent" of the nation would help provide "a republican remedy for the diseases most incident to republican government." He said: "Extend the sphere, and you take in a greater variety of parties and interests; you make it less probable that a majority of the whole will have a common motive to invade the rights of other citizens." Because "the most common and durable source of factions" is "the various and unequal distribution of property," the "first object of government" is "protection of different and unequal faculties of acquiring property."

The maelstrom of interestedness that is characteristic of Madisonian democracy often is not a pretty spectacle. However, Madison knew better than to judge politics by esthetic standards. He saw reality steadily and saw it whole, and in Federalist 51 he said people could trace "through the whole system of human affairs" the "policy of supplying by opposite and rival interests, the defect of better motives."

Madison's 250th birthday comes at a melancholy moment. A banal and middle-headed populism—call it McCainism—is fueling an assault this month on Madison's First Amendment freedoms of speech and association. In the name of political hygiene, advocates of "campaign-finance reform" are waging war against the Madisonian pluralism of American politics.

Madisonian doctrine considers factions inevitable and potentially healthy and useful. McCainism stigmatizes factions as "special interests" whose rights to associate and speak politically for their interests should be strictly limited and closely regulated by government. Madison's First Amendment says, "Congress shall make no law . . . abridging the freedom of speech . . . or the right of the people . . . to petition the government for a redress of grievances." McCainism advocates speech rationing by the multiplication of government-imposed limits on the right of individuals and groups to spend money for the dissemination of political speech.

McCainism says money "taints" politics. Madisonian theory asks: What would politics consist of if it were "untainted" by the vigorous, unfettered participation of factions on whose interests government impinges? McCainism aims to crimp the activities of political parties by banning contributions of "soft money" (used for party building, not for particular candidates' campaigns or for expressly advocating the election of defeat of specific candidates).

The Founders did not anticipate the necessity of political parties. However, Madison quickly came to think that parties could moderate factions by channeling and disciplining them. Campaign-finance reformers are always unpleasantly surprised by the unintended consequences of their reforms. Were they to succeed in banning soft money, they would be startled by an utterly predictable result of the hydraulics of political money: Money banned from the parties would flow instead to other—often wilder—factions.

Then the reformers, who cannot see a freedom without calling it a "loophole" that needs closing, would try to extend government regulation of political speech to the speech of those factions. Madison, wise about the untidiness of freedom, would respond by reminding the reformers of his reform—the First Amendment.

Madison undertook the thankless task of explaining the implications for democracy of the unflattering fact that men are not angels, and posterity has not thanked him with the sort of adulation bestowed upon Jefferson. However, in 1981 the Library of Congress, which began with Jefferson's donation of his library, needed a new building and named it after the most supple intellect among the Founders—the James Madison Memorial Building. Perhaps that would suffice as a monument to Madison. Or maybe his monument is our constitutional government, which proves the possibility of liberty under law in an extensive—a continental—republic.

[From the Washington Post, Mar. 4, 2001]

. . . LET US HOPE NOT

(By George F. Will)

Disquieting rumors persist that some of President Bush's advisers are eager to sign a campaign finance "reform" bill, or at least to avoid vetoing one. Bush should beware of what Edmund Burke called "the irresistible operation of feeble councils."

And he should be aware of the Colorado case argued before the Supreme Court last Wednesday. If the court affirms the judgment of two lower courts in that case, the McCain-Feingold bill is patently unconstitutional.

Although a plain statement of the salient fact seems preposterous, the unvarnished truth is that McCain-Feingold's premise is: There is something inherently corrupt about the relationship between political parties and their candidates. Thus the bill would ban "soft money" contributions to parties—unregulated money that can be spent for party-building, voter turnout, issue advocacy and other purposes, but not to "directly influence" the election of candidates for federal offices.

Last week, a quarter of a century after the Buckley v. Valeo ruling, which struck down much of the 1974 campaign finance law, the court for the first time heard arguments about whether it is constitutional for the government to limit a party's direct expenditures—"hard dollars"—for its candidates. In Buckley, the court held that limits on political money—contributions and expenditures—implicate "the most fundamental First Amendment activities," and therefore government bears a heavy burden of demonstrating a compelling need to limit those activities. The only such justification the court considers sufficient is the need to prevent corruption or the appearance thereof.

Well. In 1986 the Colorado Republic Party ran ads criticizing a Democratic congressman who was considering running for the Senate. It did this before the Republican Senate candidate had been chosen. Nevertheless, the Federal Election Commission charged that this expenditure violated federal limits on party expenditures for candidates. Ten years later the U.S. Supreme Court ruled against the FEC, saying the ads were "independent expenditures" and thus not subject to the "hard dollar" limits.

The Supreme Court remanded the case for the lower courts to consider whether those "hard dollar" limits themselves are constitutional at all. In response, the district court and the 10th Circuit have both said they are not. Last Wednesday the FEC asked the Supreme Court to say they are. But how can it without saying preposterously, that there is a substantial risk of parties corrupting their own candidates by supporting them?

As the district court said on remand: "The FEC seeks to broaden the definition of corruption to the point that it intersects with the very framework of representative government."

The FEC is a bureaucracy. Bureaucracies have a metabolic urge to maximize their missions. The FEC's mission is to regulate political discourse. A president's primary mission, stated in his oath of office, is different—to defend the Constitution. Bush understands the conflict between his duty and the FEC's urge.

Around 7 a.m., Jan. 23, 2000, the day before the Iowa caucuses, candidate Bush was in Des Moines preparing to appear on ABC's "This Week." One of those who was to question him (this columnist), not wanting to ambush him with unfamiliar material, and wanting from him a considered judgment, took the unusual step of telling Bush he would be asked if he agreed with a particular proposition from an opinion written by Justice Clarence Thomas. The proposition, given to Bush on a 3-by-5 card, was:

"There is no constitutionally significant distinction between campaign contributions and expenditures. Both forms of speech are central to the First Amendment."

Asked if he agreed that there is something "inherently hostile to the First Amendment" in limiting participation in politics by means of contributions by individuals (Bush favors banning "collective speech" by corporations, or by unions without members' prior written consent), he briskly replied: "I agree." And asked if he thinks a president has a duty to make an independent judgment about the constitutionality of bills and to veto those he considers unconstitutional, he replied: "I do."

This puts Bush on a collision course with much of the political class and most of the media. It may become the first disruption of his serene relations with them, but there eventually must be a first, and the stake—the First Amendment—is worth a fight.

Bush has served himself and the country well by his congeniality efforts, but he will serve neither by continuing them until it costs him respect. It will cost him that if he signs McCain-Feingold.

Genius, said Bismarck, involves knowing when to stop. He had in mind waging war, but the same is true of waging niceness.

[From the Washington Post, Mar. 8, 2001]

SECOND THOUGHTS ABOUT SOFT MONEY

(By George F. Will)

In "Murder in the Cathedral," T.S. Eliot, a better poet than moral philosopher, has a character say,

> The last temptation is the greatest treason:
> To do the right thing for the wrong reason.

Actually, in Washington it is good enough when people do the right thing for any reason. So it is gratifying, if not notably noble, that some Democrats, having recalibrated their self-interest in the light of last year's elections, are rethinking their enthusiasm for eviscerating the First Amendment in the name of campaign finance reform.

Prior to the last election cycle, they favored banning "soft" money—the money contributed to political parties for uses other than for particular federal candidates, and not used expressly to advocate the election or defeat of a candidate. However, having done well in the 1999-2000 soft-money sweepstakes, and lagging behind Republicans in hard dollars—conditions to political parties that are limited but can be spent for particular candidates—Democrats are having second thoughts.

Those Democrats whose controlling principle is the pursuit of short-term party advantage will have third thoughts if convinced that their party's success at raising soft money was contingent on control of the presidency. But some Bush advisers may begin favoring a ban on soft money if many Democrats become wary of a ban. Tactical considerations always dominate when the political class writes laws limiting communication about—and competition against—itself.

In 1897 Nebraska, Tennessee, Missouri and Florida banned corporate contributions because, in the 1896 presidential race, such contributions helped William McKinley defeat the man who carried those states, William Jennings Bryan. In 1974 Congress enacted spending limits (declared unconstitutional by the Supreme Court in 1976) for House races of $75,000 (about $200,000 in today's dollars), far below what challengers must spend to threaten an incumbent. The Senate limits, also declared unconstitutional, would have protected incumbents. The limits started at a base of $250,000 and varied with a state's population, and included not just the candidate's direct spending but any spending "relative to a clearly identified candidate."

Arguments for more regulation of political speech are fueled by hyperbole about supposed "torrents" of money pouring into politics. Such hyperbole probably has been heard ever since George Washington, at age 25, first ran for the Virginia House of Burgesses in 1757, spending 39 pounds for 160 gallons of rum and other beverages for the 391 eligible voters—more than a quart of drink, at a cost of (in today's currency) $2, per voter.

However, since the Voting Rights Act (1965) and the 26th Amendment (1971) greatly expanded the electorate, spending per eligible voter in congressional races, in today's dollars, has hovered in a range from approximately $2.50 to $3.50 per eligible voter, inching up slightly in the highly competitive elections of 1994 and 1996 and reaching approximately $4 in the competitive elections of 1998—a bit more than the cost of one video rental.

If spending in the two-year 1999-2000 cycle for all candidates for all offices—federal, state and local—reached the "obscene" (as critics call it) total of $3 billion, that was $15 per eligible voter. And $3 billion—$2 billion less than Americans spend annually on Halloween snacks—is five-one-hundredths of one percent of GDP.

So writes Bradley Smith in "Unfree Speech: The Folly of Campaign Finance Reform" (Princeton University Press), which surely will be this year's most important book on governance. Smith, now serving on the Federal Election Commission, warns that if reformers succeed in getting the First Amendment thought of as a mere "loophole" in a comprehensive regime of speech rationing, they will have legitimized perpetual tinkering with the regulation of political speech for partisan advantage after every election cycle has been analyzed.

It is arguable whether, or how much, the First Amendment should protect obscenity, pornography, this or that "expressive activity" (e.g., topless dancing, flag burning), "fighting words" or commercial speech. However, no serious person disputes that the amendment's core concerns is political speech. And the Supreme Court says, incontrovertibly, that in modern society, political speech depends on political spending.

As to whether limits on political spending abridge freedom of political speech, consider the Supreme Court's analogy: Would the constitutional right to travel be abridged if government limited everyone to spending only enough for one tank of gasoline? Or would the First Amendment right of free exercise of religion be abridged if government limited the right to spend money for church construction or for proselytizing?

The First Amendment—freedom—is the right reason for opposing "reforms" designed to regulate, and diminish, political discourse. But if only tactical considerations can cause Democrats to do the right thing, the wrong reason will be welcome.

[From the Washington Post, Mar. 11, 2001]

FENDING OFF THE SPEECH POLICE

[By George F. Will)

The coming debate on campaign finance "reforms" that would vastly expand government regulation of political communication will measure just how much jeopardy the First Amendment, and hence political freedom, faces. Recent evidence is ominous.

In 1997, 38 senators voted to amend the First Amendment to empower government to impose "reasonable" restrictions on political speech. Dick Gephardt has said, "What we have is two important values in direct conflict: freedom of speech and our desire for healthy campaigns in a healthy democracy." Bill Bradley has proposed suppressing issue advocacy ads of independent groups by imposing a 100 percent tax on such ads. John McCain has said he wishes he could constitutionally ban negative ads—ads critical of politicians.

The basis of political-speech regulation is the 1971 Federal Election Campaign Act. Bradley Smith, a member of the Federal Election Commission and author of "Unfree Speech: The Folly of Campaign Finance Reform," calls the act "one of the most radical laws ever passed in the United States." Because of it, for the first time Americans were required to register with the government before spending money to disseminate criticism of its officeholders.

Liberals eager for more regulation of political speech should note the pedigree of their project. The act's first enforcement action came in 1972, when some citizens organized as the National Committee for Impeachment paid $17,850 to run a New York Times ad criticizing President Nixon. His Justice Department got a court to enjoin the committee from further spending to disseminate its beliefs. Justice said the committee had not properly registered with the government and the committee's activities might "affect" the 1972 election, so it was barred from spending more than $1,000 to communicate its opinions. After the expense of reaching a federal appellate court, the committee defeated the FEC, but only because the committee had not engaged in "express advocacy" by explicitly urging people to vote for or against a specific candidate.

In 1976 some citizens formed the Central Long Island Tax Reform Immediately Committee, which spent $135 to distribute the voting record of a congressman who displeased them. Two years later this dissemination of truthful information brought a suit from the Federal Election Commission's speech police, who said the committee's speech was illegal because the committee had not fulfilled all the registering and reporting the campaign act requires of those who engage in independent expenditure supporting or opposing a candidate. The committee won in a federal appellate court, but only because it had not engaged in "express advocacy."

In 1998, with impeachment approaching, Leo Smith, a Connecticut voter, designed a Web site urging support for Clinton and defeat of Rep. Nancy Johnson (R-Conn.) When the campaign of Johnson's opponent contacted Smith, worried that his site put him and their campaign in violation of the act, he sought a commission advisory opinion.

Although Smith neither received nor expended money to create this particular Web site, the Commission said the law's definition of a political expenditure includes a gift of "something of value," and the commission noted that his site was "administered and maintained" by his personal computer, which cost money. And that the "domain named Web site" was registered in 1996 for $100 for two years and for $35 a year thereafter. And "costs associated with the creation and maintaining" of the site are considered an expenditure because the site uses the words that bring on the speech police—it "expressly advocates" the election of one candidate and the defeat of another.

The commission advised Smith that if his site really was independent, he would be "required to file reports with the commission if the total value of your expenditures exceeds $250 during 1998." If his activity were not truly independent, his "expenditures" would have to be reported as an in-kind contribution to Johnson's opponent. Smith ignored the commission, which, perhaps too busy policing speech elsewhere, let him get away with free speech.

Today Internet pornography is protected from regulation, but not Internet political speech. And campaign finance "reformers" aspire to much, much more regulation because, they say, there is "too much money in politics."

Actually, too much money that could fund political discourse is spent on complying with the act's speech regulations. To cover compliance costs, the Bush and Gore campaigns combined raised more than $15 million. And Bradley Smith notes that because of the law's ambiguities and the commission's vast discretion, litigation has become a campaign weapon: Candidates file charges to embarrass opponents and force them to expend resources fending off the speech police. Consider this legacy of "reforms" during this month's debate about adding to them.

[From the Washington Post, Mar. 18, 2001]

Skirting What the First Amendment Says

(By George F. Will)

With this week's beginning of Senate debate on campaign finance reform, we will reach the most pivotal moment in the history of American freedom since the civil rights revolution 3½ decades ago. The debate concerns John McCain's plan to broaden government limitations on political spending in order to intensify government supervision of political speech, which depends on that spending.

McCain's attempt to expand government abridgement of the First Amendment's core concern comes in the context of rapidly multiplying rationales for vitiating First Amendment protection of political speech. In recent years law school journals have featured many professors' theories about why the amendment—"Congress shall make no law . . . abridging the freedom of speech"—should not be read as a limit on government. Rather, they argue, the amendment empowers—indeed, in today's world it requires—government to regulate, limit and even "enhance" political speech.

Consider a symptomatic new book, "Republic.com," by University of Chicago law professor Cass Sunstein, whose ingenuity deserves better employment. He vigorously attacks a nonexistent problem, to which he proposes a solution that is only, but very, useful as an illustration of the hostility that a portion of the professoriate has toward the plain text of the First Amendment.

The supposed problem that Sunstein wants government to address is a maldistribution of information and opinion. He begins with a truism, that a heterogeneous society needs the glue of a certain level of common experiences. Then he postulates a problem. It is that the very richness of today's information and opinion environment—the Internet, cable, etc.—allows people to design a personalized menu of communications, deciding what they want to encounter and what they want to filter out of "a communications universe of their own choosing."

Sunstein says unplanned, unanticipated, even—perhaps especially—unwanted encounters are "central to democracy." They help us understand one another and prevent social fragmentation and the extremism that ferments in closed cohorts of the like-minded hearing only "louder echoes of their own voices." Sunstein worries especially that the Internet, by bestowing on individuals the power to customize what they encounter, enables people to bypass "general interest intermediaries" such as newspapers and magazines.

Not so long ago, intellectuals worried that mass media were homogenizing American culture into uniform blandness. Now Sunstein worries about new technologies allowing people to "wall themselves off" from differences of opinion, forming isolated enclaves.

What makes Sunstein's book pertinent to campaign finance reformers' current assaults on the First Amendment is not the plausibility of his diagnosis—who in cacophonous contemporary America feels insufficiently exposed to differences? But note the audacity of his prescription. He would have government use various measures—from "must carry" requirements for broadcasters to mandatory links connecting Web sites to others promoting different views—to manage "the scarce commodity" of the public's attention. Government, he thinks, should actively "promote exposure to materials that people would not have chosen in advance."

Now, never mind the many practical problems implicit in Sunstein's theory, such as how government will decide which views are insufficiently noticed, and how government will "trigger" (Sunstein's word) public interest in them. But mind this:

Sunstein is an ardent campaign finance reformer for the same reason he recommends government management of the information system. He thinks the First Amendment mandates this. He does not read the amendments as a "shall not" stipulation that proscribes government interference with individual rights. Rather, he reads it as a mandate for active government management of the public's "attention."

To Sunstein, and to many similar academic advocates of speech-management through campaign finance reform, what is important about the First Amendment is not its text but the "values" they say the amendment represents. They say those values—vigorous debate; deliberative democracy; political heterodoxy—require that the amendment's text be ignored as an anachronism that modern life (the Internet, the costs of campaigning in the age of broadcasting, etc.) has rendered inimical to the amendment's values.

Politicians who, in the name of campaign finance reform, favor increased government supervision of political communication are not motivated by such recondite reasoning. They simply want to tilt the system even more toward the protection of incumbents, or of their ideological interests, or of their ability to control their campaigns by controlling the ability of others to intervene in the political discourse.

However, campaign finance reformers depend on academic theories about why it is acceptable to act as though the First Amendment does not mean what it says.

Mr. McCONNELL. Let me just wrap it up for the time being by imagining for a moment the world envisioned by this legislation before us. That is a world where political parties are attacked by their own, beaten down, stripped of their constitutional rights, and ultimately left as shells of their former selves.

In his book "The Party's Just Begun," University of Virginia political science professor Larry Sabato writes a section entitled "A World Without Parties" where he imagines a world with weak and feeble parties. The national parties today are stronger than they have ever been in my lifetime. They may have been stronger in the previous century—the 19th century—but they are now stronger than they have ever been and more useful for services provided to candidates up and down the Federal scale than ever. What would life be like without a strong two-party system? Surely even the parties' severest critics would agree that our politics would be poorer from any further weakening of the party system. We have only to look at who and what gains as parties decline in influence. The first big gainers: Special interest groups and PACs. Their money, labels, and organizational power can serve as a substitute for parties. Yet instead of fealty to national interest or a broad coalition party platform, the candidate's loyalties would be pledged to narrow special interest agendas.

Bear in mind what he is talking about here.

When a PAC contributes to a party, that money then becomes part of the broad party appeal. But a PAC, operating only on its own, has a very narrow concern. Who else gains? Wealthy candidates and celebrity candidates gain. Their financial resources or their fame can provide name identification or, for that matter, simply replace party affiliation as a voting cue. Already, at least a third of the Senate seats are filled by millionaires. And the number of inexperienced but successful candidates drawn from the entertainment and sports worlds seems to grow each year.

So again, as you reduce the influence of parties, who benefits? Special interests and PACs, wealthy candidates, celebrity candidates.

Who else gains? Why, incumbents, of course. The value of incumbency increases where party labels are absent or less important since the free exposure incumbents receive raises their name identification level. There would also be extra value for candidates endorsed by incumbents or those who ran on slates with incumbents.

Who else benefits as the parties decline in influence? The news media, particularly television news, gains. Party affiliation is one of the most powerful checks on the news media, not only because the voting cue of the party label is in itself a countervailing force but also because the perceptual screen erected by party identification filters media commentary.

Who else gains? Why, political consultants gain. The independent entrepreneurs of the new campaign technologies—such as polling, television advertising, and direct mail—secure more influence in any system when the parties decline. Already they have become, along with some large PACs, the main institutional rivals of the parties, luring candidates away from their party moorings and using the campaign technologies to supplant parties as the intermediary between candidates and volunteers.

I say to my colleagues, that is not a pretty picture. That is not a pretty picture. Remember, as I conclude my remarks here for the moment, that this bill before us at the beginning of this debate targets political parties. It purports to do a few other things, but no serious constitutional scholars believe that that can be done or, if we did, it would be upheld in court.

So make no mistake about it, this targets the political parties. Of what value is it, in our American political system, to weaken the parties, the one entity out there that will always support challengers, no matter what?

Boy, I tell you, there are some advantages to incumbency. PACs tend to like you. Individual contributors tend to like you. You get more coverage. On whom can a challenger depend? Either his own pocketbook, if he is lucky enough to have a lot of money, or the political party, the one entity there to go to bat for a challenger in American political competition.

So I welcome the debate. This is going to be an interesting debate. None of us has any real idea how it is going to end, which makes this a good deal different from the discussions we have had on this issue in recent years. We are going to have a lot of fine amendments. The first amendment will be offered by Senator DOMENICI of New Mexico. It will be laid down at 3:15.

I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I see my colleague from Mississippi here.

How much time does the distinguished Senator need? Five minutes?

Mr. COCHRAN. Mr. President, 5 minutes would be ample.

Mr. DODD. I yield 5 minutes to the distinguished Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, first of all, I commend the principal sponsors of this bill, the distinguished Senator from Arizona, Mr. MCCAIN, and the distinguished Senator from Wisconsin, Mr. FEINGOLD, for their leadership and for their perseverance.

This day has been a long time coming, but the time has finally come for campaign finance reform. I am pleased to be a cosponsor of this bill as it was reintroduced at the beginning of this Congress in January. I am convinced it is time for the Senate to take action to reform the way Federal election campaigns are financed which are, in effect, overwhelmingly dominated by the huge amounts of unregulated and undisclosed money being spent by organizations, unions, corporations, and wealthy individuals to influence the outcome of Federal election campaigns.

It is time to ensure that those who do try to influence the outcome of Federal elections will have to report their expenditures so the general public will know who is trying to influence the outcome of political campaigns and how they are spending their money to do so.

I also commend the Senate leaders, Mr. LOTT and Mr. DASCHLE, for scheduling the debate on this bill so the Senate has an opportunity to work its will. Amendments can be offered by any Senator, with ample time for debate and consideration of any suggestions for changing or improving this legislation.

This bill, S. 27, in my view, strikes the right balance that we are trying to accomplish. I may support some of the amendments that are offered. As a matter of fact, I am hopeful that I will be able to offer an amendment of my own to strengthen the disclosure requirements. I think it will improve the bill as it now stands. I think the public has a right to know clearly who is spending the money that affects the outcome of Federal elections and how they are spending it.

We all see the ads. We are overwhelmed by the total number of television ads and other mailings that are sent out during a political campaign these days in House races, in Senate races, and even the Presidential election this past year. Voters have to be confused. Who is running the ads? It says "The Good Government Committee," but who is that? Or it says something else that sounds really good, as though they are on the side of right and justice and right thinking. So they put the ad up that suggests or insinuates that one or the other of the candidates isn't on the right track, either on one subject or just generally speaking, it isn't good for the State or the district or the country, or suggests that there may be something in the background of the candidate that is suspicious, that needs to be looked at very carefully. The insinuation, the misleading tone, the negative aspect of political campaigns is fueled by the huge amounts, the juggernaut, an almost imperceptible amount of influence being brought to bear on these campaigns by who knows what source, who knows who is behind the spending.

I am hopeful we will work hard to get a bill reported out and passed by the Senate. We have a wonderful opportunity to do so. The time to act is now. Some of the raising and spending of the money, I am prepared to suggest, looks more like money laundering operations than aboveboard political campaigns that would reflect credit on the political system of our country. That needs to be changed. This is the vehicle to change it.

I am hopeful the Senate will work its will and pass this legislation.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Connecticut has 30 minutes.

Mr. DODD. I yield 25 minutes to the Senator from Wisconsin, coauthor of the bill.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I again thank the Senator from Connecticut. I am extremely pleased to come to the floor today to begin the debate on the McCain-Feingold-Cochran bill. Of course, the Senator from

Arizona has been the original inspiration on this issue and the person who was able to make this issue and this bill, in particular, something of national attention and something that actually was important in the discussions in the Presidential debates last year. I have greatly enjoyed these 6 years of working with JOHN McCAIN on this issue.

Let me also say, if I could have picked one Senator from the other side to sort of put us over the top, to change the dynamic of this, somebody whom I have always respected, although we have rarely agreed on the issues, that person is Senator THAD COCHRAN of Mississippi. His credibility and the respect of the Members of this body for him are so profound that when he became a major sponsor of this bill, it made it possible for us to have this debate. It is because he joined us, and I am grateful.

This debate has been a long time coming. It is our first truly open debate on campaign finance reform in many years. We are no longer limited to a few days of speeches or parliamentary wrangling and a cloture vote or two. Instead, we are going to have an open amending process, a vigorous debate, and, in the end, I think we can pass a bill for which this body and the country can be proud.

We have a rare opportunity before us. We also face a great test. The opportunity is clear. In the next few weeks we can take a major step toward closing the loopholes that have made a mockery of our campaign finance laws. We have the power to close these loopholes, and we have the duty to close them. The American people will be watching this floor over the coming days and weeks. They want to know whether we can finally do what is right. Can we finally close the door on the soft money system that leaves us so vulnerable to the appearance of corruption.

The Senator from Kentucky was happy that so far in the debate the word "corruption" had not been mentioned. I am sorry, but the choice of the word "corruption" is not my choice. It is the standard that the U.S. Supreme Court has said we have to deal with if we are going to legislate in this area. It is not JOHN McCAIN'S word. It is not my word. It is the word of the Court. The Court said, in Nixon v. Shrink Missouri Government PAC:

> Buckley demonstrates that the dangers of large, corrupt contributions and the suspicion that large contributions are corrupt are neither novel nor implausible. The opinion noted that the deeply disturbing examples surfacing after the 1972 election demonstrate that the problem of corruption is not an illusory one.

I am sorry the Senator from Kentucky does not want us to talk about it, but the Court says we can't do a bill about it unless we do talk about it. So we are going to talk about it. We are going to talk about corruption, but, more importantly, what is much more obvious and much more relevant is the appearance of corruption. It is what it does to our Government and our system when people think there may be corruption even if it may not exist.

Can we finally say, together, as legislators, as representatives of the people, that soft money isn't worth that risk, that it isn't worth risking the appearance of corruption to keep this big soft money system? That is the test we are about to take. This debate will test whether we can pull back from the soft money status quo to which we have become so accustomed over the past few years. This debate will ask whether we think this is really how our democracy is supposed to be.

The public has already answered that question. The vast majority of Americans are outraged by the soft money system. They look at us and wonder why year after year, Congress after Congress, we let the soft money system chip away at our integrity. Day by day, with every vote we cast, people wonder was it the money. They doubt us, and we all know that. We see it every day. We open up the newspaper and read another story about how a powerful industry pushed through this bill or a union used a contribution to win this provision or a wealthy individual got special treatment on an amendment. It is getting to the point where it is difficult to debate any issue, any issue at all where these questions are not raised.

Our parties raise unlimited money with one hand, and we cast our votes with the other. And we dare the public to doubt us every time we miss an opportunity to fix this system such as the one before us today. We cannot afford to keep taking this risk with the public's trust. The public's patience is not limitless, and it should not be. We have a moment here, a rare moment, to regain the public's trust. I know it won't be easy. Real change never is. But the time is right and the will of the people is behind this reform.

All eyes are on this Senate. Either we rise to the occasion and meet the test before us or we let the American people down again. Either we finally ban soft money in the next few weeks or we let them conclude that we are so addicted to this system, so tainted by corruption or at least the appearance of corruption that, once again, we cannot change.

As my colleagues know, the centerpiece of this bill is the ban on soft money. In this regard, let me especially thank my colleague, the Senator from Maine, Ms. COLLINS, for her tireless effort in working with me to meet with individual Senators to persuade them to join us on the bill and with some significant success. As she and I know, the rise of soft money has been so recent and so rapid that one has to sort of take a minute and look at how rapid it has been.

When I came to the Senate in 1992, I wasn't even sure what soft money was, or at least I didn't know everything that could be done with it. After a tough race against a very well-financed incumbent who spent twice as much as I did, I was mostly concerned when I came here with the difficulties of people running for office who were not wealthy. I am still concerned about that and still think we need to address it, and we should get on to it after we do this.

My commitment to campaign finance reform was forged from that experience. Since I came to this distinguished institution, soft money has exploded, with far-reaching consequences for our elections and the functioning of the Congress.

As the chart I have shows, soft money first arrived on the scene of our national elections in the 1980 elections after a 1978 FEC ruling opened the door for parties to accept contributions from corporations and unions who are barred from contributing to Federal elections. The ruling intended these donations to be used for what the FEC termed "party building," meaning purposes that are unrelated to influencing Federal elections. The best available estimate is that the parties raised under $20 million in soft money in the 1980 cycle, and it didn't change much in 1984. The loophole remained pretty much dormant.

In 1988, soft money nearly doubled when both parties began raising $100,000 contributions for both the Bush and the Dukakis campaigns, an amount that was unheard of prior to 1988. By the 1992 election, the year I was elected to this body, soft money fundraising by the major parties had doubled yet again, rising to $86 million. Of course, the $86 million raised in 1992 was a lot of money. It was nearly as much as the $110 million that the two Presidential candidates were given in 1992 in public financing from the U.S. Treasury. There was growing concern about how the money was spent.

Despite the FEC's decision that soft money could be used for activities such as "get out the vote" and voter registration campaigns without violating the Federal election law's prohibition on corporate and union contributions in connection with Federal elections, the parties sent much of their soft money to be spent in States where the Presidential election between George Bush and Bill Clinton was close or where there were key contested Senate races. Still, even in 1992, soft money was far from the central issue in our debate over campaign finance reform in 1993 and 1994. And then in 1995, when Senator McCAIN and I first introduced the McCain-Feingold bill, our bill included a ban on soft money, but it wasn't even close to being the most controversial provision of our bill, and actually nobody paid any attention to it in 1995.

Then, as we all know, came the 1996 election and the enormous explosion of soft money fueled by the parties' decision to use the money on phony issue ads supporting their Presidential candidates. As you can see from the chart, the total soft money fundraising skyrocketed as a result of that judgment. When the parties had raised $262 million in soft money in 1996, that was appropriately considered an incredible sum. And it was. There were 219 people who gave $200,000 or more in soft money in that cycle, 1996.

But today, if you can believe it, only 4 years later, 1996 looks like a small-time operation compared to the 2000 cycle. I think they are still counting from the year 2000. But I believe we know now that the parties raised $487.5 million in soft money in the year 2000. That dwarfs the amount raised in 1992, and it comes close to doubling the amount raised in 1996. The Wall Street Journal reported the other day—and I say this in response to the comments of the Senator from Kentucky about the average soft money contribution being $500—that nearly two-thirds of that gigantic total I showed you of nearly $500 million was given by just 800 donors who gave at least $120,000 each. That is a far cry from an average of $500—800 donors, giving an average of $120,000 each. That is what was the core of the last election.

This chart shows the huge growth of the megadonors over time. It is exponential. A select group of wealthy people, unions, and corporations whom the parties have come to depend on for these huge sums of money is who is dominating this fundraising.

That brings us right back to the item we have to talk about—even though some don't want us to talk about it—and that is the perception of corruption. People are uncomfortable with the parties and, by extension, all of us, relying on a concentrated group of wealthy donors for a significant part of our fundraising. The American people are troubled by that, and so are many of us.

Recently, our colleague, Senator MILLER from Georgia, wrote an opinion piece in the Washington Post on his deep misgivings about the current fundraising system. He wrote that he doesn't sleep as easy as he used to when campaigns weren't defined by how money can be raised and spent.

I would like to read a passage from Senator MILLER's op-ed, where he describes what fundraising is like today:

> I locked myself in a room with an aide, a telephone, and a list of potential contributors. The aide would get the "mark" on the phone, then hand me a card with the spouse's name, the contributor's main interest, and a reminder to "appear chatty." I'd remind the agribusinessman that I was on the Agriculture Committee; I'd remind the banker I was on the Banking Committee.
>
> And then I'd make a plaintive plea for soft money—that armpit of today's fundraising. I'd always mention some local project I gotten—or hoped to get—for the person I was talking to. Most large contributors understand only two things: what you can do for them and what you can do to them.
>
> I always left that room feeling like a cheap prostitute who'd had a busy day.

These are Senator MILLER's words. Those are powerful words, and they are hard to stomach. I deeply admire the Senator from Georgia for many reasons, but especially for being willing to write what we all know to be true. Many colleagues have told me privately they are uncomfortable with this system. One Senator told me here on the floor that he felt like taking a shower after he had made a call for a $250,000 contribution.

We have Senators who can't sleep; we have Senators who feel they have to take a shower after doing fundraising calls. We have a pretty bizarre system. This system cheapens all of us. The people in this body are good people; I know that. They care deeply for this country. We have to get rid of this soft money system before it drives the good people away from public service and drives the public even further away from its elected leaders.

Senator MILLER also wrote in his op-ed that while he supports McCain-Feingold, he thinks it is not enough, that it is only a step in the right direction. I agree. After we pass this bill, I hope we will do more, and I look forward to working with the Senator from Georgia and others on broader reform.

Senator MILLER's words are brutally honest. I think when we are honest with ourselves about what our system has become, real change can't be far behind. Money should not define this democracy, and it doesn't have to. We don't have to pick up the paper and read headlines such as "Influence Market: Industries that Backed Bush Are Now Seeking Return On Investment." That headline ran in the March 6 Wall Street Journal. I think we all know what that means, and so does everyone else.

The assumption that we can be bought, or that the President of the United States can be bought, has completely permeated our culture. The lead of this article reads:

> For the businesses that invested more money than ever before in George W. Bush's costly campaign for the Presidency, the returns have already begun.

This is a new administration. It is a new start. And then you have to read that, which is quite an accusation. But it is one that people don't hesitate to make these days. Whether we are Democrat or Republican, we should all be saddened by such an accusation, perhaps angry at it, but we can't ignore it or just blame the media for it.

There is an appearance problem here, Mr. President. No one can deny that. But the newspapers didn't create it; we did. I am reminded what the great Senator Robert La Follette, from my home State of Wisconsin, said in response to those who argued that the press of his day, the early 1900s, was spreading hysteria about the power of the railroads over the Congress. He said:

> It does not lie in the power of any or all of the magazines of the country or of the press, great as it is, to destroy, without justification, the confidence of the people in the American Congress. It rests solely with the United States Senate to fix and maintain its own reputation for fidelity to the public trust. It will be judged by the record. It can not repose in security upon its exalted position and the glorious heritage of its traditions. It is worse than folly to feel, or to profess to feel, indifferent with respect to public judgment. If public confidence is wanting in Congress, it is not of hasty growth, it is not the product of "jaundiced journalism." It is the result of years of disappointment and defeat.

Mr. President, I think Senator La Follette had it right. It is not the media or the public's fault if what goes on here looks corrupt. It is our fault. We have to do something about it. In the next 2 weeks, we have a golden opportunity to do something about it.

Here's another recent example of the public's distrust of our work: "Tougher Bankruptcy Laws—Compliments of MBNA?" That headline appeared in Business Week magazine on February 26th. The article goes on to say, "MBNA is about to hit pay dirt. New bankruptcy legislation is on a fast track. Judiciary panels in the House and Senate have held perfunctory hearings, and a bill could be on the House and Senate floors as early as late February." Again, the implication is clear. It is widely assumed that the credit card issuers called the shots on the substance of the bankruptcy bill that we passed last Thursday. Isn't it troubling that people are so quick to assume the worst about the work we do here on this floor? I think it's a real crisis of confidence in our system. And that's why we are taking up this bill—because we have to repair some of that public trust. Our reputation is on the line. We aren't going to get a pass from the American people on this one, and we don't deserve one.

The appearance of corruption is rampant in our system, and it touches virtually every issue that comes before us. that's why I have Called the Bankroll on this floor 30 times in less than two years. Because I think it's important for us to acknowledge that millions of dollars are given in an attempt to influence what we do. Because that's why people give soft money, and I don't think anyone would even try to dispute that. I won't detail every bankroll here—because that would take all day. But let me just review some of the issues they addressed, to show how far reaching this problem really is.

I have Called the Bankroll on mining on public lands, the gun show loophole, the defense industry's support of the

Super Hornet and the F-22, the Y2 K Liability Act, the Passengers' Bill of Rights, MFN for China, PNTR for China, and the tobacco industry. I have talked about agriculture interests lobbying on an agriculture appropriations bill, telecommunications interest lobbying on a tower-siting bill, and railroad interests lobbying on a transportation appropriations bill. I have talked about contributions surrounding the Financial Services Modernization Act, nuclear waste policy, the Arctic National Wildlife Refuge, and the ergonomics issue. I have also Called the Bankroll on the Patients' Bill of Rights—twice, the Africa trade bill—twice, the oil royalties amendment to the fiscal year 2000 Interior appropriations bill—twice, and I have Called the Bankroll on three tax bills, and four separate times on the bankruptcy reform legislation that we just passed.

People give soft money to influence the outcome of these issues, plain and simple. And as long as we allow soft money to exist, we risk damaging our credibility when we make the decisions about the issues that the people elected us to make. They sent us here to wrestle with some very tough issues. They have vested us with the power to make decisions that have a profound impact on their lives. That's a responsibility that we take very seriously. But today, when we weigh the pros and cons of legislation, many people think we also weigh the size of the contributions we got from interests on both sides of the issues. And when those contributions can be a million dollars, or even more, it seems obvious to most people that we would reward our biggest donors.

That is the assumption people make, and we let them make it. Every time we have had the chance to close the soft money loophole, this body has faltered. If we can't pass this bill, history will remember that this Senate faced a great test, and we failed. That the people accused us of corruption, and in our failure to pass a real reform bill, we confirmed their worst fear.

The bill before us today offers a different path. If we can support the modest reforms in this bill, we can show the public that we understand that the current system doesn't do our democracy justice. This is just a modest bill. It is not sweeping. It is not comprehensive reform. It only seeks to address the biggest loopholes in our system.

The soft money ban is the centerpiece of this bill. Our legislation shuts down the soft money system, prohibiting all soft money contributions to the national political parties from corporations, labor unions, and wealthy individuals. State parties that are permitted under State law to accept these unregulated contributions would be prohibited from spending them on activities relating to Federal elections. And Federal candidates and officeholders would be prohibited from raising soft money under our bill. That's a very significant provision because the fact that we in the Congress are doing the asking is what gives this system an air of extortion, as well as bribery.

McCain-Feingold-Cochran also addresses the issue ad loophole, which corporations and unions use to skirt the federal election law. This provision, originally crafted by Senator SNOWE and Senator JEFFORDS, treats corporations and unions fairly and equally. I want to be clear here. Snowe-Jeffords does not prohibit any election ad, nor does it place limits on spending by outside organizations. But it will give the public crucial information about the election activities of independent groups and it will prevent corporate and union treasury money from being spent to influence elections.

Under the bill, labor unions and for-profit corporations would be prohibited from spending their treasury funds on radio or TV ads that refer to a clearly identified candidate and appear within 30 days of a primary or 60 days of a general election. 501(c)(4) non-profit corporations can make electioneering communications only as long as they use only individual contributions. Disclosure is significantly increased for these (c)(4) advocacy groups, and across the board for anyone who spends over $10,000 in a calendar year on these kinds of ads.

I'm sure Senators SNOWE and JEFFORDS will describe this provision of the bill in greater detail as we go forward, and we will have a spirited debate about whether it should be strengthened or even removed from the bill altogether. Let me just say that I believe the Snowe-Jeffords provisions is a fair compromise and the right balance. It fairly balances legitimate first amendment concerns with the goal of enforcing the law that prohibits unions and corporations from spending money in connection with Federal elections.

In this bill, we also codify the Beck decision and strengthen the foreign money ban. The bill strengthens current law to make it clear that it is unlawful to raise or solicit campaign contributions on Federal property, including the White House and the United States Congress. We also bar Federal candidates from converting campaign funds for personal use, such as a mortgage payment or country club membership.

I recognize that some of our colleagues are concerned about the coordination provision, which specifies circumstances in which activities by outside groups or parties will be considered coordinated with candidates. I want to let our colleagues know that we are listening, and we are working on a modification of that section of the bill. We will offer an amendment during this debate that I hope will satisfy most of the concerns that have been raised.

Throughout this process, we have welcomed the input and suggestions of our colleagues, and we will continue to do so throughout this debate. Over the next two weeks, every Member of the Senate will have an opportunity to contribute to this debate, and I hope each of us will. There are 100 experts on campaign finance law in this body. We've all lived under this system. We know how campaigns work. The success of this reform depends on a vigorous and informed debate, and I think we will have it.

Mr. President, I'm sure most of my colleagues are aware of the serious political crisis underway as we speak in the nation of India. Journalists posing as arms dealers shot videos with hidden cameras on which politicians and defense officials were seen accepting cash and favors in return for defense contracts. Those pictures have caused a huge scandal. The Indian Defense Minister has resigned, and we don't know yet how great the repercussions will be.

One thing that struck me as I read the news reports of these events was two of the people caught on tape were party leaders, including the leader of the ruling party, the BJP, Mr. Bangaru Laxman. Let me read from an AP story of March 16:

> Laxman denied that the journalists identified themselves to him as defense contractors or discussed weapons sales. He said they were presented as businessmen and that accepting money for the party is not illegal in India.

I am not going to say that what is happening in India is the same as the system we have in the United States, and I'm certainly not going to comment on the guilt or innocence of any party leader or political official in that sovereign country. But the government of India is hanging by a thread based on possibly corrupt payments of a few thousand dollars by people posing as defense contractors. We have literally hundreds of millions of dollars flowing to our political parties from business and labor interests of all kinds. And our defense, like Mr. Laxman's is, "it's legal." We have a system of legalized bribery, a system of legalized extortion, in this country. But legal or not, like the videotaped payments in India, this system looks awful.

The eyes of the Nation are on this Chamber. This group of 100 Senators can prove to the public that we are the Senate that the people want us to be. But the public's patience is wearing very thin. We cannot pick up the phone to raise soft money with one hand, and cast our votes with the other for much longer. The harm to the reputation of the Congress is simply too great. If we fail to pass real reform, we choose soft money over the public trust. That's a risk we cannot afford to take. We have a rare opportunity before us, and a great test. Let us seize the opportunity for reform, and meet the test before us with a firm commitment to restoring the public's faith in us and the work we do. The public doubts whether we can do it, Mr. President, but I believe that we can, and I believe that we must.

I yield the floor.

Mr. DODD. How much time remains on the Senator from Connecticut.

The PRESIDING OFFICER. There are 13 minutes remaining.

Mr. DODD. Mr. President, the Senator from California requests how much time?

Mrs. BOXER. How much time do you have?

Mr. DODD. There are 13 minutes remaining. Why not take 6 of it.

Mrs. BOXER. That would be great.

Mr. President, I wish to start out by thanking Senators MCCAIN and FEINGOLD for their hard work on this very important piece of legislation. I know it is hard to challenge the status quo. I commend them both for their courage and their commitment to this cause. My own commitment goes back to my early days as a candidate for political office 25 years ago. I have supported such efforts to change our campaign finance system whenever I have gotten the opportunity. I thank my friends for getting us this opportunity. It wasn't easy to do it. They worked hard and they got it.

When I ran for the Senate, I became even more of a rabid supporter of campaign finance reform, as I learned I had to raise $12 million at that time in 1992.

After my second run for the Senate, in which I had to raise $20 million, I became so supportive of campaign finance reform that I am truly ready to clamp down on this obscene situation. Yes, if there are some unforeseen consequences, I am willing to take a look at how to fix it, but today we must support this change regarding soft money.

I want to give my colleagues some figures. For someone from California who does not have independent wealth, in order to raise $12 million—and that is an old number; it is probably going to be up to $30 million the next time—just $12 million, I would have to raise $10,000 a day 7 days a week for 6 years. What a way to be a Senator when you are consistently worried about how you are going to raise this money.

I say to my friends, RUSS FEINGOLD and JOHN MCCAIN, that I liked their other versions better than this one because they went further; they did more. They included an incentive to lower the amount of money we could spend. I liked it better. They allowed you to get lower prices for TV and mailings.

This version is not my favorite one, but it is the only game in town that does something about clamping down on the soft money abuses. Therefore, I will be supporting it.

I want to talk a minute about the broadcast industry. What a situation. When I ran the last time, to get a 30-second spot on prime time, it cost $50,000 to get one "Barbara Boxer for Senate" spot on TV. I always thought we owned the airwaves. Isn't there a way we can do better than this? In other words, the people of the country should be able to get our message, but why should it cost these obscene amounts of money?

The fact is, the Court, as my friend, Senator MCCONNELL, has said so often, has equated money and speech. I respectfully disagree. It means someone with wealth has more free speech than I do because they can spend their own money. That is not right. I think our founders would turn in their graves thinking about that one. We are all supposed to be equal. We are all supposed to have free speech. Why should one of us have more free speech than another?

I think the Buckley case ought to be reheard, but that is a debate for another day, and in 6 minutes I could never go into all its nuances.

There are three proposals essentially before us. One is the McCain-Feingold bill which I support, one is the Hagel bill which I do not support, and one out there is a vague proposal by President Bush which, to me, is a total sham, and I will explain why I think that way.

I truly think CHUCK HAGEL is trying hard to come up with an alternative. I do not agree with it because I think it opens the floodgates of hard money and does not do enough to cap soft money. I know he is trying hard to put something forward that he thinks will hold up.

I want to talk a minute about the President's approach. First, he wants to punish working people by making them sign off before a dollar can be used by a union. I always thought this was a free society. People join unions freely, and if they do not like their union leadership, they can vote them out.

The President knows what he is doing. He is after working men and women in this country. Just look at his tax cut. He does not do anything to help them. They are in the dog house, so he is going to hurt working men and women by this so-called Paycheck Protection Act that makes no sense. This idea of having the shareholders check off every time somebody wants to make a contribution is just absolutely unworkable. Then he puts a little caveat in there that puts the entire issue at risk because we think it will be struck down by the courts. It is a cynical ploy.

How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 30 seconds.

Mrs. BOXER. Mr. President, I ask my friend if I can have an additional minute in addition to the 30 seconds.

Mr. DODD. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, there is a tie-in between what we do here and the large contributions that come into this arena. Let's look at the President.

The President likes things as they are. He gets these big unregulated contributions. So what has he done? He has only been in office a couple of months: International gag rule, a payback to the far right that gave him a lot of money; repeal of the ergonomics workplace protection rule, a payback against working men and women; bankruptcy reform aimed at helping banks and credit card companies, a payback; plans to open up the Alaska wildlife refuge for drilling, a payback to the oil companies; reversal of his campaign pledge on CO_2, carbon dioxide emissions, a payback to the coal industry; tax cuts aimed at the richest people—those are the only ones who make out on this one; they walk away and smile all the way to the bank—a payback to his contributors.

His campaign finance position is a payback to all those folks. I hope we will support McCain-Feingold. I think it is worthy of passage.

I thank the Chair, and I thank Senator DODD for the time.

Mr. DODD. Mr. President, I am happy to yield 3 minutes—5 minutes, whatever my colleague from Michigan——

Mr. LEVIN. Mr. President, 5 minutes if the Senator has it.

Mr. DODD. I yield 5 minutes to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, I commend Senators MCCAIN and FEINGOLD for bringing us to this point, to this moment of truth. I also commend our leadership, both the majority leader and the Democratic leader and the chairman and ranking member of the Rules Committee, for helping to organize a time period which will allow us to have a free-wheeling and open debate.

This is finally the moment of truth on campaign finance reform. The next few weeks will help us determine whether we recapture the faith which is at the heart of our democracy or whether we let it again slip from our grasp.

Decades have transpired since our predecessors enacted the current campaign finance laws. It was not easy. It took a scandal of momentous proportions—the financial irregularities associated with the 1972 Presidential campaign—to bring Congress to action, but act it did.

Now it is our moment of truth, our moment to decide whether we rescue the law which our predecessors had the good sense and courage to enact, or whether the moment is drowned in a sea of excuses.

Let's begin with some basic truths.

Truth No. 1: There are contribution limits embodied in our law, meaningful limits, and if the law were followed and interpreted as originally intended, we would not be here today. Let's look at those limits in the system which we put in place 25 years ago.

Individuals are not supposed to give more than $1,000 to a candidate per election, $5,000 to a political action committee, $20,000 a year to a national party committee, $25,000 total in any 1 year for all contributions combined.

Corporations and unions are prohibited from contributing anything to a candidate except through carefully prescribed political action committees. The limit of a corporate or union PAC contribution is $5,000 per candidate.

Presidential campaigns are supposed to be financed just with public funds.

Those are the laws on the books today.

Truth No. 2: The Supreme Court has upheld the legality and constitutionality of those contribution limits in a number of cases, including Buckley v. Valeo and Nixon v. Missouri Government Shrink PAC. In those cases, the Supreme Court held that limits on contributions do not violate free speech.

Truth No. 3: The soft money loophole has effectively destroyed those contribution limits. The loophole is huge. Since you cannot give more than a limited amount to a candidate, give all you want to his or her party and, of course, the party turns around and spends that money helping the candidate win election. Soft money has blown the lid off the contribution limits of our campaign finance system. As many commentators, colleagues, and constituents have said, practically speaking, there are no limits.

The truth is, the public is offended by this spectacle of huge contributions, and well they should be, and we should be, too.

Just one reason why we should not enjoy the spectacle—and the public certainly does not—is that in order to get these large contributions, access to us is openly and blatantly sold: We sell lunch or dinner with "the committee chairman of your choice" for $100,000. This is a bipartisan problem. Both parties do it.

From an RNC, 1997 annual gala: For $100,000, you get a luncheon with the Senate and House leadership and the Republican House and Senate committee chairmen of your choice.

We sell access to insiders meetings, strategy sessions, participation in congressional advisory groups, or trade missions. The open solicitation of campaign contributions in exchange for access to people with the power to affect the life or livelihood of the person being solicited creates an appearance of impropriety and a misuse of power.

From the Democratic National Committee, for $100,000, you get a meeting with the President; you go on a trade mission with leadership as they travel abroad to examine current and developing political and economic issues, and a whole lot of other benefits—large contributions in exchange for access.

The moment of truth is now. We must not let this moment pass without doing what we believe is right and necessary to restore public confidence in ways in which campaigns are financed and run.

I thank both Senators McCAIN and FEINGOLD for their extraordinary courage, their determination, their grit. I thank also our leadership and the chairman and ranking member of the Rules Committee for helping to schedule this debate in a way in which I think we can resolve this festering problem.

The PRESIDING OFFICER (Ms. SNOWE). The Senator from Kentucky has 13 minutes.

Mr. McCONNELL. There are other speakers on the other side awaiting the arrival of Senator DOMENICI. I am happy to dole out some of my time.

Mr. DODD. This has been helpful. I commend my colleagues from Arizona and Wisconsin, and my colleague from Michigan, who always gives an eloquent statement, along with HARRY REID and the Senator from Mississippi. I commend Senator HAGEL and Senator McCONNELL for expressing their points of view on one of the most significant debates we are apt to have in this Congress; that is, over the very issue of how we raise the necessary dollars to campaign for the very offices which we hold and which we seek reelection to not only here but in the other body.

It has been fascinating to note over the last 25 years that we have had public financing for Presidential races; every single candidate, both Democrat and Republican, going back to the late 1970s, has supported and used public financing, along with the limits imposed as a result of accepting public dollars to campaign for the Presidency of the United States. We are not yet debating a public financing mechanism for races in the House and the Senate. Depending on the outcome of this debate, at some future date that may be the case.

I have supported public financing in the past and believe it is the way we can end up without any constitutional question of limiting the amount of dollars that come into campaigns and other restrictions we may believe appropriate on how we conduct our efforts to seek Federal office in this country.

The bottom line is clear. Whether you agree with public financing or not, the point articulated by the Senator from Wisconsin, the Senator from Arizona, and others is that this system is broken. It is a failed system. When you have to spend the hours we do every day for 6 years conducting a Senate campaign—and I don't envy candidates from New York, California, Florida, Texas, Illinois, where the cost of seeking a Senate seat in those States has moved to $15-, $20-, $30 million—when you must raise, as the Senator from California pointed out, $10,000 a day, 7 days a week, 52 weeks a year for 6 years in order to compete for the Senate seat in that State, and if someone turns around and says there is not enough money in politics, I wonder on what planet they are living. If you have to raise $10,000 a day, plus being a Senator to represent your State, go to your committee hearings, meet constituency groups, answer the phone, send out the mail, the system is not broken? The system is not flawed? This is incredible.

It has been said by the authors of the bill, it is not a perfect proposal. I regret it is not the earlier McCain-Feingold proposal. There is some unevenness in the bill in applying provisions where this is applicable to some groups and organizations and not others. I am told that is the political reality. I am not comfortable with that as a reason why we don't have a level playing field for all groups.

This is the one chance we will have to do something about this system. It is the one chance remaining to try to make meaningful changes in the law. If it is not perfect, if there are unintended consequences, we can come back and arrange or correct that. But we shouldn't not do anything and leave the system as it presently is constructed.

It is hard enough to get people to vote today, to participate, to support those who seek public office. I am not going to suggest that automatically we are going to have some great conversion on the road to Damascus where all of a sudden the mass of the American voting public will collectively say, hallelujah, the system has been cleaned up and we can now all engage in the support of our candidates because McCain-Feingold is adopted. That is naive.

But I do believe the American public will respond favorably if this Senate in these next 2 weeks adopts the McCain-Feingold legislation and says: While we haven't dramatically changed the system, we have improved it dramatically. That is my hope.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Senator DOMENICI is here. He will be recognized at 3:15 to lay down the first amendment.

I conclude the opening comments by saying, as I said before, McCain-Feingold will not take money out of politics; it will take the parties out of politics.

Having said that at the beginning of 2 weeks of a wild ride, it will be easier to predict who will win the NCAA tournament than how the bill will come out after 2 weeks of amendments. I think there is one prediction I can make fairly confidently. I think there will be an effort, hopefully not supported by a majority but an effort to water down anything that might offend the AFL-CIO. I predict by the end of this debate there will be no paycheck protection, watered down restriction on coordination and issue advocacy as it applies to the AFL-CIO, and no disclosure of the union ground game. So it is about the only prediction I will confidently make, that before we are finished with this debate, the opposition to the AFL-CIO will have been taken care of by the watering down and massaging of language to the point where they sign off on it.

I hope that will not be the case because last year they spent considerably more on the election than either of the two political parties. I repeat, they spent more on the election last year than either one of the two great political parties.

Mr. McCAIN. Will the Senator yield?

Mr. McCONNELL. Let me finish my point and I will be happy to yield.

I hope by the time we get to the end of the debate, they will still think they are impacted. I yield to my friend from Arizona for a question.

Mr. McCAIN. I will bring it up at another time.

Mr. McCONNELL. Madam President, I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky controls the time until 3:15.

Mr. McCONNELL. Senator DOMENICI is here and ready to go forward. I believe everybody on the floor has already spoken at least once.

Mr. FEINGOLD. I point out to the Senator from Kentucky, the Senator from Maine has arrived. I believe she has a brief opening statement for the remainder of the time, if that is acceptable to the Senator from Kentucky.

Mr. McCONNELL. If the Senator from Maine can do it in 5 minutes. I don't want to delay Senator DOMENICI's amendment. The Senator can do it into his amendment, into the discussion on his amendment. She can also make an opening statement, if she so desires.

Mr. DOMENICI. Why don't colleagues just decide how much time she needs. I am willing for her to do that now. In fact, I have somebody out there who needs me for 5 minutes.

Mr. McCONNELL. I yield to the Senator from Maine my remaining 5 minutes.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. I thank my colleagues for their cooperation.

Madam President, I am delighted we are beginning the debate on the Bipartisan Campaign Reform Act of 2001, and of the campaign finance reform efforts that have been led for many years by my good friends, Senators McCAIN and FEINGOLD. I am proud to be an original co-sponsor of their bill, which takes several critical steps toward reform of our campaign finance system.

I have long supported campaign finance reform. When I was running for the Senate in 1996, I promised to advocate reform, and I kept that promise by becoming an early cosponsor of McCain-Feingold during my first year in the Senate.

The Bipartisan Campaign Reform Act of 2001 goes a long way toward fixing a broken system. First and foremost, the bill closes the most glaring loophole in our campaign finance laws by banning the unlimited, unregulated contributions known as "soft money." Second, the bill regulates and limits the campaign advertisements masquerading as issue ads that corporations and labor organizations often run in the weeks leading up to an election. And third, the bill prohibits foreign nationals from contributing soft money in connection with federal, state, or local elections.

My home State of Maine has a deep commitment to preserving the integrity of the electoral system and ensuring that all Mainers have an equal political voice. Mainers have backed their commitment to an open political process in both word and deed. In many regions of Maine, town meetings in which all citizens are invited to debate issues and make decisions are still prevalent. This is unvarnished, direct democracy. It contrasts sharply with the increasing ability of people with more money to speak longer and louder in federal elections. Maine's tradition of town meetings and equal participation rejects the notion that wealth dictates political discourse. Maine citizens feel strongly about reforming our federal campaign laws, as do I.

Soft money has become the conduit through which wealthy individuals, labor unions and corporations have in many ways seized control of our political process. The problem with soft money was evident during the 1997 hearings by the Senate Committee on Governmental Affairs, chaired by my good friend, Senator THOMPSON. During those investigations, we heard from one individual who gave $325,000 to the Democratic National Committee in order to secure a picture with the President of the United States. We also heard from the infamous Roger Tamraz who testified that the $300,000 he spent to gain access to the White House was not enough and that, next time, he would spend $600,000. And we heard of individuals, such as Chinese millionaire Ted Sioeng, who orchestrated nearly $600,000 in political contributions during the 1996 election cycle. Sieong, we later discovered, was a self-described agent of the Chinese government who made his fortune manufacturing a popular brand of cigarettes in China.

According to the Congressional Research Service, soft money donations nearly doubled in the 2000 presidential election cycle, from $262 million in 1996 to $488 million in 2000. Other estimates set the figures even higher. At the same time, regulated, hard money donations increased a little more than 10-percent.

In short, soft money is a growing wave that threatens to swamp our campaign finance system. Each election cycle, the wave gains momentum and size. Just two presidential elections ago, soft money contributions totaled $86 million, or one-sixth of the amount raised in the latest cycle. The Federal Election Campaign Act of 1971 has served our country well. But those seeking ways to influence our elections have found loopholes that have overwhelmed the rule themselves. I therefore applaud the bipartisan efforts of Senators McCAIN and FEINGOLD and pledge my continued support throughout the long process ahead. I know we are in for a spirited debate and believe that, ultimately, the will of the majority of Americans will prevail. They want reform. It is time we heed their message.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 112

Mr. DOMENICI. Madam President, I believe it is in order now for me to send an amendment to the desk, and I do so on behalf of myself and Senator ENSIGN.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for himself and Mr. ENSIGN, proposes an amendment numbered 112.

Mr. DOMENICI. Madam President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase contribution limits in response to candidate's use of personal wealth and limit time to use contributions to repay personal loans to campaigns)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. USE OF PERSONAL WEALTH FOR CAMPAIGN PURPOSES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following:

"(i) USE OF PERSONAL WEALTH.—

"(1) REQUIRED DECLARATION.—

"(A) IN GENERAL.—Not later than 15 days after the date a candidate for the office of Senator is required to file a declaration of candidacy under Federal law, the candidate shall file with the Commission a declaration stating whether or not the candidate intends to expend personal funds in connection with the candidate's election for office, in an aggregate amount equal to or greater than $500,000.

"(B) PERSONAL FUNDS.—In this subsection, the term 'personal funds' means—

"(i) funds of the candidate (including funds derived from any asset of the candidate) or funds from obligations incurred by the candidate in connection with the candidate's campaign; and "(ii) funds of the candidate's spouse, a child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate and the spouse of any such person, and a child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse and the spouse of such person.

"(C) FORM OF STATEMENT.—The statement required by this subsection shall be in such form, and shall contain such information, as the Commission may, by regulation, require.

"(2) INCREASE IN LIMITS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, in any election in which a candidate for the office of Senator declares an intention to expend more personal funds than the limit described in paragraph (1)(A), expends personal funds in excess of such limit, or fails to file the declaration required by this subsection, the increased contribution limits under subparagraph (B) shall apply to other eligible candidates in the same election.

"(B) LIMIT AMOUNTS.—The increased limits under this subparagraph are the following:

"(i) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $500,000 but not more than $749,999, the limits under paragraphs (1)(A) and (2)(A) of subsection (a) shall be 3 times the applicable limit.

"(ii) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $750,000 but not more than $999,999—

"(I) the limits under paragraphs (1)(A) and (2)(A) of subsection (a) shall be 5 times the applicable limits; and

"(II) the limits under subsection (h) shall not apply.

"(iii) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $1,000,000—

"(I) the limit under subsection (a)(1)(A) shall be 5 times the applicable amount;

"(II) the limits under subsection (a)(2)(A) with respect to a contribution from a State or national committee of a political party, (d), and (h) shall not apply.

"(3) ELIGIBLE CANDIDATE.—In this paragraph, an eligible candidate is a candidate who is not required to file a declaration under paragraph (1) or amended declaration under paragraph (5).

"(4) INAPPLICABILITY OF INCREASED LIMITS.—If the increased limitations under paragraph (2) are in effect for a convention or a primary election, as a result of an individual candidate, and such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of paragraph (2) shall no longer apply to eligible candidates in such subsequent elections.

"(5) AMENDED DECLARATION.—

"(A) IN GENERAL.—Any candidate who—

"(i) declares under paragraph (1) that the candidate does not intend to expend personal funds in an aggregate amount in excess of the limit described in paragraph (1)(A); and

"(ii) subsequently does expend personal funds in excess of such limit or intends to expend personal funds in excess of such limits, such candidate shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested.

"(B) ADDITIONAL NOTIFICATION.—After the candidate files a declaration under paragraph (1)(A) or an amended declaration under subparagraph (A), the candidate shall file an additional notification with the Commission and all other candidates for such office each time expenditures from personal funds are made in an aggregate amount in excess of—

"(i) $750,000; and

"(ii) $1,000,000.

"(6) ENFORCEMENT.—The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

SEC. 306. USE OF CONTRIBUTIONS TO REPAY PERSONAL LOANS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 305, is amended by adding at the end the following:

"(j) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to loans made or incurred after the date of enactment of this Act.

Mr. DOMENICI. Madam President, I ask for the yeas and nays on the Domenici amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered.

Mr. DOMENICI. Madam President, for those interested in campaign reform, obviously this is a rare opportunity for the United States to see a full debate on this issue. If you will forgive me, those who are involved in the underlying debate, I choose to depart from the subject matter that has been debated for the last 2 hours and concentrate on just one new phenomenon that is occurring in elections in the United States that I think has to be righted, and that has to do with the growing number of men and women who run for the Senate and pay for their own campaigns with large amounts of money.

We have been talking about large amounts of money coming from all different sources. Some think that is changing the election campaigns for the better; some think it is changing them for the worse. But I think one thing we ought to seriously worry about and wonder about is a man or woman who chooses to run for the Senate and says: I want to use my constitutional rights to spend $5 million, $10 million, $20 million, $30 million, $40 million, $50 million of my own money—his or her own money—to get elected.

That is OK, says the Supreme Court. Far be it for the Senator from New Mexico to think I know how to change that. I do not. I am not sure, if I knew how, that I would want to. But what I do know is, whoever chooses to do that has a huge, unfair opportunity over their opponent.

Why do I say that? Because, you understand, and everybody listening should understand, that when you run for the Senate, you cannot go collect $10,000 and $20,000, and $40,000 contributions.

Let's start off looking at a candidate who is going to spend $10 million or $20 million or $30 million of his or her own money, and then look at their opponent. Under current election laws, that opponent can raise money from individuals—rich, or moderately rich, or ordinary citizens who are not very rich—but they are limited to $1,000 per election.

The occupant of the chair just went through an election. She knows what I am talking about—$1,000 per contributor in the primary and the general election. Think of that for a moment. That used to be the primary way to raise money for a Senate candidate to run his or her own campaign. Just think of what a Senator has to do, to raise $5 million that way.

Also, there is no way you can do it with $1,000 or $2,000 contributions. You would have to have a breakfast, a lunch, and a dinner every day with $1,000 contributors, with 10, or 15, or 20 at each event, and do it for about 1 year to be able to raise $5 million.

Is it fair, even though it is constitutionally authorized, for a wealthy American to put up whatever amount they want? We have seen it in large scale go from over $45 million down to $5 million, or $6 million, or $7 million, and we have seen a very large number of successes from those who do that.

I regret to say I am not sure I would do that for a Senate seat if I had a lot of resources. I have been here a long time. I am not sure it is worth $20 million, in any event. Maybe when I first started, I would have been very excited about it. I still love it, but I just wonder if I would put up $20 million, or $30 million, or $40 million to beat my opponent who couldn't come close to raising the money.

Let's get down to what I am trying to do. What I am trying to do is leave that alone. I can't change that. What I can say is that somebody who intends to do that has to publicly disclose it at various intervals in the campaign. Then we start to raise the caps for the nonmillionaire candidate so that they have more latitude to raise money to compete with the person who is going to contribute millions of their own money.

Essentially, in that context, it is an equalizer amendment; it is a fair play amendment; it is a "let's be considerate of a candidate who isn't rich" amendment—whatever you choose to call it.

I want to describe what I choose to do in this amendment.

First of all, the person who intends to spend large amounts of their own money—I want to say it again: Senator

DOMENICI from New Mexico is not trying to stop that. I am fully aware that I couldn't even if I wanted to. I do not know if I would if I could. But the U.S. Supreme Court said that is a freedom of speech issue with the person who can either borrow large amounts of money or who wants to spend large amounts of money.

What I say is they must declare the intent to spend more than a half million dollars within 15 days of being required to file a declaration of candidacy.

Over $500,000—let's do that one first. Fifteen days, if you are going to spend $500,000—over $500,000—opponents, individuals and PACs are increased threefold. If it is $500,000 of your own money, then that $1,000 contribution turns to $3,000 for the opponent. The PACs go from 5 to 15.

If you go beyond the $500,000, and you are going to spend $750,000, then everything is increased by five times. Those are the caps that currently operate. Instead of $1,000, it will be $5,000 per election, and the same on the PACs.

If you are going to do $1 million, then direct party contribution limits or party coordinated expenditures limits are eliminated, as well as you eliminate the cap on individual contributions, and the cap stays at five times. It stays at five times at the highest category, but then the party contributions and party coordinated expenditures which have caps on them are eliminated.

It has one other feature. I don't really mean it for anybody in the past; I just want it to apply in the future. But you see, there is another practice that has come into play that I don't think is fair. That is, you use your own money or you lend yourself money. Then, after you are elected, you go have a lot of fundraisers as an elected Senator, and you pay yourself back. Frankly, I don't think you ought to do that. If you are going to spend $5 million and go out there and robustly tell everybody you are spending $5 million of your own money, or $10 million of your own money—I guess we have had somebody spend $40 million of their own money—you shouldn't get elected and go out and have fundraisers to collect the money back once you have won the seat, which you essentially won by putting in such a huge amount of your own money.

This limits candidates who incur personal loans in connection with their campaign in excess of $250,000. They can do $250,000 and then reimburse themselves with fundraisers. But anything more than that, they cannot repay it by going out and having fundraisers once they are elected with their own money.

I don't think the details are very important to this amount. I think if Senators see what I see, they are going to want to adopt this amendment. This whole debate is about what people perceive as too much money being put into campaigns at one level or another.

I am not sure I know what that is in terms of party participation. I am listening to the debate. I am complimenting Senator McCAIN and others who are working on the bill and those who are coming up with other amendments. But I think the amendment I have also addresses a growing issue that should be of great concern, whether it is a Republican, a Democrat, or a third-party candidate.

If you are going to run for the Senate, and if you are going to put huge amount of your own money into the campaign, it is patently unfair that your opponent would be limited to fundraising levels that are 26 years old without a change, which is $1,000 per primary and $1,000 per general from your friends who want to help you.

Just think for a moment. If you are so fortunate to have somebody run against you with $20 million of their own money, just think of what is ahead of you—to go out and raise the money you need to run a fair campaign against $20 million and raise it $1,000 at a time per election and a $5,000 limitation on PACs. It is patently wrong and unfair.

If it is constitutional to fix it—and I believe this may be constitutional because, as a matter of fact, we are denying no rights to the wealthy if they want to put in their money. But to the person who runs against them, we say we want to give you a chance to stay in the playing field by raising limits on how you can raise money and from whom.

I note my friend from Kentucky wanting to be recognized.

Mr. McCONNELL. Mr. President, will the Senator yield for a question?

Mr. DOMENICI. I am pleased to yield.

Mr. McCONNELL. The Senator has raised an extraordinarily important issue with regard to the dilemma that a modestly well-off candidate faces when running against someone of extraordinary wealth. I think he has come up with an amendment to bring some justice to that situation.

I am also curious if the Senator has thought about another value: That there will be one or more amendments dealing with that 26-year-old hard money contribution limit of $2,700.

Imagine the unknown candidate running in a State such as California against somebody who is either well known or well off. The Senator suggested it would be difficult to compete against such a person in New Mexico or Kentucky. I ask my friend whether he thinks there would be any chance in the world of a candidate running against a millionaire in a big State such as California.

Mr. DOMENICI. Frankly, it seems to me we have seen some evidence of that, for there was a race out there—I am not using names of who did this but there was a very huge amount of money spent by a candidate. The candidate didn't happen to win. But essentially the opposition had a terrible time raising money to compete. It just turned out that there was something else happening in that election.

Given the money that people in California have who made these large fortunes, if one of them chooses to go in and put up really a big portion of their own money, an opponent at $1,000 per individual and per election and $5,000 in PAC money—essentially the major ways of raising money—I don't see how they can compete.

Mr. McCONNELL. Would the Senator from New Mexico agree, then, that failure to index the so-called hard money contribution limit back in the mid 1970s has completely distorted the process across the board?

Mr. DOMENICI. No question about it.

Mr. McCONNELL. And it is one of the single biggest problems we should try to remedy during this debate?

Mr. DOMENICI. There is no doubt in my mind that we ought to try to fix that. I, as one Senator, saw this issue that I am addressing arising in 1987. So I introduced a bill that we called the wealthy candidate bill. Frankly, we did not have a debate that looked like it was going to bring reform. So I just kept introducing it every 2 years. One time, Senator Dole offered something very much similar. But the underlying bill never did proceed beyond the debate stage.

I want everybody to understand. I want to repeat, just in very simple terms, that I do not know whether a very wealthy candidate will be a great Senator, a good Senator, or not so good Senator. I do not know that. I am not trying to say because you have $10 million or $40 million to spend on your campaign, you should not run and use your own money—not at all. Nor am I suggesting that if you spend a huge amount—$40 million—and win that you were the better or the lesser candidate.

I am merely saying, we established rules limiting what the opponent can spend. These are statutory rules that are 26 years old, coming out of Watergate, that say what the opponent to that wealthy candidate can spend. It is in that regard that I speak. If, in fact, the wealthy candidate wants to disclose, as prescribed in this statute, that he is going to spend this money—and, of course, there are statute law penalties if they do not comply with the law—if they do that, then it would seem to me you ought to amend the 26-year-old limitations, which are under attack here as being too low anyway. There are a number of amendments in the bill saying that number is too low.

Now, believe it or not, as of right now, those low numbers apply even to an opponent of somebody who will declare under this statute that they are going to spend $1 million of their own money as prescribed in this law.

So with that, I do not know if we have any formal opposition on the floor. If we do, I certainly would be willing to exchange views with them. But from my standpoint, I think we ought to adopt this amendment before the day is out and have done one piece of laudable work on the first day.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). Who yields time?

Mr. WELLSTONE. I need 5 minutes.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I yield such time as the Senator from Minnesota needs.

Mr. WELLSTONE. I need no more than 10 minutes.

Mr. FEINGOLD. I yield 10 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Actually, I would love to make a more general presentation about money and politics, but, I say to my good friend from New Mexico, I want to just start out with a few rather jarring statistics.

Do you know how many U.S. citizens contribute more than $200 to a race today? Four out of every 10,000. That is .037 percent. Do you know how many Americans give contributions of $1,000 or more? It is .011 percent. So it seems to me that what we have is a system where people think if you pay, you play; if you don't pay, you don't play.

My colleague comes on the floor with an amendment that says the way to deal with the problem of people being millionaires—by the way, I don't take this amendment personally; it will not damage me at all—but my colleague comes out here with a proposal that says the way to deal with the problem of millionaires financing their own candidates is to basically take the limits off of contributions, so that we now have a contest between millionaires and people who can run by getting support from millionaires or from large financial interests, be it individual contributions to them or contributions to the party.

This is meant to be a proposal where the word for the people in the country is that the Senate, in the first amendment that we are going to consider, has taken a giant step forward in reform by putting more money into politics. I do not think that is what people want to hear. And they are right.

With all due respect, I think what my colleague from New Mexico has done is make an argument for public financing. That is what this is about. If you want to deal with the problem of millionaires or people who have a lot of money using their own money to win elections or, as you see it, to help contribute to their winning, the way to solve the problem is not by taking the limits off of hard money contributions.

By the way, there is going to be more and more of that done. Again, less than 1 percent of the population contributes $200 or more; and even less of the "less than 1 percent" contribute $1,000 because people do not have that money. People do not go to $500,000 barbecues and all the rest. They have their own barbecues with their neighbors. People make $100 contributions to charities. They do not make these kinds of contributions.

What this amendment has done is simply added to the problem by saying now what we are going to have, through this amendment, is yet even more money put into politics by the very top of the population, be it wealthy people of financial interests on whom all of us are going to be more dependent. So now what we are going to have—and this is supposed to be the first amendment for reform: The people who have their own resources, millionaires, versus people who have access to millionaires and large financial interests. That is not the only choice.

If we are serious about this, I will tell you how you can get around it. There are some great Senators who are independently wealthy. We all agree that is not the point we are making. And maybe there are some others who are not so great. That isn't the point. The point is, if you want to deal with this problem, then you have a clean money, clean election proposal; you have public financing. People agree on that. And then the public owns the elections.

If someone says they do not want to be bound by spending limits, they do not want to take part in clean money, clean elections, then you know the way it works. The Presiding Officer knows. She is from Maine. Then there is additional money that can go to candidates to make up for the advantage that those who are spending their own resources have to make it a level playing field. But the race still belongs to the public. It still belongs to the people. And then the people who get elected belong to the people. And then the Capitol belongs to the people. And then the Government belongs to the people. And then people have more confidence in the political process. And people think they can be more involved. And little people, who do not have all the money, feel more important. And they are more important.

This amendment is not a great step forward. This is one big, huge, gigantic leap backward.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCONNELL. Madam President, I yield 10 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 10 minutes.

Mr. REID. Madam President, if the Senator will yield for a brief statement?

Mr. BENNETT. Sure.

Mr. REID. On our side, whatever time remains on behalf of Senator DASCHLE, I give that allotment of time to Senator FEINGOLD. He can allot the time on this amendment.

The PRESIDING OFFICER. The Senator from Utah is recognized for 10 minutes.

Mr. BENNETT. Thank you, Madam President.

I appreciate the opportunity to comment on this amendment. I believe I have some personal experience which I will share with the Senate. It has to do not with a general election but with a primary.

That is an issue that sometimes we forget because there are many States where the primary is the ultimate election—States that are overwhelmingly Democratic, such as the State of Massachusetts, and States that are overwhelmingly Republican, quite frankly, such as the State of Utah.

The real contest in 1992, when I ran for the Senate, was the primary, which I won by about 10,000 votes, compared to the general election, which I won by 180,000 votes. Percentage-wise, I won the primary 51.5 to 48.5. I always add the half to make it sound as if it was a better victory than just 51–49. I won the general election by a 16-point gap.

So the primary was the big issue. I had to spend my own money in that primary race. I remember a conversation with the then-chairman of the Senatorial campaign committee, Mr. GRAMM of Texas, who warned me with the following story about the perils of spending your own money. He talked about the two fellows in Texas—I don't remember their names so I will call them Joe and Bill—who both put their own money into the race. At the end, on election night, when Joe had won, Bill said to him: Joe, if I had known you were going to spend $4 million of your own money, I would never have gotten in the race, to which Joe said: Bill, if I had known I was going to spend $4 million of my own money, I would never have gotten into the race.

You get caught up in these things and the money starts coming. And if you have it, you just keep saying, well, another $100,000, another flight of ads, another mailing, and that will put us over the top. Then you look back and say: I shouldn't have done it. I spent too much money.

In our primary race, my opponent, a man of considerable means, spent, we now know, after all of the tallying up has been done, $6.2 million in the State of Utah in the primary. I know there are some States where $6.2 million does not seem to be a lot. That happened to be more than was spent that same year in the Republican primary in California in total, of all of the candidates. It worked out, in terms of the number of votes—I know the Senator from Kentucky likes to talk about the cost per vote—to about $40 a vote that he spent: 150,000 votes, roughly, $6 million, about $40 a vote. He actually spent 6.2 but he fundraised $200,000. The other $6 million was out of his own pocket.

In order to win that primary, I spent around $2 million. I wasn't as successful as my opponent. I couldn't raise $200,000 because everybody was sure my opponent was going to win. The only amount of money I got was from members of my family, a few very close friends who felt sorry for me, and a couple of others who came across because they decided they believed in me. I spent about $2 million or one-third the amount my opponent spent.

The point of this, with respect to the amendment of the Senator from New Mexico, comes from a conversation I had with the candidate for Governor, as we were talking about that primary race and the way it was beginning to turn. As it started out, as you might imagine, with my opponent spending $6 million of his own money, it was assumed he was going to win. Everybody thought I was wasting my time; everybody thought I was crazy. Then it began to turn. It began to shift. You could feel it.

Those of us who have been in campaigns know how that goes. You are out on the hustings. You just get a feel for the way people are beginning to think. This other candidate who was out on the hustings, too, running for governor, said: It is beginning to shift. It is beginning to turn. It is beginning to come your way, and it looks as if you are going to make a race out of it. Indeed, you might even win. Then he made the key point that is appropriate to the amendment of the Senator from New Mexico. He said: Of course, you are the only candidate who could have done this. You are the only candidate who could have caused this coronation not to happen.

I don't think he was talking about my political skills, although I have a big enough ego to assume that I have some. He was talking about the fact that I could fund my campaign in a style to compete against this self-funded candidate who was funding his campaign.

Assume that I went into that race without having $2 million of my own money. Assume I went into that race having to raise the money $1,000 at a time. Assume I went into that race having to go around and plead with people to help me. It is very clear I would not have raised $100,000. It is very clear I would not have been able to buy a single television ad. All of the money I could have raised would have been eaten up in fundraising costs. The only way I was able to compete against a self-funded candidate and, indeed, win was the fact that I had my own funds so that there was no cap on my spending.

I found that spending $6.2 million in Utah in a primary can become a self-defeating kind of activity. He ran out of places to spend it. He was buying ads on the Saturday morning cartoons because there weren't any other places to buy ads. That caused him, frankly, some problems, as people laughed a little bit at that.

The fundamental point that the Senator from New Mexico has made is that if I were limited to the standard kind of fundraising activity, I would not have been able to compete with that candidate, as he exercised his constitutional right to spend his own money. I would have been denied the right to express myself unless, as it turned out, I had significant personal funds of my own.

I offer a real-life example of how important it is, when you are dealing with a candidate with virtually unlimited funds, for the opposition to have something other than the traditional $1,000-per-head contribution. I repeat: If I had lived under the circumstance with only $1,000 per head, there is no way I could have competed in that primary, and I would not be in the Senate today. There may be many who would applaud that possibility that I not be here.

I think the Senator from New Mexico has come up with the right solution. If you are going to deal with somebody who has unlimited funds out of his own personal pocket, you have to release his opponent from the restrictions of the present circumstance. That is what the amendment of the Senator from New Mexico would do. That is why I intend to support it. I have lived through that experience. I know how difficult it is for the underdog to raise money under the present system when the outcome is assumed to be predetermined and how much a difference can be made if the underdog is released from those requirements and given an opportunity to express himself.

I had an opponent who outspent me three to one, but because I had sufficient money to get my message out, I was able to defeat him. I think we ought to give that same opportunity to every other opponent who has a message, faced with that kind of challenge on the other side.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I yield the Senator from Tennessee 12 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 12 minutes.

Mr. THOMPSON. Madam President, I regret I didn't get to the floor in time to discuss this a bit with the sponsor of the amendment, Senator DOMENICI. He is, as we all know, one of the more thoughtful Members of this body. Anything he offers I take very seriously. He is clearly addressing an issue we have talked about a lot and which concerns a lot of us, concerning a campaign where one individual can put in a tremendous amount of his own personal money and the other candidate does not have that kind of wealth and is bound by the hard money limits we have.

As I understand the amendment, the well-off candidate would still be bound by the hard money limits. If that is the case, my concern is whether or not we are not getting into a constitutional difficulty. The Supreme Court has said, of course, that an individual, if they have a great deal of money, can put as much of that money as they want into their own campaign. It is a matter of free speech. If that is the case, then I wonder whether or not it would be looked upon as disadvantaging that wealthy candidate if we gave some rights to the other candidate that we did not give him.

In other words, if his hard money limits were still restrained, and the hard money limits of the opponent were lifted, that would not be equal treatment under the law, it seems to me. Clearly, the wealthy candidate would still probably wind up with more money; he would have his own. But I don't think that is the issue. If, in fact, the wealthy candidate has a right under the first amendment to do that, that kind of wipes the slate clean. Constitutionally, you can't consider that, it doesn't seem to me. We have to ask ourselves whether or not raising the hard money limits for one candidate and not the other is valid under the 14th amendment equal protection law.

I would also wonder whether or not, from the standpoint of a contributor, if I wanted to contribute to a wealthy candidate under those circumstances, under this amendment, if passed, I would be limited to, let's say $1,000. If I wanted to contribute to his opponent, the limits would go up incrementally, as I understand it, to say $5,000, or whatever. What about my rights as a donor? Should I be restrained from contributing more to one candidate than another because he has exercised his constitutional rights? I certainly have not had an opportunity to study this, and I am not suggesting that I have the answer to my own question. But I do wonder—and I see Senator DOMENICI is on the floor—I say to my friend, if we are keeping the hard money limits on the wealthy candidate, whether or not we have an equal protection problem.

I would think the answer to that problem and a way to avoid the constitutional dilemma would be to raise the hard money limits for all candidates. The wealthy candidates certainly would still have the advantage, but in terms of the hard money limits they would be equalized.

I think Senator DOMENICI is absolutely correct when he talks about the limits that we placed on candidates in 1974 being very outdated—a $1,000 contribution today is worth about $3,300, with inflation. We have hamstrung our candidates and forced more and more money being spent in outside ads and, in my opinion, become more and more reliant upon soft money. It looks to me as though we could go a long way toward solving the disadvantage, which the Senator from New Mexico has rightfully pointed out, that a candidate without the wealth has by lifting the hard money limits on that candidate. It would not have as much significance if you lifted them on the wealthy candidate, perhaps. But you would have the equality and thereby possibly avoid an equal protection problem that we might have under the amendment.

Mr. DOMENICI. Will the Senator permit me to answer?

Mr. THOMPSON. I am happy to.

Mr. DOMENICI. I know my friend, Senator WELLSTONE, was on the floor, and I didn't get to hear his entire statement. But if you were informed by either his speech or something else you read that I take the limits off, I do not. As a matter of fact, based on a schedule of how much the wealthy candidate is going to spend, we raise the caps for the nonwealthy candidates to 2 times, 3 times, and the highest they get is 5 times, or the most you could raise is $5,000 in individual contributions, and 5 times 5, or $25,000, in PACs.

Frankly, I don't think there is an equal protection problem either because the Senator from New Mexico is not saying in any respect that the wealthy candidate is limited in terms of how much they can spend. They exercise their privilege and their right, which the courts have said they have. I tried to see if there was a way to limit something because we have seen as much as $40 million or more spent in a campaign. Since everybody is worried about excessive money in campaigns, I feel very sorry for a candidate who has to raise from his or her friends $1,000, and we raise it to 2 and then 5—$5,000—while a candidate exercising his rights can spend 5, 10, 20, and still have exactly the same rights in terms of the caps, unless we raise them. If we don't raise them for the nonwealthy candidate, they are going to be stuck at $1,000 and $2,000 per election, while the wealthy candidate can contribute as much as he wants. Where would there be an equal protection clause?

Mr. THOMPSON. Essentially, as a former lawyer—I am not pretending to be a constitutional specialist here. I haven't had a chance to certainly research this. By the time we finish this discussion, perhaps others will have had time to weigh in on it.

I understood the Senator's amendment, I think, correctly. My concern is that even though we do nothing here to diminish the constitutional rights of the wealthy candidate, but keeping the hard money limits on him while raising the hard money limits for his challenger, we are not dealing equally with regard to the hard money limits. Obviously, the dollars are different. The dollars will undoubtedly be outweighed in favor of the wealthy candidate. But in terms of equal treatment, that concerns me.

As I said, it also concerns me from the standpoint of the donor. Does a donor have a right to give as much to one candidate as another? Should they have a right to give as much to the wealthy candidate as they give to the other? Is there an equal protection concern there? That, I must say, concerns me.

I think we would be better served—and I plan to offer, if no one else does, an amendment that would raise the hard dollar limits for everybody. I think the answer to a candidate's problem—any candidate's problem—especially a challenger, is to get to that threshold. Not that he is going to be outspent necessarily because most of the time a challenger is going to be outspent, but to raise the limits so that a challenger can get to the threshold of credibility as a candidate.

Someone mentioned the State of California. There are other big States where nowadays a $1,000 individual limit on a candidate makes it so it is virtually hard not only to run but to recruit a candidate to even try to run under those circumstances.

What we need to do, I think, is to raise the limits for all candidates from $1,000 to $3,000 on the individual limit side. It still would not be keeping up with inflation. My concern has never been the concern the Senator from Minnesota has expressed, when he said what is bad is that we are putting more money in the system—I don't think it is for me to say how much money belongs in the system or how much should be spent in a general sense. What concerns me is large amounts of money going to individual candidates or on behalf of individual candidates.

We should not be nickel and diming these individual contributions—the difference between $1,000 and $3,000—when our real concern ought to be the hundreds of thousands that are coming in in soft money. So I make the suggestion as one who thinks we ought to get rid of soft money. If we would raise the hard money limits so that we would not unnaturally constrain the ability of a candidate to reach the threshold of credibility to run a decent race, he would not need the soft money.

He would not need the benefit of the independent expenditures where all the money seems to be going nowadays. I am certainly in sympathy with the desired results of the Senator from New Mexico. He is pointing out a problem that many of us have faced from time to time. I simply wonder out loud whether or not there might be a better way of addressing this.

Mr. McCAIN. Who yields time?

Mr. DOMENICI. Will the Senator from Utah yield me time?

The PRESIDING OFFICER. The Senator from New Mexico controls the time.

Mr. DOMENICI. I have time on my own amendment.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Does the Senator want to speak? I want to say a few words to my friend.

Madam President, I believe we can cite some cases which indicate that the concern of the Senator of Tennessee about one candidate having different limitations under public financing, that they have been done differently and they have not been held unconstitutional. I ask the Senator to think one more time with me.

If you look at the effect on individual campaigns for the Senate, and if the Senator from Tennessee is disconcerted about the existing laws, then I ask him whether he would not be a bit disconcerted about the growing number of candidates who spend huge amounts of their own money and the opposition is limited to the meager rationing—that is 26 years old—of $1,000 per person per election and $5,000 for a political action committee.

If that is not something that concerns us in terms of large amounts of money being put into the system and, more specifically, that has a very good chance of electing a Senator—the other things we are not quite sure of—we are worried about some of the abuses of which Senator McCAIN is speaking having an impact on the public trust and those kinds of generic things.

I am getting concerned that this Senate, which I dearly love—a while ago, I wondered out loud whether it was worth $20 million which somebody wants to pay for a seat, but I did that jokingly.

It seems to me one could conclude that there will be 25 Senators in this place who will have spent their own money to be elected in the next decade, in 15 years, and you would have rendered the opposition to those candidates. They do not have a chance. Maybe I do not have the big-State figures, but they would not have a chance in the State of Tennessee or my State. If somebody comes up with $15 million, you cannot raise the money.

I hope the Senator will look at it. This is at least one way to say we do not like that.

Mr. THOMPSON. Madam President, I say to my friend, if I can interrupt.

Mr. DOMENICI. Sure.

Mr. THOMPSON. Not only do I share the Senator's concern, I will go the Senator one better. I say not only raise the hard money limits for the nonwealthy candidate, but go ahead and raise it for the wealthy candidate, too. He may not use it. That might make it easier constitutionally.

I am in total agreement and sympathy with what the Senator from New Mexico is saying. I am trying to figure out a way that will get us there that will stand the scrutiny.

Mr. DOMENICI. I thank Senator THOMPSON very much.

Mr. FEINGOLD. I yield the Senator from Arizona 2 minutes.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, Senator SNOWE, who has been a vital part of this effort with respect to probably the most controversial section of our legislation, is waiting to speak. I will be brief.

I appreciate very much what the Senator from New Mexico is trying to do. All of us are aggravated and sometimes astounded when we hear of $70 million being spent in a Senate race.

The way I read it from the handout it says:

> If the candidate exceeds $1 million in personal expenditures, the direct party contribution limits and party coordinated expenditure limits are eliminated.

It does not say capped; it says "eliminated." If that is incorrect, I suggest the Senator from New Mexico fix that. If that is true, then a millionaire can spend $1 million and immediately the other person can raise $50 million in coordinated and direct party expenditures.

Finally, in all due respect for the Senator from New Mexico, this is a meat-ax approach to a problem that requires a scalpel. The State of Wyoming in the year 2000 had a voting-age population of 358,000. The State of California had a voting-age population of 24,873,000.

Madam President, $1 million in Wyoming, in all due respect to my friends from Wyoming, probably buys every television station in Wyoming; $1 million in California is a drop in the ocean. This does not get at really the different aspects of a small State or a big State. If I had $1 million, I could buy a lot of TV in New Mexico. I cannot buy very much in California.

In all due respect to a very good-intentioned and well-intentioned amendment in an area we need to address, including free television time for candidates, including raising hard money as a part of a total ban on soft money and other ways we can attack this, I think this may be the wrong way to do it. My time has expired.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I agree with the Senator from Arizona. This amendment is obviously very well intentioned. It tries to get at a problem in the original McCain-Feingold bill. We tried to address the issue of wealthy candidates being able to spend unlimited amounts while the others are constrained.

The problem is, the Senator from New Mexico does have aspects of this that involve unlimited contributions in response. That is not the same as some of the other techniques we have talked about in the past.

For example, when I first ran for the Wisconsin State Senate, under our State's public financing, if somebody spent too much money either from somebody else or their own, the State would provide some form of public financing benefit for someone who would limit their overall spending.

What Senator McCAIN and I tried to do in our original bill was say, for example, if a wealthy person agreed not to spend too much of their own money but somebody else did, the people who constrained themselves would get the benefit of free television time or reduced cost for their television time.

Those are very different ways to encourage this kind of activity and this kind of restraint than actually having unlimited contributions in response.

I agree with the Senator from Arizona that this is not the way to go, as well intentioned as it is.

I yield 30 minutes of our time to the distinguished Senator from Maine, Ms. SNOWE.

The PRESIDING OFFICER. The Senator from Maine is recognized for 30 minutes.

Ms. SNOWE. I thank the Chair. I thank Senator FEINGOLD for yielding me this time.

I rise today in support of the McCain-Feingold legislation to reform our system of campaign financing in America.

First, I applaud the sponsors of this legislation, Senators McCAIN and FEINGOLD, for their courage and their remarkable commitment to the cause of campaign finance reform. Their determination on this issue has been nothing short of extraordinary, if not legendary, and it can truly be said that we would not be here today debating this issue if it were not for their leadership. Both have gone to the mat time and time again for this cause, and I commend them for bringing us to this day.

We have certainly tried to start down the road to reform on a number of occasions during my 6-year tenure in the Senate. Unfortunately, those roads proved to be procedural dead-ends.

I thank the leadership for scheduling this time and for committing to an open process by which we can have real debate and, at the end, I hope real reform.

This could truly be our moment. This could be a tremendous time that people will point to in the future when we turned the corner on this issue and made substantive changes that will make a real and positive difference in the way campaigns in this country are funded.

When one stops and thinks about it, it is remarkable that the last time there were major changes to Federal election law were amendments passed to the existing laws in 1979. In 1979, disco was in the nightclubs, President Carter was in the White House, and some of the staff we have working in our offices were not even born yet. It has been a long time in coming.

There is little question that there is a strong sense that campaigns in this country have spiraled out of control. There is a strong sense that elections are no longer in the hands of individual Americans. As the old saying goes, perception becomes nine-tenths of reality, and the reality is we have a system in need of overhaul.

Soft money totals doubled since the 1998 elections, with a total of over $1 billion in soft money for the 2000 elections. In fact, in 1980, when soft money really came into being, Republicans and Democrats combined raised an estimated $19 million, according to Colby College political science professor Anthony Corrado. Two decades later, that total had ballooned to more than $487 million. This is money that is skirting around the edges of Federal campaign finance law, and I support the soft money ban contained in the McCain-Feingold legislation.

The fact is, this is money that was never intended to help Federal candidates for office. It was intended to help build the strength of parties, which is a goal I support. But what we have seen is a veritable flood of money being given without limits that is very much influencing our Federal elections. What the public sees is a system by which access and influence is gained through the size of a check, not the weight of an argument.

At the same time we address the soft money issue, I also think it is critical that we address the ever burgeoning segment of electioneering popularly known as sham issue advertising. We do so in a way carefully constructed as to pass constitutional muster. I am speaking of advertisements influencing the Federal elections in this country but get off scot-free when it comes to any degree of disclosure or any degree of prohibitions normally associated with campaigning.

Let there be no mistake. The record I intend to outline will show these advertisements constitute campaigning every bit as much as any advertisements run by candidates themselves or any ad currently considered to be express advocacy and therefore subject to Federal election laws.

I thank my colleague from Vermont, Senator JEFFORDS, for his tireless work. It has been a privilege to work with him and champion the cause. I express my appreciation to the sponsors of this bill for including this provision in the McCain-Feingold ban of soft money. This is a critical component and critical element of the overall problems we are confronting in modern-day elections.

I have spoken of the exploding phenomenon of the so-called issue advertising in elections. That phenomenon continues unchecked and will continue unchecked if we turn a blind eye to reality. I am talking about broadcast advertisements that are influencing our Federal election, in the overwhelming number of instances designed to influence our Federal elections, and yet no disclosure is required and there are none of the funding source prohibitions that for decades have been placed on other forms of campaigning. These are broadcast ads on television and on radio that masquerade as informational or educational but are really stealth-advocacy ads for or against candidates.

They must be doing a very good job because there are more and more of them all the time. That is the trend. According to a 2001 report from the Annenberg Public Policy Center, which has been studying this trend almost since its inception—particularly since the 1996 election cycle which is where we saw a dramatic change and transformation toward this trend in elections—in the past three cycles we have seen the spending on these issue ads go from $150 million in 1996 to $340 million in 1998 to $500 million in the year 2000 election. In a very short period of time the spending for these issue ads that go below the radar—in other words, they don't require the kind of disclosure, the kind of restrictions that other forms of expenditures on advertisements require—has gone from $135 million in 1996 upwards of $500 million, half a billion in the election of the year 2000. In a very short period of time we have seen a dramatic growth in the expenditures on these types of ads.

As detailed by a 2001 report entitled "Dictum Without Data: The Myth of Issue Advocacy and Party Building," written by David Magleby at the Center for the Study of Elections and Democracy at Brigham Young University:

> The broadcast advertising, used by labor and then copied by business organizations in 1996, unleashed a new dimension of electioneering . . . Permitting electioneering through issue advocacy to continue is an open invitation to individuals and groups to avoid disclosure requirements and contribution limits.

That is the essence of what we are talking about. We are talking about disclosure. We are talking about sunlight, not censorship. We are talking about the public's right to know. We are talking about citizens making informed decisions about the quality and sources of the information they receive from messages that are influencing their votes.

How does the Snowe-Jeffords provision address this issue? It is simple and straightforward. First, we require disclosures on groups and individuals running broadcast ads within 30 days of a primary, 60 days before a general election that mention the name of a Federal candidate or show a likeness of a Federal candidate. The disclosure threshold is $1,000 for each individual donor for that organization that sponsors such an ad that runs in that window, 60 days before a general election, that mentions a Federal candidate.

That $1,000 trigger is five times the contribution amount that candidates are required to disclose. We create a higher threshold, a $1,000 donation to any organization that engages in this kind of advertising 60 days before a general election and 30 days before primary.

Second, it prohibits the use of union, of corporation treasury money, to pay for these ads, in keeping with long-standing provisions of law. As the next chart shows, corporations have been banned from directly participating in Federal elections since 1907. That is not a dramatic change in law. It has been that way for virtually a century. The same is true when it comes to labor unions' direct participation in making political contributions to elections. They have been prohibited since 1947. Both of these prohibitions have been in law for a very long period of time.

The law said in 1947, when it came to the Taft-Hartley Act, when it came to unions, it is unlawful for any national bank or any corporation organized by the authority of any law of Congress to make contributions or expenditures in connection with any election to political office.

That is what it comes down to. It is clear; it is common sense; it is constitutional; it is not speech rationing but informational, information that the public has the right to know.

Indeed, there is nothing in this provision that bans any form of speech. We are saying if an organization or an individual spends more than $10,000 per year on broadcast ads, you cannot use union or corporation money. That is the only ban on anything in this amendment. If you do decide to engage in that kind of advertising, you have to disclose who is bank rolling the ads if you donate more than $1,000. You have to disclose the identity of the organization and the donor.

We are not requiring every group to disclose entire membership lists, only the major sponsorships of these advertisers because it tells us something about the message being sent. We developed this approach in consultation with noted congressional scholars and reformers such as Norm Ornstein of the American Enterprise Institute; Joshua Rosenkrantz, director of the Brennan Center for Justice at NYU; and Daniel Ortiz, John Allan Love Professor of Law at the University of Virginia School of Law.

This provision is narrowly and carefully crafted and based on the precept that the Supreme Court has made clear that for constitutional purposes, campaigning—make no mistake about what these ads do; these are campaign ads; they are not issue advocacy ads—is different from other speech. It is built upon the bedrock of legal and constitutional principles extending current regulations cautiously and only in the areas in which the first amendment is at its lowest threshold.

We will hear a lot of statements throughout the next 2 weeks about the Supreme Court's landmark decision in Buckley vs. Valeo, arguing if an ad is not what is known as express advocacy, if it does not include the so-called magic words such as "vote for candidate X" or "vote against candidate X" then we cannot impose disclosure requirements and we cannot place source restrictions on their spending. Period. End of story.

I refute that mistaken notion. I want to say emphatically that such an interpretation of Buckley is not the end of the story—far from it. You do not have to take my word for it. As a Brennan Center report from the year 2000 said:

> We must recognize that, as a legal matter, Congress is not foreclosed from adopting a definition of "electioneering" or "express advocacy" that goes beyond the "magic words" test [for or against] . . . as long as vagueness and overbreadth concerns are met, Congress is presumably free to draft new legislation that is more effective in achieving its constitutionally valid goals.

According to the Center's scholars' letter of this month:

> Congress has the power to enact a statute that defines electioneering in a more nuanced manner, as long as its definition adequately addresses the vagueness and overbreadth concerns expressed by the court.

Certainly, this provision is not vague. We draw a bright line. Anyone will know that running ads more than $10,000 in a given year, mentioning a Federal candidate 30 days before a primary, 60 days before a general election, and seen by that candidate's electorate, being aired in that candidate's district or State, will be covered by this provision. Anyone not meeting any single one of those criteria will not be affected.

As to the issue of broadness or overbreadth, again quoting the Brennan Center letter:

> A restriction that covers regulable speech can be struck if it sweeps too broadly and covers a substantial amount of constitutionally protected speech as well. But under the overbreadth doctrine, the provision will be upheld unless its overbreadth is substantial. A challenger cannot topple a statute simply by conjuring up a handful of applications that would yield unconstitutional results.

The empirical evidence demonstrates that this provision and the criteria included in this amendment are not "substantially overbroad." The fact of the matter is, we have a body of evidence on these kinds of ads that never existed before, that there effectively is no line between the express advocacy and the sham issue ads in terms of voter perception.

In other words, an ad that runs, that says, "John Doe is dishonest and corrupt and un-American, call John Doe and tell him how you feel," is seen every bit as much to be an ad designed to influence a Federal election as an ad using the so-called magic words such as, "Vote for John Doe."

As a legislative body, we are allowed to devise a solution to this new problem, and the Court will give it a fresh look. The truth is that 25 years ago the Court issued a decision to try to cure a previous statute that was poorly and vaguely written, at a time that is now over a quarter of a century ago. The fact is, the Court has not had any new law from Congress to consider on campaign finance reform in the last 25 years in order to review the matters, in order to review the kinds of trends that have taken place that have reinterpreted law that was passed more than 26 years ago.

So it is our prerogative, Madam President, and, I would say, our obligation as a legislature, to try to craft solutions to problems when it is in our public interest. That is why we have three branches of Government. We will hear it may have a constitutional question. We have never hesitated when we have deemed it to be in the public's interest, government's interest, our country's interest, to pass legislation—and in fact in some cases even testing the courts. We did that on the line-item veto. It did not deter Members of the Senate or Members of the House from voting for that legislation because there were some constitutional questions.

The same is true for the flag-burning issue. Many of us are in support of that constitutional amendment. There have been some constitutional questions raised, but again that should not deter the legislative branch of Government from moving forward on what it deems and perceives to be in the Government's interests.

Again, as we look at some of the analyses and interpretations that have been done in recent studies on election trends, let me again go back to how some of the experts are defining it.

In the Magleby v. Brigham Young University study that was done this year, as they said as they defined the uses of political money in campaigns and elections:

> . . . neither the Supreme Court (back in their 1976 decision) nor the FEC had substantial data with which to create their rulings. Dictum was created without data. . . . If respondents see election issue advocacy in the same way as candidate or party communication—

Both of which are considered "express advocacy" by definition—

> then the Buckley distinction is mistaken.
>
> This report, appropriately entitled "Dictum without Data," bills itself as "the first systemic test of the court's assumption that the magic words are a reasonable standard for what constitutes election-related activity."

Again, what is most telling about the next chart is the statistics that are represented: The degree to which these ads are intended to influence the voters' vote. We hear issue advocacy. No one is denying that every group should have the right to issue their ads talking about their positions on a particular issue. But in this study—again, it is another interesting phenomenon of the current election trends—respondents were asked the degree to which these ads influenced their votes: On a scale of 1 to 7, with 1 meaning that the ad was not at all intended to influence their vote—in this case it was in the Presidential election—and 7 meaning the ad was clearly intended to influence how they would vote in the Presidential election, how would they rank this ad?

Guess what. The ads that they viewed to be the most influential of all the ads run were the ones that were run by interest groups that mentioned a candidate, that are supposedly issue ads, even more than the ads that were run by the candidates themselves.

In other words, candidates who ran their ads that obviously very clearly were intended to speak for a candidate on behalf of their issues projecting an image, projecting their positions on certain issues—those were seen to be less influential than the ads run by these interest groups that identified a candidate 60 days before election.

Furthermore, a remarkable 70 to 71 percent scored the election issue advocacy ads as a 7; 70 to 71 percent thought they were more influential, and 83 percent gave the ads a 6 or a 7. Remember that 7 was the highest point, meaning they had the greatest impact, reinforcing the fact that these ads are seen as an attempt to influence their vote in the days before a campaign.

What is even more interesting if you look at this chart, the election issues ad, the ones that opponents would have us believe are strictly issue ads and are not influencing elections because they do not contain express advocacy—these election issue ads were seen as more clearly intended to be about the election or defeat of a particular candidate than the candidate's own ads.

I think this is very illustrative of the problem we are now facing with these so-called issue ads but which really are ads intended and designed to influence the outcome of an election, and they come out from under the disclosures and restriction requirements under the Federal election laws. That is why they come beneath the radar, because they are not required to be disclosed.

We do not know who finances these ads. We don't know the identity of these organizations. All we know is that somebody is spending a whole lot of money for these kinds of advertisements.

So if you think about it, the ads that the candidates themselves were running, ads which were automatically classified as express advocacy because candidates were running them—they were obviously ads to run in favor of a candidate or against a candidate and to get one's votes—those ads were perceived as less clearly intended to influence their votes than the so-called issue ads. So it is no wonder then that the candidates themselves have taken to running ads without mentioning the magic words "vote for or against."

Again, the Brennan Center, in their report on the 1998 elections, found that only 4 percent of candidate ads used the magic words—4 percent. In other words, 4 percent of the ads that were run by candidates, sponsored by candidates, did not use those magic words "for" or "against."

Keep in mind that there is a legal benefit for the candidates who run the so-called issue ad. So the only reason they would have chosen this route over ads saying "vote for me" or "vote against" is that they believed the nonmagic words—not using those words—were more effective in getting their campaign message across, which, of course, is what all these organizations found out themselves.

Furthermore, the report concluded, as our experience demonstrates, that policy distinctions such as those drawn by the Court and the FEC can have no basis in actual experience. Much of what falls under the Buckley definition of issue advocacy is indistinguishable to respondents from party and candidate communication. Yet issue advocacy operates under very different rules, which, of course, is to say no rules, and has negatively affected our electoral process and candidate accountability.

We now have established how effective these ads are in influencing our elections and how irrelevant the "magic words" that were mentioned back in the Buckley v. Valeo decision by the Supreme Court in 1996 have become.

Let's see how the Snowe-Jeffords provision dovetails with these ads at the end of an election and further evidence as to what these ads are really doing and the role they are playing in our elections, and ever more so.

The effectiveness of these kinds of ads is not lost on these sponsors. First of all, we know they have gone up from $135 million in the 1996 election to $500 million in the year 2000 election. But let's look at the final months of the election in the year 2000 and TV spots that mentioned candidates—all of the ads we are talking about in the final 2 months of the election. Ninety-five percent of the television spots that aired 2 months before the election mentioned the candidate's name.

Why would you suppose that an average of 95 out of 100 ads were talking about candidates in the final months of an election? Is that just a remarkable coincidence? Obviously.

As you see from this next chart, again, it talks about the final 2 months of the last election and that 94 percent of the televised issue spots made a case for or against a candidate.

Again, there is further proof of the fact that all of those ads that were run 2 months before an election—the 60-day period that we address in this legislation—were ads that were run by issue organizations that mention a candidate—95 percent of them. Ninety-four percent of those ads were seen as making a case for or against the candidate.

So obviously they understand that those ads do and will influence the outcome of an election because they identify candidates 60 days before an election. Ninety-five percent of those ads are mentioning a candidate by name.

Let's get the content of these ads. I guess it won't come as a shock to all of us who are on the election cycle that 84 percent of these televised spots have an attack component. Eighty-four percent have an attack component. Obviously, they are also designed to influence the outcome of a campaign because they are negative advertisements, and, in fact, the interest groups in this last election cycle ran the most negative ads. They were informational ads; they weren't comparative ads. They weren't comparing records, but they were frontal attack ads.

People have a right to do that. What they shouldn't have a right to do is to run these ads that are clearly campaign ads and yet they do not have to disclose a dime; they don't have to play by any of the campaign finance rules whatsoever. To argue otherwise, frankly, I think flies in the face of logic.

This record clearly shows that the Snowe-Jeffords provision embodied in the McCain-Feingold legislation in fact is not overly broad. But if all of that isn't enough, let me tell you something further about a report that was issued just last week that not only confirmed what the track record already indicates but provided additional proof of the problems we are facing in this election cycle.

The report that was issued last week entitled "The Facts about Television Advertising and the McCain-Feingold Bill," written by Jonathan Krasno and Kenneth Goldstein, studied issue advertising in the 2000 election in the top 75 media markets. In it, they ask the question: "Would the definition of electioneering created by McCain-Feingold inadvertently capture many of those commercials that might be considered pure issue advocacy?" Because there is a concern when you look at the Constitution side of the question: What about a group that wants to advocate in behalf of their issue in that election cycle of 60 days?

Guess what. When they ran those ads by various focus groups, and identified those ads, only 1 percent of those ads were true issue advocacy ads; 99 percent were not. Ninety-nine percent of those ads were not issue advocacy; they were electioneering. Just 1 percent of the total number of ads would be captured by the Snowe-Jeffords provision that would have been viewed to be issue advocacy. In other words, just 1 percent of what would be genuine issue ads appeared after Labor Day and mentioned the Federal candidate. The other 99 percent were electioneering ads.

As I mentioned earlier, the Supreme Court would not knock down anything based on a few examples. We are talking about thousands and thousands of ads. We are not discussing a provision in this legislation that is overly broad or vague. We are not talking about ads that are purely designed to convey an issue. But what we are addressing here and what we are saying is we are trying to get at the disclosure of the 99 percent of those ads that have identified a candidate, that run in that 60-day period, that clearly are intended to influence the outcome of an election.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. SNOWE. I ask the Senator from Wisconsin for an additional 10 minutes.

Mr. DODD. Madam President, how much time remains?

The PRESIDING OFFICER. There are 38 minutes remaining.

Mr. DODD. On both sides?

The PRESIDING OFFICER. There are 38 minutes remaining for the Senator from Connecticut and 60 minutes remaining for the Senator from New Mexico.

Mr. DODD. How much more time?

Mrs. SNOWE. Not even 10; probably about 5.

Mr. DODD. I know my colleague from California seeks 15 minutes, and I presume others may follow. Why don't you take 10, and that will leave us plenty of time for the Senator from California. Why don't we make it 7. In that way, we have a little more room.

The PRESIDING OFFICER. The Senator is recognized for an additional 7 minutes.

Mrs. SNOWE. I thank the Senator for yielding.

In this final report that was issued, we now see an evaluation of the relationship between TV ads and the congressional agenda. I have been asked the question: Well, what about a group that wants to run an ad in that 60-day period and we happen to be in session? It could affect their ability to be able to communicate. Again, it wouldn't deny them that ability, but it would require disclosure when they mention a candidate 60 days before an election.

But what is interesting about this chart, and what it illustrates, is it tracks the number of candidate ads that run as we get closer and closer to the election. And it compares to the number of issue ads that were run throughout the year in the top 75 media markets, and then the number of votes going on in Congress.

Guess what. The ads that were run by those so-called issue organizations tracked the ads that were run by candidates. The bottom line shows the votes in Congress. As you can see from the chart, those ads run by those issue organizations were not done to track what was going on in Congress. What they were doing was running ads to track the candidate's ads.

As you can see by these two lines on the chart: The ads of the issue organizations and the ads run by the candidates themselves during that period of time are almost identical. It had nothing to do with what we were doing in Congress.

So, obviously, the intent of these ads, beyond the fact that they mention a candidate in that 60-day window before the general election, is designed to influence the outcome of the election, not concerned about what is taking place in Congress.

So again, I think it is pretty clear in terms of their intent, in terms of what they are attempting to do, and what is the focal point of these ads.

I will get into a lot of this later because I think this is an issue that bears repeating throughout the course of this debate over the next 2 weeks, to remind people we are not talking about those genuine issue ads that Buckley v. Valeo and the Supreme Court thought of 26 years ago. We are talking about a whole new phenomenon in America in modern day politics of which everybody is well aware.

So let's talk about the difference between the two ads. We will call this the electioneering ad. It does not say "vote for" or "vote against"—again, those magic words. Back in the 1976 Supreme Court decision, the Supreme Court said, as an example, you should use those words "vote for" or "vote against" to determine that these are truly political-type election ads.

But look at new ads that have cropped up, particularly in the last three election cycles, to show you the difference.

First, we have the electioneering ad. This is what would be covered by the Snowe-Jeffords provision in terms of disclosure. The announcer says:

> We try to teach our children that honesty matters. Unfortunately, though, Candidate X just doesn't get it. Candidate X urged her employer to buy politicians and judges with money and jobs for their relatives. Candidate X advertises corruption . . . Call candidate X. Tell her government shouldn't be for sale. Tell her we're better than that. Tell her honesty does matter.

Now, can anyone say with a straight face that this ad isn't a clear attack ad on a candidate? Shouldn't we know who is paying for this ad running 60 days before an election with $1,000 donors, when an organization is spending more than $10,000 in a campaign period?

Now, let's look at the genuine issue ad, which is the difference, if we are talking about a genuine issue ad, which this provision would not apply to. Again, let's read it:

> This time of the year, the average person's thoughts turn to the IRS. Now we all know one person can't fight 'em. But a bunch of average folks like us can eliminate the IRS with the new Fair Tax Plan, the only plan that's fair to everybody . . . Some things are worth a good fight. Call to join us.

You could even say "call your Senator, call your representative," or you could even provide your Representative's phone number in the ad. If you are not identifying the candidate, you will not come under the disclosure provisions in this 60-day period.

That is the true distinction of the type of ad we are attempting to force disclosure on, the ones in which they identify a candidate by name 60 days before an election.

I think the American people are entitled to know who is financing these ads. That is what this amendment gets to the heart of: whether or not we are prepared to do that at this moment in time, in this Congress, and seeing the extraordinary developments in our elections and what has transpired to see some of the monstrosities that have evolved through our election practices that have reached the point in time when we are seeing $500 million being spent on so-called issue ads, sponsored by organizations or individuals of which we do not know their identity.

I think the time has come to develop the approach that requires disclosure that meets and will withstand constitutional scrutiny, so that all Americans will understand who is trying to influence these elections.

We are not trying to get at those groups that genuinely want to be able to convey their message through television broadcasts or radio advertisements. What we are trying to do is to identify those groups of donors who are trying to influence the outcome of an election shortly before that election occurs.

I think the time has come to pass this sweeping reform. Something along the way has certainly gone wrong. The McCain-Feingold legislation would certainly make that difference.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, no State has contributed more to the cause of campaign finance reform than the State of the last Speaker and the Presiding Officer. Not only has the State of Maine come up with some of the most innovative State-level initiatives, but it has sent us two Senators who have been the stalwarts in our group throughout our entire process. We are grateful to the State of Maine for these two Senators being here and being such great advocates for this cause.

With that, I yield 15 minutes to the distinguished senior Senator from California, Mrs. FEINSTEIN.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. I thank the Chair and thank the distinguished author of the bill.

Madam President, I want to begin by thanking both Senators FEINGOLD and McCAIN not only for this bill but also for their many forays out in the countryside where I think they have really brought home the cause of campaign spending reform to the American people.

I have had the privilege, as have you, of voting for this bill a number of times. I will vote for it again. I will vote for it without amendments, and I will probably vote for it with amendments.

This bill addresses a significant problem, and that is soft money. By eliminating soft money from federal campaigns, I think S. 27 cures the most dastardly problem with the way campaigns are currently conducted. I think the amendment that Senator SNOWE and Senator JEFFORDS have added to the campaign reform bill makes it an even better bill. So we have a good bill before us.

Madam President, a while back, when Senator Alan Simpson was a Member of the Senate, and we had just concluded a meeting of the Judiciary Subcommittee on Immigration—it was a Friday—I said to Senator Simpson: Are you going home?

He said: Yes, I'm going home to Wyoming to campaign.

I said: Well, you have no notice to set up an event.

And he said: Well, I just go to Cody, and I go and have lunch at the grill, and I see everyone in Cody. So that is the way I campaign.

It brought home to me how different campaigns are across this great land. In California, a State with more people than 21 other States combined, you cannot just go home and, without making plans, go into the corner drugstore and campaign.

Campaigns are, indeed, very costly. I have been involved in four statewide campaigns in the last decade. I have raised well over $50 million: $23 million in 1990, in a race for Governor; $8 million in 1992, in my first race for the Senate; and 2 years later, $14 million in the 1994 election. My opponent in that election spent $30 million of his personal wealth in his attempt to defeat me. In this past race, just concluded, I raised $9 million.

Now, whereas I support McCain-Feingold as it is, I must also comment that the Domenici amendment we are now considering has a good deal to recommend in it.

Let me talk about my own experience, from the 1994 election I just mentioned. It was February. It was raining outside. I turned on the television to watch the Olympics, and what did I see? I saw a full spot—in February—by my opponent—a minute spot in the middle of the Olympics. My heart dropped into my heels, and I knew at that instant that I was in for a grueling campaign.

In fact, my opponent was able to have what we call a maximum buy on television for all but 2 weeks of the remaining part of the year because he was able, quite simply, to write a check to pay for that advertising.

You don't have to hire a certified public accountant. You don't have to hire fundraisers. You don't have to spend tens of thousands of dollars on computers and so on and so forth. It is a very different campaign if a person has extraordinary private wealth. That is where the Domenici amendment becomes important in all of this because it aims to level the playing field.

In that 1994 campaign, I saw how important trying to level the playing field is. The fundraising demands I faced were extraordinary. I am a pretty good fundraiser. As it turned out, I simply couldn't keep up with my opponent's spending. I couldn't keep up with $30 million of personal wealth. I could raise about $14.5 million. And to do that, I had to put some of my own money into that race.

What Senator DOMENICI is trying to do with his amendment is to say that the person who is going to put his or her own wealth into a race must say so up front. If the amount the candidate intends to spend is going to exceed $500,000, then the opponent of the self-financing candidate can have the hard money contribution caps raised threefold. If the wealthy candidate spends between $500,000 and $1.0 million, then the hard money contribution limits increase fivefold. Over $1.0 million, and the new hard money limits stay in place, and limits are lifted on direct party contributions and coordinated expenditures. The Domenici amendment doesn't prohibit wealthy candidates from spending their own money to run for the House or Senate, but it is an attempt to level the playing field for their opponents if they do.

Increasingly, I see that only wealthy candidates are going to run in some of these big races unless we do something to level that playing field. I understand Senator DEWINE may well put forward an amendment to modify the new caps set forth in the Domenici amendment. I would prefer to see the caps modified. As I understand the procedure, at the end of the 3 hours of debate, there will be a motion to table Domenici amendment. I certainly will vote not to table this amendment. It is important that we try to level the playing field.

I also will mention one other amendment I will either make myself or support, if it is offered by others. That is an amendment to increase the hard money cap per candidate per election. In the early 1970s, nearly 30 years ago, $1,000 was set as the hard money cap per election: $1,000 for the primary and $1,000 for the general. That was really fine in those days. You could have a lot of volunteer help. There was not an in-kind requirement. You could raise money more easily.

Since that time, we have had something called inflation. Senator McCAIN pointed this out the other day. Thirty years ago, a car cost $2,700. Now it costs $22,000. The cost of campaigning has risen even more dramatically. I can tell the Senate, television spots have increased. The price of stamps has increased. The price of campaign stationery has increased. The price of direct mail has increased. The price of telemarketing has increased. Virtually every aspect of campaigning, from the salaries for consultants to the paper on which you write—all of it is much more expensive today.

Frankly, we should increase the hard money contribution cap, either to $3,000 per election, which would keep pace with inflation, or at least to $2,000. As I said, I can certainly vote for the McCain-Feingold bill as it is. But if candidates are going to have any chance to keep up with these independent campaigns, with these independent interest groups that operate without contribution limits or disclosure requirements, we should look at raising the hard money contribution limit. At the appropriate time, I will offer an amendment to do just that.

For my purposes right now, I indicate my support for the Domenici amendment.

I ask unanimous consent that my time be charged to the sponsor of the amendment, Senator DOMENICI. I also ask unanimous consent that Senator JEFFORDS follow me.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. I didn't hear the request.

Mrs. FEINSTEIN. I asked unanimous consent that the time I have used be charged to the Senator from New Mexico, along with any time I might have remaining so that he might use it in support of the amendment and, if it is agreeable, that Senator JEFFORDS might follow me.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Madam President, I was going to say the time should be charged to me. I don't object to that. I wonder if Senator JEFFORDS would let me have 3 minutes before he speaks to thank the Senator from California for her support.

The PRESIDING OFFICER. Without objection, it is so ordered. The time will be so charged. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I say to the distinguished Senator from California, I greatly appreciate her comments. The amendment may be negotiable in terms of how we better balance the playing field, but there is no question that she has hit the nail right on the head.

One of the brand new problems of the last decade or so is the growing propensity on the part of men and women—great people—who have decided to pay for their campaigns with their own money and use the privilege, the right that the Supreme Court has said they have, that that money cannot be limited. So we have more and more candidates spending up to $5-, $10-, $20-, $30-, even $40 million-plus of their own money. That is fine with this Senator. I am not here trying to do anything about that. The Supreme Court has spoken.

I have heard from a Senator saying she would support the Domenici amendment based upon having experienced an opponent who contributed in multiples of $10 million for their campaign out of their own coffers, to which she had to respond under ancient laws that limited her to $1,000 per contributor, per primary and per general, and $5,000 per primary and general from a collection of people who call themselves a PAC. That kind of limitation must have had her spending more than half her time raising money while her opponent didn't win but the opponent had all of his time to run and had none of the rigid rules and regulations that engulfed her campaign. Sooner or later, we have to fix that.

As I said, I wanted to fix it in a big way. My first draft of this amendment was to take everything off the opponent, no limits. They could do whatever they would like, just as they used to years ago, so long as they listed it. Others have said, no, leave some limitations. So we are in the process—mine having left some limitations—we are in the process of working with other Senators who would like to refine the Domenici amendment. I am willing to do that.

I thank the Senator from California. I, too, hope if we have a motion to table, we don't table it, so if we want to modify it to get a better product, we can, if that is what Senators would like to do.

I thank the Senator and yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I yield 5 minutes to one of our strong supporters and cosponsors, the distinguished Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. JEFFORDS. Madam President, I thank the Senator from Wisconsin.

I also thank the Senator from California for her very astute comments, especially relative to the amendment of my good friend, Senator PETE DOMENICI. I think that is an excellent start. We are going to have a better bill. We have a great bill right now.

I thank also Senators McCAIN and FEINGOLD for the tireless devotion they have shown to this issue, ensuring the Senate would be able to fully consider this very important legislation. I especially thank my colleague, Senator SNOWE, for her work and for her very excellent presentation. I know she has even more to say about the amendment on which she and I have worked so hard for so many years. Hopefully, we will see a good result this year.

I have heard some of my colleagues question the importance the American public places on passing campaign finance reform legislation. Not only do I think the American public believes this issue needs to be addressed by Congress, I believe the desire has only increased following the controversy surrounding the pardoning of Marc Rich.

Our current campaign finance system has left many Americans disillusioned with the political process and feeling disconnected from their elected representatives.

This is an important factor in leading people to opt to stay on the sidelines rather than participate in the electoral process. Passing campaign finance reform will help boost our disturbingly low rate of voter turnout in national elections.

I was first elected to Congress following the Watergate scandal, right around the time Congress last enacted comprehensive reform of our campaign finance system. I have watched with growing dismay during my over twenty-five years in Congress as the number of troubling examples of problems in our current campaign finance system have increased. We were close to enacting comprehensive campaign finance reform in 1994, and I am the most confident now since that time that we will enact this important legislation.

I look forward to a full and open debate on the issue of campaign finance reform in the coming days, and believe at the end that the final bill should have certain characteristics:

It must be comprehensive in nature;

It must increase disclosure requirements on sham issue ads;

It must ban soft money; and

It must help restore the public's confidence in our political system.

In order to accomplish these goals, we must come together to work for passage of meaningful campaign finance reform. I am heartened by the wide bipartisan group supporting our legislation. We have members from the right, left and middle in support of this bill. That does not mean, though, that we will stop working with our colleagues to craft additional ideas to address the problems with the current campaign finance system. My ultimate goal is to create a comprehensive campaign finance bill that will garner the support of at least 60 Senators, and hopefully more.

One of the most important aspects of any bill the Senate may pass, is that it must be comprehensive. If we fail to address the problems facing our campaign finance system with a comprehensive balanced package we will ultimately fail in our mission of reforming the system. Closing one loophole, without addressing the others, will not do enough to correct the current deficiencies, and may in fact create new and unintended consequences.

We have all seen first-hand the problems with the current state of the law as it relates to sham issue advertisements. I have focused much time and effort on developing a legislative solution on this topic with my colleague Senator SNOWE, and was pleased that this solution was adopted by the Senate during the 1998 debate on campaign finance reform. I was also proud to cosponsor the comprehensive campaign finance bill Senators McCAIN and FEINGOLD introduced last Congress that included this legislative solution.

I feel strongly that the legislation the Senate must ultimately vote on include some kind of changes to the current law concerning sham issue advertisements. We have crafted a reasonable, constitutional approach to this problem. Our provision will require disclosure of certain information if you spend more than $10,000 in a year on electioneering communications which are run 30 days before a primary or 60 days before a general election. It also prohibits the direct or indirect use of union or corporate treasury monies to fund electioneering communications run during these time periods. I will come to the floor at a later time to more fully discuss our provision, including the need for this provision, why it is constitutional, and to address some of the arguments our opponents continue to raise concerning these provisions.

I look forward to a full and open debate on this important issue, and pledge to continue working with my colleagues to enact comprehensive campaign finance reform into law this year.

I yield the floor.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, on behalf of Senator DASCHLE, I extend 15 minutes to the Senator from Illinois.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Illinois is recognized for 15 minutes.

Mr. DURBIN. I thank my colleague. Mr. President, I rise in support of the Domenici amendment. I want to salute my colleague from New Mexico. I think he is addressing a very serious concern that all of us—not just Members of the Senate and candidates but every American—should share. When the Supreme Court decided over 25 years ago, in the case of Buckley v. Valeo, that we could not limit the amount of personal wealth that a candidate could spend in a campaign, they said it was a tribute to free speech; that the wealthiest among us should be able to spend as much money as they have or want to spend to become candidates for public office.

Sadly, our system of government, and certainly our system of political campaigns, is geared so that those with the most money can overwhelm candidates of modest means. I think candidates in America are now broken down into two categories. I call them M&Ms or megamillionaires and mere mortals. I happen to be in the second category. If you are a mere mortal running for office nowadays, you spend every waking moment on the telephone trying to figure out ways to raise the literally millions of dollars necessary for your election campaign. This is a reality.

In a State such as mine, Illinois, it will cost you $10 million to $15 million to be elected to the Senate. That is not an uncommon amount or an extraordinarily large amount; that is reality. It reflects the cost, primarily, of radio and television. I will be offering an amendment during the course of the debate with some colleagues that addresses the cost of television in particular because we have this strange anomaly where we say the television stations have to give candidates for office the lowest rate available on the station. Yet, because of a few loopholes in the law, they end up offering us what is known as preemptable time, which means anybody who offers 50 cents more can knock our ad off the air. So it becomes a bidding war.

We find in every 2-year period of time, the cost of television is going up 20 percent. What does it mean? For a candidate for reelection in the Senate, every 6 years the same amount of television that was bought 6 years before will cost 60 percent more. That is the escalation of costs in campaigns.

I am proud to be a cosponsor of McCain-Feingold. I think they are addressing a serious problem in our system, where we have this discrepancy between soft money and hard money. But at the root of the problem in American campaigns is the amendment offered by Senator DOMENICI which goes after the self-funding, the very wealthy candidate, and the cost of media. If we are going to have meaningful campaign finance reform, I think we need to address both. I lament the fact that this has become a bidding war. I think Senator DOMENICI would agree with me on that. What else can we do with a Supreme Court decision that allows individuals to spend literally millions of their own money while mere mortals running for office are trying to keep up.

The Senator waives some of the limitations on the hard money we can raise, but I ask the Senator if he will answer this question: The Senator makes it clear in his amendment that all of the money we raise and spend must be accounted for, dollar for dollar, as to source and how we are raising it, how we expend it. There is no mystery involved in this. Will the Senator agree with that statement?

Mr. DOMENICI. I agree 100 percent. I failed to mention that I have this in the amendment. We take a lot of the caps off so the nonwealthy candidate, the mere mortal, can have a chance at raising significant money to run against a multimillionaire candidate. But we say if that candidate who had the caps raised so they can accommodate—if they have money left over from their campaign, they have to return it to the people from whence they got it. In other words, they cannot raise more than they need and hold it for another campaign. Whatever they use in that campaign, fine; what they don't, they have to return.

The Senator from Illinois has just stated it as well as anyone. I have told some people I had this amendment, and they said, "Why are you doing that? Senators don't have those caps on them, do they?" See, they don't know that for 26 years, since post-Watergate, we have been limited—you in your campaign and the New Mexico Senator in his campaign—to $1,000 per each individual from wherever, your State or my State. Then $1,000 in the primary and general. That is all—$2,000. Along comes a wealthy candidate and plunks down $10 million. I should have figured it up and put on a chart how much time it probably took to raise the equivalent of this $1,000 and $2,000 bracket.

Mr. DURBIN. If I may respond, I liken it to building a skyscraper a brick at a time. Here we have a wealthy individual who decides his or her idea of a fundraiser is pouring a nice glass of wine, writing a personal check for millions of dollars to his campaign, and declaring success.

Meanwhile, mere mortals, other candidates trying to be involved have to raise money phone call after phone call, letter after letter, small check after small check, all disclosed, all accounted, trying to build a skyscraper of equal height to the person who has written one check for millions of dollars to their campaign.

I agree with the critics of this amendment who say isn't it sad it has become competition for money. But as long as Buckley v. Valeo says we cannot limit the amount being spent by an individual from their own wealth on a campaign, there is no other way to make certain we have a level playing field and, I guess, fairness in the basic election campaigns.

Senator DOMENICI is a proud Republican. I am a proud Democrat. We both view the system with alarm. If you do not deal with this phenomenon of people who have this much money to put into the campaign, how can you attract candidates from either political party to get interested?

It is bad enough that it is a pretty hectic life. I enjoy it, and I am glad I am in it. I am happy the people of Illinois gave me a chance. It is tough when there are these invasions of your privacy. You give that up. That is one of the first things to go, and people say: To reward you for running for office, we are going to personally let you raise $1 million; won't that be fun?

You can walk along the streets of your hometown and people race to the other side of the street to avoid you because they are afraid you are going to ask for another contribution. That is a sad reality in this business.

Sadder still is a person who is self-funding and has so much money they do not even have to worry about this effort.

Frankly, I am so worried this system cannot survive if only those people serving in the House and Senate are those who are independently wealthy and do not have to go through the process in any way whatsoever.

Also, the Senator makes a good point about loans to the campaign because a lot of people who are very wealthy do not give money to their campaign; they loan it and say they will be repaid later.

Will the Senator be good enough to explain the provision he has on loan repayment?

Mr. DOMENICI. I will be delighted. You cannot have it both ways. You are going to put up your own money and say to the electorate: Don't worry about special interests on this candidate's part; I'm not bothering anybody for any money; it's my own. So you spend $5 million or borrow $5 million.

Isn't it interesting, for the most part, you are not in office 1 month and you are interested in the special interests. Why? Because you want to pay the loan off. So now you are out raising money. You advocated: Nobody will touch me; it is my own money; I am entitled to spend it; I am entitled to borrow it.

That is all well and good, but my amendment says if that is the case, when you get elected, you cannot go asking people to contribute money to pay off your debt. That is a very simple and forthright proposal.

Incidentally, it does not apply retroactively. I am not trying to get anybody. I am saying in the future you put the money up and you know it is not coming back after you get elected. That is what the Senator is talking about.

I think that is very fair. In fact, it should be a condition to your putting up your own money, knowing right up front you are not going to get it back from your constituents under fundraising events that you would hold and then ask them: How would you like me to vote now that I am a Senator?

That is what we are talking about. I think you are absolutely right on that.

Mr. DURBIN. The Senator from New Mexico is right on that point. It is a fiction sometimes. These loans are made to a campaign and perhaps they will be paid back, but perhaps they will not. Your language makes it clear there will not be any effort after the election to raise money to repay those loans; you have made that contribution and have to live with it. I think there is some reality.

The Senator from New Mexico is probably aware of this, but I want to make sure it is on the record.

According to the Federal Election Commission, candidates gave or loaned their campaigns $194.7 million from personal and immediate family funds in the 2000 election cycle. This is up from $107 million in 1998 and $106 million in 1996. The $194.7 million in 2000 included $40 million from Presidential candidates, $102 million from Senate candidates, and $52 million from House candidates.

Think about what we are saying about the men and women who run to serve in the Senate. Think about what this institution will become if that is what one of the rules is to be part of the game: That you have to be loaning or contributing literally millions of dollars in order to be a candidate for public office.

As I have said from the outset, I support McCain-Feingold. They are doing the right thing, but there are two elements that need to be addressed. Senator DOMENICI has one amendment that addresses it, the so-called self-funding wealthy candidate. Senator DEWINE and I are working on an alternative if Senator DOMENICI's amendment is not adopted.

We also have to deal with the cost of media because, unless we deal with that, frankly, all of the restrictions we put on how you raise money will not address the overarching concern about the cost of campaigns.

If we have the cost of television and radio going up as dramatically as we have seen it—20 percent every 2 years—there is no way we can fashion a law to hold down campaign spending that will work. In a State as big and diverse as Illinois with 12 million people, a successful statewide candidate has to be on television. I cannot shake enough hands and I cannot knock on enough doors in a State as large as mine. To raise money to make sure I have a chance to deliver the message is going to be a daunting task unless we deal with how we raise money in campaigns or what television might cost.

I note the Senator from California spoke a few minutes ago about revelations that came to her during the course of her campaign.

There is one other aspect I wish to address before I yield the floor, and that is the independent expenditures, the groups that come on with ads toward the end of the campaign that are not sponsored by candidates or political parties. These are groups that come out of nowhere with high sounding names and spend millions of dollars to defeat candidates or to elect candidates across America.

In my campaign for the Senate a few years ago, in the closing weekend of the campaign, Saturday night I sat down and thought: I am finally going to get to see "Saturday Night Live" on the last Saturday before the election. As the NBC news went off, four ads went on the air. All four ads were negative ads blasting me. Not a single one was paid for by my opponent or the Republican Party. They were from groups I never heard of. I heard of a couple of them. Some I never heard of.

I said: Who are these people? I have to disclose every dollar I raise and spend; that is proper; that is legal; that is right. Why should these drive-by shooting artists come in with 30-second ads and never tell you from where the money is coming?

I will give an illustration. One group for term limits wants to limit the time Members of the Senate and House serve. I disagree with them on that position, and I have been open about it. But I disclose all the money I am raising and spending to tell my side of the story. The group that sponsors term limits refuses to disclose from where their money comes. I confronted one of their organizers and said: Why shouldn't you be held to the same rules to which I am held if we are going to have a fair fight? He said: Oh, as soon as I have to disclose my sources, we know there will be retribution against them.

Well, hogwash. In this system, people should be willing to disclose where their money comes from, whether they are on the right or on the left. Let the American people know who is sponsoring the term limit campaigns in their States, who is putting the money behind them, and then if they want to raise legitimate questions about where this money is coming from, what the real motivation is, that gets to the heart of the issue.

Time and again these groups come forward and get involved in campaigns. They spend unlimited sums of money, and we never know who they are or from where they are coming.

If we are going to end these paper transfers and bring real transparency and honesty to this process, not only should we support the McCain-Feingold basic legislation but we should deal with these issues as well. The self-funding wealthy candidates, the cost of media, and these groups that are making the independent expenditures, I think they should be subject to the same form of disclosure. I support this amendment. I hope my colleagues in the Senate will join Senator DOMENICI in adding it to the bill.

I yield the floor.

Mr. REID. Mr. President, my friend from New Mexico, Senator DOMENICI, has agreed the time of Senator DURBIN will be charged to Senator DOMENICI and not to this side, and I ask unanimous consent for that.

The PRESIDING OFFICER. The time will be charged accordingly.

Mr. DOMENICI. I yield 5 minutes to the distinguished Senator from Ohio, Mr. DEWINE.

Mr. DEWINE. I thank my colleague from New Mexico.

I rise this afternoon to congratulate my friend, Senator DOMENICI. He has identified a real problem. Let me notify Members of the Senate, we have received calls asking about our amendment. For the last several weeks, Senator DOMENICI and I have been engaged in discussions and negotiations between the two of us to try to come up with an amendment on which both he and I could agree. Let me notify my colleagues that we are getting closer at this late hour and we hope to have something resolved in the next few minutes. I will withhold any comments about the specifics of that agreement.

The point is, Senator DOMENICI has identified a real problem. He has identified a constitutional loophole. It is a constitutional loophole that needs to be confronted. What am I talking about? I think it would come as a surprise to the average American to know the current state of the law is this: Every citizen in this country is limited to how much money he or she can contribute to a candidate for the Senate—every person in this country, except one. That one person is a candidate himself or herself. Based on the Supreme Court's Buckley case, and based on their interpretation of the first amendment, Congress cannot limit how much money an individual puts into his or her own campaign.

We have what for most people, the average person, would seem to be a crazy situation. Everyone in this country is limited to only giving $1,000 or up to $1,000 to a candidate for the Senate or a candidate for the House of Representatives. However, an individual candidate, if he or she has the wealth to do it, can put an unlimited amount of money into his or her campaign.

We have seen now in the last several election cycles this phenomenon. Most people find it obscene. Most people find it a ridiculous situation that someone can spend $10 million, $20 million, $30 million, $50 million, or $60 million of their own money. As a practical matter, a person who has that much money spent against them has a very difficult time competing, making it a level playing field or even close to being a level playing field.

I congratulate my colleague for his concern about this problem. The solution, quite candidly, is not to, of course, limit what a person can put into the campaign. We cannot do that. We cannot stop someone from putting an unlimited amount in their campaign. The only way to do that is to change the Constitution. What we can do is give the other person, the person who is faced with doing battle with that person who is putting $10 million, $20 million, or $30 million of their own in the campaign, we can give their opponent some ability to compete.

Senator DOMENICI does this in several different ways. The amendment I have will also do so. The amendment I will be proposing raises the dollar amounts a person can give to an individual candidate. We raise it on a sliding scale based on two factors. One, the size of the State; the other, based upon how much money that individual millionaire puts into his or her own campaign. At one level, we raise the donor limits for the other person to one amount, and we keep racheting it up.

I believe it fits the constitutional requirements of proportionality. We have cases we can supply to any Members of the Senate who want to look at that. We believe it therefore is, in fact, constitutional.

The reality is each Member who has gotten to the Senate knows how much they can raise in their individual State under the current limits. I will take the Chair's home State and my home State of Ohio. In the past election cycles, going back to 1988, no one has raised more than $8 million in the State of Ohio for any of those campaigns for the Senate. It stayed fairly constant over that period of time. Taking our State as an example, if someone was running against a millionaire in the State of Ohio and they wanted to put in $20 million, that person who put in their own $20 million would have a tremendous advantage over another candidate who did not have his or her individual wealth. Based on what we have seen in the last 12 years in Ohio, $8 million is about all you can raise. So you have one candidate with $20 million of their own, another candidate with $8 million maximum that he or she can raise.

The DeWine and Domenici amendments—and we do it in different ways—begin to level the playing field, making it easier for that candidate running against the millionaire to raise money. You still have to get it from individuals, but it makes it easier to do it. It would not level the playing field. I don't think there is anything to do to level the playing field, but it moves it a little closer and makes that race a lot more competitive.

I thank my colleague from New Mexico for yielding me time, and I congratulate him for identifying a real problem. I notify Members of the Senate and those who have asked about the DeWine amendment we have shared with Members, Senator DOMENICI and I, as well as others, are involved in negotiations and we hope to work out those differences.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCONNELL. It is my understanding the Senator from New Mexico and the Senator from Ohio are hoping to work out an amendment that is mutually agreeable.

Mr. DEWINE. That is absolutely correct. We are working on it now. We hope to have something in the next half hour.

Mr. DODD. How much time remains on this amendment?

The PRESIDING OFFICER. The sponsor has 23½ minutes and the minority has 25 minutes.

Mr. MCCONNELL. It is my understanding this vote occurs at 6:15, but if I added up the minutes correctly it carries past that time.

The PRESIDING OFFICER. It goes beyond that time.

Mr. REID. Will the Senator yield?

Mr. MCCONNELL. I am happy to yield.

Mr. REID. Mr. President, there are some who made a request that it would be very helpful if the vote would be at 6 o'clock rather than at 6:15.

Mr. MCCONNELL. I say to the distinguished assistant Democratic leader, we are checking on the 6 o'clock time and should know momentarily whether or not that would be agreeable.

Mr. REID. We have a couple of Members over here who would like to have the vote sooner if at all possible.

Mr. MCCONNELL. I am told there is an objection on this side to moving the vote up to 6.

The PRESIDING OFFICER. There is objection on the majority side to the vote at 6 o'clock.

Who yields time?

Mr. DODD. Mr. President, I am happy to yield 3 minutes to my colleague from Michigan, Senator LEVIN.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, we are facing a real crisis in campaign finance in this country. We have effectively no limits on campaign contributions, even though the law seems to provide that there be a $1,000 contribution limit from an individual, $5,000 from a PAC, and so forth. Because of the soft money expenditures, we in effect have no limits on campaign contributions anymore despite the law. The law has been evaded, avoided, bypassed, mainly now financing television ads, often negative, called issue ads.

I think most of us who have seen these issue ads who have been in this profession long enough recognize that there is no difference between the issue ad which does not name the candidate and says that you should vote against him, and the issue ad which says this candidate is great or his opponent is awful but doesn't use the magic words "vote for" or "vote against" and the candidate ad which uses the magic words "vote for" or "vote against."

At hearings we have held at the Governmental Affairs Committee, we put these television ads on the screen right next to each other. There is no reasonable person who could reach the conclusion that the ad which is paid for with soft money is anything different, in 95 percent of the cases, from the ad which is paid for in hard money.

So we have now trashed the limits on contributions that exist in the law. Hopefully, McCain-Feingold is going to restore those limits. But the first amendment which is offered to this, it seems to me, goes in the wrong direction and opens up a number of loopholes, No. 1, but also, it seems to me, is not workable the way it is written.

I can understand the frustration of running against somebody who is either partly self-financed or totally self-financed. It seems to me there is a way in which we ought to try to address that. But we surely should not try to address that by blowing the caps on party contributions, which is what this amendment does.

I do not think we should do that by having a process here which is unworkable because it is not graduated from State to State. Somebody in a State with 30 million people is given the opportunity to raise these funds from all of the contributions from the people who contribute directly to the campaign in multiples, the same as somebody who comes from a small State, giving the person who comes from a larger State a much greater advantage over someone coming from a smaller State, although they are both running against the person who is putting in their own money.

I wonder if the Senator will yield 3 more minutes?

Mr. REID. I yield 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. So the first amendment that comes before the Senate is an amendment which is written in a way to eliminate any limit.

Mr. McCONNELL. Was consent just asked for something?

Mr. REID. Three more minutes.

Mr. McCONNELL. Fine.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. So the first amendment that comes before us blows the caps on party contributions altogether in the case that somebody partly self-finances a campaign. Second, it has a procedure here which doesn't strike me as being either fair or workable. It is unfair because it is not graduated, giving candidates who run against somebody who is partly self-financing very different rights and opportunities, because the person who has a large number of hard money contributors gets a much greater opportunity to raise money than somebody who has a small number of hard money contributors, presumably somebody from a smaller State. Since there is no gradation in terms of the States, all the States are being treated the same, despite the fact that there are some very obvious differences.

Finally, it seems to me this is an impractical approach because of the trigger, the trigger being the candidate has to file a declaration, when the declaration of candidacy is filed, to declare whether or not he or she intends to spend personal funds of a certain amount. That intention can be honestly "no" at the beginning of a campaign, but near the end of a campaign the temptation is great. If somebody near the end decides to borrow a half million dollars, then that person has a decided advantage which is not corrected by this amendment. Even though you have to file a notice within 24 hours, it could come far too late for the person who is disadvantaged by this large amount of money to do anything much about it.

So it seems to me, for all these reasons, this amendment is not the right approach to a problem. But it is a problem. I want to acknowledge the Senator from New Mexico has identified, as have a number of people on this floor, a problem which is a real one, which is what happens in the case of somebody who is either partly self-financed or fully self-financed, as to what do you do about the person running against that individual.

We have that problem now. I don't think this amendment solves it in a practical or a fair way or in an even-handed way. But that does not mean the problem does not exist. I hope we will continue to try to work on some practical way, which doesn't blow caps, to address that problem.

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 22 minutes.

Mr. McCONNELL. I yield to the distinguished Senator from Alabama 10 minutes.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Senator from Kentucky for allowing me to speak on this amendment. It is something about which I have felt strongly for a long time. I find absolutely nothing unreasonable or unfair about the Domenici proposal. I think it fits precisely the circumstances in a very realistic way.

I remember when I was running for the Senate in 1995, a prominent leader was on television. He said: People are going out deliberately recruiting millionaires to run for office. In fact, he said, we are creating a millionaires club, particularly in the Senate.

Since I was running in a Republican primary, facing seven different candidates, two of whom were spending over $1 million of their own money, I listened to that. It meant a lot to me at the time. Two others in that race I think spent approximately a half million dollars each in the race. It was a total of $5 million spent by my opponents, and I was able to raise $1 million in that primary and was able to win that primary.

I am not complaining about the Supreme Court ruling that says a millionaire, multimillionaire, or billionaire can spend all he or she wants to spend. What I am saying is we have all these restrictions on people who have to raise money. It limits their ability to raise money. Then a wealthy candidate can waltz in out of left field with hundreds and hundreds of millions of dollars in his account and can just overwhelm their opponent, and it creates, I believe, an unfair situation.

I think it is very difficult for anyone to contend this is not an unfair situation. We can deal with it, in my view. Senator DOMENICI has given a lot of thought to it. He and I have talked for some time about this. I believe he has moved in a direction that can deal with it. We are saying individual candidates in a primary, for example, can only raise $1,000 from a contributor to combat the money that was poured in it by a wealthy opponent. I believe we have an unfair situation. It makes it difficult for candidates to run on a level playing field.

I was a former Federal prosecutor and attorney general of Alabama at the time of my campaign. I had two children in college. I had some public service experience. I wanted to take my record to the people of Alabama. We were able to raise enough money. I didn't have any problem asking people for money. I was able to raise enough money to get my message out and win in a runoff in that primary.

But it really creates an unlevel playing field if I am restricted to these levels of contributions. What if my opponent had not spent $1 million? What if they spent $5 million, $7 million, or $40 million in that primary in a State such as Alabama? Could they have gained enough votes to tilt in their favor while a candidate who is a public servant is subject to limited funds? I think that is quite possible. That could have occurred.

The Supreme Court, in my view, may not have been perfectly brilliant in the Buckley case in suggesting that an individual who has a lot of money has no potential for corruption. If their money is in one sector of the economy—health care, finance, high tech—if that is where their wealth is and maybe they have another billion dollars of investment, they have a lot to lose. Who says they are more or less corrupt than somebody such as the Senator from Alabama who worked as attorney general and took a State salary every day? I don't know. But the Supreme Court has ruled that a wealthy person cannot be limited in the amount of money they can put into a campaign. We are going to live with that. That is what the law is.

Let me mention that there has been a trend in recent years of large amounts of personal wealth going into campaigns. In 1996, 54 Senate candidates and 91 House candidates each put $100,000 or more of their own personal money in the campaign through direct contributions or loans. In the 1998 general election campaign—that is a final election campaign—Senate candidates gave about $28.4 million to their own campaigns while House candidates gave close to $25 million to their own campaigns. This is compared to 1988 when the Senate candidates used only $9.7 million of their own money in Senate campaigns and House candidates gave $12.5 million.

This means that the share of the total Senate donations from personal funds more than doubled—from 5.4 percent to 11.4 percent in 1988. That is pretty significant.

In the Senate races alone, about 1 out of every 5 dollars raised in 1994 came from the bank accounts of the candidates themselves. This is clearly significant, and I think under the present tight financial rules on people raising money it is an unfair advantage to people who have access to unlimited funds.

Can there be any doubt why a candidate or recruitment committee for any party, Republican or Democrat, is going to look out for people who can put in that kind of money? It gives them a clear advantage in the candidate recruitment process if they can write that kind of check.

This amendment, I believe, deals with it quite fairly and justly. First, it talks about disclosure. Within 15 days after a candidate is required to file a declaration of candidacy under the Federal law, he or she must declare whether they intend to spend personal funds in excess of $500,000, $750,000, or even $1 million of their own money. It didn't say they can't do that. They can. They simply have to state an intention. I have to state and have to abide by the rule that I cannot raise more than $1,000. What is wrong with asking them to at least say how much they intend to spend? I think that is reasonable. What could be unfair about that?

Then this triggers the events that occur to give the opponent of the billionaire candidate, or the one-hundred-millionaire candidate, a little advantage. It sort of balances the scales a little bit. It is not a lot. It is still tough to compete against a candidate who will put in $40 million or $7 million. But they don't always win when they go to the American people.

If a wealthy candidate declares his or her intent to spend in excess of $500,000, the opponent of that candidate can increase individual and PAC contribution limits threefold. In the present circumstance, instead of being able to ask people for only $1,000, it would be $3,000. Instead of a PAC giving $5,000, a PAC could give $15,000, to give you some chance to compete against that wealth.

If the candidate says in his declaration that he or she intends to spend more than $750,000, his or her opponent can increase individual and PAC contribution limits by five times. It would be $5,000 per individual.

If some friends of mine say: JEFF SESSIONS is getting overwhelmed by a multimillionaire candidate, they could all rally and try to go out there and help me have a fair playing field. I think some people would. They would rally under those circumstances. But under current law, they cannot help a candidate any more than the maximum contribution.

If the wealthy candidates exceed $1 million in personal expenditures, under the Domenici amendment the direct party contribution limit and party coordinated expenditure limits are eliminated. Why not? There is a chance to buy an election by pouring $1 million-plus into a campaign, and the opponent can be left helpless. I think that is a good law.

It also has a give-back provision that any excess funds raised by the opponent of a wealthy candidate may be used only in the election cycle for which they were raised. So they couldn't be used in the next election. Excess contributions must be returned to the contributor, if there is any left after that.

It also prohibits wealthy candidates, who incur personal loans in connection with their campaign that exceed $250,000, from repaying those loans from any contributions made to the candidate.

The PRESIDING OFFICER. The Senator from Alabama has used his 10 minutes.

Mr. SESSIONS. I ask unanimous consent to have 1 additional minute.

Mr. MCCONNELL. I yield the Senator an additional minute of my time.

Mr. SESSIONS. I know there were large contributions in this last Senate campaign from candidates of $10 million, $60 million, and other amounts of money that the winning candidates in this body contributed from their own funds. I tell you, I am glad I didn't face a person who could write a check for $60 million, $10 million—or $5 million, for that matter. If so, I would like to be able to have a level playing field so I could stay in the ball game.

This is a fair and reasonable bill. I believe it is the right thing to do. I totally support the Domenici amendment.

I ask that I be allowed to be listed as a cosponsor to the Domenici amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. DODD. Mr. President, I yield myself 5 minutes.

Mr. President, I have great affection for my colleague from New Mexico. He is one of my best friends in the Senate. Even though we are of different political parties, we do a lot of work together. I admire him immensely as a Senator, and, more importantly, I cherish his friendship. But I disagree with him on this amendment.

I understand the arguments being made. In fact, I have been through a campaign where I in fact faced an opponent who was going to spend—at least he threatened to spend—a substantial part of his personal wealth to defeat me. So I am more than familiar with how this can work. It turned out he didn't spend all that money he said he was going to. But at least the threat was there. I know what it means to be sitting there in the campaign wondering whether or not you see a person who endlessly writes personal checks in a campaign.

I understand the motivations behind this and the concerns about it. But I think the amendment as crafted lacks some proportionality and balance. I admire the effort to try to come up with various triggers that kick in if a candidate relies upon his personal wealth for campaign funds. But this amendment doesn't take into consideration the size of various States. A $500,000 commitment of personal funds in Rhode Island, or Delaware, or even Connecticut certainly might cause an opponent to pause.

In Texas, Illinois, Florida, and California, that amount of funding hardly represents a commitment of personal resources. Today, that is nothing more than a second mortgage on a home. And a trigger allowing three times the allowable funds to be used, I think, is unnecessary at that level of personal funds. If you are getting to $750,000 or $1 million, again, in a large State, where a $20 or $30 million race is going to occur, I do not think that amount necessarily is going to pose a great threat.

Remember, we are talking, in many instances, about challengers. We are incumbents. As incumbents, we have a lot of advantages that do not come out of our personal checkbooks. Obviously, if we are e-mailing our constituents, responding to mail, having telephone services, and the like, we have an advantage that obviously gives us the upper hand in many instances when facing a challenger who may have personal wealth or may decide they are going to put at risk their family resources to run for public office.

I do not want to be in a position where we gut the McCain-Feingold bill because of a $500,000, or $750,000, commitment in a race that may cost, on average, today $15 or $20 million. That, it seems to me, is not proportional. It does not rise to that level. And that would be the net effect, if I understand the amendment correctly.

If a candidate commits $1 million of personal resources, then all the limits on coordinated party contributions come off for the challenger. And the challenger is permitted to have five times the allowable individual contribution limits. The result is a million-dollar personal commitment by one candidate being met with a potential $10 million party expenditure by the challenger. It seems to me that would defeat the very purpose of what we are trying to achieve with the underlying McCain-Feingold legislation.

In addition, obviously, PAC contributions rise to $25,000 per election, above the $5,000 limitations right now, once that threshold of $750,000 has been met, as I understand it.

So I think there is a way, maybe, to address this issue, but I think this amendment goes too far. It really does undo, at a very low threshold level, a lot of what is trying to be achieved by the McCain-Feingold proposal.

Again, I understand those who object to the underlying McCain-Feingold legislation, the thrust of it. But if you basically agree with what John McCain and Russ Feingold are trying to achieve with this bill—reducing the amount of money in the system—if you think that is the right track to be on, then adopting or supporting this amendment is a direct contradiction, it seems to me.

I understand if you are opposed to McCain-Feingold, then this is one quick way to sort of gut it, to undercut it.

Mr. President, I ask for one additional minute, if I can.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. So if you want to basically gut the bill, then this is the amendment, it seems to me. The very first amendment we are dealing with here on this bill, the very first effort out of the box, is to undermine what we are trying to achieve.

Again, I respect what my colleagues are trying to do, as someone who has faced opponents in the past who have at least threatened to spend significant personal wealth in a campaign. That can be intimidating. But what you do not want to have happen is the mere expenditure, or the announcement of an expenditure, of equal or greater than $500,000, $750,000 or $1 million triggering off the contribution limits.

In Connecticut that would be a lot of money. But if you are going to get involved in a race that uses the New York media, for instance, a race that in Connecticut would be $5 or $6 million, could quickly mushroom to $10 million. And $1 million of personal wealth, while it is a lot of money, that certainly then could unleash $10 million or $15 million once the party limits are off. And the party limits would come off with that $1 million commitment. I think that would be a mistake.

So I urge my colleagues who are thinking about supporting this amendment, who simultaneously want to see McCain-Feingold become the law of the land, to think twice about this amendment.

Mr. REID. Will the Senator yield for a question under his time?

Mr. DODD. I am happy to yield.

Mr. REID. I say to my friend, wouldn't it set a bad tone on the first amendment on this very important legislation—no matter how well meaning the proponents of this amendment might be—to, in effect, according to the sponsors of this bill, MCCAIN and FEINGOLD, gut the bill? Wouldn't that set a bad tone?

Mr. DODD. I think it would. There may be some merit we can seek out at some point. We are going to be on this bill for the next 2 weeks. It seems to me, if there is value in trying to do something here, we ought to be willing to talk about it. If we come out of the box and adopt this amendment, it seems to me then it would be a major setback in what we are trying to achieve in the McCain-Feingold legislation. I urge those who would be tempted to support this bill to resist doing so, and those who are sponsoring this amendment, if the amendment is, in fact, defeated or tabled, to go back to the drawing board and take another look at how this might be achieved.

But this particular proposal, I think, eviscerates what Senator MCCAIN and Senator FEINGOLD are trying to achieve and what those of us supporting them would like to see accomplished.

Mr. REID. Will the Senator yield me 2 minutes?

Mr. DODD. I am happy to yield my colleague 2 minutes.

Mr. REID. There is no one I have greater respect for than the Senator from Illinois, Mr. DURBIN, with whom I came to Washington in 1982. I had the same feeling he had, I say to my friend from Illinois. I heard his very eloquent speech. The fact is, I was of the understanding this would help the bill. But I have been told by the proponents of this legislation that it will not help the bill.

Does the Senator understand that?

Mr. DURBIN. I thank the Senator from Nevada for his kind words. In our conversations, I agree with what Senator DOMENICI is setting out to do. I do not believe it is antagonistic to McCain-Feingold. I think it is complementary. It is an important element. But I do believe we need to take the concept Senator DOMENICI has brought to the floor and work on it. We need to spend a little time working on this to bring it to where it ought to be.

I say to my friend from New Mexico, I hope—he, of course, can do what he would like with his amendment. I cannot support it at this moment, but I want to work with him and work with Senator DEWINE of Ohio to try to find a bipartisan alternative that deals with this in a realistic way.

So if Senator DOMENICI wants to go ahead with this amendment, I will have to join those who are attempting to table it, but only with the understanding that once this amendment is completed, we will sit down in a good-faith effort, bipartisan effort, to address this issue. Without his leadership, we might not even be at this point in the debate.

I thank him for that leadership.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. How much time do I have remaining?

The PRESIDING OFFICER. Eleven minutes.

Mr. DOMENICI. Eleven. I am not sure I will use all of it. I am aware that a Senator desires to get out of here quickly, and I will do my very best to accommodate the Senator.

But what I want to say to the Senate is, I have been working with Senator DEWINE and others on a modification to my amendment. Frankly, I cannot modify it unless there is a consent that I be permitted to modify it. If we move to table it, and the tabling motion fails, then I can amend it. So I would hope you would not table the Domenici amendment. Because if it is not tabled, Senator DEWINE and I, and others, will offer an amendment, which we will then be permitted to do, which will, essentially, greatly simplify it.

It will essentially be that if somebody under this new law indicates they are going to spend $500,000 or more of their own money, then only the individual contributions are increased to three times what they are now—$3,000 instead of $1,000—that if you are going to spend more than $1 million, it is 10 times, which is $10,000 contributions.

So if somebody was going to spend $20- or $30 million, then the $1,000 cap would be $10,000. That is the extent of the changes except we have a loan payback provision which we have discussed on the floor that says, if you use your own money, then after you are in office, you cannot pay yourself back by raising money as a sitting Senator.

Mr. President, I think that amendment I am going to offer with Senator DEWINE, which he would speak to at a later date, is a compromise amendment. I wanted to go a little further. But now what we are going to do in a few minutes is vote on whether or not to table the Domenici amendment. If we do not table it, then we will offer this amendment. I am sure everybody is listening and at least these increases in caps would pass in the Senate. Only the individual limits, the individual contributions would be changed if we are permitted to offer the Domenici-DeWine amendment, which would be a substitute after the tabling motion.

So there is no misunderstanding, the Domenici amendment has no soft money in it. The Domenici amendment is all hard money. Essentially, it says, if you are going to spend a half million dollars of your money, then you get to raise money in return for the candidate who was bound by the old laws, the 26-year-old laws. You can raise $3,000 in individual money and PACs are increased threefold. If you are going to spend $750,000 or more, it is five times. And $1 million or more, it is 10 times, as I have just indicated. In addition, we have the loan payback provisions in the bill that I have just described, and we have a provision that the hard money that can come from campaigns is limited as it is under the McCain-Feingold.

Having said that, I would ask Senators who think the time has come to send not a signal but to change the law so that the multimillionaire cannot essentially put the opponent at such odds that the opponent has no chance of raising sufficient money to run a campaign—we have seen many examples of that of late. I think it is as serious a problem as the underlying issues that are before us on McCain-Feingold. I choose to fix them. I ask Senators not to vote to table my amendment, thus giving me a chance to present a modified one that has broader support than the original Domenici amendment.

Mr. McCAIN. Will the Senator yield?

Mr. DOMENICI. Surely.

Mr. McCAIN. I don't want to take the floor from the Senator from New Mexico, but I have to tell the Senator from New Mexico, he has made substantial and probably significant and beneficial changes to his amendment. He just articulated them. We haven't had a chance to digest them to see what the impact would be. We have gone a long way from if the candidate exceeds $1 million, the direct party contributions and party coordinated expenditure limits are eliminated. We have to figure out exactly what all this means, I say to the Senator from New Mexico. This is legislating on the fly here.

What we would like to do, if it is agreeable to the Senator from New Mexico and the Senator from Ohio and all of us involved, is to have a chance to sit down and negotiate this with him. I agree with the Senator from New Mexico. I think he has some very good provisions, but at this time we would like to be able to examine those provisions, determine exactly what the impact is, have some negotiations, which have been going on among our staffs. Hopefully, we could get something on which we can all agree.

I am not sure in this very short time period where the Senator's amendment has changed rather drastically, fundamentally, when we are talking about if the candidate exceeds $1 million personal expenditures, the direct party contribution limits and party coordinated expenditure limits are eliminated—I don't frankly understand exactly the ramifications of the amendment of the Senator from New Mexico.

The PRESIDING OFFICER (Mr. ALLEN). The Senator from New Mexico has the floor.

Mr. DOMENICI. I say to my friend, I am not choosing to amend my amendment. My amendment stands as it was understood by the distinguished Senator from Arizona. I am merely stating that I am asking, and I now ask unanimous consent that I be permitted to modify it.

Mr. REID. I object.

Mr. DOMENICI. All I am saying is, if you don't table the Domenici amendment, standing there, I will offer an amendment on behalf of myself, Senator DEWINE, and others which will do what I described a while ago, and you can have all the time you want to look at that amendment, debate it, and even modify it, if you would like. I ask that we leave the amendment standing so I can modify it. Has the motion to table been lodged against the amendment?

The PRESIDING OFFICER. The motion to table can only be made at the expiration of time. The Senator has a little over 4 minutes, and the other side has a little over 9 minutes.

Mr. DODD. Mr. President, I say to my colleague from Kentucky that we are prepared to yield back whatever time we have on this amendment. I ask unanimous consent, if I don't have time, I may yield 1 minute to the distinguished Senator from Arizona.

The PRESIDING OFFICER. The Senator has time. The Senator from Arizona.

Mr. McCAIN. I want to say again to my friend from New Mexico, we can work this out. We can do that. By the way, it is my understanding if we table your amendment, you can bring up another amendment anyway, whether it is tabled or not. If we don't table the present amendment, then that will signal that the Senate agrees with that amendment. Obviously, I do not, nor do I believe does the majority. I emphasize again to the Senator from New Mexico, I think we have made great progress in these negotiations. We are in agreement in principle. All we need to do is work out the details of it.

Frankly, I haven't been here nearly as long as the Senator from New Mexico, but I haven't heard of a parliamentary procedure where you would not table somebody's amendment that you oppose when there is going to be a follow-up amendment because we have unlimited amendments on this bill, very soon that we hope we will have worked out together.

Again, I am optimistic that we will work out the differences we have and it will give us all a better understanding of the amendment so we can make the best and most efficient use of our time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I say to my good friend from Arizona, it is not a question of whether there is a procedure like this or not. We have established the procedure by the unanimous consent agreement we had entered into. We entered into a unanimous consent agreement that said that this amendment can't be modified unless we vote on a motion to table it and it is not tabled. We established that rule. I am asking that since that was the rule, we go ahead and not table it and let me offer an amendment with my good friend from Ohio and that will be thoroughly debated and modified.

Mr. DEWINE. Will my colleague yield?

Mr. DOMENICI. I am pleased to yield.

Mr. DEWINE. I thank my colleague from New Mexico. Let me urge the Members of the Senate not to vote in favor of tabling the Domenici amendment. The Senator has outlined very clearly what modification he and I wanted to make. It is a modification that is very logical. It turns this into an amendment that improves the amendment. It deals with the proportionality question.

If Members do look at it—and they have just had the opportunity a moment ago to hear the Senator outline exactly what it is—they will find it is very rational; it is very reasonable. It is going to be held to be constitutional, and it is going to begin to deal with this tremendous problem the Senator and I have been outlining, with others. I urge my colleagues not to vote in favor of tabling. Give us the opportunity to come right back and make the changes and get this amendment passed.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, just as a suggestion to my colleagues, under this unanimous consent agreement, the only way the amendment could be set aside would be, I suppose, a motion asking unanimous consent to set aside or withdraw the amendment. That is something on which the authors of the amendment must make a decision. It seems to me we are fairly close to something that might be agreeable. I don't think it serves the interests of the Senate to have a vote on something where it goes down and then comes back again.

It seems to me, if the authors of the amendment and the authors of the principal legislation feel as though they are fairly close to something they might agree on, it would make some sense, rather than putting the Senate through a vote, to ask unanimous consent that the amendment be withdrawn. We can go on to another matter and then come back to something we may agree on. We may not ultimately.

I don't see the value in having the Senate march down here and cast 100 votes on something that is going to be changed or modified at some later point anyway. I urge the authors to consider that for the minute that we have before the vote must occur. It seems to me that is a more prudent way to proceed.

I yield 2 minutes, if I have them, to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I thank the Senator from Connecticut. I completely agree with his remarks, as well as the Senator from Arizona. I am pleased that the Senator from New Mexico has recognized that his original amendment just goes too far and there needs to be some modifications. We should try to get together and work this out.

There are a couple of items already in some of the modifications he is talking about that concern me. A tenfold increase seems to be an awfully high number. Perhaps there is another level that could work.

On the question of what the threshold would be, $500,000, many people have said, is too low a trigger for these increases. In New York or California, there is a difference. I agree with the Senator from Connecticut that the way to do this is to table this amendment and then see what kind of agreement or modification or new amendment can be agreed upon by the Senator from New Mexico and the Senator from Ohio, who genuinely care about these issues.

I share the concerns, but we need to do this in a manner that doesn't suddenly put together an act of modification that we don't completely understand. I ask that Members table this amendment.

Mr. MCCONNELL. Mr. President, let me explain to everyone that if this amendment is tabled, the next one comes from the Democratic side of the aisle. The first opportunity to do something about one of the most pervasive problems in American politics today, the purchasing of public office by people of great wealth, will have been lost.

Yes, it is true we may get back to this later, but there are a lot of amendments seeking to be offered on this side of the aisle. I don't know about the other side. I hope Senator Domenici's amendment will not be tabled, giving him an opportunity. Normally the courtesy of the Senate would give an offeror of an amendment an opportunity to modify his own amendment. Here that is being denied.

In the beginning, we got off to a good start, and now people won't even let the offeror of an amendment modify his own amendment. Senator DOMENICI is trying to keep his amendment alive so he can offer a second degree which, under the agreement, would be appropriate if the motion to table is not successful, which is something normally he would have an opportunity to do in the Senate, almost as a matter of right. So what the Senator is asking for is not inappropriate. It is the only way he can modify his amendment under the circumstances.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call——

Mr. DODD. If the Senator will withhold on the quorum call, I would like to be heard.

I hear my colleague from Kentucky. The reason we object to a modification at this point is because of what the Senator from Arizona had to say. This is a complicated amendment, with four different triggers involved. It seems to me the size of States is relevant, where $500,000 in Idaho or Connecticut would provoke one response, whereas in California it is something entirely different.

The modification is being objected to for the reason that it is a complicated amendment and it is only fair that the authors of the bill spend a little time to look at the implications.

My suggestion of asking unanimous consent to withdraw the amendment at this point—I don't know about the authors of the underlying bill, but I am prepared to concede the next amendment to the Republican side and let them go first again. This is an important enough issue that we ought to try to reach out to one another, and rather than having 100 votes cast on this amendment as some bellwether of where we stand, and if there is an opportunity to reach a compromise, let's do that, and I would concede that the next amendment be offered by the Republican side to avoid any conflict.

Mr. MCCONNELL. Mr. President, if the motion to table is not agreed to, the next amendment will be the modified Domenici amendment because he will be recognized at that point for an opportunity to offer the modification that, normally, Senate comity would allow. So that will be the next amendment if the motion to table is not agreed to.

Senator DOMENICI and Senator DEWINE will offer the modification they have been trying to get consent to offer and that will be the next amendment presumably voted on in the morning, depending upon what the instructions of the majority leader are.

How much time remains?

The PRESIDING OFFICER. A half minute to the sponsor and 4 minutes to the opposition.

Mr. DOMENICI. Mr. President, I ask for 30 seconds.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask that Senators not vote to table this amendment. Give me an opportunity tomorrow to work with people to modify it. It will be an opportunity for me, as the principal sponsor, to get a modification that I can offer. It will be recognized as the next order of business. I ask that in fairness. I yield back my time.

Mr. DODD. Mr. President, I am about to make a motion to table. I urge my colleagues to support it. This amendment, if adopted, would gut the McCain-Feingold campaign finance bill, in my opinion.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table the amendment of the Senator from New Mexico.

The clerk will call the roll.

The bill clerk called the roll.

Mr. REID. I announce that the Senator from North Dakota (Mr. DORGAN), is necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. DORGAN), would vote "aye."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 48, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—51

Akaka
Baucus
Bayh
Biden
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dodd
Durbin
Edwards
Feingold
Fitzgerald
Graham
Hagel
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Stabenow
Torricelli
Wellstone
Wyden

NAYS—48

Allard
Allen
Bennett
Bingaman
Bond
Brownback

Bunning
Burns
Campbell
Chafee
Craig
Crapo
Dayton
DeWine
Domenici
Ensign
Enzi
Feinstein
Frist
Gramm
Grassley
Gregg
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—1

Dorgan

The motion was agreed to.

Mr. LEVIN. I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I say to my friend from New Mexico, we are ready now to sit down and negotiate so we can have an agreement on his amendment in the morning.

I believe the Senator from Connecticut has said he could have the next amendment. The only reason we objected to it is because we did not have sufficient time to review the modifications and continue negotiations.

I say to my friend from New Mexico, we are ready to sit down right now and negotiate. I think we are very close to an agreement so we can get this done immediately and move on to other issues.

Mr. President, I also would like to thank the Senator from New Jersey and the Senator from Wisconsin.

Again, before I yield the floor, I believe we are very close to an agreement. We were before the modification. I also believe that with these negotiations, within an hour we can come up with an agreement that will get a very substantial and majority vote.

I thank my colleagues, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the Senator from Arizona. However, I would just like to reiterate for the Senators present, my amendment was caught in a parliamentary bind where there was no way for me to amend it, other than to not let this table occur. That is rather unfair treatment. Had I figured that out in the unanimous consent agreement, I would have never agreed to it because most Senators can modify their amendments.

I thank those who agreed to grant me that privilege. For those who want to work with us to try to get an amendment, we will do that. I can't do that tonight. We have other things to do around here also. But I thank the distinguished Senator from Arizona for his welcoming a compromise. There will be one, I assure you.

The PRESIDING OFFICER. The Senator from Ohio, Mr. DEWINE.

Mr. DEWINE. Mr. President, let me just follow up on what my colleague and friend from New Mexico has said. I think it was a shame that we were not given the opportunity to modify his amendment. The Senate has spoken. I think it is too bad. I think it is very unfortunate.

Having said that, I do believe we are fairly close in negotiations. The Senator from New Mexico and I had reached an agreement that would deal with this problem. It would have been, I think, very positive. I am confident, from talking to some of my friends on the other side of the aisle, as well as friends on this side, that we still can, within a relatively short period of time, reach agreement and come back to the Senate with an amendment to which we can in fact agree, and we intend to do that.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. The practical effect means the next amendment is to be offered by the Democratic side because Senator DOMENICI was, first, denied the opportunity to modify his amendment; second, the opportunity to modify it after a motion to table failed was denied him by switching a number of Members.

The practical effect of all this, I say to everyone in the Senate, is that the next amendment is on the Democratic side under our agreement. I am curious as to what it might be.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. In light of the events that just unfolded here, we don't have a specific amendment ready to offer at this particular point. As I understand it, there will be no more votes this evening. We encourage Members who have not made opening statements on this bill, who are here on the floor, to do so tonight, and then with some consultation between the two of us and others interested, we will try to come up with an amendment this evening to go tomorrow. I don't know what the timeframe will be tomorrow. The leader is here. I don't know what the agenda will be, what time we will start, but we will certainly give you ample notice ahead of time what the amendment will be.

Mr. MCCONNELL. I thought the idea behind this agreement we painstakingly entered into over a number of weeks of negotiations with the Senator from Arizona was that there would be an opportunity for lots of amendments. Now here we are on a Monday night, getting ready—the majority leader wants us to have a vote in the morning—I am hearing that the other side doesn't want to lay down an amendment.

Mr. DODD. Mr. President, if my colleague will yield, we went through this discussion on the Domenici proposal. It may very well be that we will offer something that would accommodate what the Senator from New Mexico is proposing. If that could be worked out, that may be the next amendment. I think we might be able to do that. If we are unable to do that, obviously we will have another amendment to offer right away. I know the leader indicated that on tomorrow he would like to have a vote by 12:30. If we come in at 9:30, we will have an amendment to offer, and we will be right on the schedule that the leader laid out some days ago.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, just to respond to the last comment of Senator DODD, that is the point. We want to make sure, if you are going to take advantage of the opportunity to offer an amendment tonight, fine, or we will have one the first thing in the morning. But we had an agreement that we would do these by regular order of 3 hours. So hopefully you will either have one in the morning or we will be prepared to go with one on this side.

Mr. MCCONNELL. Mr. President, since there seems to be so much interest in accommodating Senator DOMENICI, might it not be possible for everyone to agree that Senator DOMENICI's modified amendment would be the first one up in the morning?

Mr. DODD. I object to that.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I say to the majority leader and to my friend from Kentucky that the Senator from Connecticut has been busy.

I think the amendment—and we will be happy to discuss it in more detail with the Senator from Kentucky—will be offered by Senators CORZINE, KOHL, and TORRICELLI. It will probably deal with the same subject matter that was discussed all day today.

Mr. DODD. Mr. President, I think we have done some good work today. We had some good opening statements and considered an amendment. Obviously, the people involved could do a little work this evening.

We will be prepared. At 9:30 tomorrow, we will have an amendment, and we will be ready to vote on it by 12:30, before the respective conferences meet.

Mr. LOTT. Mr. President, I had prepared to offer a unanimous consent that when we come in, at 9:45 in the morning the pending business would be the modified Domenici amendment.

If they are going to work on this tonight, we will be glad to work with you on that. But we have to keep this process going forward.

Just one thing on the substance. I think it is going to be a sad commentary if we don't address this issue of candidates being able to put unlimited amounts of money in their races without the opponents having some way to at least be competitive.

I hope the Senate will find a way to come together on this issue. I know it has the support of both sides of the aisle. It is going to be a bad start of getting to a proper conclusion to this legislation if we don't address this issue. I would encourage both sides to work on this overnight.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I voted to table Senator DOMENICI's amendment not because I was not sympathetic with the same. And I give him great credit for bringing up a real problem in our campaign finance system of very wealthy candidates being able to self-finance their races. That discourages a lot of otherwise very qualified people from even running for office in the first place.

I commend the Senator from New Mexico for bringing up an important issue. I did not support his amendment because I disagreed with some of the provisions in it. I believe, however, that the amendment he is likely to propose with Senator DEWINE is a far superior amendment.

I think it was very unfortunate that the Senator from New Mexico was not allowed unanimous consent to modify his amendment. That is very unusual. Members usually are allowed to modify their own amendments. I think it is very unfortunate that did not occur in this case. It does not bode well for the debate on this issue for us to start off like that.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I can certainly understand the frustration of some of our colleagues as we have attempted to work through the first day of what is an unusual unanimous consent agreement. We are used to a little more flexibility on amendments. I think when we entered into this unanimous consent agreement, our entire purpose was to ensure that we could move amendments along. That was the whole idea—that we would make sure that in the process of moving amendments along, we would accommodate Senators.

I hope that unanimous consent agreements, to demonstrate a little more practicality, could be agreed to in the future because I think we will actually accommodate rather than impede our ability to take up and address this bill in a meaningful way.

In that regard, I ask unanimous consent that I or my designee be recognized tomorrow morning as debate on the legislation is again convened in order to offer an amendment.

Mr. MCCONNELL. Reserving the right to object.

Mr. LOTT. Mr. President, if the Senator will yield under his reservation, first of all, I appreciate what Senator DASCHLE had to say about allowing Senators to modify their own amendments. We need to continue to honor that practice.

Second, I don't see any problem with his request. If he does not act on his right, then we will be able to reclaim and move forward on our side. I don't see a problem with that under the circumstances.

Mr. DASCHLE. Mr. President, for the information of my colleagues, in consultation with our ranking member, I suggest that our amendment will deal with the millionaires amendment.

The Durbin approach I think is one with which many of us could be comfortable. I understand they are talking now about ways in which to address some of the differences between Senator DURBIN and Senator DOMENICI. But that will be the subject of an amendment we will offer at 9:30 in the morning.

I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak for up to 10 minutes each.

BANKRUPTCY REFORM

Mr. GRASSLEY. Mr. President, I have a few clarifying comments regarding the bankruptcy reform bill which the Senate passed last week. During the debate on the small business provisions in S. 420, Senator KERRY erroneously characterized how the National Bankruptcy Review Commission voted on the small business changes that were contained in the bill. Senator KERRY maintained that the provisions were controversial and passed by a narrow 5–4 vote. This was not true. In fact, the National Bankruptcy Review Commission voted for these provisions by a vote of 8–1.

I also want to clarify another point in the bankruptcy legislation. Senator SCHUMER offered an amendment in committee and then on the floor that changed a provision in the bill that prohibited corporate entities in Chapter 11 from discharging fraud debts in bankruptcy. I opposed this amendment since I think that corporations should not be able to commit fraud and get away with it by filing for bankruptcy. Nevertheless, to accommodate Senator SCHUMER, I reached this compromise which prohibits corporations from discharging fraud debts owed to Government entities or to plaintiffs under the False Claims Act. I want to make clear for the RECORD that I oppose letting corporations defraud private businesses and individuals, and then discharging those debts in bankruptcy. Hopefully, I will revisit this issue in the near future to make sure that corporate scam artists can't use bankruptcy as a safe haven.

I also want to take this opportunity to thank a number of staff members that were especially helpful in getting this important bill passed: Rene Augustine, Makan Delrahim, and Sharon Prost of Senator HATCH's staff; Ed Haden and Brad Harris of Senator SESSION's staff; Ed Pagano and Bruce Cohen of Senator LEAHY's staff; Jim Greene and Kristin Cabral of Senator BIDEN's staff; Jennifer Leach of Senator TORRICELLI's staff; and Rita Lari Jochum and Kolan Davis of my staff. I also want to acknowledge my former staffer John McMickle who worked on this bill for several years. In addition, I want to thank Laura Ayoud in the Office of Senate Legislative Counsel. This bill would not have passed if it were not for the hard work and tremendous efforts of all these staff members.

Mr. President, I ask unanimous consent to print in the RECORD three letters from former Bankruptcy Review Commissioners.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STEPHEN H. CASE,
New York, NY, March 7, 2001.

To: SENATOR GRASSLEY

Re: National Bankruptcy Commission—Small Business

1. I understand Senator Kerry today said on the Senate floor Bankruptcy Review Commission approved its small business provisions by a 5–4 vote.

2. I was the NBRC's Senior Advisor on that project.

3. I was present when the full Commission voted. I remember it very distinctly, because I had just broken my jaw and I had to participate with my mouth wired.

4. The vote was 8 to 1.

I hope the record can be corrected on this point.

S.H. CASE.

ADAMS AND REESE,
Mobile, AL, March 8, 2001.

Senator CHARLES GRASSLEY,
U.S. Senate, Washington, DC.

Re: Amendment by Senator Kerry of Massachusetts to Strike the Small Business Provisions in the Bankruptcy Reform Legislation

DEAR SENATOR GRASSLEY: Senator Kerry of Massachusetts has offered an amendment to strike entirely the provisions relating to small businesses in the bankruptcy legislation currently pending on the Senate floor.

When offering this amendment, Senator Kerry misstated the position of the National Bankruptcy Review Commission, of which I was a member.

The small business provisions, which are very similar to the provisions in the current legislation, were strongly endorsed by the National Bankruptcy Review Commission. In fact, the vote in support of these provisions was 8 to 1 by the Commission. The adoption of these small business provisions are vitally important to the future wellbeing of the bankruptcy system.

I urge you to table the Kerry amendment.

Sincerely,

JEFFERY J. HARTLEY.

MARCH 8, 2001.

SENATOR CHARLES GRASSLEY.

Re: BRA 2001—Small Business Provisions

Please be advised that the National Bankruptcy Review Commission, of which I was a member, voted 8 to 1 in favor of the Commission's recommendation to enact the Small Business Provisions. There was very little dissent among the Commissioners; the vote was not 5 to 4, as has been reported. There was solid support for the recommendation and for the proposals.

Thank you,

JAMES I. SHEPARD,
Bankruptcy Tax Consultant.

45TH ANNIVERSARY OF TUNISIA'S INDEPENDENCE

Mr. LIEBERMAN. Mr. President, I rise today to congratulate the people of Tunisia on the 45th anniversary of their nation's independence. Throughout our long friendship, the United States and Tunisia have shared a mutual commitment to freedom, democracy, and the peaceful resolution of conflict. Indeed, Tunisia was one of the first countries to sign a Treaty of Peace and Friendship with the new United States of America in 1797, and in turn, the U.S. was among the first to recognize Tunisia's independence from France in 1956. Our nations have worked together on many issues of importance over the years, including the ongoing efforts for a lasting peace in the Middle East.

Tunisia and its citizens have many successful endeavors to celebrate, particularly impressive strides in economic development and reform. Tunisia's high standards of living and education, and advancement of opportunities for girls and women, stand as testament to its achievements. I hope that the growth of political freedoms for all Tunisia's people will soon equal its economic success.

As we observe this important milestone in Tunisia's history, we look forward to continued cooperation and friendship between our Nations and our people for many years to come.

Mr. INOUYE. Mr. President, I extend my warmest congratulations to the people of Tunisia as they commemorate their country's 45th anniversary of independence. Tunisians have much to celebrate and be proud of, and their firm resolve to fulfill their responsibilities as a republic and to govern themselves with integrity is most admirable. Tunisia has managed, in a relatively short period of time, to make significant gains on the political, economic, and social fronts.

I salute President Zine El Abidine Ben Ali for his leadership in initiating and supporting several reforms that paved the way for open government. I commend leaders from the public and private sectors for balancing the demands of economic development and social concerns. Finally, I wish to praise all the people of Tunisia for their peaceful participation in Tunisia's remarkable journey from colony to republic.

It is my hope that as Tunisians commemorate their country's 45 years of independence, they will also celebrate their ancient past and their unique cultural identity, which is an amalgam of Arab, Berber, African, and European influences. The country's long and rich history has made Tunisians a resilient and resourceful people, and I am confident that the future of the country will be bright and promising. I look forward to many more years of friendship and cooperation between Tunisia and the United States.

EXTENDING THE INTERNET TAX MORATORIUM

Mr. BURNS. Mr. President, I commend the chairman of the Committee on Commerce, Science, and Transportation for holding today's hearing, as it concerns a topic of great importance to the future development of the Internet—how to make sure that our Nation's tax policy keeps pace with rapid technological change.

The Internet Tax Freedom Act recognized that uniformity and common sense must be brought to taxation policy on the Internet. The act placed a 3-year moratorium on State and local taxes that discriminate against online transactions. I strongly supported the bill and welcomed its passage by the Senate.

This hearing is particularly timely, as the moratorium on discriminatory taxes on electronic commerce expires on October 21. If the moratorium is not extended, our small businesses across the country face the burden of having to comply with the requirements of over 7,000 taxing jurisdictions.

I am more convinced than ever of the folly of imposing a devastating patchwork of taxes on Internet transactions. I agree with the recommendation of the Advisory Commission on Electronic Commerce that we should extend the moratorium. I would like to add my name as a cosponsor to the Wyden bill, the Internet Tax Nondiscrimination Act, which will keep the Internet a "tax-free" zone until December 31, 2006 and will help foster the growth of electronic commerce.

Both consumers and businesses will benefit from a reasoned Internet tax policy. Growth will create more revenue and an expanding tax base for the future. The empowering aspects of the Internet for small business—low barriers to entry and an immediate global reach—must not be inhibited by a heavy-handed government approach to Internet taxation. Extending the moratorium on discriminatory taxes on Internet transactions will help to ensure that the nearly limitless potential of electronic commerce is realized.

I would like to touch on another issue arising from this debate, the broader question of whether Congress should allow the States to require all remote sellers—be they over the new medium of the Internet, or the more traditional mediums of mail order or telephone to collect sales tax on deliveries into states where the seller has no physical presence or "tax nexus."

I believe the current rules on whether an out-of-state company should collect sales tax are, in fact, fair and reasonable. Simply stated, a company is required to collect tax on deliveries into a State if it has a presence in that State. This rule has served interstate commerce well, and importantly, has not burdened small, entrepreneurial companies with having to hire lawyers and accountants to comply with 7,600 different taxing jurisdictions, and worse still, liability to audit from States and localities throughout the country.

I'm not prepared at this point to support any new tax collecting requirements on remote commerce. However, if this committee were to act on this broader issue, the Wyden bill's approach, which requires full congressional scrutiny and a mandatory up-or-down vote by Congress before there is any new tax collecting, seems to me to be the correct course.

RETIRED PAY RESTORATION ACT OF 2001

Mr. BIDEN. Mr. President, I am pleased to be a cosponsor of the Retired Pay Restoration Act of 2001, which corrects a long-standing inequity that has resulted in a major slap in the face of our dedicated service men and women.

Current law bans so-called concurrent receipt of VA disability compensation and military retired pay, so that the amount of any VA disability payment to a military retiree is subtracted from the monthly retirement check. In operation, this rule seems to turn logic and common sense on its head, and its repeal is long overdue.

Let's be clear what we're talking about. This provision only applies to military retirees, those who have served their country in uniform for at least 20 years. Such retirees receive a taxable monthly pension based on their length of service and their final pay, which is determined primarily by their rank and length of service. In this regard, the military retirement pay system resembles the civil service retirement system with which we are all familiar.

VA disability compensation is completely different. VA disability compensation consists of tax-free monthly payments to veterans who served in uniform for any length of time and who, during their time in the military, incurred a service-connected disability. These monthly payments are based only on the severity of the disability and nothing else: not on the length of service, the person's rank, the active duty pay, and so on.

So at first blush, it seems that there is no logical reason why VA disability compensation should be offset against military retired pay: they are disbursed for completely different reasons and are calculated by totally different methods.

But the incongruities of the present rules are nothing short of mind-boggling. Let us hypothesize that twins Jack and Jill sign up for the military at age 18. After 1 year in the military, Jack and Jill both incur identical knee injuries after stepping into a hole while running the obstacle course. The military disability system evaluates both Jack and Jill, confirms a mild disability in both due to intermittent swelling and locking of the knee, but determines that this disability is not severe enough to render them unfit for continued military service.

At this point, Jack and Jill decide to pursue separate paths. Jack decides to leave the military when his enlistment is up, at age 22, and joins the Federal civil service in the Defense Department as a procurement specialist. Immediately after leaving the service, Jack applies to the VA for disability compensation, which is granted, and Jack then receives monthly payments from the VA for the rest of his life. At age 55, Jack retires from the Federal civil service and begins receiving his full monthly civil service retirement check in addition to the VA disability compensation that he has been receiving all along.

Jill, on the other hand, decides to stay in the military after her injury, working as a procurement specialist. Of course, while she remains in the military, she receives no VA disability compensation, even though her twin Jack is receiving VA disability payments for the same injury all along. At age 55, Jill retires from the military, and starts to receive monthly military retirement checks. Jill applies to the VA for disability compensation based on her knee injury, and it is granted. However, when she begins to receive her VA disability checks, the amount of those checks is subtracted from her monthly military retirement pay.

How can we rationalize this disparate treatment of Jack and Jill? We can't. It makes no sense that those in uniform who suffer a service-connected disability end up being penalized for deciding to remain in the military, while those who leave the military are amply rewarded. The longer you serve in the military, the more you are penalized. Does this make sense? I don't think so.

Or let's consider another option. Twins John and Jane both enter the military at the same time, serve in the same position, and retire at the same age. Both receive the same monthly retired pay. John has incurred a service-connected injury, and after retirement, he is granted a disability compensation from the VA. Jane was never injured in the military. However, they both end up getting the same amount of pay, since John's VA disability payment is subtracted from his military retired pay. Does it make sense that we have an elaborate system for disability compensation that ends up treating the injured John and the uninjured Jane the same? I don't think so.

The logical inconsistencies of the present rules are overwhelming. It is time to repeal the provision in current law that prohibits military retirees from receiving concurrent receipt of full military retirement pay along with VA disability compensation. Those who put their lives at risk by putting on the uniform of this country, and who are then disabled as a result of their military service, must be treated fairly and awarded all the benefits they have earned and which they deserve. To do any less makes a mockery of the sacrifices of all our service men and women.

ADDITIONAL STATEMENTS

RECOGNITION OF MAJOR GENERAL J. CRAIG LARSON

• Mr. HATCH. Mr. President, I want to take this opportunity to recognize an outstanding American and soldier. Major General J. Craig Larson has devoted nearly thirty-three years to the U.S. Army and Army Reserve. It is only fitting that we pay tribute to a magnificent soldier and citizen who has done so much for his country and the great state of Utah.

Major General Larson is the Commander of the U.S. Army 96th Regional Support Command in Salt Lake City, UT. As such, he commands more than 6,000 Army Reservists in the six-state area of Colorado, Montana, North and South Dakota, Utah, and Wyoming.

He was drafted by the Army in 1966, and obtained the rank of Sergeant. He then attended and completed Officer Candidate School at the Ordnance Center and School in Aberdeen Proving Ground, MD. He was commissioned a Second Lieutenant in January 1968. He served nearly seven years on active duty with assignments as Assistant to the Depot Commander, Anniston Army Depot, Alabama; Commander, Company C, 702nd Maintenance Battalion, 2nd Infantry Division on the DMZ in Korea; and Assistant Director of Industrial Operations, Indiantown Gap, PA.

During his twenty-six years in the Army Reserve, he served as: Commander of the 259th Quartermaster Battalion (Petroleum Terminal and Pipeline) in Pleasant Grove, UT; Executive Officer and then Commander of the 162nd Support Group at Fort Douglas, UT, and Deputy Chief of Staff for Logistics, Headquarters, 96th U.S. Army Reserve Command, also at Fort Douglas, UT.

Just prior to his current assignment, Major General Larson was the Assistant Deputy Chief of VA Staff for Logistics and Operations, U.S. Army Materiel Command in Alexandria, VA. As such he was activated in November 1996 to be Commander. Logistics Support element—Africa, HQ, Army Materiel Command, in support of Operation guardian Assistance, a humanitarian relief effort for refugees from Rwanda, Zaire, and Uganda.

Major General Larson is a native of Salt Lake City, UT and a graduate of Highland High School. He received his Bachelors Degree in Business Management from Weber State College and a Masters of Business Administration from the University of Utah. In his civilian life, Major General Larson is owner and President of Wind River Petroleum. He also serves as Chief Executive Officer of Christensen and Larson Investment Company, President of Wind River Trucking, and is currently serving on the Salt Lake International Airport Board of Directors. He is married to the former Toni Eskelson of Salt Lake City—also a Highland High School graduate. They have five daughters, two sons, and eight grandchildren.

General Larson is leaving command and the uniform on Saturday, the 24th of March 2001. His uniformed service to the Nation will be greatly missed. However, he will continue to serve his community and family as a business and civic leader and as a father and grandfather. As a nation we should take this opportunity to recognize and honor Major General J. Craig Larson, a true American.•

HONORING MARY HICKEY

• Mr. JOHNSON. Mr. President, I rise today to publicly commend the work of Ms. Mary Hickey of Aberdeen, SD, for her over twenty years of outstanding service on behalf of the taxpayers of South Dakota. As an employee of the Internal Revenue Service, Mary has been the absolute model of a public servant and an invaluable asset to my office during the last several years. It is with regret that I announce that she will be leaving South Dakota and moving to Nebraska, where I'm sure she will continue her exemplary service.

Mary began her career with the IRS in 1980 as a Contact Service Representative in Rapid City, SD. She became a Tax Auditor in 1986, and in 1996 she was promoted to Problem Resolution Officer in Aberdeen. During her many years of service to the citizens of South

Dakota, she has provided outstanding assistance, helping to make sense of what can often be a complicated federal bureaucracy. On more than one occasion, I've heard my staff raving about the amount of time, commitment, and cooperation Mary put forth to serve and represent the taxpayers of South Dakota.

Mary's accomplishments are numerous. During the last few years, Mary developed new and innovative techniques to aid in the restructuring of the Taxpayer Advocate Service, a project of the IRS' Problem Resolution Office. For all of her outstanding work, Mary has received numerous, well-deserved IRS awards and accolades. Mary also excels in her community, and is active with the United Way of Northeastern South Dakota, having served as the Board Secretary for the past four years. As Board Secretary, Mary participates in oversight of the organization and has helped to raise over $600,000 annually to support 19 local charities.

It is an honor for me to share Mary's accomplishments with my colleagues and to publicly commend her for serving South Dakota so excellently. Alas, South Dakota's loss is Nebraska's gain and I'm sure she will provide that state with the same outstanding performance she has demonstrated here.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry withdrawals and nominations which were referred to the appropriate committees.

(The nominations and withdrawals received today are printed at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 560. A bill for the relief of Rita Mirembe Revell (a.k.a. Margaret Rita Mirembe); to the Committee on the Judiciary.

By Ms. COLLINS:

S. 561. A bill to provide that the same health insurance premium conversion arrangements afforded to Federal employees be made available to Federal annuitants and members and retired members of the uniformed services; to the Committee on Governmental Affairs.

By Mr. REID (for himself, Mr. DASCHLE, Mr. KENNEDY, Mr. DODD, Mr. GRAHAM, Mr. SCHUMER, Mr. REED, Mr. KERRY, Mrs. CLINTON, Mr. CORZINE, Mr. DURBIN, and Mrs. BOXER):

S. 562. A bill to amend the Immigration and Nationality Act with respect to the record of admission for permanent residence in the case of certain aliens; to the Committee on the Judiciary.

By Mr. SANTORUM (for himself and Mr. GREGG):

S. 563. A bill to amend the Social Security Act to require Social Security Administration publications to highlight critical information relating to the future financing shortfalls of the social security program, to require the Commissioner of Social Security to provide Congress with an annual report on the social security program, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER:

S. 564. A bill to amend section 1713 of title 38, United States Code, to provide continuing eligibility for medical care under that section for individuals who become eligible for hospital insurance benefits under part A of title XVIII of the Social Security Act by turning 65; to the Committee on Veterans' Affairs.

By Mr. DODD (for himself, Mr. DASCHLE, Mr. INOUYE, Mr. DAYTON, Mr. KERRY, and Mr. KENNEDY):

S. 565. A bill to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; to the Committee on Rules and Administration.

By Mr. HOLLINGS:

S. 566. A bill to amend the Internal Revenue Code of 1986 to provide a 10 percent individual income tax rate for taxable years beginning in 2001 and a payroll tax credit for those taxpayers who have no income tax liability in 2001; to the Committee on Finance.

By Mr. SESSIONS:

S. 567. A bill to amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BINGAMAN:

S. Con. Res. 26. A concurrent resolution authorizing the Rotunda of the Capitol to be used on July 18, 2001, for a ceremony to present Congressional Gold Medals to the original 29 Navajo Code Talkers; to the Committee on Rules and Administration.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. HAGEL, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of S. 22, a bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes.

S. 152

At the request of Mr. GRASSLEY, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to eliminate the 60-month limit and increase the income limitation on the student loan interest deduction.

S. 155

At the request of Mr. BINGAMAN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 155, a bill to amend title 5, United States Code, to eliminate an inequity in the applicability of early retirement eligibility requirements to military reserve technicians.

S. 170

At the request of Mr. REID, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 170, supra.

S. 250

At the request of Mr. BIDEN, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 250, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 255

At the request of Ms. SNOWE, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 255, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 258

At the request of Ms. SNOWE, the names of the Senator from Georgia (Mr. MILLER) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 278

At the request of Mr. JOHNSON, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S.

278, a bill to restore health care coverage to retired members of the uniformed services.

S. 283

At the request of Mr. McCAIN, the names of the Senator from North Dakota (Mr. DORGAN), the Senator from Nevada (Mr. REID), the Senator from Delaware (Mr. CARPER), the Senator from West Virginia (Mr. ROCKEFELLER), and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 283, a bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

S. 284

At the request of Mr. McCAIN, the names of the Senator from Nevada (Mr. REID) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 284, a bill to amend the Internal Revenue Code of 1986 to provide incentives to expand health care coverage for individuals.

S. 289

At the request of Mr. SESSIONS, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 289, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.

S. 319

At the request of Mr. McCAIN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 319, a bill to amend title 49, United States Code, to ensure that air carriers meet their obligations under the Airline Customer Service Agreement, and provide improved passenger service in order to meet public convenience and necessity.

S. 359

At the request of Mr. SHELBY, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 359, a bill to amend title 10, United States Code, to provide eligibility for members enlisting in a regular component of the Armed Forces to enroll for advanced training in the Senior Reserve Officers' Training Program; to increase the maximum age authorized for participation in the Senior Reserve Officers' Training Corps financial assistance program; and for other purposes.

S. 366

At the request of Mrs. MURRAY, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 366, a bill to amend the Agricultural Trade Act of 1978 to increase the amount of funds available for certain agricultural trade programs.

S. 403

At the request of Mr. COCHRAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 403, a bill to improve the National Writing Project.

S. 413

At the request of Mr. COCHRAN, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 413, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 433

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 433, a bill to amend the Internal Revenue Code of 1986 to remove the limitation that certain survivor benefits can only be excluded with respect to individuals dying after December 31, 1996.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 484

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 484, a bill to amend part B of title IV of the Social Security Act to create a grant program to promote joint activities among Federal, State, and local public child welfare and alcohol and drug abuse prevention and treatment agencies.

S. 525

At the request of Mr. GRAHAM, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 525, a bill to expand trade benefits to certain Andean countries, and for other purposes.

S. 534

At the request of Mr. CAMPBELL, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 534, a bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as "mad cow disease") and foot-and-mouth disease in the United States.

S. 543

At the request of Mr. WELLSTONE, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. CON. RES. 8

At the request of Ms. SNOWE, the names of the Senator from West Virginia (Mr. BYRD), the Senator from Minnesota (Mr. DAYTON), and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. Con. Res. 8, a concurrent resolution expressing the sense of Congress regarding subsidized Canadian lumber exports.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. Con. Res. 14, a concurrent resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. CON. RES. 17

At the request of Mr. SARBANES, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. Con. Res. 17, a concurrent resolution expressing the sense of Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and the adjustments in the compensation of civilian employees of the United States.

S.J. RES. 4

At the request of Mr. HOLLINGS, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S.J. Res. 4, a joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

S. RES. 44

At the request of Mr. COCHRAN, the names of the Senator from Rhode Island (Mr. REED), the Senator from Utah (Mr. BENNETT), the Senator from Maryland (Mr. SARBANES), the Senator from Virginia (Mr. WARNER), the Senator from Louisiana (Mr. BREAUX), and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. Res. 44, a resolution designating each of March 2001, and March 2002, as "Arts Education Month."

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 560. A bill for the relief of Rita Mirembe Revell (a.k.a. Margaret Rita Mirembe); to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I rise today to introduce a private relief bill for Rita Mirembe Revell. Rita is a 15-year-old child from Uganda who was brought to this country in 1994. When Rita was 18 months old she was left with the Daughters of Charity Society, a Catholic organization in Kampala, Uganda. Rita was an orphan, abandoned with no known family.

Rita has resided in the United States under a student visa since 1994. As an orphan the only parents she has ever known are her American guardians, who have sponsored Rita since she was three years old. They want very much to adopt Rita, but they have been unable to get around the mess of international red tape. The Ugandan Government has very strict policies concerning adoption by foreign nationals.

Now as Rita approaches her 16th birthday she is in danger of being deported. Rita has formed an intimate bond with her American parents, who hope to complete the adoption as soon as possible. Papers for adoption have already been filed, while there are bureaucratic difficulties, the adoption is not contested by any party.

Understandably, the family is concerned that Rita will be deported before her adoption is finalized. This bill simply gives Rita permanent residency so that she might remain with the only parents she has ever known while her adoption becomes final. Other immigration scenarios would require Rita to return to an unsafe country for an unknown period of time. She has no known family in Uganda. Her new life is in California where she was recently admitted to Loretto High School, an outstanding college preparatory high school.

This bill gives Rita permanent resident status, which will allow her to remain in the country while the adoption process continues. It allows Rita to stay with her American parents in the country that she now calls home. The bill also offers the comfort of certainty for her parents.

I hope that we can move quickly to grant this relief.

By Ms. COLLINS:

S. 561. A bill to provide that the same health insurance premium conversion arrangements afforded to Federal employees be made available to Federal annuitants and members and retired members of the uniformed services; to the Committee on Governmental Affairs.

Ms. COLLINS. Mr. President, today I am introducing legislation to extend to Federal retirees and both active and retired military personnel the same health insurance premium conversion benefits allowed to current civilian Federal employees. This legislation directs the Office of Personnel Management to establish a system allowing those who participate in the Federal Employees Health Benefits Program, FEHBP, to pay their health insurance premiums from pre-tax income.

The practice of allowing health care participants to use pre-tax income to pay their health insurance premiums is often used in the private sector as a way of recognizing the importance of adequate, affordable health insurance. This system is called premium conversion. Last year, the Office of Personnel Management recognized this concept by establishing a plan to allow most employees of the executive, legislative and judicial branches to participate in premium conversion.

Many Federal retirees also participate in the FEHBP program and as a matter of fairness should be extended the opportunity to participate in premium conversion. In addition, the military currently has a separate health care system, but it is exploring offering health benefits under FEHBP, and therefore military employees or retirees who do participate in FEHBP should also be allowed premium conversion.

I have heard from Federal retirees in Maine who have pointed out the unfairness of not including retired Federal employees in the premium conversion system. This legislation will address this inequity.

I urge my colleagues to review and support this important legislation.

By Mr. REID (for himself, Mr. DASCHLE, Mr. KENNEDY, Mr. DODD, Mr. GRAHAM, Mr. SCHUMER, Mr. REED, Mr. KERRY, Mrs. CLINTON, Mr. CORZINE, Mr. DURBIN, and Mrs. BOXER):

S. 562. A bill to amend the Immigration and Nationality Act with respect to the record of admission for permanent residence in the case of certain aliens; to the Committee on the Judiciary.

Mr. REID. Mr. President, family reunification is the cornerstone of our immigration policy. It is truly one of the most visible areas in government policy in which we support and strengthen family values.

Family unification translates into strong families and strong families build strong communities. For that reason I am introducing the Working Families Registry Act.

This bill would allow immigrants who have been working and raising families in the country since and before 1986 to apply for permanent residence.

In my home State of Nevada I have met with people who every day fear being deported and separated from their families. They are married to Americans, have American children and have worked and been paying taxes for many years. They help and do not harm our industry and our economy.

A change in the date of registry would help these families. This bill would solve the problem of immigrants who have been paying taxes, who have feared being deported and separated from their families.

The Working Families Registry Act would update a provision of immigration law known as "registry."

The registry provision originated in a 1929 law and in 1958 that law became available to foreigners who had entered the country illegally or who had overstayed. This criteria remains today and sets a required date for which continuous residence must be shown in order to qualify for permanent U.S. residency. The date of registry currently sits at 1972, and was last adjusted in 1986. My legislation would update the date of registry from 1972 to 1986. A change in the date of registry is necessary.

First, it would address the uncertainty of taxpaying immigrants who would qualify for residence under this bill. Many of these immigrants live in fear of being separated from their families, having their worker's permits stripped and their residency status revoked.

Secondly, the legislation would help strengthen the immigrant contributions to our national economy, tax base, and social fabric. The guaranteed benefits of residence (e.g., access to basic health care and education) provide for a more productive and effective workforce.

Third, we recognize today, as so many legislators did in the past that immigrants who have remained in the country for an extended period of time are highly unlikely to leave.

Fourth, if an update of the registry is not achieved, the validity of this concept will be meaningless when this issue emerges in the future.

Finally, Americans care about this issue.

A recent poll conducted by the National Immigration Forum found that 55 percent of Americans strongly favor legalizing a limited number of undocumented immigrants. That is, those immigrants who have been raising their families and paying their taxes—and who can prove they have been in the United States for more than 5 years.

I believe it is in America's interest to pass The Working Families Registry Act.

Immigrants' relationships with the United States are predicated by the recognition of America's greatness. And, keeping families together, keeps America great.

Please join my efforts to make this bill law, as we continue to seek ways to keep America's working families together.

By Mr. ROCKEFELLER:

S. 564. A bill to amend section 1713 of title 38, United States Code, to provide continuing eligibility for medical care under that section for individuals who become eligible for hospital insurance benefit under part A of title XVIII of the Social Security Act by turning 65; to the Committee on Veterans' Affairs.

Mr. ROCKEFELLER. Mr. President, I am proud to be the author of the CHAMPVA for Life Act of 2001.

Last year, Congress finally enacted legislation to restore the promise of providing lifetime health care to our military retirees. TRICARE for Life, as it is known, is long overdue. However, an equally worthy group has been left out of the reform.

The Civilian Health and Medical Program of the Department of Veterans Affairs, CHAMPVA, provides health care coverage to several categories of individuals who have paid dearly for that right: dependents of veterans who have been rated by VA as having a total and permanent disability; survivors of veterans who died from VA-rated service-connected conditions; and survivors of servicemembers who died in the line of duty. As such, CHAMPVA provides a measure of security to a group of persons who have indisputably given a great deal to our country.

CHAMPVA is intended to serve as a safety net for dependents and survivors of severely disabled veterans who, because of their disabilities, were unable to provide health insurance benefits to their families through employment. The safety net mission of CHAMPVA has not changed, but this law must change, since under current law, CHAMPVA beneficiaries lose their eligibility for coverage when they turn 65.

The TRICARE for Life law passed last year specifically allows military retirees and their dependents to remain in the TRICARE program after they turn age 65, as long as they are enrolled with Part B of Medicare. TRICARE will cover those expenses not covered under Medicare. It also provides for retail and mail-order pharmaceutical coverage for Medicare-eligible military retirees.

There is no doubt that TRICARE and CHAMPVA beneficiaries should retain similar eligibility for health care coverage. What TRICARE does for the families of military retirees should be no less readily available to the survivors and dependents of severely disabled veterans and those service-members who died in the line of duty. Simple justice and equity demand this. Just last week, I received a letter from a constituent from Nutter Fort, WV, that hammered home this very point. She asked in her letter, "Why aren't the CHAMPVA beneficiaries offered the same program recently approved for those on TRICARE who are now eligible for Medicare?"

Indeed, title 38 of the United States Code reflects this view by requiring the Secretary to provide medical care "in the same or similar manner and subject to the same or similar limitations as medical care furnished to certain dependents and survivors of active duty and retired members of the Armed Forces." And up until enactment of the new, highly valued TRICARE for Life provisions just last fall, the two programs were, indeed, similar.

An argument could be made that since TRICARE was modified to remove the limitation on eligibility, legislation is not necessary to equate the two programs. However, VA has not yet embraced CHAMPVA for Life.

The bill simply clarifies that the CHAMPVA and TRICARE programs should continue to operate in a similar manner, with similar eligibility. This would mean that Medicare-eligible CHAMPVA beneficiaries who enroll in Part B of Medicare would retain secondary CHAMPVA coverage, and beneficiaries would receive the same pharmacy benefit as CHAMPVA beneficiaries who are under age 65.

The failure of Congress to enact prescription drug coverage under Medicare only underscores the need to enact this CHAMPVA reform. However serious a gap it was for Medicare to lack prescription drug benefit in 1965, incredible advances in drug therapy, combined with staggering inflation in prescription drug costs, have made the need for affordable prescription drug coverage even more important today. CHAMPVA beneficiaries who have sacrificed so much already should not be forced to sacrifice anything more to purchase needed prescription drugs.

Nothing brings this closer to home for me than another letter I received recently, this one from a Korean War veteran and his wife in Alderson, WV. They were upset to learn that when the wife turned 65, she lost all of her CHAMPVA benefits. As a result, she was forced to pay more than $300 per month for her diabetes and heart medications, in addition to all the other new costs for care not covered by Medicare. With Social Security and disability compensation as their only income, this couple is struggling to absorb this enormous new expense in their modest budget. The husband, a 100-percent disabled veteran, wrote poignantly to me, ". . . it would help us out so much if CHAMPVA would continue to cover my wife's medical care."

In closing, I thank the Gold Star Wives Association for their dedication and for bringing this issue to my attention. We must never forget that the costs of military service are borne not only by the servicemember alone, but by their families as well.

I hope the Committee on Veterans' Affairs will expedite passage of this bill out of committee. CHAMPVA beneficiaries are depending upon it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONTINUING ELIGIBILITY FOR BENEFITS UNDER CHAMPVA OF INDIVIDUALS WHO BECOME ELIGIBLE FOR HOSPITAL INSURANCE BENEFITS UNDER THE SOCIAL SECURITY ACT BY TURNING 65.

Section 1713(d) of title 38, United States Code, is amended—

(1) by inserting "(2)" before "Notwithstanding"; and

(2) by inserting before paragraph (2), as designated by paragraph (1) of this section, the following new paragraph (1):

"(1) Notwithstanding section 1086(d)(1) of title 10 or any other provision of law, an individual eligible for medical care under this section who is also entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act by reason of being 65 years of age or older shall not lose eligibility for medical care under this section by virtue of entitlement to such hospital insurance benefits.".

By Mr. DODD (for himself, Mr. DASCHLE, Mr. INOUYE, Mr. DAYTON, Mr. KERRY, and Mr. KENNEDY):

S. 565. A bill to establish the Commission Voting Rights and Procedures to study and make recommendations regarding election technology, voting, election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; to the Committee on Rules and Administration.

Mr. DODD. Mr. President, today I am introducing legislation to address some of the glaring problems that occurred in the 2000 elections with regard to technology and election administration. The Equal Protection of Voting Rights Act of 2001, and companion legislation introduced in the House by Congressman JOHN CONYERS, will provided much needed guidance, and funds, to state and local election officials to ensure that Federal elections are conducted in a manner that encourages participation and facilitates voting by all Americans in a nondiscriminatory manner.

The right to vote is the cornerstone right in a Democracy. In the words of Thomas Paine, it is "the primary right by which other rights are protected." Thirty-six years ago last week, on March 15, 1965, President Lyndon Johnson convened a Joint Session of Congress to call for passage of what ultimately became the Voting Rights Act. President Johnson spoke plainly and forcefully that evening. "All Americans," he said, "must have the right to vote. And we are going to give them that right. All Americans must have the privileges of citizenship regardless of race. And they are going to have those privileges of citizenship regardless of race."

Yet the sad message of this last election is that the privileges of citizenship have yet to be fully guaranteed to all Americans. Nor are the barriers to exercising this fundamental right limited to race. Inaccessible polling places and visual ballots disenfranchised the disabled and blind across this country. Complicated instructions and a lack of trained personnel discouraged language minorities and the elderly from fully exercising their right to vote. And even if voters were able to get to the polling place, read the ballot and cast it, antiquated technology and insufficient machinery denied Americans of all races, languages, and physical abilities the right to have their vote counted. In short, what happened last November set off alarms across this Nation that threaten to undermine the integrity of our system of Democracy.

The fact is, there is a fundamental flaw in our Federal elections system—and that flaw is the lack of federal direction, leadership, and resources provided to the States and localities to meet their responsibility as the administrators of Federal elections. What we learned last November is that it is not good enough to guarantee the right to vote, if procedures and technology prevent individuals from exercising that right. And it will take more than just the latest technology, or a new "mouse-trap" to fix the problem.

The legislation Congressman CONYERS and I are introducing—The Equal Protection of Voting Rights Act of 2001—is intended to secure the rights of all Americans to participate in our Democracy, by establishing 3 simple national requirements for Federal elections: (1) that voting systems and technology meet national standards; (2) that states provide for provisional voting; and (3) that states provide sample ballots and voting instructions to voters prior to election day. These requirements must be implemented by the 2004 federal elections, and this legislation provides funding to States and localities to fund the costs of implementing these requirements.

This legislation also creates a temporary Commission to study numerous electin reform issues such election systems and ballot designs, access for the disabled, voter intimidation, access for absent military and overseas voters, the feasibility of a national holiday, and alternative methods of voting to facilitate participation. Within 1 year of enactment, the Commission will adopt a final report, along with recommendations for best practices in the areas of convenient, accessible, nondiscriminatory election systems that accommodate voters with disabilities, the blind, and the limited-English speaking. The Commission will also make recommendations for how the Federal government, on an ongoing basis, can best provide assistance to State and local governments. Finally, the Commission will issue recommendations for best practices which will increase voter registration, the accuracy of voter rolls, and will improve voter education and the training of election personnel and volunteers.

Finally, my legislation provides grant money, administered by the Department of Justice, to states and localities to implement the 3 national requirements for the 2004 and subsequent elections. In order to encourage the States and localities to act to improve voting systems and election administration procedures prior to the 2004 elections, the bill allows States and localities to apply for grants to replace voting equipment and technology and make it accessible to those with disabilities, the blind, and those with limited-English proficiency, to implement new administrative procedures to increase participation and reduce disenfranchisement of minorities; to educate voters and train election personnel and volunteers; and to implement recommendations of the Commission. To be eligible for grant funds, a State must submit a plan providing for uniform, nondiscriminatory voting systems that ensure accessibility for all voters; provides for the accuracy of voting records; and provides for voter education and personnel training.

The Equal Protection of Voting Rights Act of 2001 is endorsed by the following organizations: The National Association for the Advancement of Colored People (NAACP); the AFL-CIO; The National Federation of the Blind; the National Council of La Raza; the American Civil Liberties Union; and the Leadership Conference on Civil Rights.

The issues highlighted in the last election are not a Democratic or a Republican problem. They are an American problem and the solutions to these problems must be, appropriately, nonpartisan to succeed.

The Committee on Rules and Administration, on which I serve as Ranking Member, has already held one day of hearings on the topic of Election Reform. What became clear from those hearings is that there is a bipartisan recognition that States and localities need assistance to enable them to efficiently, and effectively, administer Federal elections on a nondiscriminatory basis. I would submit that such assistance needs to take the form of both Federal election requirements for nondiscriminatory, inclusive voting systems, provisional voting, and sample ballot and voting instructions, as well as the financial resources to implement such requirements.

I stand ready to work with colleagues on both sides of the aisle to fashion bipartisan legislation to ensure that all citizens can participate in this Democracy. I urge my colleagues to cosponsor this legislation and look forward to additional hearings in the Rules Committee on this and other election reform proposals.

I ask unanimous consent that a section-by-section analysis of the bill be included in the RECORD following my written remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF EQUAL PROTECTION OF VOTING RIGHTS ACT OF 2001

TITLE I—ESTABLISHMENT OF COMMISSION ON VOTING RIGHTS & PROCEDURES

Sec. 101.—Establishment of the Commission.

Sec. 102.—Membership of the Commission.

Number and Appointment.—the Commission is composed of 12 members, appointed for the life of the Commission, with 6 appointed by the President and 3 appointed by the Senate Minority Member (unless of the same party as the President, and then by the Senate Majority Leader), and 3 appointed by the House Minority Leader (unless of the same party as the President, and then by the House Majority Leader); the Chairperson and Vice Chairperson are elected by the Commission and may not be affiliated with the same political party; all meetings shall be at the call of the chair and a majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

Sec. 103.—Duties of the Commission.

(a) Study.—The Commission shall conduct a study of the following issues: election technology and systems; design/uniformity of ballots; access to ballots and polling places for the disabled/visually impaired/limited-English speakers; capacity of voting systems/sufficiency of the number of machines to serve voters; voter registration and standards for reenfranchisement; alternative voting methods (internet); voter intimidation; accuracy of voting procedures and technology; voter/poll worker education and training; access for overseas and military voters; feasibility of establishing a Federal or state holiday; feasibility of establishing modified polling hours; and appropriate role for the Federal government to provide assistance to states & localities and whether a new agency is needed.

(b) Recommendations.—The Commission shall develop recommendations of best practices for:

(1) Voting and election administration which: are nondiscriminatory and accommodate the disabled/vision impaired/limited-English speaking; yield the broadest participation; and produce accurate results.;

(2) assistance in Federal elections, which provide the best method for the Federal government to provide on-going, permanent assistance; whether an existing or new Federal agency is required; and

(3) voter participation in Federal elections to increase voter registration; increase accuracy of voter rolls and participation; to improve voter education; and to improve training of election personnel and volunteers.

(c) Reports.—a final report and recommendations are due 1 year after enactment; interim reports are authorized; recommendations must be adopted by majority vote of the Commission with minority opinions included in the report.

Sec. 104.—Powers of the Commission.

The Commission may: hold hearings/issue subpoenas/pay witnesses/accept gifts; and secure administrative support and information from Federal agencies upon joint request of the chair and vice-chair.

Sec. 105.—Commission Personnel Matters.

The Commission members, who are not Federal employees, are compensated at the rate for level IV, Executive Schedule; are allowed travel expenses, as per Title 5; may make use of detailed employees and procure consultant services on the joint action of the chair and vice-chair; and may appoint/terminate an executive director on the joint action of the chair and vice-chair.

Sec. 106.—Termination of the Commission.

The Commission terminates within 45 days of issuance of the final report and recommendations.

Sec. 107.—Authorization of Appropriations for the Commission.

Such sums as are necessary to carry out the title are authorized to remain available, without fiscal year limitation, until expended.

Title II—Election Technology and Administration Improvement Grant Program

Sec. 201.—Establishment of Grant Program.

(a) In General—the Attorney General, in consultation with the Federal Election Commission, make grants to States and localities.

(b) Action Through the Office of Justice Programs and Assistant Attorney General for Civil Rights—The Attorney General acts through the Office of Justice Programs and the Assistant Attorney General for Civil Rights.

Sec. 202.—Authorized Activities.

(a) In General.—States and localities may use grant payments:

(1) to improve, acquire, or replace voting equipment or technology and improve the accessibility of polling places for persons with disabilities, including nonvisual access for voters with visual impairments and assistance to voters with limited English proficiency;

(2) to implement new election administration procedures to increase participation and reduce disenfranchisement, including "same-day" voter registration;

(3) to educate voters and train election personnel;

(4) to implement the final recommendations of the Commission.

(b) Requirements for Election Technology and Administration.—States and localities may use grant payments:

(1) to implement the national voting system requirements under 301(a);

(2) to implement the national provisional voting requirements under 301(b);

(3) to implement the national sample ballot requirements under 301(c).

Sec. 203.—General Policies and Criteria for the Approval of Applications of States and Localities; Requirements of State Plans.

(a) General Policies.—The Attorney General, in consultation with the Federal Election Administration, establishes general policies for grant applications.

(b) Criteria.—The Attorney General establishes criteria for State plans; state plans must include each of the following:

(A) uniform nondiscriminatory voting standards within the State for election administration and technology that—

(i) meet the national requirements for voting systems, provisional voting, and sample ballots;

(ii) provide access for the disabled, the vision impaired, and voters of limited English proficiency;

(iii) provide for ease and convenience of voting, including accuracy, non-intimidation, and non-discrimination;

(iv) ensure compliance with the Voting Accessibility for the Elderly and Handicapped Act;

(v) ensure compliance with the Voting Rights Act;

(vi) ensure compliance with the National Voter Registration Act;

(vii) ensure access for overseas and absent military voters;

(B) provide for accuracy of records and prevent purging that will result in legal voters being eliminated;

(C) provide for voter education and election worker training;

(D) provide an effective means of notifying voters of their rights; and

(E) provide a timetable for meeting the elements of the plan.

Sec. 204.—Submission of Application of States and Localities.

(a) Submission of Applications by States.—The chief executive office of the State submits the grant application along with the state plan, which is developed in consultation with State and local election officials and must make available to the public for review and comment before submission.

(b) Submission of Applications by Localities.—If a State has submitted an application under (a), a locality may submit a grant application that is consistent with the State plan, does not duplicate funding received under the State application.

Sec. 205.—Approval of Applications of States and Localities.

(a) Approval of State Applications.—A State plan received by the Attorney General must be published in the Federal Register and subject to public comments; 30 days after publication, taking into consideration any comments received, the Attorney General, in consultation with the Federal Election Commission, approves or disapproves the State plan.

(a) Approval of Applications of Localities.—If the Attorney General approves the application of a State, then the Attorney General, in consultation with the Federal Election Commission, can approve an application by a locality of that State.

Sec. 206.—Federal Matching Funds.

The Attorney General shall pay the Federal share of grants; Federal Share.—in general, the Federal share is 80%, but the Attorney General may waive that amount and increase the Federal share; Incentive for Early Action.—the Federal share shall be 90% for applications received by March 1, 2002; and Reimbursement for Cost of Meeting Requirements.—100% for costs incurred to meet the national requirements under Title III.

Sec. 207.—Audits and Examinations of States and Localities.

The Attorney General, in consultation with the Federal Election Commission, shall specify what records grant recipients must maintain in order to allow for audits.

Sec. 208.—Reports to Congress and the Attorney General.

The Attorney General submits reports to the Congress annually starting in 2003 describing the activities funded by the grants and any recommendations for legislative or administrative action and grant recipients shall submit any reports to the Attorney General as the Attorney General considers appropriate.

Sec. 209.—Definitions of State and Locality.

The term "State" refers to the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam and the United States Virgin Islands' the term "locality" means a political subdivision of a State.

Sec. 210.—Authorization of Appropriations.

(a) Authorization.—There are authorized to the Department of Justice and the Federal Election Commission for FY 2002, 2003, 2004, 2005 and 2006, such sums as are necessary for awarding grants and paying administrative expenses and carrying out the provisions of the Act.

(b) Limitation.—administrative expenses may not exceed more than 1% of funds.

(c) Supplemental Appropriations.—Supplemental appropriations for FY 2001 are authorized.

Title III—Requirements for Election Technology & Administration

Sec. 301.—Uniform and Nondiscriminatory Requirements for election Technology and Administration.

(a) Voting Systems.—Each voting system used in a Federal election shall meet the following requirements:

(1) shall permit the voter to verify and correct votes selected before the ballot is cast and tabulated;

(2) shall notify the voter of the effects of casting more than 1 vote for a candidate [over votes] and allow the voter to correct the ballot before it is cast and tabulated;

(3) shall notify the voter of the effects of not voting for all of the candidates [under votes] and allow the voter to correct the ballot before it is cast and tabulated;

(4) shall produce an audit trail;

(5) shall be accessible for individuals with disabilities and other individuals with special needs, including providing nonvisual access for the blind and visually impaired, which provides the same opportunity for access and participation (including privacy and independence) as for other voters, and provides alternative language accessibility for voters with limited English proficiency; and

(6) has an error rate in counting and tabulating ballots that does not exceed the current error rate standards established by the Voting systems Standards of the Office of Election Administration of the Federal Elections Administration.

(b) Provisional Voting.—Each State must provide for provisional voting in a Federal election so that if the name of a voter who declares to be a registered eligible voter does not appear on the official list, or if it is otherwise asserted that the individual is not eligible to vote—

(1) an election official shall notify the individual that the voter may cast a provisional ballot;

(2) the individual shall be permitted to cast a vote upon written affirmation, before an election official, by the individual that he/she is eligible to vote;

(3) an election official shall transfer the ballot to the appropriate State or local official for prompt verification;

(4) if the appropriate State or local official verifies the affirmation, the vote shall be tabulated; and

(5) the individual shall be notified in writing of the final disposition of the declaration and treatment of the vote.

(c) Sample Ballot.—(1) Not later than 10 days before a Federal election, the appropriate election official shall mail a sample version of the ballot to each registered voter, along with:

(A) information on the date of the election and the polling hours;

(B) instructions on how to cast a vote on the ballot; and

(C) general information on voting rights under Federal and applicable State laws and instructions on how to effectuate those rights

(2) Publication and Posting.—not later than 10 days before a Federal election, the sample ballot which is mailed to each voter shall be published in a newspaper of general circulation and posted publicly at each polling place.

Sec. 302.—Guidelines and Technical Specifications.

(a) Voting Systems Requirement Specifications.—The Office of Election Administration of the Federal Election Commission shall develop national Voting Systems Specifications with respect to the voting systems requirement under 301.

(b) Provisional Voting Guidelines.—The Civil Rights Division of the Department of Justice shall develop initial guidelines with respect to the provisional voting requirement under 301.

(c) Sample Ballot Guidelines.—The Civil Rights Division of the Department of Justice shall develop initial guidelines with respect to the sample ballot requirement under 301.

Sec. 303—Requiring States to Meet Requirements.

(a) In General.—a State or locality must meet the requirements for voting systems, provisional voting and sample ballots with respect to the regularly scheduled election for Federal office held in the State in 2004, except that if guidelines and technical specifications have not been published, such guidelines and specifications do not have to be complied with until published.

(b) Treatment of Activities Relating to Voting Systems Under Grant Program.—If a State has received grant funds to purchase or modify voting systems in accordance with a state plan, the State shall be deemed to meet the requirement of section 301(a).

Sec. 304.—Enforcement by Attorney General.

The Attorney General may bring a civil action for appropriate relief (including declaratory or injunctive relief) as may be necessary to carry out this title.

TITLE IV—MISCELLANEOUS

Sec. 401.—Relationship to Other Laws.

(a) In General.—nothing in this Act may be construed to authorize or require conduct prohibited under the following laws, or supersede, restrict, or limit such laws:

(1) The National Voter Registration Act of 1993;

(2) The Voting Rights Act of 1965;

(3) The Voting Accessibility for the Elderly and Handicapped Act;

(4) The Uniformed and Overseas Citizens Absentee Voting Act;

(5) The Americans with Disabilities Act of 1990.

(b) No Effect on Preclearance or Other Requirements Under Voting Rights Act.—the approval by the Attorney General of a State's grant application shall not be considered to have any effect on requirements for preclearance under section 5 of the Voting Rights Act of 1965 or any other requirements of such Act.

By Mr. HOLLINGS:

S. 566. A bill to amend the Internal Revenue Code of 1986 to provide a 10 percent individual income tax rate for taxable years beginning in 2001 and a payroll tax credit for those taxpayers who have no income tax liability in 2001; to the Committee on Finance.

Mr. HOLLINGS. Mr. President, I recently introduced, S. Con. Res. 20, a one-year budget proposal which included instructions for a tax cut if either: (1) a true surplus materializes, or (2) we enter a recession. It is now apparent the economy is on a downturn and there is no good reason to await action. That is why I am introducing a one-year tax cut of approximately $95 billion to stimulate the economy. Any tax cut designed for economic stimulus should be about one percent of GDP. The tax cut will reduce income taxes and payroll taxes as follows:

The 15 percent tax rate will be reduced to 10 percent for the following brackets:

$0–20,000 for couples;

$0–16,000 for heads of households;

$0–10,000 for singles or married filing separately.

The 25 million taxpayers who pay payroll taxes but do not qualify for income tax cuts will receive up to $500 in payroll tax cuts.

This plan reaches approximately 120 million taxpayers, thus providing relief to more people than any other proposal to date. If passed, this proposal will provide immediate relief by sending a check to these 120 million taxpayers by July 1, 2001.

By Mr. SESSIONS:

S. 567. A bill to amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners; to the Committee on Finance.

Mr. SESSIONS. Mr. President, I rise today to introduce legislation which will simplify and update a provision of the tax code that affects the sale of timber. It is both a simplification measure and a fairness measure. I call it the Timber Tax Simplification Act.

Under current law, landowners that are occasional sellers of timber are often classified by the Internal Revenue Service as "dealers." As a result, the small landowner is forced to choose, because of the tax code, between two different methods of selling their timber. The first method, "lump sum" sales, provides for good business practice but is subject to a high income tax. The second method, "pay-as-cut" sales, allows for lower capital gains tax treatment, but often results in an under-realization of the fair value of the contract. Why, one might ask, do these conflicting incentives exist for our nation's timber growers?

Earlier in this century, outright, or "lump sum", sales on a cash in advance, sealed basis, were associated with a "cut and run" mentality that did not promote good forest management. "Pay-as-cut sales", however, in which a timber owner is only paid for timber that is actually harvested, were associated with "enlightened" resource management. Consequently, in 1943, Congress, in an effort to provide an incentive for improved forest management, passed legislation that allowed capital gains treatment under 631(b) of the IRS Code for pay-as-cut sales, leaving lump-sum sales to pay the much higher rate of income tax. It is said that President Roosevelt opposed the bill and almost vetoed it.

Today, however, Section 631(b), like so many provisions in the IRS Code, is outdated. Forest management practices are much different from what they were in 1943 and lump-sum sales are no longer associated with poor forest management. And, while there are occasional special situations where other methods may be more appropriate, most timber owners prefer this method over the "pay-as-cut" method. The reasons are simple: title to the timber is transferred upon the closing of the sale and the buyer assumes the risk of any physical loss of timber to fire, insects, disease, storms, etc. Furthermore, the price to be paid for the timber is determined and received at the time of the sale.

Unfortunately, in order for timber owners to qualify for the favorable capital gains treatment, they must market their timber on a "pay-as-cut" basis under Section 631(b) which requires timber owners to sell their timber with a "retained economic interest." This means that the timber owner, not the buyer, must bear the risk of any physical loss during the timber sale contract period and must be paid only for the timber that is actually harvested. As a result, this type of sale can be subject to fraud and abuse by the timber buyer. Since the buyer pays only for the timber that is removed and scaled, there is an incentive to waste poor quality timber by breaking the tree during the logging process, underscaling the timber, or removing the timber without scaling. But because 631(b) provides for the favorable tax treatment, many timber owners are forced into exposing themselves to unnecessary risk of loss by having to market their timber in this disadvantageous way instead of the more preferable lump-sum method.

Like many of the provisions in the tax code, Section 631(b) is outdated and prevents good forestry business management. Timber farmers, who have usually spent decades producing their timber "crop", should be able to receive equal tax treatment regardless of the method used for marketing their timber.

In the past, the Joint Committee on Taxation has studied this legislation to consider what impact it might have on the Treasury and found that it would have no real cost—only a "negligible change" according to their analysis.

The IRS has no business stepping in and dictating the kind of sales contract a landowner must choose. My legislation will provide greater consistency by removing the exclusive "retained economic interest" requirement in the IRC Section 631(b). Reform of 631(b) is important to our nation's non-industrial, private landowners because it will improve the economic viability of their forestry investments and protect the taxpayer from unnecessary exposure to risk of loss. This in turn will benefit the entire forest products industry, the U.S. economy and especially small landowners.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 26—AUTHORIZING THE ROTUNDA OF THE CAPITOL TO BE USED ON JULY 18, 2001, FOR A CEREMONY TO PRESENT CONGRESSIONAL GOLD MEDALS TO THE ORIGINAL 29 NAVAJO CODE TALKERS

Mr. BINGAMAN submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. Con. Res. 26

Resolved by the Senate (the House of Representatives concurring), That the Rotunda of the Capitol is authorized to be used on July 18, 2001, for a ceremony to present Congressional Gold Medals to the original 29 Navajo Code Talkers. Physical preparations for the ceremony shall be carried out in accordance with such conditions as the Architect of the Capitol may prescribe.

AMENDMENTS SUBMITTED AND PROPOSED

SA 110. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table.

SA 111. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 27, supra; which was ordered to lie on the table.

SA 112. Mr. DOMENICI (for himself, Mr. Ensign, and Mr. Sessions) proposed an amendment to the bill S. 27, supra.

SA 113. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 114. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 110. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. LIMITATION ON REIMBURSEMENT FROM CAMPAIGNS FOR CONTRIBUTIONS BY SENATE CANDIDATES AND IMMEDIATE FAMILIES OF SENATE CANDIDATES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is amended by adding at the end the following:

"SEC. 324. LIMITATION ON REIMBURSEMENT FROM CAMPAIGNS FOR CONTRIBUTIONS BY SENATE CANDIDATES AND IMMEDIATE FAMILIES OF SENATE CANDIDATES.

"(a) In General.—The aggregate amount of contributions made during an election cycle to a candidate for the office of Senator or the candidate's authorized committees from the sources described in subsection (b) that may be reimbursed to those sources shall not exceed $250,000.

"(b) Sources.—A source is described in this subsection if the source is—

"(1) personal funds of the candidate and members of the candidate's immediate family; or

"(2) personal loans incurred by the candidate and members of the candidate's immediate family.

"(c) Indexing.—The $250,000 amount under subsection (a) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 2000.".

SA 111. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. EXEMPTION FOR STATE AND LOCAL POLITICAL COMMITTEES FROM NOTIFICATION AND REPORTING REQUIREMENTS IMPOSED BY PUBLIC LAW 106–230.

(a) Exemption From Notification Requirements.—Paragraph (5) of section 527(i) of the Internal Revenue Code of 1986 (relating to organizations must notify Secretary that they are section 527 organizations) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by adding at the end the following new subparagraph:

"(C) which—

"(i) engages in exempt function activity solely in the attempt to influence the selection, nomination, election, or appointment of any individual to any State or local public office or office in a State or local political organization, and

"(ii) is subject to State or local contribution and expenditure reporting requirements relating to selections, nominations, elections, and appointments to such offices, and reports under such requirements are publicly available.".

(b) Exemption From Reporting Requirements.—Paragraph (5) of section 527(j) of such Code (relating to required disclosures of expenditures and contributions) is amended by striking "or" at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting ", or", and by adding at the end the following new subparagraph:

"(F) to any organization which—'

"(i) engages in exempt function activity solely in the attempt to influence the selection, nomination, election, or appointment of any individual to any State or local public office or office in a State or local political organization, and

"(ii) is subject to State or local contribution and expenditure reporting requirements relating to selections, nominations, elections, and appointments to such offices, and reports under such requirements are publicly available.".

(c) Exemption From Requirements for Annual Return Based on Gross Receipts.—Paragraph (6) of section 6012(a) of such Code is amended by striking "section)" and inserting "section and an organization described in section 527(i)(5)(C)".

(d) Effective Date.—Notwithstanding section 402, the amendments made by this section shall take effect as if included in the amendments made by Public Law 106–230.

SA 112. Mr. DOMENICI (for himself, Mr. Ensign, and Mr. Sessions) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. USE OF PERSONAL WEALTH FOR CAMPAIGN PURPOSES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following:

"(i) Use of Personal Wealth.—

"(1) Required declaration.—

"(A) In general.—Not later than 15 days after the date a candidate for the office of Senator is required to file a declaration of candidacy under Federal law, the candidate shall file with the Commission a declaration stating whether or not the candidate intends to expend personal funds in connection with the candidate's election for office, in an aggregate amount equal to or greater than $500,000.

"(B) Personal funds.—In this subsection, the term 'personal funds' means—

"(i) funds of the candidate (including funds derived from any asset of the candidate) or funds from obligations incurred by the candidate in connection with the candidate's campaign; and

"(ii) funds of the candidate's spouse, a child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate and the spouse of any such person, and a child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse and the spouse of such person.

"(C) Form of statement.—The statement required by this subsection shall be in such form, and shall contain such information, as the Commission may, by regulation, require.

"(2) Increase in limits.—

"(A) In general.—Notwithstanding any other provision of law, in any election in which a candidate for the office of Senator declares an intention to expend more personal funds than the limit described in paragraph (1)(A), expends personal funds in excess of such limit, or fails to file the declaration required by this subsection, the increased contribution limits under subparagraph (B) shall apply to other eligible candidates in the same election.

"(B) Limit amounts.—The increased limits under this subparagraph are the following:

"(i) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $500,000 but not more than $749,999, the limits under paragraphs (1)(A) and (2)(A) of subsection (a) shall be 3 times the applicable limit.

"(ii) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $750,000 but not more than $999,999—

"(I) the limits under paragraphs (1)(A) and (2)(A) of subsection (a) shall be 5 times the applicable limits; and

"(II) the limits under subsection (h) shall not apply.

"(iii) In the case of an election in which a candidate declares an intention to expend, or expends, personal funds in an amount equal to or greater than $1,000,000—

"(I) the limit under subsection (a)(1)(A) shall be 5 times the applicable amount;

"(II) the limits under subsection (a)(2)(A) with respect to a contribution from a State or national committee of a political party, (d), and (h) shall not apply.

"(3) ELIGIBLE CANDIDATE.—In this paragraph, an eligible candidate is a candidate who is not required to file a declaration under paragraph (1) or amended declaration under paragraph (5).

"(4) INAPPLICABILITY OF INCREASED LIMITS.—If the increased limitations under paragraph (2) are in effect for a convention or a primary election, as a result of an individual candidate, and such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of paragraph (2) shall no longer apply to eligible candidates in such subsequent elections.

"(5) AMENDED DECLARATION.—

"(A) IN GENERAL.—Any candidate who—

"(i) declares under paragraph (1) that the candidate does not intend to expend personal funds in an aggregate amount in excess of the limit described in paragraph (1)(A); and

"(ii) subsequently does expend personal funds in excess of such limit or intends to expend personal funds in excess of such limits, such candidate shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested.

"(B) ADDITIONAL NOTIFICATION.—After the candidate files a declaration under paragraph (1)(A) or an amended declaration under subparagraph (A), the candidate shall file an additional notification with the Commission and all other candidates for such office each time expenditures from personal funds are made in an aggregate amount in excess of—

"(i) $750,000; and

"(ii) $1,000,000.

"(6) ENFORCEMENT.—The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

SEC. 306. USE OF CONTRIBUTIONS TO REPAY PERSONAL LOANS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 305, is amended by adding at the end the following:

"(j) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to loans made or incurred after the date of enactment of this Act.

Mr. WARNER. Mr. President, I rise today in support of the Domenici amendment.

As chairman of the Rules Committee during the 105th Congress, I had the honor of presiding over numerous hearings on campaign finance reform. As a result of these two years of hearings, discussions with numerous experts and colleagues, and the result of over two decades of participating in campaigns and campaign finance debates, I have developed some strong opinions on the issue of campaign finance reform. In fact, during the 105th and 106th Congresses, I introduced my own campaign finance reform bills. One aspect of both bills was a provision designed to level the playing field for candidates running against self-financed candidates.

Candidates with personal wealth have a distinct advantage because of their constitutional right to spend their own funds. The prospect of facing a self-financed candidate can be daunting and may prevent many talented potential candidates from entering a political contest. My bill contained provisions similar to Senator DOMENICI's amendment before use now that raise contribution limits for candidates running against self-financed candidates. Just as my bill raised contribution limits incrementally according to how much the self-financed candidate spends on his or her campaign, Senator DOMENICI's amendment does the same.

My first criteria when analyzing issues of campaign finance reform is that the legislation must be consistent with first amendment. The Congress must respect and protect the constitutional right of individuals, groups, and organizations to participate in advocacy concerning political issues, and this includes self-financed candidates. This amendment does not constrain the first amendment rights of the self-financed candidate, it merely levels the playing field and opens up the political process to those of more modest means.

I urge my colleagues to support this amendment.

SA 113. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

Beginning on page 22, strike line 1 and all that follows through page 24, line 2 and insert the following:

SEC. 212. REPORTING REQUIREMENTS FOR INDEPENDENT EXPENDITURES.

(a) TIME FOR REPORTING CERTAIN EXPENDITURES.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103 and 201, is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

"(f) TIME FOR REPORTING CERTAIN EXPENDITURES.—

"(1) EXPENDITURES AGGREGATING $1,000.—

"(A) INITIAL REPORT.—A person that makes or obligates to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made or obligated to be made.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person filing the report shall file an additional report each time that independent expenditures are made or obligated to be made aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) EXPENDITURES AGGREGATING $10,000.—

"(A) INITIAL REPORT.—A person that makes or obligates to make independent expenditures aggregating $10,000 or more after the 90th day and up to and including the 20th day before an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made or obligated to be made.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person filing the report shall file an additional report each time that independent expenditures are made or obligated to be made aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) CONTENTS OF REPORT.—A report under this subsection—

"(A) shall be filed with the Commission;

"(B) shall contain the information required by subsection (c).".

(b) AFFIDAVIT REQUIREMENT.—

(1) REQUIRED FROM PERSON MAKING EXPENDITURE.—Section 304(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(c)), as amended by subsection (a), is amended—

(A) in paragraph (2)(B), by striking "certification" and inserting "affidavit (in the case of a committee, by both the chief executive officer and the treasurer of the committee)"; and

(B) by adding at the end the following:

"(4) Not later than 48 hours after making any independent expenditure, a person described in paragraph (1) shall file the affidavit described in paragraph (2)(B) with respect to the expenditure with the Commission.".

(2) REQUIRED FROM CANDIDATE REFERRED TO IN EXPENDITURE.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end the following:

"(g) AFFIDAVIT REQUIREMENTS.—

"(1) COMMISSION.—Not later than 48 hours after receipt of an affidavit under subsection (c)(4), the Commission shall notify the candidate to which the independent expenditure refers and the candidate's campaign manager and campaign treasurer that an expenditure has been made and an affidavit has been received.

"(2) CANDIDATE.—Not later than 48 hours after receipt of notification under paragraph (1), the candidate and the candidate's campaign manager and campaign treasurer shall each file with the Commission an affidavit, under penalty of perjury, stating whether or not the independent expenditure was made in cooperation, consultation, or concert, with, or at the request or suggestion of, the candidate or authorized committee or agent of such candidate.".

(c) CONFORMING AMENDMENT.—Section 304(c)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(c)(3)) is amended by inserting "or subsection (f)" after "this subsection".

SA 114. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 7, line 24, before "; and", insert the following: "so that a reasonable person would not disagree that the meaning of the communication, taken as a whole, was to urge the election or defeat of a clearly identified candidate."

On page 15, line 20, insert the following:

"(iv) promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) so that a reasonable person would not disagree that the meaning of the communication, taken as a whole, was to urge the election or defeat of a clearly identified candidate."

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON HOUSING AND TRANSPORTATION

Mr. McCONNELL. Mr. President, I ask unanimous consent that the subcommittee on Housing and Transportation of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Monday, March 19, 2001, to conduct a hearing on "The Health of H.U.D.'s Federal Housing Administration Insurance Fund."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Monday, March 19, 2001 at 2:30 p.m., in open session to receive testimony on the fiscal year 2000 report to Congress of the panel to assess the reliability, safety, and security of the United States nuclear stockpile.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. FEINGOLD. Mr. President, I ask unanimous consent that Jeff Lehman, an intern in my office, be granted privileges of the floor during the debate on S. 27, and that privileges of the floor be granted for the duration of the debate on S. 27 to the members of my staff whose names appear below:

Bill Dauster, Ari Geller, Farhana Khera, Trevor Miller, Mary Murphy, Brian O'Leary, Mary Frances Repko, Thomas Reynolds, Mary Ann Richmond, Bob Schiff, Sumner Slichter, Kitty Thomas, Tom Walls, Adam Waskowski, Hilary Wenzler.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask unanimous consent that Martin Siegel, a staff member of the Senate Judiciary Committee working with Senator SCHUMER, be granted the privilege of the floor during the pendency of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

BANKRUPTCY REFORM ACT OF 2001

On March 15, 2001, the Senate amended and passed S. 420, as follows;

S. 420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bankruptcy Reform Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—NEEDS-BASED BANKRUPTCY

Sec. 101. Conversion.
Sec. 102. Dismissal or conversion.
Sec. 103. Sense of Congress and study.
Sec. 104. Notice of alternatives.
Sec. 105. Debtor financial management training test program.
Sec. 106. Credit counseling.
Sec. 107. Schedules of reasonable and necessary expenses.

TITLE II—ENHANCED CONSUMER PROTECTION

Subtitle A—Penalties for Abusive Creditor Practices

Sec. 201. Promotion of alternative dispute resolution.
Sec. 202. Effect of discharge.
Sec. 203. Discouraging abuse of reaffirmation practices.
Sec. 204. Preservation of claims and defenses upon sale of predatory loans.
Sec. 205. GAO study on reaffirmation process.

Subtitle B—Priority Child Support

Sec. 211. Definition of domestic support obligation.
Sec. 212. Priorities for claims for domestic support obligations.
Sec. 213. Requirements to obtain confirmation and discharge in cases involving domestic support obligations.
Sec. 214. Exceptions to automatic stay in domestic support obligation proceedings.
Sec. 215. Nondischargeability of certain debts for alimony, maintenance, and support.
Sec. 216. Continued liability of property.
Sec. 217. Protection of domestic support claims against preferential transfer motions.
Sec. 218. Disposable income defined.
Sec. 219. Collection of child support.
Sec. 220. Nondischargeability of certain educational benefits and loans.

Subtitle C—Other Consumer Protections

Sec. 221. Amendments to discourage abusive bankruptcy filings.
Sec. 222. Sense of Congress.
Sec. 223. Additional amendments to title 11, United States Code.
Sec. 224. Protection of retirement savings in bankruptcy.
Sec. 225. Protection of education savings in bankruptcy.
Sec. 226. Definitions.
Sec. 227. Restrictions on debt relief agencies.
Sec. 228. Disclosures.
Sec. 229. Requirements for debt relief agencies.
Sec. 230. GAO study.
Sec. 231. Protection of nonpublic personal information.
Sec. 232. Consumer privacy ombudsman.
Sec. 233. Prohibition on disclosure of identity of minor children.

TITLE III—DISCOURAGING BANKRUPTCY ABUSE

Sec. 301. Reinforcement of the fresh start.
Sec. 302. Discouraging bad faith repeat filings.
Sec. 303. Curbing abusive filings.
Sec. 304. Debtor retention of personal property security.
Sec. 305. Relief from the automatic stay when the debtor does not complete intended surrender of consumer debt collateral.
Sec. 306. Giving secured creditors fair treatment in chapter 13.
Sec. 307. Domiciliary requirements for exemptions.
Sec. 308. Limitation.
Sec. 309. Protecting secured creditors in chapter 13 cases.
Sec. 310. Limitation on luxury goods.
Sec. 311. Automatic stay.
Sec. 312. Extension of period between bankruptcy discharges.
Sec. 313. Definition of household goods and antiques.
Sec. 314. Debt incurred to pay nondischargeable debts.
Sec. 315. Giving creditors fair notice in chapters 7 and 13 cases.
Sec. 316. Dismissal for failure to timely file schedules or provide required information.
Sec. 317. Adequate time to prepare for hearing on confirmation of the plan.
Sec. 318. Chapter 13 plans to have a 5-year duration in certain cases.
Sec. 319. Sense of Congress regarding expansion of rule 9011 of the Federal Rules of Bankruptcy Procedure.
Sec. 320. Prompt relief from stay in individual cases.
Sec. 321. Chapter 11 cases filed by individuals.
Sec. 322. Excluding employee benefit plan participant contributions and other property from the estate.
Sec. 323. Exclusive jurisdiction in matters involving bankruptcy professionals.
Sec. 324. United States trustee program filing fee increase.
Sec. 325. Sharing of compensation.
Sec. 326. Fair valuation of collateral.
Sec. 327. Defaults based on nonmonetary obligations.
Sec. 328. Nondischargeability of debts incurred through violations of laws relating to the provision of lawful goods and services.
Sec. 329. Clarification of postpetition wages and benefits.

TITLE IV—GENERAL AND SMALL BUSINESS BANKRUPTCY PROVISIONS

Subtitle A—General Business Bankruptcy Provisions

Sec. 401. Adequate protection for investors.
Sec. 402. Meetings of creditors and equity security holders.
Sec. 403. Protection of refinance of security interest.
Sec. 404. Executory contracts and unexpired leases.
Sec. 405. Creditors and equity security holders committees.
Sec. 406. Amendment to section 546 of title 11, United States Code.
Sec. 407. Amendments to section 330(a) of title 11, United States Code.
Sec. 408. Postpetition disclosure and solicitation.
Sec. 409. Preferences.
Sec. 410. Venue of certain proceedings.
Sec. 411. Period for filing plan under chapter 11.
Sec. 412. Fees arising from certain ownership interests.
Sec. 413. Creditor representation at first meeting of creditors.

Sec. 414. Definition of disinterested person.
Sec. 415. Factors for compensation of professional persons.
Sec. 416. Appointment of elected trustee.
Sec. 417. Utility service.
Sec. 418. Bankruptcy fees.
Sec. 419. More complete information regarding assets of the estate.
Sec. 420. Duties with respect to a debtor who is a plan administrator of an employee benefit plan.

Subtitle B—Small Business Bankruptcy Provisions

Sec. 431. Flexible rules for disclosure statement and plan.
Sec. 432. Definitions.
Sec. 433. Standard form disclosure statement and plan.
Sec. 434. Uniform national reporting requirements.
Sec. 435. Uniform reporting rules and forms for small business cases.
Sec. 436. Duties in small business cases.
Sec. 437. Plan filing and confirmation deadlines.
Sec. 438. Plan confirmation deadline.
Sec. 439. Duties of the United States trustee.
Sec. 440. Scheduling conferences.
Sec. 441. Serial filer provisions.
Sec. 442. Expanded grounds for dismissal or conversion and appointment of trustee.
Sec. 443. Study of operation of title 11, United States Code, with respect to small businesses.
Sec. 444. Payment of interest.
Sec. 445. Priority for administrative expenses.

TITLE V—MUNICIPAL BANKRUPTCY PROVISIONS

Sec. 501. Petition and proceedings related to petition.
Sec. 502. Applicability of other sections to chapter 9.

TITLE VI—BANKRUPTCY DATA

Sec. 601. Improved bankruptcy statistics.
Sec. 602. Uniform rules for the collection of bankruptcy data.
Sec. 603. Audit procedures.
Sec. 604. Sense of Congress regarding availability of bankruptcy data.

TITLE VII—BANKRUPTCY TAX PROVISIONS

Sec. 701. Treatment of certain liens.
Sec. 702. Treatment of fuel tax claims.
Sec. 703. Notice of request for a determination of taxes.
Sec. 704. Rate of interest on tax claims.
Sec. 705. Priority of tax claims.
Sec. 706. Priority property taxes incurred.
Sec. 707. No discharge of fraudulent taxes in chapter 13.
Sec. 708. No discharge of fraudulent taxes in chapter 11.
Sec. 709. Stay of tax proceedings limited to prepetition taxes.
Sec. 710. Periodic payment of taxes in chapter 11 cases.
Sec. 711. Avoidance of statutory tax liens prohibited.
Sec. 712. Payment of taxes in the conduct of business.
Sec. 713. Tardily filed priority tax claims.
Sec. 714. Income tax returns prepared by tax authorities.
Sec. 715. Discharge of the estate's liability for unpaid taxes.
Sec. 716. Requirement to file tax returns to confirm chapter 13 plans.
Sec. 717. Standards for tax disclosure.
Sec. 718. Setoff of tax refunds.
Sec. 719. Special provisions related to the treatment of State and local taxes.
Sec. 720. Dismissal for failure to timely file tax returns.

TITLE VIII—ANCILLARY AND OTHER CROSS-BORDER CASES

Sec. 801. Amendment to add chapter 15 to title 11, United States Code.
Sec. 802. Other amendments to titles 11 and 28, United States Code.

TITLE IX—FINANCIAL CONTRACT PROVISIONS

Sec. 901. Treatment of certain agreements by conservators or receivers of insured depository institutions.
Sec. 902. Authority of the Corporation with respect to failed and failing institutions.
Sec. 903. Amendments relating to transfers of qualified financial contracts.
Sec. 904. Amendments relating to disaffirmance or repudiation of qualified financial contracts.
Sec. 905. Clarifying amendment relating to master agreements.
Sec. 906. Federal Deposit Insurance Corporation Improvement Act of 1991.
Sec. 907. Bankruptcy Code amendments.
Sec. 907A. Securities broker/commodity broker liquidation.
Sec. 908. Recordkeeping requirements.
Sec. 909. Exemptions from contemporaneous execution requirement.
Sec. 910. Damage measure.
Sec. 911. SIPC stay.
Sec. 912. Asset-backed securitizations.
Sec. 913. Effective date; application of amendments.
Sec. 914. Savings clause.

TITLE X—PROTECTION OF FAMILY FARMERS AND FAMILY FISHERMEN

Sec. 1001. Permanent reenactment of chapter 12.
Sec. 1002. Debt limit increase.
Sec. 1003. Certain claims owed to governmental units.
Sec. 1004. Definition of family farmer.
Sec. 1005. Elimination of requirement that family farmer and spouse receive over 50 percent of income from farming operation in year prior to bankruptcy.
Sec. 1006. Prohibition of retroactive assessment of disposable income.
Sec. 1007. Family ffshermen.

TITLE XI—HEALTH CARE AND EMPLOYEE BENEFITS

Sec. 1101. Definitions.
Sec. 1102. Disposal of patient records.
Sec. 1103. Administrative expense claim for costs of closing a health care business and other administrative expenses.
Sec. 1104. Appointment of ombudsman to act as patient advocate.
Sec. 1105. Debtor in possession; duty of trustee to transfer patients.
Sec. 1106. Exclusion from program participation not subject to automatic stay.

TITLE XII—TECHNICAL AMENDMENTS

Sec. 1201. Definitions.
Sec. 1202. Adjustment of dollar amounts.
Sec. 1203. Extension of time.
Sec. 1204. Technical amendments.
Sec. 1205. Penalty for persons who negligently or fraudulently prepare bankruptcy petitions.
Sec. 1206. Limitation on compensation of professional persons.
Sec. 1207. Effect of conversion.
Sec. 1208. Allowance of administrative expenses.
Sec. 1209. Exceptions to discharge.
Sec. 1210. Effect of discharge.
Sec. 1211. Protection against discriminatory treatment.
Sec. 1212. Property of the estate.
Sec. 1213. Preferences.
Sec. 1214. Postpetition transactions.
Sec. 1215. Disposition of property of the estate.
Sec. 1216. General provisions.
Sec. 1217. Abandonment of railroad line.
Sec. 1218. Contents of plan.
Sec. 1219. Bankruptcy cases and proceedings.
Sec. 1220. Knowing disregard of bankruptcy law or rule.
Sec. 1221. Transfers made by nonprofit charitable corporations.
Sec. 1222. Protection of valid purchase money security interests.
Sec. 1223. Bankruptcy judgeships.
Sec. 1224. Compensating trustees.
Sec. 1225. Amendment to section 362 of title 11, United States Code.
Sec. 1226. Judicial education.
Sec. 1227. Reclamation.
Sec. 1228. Providing requested tax documents to the court.
Sec. 1229. Encouraging creditworthiness.
Sec. 1230. Property no longer subject to redemption.
Sec. 1231. Trustees.
Sec. 1232. Bankruptcy forms.
Sec. 1233. Expedited appeals of bankruptcy cases to courts of appeals.
Sec. 1234. Exemptions.
Sec. 1235. Involuntary cases.
Sec. 1236. Federal election law fines and penalties as nondischargeable debt.
Sec. 1237. No bankruptcy for insolvent political committees.

TITLE XIII—CONSUMER CREDIT DISCLOSURE

Sec. 1301. Enhanced disclosures under an open end credit plan.
Sec. 1302. Enhanced disclosure for credit extensions secured by a dwelling.
Sec. 1303. Disclosures related to "introductory rates".
Sec. 1304. Internet-based credit card solicitations.
Sec. 1305. Disclosures related to late payment deadlines and penalties.
Sec. 1306. Prohibition on certain actions for failure to incur finance charges.
Sec. 1307. Dual use debit card.
Sec. 1308. Study of bankruptcy impact of credit extended to dependent students.
Sec. 1309. Clarification of clear and conspicuous.

TITLE XIV—EMERGENCY ENERGY ASSISTANCE AND CONSERVATION MEASURES

Sec. 1401. Short title.
Sec. 1402. Findings and purposes.
Sec. 1403. Increased funding for LIHEAP, weatherization and State energy grants.
Sec. 1404. Federal energy management reviews.
Sec. 1405. Cost savings from replacement facilities.
Sec. 1406. Repeal of Energy Savings Performance Contract sunset.
Sec. 1407. Energy Savings Performance Contract definitions.
Sec. 1408. Effective date.

TITLE XV—GENERAL EFFECTIVE DATE; APPLICATION OF AMENDMENTS

Sec. 1501. Effective date; application of amendments.

TITLE XVI—MISCELLANEOUS PROVISIONS

Sec. 1601. Reimbursement of research, development, and maintenance costs.

TITLE I—NEEDS-BASED BANKRUPTCY

SEC. 101. CONVERSION.

Section 706(c) of title 11, United States Code, is amended by inserting “or consents to” after “requests”.

SEC. 102. DISMISSAL OR CONVERSION.

(a) IN GENERAL.—Section 707 of title 11, United States Code, is amended—

(1) by striking the section heading and inserting the following:

“§ 707. Dismissal of a case or conversion to a case under chapter 11 or 13”;

and

(2) in subsection (b)—

(A) by inserting “(1)” after “(b)”;

(B) in paragraph (1), as redesignated by subparagraph (A) of this paragraph—

(i) in the first sentence—

(I) by striking “but not at the request or suggestion of” and inserting “trustee, bankruptcy administrator, or”;

(II) by inserting “, or, with the debtor's consent, convert such a case to a case under chapter 11 or 13 of this title,” after “consumer debts”; and

(III) by striking “a substantial abuse” and inserting “an abuse”; and

(ii) by striking the next to last sentence; and

(C) by adding at the end the following:

“(2)(A)(i) In considering under paragraph (1) whether the granting of relief would be an abuse of the provisions of this chapter, the court shall presume abuse exists if the debtor's current monthly income reduced by the amounts determined under clauses (ii), (iii), and (iv), and multiplied by 60 is not less than the lesser of—

“(I) 25 percent of the debtor's nonpriority unsecured claims in the case, or $6,000, whichever is greater; or

“(II) $10,000.

“(ii)(I) The debtor's monthly expenses shall be the debtor's applicable monthly expense amounts specified under the National Standards and Local Standards, and the debtor's actual monthly expenses for the categories specified as Other Necessary Expenses issued by the Internal Revenue Service for the area in which the debtor resides, as in effect on the date of the entry of the order for relief, for the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case, if the spouse is not otherwise a dependent. Notwithstanding any other provision of this clause, the monthly expenses of the debtor shall not include any payments for debts. In addition, the debtor's monthly expenses shall include the debtor's reasonably necessary expenses incurred to maintain the safety of the debtor and the family of the debtor from family violence as identified under section 309 of the Family Violence Prevention and Services Act (42 U.S.C. 10408), or other applicable Federal law. The expenses included in the debtor's monthly expenses described in the preceding sentence shall be kept confidential by the court. In addition, if it is demonstrated that it is reasonable and necessary, the debtor's monthly expenses may also include an additional allowance for food and clothing of up to 5 percent of the food and clothing categories as specified by the National Standards issued by the Internal Revenue Service.

“(II) In addition, the debtor's monthly expenses may include, if applicable, the continuation of actual expenses paid by the debtor that are reasonable and necessary for care and support of an elderly, chronically ill, or disabled household member or member of the debtor's immediate family (including parents, grandparents, siblings, children, and grandchildren of the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case) who is not a dependent and who is unable to pay for such reasonable and necessary expenses.

“(III) In addition, for a debtor eligible for chapter 13, the debtor's monthly expenses may include the actual administrative expenses of administering a chapter 13 plan for the district in which the debtor resides, up to an amount of 10 percent of the projected plan payments, as determined under schedules issued by the Executive Office for United States Trustees.

“(IV) In addition, the debtor's monthly expenses may include the actual expenses for each dependent child under the age of 18 years up to $1,500 per year per child to attend a private or public elementary or secondary school, if the debtor provides documentation of such expenses and a detailed explanation of why such expenses are reasonable and necessary, and that such expenses are not already accounted for in the Internal Revenue Service standards referred to in section 707(b)(2) of this title.

“(V) In addition, if it is demonstrated that it is reasonable and necessary, the debtor's monthly expenses may also include an additional allowance for housing and utilities, in excess of the allowance specified by the Local Standards for housing and utilities issued by the International Revenue Service, based on the actual expenses for home energy costs, if the debtor provides documentation of such expenses.

“(iii) The debtor's average monthly payments on account of secured debts shall be calculated as—

“(I) the sum of—

“(aa) the total of all amounts scheduled as contractually due to secured creditors in each month of the 60 months following the date of the petition; and

“(bb) any additional payments to secured creditors necessary for the debtor, in filing a plan under chapter 13 of this title, to maintain possession of the debtor's primary residence, motor vehicle, or other property necessary for the support of the debtor and the debtor's dependents, that serves as collateral for secured debts; divided by

“(II) 60.

“(iv) The debtor's expenses for payment of all priority claims (including priority child support and alimony claims) shall be calculated as—

“(I) the total amount of debts entitled to priority; divided by

“(II) 60.

“(B)(i) In any proceeding brought under this subsection, the presumption of abuse may only be rebutted by demonstrating special circumstances that justify additional expenses or adjustments of current monthly income for which there is no reasonable alternative.

“(ii) In order to establish special circumstances, the debtor shall be required to—

“(I) itemize each additional expense or adjustment of income; and

“(II) provide—

“(aa) documentation for such expense or adjustment to income; and

“(bb) a detailed explanation of the special circumstances that make such expenses or adjustment to income necessary and reasonable.

“(iii) The debtor shall attest under oath to the accuracy of any information provided to demonstrate that additional expenses or adjustments to income are required.

“(iv) The presumption of abuse may only be rebutted if the additional expenses or adjustments to income referred to in clause (i) cause the product of the debtor's current monthly income reduced by the amounts determined under clauses (ii), (iii), and (iv) of subparagraph (A) when multiplied by 60 to be less than the lesser of—

“(I) 25 percent of the debtor's nonpriority unsecured claims, or $6,000, whichever is greater; or

“(II) $10,000.

“(C) As part of the schedule of current income and expenditures required under section 521, the debtor shall include a statement of the debtor's current monthly income, and the calculations that determine whether a presumption arises under subparagraph (A)(i), that shows how each such amount is calculated.

“(3) In considering under paragraph (1) whether the granting of relief would be an abuse of the provisions of this chapter in a case in which the presumption in subparagraph (A)(i) of such paragraph does not apply or has been rebutted, the court shall consider—

“(A) whether the debtor filed the petition in bad faith; or

“(B) the totality of the circumstances (including whether the debtor seeks to reject a personal services contract and the financial need for such rejection as sought by the debtor) of the debtor's financial situation demonstrates abuse.

“(4)(A) The court shall order the counsel for the debtor to reimburse the trustee for all reasonable costs in prosecuting a motion brought under section 707(b), including reasonable attorneys' fees, if—

“(i) a trustee appointed under section 586(a)(1) of title 28 or from a panel of private trustees maintained by the bankruptcy administrator brings a motion for dismissal or conversion under this subsection; and

“(ii) the court—

“(I) grants that motion; and

“(II) finds that the action of the counsel for the debtor in filing under this chapter violated rule 9011 of the Federal Rules of Bankruptcy Procedure.

“(B) If the court finds that the attorney for the debtor violated rule 9011 of the Federal Rules of Bankruptcy Procedure, at a minimum, the court shall order—

“(i) the assessment of an appropriate civil penalty against the counsel for the debtor; and

“(ii) the payment of the civil penalty to the trustee, the United States trustee, or the bankruptcy administrator.

“(C) In the case of a petition, pleading, or written motion, the signature of an attorney shall constitute a certification that the attorney has—

“(i) performed a reasonable investigation into the circumstances that gave rise to the petition, pleading, or written motion; and

“(ii) determined that the petition, pleading, or written motion—

“(I) is well grounded in fact; and

“(II) is warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law and does not constitute an abuse under paragraph (1).

“(D) The signature of an attorney on the petition shall constitute a certification that the attorney has no knowledge after an inquiry that the information in the schedules filed with such petition is incorrect.

“(5)(A) Except as provided in subparagraph (B) and subject to paragraph (6), the court may award a debtor all reasonable costs (including reasonable attorneys' fees) in contesting a motion brought by a party in interest (other than a trustee, United States trustee, or bankruptcy administrator) under this subsection if—

"(i) the court does not grant the motion; and

"(ii) the court finds that—

"(I) the position of the party that brought the motion violated rule 9011 of the Federal Rules of Bankruptcy Procedure; or

"(II) the party brought the motion solely for the purpose of coercing a debtor into waiving a right guaranteed to the debtor under this title.

"(B) A small business that has a claim of an aggregate amount less than $1,000 shall not be subject to subparagraph (A)(ii)(I).

"(C) For purposes of this paragraph—

"(i) the term 'small business' means an unincorporated business, partnership, corporation, association, or organization that—

"(I) has less than 25 full-time employees as determined on the date the motion is filed; and

"(II) is engaged in commercial or business activity; and

"(ii) the number of employees of a wholly owned subsidiary of a corporation includes the employees of—

"(I) a parent corporation; and

"(II) any other subsidiary corporation of the parent corporation.

"(6) Only the judge, United States trustee, or bankruptcy administrator may bring a motion under section 707(b), if the current monthly income of the debtor, or in a joint case, the debtor and the debtor's spouse, as of the date of the order for relief, when multiplied by 12, is equal to or less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4.

"(7) No judge, United States trustee, panel trustee, bankruptcy administrator or other party in interest may bring a motion under paragraph (2), if the current monthly income of the debtor, or in a joint case, the debtor and the debtor's spouse, as of the date of the order for relief when multiplied by 12, is equal to or less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4.".

(b) DEFINITION.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (10) the following:

"(10A) 'current monthly income'—

"(A) means the average monthly income from all sources which the debtor, or in a joint case, the debtor and the debtor's spouse, receive without regard to whether the income is taxable income, derived during the 6-month period preceding the date of determination, which shall be the date which is the last day of the calendar month immediately preceding the date of the bankruptcy filing. If the debtor is providing the debtor's current monthly income at the time of the filing and otherwise the date of determination shall be such date on which the debtor's current monthly income is determined by the court for the purposes of this Act; and

"(B) includes any amount paid by any entity other than the debtor (or, in a joint case, the debtor and the debtor's spouse), on a regular basis to the household expenses of the debtor or the debtor's dependents (and, in a joint case, the debtor's spouse if not otherwise a dependent), but excludes benefits received under the Social Security Act and payments to victims of war crimes or crimes against humanity on account of their status as victims of such crimes;".

(c) UNITED STATES TRUSTEE AND BANKRUPTCY ADMINISTRATOR DUTIES.—Section 704 of title 11, United States Code, is amended—

(1) by inserting "(a)" before "The trustee shall—"; and

(2) by adding at the end the following:

"(b)(1) With respect to an individual debtor under this chapter—

"(A) the United States trustee or bankruptcy administrator shall review all materials filed by the debtor and, not later than 10 days after the date of the first meeting of creditors, file with the court a statement as to whether the debtor's case would be presumed to be an abuse under section 707(b); and

"(B) not later than 5 days after receiving a statement under subparagraph (A), the court shall provide a copy of the statement to all creditors.

"(2) The United States trustee or bankruptcy administrator shall, not later than 30 days after the date of filing a statement under paragraph (1), either file a motion to dismiss or convert under section 707(b) or file a statement setting forth the reasons the United States trustee or bankruptcy administrator does not believe that such a motion would be appropriate, if the United States trustee or bankruptcy administrator determines that the debtor's case should be presumed to be an abuse under section 707(b) and the product of the debtor's current monthly income, multiplied by 12 is not less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census; or

"(B) in the case of a debtor in a household of 2 or more individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census.

"(3) In any case in which a motion to dismiss or convert, or a statement is required to be filed by this subsection, the United States trustee or bankruptcy administrator may decline to file a motion to dismiss or convert pursuant to section 704(b)(2) if the product of the debtor's current monthly income multiplied by 12 exceeds 100 percent, but does not exceed 150 percent of—

"(A)(i) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census; or

"(ii) in the case of a debtor in a household of 2 or more individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; and

"(B) the product of the debtor's current monthly income, reduced by the amounts determined under section 707(b)(2)(A)(ii) (except for the amount calculated under the other necessary expenses standard issued by the Internal Revenue Service) and clauses (iii) and (iv) of section 707(b)(2)(A), multiplied by 60 is less than the lesser of—

"(i) 25 percent of the debtor's nonpriority unsecured claims in the case or $6,000, whichever is greater; or

"(ii) $10,000.".

(d) NOTICE.—Section 342 of title 11, United States Code, is amended by adding at the end the following:

"(d) In an individual case under chapter 7 in which the presumption of abuse is triggered under section 707(b), the clerk shall give written notice to all creditors not later than 10 days after the date of the filing of the petition that the presumption of abuse has been triggered.".

(e) NONLIMITATION OF INFORMATION.—Nothing in this title shall limit the ability of a creditor to provide information to a judge (except for information communicated ex parte, unless otherwise permitted by applicable law), United States trustee, bankruptcy administrator or trustee.

(f) DISMISSAL FOR CERTAIN CRIMES.—Section 707 of title 11, United States Code, as amended by this section, is amended by adding at the end the following:

"(c)(1) In this subsection—

"(A) the term 'crime of violence' has the meaning given that term in section 16 of title 18; and

"(B) the term 'drug trafficking crime' has the meaning given that term in section 924(c)(2) of title 18.

"(2) Except as provided in paragraph (3), after notice and a hearing, the court, on a motion by the victim of a crime of violence or a drug trafficking crime, may when it is in the best interest of the victims dismiss a voluntary case filed by an individual debtor under this chapter if that individual was convicted of that crime.

"(3) The court may not dismiss a case under paragraph (2) if the debtor establishes by a preponderance of the evidence that the filing of a case under this chapter is necessary to satisfy a claim for a domestic support obligation.".

(g) CONFIRMATION OF PLAN.—Section 1325(a) of title 11, United States Code, is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(7) the action of the debtor in filing the petition was in good faith;".

(h) APPLICABILITY OF MEANS TEST TO CHAPTER 13.—Section 1325(b) of title 11, United States Code, is amended—

(1) in paragraph (1)(B), by inserting "to unsecured creditors" after "to make payments"; and

(2) by striking paragraph (2) and inserting the following:

"(2) For purposes of this subsection, the term 'disposable income' means current monthly income received by the debtor (other than child support payments, foster care payments, or disability payments for a dependent child made in accordance with applicable nonbankruptcy law to the extent reasonably necessary to be expended for such child) less amounts reasonably necessary to be expended—

"(A) for the maintenance or support of the debtor or a dependent of the debtor or for a domestic support obligation that first becomes payable after the date the petition is filed and for charitable contributions (that meet the definition of 'charitable contribution' under section 548(d)(3) to a qualified religious or charitable entity or organization (as that term is defined in section 548(d)(4)) in an amount not to exceed 15 percent of gross income of the debtor for the year in which the contributions are made; and

"(B) if the debtor is engaged in business, for the payment of expenditures necessary for the continuation, preservation, and operation of such business.

"(3) Amounts reasonably necessary to be expended under paragraph (2) shall be determined in accordance with subparagraphs (A) and (B) of section 707(b)(2), if the debtor has current monthly income, when multiplied by 12, greater than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4.".

(i) SPECIAL ALLOWANCE FOR HEALTH INSURANCE.—Section 1329(a) of title 11, United States Code, is amended by inserting the following new paragraph—

"(4) reduce amounts to be paid under the plan by the actual amount expended by the debtor to purchase health insurance for the debtor and any dependent of the debtor (if those dependents do not otherwise have health insurance coverage) if the debtor documents the cost of such insurance and demonstrates that—

"(A) such expenses are reasonable and necessary;

"(B)(i) if the debtor previously paid for health insurance, the amount is not materially larger than the cost the debtor previously paid or the cost necessary to maintain the lapsed policy, or;

"(ii) if the debtor did not have health insurance, the amount is not materially larger than the reasonable cost that would be incurred by a debtor who purchases health insurance and who has similar income, expenses, age, health status, and lives in the same geographic location with the same number of dependents that do not otherwise have health insurance coverage; and

"(C) the amount is not otherwise allowed for purposes of determining disposable income under section 1325(b) of this title.

Upon request of any party in interest the debtor shall file proof that a health insurance policy was purchased.".

(j) CLERICAL AMENDMENT.—The table of sections for chapter 7 of title 11, United States Code, is amended by striking the item relating to section 707 and inserting the following:

"707. Dismissal of a case or conversion to a case under chapter 11 or 13.".

SEC. 103. SENSE OF CONGRESS AND STUDY.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Treasury has the authority to alter the Internal Revenue Service standards established to set guidelines for repayment plans as needed to accommodate their use under section 707(b) of title 11, United States Code.

(b) STUDY.—

(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Director of the Executive Office for United States Trustees shall submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives containing the findings of the Director regarding the utilization of Internal Revenue Service standards for determining—

(A) the current monthly expenses of a debtor under section 707(b) of title 11, United States Code; and

(B) the impact that the application of such standards has had on debtors and on the bankruptcy courts.

(2) RECOMMENDATION.—The report under paragraph (1) may include recommendations for amendments to title 11, United States Code, that are consistent with the findings of the Director under paragraph (1).

SEC. 104. NOTICE OF ALTERNATIVES.

Section 342(b) of title 11, United States Code, is amended to read as follows:

"(b) Before the commencement of a case under this title by an individual whose debts are primarily consumer debts, the clerk shall give to such individual written notice containing—

"(1) a brief description of—

"(A) chapters 7, 11, 12, and 13 and the general purpose, benefits, and costs of proceeding under each of those chapters; and

"(B) the types of services available from credit counseling agencies; and

"(2) statements specifying that—

"(A) a person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury in connection with a bankruptcy case shall be subject to fine, imprisonment, or both; and

"(B) all information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General.".

SEC. 105. DEBTOR FINANCIAL MANAGEMENT TRAINING TEST PROGRAM.

(a) DEVELOPMENT OF FINANCIAL MANAGEMENT AND TRAINING CURRICULUM AND MATERIALS.—The Director of the Executive Office for United States Trustees (in this section referred to as the "Director") shall consult with a wide range of individuals who are experts in the field of debtor education, including trustees who are appointed under chapter 13 of title 11, United States Code, and who operate financial management education programs for debtors, and shall develop a financial management training curriculum and materials that can be used to educate individual debtors on how to better manage their finances.

(b) TEST.—

(1) SELECTION OF DISTRICTS.—The Director shall select 6 judicial districts of the United States in which to test the effectiveness of the financial management training curriculum and materials developed under subsection (a).

(2) USE.—For an 18-month period beginning not later than 270 days after the date of enactment of this Act, such curriculum and materials shall be, for the 6 judicial districts selected under paragraph (1), used as the instructional course concerning personal financial management for purposes of section 111 of title 11, United States Code.

(c) EVALUATION.—

(1) IN GENERAL.—During the 18-month period referred to in subsection (b), the Director shall evaluate the effectiveness of—

(A) the financial management training curriculum and materials developed under subsection (a); and

(B) a sample of existing consumer education programs such as those described in the Report of the National Bankruptcy Review Commission (October 20, 1997) that are representative of consumer education programs carried out by the credit industry, by trustees serving under chapter 13 of title 11, United States Code, and by consumer counseling groups.

(2) REPORT.—Not later than 3 months after concluding such evaluation, the Director shall submit a report to the Speaker of the House of Representatives and the President pro tempore of the Senate, for referral to the appropriate committees of the Congress, containing the findings of the Director regarding the effectiveness of such curriculum, such materials, and such programs and their costs.

SEC. 106. CREDIT COUNSELING.

(a) WHO MAY BE A DEBTOR.—Section 109 of title 11, United States Code, is amended by adding at the end the following:

"(h)(1) Subject to paragraphs (2) and (3), and notwithstanding any other provision of this section, an individual may not be a debtor under this title unless that individual has, during the 180-day period preceding the date of filing of the petition of that individual, received from an approved nonprofit budget and credit counseling agency described in section 111(a) an individual or group briefing (including a briefing conducted by telephone or on the Internet) that outlined the opportunities for available credit counseling and assisted that individual in performing a related budget analysis.

"(2)(A) Paragraph (1) shall not apply with respect to a debtor who resides in a district for which the United States trustee or bankruptcy administrator of the bankruptcy court of that district determines that the approved nonprofit budget and credit counseling agencies for that district are not reasonably able to provide adequate services to the additional individuals who would otherwise seek credit counseling from that agency by reason of the requirements of paragraph (1).

"(B) Each United States trustee or bankruptcy administrator that makes a determination described in subparagraph (A) shall review that determination not later than 1 year after the date of that determination, and not less frequently than every year thereafter. Notwithstanding the preceding sentence, a nonprofit budget and credit counseling service may be disapproved by the United States trustee or bankruptcy administrator at any time.

"(3)(A) Subject to subparagraph (B), the requirements of paragraph (1) shall not apply with respect to a debtor who submits to the court a certification that—

"(i) describes exigent circumstances that merit a waiver of the requirements of paragraph (1);

"(ii) states that the debtor requested credit counseling services from an approved nonprofit budget and credit counseling agency, but was unable to obtain the services referred to in paragraph (1) during the 5-day period beginning on the date on which the debtor made that request; and

"(iii) is satisfactory to the court.

"(B) With respect to a debtor, an exemption under subparagraph (A) shall cease to apply to that debtor on the date on which the debtor meets the requirements of paragraph (1), but in no case may the exemption apply to that debtor after the date that is 30 days after the debtor files a petition, except that the court, for cause, may order an additional 15 days.”.

(b) CHAPTER 7 DISCHARGE.—Section 727(a) of title 11, United States Code, is amended—

(1) in paragraph (9), by striking “or” at the end;

(2) in paragraph (10), by striking the period and inserting “; or”; and

(3) by adding at the end the following:

“(11) after the filing of the petition, the debtor failed to complete an instructional course concerning personal financial management described in section 111.

“(12)(A) Paragraph (11) shall not apply with respect to a debtor who resides in a district for which the United States trustee or bankruptcy administrator of that district determines that the approved instructional courses are not adequate to service the additional individuals required to complete such instructional courses under this section.

“(B) Each United States trustee or bankruptcy administrator that makes a determination described in subparagraph (A) shall review that determination not later than 1 year after the date of that determination, and not less frequently than every year thereafter.”.

(c) CHAPTER 13 DISCHARGE.—Section 1328 of title 11, United States Code, is amended by adding at the end the following:

“(g) The court shall not grant a discharge under this section to a debtor, unless after filing a petition the debtor has completed an instructional course concerning personal financial management described in section 111.

“(h) Subsection (g) shall not apply with respect to a debtor who resides in a district for which the United States trustee or bankruptcy administrator of the bankruptcy court of that district determines that the approved instructional courses are not adequate to service the additional individuals who would be required to complete the instructional course by reason of the requirements of this section.

“(i) Each United States trustee or bankruptcy administrator that makes a determination described in subsection (h) shall review that determination not later than 1 year after the date of that determination, and not less frequently than every year thereafter.”.

(d) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, is amended—

(1) by inserting “(a)” before “The debtor shall—”; and

(2) by adding at the end the following:

“(b) In addition to the requirements under subsection (a), an individual debtor shall file with the court—

“(1) a certificate from the approved nonprofit budget and credit counseling agency that provided the debtor services under section 109(h) describing the services provided to the debtor; and

“(2) a copy of the debt repayment plan, if any, developed under section 109(h) through the approved nonprofit budget and credit counseling agency referred to in paragraph (1).”.

(e) GENERAL PROVISIONS.—

(1) IN GENERAL.—Chapter 1 of title 11, United States Code, is amended by adding at the end the following:

“§ 111. Credit counseling services; financial management instructional courses

“(a) The clerk of each district shall maintain a publicly available list of—

“(1) credit counseling agencies that provide 1 or more programs described in section 109(h) currently approved by the United States trustee or the bankruptcy administrator for the district, as applicable; and

“(2) instructional courses concerning personal financial management currently approved by the United States trustee or the bankruptcy administrator for the district, as applicable.

“(b) The United States trustee or bankruptcy administrator shall only approve a credit counseling agency or instructional course concerning personal financial management as follows:

“(1) The United States trustee or bankruptcy administrator shall have thoroughly reviewed the qualifications of the credit counseling agency or of the provider of the instructional course under the standards set forth in this section, and the programs or instructional courses which will be offered by such agency or provider, and may require an agency or provider of an instructional course which has sought approval to provide information with respect to such review.

“(2) The United States trustee or bankruptcy administrator shall have determined that the credit counseling agency or course of instruction fully satisfies the applicable standards set forth in this section.

“(3) When an agency or course of instruction is initially approved, such approval shall be for a probationary period not to exceed 6 months. An agency or course of instruction is initially approved if it did not appear on the approved list for the district under subsection (a) immediately prior to approval.

“(4) At the conclusion of the probationary period under paragraph (3), the United States trustee or bankruptcy administrator may only approve for an additional 1-year period, and for successive 1-year periods thereafter, any agency or course of instruction which has demonstrated during the probationary or subsequent period that such agency or course of instruction—

“(A) has met the standards set forth under this section during such period; and

“(B) can satisfy such standards in the future.

“(5) Not later than 30 days after any final decision under paragraph (4), that occurs either after the expiration of the initial probationary period; or after any 2-year period thereafter, an interested person may seek judicial review of such decision in the appropriate United States District Court.

“(c)(1) The United States trustee or bankruptcy administrator shall only approve a credit counseling agency that demonstrates that it will provide qualified counselors, maintain adequate provision for safekeeping and payment of client funds, provide adequate counseling with respect to client credit problems, and deal responsibly and effectively with other matters as relate to the quality, effectiveness, and financial security of such programs.

“(2) To be approved by the United States trustee or bankruptcy administrator, a credit counseling agency shall, at a minimum—

“(A) be a nonprofit budget and credit counseling agency, the majority of the board of directors of which—

“(i) are not employed by the agency; and

“(ii) will not directly or indirectly benefit financially from the outcome of a credit counseling session;

“(B) if a fee is charged for counseling services, charge a reasonable fee, and provide services without regard to ability to pay the fee;

“(C) provide for safekeeping and payment of client funds, including an annual audit of the trust accounts and appropriate employee bonding;

“(D) provide full disclosures to clients, including funding sources, counselor qualifications, possible impact on credit reports, and any costs of such program that will be paid by the debtor and how such costs will be paid;

“(E) provide adequate counseling with respect to client credit problems that includes an analysis of their current situation, what brought them to that financial status, and how they can develop a plan to handle the problem without incurring negative amortization of their debts;

“(F) provide trained counselors who receive no commissions or bonuses based on the counseling session outcome, and who have adequate experience, and have been adequately trained to provide counseling services to individuals in financial difficulty, including the matters described in subparagraph (E);

“(G) demonstrate adequate experience and background in providing credit counseling; and

“(H) have adequate financial resources to provide continuing support services for budgeting plans over the life of any repayment plan.

“(d) The United States trustee or bankruptcy administrator shall only approve an instructional course concerning personal financial management—

“(1) for an initial probationary period under subsection (b)(3) if the course will provide at a minimum—

“(A) trained personnel with adequate experience and training in providing effective instruction and services;

“(B) learning materials and teaching methodologies designed to assist debtors in understanding personal financial management and that are consistent with stated objectives directly related to the goals of such course of instruction;

“(C) adequate facilities situated in reasonably convenient locations at which such course of instruction is offered, except that such facilities may include the provision of such course of instruction or program by telephone or through the Internet, if the course of instruction or program is effective; and

“(D) the preparation and retention of reasonable records (which shall include the debtor's bankruptcy case number) to permit evaluation of the effectiveness of such course of instruction or program, including any evaluation of satisfaction of course of instruction or program requirements for each debtor attending such course of instruction or program, which shall be available for inspection and evaluation by the Executive Office for United States Trustees, the United States trustee, bankruptcy administrator, or chief bankruptcy judge for the district in which such course of instruction or program is offered; and

“(2) for any 1-year period if the provider thereof has demonstrated that the course meets the standards of paragraph (1) and, in addition—

“(A) has been effective in assisting a substantial number of debtors to understand personal financial management; and

“(B) is otherwise likely to increase substantially debtor understanding of personal financial management.

“(e) The District Court may, at any time, investigate the qualifications of a credit counseling agency referred to in subsection (a), and request production of documents to ensure the integrity and effectiveness of such credit counseling agencies. The District Court may, at any time, remove from the approved list under subsection (a) a credit counseling agency upon finding such agency does not meet the qualifications of subsection (b).

“(f) The United States trustee or bankruptcy administrator shall notify the clerk that a credit counseling agency or an instructional course is no longer approved, in which case the clerk shall remove it from the list maintained under subsection (a).

“(g)(1) No credit counseling service may provide to a credit reporting agency information concerning whether an individual debtor has received or sought instruction concerning personal financial management from the credit counseling service.

“(2) A credit counseling service that willfully or negligently fails to comply with any requirement under this title with respect to a debtor shall be liable for damages in an amount equal to the sum of—

“(A) any actual damages sustained by the debtor as a result of the violation; and

“(B) any court costs or reasonable attorneys' fees (as determined by the court) incurred in an action to recover those damages.”.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

“111. Credit counseling services; financial management instructional courses.”.

(f) LIMITATION.—Section 362 of title 11, United States Code, is amended by adding at the end the following:

“(i) If a case commenced under chapter 7, 11, or 13 is dismissed due to the creation of a debt repayment plan, for purposes of subsection (c)(3), any subsequent case commenced by the debtor under any such chapter shall not be presumed to be filed not in good faith.

“(j) On request of a party in interest, the court shall issue an order under subsection (c) confirming that the automatic stay has been terminated.”.

SEC. 107. SCHEDULES OF REASONABLE AND NECESSARY EXPENSES.

For purposes of section 707(b) of title 11, United States Code, as amended by this Act, the Director of the Executive Office for United States Trustees shall, not later than 180 days after the date of enactment of this Act, issue schedules of reasonable and necessary administrative expenses of administering a chapter 13 plan for each judicial district of the United States.

TITLE II—ENHANCED CONSUMER PROTECTION

Subtitle A—Penalties for Abusive Creditor Practices

SEC. 201. PROMOTION OF ALTERNATIVE DISPUTE RESOLUTION.

(a) REDUCTION OF CLAIM.—Section 502 of title 11, United States Code, is amended by adding at the end the following:

“(k)(1) The court, on the motion of the debtor and after a hearing, may reduce a claim filed under this section based in whole on unsecured consumer debts by not more than 20 percent of the claim, if—

“(A) the claim was filed by a creditor who unreasonably refused to negotiate a reasonable alternative repayment schedule proposed by an approved credit counseling agency described in section 111 acting on behalf of the debtor;

“(B) the offer of the debtor under subparagraph (A)—

“(i) was made at least 60 days before the filing of the petition; and

“(ii) provided for payment of at least 60 percent of the amount of the debt over a period not to exceed the repayment period of the loan, or a reasonable extension thereof; and

“(C) no part of the debt under the alternative repayment schedule is nondischargeable.

“(2) The debtor shall have the burden of proving, by clear and convincing evidence, that—

“(A) the creditor unreasonably refused to consider the debtor's proposal; and

“(B) the proposed alternative repayment schedule was made prior to expiration of the 60-day period specified in paragraph (1)(B)(i).”.

(b) LIMITATION ON AVOIDABILITY.—Section 547 of title 11, United States Code, is amended by adding at the end the following:

“(h) The trustee may not avoid a transfer if such transfer was made as a part of an alternative repayment plan between the debtor and any creditor of the debtor created by an approved credit counseling agency.”.

SEC. 202. EFFECT OF DISCHARGE.

Section 524 of title 11, United States Code, is amended by adding at the end the following:

“(i) The willful failure of a creditor to credit payments received under a plan confirmed under this title (including a plan of reorganization confirmed under chapter 11 of this title), unless the plan is dismissed, in default, or the creditor has not received payments required to be made under the plan in the manner required by the plan (including crediting the amounts required under the plan), shall constitute a violation of an injunction under subsection (a)(2) if the act of the creditor to collect and failure to credit payments in the manner required by the plan caused material injury to the debtor.

“(j) Subsection (a)(2) does not operate as an injunction against an act by a creditor that is the holder of a secured claim, if—

“(1) such creditor retains a security interest in real property that is the principal residence of the debtor;

“(2) such act is in the ordinary course of business between the creditor and the debtor; and

“(3) such act is limited to seeking or obtaining periodic payments associated with a valid security interest in lieu of pursuit of in rem relief to enforce the lien.”.

SEC. 203. DISCOURAGING ABUSE OF REAFFIRMATION PRACTICES.

(a) IN GENERAL.—Section 524 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (c), by striking paragraph (2) and inserting the following:

“(2) the debtor received the disclosures described in subsection (k) at or before the time at which the debtor signed the agreement;”;

(2) by adding at the end the following:

“(k)(1) The disclosures required under subsection (c)(2) shall consist of the disclosure statement described in paragraph (3), completed as required in that paragraph, together with the agreement, statement, declaration, motion and order described, respectively, in paragraphs (4) through (8), and shall be the only disclosures required in connection with the reaffirmation.

“(2) Disclosures made under paragraph (1) shall be made clearly and conspicuously and in writing. The terms ‘Amount Reaffirmed’ and ‘Annual Percentage Rate’ shall be disclosed more conspicuously than other terms, data or information provided in connection with this disclosure, except that the phrases ‘Before agreeing to reaffirm a debt, review these important disclosures’ and ‘Summary of Reaffirmation Agreement’ may be equally conspicuous. Disclosures may be made in a different order and may use terminology different from that set forth in paragraphs (2) through (8), except that the terms ‘Amount Reaffirmed’ and ‘Annual Percentage Rate’ must be used where indicated.

“(3) The disclosure statement required under this paragraph shall consist of the following:

“(A) The statement: ‘Part A: Before agreeing to reaffirm a debt, review these important disclosures:’;

“(B) Under the heading ‘Summary of Reaffirmation Agreement’, the statement: ‘This Summary is made pursuant to the requirements of the Bankruptcy Code’;

“(C) The ‘Amount Reaffirmed’, using that term, which shall be—

“(i) the total amount which the debtor agrees to reaffirm, and

“(ii) the total of any other fees or cost accrued as of the date of the disclosure statement.

“(D) In conjunction with the disclosure of the ‘Amount Reaffirmed’, the statements—

“(i) ‘The amount of debt you have agreed to reaffirm’; and

“(ii) ‘Your credit agreement may obligate you to pay additional amounts which may come due after the date of this disclosure. Consult your credit agreement.’.

“(E) The ‘Annual Percentage Rate’, using that term, which shall be disclosed as—

“(i) if, at the time the petition is filed, the debt is open end credit as defined under the Truth in Lending Act (15 U.S.C. 1601 et seq.), then—

“(I) the annual percentage rate determined under paragraphs (5) and (6) of section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b) (5) and (6)), as applicable, as disclosed to the debtor in the most recent periodic statement prior to the agreement or, if no such periodic statement has been provided the debtor during the prior 6 months, the annual percentage rate as it would have been so disclosed at the time the disclosure statement is given the debtor, or to the extent this annual percentage rate is not readily available or not applicable, then

“(II) the simple interest rate applicable to the amount reaffirmed as of the date the disclosure statement is given to the debtor, or if different simple interest rates apply to different balances, the simple interest rate applicable to each such balance, identifying the amount of each such balance included in the amount reaffirmed, or

“(III) if the entity making the disclosure elects, to disclose the annual percentage rate under subclause (I) and the simple interest rate under subclause (II);

“(ii) if, at the time the petition is filed, the debt is closed end credit as defined under the Truth in Lending Act (15 U.S.C. 1601 et seq.), then—

“(I) the annual percentage rate under section 128(a)(4) of the Truth in Lending Act (15 U.S.C. 1638(a)(4)), as disclosed to the debtor in the most recent disclosure statement given the debtor prior to the reaffirmation agreement with respect to the debt, or, if no such disclosure statement was provided the debtor, the annual percentage rate as it would have been so disclosed at the time the disclosure statement is given the debtor, or to the extent this annual percentage rate is not readily available or not applicable, then

“(II) the simple interest rate applicable to the amount reaffirmed as of the date the disclosure statement is given the debtor, or if different simple interest rates apply to different balances, the simple interest rate applicable to each such balance, identifying the amount of such balance included in the amount reaffirmed, or

“(III) if the entity making the disclosure elects, to disclose the annual percentage rate under (I) and the simple interest rate under (II).

“(F) If the underlying debt transaction was disclosed as a variable rate transaction on the most recent disclosure given under the Truth in Lending Act (15 U.S.C. 1601 et seq.), by stating ‘The interest rate on your loan may be a variable interest rate which changes from time to time, so that the annual percentage rate disclosed here may be higher or lower.’.

“(G) If the debt is secured by a security interest which has not been waived in whole or in part or determined to be void by a final order of the court at the time of the disclosure, by disclosing that a security interest or lien in goods or property is asserted over some or all of the obligations you are reaffirming and listing the items and their original purchase price that are subject to the asserted security interest, or if not a purchase-money security interest then listing by items or types and the original amount of the loan.

“(H) At the election of the creditor, a statement of the repayment schedule using 1 or a combination of the following—

“(i) by making the statement: ‘Your first payment in the amount of $ ____ is due on ____ but the future payment amount may be different. Consult your reaffirmation or credit agreement, as applicable.’, and stating the amount of the first payment and the due date of that payment in the places provided;

“(ii) by making the statement: ‘Your payment schedule will be:’, and describing the repayment schedule with the number, amount and due dates or period of payments scheduled to repay the obligations reaffirmed to the extent then known by the disclosing party; or

“(iii) by describing the debtor's repayment obligations with reasonable specificity to the extent then known by the disclosing party.

“(I) The following statement: ‘Note: When this disclosure refers to what a creditor “may” do, it does not use the word “may” to give the creditor specific permission. The word “may” is used to tell you what might occur if the law permits the creditor to take the action. If you have questions about your reaffirmation or what the law requires, talk to the attorney who helped you negotiate this agreement. If you don't have an attorney helping you, the judge will explain the effect of your reaffirmation when the reaffirmation hearing is held.’.

“(J)(i) The following additional statements:

“ ‘Reaffirming a debt is a serious financial decision. The law requires you to take certain steps to make sure the decision is in your best interest. If these steps are not completed, the reaffirmation agreement is not effective, even though you have signed it.

“ ‘1. Read the disclosures in this Part A carefully. Consider the decision to reaffirm carefully. Then, if you want to reaffirm, sign the reaffirmation agreement in Part B (or you may use a separate agreement you and your creditor agree on).

“ ‘2. Complete and sign Part D and be sure you can afford to make the payments you are agreeing to make and have received a copy of the disclosure statement and a completed and signed reaffirmation agreement.

“ ‘3. If you were represented by an attorney during the negotiation of the reaffirmation agreement, the attorney must have signed the certification in Part C.

“ ‘4. If you were not represented by an attorney during the negotiation of the reaffirmation agreement, you must have completed and signed Part E.

“ ‘5. The original of this disclosure must be filed with the court by you or your creditor. If a separate reaffirmation agreement (other than the one in Part B) has been signed, it must be attached.

“ ‘6. If you were represented by an attorney during the negotiation of the reaffirmation agreement, your reaffirmation agreement becomes effective upon filing with the court unless the reaffirmation is presumed to be an undue hardship as explained in Part D.

“ ‘7. If you were not represented by an attorney during the negotiation of the reaffirmation agreement, it will not be effective unless the court approves it. The court will notify you of the hearing on your reaffirmation agreement. You must attend this hearing in bankruptcy court where the judge will review your agreement. The bankruptcy court must approve the agreement as consistent with your best interests, except that no court approval is required if the agreement is for a consumer debt secured by a mortgage, deed of trust, security deed or other lien on your real property, like your home.

“ ‘Your right to rescind a reaffirmation. You may rescind (cancel) your reaffirmation at any time before the bankruptcy court enters a discharge order or within 60 days after the agreement is filed with the court, whichever is longer. To rescind or cancel, you must notify the creditor that the agreement is canceled.

“ ‘What are your obligations if you reaffirm the debt? A reaffirmed debt remains your personal legal obligation. It is not discharged in your bankruptcy. That means that if you default on your reaffirmed debt after your bankruptcy is over, your creditor may be able to take your property or your wages. Otherwise, your obligations will be determined by the reaffirmation agreement which may have changed the terms of the original agreement. For example, if you are reaffirming an open end credit agreement, the creditor may be permitted by that agreement or applicable law to change the terms of the agreement in the future under certain conditions.

“ ‘Are you required to enter into a reaffirmation agreement by any law? No, you are not required to reaffirm a debt by any law. Only agree to reaffirm a debt if it is in your best interest. Be sure you can afford the payments you agree to make.

“ ‘What if your creditor has a security interest or lien? Your bankruptcy discharge does not eliminate any lien on your property. A “lien” is often referred to as a security interest, deed of trust, mortgage or security deed. Even if you do not reaffirm and your personal liability on the debt is discharged, because of the lien your creditor may still have the right to take the security property if you do not pay the debt or default on it. If the lien is on an item of personal property that is exempt under your State's law or that the trustee has abandoned, you may be able to redeem the item rather than reaffirm the debt. To redeem, you make a single payment to the creditor equal to the current value of the security property, as agreed by the parties or determined by the court.’.

“(ii) In the case of a reaffirmation under subsection (m)(2), numbered paragraph 6 in the disclosures required by clause (i) of this subparagraph shall read as follows:

“ ‘6. If you were represented by an attorney during the negotiation of the reaffirmation agreement, your reaffirmation agreement becomes effective upon filing with the court.’.

“(4) The form of reaffirmation agreement required under this paragraph shall consist of the following:

“ ‘Part B: Reaffirmation Agreement. I/we agree to reaffirm the obligations arising under the credit agreement described below.

“ ‘Brief description of credit agreement:

“ ‘Description of any changes to the credit agreement made as part of this reaffirmation agreement:

“ ‘Signature: Date:

“ ‘Borrower:

“ ‘Co-borrower, if also reaffirming:

“ ‘Accepted by creditor:

“ ‘Date of creditor acceptance:’.

“(5)(A) The declaration shall consist of the following:

“ ‘Part C: Certification by Debtor's Attorney (If Any).

“ ‘I hereby certify that (1) this agreement represents a fully informed and voluntary agreement by the debtor(s); (2) this agreement does not impose an undue hardship on the debtor or any dependent of the debtor; and (3) I have fully advised the debtor of the legal effect and consequences of this agreement and any default under this agreement.

“ ‘Signature of Debtor's Attorney: Date:’.

“(B) In the case of reaffirmations in which a presumption of undue hardship has been established, the certification shall state that in the opinion of the attorney, the debtor is able to make the payment.

“(C) In the case of a reaffirmation agreement under subsection (m)(2), subparagraph (B) is not applicable.

“(6)(A) The statement in support of reaffirmation agreement, which the debtor shall sign and date prior to filing with the court, shall consist of the following:

“ ‘Part D: Debtor's Statement in Support of Reaffirmation Agreement.

“ ‘1. I believe this agreement will not impose an undue hardship on my dependents or me. I can afford to make the payments on the reaffirmed debt because my monthly income (take home pay plus any other income received) is $ ____, and my actual current monthly expenses including monthly payments on post-bankruptcy debt and other reaffirmation agreements total $ ____, leaving $ ____ to make the required payments on this reaffirmed debt. I understand that if my income less my monthly expenses does not leave enough to make the payments, this reaffirmation agreement is presumed to be an undue hardship on me and must be reviewed by the court. However, this presumption may be overcome if I explain to the satisfaction of the court how I can afford to make the payments here: ____.

“ ‘2. I received a copy of the Reaffirmation Disclosure Statement in Part A and a completed and signed reaffirmation agreement.’.

“(B) Where the debtor is represented by counsel and is reaffirming a debt owed to a creditor defined in section 19(b)(1)(A)(iv) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)(iv)), the statement of support of the reaffirmation agreement, which the debtor shall sign and date prior to filing with the court, shall consist of the following:

“ ‘I believe this agreement is in my financial interest. I can afford to make the payments on the reaffirmed debt. I received a copy of the Reaffirmation Disclosure Statement in Part A and a completed and signed reaffirmation agreement.’.

“(7) The motion, which may be used if approval of the agreement by the court is required in order for it to be effective and shall be signed and dated by the moving party, shall consist of the following:

“‘Part E: Motion for Court Approval (To be completed only where debtor is not represented by an attorney.). I (we), the debtor, affirm the following to be true and correct:

“‘I am not represented by an attorney in connection with this reaffirmation agreement.

“‘I believe this agreement is in my best interest based on the income and expenses I have disclosed in my Statement in Support of this reaffirmation agreement above, and because (provide any additional relevant reasons the court should consider):

“‘Therefore, I ask the court for an order approving this reaffirmation agreement.’.

“(8) The court order, which may be used to approve a reaffirmation, shall consist of the following:

“‘Court Order: The court grants the debtor's motion and approves the reaffirmation agreement described above.’.

“(9) Subsection (a)(2) does not operate as an injunction against an act by a creditor that is the holder of a secured claim, if—

“(A) such creditor retains a security interest in real property that is the debtor's principal residence;

“(B) such act is in the ordinary course of business between the creditor and the debtor; and

“(C) such act is limited to seeking or obtaining periodic payments associated with a valid security interest in lieu of pursuit of in rem relief to enforce the lien.

“(l) Notwithstanding any other provision of this title:

“(1) A creditor may accept payments from a debtor before and after the filing of a reaffirmation agreement with the court.

“(2) A creditor may accept payments from a debtor under a reaffirmation agreement which the creditor believes in good faith to be effective.

“(3) The requirements of subsections (c)(2) and (k) shall be satisfied if disclosures required under those subsections are given in good faith.

“(m)(1) Until 60 days after a reaffirmation agreement is filed with the court (or such additional period as the court, after notice and hearing and for cause, orders before the expiration of such period), it shall be presumed that the reaffirmation agreement is an undue hardship on the debtor if the debtor's monthly income less the debtor's monthly expenses as shown on the debtor's completed and signed statement in support of the reaffirmation agreement required under subsection (k)(6)(A) is less than the scheduled payments on the reaffirmed debt. This presumption shall be reviewed by the court. The presumption may be rebutted in writing by the debtor if the statement includes an explanation which identifies additional sources of funds to make the payments as agreed upon under the terms of the reaffirmation agreement. If the presumption is not rebutted to the satisfaction of the court, the court may disapprove the agreement. No agreement shall be disapproved without notice and hearing to the debtor and creditor and such hearing shall be concluded before the entry of the debtor's discharge.

“(2) This subsection does not apply to reaffirmation agreements where the creditor is a credit union, as defined in section 19(b)(1)(A)(iv) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)(iv)).”.

(b) LAW ENFORCEMENT.—

(1) IN GENERAL.—Chapter 9 of title 18, United States Code, is amended by adding at the end the following:

“§ 158. Designation of United States attorneys and agents of the Federal Bureau of Investigation to address abusive reaffirmations of debt and materially fraudulent statements in bankruptcy schedules

“(a) IN GENERAL.—The Attorney General of the United States shall designate the individuals described in subsection (b) to have primary responsibility in carrying out enforcement activities in addressing violations of section 152 or 157 relating to abusive reaffirmations of debt. In addition to addressing the violations referred to in the preceding sentence, the individuals described under subsection (b) shall address violations of section 152 or 157 relating to materially fraudulent statements in bankruptcy schedules that are intentionally false or intentionally misleading.

“(b) UNITED STATES DISTRICT ATTORNEYS AND AGENTS OF THE FEDERAL BUREAU OF INVESTIGATION.—The individuals referred to in subsection (a) are—

“(1) a United States attorney for each judicial district of the United States; and

“(2) an agent of the Federal Bureau of Investigation (within the meaning of section 3107) for each field office of the Federal Bureau of Investigation.

“(c) BANKRUPTCY INVESTIGATIONS.—Each United States attorney designated under this section shall, in addition to any other responsibilities, have primary responsibility for carrying out the duties of a United States attorney under section 3057.

“(d) BANKRUPTCY PROCEDURES.—The bankruptcy courts shall establish procedures for referring any case which may contain a materially fraudulent statement in a bankruptcy schedule to the individuals designated under this section.”.

(2) CLERICAL AMENDMENT.—The analysis for chapter 9 of title 18, United States Code, is amended by adding at the end the following:

“158. Designation of United States attorneys and agents of the Federal Bureau of Investigation to address abusive reaffirmations of debt and materially fraudulent statements in bankruptcy schedules.”.

SEC. 204. PRESERVATION OF CLAIMS AND DEFENSES UPON SALE OF PREDATORY LOANS.

Section 363 of title 11, United States Code, is amended by adding at the end the following:

“(p) Notwithstanding subsection (f), if a person purchases any interest in a consumer credit transaction that is subject to the Truth in Lending Act (15 U.S.C. 1601 et seq.), or any interest in a consumer credit contract as defined by the Federal Trade Commission Preservation of Claims Trade Regulation, and that interest is purchased through a sale under this section, then that person shall remain subject to all claims and defenses that are related to the consumer credit transaction or contract, to the same extent as that person would be subject to such claims and defenses of the consumer had the sale taken place other than under title 11.

SEC. 205. GAO STUDY ON REAFFIRMATION PROCESS.

(a) STUDY.—The General Accounting Office (in this section referred to as the “GAO”) shall conduct a study of the reaffirmation process under title 11, United States Code, to determine the overall treatment of consumers within the context of that process, including consideration of—

(1) the policies and activities of creditors with respect to reaffirmation; and

(2) whether consumers are fully, fairly and consistently informed of their rights pursuant to this title.

(b) REPORT TO CONGRESS.—Not later than 1½ years after the date of enactment of this Act, the GAO shall submit a report to the Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address any abusive or coercive tactics found within the reaffirmation process.

Subtitle B—Priority Child Support

SEC. 211. DEFINITION OF DOMESTIC SUPPORT OBLIGATION.

Section 101 of title 11, United States Code, is amended—

(1) by striking paragraph (12A); and

(2) by inserting after paragraph (14) the following:

“(14A) ‘domestic support obligation’ means a debt that accrues before or after the entry of an order for relief under this title, including interest that accrues on that debt as provided under applicable nonbankruptcy law notwithstanding any other provision of this title, that is—

“(A) owed to or recoverable by—

“(i) a spouse, former spouse, or child of the debtor or such child's parent, legal guardian, or responsible relative; or

“(ii) a governmental unit;

“(B) in the nature of alimony, maintenance, or support (including assistance provided by a governmental unit) of such spouse, former spouse, or child of the debtor or such child's parent, without regard to whether such debt is expressly so designated;

“(C) established or subject to establishment before or after entry of an order for relief under this title, by reason of applicable provisions of—

“(i) a separation agreement, divorce decree, or property settlement agreement;

“(ii) an order of a court of record; or

“(iii) a determination made in accordance with applicable nonbankruptcy law by a governmental unit; and

“(D) not assigned to a nongovernmental entity, unless that obligation is assigned voluntarily by the spouse, former spouse, child, or parent, legal guardian, or responsible relative of the child for the purpose of collecting the debt;”.

SEC. 212. PRIORITIES FOR CLAIMS FOR DOMESTIC SUPPORT OBLIGATIONS.

Section 507(a) of title 11, United States Code, is amended—

(1) by striking paragraph (7);

(2) by redesignating paragraphs (1) through (6) as paragraphs (2) through (7), respectively;

(3) in paragraph (2), as redesignated, by striking “First” and inserting “Second”;

(4) in paragraph (3), as redesignated, by striking “Second” and inserting “Third”;

(5) in paragraph (4), as redesignated—

(A) by striking “Third” and inserting “Fourth”; and

(B) by striking the semicolon at the end and inserting a period;

(6) in paragraph (5), as redesignated, by striking “Fourth” and inserting “Fifth”;

(7) in paragraph (6), as redesignated, by striking “Fifth” and inserting “Sixth”;

(8) in paragraph (7), as redesignated, by striking “Sixth” and inserting “Seventh”; and

(9) by inserting before paragraph (2), as redesignated, the following:

“(1) First:

“(A) Allowed unsecured claims for domestic support obligations that, as of the date of the filing of the petition, are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such child, without regard to whether the claim is filed by such person or is filed by a governmental unit on behalf of that person, on the condition that funds received under this paragraph by a governmental unit under this title after the date of filing of the petition shall be applied and distributed in accordance with applicable nonbankruptcy law.

"(B) Subject to claims under subparagraph (A), allowed unsecured claims for domestic support obligations that, as of the date the petition was filed are assigned by a spouse, former spouse, child of the debtor, or such child's parent, legal guardian, or responsible relative to a governmental unit (unless such obligation is assigned voluntarily by the spouse, former spouse, child, parent, legal guardian, or responsible relative of the child for the purpose of collecting the debt) or are owed directly to or recoverable by a government unit under applicable nonbankruptcy law, on the condition that funds received under this paragraph by a governmental unit under this title after the date of filing of the petition be applied and distributed in accordance with applicable nonbankruptcy law.".

SEC. 213. REQUIREMENTS TO OBTAIN CONFIRMATION AND DISCHARGE IN CASES INVOLVING DOMESTIC SUPPORT OBLIGATIONS.

Title 11, United States Code, is amended—

(1) in section 1129(a), by adding at the end the following:

"(14) If the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order or statute for such obligation that first become payable after the date on which the petition is filed.";

(2) in section 1208(c)—

(A) in paragraph (8), by striking "or" at the end;

(B) in paragraph (9), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(10) failure of the debtor to pay any domestic support obligation that first becomes payable after the date on which the petition is filed.";

(3) in section 1222(a)—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(4) notwithstanding any other provision of this section, a plan may provide for less than full payment of all amounts owed for a claim entitled to priority under section 507(a)(1)(B) only if the plan provides that all of the debtor's projected disposable income for a 5-year period, beginning on the date that the first payment is due under the plan, will be applied to make payments under the plan.";

(4) in section 1222(b)—

(A) by redesignating paragraph (11) as paragraph (12); and

(B) by inserting after paragraph (10) the following:

"(11) provide for the payment of interest accruing after the date of the filing of the petition on unsecured claims that are nondischargeable under section 1328(a), except that such interest may be paid only to the extent that the debtor has disposable income available to pay such interest after making provision for full payment of all allowed claims;";

(5) in section 1225(a)—

(A) in paragraph (5), by striking "and" at the end;

(B) in paragraph (6), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(7) if the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order for such obligation that first become payable after the date on which the petition is filed.";

(6) in section 1228(a), in the matter preceding paragraph (1), by inserting ", and in the case of a debtor who is required by a judicial or administrative order to pay a domestic support obligation, after such debtor certifies that all amounts payable under such order or statute that are due on or before the date of the certification (including amounts due before the petition was filed, but only to the extent provided for in the plan) have been paid" after "completion by the debtor of all payments under the plan";

(7) in section 1307(c)—

(A) in paragraph (9), by striking "or" at the end;

(B) in paragraph (10), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(11) failure of the debtor to pay any domestic support obligation that first becomes payable after the date on which the petition is filed.";

(8) in section 1322(a)—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(4) notwithstanding any other provision of this section, a plan may provide for less than full payment of all amounts owed for a claim entitled to priority under section 507(a)(1)(B) only if the plan provides that all of the debtor's projected disposable income for a 5-year period beginning on the date that the first payment is due under the plan will be applied to make payments under the plan.";

(9) in section 1322(b)—

(A) in paragraph (9), by striking "; and" and inserting a semicolon;

(B) by redesignating paragraph (10) as paragraph (11); and

(C) inserting after paragraph (9) the following:

"(10) provide for the payment of interest accruing after the date of the filing of the petition on unsecured claims that are nondischargeable under section 1328(a), except that such interest may be paid only to the extent that the debtor has disposable income available to pay such interest after making provision for full payment of all allowed claims; and";

(10) in section 1325(a) (as amended by this Act), by adding at the end the following:

"(8) the debtor is required by a judicial or administrative order or statute to pay a domestic support obligation, the debtor has paid all amounts payable under such order or statute for such obligation that first becomes payable after the date on which the petition is filed; and";

(11) in section 1328(a), in the matter preceding paragraph (1), by inserting ", and in the case of a debtor who is required by a judicial or administrative order to pay a domestic support obligation, after such debtor certifies that all amounts payable under such order or statute that are due on or before the date of the certification (including amounts due before the petition was filed, but only to the extent provided for in the plan) have been paid" after "completion by the debtor of all payments under the plan".

SEC. 214. EXCEPTIONS TO AUTOMATIC STAY IN DOMESTIC SUPPORT OBLIGATION PROCEEDINGS.

Section 362(b) of title 11, United States Code, is amended by striking paragraph (2) and inserting the following:

"(2) under subsection (a)—

"(A) of the commencement or continuation of a civil action or proceeding—

"(i) for the establishment of paternity;

"(ii) for the establishment or modification of an order for domestic support obligations;

"(iii) concerning child custody or visitation;

"(iv) for the dissolution of a marriage, except to the extent that such proceeding seeks to determine the division of property that is property of the estate; or

"(v) regarding domestic violence;

"(B) the collection of a domestic support obligation from property that is not property of the estate;

"(C) with respect to the withholding of income that is property of the estate or property of the debtor for payment of a domestic support obligation under a judicial or administrative order;

"(D) the withholding, suspension, or restriction of drivers' licenses, professional and occupational licenses, and recreational licenses under State law, as specified in section 466(a)(16) of the Social Security Act (42 U.S.C. 666(a)(16));

"(E) the reporting of overdue support owed by a parent to any consumer reporting agency as specified in section 466(a)(7) of the Social Security Act (42 U.S.C. 666(a)(7));

"(F) the interception of tax refunds, as specified in sections 464 and 466(a)(3) of the Social Security Act (42 U.S.C. 664 and 666(a)(3)) or under an analogous State law; or

"(G) the enforcement of medical obligations as specified under title IV of the Social Security Act (42 U.S.C. 601 et seq.);".

SEC. 215. NONDISCHARGEABILITY OF CERTAIN DEBTS FOR ALIMONY, MAINTENANCE, AND SUPPORT.

Section 523 of title 11, United States Code, is amended—

(1) in subsection (a)—

(A) by striking paragraph (5) and inserting the following:

"(5) for a domestic support obligation;";

(B) in paragraph (15)—

(i) by inserting "to a spouse, former spouse, or child of the debtor and" before "not of the kind";

(ii) by inserting "or" after "court of record,"; and

(iii) by striking "unless—" and all that follows through the end of the paragraph and inserting a semicolon; and

(C) by striking paragraph (18); and

(2) in subsection (c), by striking "(6), or (15)" each place it appears and inserting "or (6)".

SEC. 216. CONTINUED LIABILITY OF PROPERTY.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (c), by striking paragraph (1) and inserting the following:

"(1) a debt of a kind specified in paragraph (1) or (5) of section 523(a) (in which case, notwithstanding any provision of applicable nonbankruptcy law to the contrary, such property shall be liable for a debt of a kind specified in section 523(a)(5));";

(2) in subsection (f)(1)(A), by striking the dash and all that follows through the end of the subparagraph and inserting "of a kind that is specified in section 523(a)(5); or"; and

(3) in subsection (g)(2), by striking "subsection (f)(2)" and inserting "subsection (f)(1)(B)".

SEC. 217. PROTECTION OF DOMESTIC SUPPORT CLAIMS AGAINST PREFERENTIAL TRANSFER MOTIONS.

Section 547(c)(7) of title 11, United States Code, is amended to read as follows:

"(7) to the extent such transfer was a bona fide payment of a debt for a domestic support obligation;".

SEC. 218. DISPOSABLE INCOME DEFINED.

(a) CONFIRMATION OF PLAN UNDER CHAPTER 12.—Section 1225(b)(2)(A) of title 11, United States Code, is amended by inserting "or for a domestic support obligation that first becomes payable after the date on which the petition is filed" after "dependent of the debtor".

(b) CONFIRMATION OF PLAN UNDER CHAPTER 13.—Section 1325(b)(2)(A) of title 11, United States Code, is amended by inserting "or for a domestic support obligation that first becomes payable after the date on which the petition is filed" after "dependent of the debtor".

SEC. 219. COLLECTION OF CHILD SUPPORT.

(a) DUTIES OF TRUSTEE UNDER CHAPTER 7.—Section 704 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (a)—

(A) in paragraph (8), by striking "and" at the end;

(B) in paragraph (9), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

"(10) if, with respect to an individual debtor, there is a claim for a domestic support obligation, provide the applicable notification specified in subsection (c); and"; and

(2) by adding at the end the following:

"(c)(1) In any case described in subsection (a)(10), the trustee shall—

"(A)(i) notify in writing the holder of the claim of the right of that holder to use the services of a State child support enforcement agency established under sections 464 and 466 of the Social Security Act (42 U.S.C. 664, 666) for the State in which the holder resides for assistance in collecting child support during and after the bankruptcy procedures;

"(ii) include in the notice under this paragraph the address and telephone number of the child support enforcement agency; and

"(iii) include in the notice an explanation of the rights of the holder of the claim to payment of the claim under this chapter; and

"(B)(i) notify in writing the State child support agency of the State in which the holder of the claim resides of the claim;

"(ii) include in the notice under this paragraph the name, address, and telephone number of the holder of the claim; and

"(iii) at such time as the debtor is granted a discharge under section 727, notify the holder of that claim and the State child support agency of the State in which that holder resides of—

"(I) the granting of the discharge;

"(II) the last recent known address of the debtor;

"(III) the last recent known name and address of the debtor's employer; and

"(IV) with respect to the debtor's case, the name of each creditor that holds a claim that—

"(aa) is not discharged under paragraph (2), (4), or (14A) of section 523(a); or

"(bb) was reaffirmed by the debtor under section 524(c).

"(2)(A) A holder of a claim or a State child support agency may request from a creditor described in paragraph (1)(B)(iii)(IV) the last known address of the debtor.

"(B) Notwithstanding any other provision of law, a creditor that makes a disclosure of a last known address of a debtor in connection with a request made under subparagraph (A) shall not be liable to the debtor or any other person by reason of making that disclosure.".

(b) DUTIES OF TRUSTEE UNDER CHAPTER 11.—Section 1106 of title 11, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (6), by striking "and" at the end;

(B) in paragraph (7), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(8) if, with respect to an individual debtor, there is a claim for a domestic support obligation, provide the applicable notification specified in subsection (c)."; and

(2) by adding at the end the following:

"(c)(1) In any case described in subsection (a)(7), the trustee shall—

"(A)(i) notify in writing the holder of the claim of the right of that holder to use the services of a State child support enforcement agency established under sections 464 and 466 of the Social Security Act (42 U.S.C. 664, 666) for the State in which the holder resides; and

"(ii) include in the notice under this paragraph the address and telephone number of the child support enforcement agency; and

"(B)(i) notify, in writing, the State child support agency (of the State in which the holder of the claim resides) of the claim;

"(ii) include in the notice under this paragraph the name, address, and telephone number of the holder of the claim; and

"(iii) at such time as the debtor is granted a discharge under section 1141, notify the holder of the claim and the State child support agency of the State in which that holder resides of—

"(I) the granting of the discharge;

"(II) the last recent known address of the debtor;

"(III) the last recent known name and address of the debtor's employer; and

"(IV) with respect to the debtor's case, the name of each creditor that holds a claim that—

"(aa) is not discharged under paragraph (2), (3), or (14) of section 523(a); or

"(bb) was reaffirmed by the debtor under section 524(c).

"(2)(A) A holder of a claim or a State child support agency may request from a creditor described in paragraph (1)(B)(iii)(IV) the last known address of the debtor.

"(B) Notwithstanding any other provision of law, a creditor that makes a disclosure of a last known address of a debtor in connection with a request made under subparagraph (A) shall not be liable to the debtor or any other person by reason of making that disclosure.".

(c) DUTIES OF TRUSTEE UNDER CHAPTER 12.—Section 1202 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(6) if, with respect to an individual debtor, there is a claim for a domestic support obligation, provide the applicable notification specified in subsection (c)."; and

(2) by adding at the end the following:

"(c)(1) In any case described in subsection (b)(6), the trustee shall—

"(A)(i) notify in writing the holder of the claim of the right of that holder to use the services of a State child support enforcement agency established under sections 464 and 466 of the Social Security Act (42 U.S.C. 664, 666) for the State in which the holder resides; and

"(ii) include in the notice under this paragraph the address and telephone number of the child support enforcement agency; and

"(B)(i) notify, in writing, the State child support agency (of the State in which the holder of the claim resides), and the holder of the claim, of the claim;

"(ii) include in the notice under this paragraph the name, address, and telephone number of the holder of the claim; and

"(iii) at such time as the debtor is granted a discharge under section 1228, notify the holder of the claim and the State child support agency of the State in which that holder resides of—

"(I) the granting of the discharge;

"(II) the last recent known address of the debtor;

"(III) the last recent known name and address of the debtor's employer; and

"(IV) with respect to the debtor's case, the name of each creditor that holds a claim that—

"(aa) is not discharged under paragraph (2), (4), or (14) of section 523(a); or

"(bb) was reaffirmed by the debtor under section 524(c).

"(2)(A) A holder of a claim or a State child support agency may request from a creditor described in paragraph (1)(B)(iii)(IV) the last known address of the debtor.

"(B) Notwithstanding any other provision of law, a creditor that makes a disclosure of a last known address of a debtor in connection with a request made under subparagraph (A) shall not be liable to the debtor or any other person by reason of making that disclosure.".

(d) DUTIES OF TRUSTEE UNDER CHAPTER 13.—Section 1302 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(6) if, with respect to an individual debtor, there is a claim for a domestic support obligation, provide the applicable notification specified in subsection (d)."; and

(2) by adding at the end the following:

"(d)(1) In any case described in subsection (b)(6), the trustee shall—

"(A)(i) notify in writing the holder of the claim of the right of that holder to use the services of a State child support enforcement agency established under sections 464 and 466 of the Social Security Act (42 U.S.C. 664, 666) for the State in which the holder resides; and

"(ii) include in the notice under this paragraph the address and telephone number of the child support enforcement agency; and

"(B)(i) notify in writing the State child support agency of the State in which the holder of the claim resides of the claim;

"(ii) include in the notice under this paragraph the name, address, and telephone number of the holder of the claim; and

"(iii) at such time as the debtor is granted a discharge under section 1328, notify the holder of the claim and the State child support agency of the State in which that holder resides of—

"(I) the granting of the discharge;

"(II) the last recent known address of the debtor;

"(III) the last recent known name and address of the debtor's employer; and

"(IV) with respect to the debtor's case, the name of each creditor that holds a claim that—

"(aa) is not discharged under paragraph (2), (4), or (14) of section 523(a); or

"(bb) was reaffirmed by the debtor under section 524(c).

"(2)(A) A holder of a claim or a State child support agency may request from a creditor described in paragraph (1)(B)(iii)(IV) the last known address of the debtor.

"(B) Notwithstanding any other provision of law, a creditor that makes a disclosure of a last known address of a debtor in connection with a request made under subparagraph (A) shall not be liable to the debtor or any other person by reason of making that disclosure.".

SEC. 220. NONDISCHARGEABILITY OF CERTAIN EDUCATIONAL BENEFITS AND LOANS.

Section 523(a) of title 11, United States Code, is amended by striking paragraph (8) and inserting the following:

"(8) unless excepting such debt from discharge under this paragraph would impose an undue hardship on the debtor and the debtor's dependents, for—

"(A)(i) an educational benefit overpayment or loan made, insured, or guaranteed by a governmental unit, or made under any program funded in whole or in part by a governmental unit or nonprofit institution; or

"(ii) an obligation to repay funds received as an educational benefit, scholarship, or stipend; or

"(B) any other educational loan that is a qualified education loan, as that term is defined in section 221(e)(1) of the Internal Revenue Code of 1986, incurred by an individual debtor;".

Subtitle C—Other Consumer Protections

SEC. 221. AMENDMENTS TO DISCOURAGE ABUSIVE BANKRUPTCY FILINGS.

Section 110 of title 11, United States Code, is amended—

(1) in subsection (a)(1), by striking "an attorney or an employee of an attorney" and inserting "the attorney for the debtor or an employee of such attorney under the direct supervision of such attorney";

(2) in subsection (b)—

(A) in paragraph (1), by adding at the end the following: "If a bankruptcy petition preparer is not an individual, then an officer, principal, responsible person, or partner of the preparer shall be required to—

"(A) sign the document for filing; and

"(B) print on the document the name and address of that officer, principal, responsible person or partner."; and

(B) by striking paragraph (2) and inserting the following:

"(2)(A) Before preparing any document for filing or accepting any fees from a debtor, the bankruptcy petition preparer shall provide to the debtor a written notice to debtors concerning bankruptcy petition preparers, which shall be on an official form issued by the Judicial Conference of the United States.

"(B) The notice under subparagraph (A)—

"(i) shall inform the debtor in simple language that a bankruptcy petition preparer is not an attorney and may not practice law or give legal advice;

"(ii) may contain a description of examples of legal advice that a bankruptcy petition preparer is not authorized to give, in addition to any advice that the preparer may not give by reason of subsection (e)(2); and

"(iii) shall—

"(I) be signed by—

"(aa) the debtor; and

"(bb) the bankruptcy petition preparer, under penalty of perjury; and

"(II) be filed with any document for filing.";

(3) in subsection (c)—

(A) in paragraph (2)—

(i) by striking "(2) For purposes" and inserting "(2)(A) Subject to subparagraph (B), for purposes"; and

(ii) by adding at the end the following:

"(B) If a bankruptcy petition preparer is not an individual, the identifying number of the bankruptcy petition preparer shall be the Social Security account number of the officer, principal, responsible person, or partner of the preparer."; and

(B) by striking paragraph (3);

(4) in subsection (d)—

(A) by striking "(d)(1)" and inserting "(d)"; and

(B) by striking paragraph (2);

(5) in subsection (e)—

(A) by striking paragraph (2); and

(B) by adding at the end the following:

"(2)(A) A bankruptcy petition preparer may not offer a potential bankruptcy debtor any legal advice, including any legal advice described in subparagraph (B).

"(B) The legal advice referred to in subparagraph (A) includes advising the debtor—

"(i) whether—

"(I) to file a petition under this title; or

"(II) commencing a case under chapter 7, 11, 12, or 13 is appropriate;

"(ii) whether the debtor's debts will be eliminated or discharged in a case under this title;

"(iii) whether the debtor will be able to retain the debtor's home, car, or other property after commencing a case under this title;

"(iv) concerning—

"(I) the tax consequences of a case brought under this title; or

"(II) the dischargeability of tax claims;

"(v) whether the debtor may or should promise to repay debts to a creditor or enter into a reaffirmation agreement with a creditor to reaffirm a debt;

"(vi) concerning how to characterize the nature of the debtor's interests in property or the debtor's debts; or

"(vii) concerning bankruptcy procedures and rights.";

(6) in subsection (f)—

(A) by striking "(f)(1)" and inserting "(f)"; and

(B) by striking paragraph (2);

(7) in subsection (g)—

(A) by striking "(g)(1)" and inserting "(g)"; and

(B) by striking paragraph (2);

(8) in subsection (h)—

(A) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively;

(B) by inserting before paragraph (2), as redesignated, the following:

"(1) The Supreme Court may promulgate rules under section 2075 of title 28, or the Judicial Conference of the United States may prescribe guidelines, for setting a maximum allowable fee chargeable by a bankruptcy petition preparer. A bankruptcy petition preparer shall notify the debtor of any such maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor.";

(C) in paragraph (2), as redesignated—

(i) by striking "Within 10 days after the date of filing a petition, a bankruptcy petition preparer shall file a" and inserting "A";

(ii) by inserting "by the bankruptcy petition preparer shall be filed together with the petition," after "perjury"; and

(iii) by adding at the end the following: "If rules or guidelines setting a maximum fee for services have been promulgated or prescribed under paragraph (1), the declaration under this paragraph shall include a certification that the bankruptcy petition preparer complied with the notification requirement under paragraph (1).";

(D) by striking paragraph (3), as redesignated, and inserting the following:

"(3)(A) The court shall disallow and order the immediate turnover to the bankruptcy trustee any fee referred to in paragraph (2) found to be in excess of the value of any services—

"(i) rendered by the preparer during the 12-month period immediately preceding the date of filing of the petition; or

"(ii) found to be in violation of any rule or guideline promulgated or prescribed under paragraph (1).

"(B) All fees charged by a bankruptcy petition preparer may be forfeited in any case in which the bankruptcy petition preparer fails to comply with this subsection or subsection (b), (c), (d), (e), (f), or (g).

"(C) An individual may exempt any funds recovered under this paragraph under section 522(b)."; and

(E) in paragraph (4), as redesignated, by striking "or the United States trustee" and inserting "the United States trustee, the bankruptcy administrator, or the court, on the initiative of the court,";

(9) in subsection (i)(1), by striking the matter preceding subparagraph (A) and inserting the following:

"(i)(1) If a bankruptcy petition preparer violates this section or commits any act that the court finds to be fraudulent, unfair, or deceptive, on motion of the debtor, trustee, United States trustee, or bankruptcy administrator, and after the court holds a hearing with respect to that violation or act, the court shall order the bankruptcy petition preparer to pay to the debtor—";

(10) in subsection (j)—

(A) in paragraph (2)—

(i) in subparagraph (A)(i)(I), by striking "a violation of which subjects a person to criminal penalty";

(ii) in subparagraph (B)—

(I) by striking "or has not paid a penalty" and inserting "has not paid a penalty"; and

(II) by inserting "or failed to disgorge all fees ordered by the court" after "a penalty imposed under this section,";

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

"(3) The court, as part of its contempt power, may enjoin a bankruptcy petition preparer that has failed to comply with a previous order issued under this section. The injunction under this paragraph may be issued upon motion of the court, the trustee, the United States trustee, or the bankruptcy administrator."; and

(11) by adding at the end the following:

"(l)(1) A bankruptcy petition preparer who fails to comply with any provision of subsection (b), (c), (d), (e), (f), (g), or (h) may be fined not more than $500 for each such failure.

"(2) The court shall triple the amount of a fine assessed under paragraph (1) in any case in which the court finds that a bankruptcy petition preparer—

"(A) advised the debtor to exclude assets or income that should have been included on applicable schedules;

"(B) advised the debtor to use a false Social Security account number;

"(C) failed to inform the debtor that the debtor was filing for relief under this title; or

"(D) prepared a document for filing in a manner that failed to disclose the identity of the preparer.

"(3) The debtor, the trustee, a creditor, the United States trustee, or the bankruptcy administrator may file a motion for an order imposing a fine on the bankruptcy petition preparer for each violation of this section.

"(4)(A) Fines imposed under this subsection in judicial districts served by United States trustees shall be paid to the United States trustee, who shall deposit an amount equal to such fines in a special account of the United States Trustee System Fund referred to in section 586(e)(2) of title 28. Amounts deposited under this subparagraph shall be available to fund the enforcement of this section on a national basis.

"(B) Fines imposed under this subsection in judicial districts served by bankruptcy administrators shall be deposited as offsetting receipts to the fund established under section 1931 of title 28, and shall remain available until expended to reimburse any appropriation for the amount paid out of such appropriation for expenses of the operation and maintenance of the courts of the United States.".

SEC. 222. SENSE OF CONGRESS.

It is the sense of Congress that States should develop curricula relating to the subject of personal finance, designed for use in elementary and secondary schools.

SEC. 223. ADDITIONAL AMENDMENTS TO TITLE 11, UNITED STATES CODE.

Section 507(a) of title 11, United States Code, is amended by inserting after paragraph (9) the following:

"(10) Tenth, allowed claims for death or personal injuries resulting from the operation of a motor vehicle or vessel if such operation was unlawful because the debtor was intoxicated from using alcohol, a drug, or another substance.".

SEC. 224. PROTECTION OF RETIREMENT SAVINGS IN BANKRUPTCY.

(a) In General.—Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "and" at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting "; and";

(iii) by adding at the end the following:

"(C) retirement funds to the extent that those funds are in a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986."; and

(iv) by striking "(2)(A) any property" and inserting:

"(3) Property listed in this paragraph is—

"(A) any property";

(B) by striking paragraph (1) and inserting:

"(2) Property listed in this paragraph is property that is specified under subsection (d), unless the State law that is applicable to the debtor under paragraph (3)(A) specifically does not so authorize.";

(C) by striking "(b) Notwithstanding" and inserting "(b)(1) Notwithstanding";

(D) by striking "paragraph (2)" each place it appears and inserting "paragraph (3)";

(E) by striking "paragraph (1)" each place it appears and inserting "paragraph (2)";

(F) by striking "Such property is—"; and

(G) by adding at the end the following:

"(4) For purposes of paragraph (3)(C) and subsection (d)(12), the following shall apply:

"(A) If the retirement funds are in a retirement fund that has received a favorable determination under section 7805 of the Internal Revenue Code of 1986, and that determination is in effect as of the date of the commencement of the case under section 301, 302, or 303 of this title, those funds shall be presumed to be exempt from the estate.

"(B) If the retirement funds are in a retirement fund that has not received a favorable determination under such section 7805, those funds are exempt from the estate if the debtor demonstrates that—

"(i) no prior determination to the contrary has been made by a court or the Internal Revenue Service; and

"(ii)(I) the retirement fund is in substantial compliance with the applicable requirements of the Internal Revenue Code of 1986; or

"(II) the retirement fund fails to be in substantial compliance with the applicable requirements of the Internal Revenue Code of 1986 and the debtor is not materially responsible for that failure.

"(C) A direct transfer of retirement funds from 1 fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986, under section 401(a)(31) of the Internal Revenue Code of 1986, or otherwise, shall not cease to qualify for exemption under paragraph (3)(C) or subsection (d)(12) by reason of that direct transfer.

"(D)(i) Any distribution that qualifies as an eligible rollover distribution within the meaning of section 402(c) of the Internal Revenue Code of 1986 or that is described in clause (ii) shall not cease to qualify for exemption under paragraph (3)(C) or subsection (d)(12) by reason of that distribution.

"(ii) A distribution described in this clause is an amount that—

"(I) has been distributed from a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986; and

"(II) to the extent allowed by law, is deposited in such a fund or account not later than 60 days after the distribution of that amount."; and

(2) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking "subsection (b)(1)" and inserting "subsection (b)(2)"; and

(B) by adding at the end the following:

"(12) Retirement funds to the extent that those funds are in a fund or account that is exempt from taxation under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986.".

(b) Automatic Stay.—Section 362(b) of title 11, United States Code, is amended—

(1) in paragraph (17), by striking "or" at the end;

(2) in paragraph (18), by striking the period and inserting a semicolon;

(3) by inserting after paragraph (18) the following:

"(19) under subsection (a), of withholding of income from a debtor's wages and collection of amounts withheld, under the debtor's agreement authorizing that withholding and collection for the benefit of a pension, profit-sharing, stock bonus, or other plan established under section 401, 403, 408, 408A, 414, 457, or 501(a) of the Internal Revenue Code of 1986, that is sponsored by the employer of the debtor, or an affiliate, successor, or predecessor of such employer—

"(A) to the extent that the amounts withheld and collected are used solely for payments relating to a loan from a plan that satisfies the requirements of section 408(b)(1) of the Employee Retirement Income Security Act of 1974 or is subject to section 72(p) of the Internal Revenue Code of 1986; or

"(B) in the case of a loan from a thrift savings plan described in subchapter III of chapter 84 of title 5, that satisfies the requirements of section 8433(g) of such title;"; and

(4) by adding at the end of the flush material at the end of the subsection, the following: "Nothing in paragraph (19) may be construed to provide that any loan made under a governmental plan under section 414(d), or a contract or account under section 403(b) of the Internal Revenue Code of 1986 constitutes a claim or a debt under this title.".

(c) Exceptions To Discharge.—Section 523(a) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(18) owed to a pension, profit-sharing, stock bonus, or other plan established under section 401, 403, 408, 408A, 414, 457, or 501(c) of the Internal Revenue Code of 1986, under—

"(A) a loan permitted under section 408(b)(1) of the Employee Retirement Income Security Act of 1974, or subject to section 72(p) of the Internal Revenue Code of 1986; or

"(B) a loan from the thrift savings plan described in subchapter III of chapter 84 of title 5, that satisfies the requirements of section 8433(g) of such title.

Nothing in paragraph (18) may be construed to provide that any loan made under a governmental plan under section 414(d), or a contract or account under section 403(b), of the Internal Revenue Code of 1986 constitutes a claim or a debt under this title.".

(d) Plan Contents.—Section 1322 of title 11, United States Code, is amended by adding at the end the following:

"(f) A plan may not materially alter the terms of a loan described in section 362(b)(19) and any amounts required to repay such loan shall not constitute 'disposable income' under section 1325.".

(e) Asset Limitation.—Section 522 of title 11, United States Code, is amended by adding at the end the following:

"(n) For assets in individual retirement accounts described in section 408 or 408A of the Internal Revenue Code of 1986, other than a simplified employee pension under section 408(k) of that Code or a simple retirement account under section 408(p) of that Code, the aggregate value of such assets exempted under this section, without regard to amounts attributable to rollover contributions under section 402(c), 402(e)(6), 403(a)(4), 403(a)(5), and 403(b)(8) of the Internal Revenue Code of 1986, and earnings thereon, shall not exceed $1,000,000 (which amount shall be adjusted as provided in section 104 of this title) in a case filed by an individual debtor, except that such amount may be increased if the interests of justice so require.".

SEC. 225. PROTECTION OF EDUCATION SAVINGS IN BANKRUPTCY.

(a) Exclusions.—Section 541 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (4), by striking "or" at the end;

(B) by redesignating paragraph (5) as paragraph (10); and

(C) by inserting after paragraph (4) the following:

"(5) funds placed in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) not later than 365 days before the date of filing of the petition, but—

"(A) only if the designated beneficiary of such account was a son, daughter, stepson, stepdaughter, grandchild, or step-grandchild of the debtor for the taxable year for which funds were placed in such account;

"(B) only to the extent that such funds—

"(i) are not pledged or promised to any entity in connection with any extension of credit; and

"(ii) are not excess contributions (as described in section 4973(e) of the Internal Revenue Code of 1986); and

"(C) in the case of funds placed in all such accounts having the same designated beneficiary not earlier than 720 days nor later than 365 days before such date, only so much of such funds as does not exceed $5,000;

"(6) funds used to purchase a tuition credit or certificate or contributed to an account in accordance with section 529(b)(1)(A) of the Internal Revenue Code of 1986 under a qualified State tuition program (as defined in section 529(b)(1) of such Code) not later than 365 days before the date of filing of the petition, but—

"(A) only if the designated beneficiary of the amounts paid or contributed to such tuition program was a son, daughter, stepson, stepdaughter, grandchild, or step-grandchild of the debtor for the taxable year for which funds were paid or contributed;

"(B) with respect to the aggregate amount paid or contributed to such program having the same designated beneficiary, only so much of such amount as does not exceed the total contributions permitted under section 529(b)(7) of such Code with respect to such beneficiary, as adjusted beginning on the date of the filing of the petition by the annual increase or decrease (rounded to the nearest tenth of 1 percent) in the education expenditure category of the Consumer Price Index prepared by the Department of Labor; and

"(C) in the case of funds paid or contributed to such program having the same designated beneficiary not earlier than 720 days nor later than 365 days before such date, only so much of such funds as does not exceed $5,000;"; and

(2) by adding at the end the following:

"(e) In determining whether any of the relationships specified in paragraph (5)(A) or (6)(A) of subsection (b) exists, a legally adopted child of an individual (and a child who is a member of an individual's household, if placed with such individual by an authorized placement agency for legal adoption by such individual), or a foster child of an individual (if such child has as the child's principal place of abode the home of the debtor and is a member of the debtor's household) shall be treated as a child of such individual by blood.".

(b) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(c) In addition to meeting the requirements under subsection (a), a debtor shall file with the court a record of any interest that a debtor has in an education individual retirement account (as defined in section 530(b)(1) of the Internal Revenue Code of 1986) or under a qualified State tuition program (as defined in section 529(b)(1) of such Code).".

SEC. 226. DEFINITIONS.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (2) the following:

"(3) 'assisted person' means any person whose debts consist primarily of consumer debts and whose non-exempt assets are less than $150,000;";

(2) by inserting after paragraph (4) the following:

"(4A) 'bankruptcy assistance' means any goods or services sold or otherwise provided to an assisted person with the express or implied purpose of providing information, advice, counsel, document preparation, or filing, or attendance at a creditors' meeting or appearing in a proceeding on behalf of another or providing legal representation with respect to a case or proceeding under this title;"; and

(3) by inserting after paragraph (12) the following:

"(12A) 'debt relief agency' means any person who provides any bankruptcy assistance to an assisted person in return for the payment of money or other valuable consideration, or who is a bankruptcy petition preparer under section 110, but does not include—

"(A) any person that is an officer, director, employee or agent of that person;

"(B) a nonprofit organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

"(C) a creditor of the person, to the extent that the creditor is assisting the person to restructure any debt owed by the person to the creditor;

"(D) a depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or any Federal credit union or State credit union (as those terms are defined in section 101 of the Federal Credit Union Act), or any affiliate or subsidiary of such a depository institution or credit union; or

"(E) an author, publisher, distributor, or seller of works subject to copyright protection under title 17, when acting in such capacity.".

(b) CONFORMING AMENDMENT.—Section 104(b)(1) of title 11, United States Code, is amended by inserting "101(3)," after "sections".

SEC. 227. RESTRICTIONS ON DEBT RELIEF AGENCIES.

(a) ENFORCEMENT.—Subchapter II of chapter 5 of title 11, United States Code, is amended by adding at the end the following:

"§ 526. Restrictions on debt relief agencies

"(a) A debt relief agency shall not—

"(1) fail to perform any service that such agency informed an assisted person or prospective assisted person it would provide in connection with a case or proceeding under this title;

"(2) make any statement, or counsel or advise any assisted person or prospective assisted person to make a statement in a document filed in a case or proceeding under this title, that is untrue and misleading, or that upon the exercise of reasonable care, should have been known by such agency to be untrue or misleading;

"(3) misrepresent to any assisted person or prospective assisted person, directly or indirectly, affirmatively or by material omission, with respect to—

"(i) the services that such agency will provide to such person; or

"(ii) the benefits and risks that may result if such person becomes a debtor in a case under this title; or

"(4) advise an assisted person or prospective assisted person to incur more debt in contemplation of such person filing a case under this title or to pay an attorney or bankruptcy petition preparer fee or charge for services performed as part of preparing for or representing a debtor in a case under this title.

"(b) Any waiver by any assisted person of any protection or right provided under this section shall not be enforceable against the debtor by any Federal or State court or any other person, but may be enforced against a debt relief agency.

"(c)(1) Any contract for bankruptcy assistance between a debt relief agency and an assisted person that does not comply with the material requirements of this section, section 527, or section 528 shall be void and may not be enforced by any Federal or State court or by any other person, other than such assisted person.

"(2) Any debt relief agency shall be liable to an assisted person in the amount of any fees or charges in connection with providing bankruptcy assistance to such person that such debt relief agency has received, for actual damages, and for reasonable attorneys' fees and costs if such agency is found, after notice and hearing, to have—

"(A) intentionally or negligently failed to comply with any provision of this section, section 527, or section 528 with respect to a case or proceeding under this title for such assisted person;

"(B) provided bankruptcy assistance to an assisted person in a case or proceeding under this title that is dismissed or converted to a case under another chapter of this title because of such agency's intentional or negligent failure to file any required document including those specified in section 521; or

"(C) intentionally or negligently disregarded the material requirements of this title or the Federal Rules of Bankruptcy Procedure applicable to such agency.

"(3) In addition to such other remedies as are provided under State law, whenever the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this section, the State—

"(A) may bring an action to enjoin such violation;

"(B) may bring an action on behalf of its residents to recover the actual damages of assisted persons arising from such violation, including any liability under paragraph (2); and

"(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

"(4) The United States District Court for any district located in the State shall have concurrent jurisdiction of any action under subparagraph (A) or (B) of paragraph (3).

"(5) Notwithstanding any other provision of Federal law and in addition to any other remedy provided under Federal or State law, if the court, on its own motion or on motion of the United States trustee or the debtor, finds that a person intentionally violated this section, or engaged in a clear and consistent pattern or practice of violating this section, the court may—

"(A) enjoin the violation of such section; or

"(B) impose an appropriate civil penalty against such person.".

"(d) No provision of this section, section 527, or section 528 shall—

"(1) annul, alter, affect, or exempt any person subject to such sections from complying with any law of any State except to the extent that such law is inconsistent with those sections, and then only to the extent of the inconsistency; or

"(2) be deemed to limit or curtail the authority or ability—

"(A) of a State or subdivision or instrumentality thereof, to determine and enforce qualifications for the practice of law under the laws of that State; or

"(B) of a Federal court to determine and enforce the qualifications for the practice of law before that court.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, is amended by inserting before the item relating to section 527, the following:

"526. Debt relief enforcement.".

SEC. 228. DISCLOSURES.

(a) DISCLOSURES.—Subchapter II of chapter 5 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"§ 527. Disclosures

"(a) A debt relief agency providing bankruptcy assistance to an assisted person shall provide—

"(1) the written notice required under section 342(b)(1) of this title; and

"(2) to the extent not covered in the written notice described in paragraph (1), and not later than 3 business days after the first date on which a debt relief agency first offers to provide any bankruptcy assistance services to an assisted person, a clear and conspicuous written notice advising assisted persons that—

"(A) all information that the assisted person is required to provide with a petition and thereafter during a case under this title is required to be complete, accurate, and truthful;

"(B) all assets and all liabilities are required to be completely and accurately disclosed in the documents filed to commence the case, and the replacement value of each asset as defined in section 506 of this title must be stated in those documents where requested after reasonable inquiry to establish such value;

"(C) current monthly income, the amounts specified in section 707(b)(2), and, in a case under chapter 13, disposable income (determined in accordance with section 707(b)(2)), are required to be stated after reasonable inquiry; and

"(D) information that an assisted person provides during their case may be audited pursuant to this title, and that failure to provide such information may result in dismissal of the proceeding under this title or other sanction including, in some instances, criminal sanctions.

"(b) A debt relief agency providing bankruptcy assistance to an assisted person shall provide each assisted person at the same time as the notices required under subsection (a)(1) with the following statement, to the extent applicable, or one substantially similar. The statement shall be clear and conspicuous and shall be in a single document separate from other documents or notices provided to the assisted person:

"'IMPORTANT INFORMATION ABOUT BANKRUPTCY ASSISTANCE SERVICES FROM AN ATTORNEY OR BANKRUPTCY PETITION PREPARER.

"'If you decide to seek bankruptcy relief, you can represent yourself, you can hire an attorney to represent you, or you can get help in some localities from a bankruptcy petition preparer who is not an attorney. THE LAW REQUIRES AN ATTORNEY OR BANKRUPTCY PETITION PREPARER TO GIVE YOU A WRITTEN CONTRACT SPECIFYING WHAT THE ATTORNEY OR BANKRUPTCY PETITION PREPARER WILL DO FOR YOU AND HOW MUCH IT WILL COST. Ask to see the contract before you hire anyone.

"'The following information helps you understand what must be done in a routine bankruptcy case to help you evaluate how much service you need. Although bankruptcy can be complex, many cases are routine.

"'Before filing a bankruptcy case, either you or your attorney should analyze your eligibility for different forms of debt relief made available by the Bankruptcy Code and which form of relief is most likely to be beneficial for you. Be sure you understand the relief you can obtain and its limitations. To file a bankruptcy case, documents called a Petition, Schedules and Statement of Financial Affairs, as well as in some cases a Statement of Intention need to be prepared correctly and filed with the bankruptcy court. You will have to pay a filing fee to the bankruptcy court. Once your case starts, you will have to attend the required first meeting of creditors where you may be questioned by a court official called a "trustee" and by creditors.

"'If you choose to file a chapter 7 case, you may be asked by a creditor to reaffirm a debt. You may want help deciding whether to do so and a creditor is not permitted to coerce you into reaffirming your debts.

"'If you choose to file a chapter 13 case in which you repay your creditors what you can afford over 3 to 5 years, you may also want help with preparing your chapter 13 plan and with the confirmation hearing on your plan which will be before a bankruptcy judge.

"'If you select another type of relief under the Bankruptcy Code other than chapter 7 or chapter 13, you will want to find out what needs to be done from someone familiar with that type of relief.

"'Your bankruptcy case may also involve litigation. You are generally permitted to represent yourself in litigation in bankruptcy court, but only attorneys, not bankruptcy petition preparers, can give you legal advice.'.

"(c) Except to the extent the debt relief agency provides the required information itself after reasonably diligent inquiry of the assisted person or others so as to obtain such information reasonably accurately for inclusion on the petition, schedules or statement of financial affairs, a debt relief agency providing bankruptcy assistance to an assisted person, to the extent permitted by nonbankruptcy law, shall provide each assisted person at the time required for the notice required under subsection (a)(1) reasonably sufficient information (which shall be provided in a clear and conspicuous writing) to the assisted person on how to provide all the information the assisted person is required to provide under this title pursuant to section 521, including—

"(1) how to value assets at replacement value, determine current monthly income, the amounts specified in section 707(b)(2) and, in a chapter 13 case, how to determine disposable income in accordance with section 707(b)(2) and related calculations;

"(2) how to complete the list of creditors, including how to determine what amount is owed and what address for the creditor should be shown; and

"(3) how to determine what property is exempt and how to value exempt property at replacement value as defined in section 506 of this title.

"(d) A debt relief agency shall maintain a copy of the notices required under subsection (a) of this section for 2 years after the date on which the notice is given the assisted person.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, as amended by this Act, is amended by inserting after the item relating to section 526 the following:

"527. Disclosures.".

SEC. 229. REQUIREMENTS FOR DEBT RELIEF AGENCIES.

(a) ENFORCEMENT.—Subchapter II of chapter 5 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"§ 528. Requirements for debt relief agencies

"(a) A debt relief agency shall—

"(1) not later than 5 business days after the first date such agency provides any bankruptcy assistance services to an assisted person, but prior to such assisted person's petition under this title being filed, execute a written contract with such assisted person that explains clearly and conspicuously—

"(A) the services such agency will provide to such assisted person; and

"(B) the fees or charges for such services, and the terms of payment;

"(2) provide the assisted person with a copy of the fully executed and completed contract;

"(3) clearly and conspicuously disclose in any advertisement of bankruptcy assistance services or of the benefits of bankruptcy directed to the general public (whether in general media, seminars or specific mailings, telephonic or electronic messages, or otherwise) that the services or benefits are with respect to bankruptcy relief under this title; and

"(4) clearly and conspicuously using the following statement: 'We are a debt relief agency. We help people file for bankruptcy relief under the Bankruptcy Code.' or a substantially similar statement.

"(b)(1) An advertisement of bankruptcy assistance services or of the benefits of bankruptcy directed to the general public includes—

"(A) descriptions of bankruptcy assistance in connection with a chapter 13 plan whether or not chapter 13 is specifically mentioned in such advertisement; and

"(B) statements such as 'federally supervised repayment plan' or 'Federal debt restructuring help' or other similar statements that could lead a reasonable consumer to believe that debt counseling was being offered when in fact the services were directed to providing bankruptcy assistance with a chapter 13 plan or other form of bankruptcy relief under this title.

"(2) An advertisement, directed to the general public, indicating that the debt relief agency provides assistance with respect to credit defaults, mortgage foreclosures, eviction proceedings, excessive debt, debt collection pressure, or inability to pay any consumer debt shall—

"(A) disclose clearly and conspicuously in such advertisement that the assistance may involve bankruptcy relief under this title; and

"(B) include the following statement: 'We are a debt relief agency. We help people file for bankruptcy relief under the Bankruptcy Code.' or a substantially similar statement.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, as amended by this Act, is amended by inserting after the item relating to section 527, the following:

"528. Debtor's bill of rights.".

SEC. 230. GAO STUDY.

(a) STUDY.—Not later than 270 days after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study of the feasibility, effectiveness, and cost of requiring trustees appointed under title 11, United States Code, or the bankruptcy courts, to provide to the Office of Child Support Enforcement promptly after the commencement of cases by individual debtors under such title, the names and social security numbers of such debtors for the purposes of allowing such Office to determine whether such debtors have outstanding obligations for child support (as determined on the basis of information in the Federal Case Registry or other national database).

(b) REPORT.—Not later than 300 days after the date of enactment of this Act, the Comptroller General shall submit to the President pro tempore of the Senate and the Speaker of the House of Representatives a report containing the results of the study required by subsection (a).

SEC. 231. PROTECTION OF NONPUBLIC PERSONAL INFORMATION.

(a) IN GENERAL.—Section 363(b)(1) of title 11, United States Code, is amended by striking the period at the end and inserting the following:“, except that if the debtor has disclosed a policy to an individual prohibiting the transfer of personally identifiable information about the individual to unaffiliated third persons, and the policy remains in effect at the time of the bankruptcy filing, the trustee may not sell or lease such personally identifiable information to any person, unless—

“(A) the sale is consistent with such prohibition; or

“(B) the court, after notice and hearing and due consideration of the facts, circumstances, and conditions of the sale or lease, approves the sale or lease.”.

(b) DEFINITION.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (41) the following:

“(41A) ‘personally identifiable information’, if provided by the individual to the debtor in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes—

“(A) means—

“(i) the individual's first name (or initials) and last name, whether given at birth or adoption or legally changed;

“(ii) the physical address for the individual's home;

“(iii) the individual's e-mail address;

“(iv) the individual's home telephone number;

“(v) the individual's social security number; or

“(vi) the individual's credit card account number; and

“(B) means, when identified in connection with one or more of the items of information listed in subparagraph (A)—

“(i) an individual's birth date, birth certificate number, or place of birth; or

“(ii) any other information concerning an identified individual that, if disclosed, will result in the physical or electronic contacting or identification of that person;”.

SEC. 232. CONSUMER PRIVACY OMBUDSMAN.

(a) IN GENERAL.—

(1) APPOINTMENT ON REQUEST.—If the trustee intends to sell or lease personally identifiable information in a manner which requires a hearing described in section 363(b)(1)(B), the trustee shall request, and the court shall appoint, an individual to serve as ombudsman during the case not later than—

(A) on or before the expiration of 30 days after the date of the order for relief; or

(B) 5 days prior to any hearing described in section 363(b)(1)(B) of title 11, United States Code, as amended by this Act.

(2) DUTIES OF OMBUDSMAN.—It shall be the duty of the ombudsman to provide the court information to assist the court in its consideration of the facts, circumstances, and conditions of the sale or lease under section 363(b)(1)(B) of title 11, United States Code, as amended by this Act. Such information may include a presentation of the debtor's privacy policy in effect, potential losses or gains of privacy to consumers if the sale or lease is approved, potential costs or benefits to consumers if the sale or lease is approved, and potential alternatives which mitigate potential privacy losses or potential costs to consumers.

(3) NOTICE TO OMBUDSMAN.—The ombudsman shall receive notice of, and shall have a right to appear and be heard, at any hearing described in section 363b(1)(B) of title 11, United States Code, as amended by this Act.

(4) CONFIDENTIALITY.—The ombudsman shall maintain any personally identifiable information obtained by the ombudsman under this title as confidential information.

(b) APPOINTMENT.—If the court orders the appointment of an ombudsman under this section, the United States Trustee shall appoint 1 disinterested person, other than the United States trustee, to serve as the ombudsman.

(c) COMPENSATION OF CONSUMER PRIVACY OMBUDSMAN.—Section 330(a)(1) of title 11, United States Code, is amended in the matter preceding subparagraph (A), by inserting “an ombudsman appointed under section 332,” before “an examiner”.

SEC. 233. PROHIBITION ON DISCLOSURE OF IDENTITY OF MINOR CHILDREN.

(a) PROHIBITION.—Chapter 1 of title 11, United States Code, is amended by adding after section 111, as added by this Act, the following:

“§ 112. Prohibition on disclosure of identity of minor children

“In a case under this title, the debtor may be required to provide information regarding a minor child involved in matters under this title, but may not be required to disclose in the public records in the case the name of such minor child. Notwithstanding section 107(a), the debtor may be required to disclose the name of such minor child in a nonpublic record maintained by the court. Such nonpublic record shall be available for inspection by the judge, United States Trustee, the trustee, or an auditor under section 603 of the Bankruptcy Reform Act of 2001. Each such judge, United States Trustee, trustee, or auditor shall maintain the confidentiality of the identity of such minor child in the nonpublic record.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title 11, United States Code, is amended by adding at the end the following:

“112. Prohibition on disclosure of identity of minor children.”.

TITLE III—DISCOURAGING BANKRUPTCY ABUSE

SEC. 301. REINFORCEMENT OF THE FRESH START.

Section 523(a)(17) of title 11, United States Code, is amended—

(1) by striking “by a court” and inserting “on a prisoner by any court”,

(2) by striking “section 1915(b) or (f)” and inserting “subsection (b) or (f)(2) of section 1915”, and

(3) by inserting “(or a similar non-Federal law)” after “title 28” each place it appears.

SEC. 302. DISCOURAGING BAD FAITH REPEAT FILINGS.

Section 362(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) in paragraph (2), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(3) if a single or joint case is filed by or against an individual debtor under chapter 7, 11, or 13, and if a single or joint case of the debtor was pending within the preceding 1-year period but was dismissed, other than a case refiled under a chapter other than chapter 7 after dismissal under section 707(b)—

“(A) the stay under subsection (a) with respect to any action taken with respect to a debt or property securing such debt or with respect to any lease shall terminate with respect to the debtor on the 30th day after the filing of the later case;

“(B) upon motion by a party in interest for continuation of the automatic stay and upon notice and a hearing, the court may extend the stay in particular cases as to any or all creditors (subject to such conditions or limitations as the court may then impose) after notice and a hearing completed before the expiration of the 30-day period only if the party in interest demonstrates that the filing of the later case is in good faith as to the creditors to be stayed; and

“(C) for purposes of subparagraph (B), a case is presumptively filed not in good faith (but such presumption may be rebutted by clear and convincing evidence to the contrary)—

“(i) as to all creditors, if—

“(I) more than 1 previous case under any of chapter 7, 11, or 13 in which the individual was a debtor was pending within the preceding 1-year period;

“(II) a previous case under any of chapter 7, 11, or 13 in which the individual was a debtor was dismissed within such 1-year period, after the debtor failed to—

“(aa) file or amend the petition or other documents as required by this title or the court without substantial excuse (but mere inadvertence or negligence shall not be a substantial excuse unless the dismissal was caused by the negligence of the debtor's attorney);

“(bb) provide adequate protection as ordered by the court; or

“(cc) perform the terms of a plan confirmed by the court; or

“(III) there has not been a substantial change in the financial or personal affairs of the debtor since the dismissal of the next most previous case under chapter 7, 11, or 13 or any other reason to conclude that the later case will be concluded—

“(aa) if a case under chapter 7, with a discharge; or

“(bb) if a case under chapter 11 or 13, with a confirmed plan which will be fully performed; and

“(ii) as to any creditor that commenced an action under subsection (d) in a previous case in which the individual was a debtor if, as of the date of dismissal of such case, that action was still pending or had been resolved by terminating, conditioning, or limiting the stay as to actions of such creditor; and

“(4)(A)(i) if a single or joint case is filed by or against an individual debtor under this title, and if 2 or more single or joint cases of the debtor were pending within the previous year but were dismissed, other than a case refiled under section 707(b), the stay under subsection (a) shall not go into effect upon the filing of the later case; and

“(ii) on request of a party in interest, the court shall promptly enter an order confirming that no stay is in effect;

“(B) if, within 30 days after the filing of the later case, a party in interest requests the court may order the stay to take effect in the case as to any or all creditors (subject to such conditions or limitations as the court may impose), after notice and hearing, only if the party in interest demonstrates that the filing of the later case is in good faith as to the creditors to be stayed;

"(C) a stay imposed under subparagraph (B) shall be effective on the date of entry of the order allowing the stay to go into effect; and

"(D) for purposes of subparagraph (B), a case is presumptively not filed in good faith (but such presumption may be rebutted by clear and convincing evidence to the contrary)—

"(i) as to all creditors if—

"(I) 2 or more previous cases under this title in which the individual was a debtor were pending within the 1-year period;

"(II) a previous case under this title in which the individual was a debtor was dismissed within the time period stated in this paragraph after the debtor failed to file or amend the petition or other documents as required by this title or the court without substantial excuse (but mere inadvertence or negligence shall not be substantial excuse unless the dismissal was caused by the negligence of the debtor's attorney), failed to pay adequate protection as ordered by the court, or failed to perform the terms of a plan confirmed by the court; or

"(III) there has not been a substantial change in the financial or personal affairs of the debtor since the dismissal of the next most previous case under this title, or any other reason to conclude that the later case will not be concluded, if a case under chapter 7, with a discharge, and if a case under chapter 11 or 13, with a confirmed plan that will be fully performed; or

"(ii) as to any creditor that commenced an action under subsection (d) in a previous case in which the individual was a debtor if, as of the date of dismissal of such case, such action was still pending or had been resolved by terminating, conditioning, or limiting the stay as to action of such creditor.".

SEC. 303. CURBING ABUSIVE FILINGS.

(a) IN GENERAL.—Section 362(d) of title 11, United States Code, is amended—

(1) in paragraph (2), by striking "or" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(4) with respect to a stay of an act against real property under subsection (a), by a creditor whose claim is secured by an interest in such real estate, if the court finds that the filing of the bankruptcy petition was part of a scheme to delay, hinder, and defraud creditors that involved either—

"(A) transfer of all or part ownership of, or other interest in, the real property without the consent of the secured creditor or court approval; or

"(B) multiple bankruptcy filings affecting the real property.

If recorded in compliance with applicable State laws governing notices of interests or liens in real property, an order entered under this subsection shall be binding in any other case under this title purporting to affect the real property filed not later than 2 years after the date of entry of such order by the court, except that a debtor in a subsequent case may move for relief from such order based upon changed circumstances or for good cause shown, after notice and a hearing. Any Federal, State, or local governmental unit that accepts notices of interests or liens in real property shall accept any certified copy of an order described in this subsection for indexing and recording.".

(b) AUTOMATIC STAY.—Section 362(b) of title 11, United States Code, is amended by inserting after paragraph (19), as added by this Act, the following:

"(20) under subsection (a), of any act to enforce any lien against or security interest in real property following the entry of an order under section 362(d)(4) as to that property in any prior bankruptcy case for a period of 2 years after entry of such an order, except that the debtor, in a subsequent case, may move the court for relief from such order based upon changed circumstances or for other good cause shown, after notice and a hearing;

"(21) under subsection (a), of any act to enforce any lien against or security interest in real property—

"(A) if the debtor is ineligible under section 109(g) to be a debtor in a bankruptcy case; or

"(B) if the bankruptcy case was filed in violation of a bankruptcy court order in a prior bankruptcy case prohibiting the debtor from being a debtor in another bankruptcy case;".

SEC. 304. DEBTOR RETENTION OF PERSONAL PROPERTY SECURITY.

Title 11, United States Code, is amended—

(1) in section 521(a) (as so designated by this Act)—

(A) in paragraph (4), by striking ", and" at the end and inserting a semicolon;

(B) in paragraph (5), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(6) in an individual case under chapter 7 of this title, not retain possession of personal property as to which a creditor has an allowed claim for the purchase price secured in whole or in part by an interest in that personal property unless, in the case of an individual debtor, the debtor, not later than 45 days after the first meeting of creditors under section 341(a), either—

"(A) enters into an agreement with the creditor pursuant to section 524(c) of this title with respect to the claim secured by such property; or

"(B) redeems such property from the security interest pursuant to section 722 of this title.

If the debtor fails to so act within the 45-day period referred to in paragraph (6), the stay under section 362(a) of this title is terminated with respect to the personal property of the estate or of the debtor which is affected, such property shall no longer be property of the estate, and the creditor may take whatever action as to such property as is permitted by applicable nonbankruptcy law, unless the court determines on the motion of the trustee brought before the expiration of such 45-day period, and after notice and a hearing, that such property is of consequential value or benefit to the estate, orders appropriate adequate protection of the creditor's interest, and orders the debtor to deliver any collateral in the debtor's possession to the trustee."; and

(2) in section 722, by inserting "in full at the time of redemption" before the period at the end.

SEC. 305. RELIEF FROM THE AUTOMATIC STAY WHEN THE DEBTOR DOES NOT COMPLETE INTENDED SURRENDER OF CONSUMER DEBT COLLATERAL.

Title 11, United States Code, is amended—

(1) in section 362—

(A) in subsection (c), by striking "(e), and (f)" and inserting "(e), (f), and (h)";

(B) by redesignating subsection (h) as subsection (k); and

(C) by inserting after subsection (g) the following:

"(h)(1) In an individual case under chapter 7, 11, or 13, the stay provided by subsection (a) is terminated with respect to personal property of the estate or of the debtor securing in whole or in part a claim, or subject to an unexpired lease, and such personal property shall no longer be property of the estate if the debtor fails within the applicable time set by section 521(a)(2) of this title—

"(A) to file timely any statement of intention required under section 521(a)(2) of this title with respect to that property or to indicate in that statement that the debtor will either surrender the property or retain it and, if retaining it, either redeem the property pursuant to section 722 of this title, reaffirm the debt it secures pursuant to section 524(c) of this title, or assume the unexpired lease pursuant to section 365(p) of this title if the trustee does not do so, as applicable; and

"(B) to take timely the action specified in that statement of intention, as it may be amended before expiration of the period for taking action, unless the statement of intention specifies reaffirmation and the creditor refuses to reaffirm on the original contract terms.

"(2) Paragraph (1) does not apply if the court determines, on the motion of the trustee filed before the expiration of the applicable time set by section 521(a)(2), after notice and a hearing, that such property is of consequential value or benefit to the estate, and orders appropriate adequate protection of the creditor's interest, and orders the debtor to deliver any collateral in the debtor's possession to the trustee. If the court does not so determine, the stay provided by subsection (a) shall terminate upon the conclusion of the proceeding on the motion."; and

(2) in section 521—

(A) in subsection (a)(2), as so designated by this Act, by striking "consumer";

(B) in subsection (a)(2)(B), as so designated by this Act—

(i) by striking "forty-five days after the filing of a notice of intent under this section" and inserting "30 days after the first date set for the meeting of creditors under section 341(a) of this title"; and

(ii) by striking "forty-five day" and inserting "30-day";

(C) in subsection (a)(2)(C), as so designated by this Act, by inserting ", except as provided in section 362(h) of this title" before the semicolon; and

(D) by adding at the end the following:

"(d) If the debtor fails timely to take the action specified in subsection (a)(6) of this section, or in paragraphs (1) and (2) of section 362(h) of this title, with respect to property which a lessor or bailor owns and has leased, rented, or bailed to the debtor or as to which a creditor holds a security interest not otherwise voidable under section 522(f), 544, 545, 547, 548, or 549 of this title, nothing in this title shall prevent or limit the operation of a provision in the underlying lease or agreement which has the effect of placing the debtor in default under such lease or agreement by reason of the occurrence, pendency, or existence of a proceeding under this title or the insolvency of the debtor. Nothing in this subsection shall be deemed to justify limiting such a provision in any other circumstance.".

SEC. 306. GIVING SECURED CREDITORS FAIR TREATMENT IN CHAPTER 13.

(a) IN GENERAL.—Section 1325(a)(5)(B)(i) of title 11, United States Code, is amended to read as follows:

"(i) the plan provides that—

"(I) the holder of such claim retain the lien securing such claim until the earlier of—

"(aa) the payment of the underlying debt determined under nonbankruptcy law; or "(bb) discharge under section 1328; and

"(II) if the case under this chapter is dismissed or converted without completion of the plan, such lien shall also be retained by such holder to the extent recognized by applicable nonbankruptcy law; and".

(b) Restoring the Foundation for Secured Credit.—Section 1325(a) of title 11, United States Code, is amended by adding at the end the following flush sentence:

"For purposes of paragraph (5), section 506 shall not apply to a claim described in that paragraph if the creditor has a purchase money security interest securing the debt that is the subject of the claim, the debt was incurred within the 3-year period preceding the filing of the petition, and the collateral for that debt consists of a motor vehicle (as defined in section 30102 of title 49) acquired for the personal use of the debtor, or if collateral for that debt consists of any other thing of value, if the debt was incurred during the 1-year period preceding that filing.".

(c) Definitions.—Section 101 of title 11, United States Code, as amended by this Act, is amended—

(1) by inserting after paragraph (13) the following:

"(13A) 'debtor's principal residence'—

"(A) means a residential structure, including incidental property, without regard to whether that structure is attached to real property; and

"(B) includes an individual condominium or cooperative unit, a mobile or manufactured home, or trailer;"; and

(2) by inserting after paragraph (27), the following:

"(27A) 'incidental property' means, with respect to a debtor's principal residence—

"(A) property commonly conveyed with a principal residence in the area where the real estate is located;

"(B) all easements, rights, appurtenances, fixtures, rents, royalties, mineral rights, oil or gas rights or profits, water rights, escrow funds, or insurance proceeds; and

"(C) all replacements or additions;".

SEC. 307. DOMICILIARY REQUIREMENTS FOR EXEMPTIONS.

Section 522(b)(3)(A) of title 11, United States Code, as so designated by this Act, is amended—

(1) by striking "180 days" and inserting "730 days"; and

(2) by striking ", or for a longer portion of such 180-day period than in any other place" and inserting "or if the debtor's domicile has not been located at a single State for such 730-day period, the place in which the debtor's domicile was located for 180 days immediately preceding the 730-day period or for a longer portion of such 180-day period than in any other place".

SEC. 308. LIMITATION.

Section 522 of title 11, United States Code, is amended—

(1) in subsection (b)(3)(A), as so designated by this Act, by inserting "subject to subsection (o)," before "any property"; and

(2) by adding at the end the following new subsection:

"(o)(1) As a result of electing under subsection (b)(3)(A) to exempt property under State or local law, a debtor may not exempt any amount of interest that exceeds, in the aggregate, $125,000 in value in—

"(A) real or personal property that the debtor or a dependent of the debtor uses as a residence;

"(B) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

"(C) a burial plot for the debtor or a dependent of the debtor.

"(2) The limitation under paragraph (1) shall not apply to an exemption claimed under subsection (b)(3)(A) by a family farmer for the principal residence of that farmer.".

SEC. 309. PROTECTING SECURED CREDITORS IN CHAPTER 13 CASES.

(a) Stopping Abusive Conversions From Chapter 13.—Section 348(f)(1) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B)—

(A) by striking "in the converted case, with allowed secured claims" and inserting "only in a case converted to a case under chapter 11 or 12, but not in a case converted to a case under chapter 7, with allowed secured claims in cases under chapters 11 and 12"; and

(B) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) with respect to cases converted from chapter 13—

"(i) the claim of any creditor holding security as of the date of the petition shall continue to be secured by that security unless the full amount of such claim determined under applicable nonbankruptcy law has been paid in full as of the date of conversion, notwithstanding any valuation or determination of the amount of an allowed secured claim made for the purposes of the chapter 13 proceeding; and

"(ii) unless a prebankruptcy default has been fully cured under the plan at the time of conversion, in any proceeding under this title or otherwise, the default shall have the effect given under applicable nonbankruptcy law.".

(b) Giving Debtors the Ability To Keep Leased Personal Property by Assumption.—Section 365 of title 11, United States Code, is amended by adding at the end the following:

"(p)(1) If a lease of personal property is rejected or not timely assumed by the trustee under subsection (d), the leased property is no longer property of the estate and the stay under section 362(a) is automatically terminated.

"(2)(A) In the case of an individual under chapter 7, the debtor may notify the creditor in writing that the debtor desires to assume the lease. Upon being so notified, the creditor may, at its option, notify the debtor that it is willing to have the lease assumed by the debtor and may condition such assumption on cure of any outstanding default on terms set by the contract.

"(B) If, not later than 30 days after notice is provided under subparagraph (A), the debtor notifies the lessor in writing that the lease is assumed, the liability under the lease will be assumed by the debtor and not by the estate.

"(C) The stay under section 362 and the injunction under section 524(a)(2) shall not be violated by notification of the debtor and negotiation of cure under this subsection.

"(3) In a case under chapter 11 in which the debtor is an individual and in a case under chapter 13, if the debtor is the lessee with respect to personal property and the lease is not assumed in the plan confirmed by the court, the lease is deemed rejected as of the conclusion of the hearing on confirmation. If the lease is rejected, the stay under section 362 and any stay under section 1301 is automatically terminated with respect to the property subject to the lease.".

(c) Adequate Protection of Lessors and Purchase Money Secured Creditors.—

(1) Confirmation of plan.—Section 1325(a)(5)(B) of title 11, United States Code, is amended—

(A) in clause (i), by striking "and" at the end;

(B) in clause (ii), by striking "or" at the end and inserting "and"; and

(C) by adding at the end the following:

"(iii) if—

"(I) property to be distributed pursuant to this subsection is in the form of periodic payments, such payments shall be in equal monthly amounts; and

"(II) the holder of the claim is secured by personal property, the amount of such payments shall not be less than an amount sufficient to provide to the holder of such claim adequate protection during the period of the plan; or".

(2) Payments.—Section 1326(a) of title 11, United States Code, is amended to read as follows:

"(a)(1) Unless the court orders otherwise, the debtor shall commence making payments not later than 30 days after the date of the filing of the plan or the order for relief, whichever is earlier, in the amount—

"(A) proposed by the plan to the trustee;

"(B) scheduled in a lease of personal property directly to the lessor for that portion of the obligation that becomes due after the order for relief, reducing the payments under subparagraph (A) by the amount so paid and providing the trustee with evidence of such payment, including the amount and date of payment; and

"(C) that provides adequate protection directly to a creditor holding an allowed claim secured by personal property to the extent the claim is attributable to the purchase of such property by the debtor for that portion of the obligation that becomes due after the order for relief, reducing the payments under subparagraph (A) by the amount so paid and providing the trustee with evidence of such payment, including the amount and date of payment.

"(2) A payment made under paragraph (1)(A) shall be retained by the trustee until confirmation or denial of confirmation. If a plan is confirmed, the trustee shall distribute any such payment in accordance with the plan as soon as is practicable. If a plan is not confirmed, the trustee shall return any such payments not previously paid and not yet due and owing to creditors pursuant to paragraph (3) to the debtor, after deducting any unpaid claim allowed under section 503(b).

"(3) Subject to section 363, the court may, upon notice and a hearing, modify, increase, or reduce the payments required under this subsection pending confirmation of a plan.

"(4) Not later than 60 days after the date of filing of a case under this chapter, a debtor retaining possession of personal property subject to a lease or securing a claim attributable in whole or in part to the purchase price of such property shall provide the lessor or secured creditor reasonable evidence of the maintenance of any required insurance coverage with respect to the use or ownership of such property and continue to do so for so long as the debtor retains possession of such property.".

SEC. 310. LIMITATION ON LUXURY GOODS.

Section 523(a)(2)(C) of title 11, United States Code, is amended to read as follows:

"(C)(i) for purposes of subparagraph (A)—

"(I) consumer debts owed to a single creditor and aggregating more than $750 for luxury goods or services incurred by an individual debtor on or within 90 days before the order for relief under this title are presumed to be nondischargeable; and

"(II) cash advances aggregating more than $750 that are extensions of consumer credit under an open end credit plan obtained by an individual debtor on or within 70 days before the order for relief under this title, are presumed to be nondischargeable; and

"(ii) for purposes of this subparagraph—

"(I) the term 'extension of credit under an open end credit plan' means an extension of credit under an open end credit plan, within the meaning of the Consumer Credit Protection Act (15 U.S.C. 1601 et seq.);

"(II) the term 'open end credit plan' has the meaning given that term under section 103 of the Consumer Credit Protection Act (15 U.S.C. 1602); and

"(III) the term 'luxury goods or services' does not include goods or services reasonably necessary for the support or maintenance of the debtor or a dependent of the debtor.".

SEC. 311. AUTOMATIC STAY.

(a) In General.—Section 362(b) of title 11, United States Code, is amended—

(1) by inserting after paragraph (21), as added by this Act, the following:

"(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property—

"(A) on which the debtor resides as a tenant; and

"(B) with respect to which—

"(i) the debtor fails to make a rental payment that first becomes due under the unexpired specific term of a rental agreement or lease or under a tenancy under applicable State or local rent control law, after the date of filing of the petition or during the 10-day period preceding the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification upon the debtor; or

"(ii) the debtor has a month to month tenancy (or one of shorter term) other than under applicable State or local rent control law where timely payments are made pursuant to clause (i) if the lessor files with the court a certification that the requirements of this clause have been met and serves a copy of the certification upon the debtor.

"(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property, if during the 2-year period preceding the date of filing of the petition, the debtor or another occupant of the leased premises—

"(A) commenced another case under this title; and

"(B) failed to make any rental payment that first became due under applicable nonbankruptcy law after the date of filing of the petition for that other case;

"(25) under subsection (a)(3), of an eviction action, to the extent that it seeks possession based on endangerment of property or the illegal use of controlled substances on the property, if the lessor files with the court a certification that such an eviction has been filed or the debtor has endangered property or illegally used or allowed to be used a controlled substance on the property during the 30-day period preceding the date of filing of the certification, and serves a copy of the certification upon the debtor;";

(2) by adding at the end of the flush material at the end of the subsection the following: "With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in any such paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under any such paragraph, unless—

"(A) the debtor files a certification with the court and serves a copy of that certification upon the lessor on or before that 15th day, that—

"(i) contests the truth or legal sufficiency of the lessor's certification; or

"(ii) states that the tenant has taken such action as may be necessary to remedy the subject of the certification under paragraph (23)(B)(i), except that no tenant may take advantage of such remedy more than once under this title; or

"(B) the court orders that the exception to the automatic stay shall not become effective, or provides for a later date of applicability."; and

(3) by adding at the end of the flush material added by paragraph (2), the following: "Where a debtor makes a certification under subparagraph (A), the clerk of the court shall set a hearing on a date no later than 10 days after the date of the filing of the certification of the debtor and provide written notice thereof. If the debtor can demonstrate to the satisfaction of the court that the rent payment due post-petition or 10 days prior to the petition was made prior to the filing of the debtor's certification under subparagraph (A), or that the situation giving rise to the exception in paragraph (25) does not exist or has been remedied to the court's satisfaction, then a stay under subsection (a) shall be in effect until the termination of the stay under this section. If the debtor cannot make this demonstration to the satisfaction of the court, the court shall order the stay under subsection (a) lifted forthwith. Where a debtor does not file a certification under subparagraph (A), the stay under subsection (a) shall be lifted by operation of law and the clerk of the court shall certify a copy of the bankruptcy docket as sufficient evidence that the automatic stay of subsection (a) is lifted.".

SEC. 312. EXTENSION OF PERIOD BETWEEN BANKRUPTCY DISCHARGES.

Title 11, United States Code, is amended—

(1) in section 727(a)(8), by striking "six" and inserting "8"; and

(2) in section 1328, by inserting after subsection (e) the following:

"(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502, if the debtor has received a discharge—

"(1) in a case filed under chapter 7, 11, or 12 of this title during the three-year period preceding the date of the order for relief under this chapter, or

"(2) in a case filed under chapter 13 of this title during the two-year period preceding the date of such order, except that if the debtor demonstrates extreme hardship requiring that a chapter 13 case be filed, the court may shorten the two-year period.".

SEC. 313. DEFINITION OF HOUSEHOLD GOODS AND ANTIQUES.

(a) Definition.—Section 522(f) of title 11, United States Code, is amended by adding at the end the following:

"(4)(A) Subject to subparagraph (B), for purposes of paragraph (1)(B), the term 'household goods' means—

"(i) clothing;

"(ii) furniture;

"(iii) appliances;

"(iv) 1 radio;

"(v) 1 television;

"(vi) 1 VCR;

"(vii) linens;

"(viii) china;

"(ix) crockery;

"(x) kitchenware;

"(xi) educational materials and educational equipment primarily for the use of minor dependent children of the debtor, but only 1 personal computer only if used primarily for the education or entertainment of such minor children;

"(xii) medical equipment and supplies;

"(xiii) furniture exclusively for the use of minor children, or elderly or disabled dependents of the debtor; and

"(xiv) personal effects (including the toys and hobby equipment of minor dependent children and wedding rings) of the debtor and the dependents of the debtor.

"(B) The term 'household goods' does not include—

"(i) works of art (unless by or of the debtor or the dependents of the debtor);

"(ii) electronic entertainment equipment (except 1 television, 1 radio, and 1 VCR);

"(iii) items acquired as antiques;

"(iv) jewelry (except wedding rings); and

"(v) a computer (except as otherwise provided for in this section), motor vehicle (including a tractor or lawn tractor), boat, or a motorized recreational device, conveyance, vehicle, watercraft, or aircraft.".

(b) Study.—Not later than 2 years after the date of enactment of this Act, the Director of the Executive Office for United States Trustees shall submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives containing its findings regarding utilization of the definition of household goods, as defined in section 522(f)(4) of title 11, United States Code, as added by this section, with respect to the avoidance of nonpossessory, nonpurchase money security interests in household goods under section 522(f)(1)(B) of title 11, United States Code, and the impact that section 522(f)(4) of that title, as added by this section, has had on debtors and on the bankruptcy courts. Such report may include recommendations for amendments to section 522(f)(4) of title 11, United States Code, consistent with the Director's findings.

SEC. 314. DEBT INCURRED TO PAY NONDISCHARGEABLE DEBTS.

(a) In General.—Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14) the following:

"(14A) incurred to pay a tax to a governmental unit, other than the United States, that would be nondischargeable under paragraph (1);".

(b) Discharge Under Chapter 13.—Section 1328(a) of title 11, United States Code, is amended by striking paragraphs (1) through (3) and inserting the following:

"(1) provided for under section 1322(b)(5);

"(2) of the kind specified in paragraph (2), (3), (4), (5), (8), or (9) of section 523(a);

"(3) for restitution, or a criminal fine, included in a sentence on the debtor's conviction of a crime; or

"(4) for restitution, or damages, awarded in a civil action against the debtor as a result of willful or malicious injury by the debtor that caused personal injury to an individual or the death of an individual.".

SEC. 315. GIVING CREDITORS FAIR NOTICE IN CHAPTERS 7 AND 13 CASES.

(a) Notice.—Section 342 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (c)—

(A) by inserting "(1)" after "(c)";

(B) by striking ", but the failure of such notice to contain such information shall not invalidate the legal effect of such notice"; and

(C) by adding at the end the following:

"(2) If, within the 90 days prior to the date of the filing of a petition in a voluntary case, the creditor supplied the debtor in at least 2 communications sent to the debtor with the current account number of the debtor and the address at which the creditor wishes to receive correspondence, then the debtor shall send any notice required under this title to the address provided by the creditor and such notice shall include the account number. In the event the creditor would be in violation of applicable nonbankruptcy law by sending any such communication within such 90-day period and if the creditor supplied the debtor in the last 2 communications with the current account number of the debtor and the address at which the creditor wishes to receive correspondence, then the debtor shall send any notice required under this title to the address provided by the creditor and such notice shall include the account number."; and

(2) by adding at the end the following:

"(e) At any time, a creditor, in a case of an individual debtor under chapter 7 or 13, may file with the court and serve on the debtor a notice of the address to be used to notify the creditor in that case. Five days after receipt of such notice, if the court or the debtor is required to give the creditor notice, such notice shall be given at that address.

"(f) An entity may file with the court a notice stating its address for notice in cases under chapters 7 and 13. After 30 days following the filing of such notice, any notice in any case filed under chapter 7 or 13 given by the court shall be to that address unless specific notice is given under subsection (e) with respect to a particular case.

"(g)(1) Notice given to a creditor other than as provided in this section shall not be effective notice until that notice has been brought to the attention of the creditor. If the creditor designates a person or department to be responsible for receiving notices concerning bankruptcy cases and establishes reasonable procedures so that bankruptcy notices received by the creditor are to be delivered to such department or person, notice shall not be considered to have been brought to the attention of the creditor until received by such person or department.

"(2) No sanction under section 362(k) or any other sanction that a court may impose on account of violations of the stay under section 362(a) or failure to comply with section 542 or 543 may be imposed on any action of the creditor unless the action takes place after the creditor has received notice of the commencement of the case effective under this section.".

(b) DEBTOR'S DUTIES.—Section 521 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (a), as so designated by this Act, by striking paragraph (1) and inserting the following:

"(1) file—

"(A) a list of creditors; and

"(B) unless the court orders otherwise—

"(i) a schedule of assets and liabilities;

"(ii) a schedule of current income and current expenditures;

"(iii) a statement of the debtor's financial affairs and, if applicable, a certificate—

"(I) of an attorney whose name is on the petition as the attorney for the debtor or any bankruptcy petition preparer signing the petition under section 110(b)(1) indicating that such attorney or bankruptcy petition preparer delivered to the debtor any notice required by section 342(b); or

"(II) if no attorney for the debtor is indicated and no bankruptcy petition preparer signed the petition, of the debtor that such notice was obtained and read by the debtor;

"(iv) copies of all payment advices or other evidence of payment, if any, received by the debtor from any employer of the debtor in the period 60 days before the filing of the petition;

"(v) a statement of the amount of monthly net income, itemized to show how the amount is calculated; and

"(vi) a statement disclosing any reasonably anticipated increase in income or expenditures over the 12-month period following the date of filing;"; and

(2) by adding at the end the following:

"(e)(1) At any time, a creditor, in the case of an individual under chapter 7 or 13, may file with the court notice that the creditor requests the petition, schedules, and a statement of affairs filed by the debtor in the case, and the court shall make those documents available to the creditor who requests those documents.

"(2)(A) The debtor shall provide either a tax return or transcript at the election of the debtor, for the latest taxable period prior to filing for which a tax return has been or should have been filed, to the trustee, not later than 7 days before the date first set for the first meeting of creditors, or the case shall be dismissed, unless the debtor demonstrates that the failure to file a return as required is due to circumstances beyond the control of the debtor.

"(B) If a creditor has requested a tax return or transcript referred to in subparagraph (A), the debtor shall provide such tax return or transcript to the requesting creditor at the time the debtor provides the tax return or transcript to the trustee, or the case shall be dismissed, unless the debtor demonstrates that the debtor is unable to provide such information due to circumstances beyond the control of the debtor.

"(3)(A) At any time, a creditor in a case under chapter 13 may file with the court notice that the creditor requests the plan filed by the debtor in the case.

"(B) The court shall make such plan available to the creditor who requests such plan—

"(i) at a reasonable cost; and

"(ii) not later than 5 days after such request.

"(f) An individual debtor in a case under chapter 7, 11, or 13 shall file with the court at the request of the judge, United States trustee, or any party in interest—

"(1) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, with respect to the period from the commencement of the case until such time as the case is closed;

"(2) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order of relief;

"(3) any amendments to any of the Federal tax returns or transcripts thereof, described in paragraph (1) or (2); and

"(4) in a case under chapter 13, a statement subject to the penalties of perjury by the debtor of the debtor's income and expenditures in the preceding tax year and monthly income, that shows how the amounts are calculated—

"(A) beginning on the date that is the later of 90 days after the close of the debtor's tax year or 1 year after the order for relief, unless a plan has been confirmed; and

"(B) thereafter, on or before the date that is 45 days before each anniversary of the confirmation of the plan until the case is closed.

"(g)(1) A statement referred to in subsection (f)(4) shall disclose—

"(A) the amount and sources of income of the debtor;

"(B) the identity of any person responsible with the debtor for the support of any dependent of the debtor; and

"(C) the identity of any person who contributed, and the amount contributed, to the household in which the debtor resides.

"(2) The tax returns, amendments, and statement of income and expenditures described in subsection (e)(2)(A) and subsection (f) shall be available to the United States trustee, any bankruptcy administrator, any trustee, and any party in interest for inspection and copying, subject to the requirements of subsection (h).

"(h)(1) Not later than 180 days after the date of enactment of the Bankruptcy Reform Act of 2001, the Director of the Administrative Office of the United States Courts shall establish procedures for safeguarding the confidentiality of any tax information required to be provided under this section.

"(2) The procedures under paragraph (1) shall include restrictions on creditor access to tax information that is required to be provided under this section.

"(3) Not later than 1 year and 180 days after the date of enactment of the Bankruptcy Reform Act of 2001, the Director of the Administrative Office of the United States Courts shall prepare and submit to Congress a report that—

"(A) assesses the effectiveness of the procedures under paragraph (1); and

"(B) if appropriate, includes proposed legislation to—

"(i) further protect the confidentiality of tax information; and

"(ii) provide penalties for the improper use by any person of the tax information required to be provided under this section.

"(i) If requested by the United States trustee or a trustee serving in the case, the debtor shall provide—

"(1) a document that establishes the identity of the debtor, including a driver's license, passport, or other document that contains a photograph of the debtor; and

"(2) such other personal identifying information relating to the debtor that establishes the identity of the debtor.".

SEC. 316. DISMISSAL FOR FAILURE TO TIMELY FILE SCHEDULES OR PROVIDE REQUIRED INFORMATION.

Section 521 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(j)(1) Notwithstanding section 707(a), and subject to paragraph (2), if an individual debtor in a voluntary case under chapter 7 or 13 fails to file all of the information required under subsection (a)(1) within 45 days after the filing of the petition commencing the case, the case shall be automatically dismissed effective on the 46th day after the filing of the petition.

"(2) With respect to a case described in paragraph (1), any party in interest may request the court to enter an order dismissing the case. If requested, the court shall enter an order of dismissal not later than 5 days after such request.

"(3) Upon request of the debtor made within 45 days after the filing of the petition commencing a case described in paragraph (1), the court may allow the debtor an additional period of not to exceed 45 days to file the information required under subsection (a)(1) if the court finds justification for extending the period for the filing.".

SEC. 317. ADEQUATE TIME TO PREPARE FOR HEARING ON CONFIRMATION OF THE PLAN.

Section 1324 of title 11, United States Code, is amended—

(1) by striking "After" and inserting the following:

"(a) Except as provided in subsection (b) and after"; and

(2) by adding at the end the following:

"(b) The hearing on confirmation of the plan may be held not earlier than 20 days and not later than 45 days after the date of the meeting of creditors under section 341(a).".

SEC. 318. CHAPTER 13 PLANS TO HAVE A 5-YEAR DURATION IN CERTAIN CASES.

Title 11, United States Code, is amended—

(1) by amending section 1322(d) to read as follows:

"(d)(1) If the current monthly income of the debtor and the debtor's spouse combined, when multiplied by 12, is not less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4,

the plan may not provide for payments over a period that is longer than 5 years.

"(2) If the current monthly income of the debtor and the debtor's spouse combined, when multiplied by 12, is less than—

"(A) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(B) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(C) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4,

the plan may not provide for payments over a period that is longer than 3 years, unless the court, for cause, approves a longer period, but the court may not approve a period that is longer than 5 years.";

(2) in section 1325(b)(1)(B), by striking "three-year period" and inserting "applicable commitment period"; and

(3) in section 1325(b), as amended by this Act, by adding at the end the following:

"(4) For purposes of this subsection, the 'applicable commitment period'—

"(A) subject to subparagraph (B), shall be—

"(i) 3 years; or

"(ii) not less than 5 years, if the current monthly income of the debtor and the debtor's spouse combined, when multiplied by 12, is not less than—

"(I) in the case of a debtor in a household of 1 person, the median family income of the applicable State for 1 earner last reported by the Bureau of the Census;

"(II) in the case of a debtor in a household of 2, 3, or 4 individuals, the highest median family income of the applicable State for a family of the same number or fewer individuals last reported by the Bureau of the Census; or

"(III) in the case of a debtor in a household exceeding 4 individuals, the highest median family income of the applicable State for a family of 4 or fewer individuals last reported by the Bureau of the Census, plus $525 per month for each individual in excess of 4; and

"(B) may be less than 3 or 5 years, whichever is applicable under subparagraph (A), but only if the plan provides for payment in full of all allowed unsecured claims over a shorter period."; and

(4) in section 1329(c), by striking "three years" and inserting "the applicable commitment period under section 1325(b)(1)(B)".

SEC. 319. SENSE OF CONGRESS REGARDING EXPANSION OF RULE 9011 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE.

It is the sense of Congress that rule 9011 of the Federal Rules of Bankruptcy Procedure (11 U.S.C. App.) should be modified to include a requirement that all documents (including schedules), signed and unsigned, submitted to the court or to a trustee by debtors who represent themselves and debtors who are represented by an attorney be submitted only after the debtor or the debtor's attorney has made reasonable inquiry to verify that the information contained in such documents is—

(1) well grounded in fact; and

(2) warranted by existing law or a good-faith argument for the extension, modification, or reversal of existing law.

SEC. 320. PROMPT RELIEF FROM STAY IN INDIVIDUAL CASES.

Section 362(e) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2) Notwithstanding paragraph (1), in the case of an individual filing under chapter 7, 11, or 13, the stay under subsection (a) shall terminate on the date that is 60 days after a request is made by a party in interest under subsection (d), unless—

"(A) a final decision is rendered by the court during the 60-day period beginning on the date of the request; or

"(B) that 60-day period is extended—

"(i) by agreement of all parties in interest; or

"(ii) by the court for such specific period of time as the court finds is required for good cause, as described in findings made by the court.".

SEC. 321. CHAPTER 11 CASES FILED BY INDIVIDUALS.

(a) Property of the Estate.—

(1) In general.—Subchapter I of chapter 11 of title 11, United States Code, is amended by adding at the end the following:

"§ 1115. Property of the estate

"(a) In a case concerning an individual debtor, property of the estate includes, in addition to the property specified in section 541—

"(1) all property of the kind specified in section 541 that the debtor acquires after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 12, or 13, whichever occurs first; and

"(2) earnings from services performed by the debtor after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, 12, or 13, whichever occurs first.".

"(b) Except as provided in section 1104 or a confirmed plan or order confirming a plan, the debtor shall remain in possession of all property of the estate.".

(2) Clerical amendment.—The table of sections for chapter 11 of title 11, United States Code, is amended by adding at the end of the matter relating to subchapter I the following:

"1115. Property of the estate.".

(b) Contents of Plan.—Section 1123(a) of title 11, United States Code, is amended—

(1) in paragraph (6), by striking "and" at the end;

(2) in paragraph (7), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(8) in a case concerning an individual, provide for the payment to creditors through the plan of all or such portion of earnings from personal services performed by the debtor after the commencement of the case or other future income of the debtor as is necessary for the execution of the plan.".

(c) Confirmation of Plan.—

(1) Requirements relating to value of property.—Section 1129(a) of title 11, United States Code, is amended by adding at the end the following:

"(15) In a case concerning an individual in which the holder of an allowed unsecured claim objects to the confirmation of the plan—

"(A) the value of the property to be distributed under the plan on account of such claim is, as of the effective date of the plan, not less than the amount of such claim; or

"(B) the value of the property to be distributed under the plan is not less than the debtor's projected disposable income (as that term is defined in section 1325(b)(2)) to be received during the 5-year period beginning on the date that the first payment is due under the plan, or during the term of the plan, whichever is longer.".

(2) Requirement relating to interests in property.—Section 1129(b)(2)(B)(ii) of title 11, United States Code, is amended by inserting before the period at the end the following: ", except that in a case concerning an individual, the debtor may retain property included in the estate under section 1115, subject to the requirements of subsection (a)(14)".

(d) Effect of Confirmation.—Section 1141(d) of title 11, United States Code, is amended—

(1) in paragraph (2), by striking "The confirmation of a plan does not discharge an individual debtor" and inserting "A discharge under this chapter does not discharge an individual debtor"; and

(2) by adding at the end the following:

"(5) In a case concerning an individual—

"(A) except as otherwise ordered for cause shown, the discharge is not effective until completion of all payments under the plan; and

"(B) at any time after the confirmation of the plan and after notice and a hearing, the court may grant a discharge to a debtor that has not completed payments under the plan only if—

"(i) for each allowed unsecured claim, the value, as of the effective date of the plan, of property actually distributed under the plan on account of that claim is not less than the amount that would have been paid on such claim if the estate of the debtor had been liquidated under chapter 7 of this title on such date; and

"(ii) modification of the plan under 1127 of this title is not practicable.".

(e) MODIFICATION OF PLAN.—Section 1127 of title 11, United States Code, is amended by adding at the end the following:

"(e) In a case concerning an individual, the plan may be modified at any time after confirmation of the plan but before the completion of payments under the plan, whether or not the plan has been substantially consummated, upon request of the debtor, the trustee, the United States trustee, or the holder of an allowed unsecured claim, to—

"(1) increase or reduce the amount of payments on claims of a particular class provided for by the plan;

"(2) extend or reduce the time period for such payments; or

"(3) alter the amount of the distribution to a creditor whose claim is provided for by the plan to the extent necessary to take account of any payment of such claim made other than under the plan.

"(f)(1) Sections 1121 through 1128 of this title and the requirements of section 1129 of this title apply to any modification under subsection (a).

"(2) The plan, as modified, shall become the plan only after there has been disclosure under section 1125, as the court may direct, notice and a hearing, and such modification is approved.".

SEC. 322. EXCLUDING EMPLOYEE BENEFIT PLAN PARTICIPANT CONTRIBUTIONS AND OTHER PROPERTY FROM THE ESTATE.

(a) IN GENERAL.—Section 541(b) of title 11, United States Code, is amended by inserting after paragraph (6), as added by this Act, the following:

"(7) any amount—

"(A) withheld by an employer from the wages of employees for payment as contributions to—

"(i) an employee benefit plan subject to title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.) or under an employee benefit plan which is a governmental plan under section 414(d) of the Internal Revenue Code of 1986, a deferred compensation plan under section 457 of the Internal Revenue Code of 1986, or a tax-deferred annuity under section 403(b) of the Internal Revenue Code of 1986, except that amount shall not constitute disposable income, as defined in section 1325(b)(2) of this title; or

"(ii) a health insurance plan regulated by State law whether or not subject to such title; or

"(B) received by the employer from employees for payment as contributions to—

"(i) an employee benefit plan subject to title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.) or under an employee benefit plan which is a governmental plan under section 414(d) of the Internal Revenue Code of 1986, a deferred compensation plan under section 457 of the Internal Revenue Code of 1986, or a tax-deferred annuity under section 403(b) of the Internal Revenue Code of 1986, except that amount shall not constitute disposable income, as defined in section 1325(b)(2) of this title; or

"(ii) a health insurance plan regulated by State law whether or not subject to such title;".

(b) APPLICATION OF AMENDMENT.—The amendments made by this section shall not apply to cases commenced under title 11, United States Code, before the expiration of the 180-day period beginning on the date of enactment of this Act.

SEC. 323. EXCLUSIVE JURISDICTION IN MATTERS INVOLVING BANKRUPTCY PROFESSIONALS.

(a) IN GENERAL.—Section 1334 of title 28, United States Code, is amended—

(1) in subsection (b), by striking "Notwithstanding" and inserting "Except as provided in subsection (e)(2), and notwithstanding"; and

(2) by striking subsection (e) and inserting the following:

"(e) The district court in which a case under title 11 is commenced or is pending shall have exclusive jurisdiction—

"(1) of all the property, wherever located, of the debtor as of the date of commencement of such case, and of property of the estate; and

"(2) over all claims or causes of action that involve construction of section 327 of title 11, United States Code, or rules relating to disclosure requirements under section 327.".

(b) APPLICABILITY.—This section shall only apply to cases filed after the date of enactment of this Act.

SEC. 324. UNITED STATES TRUSTEE PROGRAM FILING FEE INCREASE.

(a) ACTIONS UNDER CHAPTER 7 OR 13 OF TITLE 11, UNITED STATES CODE.—Section 1930(a) of title 28, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) For a case commenced—

"(A) under chapter 7 of title 11, $160; or

"(B) under chapter 13 of title 11, $150.".

(b) UNITED STATES TRUSTEE SYSTEM FUND.—Section 589a(b) of title 28, United States Code, is amended—

(1) by striking paragraph (1) and inserting the following:

"(1)(A) 40.63 percent of the fees collected under section 1930(a)(1)(A) of this title in cases commenced under chapter 7 of title 11; and

"(B) 70.00 percent of the fees collected under section 1930(a)(1)(B) of this title in cases commenced under chapter 13 of title 11;";

(2) in paragraph (2), by striking "one-half" and inserting "three-fourths"; and

(3) in paragraph (4), by striking "one-half" and inserting "100 percent".

(c) COLLECTION AND DEPOSIT OF MISCELLANEOUS BANKRUPTCY FEES.—Section 406(b) of the Judiciary Appropriations Act, 1990 (28 U.S.C. 1931 note) is amended by striking "pursuant to 28 U.S.C. section 1930(b) and 30.76 per centum of the fees hereafter collected under 28 U.S.C. section 1930(a)(1) and 25 percent of the fees hereafter collected under 28 U.S.C. section 1930(a)(3) shall be deposited as offsetting receipts to the fund established under 28 U.S.C. section 1931" and inserting "under section 1930(b) of title 28, United States Code, and 31.25 percent of the fees collected under section 1930(a)(1)(A) of that title, 30.00 percent of the fees collected under section 1930(a)(1)(B) of that title, and 25 percent of the fees collected under section 1930(a)(3) of that title shall be deposited as offsetting receipts to the fund established under section 1931 of that title".

SEC. 325. SHARING OF COMPENSATION.

Section 504 of title 11, United States Code, is amended by adding at the end the following:

"(c) This section shall not apply with respect to sharing, or agreeing to share, compensation with a bona fide public service attorney referral program that operates in accordance with non-Federal law regulating attorney referral services and with rules of professional responsibility applicable to attorney acceptance of referrals.".

SEC. 326. FAIR VALUATION OF COLLATERAL.

Section 506(a) of title 11, United States Code, is amended by—

(1) inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) In the case of an individual debtor under chapters 7 and 13, such value with respect to personal property securing an allowed claim shall be determined based on the replacement value of such property as of the date of filing the petition without deduction for costs of sale or marketing. With respect to property acquired for personal, family, or household purpose, replacement value shall mean the price a retail merchant would charge for property of that kind considering the age and condition of the property at the time value is determined.".

SEC. 327. DEFAULTS BASED ON NONMONETARY OBLIGATIONS.

(a) EXECUTORY CONTRACTS AND UNEXPIRED LEASES.—Section 365 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1)(A), by striking the semicolon at the end and inserting the following: "other than a default that is a breach of a provision relating to the satisfaction of any provision (other than a penalty rate or penalty provision) relating to a default arising from any failure to perform nonmonetary obligations under an unexpired lease of real property, if it is impossible for the trustee to cure such default by performing nonmonetary acts at and after the time of assumption, except that if such default arises from a failure to operate in accordance with a nonresidential real property lease, then such default shall be cured by performance at and after the time of assumption in accordance with such lease, and pecuniary losses resulting from such default shall be compensated in accordance with the provisions of paragraph (b)(1);"; and

(B) in paragraph (2)(D), by striking "penalty rate or provision" and inserting "penalty rate or penalty provision";

(2) in subsection (c)—

(A) in paragraph (2), by inserting "or" at the end;

(B) in paragraph (3), by striking "; or" at the end and inserting a period; and

(C) by striking paragraph (4);

(3) in subsection (d)—

(A) by striking paragraphs (5) through (9); and

(B) by redesignating paragraph (10) as paragraph (5); and

(4) in subsection (f)(1) by striking "; except that" and all that follows through the end of the paragraph and inserting a period.

(b) IMPAIRMENT OF CLAIMS OR INTERESTS.—Section 1124(2) of title 11, United States Code, is amended—

(1) in subparagraph (A), by inserting "or of a kind that section 365(b)(2) of this title expressly does not require to be cured" before the semicolon at the end;

(2) in subparagraph (C), by striking "and" at the end;

(3) by redesignating subparagraph (D) as subparagraph (E); and

(4) by inserting after subparagraph (C) the following:

"(D) if such claim or such interest arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a non-residential real property lease subject to section 365(b)(1)(A), compensates the holder of such claim or such interest (other than the debtor or an insider) for any actual pecuniary loss incurred by such holder as a result of such failure; and".

SEC. 328. NONDISCHARGEABILITY OF DEBTS INCURRED THROUGH VIOLATIONS OF LAWS RELATING TO THE PROVISION OF LAWFUL GOODS AND SERVICES.

Section 523(a) of title 11, United States Code, is amended—

(1) in paragraph (17), by striking “or” at the end;

(2) in paragraph (18), as added by section 224 of this Act, by striking the period at the end of subparagraph (B) and inserting “; or”;

(3) by adding at the end of the flush material immediately following that paragraph (18), as added by section 224 of this Act, the following: “Nothing in paragraph (19) shall be construed to affect any expressive conduct (including peaceful picketing or other peaceful demonstration) protected from legal prohibition by the first amendment to the Constitution of the United States.”; and

(4) by inserting before the flush material following that paragraph (18), the following:

“(19) that results from any judgment, order, consent order, or decree entered in any Federal or State court, or contained in any settlement agreement entered into by the debtor, including any court-ordered damages, fine, penalty, citation, or attorney fee or cost owed by the debtor, arising from—

“(A) an action alleging the violation of any Federal, State, or local statutory law, including but not limited to violations of sections 247 and 248 of title 18, that results from the debtor's—

“(i) harassment of, intimidation of, interference with, obstruction of, injury to, threat to, or violence against, any person—

“(I) because that person provides or has provided lawful goods or services;

“(II) because that person is or has been obtaining lawful goods or services; or

“(III) to deter that person, any other person, or a class of persons from obtaining or providing lawful goods or services; or

“(ii) damage or destruction of property of a facility providing lawful goods or services; or

“(B) a violation of a court order or injunction that protects access to a facility that provides lawful goods or services or the provision of lawful goods or services.”.

SEC. 329. CLARIFICATION OF POSTPETITION WAGES AND BENEFITS.

Section 503(b)(1)(A) of title 11, United States Code, is amended to read as follows:

“(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case, and wages and benefits awarded pursuant to an action brought in a court of law or the National Labor Relations Board as back pay attributable to any period of time after commencement of the case as a result of the debtor's violation of Federal or State law, without regard to when the original unlawful act occurred or to whether any services were rendered if the court determines that the award will not substantially increase the probability of layoff or termination of current employees or of nonpayment of domestic support obligations during the case;”.

TITLE IV—GENERAL AND SMALL BUSINESS BANKRUPTCY PROVISIONS

Subtitle A—General Business Bankruptcy Provisions

SEC. 401. ADEQUATE PROTECTION FOR INVESTORS.

(a) Definition.—Section 101 of title 11, United States Code, as amended by this Act, is amended by inserting after paragraph (48) the following:

“(48A) ‘securities self regulatory organization’ means either a securities association registered with the Securities and Exchange Commission under section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3) or a national securities exchange registered with the Securities and Exchange Commission under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f);”.

(b) Automatic Stay.—Section 362(b) of title 11, United States Code, is amended by inserting after paragraph (24), as added by this Act, the following:

“(25) under subsection (a), of—

“(A) the commencement or continuation of an investigation or action by a securities self regulatory organization to enforce such organization's regulatory power;

“(B) the enforcement of an order or decision, other than for monetary sanctions, obtained in an action by the securities self regulatory organization to enforce such organization's regulatory power; or

“(C) any act taken by the securities self regulatory organization to delist, delete, or refuse to permit quotation of any stock that does not meet applicable regulatory requirements;”.

SEC. 402. MEETINGS OF CREDITORS AND EQUITY SECURITY HOLDERS.

Section 341 of title 11, United States Code, is amended by adding at the end the following:

“(e) Notwithstanding subsections (a) and (b), the court, on the request of a party in interest and after notice and a hearing, for cause may order that the United States trustee not convene a meeting of creditors or equity security holders if the debtor has filed a plan as to which the debtor solicited acceptances prior to the commencement of the case.”.

SEC. 403. PROTECTION OF REFINANCE OF SECURITY INTEREST.

Subparagraphs (A), (B), and (C) of section 547(e)(2) of title 11, United States Code, are each amended by striking “10” each place it appears and inserting “30”.

SEC. 404. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

(a) In General.—Section 365(d)(4) of title 11, United States Code, is amended to read as follows:

“(4)(A) Subject to subparagraph (B), in any case under any chapter of this title, an unexpired lease of nonresidential real property under which the debtor is the lessee shall be deemed rejected, and the trustee shall immediately surrender that nonresidential real property to the lessor, if the trustee does not assume or reject the unexpired lease by the earlier of—

“(i) the date that is 120 days after the date of the order for relief; or

“(ii) the date of the entry of an order confirming a plan.

“(B)(i) The court may extend the period determined under subparagraph (A), prior to the expiration of the 120-day period, for 90 days upon motion of the trustee or lessor for cause.

“(ii) If the court grants an extension under clause (i), the court may grant a subsequent extension only upon prior written consent of the lessor in each instance.”.

(b) Exception.—Section 365(f)(1) of title 11, United States Code, is amended by striking “subsection” the first place it appears and inserting “subsections (b) and”.

SEC. 405. CREDITORS AND EQUITY SECURITY HOLDERS COMMITTEES.

(a) Appointment.—Section 1102(a) of title 11, United States Code, is amended by adding at the end the following:

“(4) On request of a party in interest and after notice and a hearing, the court may order the United States trustee to change the membership of a committee appointed under this subsection, if the court determines that the change is necessary to ensure adequate representation of creditors or equity security holders. The court may order the United States trustee to increase the number of members of a committee to include a creditor that is a small business concern (as described in section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1))), if the court determines that the creditor holds claims (of the kind represented by the committee) the aggregate amount of which, in comparison to the annual gross revenue of that creditor, is disproportionately large.”.

(b) Information.—Section 1102(b) of title 11, United States Code, is amended by adding at the end the following:

“(3) A committee appointed under subsection (a) shall—

“(A) provide access to information for creditors who—

“(i) hold claims of the kind represented by that committee; and

“(ii) are not appointed to the committee;

“(B) solicit and receive comments from the creditors described in subparagraph (A); and

“(C) be subject to a court order that compels any additional report or disclosure to be made to the creditors described in subparagraph (A).”.

SEC. 406. AMENDMENT TO SECTION 546 OF TITLE 11, UNITED STATES CODE.

Section 546 of title 11, United States Code, is amended—

(1) by redesignating the second subsection designated as subsection (g) (as added by section 222(a) of Public Law 103–394) as subsection (i);

(2) in subsection (i), as so redesignated, by inserting “and subject to the prior rights of holders of security interests in such goods or the proceeds thereof,” after “consent of a creditor,”; and

(3) by adding at the end the following:

“(j)(1) Notwithstanding paragraphs (2) and (3) of section 545, the trustee may not avoid a warehouseman's lien for storage, transportation, or other costs incidental to the storage and handling of goods.

“(2) The prohibition under paragraph (1) shall be applied in a manner consistent with any applicable State statute that is similar to section 7–209 of the Uniform Commercial Code, as in effect on the date of enactment of the Bankruptcy Reform Act of 2001, or any successor thereto.”.

SEC. 407. AMENDMENTS TO SECTION 330(a) OF TITLE 11, UNITED STATES CODE.

Section 330(a) of title 11, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking “(A) In” and inserting “In”; and

(B) by inserting “to an examiner, trustee under chapter 11, or professional person” after “awarded”; and

(2) by adding at the end the following:

“(7) In determining the amount of reasonable compensation to be awarded to a trustee, the court shall treat such compensation as a commission, based on section 326 of this title.”.

SEC. 408. POSTPETITION DISCLOSURE AND SOLICITATION.

Section 1125 of title 11, United States Code, is amended by adding at the end the following:

“(g) Notwithstanding subsection (b), an acceptance or rejection of the plan may be solicited from a holder of a claim or interest if such solicitation complies with applicable nonbankruptcy law and if such holder was solicited before the commencement of the case in a manner complying with applicable nonbankruptcy law.".

SEC. 409. PREFERENCES.

Section 547(c) of title 11, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) to the extent that such transfer was in payment of a debt incurred by the debtor in the ordinary course of business or financial affairs of the debtor and the transferee, and such transfer was—

"(A) made in the ordinary course of business or financial affairs of the debtor and the transferee; or

"(B) made according to ordinary business terms;";

(2) in paragraph (8), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(9) if, in a case filed by a debtor whose debts are not primarily consumer debts, the aggregate value of all property that constitutes or is affected by such transfer is less than $5,000.".

SEC. 410. VENUE OF CERTAIN PROCEEDINGS.

Section 1409(b) of title 28, United States Code, is amended by inserting ", or a nonconsumer debt against a noninsider of less than $10,000," after "$5,000".

SEC. 411. PERIOD FOR FILING PLAN UNDER CHAPTER 11.

Section 1121(d) of title 11, United States Code, is amended—

(1) by striking "On" and inserting "(1) Subject to paragraph (2), on"; and

(2) by adding at the end the following:

"(2)(A) The 120-day period specified in paragraph (1) may not be extended beyond a date that is 18 months after the date of the order for relief under this chapter.

"(B) The 180-day period specified in paragraph (1) may not be extended beyond a date that is 20 months after the date of the order for relief under this chapter.".

SEC. 412. FEES ARISING FROM CERTAIN OWNERSHIP INTERESTS.

Section 523(a)(16) of title 11, United States Code, is amended—

(1) by striking "dwelling" the first place it appears;

(2) by striking "ownership or" and inserting "ownership,";

(3) by striking "housing" the first place it appears; and

(4) by striking "but only" and all that follows through "such period" and inserting "or a lot in a homeowners association, for as long as the debtor or the trustee has a legal, equitable, or possessory ownership interest in such unit, such corporation, or such lot,".

SEC. 413. CREDITOR REPRESENTATION AT FIRST MEETING OF CREDITORS.

Section 341(c) of title 11, United States Code, is amended by inserting at the end the following: "Notwithstanding any local court rule, provision of a State constitution, any other Federal or State law that is not a bankruptcy law, or other requirement that representation at the meeting of creditors under subsection (a) be by an attorney, a creditor holding a consumer debt or any representative of the creditor (which may include an entity or an employee of an entity and may be a representative for more than 1 creditor) shall be permitted to appear at and participate in the meeting of creditors in a case under chapter 7 or 13, either alone or in conjunction with an attorney for the creditor. Nothing in this subsection shall be construed to require any creditor to be represented by an attorney at any meeting of creditors.".

SEC. 414. DEFINITION OF DISINTERESTED PERSON.

Section 101(14) of title 11, United States Code, is amended to read as follows:

"(14) 'disinterested person' means a person that—

"(A) is not a creditor, an equity security holder, or an insider;

"(B) is not and was not, within 2 years before the date of the filing of the petition, a director, officer, or employee of the debtor; and

"(C) does not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the debtor, or for any other reason;".

SEC. 415. FACTORS FOR COMPENSATION OF PROFESSIONAL PERSONS.

Section 330(a)(3) of title 11, United States Code, as amended by this Act, is amended—

(1) in subparagraph (D), by striking "and" at the end;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following:

"(E) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and".

SEC. 416. APPOINTMENT OF ELECTED TRUSTEE.

Section 1104(b) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2)(A) If an eligible, disinterested trustee is elected at a meeting of creditors under paragraph (1), the United States trustee shall file a report certifying that election.

"(B) Upon the filing of a report under subparagraph (A)—

"(i) the trustee elected under paragraph (1) shall be considered to have been selected and appointed for purposes of this section; and

"(ii) the service of any trustee appointed under subsection (d) shall terminate.

"(C) In the case of any dispute arising out of an election described in subparagraph (A), the court shall resolve the dispute.".

SEC. 417. UTILITY SERVICE.

Section 366 of title 11, United States Code, is amended—

(1) in subsection (a), by striking "subsection (b)" and inserting "subsections (b) and (c)"; and

(2) by adding at the end the following:

"(c)(1)(A) For purposes of this subsection, the term 'assurance of payment' means—

"(i) a cash deposit;

"(ii) a letter of credit;

"(iii) a certificate of deposit;

"(iv) a surety bond;

"(v) a prepayment of utility consumption; or

"(vi) another form of security that is mutually agreed on between the utility and the debtor or the trustee.

"(B) For purposes of this subsection an administrative expense priority shall not constitute an assurance of payment.

"(2) Subject to paragraphs (3) and (4), with respect to a case filed under chapter 11, a utility referred to in subsection (a) may alter, refuse, or discontinue utility service, if during the 30-day period beginning on the date of filing of the petition, the utility does not receive from the debtor or the trustee adequate assurance of payment for utility service that is satisfactory to the utility.

"(3)(A) On request of a party in interest and after notice and a hearing, the court may order modification of the amount of an assurance of payment under paragraph (2).

"(B) In making a determination under this paragraph whether an assurance of payment is adequate, the court may not consider—

"(i) the absence of security before the date of filing of the petition;

"(ii) the payment by the debtor of charges for utility service in a timely manner before the date of filing of the petition; or

"(iii) the availability of an administrative expense priority.

"(4) Notwithstanding any other provision of law, with respect to a case subject to this subsection, a utility may recover or set off against a security deposit provided to the utility by the debtor before the date of filing of the petition without notice or order of the court.".

SEC. 418. BANKRUPTCY FEES.

Section 1930 of title 28, United States Code, is amended—

(1) in subsection (a), by striking "Notwithstanding section 1915 of this title, the" and inserting "The"; and

(2) by adding at the end the following:

"(f)(1) Under the procedures prescribed by the Judicial Conference of the United States, the district court or the bankruptcy court may waive the filing fee in a case under chapter 7 of title 11 for an individual if the court determines that such debtor has income less than 150 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved and is unable to pay that fee in installments. For purposes of this paragraph, the term "filing fee" means the filing required by subsection (a), or any other fee prescribed by the Judicial Conference under subsections (b) and (c) that is payable to the clerk upon the commencement of a case under chapter 7.

"(2) The district court or the bankruptcy court may waive for such debtors other fees prescribed under subsections (b) and (c).

"(3) This subsection does not restrict the district court or the bankruptcy court from waiving, in accordance with Judicial Conference policy, fees prescribed under this section for other debtors and creditors.".

SEC. 419. MORE COMPLETE INFORMATION REGARDING ASSETS OF THE ESTATE.

(a) IN GENERAL.—

(1) DISCLOSURE.—The Advisory Committee on Bankruptcy Rules of the Judicial Conference of the United States, after consideration of the views of the Director of the Executive Office for United States Trustees, shall propose for adoption amended Federal Rules of Bankruptcy Procedure and Official Bankruptcy Forms directing debtors under chapter 11 of title 11, United States Code, to disclose the information described in paragraph (2) by filing and serving periodic financial and other reports designed to provide such information.

(2) INFORMATION.—The information referred to in paragraph (1) is the value, operations, and profitability of any closely held corporation, partnership, or of any other entity in which the debtor holds a substantial or controlling interest.

(b) PURPOSE.—The purpose of the rules and reports under subsection (a) shall be to assist parties in interest taking steps to ensure that the debtor's interest in any entity referred to in subsection (a)(2) is used for the payment of allowed claims against debtor.

SEC. 420. DUTIES WITH RESPECT TO A DEBTOR WHO IS A PLAN ADMINISTRATOR OF AN EMPLOYEE BENEFIT PLAN.

(a) IN GENERAL.—Section 521(a) of title 11, United States Code, as so designated by section 106(d) of this Act, is amended-

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(6) unless a trustee is serving in the case, if at the time of filing, the debtor, served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator.".

(b) DUTIES OF TRUSTEES.—Section 704(a) of title 11, United States Code, as so designated and otherwise amended by this Act, is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) in paragraph (11), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(12) where, at the time of the time of the commencement of the case, the debtor served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator;".

(c) CONFORMING AMENDMENT.—Section 1106(a) of title 11, United States Code, is amended by striking paragraph (1) and inserting the following:

"(1) perform the duties of the trustee, as specified in paragraphs (2), (5), (7), (8), (9), (10), (11), and (12) of section 704;".

Subtitle B—Small Business Bankruptcy Provisions

SEC. 431. FLEXIBLE RULES FOR DISCLOSURE STATEMENT AND PLAN.

Section 1125 of title 11, United States Code, is amended—

(1) in subsection (a)(1), by inserting before the semicolon "and in determining whether a disclosure statement provides adequate information, the court shall consider the complexity of the case, the benefit of additional information to creditors and other parties in interest, and the cost of providing additional information"; and

(2) by striking subsection (f), and inserting the following:

"(f) Notwithstanding subsection (b), in a small business case—

"(1) the court may determine that the plan itself provides adequate information and that a separate disclosure statement is not necessary;

"(2) the court may approve a disclosure statement submitted on standard forms approved by the court or adopted under section 2075 of title 28; and

"(3)(A) the court may conditionally approve a disclosure statement subject to final approval after notice and a hearing;

"(B) acceptances and rejections of a plan may be solicited based on a conditionally approved disclosure statement if the debtor provides adequate information to each holder of a claim or interest that is solicited, but a conditionally approved disclosure statement shall be mailed not later than 20 days before the date of the hearing on confirmation of the plan; and

"(C) the hearing on the disclosure statement may be combined with the hearing on confirmation of a plan.".

SEC. 432. DEFINITIONS.

(a) DEFINITIONS.—Section 101 of title 11, United States Code, as amended by this Act, is amended by striking paragraph (51C) and inserting the following:

"(51C) 'small business case' means a case filed under chapter 11 of this title in which the debtor is a small business debtor;

"(51D) 'small business debtor'—

"(A) subject to subparagraph (B), means a person engaged in commercial or business activities (including any affiliate of such person that is also a debtor under this title and excluding a person whose primary activity is the business of owning or operating real property or activities incidental thereto) that has aggregate noncontingent, liquidated secured and unsecured debts as of the date of the petition or the order for relief in an amount not more than $3,000,000 (excluding debts owed to 1 or more affiliates or insiders) for a case in which the United States trustee has not appointed under section 1102(a)(1) a committee of unsecured creditors or where the court has determined that the committee of unsecured creditors is not sufficiently active and representative to provide effective oversight of the debtor; and

"(B) does not include any member of a group of affiliated debtors that has aggregate noncontingent liquidated secured and unsecured debts in an amount greater than $3,000,000 (excluding debt owed to 1 or more affiliates or insiders);".

(b) CONFORMING AMENDMENT.—Section 1102(a)(3) of title 11, United States Code, is amended by inserting "debtor" after "small business".

SEC. 433. STANDARD FORM DISCLOSURE STATEMENT AND PLAN.

Within a reasonable period of time after the date of enactment of this Act, the Advisory Committee on Bankruptcy Rules of the Judicial Conference of the United States shall propose for adoption standard form disclosure statements and plans of reorganization for small business debtors (as defined in section 101 of title 11, United States Code, as amended by this Act), designed to achieve a practical balance between—

(1) the reasonable needs of the courts, the United States trustee, creditors, and other parties in interest for reasonably complete information; and

(2) economy and simplicity for debtors.

SEC. 434. UNIFORM NATIONAL REPORTING REQUIREMENTS.

(a) REPORTING REQUIRED.—

(1) IN GENERAL.—Chapter 3 of title 11, United States Code, is amended by inserting after section 307 the following:

"§ 308. Debtor reporting requirements

"(a) For purposes of this section, the term 'profitability' means, with respect to a debtor, the amount of money that the debtor has earned or lost during current and recent fiscal periods.

"(b) A small business debtor shall file periodic financial and other reports containing information including—

"(1) the debtor's profitability;

"(2) reasonable approximations of the debtor's projected cash receipts and cash disbursements over a reasonable period;

"(3) comparisons of actual cash receipts and disbursements with projections in prior reports;

"(4)(A) whether the debtor is—

"(i) in compliance in all material respects with postpetition requirements imposed by this title and the Federal Rules of Bankruptcy Procedure; and

"(ii) timely filing tax returns and other required government filings and paying taxes and other administrative claims when due;

"(B) if the debtor is not in compliance with the requirements referred to in subparagraph (A)(i) or filing tax returns and other required government filings and making the payments referred to in subparagraph (A)(ii), what the failures are and how, at what cost, and when the debtor intends to remedy such failures; and

"(C) such other matters as are in the best interests of the debtor and creditors, and in the public interest in fair and efficient procedures under chapter 11 of this title.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 3 of title 11, United States Code, is amended by inserting after the item relating to section 307 the following:

"308. Debtor reporting requirements.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 60 days after the date on which rules are prescribed under section 2075 of title 28, United States Code, to establish forms to be used to comply with section 308 of title 11, United States Code, as added by subsection (a).

SEC. 435. UNIFORM REPORTING RULES AND FORMS FOR SMALL BUSINESS CASES.

(a) PROPOSAL OF RULES AND FORMS.—The Advisory Committee on Bankruptcy Rules of the Judicial Conference of the United States shall propose for adoption amended Federal Rules of Bankruptcy Procedure and Official Bankruptcy Forms to be used by small business debtors to file periodic financial and other reports containing information, including information relating to—

(1) the debtor's profitability;

(2) the debtor's cash receipts and disbursements; and

(3) whether the debtor is timely filing tax returns and paying taxes and other administrative claims when due.

(b) PURPOSE.—The rules and forms proposed under subsection (a) shall be designed to achieve a practical balance among—

(1) the reasonable needs of the bankruptcy court, the United States trustee, creditors, and other parties in interest for reasonably complete information;

(2) the small business debtor's interest that required reports be easy and inexpensive to complete; and

(3) the interest of all parties that the required reports help the small business debtor to understand the small business debtor's financial condition and plan the small business debtor's future.

SEC. 436. DUTIES IN SMALL BUSINESS CASES.

(a) DUTIES IN CHAPTER 11 CASES.—Subchapter I of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"§ 1116. Duties of trustee or debtor in possession in small business cases

"In a small business case, a trustee or the debtor in possession, in addition to the duties provided in this title and as otherwise required by law, shall—

"(1) append to the voluntary petition or, in an involuntary case, file not later than 7 days after the date of the order for relief—

"(A) its most recent balance sheet, statement of operations, cash-flow statement, Federal income tax return; or

"(B) a statement made under penalty of perjury that no balance sheet, statement of operations, or cash-flow statement has been prepared and no Federal tax return has been filed;

"(2) attend, through its senior management personnel and counsel, meetings scheduled by the court or the United States trustee, including initial debtor interviews, scheduling conferences, and meetings of creditors convened under section 341 unless the court waives that requirement after notice and hearing, upon a finding of extraordinary and compelling circumstances;

"(3) timely file all schedules and statements of financial affairs, unless the court, after notice and a hearing, grants an extension, which shall not extend such time period to a date later than 30 days after the date of the order for relief, absent extraordinary and compelling circumstances;

"(4) file all postpetition financial and other reports required by the Federal Rules of Bankruptcy Procedure or by local rule of the district court;

"(5) subject to section 363(c)(2), maintain insurance customary and appropriate to the industry;

"(6)(A) timely file tax returns and other required government filings; and

"(B) subject to section 363(c)(2), timely pay all administrative expense tax claims, except those being contested by appropriate proceedings being diligently prosecuted; and

"(7) allow the United States trustee, or a designated representative of the United States trustee, to inspect the debtor's business premises, books, and records at reasonable times, after reasonable prior written notice, unless notice is waived by the debtor.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 11, United States Code, is amended by adding at the end of the matter relating to subchapter I the following:

"1116. Duties of trustee or debtor in possession in small business cases.".

SEC. 437. PLAN FILING AND CONFIRMATION DEADLINES.

Section 1121 of title 11, United States Code, is amended by striking subsection (e) and inserting the following:

"(e) In a small business case—

"(1) only the debtor may file a plan until after 180 days after the date of the order for relief, unless that period is—

"(A) extended as provided by this subsection, after notice and hearing; or

"(B) the court, for cause, orders otherwise;

"(2) the plan, and any necessary disclosure statement, shall be filed not later than 300 days after the date of the order for relief; and

"(3) the time periods specified in paragraphs (1) and (2), and the time fixed in section 1129(e), within which the plan shall be confirmed, may be extended only if—

"(A) the debtor, after providing notice to parties in interest (including the United States trustee), demonstrates by a preponderance of the evidence that it is more likely than not that the court will confirm a plan within a reasonable period of time;

"(B) a new deadline is imposed at the time the extension is granted; and

"(C) the order extending time is signed before the existing deadline has expired.".

SEC. 438. PLAN CONFIRMATION DEADLINE.

Section 1129 of title 11, United States Code, is amended by adding at the end the following:

"(e)(1) In a small business case, the plan shall be confirmed not later than 45 days after the date that a plan is filed with the court as provided in section 1121(e).

"(2) The 45-day period referred to in paragraph (1) may be extended only if—

"(A) the debtor, after notice and hearing, demonstrates that it is more likely than not that the court will confirm a plan within a reasonable period of time;

"(B) a new deadline is imposed at the time at which the extension is granted; and

"(C) the order extending time is signed before the existing deadline has expired.".

SEC. 439. DUTIES OF THE UNITED STATES TRUSTEE.

Section 586(a) of title 28, United States Code, is amended—

(1) in paragraph (3)—

(A) in subparagraph (G), by striking "and" at the end;

(B) by redesignating subparagraph (H) as subparagraph (I); and

(C) by inserting after subparagraph (G) the following:

"(H) in small business cases (as defined in section 101 of title 11), performing the additional duties specified in title 11 pertaining to such cases; and";

(2) in paragraph (5), by striking "and" at the end;

(3) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(7) in each of such small business cases—

"(A) conduct an initial debtor interview as soon as practicable after the entry of order for relief but before the first meeting scheduled under section 341(a) of title 11, at which time the United States trustee shall—

"(i) begin to investigate the debtor's viability;

"(ii) inquire about the debtor's business plan;

"(iii) explain the debtor's obligations to file monthly operating reports and other required reports;

"(iv) attempt to develop an agreed scheduling order; and

"(v) inform the debtor of other obligations;

"(B) if determined to be appropriate and advisable, visit the appropriate business premises of the debtor and ascertain the state of the debtor's books and records and verify that the debtor has filed its tax returns; and

"(C) review and monitor diligently the debtor's activities, to identify as promptly as possible whether the debtor will be unable to confirm a plan; and

"(8) in any case in which the United States trustee finds material grounds for any relief under section 1112 of title 11, the United States trustee shall apply promptly after making that finding to the court for relief.".

SEC. 440. SCHEDULING CONFERENCES.

Section 105(d) of title 11, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking ", may"; and

(2) by striking paragraph (1) and inserting the following:

"(1) shall hold such status conferences as are necessary to further the expeditious and economical resolution of the case; and".

SEC. 441. SERIAL FILER PROVISIONS.

Section 362 of title 11, United States Code, as amended by this Act is amended—

(1) in subsection (k), as redesignated by this Act—

(A) by striking "An" and inserting "(1) Except as provided in paragraph (2), an"; and

(B) by adding at the end the following:

"(2) If such violation is based on an action taken by an entity in the good faith belief that subsection (h) applies to the debtor, the recovery under paragraph (1) of this subsection against such entity shall be limited to actual damages."; and

(2) by adding at the end the following:

"(l)(1) Except as provided in paragraph (2) of this subsection, the provisions of subsection (a) do not apply in a case in which the debtor—

"(A) is a debtor in a small business case pending at the time the petition is filed;

"(B) was a debtor in a small business case that was dismissed for any reason by an order that became final in the 2-year period ending on the date of the order for relief entered with respect to the petition;

"(C) was a debtor in a small business case in which a plan was confirmed in the 2-year period ending on the date of the order for relief entered with respect to the petition; or

"(D) is an entity that has succeeded to substantially all of the assets or business of a small business debtor described in subparagraph (A), (B), or (C).

"(2) This subsection does not apply—

"(A) to an involuntary case involving no collusion by the debtor with creditors; or

"(B) to the filing of a petition if—

"(i) the debtor proves by a preponderance of the evidence that the filing of that petition resulted from circumstances beyond the control of the debtor not foreseeable at the time the case then pending was filed; and

"(ii) it is more likely than not that the court will confirm a feasible plan, but not a liquidating plan, within a reasonable period of time.".

SEC. 442. EXPANDED GROUNDS FOR DISMISSAL OR CONVERSION AND APPOINTMENT OF TRUSTEE.

(a) EXPANDED GROUNDS FOR DISMISSAL OR CONVERSION.—Section 1112 of title 11, United States Code, is amended by striking subsection (b) and inserting the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, subsection (c) of this section, and section 1104(a)(3), on request of a party in interest, and after notice and a hearing, the court shall convert a case under this chapter to a case under chapter 7 or dismiss a case under this chapter, whichever is in the best interest of creditors and the estate, if the movant establishes cause.

"(2) The relief provided in paragraph (1) shall not be granted if the debtor or another party in interest objects and establishes that—

"(A) there is a reasonable likelihood that a plan will be confirmed within the timeframes established in sections 1121(e) and 1129(e) of this title, as amended, or in cases in which these sections do not apply, within a reasonable period of time; and

"(B) the grounds include an act or omission of the debtor—

"(i) for which there exists a reasonable justification for the act or omission; and

"(ii) that will be cured within a reasonable period of time fixed by the court.

"(3) The court shall commence the hearing on any motion under this subsection not later than 30 days after filing of the motion, and shall decide the motion not later than 15 days after commencement of the hearing, unless the movant expressly consents to a continuance for a specific period of time or compelling circumstances prevent the court from meeting the time limits established by this paragraph.

"(4) For purposes of this subsection, the term 'cause' includes—

"(A) substantial or continuing loss to or diminution of the estate;

"(B) gross mismanagement of the estate;

"(C) failure to maintain appropriate insurance that poses a risk to the estate or to the public;

"(D) unauthorized use of cash collateral harmful to 1 or more creditors;

"(E) failure to comply with an order of the court;

"(F) repeated failure timely to satisfy any filing or reporting requirement established by this title or by any rule applicable to a case under this chapter;

"(G) failure to attend the meeting of creditors convened under section 341(a) or an examination ordered under rule 2004 of the Federal Rules of Bankruptcy Procedure;

"(H) failure timely to provide information or attend meetings reasonably requested by the United States trustee or the bankruptcy administrator;

"(I) failure timely to pay taxes due after the date of the order for relief or to file tax returns due after the order for relief;

"(J) failure to file a disclosure statement, or to file or confirm a plan, within the time fixed by this title or by order of the court;

"(K) failure to pay any fees or charges required under chapter 123 of title 28;

"(L) revocation of an order of confirmation under section 1144;

"(M) inability to effectuate substantial consummation of a confirmed plan;

"(N) material default by the debtor with respect to a confirmed plan;

"(O) termination of a confirmed plan by reason of the occurrence of a condition specified in the plan; and

"(P) failure of the debtor to pay any domestic support obligation that first becomes payable after the date on which the petition is filed.

"(5) The court shall commence the hearing on any motion under this subsection not later than 30 days after filing of the motion, and shall decide the motion not later than 15 days after commencement of the hearing, unless the movant expressly consents to a continuance for a specific period of time or compelling circumstances prevent the court from meeting the time limits established by this paragraph.".

(b) Additional Grounds for Appointment of Trustee.—Section 1104(a) of title 11, United States Code, is amended—

(1) in paragraph (1), by striking "or" at the end;

(2) in paragraph (2), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(3) if grounds exist to convert or dismiss the case under section 1112, but the court determines that the appointment of a trustee or an examiner is in the best interests of creditors and the estate.".

SEC. 443. STUDY OF OPERATION OF TITLE 11, UNITED STATES CODE, WITH RESPECT TO SMALL BUSINESSES.

Not later than 2 years after the date of enactment of this Act, the Administrator of the Small Business Administration, in consultation with the Attorney General, the Director of the Administrative Office of United States Trustees, and the Director of the Administrative Office of the United States Courts, shall—

(1) conduct a study to determine—

(A) the internal and external factors that cause small businesses, especially sole proprietorships, to become debtors in cases under title 11, United States Code, and that cause certain small businesses to successfully complete cases under chapter 11 of such title; and

(B) how Federal laws relating to bankruptcy may be made more effective and efficient in assisting small businesses to remain viable; and

(2) submit to the President pro tempore of the Senate and the Speaker of the House of Representatives a report summarizing that study.

SEC. 444. PAYMENT OF INTEREST.

Section 362(d)(3) of title 11, United States Code, is amended—

(1) by inserting "or 30 days after the court determines that the debtor is subject to this paragraph, whichever is later" after "90-day period)"; and

(2) by striking subparagraph (B) and inserting the following:

"(B) the debtor has commenced monthly payments that—

"(i) may, in the debtor's sole discretion, notwithstanding section 363(c)(2), be made from rents or other income generated before or after the commencement of the case by or from the property to each creditor whose claim is secured by such real estate (other than a claim secured by a judgment lien or by an unmatured statutory lien); and

"(ii) are in an amount equal to interest at the then applicable nondefault contract rate of interest on the value of the creditor's interest in the real estate; or".

SEC. 445. PRIORITY FOR ADMINISTRATIVE EXPENSES.

Section 503(b) of title 11, United States Code, is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(7) with respect to a nonresidential real property lease previously assumed under section 365, and subsequently rejected, a sum equal to all monetary obligations due, excluding those arising from or relating to a failure to operate or penalty provisions, for the period of 2 years following the later of the rejection date or the date of actual turnover of the premises, without reduction or setoff for any reason whatsoever except for sums actually received or to be received from a nondebtor, and the claim for remaining sums due for the balance of the term of the lease shall be a claim under section 502(b)(6);".

TITLE V—MUNICIPAL BANKRUPTCY PROVISIONS

SEC. 501. PETITION AND PROCEEDINGS RELATED TO PETITION.

(a) Technical Amendment Relating to Municipalities.—Section 921(d) of title 11, United States Code, is amended by inserting "notwithstanding section 301(b)" before the period at the end.

(b) Conforming Amendment.—Section 301 of title 11, United States Code, is amended—

(1) by inserting "(a)" before "A voluntary"; and

(2) by striking the last sentence and inserting the following:

"(b) The commencement of a voluntary case under a chapter of this title constitutes an order for relief under such chapter.".

SEC. 502. APPLICABILITY OF OTHER SECTIONS TO CHAPTER 9.

Section 901(a) of title 11, United States Code, is amended—

(1) by inserting "555, 556," after "553,"; and

(2) by inserting "559, 560, 561, 562" after "557,".

TITLE VI—BANKRUPTCY DATA

SEC. 601. IMPROVED BANKRUPTCY STATISTICS.

(a) In General.—Chapter 6 of title 28, United States Code, is amended by adding at the end the following:

"§ 159. Bankruptcy statistics

"(a) The clerk of each district shall collect statistics regarding individual debtors with primarily consumer debts seeking relief under chapters 7, 11, and 13 of title 11. Those statistics shall be on a standardized form prescribed by the Director of the Administrative Office of the United States Courts (referred to in this section as the 'Director').

"(b) The Director shall—

"(1) compile the statistics referred to in subsection (a);

"(2) make the statistics available to the public; and

"(3) not later than October 31, 2002, and annually thereafter, prepare, and submit to Congress a report concerning the information collected under subsection (a) that contains an analysis of the information.

"(c) The compilation required under subsection (b) shall—

"(1) be itemized, by chapter, with respect to title 11;

"(2) be presented in the aggregate and for each district; and

"(3) include information concerning—

"(A) the total assets and total liabilities of the debtors described in subsection (a), and in each category of assets and liabilities, as reported in the schedules prescribed pursuant to section 2075 of this title and filed by those debtors;

"(B) the current monthly income, average income, and average expenses of those debtors as reported on the schedules and statements that each such debtor files under sections 521 and 1322 of title 11;

"(C) the aggregate amount of debt discharged in the reporting period, determined as the difference between the total amount of debt and obligations of a debtor reported on the schedules and the amount of such debt reported in categories which are predominantly nondischargeable;

"(D) the average period of time between the filing of the petition and the closing of the case;

"(E) for the reporting period—

"(i) the number of cases in which a reaffirmation was filed; and

"(ii)(I) the total number of reaffirmations filed;

"(II) of those cases in which a reaffirmation was filed, the number of cases in which the debtor was not represented by an attorney; and

"(III) of those cases in which a reaffirmation was filed, the number of cases in which the reaffirmation was approved by the court;

"(F) with respect to cases filed under chapter 13 of title 11, for the reporting period—

"(i)(I) the number of cases in which a final order was entered determining the value of property securing a claim in an amount less than the amount of the claim; and

"(II) the number of final orders determining the value of property securing a claim issued;

"(ii) the number of cases dismissed, the number of cases dismissed for failure to make payments under the plan, the number of cases refiled after dismissal, and the number of cases in which the plan was completed, separately itemized with respect to the number of modifications made before completion of the plan, if any; and

"(iii) the number of cases in which the debtor filed another case during the 6-year period preceding the filing;

"(G) the number of cases in which creditors were fined for misconduct and any amount of punitive damages awarded by the court for creditor misconduct; and

"(H) the number of cases in which sanctions under rule 9011 of the Federal Rules of Bankruptcy Procedure were imposed against debtor's counsel or damages awarded under such Rule.".

(b) Clerical Amendment.—The table of sections for chapter 6 of title 28, United States Code, is amended by adding at the end the following:

"159. Bankruptcy statistics.".

(c) Effective Date.—The amendments made by this section shall take effect 18 months after the date of enactment of this Act.

SEC. 602. UNIFORM RULES FOR THE COLLECTION OF BANKRUPTCY DATA.

(a) Amendment.—Chapter 39 of title 28, United States Code, is amended by adding at the end the following:

"§ 589b. Bankruptcy data

"(a) RULES.—The Attorney General shall, within a reasonable time after the effective date of this section, issue rules requiring uniform forms for (and from time to time thereafter to appropriately modify and approve)—

"(1) final reports by trustees in cases under chapters 7, 12, and 13 of title 11; and

"(2) periodic reports by debtors in possession or trustees, as the case may be, in cases under chapter 11 of title 11.

"(b) REPORTS.—Each report referred to in subsection (a) shall be designed (and the requirements as to place and manner of filing shall be established) so as to facilitate compilation of data and maximum possible access of the public, both by physical inspection at one or more central filing locations, and by electronic access through the Internet or other appropriate media.

"(c) REQUIRED INFORMATION.—The information required to be filed in the reports referred to in subsection (b) shall be that which is in the best interests of debtors and creditors, and in the public interest in reasonable and adequate information to evaluate the efficiency and practicality of the Federal bankruptcy system. In issuing rules proposing the forms referred to in subsection (a), the Attorney General shall strike the best achievable practical balance between—

"(1) the reasonable needs of the public for information about the operational results of the Federal bankruptcy system;

"(2) economy, simplicity, and lack of undue burden on persons with a duty to file reports; and

"(3) appropriate privacy concerns and safeguards.

"(d) FINAL REPORTS.—Final reports proposed for adoption by trustees under chapters 7, 12, and 13 of title 11 shall, in addition to such other matters as are required by law or as the Attorney General in the discretion of the Attorney General, shall propose, include with respect to a case under such title—

"(1) information about the length of time the case was pending;

"(2) assets abandoned;

"(3) assets exempted;

"(4) receipts and disbursements of the estate;

"(5) expenses of administration, including for use under section 707(b), actual costs of administering cases under chapter 13 of title 11;

"(6) claims asserted;

"(7) claims allowed; and

"(8) distributions to claimants and claims discharged without payment,

in each case by appropriate category and, in cases under chapters 12 and 13 of title 11, date of confirmation of the plan, each modification thereto, and defaults by the debtor in performance under the plan.

"(e) PERIODIC REPORTS.—Periodic reports proposed for adoption by trustees or debtors in possession under chapter 11 of title 11 shall, in addition to such other matters as are required by law or as the Attorney General, in the discretion of the Attorney General, shall propose, include—

"(1) information about the standard industry classification, published by the Department of Commerce, for the businesses conducted by the debtor;

"(2) length of time the case has been pending;

"(3) number of full-time employees as of the date of the order for relief and at the end of each reporting period since the case was filed;

"(4) cash receipts, cash disbursements and profitability of the debtor for the most recent period and cumulatively since the date of the order for relief;

"(5) compliance with title 11, whether or not tax returns and tax payments since the date of the order for relief have been timely filed and made;

"(6) all professional fees approved by the court in the case for the most recent period and cumulatively since the date of the order for relief (separately reported, for the professional fees incurred by or on behalf of the debtor, between those that would have been incurred absent a bankruptcy case and those not); and

"(7) plans of reorganization filed and confirmed and, with respect thereto, by class, the recoveries of the holders, expressed in aggregate dollar values and, in the case of claims, as a percentage of total claims of the class allowed.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 39 of title 28, United States Code, is amended by adding at the end the following:

"589b. Bankruptcy data.".

SEC. 603. AUDIT PROCEDURES.

(a) IN GENERAL.—

(1) ESTABLISHMENT OF PROCEDURES.—The Attorney General (in judicial districts served by United States trustees) and the Judicial Conference of the United States (in judicial districts served by bankruptcy administrators) shall establish procedures to determine the accuracy, veracity, and completeness of petitions, schedules, and other information which the debtor is required to provide under sections 521 and 1322 of title 11, and, if applicable, section 111 of title 11, in individual cases filed under chapter 7 or 13 of such title. Such audits shall be in accordance with generally accepted auditing standards and performed by independent certified public accountants or independent licensed public accountants, provided that the Attorney General and the Judicial Conference, as appropriate, may develop alternative auditing standards not later than 2 years after the date of enactment of this Act.

(2) PROCEDURES.—Those procedures required by paragraph (1) shall—

(A) establish a method of selecting appropriate qualified persons to contract to perform those audits;

(B) establish a method of randomly selecting cases to be audited, except that not less than 1 out of every 250 cases in each Federal judicial district shall be selected for audit;

(C) require audits for schedules of income and expenses which reflect greater than average variances from the statistical norm of the district in which the schedules were filed if those variances occur by reason of higher income or higher expenses than the statistical norm of the district in which the schedules were filed; and

(D) establish procedures for providing, not less frequently than annually, public information concerning the aggregate results of such audits including the percentage of cases, by district, in which a material misstatement of income or expenditures is reported.

(b) AMENDMENTS.—Section 586 of title 28, United States Code, is amended—

(1) in subsection (a), by striking paragraph (6) and inserting the following:

"(6) make such reports as the Attorney General directs, including the results of audits performed under section 603(a) of the Bankruptcy Reform Act of 2001; and"; and

(2) by adding at the end the following:

"(f)(1) The United States trustee for each district is authorized to contract with auditors to perform audits in cases designated by the United States trustee, in accordance with the procedures established under section 603(a) of the Bankruptcy Reform Act of 2001.

"(2)(A) The report of each audit referred to in paragraph (1) shall be filed with the court and transmitted to the United States trustee. Each report shall clearly and conspicuously specify any material misstatement of income or expenditures or of assets identified by the person performing the audit. In any case in which a material misstatement of income or expenditures or of assets has been reported, the clerk of the bankruptcy court shall give notice of the misstatement to the creditors in the case.

"(B) If a material misstatement of income or expenditures or of assets is reported, the United States trustee shall—

"(i) report the material misstatement, if appropriate, to the United States Attorney pursuant to section 3057 of title 18; and

"(ii) if advisable, take appropriate action, including but not limited to commencing an adversary proceeding to revoke the debtor's discharge pursuant to section 727(d) of title 11.".

(c) AMENDMENTS TO SECTION 521 OF TITLE 11, U.S.C.—Section 521(a) of title 11, United States Code, as so designated by this Act, is amended in each of paragraphs (3) and (4) by inserting "or an auditor appointed under section 586(f) of title 28" after "serving in the case".

(d) AMENDMENTS TO SECTION 727 OF TITLE 11, U.S.C.—Section 727(d) of title 11, United States Code, is amended—

(1) in paragraph (2), by striking "or" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(4) the debtor has failed to explain satisfactorily—

"(A) a material misstatement in an audit referred to in section 586(f) of title 28; or

"(B) a failure to make available for inspection all necessary accounts, papers, documents, financial records, files, and all other papers, things, or property belonging to the debtor that are requested for an audit referred to in section 586(f) of title 28.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 18 months after the date of enactment of this Act.

SEC. 604. SENSE OF CONGRESS REGARDING AVAILABILITY OF BANKRUPTCY DATA.

It is the sense of Congress that—

(1) the national policy of the United States should be that all data held by bankruptcy clerks in electronic form, to the extent such data reflects only public records (as defined in section 107 of title 11, United States Code), should be released in a usable electronic form in bulk to the public, subject to such appropriate privacy concerns and safeguards as Congress and the Judicial Conference of the United States may determine; and

(2) there should be established a bankruptcy data system in which—

(A) a single set of data definitions and forms are used to collect data nationwide; and

(B) data for any particular bankruptcy case are aggregated in the same electronic record.

TITLE VII—BANKRUPTCY TAX PROVISIONS

SEC. 701. TREATMENT OF CERTAIN LIENS.

(a) TREATMENT OF CERTAIN LIENS.—Section 724 of title 11, United States Code, is amended—

(1) in subsection (b), in the matter preceding paragraph (1), by inserting "(other than to the extent that there is a properly perfected unavoidable tax lien arising in connection with an ad valorem tax on real or personal property of the estate)" after "under this title";

(2) in subsection (b)(2), by inserting "(except that such expenses, other than claims for wages, salaries, or commissions which arise after the filing of a petition, shall be limited to expenses incurred under chapter 7 of this title and shall not include expenses incurred under chapter 11 of this title)" after "507(a)(1)"; and

(3) by adding at the end the following:

"(e) Before subordinating a tax lien on real or personal property of the estate, the trustee shall—

"(1) exhaust the unencumbered assets of the estate; and

"(2) in a manner consistent with section 506(c), recover from property securing an allowed secured claim the reasonable, necessary costs and expenses of preserving or disposing of that property.

"(f) Notwithstanding the exclusion of ad valorem tax liens under this section and subject to the requirements of subsection (e), the following may be paid from property of the estate which secures a tax lien, or the proceeds of such property:

"(1) Claims for wages, salaries, and commissions that are entitled to priority under section 507(a)(4).

"(2) Claims for contributions to an employee benefit plan entitled to priority under section 507(a)(5).".

(b) DETERMINATION OF TAX LIABILITY.—Section 505(a)(2) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking "or" at the end;

(2) in subparagraph (B), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(C) the amount or legality of any amount arising in connection with an ad valorem tax on real or personal property of the estate, if the applicable period for contesting or redetermining that amount under any law (other than a bankruptcy law) has expired.".

SEC. 702. TREATMENT OF FUEL TAX CLAIMS.

Section 501 of title 11, United States Code, is amended by adding at the end the following:

"(e) A claim arising from the liability of a debtor for fuel use tax assessed consistent with the requirements of section 31705 of title 49 may be filed by the base jurisdiction designated pursuant to the International Fuel Tax Agreement and, if so filed, shall be allowed as a single claim.".

SEC. 703. NOTICE OF REQUEST FOR A DETERMINATION OF TAXES.

Section 505(b) of title 11, United States Code, is amended—

(1) in the first sentence, by inserting "at the address and in the manner designated in paragraph (1)" after "determination of such tax";

(2) by striking "(1) upon payment" and inserting "(A) upon payment";

(3) by striking "(A) such governmental unit" and inserting "(i) such governmental unit";

(4) by striking "(B) such governmental unit" and inserting "(ii) such governmental unit";

(5) by striking "(2) upon payment" and inserting "(B) upon payment";

(6) by striking "(3) upon payment" and inserting "(C) upon payment";

(7) by striking "(b)" and inserting "(2)"; and

(8) by inserting before paragraph (2), as so designated, the following:

"(b)(1)(A) The clerk of each district shall maintain a listing under which a Federal, State, or local governmental unit responsible for the collection of taxes within the district may—

"(i) designate an address for service of requests under this subsection; and

"(ii) describe where further information concerning additional requirements for filing such requests may be found.

"(B) If a governmental unit referred to in subparagraph (A) does not designate an address and provide that address to the clerk under that subparagraph, any request made under this subsection may be served at the address for the filing of a tax return or protest with the appropriate taxing authority of that governmental unit.".

SEC. 704. RATE OF INTEREST ON TAX CLAIMS.

(a) IN GENERAL.—Subchapter I of chapter 5 of title 11, United States Code, is amended by adding at the end the following:

"§ 511. Rate of interest on tax claims

"(a) If any provision of this title requires the payment of interest on a tax claim or on an administrative expense tax, or the payment of interest to enable a creditor to receive the present value of the allowed amount of a tax claim, the rate of interest shall be the rate determined under applicable nonbankruptcy law.

"(b) In the case of taxes paid under a confirmed plan under this title, the rate of interest shall be determined as of the calendar month in which the plan is confirmed.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, is amended by inserting after the item relating to section 510 the following:

"511. Rate of interest on tax claims.".

SEC. 705. PRIORITY OF TAX CLAIMS.

Section 507(a)(8) of title 11, United States Code, is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by inserting "for a taxable year ending on or before the date of filing of the petition" after "gross receipts";

(B) in clause (i), by striking "for a taxable year ending on or before the date of filing of the petition"; and

(C) by striking clause (ii) and inserting the following:

"(ii) assessed within 240 days before the date of the filing of the petition, exclusive of—

"(I) any time during which an offer in compromise with respect to that tax was pending or in effect during that 240-day period, plus 30 days; and

"(II) any time during which a stay of proceedings against collections was in effect in a prior case under this title during that 240-day period; plus 90 days."; and

(2) by adding at the end the following:

"An otherwise applicable time period specified in this paragraph shall be suspended for (i) any period during which a governmental unit is prohibited under applicable nonbankruptcy law from collecting a tax as a result of a request by the debtor for a hearing and an appeal of any collection action taken or proposed against the debtor, plus 90 days; plus (ii) any time during which the stay of proceedings was in effect in a prior case under this title or during which collection was precluded by the existence of 1 or more confirmed plans under this title, plus 90 days.".

SEC. 706. PRIORITY PROPERTY TAXES INCURRED.

Section 507(a)(8)(B) of title 11, United States Code, is amended by striking "assessed" and inserting "incurred".

SEC. 707. NO DISCHARGE OF FRAUDULENT TAXES IN CHAPTER 13.

Section 1328(a)(2) of title 11, United States Code, as amended by section 314 of this Act, is amended by striking "paragraph" and inserting "section 507(a)(8)(C) or in paragraph (1)(B), (1)(C),".

SEC. 708. NO DISCHARGE OF FRAUDULENT TAXES IN CHAPTER 11.

Section 1141(d) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(6) Notwithstanding paragraph (1), the confirmation of a plan does not discharge a debtor that is a corporation from any debt described in subparagraph (A) or (B) of section 523(a)(2) that is owed to a domestic governmental unit or owed to a person as the result of an action filed under subchapter III of chapter 37 of title 31, United States Code, or any similar State statute, or for a tax or customs duty with respect to which the debtor—

"(A) made a fraudulent return; or

"(B) willfully attempted in any manner to evade or defeat that tax or duty.".

SEC. 709. STAY OF TAX PROCEEDINGS LIMITED TO PREPETITION TAXES.

Section 362(a)(8) of title 11, United States Code, is amended by striking "the debtor" and inserting "a corporate debtor's tax liability for a taxable period the bankruptcy court may determine or concerning an individual debtor's tax liability for a taxable period ending before the order for relief under this title".

SEC. 710. PERIODIC PAYMENT OF TAXES IN CHAPTER 11 CASES.

Section 1129(a)(9) of title 11, United States Code, is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by striking "deferred cash payments," and all that follows through the end of the subparagraph, and inserting "regular installment payments in cash—

"(i) of a total value, as of the effective date of the plan, equal to the allowed amount of such claim;

"(ii) over a period ending not later than 5 years after the date of the entry of the order for relief under section 301, 302, or 303; and

"(iii) in a manner not less favorable than the most favored nonpriority unsecured claim provided for in the plan (other than cash payments made to a class of creditors under section 1122(b)); and"; and

(3) by adding at the end the following:

"(D) with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8), but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed in subparagraph (C).".

SEC. 711. AVOIDANCE OF STATUTORY TAX LIENS PROHIBITED.

Section 545(2) of title 11, United States Code, is amended by inserting before the semicolon at the end the following: ", except in any case in which a purchaser is a purchaser described in section 6323 of the Internal Revenue Code of 1986, or in any other similar provision of State or local law".

SEC. 712. PAYMENT OF TAXES IN THE CONDUCT OF BUSINESS.

(a) Payment of Taxes Required.—Section 960 of title 28, United States Code, is amended—

(1) by inserting "(a)" before "Any"; and

(2) by adding at the end the following:

"(b) A tax under subsection (a) shall be paid on or before the due date of the tax under applicable nonbankruptcy law, unless—

"(1) the tax is a property tax secured by a lien against property that is abandoned within a reasonable period of time after the lien attaches by the trustee of a bankruptcy estate under section 554 of title 11; or

"(2) payment of the tax is excused under a specific provision of title 11.

"(c) In a case pending under chapter 7 of title 11, payment of a tax may be deferred until final distribution is made under section 726 of title 11, if—

"(1) the tax was not incurred by a trustee duly appointed under chapter 7 of title 11; or

"(2) before the due date of the tax, an order of the court makes a finding of probable insufficiency of funds of the estate to pay in full the administrative expenses allowed under section 503(b) of title 11 that have the same priority in distribution under section 726(b) of title 11 as the priority of that tax.".

(b) Payment of Ad Valorem Taxes Required.—Section 503(b)(1)(B)(i) of title 11, United States Code, is amended by inserting "whether secured or unsecured, including property taxes for which liability is in rem, in personam, or both," before "except".

(c) Request for Payment of Administrative Expense Taxes Eliminated.—Section 503(b)(1) of title 11, United States Code, is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by adding "and" at the end; and

(3) by adding at the end the following:

"(D) notwithstanding the requirements of subsection (a), a governmental unit shall not be required to file a request for the payment of an expense described in subparagraph (B) or (C), as a condition of its being an allowed administrative expense;".

(d) Payment of Taxes and Fees as Secured Claims.—Section 506 of title 11, United States Code, is amended—

(1) in subsection (b), by inserting "or State statute" after "agreement"; and

(2) in subsection (c), by inserting ", including the payment of all ad valorem property taxes with respect to the property" before the period at the end.

SEC. 713. TARDILY FILED PRIORITY TAX CLAIMS.

Section 726(a)(1) of title 11, United States Code, is amended by striking "before the date on which the trustee commences distribution under this section;" and inserting the following: "on or before the earlier of—

"(A) the date that is 10 days after the mailing to creditors of the summary of the trustee's final report; or

"(B) the date on which the trustee commences final distribution under this section;".

SEC. 714. INCOME TAX RETURNS PREPARED BY TAX AUTHORITIES.

Section 523(a) of title 11, United States Code, as amended by this Act, is amended—

(1) in paragraph (1)(B)—

(A) in the matter preceding clause (i), by inserting "or equivalent report or notice," after "a return,";

(B) in clause (i), by inserting "or given" after "filed"; and

(C) in clause (ii)—

(i) by inserting "or given" after "filed"; and

(ii) by inserting ", report, or notice" after "return"; and

(2) by adding at the end the following:

"For purposes of this subsection, the term 'return' means a return that satisfies the requirements of applicable nonbankruptcy law (including applicable filing requirements). Such term includes a return prepared pursuant to section 6020(a) of the Internal Revenue Code of 1986, or similar State or local law, or a written stipulation to a judgment or a final order entered by a nonbankruptcy tribunal, but does not include a return made pursuant to section 6020(b) of the Internal Revenue Code of 1986, or a similar State or local law.".

SEC. 715. DISCHARGE OF THE ESTATE'S LIABILITY FOR UNPAID TAXES.

Section 505(b)(2) of title 11, United States Code, as amended by this Act, is amended by inserting "the estate," after "misrepresentation,".

SEC. 716. REQUIREMENT TO FILE TAX RETURNS TO CONFIRM CHAPTER 13 PLANS.

(a) Filing of Prepetition Tax Returns Required for Plan Confirmation.—Section 1325(a) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(9) the debtor has filed all applicable Federal, State, and local tax returns as required by section 1308.".

(b) Additional Time Permitted for Filing Tax Returns.—

(1) In general.—Subchapter I of chapter 13 of title 11, United States Code, is amended by adding at the end the following:

"§ 1308. Filing of prepetition tax returns

"(a) Not later than the day before the date on which the meeting of the creditors is first scheduled to be held under section 341(a), if the debtor was required to file a tax return under applicable nonbankruptcy law, the debtor shall file with appropriate tax authorities all tax returns for all taxable periods ending during the 4-year period ending on the date of the filing of the petition.

"(b)(1) Subject to paragraph (2), if the tax returns required by subsection (a) have not been filed by the date on which the meeting of creditors is first scheduled to be held under section 341(a), the trustee may hold open that meeting for a reasonable period of time to allow the debtor an additional period of time to file any unfiled returns, but such additional period of time shall not extend beyond—

"(A) for any return that is past due as of the date of the filing of the petition, the date that is 120 days after the date of that meeting; or

"(B) for any return that is not past due as of the date of the filing of the petition, the later of—

"(i) the date that is 120 days after the date of that meeting; or

"(ii) the date on which the return is due under the last automatic extension of time for filing that return to which the debtor is entitled, and for which request is timely made, in accordance with applicable nonbankruptcy law.

"(2) Upon notice and hearing, and order entered before the tolling of any applicable filing period determined under this subsection, if the debtor demonstrates by a preponderance of the evidence that the failure to file a return as required under this subsection is attributable to circumstances beyond the control of the debtor, the court may extend the filing period established by the trustee under this subsection for—

"(A) a period of not more than 30 days for returns described in paragraph (1); and

"(B) a period not to extend after the applicable extended due date for a return described in paragraph (2).

"(c) For purposes of this section, the term 'return' includes a return prepared pursuant to subsection (a) or (b) of section 6020 of the Internal Revenue Code of 1986, or a similar State or local law, or a written stipulation to a judgment or a final order entered by a nonbankruptcy tribunal.".

(2) Conforming amendment.—The table of sections at the beginning of chapter 13 of title 11, United States Code, is amended by inserting after the item relating to section 1307 the following:

"1308. Filing of prepetition tax returns.".

(c) Dismissal or Conversion on Failure To Comply.—Section 1307 of title 11, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

"(e) Upon the failure of the debtor to file a tax return under section 1308, on request of a party in interest or the United States trustee and after notice and a hearing, the court shall dismiss a case or convert a case under this chapter to a case under chapter 7 of this title, whichever is in the best interest of the creditors and the estate.".

(d) Timely Filed Claims.—Section 502(b)(9) of title 11, United States Code, is amended by inserting before the period at the end the following: ", and except that in a case under chapter 13, a claim of a governmental unit for a tax with respect to a return filed under section 1308 shall be timely if the claim is filed on or before the date that is 60 days after the date on which such return was filed as required".

(e) Rules for Objections to Claims and to Confirmation.—It is the sense of Congress that the Advisory Committee on Bankruptcy Rules of the Judicial Conference of the United States should, as soon as practicable after the date of enactment of this Act, propose for adoption amended Federal Rules of Bankruptcy Procedure which provide that—

(1) notwithstanding the provisions of Rule 3015(f), in cases under chapter 13 of title 11, United States Code, an objection to the confirmation of a plan filed by a governmental unit on or before the date that is 60 days after the date on which the debtor files all tax returns required under sections 1308 and 1325(a)(7) of title 11, United States Code, shall be treated for all purposes as if such objection had been timely filed before such confirmation; and

(2) in addition to the provisions of Rule 3007, in a case under chapter 13 of title 11, United States Code, no objection to a tax with respect to which a return is required to be filed under section 1308 of title 11, United States Code, shall be filed until such return has been filed as required.

SEC. 717. STANDARDS FOR TAX DISCLOSURE.

Section 1125(a)(1) of title 11, United States Code, is amended—

(1) by inserting "including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case," after "records"; and

(2) by striking "a hypothetical reasonable investor typical of holders of claims or interests" and inserting "such a hypothetical investor".

SEC. 718. SETOFF OF TAX REFUNDS.

Section 362(b) of title 11, United States Code, is amended by inserting after paragraph (25), as added by this Act, the following:

“(26) under subsection (a), of the setoff under applicable nonbankruptcy law of an income tax refund, by a governmental unit, with respect to a taxable period that ended before the order for relief against an income tax liability for a taxable period that also ended before the order for relief, except that in any case in which the setoff of an income tax refund is not permitted under applicable nonbankruptcy law because of a pending action to determine the amount or legality of a tax liability, the governmental unit may hold the refund pending the resolution of the action, unless the court, upon motion of the trustee and after notice and hearing, grants the taxing authority adequate protection (within the meaning of section 361) for the secured claim of that authority in the setoff under section 506(a);”.

SEC. 719. SPECIAL PROVISIONS RELATED TO THE TREATMENT OF STATE AND LOCAL TAXES.

(a) IN GENERAL.—Section 346 of title 11, United States Code, is amended to read as follows:

“§ 346. Special provisions related to the treatment of State and local taxes

“(a) Whenever the Internal Revenue Code of 1986 provides that a separate taxable estate or entity is created in a case concerning a debtor under this title, and the income, gain, loss, deductions, and credits of such estate shall be taxed to or claimed by the estate, a separate taxable estate is also created for purposes of any State and local law imposing a tax on or measured by income and such income, gain, loss, deductions, and credits shall be taxed to or claimed by the estate and may not be taxed to or claimed by the debtor. The preceding sentence shall not apply if the case is dismissed. The trustee shall make tax returns of income required under any such State or local law.

“(b) Whenever the Internal Revenue Code of 1986 provides that no separate taxable estate shall be created in a case concerning a debtor under this title, and the income, gain, loss, deductions, and credits of an estate shall be taxed to or claimed by the debtor, such income, gain, loss, deductions, and credits shall be taxed to or claimed by the debtor under a State or local law imposing a tax on or measured by income and may not be taxed to or claimed by the estate. The trustee shall make such tax returns of income of corporations and of partnerships as are required under any State or local law, but with respect to partnerships, shall make said returns only to the extent such returns are also required to be made under such Code. The estate shall be liable for any tax imposed on such corporation or partnership, but not for any tax imposed on partners or members.

“(c) With respect to a partnership or any entity treated as a partnership under a State or local law imposing a tax on or measured by income that is a debtor in a case under this title, any gain or loss resulting from a distribution of property from such partnership, or any distributive share of any income, gain, loss, deduction, or credit of a partner or member that is distributed, or considered distributed, from such partnership, after the commencement of the case, is gain, loss, income, deduction, or credit, as the case may be, of the partner or member, and if such partner or member is a debtor in a case under this title, shall be subject to tax in accordance with subsection (a) or (b).

“(d) For purposes of any State or local law imposing a tax on or measured by income, the taxable period of a debtor in a case under this title shall terminate only if and to the extent that the taxable period of such debtor terminates under the Internal Revenue Code of 1986.

“(e) The estate in any case described in subsection (a) shall use the same accounting method as the debtor used immediately before the commencement of the case, if such method of accounting complies with applicable nonbankruptcy tax law.

“(f) For purposes of any State or local law imposing a tax on or measured by income, a transfer of property from the debtor to the estate or from the estate to the debtor shall not be treated as a disposition for purposes of any provision assigning tax consequences to a disposition, except to the extent that such transfer is treated as a disposition under the Internal Revenue Code of 1986.

“(g) Whenever a tax is imposed pursuant to a State or local law imposing a tax on or measured by income pursuant to subsection (a) or (b), such tax shall be imposed at rates generally applicable to the same types of entities under such State or local law.

“(h) The trustee shall withhold from any payment of claims for wages, salaries, commissions, dividends, interest, or other payments, or collect, any amount required to be withheld or collected under applicable State or local tax law, and shall pay such withheld or collected amount to the appropriate governmental unit at the time and in the manner required by such tax law, and with the same priority as the claim from which such amount was withheld or collected was paid.

“(i)(1) To the extent that any State or local law imposing a tax on or measured by income provides for the carryover of any tax attribute from one taxable period to a subsequent taxable period, the estate shall succeed to such tax attribute in any case in which such estate is subject to tax under subsection (a).

“(2) After such a case is closed or dismissed, the debtor shall succeed to any tax attribute to which the estate succeeded under paragraph (1) to the extent consistent with the Internal Revenue Code of 1986.

“(3) The estate may carry back any loss or tax attribute to a taxable period of the debtor that ended before the order for relief under this title to the extent that—

“(A) applicable State or local tax law provides for a carryback in the case of the debtor; and

“(B) the same or a similar tax attribute may be carried back by the estate to such a taxable period of the debtor under the Internal Revenue Code of 1986.

“(j)(1) For purposes of any State or local law imposing a tax on or measured by income, income is not realized by the estate, the debtor, or a successor to the debtor by reason of discharge of indebtedness in a case under this title, except to the extent, if any, that such income is subject to tax under the Internal Revenue Code of 1986.

“(2) Whenever the Internal Revenue Code of 1986 provides that the amount excluded from gross income in respect of the discharge of indebtedness in a case under this title shall be applied to reduce the tax attributes of the debtor or the estate, a similar reduction shall be made under any State or local law imposing a tax on or measured by income to the extent such State or local law recognizes such attributes. Such State or local law may also provide for the reduction of other attributes to the extent that the full amount of income from the discharge of indebtedness has not been applied.

“(k)(1) Except as provided in this section and section 505, the time and manner of filing tax returns and the items of income, gain, loss, deduction, and credit of any taxpayer shall be determined under applicable nonbankruptcy law.

“(2) For Federal tax purposes, the provisions of this section are subject to the Internal Revenue Code of 1986 and other applicable Federal nonbankruptcy law.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 728 of title 11, United States Code, is repealed.

(2) Section 1146 of title 11, United States Code, is amended—

(A) by striking subsections (a) and (b); and

(B) by redesignating subsections (c) and (d) as subsections (a) and (b), respectively.

(3) Section 1231 of title 11, United States Code, is amended—

(A) by striking subsections (a) and (b); and

(B) by redesignating subsections (c) and (d) as subsections (a) and (b), respectively.

SEC. 720. DISMISSAL FOR FAILURE TO TIMELY FILE TAX RETURNS.

Section 521 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

“(k)(1) Notwithstanding any other provision of this title, if the debtor fails to file a tax return that becomes due after the commencement of the case or to properly obtain an extension of the due date for filing such return, the taxing authority may request that the court enter an order converting or dismissing the case.

“(2) If the debtor does not file the required return or obtain the extension referred to in paragraph (1) within 90 days after a request is filed by the taxing authority under that paragraph, the court shall convert or dismiss the case, whichever is in the best interests of creditors and the estate.”.

TITLE VIII—ANCILLARY AND OTHER CROSS-BORDER CASES

SEC. 801. AMENDMENT TO ADD CHAPTER 15 TO TITLE 11, UNITED STATES CODE.

(a) IN GENERAL.—Title 11, United States Code, is amended by inserting after chapter 13 the following:

“CHAPTER 15—ANCILLARY AND OTHER CROSS-BORDER CASES

“Sec.
“1501. Purpose and scope of application.

“SUBCHAPTER I—GENERAL PROVISIONS

“1502. Definitions.
“1503. International obligations of the United States.
“1504. Commencement of ancillary case.
“1505. Authorization to act in a foreign country.
“1506. Public policy exception.
“1507. Additional assistance.
“1508. Interpretation.

“SUBCHAPTER II—ACCESS OF FOREIGN REPRESENTATIVES AND CREDITORS TO THE COURT

“1509. Right of direct access.
“1510. Limited jurisdiction.
“1511. Commencement of case under section 301 or 303.
“1512. Participation of a foreign representative in a case under this title.
“1513. Access of foreign creditors to a case under this title.
“1514. Notification to foreign creditors concerning a case under this title.

“SUBCHAPTER III—RECOGNITION OF A FOREIGN PROCEEDING AND RELIEF

“1515. Application for recognition.
“1516. Presumptions concerning recognition.
“1517. Order granting recognition.

"1518. Subsequent information.
"1519. Relief that may be granted upon filing petition for recognition.
"1520. Effects of recognition of a foreign main proceeding.
"1521. Relief that may be granted upon recognition.
"1522. Protection of creditors and other interested persons.
"1523. Actions to avoid acts detrimental to creditors.
"1524. Intervention by a foreign representative.

"SUBCHAPTER IV—COOPERATION WITH FOREIGN COURTS AND FOREIGN REPRESENTATIVES

"1525. Cooperation and direct communication between the court and foreign courts or foreign representatives.
"1526. Cooperation and direct communication between the trustee and foreign courts or foreign representatives.
"1527. Forms of cooperation.

"SUBCHAPTER V—CONCURRENT PROCEEDINGS

"1528. Commencement of a case under this title after recognition of a foreign main proceeding.
"1529. Coordination of a case under this title and a foreign proceeding.
"1530. Coordination of more than 1 foreign proceeding.
"1531. Presumption of insolvency based on recognition of a foreign main proceeding.
"1532. Rule of payment in concurrent proceedings.

"§ 1501. Purpose and scope of application

"(a) The purpose of this chapter is to incorporate the Model Law on Cross-Border Insolvency so as to provide effective mechanisms for dealing with cases of cross-border insolvency with the objectives of—

"(1) cooperation between—

"(A) United States courts, United States trustees, trustees, examiners, debtors, and debtors in possession; and

"(B) the courts and other competent authorities of foreign countries involved in cross-border insolvency cases;

"(2) greater legal certainty for trade and investment;

"(3) fair and efficient administration of cross-border insolvencies that protects the interests of all creditors, and other interested entities, including the debtor;

"(4) protection and maximization of the value of the debtor's assets; and

"(5) facilitation of the rescue of financially troubled businesses, thereby protecting investment and preserving employment.

"(b) This chapter applies where—

"(1) assistance is sought in the United States by a foreign court or a foreign representative in connection with a foreign proceeding;

"(2) assistance is sought in a foreign country in connection with a case under this title;

"(3) a foreign proceeding and a case under this title with respect to the same debtor are taking place concurrently; or

"(4) creditors or other interested persons in a foreign country have an interest in requesting the commencement of, or participating in, a case or proceeding under this title.

"(c) This chapter does not apply to—

"(1) a proceeding concerning an entity, other than a foreign insurance company, identified by exclusion in section 109(b);

"(2) an individual, or to an individual and such individual's spouse, who have debts within the limits specified in section 109(e) and who are citizens of the United States or aliens lawfully admitted for permanent residence in the United States; or

"(3) an entity subject to a proceeding under the Securities Investor Protection Act of 1970, a stockbroker subject to subchapter III of chapter 7 of this title, or a commodity broker subject to subchapter IV of chapter 7 of this title.

"(d) The court may not grant relief under this chapter with respect to any deposit, escrow, trust fund, or other security required or permitted under any applicable State insurance law or regulation for the benefit of claim holders in the United States.

"SUBCHAPTER I—GENERAL PROVISIONS

"§ 1502. Definitions

"For the purposes of this chapter, the term—

"(1) 'debtor' means an entity that is the subject of a foreign proceeding;

"(2) 'establishment' means any place of operations where the debtor carries out a nontransitory economic activity;

"(3) 'foreign court' means a judicial or other authority competent to control or supervise a foreign proceeding;

"(4) 'foreign main proceeding' means a foreign proceeding taking place in the country where the debtor has the center of its main interests;

"(5) 'foreign nonmain proceeding' means a foreign proceeding, other than a foreign main proceeding, taking place in a country where the debtor has an establishment;

"(6) 'trustee' includes a trustee, a debtor in possession in a case under any chapter of this title, or a debtor under chapter 9 of this title;

"(7) 'recognition' means the entry of an order granting recognition of a foreign main proceeding or foreign nonmain proceeding under this chapter; and

"(8) 'within the territorial jurisdiction of the United States', when used with reference to property of a debtor, refers to tangible property located within the territory of the United States and intangible property deemed under applicable nonbankruptcy law to be located within that territory, including any property subject to attachment or garnishment that may properly be seized or garnished by an action in a Federal or State court in the United States.

"§ 1503. International obligations of the United States

"To the extent that this chapter conflicts with an obligation of the United States arising out of any treaty or other form of agreement to which it is a party with one or more other countries, the requirements of the treaty or agreement prevail.

"§ 1504. Commencement of ancillary case

"A case under this chapter is commenced by the filing of a petition for recognition of a foreign proceeding under section 1515.

"§ 1505. Authorization to act in a foreign country

"A trustee or another entity (including an examiner) may be authorized by the court to act in a foreign country on behalf of an estate created under section 541. An entity authorized to act under this section may act in any way permitted by the applicable foreign law.

"§ 1506. Public policy exception

"Nothing in this chapter prevents the court from refusing to take an action governed by this chapter if the action would be manifestly contrary to the public policy of the United States.

"§ 1507. Additional assistance

"(a) Subject to the specific limitations stated elsewhere in this chapter the court, if recognition is granted, may provide additional assistance to a foreign representative under this title or under other laws of the United States.

"(b) In determining whether to provide additional assistance under this title or under other laws of the United States, the court shall consider whether such additional assistance, consistent with the principles of comity, will reasonably assure—

"(1) just treatment of all holders of claims against or interests in the debtor's property;

"(2) protection of claim holders in the United States against prejudice and inconvenience in the processing of claims in such foreign proceeding;

"(3) prevention of preferential or fraudulent dispositions of property of the debtor;

"(4) distribution of proceeds of the debtor's property substantially in accordance with the order prescribed by this title; and

"(5) if appropriate, the provision of an opportunity for a fresh start for the individual that such foreign proceeding concerns.

"§ 1508. Interpretation

"In interpreting this chapter, the court shall consider its international origin, and the need to promote an application of this chapter that is consistent with the application of similar statutes adopted by foreign jurisdictions.

"SUBCHAPTER II—ACCESS OF FOREIGN REPRESENTATIVES AND CREDITORS TO THE COURT

"§ 1509. Right of direct access

"(a) A foreign representative may commence a case under section 1504 by filing directly with the court a petition for recognition of a foreign proceeding under section 1515.

"(b) If the court grants recognition under section 1515, and subject to any limitations that the court may impose consistent with the policy of this chapter—

"(1) the foreign representative has the capacity to sue and be sued in a court in the United States;

"(2) the foreign representative may apply directly to a court in the United States for appropriate relief in that court; and

"(3) a court in the United States shall grant comity or cooperation to the foreign representative.

"(c) A request for comity or cooperation by a foreign representative in a court in the United States other than the court which granted recognition shall be accompanied by a certified copy of an order granting recognition under section 1517.

"(d) If the court denies recognition under this chapter, the court may issue any appropriate order necessary to prevent the foreign representative from obtaining comity or cooperation from courts in the United States.

"(e) Whether or not the court grants recognition, and subject to sections 306 and 1510, a foreign representative is subject to applicable nonbankruptcy law.

"(f) Notwithstanding any other provision of this section, the failure of a foreign representative to commence a case or to obtain recognition under this chapter does not affect any right the foreign representative may have to sue in a court in the United States to collect or recover a claim which is the property of the debtor.

"§ 1510. Limited jurisdiction

"The sole fact that a foreign representative files a petition under section 1515 does not subject the foreign representative to the jurisdiction of any court in the United States for any other purpose.

“§ 1511. Commencement of case under section 301 or 303

“(a) Upon recognition, a foreign representative may commence—

“(1) an involuntary case under section 303; or

“(2) a voluntary case under section 301 or 302, if the foreign proceeding is a foreign main proceeding.

“(b) The petition commencing a case under subsection (a) must be accompanied by a certified copy of an order granting recognition. The court where the petition for recognition has been filed must be advised of the foreign representative's intent to commence a case under subsection (a) prior to such commencement.

“§ 1512. Participation of a foreign representative in a case under this title

“Upon recognition of a foreign proceeding, the foreign representative in the recognized proceeding is entitled to participate as a party in interest in a case regarding the debtor under this title.

“§ 1513. Access of foreign creditors to a case under this title

“(a) Foreign creditors have the same rights regarding the commencement of, and participation in, a case under this title as domestic creditors.

“(b)(1) Subsection (a) does not change or codify present law as to the priority of claims under section 507 or 726 of this title, except that the claim of a foreign creditor under those sections shall not be given a lower priority than that of general unsecured claims without priority solely because the holder of such claim is a foreign creditor.

“(2)(A) Subsection (a) and paragraph (1) do not change or codify present law as to the allowability of foreign revenue claims or other foreign public law claims in a proceeding under this title.

“(B) Allowance and priority as to a foreign tax claim or other foreign public law claim shall be governed by any applicable tax treaty of the United States, under the conditions and circumstances specified therein.

“§ 1514. Notification to foreign creditors concerning a case under this title

“(a) Whenever in a case under this title notice is to be given to creditors generally or to any class or category of creditors, such notice shall also be given to the known creditors generally, or to creditors in the notified class or category, that do not have addresses in the United States. The court may order that appropriate steps be taken with a view to notifying any creditor whose address is not yet known.

“(b) Such notification to creditors with foreign addresses described in subsection (a) shall be given individually, unless the court considers that, under the circumstances, some other form of notification would be more appropriate. No letter or other formality is required.

“(c) When a notification of commencement of a case is to be given to foreign creditors, the notification shall—

“(1) indicate the time period for filing proofs of claim and specify the place for their filing;

“(2) indicate whether secured creditors need to file their proofs of claim; and

“(3) contain any other information required to be included in such a notification to creditors under this title and the orders of the court.

“(d) Any rule of procedure or order of the court as to notice or the filing of a claim shall provide such additional time to creditors with foreign addresses as is reasonable under the circumstances.

“SUBCHAPTER III—RECOGNITION OF A FOREIGN PROCEEDING AND RELIEF

“§ 1515. Application for recognition

“(a) A foreign representative applies to the court for recognition of the foreign proceeding in which the foreign representative has been appointed by filing a petition for recognition.

“(b) A petition for recognition shall be accompanied by—

“(1) a certified copy of the decision commencing the foreign proceeding and appointing the foreign representative;

“(2) a certificate from the foreign court affirming the existence of the foreign proceeding and of the appointment of the foreign representative; or

“(3) in the absence of evidence referred to in paragraphs (1) and (2), any other evidence acceptable to the court of the existence of the foreign proceeding and of the appointment of the foreign representative.

“(c) A petition for recognition shall also be accompanied by a statement identifying all foreign proceedings with respect to the debtor that are known to the foreign representative.

“(d) The documents referred to in paragraphs (1) and (2) of subsection (b) shall be translated into English. The court may require a translation into English of additional documents.

“§ 1516. Presumptions concerning recognition

“(a) If the decision or certificate referred to in section 1515(b) indicates that the foreign proceeding is a foreign proceeding (as defined in section 101) and that the person or body is a foreign representative (as defined in section 101), the court is entitled to so presume.

“(b) The court is entitled to presume that documents submitted in support of the petition for recognition are authentic, whether or not they have been legalized.

“(c) In the absence of evidence to the contrary, the debtor's registered office, or habitual residence in the case of an individual, is presumed to be the center of the debtor's main interests.

“§ 1517. Order granting recognition

“(a) Subject to section 1506, after notice and a hearing, an order recognizing a foreign proceeding shall be entered if—

“(1) the foreign proceeding for which recognition is sought is a foreign main proceeding or foreign nonmain proceeding within the meaning of section 1502;

“(2) the foreign representative applying for recognition is a person or body as defined in section 101; and

“(3) the petition meets the requirements of section 1515.

“(b) The foreign proceeding shall be recognized—

“(1) as a foreign main proceeding if it is taking place in the country where the debtor has the center of its main interests; or

“(2) as a foreign nonmain proceeding if the debtor has an establishment within the meaning of section 1502 in the foreign country where the proceeding is pending.

“(c) A petition for recognition of a foreign proceeding shall be decided upon at the earliest possible time. Entry of an order recognizing a foreign proceeding constitutes recognition under this chapter.

“(d) The provisions of this subchapter do not prevent modification or termination of recognition if it is shown that the grounds for granting it were fully or partially lacking or have ceased to exist, but in considering such action the court shall give due weight to possible prejudice to parties that have relied upon the order granting recognition. The case under this chapter may be closed in the manner prescribed under section 350.

“§ 1518. Subsequent information

“From the time of filing the petition for recognition of the foreign proceeding, the foreign representative shall file with the court promptly a notice of change of status concerning—

“(1) any substantial change in the status of the foreign proceeding or the status of the foreign representative's appointment; and

“(2) any other foreign proceeding regarding the debtor that becomes known to the foreign representative.

“§ 1519. Relief that may be granted upon filing petition for recognition

“(a) From the time of filing a petition for recognition until the court rules on the petition, the court may, at the request of the foreign representative, where relief is urgently needed to protect the assets of the debtor or the interests of the creditors, grant relief of a provisional nature, including—

“(1) staying execution against the debtor's assets;

“(2) entrusting the administration or realization of all or part of the debtor's assets located in the United States to the foreign representative or another person authorized by the court, including an examiner, in order to protect and preserve the value of assets that, by their nature or because of other circumstances, are perishable, susceptible to devaluation or otherwise in jeopardy; and

“(3) any relief referred to in paragraph (3), (4), or (7) of section 1521(a).

“(b) Unless extended under section 1521(a)(6), the relief granted under this section terminates when the petition for recognition is granted.

“(c) It is a ground for denial of relief under this section that such relief would interfere with the administration of a foreign main proceeding.

“(d) The court may not enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding, under this section.

“(e) The standards, procedures, and limitations applicable to an injunction shall apply to relief under this section.

“(f) The exercise of rights not subject to the stay arising under section 362(a) pursuant to paragraph (6), (7), (17), or (27) of section 362(b) or pursuant to section 362(l) shall not be stayed by any order of a court or administrative agency in any proceeding under this chapter.

“§ 1520. Effects of recognition of a foreign main proceeding

“(a) Upon recognition of a foreign proceeding that is a foreign main proceeding—

“(1) sections 361 and 362 apply with respect to the debtor and that property of the debtor that is within the territorial jurisdiction of the United States;

“(2) sections 363, 549, and 552 of this title apply to a transfer of an interest of the debtor in property that is within the territorial jurisdiction of the United States to the same extent that the sections would apply to property of an estate;

“(3) unless the court orders otherwise, the foreign representative may operate the debtor's business and may exercise the rights and powers of a trustee under and to the extent provided by sections 363 and 552; and

"(4) section 552 applies to property of the debtor that is within the territorial jurisdiction of the United States.

"(b) Subsection (a) does not affect the right to commence an individual action or proceeding in a foreign country to the extent necessary to preserve a claim against the debtor.

"(c) Subsection (a) does not affect the right of a foreign representative or an entity to file a petition commencing a case under this title or the right of any party to file claims or take other proper actions in such a case.

"§ 1521. Relief that may be granted upon recognition

"(a) Upon recognition of a foreign proceeding, whether main or nonmain, where necessary to effectuate the purpose of this chapter and to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including—

"(1) staying the commencement or continuation of an individual action or proceeding concerning the debtor's assets, rights, obligations or liabilities to the extent they have not been stayed under section 1520(a);

"(2) staying execution against the debtor's assets to the extent it has not been stayed under section 1520(a);

"(3) suspending the right to transfer, encumber or otherwise dispose of any assets of the debtor to the extent this right has not been suspended under section 1520(a);

"(4) providing for the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor's assets, affairs, rights, obligations or liabilities;

"(5) entrusting the administration or realization of all or part of the debtor's assets within the territorial jurisdiction of the United States to the foreign representative or another person, including an examiner, authorized by the court;

"(6) extending relief granted under section 1519(a); and

"(7) granting any additional relief that may be available to a trustee, except for relief available under sections 522, 544, 545, 547, 548, 550, and 724(a).

"(b) Upon recognition of a foreign proceeding, whether main or nonmain, the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor's assets located in the United States to the foreign representative or another person, including an examiner, authorized by the court, provided that the court is satisfied that the interests of creditors in the United States are sufficiently protected.

"(c) In granting relief under this section to a representative of a foreign nonmain proceeding, the court must be satisfied that the relief relates to assets that, under the law of the United States, should be administered in the foreign nonmain proceeding or concerns information required in that proceeding.

"(d) The court may not enjoin a police or regulatory act of a governmental unit, including a criminal action or proceeding, under this section.

"(e) The standards, procedures, and limitations applicable to an injunction shall apply to relief under paragraphs (1), (2), (3), and (6) of subsection (a).

"(f) The exercise of rights not subject to the stay arising under section 362(a) pursuant to paragraph (6), (7), (17), or (27) of section 362(b) or pursuant to section 362(l) shall not be stayed by any order of a court or administrative agency in any proceeding under this chapter.

"§ 1522. Protection of creditors and other interested persons

"(a) The court may grant relief under section 1519 or 1521, or may modify or terminate relief under subsection (c), only if the interests of the creditors and other interested entities, including the debtor, are sufficiently protected.

"(b) The court may subject relief granted under section 1519 or 1521, or the operation of the debtor's business under section 1520(a)(3) of this title, to conditions it considers appropriate, including the giving of security or the filing of a bond.

"(c) The court may, at the request of the foreign representative or an entity affected by relief granted under section 1519 or 1521, or at its own motion, modify or terminate such relief.

"(d) Section 1104(d) shall apply to the appointment of an examiner under this chapter. Any examiner shall comply with the qualification requirements imposed on a trustee by section 322.

"§ 1523. Actions to avoid acts detrimental to creditors

"(a) Upon recognition of a foreign proceeding, the foreign representative has standing in a case concerning the debtor pending under another chapter of this title to initiate actions under sections 522, 544, 545, 547, 548, 550, 553, and 724(a).

"(b) When the foreign proceeding is a foreign nonmain proceeding, the court must be satisfied that an action under subsection (a) relates to assets that, under United States law, should be administered in the foreign nonmain proceeding.

"§ 1524. Intervention by a foreign representative

"Upon recognition of a foreign proceeding, the foreign representative may intervene in any proceedings in a State or Federal court in the United States in which the debtor is a party.

"SUBCHAPTER IV—COOPERATION WITH FOREIGN COURTS AND FOREIGN REPRESENTATIVES

"§ 1525. Cooperation and direct communication between the court and foreign courts or foreign representatives

"(a) Consistent with section 1501, the court shall cooperate to the maximum extent possible with foreign courts or foreign representatives, either directly or through the trustee.

"(b) The court is entitled to communicate directly with, or to request information or assistance directly from, foreign courts or foreign representatives, subject to the rights of parties in interest to notice and participation.

"§ 1526. Cooperation and direct communication between the trustee and foreign courts or foreign representatives

"(a) Consistent with section 1501, the trustee or other person, including an examiner, authorized by the court, shall, subject to the supervision of the court, cooperate to the maximum extent possible with foreign courts or foreign representatives.

"(b) The trustee or other person, including an examiner, authorized by the court is entitled, subject to the supervision of the court, to communicate directly with foreign courts or foreign representatives.

"§ 1527. Forms of cooperation

"Cooperation referred to in sections 1525 and 1526 may be implemented by any appropriate means, including—

"(1) appointment of a person or body, including an examiner, to act at the direction of the court;

"(2) communication of information by any means considered appropriate by the court;

"(3) coordination of the administration and supervision of the debtor's assets and affairs;

"(4) approval or implementation of agreements concerning the coordination of proceedings; and

"(5) coordination of concurrent proceedings regarding the same debtor.

"SUBCHAPTER V—CONCURRENT PROCEEDINGS

"§ 1528. Commencement of a case under this title after recognition of a foreign main proceeding

"After recognition of a foreign main proceeding, a case under another chapter of this title may be commenced only if the debtor has assets in the United States. The effects of such case shall be restricted to the assets of the debtor that are within the territorial jurisdiction of the United States and, to the extent necessary to implement cooperation and coordination under sections 1525, 1526, and 1527, to other assets of the debtor that are within the jurisdiction of the court under sections 541(a) of this title, and 1334(e) of title 28, to the extent that such other assets are not subject to the jurisdiction and control of a foreign proceeding that has been recognized under this chapter.

"§ 1529. Coordination of a case under this title and a foreign proceeding

"If a foreign proceeding and a case under another chapter of this title are taking place concurrently regarding the same debtor, the court shall seek cooperation and coordination under sections 1525, 1526, and 1527, and the following shall apply:

"(1) If the case in the United States is taking place at the time the petition for recognition of the foreign proceeding is filed—

"(A) any relief granted under section 1519 or 1521 must be consistent with the relief granted in the case in the United States; and

"(B) even if the foreign proceeding is recognized as a foreign main proceeding, section 1520 does not apply.

"(2) If a case in the United States under this title commences after recognition, or after the filing of the petition for recognition, of the foreign proceeding—

"(A) any relief in effect under section 1519 or 1521 shall be reviewed by the court and shall be modified or terminated if inconsistent with the case in the United States; and

"(B) if the foreign proceeding is a foreign main proceeding, the stay and suspension referred to in section 1520(a) shall be modified or terminated if inconsistent with the relief granted in the case in the United States.

"(3) In granting, extending, or modifying relief granted to a representative of a foreign nonmain proceeding, the court must be satisfied that the relief relates to assets that, under the laws of the United States, should be administered in the foreign nonmain proceeding or concerns information required in that proceeding.

"(4) In achieving cooperation and coordination under sections 1528 and 1529, the court may grant any of the relief authorized under section 305.

"§ 1530. Coordination of more than 1 foreign proceeding

"In matters referred to in section 1501, with respect to more than 1 foreign proceeding regarding the debtor, the court shall seek cooperation and coordination under sections 1525, 1526, and 1527, and the following shall apply:

"(1) Any relief granted under section 1519 or 1521 to a representative of a foreign nonmain proceeding after recognition of a foreign main proceeding must be consistent with the foreign main proceeding.

"(2) If a foreign main proceeding is recognized after recognition, or after the filing of a petition for recognition, of a foreign nonmain proceeding, any relief in effect under section 1519 or 1521 shall be reviewed by the court and shall be modified or terminated if inconsistent with the foreign main proceeding.

"(3) If, after recognition of a foreign nonmain proceeding, another foreign nonmain proceeding is recognized, the court shall grant, modify, or terminate relief for the purpose of facilitating coordination of the proceedings.

"§ 1531. Presumption of insolvency based on recognition of a foreign main proceeding

"In the absence of evidence to the contrary, recognition of a foreign main proceeding is, for the purpose of commencing a proceeding under section 303, proof that the debtor is generally not paying its debts as such debts become due.

"§ 1532. Rule of payment in concurrent proceedings

"Without prejudice to secured claims or rights in rem, a creditor who has received payment with respect to its claim in a foreign proceeding pursuant to a law relating to insolvency may not receive a payment for the same claim in a case under any other chapter of this title regarding the debtor, so long as the payment to other creditors of the same class is proportionately less than the payment the creditor has already received.".

(b) CLERICAL AMENDMENT.—The table of chapters for title 11, United States Code, is amended by inserting after the item relating to chapter 13 the following:

"15. Ancillary and Other Cross-Border Cases .... 1501".

SEC. 802. OTHER AMENDMENTS TO TITLES 11 AND 28, UNITED STATES CODE.

(a) APPLICABILITY OF CHAPTERS.—Section 103 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting before the period the following: ", and this chapter, sections 307, 362(l), 555 through 557, and 559 through 562 apply in a case under chapter 15"; and

(2) by adding at the end the following:

"(j) Chapter 15 applies only in a case under such chapter, except that—

"(1) sections 1505, 1513, and 1514 apply in all cases under this title; and

"(2) section 1509 applies whether or not a case under this title is pending.".

(b) DEFINITIONS.—Section 101 of title 11, United States Code, is amended by striking paragraphs (23) and (24) and inserting the following:

"(23) 'foreign proceeding' means a collective judicial or administrative proceeding in a foreign country, including an interim proceeding, under a law relating to insolvency or adjustment of debt in which proceeding the assets and affairs of the debtor are subject to control or supervision by a foreign court, for the purpose of reorganization or liquidation;

"(24) 'foreign representative' means a person or body, including a person or body appointed on an interim basis, authorized in a foreign proceeding to administer the reorganization or the liquidation of the debtor's assets or affairs or to act as a representative of the foreign proceeding;".

(c) AMENDMENTS TO TITLE 28, UNITED STATES CODE.—

(1) PROCEDURES.—Section 157(b)(2) of title 28, United States Code, is amended—

(A) in subparagraph (N), by striking "and" at the end;

(B) in subparagraph (O), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(P) recognition of foreign proceedings and other matters under chapter 15 of title 11.".

(2) BANKRUPTCY CASES AND PROCEEDINGS.—Section 1334(c) of title 28, United States Code, is amended by striking "Nothing in" and inserting "Except with respect to a case under chapter 15 of title 11, nothing in".

(3) DUTIES OF TRUSTEES.—Section 586(a)(3) of title 28, United States Code, is amended by striking "or 13" and inserting "13, or 15,".

(4) VENUE OF CASES ANCILLARY TO FOREIGN PROCEEDINGS.—Section 1410 of title 28, United States Code, is amended to read as follows:

"§ 1410. Venue of cases ancillary to foreign proceedings

"A case under chapter 15 of title 11 may be commenced in the district court for the district—

"(1) in which the debtor has its principal place of business or principal assets in the United States;

"(2) if the debtor does not have a place of business or assets in the United States, in which there is pending against the debtor an action or proceeding in a Federal or State court; or

"(3) in a case other than those specified in paragraph (1) or (2), in which venue will be consistent with the interests of justice and the convenience of the parties, having regard to the relief sought by the foreign representative.".

(d) OTHER SECTIONS OF TITLE 11.—

(1) Section 109(b)(3) of title 11, United States Code, is amended to read as follows:

"(3)(A) a foreign insurance company, engaged in such business in the United States; or

"(B) a foreign bank, savings bank, cooperative bank, savings and loan association, building and loan association, or credit union, that has a branch or agency (as defined in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101) in the United States.".

(2) Section 303(k) of title 11, United States Code, is repealed.

(3)(A) Section 304 of title 11, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 3 of title 11, United States Code, is amended by striking the item relating to section 304.

(C) Section 306 of title 11, United States Code, is amended by striking ", 304," each place it appears.

(4) Section 305(a)(2) of title 11, United States Code, is amended to read as follows:

"(2)(A) a petition under section 1515 of this title for recognition of a foreign proceeding has been granted; and

"(B) the purposes of chapter 15 of this title would be best served by such dismissal or suspension.".

(5) Section 508 of title 11, United States Code, is amended—

(A) by striking subsection (a); and

(B) in subsection (b), by striking "(b)".

TITLE IX—FINANCIAL CONTRACT PROVISIONS

SEC. 901. TREATMENT OF CERTAIN AGREEMENTS BY CONSERVATORS OR RECEIVERS OF INSURED DEPOSITORY INSTITUTIONS.

(a) DEFINITION OF QUALIFIED FINANCIAL CONTRACT.—Section 11(e)(8)(D)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(i)) is amended by inserting ", resolution, or order" after "any similar agreement that the Corporation determines by regulation".

(b) DEFINITION OF SECURITIES CONTRACT.—Section 11(e)(8)(D)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(ii)) is amended to read as follows:

"(ii) SECURITIES CONTRACT.—The term 'securities contract'—

"(I) means a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, or any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

"(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such agreement within the meaning of such term;

"(III) means any option entered into on a national securities exchange relating to foreign currencies;

"(IV) means the guarantee by or to any securities clearing agency of any settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

"(V) means any margin loan;

"(VI) means any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

"(VII) means any combination of the agreements or transactions referred to in this clause;

"(VIII) means any option to enter into any agreement or transaction referred to in this clause;

"(IX) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this clause, except that the master agreement shall be considered to be a securities contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII); and

"(X) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause or any guarantee including reimbursement obligation in connection with any agreement or transaction referred to in this clause.".

(c) DEFINITION OF COMMODITY CONTRACT.—Section 11(e)(8)(D)(iii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(iii)) is amended to read as follows:

"(iii) COMMODITY CONTRACT.—The term 'commodity contract' means—

"(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

"(II) with respect to a foreign futures commission merchant, a foreign future;

"(III) with respect to a leverage transaction merchant, a leverage transaction;

"(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

"(V) with respect to a commodity options dealer, a commodity option;

"(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

"(VII) any combination of the agreements or transactions referred to in this clause;

"(VIII) any option to enter into any agreement or transaction referred to in this clause;

"(IX) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or

"(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.".

(d) DEFINITION OF FORWARD CONTRACT.—Section 11(e)(8)(D)(iv) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(iv)) is amended to read as follows:

"(iv) FORWARD CONTRACT.—The term 'forward contract' means—

"(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date more than 2 days after the date the contract is entered into, including, a repurchase transaction, reverse repurchase transaction, consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;

"(II) any combination of agreements or transactions referred to in subclauses (I) and (III);

"(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);

"(IV) a master agreement that provides for an agreement or transaction referred to in subclauses (I), (II), or (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or

"(V) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV) including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.".

(e) DEFINITION OF REPURCHASE AGREEMENT.—Section 11(e)(8)(D)(v) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(v)) is amended to read as follows:

"(v) REPURCHASE AGREEMENT.—The term 'repurchase agreement' (which definition also applies to a reverse repurchase agreement)—

"(I) means an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage-related securities (as such term is defined in the Securities Exchange Act of 1934), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;

"(II) does not include any repurchase obligation under a participation in a commercial mortgage loan unless the Corporation determines by regulation, resolution, or order to include any such participation within the meaning of such term;

"(III) means any combination of agreements or transactions referred to in subclauses (I) and (IV);

"(IV) means any option to enter into any agreement or transaction referred to in subclause (I) or (III);

"(V) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this clause, except that the master agreement shall be considered to be a repurchase agreement under this subclause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), or (IV); and

"(VI) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (III), (IV), or (V) including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

For purposes of this clause, the term 'qualified foreign government security' means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development (as determined by regulation or order adopted by the appropriate Federal banking authority).".

(f) DEFINITION OF SWAP AGREEMENT.—Section 11(e)(8)(D)(vi) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(vi)) is amended to read as follows:

"(vi) SWAP AGREEMENT.—The term 'swap agreement' means—

"(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, which is an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option;

"(II) any agreement or transaction that is similar to any other agreement or transaction referred to in this clause and is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;

"(III) any combination of agreements or transactions referred to in this clause;

"(IV) any option to enter into any agreement or transaction referred to in this clause;

"(V) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and

"(VI) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in subclause (I), (II), (III), (IV), or (V) including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

Such term is applicable for purposes of this title only and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any swap agreement under any other statute, regulation, or rule, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Investor Protection Act of 1970, the Commodity Exchange Act, the Gramm-Leach-Bliley Act, and the Legal Certainty for Bank Products Act of 2000.".

(g) Definition of Transfer.—Section 11(e)(8)(D)(viii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(viii)) is amended to read as follows:

"(viii) Transfer.—The term 'transfer' means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the depository institution's equity of redemption.".

(h) Treatment of Qualified Financial Contracts.—Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended—

(1) in subparagraph (A)—

(A) by striking "paragraph (10)" and inserting "paragraphs (9) and (10)";

(B) in clause (i), by striking "to cause the termination or liquidation" and inserting "such person has to cause the termination, liquidation, or acceleration"; and

(C) by striking clause (ii) and inserting the following:

"(ii) any right under any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts described in clause (i);"; and

(2) in subparagraph (E), by striking clause (ii) and inserting the following:

"(ii) any right under any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts described in clause (i);".

(i) Avoidance of Transfers.—Section 11(e)(8)(C)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(C)(i)) is amended by inserting "section 5242 of the Revised Statutes of the United States (12 U.S.C. 91) or any other Federal or State law relating to the avoidance of preferential or fraudulent transfers," before "the Corporation".

SEC. 902. AUTHORITY OF THE CORPORATION WITH RESPECT TO FAILED AND FAILING INSTITUTIONS.

(a) In General.—Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended—

(1) in subparagraph (E), by striking "other than paragraph (12) of this subsection, subsection (d)(9)" and inserting "other than subsections (d)(9) and (e)(10)"; and

(2) by adding at the end the following new subparagraphs:

"(F) Clarification.—No provision of law shall be construed as limiting the right or power of the Corporation, or authorizing any court or agency to limit or delay, in any manner, the right or power of the Corporation to transfer any qualified financial contract in accordance with paragraphs (9) and (10) of this subsection or to disaffirm or repudiate any such contract in accordance with subsection (e)(1) of this section.

"(G) Walkaway clauses not effective.—

"(i) In general.—Notwithstanding the provisions of subparagraphs (A) and (E), and sections 403 and 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, no walkaway clause shall be enforceable in a qualified financial contract of an insured depository institution in default.

"(ii) Walkaway clause defined.—For purposes of this subparagraph, the term 'walkaway clause' means a provision in a qualified financial contract that, after calculation of a value of a party's position or an amount due to or from 1 of the parties in accordance with its terms upon termination, liquidation, or acceleration of the qualified financial contract, either does not create a payment obligation of a party or extinguishes a payment obligation of a party in whole or in part solely because of such party's status as a nondefaulting party.".

(b) Technical and Conforming Amendment.—Section 11(e)(12)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(12)(A)) is amended by inserting "or the exercise of rights or powers by" after "the appointment of".

SEC. 903. AMENDMENTS RELATING TO TRANSFERS OF QUALIFIED FINANCIAL CONTRACTS.

(a) Transfers of Qualified Financial Contracts to Financial Institutions.—Section 11(e)(9) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(9)) is amended to read as follows:

"(9) Transfer of qualified financial contracts.—

"(A) In general.—In making any transfer of assets or liabilities of a depository institution in default which includes any qualified financial contract, the conservator or receiver for such depository institution shall either—

"(i) transfer to one financial institution, other than a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding—

"(I) all qualified financial contracts between any person or any affiliate of such person and the depository institution in default;

"(II) all claims of such person or any affiliate of such person against such depository institution under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such institution);

"(III) all claims of such depository institution against such person or any affiliate of such person under any such contract; and

"(IV) all property securing or any other credit enhancement for any contract described in subclause (I) or any claim described in subclause (II) or (III) under any such contract; or

"(ii) transfer none of the qualified financial contracts, claims, property or other credit enhancement referred to in clause (i) (with respect to such person and any affiliate of such person).

"(B) Transfer to foreign bank, foreign financial institution, or branch or agency of a foreign bank or financial institution.—In transferring any qualified financial contracts and related claims and property under subparagraph (A)(i), the conservator or receiver for the depository institution shall not make such transfer to a foreign bank, financial institution organized under the laws of a foreign country, or a branch or agency of a foreign bank or financial institution unless, under the law applicable to such bank, financial institution, branch or agency, to the qualified financial contracts, and to any netting contract, any security agreement or arrangement or other credit enhancement related to one or more qualified financial contracts, the contractual rights of the parties to such qualified financial contracts, netting contracts, security agreements or arrangements, or other credit enhancements are enforceable substantially to the same extent as permitted under this section.

"(C) Transfer of contracts subject to the rules of a clearing organization.—In the event that a conservator or receiver transfers any qualified financial contract and related claims, property, and credit enhancements pursuant to subparagraph (A)(i) and such contract is cleared by or subject to the rules of a clearing organization, the clearing organization shall not be required to accept the transferee as a member by virtue of the transfer.

"(D) Definitions.—For purposes of this paragraph, the term 'financial institution' means a broker or dealer, a depository institution, a futures commission merchant, or any other institution, as determined by the Corporation by regulation to be a financial institution, and the term 'clearing organization' has the same meaning as in section 402 of the Federal Deposit Insurance Corporation Improvement Act of 1991.".

(b) Notice to Qualified Financial Contract Counterparties.—Section 11(e)(10)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(10)(A)) is amended in the material immediately following clause (ii) by striking "the conservator" and all that follows through the period and inserting the following: "the conservator or receiver shall notify any person who is a party to any such contract of such transfer by 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver in the case of a receivership, or the business day following such transfer in the case of a conservatorship.".

(c) Rights Against Receiver and Treatment of Bridge Banks.—Section 11(e)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(10)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D); and

(2) by inserting after subparagraph (A) the following new subparagraphs:

"(B) Certain rights not enforceable.—

"(i) Receivership.—A person who is a party to a qualified financial contract with an insured depository institution may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(A) of this subsection or section 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a receiver for the depository institution (or the insolvency or financial condition of the depository institution for which the receiver has been appointed)—

"(I) until 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver; or

"(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(A).

"(ii) Conservatorship.—A person who is a party to a qualified financial contract with an insured depository institution may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(E) of this subsection or sections 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a conservator for the depository institution (or the insolvency or financial condition of the depository institution for which the conservator has been appointed).

"(iii) Notice.—For purposes of this paragraph, the Corporation as receiver or conservator of an insured depository institution shall be deemed to have notified a person who is a party to a qualified financial contract with such depository institution if the Corporation has taken steps reasonably calculated to provide notice to such person by the time specified in subparagraph (A).

"(C) Treatment of bridge banks.—The following institutions shall not be considered to be a financial institution for which a conservator, receiver, trustee in bankruptcy, or other legal custodian has been appointed or which is otherwise the subject of a bankruptcy or insolvency proceeding for purposes of paragraph (9):

"(i) A bridge bank.

"(ii) A depository institution organized by the Corporation, for which a conservator is appointed either—

"(I) immediately upon the organization of the institution; or

"(II) at the time of a purchase and assumption transaction between the depository institution and the Corporation as receiver for a depository institution in default.".

SEC. 904. AMENDMENTS RELATING TO DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.

Section 11(e) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)) is amended—

(1) by redesignating paragraphs (11) through (15) as paragraphs (12) through (16), respectively;

(2) by inserting after paragraph (10) the following new paragraph:

"(11) Disaffirmance or repudiation of qualified financial contracts.—In exercising the rights of disaffirmance or repudiation of a conservator or receiver with respect to any qualified financial contract to which an insured depository institution is a party, the conservator or receiver for such institution shall either—

"(A) disaffirm or repudiate all qualified financial contracts between—

"(i) any person or any affiliate of such person; and

"(ii) the depository institution in default; or

"(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person)."; and

(3) by including at the end of section 11(e) the following new paragraph:

"(__) Savings clause.—The meaning of terms used in this subsection (e) are applicable for purposes of this subsection (e) only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities law (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.".

SEC. 905. CLARIFYING AMENDMENT RELATING TO MASTER AGREEMENTS.

Section 11(e)(8)(D)(vii) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)(D)(vii)) is amended to read as follows:

"(vii) Treatment of master agreement as one agreement.—Any master agreement for any contract or agreement described in any preceding clause of this subparagraph (or any master agreement for such master agreement or agreements), together with all supplements to such master agreement, shall be treated as a single agreement and a single qualified financial contract. If a master agreement contains provisions relating to agreements or transactions that are not themselves qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.".

SEC. 906. FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991.

(a) Definitions.—Section 402 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4402) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)(ii), by inserting before the semicolon ", or is exempt from such registration by order of the Securities and Exchange Commission"; and

(B) in subparagraph (B), by inserting before the period ", that has been granted an exemption under section 4(c)(1) of the Commodity Exchange Act, or that is a multilateral clearing organization (as defined in section 408 of this Act)";

(2) in paragraph (6)—

(A) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively;

(B) by inserting after subparagraph (A) the following new subparagraph:

"(B) an uninsured national bank or an uninsured State bank that is a member of the Federal Reserve System, if the national bank or State member bank is not eligible to make application to become an insured bank under section 5 of the Federal Deposit Insurance Act;"; and

(C) by amending subparagraph (C) (as redesignated) to read as follows:

"(C) a branch or agency of a foreign bank, a foreign bank and any branch or agency of the foreign bank, or the foreign bank that established the branch or agency, as those terms are defined in section 1(b) of the International Banking Act of 1978;";

(3) in paragraph (11), by inserting before the period "and any other clearing organization with which such clearing organization has a netting contract";

(4) by amending paragraph (14)(A)(i) to read as follows:

"(i) means a contract or agreement between 2 or more financial institutions, clearing organizations, or members that provides for netting present or future payment obligations or payment entitlements (including liquidation or closeout values relating to such obligations or entitlements) among the parties to the agreement; and"; and

(5) by adding at the end the following new paragraph:

"(15) Payment.—The term 'payment' means a payment of United States dollars, another currency, or a composite currency, and a noncash delivery, including a payment or delivery to liquidate an unmatured obligation.".

(b) Enforceability of Bilateral Netting Contracts.—Section 403 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4403) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) General Rule.—Notwithstanding any other provision of State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act or any order authorized under section 5(b)(2) of the Securities Investor Protection Act of 1970), the covered contractual payment obligations and the covered contractual payment entitlements between any 2 financial institutions shall be netted in accordance with, and subject to the conditions of, the terms of any applicable netting contract (except as provided in section 561(b)(2) of title 11, United States Code)."; and

(2) by adding at the end the following new subsection:

"(f) Enforceability of Security Agreements.—The provisions of any security agreement or arrangement or other credit enhancement related to one or more netting contracts between any 2 financial institutions shall be enforceable in accordance with their terms (except as provided in section 561(b)(2) of title 11, United States Code), and shall not be stayed, avoided, or otherwise limited by any State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act and section 5(b)(2) of the Securities Investor Protection Act of 1970).".

(c) Enforceability of Clearing Organization Netting Contracts.—Section 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4404) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) General Rule.—Notwithstanding any other provision of State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act and any order authorized under section 5(b)(2) of the Securities Investor Protection Act of 1970), the covered contractual payment obligations and the covered contractual payment entitlements of a member of a clearing organization to and from all other members of a clearing organization shall be netted in accordance with and subject to the conditions of any applicable netting contract (except as provided in section 561(b)(2) of title 11, United States Code)."; and

(2) by adding at the end the following new subsection:

"(h) Enforceability of Security Agreements.—The provisions of any security agreement or arrangement or other credit enhancement related to one or more netting contracts between any 2 members of a clearing organization shall be enforceable in accordance with their terms (except as provided in section 561(b)(2) of title 11, United States Code), and shall not be stayed, avoided, or otherwise limited by any State or Federal law (other than paragraphs (8)(E), (8)(F), and (10)(B) of section 11(e) of the Federal Deposit Insurance Act and section 5(b)(2) of the Securities Investor Protection Act of 1970).".

(d) Enforceability of Contracts With Uninsured National Banks, Uninsured Federal Branches and Agencies, Certain Uninsured State Member Banks, and Edge Act Corporations.—The Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4401 et seq.) is amended—

(1) by redesignating section 407 as section 407A; and

(2) by inserting after section 406 the following new section:

"SEC. 407. TREATMENT OF CONTRACTS WITH UNINSURED NATIONAL BANKS, UNINSURED FEDERAL BRANCHES AND AGENCIES, CERTAIN UNINSURED STATE MEMBER BANKS, AND EDGE ACT CORPORATIONS.

"(a) In General.—Notwithstanding any other provision of law, paragraphs (8), (9), (10), and (11) of section 11(e) of the Federal Deposit Insurance Act shall apply to an uninsured national bank or uninsured Federal branch or Federal agency, a corporation chartered under section 25A of the Federal Reserve Act, or an uninsured State member bank which operates, or operates as, a multilateral clearing organization pursuant to section 409 of this Act, except that for such purpose—

"(1) any reference to the 'Corporation as receiver' or 'the receiver or the Corporation' shall refer to the receiver appointed by the Comptroller of the Currency in the case of an uninsured national bank or uninsured Federal branch or agency, or to the receiver appointed by the Board of Governors of the

Federal Reserve System in the case of a corporation chartered under section 25A of the Federal Reserve Act or an uninsured State member bank;

"(2) any reference to the 'Corporation' (other than in section 11(e)(8)(D) of such Act), the 'Corporation, whether acting as such or as conservator or receiver', a 'receiver', or a 'conservator' shall refer to the receiver or conservator appointed by the Comptroller of the Currency in the case of an uninsured national bank or uninsured Federal branch or agency, or to the receiver or conservator appointed by the Board of Governors of the Federal Reserve System in the case of a corporation chartered under section 25A of the Federal Reserve Act or an uninsured State member bank; and

"(3) any reference to an 'insured depository institution' or 'depository institution' shall refer to an uninsured national bank, an uninsured Federal branch or Federal agency, a corporation chartered under section 25A of the Federal Reserve Act, or an uninsured State member bank which operates, or operates as, a multilateral clearing organization pursuant to section 409 of this Act.

"(b) LIABILITY.—The liability of a receiver or conservator of an uninsured national bank, uninsured Federal branch or agency, a corporation chartered under section 25A of the Federal Reserve Act, or an uninsured State member bank which operates, or operates as, a multilateral clearing organization pursuant to section 409 of this Act, shall be determined in the same manner and subject to the same limitations that apply to receivers and conservators of insured depository institutions under section 11(e) of the Federal Deposit Insurance Act.

"(c) REGULATORY AUTHORITY.—

"(1) IN GENERAL.—The Comptroller of the Currency in the case of an uninsured national bank or uninsured Federal branch or agency and the Board of Governors of the Federal Reserve System in the case of a corporation chartered under section 25A of the Federal Reserve Act, or an uninsured State member bank that operates, or operates as, a multilateral clearing organization pursuant to section 409 of the Act, in consultation with the Federal Deposit Insurance Corporation, may each promulgate regulations solely to implement this section.

"(2) SPECIFIC REQUIREMENT.—In promulgating regulations, limited solely to implementing paragraphs (8), (9), (10), and (11) of section 11(e) of the Federal Deposit Insurance Act, the Comptroller of the Currency and the Board of Governors of the Federal Reserve System each shall ensure that their regulations generally are consistent with the regulations and policies of the Federal Deposit Insurance Corporation adopted pursuant to the Federal Deposit Insurance Act.

"(d) DEFINITIONS.—For purposes of this section, the terms 'Federal branch', 'Federal agency', and 'foreign bank' have the same meanings as in section 1(b) of the International Banking Act of 1978.".

SEC. 907. BANKRUPTCY CODE AMENDMENTS.

(a) DEFINITIONS OF FORWARD CONTRACT, REPURCHASE AGREEMENT, SECURITIES CLEARING AGENCY, SWAP AGREEMENT, COMMODITY CONTRACT, AND SECURITIES CONTRACT.—Title 11, United States Code, is amended—

(1) in section 101—

(A) in paragraph (25)—

(i) by striking "means a contract" and inserting "means—

"(A) a contract";

(ii) by striking ", or any combination thereof or option thereon;" and inserting ", or any other similar agreement;"; and

(iii) by adding at the end the following:

"(B) any combination of agreements or transactions referred to in subparagraphs (A) and (C);

"(C) any option to enter into an agreement or transaction referred to in subparagraph (A) or (B);

"(D) a master agreement that provides for an agreement or transaction referred to in subparagraph (A), (B), or (C), together with all supplements to any such master agreement, without regard to whether such master agreement provides for an agreement or transaction that is not a forward contract under this paragraph, except that such master agreement shall be considered to be a forward contract under this paragraph only with respect to each agreement or transaction under such master agreement that is referred to in subparagraph (A), (B), or (C); or

"(E) any security agreement or arrangement, or other credit enhancement related to any agreement or transaction referred to in subparagraph (A), (B), (C), or (D) including any guarantee or reimbursement obligation by or to a forward contract merchant or financial participant in connection with any agreement or transaction referred to in any such subparagraph, but not to exceed the damages in connection with any such agreement or transaction, measured in accordance with section 562;";

(B) in paragraph (46), by striking "on any day during the period beginning 90 days before the date of" and inserting "at any time before";

(C) by amending paragraph (47) to read as follows:

"(47) 'repurchase agreement' (which definition also applies to a reverse repurchase agreement)—

"(A) means—

"(i) an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage related securities (as defined in section 3 of the Securities Exchange Act of 1934), mortgage loans, interests in mortgage related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities (defined as a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development), or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests, with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptance, securities, mortgage loans, or interests of the kind described in this clause, at a date certain not later than 1 year after such transfer or on demand, against the transfer of funds;

"(ii) any combination of agreements or transactions referred to in clauses (i) and (iii);

"(iii) an option to enter into an agreement or transaction referred to in clause (i) or (ii);

"(iv) a master agreement that provides for an agreement or transaction referred to in clause (i), (ii), or (iii), together with all supplements to any such master agreement, without regard to whether such master agreement provides for an agreement or transaction that is not a repurchase agreement under this paragraph, except that such master agreement shall be considered to be a repurchase agreement under this paragraph only with respect to each agreement or transaction under the master agreement that is referred to in clause (i), (ii), or (iii); or

"(v) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in clause (i), (ii), (iii), or (iv) including any guarantee or reimbursement obligation by or to a repo participant or financial participant in connection with any agreement or transaction referred to in any such clause, but not to exceed the damages in connection with any such agreement or transaction, measured in accordance with section 562; and

"(B) does not include a repurchase obligation under a participation in a commercial mortgage loan;";

(D) in paragraph (48), by inserting ", or exempt from such registration under such section pursuant to an order of the Securities and Exchange Commission," after "1934"; and

(E) by amending paragraph (53B) to read as follows:

"(53B) 'swap agreement'—

"(A) means—

"(i) any agreement, including the terms and conditions incorporated by reference in such agreement, which is—

"(I) an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap;

"(II) a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement;

"(III) a currency swap, option, future, or forward agreement;

"(IV) an equity index or equity swap, option, future, or forward agreement;

"(V) a debt index or debt swap, option, future, or forward agreement;

"(VI) a total return, credit spread or credit swap, option, future, or forward agreement;

"(VII) a commodity index or a commodity swap, option, future, or forward agreement; or

"(VIII) a weather swap, weather derivative, or weather option;

"(ii) any agreement or transaction that is similar to any other agreement or transaction referred to in this paragraph and that—

"(I) is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets (including terms and conditions incorporated by reference therein); and

"(II) is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities, or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;

"(iii) any combination of agreements or transactions referred to in this subparagraph;

"(iv) any option to enter into an agreement or transaction referred to in this subparagraph;

"(v) a master agreement that provides for an agreement or transaction referred to in clause (i), (ii), (iii), or (iv), together with all supplements to any such master agreement, and without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this paragraph, except that the master agreement shall be considered to be a swap agreement under this paragraph only with respect to each agreement or transaction under the master agreement that is referred to in clause (i), (ii), (iii), or (iv); or

"(vi) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in clause (i) through (v) including any guarantee or reimbursement obligation by or to a swap participant or financial participant in connection with any agreement or transaction referred to in any such clause, but not to exceed the damages in connection with any such agreement or transaction, measured in accordance with section 562; and

"(B) is applicable for purposes of this title only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any swap agreement under any other statute, regulation, or rule, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Investor Protection Act of 1970, the Commodity Exchange Act, the Gramm-Leach-Bliley Act, and the Legal Certainty for Bank Products Act of 2000.";

(2) in section 741(7), by striking paragraph (7) and inserting the following:

"(7) 'securities contract'—

"(A) means—

"(i) a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan or any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including an interest therein or based on the value thereof), or option on any of the foregoing, including an option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

"(ii) any option entered into on a national securities exchange relating to foreign currencies;

"(iii) the guarantee by or to any securities clearing agency of a settlement of cash, securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, or mortgage loans or interests therein (including any interest therein or based on the value thereof), or option on any of the foregoing, including an option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

"(iv) any margin loan;

"(v) any other agreement or transaction that is similar to an agreement or transaction referred to in this subparagraph;

"(vi) any combination of the agreements or transactions referred to in this subparagraph;

"(vii) any option to enter into any agreement or transaction referred to in this subparagraph;

"(viii) a master agreement that provides for an agreement or transaction referred to in clause (i), (ii), (iii), (iv), (v), (vi), or (vii), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this subparagraph, except that such master agreement shall be considered to be a securities contract under this subparagraph only with respect to each agreement or transaction under such master agreement that is referred to in clause (i), (ii), (iii), (iv), (v), (vi), or (vii); or

"(ix) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this subparagraph including any guarantee or reimbursement obligation by or to a stockbroker, securities clearing agency, financial institution, or financial participant in connection with any agreement or transaction referred to in this subparagraph, but not to exceed the damages in connection with any such agreement or transaction, measured in accordance with section 562; and

"(B) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan."; and

(3) in section 761(4)—

(A) by striking "or" at the end of subparagraph (D); and

(B) by adding at the end the following:

"(F) any other agreement or transaction that is similar to an agreement or transaction referred to in this paragraph;

"(G) any combination of the agreements or transactions referred to in this paragraph;

"(H) any option to enter into an agreement or transaction referred to in this paragraph;

"(I) a master agreement that provides for an agreement or transaction referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), or (H), together with all supplements to such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this paragraph, except that the master agreement shall be considered to be a commodity contract under this paragraph only with respect to each agreement or transaction under the master agreement that is referred to in subparagraph (A), (B), (C), (D), (E), (F), (G), or (H); or

"(J) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this paragraph including any guarantee or reimbursement obligation by or to a commodity broker or financial participant in connection with any agreement or transaction referred to in this paragraph, but not to exceed the damages in connection with any such agreement or transaction, measured in accordance with section 562;".

(b) DEFINITIONS OF FINANCIAL INSTITUTION, FINANCIAL PARTICIPANT, AND FORWARD CONTRACT MERCHANT.—Section 101 of title 11, United States Code, is amended—

(1) by striking paragraph (22) and inserting the following:

"(22) 'financial institution' means—

"(A) a Federal reserve bank, or an entity (domestic or foreign) that is a commercial or savings bank, industrial savings bank, savings and loan association, trust company, or receiver or conservator for such entity and, when any such Federal reserve bank, receiver, conservator or entity is acting as agent or custodian for a customer in connection with a securities contract, as defined in section 741, such customer; or

"(B) in connection with a securities contract, as defined in section 741, an investment company registered under the Investment Company Act of 1940;";

(2) by inserting after paragraph (22) the following:

"(22A) 'financial participant' means—

"(A) an entity that, at the time it enters into a securities contract, commodity contract, swap agreement, repurchase agreement, or forward contract, or at the time of the filing of the petition, has one or more agreements or transactions described in paragraph (1), (2), (3), (4), (5), or (6) of section 561(a) with the debtor or any other entity (other than an affiliate) of a total gross dollar value of not less than $1,000,000,000 in notional or actual principal amount outstanding on any day during the previous 15-month period, or has gross mark-to-market positions of not less than $100,000,000 (aggregated across counterparties) in one or more such agreements or transactions with the debtor or any other entity (other than an affiliate) on any day during the previous 15-month period; or

"(B) a clearing organization (as that term is defined in section 402 of the Federal Deposit Insurance Corporation Improvement Act of 1991);"; and

(3) by striking paragraph (26) and inserting the following:

"(26) 'forward contract merchant' means a Federal reserve bank, or an entity the business of which consists in whole or in part of entering into forward contracts as or with merchants in a commodity, as defined in section 761 or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade;".

(c) DEFINITION OF MASTER NETTING AGREEMENT AND MASTER NETTING AGREEMENT PARTICIPANT.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (38) the following new paragraphs:

"(38A) 'master netting agreement'—

"(A) means an agreement providing for the exercise of rights, including rights of netting, setoff, liquidation, termination, acceleration, or closeout, under or in connection with one or more contracts that are described in any one or more of paragraphs (1) through (5) of section 561(a), or any security agreement or arrangement or other credit enhancement related to one or more of the foregoing, including any guarantee or reimbursement obligation related to 1 or more of the foregoing; and

"(B) if the agreement contains provisions relating to agreements or transactions that are not contracts described in paragraphs (1) through (5) of section 561(a), shall be deemed to be a master netting agreement only with respect to those agreements or transactions that are described in any one or more of paragraphs (1) through (5) of section 561(a);

"(38B) 'master netting agreement participant' means an entity that, at any time before the filing of the petition, is a party to an outstanding master netting agreement with the debtor;".

(d) SWAP AGREEMENTS, SECURITIES CONTRACTS, COMMODITY CONTRACTS, FORWARD CONTRACTS, REPURCHASE AGREEMENTS, AND MASTER NETTING AGREEMENTS UNDER THE AUTOMATIC-STAY.—

(1) IN GENERAL.—Section 362(b) of title 11, United States Code, as amended by this Act, is amended—

(A) in paragraph (6), by inserting ", pledged to and under the control of," after "held by";

(B) in paragraph (7), by inserting ", pledged to and under the control of," after "held by";

(C) by striking paragraph (17) and inserting the following:

"(17) under subsection (a), of the setoff by a swap participant or financial participant of a mutual debt and claim under or in connection with one or more swap agreements that constitutes the setoff of a claim against the debtor for any payment or other transfer of property due from the debtor under or in connection with any swap agreement against any payment due to the debtor from the swap participant or financial participant under or in connection with any swap agreement or against cash, securities, or other property held by, pledged to and under the control of, or due from such swap participant or financial participant to margin, guarantee, secure, or settle any swap agreement;"; and

(D) by inserting after paragraph (26), as added by this Act, the following new paragraph:

"(27) under subsection (a), of the setoff by a master netting agreement participant of a mutual debt and claim under or in connection with one or more master netting agreements or any contract or agreement subject to such agreements that constitutes the setoff of a claim against the debtor for any payment or other transfer of property due from the debtor under or in connection with such agreements or any contract or agreement subject to such agreements against any payment due to the debtor from such master netting agreement participant under or in connection with such agreements or any contract or agreement subject to such agreements or against cash, securities, or other property held by, pledged to and under the control of, or due from such master netting agreement participant to margin, guarantee, secure, or settle such agreements or any contract or agreement subject to such agreements, to the extent that such participant is eligible to exercise such offset rights under paragraph (6), (7), or (17) for each individual contract covered by the master netting agreement in issue; or".

(2) Limitation.—Section 362 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(m) Limitation.—The exercise of rights not subject to the stay arising under subsection (a) pursuant to paragraph (6), (7), (17), or (27) of subsection (b) shall not be stayed by any order of a court or administrative agency in any proceeding under this title.".

(e) Limitation of Avoidance Powers Under Master Netting Agreement.—Section 546 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (g) (as added by section 103 of Public Law 101-311)—

(A) by striking "under a swap agreement";

(B) by striking "in connection with a swap agreement" and inserting "under or in connection with any swap agreement"; and

(C) by inserting "or financial participant" after "swap participant" each place that term appears; and

(2) by adding at the end the following:

"(k) Notwithstanding sections 544, 545, 547, 548(a)(1)(B), and 548(b) the trustee may not avoid a transfer made by or to a master netting agreement participant under or in connection with any master netting agreement or any individual contract covered thereby that is made before the commencement of the case, except under section 548(a)(1)(A) and except to the extent that the trustee could otherwise avoid such a transfer made under an individual contract covered by such master netting agreement.".

(f) Fraudulent Transfers of Master Netting Agreements.—Section 548(d)(2) of title 11, United States Code, is amended—

(1) in subparagraph (C), by striking "and" at the end;

(2) in subparagraph (D), by striking the period and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) a master netting agreement participant that receives a transfer in connection with a master netting agreement or any individual contract covered thereby takes for value to the extent of such transfer, except that, with respect to a transfer under any individual contract covered thereby, to the extent that such master netting agreement participant otherwise did not take (or is otherwise not deemed to have taken) such transfer for value.".

(g) Termination or Acceleration of Securities Contracts.—Section 555 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 555. Contractual right to liquidate, terminate, or accelerate a securities contract";

and

(2) in the first sentence, by striking "liquidation" and inserting "liquidation, termination, or acceleration".

(h) Termination or Acceleration of Commodities or Forward Contracts.—Section 556 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 556. Contractual right to liquidate, terminate, or accelerate a commodities contract or forward contract";

(2) in the first sentence, by striking "liquidation" and inserting "liquidation, termination, or acceleration"; and

(3) in the second sentence, by striking "As used" and all that follows through "right," and inserting "As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a derivatives clearing organization (as defined in the Commodity Exchange Act), a multilateral clearing organization (as defined in the Federal Deposit Insurance Corporation Improvement Act of 1991), a national securities exchange, a national securities association, a securities clearing agency, a contract market designated under the Commodity Exchange Act, a derivatives transaction execution facility registered under the Commodity Exchange Act, or a board of trade (as defined in the Commodity Exchange Act) or in a resolution of the governing board thereof and a right,".

(i) Termination or Acceleration of Repurchase Agreements.—Section 559 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 559. Contractual right to liquidate, terminate, or accelerate a repurchase agreement";

(2) in the first sentence, by striking "liquidation" and inserting "liquidation, termination, or acceleration"; and

(3) in the third sentence, by striking "As used" and all that follows through "right," and inserting "As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a derivatives clearing organization (as defined in the Commodity Exchange Act), a multilateral clearing organization (as defined in the Federal Deposit Insurance Corporation Improvement Act of 1991), a national securities exchange, a national securities association, a securities clearing agency, a contract market designated under the Commodity Exchange Act, a derivatives transaction execution facility registered under the Commodity Exchange Act, or a board of trade (as defined in the Commodity Exchange Act) or in a resolution of the governing board thereof and a right,".

(j) Liquidation, Termination, or Acceleration of Swap Agreements.—Section 560 of title 11, United States Code, is amended—

(1) by amending the section heading to read as follows:

"§ 560. Contractual right to liquidate, terminate, or accelerate a swap agreement";

(2) in the first sentence, by striking "termination of a swap agreement" and inserting "liquidation, termination, or acceleration of one or more swap agreements";

(3) by striking "in connection with any swap agreement" and inserting "in connection with the termination, liquidation, or acceleration of one or more swap agreements"; and

(4) in the second sentence, by striking "As used" and all that follows through "right," and inserting "As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a derivatives clearing organization (as defined in the Commodity Exchange Act), a multilateral clearing organization (as defined in the Federal Deposit Insurance Corporation Improvement Act of 1991), a national securities exchange, a national securities association, a securities clearing agency, a contract market designated under the Commodity Exchange Act, a derivatives transaction execution facility registered under the Commodity Exchange Act, or a board of trade (as defined in the Commodity Exchange Act) or in a resolution of the governing board thereof and a right,".

(k) Liquidation, Termination, Acceleration, or Offset Under a Master Netting Agreement and Across Contracts.—

(1) In general.—Title 11, United States Code, is amended by inserting after section 560 the following:

"§ 561. Contractual right to terminate, liquidate, accelerate, or offset under a master netting agreement and across contracts; proceedings under chapter 15

"(a) In General.—Subject to subsection (b), the exercise of any contractual right, because of a condition of the kind specified in section 365(e)(1), to cause the termination, liquidation, or acceleration of or to offset or net termination values, payment amounts, or other transfer obligations arising under or in connection with one or more (or the termination, liquidation, or acceleration of one or more)—

"(1) securities contracts, as defined in section 741(7);

"(2) commodity contracts, as defined in section 761(4);

"(3) forward contracts;

"(4) repurchase agreements;

"(5) swap agreements; or

"(6) master netting agreements,

shall not be stayed, avoided, or otherwise limited by operation of any provision of this title or by any order of a court or administrative agency in any proceeding under this title.

"(b) Exception.—

"(1) In general.—A party may exercise a contractual right described in subsection (a) to terminate, liquidate, or accelerate only to the extent that such party could exercise such a right under section 555, 556, 559, or 560 for each individual contract covered by the master netting agreement in issue.

"(2) Commodity brokers.—If a debtor is a commodity broker subject to subchapter IV of chapter 7—

"(A) a party may not net or offset an obligation to the debtor arising under, or in connection with, a commodity contract traded on or subject to the rules of a contract market designated under the Commodity Exchange Act or a derivatives transaction execution facility registered under the Commodity Exchange Act against any claim arising under, or in connection with, other instruments, contracts, or agreements listed in subsection (a) except to the extent that the party has positive net equity in the commodity accounts at the debtor, as calculated under that subchapter IV; and

"(B) another commodity broker may not net or offset an obligation to the debtor arising under, or in connection with, a commodity contract entered into or held on behalf of a customer of the debtor and traded on or subject to the rules of a contract market designated under the Commodity Exchange Act or a derivatives transaction execution facility registered under the Commodity Exchange Act against any claim arising under, or in connection with, other instruments, contracts, or agreements listed in subsection (a).

"(3) CONSTRUCTION.—No provision of subparagraph (A) or (B) of paragraph (2) shall prohibit the offset of claims and obligations that arise under—

"(A) a cross-margining agreement or similar arrangement that has been approved by the Commodity Futures Trading Commission or submitted to the Commodity Futures Trading Commission under paragraph (1) or (2) of section 5c(c) of the Commodity Exchange Act and has not been abrogated or rendered ineffective by the Commodity Futures Trading Commission; or

"(B) any other netting agreement between a clearing organization, as defined in section 761, and another entity that has been approved by the Commodity Futures Trading Commission.

"(c) DEFINITION.—As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a derivatives clearing organization (as defined in the Commodity Exchange Act), a multilateral clearing organization (as defined in the Federal Deposit Insurance Corporation Improvement Act of 1991), a national securities exchange, a national securities association, a securities clearing agency, a contract market designated under the Commodity Exchange Act, a derivatives transaction execution facility registered under the Commodity Exchange Act, or a board of trade (as defined in the Commodity Exchange Act) or in a resolution of the governing board thereof, and a right, whether or not evidenced in writing, arising under common law, under law merchant, or by reason of normal business practice.

"(d) CASES ANCILLARY TO FOREIGN PROCEEDINGS.—Any provisions of this title relating to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, or master netting agreements shall apply in a case under chapter 15 of this title, so that enforcement of contractual provisions of such contracts and agreements in accordance with their terms will not be stayed or otherwise limited by operation of any provision of this title or by order of a court in any case under this title, and to limit avoidance powers to the same extent as in a proceeding under chapter 7 or 11 of this title (such enforcement not to be limited based on the presence or absence of assets of the debtor in the United States).".

(2) CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, is amended by inserting after the item relating to section 560 the following:

"561. Contractual right to terminate, liquidate, accelerate, or offset under a master netting agreement and across contracts; proceedings under chapter 15.".

(l) COMMODITY BROKER LIQUIDATIONS.—Title 11, United States Code, is amended by inserting after section 766 the following:

"§ 767. Commodity broker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, financial participants, securities clearing agencies, swap participants, repo participants, and master netting agreement participants

"Notwithstanding any other provision of this title, the exercise of rights by a forward contract merchant, commodity broker, stockbroker, financial institution, financial participant, securities clearing agency, swap participant, repo participant, or master netting agreement participant under this title shall not affect the priority of any unsecured claim it may have after the exercise of such rights.".

(m) STOCKBROKER LIQUIDATIONS.—Title 11, United States Code, is amended by inserting after section 752 the following:

"§ 753. Stockbroker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, financial participants, securities clearing agencies, swap participants, repo participants, and master netting agreement participants

"Notwithstanding any other provision of this title, the exercise of rights by a forward contract merchant, commodity broker, stockbroker, financial institution, securities clearing agency, swap participant, repo participant, financial participant, or master netting agreement participant under this title shall not affect the priority of any unsecured claim it may have after the exercise of such rights.".

(n) SETOFF.—Section 553 of title 11, United States Code, is amended—

(1) in subsection (a)(2)(B)(ii), by inserting before the semicolon the following: "(except for a setoff of a kind described in section 362(b)(6), 362(b)(7), 362(b)(17), 362(b)(27), 555, 556, 559, 560, or 561)";

(2) in subsection (a)(3)(C), by inserting before the period the following: "(except for a setoff of a kind described in section 362(b)(6), 362(b)(7), 362(b)(17), 362(b)(27), 555, 556, 559, 560, or 561 of this title)"; and

(3) in subsection (b)(1), by striking "362(b)(14)," and inserting "362(b)(17), 362(b)(27), 555, 556, 559, 560, 561".

(o) SECURITIES CONTRACTS, COMMODITY CONTRACTS, AND FORWARD CONTRACTS.—Title 11, United States Code, is amended—

(1) in section 362(b)(6), by striking "financial institutions," each place such term appears and inserting "financial institution, financial participant,";

(2) in sections 362(b)(7) and 546(f), by inserting "or financial participant" after "repo participant" each place that term appears;

(3) in section 546(e), by inserting "financial participant," after "financial institution,";

(4) in section 548(d)(2)(B), by inserting "financial participant," after "financial institution,";

(5) in section 548(d)(2)(C), by inserting "or financial participant" after "repo participant";

(6) in section 548(d)(2)(D), by inserting "or financial participant" after "swap participant";

(7) in section 555—

(A) by inserting "financial participant," after "financial institution,"; and

(B) by striking the second sentence and inserting the following: "As used in this section, the term 'contractual right' includes a right set forth in a rule or bylaw of a derivatives clearing organization (as defined in the Commodity Exchange Act), a multilateral clearing organization (as defined in the Federal Deposit Insurance Corporation Improvement Act of 1991), a national securities exchange, a national securities association, a securities clearing agency, a contract market designated under the Commodity Exchange Act, a derivatives transaction execution facility registered under the Commodity Exchange Act, or a board of trade (as defined in the Commodity Exchange Act), or in a resolution of the governing board thereof, and a right, whether or not in writing, arising under common law, under law merchant, or by reason of normal business practice";

(8) in section 556, by inserting ", financial participant," after "commodity broker";

(9) in section 559, by inserting "or financial participant" after "repo participant" each place that term appears; and

(10) in section 560, by inserting "or financial participant" after "swap participant".

(p) CONFORMING AMENDMENTS.—Title 11, United States Code, is amended—

(1) in the table of sections for chapter 5—

(A) by amending the items relating to sections 555 and 556 to read as follows:

"555. Contractual right to liquidate, terminate, or accelerate a securities contract.

"556. Contractual right to liquidate, terminate, or accelerate a commodities contract or forward contract.";

and

(B) by amending the items relating to sections 559 and 560 to read as follows:

"559. Contractual right to liquidate, terminate, or accelerate a repurchase agreement.

"560. Contractual right to liquidate, terminate, or accelerate a swap agreement.";

and

(2) in the table of sections for chapter 7—

(A) by inserting after the item relating to section 766 the following:

"767. Commodity broker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, financial participants, securities clearing agencies, swap participants, repo participants, and master netting agreement participants.";

and

(B) by inserting after the item relating to section 752 the following:

"753. Stockbroker liquidation and forward contract merchants, commodity brokers, stockbrokers, financial institutions, financial participants, securities clearing agencies, swap participants, repo participants, and master netting agreement participants.".

SEC. 907A. SECURITIES BROKER/COMMODITY BROKER LIQUIDATION.

The Securities and Exchange Commission and the Commodity Futures Trading Commission may consult with each other with respect to whether, under what circumstances, and the extent to which security futures products will be treated as commodity contracts or securities in a liquidation of a person that is both a securities broker and a commodity broker, and with respect to the treatment in such a liquidation of accounts in which both commodity contracts and securities are carried.

SEC. 908. RECORDKEEPING REQUIREMENTS.

Section 11(e)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1821(e)(8)) is amended by adding at the end the following new subparagraph:

"(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the appropriate Federal banking agencies, may by regulation require more detailed recordkeeping by any insured depository institution with respect to qualified financial contracts (including market valuations) only if such insured depository institution is in a troubled condition (as such term is defined by the Corporation pursuant to 12 U.S.C. 1831i).";

SEC. 909. EXEMPTIONS FROM CONTEMPORANEOUS EXECUTION REQUIREMENT.

Section 13(e)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1823(e)(2)) is amended to read as follows:

"(2) EXEMPTIONS FROM CONTEMPORANEOUS EXECUTION REQUIREMENT.—An agreement to provide for the lawful collateralization of—

"(A) deposits of, or other credit extension by, a Federal, State, or local governmental entity, or of any depositor referred to in section 11(a)(2), including an agreement to provide collateral in lieu of a surety bond;

"(B) bankruptcy estate funds pursuant to section 345(b)(2) of title 11, United States Code;

"(C) extensions of credit, including any overdraft, from a Federal reserve bank or Federal home loan bank; or

"(D) one or more qualified financial contracts, as defined in section 11(e)(8)(D),

shall not be deemed invalid pursuant to paragraph (1)(B) solely because such agreement was not executed contemporaneously with the acquisition of the collateral or because of pledges, delivery, or substitution of the collateral made in accordance with such agreement.".

SEC. 910. DAMAGE MEASURE.

(a) IN GENERAL.—Title 11, United States Code, is amended—

(1) by inserting after section 561, as added by this Act, the following:

"§ 562. Damage measure in connection with swap agreements, securities contracts, forward contracts, commodity contracts, repurchase agreements, or master netting agreements

"If the trustee rejects a swap agreement, securities contract (as defined in section 741), forward contract, commodity contract (as defined in section 761), repurchase agreement, or master netting agreement pursuant to section 365(a), or if a forward contract merchant, stockbroker, financial institution, securities clearing agency, repo participant, financial participant, master netting agreement participant, or swap participant liquidates, terminates, or accelerates such contract or agreement, damages shall be measured as of the earlier of—

"(1) the date of such rejection; or

"(2) the date of such liquidation, termination, or acceleration."; and

(2) in the table of sections for chapter 5, by inserting after the item relating to section 561 (as added by this Act) the following:

"562. Damage measure in connection with swap agreements, securities contracts, forward contracts, commodity contracts, repurchase agreements, or master netting agreements.".

(b) CLAIMS ARISING FROM REJECTION.—Section 502(g) of title 11, United States Code, is amended—

(1) by inserting "(1)" after "(g)"; and

(2) by adding at the end the following:

"(2) A claim for damages calculated in accordance with section 562 of this title shall be allowed under subsection (a), (b), or (c), or disallowed under subsection (d) or (e), as if such claim had arisen before the date of the filing of the petition.".

SEC. 911. SIPC STAY.

Section 5(b)(2) of the Securities Investor Protection Act of 1970 (15 U.S.C. 78eee(b)(2)) is amended by adding at the end the following new subparagraph:

"(C) EXCEPTION FROM STAY.—

"(i) Notwithstanding section 362 of title 11, United States Code, neither the filing of an application under subsection (a)(3) nor any order or decree obtained by SIPC from the court shall operate as a stay of any contractual rights of a creditor to liquidate, terminate, or accelerate a securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, or master netting agreement, as those terms are defined in sections 101, 741, and 761 of title 11, United States Code, to offset or net termination values, payment amounts, or other transfer obligations arising under or in connection with one or more of such contracts or agreements, or to foreclose on any cash collateral pledged by the debtor, whether or not with respect to one or more of such contracts or agreements.

"(ii) Notwithstanding clause (i), such application, order, or decree may operate as a stay of the foreclosure on, or disposition of, securities collateral pledged by the debtor, whether or not with respect to one or more of such contracts or agreements, securities sold by the debtor under a repurchase agreement, or securities lent under a securities lending agreement.

"(iii) As used in this subparagraph, the term 'contractual right' includes a right set forth in a rule or bylaw of a national securities exchange, a national securities association, or a securities clearing agency, a right set forth in a bylaw of a clearing organization or contract market or in a resolution of the governing board thereof, and a right, whether or not in writing, arising under common law, under law merchant, or by reason of normal business practice.".

SEC. 912. ASSET-BACKED SECURITIZATIONS.

Section 541 of title 11, United States Code, is amended—

(1) in subsection (b), by inserting after paragraph (7), as added by this Act, the following:

"(8) any eligible asset (or proceeds thereof), to the extent that such eligible asset was transferred by the debtor, before the date of commencement of the case, to an eligible entity in connection with an asset-backed securitization, except to the extent such asset (or proceeds or value thereof) may be recovered by the trustee under section 550 by virtue of avoidance under section 548(a);"; and

(2) by adding at the end the following new subsection:

"(f) For purposes of this section—

"(1) the term 'asset-backed securitization' means a transaction in which eligible assets transferred to an eligible entity are used as the source of payment on securities, including, without limitation, all securities issued by governmental units, at least one class or tranche of which was rated investment grade by one or more nationally recognized securities rating organizations, when the securities were initially issued by an issuer;

"(2) the term 'eligible asset' means—

"(A) financial assets (including interests therein and proceeds thereof), either fixed or revolving, whether or not the same are in existence as of the date of the transfer, including residential and commercial mortgage loans, consumer receivables, trade receivables, assets of governmental units, including payment obligations relating to taxes, receipts, fines, tickets, and other sources of revenue, and lease receivables, that, by their terms, convert into cash within a finite time period, plus any residual interest in property subject to receivables included in such financial assets plus any rights or other assets designed to assure the servicing or timely distribution of proceeds to security holders;

"(B) cash; and

"(C) securities, including without limitation, all securities issued by governmental units;

"(3) the term 'eligible entity' means—

"(A) an issuer; or

"(B) a trust, corporation, partnership, governmental unit, limited liability company (including a single member limited liability company), or other entity engaged exclusively in the business of acquiring and transferring eligible assets directly or indirectly to an issuer and taking actions ancillary thereto;

"(4) the term 'issuer' means a trust, corporation, partnership, governmental unit, limited liability company (including a single member limited liability company), or other entity engaged exclusively in the business of acquiring and holding eligible assets, issuing securities backed by eligible assets, and taking actions ancillary thereto; and

"(5) the term 'transferred' means the debtor, under a written agreement, represented and warranted that eligible assets were sold, contributed, or otherwise conveyed with the intention of removing them from the estate of the debtor pursuant to subsection (b)(8) (whether or not reference is made to this title or any section hereof), irrespective and without limitation of—

"(A) whether the debtor directly or indirectly obtained or held an interest in the issuer or in any securities issued by the issuer;

"(B) whether the debtor had an obligation to repurchase or to service or supervise the servicing of all or any portion of such eligible assets; or

"(C) the characterization of such sale, contribution, or other conveyance for tax, accounting, regulatory reporting, or other purposes.".

SEC. 913. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—This title shall take effect on the date of enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this title shall apply with respect to cases commenced or appointments made under any Federal or State law on or after the date of enactment of this Act, but shall not apply with respect to cases commenced or appointments made under any Federal or State law before the date of enactment of this Act.

SEC. 914. SAVINGS CLAUSE.

The meaning of terms used in this title are applicable for purposes of this title only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.

TITLE X—PROTECTION OF FAMILY FARMERS AND FAMILY FISHERMEN

SEC. 1001. PERMANENT REENACTMENT OF CHAPTER 12.

(a) REENACTMENT.—

(1) IN GENERAL.—Chapter 12 of title 11, United States Code, as reenacted by section 149 of division C of the Omnibus Consolidated

and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277, 112 Stat. 2681-610), and amended by this Act, is reenacted.

(2) Effective date.—Subsection (a) shall be deemed to have taken effect on July 1, 2000.

(b) Conforming Amendment.—Section 302 of the Bankruptcy, Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended by striking subsection (f).

SEC. 1002. DEBT LIMIT INCREASE.

(a) In General.—Section 104(b) of title 11, United States Code, is amended by adding at the end the following:

“(4) The dollar amount in section 101(18) shall be adjusted at the same times and in the same manner as the dollar amounts in paragraph (1) of this subsection.”.

(b) Effective Date.—The first adjustment required by section 104(b)(4) of title 11, United States Code, as added by subsection (a) of this section, shall occur on the later of—

(1) April 1, 2001; or

(2) 60 days after the date of enactment of this Act.

SEC. 1003. CERTAIN CLAIMS OWED TO GOVERNMENTAL UNITS.

(a) Contents of Plan.—Section 1222(a)(2) of title 11, United States Code, is amended to read as follows:

“(2) provide for the full payment, in deferred cash payments, of all claims entitled to priority under section 507, unless—

“(A) the claim is a claim owed to a governmental unit that arises as a result of the sale, transfer, exchange, or other disposition of any farm asset used in the debtor's farming operation, in which case the claim shall be treated as an unsecured claim that is not entitled to priority under section 507, but the debt shall be treated in such manner only if the debtor receives a discharge; or

“(B) the holder of a particular claim agrees to a different treatment of that claim;”.

(b) Special Notice Provisions.—Section 1231(b) of title 11, United States Code, as so designated by this Act, is amended by striking “a State or local governmental unit” and inserting “any governmental unit”.

SEC. 1004. DEFINITION OF FAMILY FARMER.

Section 101(18) of title 11, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking “$1,500,000” and inserting “$3,000,000”; and

(B) by striking “80” and inserting “50”; and

(2) in subparagraph (B)(ii)—

(A) by striking “$1,500,000” and inserting “$3,000,000”; and

(B) by striking “80” and inserting “50”.

SEC. 1005. ELIMINATION OF REQUIREMENT THAT FAMILY FARMER AND SPOUSE RECEIVE OVER 50 PERCENT OF INCOME FROM FARMING OPERATION IN YEAR PRIOR TO BANKRUPTCY.

Section 101(18)(A) of title 11, United States Code, is amended by striking “the taxable year preceding the taxable year” and inserting “at least 1 of the 3 calendar years preceding the year”.

SEC. 1006. PROHIBITION OF RETROACTIVE ASSESSMENT OF DISPOSABLE INCOME.

(a) In General.—Section 1225(b) of title 11, United States Code, is amended by adding at the end the following:

“(3) If the plan provides for specific amounts of property to be distributed on account of allowed unsecured claims as required by paragraph (1)(B), those amounts equal or exceed the debtor's projected disposable income for that period, and the plan meets the requirements for confirmation other than those of this subsection, the plan shall be confirmed.”.

(b) Modification.—Section 1229 of title 11, United States Code, is amended by adding at the end the following:

“(d)(1) A modification of the plan under this section may not increase the amount of payments that were due prior to the date of the order modifying the plan.

“(2) A modification of the plan under this section to increase payments based on an increase in the debtor's disposable income may not require payments to unsecured creditors in any particular month greater than the debtor's disposable income for that month, unless the debtor proposes such a modification.

“(3) A modification of the plan in the last year of the plan shall not require payments that would leave the debtor with insufficient funds to carry on the farming operation after the plan is completed, unless the debtor proposes such a modification.”.

SEC. 1007. FAMILY FISHERMEN.

(a) Definitions.—Section 101 of title 11, United States Code, is amended—

(1) by inserting after paragraph (7) the following:

“(7A) ‘commercial fishing operation’ includes—

“(A) the catching or harvesting of fish, shrimp, lobsters, urchins, seaweed, shellfish, or other aquatic species or products;

“(B) for purposes of section 109 and chapter 12, aquaculture activities consisting of raising for market any species or product described in subparagraph (A); and

“(C) the transporting by vessel of a passenger for hire (as defined in section 2101 of title 46) who is engaged in recreational fishing;

“(7B) ‘commercial fishing vessel’ means a vessel used by a fisherman to carry out a commercial fishing operation;”;

(2) by inserting after paragraph (19) the following:

“(19A) ‘family fisherman’ means—

“(A) an individual or individual and spouse engaged in a commercial fishing operation (including aquaculture for purposes of chapter 12)—

“(i) whose aggregate debts do not exceed $1,500,000 and not less than 80 percent of whose aggregate noncontingent, liquidated debts (excluding a debt for the principal residence of such individual or such individual and spouse, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such individual or such individual and spouse; and

“(ii) who receive from such commercial fishing operation more than 50 percent of such individual's or such individual's and spouse's gross income for the taxable year preceding the taxable year in which the case concerning such individual or such individual and spouse was filed; or

“(B) a corporation or partnership—

“(i) in which more than 50 percent of the outstanding stock or equity is held by—

“(I) 1 family that conducts the commercial fishing operation; or

“(II) 1 family and the relatives of the members of such family, and such family or such relatives conduct the commercial fishing operation; and

“(ii)(I) more than 80 percent of the value of its assets consists of assets related to the commercial fishing operation;

“(II) its aggregate debts do not exceed $1,500,000 and not less than 80 percent of its aggregate noncontingent, liquidated debts (excluding a debt for 1 dwelling which is owned by such corporation or partnership and which a shareholder or partner maintains as a principal residence, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such corporation or such partnership; and

“(III) if such corporation issues stock, such stock is not publicly traded;”; and

(3) by inserting after paragraph (19A) the following:

“(19B) ‘family fisherman with regular annual income’ means a family fisherman whose annual income is sufficiently stable and regular to enable such family fisherman to make payments under a plan under chapter 12 of this title;”.

(b) Who May Be a Debtor.—Section 109(f) of title 11, United States Code, is amended by inserting “or family fisherman” after “family farmer”.

(c) Chapter 12.—Chapter 12 of title 11, United States Code, is amended—

(1) in the chapter heading, by inserting “**OR FISHERMAN**” after “**FAMILY FARMER**”;

(2) in section 1201, by adding at the end the following:

“(e)(1) Notwithstanding any other provision of law, for purposes of this subsection, a guarantor of a claim of a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.

“(2) For purposes of a claim that arises from the ownership or operation of a commercial fishing operation, a co-maker of a loan made by a creditor under this section shall be treated in the same manner as a creditor with respect to the operation of a stay under this section.”;

(3) in section 1203, by inserting “or commercial fishing operation” after “farm”;

(4) in section 1206, by striking “if the property is farmland or farm equipment” and inserting “if the property is farmland, farm equipment, or property of a commercial fishing operation (including a commercial fishing vessel)”; and

(5) by adding at the end the following:

“§ 1232. Additional provisions relating to family fishermen

“(a)(1) Notwithstanding any other provision of law, except as provided in subsection (c), with respect to any commercial fishing vessel of a family fisherman, the debts of that family fisherman shall be treated in the manner prescribed in paragraph (2).

“(2)(A) For purposes of this chapter, a claim for a lien described in subsection (b) for a commercial fishing vessel of a family fisherman that could, but for this subsection, be subject to a lien under otherwise applicable maritime law, shall be treated as an unsecured claim.

“(B) Subparagraph (A) applies to a claim for a lien resulting from a debt of a family fisherman incurred on or after the date of enactment of this chapter.

“(b) A lien described in this subsection is—

“(1) a maritime lien under subchapter III of chapter 313 of title 46 without regard to whether that lien is recorded under section 31343 of title 46; or

“(2) a lien under applicable State law (or the law of a political subdivision thereof).

“(c) Subsection (a) shall not apply to—

“(1) a claim made by a member of a crew or a seaman including a claim made for—

“(A) wages, maintenance, or cure; or

“(B) personal injury; or

"(2) a preferred ship mortgage that has been perfected under subchapter II of chapter 313 of title 46.

"(d) For purposes of this chapter, a mortgage described in subsection (c)(2) shall be treated as a secured claim.".

(d) CLERICAL AMENDMENTS.—

(1) TABLE OF CHAPTERS.—In the table of chapters for title 11, United States Code, the item relating to chapter 12, is amended to read as follows:

"12. Adjustments of Debts of a Family Farmer or Family Fisherman with Regular Annual Income .... 1201".

(2) TABLE OF SECTIONS.—The table of sections for chapter 12 of title 11, United States Code, is amended by adding at the end the following new item:

"1232. Additional provisions relating to family fishermen.".

(e) Applicability.—

Nothing in this section shall change, affect, or amend the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801, et seq.).

TITLE XI—HEALTH CARE AND EMPLOYEE BENEFITS

SEC. 1101. DEFINITIONS.

(a) HEALTH CARE BUSINESS DEFINED.—Section 101 of title 11, United States Code, is amended—

(1) by redesignating paragraph (27A), as added by this Act, as paragraph (27B); and

(2) by inserting after paragraph (27) the following:

"(27A) 'health care business'—

"(A) means any public or private entity (without regard to whether that entity is organized for profit or not for profit) that is primarily engaged in offering to the general public facilities and services for—

"(i) the diagnosis or treatment of injury, deformity, or disease; and

"(ii) surgical, drug treatment, psychiatric, or obstetric care; and

"(B) includes—

"(i) any—

"(I) general or specialized hospital;

"(II) ancillary ambulatory, emergency, or surgical treatment facility;

"(III) hospice;

"(IV) home health agency; and

"(V) other health care institution that is similar to an entity referred to in subclause (I), (II), (III), or (IV); and

"(ii) any long-term care facility, including any—

"(I) skilled nursing facility;

"(II) intermediate care facility;

"(III) assisted living facility;

"(IV) home for the aged;

"(V) domiciliary care facility; and

"(VI) health care institution that is related to a facility referred to in subclause (I), (II), (III), (IV), or (V), if that institution is primarily engaged in offering room, board, laundry, or personal assistance with activities of daily living and incidentals to activities of daily living;".

(b) PATIENT AND PATIENT RECORDS DEFINED.—Section 101 of title 11, United States Code, is amended by inserting after paragraph (40) the following:

"(40A) 'patient' means any person who obtains or receives services from a health care business;

"(40B) 'patient records' means any written document relating to a patient or a record recorded in a magnetic, optical, or other form of electronic medium;".

(c) RULE OF CONSTRUCTION.—The amendments made by subsection (a) of this section shall not affect the interpretation of section 109(b) of title 11, United States Code.

SEC. 1102. DISPOSAL OF PATIENT RECORDS.

(a) IN GENERAL.—Subchapter III of chapter 3 of title 11, United States Code, is amended by adding at the end the following:

"§ 351. Disposal of patient records

"If a health care business commences a case under chapter 7, 9, or 11, and the trustee does not have a sufficient amount of funds to pay for the storage of patient records in the manner required under applicable Federal or State law, the following requirements shall apply:

"(1) The trustee shall—

"(A) promptly publish notice, in 1 or more appropriate newspapers, that if patient records are not claimed by the patient or an insurance provider (if applicable law permits the insurance provider to make that claim) by the date that is 365 days after the date of that notification, the trustee will destroy the patient records; and

"(B) during the first 180 days of the 365-day period described in subparagraph (A), promptly attempt to notify directly each patient that is the subject of the patient records and appropriate insurance carrier concerning the patient records by mailing to the last known address of that patient, or a family member or contact person for that patient, and to the appropriate insurance carrier an appropriate notice regarding the claiming or disposing of patient records.

"(2) If, after providing the notification under paragraph (1), patient records are not claimed during the 365-day period described under that paragraph, the trustee shall mail, by certified mail, at the end of such 365-day period a written request to each appropriate Federal agency to request permission from that agency to deposit the patient records with that agency, except that no Federal agency is required to accept patient records under this paragraph.

"(3) If, following the 365-day period described in paragraph (2) and after providing the notification under paragraph (1), patient records are not claimed by a patient or insurance provider, or request is not granted by a Federal agency to deposit such records with that agency, the trustee shall destroy those records by—

"(A) if the records are written, shredding or burning the records; or

"(B) if the records are magnetic, optical, or other electronic records, by otherwise destroying those records so that those records cannot be retrieved.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 3 of title 11, United States Code, is amended by inserting after the item relating to section 350 the following:

"351. Disposal of patient records.".

SEC. 1103. ADMINISTRATIVE EXPENSE CLAIM FOR COSTS OF CLOSING A HEALTH CARE BUSINESS AND OTHER ADMINISTRATIVE EXPENSES.

Section 503(b) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(8) the actual, necessary costs and expenses of closing a health care business incurred by a trustee or by a Federal agency (as that term is defined in section 551(1) of title 5) or a department or agency of a State or political subdivision thereof, including any cost or expense incurred—

"(A) in disposing of patient records in accordance with section 351; or

"(B) in connection with transferring patients from the health care business that is in the process of being closed to another health care business;

"(9) with respect to a nonresidential real property lease previously assumed under section 365, and subsequently rejected, a sum equal to all monetary obligations due, excluding those arising from or related to a failure to operate or penalty provisions, for the period of 2 years following the later of the rejection date or date of actual turnover of the premises, without reduction or setoff for any reason whatsoever except for sums actually received or to be received from a nondebtor, and the claim for remaining sums due for the balance of the term of the lease shall be a claim under section 502(b)(6); and".

SEC. 1104. APPOINTMENT OF OMBUDSMAN TO ACT AS PATIENT ADVOCATE.

(a) IN GENERAL.—

(1) APPOINTMENT OF OMBUDSMAN.—Subchapter II of chapter 3 of title 11, United States Code, is amended by inserting after section 331 the following:

"§ 332. Appointment of ombudsman

"(a) IN GENERAL.—

"(1) AUTHORITY TO APPOINT.—Not later than 30 days after a case is commenced by a health care business under chapter 7, 9, or 11, the court shall order the appointment of an ombudsman to monitor the quality of patient care to represent the interests of the patients of the health care business, unless the court finds that the appointment of the ombudsman is not necessary for the protection of patients under the specific facts of the case.

"(2) QUALIFICATIONS.—If the court orders the appointment of an ombudsman, the United States trustee shall appoint 1 disinterested person, other than the United States trustee, to serve as an ombudsman. If the health care business is a long-term care facility, the trustee may appoint a person who is serving as a State Long-Term Care Ombudsman appointed under title III or VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq., 3058 et seq.).

In the event that the trustee does not appoint the State Long-Term Care Ombudsman to monitor the quality of patient care in a long-term care facility, the court shall notify the individual who serves as the State Long-Term Care Ombudsman of the name and address of the individual who is appointed.

"(b) DUTIES.—An ombudsman appointed under subsection (a) shall—

"(1) monitor the quality of patient care, to the extent necessary under the circumstances, including interviewing patients and physicians;

"(2) not later than 60 days after the date of appointment, and not less frequently than every 60 days thereafter, report to the court, at a hearing or in writing, regarding the quality of patient care at the health care business involved; and

"(3) if the ombudsman determines that the quality of patient care is declining significantly or is otherwise being materially compromised, notify the court by motion or written report, with notice to appropriate parties in interest, immediately upon making that determination.

"(c) CONFIDENTIALITY.—An ombudsman shall maintain any information obtained by the ombudsman under this section that relates to patients (including information relating to patient records) as confidential information. The ombudsman may not review confidential patient records, unless the court provides prior approval, with restrictions on the ombudsman to protect the confidentiality of patient records. If the individual appointed as ombudsman is a person who is also serving as a State Long-Term Care Ombudsman appointed under title III or title VII of the Older Americans Act of 1965 (42

U.S.C. 3021 et seq., 3058 et seq.), that person shall have access to patient records, consistent with authority spelled out in the Older Americans Act and State laws governing the State Long-Term Care Ombudsman program.".

(2) CLERICAL AMENDMENT.—The table of sections for chapter 3 of title 11, United States Code, is amended by inserting after the item relating to section 331 the following:

"332. Appointment of ombudsman.".

(b) COMPENSATION OF OMBUDSMAN.—Section 330(a)(1) of title 11, United States Code, is amended—

(1) in the matter preceeding subparagraph (A), by inserting "an ombudsman appointed under section 331, or" before "a professional person"; and

(2) in subparagraph (A), by inserting "ombudsman," before "professional person".

SEC. 1105. DEBTOR IN POSSESSION; DUTY OF TRUSTEE TO TRANSFER PATIENTS.

(a) IN GENERAL.—Section 704(a) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(11) use all reasonable and best efforts to transfer patients from a health care business that is in the process of being closed to an appropriate health care business that—

"(A) is in the vicinity of the health care business that is closing;

"(B) provides the patient with services that are substantially similar to those provided by the health care business that is in the process of being closed; and

"(C) maintains a reasonable quality of care.".

(b) CONFORMING AMENDMENT.—Section 1106(a)(1) of title 11, United States Code, is amended by striking "sections 704(2), 704(5), 704(7), 704(8), and 704(9)" and inserting "paragraphs (2), (5), (7), (8), (9), and (11) of section 704(a)".

SEC. 1106. EXCLUSION FROM PROGRAM PARTICIPATION NOT SUBJECT TO AUTOMATIC STAY.

Section 362(b) of title 11, United States Code, is amended by inserting after paragraph (27), as added by this Act, the following:

"(28) under subsection (a), of the exclusion by the Secretary of Health and Human Services of the debtor from participation in the medicare program or any other Federal health care program (as defined in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–7b(f)) pursuant to title XI of such Act (42 U.S.C. 1301 et seq.) or title XVIII of such Act (42 U.S.C. 1395 et seq.).".

TITLE XII—TECHNICAL AMENDMENTS

SEC. 1201. DEFINITIONS.

Section 101 of title 11, United States Code, as amended by this Act, is amended—

(1) by striking "In this title—" and inserting "In this title, the following definitions shall apply:";

(2) in each paragraph, by inserting "The term" after the paragraph designation;

(3) in paragraph (35)(B), by striking "paragraphs (21B) and (33)(A)" and inserting "paragraphs (23) and (35)";

(4) in each of paragraphs (35A) and (38), by striking "; and" at the end and inserting a period;

(5) in paragraph (51B)—

(A) by inserting "who is not a family farmer" after "debtor" the first place it appears; and

(B) by striking "thereto having aggregate" and all that follows through the end of the paragraph;

(6) by striking paragraph (54) and inserting the following:

"(54) The term 'transfer' means—

"(A) the creation of a lien;

"(B) the retention of title as a security interest;

"(C) the foreclosure of a debtor's equity of redemption; or

"(D) each mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with—

"(i) property; or

"(ii) an interest in property."; and

(7) in each of paragraphs (1) through (35), in each of paragraphs (36) and (37), and in each of paragraphs (40) through (55), by striking the semicolon at the end and inserting a period.

SEC. 1202. ADJUSTMENT OF DOLLAR AMOUNTS.

Section 104 of title 11, United States Code, as amended by section 308 of this Act, is amended by inserting "522(f)(3)," after "522(d)," each place it appears.

SEC. 1203. EXTENSION OF TIME.

Section 108(c)(2) of title 11, United States Code, is amended by striking "922" and all that follows through "or", and inserting "922, 1201, or".

SEC. 1204. TECHNICAL AMENDMENTS.

Title 11, United States Code, is amended—

(1) in section 109(b)(2), by striking "subsection (c) or (d) of"; and

(2) in section 552(b)(1), by striking "product" each place it appears and inserting "products".

SEC. 1205. PENALTY FOR PERSONS WHO NEGLIGENTLY OR FRAUDULENTLY PREPARE BANKRUPTCY PETITIONS.

Section 110(j)(4) of title 11, United States Code, as so designated by this Act, is amended by striking "attorney's" and inserting "attorneys'".

SEC. 1206. LIMITATION ON COMPENSATION OF PROFESSIONAL PERSONS.

Section 328(a) of title 11, United States Code, is amended by inserting "on a fixed or percentage fee basis," after "hourly basis,".

SEC. 1207. EFFECT OF CONVERSION.

Section 348(f)(2) of title 11, United States Code, is amended by inserting "of the estate" after "property" the first place it appears.

SEC. 1208. ALLOWANCE OF ADMINISTRATIVE EXPENSES.

Section 503(b)(4) of title 11, United States Code, is amended by inserting "subparagraph (A), (B), (C), (D), or (E) of" before "paragraph (3)".

SEC. 1209. EXCEPTIONS TO DISCHARGE.

Section 523 of title 11, United States Code, as amended by this Act, is amended—

(1) by transferring paragraph (15), as added by section 304(e) of Public Law 103–394 (108 Stat. 4133), so as to insert such paragraph after subsection (a)(14);

(2) in subsection (a)(9), by striking "motor vehicle" and inserting "motor vehicle, vessel, or aircraft"; and

(3) in subsection (e), by striking "a insured" and inserting "an insured".

SEC. 1210. EFFECT OF DISCHARGE.

Section 524(a)(3) of title 11, United States Code, is amended by striking "section 523" and all that follows through "or that" and inserting "section 523, 1228(a)(1), or 1328(a)(1), or that".

SEC. 1211. PROTECTION AGAINST DISCRIMINATORY TREATMENT.

Section 525(c) of title 11, United States Code, is amended—

(1) in paragraph (1), by inserting "student" before "grant" the second place it appears; and

(2) in paragraph (2), by striking "the program operated under part B, D, or E of" and inserting "any program operated under".

SEC. 1212. PROPERTY OF THE ESTATE.

Section 541(b)(4)(B)(ii) of title 11, United States Code, is amended by inserting "365 or" before "542".

SEC. 1213. PREFERENCES.

(a) IN GENERAL.—Section 547 of title 11, United States Code, as amended by this Act, is amended—

(1) in subsection (b), by striking "subsection (c)" and inserting "subsections (c) and (i)"; and

(2) by adding at the end the following:

"(i) If the trustee avoids under subsection (b) a transfer made between 90 days and 1 year before the date of the filing of the petition, by the debtor to an entity that is not an insider for the benefit of a creditor that is an insider, such transfer shall be considered to be avoided under this section only with respect to the creditor that is an insider.".

(b) APPLICABILITY.—The amendments made by this section shall apply to any case that is pending or commenced on or after the date of enactment of this Act.

SEC. 1214. POSTPETITION TRANSACTIONS.

Section 549(c) of title 11, United States Code, is amended—

(1) by inserting "an interest in" after "transfer of" each place it appears;

(2) by striking "such property" and inserting "such real property"; and

(3) by striking "the interest" and inserting "such interest".

SEC. 1215. DISPOSITION OF PROPERTY OF THE ESTATE.

Section 726(b) of title 11, United States Code, is amended by striking "1009,".

SEC. 1216. GENERAL PROVISIONS.

Section 901(a) of title 11, United States Code, as amended by this Act, is amended by inserting "1123(d)," after "1123(b),".

SEC. 1217. ABANDONMENT OF RAILROAD LINE.

Section 1170(e)(1) of title 11, United States Code, is amended by striking "section 11347" and inserting "section 11326(a)".

SEC. 1218. CONTENTS OF PLAN.

Section 1172(c)(1) of title 11, United States Code, is amended by striking "section 11347" and inserting "section 11326(a)".

SEC. 1219. BANKRUPTCY CASES AND PROCEEDINGS.

Section 1334(d) of title 28, United States Code, is amended—

(1) by striking "made under this subsection" and inserting "made under subsection (c)"; and

(2) by striking "This subsection" and inserting "Subsection (c) and this subsection".

SEC. 1220. KNOWING DISREGARD OF BANKRUPTCY LAW OR RULE.

Section 156(a) of title 18, United States Code, is amended—

(1) in the first undesignated paragraph—

(A) by inserting "(1) the term" before "'bankruptcy"; and

(B) by striking the period at the end and inserting "; and"; and

(2) in the second undesignated paragraph—

(A) by inserting "(2) the term" before "'document"; and

(B) by striking "this title" and inserting "title 11".

SEC. 1221. TRANSFERS MADE BY NONPROFIT CHARITABLE CORPORATIONS.

(a) SALE OF PROPERTY OF ESTATE.—Section 363(d) of title 11, United States Code, is amended by striking "only" and all that follows through the end of the subsection and inserting "only—

"(1) in accordance with applicable nonbankruptcy law that governs the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust; and

"(2) to the extent not inconsistent with any relief granted under subsection (c), (d), (e), or (f) of section 362.".

(b) CONFIRMATION OF PLAN FOR REORGANIZATION.—Section 1129(a) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(16) All transfers of property of the plan shall be made in accordance with any applicable provisions of nonbankruptcy law that govern the transfer of property by a corporation or trust that is not a moneyed, business, or commercial corporation or trust.".

(c) TRANSFER OF PROPERTY.—Section 541 of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(g) Notwithstanding any other provision of this title, property that is held by a debtor that is a corporation described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code may be transferred to an entity that is not such a corporation, but only under the same conditions as would apply if the debtor had not filed a case under this title.".

(d) APPLICABILITY.—The amendments made by this section shall apply to a case pending under title 11, United States Code, on the date of enactment of this Act, or filed under that title on or after that date of enactment, except that the court shall not confirm a plan under chapter 11 of title 11, United States Code, without considering whether this section would substantially affect the rights of a party in interest who first acquired rights with respect to the debtor after the date of the petition. The parties who may appear and be heard in a proceeding under this section include the attorney general of the State in which the debtor is incorporated, was formed, or does business.

(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require the court in which a case under chapter 11 of title 11, United States Code, is pending to remand or refer any proceeding, issue, or controversy to any other court or to require the approval of any other court for the transfer of property.

SEC. 1222. PROTECTION OF VALID PURCHASE MONEY SECURITY INTERESTS.

Section 547(c)(3)(B) of title 11, United States Code, is amended by striking "20" and inserting "30".

SEC. 1223. BANKRUPTCY JUDGESHIPS.

(a) SHORT TITLE.—This section may be cited as the "Bankruptcy Judgeship Act of 2001".

(b) TEMPORARY JUDGESHIPS.—

(1) APPOINTMENTS.—The following judgeship positions shall be filled in the manner prescribed in section 152(a)(1) of title 28, United States Code, for the appointment of bankruptcy judges provided for in section 152(a)(2) of such title:

(A) One additional bankruptcy judgeship for the eastern district of California.

(B) Four additional bankruptcy judgeships for the central district of California.

(C) One additional bankruptcy judgeship for the district of Delaware.

(D) Two additional bankruptcy judgeships for the southern district of Florida.

(E) One additional bankruptcy judgeship for the southern district of Georgia.

(F) Three additional bankruptcy judgeships for the district of Maryland.

(G) One additional bankruptcy judgeship for the eastern district of Michigan.

(H) One additional bankruptcy judgeship for the southern district of Mississippi.

(I) One additional bankruptcy judgeship for the district of New Jersey.

(J) One additional bankruptcy judgeship for the eastern district of New York.

(K) One additional bankruptcy judgeship for the northern district of New York.

(L) One additional bankruptcy judgeship for the southern district of New York.

(M) One additional bankruptcy judgeship for the eastern district of North Carolina.

(N) One additional bankruptcy judgeship for the eastern district of Pennsylvania.

(O) One additional bankruptcy judgeship for the middle district of Pennsylvania.

(P) One additional bankruptcy judgeship for the district of Puerto Rico.

(Q) One additional bankruptcy judgeship for the western district of Tennessee.

(R) One additional bankruptcy judgeship for the eastern district of Virginia.

(S) One additional bankruptcy judgeship for the district of South Carolina.

(T) One additional bankruptcy judgeship for the district of Nevada, and one for the district of Delaware.

(2) VACANCIES.—The first vacancy occurring in the office of a bankruptcy judge in each of the judicial districts set forth in paragraph (1) shall not be filled if the vacancy—

(A) results from the death, retirement, resignation, or removal of a bankruptcy judge; and

(B) occurs 5 years or more after the appointment date of a bankruptcy judge appointed under paragraph (1).

(c) EXTENSIONS.—

(1) IN GENERAL.—The temporary bankruptcy judgeship positions authorized for the northern district of Alabama, the district of Delaware, the district of Puerto Rico, and the eastern district of Tennessee under paragraphs (1), (3), (7), and (9) of section 3(a) of the Bankruptcy Judgeship Act of 1992 (28 U.S.C. 152 note) are extended until the first vacancy occurring in the office of a bankruptcy judge in the applicable district resulting from the death, retirement, resignation, or removal of a bankruptcy judge and occurring—

(A) 11 years or more after November 8, 1993, with respect to the northern district of Alabama;

(B) 13 years or more after October 28, 1993, with respect to the district of Delaware;

(C) 11 years or more after August 29, 1994, with respect to the district of Puerto Rico; and

(D) 11 years or more after November 23, 1993, with respect to the eastern district of Tennessee.

(2) APPLICABILITY OF OTHER PROVISIONS.—All other provisions of section 3 of the Bankruptcy Judgeship Act of 1992 (28 U.S.C. 152 note) remain applicable to temporary judgeship positions referred to in this subsection.

(d) TECHNICAL AMENDMENTS.—Section 152(a) of title 28, United States Code, is amended—

(1) in paragraph (1), by striking the first sentence and inserting the following: "Each bankruptcy judge to be appointed for a judicial district, as provided in paragraph (2), shall be appointed by the United States court of appeals for the circuit in which such district is located."; and

(2) in paragraph (2)—

(A) in the item relating to the middle district of Georgia, by striking "2" and inserting "3"; and

(B) in the collective item relating to the middle and southern districts of Georgia, by striking "Middle and Southern . . . . . . 1".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.

SEC. 1224. COMPENSATING TRUSTEES.

Section 1326 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking "and";

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(3) if a chapter 7 trustee has been allowed compensation due to the conversion or dismissal of the debtor's prior case pursuant to section 707(b), and some portion of that compensation remains unpaid in a case converted to this chapter or in the case dismissed under section 707(b) and refiled under this chapter, the amount of any such unpaid compensation, which shall be paid monthly—

"(A) by prorating such amount over the remaining duration of the plan; and

"(B) by monthly payments not to exceed the greater of—

"(i) $25; or

"(ii) the amount payable to unsecured nonpriority creditors, as provided by the plan, multiplied by 5 percent, and the result divided by the number of months in the plan."; and

(2) by adding at the end the following:

"(d) Notwithstanding any other provision of this title—

"(1) compensation referred to in subsection (b)(3) is payable and may be collected by the trustee under that paragraph, even if such amount has been discharged in a prior proceeding under this title; and

"(2) such compensation is payable in a case under this chapter only to the extent permitted by subsection (b)(3).".

SEC. 1225. AMENDMENT TO SECTION 362 OF TITLE 11, UNITED STATES CODE.

Section 362(b)(18) of title 11, United States Code, is amended to read as follows:

"(18) under subsection (a) of the creation or perfection of a statutory lien for an ad valorem property tax, or a special tax or special assessment on real property whether or not ad valorem, imposed by a governmental unit, if such tax or assessment comes due after the filing of the petition;".

SEC. 1226. JUDICIAL EDUCATION.

The Director of the Federal Judicial Center, in consultation with the Director of the Executive Office for United States Trustees, shall develop materials and conduct such training as may be useful to courts in implementing this Act and the amendments made by this Act, including the requirements relating to the means test and reaffirmations under section 707(b) of title 11, United States Code, as amended by this Act.

SEC. 1227. RECLAMATION.

(a) RIGHTS AND POWERS OF THE TRUSTEE.—Section 546(c) of title 11, United States Code, is amended to read as follows:

"(c)(1) Except as provided in subsection (d) of this section and subsection (c) of section 507, and subject to the prior rights of holders of security interests in such goods or the proceeds thereof, the rights and powers of the trustee under sections 544(a), 545, 547, and 549 are subject to the right of a seller of goods that has sold goods to the debtor, in the ordinary course of such seller's business, to reclaim such goods if the debtor has received such goods while insolvent, not later than 45 days prior to the date of the commencement of a case under this title, but such seller may not reclaim such goods unless such seller demands in writing reclamation of such goods—

"(A) not later than 45 days after the date of receipt of such goods by the debtor; or

"(B) not later than 20 days after the date of commencement of the case, if the 45-day period expires after the commencement of the case.

"(2) If a seller of goods fails to provide notice in the manner described in paragraph (1), the seller still may assert the rights contained in section 503(b)(7).".

(b) ADMINISTRATIVE EXPENSES.—Section 503(b) of title 11, United States Code, as amended by this Act, is amended by adding at the end the following:

"(10) the value of any goods received by the debtor not later than 20 days prior to the date of commencement of a case under this title in which the goods have been sold to the debtor in the ordinary course of such debtor's business.".

SEC. 1228. PROVIDING REQUESTED TAX DOCUMENTS TO THE COURT.

(a) CHAPTER 7 CASES.—The court shall not grant a discharge in the case of an individual seeking bankruptcy under chapter 7 of title 11, United States Code, unless requested tax documents have been provided to the court.

(b) CHAPTER 11 AND CHAPTER 13 CASES.—The court shall not confirm a plan of reorganization in the case of an individual under chapter 11 or 13 of title 11, United States Code, unless requested tax documents have been filed with the court.

(c) DOCUMENT RETENTION.—The court shall destroy documents submitted in support of a bankruptcy claim not sooner than 3 years after the date of the conclusion of a bankruptcy case filed by an individual under chapter 7, 11, or 13 of title 11, United States Code. In the event of a pending audit or enforcement action, the court may extend the time for destruction of such requested tax documents.

SEC. 1229. ENCOURAGING CREDITWORTHINESS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) certain lenders may sometimes offer credit to consumers indiscriminately, without taking steps to ensure that consumers are capable of repaying the resulting debt, and in a manner which may encourage certain consumers to accumulate additional debt; and

(2) resulting consumer debt may increasingly be a major contributing factor to consumer insolvency.

(b) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System (hereafter in this section referred to as the "Board") shall conduct a study of—

(1) consumer credit industry practices of soliciting and extending credit—

(A) indiscriminately;

(B) without taking steps to ensure that consumers are capable of repaying the resulting debt; and

(C) in a manner that encourages consumers to accumulate additional debt; and

(2) the effects of such practices on consumer debt and insolvency.

(c) REPORT AND REGULATIONS.—Not later than 12 months after the date of enactment of this Act, the Board—

(1) shall make public a report on its findings with respect to the indiscriminate solicitation and extension of credit by the credit industry;

(2) may issue regulations that would require additional disclosures to consumers; and

(3) may take any other actions, consistent with its existing statutory authority, that the Board finds necessary to ensure responsible industrywide practices and to prevent resulting consumer debt and insolvency.

SEC. 1230. PROPERTY NO LONGER SUBJECT TO REDEMPTION.

Section 541(b) of title 11, United States Code, is amended by inserting after paragraph (8), as added by this Act, the following:

"(9) subject to subchapter III of chapter 5, any interest of the debtor in property where the debtor pledged or sold tangible personal property (other than securities or written or printed evidences of indebtedness or title) as collateral for a loan or advance of money given by a person licensed under law to make such loans or advances, where—

"(A) the tangible personal property is in the possession of the pledgee or transferee;

"(B) the debtor has no obligation to repay the money, redeem the collateral, or buy back the property at a stipulated price; and

"(C) neither the debtor nor the trustee have exercised any right to redeem provided under the contract or State law, in a timely manner as provided under State law and section 108(b) of this title; or".

SEC. 1231. TRUSTEES.

(a) SUSPENSION AND TERMINATION OF PANEL TRUSTEES AND STANDING TRUSTEES.—Section 586(d) of title 28, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following:

"(2) A trustee whose appointment under subsection (a)(1) or under subsection (b) is terminated or who ceases to be assigned to cases filed under title 11, United States Code, may obtain judicial review of the final agency decision by commencing an action in the United States district court for the district for which the panel to which the trustee is appointed under subsection (a)(1), or in the United States district court for the district in which the trustee is appointed under subsection (b) resides, after first exhausting all available administrative remedies, which if the trustee so elects, shall also include an administrative hearing on the record. Unless the trustee elects to have an administrative hearing on the record, the trustee shall be deemed to have exhausted all administrative remedies for purposes of this paragraph if the agency fails to make a final agency decision within 90 days after the trustee requests administrative remedies. The Attorney General shall prescribe procedures to implement this paragraph. The decision of the agency shall be affirmed by the district court unless it is unreasonable and without cause based on the administrative record before the agency.".

(b) EXPENSES OF STANDING TRUSTEES.—Section 586(e) of title 28, United States Code, is amended by adding at the end the following:

"(3) After first exhausting all available administrative remedies, an individual appointed under subsection (b) may obtain judicial review of final agency action to deny a claim of actual, necessary expenses under this subsection by commencing an action in the United States district court in the district where the individual resides. The decision of the agency shall be affirmed by the district court unless it is unreasonable and without cause based upon the administrative record before the agency.

"(4) The Attorney General shall prescribe procedures to implement this subsection.".

SEC. 1232. BANKRUPTCY FORMS.

Section 2075 of title 28, United States Code, is amended by adding at the end the following:

"The bankruptcy rules promulgated under this section shall prescribe a form for the statement required under section 707(b)(2)(C) of title 11 and may provide general rules on the content of such statement.".

SEC. 1233. EXPEDITED APPEALS OF BANKRUPTCY CASES TO COURTS OF APPEALS.

(a) APPEALS.—Section 158 of title 28, United States Code, is amended—

(1) in subsection (c)(1), by striking "Subject to subsection (b)," and inserting "Subject to subsections (b) and (d)(2),"; and

(2) in subsection (d)—

(A) by inserting "(1)" after "(d)"; and

(B) by adding at the end the following:

"(2)(A) A court of appeals that would have jurisdiction of a subsequent appeal under paragraph (1) or other law may authorize an immediate appeal of an order or decree, not otherwise appealable, that is entered in a case or proceeding pending under section 157 or is entered by the district court or bankruptcy appellate panel exercising jurisdiction under subsection (a) or (b), if the bankruptcy court, district court, bankruptcy appellate panel, or the parties acting jointly certify that—

"(i) the order or decree involves—

"(I) a substantial question of law;

"(II) a question of law requiring resolution of conflicting decisions; or

"(III) a matter of public importance; and

"(ii) an immediate appeal from the order or decree may materially advance the progress of the case or proceeding.

"(B) An appeal under this paragraph does not stay proceedings in the court from which the order or decree originated, unless the originating court or the court of appeals orders such a stay.".

(b) PROCEDURAL RULES.—

(1) TEMPORARY APPLICATION.—A provision of this subsection shall apply to appeals under section 158(d)(2) of title 28, United States Code, as added by subsection (a) of this section, until a rule of practice and procedure relating to such provision and appeal is promulgated or amended under chapter 131 of such title.

(2) CERTIFICATION.—A district court, bankruptcy court, or bankruptcy appellate panel may enter a certification as described in section 158(d)(2) of title 28, United States Code, during proceedings pending before that court or panel.

(3) PROCEDURE.—Subject to the other provisions of this subsection, an appeal by permission under section 158(d)(2) of title 28, United States Code, shall be taken in the manner prescribed in rule 5 of the Federal Rules of Appellate Procedure.

(4) FILING PETITION.—When permission to appeal is requested on the basis of a certification of the parties, a district court, bankruptcy court, or bankruptcy appellate panel, the petition shall be filed within 10 days after the certification is entered or filed.

(5) ATTACHMENT.—When permission to appeal is requested on the basis of a certification of a district court, bankruptcy court, or bankruptcy appellate panel, a copy of the certification shall be attached to the petition.

(6) PANEL AND CLERK.—In a case pending before a bankruptcy appellate panel in which permission to appeal is requested, the terms "district court" and "district clerk", as used in rule 5 of the Federal Rules of Appellate Procedure, mean "bankruptcy appellate panel" and "clerk of the bankruptcy appellate panel", respectively.

(7) APPLICATION OF RULES.—In a case pending before a district court, bankruptcy court, or bankruptcy appellate panel in which a court of appeals grants permission to appeal, the Federal Rules of Appellate Procedure

apply to the proceedings in the court of appeals, to the extent relevant, as if the appeal were taken from a final judgment, order, or decree of a district court, bankruptcy court, or bankruptcy appellate panel exercising appellate jurisdiction under subsection (a) or (b) of section 158 of title 28, United States Code.

SEC. 1234. EXEMPTIONS.

Section 522(g)(2) of title 11, United States Code, is amended by striking "subsection (f)(2)" and inserting "subsection (f)(1)(B)".

SEC. 1235. INVOLUNTARY CASES.

Section 303 of title 11, United States Code, is amended—

(1) in subsection (b)(1), by—

(A) inserting "as to liability or amount" after "bona fide dispute"; and

(B) striking "if such claims" and inserting "if such undisputed claims"; and

(2) in subsection (h)(1), by inserting before the semicolon the following: "as to liability or amount".

SEC. 1236. FEDERAL ELECTION LAW FINES AND PENALTIES AS NONDISCHARGEABLE DEBT.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14A) (as added by this Act) the following:

"(14B) incurred to pay fines or penalties imposed under Federal election law;".

SEC. 1237. NO BANKRUPTCY FOR INSOLVENT POLITICAL COMMITTEES.

Section 105 of title 11, United States Code, is amended by adding at the end the following:

"(e) A political committee subject to the jurisdiction of the Federal Election Commission under Federal election laws may not file for bankruptcy under this title.".

TITLE XIII—CONSUMER CREDIT DISCLOSURE

SEC. 1301. ENHANCED DISCLOSURES UNDER AN OPEN END CREDIT PLAN.

(a) MINIMUM PAYMENT DISCLOSURES.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

"(11)(A) In the case of an open end credit plan that requires a minimum monthly payment of not more than 4 percent of the balance on which finance charges are accruing, the following statement, located on the front of the billing statement, disclosed clearly and conspicuously: 'Minimum Payment Warning: Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance. For example, making only the typical 2% minimum monthly payment on a balance of $1,000 at an interest rate of 17% would take 88 months to repay the balance in full. For an estimate of the time it would take to repay your balance, making only minimum payments, call this toll-free number: .' (the blank space to be filled in by the creditor).

"(B) In the case of an open end credit plan that requires a minimum monthly payment of more than 4 percent of the balance on which finance charges are accruing, the following statement, in a prominent location on the front of the billing statement, disclosed clearly and conspicuously: 'Minimum Payment Warning: Making only the required minimum payment will increase the interest you pay and the time it takes to repay your balance. Making a typical 5% minimum monthly payment on a balance of $300 at an interest rate of 17% would take 24 months to repay the balance in full. For an estimate of the time it would take to repay your balance, making only minimum monthly payments, call this toll-free number: .' (the blank space to be filled in by the creditor).

"(C) Notwithstanding subparagraphs (A) and (B), in the case of a creditor with respect to which compliance with this title is enforced by the Federal Trade Commission, the following statement, in a prominent location on the front of the billing statement, disclosed clearly and conspicuously: 'Minimum Payment Warning: Making only the required minimum payment will increase the interest you pay and the time it takes to repay your balance. For example, making only the typical 5% minimum monthly payment on a balance of $300 at an interest rate of 17% would take 24 months to repay the balance in full. For an estimate of the time it would take to repay your balance, making only minimum monthly payments, call the Federal Trade Commission at this toll-free number: .' (the blank space to be filled in by the creditor). A creditor who is subject to this subparagraph shall not be subject to subparagraph (A) or (B).

"(D) Notwithstanding subparagraph (A), (B), or (C), in complying with any such subparagraph, a creditor may substitute an example based on an interest rate that is greater than 17 percent. Any creditor that is subject to subparagraph (B) may elect to provide the disclosure required under subparagraph (A) in lieu of the disclosure required under subparagraph (B).

"(E) The Board shall, by rule, periodically recalculate, as necessary, the interest rate and repayment period under subparagraphs (A), (B), and (C).

"(F)(i) The toll-free telephone number disclosed by a creditor or the Federal Trade Commission under subparagraph (A), (B), or (G), as appropriate, may be a toll-free telephone number established and maintained by the creditor or the Federal Trade Commission, as appropriate, or may be a toll-free telephone number established and maintained by a third party for use by the creditor or multiple creditors or the Federal Trade Commission, as appropriate. The toll-free telephone number may connect consumers to an automated device through which consumers may obtain information described in subparagraph (A), (B), or (C), by inputting information using a touch-tone telephone or similar device, if consumers whose telephones are not equipped to use such automated device are provided the opportunity to be connected to an individual from whom the information described in subparagraph (A), (B), or (C), as applicable, may be obtained. A person that receives a request for information described in subparagraph (A), (B), or (C) from an obligor through the toll-free telephone number disclosed under subparagraph (A), (B), or (C), as applicable, shall disclose in response to such request only the information set forth in the table promulgated by the Board under subparagraph (H)(i).

"(ii)(I) The Board shall establish and maintain for a period not to exceed 24 months following the effective date of the Bankruptcy Reform Act of 2001, a toll-free telephone number, or provide a toll-free telephone number established and maintained by a third party, for use by creditors that are depository institutions (as defined in section 3 of the Federal Deposit Insurance Act), including a Federal credit union or State credit union (as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752)), with total assets not exceeding $250,000,000. The toll-free telephone number may connect consumers to an automated device through which consumers may obtain information described in subparagraph (A) or (B), as applicable, by inputting information using a touch-tone telephone or similar device, if consumers whose telephones are not equipped to use such automated device are provided the opportunity to be connected to an individual from whom the information described in subparagraph (A) or (B), as applicable, may be obtained. A person that receives a request for information described in subparagraph (A) or (B) from an obligor through the toll-free telephone number disclosed under subparagraph (A) or (B), as applicable, shall disclose in response to such request only the information set forth in the table promulgated by the Board under subparagraph (H)(i). The dollar amount contained in this subclause shall be adjusted according to an indexing mechanism established by the Board.

"(II) Not later than 6 months prior to the expiration of the 24-month period referenced in subclause (I), the Board shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the program described in subclause (I).

"(G) The Federal Trade Commission shall establish and maintain a toll-free number for the purpose of providing to consumers the information required to be disclosed under subparagraph (C).

"(H) The Board shall—

"(i) establish a detailed table illustrating the approximate number of months that it would take to repay an outstanding balance if a consumer pays only the required minimum monthly payments and if no other advances are made, which table shall clearly present standardized information to be used to disclose the information required to be disclosed under subparagraph (A), (B), or (C), as applicable;

"(ii) establish the table required under clause (i) by assuming—

"(I) a significant number of different annual percentage rates;

"(II) a significant number of different account balances;

"(III) a significant number of different minimum payment amounts; and

"(IV) that only minimum monthly payments are made and no additional extensions of credit are obtained; and

"(iii) promulgate regulations that provide instructional guidance regarding the manner in which the information contained in the table established under clause (i) should be used in responding to the request of an obligor for any information required to be disclosed under subparagraph (A), (B), or (C).

"(I) The disclosure requirements of this paragraph do not apply to any charge card account, the primary purpose of which is to require payment of charges in full each month.

"(J) A creditor that maintains a toll-free telephone number for the purpose of providing customers with the actual number of months that it will take to repay the customer's outstanding balance is not subject to the requirements of subparagraph (A) or (B).

"(K) A creditor that maintains a toll-free telephone number for the purpose of providing customers with the actual number of months that it will take to repay an outstanding balance shall include the following statement on each billing statement: 'Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance. For more information, call this toll-free number: ________.' (the blank space to be filled in by the creditor).".

(b) Regulatory Implementation.—

(1) In general.—The Board of Governors of the Federal Reserve System (hereafter in this title referred to as the "Board") shall promulgate regulations implementing the requirements of section 127(b)(11) of the Truth in Lending Act, as added by subsection (a) of this section.

(2) Effective date.—Section 127(b)(11) of the Truth in Lending Act, as added by subsection (a) of this section, and the regulations issued under paragraph (1) of this subsection shall not take effect until the later of—

(A) 18 months after the date of enactment of this Act; or

(B) 12 months after the publication of such final regulations by the Board.

(c) Study of Financial Disclosures.—

(1) In general.—The Board may conduct a study to determine the types of information available to potential borrowers from consumer credit lending institutions regarding factors qualifying potential borrowers for credit, repayment requirements, and the consequences of default.

(2) Factors for consideration.—In conducting a study under paragraph (1), the Board should, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), the National Credit Union Administration, and the Federal Trade Commission, consider the extent to which—

(A) consumers, in establishing new credit arrangements, are aware of their existing payment obligations, the need to consider those obligations in deciding to take on new credit, and how taking on excessive credit can result in financial difficulty;

(B) minimum periodic payment features offered in connection with open end credit plans impact consumer default rates;

(C) consumers make only the required minimum payment under open end credit plans;

(D) consumers are aware that making only required minimum payments will increase the cost and repayment period of an open end credit obligation; and

(E) the availability of low minimum payment options is a cause of consumers experiencing financial difficulty.

(3) Report to congress.—Findings of the Board in connection with any study conducted under this subsection shall be submitted to Congress. Such report shall also include recommendations for legislative initiatives, if any, of the Board, based on its findings.

SEC. 1302. ENHANCED DISCLOSURE FOR CREDIT EXTENSIONS SECURED BY A DWELLING.

(a) Open End Credit Extensions.—

(1) Credit applications.—Section 127A(a)(13) of the Truth in Lending Act (15 U.S.C. 1637a(a)(13)) is amended—

(A) by striking "CONSULTATION OF TAX ADVISER.—A statement that the" and inserting the following: "TAX DEDUCTIBILITY.—A statement that—

"(A) the"; and

(B) by striking the period at the end and inserting the following: "; and

"(B) in any case in which the extension of credit exceeds the fair market value (as defined under the Internal Revenue Code of 1986) of the dwelling, the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes.".

(2) Credit advertisements.—Section 147(b) of the Truth in Lending Act (15 U.S.C. 1665b(b)) is amended—

(A) by striking "If any" and inserting the following:

"(1) In general.—If any"; and

(B) by adding at the end the following:

"(2) Credit in excess of fair market value.—Each advertisement described in subsection (a) that relates to an extension of credit that may exceed the fair market value of the dwelling, and which advertisement is disseminated in paper form to the public or through the Internet, as opposed to by radio or television, shall include a clear and conspicuous statement that—

"(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

"(B) the consumer should consult a tax adviser for further information regarding the deductibility of interest and charges.".

(b) Non-Open End Credit Extensions.—

(1) Credit applications.—Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended—

(A) in subsection (a), by adding at the end the following:

"(15) In the case of a consumer credit transaction that is secured by the principal dwelling of the consumer, in which the extension of credit may exceed the fair market value of the dwelling, a clear and conspicuous statement that—

"(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

"(B) the consumer should consult a tax adviser for further information regarding the deductibility of interest and charges."; and

(B) in subsection (b), by adding at the end the following:

"(3) In the case of a credit transaction described in paragraph (15) of subsection (a), disclosures required by that paragraph shall be made to the consumer at the time of application for such extension of credit.".

(2) Credit advertisements.—Section 144 of the Truth in Lending Act (15 U.S.C. 1664) is amended by adding at the end the following:

"(e) Each advertisement to which this section applies that relates to a consumer credit transaction that is secured by the principal dwelling of a consumer in which the extension of credit may exceed the fair market value of the dwelling, and which advertisement is disseminated in paper form to the public or through the Internet, as opposed to by radio or television, shall clearly and conspicuously state that—

"(1) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

"(2) the consumer should consult a tax adviser for further information regarding the deductibility of interest and charges.".

(c) Regulatory Implementation.—

(1) In general.—The Board shall promulgate regulations implementing the amendments made by this section.

(2) Effective date.—Regulations issued under paragraph (1) shall not take effect until the later of—

(A) 12 months after the date of enactment of this Act; or

(B) 12 months after the date of publication of such final regulations by the Board.

SEC. 1303. DISCLOSURES RELATED TO "INTRODUCTORY RATES".

(a) Introductory Rate Disclosures.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(6) Additional notice concerning 'introductory rates'.—

"(A) In general.—Except as provided in subparagraph (B), an application or solicitation to open a credit card account and all promotional materials accompanying such application or solicitation for which a disclosure is required under paragraph (1), and that offers a temporary annual percentage rate of interest, shall—

"(i) use the term 'introductory' in immediate proximity to each listing of the temporary annual percentage rate applicable to such account, which term shall appear clearly and conspicuously;

"(ii) if the annual percentage rate of interest that will apply after the end of the temporary rate period will be a fixed rate, state in a clear and conspicuous manner in a prominent location closely proximate to the first listing of the temporary annual percentage rate (other than a listing of the temporary annual percentage rate in the tabular format described in section 122(c)), the time period in which the introductory period will end and the annual percentage rate that will apply after the end of the introductory period; and

"(iii) if the annual percentage rate that will apply after the end of the temporary rate period will vary in accordance with an index, state in a clear and conspicuous manner in a prominent location closely proximate to the first listing of the temporary annual percentage rate (other than a listing in the tabular format prescribed by section 122(c)), the time period in which the introductory period will end and the rate that will apply after that, based on an annual percentage rate that was in effect within 60 days before the date of mailing the application or solicitation.

"(B) Exception.—Clauses (ii) and (iii) of subparagraph (A) do not apply with respect to any listing of a temporary annual percentage rate on an envelope or other enclosure in which an application or solicitation to open a credit card account is mailed.

"(C) Conditions for introductory rates.—An application or solicitation to open a credit card account for which a disclosure is required under paragraph (1), and that offers a temporary annual percentage rate of interest shall, if that rate of interest is revocable under any circumstance or upon any event, clearly and conspicuously disclose, in a prominent manner on or with such application or solicitation—

"(i) a general description of the circumstances that may result in the revocation of the temporary annual percentage rate; and

"(ii) if the annual percentage rate that will apply upon the revocation of the temporary annual percentage rate—

"(I) will be a fixed rate, the annual percentage rate that will apply upon the revocation of the temporary annual percentage rate; or

"(II) will vary in accordance with an index, the rate that will apply after the temporary rate, based on an annual percentage rate that was in effect within 60 days before the date of mailing the application or solicitation.

"(D) Definitions.—In this paragraph—

"(i) the terms 'temporary annual percentage rate of interest' and 'temporary annual percentage rate' mean any rate of interest applicable to a credit card account for an introductory period of less than 1 year, if that rate is less than an annual percentage rate that was in effect within 60 days before the date of mailing the application or solicitation; and

"(ii) the term 'introductory period' means the maximum time period for which the temporary annual percentage rate may be applicable.

"(E) RELATION TO OTHER DISCLOSURE REQUIREMENTS.—Nothing in this paragraph may be construed to supersede subsection (a) of section 122, or any disclosure required by paragraph (1) or any other provision of this subsection.".

(b) REGULATORY IMPLEMENTATION.—

(1) IN GENERAL.—The Board shall promulgate regulations implementing the requirements of section 127(c)(6) of the Truth in Lending Act, as added by this section.

(2) EFFECTIVE DATE.—Section 127(c)(6) of the Truth in Lending Act, as added by this section, and regulations issued under paragraph (1) of this subsection shall not take effect until the later of—

(A) 12 months after the date of enactment of this Act; or

(B) 12 months after the date of publication of such final regulations by the Board.

SEC. 1304. INTERNET-BASED CREDIT CARD SOLICITATIONS.

(a) INTERNET-BASED APPLICATIONS AND SOLICITATIONS.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(7) INTERNET-BASED APPLICATIONS AND SOLICITATIONS.—

"(A) IN GENERAL.—In any solicitation to open a credit card account for any person under an open end consumer credit plan using the Internet or other interactive computer service, the person making the solicitation shall clearly and conspicuously disclose—

"(i) the information described in subparagraphs (A) and (B) of paragraph (1); and

"(ii) the information described in paragraph (6).

"(B) FORM OF DISCLOSURE.—The disclosures required by subparagraph (A) shall be—

"(i) readily accessible to consumers in close proximity to the solicitation to open a credit card account; and

"(ii) updated regularly to reflect the current policies, terms, and fee amounts applicable to the credit card account.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks; and

"(ii) the term 'interactive computer service' means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including specifically a service or system that provides access to the Internet and such systems operated or services offered by libraries or educational institutions.".

(b) REGULATORY IMPLEMENTATION.—

(1) IN GENERAL.—The Board shall promulgate regulations implementing the requirements of section 127(c)(7) of the Truth in Lending Act, as added by this section.

(2) EFFECTIVE DATE.—The amendment made by subsection (a) and the regulations issued under paragraph (1) of this subsection shall not take effect until the later of—

(A) 12 months after the date of enactment of this Act; or

(B) 12 months after the date of publication of such final regulations by the Board.

SEC. 1305. DISCLOSURES RELATED TO LATE PAYMENT DEADLINES AND PENALTIES.

(a) DISCLOSURES RELATED TO LATE PAYMENT DEADLINES AND PENALTIES.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

"(12) If a late payment fee is to be imposed due to the failure of the obligor to make payment on or before a required payment due date, the following shall be stated clearly and conspicuously on the billing statement:

"(A) The date on which that payment is due or, if different, the earliest date on which a late payment fee may be charged.

"(B) The amount of the late payment fee to be imposed if payment is made after such date.".

(b) REGULATORY IMPLEMENTATION.—

(1) IN GENERAL.—The Board shall promulgate regulations implementing the requirements of section 127(b)(12) of the Truth in Lending Act, as added by this section.

(2) EFFECTIVE DATE.—The amendment made by subsection (a) and regulations issued under paragraph (1) of this subsection shall not take effect until the later of—

(A) 12 months after the date of enactment of this Act; or

(B) 12 months after the date of publication of such final regulations by the Board.

SEC. 1306. PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.

(a) PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.—Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

"(h) PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.—A creditor of an account under an open end consumer credit plan may not terminate an account prior to its expiration date solely because the consumer has not incurred finance charges on the account. Nothing in this subsection shall prohibit a creditor from terminating an account for inactivity in 3 or more consecutive months.".

(b) REGULATORY IMPLEMENTATION.—

(1) IN GENERAL.—The Board shall promulgate regulations implementing the requirements of section 127(h) of the Truth in Lending Act, as added by this section.

(2) EFFECTIVE DATE.—The amendment made by subsection (a) and regulations issued under paragraph (1) of this subsection shall not take effect until the later of—

(A) 12 months after the date of enactment of this Act; or

(B) 12 months after the date of publication of such final regulations by the Board.

SEC. 1307. DUAL USE DEBIT CARD.

(a) REPORT.—The Board may conduct a study of, and present to Congress a report containing its analysis of, consumer protections under existing law to limit the liability of consumers for unauthorized use of a debit card or similar access device. Such report, if submitted, shall include recommendations for legislative initiatives, if any, of the Board, based on its findings.

(b) CONSIDERATIONS.—In preparing a report under subsection (a), the Board may include—

(1) the extent to which section 909 of the Electronic Fund Transfer Act (15 U.S.C. 1693g), as in effect at the time of the report, and the implementing regulations promulgated by the Board to carry out that section provide adequate unauthorized use liability protection for consumers;

(2) the extent to which any voluntary industry rules have enhanced or may enhance the level of protection afforded consumers in connection with such unauthorized use liability; and

(3) whether amendments to the Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.), or revisions to regulations promulgated by the Board to carry out that Act, are necessary to further address adequate protection for consumers concerning unauthorized use liability.

SEC. 1308. STUDY OF BANKRUPTCY IMPACT OF CREDIT EXTENDED TO DEPENDENT STUDENTS.

(a) STUDY.—

(1) IN GENERAL.—The Board shall conduct a study regarding the impact that the extension of credit described in paragraph (2) has on the rate of bankruptcy cases filed under title 11, United States Code.

(2) EXTENSION OF CREDIT.—The extension of credit described in this paragraph is the extension of credit to individuals who are—

(A) claimed as dependents for purposes of the Internal Revenue Code of 1986; and

(B) enrolled within 1 year of successfully completing all required secondary education requirements and on a full-time basis, in postsecondary educational institutions.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Board shall submit to the Senate and the House of Representatives a report summarizing the results of the study conducted under subsection (a).

SEC. 1309. CLARIFICATION OF CLEAR AND CONSPICUOUS.

(a) REGULATIONS.—Not later than 6 months after the date of enactment of this Act, the Board, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), the National Credit Union Administration Board, and the Federal Trade Commission, shall promulgate regulations to provide guidance regarding the meaning of the term "clear and conspicuous", as used in subparagraphs (A), (B), and (C) of section 127(b)(11) and clauses (ii) and (iii) of section 127(c)(6)(A) of the Truth in Lending Act.

(b) EXAMPLES.—Regulations promulgated under subsection (a) shall include examples of clear and conspicuous model disclosures for the purposes of disclosures required by the provisions of the Truth in Lending Act referred to in subsection (a).

(c) STANDARDS.—In promulgating regulations under this section, the Board shall ensure that the clear and conspicuous standard required for disclosures made under the provisions of the Truth in Lending Act referred to in subsection (a) can be implemented in a manner which results in disclosures which are reasonably understandable and designed to call attention to the nature and significance of the information in the notice.

TITLE XIV—EMERGENCY ENERGY ASSISTANCE AND CONSERVATION MEASURES

SEC. 1401. SHORT TITLE.

This title may be cited as the "Energy Emergency Response Act of 2001".

SEC. 1402. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) high energy costs are causing hardship for families;

(2) restructured energy markets have increased the need for a higher and more consistent level of funding for low-income energy assistance programs;

(3) conservation programs implemented by the States and the low-income weatherization program reduce costs and need for additional energy supplies;

(4) energy conservation is a cornerstone of national energy security policy;

(5) the Federal Government is the largest consumer of energy in the economy of the United States; and

(6) many opportunities exist for significant energy cost savings within the Federal Government.

(b) PURPOSES.—The purposes of this title are to provide assistance to those individuals most affected by high energy prices and to promote and accelerate energy conservation investments in private and Federal facilities.

SEC. 1403. INCREASED FUNDING FOR LIHEAP, WEATHERIZATION AND STATE ENERGY GRANTS.

(a) LIHEAP.—(1) Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to carry out the provisions of this title (other than section 2607A), $3,400,000,000 for each of fiscal years 2001 through 2005.".

(2) Section 2605(b)(2) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)) is amended by adding at the end the following: "and except that during fiscal year 2001, a State may make payments under this title to households with incomes up to and including 200 percent of the poverty level for such State".

(b) WEATHERIZATION ASSISTANCE.—Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking "For fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$310,000,000 for fiscal years 2001 and 2002, $325,000,000 for fiscal year 2003, $400,000,000 for fiscal year 2004, and $500,000,000 for fiscal year 2005.".

(c) STATE ENERGY CONSERVATION GRANTS.—Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking "for fiscal years 1999 through 2003 such sums as may be necessary" and inserting: "$75,000,000 for each of fiscal years 2001 through 2005".

SEC. 1404. FEDERAL ENERGY MANAGEMENT REVIEWS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:

"(e) PRIORITY RESPONSE REVIEWS.—Each agency shall—

"(1) not later than October 1, 2001, undertake a comprehensive review of all practicable measures for—

"(A) increasing energy and water conservation; and

"(B) using renewable energy sources; and

"(2) not later than 180 days after completing the review, implement measures to achieve not less than 50 percent of the potential efficiency and renewable savings identified in the review.".

SEC. 1405. COST SAVINGS FROM REPLACEMENT FACILITIES.

Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

"(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at such replacement buildings or facilities when compared with costs of operation and maintenance at the buildings or facilities being replaced.

"(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in subparagraph (A).".

SEC. 1406. REPEAL OF ENERGY SAVINGS PERFORMANCE CONTRACT SUNSET.

Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is repealed.

SEC. 1407. ENERGY SAVINGS PERFORMANCE CONTRACT DEFINITIONS.

(a) ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2) The term 'energy savings' means a reduction in the cost of energy, water, or wastewater treatment from a base cost established through a methodology set forth in the contract, used by either—

"(A) an existing federally owned building or buildings or other federally owned facilities as a result of—

"(i) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(ii) more efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(iii) more efficient use of water at an existing federally owned building or buildings, in either interior or exterior applications; or

"(B) a replacement facility under section 801(a)(3).".

(b) ENERGY SAVINGS CONTRACT.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

"(3) The terms 'energy savings contract' and 'energy savings performance contract' mean a contract which provides for—

"(A) the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy, water conservation, or wastewater treatment measure or series of measures at one or more locations; or

"(B) energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities.".

(c) ENERGY OR WATER CONSERVATION MEASURE.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read a follows:

"(4) The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 551(4) (42 U.S.C. 8259(4)); or

"(B) a water conservation measure that improves the efficiency of water use, is life cycle cost effective, and involves water conservation, water recycling or reuse, improvements in operation or maintenance efficiencies, retrofit activities or other related activities, not affecting the power generating operations at a federally owned hydroelectric dam.".

SEC. 1408. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect upon the date of enactment of this title.

TITLE XV—GENERAL EFFECTIVE DATE; APPLICATION OF AMENDMENTS

SEC. 1501. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect 180 days after the date of enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—Except as otherwise provided in this Act, the amendments made by this Act shall not apply with respect to cases commenced under title 11, United States Code, before the effective date of this Act.

TITLE XVI—MISCELLANEOUS PROVISIONS

SEC. 1601. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.

(a) IN GENERAL.—Not later August 1, 2001, the Federal Crop Insurance Corporation shall promulgate final regulations to carry out section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 522(b)), without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Corporation shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—The final regulations promulgated under subsection (a) shall take effect on the date of publication of the final regulations.

ORDERS FOR TUESDAY, MARCH 20, 2001

Mr. McCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Tuesday, March 20. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of S. 27, the campaign finance reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. I further ask unanimous consent that the Senate stand in recess from the hours of 12:30 p.m. until 2:15 p.m. for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. McCONNELL. Mr. President, for the information of all Senators, the Senate will begin consideration of another amendment to the campaign finance reform bill beginning at 9:30 a.m. tomorrow. A vote is expected to occur at approximately noon, prior to adjourning for the weekly party conferences. When the Senate reconvenes at 2:15, further amendments will be offered. By a previous agreement, there will be up to 3 hours of debate prior to a vote in relation to amendments. Therefore, Senators may expect votes approximately every 3 hours throughout the day.

ORDER FOR ADJOURNMENT

Mr. McCONNELL. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of Senator LIEBERMAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

Mr. LIEBERMAN. I thank the Chair. I thank the Senator from Kentucky.

CAMPAIGN FINANCE REFORM

Mr. LIEBERMAN. Mr. President, I rise to speak about S. 27, the so-called McCain-Feingold campaign finance reform proposal, of which I am honored to be a cosponsor.

In taking up this proposal today, the Senate is embarking on a historic journey. Over the next couple of weeks, we will have an opportunity to do something that is really quite rare around here; that is, to debate, consider, and ultimately vote on the essential nature of our political system. That vote I believe will have a significant effect on the vitality and, indeed, on the viability long term of our Democrat democracy.

No less than our forefathers who drafted the Constitution, we will be asked in the days ahead to take a stand on how we believe our Government should work and to whom its leaders should be held accountable.

These are the questions we will be considering and debating in this proposal:

Do we want a government in which power comes from the people, and those who are privileged to exercise that power are ultimately accountable to the people?

Will we uphold the ideal of our democracy so that the passion and force with which people articulate their views and the votes that they cast on election day are the means through which they influence our Government's direction, or do we want a system where the size of a person's wallet or the depth of an interest group's bank account count more than a person's views or votes?

I do not believe that anyone in this body would embrace the latter vision of our Republic. But that is precisely, I believe, where our Government is headed if we do not enact the bill we are debating today. For too many years, we have allowed money and the never ending chase for it to undermine our political system, to breed cynicism among our citizens, and to compromise the essential principle of our democracy. For, after all, America is supposed to be a country where every citizen has an equal say in the Government's decisions, and every citizen has an equal ability, in the words of the Constitution, to petition the Government for a redress of grievances.

As that great observer of America's Democratic genius Alexis de Tocqueville put it when he analyzed our Nation's political system during the 19th century:

> The people reign in the American political world as the Deity does in the universe. They are the cause and the aim of all things; everything comes from them, and everything is absorbed in them.

How far we have come. I question whether any current observer of American politics could repeat de Tocqueville's statement with a straight face.

Look at what has become of our system. Virtually every day in this city an event is held where the price of admission far exceeds what the overwhelming majority of Americans can ever dream of giving to a candidate or a political party. For $1-, $5-, $10-, $50- or $100,000, wealthy individuals or interest groups can buy the time of candidates and elected officials, gaining access and thereby influence that is far beyond the grasp of those who have only their voice and their votes to offer.

Our national political parties publicly tout the access and influence big donor donations can buy. One even advertises on its web site that a $100,000 donation will bring meetings and contacts with Congressional leadership throughout the year, and tells us it is "designed specifically for the Washington-based corporate or PAC representative" a donor group whose entry price is $15,000.

For that amount, the party's web site tells us, donors get into a club whose agenda "is simple—bringing the best of our party's supporters together with our congressional leadership for a continuing, collegial dialogue on current policy issues."

Needless to say, the political parties selling these tickets to access and influence have found buyers aplenty. In 1997, I spent the better part of a year participating in the Governmental Affairs Committee's investigation into campaign finance abuses during the 1996 campaign. Our attention was riveted by marginal hustlers such as Johnny Chung who compared the White House to a subway, saying, "You have to put in coins to open the gates," and Roger Tamraz, who told us that he did not even bother to register to vote because he knew that his donations would get him so much more.

Appalling as these stories were, they, in the end, obscured a far greater scandal; that is, the far more prevalent collection of big soft dollar donations comes not from opportunistic hangers on but from mainstream corporations, unions and individuals.

Staggering amounts have gone to both political parties. During the election cycle that just ended, the parties collectively raised $1.2 billion, almost double the amount raised in 1998, and 37 percent more than in the last Presidential cycle.

The bulk of those increases came in the form of soft money—the unlimited large dollar donations from individuals and interest groups. Republicans raised $244.4 million in soft money while Democrats raised $243 million. For Republicans, it was a 73-percent increase over the last cycle, and for Democrats it nearly doubled what they raised during the last cycle.

When compared to election cycles further back, the numbers become all the more jolting. The 1996 soft money record that was blown away by this cycle's fundraising was itself 242 percent higher than the 1992 soft money fundraising in the case of Democrats and in the case of Republicans 178 percent higher. The roughly $262 million in party soft money raised in 1992, itself, dwarfed the approximately $19 million raised in the 1980 cycle, and the $21.6 million raised in the 1984 cycle was also dwarfed by those numbers.

The bottom line is that since soft money, and the loophole that allowed it into our political system, entered the system some 20 years ago, it has grown exponentially in each cycle, from barely $20 million in total in 1980 to nearly $500 million—a half a billion dollars—last year. And it is difficult to see any end in sight to this exponential growth of soft money except S. 27, the McCain-Feingold campaign finance reform proposal.

Is it any wonder, with these numbers, that the American people—they who are supposed to be the true source of our Government's authority—have been so turned off by politics that many of them no longer trust our Government or even bother to vote?

This must end or our noble journey in self-government will veer further and further from its principled course. When the price of entry to our democracy's discussions starts to approach the average American's annual salary, something is terribly wrong. When we have a two-tiered system of access and influence—one for the average volunteer and one for the big contributor—something is terribly wrong. And when the big contributor's ticket is for a front-row seat, while the voter's is for standing room only, something is most definitely terribly wrong.

Our opponents will continue, I understand, to see the situation differently. Money, they tell us, is just speech in another form. And the outlandish increases we have seen in political giving, they say, are actually signs of the vibrancy of our marketplace of ideas. It is a market place all right, but what is for sale is most certainly not ideas, and what is threatened most certainly is not free speech.

Free speech is a principle we all hold dear. But free speech is about the inalienable right every American has to express his or her views without Government interference. It is about the vision the framers of our Constitution enshrined in that great document, a vision that ensures both we in Congress and those outside—every citizen—will never be forced to compromise our American birth right to offer opinions, even and particularly when those are unpopular or discomforting to those in power.

That simply is not at issue in this debate, not at issue as a result of the McCain-Feingold proposal. Absolutely nothing in this bill will do anything to diminish or threaten any American's right to express his or her views about candidates running for office or about any problem or any issue in American life. Indeed, if more money in the system were a sign of more Americans speaking and more Americans being better informed, then we would have significantly more vibrant elections, dramatically more informative campaigns, increasingly larger voter turnout, and better and better public debates than we had 20 years ago before soft money exploded onto the scene.

I challenge anyone in this body or outside to say that is the case. It most certainly is not. To the contrary, this campaign finance reform proposal would actually enhance our polity's free speech rights. Under the current system, the voice of monied interests drowns out the voice of average Americans, often preventing them from being truly heard in our public policy debates. In that sense, it is the current system, with its addiction to soft money and all its maleffects, that limits free speech, and it is this bill, the McCain-Feingold bill, that will restore Americans' true ability to exercise their rights of expression without limit and with full effect.

In short, Mr. President, what would be threatened by this bill is not speech but something entirely different, the ever increasing and disproportionate power that those with money have in our political system. That is threatening a principle that I would guess all of us hold just as dearly—perhaps more dearly—as the principle of free speech, and that is the principle of democracy, that literally sacred ideal that shaped our Republic and still does, which promises that each person has one vote and that each and every one of us, to paraphrase the words from the Bible, from the heads of the tribes to the priests of the temple to the hewers of wood and the bearers of water, each of us has an equal right and an equal ability to influence the workings of our government.

As it stands now, it is that sacred principle—I use that adjective intentionally—that is under attack. It is that sacred principle that will remain under attack until we do something to protect it. That something, I submit, is campaign finance reform.

Unless we act to reform our campaign finance system, people with money will continue, as they give it, to have a disproportionate influence in our system. The American people will continue to lose faith in our government's institutions and their independence, and the genius of our Republic, that it is our citizenship, not our status, that gives each of us equal power to play a role in our country's government, will be lost.

Before yielding the floor, I will say a couple of words about some of the alternative plans that have been proposed. As do Senators MCCAIN and FEINGOLD, I welcome any sincere effort at reform. None of us would ever presume to say that our way is the only way. What we will absolutely reject is any suggestion that something is reformed just because a person who proposes it says it is reformed.

The problem we are dealing with, as I have said this evening, is that there is too much money in the system coming from sources such as corporations and unions that under our laws are not supposed to be contributing to these national elections at all and coming from individuals who, since the post-Watergate reforms, were supposed to give a limited amount, no more than $2,000 to any one campaign. Anyone with a proposal that does not address this critical problem, which is the problem of soft money and the loophole that has invited it, is not proposing reform. That is the essence of what this is about. It is that simple, ultimately.

For example, I have heard some say that true campaign finance reform requires so-called paycheck protection. I oppose that principle on its merits. It is a bad idea under any circumstances. There are others who support McCain-Feingold who disagree with me and support paycheck protection who think it is a good idea. All of us should be able to agree that whatever we think of paycheck protection on its own, it is not campaign finance reform. It won't get a single dollar that should not be in our political system out of the system. It won't do a single thing to stop the most malignant aspect of our campaign finance system today, which is unlimited soft money.

The bottom line is this: For too long we have watched as our Nation's greatest treasure, its commitment to democracy, has been pillaged by the ever escalating chase for money. It is time for this Senate to say that enough is enough, to remove the disproportionate power of some over our political system, and to restore the political influence and confidence to where our Nation's founding principles say it should be—with the people, with the voters.

Over the next couple of weeks, important weeks in the history of this Senate and Nation, that is what we can do. I pray that we will.

I thank the Chair. I thank my colleagues.

UNANIMOUS CONSENT AGREEMENT—S. 420

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that with respect to S. 420, amendments numbered 43, 54, and 66 be modified or further modified with the changes at the desk. These changes are needed to make technical corrections.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments, as modified, are as follows:

AMENDMENT NO. 43, AS MODIFIED

On page 134, line 11 of amendment number 68, strike "discharge a debtor" and insert "discharge an individual debtor".

On page 244, line 8, strike "described in section 523(a)(2)" and insert "described in subparagraph (A) or (B) of section 523(a)(2) that is owed to a domestic governmental unit or owed to a person as the result of an action filed under subchapter III of chapter 37 of title 31, United States Code, or any similar State statute,".

AMENDMENT NO. 54, AS FURTHER MODIFIED

On page 13 of amendment number 68 strike line 1 and all that follows through line 3, and insert the following:

"(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502, if the debtor has received a discharge: (1) in a case filed under chapter 7, 11 or 12 of this title during the three-year period preceding the date of the order for relief under this chapter, or (2) in a case filed under chapter 13 of this title during the two-year period preceding the date of such order, except that if the debtor demonstrates extreme hardship requiring that a chapter 13 case be filed, the court may shorten the two-year period.".

AMENDMENT NO. 66, AS FURTHER MODIFIED

Strike line 1, page 22 to line 17, page 22 of amendment number 68 and insert in lieu thereof—

"(f) An individual debtor in a case under chapter 7, 11, or 13 shall file with the court at the request of the Judge, U.S. Trustee, or any party in interest—

"(1) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, with respect to the period from the commencement of the case until such time as the case is closed;

"(2) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order of relief;

"(3) any amendments to any of the Federal tax returns or transcripts thereof, described in paragraph (1) or (2); and".

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9:30 a.m. on Tuesday, March 20, 2001.

Thereupon, the Senate, at 7:17 p.m., adjourned until Tuesday, March 20, 2001, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 19, 2001:

COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 211:

To be ensign

QUINCEY N ADAMS, 9322
MARC H AKUS, 7132
LISA A ALBRECHT, 2378
NATHAN W ALLEN, 1316
RYAN J ALLEN, 7083
CHRISTOPHER M ARMSTRONG, 0408
AMANDA M AUSFELD, 6690
CHARLES L. BANKS JR., 6792
DAVID M BAUER, 7841
ANDREW J BEHNKE, 5630
JOSEPH T BENIN, 5446
MICHAEL A BENSON, 9058
JONATHAN D BERKSHIRE, 8275
ROBERT J BERRY II, 8726
FRED S BERTSCH IV, 8656
VALERIE A BOUCHARD, 8200
RUBEN E BOUDREAUX, 9569
KEVIN C BOYD JR., 0748
MICHAEL J BOYES, 4659
JEFFREY A BREWER, 8882
CHAD R BRICK, 2582
MORGAN T BROWN, 8429
BRYAN J BURKHALTER, 2821
CRAIG R BUSH, 5990
RICHARD C BUTLER, 2965
JESSICA M BYLSMA, 1393
MICHAEL J CALHOUN, 1854
IAN L CALLANDER, 1950
BRIAN R CARROLL, 2278
PAUL R CASEY, 6556
ERIC M CASPER, 3684
JACOB L CASS, 9332
JOSEPH L CASTANEDA, 7750
BARBARA CHABIOR, 3681
RYAN M CHEVALIER, 7940
MICHAEL P CHIEN, 4614
MELISSA CHILDERS, 3355
SCOTT P CIEPLIK, 2267
TRAVIS S COLLIER, 3998
JOSEPH R COOPER, 6395
MICHAEL N COST, 5910
JUSTIN K COVERT, 9415
WILLIAM G CROCKER, 0414
JAMIE B CRONENBERGER, 4374
MELISSA J CURREN, 6435
STACIA F CWIKLINSKI, 2636
TIO C DEVANEY, 9878
MICHAEL S DIPACE, 1786
AARON N DOWE, 7104
KEVIN F DUFFY, 3763
MARY M DWYER, 7768
DANIEL J EVERETTE, 6504
CHRISTOPHER W FERTIG, 7256
JAMES W FIFE III, 3536
ROBERT B FINLEY, 3793
FRANK J FLORIO III, 3132
ZACHARY R FORD, 1675
MATTHEW P FRAZEE, 3381
BRIAN B GALLEANO, 5903
LEE E GITSCHIER, 0825
ROBERT H GOMEZ, 5302
KRISTA J GORDON, 7006
JOHN A GOSHORN, 9559
BROOKE E GRANT, 0223
RICHARD O GUNAGAN, 5444
GREGORY M HAAS, 2909
RUSSELL S HALL, 3135
JEREMY M HALL, 8394
MARCUS A HANDY, 2615
BYRON H HAYES, 2975
ANDREW J HOAG, 5773
JONATHAN R HOFLICH, 7726
WHITNEY H HOUCK, 4680
SAMUEL J HUDSON, 9881
NICOLAS A JARBOE, 1778
MAX M JENNY, 6604
KHRISTOPHER D JOHNS, 3960
DAVID F JOHNSON, 3785
MICHAEL A KARNATH, 0645
ROBIN H KAWAMOTO, 0342
KEVIN A KEENAN, 0990
KRISTY A KENDIG, 4001
TIMOTHY J KEYSER, 3108
AJA L KIRKSEY, 4746
MAURA L KOLARCIK, 8425
JOHN P KOUSCH, 2551
DAVID J KOWALCZYK JR., 9990
KEVIN M KURCZEWSKI, 0129
ERIKA J LINDBERG, 3303
COLIN B MACINNES, 6731
MAUREEN D MAJEWSKI, 4223
PAUL J MANGINI, 0475
KELLY MASTROTOTARO, 2512
RYAN P MATSON, 9922
JOSEPH W MATTHEWS, 8668
MICHAEL D MCDONNELL, 3196
BRANDON P MCGOWAN, 6224
BLAKE A MCKINNEY, 5048
JAMES D MCMANUS, 2769
BRAD M MCNALLY, 8281
JOSEPH W MCPHERSON III, 0217
JOHN M MCTAMNEY IV, 6146
SARA A MESERVE, 9405
LAURA K MILLEN, 1630
JASON R MITCHELL, 8254
FRANCISCO L MONTALVO, 4846
LEAH F MOONEY, 6980
BENJAMIN P MORGAN, 7397
MATTHEW A MOYER, 0802
RYAN T MURPHY, 6184
MICHAEL P NEEDHAM, 6925
MARK R NEELAND, 3707
DION K NICELY, 3634
JUSTIN W NOGGLE, 8126
KAREN A NORCROSS, 0133
GREGORY F NORTE, 7718
MARTIN L NOSSETT IV, 4680
JAMES M OMARA IV, 6278
ROGER E OMENHISER JR., 6205
MARK G ORLANDO, 6123
BRENDAN P OSHEA, 7188
SCOTT D OSTROWSKI, 1433
ANDREA J PARKER, 8754
CHESTER A PASSIC, 1171
JEFFREY L PAYNE, 0993
JAMIE M PENDERGRASS, 6773
THOMAS T PEQUIGNOT, 9286
DONTE D PERRY, 9267
CATHERINE A PHILLIPS, 5643
JEFFREY R PLATT, 2439
JORGE PORTO, 6923
CHRIS R PRAY, 3410
KEVIN J PUZDER, 7292
KEITH D PUZDER, 6033
MEREDITH A QUEEN, 7817
MEG M RAPELYE, 2655
JENNIFER S RAYWOOD, 1510
SHEILA A REISER, 9885
THOMAS J RILEY III, 8605
PAUL G RISHAR, 5302
KATINA M ROGERS, 8474
KYLE W RYAN, 7726
JAN A RYBKA, 1118
KEVIN B SAUNDERS, 2994
BENJAMIN J SCHLUCKEBIER, 7359
HEATHER N SENYKOFF, 7582
BROOK W SHERMAN, 6704
JOSEPH F SILKOWSKI, 8586
KAREN SIMON, 9872
LORING V SITTLER, 0920
LAURA J SMOLINSKI, 5742
JOAN SNAITH, 2517
EDWARD L SOLIVEN, 3263
TERRY A STADERMAN II, 1804
JESSICA R STYRON, 1085
JAMES K TERRELL, 0707
EMILY L THARP, 5043
ALLYSON M THOMPSON, 6835
KRISTINA L THOMSEN, 5870
DAVID A TORRES, 1614
MICHAEL A VENTURELLA, 2764
MATTHEW J WALKER, 4034
WILLIAM R WALKER, 3816
TERRANCE F WALLACE, 7421
JAMES W WIMBERLEY JR., 5801
CHRISTOPHER L WRIGHT, 9066
KATHRYN L WUNDERLICH, 8464

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. JAMES SANDERS, 8595
BRIG. GEN. DAVID E. TANZI, 1976

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. KEVIN P. CHILTON, 6603
BRIG. GEN. JOHN D. W. CORLEY, 9553
BRIG. GEN. TOMMY F. CRAWFORD, 8769
BRIG. GEN. CHARLES E. CROOM JR., 6468
BRIG. GEN. DAVID A. DEPTULA, 6792
BRIG. GEN. GARY R. DYLEWSKI, 7306
BRIG. GEN. MICHAEL A. HAMEL, 2699
BRIG. GEN. JAMES A. HAWKINS, 6268
BRIG. GEN. GARY W. HECKMAN, 6559
BRIG. GEN. JEFFREY B. KOHLER, 6994
BRIG. GEN. EDWARD L. LAFOUNTAINE, 5918
BRIG. GEN. DENNIS R. LARSEN, 3094
BRIG. GEN. DANIEL P. LEAF, 9223
BRIG. GEN. MAURICE L. MCFANN JR., 9309
BRIG. GEN. RICHARD A. MENTEMEYER, 6097
BRIG. GEN. DALE W. MEYERROSE, 1611
BRIG. GEN. PAUL D. NIELSEN, 2184
BRIG. GEN. THOMAS A. O'RIORDAN, 0904
BRIG. GEN. WILBERT D. PEARSON JR., 4130
BRIG. GEN. QUENTIN L. PETERSON, 7151
BRIG. GEN. LORRAINE K. POTTER, 9945
BRIG. GEN. JAMES G. ROUDEBUSH, 9187
BRIG. GEN. MARY L. SAUNDERS, 9530
BRIG. GEN. JOSEPH B. SOVEY, 2815
BRIG. GEN. JOHN M. SPEIGEL, 5018
BRIG. GEN. CRAIG P. WESTON, 3970
BRIG. GEN. DONALD J. WETEKAM, 0322
BRIG. GEN. GARY A. WINTERBERGER, 7009

WITHDRAWALS

EXECUTIVE MESSAGE TRANSMITTED BY THE PRESIDENT TO THE SENATE ON MARCH 19, 2001, WITHDRAWING FROM FURTHER SENATE CONSIDERATION THE FOLLOWING NOMINATIONS:

THE FOLLOWING-NAMED PERSONS TO THE POSITIONS INDICATED, WHICH WERE SENT TO THE SENATE ON JANUARY 3, 2001:

BONNIE J. CAMPBELL, OF IOWA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT, VICE GEORGE G. FAGG, RETIRED.

JAMES E. DUFFY, JR., OF HAWAII, TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE CYNTHIA HOLCOMB HALL, RETIRED.

BARRY P. GOODE, OF CALIFORNIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE CHARLES E. WIGGINS, RETIRED.

ROGER L. GREGORY, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

KATHLEEN MCCREE LEWIS, OF MICHIGAN, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT, VICE CORNELIA G. KENNEDY, RETIRED.

ENRIQUE MORENO, OF TEXAS, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT, VICE WILLIAM L. GARWOOD, RETIRED.

HELENE N. WHITE, OF MICHIGAN, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT, VICE DAMON J. KEITH, RETIRED.

SARAH L. WILSON, OF MARYLAND, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS, VICE LOREN A. SMITH, TERM EXPIRED.

JAMES A. WYNN, JR., OF NORTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT, VICE JAMES DICKSON PHILLIPS, JR., RETIRED.

THE FOLLOWING-NAMED PERSON, WHICH WAS SENT TO THE SENATE ON JANUARY 4, 2001:

ALSTON JOHNSON, OF LOUISIANA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT, VICE JOHN M. DUHE, JR.

THE FOLLOWING-NAMED PERSONS, WHICH WERE SENT TO THE SENATE ON JANUARY 5, 2001:

JAMES V. AIDALA, OF VIRGINIA, TO BE ASSISTANT ADMINISTRATOR FOR TOXIC SUBSTANCES OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE LYNN R. GOLDMAN, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

NINA M. ARCHABAL, OF MINNESOTA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE NICHOLAS KANELLOS, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED TO DURING THE LAST RECESS OF THE SENATE.

JAMES H. ATKINS, OF ARKANSAS, TO BE MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING SEPTEMBER 25, 2004, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

GEOFF BACINO, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL CREDIT UNION ADMINISTRATION BOARD FOR THE TERM OF SIX YEARS EXPIRING AUGUST 2, 2005, VICE NORMAN E. D'AMOURS, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

BETTY G. BENGTSON, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE RAMON A. GUTIERREZ, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ALLEN E. CARRIER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM EXPIRING MAY 19, 2004, VICE DUANE H. KING, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

RON CHEW, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE ROBERT I. ROTBERG, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

EDWARD CORREIA, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2002, VICE MICHAEL B. UNHJEM, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

GEORGE DARDEN, OF GEORGIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR THE TERM EXPIRING

DECEMBER 17, 2003, VICE ZELL MILLER, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DENNIS M. DEVANEY, OF MICHIGAN, TO BE A MEMBER OF THE UNITED STATES INTERNATIONAL TRADE COMMISSION FOR A TERM EXPIRING DECEMBER 16, 2009, VICE THELMA J. ASKEY, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

JAMES F. DOBBINS, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE (EUROPEAN AFFAIRS), VICE MARC GROSSMAN, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

JAMES A. DORSKIND, OF CALIFORNIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE, VICE ANDREW J. PINCUS, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

BILL DUKE, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE CHARLES PATRICK HENRY, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

MICHAEL V. DUNN, OF IOWA, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION BOARD, FARM CREDIT ADMINISTRATION FOR A TERM EXPIRING OCTOBER 13, 2006, VICE MARSHA P. MARTIN, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

FRED P. DUVAL, OF ARIZONA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING OCTOBER 6, 2002, VICE ANN BROWNELL SLOANE, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ROSS EDWARD EISENBREY, OF THE DISTRICT OF COLUMBIA, TO BE MEMBER OF THE OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION FOR A TERM EXPIRING APRIL 27, 2005, VICE STUART E. WEISBERG, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

JAYNE G. FAWCETT, OF CONNECTICUT, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM EXPIRING MAY 19, 2006, VICE ALFRED H. QOYAWAYMA, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

TONI G. FAY, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM EXPIRING OCTOBER 6, 2001, VICE JOHN ROTHER, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ANITA PEREZ FERGUSON, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2006, VICE MARIA OTERO, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DONALD L. FIXICO, OF KANSAS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2004, VICE ALAN CHARLES KORS, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

GREGORY M. FRAZIER, OF KANSAS, TO BE CHIEF AGRICULTURAL NEGOTIATOR, OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

HSIN-MING FUNG, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2006, VICE SPEIGHT JENKINS, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

HENRY GLASSIE, OF INDIANA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE MARTHA CONGLETON HOWELL, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

JAMES JOHN HOECKER, OF VIRGINIA, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE TERM EXPIRING JUNE 30, 2005, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

PAULETTE H. HOLAHAN, OF LOUISIANA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2004, VICE MARY S. FURLONG, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ELWOOD HOLSTEIN, JR., OF NEW JERSEY, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE, VICE TERRY D. GARCIA, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

MARY D. HUBBARD, OF ALABAMA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2004, VICE THEODORE S. HAMEROW, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

TIMOTHY EARL JONES, SR., OF GEORGIA, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS, VICE MARIE F. RAGGHIANTI, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ARTHENIA L. JOYNER, OF FLORIDA, TO BE A MEMBER OF THE FEDERAL AVIATION MANAGEMENT ADVISORY COUNCIL FOR A TERM OF ONE YEAR (NEW POSITION), TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

JOHN R. LACEY, OF CONNECTICUT, TO BE CHAIRMAN OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR A TERM EXPIRING SEPTEMBER 30, 2003, VICE DELISSA A. RIDGWAY, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

MIGUEL D. LAUSELL, OF PUERTO RICO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2003, VICE JOHN CRYSTAL, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

EDWIN A. LEVINE, OF FLORIDA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE DAVID GARDINER, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ROBERT MAYS LYFORD, OF ARKANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2002, VICE HARVEY SIGELBAUM, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

SHERYL R. MARSHALL, OF MASSACHUSETTS, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING OCTOBER 11, 2002, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

MARILYN GELL MASON, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2003, VICE JOEL DAVID VALDEZ, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

LARAMIE FAITH MCNAMARA, OF VIRGINIA, TO BE A MEMBER OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR A TERM EXPIRING SEPTEMBER 30, 2001, VICE JOHN R. LACEY, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ALLAN I. MENDELOWITZ, OF CONNECTICUT, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2007, VICE BRUCE A. MORRISON, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

SUSAN NESS, OF MARYLAND, TO BE A MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION FOR A TERM OF FIVE YEARS FROM JULY 1, 1999, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

NAOMI SHIHAB NYE, OF TEXAS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE BEV LINDSEY, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DAVID Z. PLAVIN, OF NEW YORK, TO BE A MEMBER OF THE FEDERAL AVIATION MANAGEMENT ADVISORY COUNCIL FOR A TERM OF ONE YEAR (NEW POSITION), TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DONALD L. ROBINSON, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2002, VICE GARY N. SUDDUTH, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

PETER F. ROMERO, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE (INTER-AMERICAN AFFAIRS), VICE JEFFREY DAVIDOW, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

VICKI L. RUIZ, OF ARIZONA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE HAROLD K. SKRAMSTAD, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

BARBARA J. SAPIN, OF MARYLAND, TO BE A MEMBER OF THE MERIT SYSTEMS PROTECTION BOARD FOR THE TERM OF SEVEN YEARS EXPIRING MARCH 1, 2007, VICE BENJAMIN LEADER ERDREICH, RESIGNED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

GERALD S. SEGAL, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 2003, VICE SHIRLEY W. RYAN, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ISLAM A. SIDDIQUI, OF CALIFORNIA, TO BE UNDER SECRETARY OF AGRICULTURE FOR MARKETING AND REGULATORY PROGRAMS, VICE MICHAEL V. DUNN, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

BETH SUSAN SLAVET, OF MASSACHUSETTS, TO BE CHAIRMAN OF THE MERIT SYSTEMS PROTECTION BOARD, VICE BENJAMIN LEADER ERDREICH, RESIGNED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

KENNETH LEE SMITH, OF ARKANSAS, TO BE ASSISTANT SECRETARY FOR FISH AND WILDLIFE, DEPARTMENT OF THE INTERIOR, VICE DONALD J. BARRY, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ISABEL CARTER STEWART, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 2006, VICE DAVID FINN, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

SHIBLEY TELHAMI, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE UNITED STATES INSTITUTE OF PEACE FOR A TERM EXPIRING JANUARY 19, 2001, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DENNIS P. WALSH, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING DECEMBER 16, 2004, VICE SARAH MCCRACKEN FOX, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

JUDITH A. WINSTON, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF EDUCATION, VICE MARSHALL S. SMITH, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

EXTENSIONS OF REMARKS

IN HONOR OF WOODIE KING, JR.'S, NEW FEDERAL THEATRE ON ITS 30TH ANNIVERSARY

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to Woodie King, Jr.'s, New Federal Theatre, which will be honored at a celebration of its 30th anniversary on March 25, 2001. For 30 years, Woodie King, Jr.'s, New Federal Theatre has provided emerging playwrights the opportunity to have their work produced and given employment opportunities to minority actors, directors, and producers.

The celebration will be hosted by such luminary actors as, among others, Debbie Allen and Avery Brooks, and Angela Bassett, Ossie Davis, Ruby Dee, Leslie Uggams, Shirley Verrett, and Susan Taylor. Chairs for the event will be Maya Angelou, Camille O. Cosby, Toni Fay, Byron Lewis, and Percy Sutton. Sydney Poitier serves as an advisor. Along with celebrating the anniversary of the New Federal Theatre, the event will also honor the Shubert's Gerald Schoenfield, directors Lloyd Richards and Shauneille Perry, producers Wynn Handman, Phillip Rose, and Michael Bevins, the Coca Cola Foundation education director. Posthumous honorees include photographer Bert Andrews and costume designer Judy Dearing.

Woodie King Jr.'s New Federal Theatre presented its first production in the 1970–1971 season and has produced more than 175 plays, including the award-winning plays For Colored Girls Who Have Considered Suicide/When the Rainbow is Enuf, Child of the Sun, and Black Girl. Among the many notable directors whose work has been shown at the New Federal Theatre include Laurence Holder, Damien Lake, and Ron Milner. Some of the more well-known actors who have performed at the theater include Morgan Freeman, Denzel Washington, and Debbie Morgan.

The New Federal Theatre is named after Woodie King Jr., the founder and producing director of the New Federal Theatre and National Black Touring Circuit in New York City. In the thirty-year history of the theater, Woodie King has presented more then 150 productions, both Broadway and off-Broadway shows. Among his many awards, Mr. King is the recipient of an Obie Award for Sustained Achievement as well as an Honorary Doctorate in Humane Letters from Wayne State University and a Doctorate of Fine Arts from the College of Wooster. His 1974–75 production of The Taking of Miss Janie, which he produced, won a Drama Critics Circle Award as Best New American Play. Aside from his work at the New Federal Theatre, Mr. King has produced and directed shows all over the nation, with his work appearing in Atlanta, Detroit, St. Louis, Brooklyn, and Bermuda.

For 30 years, Woodie King Jr.'s New Federal Theatre has provided enormously talented imaginative, and creative minorities with the chance to present their work in an established and professional theatrical venue. Without the opportunity to perform at Woodie King's New Federal Theatre, encouraged by Woodie King himself, many of today's most successful and promising theater professionals would have perhaps never achieved their current successes.

Mr. Speaker, I ask my colleagues to join in acknowledging Woodie King and the pioneers of Woodie King's New Federal Theatre on the theater's thirtieth anniversary. Woodie King's New Federal Theatre, with a stellar record of accomplishment, has truly made an important contribution to American Theater.

INTRODUCTION OF THE PRUDENTIAL SPIRIT OF COMMUNITY AWARDS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mr. YOUNG of Alaska. Mr. Speaker, I would like to congratulate and honor a young student from Alaska who has achieved national recognition for exemplary volunteer service in her community. Kari Wise of Anchorage has just been named one of Alaska's top honorees in The 2001 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia and Puerto Rico.

Ms. Wise is being recognized for developing a program designed to help middle school students lead healthy and positive lives as they begin high school. Her program, named "View on Your Future Is All About YOU," helped young students realize destructive behavior is not the answer for dealing with difficult life experiences.

In light of numerous statistics that indicate Americans today are less involved in their communities than they once were, it's vital that we encourage the selfless contributions this young woman has made. People of all ages need to think more about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and neighborhoods. Young volunteers like Ms. Wise are inspiring all of us, and are among our brightest hopes for a better tomorrow.

The Prudential Spirit of Community Awards program brought this young role model to our attention. This program was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all young volunteers that their contributions are critically important and highly valued. Over the past six years, the program has become the nation's largest youth effort based on community service, with an estimated 100,000 youngsters participating since its inception.

We are extremely proud that Ms. Wise has been singled out from such a large group of dedicated volunteers. I applaud Ms. Wise for her initiative in seeking to make her community a better place to live, and for the positive impact she has had on the lives of others. Clearly, she has demonstrated a level of commitment and accomplishment that deserves our sincere admiration and respect. Her actions show that young Americans can, and do, play an important role in our communities.

TRIBUTE TO KEVIN KANNENGEISER

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Ms. ESHOO. Mr. Speaker, I rise today to honor Kevin Kannengeiser, an extraordinary teacher, coach, friend, and mentor to the students at St. Nicholas School in Los Altos Hills, California.

Mr. Kannengeiser or Mr. K, as he is known to his students, came to St. Nicholas School in January, 1977. During his 25 years at St. Nicholas, he has worked tirelessly on behalf of his students. As the 8th grade homeroom teacher and Chair of the Mathematics Department, Mr. K dedicates himself to educating, advising and guiding his students. His commitment is evident through his consistent work to offer his students educational opportunities in and out of the classroom.

Ten years ago, Mr. Kannengeiser launched the idea of taking his Social Studies students on an annual trip to Washington, D.C., so that they would better understand the workings of our government. As athletic director, Mr. K coaches the boys' basketball team, and for the last 27 years he has hosted the Annual Boys Basketball Tournament in the Bay Area.

Mr. Speaker, I ask my colleagues to join me in paying tribute to an outstanding community leader and a remarkable teacher who has touched the lives of countless students and serves as an inspiration to so many. Mr. K has sacrificed financially to remain in the Catholic education system. He has earned the deepest respect and admiration of his colleagues, of parents, and his students for his extraordinary dedication and effectiveness in all he does at St. Nicholas School.

Mr. Speaker, we are indeed a better nation and a better people, because of Kevin

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Kannengeiser and it is a privilege to honor my constituent for his very special leadership.

PERSONAL EXPLANATION

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mr. DAVIS. Mr. Speaker, I was unavoidably absent from the House at the time of votes on two measures. Had I been present, my vote on H.R. 861, to make technical amendments to section 10 of title 9 of the United States Code would have been "aye." In addition, I would have voted "aye" on H.R. 721, the Made In American Information Act.

IN HONOR OF BARBARA CORNWALL LYSSARIDES, AUTHOR OF MY OLD ACQUAINTANCE: YESTERDAY IN CYPRUS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to Ms. Barbara Cornwall Lyssarides, a Cypriot-American journalist whose recently published book, My Old Acquaintance: Yesterday in Cyprus, details the recent history of the island of Cyprus. Ms. Lyssarides will be honored on the evening of March 7, 2001 by Cyprus's Consulate General to the United States, Mr. Vasilis Philippou, at a book signing presentation at the Consulate General's office in New York.

Ms. Lyssarides is an accomplished journalist whose previous books include a first-hand account of guerrilla warfare in the Portuguese colonies of Africa, which was published in New York and London. When the National Organization of Cypriot Struggle (EOKA) launched a rebellion for independence from British rule on October 1, 1960, Ms. Lyssarides covered it as a young staff reporter and feature writer for the daily Times of Cyprus.

Ms. Lyssarides has spent much of her life living abroad, mostly in Cyprus. She was born in Detroit, Michigan and received her degree in history from Wayne State University, where she also studied journalism. Throughout her career, Ms. Lyssarides has traveled all over the world, serving as a reporter for numerous foreign newspapers.

In her introduction to My Old Acquaintance, Ms. Lyssarides writes:

> Over the millennia, Cyprus has been sold, colonized, inherited, borrowed, lent, defeated, delivered, neglected, isolated, annexed, mis-ruled, sometimes well-governed, often betrayed . . . To me, it is astonishing that its people have survived at all, not only physically but with religion intact for almost 2,000 years, language even longer, and with customs and beliefs little changed after centuries of foreign impact.

Mr. Speaker, the nation of Cyprus has been beset by instability for too long. Barbara Cornwall Lyssarides eloquently describes her own relationship with this troubled island and I salute her for her admirable efforts to bring attention to her adopted homeland and this extremely important international issue.

INTRODUCTION OF THE PRUDENTIAL SPIRIT OF COMMUNITY AWARDS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mr. YOUNG of Alaska. Mr. Speaker, I would like to congratulate and honor a young student from Alaska who has achieved national recognition for exemplary volunteer service in his community. Justin Gonka of Anchorage has just been named one of Alaska's top honorees in The 2001 Prudential Spirit of Community Awards program, an annual honor conferred on the most impressive student volunteers in each state, the District of Columbia and Puerto Rico.

Mr. Gonka is being recognized for his dedication and continuous support of the Special Olympics. Justin has assumed numerous roles within the Special Olympics and hopes to one day become a coach. Besides being a great student, Justin has also helped to recruit other young people get involved and volunteer for the Special Olympics.

In light of numerous statistics that indicate Americans are less involved in their communities than they once were, it's vital that we encourage and support the kind of selfless contribution this young man has made. People of all ages need to think about how we, as individual citizens, can work together at the local level to ensure the health and vitality of our towns and next door neighbors. Young volunteers like Mr. Gonka are an inspiration to all of us, and are among our brightest hopes for a better tomorrow.

The program that brought this young role model to our attention—The Prudential Spirit of Community Awards—was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all young volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example. Over the past six years, the program has become the nation's largest youth recognition effort based solely on community service, with nearly 100,000 youngsters participating since its inception.

Mr. Gonka should be extremely proud to have been singled out from such a large group of dedicated volunteers. I applaud Mr. Gonka for his initiative in seeking to make his community a better place to live, and for the positive impact he has had on the lives of others. He has demonstrated a level of commitment and accomplishment that is truly extraordinary in today's world, and deserves our sincere admiration and respect. His actions show that young Americans can, and do, play an important role in our communities.

TRIBUTE TO YOLANDA TOWNSEND WHEAT

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mr. BACA. Mr. Speaker, I rise to salute one of the Inland Empire's own, Yolanda Townsend Wheat.

A Board Member of the National Credit Union Administration, and native of the 42nd Congressional District of California, Yolanda will be visiting the area this month, making a number of presentations to schools, businesses, and academia.

We feel in our hearts great pride for Yolanda's achievements, and hope she will inspire a new generation of young people in our area. Yolanda truly embodies the American dream that if you work hard, if you persevere, there is nothing you cannot achieve. I hope the children in the Inland Empire will look to her as a role model and mentor.

I offer my best wishes to Yolanda, her husband, Alan Wheat, former Congressman from Missouri, and their two children. I know they are proud of all she has attained.

Yolanda's achievements are remarkable for their great breadth and depth. An attorney specializing in corporate finance, President Bill Clinton named her to the National Credit Union Administration (NCUA) Board in April 1996. She served as NCUA chairwoman for a short time in early 2001.

The three-person NCUA Board is responsible for overseeing more than 10,000 federally insured credit unions with assets totaling over $400 billion. The NCUA is the independent federal agency that insures the deposits of more than 76 million credit union members in the nation's federal credit unions and most state-chartered credit unions.

During her tenure on the NCUA Board, Yolanda has been a champion for the interests of consumers, focusing on such issues as access to financial services, privacy and predatory lending practices. She has been instrumental in developing incentives that help credit unions expand their membership base so that as many consumers as possible have access to credit union services. She has worked to empower credit unions to provide more services in the financial marketplace in order to remain competitive and thrive in the 21st Century.

Yolanda was raised in a multicultural household in California. Her mother, (the former Mary Sanchez) worked in a law firm and was the inspiration of Yolanda's desire to pursue law as a career. Her father, Art Townsend, was the founder and publisher of The Precinct Reporter, a weekly African American newspaper in my district.

As an attorney, Yolanda has nearly ten years of specialized experience in real estate and corporate law. She represented commercial lending and financial institutions at several law firms. She worked in both the Los Angeles and Washington, D.C. offices of the law firm of Morrison and Foerster from 1986 to 1992. She practiced law from 1993 to 1995 with the former law firm of Smith, Gill, Fisher & Butts in Kansas City, Missouri.

A native of San Bernardino, California, Yolanda holds a J.D. for Harvard Law School and graduated with distinction from Stanford University with an A.B. in International Relations. She is a member of the bars of California, Maryland and Missouri.

All of this adds up to a truly remarkable record of achievement and public service. And so, as Yolanda visits the people of the Inland Empire, we wish her God's blessings, good wishes, and our proudest thoughts.

THE SMALL BUSINESS PAPERWORK RELIEF ACT

SPEECH OF

HON. JIM LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. LANGEVIN. Mr. Chairman, today we consider H.R. 327, the Small Business Paperwork Reduction Act, which will reduce paperwork for America's hardworking small business owners. As the son of a small business owner, I support efforts to reduce paperwork for small businesses and protect them from unnecessary and onerous regulatory requirements.

This measure, while similar to legislation approved by the House in the last two Congresses, excludes controversial language that would have waived civil fines on small businesses for first-time paperwork violations. However, I maintain significant reservations about voting on a small business bill that was never considered by the Small Business Committee on which I proudly serve.

One concern I would have liked to address in the committee is the need to balance the reduction in paperwork with the prevention of willful mistakes and worker safety hazards. It is our responsibility to ensure that the workplace remains safe. Further, we need to maintain our ability to sanction those small numbers of businesses that are undercutting their competition by willingly circumventing or ignoring the law.

Small businesses are the backbone of Rhode Island's economy and account for more than 95 percent of the job market in the state. They create new businesses and jobs; bring new and innovative services and products to the marketplace; and provide business ownership opportunities to diverse and traditionally underrepresented groups. I remain committed to the small business community of Rhode Island and will support the Small Business Paperwork Reduction Act, but I strongly urge my colleagues to continue to examine this issue through the appropriate legislative process.

IN HONOR OF KRIKOS ON THE OCCASION OF THEIR ANNUAL DINNER, AND THEIR HONOREE MR. COSTAS ATHANASIADES

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to the Hellenic organization KRIKOS and Mr. Costas Athanasiades, who the organization will honor at their annual dinner on March 11, 2001. KRIKOS was founded in 1974 to foster and promote cooperation and fellowship among Hellenes and phil-Hellenes throughout the world. KRIKOS also aims to preserve and enrich Hellenic heritage.

In their attempts to spread the understanding of Hellenic issues, KRIKOS has organized more than forty conferences throughout the world and frequently publishes reports of their proceedings. Among the subjects various conferences have examined include: the Philadelphia conference on biotechnology, the Athens conference on telecommunications, and the New York conferences focusing on issues such as the impact of globalism and the Greek response to the Yugoslavian Civil Wars.

KRIKOS has provided guidance to college and college-bound Hellenic youth in the United States and elsewhere in the world. Additionally, KRIKOS has made it possible for students to visit abroad through a world-study program. In keeping with its dedication to scholarship, KRIKOS donated five thousand (5,000) books to the Polytechnic University in Athens.

KRIKOS was instrumental in documenting the artistic and historic treasures located in St. Catherine Monastery on Mt. Sinai. For hundreds of years St. Catherine's has been a prime destination for pilgrims to the Holy Land and KRIKOS helped computerize its properties.

Costas Athanasiades was born in Kalavasos, Cyprus on March 3, 1921, and studied in Italy where he received a degree as an agriculturalist. In 1938, he returned to his native Cyprus and spearheaded the effort to organize farmers into economically potent cooperatives. He undertook similar initiatives with the formation and development of trade unions. Mr. Athanasiades served valiantly with British Commander Montgomery's Cypriot troops during the second World War. His dream of freedom and "Enosis" (union with motherland Greece) was looked upon as subversive and revolutionary by the British colonial authorities.

Accordingly, a British military court condemned Mr. Athanasiades to a two-year detainment at a barb-wire prison camp in Egypt. In 1949, he emigrated to Australia and in 1958 he married the former Maria Pavlidou, his wife of 43 years. During his years in Australia, he nurtured and developed Hellenic institutions of his new homeland, much as he did in his native Cyprus. In 1959, he came to America, where he briefly was employed by the National Herald, a Greek American daily newspaper. Mr. Athanasiades purchased the Campana Newspaper in 1961. In conjunction with his Campana newspaper, Mr. Athanasiades has authored more than a dozen books expounding social, political, and economic commentary. He has been cited and acknowledged by many prestigious institutions, including the National Library of Congress and the United Nations, for his insights and contributions.

Mr. Speaker, I ask my colleagues to join me in acknowledging the wonderful work of Costas Athanasiades, a philologist, author, and contemporary voice of Hellenism in the United States.

SOCIAL SECURITY BENEFITS PROTECTION ACT

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mrs. MINK of Hawaii. Mr. Speaker, today I am introducing the Social Security Benefits Protection Act.

The bill corrects an injustice under the Social Security Act which affects beneficiaries' families. Under current law, no Social Security benefit is paid for the month in which a recipient dies. A person could live until the last day of the month and still would not be entitled to the Social Security benefits for the month.

The Social Security Benefits Protection Act corrects that injustice. Under the Act, benefits would be paid for the final month of a recipient's life. Regardless of when the person died, they would be entitled to the Social Security payment for the month in which they died.

This small correction will provide a small benefit for the deceased person's survivors. Having lost a loved one, they should not lose the Social Security benefit for that person's last month of life.

I urge my colleagues to join in cosponsoring the Social Security Benefits Protection Act.

MRS. ORA MAE HARN

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mr. KOLBE. Mr. Speaker, I rise today to honor Mrs. Ora Mae Harn, a resident of the town of Marana, Arizona for the past forty-one years. Ora Mae is being honored on the occasion of her retirement last year from the Marana Health Center.

After arriving in Marana, Ora Mae worked for the Marana Unified School District from 1962–74 as a bus driver, a cafeteria cook and a warehouse assistant. Subsequently, she spent a quarter century at the Marana Health Center, serving as director of community relations (1975–79), social services director (1979–91), and finally as director until her retirement last year.

Starting in 1985, Ora Mae was a member of the Marana Town Council, and served as Marana's first female Mayor from 1990–95 and again from 1997–99. Her constant work to cultivate lasting professional relationships with regional, state and federal officials benefited Marana in many ways.

She has served as president of the Arizona Women in Municipal Government, as a member of the Pima Council on Aging (1983–87), as an active representative to the Pima Association of Governments as early as 1990 (including serving as its Chair in 1999) and has represented Marana in the League of Arizona Cities and Towns as early as 1992.

Ora Mae has been the major force in bringing floor control projects to Marana and starting the Pima County Santa Cruz Bank Protection Project. She also played a role in the levee project, which was completed and dedicated last year, and she was instrumental in bringing a federally funded housing program to Marana, earning her several awards from the Community Development Block Grant Program for her outstanding leadership and community involvement.

Ora Mae has been involved with a large number of community projects such as Marana's Founders' Day Committee, the Sister Cities Program, Yoem Pueblo Rehabilitation Project, the Lot Beautification Program, The Great American Smokeout, and The Graffiti Abatement Program. She founded the Marana Food Bank in 1985 and is currently its volunteer director. And she continues to be extremely involved with her community by volunteering for projects as varied as reading to elementary school students and church-sponsored activities.

Married for almost fifty years to Gerald Harn, who passed away last month, she is the mother of two daughters and a son and the proud grandmother of five. Since coming to Marana, she has been an active member of the Faith Community Church congregation and has volunteered for numerous church-sponsored activities.

Mr. Speaker, I'd like to commend Mrs. Ora Mae Harn for her four decades of tireless service to the town of Marana and wish her well in her retirement, which I suspect won't really be a retirement.

TRIBUTE TO ANDREA LEARNED

HON. LYNN C. WOOLSEY

OF CALIFORNIA

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Ms. WOOLSEY. Mr. Speaker, I, along with my collegue from California, Mr. THOMPSON, wish today to honor Andrea Learned. Back in 1989, when Andrea Learned became executive director of Face to Face, an organization located in Sonoma County that cares for people with AIDS, it was a struggling grassroots organization facing a terrible epidemic that was still very new. Over the next eleven years, Andrea shaped Face to Face into one of the best and most comprehensive AIDS services organizations in the nation. Through her creative leadership, courageous innovations, and simple courage in the face of indifference and fear, she has brought new hope to our community, and most especially to Sonoma County residents and families dealing with AIDS.

Andrea Learned has been an outstanding champion of AIDS services and advocacy, not only in Sonoma County, but nationwide. She has served on both the Sonoma County AIDS Commission and on state and national planning boards, inspiring others with her steadfast commitment and refusal to give up.

Today, guided by 11 years of Andrea's leadership, Face to Face provides case management, benefits counseling, emotional support, transportation to appointments, and advocacy to hundreds of clients. It is vital work that we are proud to support.

At the end of 2000, Andrea Learned retired from Face to Face. Her staff, volunteers, and clients will miss her immensely. Mr. Speaker, today we salute Andrea Learned for her many years of dedicated work for Sonoma County.

CELEBRATING THE ACHIEVEMENTS OF THE AMERICAN JEWISH CONGRESS METROPOLITAN REGION AND ITS HONOREES, PHILIP CHRISTOPHER AND ELIZABETH KELLY

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 19, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to honor the American Jewish Congress Metropolitan Region on the occasion of their annual dinner. I particularly want to recognize its Co-Presidents, Michael Nussbaum and John Heffer, as well as Arthur Flug, the Executive Director, and John Baer and Trudy L. Mason, Chairs of the Executive Committee.

Ever since its inception during World War I, the American Jewish Congress (AJC) has worked tirelessly to serve as a democratic voice of American Jews. Motivated by the need to ensure the creative survival of the Jewish people, deeply cognizant of the Jewish responsibility to participate fully in public life, inspired by Jewish teachings and values, informed by liberal principles, dedicated to an activist and independent role, and committed to making its decisions through democratic processes, AJC has taken an activist role on countless issues.

AJC is an important voice on gun control, reproductive rights, sweatshops, domestic violence, and religious freedom. Members work to advance social and economic justice, women's equality, and human rights at home and abroad. The effort to fight anti-semitism and all other forms of bigotry remains a central focus of AJC. Eight decades after its founding, AJC's dedication to human rights and freedom, to separation of church and state, to the concept of a united Jewish people, to the health and strength of Israel, is as bold, steadfast, and as impassioned as ever.

The Metropolitan Region has been active in working on issues relating to education, most recently holding forums on charter schools, teacher recruitment, and high stakes testing. The Metropolitan Region also works to promote policies to protect the environment both locally and in Israel. In addition, members work to protect human and civil rights and preserve religious liberty and the separation of church and state.

The Metropolitan Region is honoring two individuals who have been remarkable advocates for freedom. Philip Christopher is the recipient of the Man of the Year Award. Mr. Christopher has been a successful businessman and an energetic advocate for the Greek-American community. As President and CEO of the Audiovox Corporation, he has emerged as a major leader in cellular communications. Despite the pressures of running a major corporation, Mr. Christopher has devoted a great deal of time to public policy and is one of the most prominent proponents of freedom for Cyprus. As a member of the Democratic National Committee Greek American Leadership Council, President of the International Coordinating Committee Justice for Cyprus, President of the Pancyprian Association of America, the Supreme President of the Cyprus Federation of America, and President of the Hellenic American Sports League, Mr. Christopher has brought dynamic leadership and a strong sense of purpose to his efforts to fight for the Greek-American community.

Elizabeth Kelly is the recipient of the Devorah Award. She has been a strong advocate for better health care. Shortly after her arrival in the United States, she founded the Uninsured Irish Foundation to provide health care to uninsured Irish Americans. Today she is President and Chief Executive Officer of New York Network Management LLC and the affiliated Physician Independent Practice Association. In 1996, Ms. Kelly petitioned New York State to grant discounts based on the risk management that could be achieved through her organization. This program set a precedent that allows physician members of Independent Practice Associations to receive malpractice premium discounts for the first time in the history of the State. An advocate for better models for the delivery of health care, Ms. Kelly has been an innovator and a visionary.

Mr. Speaker, I ask my colleagues to join me in celebrating the achievements of the American Jewish Congress Metropolitan Region and its honorees, Philip Christopher and Elizabeth Kelly.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 20, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 21

9 a.m.

Environment and Public Works

Clean Air, Wetlands, Private Property, and Nuclear Safety Subcommittee

To hold hearings on harmonizing the Clean Air Act with our nation's energy policy.

SD–406

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings to review current United States energy trends and recent changes in U.S. energy markets.

SD–106

United States Senate Caucus on International Narcotics Control

To hold hearings to examine the use and effects of the drug ecstasy.

SH–216

Armed Services

Readiness and Management Support Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on installation readiness.

SR–232A

Commerce, Science, and Transportation

Surface Transportation and Merchant Marine Subcommittee

To hold oversight hearings to examine activities of the the Surface Transportation Board since its establishment; and the President's proposed budget request for fiscal year 2000 for the Board.

SR–253

10 a.m.

Appropriations

Defense Subcommittee

To hold hearings to examine issues surrounding the North Atlantic Treaty Organization.

SD–192

Judiciary

Antitrust, Business Rights, and Competition Subcommittee

To hold hearings on S. 520, to increase and maintain competition in the domestic aviation industry.

SD–226

2 p.m.

Energy and Natural Resources

Water and Power Subcommittee

To hold oversight hearings on the Klamath Project in Oregon, including implementation of PL 106-498 and how the project might operate in what is projected to be a short water year.

SD–628

Foreign Relations

To hold hearings on the nomination of Grant S. Green, Jr., of Virginia, to be Under Secretary of State for Management.

SD–419

3 p.m.

Intelligence

To hold closed hearings on intelligence matters.

SH–219

MARCH 22

9 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review the Food Safety and Inspection Service, Department of Agriculture.

SH–216

9:30 a.m.

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on military strategy and operational requirements, to be followed by closed hearings (in Room SR-222).

SD–106

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative recommendations of the AMVETS, American Ex-Prisoners of War, Vietnam Veterans of America, Retired Officers Association, and the National Association of State Directors of Veterans Affairs.

345, Cannon Building

Governmental Affairs

Oversight of Government Management, Restructuring and the District of Columbia Subcommittee

To hold hearings to assess the District of Columbia Metropolitan Police Department's year 2000 performance.

SD–342

Banking, Housing, and Urban Affairs

Business meeting to markup S. 149, to provide authority to control exports.

SD–538

Health, Education, Labor, and Pensions

Public Health Subcommittee

To hold hearings to examine increasing access to essential health care services.

SD–430

10:30 a.m.

Foreign Relations

To hold a closed briefing on the intelligence assessment of emerging national security threats.

S–407, Capitol

11 a.m.

Budget

To hold hearings to examine debt management issues.

SD–608

2 p.m.

Intelligence

To hold closed hearings on intelligence matters.

SH–219

Indian Affairs

To hold hearings to examine the goals and priorities of the Member Tribes of the National Congress of the American Indians for the 107th Congress.

SR–485

2:30 p.m.

Energy and Natural Resources

National Parks, Historic Preservation, and Recreation Subcommittee

To hold oversight hearings to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Title IV of the National Parks Omnibus Management Act of 1998.

SD–192

Finance

To hold hearings to examine prescription drug issues and Medicare financing.

SD–215

MARCH 27

9:30 a.m.

Armed Services

To resume hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on military strategy and operational requirements; to be followed by closed hearings (in Room SH-219).

SH–216

10 a.m.

Appropriations

Interior Subcommittee

To hold hearings to examine trust reform issues.

SD–138

10:30 a.m.

Foreign Relations

Business meeting to consider pending calendar business.

SD–419

11 a.m.

Foreign Relations

To hold hearings on the nomination of William Howard Taft, IV, of Virginia, to be Legal Adviser of the Department of State.

SD–419

MARCH 28

10:30 a.m.

Indian Affairs

To hold hearings on S. 210, to authorize the integration and consolidation of alcohol and substance abuse programs and services provided by Indian tribal governments; and S. 214, to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health.

SR–485

MARCH 29

9 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review environmental trading opportunities for agriculture.

SR–328A

10 a.m.

Energy and Natural Resources

National Parks, Historic Preservation, and Recreation Subcommittee

To hold oversight hearings to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Titles I, II, III, V, VI, VII, and VIII of the National Parks Omnibus Management Act of 1998.

SD–628

10:30 a.m.

Foreign Relations

To hold hearings on the nomination of John Robert Bolton, of Maryland, to be Under Secretary of State for Arms Control and International Security.

SD–419

2:30 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold oversight hearings on the implementation of the Administration's National Fire Plan.

SD–628

APRIL 3

10 a.m.

Judiciary

To hold hearings to examine online entertainment and related copyright law.

SD–226

APRIL 5

10 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.

SD–138

APRIL 24

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Bureau of Reclamation, of the Department of the Interior, and Army Corps of Engineers.
SD–124

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of the Interior.
SD–138

APRIL 25

10 a.m.
Judiciary
To hold hearings to examine the legal issues surrounding faith based solutions.
SD–226

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Corporation for National and Community Service.
SD–138

APRIL 26

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Nuclear Security Administration, Department of Energy.
SD–124

MAY 1

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD–124

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD–226

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Forest Service, Department of Agriculture.
SD–138

MAY 2

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Veterans Affairs.
SD–138

MAY 3

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radio Active Waste Management.
SD–124

MAY 8

10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD–226

MAY 9

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Aeronautics and Space Administration.
SD–138

MAY 16

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Federal Emergency Management Agency.
SD–138

JUNE 6

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Science Foundation and the Office of Science Technology Policy.
SD–138

JUNE 13

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Environmental Protection Agency and the Council of Environmental Quality.
SD–138

JUNE 20

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Housing and Urban Development.
SD–138

POSTPONEMENTS

MARCH 27

10:30 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings on issues relating to Yucca Mountain.
SD–124

APRIL 3

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings to examine issues surrounding nuclear power.
SD–124

SENATE—*Tuesday, March 20, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable MIKE DEWINE, a Senator from the State of Ohio.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Spirit of the living God, fall afresh on this Senate Chamber. Enter the mind and heart of each Senator and reign as Sovereign over all that is said and done this day. We praise You for the dedication of the Senators and for their earnestness to deal with the crucial issues before our Nation. May these days of genuine exchange of concerns and convictions move the Senate forward to an agreeable solution for the future of campaigning for office in America.

Lord, we are here to serve You and Your best for our Nation. Thank You for all the people who contribute to the Senate with such loyal and excellent service. Today we praise you for the life of John Roberson who worked in the Disbursing Office for 20 years. Now as his family and friends grieve his death, we ask You especially to care for his son Dave who has followed in his father's footsteps with his own 20-year period of loyal service.

Today, we renew our commitment to do all we can to serve the best we can and express Your care for whomever we can. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE DEWINE led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 20, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MIKE DEWINE, a Senator from the State of Ohio, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. DEWINE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. LOTT. Mr. President, today the Senate will immediately resume consideration of the campaign finance reform legislation. An amendment regarding self-financed campaigns is expected to be offered, with up to 3 hours of debate in order. It is also expected that some debate time will be yielded back and that a vote will occur sometime around noon today—certainly before the weekly party luncheons. We will be in recess from approximately 12:30 until 2:15 p.m. for the weekly conferences to meet. Amendments are expected to be offered throughout the day and therefore votes on amendments are expected to occur approximately every 3 hours.

I am concerned about the very inauspicious beginning that the Senate had on this legislation yesterday. I had described it as a jump ball, where everybody would have a free and fair opportunity to offer amendments and have debate but there would be votes on those amendments after 3 hours. I expected we would have a vote sometime between 5:30 and 6:30, as we did yesterday, and there would be debate on the next amendment last night and we would be ready for a vote now. That is not the case because of the spectacle that occurred at the end of the vote yesterday.

I thought it did not go well, and I thought the Senate looked very close to being silly on our first amendment on this very important issue. I was stunned, quite frankly; on an amendment as broadly supported as I know the amendment is, to give candidates that are running against superwealthy candidates some way to be able to compete, I can't help but believe that when we get a direct vote on that issue, it will pass overwhelmingly. My assumption was that it got tangled up just because it was the first vote and there was a desire to show that one side or the other was going to win. I was very disappointed in that.

I am also concerned, with the agreement that was reached, in all fairness, on both sides, that we would have amendments and regular votes every 3 hours, we had already slipped 3 hours on that. And also I hope, once again, that objections to Senators amending their own amendments will not be heard. The tradition around here is that we allow colleagues to amend their own amendments. I think that is when the confusion began yesterday in a very disappointing beginning.

But Senators on both sides worked last night and worked this morning, and I understand an agreement has been reached as to the amendment that will be offered in a few minutes. After that is offered, we will come back and have another amendment on this side of the aisle and Senator MCCONNELL and others will have an opportunity.

I yield to the Senator from Arizona.

Mr. MCCAIN. Mr. President, I tell the majority leader that we have an amendment. I don't believe it will take all 3 hours because it was debated last night. We have an agreement which is being written up now. So I believe that we could, within a fairly brief period of time, have a vote on it and move on to another amendment from the Republican side, thereby sort of catching up from yesterday.

I mention also that we were supposed to start at noon yesterday, but we didn't start until 1. I don't know whose decision that was. That is not important. We can catch up this morning. We met this morning and we are getting the final details, which we needed to do. This is a very complex, extremely complex issue.

The challenges of a millionaire declaring his or her candidacy in Wyoming are significantly different from doing that in the State of California. We tried to accommodate it and, frankly, we have. Those issues were still unresolved last night when the vote was attempted, and all of us were confident that we could work out the differences, bring up an agreement, which will be brought up in the name of Senator DOMENICI and Senator DEWINE and Senator DURBIN, and we can have a relatively brief period of debate and vote on it and then move to another amendment by Senator MCCONNELL, or whoever he designates.

Mr. LOTT. Mr. President, let me say to Senator MCCAIN—and then I will yield to Senator REID—I appreciate the fact that something has been worked out which appears to be fair to all sides. And since we already debated it for a time yesterday, it won't be necessary to rehash all of that. Maybe we can make up for some of the lost time.

The clear understanding, when the Senator from Arizona and I discussed this issue, was that we would try to keep it on a steady schedule and get amendments offered and voted on every 3 hours, or less if possible.

I yield to Senator REID.

Mr. REID. Mr. President, we are hopeful that the first vote is not indicative of what the future is going to hold. I hope that will be the downside of the work on this important piece of legislation. I think yesterday was well spent. There were relatively very few quorum calls, maybe just for brief moments, and I think we were able to accomplish a lot last night and this morning. I also say that during this next day or two, there are a number of Members who wish to give statements about the bill itself. They can do this during the time these amendments are pending. Some of them want to take the full 3 hours. I have already told Senator MCCAIN that I am not too certain that we need to alternate. We don't have many amendments over here. So I publicly advise those on the other side of the aisle who want to offer amendments, they should get them ready because we are not going to have a lot to offer.

Mr. LOTT. If I may respond to the last suggestion, that would be fine. However, we want to make sure that, if we don't alternate, at the end we don't have amendments show up that would be offered, one behind the other, on the other side. I know that is not the Senator's intention. That is one of the reasons why we alternate, so that one side or the other won't have a block of amendments at the end of the process.

Mr. REID. I appreciate the Senator yielding. There are three Republican amendments. There would be one Democratic amendment, and we would go back to the Republican side. That is how we should do it.

Mr. LOTT. Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. CHAFEE). Under the previous order, the leadership time is reserved.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

The PRESIDING OFFICER. Under the previous order, the Democratic leader, or his designee, is recognized to offer an amendment.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that the amendment Senator DOMENICI is going to offer is not yet ready, but we want to start talking about it, the procedure being at such time the amendment comes from legislative drafting, Senator DURBIN will be recognized when the Chair feels that is appropriate. He will yield at that time to Senator DOMENICI, who will offer an amendment on his behalf, and whoever else wants to be on the amendment.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I ask the Senator from Nevada if he agrees that we ought to begin the 3-hour time limit.

Mr. REID. I agree.

Mr. MCCONNELL. Mr. President, I ask unanimous consent, even though the amendment has not yet been laid down, since we are going to be discussing it, that the 3-hour time limit begin with this discussion. We understand most of that time may be yielded back, but at least this will begin the time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Illinois.

Mr. DURBIN. Mr. President, I believe the agreement of the Senate as we adjourned yesterday was that the Democratic side, this Senator in particular, would be offering an amendment. I am prepared very shortly to yield to the Senator from New Mexico and the Senator from Ohio and to acknowledge their leadership on this issue. We are addressing probably one of the most complicated problems we face, a Supreme Court decision in *Buckley* v. *Valeo* which said that a person who decides to run for office and is personally wealthy cannot be limited in the amount of personal wealth they spend in order to obtain this office.

Meanwhile, other candidates who are not personally wealthy face all sorts of limitations on how much money they can raise from individuals, how much they can raise in a given period of time, how much they can raise from political action committees.

The effort in which I have joined Senator DOMENICI and Senator DEWINE is a response to that, I hope a reasonable response to that, which says we know the day will come when wealthy people will run for office, but we also want to say if you are not wealthy, you should have a chance to compete and to deliver your message to the voters and to appeal to them for support.

We have come up with a proposal which Senator DOMENICI and Senator DEWINE will describe in detail. We were having conversations on the floor, up to the beginning of this speech, about aspects of this matter which we hope to address. If we cannot address it particularly in the language of this amendment, we will acknowledge what we consider to be some of the questions that will be raised and try to address it later in debate. We have been in conversation with Senator MCCAIN and Senator FEINGOLD. They are familiar with what we are doing. I do not purport to suggest they support it. They can speak for themselves. We believe this is a responsible way to address a serious problem we face in political campaigns.

If the Senator from New Mexico is prepared, at this point I yield to him with the understanding that when the amendment arrives, the Senator from New Mexico, Mr. DOMENICI, and Senator DEWINE, and I will join as cosponsors with others.

I yield to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I say to the Senator from Illinois, I thank the Senator for his cooperation and help. Obviously, the Senator came on board with the idea encapsulated in the Domenici amendment yesterday, and as we progressed through it, it appeared that a number of Senators wanted some changes. So we set about yesterday evening—and well into the evening—to try to arrive at changes necessary to accommodate a wide variety of Senators and still make it effective.

There is no question, anytime you work on something as complicated as this, although we think we have done a good job, it may very well be in due course, as this bill evolves further, that there may have to be other amendments as people analyze and find other problems that might be inherent in this situation.

I thank in a very special way Senator DEWINE from the State of Ohio. From the beginning, we had hoped that yesterday we would introduce a Domenici-DeWine amendment. I introduced the amendment which was debated yesterday. Many people at least understand what we are trying to do and what the problem is. To the extent we are trying to figure out a solution, Senator DEWINE has been a marvelous partner and an excellent leader.

Today I will briefly explain what we are trying to do and some of the basic fundamentals, and then I will yield to Senator DEWINE.

The way we will determine the trigger for the nonwealthy candidate—that is, the candidate confronted with an opponent who will spend a lot of their own money—will vary in States depending on the voting age population. That is Senator DEWINE's idea. In essence, it says to a Senator in a State such as Idaho, if somebody decides to run and spends their own money in large quantities, that Senator is going to be able to raise money somewhat easier than he or she would have if they were bound by the 26-year-old law which has $1,000 individual contribution limits per election and $5,000 in money that can come from PACs.

Essentially, once you hit the formula amount, this is what will happen. When you reach the first level, the individual limits are raised to $3,000 under current law. That means you can raise $3,000 in the primary and $3,000 in the general. When you hit the next level, which Senator DEWINE will talk about, the contribution limits for the nonwealthy person are raised six times in the primary, $6,000 in the primary, $6,000 in the general.

Then something new was brought into the discussion yesterday evening, principally based upon Senator FEINSTEIN's discussion, after having faced what one might call a superspender. We have a superspender defined, and Senator DEWINE will define what that is when he speaks.

We eliminate the party coordinated expenditure limits, all hard dollars—until the poor candidate raises up to an amount equal to the self-financing of the superspender. I assume during that period of time they can continue to raise the $6,000 from individuals.

The way it is done, it requires a bit of bookkeeping, but everybody keeps a lot of books now. Everybody has records galore. Obviously, there are floating triggers that will come about based upon when the wealthy candidate, or superspender, starts putting their money into the campaign.

There is one other provision that has been in both vehicles for Senators who spend their own money and get elected, a requirement that they cannot change their mind about how to finance that campaign and start raising money to pay back their debt after they are elected. We passed that around yesterday, and everyone seems to understand it. If you incur debt from a personal loan and then you get elected as Senator, and then you go around and say, now I am the Senator, I want you to get me money so I can pay back what I used of my own money to run for election. It is clear in this amendment that you cannot do that in the future.

All that is future, prospective.

Senator DEWINE will now explain the triggering mechanisms and how this will apply to each State. We will have a chart so every Senator can see how it applies. I thank Senator DEWINE, who has been a real help. To the other Senators on the floor, particularly Senator MCCAIN, thank you for your help. Senator MCCAIN clearly said if we did not win the other one, we would put this together and it would be bipartisan, and he joined.

There are a few things in this amendment we both know have to be ironed out in the future, but I think it is an excellent amendment.

For the first time in history, we think we are legally addressing the issue of a person who asserts their constitutional rights—which the Court said is constitutional—to spend their own money, but they do it in inordinate amounts as compared to what a candidate on the other side could be expected to raise under current restrictive laws, which are 26 years old and ought to be fixed.

I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Ohio.

Mr. DEWINE. Mr. President, this chart we will discuss in a moment was prepared last night by my law clerk, Susan Bruno. She has been working on that, and we thank her for it.

I congratulate and thank my colleague from New Mexico, Senator DOMENICI, and my colleague from Illinois, Senator DURBIN, for their work on this amendment. The amendment we have now is the result of weeks of discussions and negotiations among Senator DOMENICI, Senator DURBIN, and myself. That culminated last night in further discussions involving more Senators, both Republican and Democrat.

I thank the members of our staff who worked long into the night after we had set the basic parameters ourselves for what this discussion would be.

The amendment we have in front of us is bipartisan, and it is the work product of a great number of people. But let me particularly thank Senator DOMENICI for taking the lead and for being one who had this idea, frankly, over a decade ago, and who has been talking about this idea year after year. We are now to the point where we have the ability to see this amendment enacted into law.

Let me, again, thank Senator DOMENICI, Senator DURBIN, Senator COLLINS, Senator MCCAIN, Senator FEINGOLD, and others for their input, their suggestions, and their work during these negotiations.

I believe the amendment, with their help, is a consensus approach that will help make our election process more fair and more equitable.

It is unfortunate that we need such an amendment at all. But the sad reality is in campaigns today we are moving down a road where personal wealth is becoming the chief qualification for candidates seeking office. The reality is in the last several election cycles, both parties have looked around the country to try to find wealthy candidates who can self-finance their own campaigns. This is no reflection on those candidates. But it is the reality of life today.

This amendment attempts to bring about equity and fairness and also, quite candidly, to increase the opportunity for all candidates to get their ideas to the public.

This amendment is truly about the first amendment—it is about free speech—and it is about allowing candidates to have the opportunity to take their ideas into the marketplace, to broadcast them, to be able to pay for the commercials, and to have their exchange of ideas in that political marketplace that our Founding Fathers deemed so very important.

The reality is, though, personal wealth has changed the whole dynamic of today's Federal elections. It has changed it in a way that no one in 1976, when the Supreme Court handed down it's decision, could have envisioned. No one could have envisioned the amount of money individual candidates now pour into their own campaigns.

The fact is, as I said on the Senate floor last night, there currently exists a loophole, but a constitutionally protected loophole, for candidates to use their own personal money to finance their own campaigns. This loophole, of course, resulted from the 1976 Supreme Court case, *Buckley* v. *Valeo*. In that case, the Supreme Court reviewed the constitutionality of the Federal Election Campaign Act of 1974. In the Buckley case, the United States Supreme Court struck down limitations on the following: One, campaign expenditures; two, independent expenditures by individuals and groups; and, three, expenditures by candidates from their personal funds.

The Buckley decision has effectively created a substantial disadvantage for opposing candidates who must raise all campaign funds under the current fundraising limitations. Current fund limitations, of course, are $1,000 per donor. So you have the situation where the candidate who cannot self-finance has to raise money in a maximum of $1,000 increments but has to then go up against another candidate who can put in maybe an unlimited amount of money—millions and millions of dollars.

The fact is, because of the Constitution, because of the Supreme Court's decision, and because of the statutes we have written, we now have what, for the general public, would appear at least to be a rather ludicrous situation. That situation is that everyone in the country is limited to $1,000 they can put into a candidate's campaign—everybody in the country except one person. That one person who has the ability to put money in, in an unlimited fashion, in an unlimited amount, is, of course, the candidate.

That, I think, to most people would seem to be an absurd situation. But this is a constitutional issue. This is, if it is a loophole, certainly a constitutionally protected loophole—unlimited personal expenditures from rich candidates but limited personal contributions for everyone else. That is the reality today.

This reality has resulted in enhanced personal wealth in campaigns to such an extent that I think no one even 10 years ago could have imagined its importance.

The whole dynamic of political campaigning has fundamentally changed in this country because of this Court decision and because of the ability in the last few years of candidates to self-finance their own campaigns.

It has made it more difficult for nonwealthy opponents to compete and to get their messages and their ideas across to the public.

Our amendment tries in a constitutionally acceptable way to correct this. It would create greater fairness and accountability in the Federal election process by addressing the inequity that arises when a wealthy candidate pays for his or her campaign with personal funds—personal funds that are defined, by the way, to include cash contributions and any contributions arising from personal or family assets such as personal loans or property used for collateral for a loan to the campaign.

The agreement we reached this morning and that was hammered out last night—the amendment we will be offering in just a moment—has very important implications for our democracy, as I will explain.

The basic intent of our amendment is to preserve and to enhance the marketplace of ideas—the very foundation of our democracy—but giving candidates who are not independently wealthy an opportunity to get their message across to the voters as well.

Specifically, our amendment would raise the contribution limits for candidates facing wealthy opponents to fund their own campaigns.

The contribution limit increases are based, as my colleague from New Mexico has said, on a sliding scale depending on the size of each State and the amount of the wealthy candidate's personal expenditures.

The amendment creates a simple three-tiered threshold test to determine the contribution limit increases. This threshold test is based on the individual voting age populations of each state, in recognition that the cost of elections vary greatly between the states. The actual calculation of the thresholds uses a baseline formula and multiples of that baseline. Our population-based calculation allows the individual contribution limit increases to kick in sooner in states with smaller populations, where candidates get more bang for the buck. A half million dollars in a campaign in Wyoming, after all, goes a heck of a lot farther and can buy a lot more television air time and direct mail pieces than it can in Ohio or in California. Simple put, this formula recognizes that a one-size fits all approach won't work for all states.

The baseline is based on the following formula: $.04 the voting age population + $150,000. The first threshold starts at double the baseline.

When a wealthy candidate crosses the first threshold, the opposing candidate's hard money cap for individual contributions, which currently is $1,000, goes up three times to $3,000. The second threshold is a double the first threshold—and the hard money cap increases to $6,000.

So when you get to that second threshold, when the wealthy candidate puts in that second amount of money or hits that level, the second one kicks in, which means then the nonwealthy candidate who was not being self-financed can raise six times what the current law is. The current law, of course, is $1,000. That would take it up to $6,000 you can raise from an individual donor.

Finally, the third threshold begins at ten times the baseline; once a wealthy candidate exceeds the third threshold, it removes the caps for State party coordinated expenditures of hard money.

Our amendment also, as my colleague from New Mexico has indicated, includes a proportionality provision, a provision that means for all cap increases, a less wealthy candidate can use increased caps to raise only—only—up to 110 percent of the amount contributed by the wealthy candidate. This applies to all three of these thresholds.

Proportionality is important because it really helps level the playing field from both directions so the wealthy candidate is not punished or is not inhibited from putting his or her own money into the campaign, which is very important. What this means, in plain language, is that we try to increase free speech; we give that nonwealthy candidate the opportunity to get his or her message out. We do not punish the wealthy candidate. And we take care of that in this well-crafted amendment by saying we will limit how much that nonwealthy candidate can raise above the caps, above the limits, and we limit it to, logically, how much money has been put in by the wealthy candidate.

So the wealthy candidate, again, is not punished, is not inhibited, is not discouraged from putting in his or her own money. I think this makes a great deal of sense. This was a provision that was worked out, again, last night.

Finally, our amendment includes a notice provision. This requires candidates to notify the Federal Election Commission within 24 hours of crossing a threshold. Candidates also must notify the FEC within 24 hours of any additional contributions totaling $10,000, once they are over a threshold.

That is our amendment in a nutshell. The fact is, the Supreme Court has ruled that personal expenditures cannot be limited. Let me say this very clearly: Our amendment is not trying to change nor challenge that. We accept that. It is the interpretation of the Supreme Court, in interpreting the first amendment to the Constitution, which we must and do respect.

This amendment is not an attempt to undo what the Court decided. It is not an attempt to limit personal expenditures, nor in any way to inhibit those expenditures, nor in fact to punish people for making those expenditures. Rather, it is an attempt to correct for the unintended effects of the Court's decision.

Again, no one—no one—when the Buckley case came out in the mid-1970s, could have envisioned what we have seen today. This amendment is based upon our additional experience—25 years of experience—in seeing how this has played out. It is an attempt to correct the inequities in the system and establish fairness in the process.

I believe the courts are likely to uphold this provision because it addresses the public perception that there is something inherently corrupt about a wealthy candidate who can use a substantial amount of his or her own personal resources to win an election—not that there is anything corrupt about that particular candidate. It is the perception. It is the perception that the public looks at this and, frankly, says something is just wrong with this.

The Supreme Court has said Congress has a compelling interest in addressing this perception. This amendment is narrowly tailored, and closely related to such concerns about that perceived corruption. The reality is the courts carved out a constitutional protection for wealthy candidates. Our provision offsets that without infringing on the rights of the wealthy candidates. Our provision expands the rights of the opposing candidate. Our amendment expands free speech. In fact, this sort of approach to campaign financing actually bolsters first amendment rights of candidates who do not have extensive personal resources.

Finally, the proportionality provision is key to ensuring that a wealthy candidate is not punished by the less wealthy candidate's ability to raise funds with lower hard money caps.

Candidly, our amendment does not completely level the playing field. I think in most cases that would simply be impossible. We cannot do that. However, it is a step towards increasing fairness and accountability in our election process. And it is a step, again, to expanding the individual's rights, those who do not have that independent wealth, giving them the opportunity to take their ideas out into the marketplace and to share them with the public, and giving them the resources to share them.

It is a reasonable approach. It is a reasonable thing to do, especially now that we are reforming our Nation's campaign finance laws.

This is a great opportunity for us. We are today, with this amendment, finetuning the process, correcting something the Court could not have foreseen 25 years ago in Buckley; and that is that the unlimited personal expenditures can hurt an opposing candidate's ability to compete fairly. When that happens, when huge funding disparities exist between a wealthy candidate's unlimited personal expenditures to their own campaigns and a less wealthy candidate's limited individual contributions from others, it is the voters and our democracy that suffers the most.

In conclusion, wealthy candidates have an easier time communicating today with voters. That is just the reality of our current process. They have the money it takes readily at their disposal to get their messages out. When running up against such self-financed machines, less wealthy opponents have less chance to challenge those messages, less chance to get their own ideas on the table, less chance to communicate with the voters, and to give them an alternative point of view.

As a result, it is the voters who have less chance to make informed choices in elections. And that is just not good for our democracy. In essence, this struggle between rich and not so rich candidates really is a struggle for the soul of democracy. I say that because the free flow of ideas and information is the basis—the very foundation—of our political system. The exchange of ideas is a prerequisite for democratic governance. And it is "ideas," as John Maynard Keynes once said, that "shape the course of history."

The more robust the marketplace of ideas, the better the political process. For our democracy to fully function and thrive, we need many ideas—ideas competing with each other. That is the basis for the critical thinking process, the basis for debate and challenges to societal norms. That is the basis for how we make changes in our society, for how we make the world a better place. When there are fewer ideas being disseminated, there is a greater likelihood of political and societal stagnation. And when there is such stagnation, there is no social change, and the world is worse off for it.

Thomas Mann once said:

> It is impossible for ideas to compete in the marketplace if no forum for their presentation is provided or available.

That, unfortunately, seems to be the case for many less wealthy candidates who face the power of the self-financed candidates. Our amendment is a move away from that kind of inequity. It is a step toward providing candidates the forum for the presentation of their ideas. By taking that step, the free flow of ideas, the spirit, the essence, the foundation of our democracy is preserved and emboldened.

We have charts on the floor which we can share with all Members of the Senate. We have a breakdown that shows State by State exactly where those thresholds are and at what point they would kick in.

We would be more than happy to share those with any Members of the Senate who would like to take a look.

Again, it makes eminent sense to have a distinction between when the thresholds kick in between the State of Wyoming and the State of Ohio. It just makes eminent sense.

Again, I thank my colleague from New Mexico, my colleague from Illinois, and my other colleagues who have worked long and hard on this amendment.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I join in the statement made by the Senator from New Mexico, Mr. DOMENICI, and my colleague, Senator DEWINE from Ohio, in cosponsoring this amendment. A lot of people listening to this debate can't understand the world we live in here, a world where whenever you decide to be a candidate for the Senate, you face the daunting task of convincing your family that it is a good idea and putting together a good campaign team. Then the reality hits you. Your message, whatever it is, to be delivered to voters across America, is going to be a very expensive undertaking.

I represent the State of Illinois with some 12 million people. How do I get their attention to tell them what I feel, what I would like to do in the Senate? The obvious methods are the use of radio, TV, direct mail, and telephone. All of those are very expensive. All of those are increasingly expensive every 2 years. The cost of television advertising, for example, goes up 20 percent every 2 years. So if you are running for reelection after 6 years, you have to raise some 60 percent more in funds to buy the same amount of television in my State and other States just to deliver your message in a campaign.

When Members of the Senate come to the floor and start talking about raising $1,000 here or $3,000 here or $6,000, I imagine most families across America say: What kind of world do they live in that they would be asking an individual to give them $6,000 of their money for a political campaign? Very few people do that in America.

Thankfully, for a lot of us, we have those who support us and will do it. For the vast majority of families, they must be scratching their head at this debate and saying: Why don't they live in the real world where real people don't go around asking friends or even strangers for $6,000?

If you are going to mount a campaign in the State of Illinois to appeal to 12 million people and some 8 or 9 million voters, you have to raise over $10 million to get your message out.

Let me offer another insight. It costs you 50 cents to raise a dollar, so about half of the money you raise goes into the overhead of a campaign, the administrative costs of staff people, mailing out invitations, following up, making sure people are there. It is an extraordinarily expensive business.

It often puzzles me that people who are not otherwise capable of managing million-dollar companies manage multimillion-dollar campaigns that come and go in a matter of 12 months. That happens in this business of politics. That is the world in which we live.

There are ways to change it. We could change it pretty dramatically. We could say television time is free for candidates. That would really change it in a hurry because two-thirds of the money that most candidates spend is on television. If the television didn't cost you anything, if you had access to it where you could go on and, instead of doing a 30-second drive-by spot, you ended up having 5 minutes to explain your position on tax cuts or Social Security, the voters would have a chance to see you.

Of course, there is resistance to that idea from the people who own the television stations. They make a bundle of money off political candidates. They can't wait for these campaigns to get started because we literally shovel money at them in the closing weeks of campaigns. The managers of these stations have a perpetual smile for weeks on end when they see all the candidates lining up to pay for the advertising on their television stations. So the idea of free television is not one that has gone very far—nor free radio. The idea of free postage is not likely going to occur either.

We live in a commercial world where we are trying to basically deliver our message to the voters in a fashion that is extremely expensive. Now we have the Supreme Court, which 25 years ago jumped into this debate and said, if you are independently wealthy, if you are a multimillionaire, we can't limit how much money you want to spend out of your own pocket.

An individual candidate who is not independently wealthy is limited on how they can raise money. Under current law, I can only raise a $1,000 maximum contribution from each person from my primary election campaign and my general election campaign and $5,000 for each campaign from political action committees. It sounds like a lot of money, until you start adding up the $1,000 contributions it takes to reach $1 million. If you have a $10 or $12 million campaign in Illinois, imagine how many people you have to appeal to, to raise $10 or $12 million.

The Supreme Court, in Buckley v. Valeo, said if you happen to have a lot of money, then you can put all you want into it; you are not limited as to the amount of money you can invest in a political campaign.

We have come down to two categories of candidates in America, the M&M categories: the multimillionaires, and the mere mortals. The mere mortals, frankly, stand in awe of those who can write a check and fund their campaign. What we are trying to address with this amendment is to level the playing field so that if someone shows up in the course of the campaign who is independently wealthy and is willing to spend $10, $20, $30, $40, $50, $60 million of their own money—I am not making these figures up, as they say; that has happened—then at least the other candidate has a fighting chance. That is what this amendment is all about. I have joined with Senator DOMENICI and Senator DEWINE to try to create this fighting chance.

How do we do it? Currently, you can only accept $1,000 per person per election. We have said: If you run into the so-called self-financing candidate who is going to spend millions of dollars, then you can accept a larger contribution from an individual. The calculation and formula we use is based on the number of people living in the State. Senator DEWINE explained it earlier. For example, in my home State of Illinois, the U.S. Census projected the voting-age population for the year 2000 was 8,983,000 people. We have a baseline threshold plus $150,000 which says that you can put $509,000 into your campaign of your own money. That is your right to do, under the law and under this amendment.

If you decide to put in over $1 million, if you put in $1 million, then the candidate who doesn't have $1 million to put in, whether they are a challenger or an incumbent, can raise up to $3,000 from those who will contribute, as opposed to a limit of $1,000. Furthermore, in Illinois, for example, if you put in $2 million of your own money, then we allow the individual contribution to go up to $6,000.

I am sure most people listening to this can't imagine someone writing a check for $6,000 to a political candidate. The folks who will do that are few and far between. The honest answer to that is, unless you control the overall cost of political campaigns, you have to face the reality: People will show up with a lot of money in the bank, spend it on the campaign, and literally blow away any type of political opponent.

Who loses in that process? The voters lose. If the system works as it is supposed to, you have a choice on election day. In order to have a choice, you have information about all candidates. That means you have an information source not only from a wealthy candidate but from someone who is not so wealthy. This amendment, with its own formula approach, allows people to raise money so that they can keep up with self-financing candidates.

If in my home State of Illinois someone decides to put in $5 million or more, then we allow the Democratic or Republican Party in my State, through their coordinated expenditures, to really reach that same level, up to 110 percent of the amount that is being given by that candidate to his or her own campaign.

This is an imperfect amendment. It is an effort by us to address a serious problem. It has in it an element that is important. It is an element of fairness, an element of opportunity. It basically says that in America we won't let you buy an election. If you are going to come in and try to do that, then you are going to at least give the other candidate a chance to compete.

There is one element in this amendment which I have discussed with the sponsors that I hope we can address either with a second-degree amendment, or a later amendment during the course of our debate, and that is the money on hand. If an incumbent Senator has millions of dollars on hand and somebody walks in and decides to put in a million dollars to oppose them, I think you should take into account how much money the incumbent Senator has on hand. This amendment does not do that. I would like to suggest a modification to it at some point.

But I believe our colleagues in the Senate will have a good opportunity later this morning to cast their votes on this amendment and to basically say that from the Senate's side, we are going to try to level this playing field and try to give a voice to all candidates. We are not going to say this is a system that is open to the highest bidder. It is going to at least allow men and women to compete with some element of fairness.

I thank my colleague from New Mexico, as well as my colleague from Ohio. Both of them, and our staffs, worked late into the night last night to prepare this amendment that will be forthcoming shortly.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I thank Senator DOMENICI, Senator DEWINE, and others. Last night, I believe we could have avoided the vote we had. I hope in the future and during this debate we will make sure we try to handle it in a more sensitive fashion. I will take the responsibility for that.

We probably should have tried to—because we knew there were several areas that needed to be worked out, which have been worked out, and we are just awaiting the legislative counsel's language so we can move forward with the amendment—we probably should have waited until this morning on the amendment. But that is done. The fact is, as we committed last night, we would reach agreement and work out the differences. There were several specific areas that had not been worked out last night, especially proportionality, among others. I am pleased we worked it out and we are now ready to move forward as soon as the language comes over, and we can vote on this amendment and move on to other amendments.

I do believe the principles of McCain-Feingold have been preserved because this deals in hard money. Yes, it lifts some restraints on hard money, but there is no soft money that would be permitted under the Domenici-DeWine-Durbin amendment. So it also addresses, in all candor, a concern that literally every nonmillionaire Member of this body has, and that is that they wake up some morning and pick up the paper and find out that some multimillionaire is going to run for their seat, and that person intends to invest 3, 5, 8, 10, now up to $70 million of their own money in order to win.

So when I see the significant support for this amendment, I think those reflect a genuine concern, as we know both parties have now openly stated that they recruit people who have sizable fortunes of their own in order to run for the Senate.

I don't think this is a new phenomenon, Mr. President. I think it has been going on for years and years. But as money seems to play a greater and greater role in politics, and as television advertising continues to be more and more important, then, obviously, the ability of someone to achieve office with what is apparently an unfair advantage over a candidate of lesser wealth is being addressed, at least in part, by this amendment.

Also, I add to the sponsors of the amendment—and I already discussed this with Senator DOMENICI and Senator DEWINE—this isn't a perfect answer. We all realize that. We know there are some areas that have gone unaddressed, and if there needs to be further addressing, that is why we have another nearly 10 days of debate and amendments. So I am glad we were able to work out the differences that existed last night. Obviously, those negotiations needed to take place, and I hope we can move forward on this amendment as soon as the legislative language comes over from the legislative counsel, so we can move on to another amendment at the earliest moment.

Again, I thank Senator DOMENICI and Senator DEWINE and Senator DURBIN and others for their efforts on this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, what are the rules guiding debate at this point?

The PRESIDING OFFICER. There are 3 hours evenly divided. The amendment has not yet been offered.

Mr. BYRD. What a mess.

The PRESIDING OFFICER. Under the previous agreement——

Mr. BYRD. Without the amendment being offered?

The PRESIDING OFFICER. That was stipulated by consent.

Mr. BYRD. All right. Mr. President, when Cineas the Philosopher visited

Rome in the year 280 B.C. as the envoy of Pyrrhus, the Greek general, and had witnessed the deliberations of the Roman Senate and had listened to Senators in debate, he reported that, "Here, indeed, was no gathering of venal politicians, no haphazard council of mediocre minds." This was in 280 B.C.

In 107 B.C., Jugurtha, that Numidian prince, was in Rome. When he was ordered by the Roman Senate to leave Italy and set out for home, after he had passed through the gates of Rome, it is said that he looked back several times in silence and finally exclaimed, "Yonder is a city that is up for sale, and its days are numbered if it ever finds a buyer."

What a change; what a change had come over that Senate in less than 200 years! I think we might also, with great sadness, reflect upon the report by Cineas when he referred to the Roman Senate after he had witnessed it—as I say, not as a "gathering of venal politicians, not a haphazard council of mediocre minds," but in reality "an assemblage of kings." What a Senate that was that he reported to Pyrrhus as being, in dignity and in statesmanship, as a "council of kings!" It is in even greater sadness that we noted Jugurtha's words: "Yonder is a city up for sale, and its days are numbered if it ever finds a buyer." But that is what is happening in this land of ours and in this body of ours.

When I came to the Senate, Jennings Randolph and I ran for two seats, and we won. He ran for the short term, the 2-year seat that had been created by the death of the late M.M. Neely, and I ran for the full term.

At that time, I ran against Senator Chapman Revercomb, a fine member of the Republican Party, but Randolph and I ran on a combined war chest of $50,000: two Senators on a combined war chest of $50,000. We did not have television in those days, we did not have high-priced consultants, and our hands were not manacled by the shackles of money.

Today what do we find? What does the average Senate seat cost—$6 million or $8 million? Both parties are enslaved to those who give. The special interests of the country are the people who are represented—the special interests, for the most part.

The great body of people out there are not organized, and they are not represented here. We are beholden to the special interests who give us—when we go around the country holding out a tip cup saying, "Give me, give me, give me," they are the people who respond and they are the people for whom the doors are opened. They are the people for whom the telephone lines are opened when the calls come in.

I offered an amendment on this floor one day, and I thought: I will at least get a half dozen votes. I got one—one vote. Those in this body on both sides who were slaves to the particular interest group on that occasion ran like turkeys to the fire escapes. I thought I would get half a dozen votes at least. I knew the amendment would not be adopted, but after hearing all the brave talk of some of the Senators on both sides, I thought: At least I will get his vote, I will get his vote, and I will get her vote. I got one vote, my own.

That is what it has come to in this body. We are at the beck and call, we know the feel of the whiplash when the votes come, and we are owned by the special interest groups.

That does not mean that every Senator does not have a free will. Senators exercise that free will about which Milton spoke in "Paradise Lost"—freedom of the will. That does not mean that the conscience of every Senator here is bought, that his vote is bought. It does not mean that at all, but it means that in our day and time, it cannot be said of this Senate that it is not a gathering of venal politicians. In Jugurtha's words: "Yonder is a city up for sale, and its days are numbered if it ever finds a buyer."

Mr. President, as one who has been in this body now going on 43 years, I mourn the days of old when I came here. We still have good Senators. They are bright, they are dedicated, but the yoke, the Roman yoke that they have to go under to come here, is appalling—appalling. It is sad. I compliment those on both sides who are seeking to do something about it, who are trying hard to deal with reality here and in such a way that the people might still look upon this body with some confidence and respect. Yet, I do not think that they will be overly successful in the effort.

Mr. REID. Will the Senator yield for a question?

Mr. BYRD. Yes, I yield.

Mr. REID. Mr. President, I say to my friend, referring back to the days when he was the leader, does he recall how many times he offered, on behalf of the Democrats, a motion to invoke cloture on campaign finance reform?

Mr. BYRD. I offered a motion to invoke cloture eight times during the 100th Congress.

Mr. REID. Does the Senator recall the motion to invoke cloture being offered so many times to any other measure?

Mr. BYRD. Up to this point, there has been none.

Mr. REID. So if I understand what the Senator has said, when he was majority leader in the 100th Congress, an attempt to invoke cloture was tried eight times unsuccessfully, and that holds the record for any legislative issue of which the Senator is aware.

Mr. BYRD. That is right.

I thank the Senator, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the distinguished Senator from Texas is here, and I yield her as much time as she needs off our side.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I thank the Chair.

Mr. President, I will be brief.

I know my colleague from New Mexico and my colleague from Ohio have been working very hard on this amendment. I appreciate everything they are trying to do.

I have a separate amendment that has been incorporated into this amendment. It has the same purpose, and I hope when everything is worked out, our purpose will succeed. Our purpose is to level the playing field so that one candidate who has millions, if not billions, of dollars to spend on a campaign will not be at such a significant advantage over another candidate who does not have such means as to create an unlevel playing field.

In fact, I think it was Senator DURBIN who used these numbers: In the 2000 elections, candidates took out personal loans for their campaigns of $194 million for Federal races. In 1998, it was $107 million. In 1996, it was $106 million. That is a lot of strength. We pride ourselves in our country on trying to have a level playing field to keep our democracy balanced.

Under our Constitution, it is very clear that we cannot keep people from spending their own money however they wish to spend it. I will not argue that point ever. That is their constitutional right. They have a constitutional right to try to buy the office, but they do not have a constitutional right to resell it. That is what my part of this amendment attempts to prevent, so a candidate can spend his or her own money but there would be a limit on the amount that candidate could go out and raise to pay himself or herself back.

My amendment and the amendment of Senator DEWINE and Senator DOMENICI is $250,000. If a big State should have more, certainly I would look at what is reasonable. I want a level playing field. I want people to be able to spend their own money, but they need to know they are doing it because that is what they want to do, not because when they win they will be able to go out and repay themselves, so it is not a risk they have to take.

I have put my own money in campaigns in the past and I have taken the hit for it. A lot of people in this body have. It is a risk. It is a risk I was willing to take. It happened to be a risk I lost. Other people have been able to do that. Some have lost, some have won. I never repaid myself the full amount that I loaned. I think we need to have the level playing field.

We have a constitutional right to spend our money. No one argues that. I do believe a retired police officer or retired teacher should be able to run for public office on a level playing field and get the variety of support from his or her constituents and have as level a playing field as we can have protecting the rights of the wealthy candidate to spend that money, but limiting what could be paid back.

I thank Senator DOMENICI and Senator DEWINE who have worked so hard on their amendment. Their amendment includes other ways of leveling the playing field by letting the other candidates have no limits or bigger limits. I think that is fine, too. The point is, everyone would like to see the most level playing field we can find, the most numbers of contributors who care about this candidate being able to get behind someone and have a fair chance of getting the message out. That is what my part of this amendment does.

I thank all colleagues for coming together on an amendment, an amendment I hope will work. If for some reason this amendment goes down, I hope my amendment, which I introduced as a bill 2 years ago, I hope it prevails and we will be able to work something out as we go through the 2 weeks of debating this bill that will be fair and that will give everyone a chance to have the support of the biggest number of people and contributors in a person's home State, to have the ability to get a message out that the people can decide if they like or don't like.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, one of the advantages of having been around here a while is I remember when this idea first surfaced by the distinguished Senator from New Mexico in the late 1980s. He correctly identified this at that time as one of the significant problems developing. Now, some 13 or 14 years later, we are finally getting an opportunity to address one of the significant issues, one of the significant problems in our current campaign system.

One, obviously, is the hard money contribution money limit being set at $1,000, back when a Mustang cost $2,700 which only exacerbated the problem Senator DOMENICI is talking about because it is harder for a nonwealthy candidate to compete, given the eroding contribution limit.

The other, obviously, is the cost of reaching the voters, the television time. That, I am sure, will be discussed in the course of this 2-week debate.

I thank Senator DOMENICI for his important work on this over a lengthy period of time and congratulate Senator DEWINE for his contribution and the Senator from Texas, Mrs. HUTCHISON, for her contribution as well.

This is an important amendment. It will advance this debate in the proper direction, and given the support of Senator DURBIN and others on the other side of the aisle, we look forward to its passage later in the day.

Mrs. HUTCHISON. Mr. President, I clarify that our amendment takes place in the future. It does not jeopardize someone who based his or her actions on the law as it is today, but for the future, when everyone is on notice this law would then take effect if the amendment passes.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Parliamentary inquiry: Under the unanimous consent agreement, a vote must occur on an amendment, if not this amendment, at 12:30 p.m.

The PRESIDING OFFICER. Under the unanimous consent agreement, there are up to 3 hours of debate after which a vote on an amendment in relation to the amendment shall occur.

Mr. DODD. Further inquiry: I presume the time will begin to toll once the amendment is introduced, and the fact there is no amendment pending per se, other than the one we are discussing, the time is not really tolling; is that correct or am I incorrect?

The PRESIDING OFFICER. By consent, the time has been charged.

Mr. MCCONNELL. The time began to run on the amendment when the discussion began at what time?

The PRESIDING OFFICER (Mr. ENZI). Nine-fifty.

Mr. DOMENICI. If I could explain.

Mr. DODD. Certainly.

Mr. DOMENICI. The Senators involved in this with their staff worked very late last night. The amendment is very complicated and it is being drafted, and it has just been received. We cannot help that. It is now being looked at and it is practically ready. It is a very lengthy amendment. They think they have found some unintended words and they are trying to fix that.

We have been explaining the amendment. Senator DEWINE explained the state-by-state formula very much in detail. I explained the intent and the basic ideas, and as soon as we get it, we will introduce it and then there will be additional time until we vote.

Mr. DODD. I thank my colleague.

That raises a concern. I have been around long enough to sense when something will happen. I get a sense this amendment will be adopted and maybe by some significant numbers based on the sponsorships and the statements made.

I will oppose the amendment. I may be the only person opposing it, but I am deeply worried about it. The mere fact that we will vote in an hour on a highly complicated, very lengthy amendment that goes to a significant issue in this debate, and I cannot look at it, is an indication of the kind of trouble we may be getting ourselves into.

I appreciate the constraints of the managers and the leadership to move this debate along. However, I am troubled. Let me state why. I have great respect for the authors. We are trying to accomplish something. I have been, myself, a candidate with an opponent who announced they would spend significant millions of their own money against me, so I am not unfamiliar with facing a challenger who has great personal wealth. However, it seems to me this is what I would call incumbency protection. We are all incumbents in the Senate. We raise money all the time during our incumbency. I suspect most sitting Members who have some intention of running again have amassed something between $½ million and $1 million. If you have been here for a couple of years, I suspect you have done that. If you have been here longer, I know colleagues have amounts in excess of $3, $5, and $7 million sitting in accounts, earning interest, waiting for the next time they run.

I don't like the idea of a multimillionaire going out and writing checks and running, I suppose. I understand the law. The Constitution says if an individual in this country wants to spend his or her money that way, there is nothing we can do here to stop them. What you are trying to do is level the playing field.

It isn't exactly level, in a sense, when we are talking about incumbents who have treasuries of significant amounts and the power of the office which allows us to be in the press every day, if we want. We can send franked mail to our constituents at no cost to us. It is a cost of the taxpayer. We do radio and television shows. We can go back to our States with subsidized airfares. We campaign all across our jurisdictions.

The idea that somehow we are sort of impoverished candidates when facing a challenger who may decide they are going to take out a loan, and not necessarily even have the money in the account but may decide to mortgage their house—I don't recommend that as a candidate. But there are people who do it. They go out and mortgage their homes. I presume if you mortgage your house, that is money in your account. It is not distinguished in this amendment. You go into debt.

For people who decide they want to do that and meet that trigger, all of a sudden that allows me as an incumbent to raise, I guess, $3 million at one level, $3,000 at one level, and $6.000 at another. The gates are open, and the race is on.

I am just worried that we are going in the absolute opposite direction of what the McCain-Feingold bill is designed to do.

Again, I find it somewhat ironic that we are here deeply worried about the capital that can be raised and the candidate who is going to spend a million dollars of his own money to level the playing field. But those who oppose this bill don't have any difficulty with that same individual writing out a million-dollar check in soft money, in a sense. It is somewhat of a contradiction to suggest somehow that we are going to protect ourselves against that million-dollar giver and we don't have anything here to restrain this million-dollar giver in soft money. I find that somewhat ironic.

Again, I respect those who fundamentally disagree with McCain-Feingold. I don't agree with their arguments, but they have an argument to be made.

It seems to me if we are going to go that route to do so, but the idea that all of a sudden we raise the threshold of hard money to $3,000 and $6,000 for an incumbent sitting with a treasury of significant money on hand, even though you may not be personally wealthy, but the fact is that you have this kind of money in your accounts—why not suggest, then, if you are an incumbent and, in the case of Wyoming, you go to $500,000, whatever the trigger is, I say to the Presiding Officer, or the Senator from Connecticut or California—if I have that amount of money in my treasury, why not let the challenger, in a sense, reach the $3,000 and $6,000 level of individual contributions in order to challenge me if I have it not in my own personal account but in my political account?

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. DODD. Yes.

Mr. DOMENICI. First of all, there is no soft money in this amendment.

Mr. DODD. I understand that. My point was those who oppose the bill feel as though individuals ought to be able to make whatever contributions they want in soft money. I was making the observation as a contradiction.

Mr. DOMENICI. May I also say to you, if you are worried about the person who wants to put in their own money, and it will trigger raising the personal caps, you understand that before we are finished with the McCain amendment, it is going to be amended in terms of caps. Caps aren't going to remain at $1,000. You understand the caps are going to be raised.

Mr. DODD. I understand some are going to try to do that. I am not going to support it. But I understand there will be an effort to do that.

Mr. DOMENICI. It will happen because that $1,000 is 26 years old with no interest or inflation added, and it remains the most significant cap on Senators and Representatives. And it is too low. You have to spend all your time raising money, which is the other side of the equation. If it gets raised, also the person who had an idea of putting his own money in can look at it again and say, well, if I can raise $3,000, or $6,000, whatever it is changed to, and the PACs are changed to double, it might be that they will choose not to put their own money in because they could actually have a shot at financing.

When you put in all of the negatives that exist today in terms of the bias of big money, I think this bill is a good effort to try to equalize that. Is it equal in every respect? No, it is not. Does it take care of the fact that an incumbent may have already raised some money? No.

But let me tell you when you have a situation that says to somebody who is, as was defined here, a super spender, who gets up into the 10's, 20's, 30's, 40's, or 50's of the super spenders, to tell you the truth, I don't have an awful lot of concern about them, in fact, not having a fair shake in this election. They are going to spend enough money to make sure they do. They know that. They assess it and their money. They say they are going to put in whatever is necessary to get a fair shake.

I am more worried about them putting in their money and the person running against them, say, in the northeastern United States, is not an incumbent; the person running is a challenger. There is no way, under current law, that person could raise enough money to become known and do what somebody who spends $40 million can. That is the kind of person I am worried about.

Mr. DODD. That very race that I think my colleague is talking about was a fairly close race in the end. I can think of two specifically where, in fact, the individual raising that kind of money became a liability, and they lost.

I would like to reclaim my time.

Mr. DOMENICI. I would like to ask you about one other subject.

I think you should know what we are doing, respectfully, which is to say that anybody who puts in their own money, however they got their own money, when they get elected, they cannot use their Senate seat to raise money to pay off what they put in an election. You raised one where somebody mortgages their house and puts in the money. If they mortgage their house, they still have to put in this threshold money, which is a lot of money to be from a home mortgage.

Mr. DODD. I appreciate that.

I come back to my point. I know there are super wealthy candidates. I guarantee that there are a lot more incumbents sitting with super treasuries seeking reelection than there are individuals with vast amounts of money seeking Senate seats. We have them, but it doesn't automatically mean that they are guaranteed a seat. You see it in several jurisdictions.

My colleagues know what I am talking about and know the races specifically that I am referring to where millions of dollars was spent by individuals who financed their own campaigns, and they lost. In fact, I think they lost in no small measure because people were somewhat disgusted by the fact that they were giving the impression of buying a Senate seat. The mere fact you write checks out of your own personal account does not guarantee you a seat in the Senate.

We are clearly moving in the wrong direction. My issue is not that there is too little money in politics. I think there is too much. I hear my colleagues say the $1,000 needs to be increased. My big worry is what happens to that $25 contributor, the $50 or $100 contributor who we used to rely on and call upon to help support these candidates? We don't pay attention to them anymore. We spend all of our time looking for the large contributors.

By the way, a large contributor is $1,000 in my book or, a person who gives $2,000. Now we are going to raise it to $3,000 and $6,000 with the mere suggestion that you might finance $500,000 or $1 million in a Senate election.

So the doors are open. Now the argument is made that we have done it here and we ought to do it over there for the other side as well. All of a sudden, we have opened the gates, and we are up to $3,000, and $6,000, and forget about that $50 contributor, that small individual we are trying to engage in the political life of America. They are not going to get any attention whatsoever. My view is that is dangerous. I think it is worthwhile that people are invested in the political life of America with their time and their financial resources. I have no objection whatsoever to the idea that people write a check to support candidates of their choice for State, local and national office.

What I find deeply troubling is that they no longer will be solicited because their contribution doesn't amount to anything because we are going to go after the big-dollar givers, the $3,000 giver and the $6,000 giver. What percentage of Americans can actually do that?

If we are financing elections across the board for the House and the Senate by only soliciting those kinds of contributions, or at least the bulk of those people, I think we are putting our democracy in peril.

I understand the concern my colleagues and incumbents have about facing the wealthy opponent. But I don't think that concern should outweigh our determination to try to reduce the amount of money that is entering political life in America.

By adopting this amendment, as much as I empathize and understand the concerns my colleagues have, it looks to me as though all we are doing is trying to protect ourselves rather than trying to level that playing field.

If I am the only one to oppose it, I will do so.

Despite the good intentions of the authors of this amendment, I think it takes us in exactly the wrong direction. I think it makes a mockery of McCain-Feingold. I think we are beginning to just shred that piece of legislation. I know there is a strong determination to get a bill, but a bill that has McCain-Feingold's name on it, and ends up doing what this amendment would do, I do not think deserves the label it might otherwise get.

With that, Mr. President, I will oppose the amendment and yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Democratic leader.

Mr. DASCHLE. Mr. President, let me say to my colleague, the Senator from Connecticut, he will not be the only person opposing this amendment. I thank him for his eloquent, extraordinarily lucent description of this amendment and what it may mean. He is right on the mark. I share his sympathy, his empathy, for those who may be faced in the future with the circumstances some of our colleagues already have been faced with—running against a well-financed, independently wealthy opponent.

I think the Senator from Connecticut puts his finger exactly on the problem. This moves us away from limiting the money in the system. This "cure" creates even more financial pitfalls and political difficulties than the current system.

This amendment, however well intentioned, has three major problems. First, and foremost, it is an amendment that will create different standards in different States. As a result of the different standards that are created, most likely it will be declared unconstitutional. It will allow different candidates to raise different levels of money in different States depending upon circumstances. I cannot imagine that a system so confusing and biased could be upheld in any court of law. I cannot imagine that any court would look favorably at this inequitable distribution of opportunity.

Secondly, this puts even more political power in the hands of fewer and fewer people. When we began this debate we were trying to address this very problem—the concentration of political power in a wealthy few. Even with the limits as they were in the last election, almost half of all total contributions to Senate candidates came from donors who gave at least $1,000. So if the individual contribution limits now are raised to $3,000 or $6,000, or even higher if the underlying individual limits are changed by this amendment process, we know wealthy donors are going to control the field even more. Why we would want to do that in the name of campaign reform, I do not know?

I heard somebody say this is in the spirit of McCain-Feingold. This flies in the face of McCain-Feingold. There is nothing in the spirit of McCain-Feingold in this amendment. This is not reform. This makes a mockery of reform.

Finally, I cannot imagine why the compromise has not addressed one of the real problems that I see in this approach, which is that if an incumbent has $5 million in the bank or even $10 million in the bank, and his opponent declares that they want to spend some of their own money to mount a vigorous challenge, the incumbent gets to take advantage of the raised individual contribution limits. In my state of South Dakota, if my opponent wanted to spend over $686,000 of their own money, I could take advantage of the new limits even if I might have $5 in the bank myself. If the same forces that want to pass this amendment turn around and triple the underlying contribution limits, I would be able to go out and raise as much as $18,000 from every individual who wants to contribute to my campaign.

How is that fair? Regardless of what money we may have in the bank, how is it we would not look at that? Just because I might have a wealthy opponent, should I be allowed to open up the floodgates here and take whatever money I can raise? How is that limiting the influence of money? No, instead this protects incumbents. How is that in the spirit of McCain-Feingold? How can we seriously look at anybody and argue that this legislation benefits the true spirit and intent of what it is we are trying to do today?

I think the ranking member of the Rules Committee, the Senator from Connecticut, has articulately put his finger on the problem. We have to oppose this if we really want to support meaningful campaign finance reform. Do not let anybody out there tell you that somehow, by supporting this, we are moving in the right direction. This moves us down the wrong track. We ought to oppose it. It ought to be defeated. I support McCain-Feingold, but I do not support this.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. BENNETT. Mr. President, I listened with interest to the comments of the Senator from Connecticut. I am convinced that if he wants to offer an amendment to the Domenici amendment that says these amounts we are talking about for self-funded candidates also apply to incumbents who have those amounts in their existing campaign funds, I would be happy to support such a modification of the Domenici amendment.

Mr. DODD. If my colleague would yield, my fear is once we have done that, we are raising, of course, the hard limits, which takes us, as far as I am concerned, in the wrong direction with the bill. I respect those who say they are going to be raised anyway. But my concern is that if we keep on ratcheting up those levels, then we are running contrary to what I hope are the underlying motivations behind the underlying bill.

So I merely pointed it out to show the inconsistency in someone's personal wealth and a person's political wealth. We are applying one standard on personal wealth and not the same standard on political wealth.

I appreciate the point. Someone else may offer the amendment. But I thank the Senator for raising the point.

Mr. BENNETT. The Senator from Connecticut is exactly right. The reason I would support that is I am one of those who would increase the limits. So this gives us an opportunity to support the increase in limits in a number of other ways. But I appreciate this debate.

I will repeat what I said yesterday about my own experience, because I ran against a self-funded, wealthy candidate. If I had been under the restrictions of the present law, let alone the restrictions of McCain-Feingold, I would never have gotten anywhere in the primary. The only way I was able to compete in the primary was to spend my own money and match the money that was being spent by a wealthy opponent.

As I said yesterday, and repeat for my friend from Connecticut, who has an interest in Utah politics, my opponent—making the point of the Senator from Connecticut—outspent me three to one and lost. So that the expenditure of huge sums does not automatically result in somebody being elected.

But, nonetheless, his willingness to spend $40 a vote in that primary made it impossible for anybody to challenge him unless it was, as it turned out, a self-funded candidate who would come along and spend $15 a vote. And that is about how it worked out. Actually, I do not think I spent quite that much per vote. But he spent $6 million. I spent less than $2 million. I was able to get enough to get my message out and win, but if I had to raise that less than $2 million, at $1,000 a person, I guarantee you, I would not have been able to compete in any way. That is why I am sympathetic to the amendment of the Senator from New Mexico.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I say to colleagues, I will be relatively brief. I do not have the full context of this amendment and this debate, but my understanding is that this amendment is very similar to the amendment we voted on last night. I would like to repeat some statistics I presented last night that I think apply.

Right now, do you know how many citizens contribute $200—just $200 or more? One quarter of 1 percent. One-quarter of 1 percent of the people in this country contribute over $200. Do you know how many people contribute over $1,000? One-ninth of 1 percent of the population. Do you know the reason? Because a whole lot of people cannot afford to give that kind of money to campaigns.

What we have here is an amendment that purports to improve the situation by now creating a situation where you have people who are wealthy and have their own financial resources and finance their own campaigns now challenged by people who are viable because they are dependent upon people who are wealthy and have financial resources.

The contest is between the wealthy with financial resources versus the people who have access and are dependent upon the wealthy with financial resources. And this is called a reform? If the first thing we do on the floor of the Senate is pass an amendment to put yet more money into American politics, I don't think people will find that all that reassuring.

I say this because the more I follow this debate, the more convinced I am that public financing is the answer. From the time I came here, this has always been a core question. Bill Moyers, who is a hero journalist to me, gave a speech and sent me a copy of "The Soul of Democracy," in which he argues basically what is at stake is a noble, beautiful, bold experiment, over 220 or 230 years, of self-rule. That is what is at stake, our capacity for self-rule.

If you are worried about what to do about millionaires or multimillionaires running their own campaigns with their own resources, the way to deal with that is to have a clean money, clean election, have a system of public financing. We have seen some States such as Maine, Vermont, Massachusetts, and Arizona lead the way on this, where basically people all contributed to a fund. Then you say, to abide by agreed-upon spending limits, you get public financing. Basically the people themselves, who have contributed $5 or whatever per year in a State or in the country, they control the elections in their government and the capital and all the rest. It is much more of clean politics.

If someone says, no, I won't abide by that because I have zillions of dollars, and I will just finance my own campaign and go way beyond the expenditure limits, then out of that clean money/clean election fund, money is given to the candidate who has agreed to abide by this to match that. That would be the direction in which you would go.

I don't know why Senators are so concerned about wealthy people running for office and financing their own campaigns and basically clobbering everybody else because they have the money. If this is the concern of my colleagues, they should embrace public financing. That is what we want. Then we have a system that is honest, clean, and which basically says all the people in the country contribute a small amount. We are willing to abide by this. As to those candidates who don't, who when they run finance their own campaigns, there is additional money to match that. That is the direction in which we should go.

Before I take a question from my colleague, I want to say that one of the amendments I will bring to the floor is an amendment—it is an interesting proposition based upon an Eighth Circuit Court of Appeals decision in Minnesota—that says: You change three words in Federal election law and you make it possible for any State that so desires to apply some system of public financing, whatever the States decide it is, not just to State elections but to Federal elections. If Utah wants to do it or the people in Minnesota want to do it and they vote for it or the legislature votes for it, then they ought to be able to do it. We don't tell them what to do. We just say that if a State wants to apply some system of public financing, some kind of clean money, clean election to Federal races, they should be able to do so. That would be an amendment that goes in the direction we are going to have to go.

McCain-Feingold is very important and should not be watered down because I think it is an important step in the right direction. However, I cannot believe that what we have here—and I am very worried this is a harbinger of what is to come—is an amendment that says we are going to vote for reform. We are going to now put more money into politics. Those of you who run for office, here is the way we will create a level playing field. You can be even more dependent upon the top one-quarter of 1 percent that now you can get $6,000 from or $5,000 from, or wherever you want to take the spending limit, in which case we are even more dependent on those folks; they have more clout, even more power.

And that is called reform. I just don't get it. Later on, there is going to be an amendment to raise campaign limits from 1 to 3 and 2 to 6—unbelievable.

One more time—then I will take a question from my colleague—one-quarter of 1 percent of Americans made a contribution greater than $200 in the 1996 cycle—probably about the same in the 2000 cycle—.11 percent, one-ninth of 1 percent of the voting-age population, gave $1,000 or more. We are not talking about the population but the voting-age population. Now you are going to give wealthy citizens even more clout? You are going to give them an even greater capacity to affect elections and call this reform?

I yield for a question from my colleague.

Mr. BENNETT. I thank my friend. Since he has raised the issue of public financing in the campaign, I ask him if he would explain how the public financing would work with respect to special interest groups that raise their own money and run their own ads. We saw in the last election, for example, groups such as the Sierra Club and the National Rifle Association become very active in politics. We are no longer in a position where it is just Republicans running against Democrats, as far as the airwaves are concerned, but a whole host of groups.

I ask the Senator, would he support public financing for political ads for even the Sierra Club or the National Rifle Association?

Mr. WELLSTONE. I appreciate the question. There is a three-part answer. You know I am long-winded. The first part is that you could have additional public financing to match that. The second part is that the amendment we are talking about here doesn't deal with that problem either. My colleague is raising yet another issue. I agree, it is a serious issue, but this amendment doesn't address that problem. My colleague can raise this question, but it doesn't make a lot of sense in the context of this amendment. That is yet a whole separate issue with which we have to deal.

My third point concerns another amendment I am thinking of which gets at part of the problem he is raising. I am very worried that what we are going to have is a bigger problem with the Hagel proposal. As much as I respect my colleague from Nebraska, I plan to be in vigorous opposition against it. I am worried that if you do the prohibition on the soft money, it is going to shift to the sham ads, whoever is running those ads. The Senator mentioned some organizations. I could mention others. I am worried about that. It is like jello; you put your finger here and it just shifts to over here.

In the McCain-Feingold bill, you deal with labor and you deal with corporations. I am very worried that there will be a proliferation of all sorts of organizations, and labor and corporations with good lawyers will figure out basically how to make sure that their soft money also goes into this.

I would like to go back to the original McCain-Feingold formulation, which was in the bill that passed the House, to say that you have that 60-day prohibition on soft money applied to all those sham ads, which I would say to my colleague from Utah would be a very positive step.

Mr. BENNETT. I thank the Senator for his response. I agree with him that my question didn't have anything to do with the amendment. It was stimulated by the Senator's endorsement of Federal funding. I thank him for his response. I am prepared to debate the other issues he raises in the appropriate context. I think we are both getting far away from the amendment.

Mr. WELLSTONE. I don't think the first 75 percent of what I said was at all far away from it. Again, we have an amendment that purports to be reform. The message to people in the country is, we are going to spend yet more money. Now we move from millionaires who can finance their own campaigns against people who are dependent upon millionaires who can give them ever larger and larger contributions, with the top 1 percent of the population having more clout, more influence, more say. I don't view that as reform.

I yield the floor.

Mr. REID. Mr. President, I can remember the first time I went to New York City—amazing things to me—those tall buildings, those people—you know, being from Nevada—teams of people milling around. But I have to acknowledge probably the most fascinating thing I saw was these people on the street playing these games. They would try to entice people to play. I learned later it was a shell game. I watched with fascination because nobody could ever win. No matter what you did, you always picked the wrong place for that little object they were trying to hide.

I say that because I think that is what is happening with campaign finance reform. In 1987, I came to the Senate floor saying: We have to do something about campaign finance reform; we can't have another election like I have just been through.

Well, I have been through two subsequent elections, and each has been progressively worse, as far as money.

Over these years, each time we were going to bring up campaign finance reform, I looked with great expectation for the system to be made better. But like the shell game I saw in New York, you never picked the right spot. It was always gone when you got there, and we never did get to campaign finance reform. I can see that is what is happening today.

All last week, I was kind of elated because Senators MCCAIN and FEINGOLD had worked to get their legislation on the floor. I felt there was movement and that we could finally do something—if nothing more, get rid of soft money. Based on what happened last night, and I see what is happening today, I am very disappointed. I can't see, with all due respect to my friends—and they are my friends, the Senator from Wisconsin and the Senator from Arizona—how in the world they could support this amendment. If we are talking about campaign finance reform, this is going in the opposite direction, as has been so well put by the manager of the bill on our side, the ranking member of the Rules Committee, the senior Senator from Connecticut.

The shell game is being played here. This is not campaign finance reform. I may not think the underlying campaign finance reform bill of McCain and Feingold is perfect, but it is something I can support. The Senator from Connecticut is not going to be alone. We already know he has a vote from the Senator from South Dakota, the Democratic leader. I acknowledged last night I wasn't going to vote for this thing. If we are going to have campaign finance reform, we are going to have campaign finance reform.

As the Senator from Connecticut said, just because it has the name "McCain-Feingold" on it doesn't mean it is campaign finance reform. We keep moving away from it. I don't know how anybody can support the underlying bill. I want to support campaign finance reform. I have wanted to support it since 1987. I have spoken on this floor as much as any other person about campaign finance reform. But today, again, I see the shell game. I hope that I am wrong.

Yesterday, I acknowledged the great work of the Senators from Wisconsin and Arizona in moving this bill forward. I don't, in any way, want to imply anything negative other than disagreeing with the point of this legislation. But I want to say that I think the senior Senator from Kentucky has been masterful. I say that in the most positive sense. He has been one of the few people who has been willing to stand up and speak his mind. We have a lot of people who are doing things behind the scenes to try to deep-six this bill, but the Senator from Kentucky has never backed down a second, and I admire him. I disagree with him, but I admire him for what he has done. In my estimation, I think he has done very good legislating. I don't agree with him, but I have the greatest respect and even admiration for the way he stood up when few people would oppose this legislation, and he did that. I respect that.

Mr. President, we should acknowledge what is happening here. This underlying McCain-Feingold legislation is slowly evaporating, and we are going to wind up with something else. It may have the name, but it is not going to be what I wanted to vote for.

I suggest the absence of a quorum and ask that time be equally charged.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DEWINE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEWINE. Mr. President, let me briefly respond to my friends and colleagues from Connecticut, South Dakota, and Nevada in regard to this amendment. I certainly respect their opinions and respect their comments.

Mr. President, the fact is that this amendment will enhance free speech. It is true this amendment will move toward a more level playing field and does address a problem that has arisen in the last few years when, because of a constitutionally protected loophole, the wealthy candidate is the only person in the country who can put an unlimited amount of money in a particular campaign—his or her own campaign. Everybody else is limited to $1,000 but not the candidate. So what has happened is there has become a great search every election cycle, where both the Republicans and the Democrats go out and they don't look for people with great ideas. Some mechanics may have great ideas. They don't look necessarily for people with a great deal of experience or who bring other attributes, although a mechanic may have all of those things. What they look for and what the great search around the country is for is people who have money—the more the better. If you can find someone who has that money and is articulate, and they are from a key State or from a State that is getting ready to elect a U.S. Senator, then you have found what you were looking for.

There is an inequity in the current system. But that is not why this amendment is being offered, and that is not why we should vote for this amendment. We should not be concerned about the candidate who is running against the millionaire, not directly concerned about that candidate. It is not just to level the playing field or to make it more equal. What we should be concerned about is the public and whether the public will have the benefit of a free debate, free-flowing debate, a debate where both candidates have the ability to get their ideas out.

This amendment enhances free speech, and it does it in a very rational way. Again, I point out to my colleagues who have come to the floor to criticize this amendment, this amendment does not allow soft money. This amendment deals with very regulated, very much disclosed hard money. It basically builds on the current system. Where there is the most accountability in the system today, and where we have had the fewest problems today is with hard money and with individual donors.

That is what this amendment builds on. It simply says that a person who is faced with a millionaire putting his or her own money into the campaign has the opportunity, because of this amendment, to go out and raise money from many people. When they raise that money, in each case it will be disclosed very quickly. It will be open to public scrutiny. It will all be very much above board, and the end result will be not that the candidate who is the millionaire will have a smaller megaphone—that millionaire who is putting in his or her own money will have the same megaphone they had before this amendment—but what it means is that the candidate who is facing that multimillionaire will also have the opportunity to have a bigger megaphone, to grow that megaphone if, in fact, he or she can go out and convince enough people to make individual contributions. That is what this amendment does.

Will it put more money into the political system? Yes, it will put more money into the political system. I maintain, however, that the effect of that money will be to enhance the first amendment and not diminish the first amendment. It will be to enhance people's ability to communicate and get a message across without in any way hurting someone else's ability—namely, the millionaire—to get their message across.

My colleague and friend, the minority leader, talked about the differences between the States. I understand what his perspective is, but I think, based upon the State he is from, he understands there is a fundamental difference between the expenditure of $1 million, or let's say half a million dollars, in South Dakota and a half a million dollars in the State of Ohio. The half a million dollars in South Dakota has a lot more impact than a half a million dollars in the State of Ohio. It seems to me it is incumbent upon us to make that distinction.

How do we do it? First, I will talk about how we do not do it.

We do not make any difference in regard to whether there is a multiple of three or multiple of six. We do not change that among the States. We do not change the categories among the States, but what we do say is that in a smaller State, when the millionaire puts in a certain amount of money, that money does have more of an impact in that smaller State than it has in a larger State and, therefore, we start the process earlier and we kick it in earlier.

For example—and this is the chart my colleagues have—I will take the first State, and that is the State of Wyoming. Recognizing the difference that money has in Wyoming versus Ohio, we provide that the first threshold, which means you can raise $3,000 from a donor instead of $1,000 from a donor, that is triggered in Wyoming when the millionaire, the person who is self-financing their campaign, puts in $328,640. The candidate who is running against the millionaire in Wyoming, would then have the opportunity to raise three times the limit for each donor, which is $3,000.

In Ohio, we do not reach that threshold until that self-financed candidate has put in $974,640. There is a difference in the impact that money has in one State versus the impact in another State. We do not even kick that in until that person has put in close to $1 million in the State of Ohio.

It makes eminent sense to do it this way. It has been well thought out, and, frankly, it enhances the chance that a court will look at this and say, yes, that is a rational approach.

Again, this is an amendment that has a lot of protections built in, and probably the most important one was added last night. That was the concept that a wealthy candidate should not in any way be disadvantaged by the fact that he or she is exercising their constitutional right to put their own money into a campaign.

How do we ensure that? We ensure it by simply saying that the amount of money the nonwealthy candidate can raise above the normal caps will be limited to the amount of money that the wealthy candidate puts in. If the wealthy candidate puts in $5 million, the nonwealthy candidate can only raise, with the enhanced caps from individuals, a total of that up to $5 million.

It guarantees the wealthy candidate will not be disadvantaged, that he or she will not have a smaller megaphone and there will not be a disincentive for them to actually put their own money into the campaign.

They will still have the ability to do that. They will not be penalized if they do that, but what it says is when that does happen, when the wealthy candidate does contribute a significant amount of money to his or her own campaign, then the nonwealthy candidate can go back, as a practical matter, to previous donors and try to get them to give an additional $1,000, $2,000, or $3,000, depending on where they are.

It is a lot of work. It is something that is not easily done. It is something that will make sure there are more and more people involved in giving money, will involve more people in the process, and will enhance freedom of speech.

In summary, this is a well-crafted amendment. It is an amendment that deals in a constitutional way with a problem of perception, and that perception is that someone today who is wealthy enough can buy a seat in the Senate. We know that may or may not be true in a particular case, and we also know that many people who are wealthy and who are self-financed are fine people and fine candidates. That is not the issue.

What this amendment is aimed at dealing with is the perception, and the perception that someone can buy a seat in the Senate with their own money. It begins to level that playing field. It makes it more competitive. It enhances free speech, and it does not diminish in any way what that wealthy candidate can say or do or their ability to get their message out, but enables the person who is not wealthy to also get their message out. We have done it, I think, in a rational way.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, after a long night and legislative counsel drafting this amendment and then all of our collective staffs working on it to make sure we had a draft we could offer, we are now at that point. This amendment may need some technical and drafting changes as we move through this process, and that will be done.

Essentially, Senator DEWINE has explained the technical part of this bill. I want to, once again, talk about why this bill is imperative for the United States.

While we are here on the floor debating a McCain bill to change the campaign laws of America because we are concerned about excess money coming from sources—soft money, hard money, too much of this, too much of that—and I am not sure I agree with everyone, but I am saying where we are there is a new and growing situation that involves this amendment and what we are trying to do. That is the right of wealthy Americans, men or women, to spend as much of their own money as they desire in a campaign. Nobody is going to change that. This amendment cannot change that. The Supreme Court has said that is a right.

That right is being exercised in growing numbers by those who put not a few thousand, not a few million, but tens of millions of dollars of their own money into campaigns.

What is wrong with that is not that they can put up $10 million, but their opponent is bound by 26-year-old caps that are so low that to match somebody who puts $10 million of their own money in, in a middle-size State, the opposition must spend days upon days seeking $1,000 contributions per election and seeking $5,000 per election from political action committees.

I never have figured out how much a person would have to spend of their time to match a $10 million contribution from a wealthy person or superwealthy contribution. It is an enormous amount of time. It is frequently fruitless because you can't raise enough money to match.

I am not concerned today about making sure the candidate who puts up millions is treated precisely as the person running against him, whether the person is incumbent or otherwise. However, what we do is say the man or woman running against the big contributor—the $5 million, the $3 million, the $20 million, we even had over $50 million of their own money spent—the opposition candidate has to have a change in those $1,000 cap restraints and the $1,000 has to be raised substantially. The hard money that can come from parties has to also be changed substantially so the person running against a wealthy candidate who spends a lot of their own—and I just described that; the other side of the aisle described it also, somebody on the other side of the aisle said as much as $50 million—in a simple way raise the level of funding that the opponent can raise from the American people, citizens of their State and from their party. That is fair. If it turns out in the process you do not match equal dollars, that is all right with this Senator. We tried very hard to make sure the person running against the wealthy candidate gets a fair share.

AMENDMENT NO. 115

I send an amendment to the desk for myself, Senators DEWINE, DURBIN, ENSIGN, FEINSTEIN, and COLLINS, and I ask it be immediately considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. DEWINE, Mr. DURBIN, Mr. ENSIGN, Mrs. FEINSTEIN, and Ms. COLLINS, proposes an amendment numbered 115.

Mr. DOMENICI. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. MCCONNELL. I believe we have agreed we will vote at 12:15.

Mr. DODD. If I can make a point, my concern is that I don't know if I have the final version of this amendment. I gather still technical changes are being made as we stand here. I count 20 pages to this amendment. Am I right, roughly 20 pages?

Mr. DOMENICI. It is 12 pages.

Mr. DODD. We are just getting an amendment that raises hard money caps, based on triggers and formulas from 50 States. I am uneasy about this body taking on an amendment such as this without knowing the implications and going directly contrary to the thrust. While the bill focuses on soft money, many believe the issue of the amount of money in campaigns, raising this limit makes it that much easier later on for people to raise the caps on hard dollars. Nothing in here provides for the challenger who faces the incumbent with how many millions they may have in their own political account.

I am troubled by this body on a matter such as this, when hardly a speed-reader would have time to read this amendment, understand it, digest it, and adopt it all in the next 10 minutes. It is troubling to me. I understand the need to move along. I oppose this amendment.

Mr. MCCONNELL. I say to my friend from Connecticut, the choice is between 12:15 and 12:50. We debated it 3 hours yesterday and we debated it for 3 hours this morning. We can agree to vote at 12:15 or vote at 12:50.

Mr. LEVIN. When he says "agree to vote," are you assuming there is a vote to—a motion to table either side?

Mr. MCCONNELL. I am not assuming anything.

Mr. LEVIN. Mr. President, let me say the current version of this amendment represents a significant improvement over where it was last night for a number of reasons.

First, last night's version did not keep a cap on contributions once the trigger was triggered. The extra contributions triggered on but did not trigger off. This version intends to trigger off the extra increased contributions when the limit of the declaration of the wealthy person is reached. That is a significant improvement. That is consistent with the purpose of McCain-Feingold—limits, trying to hang on to limits for dear life.

Those limits have been blown by the soft money loophole and this current version—and it is an improvement over the earlier version—at least restores limits because you are not just triggering on the increases from $1,000 to $3,000 or $1,000 to $6,000. You then trigger off the increases when the declared amount by the wealthy self-financed person is made or is reached, either one. That is an improvement.

Second, I think the variation among the States is an improvement.

However, there is still a major problem, and I will address my friend from New Mexico and Ohio on this problem. In the effort to level the playing field in one area, we are making the playing field less level in another area under this language. As the Senators from Connecticut and Nevada, and the Democratic leader, have pointed out, the playing field will be less level for the challenger. For instance, the challenger, who might want to put $1 million into the campaign, is self-financed to that extent. He or she may mortgage a home to get the $1 million so that he or she is able to compete against the incumbent, where the incumbent has $5 million in a campaign account. We make that situation less level, not more level, because the incumbent is able to then raise money at the higher contribution levels.

It seems to me that is a significant flaw, which we should attempt to address, and we should attempt to address it in this amendment before we vote on it.

Now, the only way we can offer a second-degree amendment to a pending amendment under our unanimous consent is if the motion to table is made and fails. That is the only way in which a second-degree amendment can be offered. Since this is complicated language which is being presented to the Senate at this hour with very little opportunity for many Members to read it or think through it, I suggest we do one of two things. We either amend the unanimous consent in this case so we can vote after we have had a chance to second degree it, or at least consider the language so we can determine if we want to second degree the amendment. If that is not acceptable to the proponents, it seems to me we should move to table, the motion to table will be defeated, and then it will be open to a second-degree amendment. Since that is the only way in which anybody who wants to offer an amendment in the second degree can offer it, it seems to me that is an appropriate way to proceed.

Let me summarize, I think this amendment is an improvement over what we began with in a number of ways. We have a trigger off as well as a trigger on. That is a plus. And there is variety among the States. That is a plus. However, it creates an unlevel field. As the Senator from Connecticut pointed out, along with the Senator from Nevada, there is an unlevel playing field which is created, a greater lack of a level playing field in the case of the incumbent who has that campaign fund, who is then being challenged by somebody who can self-finance to the extent of $½ million or $1 million. The incumbent who already has the financial advantage and the incumbency advantage is then also given the advantage of having the higher contribution limits.

The effort to level the playing field in a very appropriate way, as the Senator from Ohio is doing, makes the playing field less level against the challenger.

This would be up to the managers of the bill. But I suggest that the Members of the Senate be able to read this amendment, either delay the vote, or make it open to a second-degree amendment. Or, in the alternative, I suggest that we have a motion to table, which then presumably would be defeated, but which would open up the amendment to being read and considered and to a second-degree amendment.

Mr. MCCONNELL. Mr. President, I was talking to the assistant Democratic leader. We agreed that we ought to have this vote at 12:15. It is my understanding, I believe, that he is going to propound a consent agreement for that.

Mr. REID. Mr. President, this has been cleared with Senator DODD and managers of this bill. I ask unanimous consent that we have a vote on or in relation to this amendment at 12:15, and following that vote, our party recesses would take place. We would be in recess and reconvene at 2:15 today. The next amendment being offered would be a Republican amendment.

Mr. MCCONNELL. Mr. President, reserving the right to object, does that mean an up-or-down vote on the Domenici amendment?

Mr. REID. No, it doesn't. We are under a unanimous consent agreement. Whatever happens happens.

Mr. MCCONNELL. Let me raise the issue. If the Democrat amendment is not tabled, then it is open to second degrees. So the next amendment is not necessarily a Republican amendment.

Mr. REID. The unanimous consent request indicates that if a motion to table is not offered, then it is anybody's opportunity.

Mr. McCONNELL. If a second-degree amendment were a Democrat amendment, from a parliamentary point of view, we would be potentially in an extended discussion, which is what I see my friend from Michigan smiling about.

What we feared when we entered into this consent agreement in the first place was the potential for anybody who wanted to kind of work mischief and to filibuster a second-degree amendment. I ask my friend from Michigan, is it his intent, then, to second degree the Domenici amendment once it is not tabled, thereby preventing Republicans from offering the next amendment?

Mr. LEVIN. No. I am not intending to prevent Republicans from offering the next first-degree amendment at all. I am not sure I want to offer a second-degree amendment. With an amendment this complex, I want there to be an opportunity for Members to read it, consider it, and decide whether or not to offer a second-degree amendment. I may try to offer a second-degree amendment along the lines that we talked about. In no way am I trying to prevent Republicans from offering amendments.

Mr. McCONNELL. I don't know whether this is acceptable to the Senator from New Mexico. Since we were debating this issue all day yesterday and have been all day today, there are some Senators who, in order to make progress on the bill, might want to go to another amendment. I am wondering about temporarily laying it aside or staying on this with a motion to table.

Mr. DOMENICI. What would be the status of the Domenici amendment? If we would set it aside, it would be an amendment that has not been tabled, and that is subject to amendment pursuant to the unanimous consent agreement. Is that correct?

Mr. DODD. No. Wait a minute. Reserving the right to object, my point is that under the unanimous consent request a pending amendment cannot be a second-degree amendment unless there is a tabling motion. If there is a tabling motion, and that does not prevail, then that amendment is subject to amendment.

Mr. DOMENICI. I assume we are going to do that right now. Are you going to try to table it? You are going to lose.

Mr. DODD. It can be done in a number of different ways: withhold and lay the amendment aside; then bring up a Republican amendment after the recess lunches and work on this amendment; or vote on this amendment; or have a tabling motion; and, if you do not prevail, then the amendment is subject to future amendment.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Reserving the right to object, Mr. President, let's continue the discussion for a moment.

Mr. DOMENICI. Mr. President, I would like to proceed. I believe it is 12 pages long. We have counted it. We have had hours in that Cloakroom with staff from every Senator who is interested. The amendment we started with was rather lengthy. We just added to it. But we have added what all of these Senators wanted as if they were sitting in there in terms of modifying the Domenici amendment to make it a real Domenici-DeWine amendment which includes the state-by-state formula that he wants as well as proportionality that other Senators sought.

I want a vote up or down when the time comes. I hope it will come quickly. If it doesn't, we will vote at whatever time this time expires. If somebody wants to table it, I would now, here and now, urge that we not table it. It is a very good amendment. If you want to fix it up, you can fix it up a little bit. It still has to go to conference. But essentially a vote to table this is a vote not to do anything about the growing situation of extremely wealthy Americans using their own money while, for the most part, the person running against him is encumbered by statutes in terms of what they can raise that are totally unreasonable versus a candidate who puts in $10 million, $20 million, $30 million, or $40 million. That is the issue.

At this point, I yield the floor and hope we will vote soon.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Reserving the right to object, I say in all due respect to my good friend from New Mexico that you have provisions in here, as I look at this thing, where you have inserts that I can't even find. Insert 301 in someplace, insert from 301—I am looking at an amendment that I can't even follow. With all due respect, this is pretty serious stuff. I need to have a guide to get me through this. You are asking me to vote in a couple of minutes on a 12- or 15-page amendment that is very important. This is a significant amendment.

It seems to me that we ought to take a little time either to get this right or not. But if you are going to rush this thing through without any explanation, I say to colleagues who want to, come over here to see an amendment insert that I can't find.

We ought to vote to table it, or take a little time and then sort this out so at least Members know what they are voting on. But to vote on this right now under these circumstances would be a travesty. It is not the way to proceed.

The PRESIDING OFFICER. Is there objection to the unanimous consent request by the Senator from Nevada?

Mr. McCAIN. Reserving the right to object, and I will not, Mr. President, let me point out a couple of things.

One is we have spent a long time on this issue. Negotiations included virtually every Senator who was interested in this amendment. There are two parliamentary procedures. If the motion to table fails, yes, a second-degree amendment is in order. But a tabling motion to the second-degree amendment also is in order at any time. There is no timeframe.

It is also available to further amendments in the future which could be designed to affect the Domenici-DeWine amendment as well. If this issue is to be revisited with another amendment, it could be done as well. You don't necessarily have to go to a second-degree amendment.

I point out to my colleagues that we have 2 weeks. We have now been on this amendment for a number of hours, depending on at what they are looking. We ought to be able to get this issue resolved quickly and move on to other amendments.

I can understand the frustration of the Senator from Kentucky because he was under the impression that the next amendment would be his amendment, or one of the supporters of his position on the overall bill.

I hope we can have an up-or-down vote with the full and certain knowledge that another amendment to clarify or to change the underlying amendment would be in order at any time, and by having an up-or-down vote, we can move on with the amending process.

I hope my colleagues can understand the logic of that. There is a limitation of time. I do not object.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, the vote will be at 12:15.

The PRESIDING OFFICER. The vote will be at 12:15.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, does the Senator from New Mexico yield 3 minutes?

Mr. President, first, I say that if this amendment is adopted, I want to make it clear, given the concerns raised by the Senator from Connecticut, which I think are legitimate, that we have agreed on working together to work out a technical amendment package that is agreeable to all of us.

We have an agreement as to the concept of the amendment, and we will make sure that if the amendment is added to the bill it reflects our agreement. Without that, I certainly agree with the Senator from Connecticut that there will be problems.

There needs to be changes, and there needs to be some time to evaluate and make the changes.

I thank everyone for all the hard work that was put into this. It is a very complicated issue. Senators have very strong feelings on it. Ever since the Buckley case held that Congress cannot restrict a candidate's spending of his or her own personal wealth, we have struggled and struggled with how to handle the situation where candidates have such disparate, unequal personal fortunes. Understandably, there is a great concern among Members of this body about the possibility of facing a very wealthy challenger. Many of us have had that experience, including myself. To the extent that an incumbent Senator is wealthy, it is very difficult to find a viable challenger.

The amendment offered by Senator DOMENICI yesterday was certainly well intentioned, but it had at least two significant flaws. First, it allowed candidates who faced a wealthy candidate to raise unlimited funds from their contributors under increased limits. It even permitted, in my view, a very serious problem. It even permitted parties to pump unlimited funds into a race based on a situation where somebody would put over $1 million of their own money into a race.

Secondly, it did not recognize the obvious fact that $500,000 of personal spending in Maine is much more significant than $500,000 of personal spending in a State such as California or New York.

I am pleased that we have addressed both of these problems in this compromise. I am not happy with the idea that we are raising individual limits in this way. I believe this sets a dangerous precedent both for the future of this debate and for future debates, but the amendment is much improved, and in the spirit of compromise, I intend to support it.

However, this is not an amendment that I believe is essential to reform. In fact, I would rather see that we address this problem in a different way. But this is a process in which we have to show some flexibility. So while I will vote for it, I fully understand that some very strong supporters of our bill must vote against it. That is fine. I want to assure those who are watching that a vote against this amendment is not, to my mind, an antireform vote.

I also add that with regard to those who have worked so hard on this amendment, especially on the other side of the aisle, if they are successful, I hope those Senators will be part of our reform effort and will join us as this process proceeds with the common goal of passing—I ask for an additional 2 minutes.

Mr. DOMENICI. I ask the Senator, are you in favor of the amendment or against the amendment?

Mr. FEINGOLD. I am in favor of the amendment.

Mr. DOMENICI. Thank you very much.

Mr. FEINGOLD. Let me conclude and say it is essential that those who are a part of adding these items and these new considerations to the bill be part of the solution, which is to pass this legislation without too many amendments that would actually undercut its ability to get through this body and be a good piece of public policy.

Mr. President, I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator's time has expired.

The other side has time.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. I will be glad to yield to my colleague from Michigan.

Mr. LEVIN. I want to ask the Senator from Wisconsin a question. Would the Senator be open to a question?

This amendment will create a less level playing field in one area; that is, when the incumbent has the large campaign fund, say, of $5 million, and the challenger then puts in $1 million of his own, this opens it up to the incumbent to have the higher contribution limits, which is a tremendous advantage, on top of the incumbency advantage.

Is the Senator from Wisconsin committed to an amendment which would try to correct that deleveling of the playing field that is created by this amendment?

Mr. FEINGOLD. Mr. President, in answer to the Senator from Michigan, I think that is a problem that should be addressed.

Mr. DODD. I yield back whatever time we have.

The PRESIDING OFFICER. All time is yielded back.

Mr. DODD. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have already been ordered. The question is on agreeing to amendment No. 115.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 70, nays 30, as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—70

Allard
Allen
Baucus
Bennett
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Campbell
Carnahan
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
DeWine
Domenici
Durbin
Ensign
Enzi
Feingold
Feinstein
Frist
Gramm
Grassley
Gregg
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Kerry
Kohl
Kyl
Landrieu
Levin
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner

NAYS—30

Akaka
Bayh
Biden
Bingaman
Byrd
Cantwell
Carper
Daschle
Dayton
Dodd
Dorgan
Edwards
Fitzgerald
Graham
Hagel
Inouye
Johnson
Kennedy
Leahy
Lieberman
Lincoln
Mikulski
Murray
Reed
Reid
Rockefeller
Stabenow
Thompson
Wellstone
Wyden

The amendment (No. 115) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived——

Mr. McCONNELL. Mr. President, may I make one brief announcement?

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, the next amendment will be offered on the Republican side. I had indicated to my colleague, Senator DODD, it will be either in the area of soft money or an amendment concerning lobbyists. We are going to work that out during lunch. It will be laid down at 2:15 p.m. Of course, the amendment will be laid down at the beginning. We will not have the confusion that surrounded the last amendment, and everyone will be fully apprised of what is in it.

Mr. DODD. Mr. President, before adjourning, I ask our colleagues, if they have amendments on this bill, to get them to us, and those who are interested in having amendments offered, let us know so we can start to line up these amendments and make sure all interested parties are aware of what amendments are coming. It would be very helpful.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, at 12:42 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

AMENDMENT NO. 117

Mr. BENNETT. Mr. President, I send an amendment to the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. BENNETT] proposes an amendment numbered 117.

Mr. BENNETT. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Federal Election Campaign Act of 1971 to prohibit separate segregated funds and nonconnected political committees from using soft money to subsidize hard dollar fundraising)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. PROHIBITING SEPARATE SEGREGATED FUNDS FROM USING SOFT MONEY TO RAISE HARD MONEY.

Section 316(b)(2)(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)(c)) is amended by inserting before the period at the end the following: ", except that the costs of such establishment, administration, and solicitation may only be paid from funds that are subject to the limitations, prohibitions, and reporting requirements of this Act".

SEC. 306. PROHIBITING CERTAIN POLITICAL COMMITTEES FROM USING SOFT MONEY TO RAISE HARD MONEY.

Section 323 of the Federal Election Campaign Act of 1971, as added by section 101, is amended by adding at the end the following:

"(f) OTHER POLITICAL COMMITTEES.—A political committee described in section 301(4)(A) to which this section does not otherwise apply (including an entity that is directly or indirectly established, financed, maintained, or controlled by such a political committee) shall not solicit, receive, direct, transfer, or spend funds that are not subject to the limitations, prohibitions, and reporting requirements of this Act.".

Mr. BENNETT. Mr. President, this is a very simple amendment. It is very short. I hope it is very much to the point. I refer to it as a consistency amendment; that is, it brings a degree of consistency to McCain-Feingold that has not been there before.

I must confess I didn't read McCain-Feingold all that carefully in previous debates since I was opposed to it and I was convinced it was going to fail. I opposed it on constitutional grounds. I still feel that way about McCain-Feingold, but there is now a prospect that it might pass. That being the case, I think it appropriate we address some aspects that we perhaps did not look at before.

The fundamental proposition within McCain-Feingold, as I understand it, is that soft money is evil, soft money must be banned, soft money leads to the appearance of corruption, and therefore McCain-Feingold is drafted to eliminate soft money.

As we went through McCain-Feingold carefully, we discovered it does not eliminate all soft money. So my amendment, to be consistent, does eliminate all soft money. Let me be specific as to that which is not eliminated under McCain-Feingold and would be eliminated under my amendment; that is, the use of soft money to pay the administrative expenses of PACs, or political action committees.

I have something of a history with PACs by virtue of the fact at one point in my career I worked for the late and legendary Howard Hughes. Mr. Hughes, or Mr. Hughes' executives, rather, constitute the fathers of PACs because in California, where Mr. Hughes had his operations, they initiated what was at the time a whole new idea in politics. Mr. Hughes' executives were tired of California politicians coming to them and saying: We want political contributions. So they said: Let's do something different. Come to our plant and address our employees, and when you have finished addressing our employees, we will pass out envelopes and pledge cards to our employees and they can pledge money to you or to your opponent, depending on how they received your presentation when they were there.

To my knowledge—and I can be corrected on this—this was the beginning of a political action committee. I can remember when I was employed by the Hughes organization, every politician in California wanted to take advantage of this opportunity. They all wanted to come by the Hughes companies, address the Hughes employees, make their points, and then walk away when it was over with a single check that represented the aggregate of the commitments the employees had made to that particular candidate.

It was considered at the time to be individual participation in politics at its finest, and it became, I believe, the pattern for the political action committee that we now have.

But it is very different from what we now have in that now instead of simply inviting the candidates in and letting them speak to the employees and then inviting employees to make contributions in whatever fashion and whatever amount the employees may want to do it, in today's political action committee, the organization—be it a union or a corporation—goes out and actively raises the funds itself. It doesn't involve the candidate in any way except when it gets to the point of disbursing the funds.

It has become a major business activity—I say "business activity"—a major campaign activity on the part of corporations and unions.

The administrative costs of running this activity are traditionally borne by the corporation and union. In other words, this is a soft money contribution on behalf of the corporation or the union which is not disclosed in any way.

Let me share with you some numbers that come from the summary page of reports filed with the Federal Election Commission.

The International Brotherhood of Electrical Workers Committee on Political Education reported that they raised in the calendar year $2,653,257.29. That is a high enough figure to get everybody's attention. What were their operating expenditures? Zero.

Mr. President, you and I and every other person who is in this body knows that you don't raise $2.6 million without having any overhead. Indeed, the rule of thumb is that you spend a minimum of 25 percent of your receipts in raising the money, and sometimes it can go as high as 45 percent.

If we simply take that kind of rule of thumb and say a third of $2.650 million is $700,000, or $800,000, that means this report is prima facie evidence of an $800,000 soft money contribution to this PAC by the overhead of the union. It is not just unions. There are businesses that do it. I will give you some summary data with respect thereto.

For example, Bank One had receipts of $2,378,211 on their FEC report, and they showed operating expenses of $259.46. Again, we know that couldn't possibly be true if you take the rule of thumb and apply it. It is somewhere, once again, between $700,000 and $800,000 that it would cost to raise that amount of money. This is an effective soft money contribution of between $700,000 and $800,000.

Let me be clear. Based on my past history and my voting prospects, I do not object to Bank One doing that. I do not object to the soft money that they contributed.

But McCain-Feingold, as a bill, does. If it passes, I believe it should be consistent because this soft money contribution, unlike the others that we have heard so much about on the floor, is not disclosed. This soft money contribution must be devised by the kind of mathematical analysis I have just applied to it. I could be completely wrong. I do not know that it is $700,000 to $800,000 that Bank One put into rates raising that much money because it is not disclosed in any way. This is not to imply any wrongdoing on Bank One's part because the present law does not require it. They are abiding by the present law in a perfectly legitimate and proper way.

The same thing can be said of the International Brotherhood of Electrical Workers Committee on Political Education. The present law does not require them to disclose the amount of soft money they put into raising the $2.6 million that they report on their FEC report.

But if we are going to be consistent, if we are going to say that soft money is bad, this amendment that I am offering will close a significant soft money loophole. It will close the loophole where soft money is currently being spent by both corporations and unions and is not being disclosed in any way.

I don't know how controversial this might be. But I offer it because I think it shines an appropriate spotlight on an aspect of the McCain-Feingold bill that has not been discussed in the past.

I have no desire to take the full hour and a half. I see that there doesn't seem to be a great deal of interest one way or the other on this. But I will be happy to yield for questions or comments by any Member of the Senate who wishes to discuss this amendment.

Mr. McCONNELL. Will the Senator yield for a question?

Mr. BENNETT. Certainly.

Mr. McCONNELL. Is the understanding of the Senator from Kentucky correct that the principle involved in the amendment of the Senator from Utah is that if all Federal political parties, and State and local political parties in even numbered years have to operate in 100-percent hard dollars, then those organizing political action committees which are the possessors of 100 percent of the hard dollars must raise their money through 100 percent hard dollars as well? In other words, the administrative costs of the parties that engage in 100-percent hard dollars would also be applied to corporations and unions. Is that the principle established?

Mr. BENNETT. The Senator from Kentucky is correct. All of us are familiar with the requirement to cover our administrative costs for fundraising out of the proceeds of that fundraising effort. The Senator is correct that this amendment would simply put PACs on the same course as individual candidates. A PAC could not raise money with the advantage of soft dollars any more than a candidate would.

The Senator from Kentucky is further correct in that it has an impact on what happens at the State party level because I understand now that a State party can use soft dollars to do certain kinds of things unconnected with advertising or direct contributions to candidates. They would say: No, you can't do that if there is a fundraising effort. The fundraising expenses must be paid out of the fundraising receipts and cannot be solicited in soft dollars.

Mr. McCONNELL. Is the principle of the Senator from Utah that even though he, like the Senator from Kentucky, does not oppose non-Federal money, if such a standard of Federal money only is established for the national political parties, and State and local parties in even numbered years, then that same principle should apply to everyone participating?

Mr. BENNETT. The Senator from Kentucky is correct. That is exactly the position I have taken.

In the interest of full disclosure of motive, I know there is some conversation on this floor about raising the limits for hard dollar solicitations. I am solidly and strongly in favor of raising the limits on hard dollar solicitations. I recognize if this loophole for soft dollars—as I have pointed out—is, in fact, closed it will increase the pressure when we get to the appropriate amendment to raise the hard dollar limit because it will shut off one significant source of soft dollar contributions that is currently in the bill.

I don't want to fly under any false pretense. I am hoping that by the passage of my amendment we will not only achieve the intellectual consistency I have been discussing with the Senator from Kentucky, but, quite frankly, it would create some political pressure to raise the hard dollar limits because I think raising the hard dollar limits is a salutatory thing to do.

So let there be no mistake that that agenda is in my mind as I offer this amendment. But nonetheless, I think the amendment has an intellectual sustaining consistency to it because it takes the position that if, as McCain-Feingold says, soft money is inherently corrupting, or gives the appearance of corruption, this is a form of soft money that is even more the appearance of corruption because under McCain-Feingold it is, A, allowed and, B, not disclosed.

Mr. McCONNELL. Then as a practical matter, just sort of putting it another way, the treasury funds of unions and corporations cannot be used to underwrite fundraising or administrative costs in political action committees?

Mr. BENNETT. The Senator from Kentucky is exactly correct.

If this amendment passes, treasury funds in the union, treasury funds in the corporation, cannot be used to pay the expenses of political fundraising in a political action committee that is organized by either the union or the corporation.

Mr. McCONNELL. I thank the Senator from Utah for the answer.

Mr. BENNETT. As I said, the amendment is very short. It is very straightforward. It does not require the kind of complex analysis that went into the amendment of the Senator from New Mexico, which required an entire evening to review and rewrite. I think it is very straightforward. I am not anxious to prolong the debate, but I will, of course, be here to respond to any comments anyone might have one way or the other.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, at the appropriate time I am going to make some comments about the pending amendment. But as has been the custom over the years, our distinguished former leader, the distinguished senior Senator from West Virginia, makes it a point, at the change of the seasons in our country, to remind us of the importance of transition, hope, and promise.

In the midst of this debate, I would like to yield whatever time the Senator from West Virginia may need for some remarks that do not pertain directly to this amendment but do pertain to the spirit in which this body ought to consider legislation in any season.

So with that, Mr. President, I yield whatever time the senior Senator from West Virginia may need.

Mr. BYRD. Mr. President, I thank my friend.

The PRESIDING OFFICER. The Senator from West Virginia.

MILLENNIAL SPRING

Mr. BYRD. In the midst of this very important discussion on a very serious subject, if we could take just a few minutes to call attention to the coming of spring.

It used to be that Senators would take note of these things years ago when I first came here. They would talk about Flag Day, Independence Day, Easter, the Fourth of July—I already mentioned that—and the coming of spring, the coming of summer, the coming of fall, the coming of winter, and so on. Those things do not seem to be of great interest around here anymore. But as one who has been here a long time, I still like to hold on to the old ways.

Percy Bysshe Shelley said:

> Oh, Wind, if Winter comes, can Spring be far behind?

Well, spring is here. I was asked by my friend from Nevada, Senator REID, if I might think of a poem that could be appropriate for this occasion. I have thought a little bit about it, and the words of William Wordsworth come to mind. I hope I can remember them. He said:

> I wander'd lonely as a cloud
> That floats on high o'er vales and hills,
> When all at once I saw a crowd,
> A host of golden daffodils;
> Beside the lake, beneath the trees,
> Fluttering and dancing in the breeze.
>
> Continuous as the stars that shine
> And twinkle on the Milky Way,
> They stretch'd in never-ending line
> Along the margin of a bay:
> Ten thousand saw I, at a glance,
> Tossing their heads in sprightly dance.
>
> The waves beside them danced; but they
> Out-did the sparkling waves in glee:
> A poet could not but be gay,
> In such a jocund company:
> I gazed—and gazed—but little thought
> What wealth the show to me had brought:
>
> For oft, when on my couch I lie
> In vacant or in pensive mood,
> They flash upon that inward eye
> Which is the bliss of solitude;
> And then my heart with pleasure fills,
> And dances with the daffodils.

Mr. President, today is the first spring day of the third millennium. We have survived the great change of the calendar, and the world did not end. We endured the buffeting of a winter of uncertainty, with skyrocketing fuel bills—and we are still very much engaged in that matter—threats of nor'easters—I wonder why these television people always say "nor'easters." They just are trying to join in the spirit of things, I suppose. But I still call them northeasters—threats of nor'easters and even earthquakes now behind us.

The NASDAQ, the New York Stock Exchange, the Dow, the S&P 500—all have been on a roller coaster ride of short heights followed by heart-stopping plunges. The uncertainties of last year's Presidential election have become a comedic staple of dimpled, pregnant, and hanging chads, the punch lines obscuring the gravity of ensuring the stable transition of government power. But today, it is spring—it may not be the first spring day, but it is the first day of spring—and it is a good time to pause, and take a deep breath—ah—and savor the moment.

The change of seasons is a reassuring constant in our lives. The slow swing of the celestial clock chimes in close harmony with our deepest nature. It is as deep and calm as our own mother's, keeping time with the lullabies she used to lull us to sleep with, as infants. Today, the peals ring in the spring.

Across the country, warm days call us forth, out of our stale houses, away from our rumpled, dormant winter hibernations in front of yammering, yakking television sets. As we rake the drifts of dead leaves from the sheltered corners where they have gathered, we stir up the sweet perfume—ah, the sweet perfume—of the awakening earth. Under the cold brown coverlet of dirt, spring's life-force is beginning to stir. The dainty crocus sparkle amid the straw colored remains of last year's lush lawn.

I was commenting to my wife Erma about those crocuses outside, just beside the front porch of our house. Gaudy daffodils, about which Wordsworth wrote, reward the early bumblebee. Young squirrels are chasing—and they like peanuts. I have several squirrels at my humble cottage in McLean, and each night I take a handful of peanuts and put them under a table there just outside the door that goes out into my backyard. Those squirrels, by the time I rise in the morning, by the time I have a chance to take my little dog Billy Byrd out for a walk, sneak away, taking those peanuts from underneath the table. Then I will, a little later, open the door, and there are two, three, four, five, or six squirrels, and I toss them out a handful of peanuts.

Those young squirrels are chasing each other up and down and around tree trunks in a three-ring circus display of acrobatics. Talk about acrobatics, they can put on a show. Already, the first robins have returned, and birds are warbling their finest arias in between the labors of nest building. The turquoise skies of autumn faded to the pale aquamarine of winter, but now glow as vibrantly as a star sapphire.

Again rejoicing Nature sees
Her robe assume its vernal hues,
Her leafy locks wave in the breeze,
All freshly steep'd in morning dews.

So wrote the poet Robert Burns. With all these signals, I do not need a calendar to tell me that the vernal equinox heralding the official arrival of spring is at hand.

In the rejuvenating warmth of the spring sun, the dot.com die-off no longer looms as threateningly as the extinction of the dinosaurs. It is possible to view the stock market correction—I say to my dear friend from Connecticut, Senator DODD—with equilibrium, if not with enthusiasm. We have made it through another winter, a winter of our discontent, to paraphrase Shakespeare. The great Bard also said—and truly—"Daffodils, that come before the swallow dares, and take the winds of March with beauty." With the daffodils, hope also blossoms.

Mr. President, I hope for a spring of millennial proportions—a spring of renewed vigor and energy in this nation to tackle the challenges ahead. I hope for new growth in our economy. Over the past weeks, the Senate has been debating the budget and tax cuts. It has been a difficult task, made more so by the lack of detail provided by the administration. The size of the tax cut promise has been clear, but the spending plans to accompany it have been vague. The administration is asking us to trade our cow for a handful of magic beans but, unlike Jack in the fable, I am not so sure that this fairy tale will end well. It may be that the giant comes crashing down on us in the form of large future deficits. After all, these projected surpluses are based upon projections of economic growth that have not, and may not, materialize.

Every good gardener knows, especially in springtime, that garden plans made in the glow of a winter's fireside do not always pan out when faced with the vagaries of late frosts, early droughts, or insect infestations. Indeed, one fierce storm can lay low all of one's efforts in a single blow. A wise gardener dreams big but takes care of the basics first. He builds rich soil, clears it, weeds it well, plants strong seedlings, and tends to them carefully. Patience and a long viewpoint are the watchwords. On the national economic level, that means paying down the debt and maintaining the economic infrastructure that is the soil for our current and future economic growth. Just as a garden needs hoses to carry water and flats in which to tend seedlings, so the nation needs transportation networks to carry commerce and schools in which to nurture and teach our children. Then as prosperity blossoms can some blooms be harvested in the form of targeted tax cuts, leaving most of the plant intact to set seeds and prepare for the coming winter. But one certainly does not pull up the entire plant at the first sign of fruit! That is short-sighted and imprudent. It leaves nothing to carry the family through the winter that will surely come.

But now, Mr. President, it is springtime and everything feels possible. Let us rejoice—my dear friend, Senator MCCAIN, and Senator DODD, an equally dear and trusted friend—let us rejoice in the new growth and in the growing strength of the brightening sun. Let us take up with patience the gardener's hoe and weed the row before us. Our diligence and care now will bring us rewards later. Let us savor the moment and rejoice in the first day of spring. Who knows whether we shall see another, so let us rejoice in this one. I close with the words of the poet Robert Browning that have always captured for me the spirit of this time of year:

The year's at the Spring,
And the day's at the morn;
Morning's at seven;
The hillside's dew-pearled;
The lark's on the wing;
The snail's on the thorn:
God's in his Heaven—
All's right with the world!

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank our distinguished colleague from West Virginia. In the midst of a debate on campaign finance reform, this was a needed respite from the minutia of fundraising, attempts to modify the present system. His words of eloquence are always welcome in this body but never more so than in the midst of the debate today.

I appreciate his quoting of Robert Burns and Browning and Wordsworth, but listening to him describe the arrival of spring and the departure of winter is poetic in itself. I can see one day people quoting ROBERT C. BYRD, the poet, when they welcome the spring at some future year.

Mr. BYRD. Mr. President, I thank my distinguished friend for his overly gracious comments.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank Senator BYRD for his annual admonition to all of us to conduct ourselves in a way that reflects the dignity and comity of this institution and reminds us of the transience of all this and the importance of friendships and relationships that are established in this very unique organization.

There is a time for us to pause and reflect. There is no one in this body who gives us a more enlightening opportunity than the distinguished Senator from West Virginia.

So I thank Senator BYRD. And I also admire the vest he is wearing today as well. I thank the Senator and I will speak on the pending amendment.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—Continued

Mr. MCCAIN. Mr. President, it is kind of obvious what the strategy is that is going to be employed here, and that is to sort of love this legislation to death. In other words, let's not leave any stone unturned; let's make sure this is a perfect bill, and anything less than that is not acceptable. So let's have a series of amendments, which I certainly admit are very clever, including this one.

I want to point out that this bill says, basically, "except that the cost of such establishment, administration, and solicitation may only be paid from funds that are subject to the limitations." In other words, only hard dollars can pay for a political action committee's establishment, administration, and solicitation.

Well, Mr. President, we try to help PACs. We try to help political action committees because they provide us, generally speaking, with small donations that are an expression of small individuals' involvement, as opposed to the so-called soft money, which we are trying to attack. So we have tried to, in the past, make it as easy as possible for political action committees to function, rather than make it difficult.

Also, the Senator from Utah interprets this as some way to put pressure on to increase hard money limits. Hard money limits will be debated, and I am confident, to some degree, that hard money limits will be raised. But here is the situation: We have a company, a corporation, in Salt Lake City, UT, and it has a PAC. Where is the office of that PAC? Generally speaking, they don't go out and rent a building or a home or something. They set up a PAC in one of the offices in their building. Usually, the person who administers that PAC—it is not their sole job. It is something that they many times do on a voluntary basis and many times with small compensation for their time, and they are located usually in the building. That is generally the way PACs are administered. So how do you get money for your PAC? You probably put it in the company newsletter, where you say, "All employees who want to contribute to Acme PAC, please do so," and then that money comes in and the individual puts it in their account, et cetera.

How do you assess the cost of that? Who pays for that? The CEO, probably on an annual basis, calls the senior managers together and says: I want all you guys and women to contribute to our political action committee. It is that time of year. We are in an election year and we want to support good old BOB BENNETT. He has always been a friend of business.

What is that worth? How do you assess the cost of that good friend of Senator BENNETT's soliciting money for his political action committee so he can support him? Does a notice of contributions in an internal newsletter have a value? What is the value in a newsletter?

What about the electricity costs of the office that houses the PAC of the employee who does it on a part-time basis? Well, what we need, obviously, is a new arm of the IRS, or the FEC, or maybe a new organization that we could call the "PAC police," who say, aha, you spent 2 hours today, and that, at your hourly salary, is so much money, and that has to come from hard money donations. Clearly, my friends, this is not an amendment that would have an effect that we could ever enforce, that we could ever make a reasonable kind of a thing. Obviously, it would have some debilitating effects on PACs.

The authors of this amendment could not really understand too well how political action committees—particularly the small ones—operate, and think somehow that we could assess the costs and then take that out of hard money and put it into some kind of payment or payback.

So I have to oppose this amendment. I think it is not workable. I don't think it is logical or reasonable to do so. The Senator from Utah mentioned the fact that this is soft money and that we are banning all soft money. Well, as the Senator from Utah knows because he mentioned that he read the bill, we don't ban soft money in a lot of areas such as for State parties, or we don't ban soft money in some other areas. But we certainly are banning soft money for the use in Federal campaigns.

So I have to oppose the amendment. I hope that my colleagues will understand that this amendment is not an acceptable one.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I yield 15 minutes to my good friend and colleague from the State of New York, Mr. SCHUMER.

Mr. SCHUMER. Mr. President, I thank the Senator from Connecticut for yielding. I thank all of my colleagues—the Senator from Kentucky and the Senator from Connecticut for leading this debate, as well as, of course, my colleagues from Arizona and Wisconsin for their leadership on this issue, which is something I believe in, as they do.

As we go through this debate on campaign finance reform, I guess there are two ways to look at it. They are the larger picture and the smaller picture—the forest or the trees. When you look at the trees, it is awfully difficult to come up with a perfect bill. I think every one of us has found numerous objections to any proposal that is made. None of them works perfectly. None of them is without flaws. Much of what we will talk about today and over the next two weeks will be in discussion of those trees: It will be better to do something this way or there is an inequity when "A" is put slightly disadvantaged to "B." I can figure out a scheme that will work for my State better than the present one. Over and over again, we can hear arguments just like that. And because of the fragility of campaign finance reform, because it has taken so long for it to come here, because it is not easy for people to reform themselves, which is basically what we are doing, any one of those arguments, those trees, could end up ruining the whole forest.

The other way to look at this is as a forest, Mr. President. Our system is simply a mess. I say this to my colleagues on my side of the aisle particularly but to everybody here as well: We believe in Government. We don't believe Government is an enemy. We believe Government is something to do good, to improve the lives of people. We believe it is basically a necessity. And this system of finance so erodes confidence in this Government that we have all dedicated our lives to seeing that something has to change.

The forest is the right argument here—looking from 10,000 feet at the landscape is far more important than looking from 100 feet above the landscape on this issue. It may not be true of all issues, but it is true of this one. So if I had a plea to make to my colleagues, who I know are torn on this bill, who I know are ambivalent about whether this provision or that provision not only affects them—those who write and say, well, they are just interested in their own survival, hegemony, that is really not fair because we all live with this system. We all have ideas about it, like a carpenter would have better ideas about how to carve a chair, or a doctor might come and tell us how to design a better medical system. I say to my colleagues who do care about this Government, and we have devoted our lives to it, that if there were a watchword for this debate, it would be a simple one: Do not let the perfect be the enemy of the good because if there was ever a place where the perfect or the desire to attain perfection could kill the good that would come about, it is in campaign finance reform. That is what we have seen over and over.

I know there are some, such as my colleague, my friend from Kentucky, who are just opposed to this bill in broad concept. He believes it violates the first amendment, and he has put his money where his mouth is and his courage in supporting the amendment against burning of the flag. So I do not begrudge his point of view; I disagree with it. We are not going to win him over.

The worry I have is with many of my colleagues who are unsure, who look at one imperfection or another in this bill and let it be, let those imperfections prevent us from moving forward at all, as move forward we must.

When the Founding Fathers put together our Government and when you read the Federalist Papers and some of the commentaries, the thing they probably worried more about than anything else, even more than the overarching power of a central government, was the apathy of the citizens, the lack of involvement by the citizens. They wondered if people would put themselves forward for public office, and they wondered if people would participate in a government where they had control.

For quite a while, in the flush of democracy and with so many of the early issues, those worries subsided, but since World War II, they have come back at us larger than ever in the history of our country.

The percentage of people who vote, the percentage of people who regard the Government with only cynicism, the percentage of people who believe they do not have any power, even the brief antidote of the Florida election has not stemmed that tide.

One of the main reasons people have that apathy, that cynicism which is so corrosive to democracy, is the way we finance our campaigns. They know they cannot write out large checks, and they believe, rightly or wrongly, that those who can have far more weight than they do. I think most of us in this body have to say certainly that appearance is there, even for those who do not agree that the reality is there.

We are here really not just to fix a system, not just to tinker and say we can make it a little better here, a little better there, not just to smooth off the surface; we are here in an attempt to revitalize our sacred democracy.

I say to my colleagues, that is what is at stake, no less. If we pass up the opportunity to pass a bill, if each of us has to have his or her own way and say, I want it my way or no way, we are not just changing the balance of power between the parties or how this candidate or that candidate might run in a new election. We are passing up an opportunity to stem the tide of negativity toward our Government which at least, it seems to me, is probably the greatest problem this Government faces as we move into the 21st century.

I urge my colleagues to summon forth and see the big picture. I urge my colleagues to not get mired in every single detail because there is no perfect system. There is certainly no perfect system with *Buckley* v. *Valeo* as the supreme law of the land, and there is probably no perfect system without *Buckley* v. *Valeo* as well. We are not going to achieve perfection, and none of us is going to be 100 percent or even 90 percent happy with the bill, but the alternative, which is we do nothing—this is our last chance, that is for sure—the alternative of doing nothing and allowing the mistrust to continue, the alternative of throwing up our hands, which is what the public will think, in deadlock and not reforming is too great a danger and too foreboding to the Republic to entertain.

I urge my colleagues, again, to keep their eye on the ball, keep their eye on the big picture, keep their eye on the problem we face and make sure we pass McCain-Feingold because it is so important to rejuvenating the democracy we have.

There is one final point I will make on an issue I will be speaking a lot about the following week, which is the Hagel amendment and soft money.

I have seen, during the brief time I have run for higher office, how dramatically this has changed, not only the amount of soft money but the restrictions on soft money. It is such that in the 2000 elections, one could do virtually the same thing with soft money as one could with hard money. Yes, there may be a little sentence put in the commercial that says, "Call up so and so," or even some words that are put at the bottom of the ad that can hardly be seen, but the bottom line is that the ability to spend soft money on virtually everything has made a mockery of the original law we passed in the seventies.

The Hagel amendment, which will allow lots of soft money to continue to cascade into our system, is, in my judgment, a killer amendment. It is a killer amendment not simply because of what it means for McCain-Feingold in terms of how many votes it has, but it is a killer amendment in the sense that the whole idea behind McCain-Feingold—which is to limit the influence of large contributions—would be thrown out the window.

When it comes to the Hagel amendment—and he is a good friend of mine and I respect completely his sincerity in offering this amendment—but when it comes to the Hagel amendment, we would end up being a little bit pregnant and that just does not work.

I thank my colleagues for their efforts. I say to my friend from Wisconsin, he has done a marvelous job on our side. I say to, again, my friend from Connecticut that he, too, has led the early hours of this debate extremely well and extremely fairly, and that also goes for the Senator from Kentucky.

I hope in this body we can debate the issue as seriously as we can, and then my sincere hope is that at the end of the day, we emerge with the same basic bill that the Senator from Arizona and the Senator from Wisconsin introduced.

I yield back whatever time remains to me.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I thank the Senator from New York. His comments are among the most important comments that have been made so far in this debate and, frankly, on any other debate we have had on campaign finance reform in the last 6 years. That is because he has identified the real issue.

When the Senator from New York was in the other body, he was part of the solution there. He was part of the effort to get through a similar bill in the House where people did see the forest for the trees, exactly the point the Senator from New York is making.

There are so many amendments that are attractive to us, including many provisions that Senator MCCAIN and I have offered in the past, having to do with free television time, having to do with other improvements in the system that many of us would like to see. We have to keep our eye on the ball, as the Senator from New York has suggested. I don't know if he is a Mets or Yankees fan.

Mr. SCHUMER. Yankees.

Mr. FEINGOLD. Yankees.

Keeping the eye on the ball is the final goal and the central issue. I am grateful after all these years of the frustrating process of coming to the floor and having a few speeches and a cloture vote and having to shut it down, we can have a Senator from New York talk about something real, about a process that can have an end and actually work. It will require the kind of unity and discipline of reformers on both sides of the aisle that has been demonstrated in the other body on a number of occasions.

My hat is off to the Senator from New York, but also the reformers in the other body, particularly Representatives SHAYS and MEEHAN, who have shown the way. Now it is up to the Senate to do what the Senator from New York suggested. There will be attractive amendments on aspects of public financing which I would like to see that could upset the balance we have. There will be poison pill amendments to try to embarrass one particular series of interests such as unions, to try to kill the bill, and then there will be so-called alternatives, as the Senator from New York has suggested—in particular, the Hagel alternative offered by a colleague we all respect—which is, in fact, worse for the current system because it will put the stamp of approval on the soft money system once and for all.

I think the Senator from New York is right. I don't think we will ever be able to change it if we adopt that kind of amendment. I am grateful to him for his work in the House, especially grateful to him for his work with a small group of Members who have been working on this for over a year, and particularly grateful for his leadership that has started today and will continue through this process of pointing out that the Hagel alternative is, frankly, worse than no bill at all. My thanks, again, to the Senator from New York for his leadership and his commitment to this issue.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I enjoyed listening to the Senator from New York and will respond in a moment. We are on my amendment so I would like to talk about the details of my amendment. Before I do, the Senator from Arizona gave an example of volunteer activity, all of which is currently exempted under Federal law and which would continue to be exempted under Federal law.

My amendment goes to organizations such as those we have all seen in the field where there are a number of paid employees devoted full time to PAC activities, occupying dedicated facilities that can be easily identified, running up travel expenses that are clearly billed to that activity. There would be no difficulty on the part of the cost accountant, be it in a union or a corporation, to identify that kind of PAC activity. There is no question that the sort of informal activity of people talking in the workforce, saying they want to support Senator BENNETT or Senator MCCAIN, does go on, is voluntary, is completely exempted from all law now, and would continue to be exempted. My amendment would not apply to that.

I also point out McCain-Feingold has some of the same aspects of how to anticipate time because, as currently drafted, in Federal election years, McCain-Feingold requires State, district, and local parties to use 100-percent federally regulated hard dollars for the entire salary of any State, district, or local party committee employees who spend 25 percent or more of his or her time in a single month in any of the above-mentioned Federal election activities. If it will be difficult, as the Senator from Arizona described, to figure out what constitutes volunteer activity on behalf of a PAC and what constitutes activity that should be reimbursed out of the hard dollar profits of the PAC, it will be equally difficult, if not more so, for some Federal official to determine what constitutes 25 percent or more of an individual's time in a single month on a particular Federal activity. There will be hairsplitting in that regard that will go further than the hairsplitting to which the Senator from Arizona objected as he made his comments about my amendment.

Let me respond in a different way to the comments of the Senator from New York when he said we should look at the forest. I agree with him absolutely. We should look at all of the forest. I have tried to do that in all of my activity with respect to campaign finance reform since I first came here in 1993.

The forest I look at, that must be preserved and protected—indeed, that which I have taken an oath to preserve and protect—is the Constitution of the United States. I do not want to be part of a Congress that dilutes the freedoms that are outlined in the Constitution of the United States and, specifically, the first amendment thereto.

We are in the 250th anniversary of the birth of James Madison, little Jimmy, as he was called by his contemporaries, because he was short. That seemed to be the kind of nickname that stuck with him. I make this interesting point about Madison before I go on. This comes from an article on money and politics that was printed in the Wilson Quarterly in the summer of 1797. Reference has been made to the Founding Fathers. The Founding Fathers were geniuses, the Founding Fathers gave us an incredible legacy, but the Founding Fathers were also very practical politicians or they wouldn't have been in the positions where they were.

Quoting from the Wilson Quarterly:

> George Washington spent about 25 pounds apiece on two elections for the House of Burgesses, 39 pounds on another, and nearly 50 pounds on a fourth, which was many times the going price for a house or a plot of land.

Going back to the debate we had with the amendment of the Senator from New Mexico, George Washington was a wealthy man, trying to buy his election, if we use today's rhetoric.

Washington's electioneering expenses included the usual rum punch, cookies and ginger cakes, money for the poll watcher who record the votes, and even one election eve ball, complete with fiddler.

Now it talks about James Madison and money:

> James Madison considered the "corrupting influence of spiritous liquors and other treats" "inconsistent with the purity of moral and Republican principles." But Virginians, the future president discovered, did not want "a more chaste mode of conducting elections." Putting him down as prideful and cheap, the voters rejected his candidacy for the Virginia House of Delegates in 1777. Leaders were supposed to be generous gentlemen.

Madison's attempt at purity, though futile, signified the changing ideological climate. Madison obviously learned elections cost money, even in the days of the Founding Fathers.

The one thing that Madison guaranteed would happen in every election was that there would be complete freedom of expression at every place and at every point.

Since this is the 250th anniversary of Madison's birth, may I, with the suspension of belief, resurrect James Madison and place him in the gallery, if you will, in the press gallery, because James Madison has a history of being an author and a journalist, being the author of much of the Federalist Papers. Let us have Madison up there, listening to this debate. Now, he would turn to one of his friends in the press gallery to have him explain terms that would be unfamiliar to him. He would say: What is hard money? What is soft money? What is the difference?

What is it used for? He would have explained too much hard money is this and soft money is that. He might have a little trouble understanding the difference because he would say: Wait a minute. In the first amendment that I authored you were free to speak in whatever way you wanted. You could be like Washington and buy rum punch and ginger cakes, if that is what it took to get the voters to listen to you; or you could run an ad. You could print a pamphlet. That is what Hamilton and Jay and I did. We went out and raised money and printed our own pamphlets and circulated them. Maybe you have seen them.

Madison's friend up there in the press gallery might say: Yes, I have seen them.

We call them the Federalist Papers today. But we must remember that when they were written, they cost money. Madison could not have spoken if he had not raised and spent some money. Money was speech all the way back in James Madison's time.

As James Madison sits there in the gallery, and he hears the details of McCain-Feingold, James Madison says: Wait a minute. You are telling me that there will be limits on how Americans can participate in the political process?

Yes. There will be limits.

James Madison asks: Who is in charge of this outrageous idea?

You see the handsome young fellow from Madison, named after you, from Wisconsin, his name is RUSS FEINGOLD. He has been pushing for this.

James Madison says: I must do something about this. I must express my opinion with respect to Senator FEINGOLD.

He snaps a finger and gets his partner, Alexander Hamilton, to join him.

He says: Alexander, look what is happening. There is that fellow down there from Wisconsin. He comes from a town named after me. He is trying to limit Americans' ability to speak in politics. What do we do about it?

Alexander Hamilton says: You do whatever you always do when you want to make a statement. You write a letter to the New York Times.

James Madison says: Great, Alexander, let's do that.

Alexander Hamilton and James Madison sit down and write a letter to the New York Times protesting the activities of Senator FEINGOLD.

The editor of the New York Times says: We are not going to run it.

Madison says: Well, Alexander, you certainly lost your cachet. There was a time when anything you said in New York automatically was run in any newspaper. What do we do?

Alexander Hamilton says: Well, we are going to have to buy an ad in the New York Times. That way they cannot censor our speech. Money is required. How much money do you have, little Jimmy?

Madison puts his hands in his pocket, and he pulls out whatever money he brought with him from the 18th century. And he says: Ready cash, I have $7.23. How about you, Alexander?

Alexander Hamilton says: Don't get into the issue of money. I don't want to talk about the blackmail payments I have been making. It is a very sore political point. I can't help you. But maybe the amount of money you have will do the job.

So they call the New York Times and say: How much is the full page ad in the New York Times?

The New York Times says $104,000.

I have $7.23. I can't speak unless I raise some money. Who do we know that knows how to raise money?

Snap of the finger and Benjamin Franklin appears.

Benjamin, you were one of America's good businessmen. He said: Yes. And I put mine in a CD that has been accumulating interest ever since I died in the 1700s, and I have enough for an ad in the New York Times. But let me be practical with you. Not only am I a practical businessman, but I recognize that most of the people in Madison, WI, don't read the New York Times. That is going to come as a great shock to you, Alexander Hamilton. You think the whole world reads the newspapers in New York. The fact is, if we are going to have an influence by running our ad, we are going to do it in Madison, WI.

They contact the Madison, WI, paper, and find out that the cost of a full-page ad is 10 percent of the cost of the New York Times; $14,000 on a Sunday gets you a full-page ad in the newspaper in Madison, WI.

Let's do it.

But while they are debating, while they are doing this— again we are compressing time—McCain-Feingold passes and is the law of the land, and it is within 60 days of the election of the Senator from Wisconsin.

Alexander Hamilton, James Madison, and Benjamin Franklin walk into the newspaper and say: We want to buy an ad urging people to vote against Senator FEINGOLD.

The editor of the newspaper says: In the name of campaign finance reform, we will not permit you to buy that ad. We will not permit you to express your opinion about Senator FEINGOLD or any other candidate. We will forbid you from speaking.

As they turn to walk from the editor's office, with Madison and Hamilton disconsolate about the fact they cannot speak their mind, Benjamin Franklin says: I can fix it.

How can you fix it, Benjamin? He says: I told you I put my money in a CD, and it has been accumulating interest ever since the 1700s. I have enough to buy the newspaper. I don't have to buy the ad. I have enough to buy the paper. Once we own the paper, then we will have unlimited free political speech because, you see, the impact of McCain-Feingold means the people who have the most speech are the people who truly have the most money—the people who own the newspapers, the people who own the television station, and people named Turner who own networks. They have complete freedom of speech because they have enough money. And it has taken almost 250 years for me to accumulate enough. But I, Benjamin Franklin, have enough that I can buy their newspaper. And then I can run an editorial attacking Senator FEINGOLD every day of the week, if I so choose.

At that point, there are absolutely no limits on any speech. But you, James Madison and Alexander Hamilton, there are limits on your speech placed there by McCain-Feingold saying that there will be no political speech from you during the 60 days before the election.

We come back to reality. James Madison, Alexander Hamilton, and Benjamin Franklin are not available as witnesses in this particular debate, even though I called them up rhetorically. But I am moved to do that by the comment of the Senator from New York who says we must look at the forest and we must protect the big picture. The big picture, as we are debating McCain-Feingold, has to do with freedom of speech. It has to do with robust debate of the American economy. It does not have to do with getting money out of politics because the reality in the big picture is that we never have had money out of politics, starting with George Washington and his rum punch and his ginger cakes. And we never will have money out of politics. Somebody will find a way to do it.

I am a cosponsor with Senator ALLEN who has offered the Virginia Plan. I am not sure it is going to be offered on this floor. But it is offered in the arena of public opinion. I hope it gets offered.

Historians will recognize that the Virginia Plan was James Madison's plan for the Constitution.

What is the Virginia Plan for campaign finance reform? Two sentences. The first one, worthy of James Madison, says: No American, any provision of law to the contrary notwithstanding, shall be prohibited from expressing himself or herself in any way in any arena or any contribution to any party or any candidate.

That sounds like first amendment language to me. That sounds like James Madison language about which he would be very comfortable.

Then the second one, recognizing where we are in technology, says—I am not quoting the legal language, just the effect of it—every one of those donations will be in the modern world disclosed, using the technology that is available to us.

This means in all probability, 48 hours, and it is on the Internet for everybody to see. Forty-eight hours, and electronically the contribution is there. That is the Virginia plan.

When I discuss this with people outside the Senate, they all say: Gee, that makes a lot of sense. Why don't you start voluntarily disclosing within 48 hours right now? If you are such a great campaign finance reformer, why don't you do that immediately?

I say: You know, there was one candidate for President who did that.

It is a very interesting thing to do. I recommend it to all of you in your town meetings.

I say: There was one candidate for President who did, in fact, disclose every one of his donors within 48 hours.

Question: Do you know who it was?

I did this to a group of political science students the other day.

The first answer I got back was Ralph Nader.

I said: No, Ralph Nader did not do it.

Then someone answered: Well then, was it JOHN McCAIN?

I said: No, it was not JOHN McCAIN.

Then someone answered: Gee, Al Gore?

I said: No. The candidate who did it is now sitting in the White House. His name is George W. Bush. He got little or no credit for doing it from those who sit in the press gallery because they do not want to admit that he was on to a good idea—in my opinion, a better idea than the bill we are debating.

None of this has had anything to do with my amendment, and I recognize that. But none of the debate on the other side has had anything to do with my amendment either. And, if I may, if the Senator from West Virginia can talk about spring, I hope the Senator from Utah can talk about the Constitution.

I remain ready to answer any questions about my amendment or respond to anything about my amendment. But, so far, there has been little or no debate about it.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Does the Senator from Utah yield the floor?

Mr. BENNETT. Yes.

Mr. McCONNELL. I congratulate the Senator from Utah for a brilliant discourse on the importance of the first amendment through the course of the debate and in all of our discussions on campaign finance reform. He has made it so clear and understandable for all of our Members. I congratulate him for his contribution.

With regard to his amendment, I am told we will be prepared on both sides to vote at 4 o'clock. I will enter that consent in a moment.

But let me say, with regard the Senator BENNETT's amendment——

Mr. REID. Why don't we do that consent request now?

Mr. McCONNELL. Mr. President, I ask unanimous consent that a vote on the Bennett amendment occur at 4 o'clock.

Mr. REID. A vote on or in relation to.

Mr. McCONNELL. It is my understanding, talking to the Senator from

Nevada, it was going to be an up-or-down vote.

Mr. REID. I do not know of anyone who wishes otherwise. I think it will be an up-or-down vote.

Mr. McCONNELL: On or in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, the only request I have is Senator FEINGOLD wants 5 minutes and Senator LEVIN wants 5 minutes and Senator DODD needs 5 minutes. The time will be a little uneven, but if the Senator will agree to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, let me say, having been involved in this debate over the years, I have frequently heard the words, "Don't let the perfect be the enemy of the good." My friend from Utah recalls that we hear that from time to time.

I have taken a look at when that comes up, "Don't let the perfect be the enemy of the good," and every single time those words come up—"don't let the perfect be the enemy of the good"—is in relation to an amendment that might have some impact on organized labor—some impact.

I have watched this carefully now for some 10 or 12 years, and every time the words "Don't let the perfect be the enemy of the good" are expressed, it is because there is an amendment pending that might have some impact—ever so tiny—on organized labor.

Now, the Bennett amendment is very evenhanded. It is not targeted at organized labor, by any means?

Mr. BENNETT. That is correct.

Mr. McCONNELL. Is that correct? I ask the Senator from Utah, this is not an amendment targeted at the heart of organized labor?

Mr. BENNETT. The amendment deals with activities on the part of corporations every bit as much as on the part of labor.

Mr. McCONNELL. I thank my friend from Utah.

So this is not about organized labor. It is about how you raise money for political action committees.

It has been said on the floor of the Senate that a political action committee cannot get started without expenditures of soft money. We all know that is not true. There are a number of leadership PACs formed by Members of the Senate and the House. We do not spend soft money to get those leadership PACs up and running. You get a few hard money checks. You file with the FEC. You get a few hard money checks and you are up and running.

Believe me, it is possible to start a PAC without the expenditure of soft money, I say to my friend from Utah. Is that correct?

Mr. BENNETT. Mr. President, I have never started a leadership PAC because I have never been in a leadership position. But I understand that it is, indeed, easy to do; and it is done only with hard money. There does not seem to be any difficulty in keeping track of who is volunteering and who is being paid.

Mr. McCONNELL. I thank the Senator from Utah.

So this is really an amendment that is quite simple. The principle of the underlying bill, which I, as the Senator from Utah, do not support, is that Federal elections should be conducted in Federal money, hard dollars. And in pursuit of that principle, McCain-Feingold requires the national political parties to operate in 100 percent Federal dollars, so-called hard dollars—100 percent.

And in even numbered years, it essentially requires all the State and local parties in our country to operate, similarly, in Federal hard dollars.

So in the name of fairness, we ask the question, Why should labor and business be allowed to, in effect, subsidize their hard dollar activities, which are their political action committees—100 percent dollars—and why should they be allowed to subsidize the raising of their hard dollars when America's political parties can't do it, and when America's State and local parties can't do it in even numbered years? Where is the fairness?

If the idea is that Federal elections should be conducted in Federal dollars, why is that principle only going to be applied to the Nation's political parties?

The Bennett amendment is quite simple. It is easily understood. For those who believe soft money is a pernicious thing undermining our democracy, then why should they think it would only be pernicious when raised and spent by political parties but perfectly OK when raised and spent by labor and business?

That is the heart of this amendment. That is what this vote will be all about. We will have that vote at 4 o'clock. I think that pretty well adequately describes our side of this amendment.

I will be happy now to yield the floor at this time.

Mr. DODD. Mr. President, I yield 5 minutes to my friend and colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I very much oppose this amendment. The Supreme Court has told us over and over again that the standard for contribution limits that is constitutional is the appearance of corruption, the appearance of impropriety, and the appearance of undue influence, that large contributions or the solicitation of large contributions can create.

There is no such appearance problem with these expenditures. In fact, the expenditures which the Senator from Utah would require to be paid for out of hard dollars has explicitly been excluded from that requirement by law since 1974. So since 1974, the statute under which we have all operated has excluded:

> . . . the establishment, administration, and solicitation of contributions to a separate segregated fund to be utilized for political purposes by a corporation, labor organization, membership organization, cooperative, or corporation without capital stock.

The administrative expenses, the establishment expenses, and the solicitation of contributions to a PAC have not been considered to be limited by the hard money restrictions of law since 1974.

Mr. McCONNELL. Will the Senator yield for a question?

Mr. LEVIN. If I could finish my remarks.

Mr. McCONNELL. Just a quick question: Isn't that precisely the point? That is precisely the point of the Bennett amendment.

Mr. LEVIN. That is exactly the point of the Bennett amendment: to repeal a law which has been in place since 1974 and has created no harm. Sometimes we say around here that the cure is worse than the disease. This is a cure looking for a disease. There is no disease here that has been shown.

Mr. McCONNELL. Will the Senator yield for a question?

Mr. LEVIN. If I could continue, this is just an effort being made to try to say: Oh, you guys over there who are trying to ban soft money, you are not being perfectly consistent because, look, you allow the establishment, administration, and solicitation of contributions to a PAC to be paid for out of treasury dollars. You are not being totally consistent.

The answer to that is, wait a minute, the law of 1974 also says that communications by a corporation to its stockholders and executive administrative personnel and their families or by a labor organization to its members and their families on any subject, that is not subject either.

Mr. McCONNELL. Will the Senator yield for a question?

Mr. LEVIN. I will in a couple of moments.

Here we have a cure looking for a problem. There has been no problem on this. There is no practical way to keep track of these expenses, no practical way to do this. A corporation sends out a newsletter to its stockholders or to its executives saying: Which of the candidates out there should our PAC contribute to? Now someone has to sit and figure out: What is the cost of printing that newsletter; what page is that notice on; is that on page 1 where it has the biggest impact or on page 4 of the newsletter; what part of the postage of that newsletter goes to that issue; how much of the time of the secretary who took the minutes of that meeting where we discussed that issue can be attributed to that request.

You have a bookkeeping nightmare that you are creating for no problem. There is no problem, that I know of, that has been shown over these almost 30 years. Yet in order to try to show some kind of a flaw, looking desperately for a flaw in the ban on soft money, the proponents of this amendment say: Aha, you are not being consistent.

Well, we are being consistent because in the case of banning soft money, there is a disease that needs a cure—unlimited contributions to political campaigns that are being accomplished through soft money.

The Supreme Court said: We can prohibit that constitutionally. That is what the Supreme Court has said.

I don't know of any evidence that this particular provision in law, which has been in place for 26 years now, has created a problem. I say to my good friend from Utah, this amendment is not needed. It has not been shown to address a problem in the law. It will create a bookkeeping nightmare to try to in any way comply. It will put people into an illegal netherworld for no good reason that has been demonstrated.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. DODD. I yield 1 additional minute.

Mr. LEVIN. The appearance of impropriety, the appearance of corruption, which is the only basis on which we can act as a justification for limiting contributions of a large size to candidates, that justification does not exist here with corporate or union treasury money being spent to administer a PAC.

I urge that we either table this amendment or defeat this amendment. I am sorry my friend from Kentucky did not have a chance to ask me the additional question. I would be happy to try to answer it, if our good friend from Connecticut wants to yield the time.

Mr. DODD. Mr. President, I think our colleagues have covered this. I think we can get to a vote fairly quickly. As my friend from Utah knows, I think of myself as the third Senator from Utah. I am not sure Utah thinks of me as its third Senator, but he and I have a wonderful relationship and have worked so closely together over the years that I am not comfortable disagreeing with him on his amendment. I admire him immensely.

In addition to what my colleague from Michigan has said about the 1974 law, there is also a restriction in the 1974 law which doesn't pertain to any other kind of activity that has otherwise been described. Under the 1974 act, unions, corporations and membership organizations can only solicit their own members and stockholders, unlike other organizations which can solicit from the universe within the country. Under the 1974 act, as you are establishing your PAC, you can only get the support from your own organization's membership. That is a significant restriction which applies to them which does not apply to others.

In addition, there is this balance that was written into the law in 1974, as the Senator from Michigan properly points out, where there has not been any identifiable abuse of this exception in the law whatsoever here.

Secondly, because of the universe to which they are restricted in soliciting dollars, they then have allowed, in a sense, their general treasuries to be used in order to communicate with their restricted class and membership—not with people outside of that restricted class membership but with their own membership. Were they communicating to the universe at large, then I think the point the Senator from Utah has raised would be appropriate. But when you are restricting, under the 1974 act, the audience to which they can communicate, it seems to me this balance is appropriate, narrowly tailored and proper. To disrupt that now would be a mistake.

The point the Senator from Arizona made is also worth repeating; that is, this is awfully difficult. One of the things we don't want to do is create situations which make people potential targets of indictment. This gets pretty amorphous, as to what constitutes an expenditure of soft dollars in order to solicit hard dollars for your PAC.

Again, the Senator from Michigan and others have made this point. When you get into this area in trying to identify how much has been committed or whether or not it was committed at all; a simple address by the CEO or the president of a local to the membership of that community—how would you put a value on that? Your inability to do so or to provide a proper accounting of it exposes you then to the potential of indictment. I don't think anyone in our interests here should try to necessarily do that. It is so difficult to write that into law, even when the law has only civil jurisdiction.

I urge a rejection of the amendment. A communication which is specifically protected by the Constitution and recognized by Buckley, where it is involved in a significant balance between the ability to communicate with your restricted class or membership and only that group, then the resources of that organization to do so are appropriate and proper. To upset that balance would be a mistake.

The law has worked well for 26 years. We ought not to change it at this point. For those reasons, I respectfully urge our colleagues to vote against the amendment.

I yield whatever time my colleague from Wisconsin so desires.

Mr. FEINGOLD. How much time remains?

The PRESIDING OFFICER. Five minutes.

Mr. FEINGOLD. Mr. President, I thank the Senator from Connecticut. I thank the Senator from Michigan especially for his excellent remarks on this amendment, and also the Senator from Arizona. We are united in our opposition to it. I, too, as the Senator from Connecticut, find it a little bit unpleasant to oppose the Senator from Utah. We have thoroughly enjoyed working together and share quite an affection for his beautiful State and appreciate those opportunities. On this one, we really have to call this amendment what it is. It is simply another attempt to change the subject.

Somehow it doesn't trouble the Senator from Utah or the Senator from Kentucky that soft money to the parties was $82 million in 1992, $260-some million in 1996, and is now approaching $500 million in the year 2000. That doesn't bother them. That is just fine. What does bother them is somehow trying to undo a reasonable balance that was created back in 1974 in the law at the time after Watergate and in the Buckley decision.

The problem is not PACs. The problem isn't how PACs raise their hard money contributions. We used to think PACs were the problem. I hope the American people now realize that PACs are limited to giving $10,000. We used to think that was a lot of money. Unfortunately, given this insane soft money system, it is starting to look as if it is spare change. But that is what the Senator from Kentucky and the Senator from Utah want to change the subject to: Worrying about how union members and perhaps corporate entities get their people together and spend a little money in order to raise the modest amounts that can be contributed through PACs. It is a blatant attempt to change the subject.

It does not relate at all to the real abuse in the system, the horrible situation where huge contributions on the very day that votes are made are given to the political parties, and then legislation passes creating an appearance of impropriety or corruption that is very disturbing to the American people.

To reiterate, the 1974 act that created PACs had an explicit tradeoff. Separate segregated funds that are connected with the union or corporation can use their treasury funds for their administrative costs, but they can solicit only their members or executive and administrative personnel for contributions. On the other hand, nonconnected PACs must use their PAC money for the costs of administration, but they can solicit the general public. That was the tradeoff.

That was the balance to which the Senator from Connecticut referred. As he said, this amendment would disturb the balance. That tradeoff has been a part of the law for 25 years. It is not a loophole. It is not a cesspool of soft money. It is working. It may not be perfect, but it is the very thing that, along with other things, survived after the Buckley case. We have a fairly decent, but not perfect, system of campaign financing in this country. That is what is falling apart.

There is also a constitutional dimension to this amendment. The law allows corporations and unions to communicate with their members when a union or a corporation solicits members for a PAC contribution. That solicitation is a communication. We cannot interfere with that communication without running afoul of the first amendment. I would think, given the frequent speeches by the Senator from Kentucky on the first amendment, that would concern him as well.

Let me say that I, as well as my lead author, Senator McCAIN from Arizona, oppose this amendment. It may be particularly targeted at unions because they have less money and may be perceived that way. As the so-called paycheck protection amendment, this is an attempt to cripple a labor union. It is a poison pill amendment targeted at labor unions and perhaps at corporate PACs, as well, and is not reform.

Corporate labor PACs have been permitted to use treasury funds for their administrative costs since the passage of the 1974 act. As the Senator from Michigan said so well, there has been no showing of abuse of this narrow exception—the prohibition of corporate and union spending of treasury funds in Federal elections—and yet these two Senators have virtually nothing to say about the enormous abuse of the gaping loophole of soft money that has destroyed the reforms after the Watergate era. All those supporting McCain-Feingold should strongly oppose the Bennett amendment. We strongly oppose it.

I yield the floor.

Mr. McCONNELL. Mr. President, I had not realized, until I heard from my friend from Michigan, that the Federal Election Campaign Act was so sacrosanct that it should not be changed. If that is the case, I don't know why we are here at all because the whole purpose of the McCain-Feingold bill is to change the Federal Election Campaign Act of 1974.

Further, it is suggested that this is not an abuse. Well, what we do know is that organized labor spends essentially no hard dollars at all raising hard dollars for their PACs. Now, as a defender of soft money, I must tell you I am not troubled by that in principle any more than I am troubled in principle by the political parties having nonfederal money. It has been suggested on the other side that this would be an inconvenience for organized labor or corporations. What about inconveniencing the parties—by taking away 40 percent of the budget of the Republican National Committee and the Democratic National Committee, and 35 percent of the Republican Senatorial Committee and the Democratic Senatorial Committee, and federalizing State and local parties for even-numbered years? What about the inconvenience to them? Why is it only political parties that it is OK to inconvenience and no one else?

I repeat, every time you hear the argument, "don't let the perfect be the enemy of the good," you can be sure the subject being debated on the Senate floor at that time is an amendment that might have some impact on organized labor. Virtually every time you hear the words "poison pill," you can be assured the subject matter we are debating at that time will be an amendment that might have some impact on organized labor.

The reform industry, led by the New York Times and the Washington Post, has been allowed to get away with defining what reform is. In fact, reform is what the New York Times and the Washington Post and Common Cause say it is, and everything else is a poison pill.

Now, the underlying bill is designed to reduce the effectiveness of America's great political parties—the one entity that will always be there for a challenger. Here Senator BENNETT is just trying to say, look, let's have a level playing field. If the parties are going to have to operate in 100 percent hard dollars, why not the unions and the corporations? Why not? Why not, I ask? What is so pernicious about the influence of Federal, State, and local parties that their resources have to be taken away, their voices lowered, their efforts inhibited, and no one else?

This is not a "level playing field," as often is said by the other side. I have heard the argument over the years that we need to have a level playing field. If hard dollars are to exclusively be the future of the parties, why not for business and labor?

Mr. BENNETT. Mr. President, will the Senator yield for a question?

Mr. McCONNELL. Yes.

Mr. BENNETT. The Senator from Michigan said this is a solution looking for a problem, that there has been no abuse of this in the past. I was interested and pleased to hear the Senator from Wisconsin say we used to say PACs were a problem. I remember when the Senator from Kentucky and I were lonely voices here defending PACs as being a legitimate thing in the face of those who were attacking it in the name of campaign finance reform. So at least that debate is over and now PACs are good.

To the point the Senator from Michigan raised, would the Senator think this exception—I will call it an exception—could, in fact, become a major loophole in the future if McCain-Feingold passes, and that some clever lawyers could sit down and figure out a way to create something that came under this exemption that could raise significant amounts of hard dollars, funding them with soft dollars that are totally undisclosed, unlike the other soft dollars to which they object—soft dollars that would be totally undisclosed, finding a way to turn this into the next monster that we hear about in campaign finance reform debates 5 to 10 years from now?

Mr. McCONNELL. I say to my friend, he described the situation today. That is the situation today. We have unlimited and undisclosed soft dollars—we don't know how much—underwriting the PACs of corporations and unions. That is the situation today. All I believe the Senator from Utah is doing is trying to create a level playing field of hard dollars. If hard dollars are good for parties, why not for companies and labor unions?

Mr. BENNETT. It is my thought, I say to the Senator from Kentucky, that the reason we have not considered this as an abuse in the past is because there have been other things at which we have been looking. But if McCain-Feingold outlaws those other things, there is no reason to believe that this will not become the target of campaign finance reformers in the years ahead, and we will see at that point their thundering rhetoric about how terrible it is.

Today, they have no rhetoric and they say it is no problem. Of course, I say to the Senator from Kentucky, knowing how he feels, I think the thundering rhetoric is overheated as to the problem on the other side, but corruption becomes ultimately in the eye of the beholder.

Mr. McCONNELL. I thank the Senator.

Mr. JEFFORDS. If the Senator from Utah will yield, I had an opportunity to listen to some of his comments about the Snowe-Jeffords provisions. They were amusing, but far from accurate.

Mr. BENNETT. I am happy to be corrected.

Mr. JEFFORDS. First of all, there is nothing in Snowe-Jeffords that prohibits or prevents ads to be purchased in newspapers. There is no problem there.

Mr. BENNETT. Is it only television?

Mr. JEFFORDS. Television and radio, probably.

Mr. BENNETT. So by choosing gentlemen who like the print media rather than the electronic media—I miss the point?

Mr. JEFFORDS. He misses the point that all that it requires is disclosure. We would like to know who it is making the ads on television. It is a simple disclosure provision that says people ought to know, if somebody is making accusations, who is doing it.

Mr. BENNETT. Is there no prohibition for ads 60 days prior to the election?

Mr. JEFFORDS. There is no prohibition 60 days prior to the election.

Mr. BENNETT. I stand corrected. It was my understanding that there was a prohibition 60 days prior to the election. Can the Senator from Kentucky help us out on this?

Mr. MCCONNELL. I say to my friend from Utah, we are looking up the language. I say to my friend, unless the Senator from—I thought the point of the Snowe-Jeffords language was to make it difficult for——

The PRESIDING OFFICER. All time has expired. Under the previous order, the question is on agreeing to the amendment of the Senator from Utah, Senator BENNETT.

Mr. DODD. I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. BROWNBACK). Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 37, nays 63, as follows:

[Rollcall Vote No. 39 Leg.]

YEAS—37

Allard
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Craig
Crapo
Domenici
Ensign
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Lott
Lugar
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thurmond
Voinovich

NAYS—63

Akaka
Allen
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Hagel
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Thompson
Torricelli
Warner
Wellstone
Wyden

The amendment was rejected.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. FEINGOLD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MCCONNELL. Mr. President, let me say briefly that the vote which just occurred is instructive in that I would predict that any amendment between now and the end of the debate that might have any adverse effect of any kind on organized labor is likely to be defeated.

Senator BENNETT can speak for himself, but my understanding of the purpose of that amendment was to point out the imbalance between taking all non-Federal dollars away from parties at the Federal level—the State and local level in the even-numbered years—making the parties operate 100 percent in hard dollars, and yet no one else who expressly advocates a candidate through a PAC is required to do that.

We have carved out an exception for corporations and unions so that they can continue to use millions of dollars in corporate and union soft money to underwrite the expenses of their political action committees.

Having said that, the next amendment will be offered by the Senator from Oregon, Mr. SMITH, who will be here momentarily. Senator DODD and I would like for that vote to occur at 6:15 or 6:30. We will lock it in, in a few moments. It is my understanding that that will be followed by an amendment by Senator TORRICELLI.

Mr. DODD. The idea would be I think at that point, depending on what leadership wants, to lay down the Torricelli amendment. I gather there is some event this evening that people believe they are obligated to attend. The Torricelli amendment will be laid down, and we will begin debate on that in the morning at whatever time the leader wants to come in. We might get a time agreement in the morning on that. I have several amendments I am lining up for tomorrow afternoon. So we will have a clear flow by tomorrow morning as to the amendments we will be proposing tomorrow during the day.

Mr. MURKOWSKI. Mr. President, point of inquiry: Did I understand from the floor managers that there would be a vote at 5:30?

Mr. MCCONNELL. No. It is probably at 6:15.

Mr. MURKOWSKI. Many of us are going to this March of Dimes event tonight. I think it starts at 6.

Mr. MCCONNELL. I think many Members are going to that event.

Mr. DODD. The March of Dimes event I know is very important. Maybe we can aim for 6 p.m.

It will obviously depend on what Senator GORDON SMITH wants to do.

Mr. MURKOWSKI. I certainly concur with that because many of us have to cook.

Mr. DODD. In that case, knowing that my colleague from Alaska may be doing the cooking, Members may want to stay until 10 tonight.

Mr. MCCONNELL. After listening to the persuasive speech of the junior Senator from Alaska, I ask unanimous consent that a vote occur at 6 p.m. on or in relation to the Smith amendment shortly to be laid down.

The PRESIDING OFFICER. Is there objection?

Mr. FEINGOLD. Reserving the right to object, Mr. President, without knowing what the subject matter of the amendment is, I object until we are able to determine that.

Mr. MCCONNELL. Senator SMITH will be here shortly. Hopefully, we can lock in the vote.

Mr. DODD. In the meantime, Mr. President, if I may, Members who want to be heard on the bill itself should take advantage of the time. I suspect the Smith amendment will not consume all of the hour and a half. We urge Members who want to make statements on the bill to please come to the floor.

I see now our colleague from Oregon is here. While he is getting organized, let me in response to my friend from Kentucky regarding the last amendment that it was not just about labor unions.

This last amendment also covered corporations and membership organizations, among a few others. The 1974 law made it very specific. We said that general treasury funds from those organizations could be used to establish, administrate, and solicit contributions to be used for political purposes, such as communicating only with their restricted class or membership. That makes them distinct and different from the other organizations which can communicate with the universe. But these organizations can only communicate with their members. For that reason, the 1974 law specifically wrote into the law that general treasury funds, if you will, could be used for the purposes of communication.

So it was not just about labor unions, it was also about corporations, membership organizations and other such entities that are confined to communications with their own members.

Mr. MCCAIN. Will the Senator yield?

Mr. DODD. I am happy to yield.

Mr. MCCAIN. It is my understanding the Senator from Oregon is prepared to go forward with his amendment. It is a pretty simple amendment. It is a fairly straightforward amendment. I think we could get a time agreement, if the Senator from Kentucky is agreeable, say, for a vote at 6 o'clock. After that vote we could lay down another amendment. So we will be ready to go on that, if that is agreeable.

Mr. DODD. That is agreeable. Yes.

Mr. MCCONNELL. I believe that is acceptable to the Senator from Oregon.

I, therefore, ask unanimous consent that the time between now and 6 p.m. be divided in the usual form, and at that time the Senate proceed to vote on or in relation to the amendment about to be sent forward by the Senator from Oregon, Mr. SMITH.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. Therefore, the next vote will occur at 6 o'clock.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SMITH of Oregon addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 118

Mr. SMITH of Oregon. Mr. President, I have an amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. SMITH] proposes an amendment numbered 118.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To prohibit candidates and Members of Congress from accepting certain contributions while Congress is in session)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. PROHIBITION ON ACCEPTANCE OF CERTAIN CONTRIBUTIONS WHILE CONGRESS IS IN SESSION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

“SEC. 324. PROHIBITION ON ACCEPTANCE OF CERTAIN CONTRIBUTIONS WHILE CONGRESS IS IN SESSION.

“(a) IN GENERAL.—During the period described in subsection (b), a candidate seeking nomination for election, or election, to the Senate or House of Representatives, any authorized committee of such a candidate, an individual who holds such office, or any political committee directly or indirectly established, financed, maintained, or controlled by such a candidate or individual shall not accept a contribution from—

“(1) any individual who, at any time during the period beginning on the first day of the calendar year preceding the contribution and ending on the date of the contribution, was required to be listed as a lobbyist on a registration or other report filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.);

“(2) an officer, owner, or senior executive of any person that, at any time during the period described in paragraph (1), employed or retained an individual described in paragraph (1), in their capacity as a lobbyist;

“(3) a political committee directly or indirectly established, financed, maintained, or controlled by an individual described in paragraph (1) or (2); or

“(4) a separate segregated fund (described in section 316(b)(2)(C)).

“(b) PERIOD CONGRESS IS IN SESSION.—The period described in this subsection is the period—

“(1) beginning on the first day of any session of the body of Congress in which the individual holds office or for which the candidate seeks nomination for election or election; and

“(2) ending on the date on which such session adjourns sine die.”.

Mr. SMITH of Oregon. Mr. President, this amendment is a very simple one but one that I believe will go a long way toward restoring public confidence in elected leaders and alleviating the perception that politicians are beholden to special interests.

My amendment simply prohibits Senate and House candidates from accepting campaign contributions from lobbyists when Congress is in session.

The amendment is fair and it is balanced. It applies to both incumbents and challengers. Since the danger of corruption or the appearance of corruption applies with equal force to challengers and incumbents, Congress has ample justification for imposing the same fundraising constraints on both incumbents and challengers.

This is not new. This is a law that currently operates in many States. In my own State of Oregon, we have long had just such a law on the books; one that I was proud to stand squarely behind as a State legislator. The Oregon law first enacted in 1974 has been in effect for 27 years and has been integral to ensuring Oregonians' confidence in the integrity of their political system at the State level.

The core tenet and assumption behind the McCain-Feingold legislation is that money in politics corrupts elected officials. Backers of the McCain-Feingold bill often use catch words and phrases, such as “quid pro quo,” to suggest that money can buy not only legislative action but legislators themselves.

This is not my view. It is my belief that the vast majority of the men and women with whom I serve in the public process and in this body possess the highest degree of professional and personal integrity. However, if the public perceives that campaigns are corrupt, that money talks, then I think we owe it to the public to allay those concerns.

Prohibiting contributions from registered lobbyists to candidates and Federal officeholders while Congress is in session will go a long way toward quelling the perception that we are bought and sold. My amendment addresses the public's fears directly by eliminating what they view as the disease rather than trying to just treat the symptoms.

We are not breaking new ground because we will be doing what other States have done. Oregon is joined by at least 10 other States with laws just like this that prohibit candidates and officeholders from soliciting or accepting contributions while their legislatures are in session

In 1999, the U.S. Court of Appeals for the Fourth Circuit, in North Carolina Right to Life v. Bartlett, upheld the constitutionality of North Carolina's law prohibiting lobbyist contributions and solicitations while its general assembly is in session, stating that the law “serves to prevent corruption and the appearance of corruption.” The Fourth Circuit concluded that “in the end, North Carolina law does nothing more than recognize that lobbyists are paid to persuade legislators, not to purchase them.” Last month the Supreme Court agreed by denying the petition for review of this very case.

So I am confident that my amendment will withstand judicial scrutiny. My amendment only restricts a candidate or officeholder from accepting contributions at a certain time and place, not if they can eventually. This is no different than time and place regulation of other first amendment issues.

Furthermore, I think it is important to point out that my amendment is narrowly crafted to prohibit candidates and officeholders from accepting contributions from lobbyists and the political action committees that employ them.

My amendment does not place the burden on lobbyists offering contributions to candidates but, rather, squarely and more fittingly on the candidate. The onus, therefore, is on the candidate or officeholder, not the lobbyist.

In closing, let me emphasize that the touchstone issue is the appearance of influence pedaling and corruption and the role that money plays. If money in the system corrupts, then my amendment lessens its role. Diminishing the role of money is also one of the stated goals of the McCain-Feingold bill. But unlike the McCain-Feingold bill, my amendment does so, I believe, in a constitutional way.

Again, my amendment merely prohibits House and Senate candidates and officeholders from accepting political donations from lobbyists while Congress is in session.

My amendment is evenhanded, it is constitutional, and it addresses the perceived problem that politicians can be bought and sold, and my amendment does so in a way that does not shut down the entire universe of citizen participation in our political process.

I hope my colleagues will unanimously support my amendment, following Oregon's lead, and that of other States, to restore confidence in the integrity of our political system.

Finally, some of my colleagues will worry that this includes the public generally. It does not. It involves registered lobbyists, PACs, and all special interest groups. A citizen can send in a contribution to a candidate. That is fine. But what is disturbing to people is the nexus that exists between legislating in the morning and fundraising at night with the very same industries. This will prohibit that. We will separate these two activities and restore some confidence that people are entitled to have in their political process.

Some people will say this just isn't possible because the Congress is always in session. There may be an unintended but beneficial consequence. We may have shorter congressional sessions. We may get our work done more quickly, and we may be able to thereby provide the American people a little less rhetoric, a lot more action, a lot more voting, getting their job done and getting home to be with the folks and ultimately to meet with these interest groups. If they want to support you, fine, but they can't do it while you are about the people's business in making law.

I encourage a unanimous vote, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. MCCAIN. Will the Senator yield for a question?

Mr. SMITH of Oregon. I am happy to yield for a question.

Mr. MCCAIN. Inevitably, I would say to the Senator from Oregon, there is going to be a question of constitutionality. It is my understanding, from my informed staff, that there was a case in North Carolina that was upheld but it has never gone any higher than that.

Mr. SMITH of Oregon. The Supreme Court, I understand, denied certiorari, thereby upholding the fourth circuit decision that allows for this kind of prohibition of fundraising from special interest groups while the North Carolina legislature is in session.

Mr. MCCAIN. What about the fact that you are clearly saying to an individual that because you are in a certain line of work, you are not going to be able to do what other citizens do? How do you respond to that?

Mr. SMITH of Oregon. I respond to that by saying that this is not unlike other time-and-place regulation of speech issues. People come to this building all the time and would love to come in this Chamber and protest from the very seats above us. They are not allowed to. They are given a place to protest but not to disrupt the public's work.

What I am saying is, this is a time-and-place regulation of speech. I admit that. I am saying it passes the smell test far better than our current system.

Mr. MCCAIN. But the Senator does admit that there might be some question of the constitutionality of this issue raised.

Mr. SMITH of Oregon. Clearly, there will be, but ultimately the issue of constitutionality is for the Court across the street to decide. It does not prohibit them from making a contribution later. It just says there is a time to do it and there is a time not to do it.

I think what disturbs all of us is the notion of holding a hearing on an industry in the morning and then going to their fundraiser in the evening. That is the nexus that is wrong. That is what, I agree with the Senator from Arizona, we ought to do away with. This works in my State. It works in your State also. Arizona is one of those States that has this restriction. It works. It smells better. It doesn't violate constitutional rights, but it does vest us with more of a process of integrity.

Mr. MCCAIN. Clearly, Arizona has the finest State government of any of the 50, I am sure the Senator from Oregon would agree.

Again, I ask the Senator from Oregon: There is going to be some question in people's minds about the constitutionality of this amendment; you would agree?

Mr. SMITH of Oregon. Absolutely.

Mr. MCCAIN. Therefore, it would seem to me that the Senator from Oregon would understand that the whole issue of severability in this bill would then take on increased prominence. It is my understanding that the Senator from Oregon may be in support of nonseverability. I don't get the logic there. You are clearly supporting an amendment that has constitutional questions associated with it, and yet at the same time you would not understand that this bill may have portions of it, particularly during the amending process, that the U.S. Supreme Court would deem unconstitutional, including this one which, even if made unconstitutional, would not affect the thrust of the bill.

I am hopeful that the Senator from Oregon will see the logic here—I am dead serious—because it is going to be a big issue, the fact that there should be, as there have been in all but 12 bills passed by the Congress in the last 10 years, a severability clause in this legislation.

I would give a lot more credibility to the amendment of the Senator from Oregon if he believed, as he has stated, that there will be constitutional questions, that this bill should not rise or fall based on a decision concerning what a lobbyist does because there are much greater issues at stake. I certainly hope the Senator from Oregon understands my logic in that argument.

Mr. SMITH of Oregon. I do understand that logic. I would be happy to include this in any nonseverability amendment that I would propose. As a practical matter, as the Senator knows—and I have said this to him and Senator FEINGOLD—I have legitimate questions as to the constitutionality of McCain-Feingold. I am not a judge. We get really angry at judges who act as legislators. We are often acting as a bunch of judges. We have a responsibility to uphold the Constitution. It is their responsibility to interpret it.

I don't know how all this will cut. My concern about the severability clause or a nonseverability clause, which I will be happy to include this in, is that we will leave our country worse off rather than better off if we say to the political parties: You can't have a role any longer in elections, but the folks who will go into the smoke-filled rooms, who are not disclosable to the American people or accountable to the American people, will then be the ones who have the power because they will run campaigns about candidates.

Frankly, I have seen this happen with a campaign finance issue in Oregon. It was not pretty. It was an ugly situation because the citizen and the candidate were disenfranchised by it and were the victims, along with democracy in Oregon, because of a system that would empower those who are nondisclosable and unaccountable to the American people. They get all the power.

That is my concern, Senator. That is why I have believed a nonseverability clause is important in order that we not leave our country worse off.

With that, I am telling you and the whole world, I am prepared to vote for your bill, but I think that that is an essential ingredient, as I have told you privately. I really believe without it we will leave our country worse off based on the experience of my State of Oregon.

Mr. MCCAIN. If the Senator will agree to one more question, I want to get back on the bill. First, I hope we will be able to convince the Senator from Oregon that any provision in this bill, if passed, would make us better off than we are today—any provision, including the Senator's. Any part of it that would stand would improve the present situation where, indeed, the case exists, and you have heard my argument about that before.

The amendment talks about registered lobbyists, but does it also add people who are in charge of political action committees and run PACs? Are there additional individuals covered by this amendment?

Mr. SMITH of Oregon. It does not.

Mr. MCCAIN. It is simply people who are registered lobbyists, who have voluntarily decided to register as a lobbyist under the law.

Mr. SMITH of Oregon. That is correct.

Mr. MCCAIN. I thank the Senator from Oregon. I have enjoyed this chance to pose questions to him. I appreciate the courtesy of his response and look forward to working with him on this legislation.

Mr. SMITH of Oregon. I thank the Senator also.

Mr. FEINGOLD. Will the Senator yield for a question?

Mr. SMITH of Oregon. I am happy to yield to the Senator from Wisconsin.

Mr. FEINGOLD. First of all, I appreciate the spirit of the amendment. Our two States, Oregon and Wisconsin, are very similar in our pride and our reform history. Obviously, this amendment is offered in that spirit. I appreciate that.

My questions are similar to those of the Senator from Arizona, but I believe the Senator from Oregon indicated he would consider a severability provision with regard to this amendment.

Mr. SMITH of Oregon. I have so much confidence in its constitutionality based on its judicial history already, I would be happy to include it in a severability clause because I think everything we are doing here has a reasonable constitutional question. We ought to ask the Supreme Court to rule on it. This could be among them in terms of any nonseverability, as far as I am concerned.

Mr. FEINGOLD. I was interested in the Senator's remark that we shouldn't act as judges here; we should act as legislators. I agree. I ask the Senator if he is aware of how infrequently legislatures, in particular the U.S. Congress, have actually had a nonseverability provision. Does the Senator realize that it is incredibly rare, something that is rather unlikely for legislators to do?

Mr. SMITH of Oregon. I am aware of that, but I think what we are debating here is of so fundamental a nature to our liberty—that is, our speech; our most important speech being our political speech—that I have no doubt this would make it to the U.S. Supreme Court because this would fundamentally affect the future of our country.

Mr. FEINGOLD. One other question: Is the Senator completely opposed to the notion of having the entire bill be severable?

Mr. SMITH of Oregon. I am prepared to include the soft money ban to the regulation of the outside groups. And if we want to include this as well, I am comfortable with that.

Mr. FEINGOLD. The reason I am asking this question—the spirit of this amendment is very positive, as I have indicated. But what I am trying to determine is whether we would have a fair chance to send a bill over to the Supreme Court where, if for any reason you were right about the constitutionality about this, the rest of the bill could still stand. Is that something the Senator is open to?

Mr. SMITH of Oregon. I am open to discussing it with the Senators.

Mr. FEINGOLD. One other question. I want to follow up on the scope of this amendment. I have the amendment in front of me. Under section 324, there are several different paragraphs relating to who is covered. It refers to "any individual who, at any time during the period beginning on the first day of the calendar year preceding the contribution and ending on the date of the contribution, was required to be listed as a lobbyist. . . ."

Under section (2), it refers to "an officer, owner, or senior executive of any person that, at any time during the period described in paragraph (1). . ." is a lobbyist.

And then in (3), it says, "a political committee directly or indirectly established, financed, maintained, or controlled by an individual . . ."

And finally, (4), a separate segregated fund.

I ask the Senator how he can say it only refers to registered lobbyists when it has three other categories of people listed in the face of the amendment.

Mr. SMITH of Oregon. This is referring to a registered lobbyist or those who employ them.

Mr. FEINGOLD. What about a political committee?

Mr. SMITH of Oregon. If they employ them, they are covered by this amendment.

Mr. McCAIN. If the Senator will yield for a question, it counts not only registered lobbyists, but it is a person who employs that lobbyist as well. In other words, I am the CEO of a company back in Arizona, or I am a president of a union back in Arizona, and I am not allowed to contribute while Congress is in session because I have employed that lobbyist?

Mr. SMITH of Oregon. Under that guide, that is correct. However, if you sent that person a solicitation in the mail asking for a maximum hard money contribution as a private citizen, they would be allowed to make that contribution. But what I am trying to do is stop us spending time, while we are lawmaking, down at the RSCC and the DSCC, spending hundreds, even thousands, of hours raising money.

Mr. McCAIN. Well, if the Senator will yield further, I agree with what he is trying to get at. I think that, frankly, also during the campaign of President Bush, this was part of his campaign finance reform proposal, as I remember. But I think we have to worry about this language because if I am the senior executive of a company or corporation away from Washington that employs a lobbyist, and I am not allowed to contribute at that time, that could be a very large number of people. I wonder if we can work on language with the Senator from Oregon to achieve this goal, without throwing a pretty wide net here. If I am thinking through this legislation, which I am looking at for the first time——

Mr. SMITH of Oregon. I am happy to work with the Senator on an amendment to this amendment. I am not locked down. It is offered in the spirit of my experience as an Oregonian. I believe Wisconsin and Arizona have similar laws. It works. It will be more difficult for Congress, but it ought to be done in Congress.

Mr. FEINGOLD. If the Senator will yield for a further question, I will tell you one thing: This certainly will shorten legislative sessions, which is a wonderful aspect, as the Senator from Nevada pointed out. Under sub (4), it refers to a separate segregated fund. I am advised that this basically would include political action committees.

Mr. SMITH of Oregon. That is correct.

Mr. FEINGOLD. Is it the Senator's intention to prohibit the lobbyist from giving individual contributions, but also PACs during this period?

Mr. SMITH of Oregon. That is correct, during a legislative session. When we gavel the session in, you can't do it until you gavel sine die. If the world of special interests wants to evaluate what they think of your performance and help you in your election, fine. We are segregating the function of lawmaking and moneymaking. I think that goes a long way to fixing what you think and feel, rightfully, is broken in this country.

Mr. FEINGOLD. Does the Senator believe it could be unconstitutional to prohibit PAC contributions?

Mr. SMITH of Oregon. I don't believe so. It doesn't prohibit them. It regulates them in terms of time and place.

Mr. FEINGOLD. I suggest that the effect of this is to unconstitutionally prohibit PAC contributions, and I would be concerned about that.

Mr. McCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. REID. Will the Senator yield for a question?

Mr. SMITH of Oregon. Yes.

Mr. REID. There is nobody in this body for whom I have more respect. Would this amendment not give a tremendous advantage to wealthy people who are members of the national legislature?

Mr. SMITH of Oregon. I don't believe it would. They can give a hard money contribution of $1,000 per campaign.

Mr. REID. No. What I am saying is, if you are a Member of Congress, would you not have an advantage over everyone else if you were rich because it would limit so much of the time for people to do the fundraising?

Mr. SMITH of Oregon. There is no question but that this amendment will do more to drive money out of politics than anything that has been proposed yet. There is no question about that. But we have just passed an amendment that doesn't give a perfect playing field to the challenger against the multimillionaire, but it gives them a better playing field than we have had before.

Mr. REID. My friend has not answered the question. Would this not give an advantage to a Member of Congress who is rich, because during the period of time that Congress is in session, basically, there would be a tremendous inability to raise money, whereas if somebody finances their own campaign, it doesn't matter to them?

Mr. SMITH of Oregon. I would concede the point. But I would simply say that what this does is prohibit the challenger or the Member of Congress from being involved in this. I think it is a heavy restriction, but I think it is the right restriction, and I think if we can go to this kind of a standard, it is going to look better to the American people and, frankly, it is going to drive a lot of money out of politics and clean up our day by making us spend time lawmaking instead of fundraising. And at the end of the day, if somebody wants to spend their own money, they are going to have to comply with the law or the amendment we just passed, and it will equalize it somewhat.

Mr. REID. One more question. While the Senator's amendment bans contributions during the time we have talked about, it doesn't ban solicitations during that time; is that right?

Mr. SMITH of Oregon. It does.

Mr. REID. It does ban solicitations?

Mr. SMITH of Oregon. It bans accepting them.

Mr. REID. It would not ban solicitations. You could go to the NRA, or whoever gives money, and you could ask them for money at that time, and they would have to give it to you at a subsequent time when we were out of session?

Mr. SMITH of Oregon. It doesn't prohibit that. I don't know how to prohibit that constitutionally, but I do know how to constitutionally prohibit the time and place in which these activities are engaged. But the Senator, in his earlier point, said: What does this mean to a Member of Congress? You don't have to be a millionaire to have an advantage by being a Member of Congress. You probably have a large campaign war chest already carried over from your last campaign, if you are a safe incumbent. So these are just the facts of life. I don't know how I can make it perfect, but I know this amendment makes it better.

Mr. THOMPSON. If the Senator will yield, the Senator is doing an excellent job taking on these questions from all corners. But it is a very interesting amendment. I think my own State of Tennessee has a similar amendment. I think what happens is anybody comes to town a couple days sooner to collect the money.

Other than that, my concern, as we consider these amendments, has to do with constitutionality issues. I want to make a couple comments and then ask a question. Obviously, none of us is going to be able to tell what is constitutional or not. But if we have a nonseverability clause—and we don't know whether or not we will—after we have a vote, any amendments that turn out to be not constitutional bring the whole bill down. Some people think that is good. I think we will wind up with a hard money increase, which I think is good, and doing something about soft money, which I think is good. So I think that would be a bad result if that happened.

Personally, I think this so-called millionaire amendment we just passed is of very doubtful constitutionality. That is the reason I voted against it. I don't see how you make the kinds of distinctions that that amendment made when you have free speech protection with regard to his spending his own money, how you then favor one over the other, and what you do about the person who wants to make a contribution, and he can give up to, say, $5,000 to candidate X, but to candidate Y he can only give $1,000.

We already have an amendment that has been adopted with questions about its constitutionality.

With regard to your amendment, my question is this: Will the issue not be resolved on the basis of whether or not there is a compelling State interest? It seems to me that is the question, and if that is the question, if that is the issue, then I look at it to see whether or not what we are doing is of sufficient compelling State interest to overcome the first amendment problems.

Obviously, we are impinging on the first amendment. The Supreme Court has said in some cases we can impinge on the first amendment. That is what we are doing when we put hard money limits on people. We impinge on the first amendment, but the Supreme Court says there is a compelling interest to doing that, and that is the appearance of corruption.

The question is, it seems to me, are we doing enough? Is there sufficient, compelling State interest for us to do this? Is it really helping the system that much in this time-place-manner amendment in order to impinge on the admitted free speech rights of a potential contributor?

I take it the Senator thinks we would be doing enough to help the system, to help the Nation by placing these kinds of limitations on people to overcome an impingement on their first amendment rights. Does my colleague agree that is the issue with which we are dealing?

Mr. SMITH of Oregon. I agree with the Senator. Let me read the exact wording of the Fourth Circuit's response to that very question.

A unanimous Fourth Circuit found the restriction was narrowly tailored and served the compelling interest.

> The restrictions are limited to lobbyists and the political committees that employ them, the two most ubiquitous and powerful players in the political arena.

They found the restrictions cover only that period during which the risk of an actual quid pro quo or the appearance of one runs the highest risk.

Again, it is a time-and-place regulation. I suspect people in North Carolina, just as the people of Oregon, have a lot more confidence in hearings going on in the morning and know there is not a fundraiser going on in the evening.

Mr. THOMPSON. I say to my colleague, that does carry a certain amount of logic to it, but we all know that some of these bills carry on for a long period of time, and these big issues where people are greatly interested and their businesses are greatly affected sometimes go on for a period of years and we have fundraisers interspersed with them.

I do not know that I agree the greatest danger has to do with the time proximity of the contribution, but I ask my friend if the rest of his bill tracks what they were doing in that Fourth Circuit situation in terms of the people involved, in terms of the places limited, in terms of the time restriction?

Mr. SMITH of Oregon. We have tailored this amendment after the North Carolina one in order to make sure it passes judicial muster. I believe it does. I am willing to put it as part of a nonseverability clause.

I say to the Senator, my concern about the absence of nonseverability is not to every component of this bill. It is the banning of soft money, whereas I would limit it, as the Hagel proposal. It is the banning of soft money if you do not also include these outside groups.

The Senator knows firsthand, I am sure, as a Republican, when it comes time that you are under attack, you have some very powerful and effective groups against you. You have the Sierra Club; you have the trial lawyers; you have labor unions, and on and on. They are very good at what they do. They hit and they run and are accountable to no one. They do not even have to tell the truth. But the only rescue for a Republican is the Republican Senate Campaign Committee.

Just in fairness, if you are going to empower such groups, if you are not going to include them, then, frankly, I think we do great damage. To Democrats who may say this is to our advantage, let me say what will happen.

The day this is enacted and soft money is banned and held constitutional, every Republican dollar flowing to that Senate committee is going to find its way immediately into a Republican Sierra Club, and all of this will not be disclosable, it will not be accountable, and we will have dumbed down America's democracy.

That is the point I am trying to make. That is why those two components, soft money versus regulating outside groups, have to be tied together if we are to make our country better instead of worse.

Mr. REID. Will the Senator yield for a question?

Mr. SMITH of Oregon. I will be happy to yield.

Mr. REID. The Senator said there would not be fundraisers held. There would be nothing wrong. You could have fundraisers and solicit the money. You just could not collect it; is that right?

Mr. SMITH of Oregon. If you wanted to tighten up the bill even more on that account, I would be happy with an amendment you might offer to that effect. I am trying to go as far as I can constitutionally and say there can be no exchange of cash when you are in a legislative session because it does not look good. It does not smell good. We ought to change it, and a lot of States are cleaning up their State governments with this very kind of law. We should do no less in this Congress.

Mr. REID. I appreciate the point. I wanted to make sure the record reflected, in response to a question from the Senator from Tennessee, that there would not be any fundraisers. There may not be as many, but certainly you could have as many fundraisers as you wanted and solicit the money at the fundraisers. You just could not collect the money that night or that day.

Mr. SMITH of Oregon. I guess my question is, Would the Senator like to amend the amendment to include the prohibition of these kinds of solicitations?

Mr. REID. Of course, we cannot amend anything the way the unanimous consent agreement is in place. I think the Senator from Arizona wishes to discuss possible amendments with the Senator, and that would be something.

Mr. SMITH of Oregon. Would it be appropriate to call for a quorum call to work it out?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I realize there is a time constraint here because, under the UC, we have a vote at 6 o'clock. We have been trying to work out an agreement on this amendment. We have been unable to do so. We will go ahead and have the vote at 6. I will make a tabling motion, but I am committed to working with Senator SMITH to see if there is a way that we can work it out to his and everyone's satisfaction. It is overly broad in its language at this time, but we have not been able to reach a conclusion.

I regret that because I agree with Senator SMITH's intent, and I think he is trying to do something that would cure a very bad perception that persists in Washington.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is out of time.

Mr. DODD. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Connecticut controls the remainder of the time, 16 minutes 40 seconds.

Mr. DODD. I am glad to yield to my colleague for a couple minutes.

Mr. SMITH of Oregon. That would be all I would need.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. I thank Senator DODD. I know this is not easy. I know Congress meets for a long time. I know State legislatures are different just in terms of time. In every other respect, this law is as valid here as it is other places, in my view. If we are worried about appearance, if we want to move soft money, if we want to move money out of politics, nothing will do that better than this amendment. Nothing will shorten congressional sessions more than this amendment.

In my opinion, we ought to vote on it. We ought to pass it. I will pledge my best efforts to work with Senator McCAIN to get it in a shape that wins his support as well. It is consistent with the spirit of McCain-Feingold.

I thank my colleague for the time.

Mr. DODD. Mr. President, I am happy to yield 4 minutes to my colleague from Tennessee.

Mr. THOMPSON. I thank the Senator.

Mr. President, following up on my earlier comments, I am concerned about this amendment because I fear it may very well be unconstitutional. If one of these amendments is unconstitutional and the reform side does not win on the severability issue, the whole thing falls. Obviously, the question of constitutionality is always important, but it is even more important now.

My concern is this: We have to clearly have a compelling governmental interest to override the first amendment rights of people to give money to candidates. They clearly have that right here. We are clearly overriding it. The question is whether or not there is a sufficient governmental interest.

The case that was cited from the Fourth Circuit—and that case was in North Carolina—pointed out that it only covered a narrow area and that the Legislature of North Carolina only met for a few months out of the year.

This body sometimes meets the entire year. There is no way a person could raise any money at any time during the year under those circumstances. Clearly, the Fourth Circuit is not authority for the constitutionality of this bill. It might be wrong. The Fourth Circuit might be incorrect in its analysis that it should be narrowly tailored. But that causes me a great deal of concern and difficulty. As well meaning as this amendment is, and in many ways as much as I would like to see it, it causes me great concern to vote for an amendment with what I believe raises pretty serious constitutionality questions.

Mr. DODD. Mr. President, I yield 5 minutes to my colleague from Wisconsin.

Mr. FEINGOLD. Mr. President, it is not pleasant to oppose this amendment. The Senator from Oregon is a wonderful Senator. We have worked together on a lot of issues, in the Foreign Relations Committee, the Budget Committee, and the like. We do share a great progressive tradition in our two States of Wisconsin and Oregon. That is the spirit of this amendment.

I have to agree with the distinguished Senator from Tennessee. This does raise some real questions because it doesn't apply to State legislatures. It applies to this Congress. It may make sense for State legislatures that convene for a few months every year, but it doesn't make sense for this Congress. In the year 2000, this Congress went into session in January and, as we painfully remember, did not adjourn until December. There was even a possibility that we were going to go up to New Year's Eve. So it is not realistic to have this kind of limitation that we have in States such as Wisconsin and Oregon at the Federal level.

The cost of campaigns is regrettably high. Obviously, future reforms should address this problem. As has been said by other speakers, this amendment is overly broad in its attempt to prohibit congressional candidates from accepting contributions while the Congress is in session from all the following individuals or entities. It is not just registered lobbyists, as some thought when the amendment was first described. It is much more than that. It is registered lobbyists that are affected, PACs, senior executives, officers, or owners of any organization that employed or retained a registered lobbyist during a calendar year preceding the contribution.

It would prohibit not just contributions from lobbyists but, as the Senator from Arizona has pointed out, contributions from executives of any company that employs a lobbyist—the executives of General Motors, of Federal Express, and every other company. It would prohibit all union and corporate PACs from contributing basically almost all year-round because, as I pointed out, we are in session so much of the year.

I am afraid this amendment also gives a huge advantage to wealthy incumbents or any incumbents who have a substantial war chest. Under the Smith amendment, while challengers are unable to raise funds from those listed above throughout this very extensive time period in a year, the incumbents who have a lot of resources would be able to rely on their existing war chests or personal wealth. That concerns me as well.

Finally, as the Senator from Tennessee has focused on, there is a serious question of the constitutionality of this amendment. This is one of the reasons I asked the Senator from Oregon at the beginning about whether this affected PACs. He conceded that banning

PAC contributions does raise constitutional questions. It calls into question the whole bill.

Of course, if the Senator from Oregon, as we proceed with this bill, is willing to work with us on making sure this entire bill is severable so that each provision can stand on its own and the Court can determine each one, that could be a different story with regard to that argument, but that is the kind of discussion we need to have.

I want him to know I am eager to have those discussions. I appreciate his attitude toward reform, and I hope that in the end perhaps we can work something out relating to this, but even more importantly, he can be part of our efforts. In light of these concerns, I will urge that all those supporting the McCain-Feingold bill should oppose the Smith amendment.

Mr. DODD. Mr. President, I don't know if others want to be heard on this. If my colleague would like to rebut, I will be willing to yield some time to him.

Mr. SMITH of Oregon. I thank the Senator from Connecticut. I recommit to work with Senator McCAIN and Senator FEINGOLD and see if we can narrow this down. We worked on this a long time. It is hard to do. We are intruding upon speech, there is no question about it. The question is whether this is a permissible time-and-place regulation and is there a legitimate State interest. Absolutely, because you are separating the fundraising from lawmaking. That not only will drive money out of politics, it will help us to focus more on lawmaking and less on fundraising.

There is a time and a season for everything. That season is after we do our business. Everybody can have their say and make their contribution. You just can't do it when we are doing the people's business.

Mr. DODD. Mr. President, if I may, I will take a couple minutes to conclude. I have great respect for my friend from Oregon. We serve on committees together, and I enjoy working with him on numerous issues. There has been a lot described as to why the amendment is troublesome. There is one element not included in the language that I find appealing, and the public might be attracted to the fact that this may have the net effect of abbreviating sessions of Congress. That may have some appeal to a certain number of Americans. If you can only fundraise when Congress is not in session, we might be through with business in April or May. Seriously—I am not being facetious in those comments—this is a provision that concerned me a little bit. It goes back to the debate we had earlier in the day about the nonincumbent. I understand the effort may be to modify this amendment and bring it back at a later time as a modified amendment. But it also affects the nonincumbent.

As I understand the last provision of the bill, "beginning on the first day of any session of the body of Congress to which the individual holds office, or for which the candidate seeks nomination for election or election," and it could be, of course, that someone in a larger State would begin to challenge one of us as incumbents 2 or 3 years out, which is not uncommon today in larger States, and if we are in session in those years, obviously, a challenger who wants to be heard, where you have a State such as California, or Texas, or Illinois, or New York, you may want to begin that process earlier and they would be restrained from raising any money if this amendment were adopted as presently crafted.

So I, too, respect immensely my colleague's motivations. We talked over the last 2 days about the fact that under present circumstances in an average Senate race of $6 or $7 million—that is what an individual has to raise in a contested race—a Member would literally have to raise thousands of dollars every day, 7 days a week, 52 weeks a year, for the entire 6-year term. Somebody pointed out that in the State of California that number is more like $10,000 a day every day when you start talking about $20 million or $30 million. Obviously, for any Member of this body who is raising $10,000 a day every day for 6 years, there is a portion of your responsibilities, to put it mildly, as a Member of this body that is suffering.

It goes to the very heart of what Senators McCAIN and FEINGOLD are trying to achieve in this legislation. I don't subscribe to the notion that it is an inevitability that campaigns should increase in cost exponentially as they have been. I think you can put on the brakes. And what Senators McCAIN and FEINGOLD are doing is trying to put the brakes on a bit in the area of soft money. Our colleague from Oregon is also trying to put on some brakes, and I respect that.

For the reasons articulated by Senators McCAIN, FEINGOLD, THOMPSON of Tennessee, and others, I reluctantly oppose this amendment, and I will look for an opportunity when a modified version may come back. I thank our colleague for raising the subject matter. I urge rejection of the amendment.

I don't know if any more time is being sought. We can yield back the time left. I think our colleague from Arizona may want to make an appropriate motion. We are prepared to yield back time on our side.

Mr. McCAIN. Would the Senator yield me 1 minute?

Mr. DODD. I am happy to yield.

Mr. McCAIN. I say to Senator GORDON SMITH what I said to him before. We have our staffs working. I believe I will be able to table this amendment, but if not, he wins. If it is tabled, we want to work together with him. It is the unseemly appearances the American people don't like. We ought to try to fix it. I think there should be both time and effort in the consideration of this legislation to narrow this amendment so it does meet constitutional concerns expressed by Senator THOMPSON and others.

I thank Senator SMITH not only for his involvement in this issue but in the entire issue of campaign finance reform. I know he comes from a State where there is a lot of interest in this issue, as there is in mine—the "clean campaign" State referendum. I think he is representing his constituents when he is heavily involved in this issue. I look forward to working with him not only on this one, but as we approach some of the more important issues in the coming days. I thank him for his efforts.

Mr. President, if it is an appropriate time, I move to table the Smith amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from South Dakota (Mr. DASCHLE) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 74, nays 25, as follows:

[Rollcall Vote No. 40 Leg.]

YEAS—74

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Conrad
Corzine
Craig
Crapo
Dayton
DeWine
Dodd
Dorgan
Durbin
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Hagel
Harkin
Hatch
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
McCain
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Sarbanes
Schumer
Shelby
Specter
Stabenow
Thomas
Thompson
Torricelli
Voinovich
Wellstone

NAYS—25

Brownback
Bunning
Burns
Campbell
Collins
Domenici
Edwards
Ensign
Gregg
Helms
Hutchinson
Hutchison
Inhofe
Lugar
McConnell
Murkowski
Santorum
Sessions
Smith (NH)
Smith (OR)
Snowe
Stevens
Thurmond
Warner
Wyden

NOT VOTING—1

Daschle

The motion was agreed to.

Mr. SMITH of Oregon. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Connecticut.

Mr. DODD. Mr. President, as I understand it now there will be no more votes today. The intention is to lay down an amendment to be offered by my colleague from New Jersey, and that debate tomorrow will begin at whatever time the majority leader brings us into session. Hopefully, we might even complete the debate in less than 3 hours.

I ask my colleague from New Jersey if that were possible. In which case, the very latest would be somewhere around 12:30, if we follow today's pattern at all. After that, I understand our colleague from Mississippi has an amendment, and after that I think Senator KERRY of Massachusetts has an amendment, as do Senator WYDEN and Senator WELLSTONE. We have not worked that out yet, but it will be one of those three amendments to be offered.

Mr. MCCONNELL. I say to my friend from Connecticut, since Senator COCHRAN is aligned with your side on this issue, we may want to talk about who comes after Senator TORRICELLI.

Mr. DODD. OK.

Mr. MCCONNELL. We will discuss that and get the lineup set.

I have been told the majority leader would like us to come in at 9:30, so we can anticipate a vote on the Torricelli amendment at 12:30 or before, depending on what time is yielded back.

Mr. DODD. I yield whatever time the Senator from New Jersey would care to take for the purpose of introducing his amendment.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 122

Mr. TORRICELLI. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from New Jersey [Mr. TORRICELLI] for himself, Mr. DURBIN, Mr. CORZINE, and Mr. DORGAN, proposes an amendment numbered 122.

Mr. TORRICELLI. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Communications Act of 1934 to require television broadcast stations, and providers of cable or satellite television service, to provide lowest unit rate to committees of political parties purchasing time on behalf of candidates)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. TELEVISION MEDIA RATES.

(a) LOWEST UNIT CHARGE.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) CHARGES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) TELEVISION.—The charges made for the use of any television broadcast station, or a provider of cable or satellite television service, by any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed the lowest charge of the station (at any time during the 365-day period preceding the date of the use) for the same amount of time for the same period.".

(b) RATE AVAILABLE FOR NATIONAL PARTIES.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2)), as added by subsection (a), is amended by inserting ", or by a national committee of a political party on behalf of such candidate in connection with such campaign," after "such office".

(c) PREEMPTION.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) PREEMPTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

"(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.".

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (d), is amended by inserting after subsection (d) the following new subsection:

"(e) RANDOM AUDITS.—

"(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

"(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

"(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

"(B) At least 3 of the 51–100 largest designated market areas (as so defined).

"(C) At least 3 of the 101–150 largest designated market areas (as so defined).

"(D) At least 3 of the 151–210 largest designated market areas (as so defined).

"(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.".

(e) DEFINITION OF BROADCASTING STATION.—Subsection (f) of section 315 of such Act (47 U.S.C. 315(f)), as redesignated by subsection (c)(1) of this section, is amended by inserting ", a television broadcast station, and a provider of cable or satellite television service" before the semicolon.

(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" before "If any";

(2) in subsection (f), as redesignated by subsection (c)(1) of this section, by inserting "DEFINITIONS.—" before "For purposes"; and

(3) in subsection (g), as so redesignated, by inserting "REGULATIONS.—" before "The Commission".

Mr. TORRICELLI. Mr. President, tomorrow I will join my colleagues, Senators DURBIN, CORZINE and DORGAN, to support an amendment designed to reduce broadcast rates for political candidates and parties. This will be discussed at length tomorrow. For this evening's purposes, it is probably best to introduce the amendment with the words of David Broder today in the Washington Post who writes the current campaign finance debate:

> . . .focuses too much on the people who write the checks. It's time to question, as well, where the money goes.

There remains no greater factor in the astronomical expense in political campaigns than the rising cost of televised political advertising. Nearly $1 billion was spent on political advertising in the 2000 Federal campaign, a 76 percent increase since 1996. As demand for advertising time rose, advertising rates have risen as well.

In Philadelphia and in New York City, the cost of some political ads increased 50 percent between Labor Day and Election Day. Political candidates were held hostage by the calendar and the television networks took full advantage. By law, candidates are supposed to pay the lowest unit rate for a station's most favored commercial advertisers.

That is the law.

The problem is that to ensure their advertisements do not get displaced, candidates often end up paying the highest rates available.

This Congress had an intent, and it wrote a law that Members of the Congress have available the lowest unit rate available by station. But it isn't happening. That is the purpose of this amendment.

In Detroit, 88 percent of the advertisements at one television station were sold above the lowest rate. In Minneapolis, 95 percent of all the advertising sold was above that minimum rate. The lowest unit rate has become a fiction. Political candidates are competing with General Motors, Procter & Gamble, Ford, and the greatest advertisers in the Nation. We are in a bidding war against commercial interests in order to communicate public policy issues with the American people.

There is no greater hypocrisy in our time than the television networks that have maintained the need for a change of a campaign finance system at the same time they are increasing rates during the fall campaigns and gouging political candidates for more and more money. Indeed, political advertising is now the third greatest source of revenue for the television networks behind retailers and the automobile companies.

The Torricelli-Durbin-Corzine amendment prevents broadcasters from gouging candidates and parties into paying the highest rates for fixed time by:

One, requiring stations to charge candidates and parties the lowest rate available throughout the year;

Two, ensuring that candidates and party ads are not bumped by other advertisers willing to pay more for the time in the bidding war in which we are now engaged with commercial parties;

Three, requiring the FCC to conduct random checks during the preelection period to ensure compliance with the law.

Candidates in markets of all sizes would benefit. A candidate in Alabama could save at least 400 percent on one station alone. We have calculated that a candidate in Los Angeles could save 75 percent at one station by having this lower rate available.

This amendment does not require broadcasters to allocate candidates free time, as indeed is done in almost every other industrial democracy in the world. Many of my colleagues believe such free time is the answer. We are not requiring that in this amendment.

We are not altering the content of their programming nor charging a fee for use of the public spectrum. All we are doing is requiring what we required so long ago, but now enforcing it —now ensuring that it happens in practice; that is, that the lowest unit rate be made available.

This will be discussed in length tomorrow. But it is eminently reasonable that in a public policy debate, in choosing leaders of this country, the public airwaves provided on license to the television networks not be a financial opportunity for the networks to get candidates in a bidding war against commercial advertisers, and not taking advantage of those weeks before an election when advertisers, by necessity, must be placed and, therefore, an opportunity for the networks to increase their rates to take advantage of the calendar.

This simply assures fair access at a fair price. It is a necessary component of campaign finance reform. If we are to reduce the amount of money that is available as part of the effort to perform, reduce the amount of political money in this system in order to ensure the integrity of our Government and increase public confidence, and if we are to reduce these expenditures without reducing the cost of advertising, there is only one possible result: Less campaign fundraising will result in less communication, less informed voters, and candidates unable to bring their message to the people.

There is only one way to avoid this eventuality: Reduce the amount of campaign money by reducing campaign costs. That is at the heart of the Torricelli - Corzine - Dorgan - Durbin amendment.

I will return tomorrow morning with my colleagues. We will present our case at length and I think make a real and lasting contribution to the fight for reform.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. TORRICELLI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Mr. President, I yield to Senator ENSIGN of Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, I have been in four very tough campaigns in the last 8 years. I have a lot of experience buying television time. Being a small State, the State of Nevada, in which we only have two media markets, it is a lot less expensive than in the State of my good friend from New Jersey.

In 1994, our television time was a lot less expensive. Just in the last 8 years, television has literally at least tripled in price in my State. At election time, when the Senator was talking about the gouging—whatever term you want to use—by the station, there are so many independent expenditures and so many candidates advertising on television that the price goes up. As a matter of fact, at the beginning when you are doing your budgeting for your campaign and you are trying to get the lowest unit rate, it is supposedly going to be at the end of the campaign so that you can determine how much money you will be able to spend on television and how much you will be able to put your message out to the voters.

I remember asking my people: What about this lowest unit rate we heard about? I always hear about that in every campaign. My campaign people say that is really a farce, because the lowest unit rate is something that is preemptible time, so we don't recommend that you ever buy the lowest unit rate. I think we bought a few spots at the lowest unit rate. But other than that, we had to buy nonpreemptible time so we would make sure we had the slots and our message would get to the people to whom we wanted to get.

Mr. TORRICELLI. If I could interrupt the Senator, on tomorrow we will present to the Senate correspondence illustrating exactly the phenomenon to which the Senator from Nevada was speaking. Political candidates will place an ad for $20,000 in compliance with Federal law at the lowest unit rate, and the television station will write back and say: You have an advertisement placed at $20,000, and you should know there is a commercial buyer for that time. If you do not send us another $20,000, you will lose the slot. We will move your ad where we intend to move it, which means the middle of the night.

In fact, they take a candidate's time trying to communicate to the American people in accordance with Federal law at the lowest unit rate, and then you get into a bidding war with the commercial interests because the station is trying to take advantage of the time. They know you advertise in October and September.

Tomorrow we are going to have a complete example of what the Senator is discussing.

Mr. ENSIGN. If the Senator will yield again, my personal experience with this has gone on. We just had the broadcasters from Neveda in our office last week. I don't blame them for wanting to make a profit. That is their business. I don't blame them at all. But we have to spend a lot more time and effort raising money. And this drives up the cost of all of our campaigns simply because of what has happened in the last few election cycles. This phenomenon we are seeing has really happened in the last three or four election cycles—this bidding up of the prices right before election day.

As a matter of fact, when I first got into this in 1994, the television stations didn't like the political season because it was the time when they lost money because they used to give out a lot of low unit rates. But today they love the election cycles. It is one of their highest profit margin times—at least that is what they tell me—simply because there are so many people trying to get on the air to advertise. Candidates cannot get the lowest unit rate. They don't choose to do it anymore. And they have to bid up this time.

So I applaud the three Senators for bringing this amendment up. I think it is the right thing to do. I do not know whether the amendment is going to be adopted, but I certainly think it is the right thing to do. I will be joining with you tomorrow in voting for this.

Mr. TORRICELLI. I thank the Senator for his help. I believe we will succeed tomorrow on a bipartisan basis. I think people recognize the purpose of campaign finance reform is not that the United States have less political debate, not that the American people will be less informed, but that there will be less money in the system. If we are to achieve both—and that is, to have people to be well informed but have less money in the system, and build confidence—we have to lower the cost of campaigns. This is the way to do it—on the public airways.

Unfortunately, we are not doing what is done in Britain or France or England, which is providing this time free because they are public airwaves. We are taking a very modest step. Indeed, we are only putting into law what really, in fact, was in the law but now is being evaded, and that is this requirement of lowest unit rate.

Indeed, the Senator's experience in Las Vegas is not unusual. He has seen a 300-percent increase during this decade. As I pointed out, the national average, in just 4 years, is 76 percent. There is no cost of business for any industry I know of that is rising faster than the cost of advertising for a political candidate. But what is unbelievable is, in the entire national debate on campaign finance reform, this has largely been absent.

It is as if candidates are raising money because they enjoy it, that somehow people like to raise money because it is entertaining. People are raising these phenomenal amounts of money for one purpose: to feed the television networks that are demanding it, and holding the political system hostage.

So I suggest that tomorrow Mr. Brokaw and Mr. Jennings and Mr. Rather, who have led this campaign for campaign finance reform—we are joining them and going to make the point that rather than being a critic of it, you can make a contribution. This is their way of making a contribution. We are going to lead them to do so tomorrow.

Would the Senator like to add a point?

Mr. ENSIGN. If the Senator will further yield, to just give the American people a little bit of insight into how campaigns work, when you are setting up your budget, in the beginning you set up your TV target market and how much you want to advertise—not how many dollars you want to put into it but what level of penetration into the market you want to get, something called the gross rating point. And we determine each week from election day backward approximately how many points we would like to get in the market. That will determine how much of our message gets to the voters. Then we try to figure out, after we do that, approximately how much the stations are going to charge us for each one of those commercials we put on television.

In the last few years, because of the huge increases, obviously, we have had to adjust our budgets. From that point we go forward and determine how much money we need to raise in our campaigns. That is why the cost of campaigns has continued to go up and up and up and up. From 1995 to 1998, we spent about $3.5 million in our first Senate race. In our second Senate race, just 2 years later, we spent almost $5 million. That is the reality. Mail costs about the same, and radio has gone up a little bit but not too badly, and almost all of the increase has been because of the cost of television.

Mr. TORRICELLI. If I could share one of my own experiences: In 1996, in my own Senate race, we tried to buy the advertising in advance. We knew, as did the Senator, how many points we wanted to buy. We offered to send the money to television. They would not take it because they wanted to increase the rates. They told us in advance: These rates will not hold. We will not take your money. The more they see the demand from political candidates, the more they increase the cost.

Now, to the point, if we are to have a $1,000 limit on all expenditures under McCain-Feingold—no soft money—only $1,000 contributions, in the city of New York an ad covering much of the State of New Jersey can be $60,000 or $70,000. So it will take 70 people writing $1,000 contributions to pay for one ad—one.

The point becomes, how many people do you need? How much do you have to raise to run a television campaign? Effectively, for a candidate in New York today, we will never see another Senate campaign that costs less than $25 million. At that rate, how many thousands and thousands and thousands of people have to write $1,000 contributions? There is no escaping this addiction of money until we lower these costs.

I am very grateful the Senator from Nevada has joined this cause. I am very grateful on a bipartisan basis it seems overwhelmingly the Senate is prepared now to have the second leg on the chair of campaign finance reform—control the money, control the costs, and then we have a balanced program for genuine reform.

I thank the Senator. I look forward to being with him in the debate tomorrow.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I commend our colleagues from New Jersey and Nevada. This exchange between these two fine Senators represents the quality of the debate the Senate is now experiencing on this important issue of campaign finance reform.

Mr. McCONNELL. Mr. President, I would like to read into the RECORD the following article by Stanford law professor Kathleen Sullivan, entitled "Paying Up Is Speaking Up." In it, she notes that politics and political campaigns are far cleaner today than they were in the days of Tammany Hall. She also notes that in Bucklay v. Valeo the Supreme Court made things worse by striking down expenditure limits while upholding contribution units, resulting in a situation where government may limit the supply of political money but not the demand.

Professor Sullivan says:

> Those who claim that our political system is awash in money, corruption and influence peddling were predictably upset that the Senate again defeated the campaign finance restriction proposed by Senators Russell Feingold and John McCain. The Senate's failure to ban "soft money"—large contributions to political parties that are made to avoid tight restrictions on donations to candidates—drew laments from editorial pages to corporate boardrooms, where some business executives now plead, "Stop us before we spend again."
>
> The advocates of new, improved campaign finance reform are well-intentioned but misguided. Of course none of us wishes to live in a plutocracy, where wealth alone determines political clout. But as Senator Mitch McConnell noted in a heated exchange with Senator McCain, American politics today is far from "corrupt" in the traditional sense. And the most troubling features of political fundraising today are the unintended consequences of earlier efforts at campaign finance reform.
>
> Begin with the allegations of "corruption." Contributions to candidates and parties today do not line anybody's pockets, as they did in the heyday of machines like Tammany Hall. Vigilant media and law enforcement now nip improper personal enrichment in the bud, as politicians involved in the savings and loan scandals found out to their detriment.
>
> Political money today instead goes directly into political advertising, a quintessential form of political speech. Our large electoral districts and weak political parties force candidates to communicate directly with large groups of voters. This depends on the use of the privately owned mass media. Thus getting the candidate's message out is expensive.
>
> Reformers sometimes decry today's political advertising as repetitious and reductive. But it is not clear what golden age of high-minded debate they hark back to; the antecedents of the spot ad are, after all, the bumper sticker and slogans like "Tippecanoe and Tyler, Too."
>
> Nor is there any doubt that restrictions on political money amount to restrictions on political speech. Reformers sometimes say they merely seek to limit money, not speech. But a law, say, barring newspapers from accepting paid political advertisements or limiting the prices of political books would also limit only the exchange of money. Yet no one would question that it would inhibit political speech—as do restrictions on campaign finance.
>
> Unfortunately, the Supreme Court only half recognized this point when, in 1976, it struck down limits on political expenditures while upholding limits on political gifts. Expenditures, the Court reasoned, may not be

limited in order to level the playing field, but political contributions may be limited to prevent the reality or appearance that big contributors will have disproportionate influence. So we still have in place the 1974 law limiting individual contributions to a Federal candidate to **$1,000** per election—the equivalent of about **$383** in **1999** dollars—and, perversely, candidates must spend ever more time chasing an ever larger number of donors.

The Court's noble but flawed attempt at compromise leaves us in the worst of all possible worlds: government may limit the supply of political money but not the demand. This is a situation that in a commercial setting would produce a black or gray market, and politics is no different. Instead of money flowing directly to candidates, it flows to parties as soft money, or to independent advocacy organizations for issue ads that often imply support for or opposition to specific candidates.

Political spending and speech thus have been shifted away from the candidates, who are accountable to the voters, to organizations that are much harder for the voters to monitor and discipline—a result that turns democracy on its head.

Reform proposals such as McCain-Feingold proceed on the assumption that the answer is to keep on shutting down "loopholes" in the system. But in a system of private ownership and free expression, we can never shut all the loopholes down. If the wealthy cannot bankroll campaigns, they can buy newspapers or set up lobbying organizations that will draft legislation rather than campaign ads. When the cure has been worse than the disease, the solution is not more doses of the same medicine.

Does this mean we should eliminate all campaign finance regulation? Certainly not. Even if we give up on contribution limits, we should retain and enhance mandatory disclosure and public subsidies—two kinds of government intervention that are consistent with both democracy and the Constitution.

Mandatory disclosure of the amounts and sources of political contributions enables the voters themselves, aided by the press, to follow the money and hold their representatives accountable if they smell the foul aroma of undue influence. Such disclosure is an extraordinarily powerful and accessible tool in the age of the Internet.

And more widespread public subsidies, like those now given in presidential and some state races, could, if given early in campaigns, help political challengers reach the critical threshold amounts they need to get their messages out.

In ongoing debates about campaign finance reform, it is worth remembering that free speech principles bar the creation of ceilings on political money, but they do not bar the raising of floors.

Mr. President, I would also like to read into the RECORD a recent article by Stuart Taylor Jr. of the National Journal entitled "How McCain-Feingold Would Constrict Speech." It explains how McCain-Feingold would make our political system worse, not better. It notes that each new step down the road of restricting political speech and political spending actually creates new problems.

Mr. Taylor's article says:

It all sounds so clean, so wholesome, so righteous: close the loopholes in our campaign finance laws. End what Sen. John McCain, R-Ariz., calls the "corrupting chase for 'soft money.'" Curb the influence of corporations and labor unions. Stop special interests from polluting our politics with "sham issue ads." Mandate greater public disclosure of political spending.

But in reality, the McCain-Feingold-Cochran campaign finance bill would make our politics worse, not better, by further entrenching incumbents against challengers, by weakening our political parties, by increasing the influence of wealthy individuals and huge media corporations, by stifling political debate, and by attacking the First Amendment's premise that political speech should be free and uninhibited, not hobbled by a maze of prohibitions and regulations.

We might be able to make our politics cleaner and fairer by supplementing private campaign funding with some form of public financing to help give voice to candidates and causes with scant financial resources. (More on that next week.) We will not achieve this by piling onerous new restrictions on privately funded speech.

Our experience with the current curbs on campaign contributions, which were enacted in the early 1970s, should be sobering. Spread through hundreds of pages of almost indecipherable legalese understood only by specialists, these curbs are filled with traps, technicalities, and opportunities for selective enforcement by politically appointed bureaucrats and judges. Their main impact has been to force federally elected officials and their challengers to spend a huge percentage of their waking hours soliciting ever-smaller (after inflation) contributions from ever-larger numbers of people. Meanwhile, incumbents have become harder to defeat, the influence of special interests has grown, voter turnout has declined, and public confidence in our political system has plunged.

The solution, say McCain and other "reformers," is to plug loopholes in the current laws—first and foremost, by ending the ability of wealthy individuals, corporations, and unions to circumvent the limits on "hard-money" contributions to candidates by giving their political parties unlimited sums of soft money to be spent promoting the candidates. This would make it harder for politicians to extort money from those who would prefer not to give. That is good. But it would also weaken the parties' ability to finance indisputably healthy grass-roots activities such as voter education, registration, and turnout drives, while spurring the many companies, unions, and individuals who want to be active in politics to take their money elsewhere. That is very bad.

The most obvious outlet for private money would be to fund so-called issue advertisements praising their preferred candidates and attacking their adversaries, either directly or by giving to one or more of the interest groups that buy such ads. These groups range from the Chamber of Commerce, the National Right to Life Committee, and the National Rifle Association on the right to labor unions, Planned Parenthood, and the Sierra Club on the left. Such a governmentally engineered shift of money and power from the parties—our most broad-based vehicles for citizen participation in politics—to single-issue groups and other ideologically driven organizations would warp our political discourse.

Not to worry, McCain and his allies say, we also have a plan to curb the financial clout of corporations, unions, and independent interest groups. This proposal (Title II of the bill) would severely restrict such organizations' spending on issue ads and other activities designed to disparage or promote federal candidates. Indeed, for some incumbents facing re-election battles, these provisions are the main attraction of the McCain-Feingold-Cochran bill. "We're totally defenseless against the juggernaut of huge, unregulated, undisclosed expenditures" by independent groups, Sen. Thad Cochran, R-Miss., who faces an election next year, told the Wall Street Journal.

This part of the bill would, in the words of Brooklyn Law School professor Joel M. Gora, who has long worked with the American Civil Liberties Union on campaign finance issues, "effectively silence a great deal of issue speech and advocacy by nonpartisan citizen groups, organizations, labor unions, corporations, and individuals." It would altogether bar for-profit corporations and unions from buying television or radio ads, or giving independent groups money to buy ads, that so much as mention—let alone criticize or praise—a federal candidate during the critical **60** days before an election and the **30** days before any primary. These are precisely the periods during which the public is most attentive to debate about political issues and candidates. The bill would also prohibit independent groups from buying such pre-election issue ads unless they set up unwieldy separate, segregated funds that shun corporate and union money and publicly disclose all individual contributions above **$1,000**.

An even more radical provision would expose such groups to possible legal sanctions if they do anything, at any time, that might help any candidate with whom they have "coordinated"—a term defined so broadly and vaguely as to encompass almost any contacts with candidates or their aides—in working on issues of mutual interest. So restrictive are these "coordination" rules that some of McCain-Feingold-Cochran's biggest champions might have run afoul of them had they been in effect during the **1999–2000** election cycle. Common Cause, for example, worked closely ("coordinated") with McCain in late **1999** on strategies for promoting his bill, while spending lots of its own soft money touting the bill (and McCain) to the public, at a time when McCain himself was putting campaign finance reform at the center of his presidential candidacy. Under his own bill, such routine political activities involving Common Cause and McCain might be deemed illegal corporate campaign contributions.

Nor is McCain-Feingold-Cochran's requirement that independent groups disclose the names of all donors of more than **$1,000** for pre-election issue ads as innocuous as it may seem. It is, some independent groups argue, mainly for the benefit not of the public, but of powerful incumbents and other politicians who might use pressure and intimidation to deter people from funding issue ads the politicians don't like. Thus could a bill that purports to curb the influence of Big Money in politics have the effect of increasing the power of politicians to silence critics both big and small.

Fortunately, McCain-Feingold-Cochran's proposed restrictions on issue ads and independent groups will have trouble getting through Congress now that the AFL–CIO is opposing them—a major break with its usual Democratic allies. And even if enacted, these restrictions have little chance of surviving judicial review. They fly in the face of rules laid down by the Supreme Court in a long line of First Amendment decisions that guarantee that issue advocacy by independent groups, corporations, and unions will enjoy broad protection from all forms of official regulation, including public disclosure requirements.

In any event, any portion of McCain-Feingold-Cochran that manages to get through Congress and past the courts would not take Big Money out of politics. The bill would, rather, increase the relative power of those moneyed interests that remain unregulated. These would include individuals rich enough to finance their own campaigns, such as Ross Perot, Steve Forbes, and the four Senate candidates (all Democrats) who each spent more than $5 million of their own money to win their races. This group was topped by Jon Corzine's $60 million purchase of a seat to represent New Jersey. Power would also flow to the national news media, which are owned by huge corporations such as AOL-Time Warner and General Electric, are staffed by journalists with their own biases, and are busily clamoring for restrictions on the campaign-related spending and First Amendment rights of everybody else.

Those reformers who are most serious about driving Big Money out of politics see McCain-Feingold-Cochran as only a first, tiny step. They would also cap campaign spending by wealthy candidates—a step that would require overruling the Supreme Court's landmark 1976 decision in Buckley vs. Valeo. And a few reformers have asserted that, in the words of associate professor Richard L. Hazen of Loyola University Law School in Los Angeles: "The principle of political equality means that the press, too, should be regulated when it editorializes for or against candidates."

Each new step down this road of restricting political spending and speech creates new problems and new inequities, fueling new demands to close "loopholes" by adding ever-more-sweeping restrictions. How far might campaign finance reformers go if they could have their way? Was McCain serious when he said on Dec. 21, 1999. "If I could think of a way constitutionally, I would ban negative ads"? Shades of the Alien and Sedition Acts.

Politics will always be a messy business. Money will always talk. And the cure of legislating political purity and purging private money will always be worse than the disease.

Finally, Mr. President, I would like to read into the RECORD an article by Judge James Buckley entitled "Campaign Finance: Why I Sued in 1974." Judge Buckley was the lead plaintiff in the landmark campaign finance case of *Buckley* v. *Valeo*. This article provides an important historical context to the current debate over restricting Campaign finances further.

It says:

Twenty-five years ago, I was a member of the Senate majority that voted against the legislation that gave us the present limitations on campaign contributions. Having lost the debate on the floor, I did what any red-blooded American does these days: I took the fight to the courts as lead plaintiff in Buckley v. Valeo. This is the case in which the Supreme Court held that the 1974 act's restrictions on campaign spending were unconstitutional but that its limits on contributions were permissible in light of Congress's concern over the appearance of impropriety.

The issue of campaign finance is again before the Senate. Unfortunately, today's reformers are apt to make a badly flawed system even worse.

To understand why, it is instructive to take a look at the Buckley plaintiffs. I had squeaked into office as the candidate of New York's Conservative Party. My co-plaintiffs included Sen. Eugene McCarthy, whose primary challenge caused President Lyndon Johnson to withdraw his bid for re-election; the very conservative American Conservative Union; the equally liberal New York Civil Liberties Union; the Libertarian Party; and Stewart Mott, a wealthy backer of liberal causes who had contributed $200,000 to the McCarthy presidential campaign. We were a group of political underdogs and independents; and although we spanned the ideological spectrum, we shared a deep concern that the 1974 act would dramatically increase the difficulties already faced by those challenging incumbents and the political status quo.

Incumbents enjoy formidable advantages, including name recognition, access to the media, and the goodwill gained from handling constituent problems. A challenger, on the other hand, must persuade both the media and potential contributors that his candidacy is credible. This can require a substantial amount of seed money. As we testified, Sen. McCarthy could not have launched a serious challenge to a sitting president and I could not have won election as a third-party candidate under the present law. Large contributions from a few early supporters established us as viable candidates. Once the media took us seriously, we were able to reach out to our natural constituencies for financial support and to attract the cadres of volunteers that characterized our campaigns.

Although we won a number of the arguments we presented in Buckley, we lost the critical one when the court held that the limits on contributions were constitutional. Experience, however, has vindicated our worries over the practical consequences of these and other provisions of the 1974 act.

The legislation was supposed to de-emphasize the role of money in federal elections and encourage broader participation in the political process. Instead, by limiting the size of individual contributions, it has made fund raising the central preoccupation of incumbents and challengers alike; and it created a bureaucracy, the Federal Election Commission, that has issued regulations governing independent spending that are so complex and have made the costs of a misstep so great that grassroots action has virtually disappeared from the political scene. Today, anyone intrepid enough to engage in such activities is well advised to hire a lawyer; and even then, he must be prepared to engage in protracted litigation to prove his independence.

Legislation that was supposed to democratize the political process has served instead to reinforce the influence of the political establishment. By compounding the difficulties faced by challengers, it has consolidated the advantages of incumbency and increased the power of the two major parties. By limiting individual contributions to $1,000, it has enhanced the political clout of both business and union political action committees—the notorious PACs.

Moreover, if today's reformers succeed in their efforts to restrict "issue advocacy," the net effect will be to increase the already formidable power of the media. The New York Times or The Wall Street Journal will be free to throw their enormous influence behind a particular candidate or cause through Election Day. But public interest groups would be denied the right to advertise their disagreement with the Times or the Journal during the final weeks of a campaign.

What is needed is not more restrictions on speech but a re-examination of the premises underlying the existing ones. Recent races have exploded the myth that money can "buy" an election. Ask Michael Huffington, who lost his Senate bid in California after spending $28 million. The voters always have the final say. What money can buy is the exposure challengers need to have a chance. And while large contributions can corrupt, studies of voting patterns confirm that that concern in vastly overstated. The overwhelming majority of wealthy donors back candidates with whom they already agree, and they are far more tolerant of differences on this point or that than are the PACs to which a candidate will otherwise turn.

An alternative safeguard against corruption is readily available—the daily posting of contributions on the Internet. This would enable voters to judge whether a particular contribution might corrupt its recipient. What makes no sense is to retain a set of rules that make it impossible for a Stewart Mott to provide a Eugene McCarthy with the seed money for a challenge to a sitting president, or that make elective politics the playground of the super rich.

The problem today is not that too much money is spent on elections. Proctor & Gamble spends more in advertising than do all political campaigns and parties in an election cycle. The problem is that the electoral process is saddled by a tangle of laws and regulations that restrict the ability of citizens to make themselves heard and that rig the political game in favor of the most privileged players. And because congressional incumbents are the beneficiaries of the tilted playing field, it is fanciful to believe that Congress will re-write the rule book to give outsiders an even break.

We have nothing to fear from unfettered political debate and everything to gain. American democracy can ill afford government control of the political marketplace; but that is where today's reformers would lead us.

MORNING BUSINESS

Mr. WARNER. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIRECTED ENERGY AND NON-LETHAL USE OF FORCE

Mr. DOMENICI. Mr. President, I rise today to discuss a serious and effective use of new technologies in our military operations. While I will focus on a specific directed energy technology, the Joint Non-Lethal Weapons Program Office is involved in many other research areas that provide innovative solutions to our military men and women in their daily missions.

Recently, the Marines unveiled a device known as Active Denial Technology, ADT. This is a non-lethal weapons system based on a microwave source. This device, mounted on a humvee or other mobile platform, could serve as a riot control method in our peacekeeping operations or in other situations involving civilians. This project and technology was kept classified until very recently.

The Pentagon noted that further testing, both on humans and, evidently, goats will be done to ensure that it truly is a non-lethal method of crowd control or a means to disperse potentially hostile mobs. The notion that the Pentagon is using "microwaves" on humans, and especially on animals, has inflamed some human and animal rights groups. Among others it has simply sparked fear that a new weapon exists that will fry people.

This is not the case. And, unfortunately, few of the media reports offer sufficient detail or comparisons to clarify the value of such a system or put its use in perspective. While ADT is "tunable," the energy cannot be "tuned up" to a level that would immediately cause permanent damage to human subjects.

The technology does not cause injury due to the low energy levels used. ADT does cause heat-induced pain that is nearly identical to briefly touching a lightbulb that has been on for a while. However, unlike a hot lightbulb, the energy propagated at this level does not cause rapid burning. Within a few seconds the pain induced by this energy beam is intended to cause the subject to run away rather than to continue to experience pain.

Such technologies have never before been used in a military or peacekeeping endeavor. Therefore, there is naturally suspicion or fear of the unknown and usually the worst is imagined. I believe this is unwarranted, especially when one considers the currently available options in these types of military situations.

Think of 1993 in Somalia. The U.S. lost 18 soldiers and somewhere between 500 and 1,000 Somalis were killed on the streets of Mogadishu. The Somalis used children as human shields, and our military was forced to fire on angry crowds of civilians, some civilians having automatic rifles and grenades.

Peacekeeping operations are not void of lethal threats. Oftentimes our military is confronted with armed civilians or situations where unarmed, defenseless civilians are intermixed and indistinguishable from persons possessing lethal means.

Regardless of the new Administration's approach to involvement of the U.S. military in non-traditional operations, I believe these types of missions will continue to be a staple of our military's daily operations for a long time to come. Further, these missions often involve situations that render U.S. soldiers vulnerable or threaten the lives of innocent civilians.

I believe that the applications of directed energy technologies in these and other operations can provide a more humane and militarily effective approach. Active denial technology is merely one device on a list of research and development endeavors currently underway by the Pentagon's Joint Non-Lethal Weapons Program.

I would encourage my colleagues to get briefed on the mission and projects in the Non-Lethal Weapons Program. Further, I believe that the tunability of microwave and laser technologies will offer a palette of readily available options to address operational needs in both traditional and non-traditional military operations, and I fully support further funding of research in this area.

TRIBUTE TO ARMY SERGEANT PHILLIP FRELIGH

Mr. HUTCHINSON. Mr. President, I rise today to extend my sympathies to the families and loved ones of those killed during the recent Naval training exercise in Kuwait. Of the five U.S. military personnel killed in the accident, Sergeant Phillip Freligh, whom I intend to pay tribute to today, was from my home state of Arkansas.

Army Sgt. Phillip Freligh, of Paragould, AR, graduated in 1993 from Greene County Tech and enlisted in the Army later that same year. He attended jump training and was assigned to the 82nd Airborne Division. He then was trained as a bomb specialist and was assigned to the 734th Explosive Ordinance Division in White Sands, NM and was on a six month deployment in Kuwait when the accident occurred.

I want to express my deepest regret and sympathies to the family and friends of Sgt. Freligh as well as the families of all the servicemen who lost their lives in this tragic accident. We owe it to all of our brave servicemen and those who serve with them to do our best to uncover the cause of this tragedy, and to do our utmost to prevent it from happening again. Theirs is a dangerous profession, and this tragic accident reminds us of the debt we owe to those who serve. I join the President, Secretary Rumsfeld, and my colleagues in saluting the courage, commitment and sacrifice of these servicemen.

STEPHANIE BERNSTEIN'S ADDRESS ON PAN AM FLIGHT 103

Mr. KENNEDY. Mr. President, on Friday, March 16, Stephanie Bernstein, who lost her husband on Pan Am flight 103 over Lockerbie, Scotland, addressed a conference on the future of Libyan-American relations hosted by the Woodrow Wilson International Center for Scholars, the Atlantic Council, and the Middle East Institute.

Ms. Bernstein's remarks are insightful and show, in very real human terms, the pain suffered by the Lockerbie families. They also demonstrate the need for the U.S. and the international community to keep the pressure on Qadhafi until he accepts responsibility for the actions of Libya's intelligence officer, tells what the Government of Libya knows about the bombing and compensates the families of the victims for this horrible tragedy.

I urge my colleagues to read Ms. Bernstein's remarks as we consider the reauthorization of the Iran-Libya Sanctions Act.

I ask unanimous consent that her statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF STEPHANIE L. BERNSTEIN—CONFERENCE ON U.S.-LIBYAN RELATIONS AFTER THE LOCKERBIE TRIAL: WHERE DO WE GO FROM HERE?

MARCH 16, 2001.

I would like to thank the Atlantic Council, the Middle East Institute, and the Woodrow Wilson Center for inviting me to participate in this conference.

I have been asked to talk from my perspective as someone whose life has been profoundly and permanently altered by the actions of the government of Libya. I am not a diplomat or a politician, but an average citizen of a country, 189 of whose citizens were brutally murdered on December 21, 1988. The impact of this savage act of mass murder was described in eloquent terms by the Lord Advocate of Scotland during his remarks to the Scottish Court just prior to its sentencing of the defendant, Megrahi, who was found guilty of murder on January 31, 2001:

"More than 400 parents lost a son or daughter; 46 parents lost their only child; 65 women were widowed; 11 men lost their wives. More than 140 children lost a parent and 7 children lost both parents."

I would like to tell you briefly about one of the 270 people who was murdered in the Lockerbie bombing. My husband, Mike Bernstein, was an ordinary person who died an extraordinary death. His dreams were simple: he wanted to guide his children into adulthood. He wanted to grow old with his wife. He wanted to do work which brought him satisfaction and which made the world a better place than he found it. He graduated with distinction and high honors from the University of Michigan, and received his law degree from the University of Chicago, where he was an associate editor of the Law Review. Mike was the Assistant Deputy Director of the Office of Special Investigations at the U.S. Department of Justice. This office finds, denaturalizes, and deports persons from the United States who participated in Nazi atrocities during World War II. Mike left two children, ages 7 and 4, a wife, a mother, and countless friends. He was 36 years old.

Over the last 12 years, the family members of those who were murdered in the Lockerbie have worked hard for some measure of justice. As a result of our efforts, and with the support of our many friends on Capitol Hill, legislation has been passed which sought to make aviation safer from terrorist acts and to put pressure on countries such as Libya which have been state sponsors of terrorism. The Aviation Security Act of 1992, the Lautenberg Amendment, and the Iran-Libya Sanctions Act would not be law without the efforts of the Lockerbie families.

On January 31 of this year, we achieved another victory when Abdel Basset al-Megrahi, a Libyan security agent (JSO), was convicted of the murders of my husband and 269 others. The Scottish Court was strong in its opinion that Megrahi was acting at the behest of the Libyan government:

"The clear inference which we draw from this evidence is that the conception, planning and execution of the plot which led to the planting of the explosive device was of Libyan origin." (p.75)

"We accept the evidence that he was a member of the JSO, occupying posts of fairly high rank." (p. 80)

Since the verdict, the Bush administration has been firm in its insistence that Libya abide by the terms of the U.N. Security Council Resolutions, which call for Libya to accept responsibility for the bombing, and for payment of appropriate compensation to the families. The sanctions are rooted in the concept in international law that a government is responsible for the wrongful acts of its officials.

In a meeting with family members on February 8 of this year, Secretary of State Colin Powell was clear in detailing the Bush administration's policy:

"President Bush intends to keep the pressure on the Libyan leadership, pressure to fulfill the remaining requirements of the U.N. Security Council, including Libya's accepting responsibility for the actions of its officials and paying appropriate compensation."

The Bush administration has stated that the investigation into the Lockerbie bombing is still open. A $5 million dollar award is still in place for information leading to the arrest and conviction of others involved in the bombing. State Department spokesman Richard Boucher said last month that the United States will follow the evidence "wherever it leads." Secretary Powell, in his meeting with the families, elaborated on this as well:

"However we resolve this and however we move forward from this point on, we reserve the right to continue to gather more evidence and to bring more charges and new indictments . . . So accepting responsibility as a leader of a nation, and as a nation, doesn't excuse other criminals who might come to the fore and be subject to indictment."

Unfortunately, there are others who have not supported the reasonable aims of the Security Council, the United States, and Great Britain. In an interview with The Indepdent on February 9 of this year, Nelson Mandela, who helped broker the agreement which persuaded Gaddafi to turn the suspects over for trial, accused the U.S. and Great Britain of having "moved the goalposts" on the issue of lifting sanctions.

"The condition that Gaddafi must accept responsiblity for Lockerbie is totally unacceptable. As President for five years I know that my intelligence services many times didn't inform me before they took action. Sometimes I approved, sometime I reprimanded them. Unless it's clear that Gaddafi was involved in giving orders it's unfair to act on that basis.

I ask: is it really possible to believe that a Libyan intelligence agent would carry out a massive operation such as the downing of a passenger aircraft without approval from those higher up the chain of command?

Similarly, oil companies, some of whom I know are represented here today, have seen the verdict as the first step in resuming normal relations with Libya. Archie Dunham, the Chairman and Chief Executive of Conoco, stated last month that he was "very optimistic" that President Bush will lift the unilateral U.S. sanctions against Libya, in part because of the President and Vice President Cheney's ties to the Texas oil industry.

I find these efforts to promote business at the expense of justice to be deeply disturbing. I am afraid that comments such as those by Mr. Dunham and Mr. Mandela send a message that terrorists and the countries which sponsor or harbor them will not have to pay a significant price for their actions. When we allow ourselves to believe, as is a popular view now, that encouraging business relationships with countries such as Libya which carry out terrorist acts will somehow inoculate us against further terrorist attacks, I believe that we are dangerously naïve. Is it really good business to do business with terrorists? Every corporation represented in this room today must ask if it is worth it to resume business in a country, whose leader refuses to acknowledge his responsibility for the mass murder of 270 human beings. Anyone in this room could have easily had a loved one on Pan Am 103.

Where do we go from here? The government of Libya and Col. Gaddafi must accept responsibility for the bombing of Pan Am 103 and the murders of 270 people. The government of Libya must pay appropriate compensation to the families. The government of the United States must continue to pursue and develop information leading to the indictments, arrest, and conviction of the others responsible for the bombing. The world community must realize that lifting the sanctions against Libya before Libya has fully complied with them sends a signal that the civilized countries of the world are not serious about going after perpetrators of mass murder. The business community must know that sweeping Pan Am 103 under the rug will, ultimately, not be good for business. We must press for renewal of the Iran-Libya Sanctions Act which is due to expire in August. We must re-impose the U.N. sanctions if the Libyan government does not comply with the terms of the original sanctions. Support for these positions is embodied in a current Sense of Congress resolution which has bipartisan support.

Finally, I think it is vital for everyone to know that the Pan Am families will not go away. In a Reuters article dated February 13 of this year, Saad Djebbar, a London based lawyer who has advised the Libyan government was quoted as follows:

"The more the United States sticks to the original agreement that the aim of the process was the surrender and trial of the two accused, the more the Libyans will cooperate and compensate the families."

I interpret this to mean that if the families back off, the government of Libya will pay compensation to the families. This cynical approach dishonors the memories of our loved ones and we will never agree to it. Continuing to pursue what and who was behind the Lockerbie bombing and the acceptance of responsibility by the Libyan government are goals which will not be abandoned by the families.

Another British expert on Libya, George Joffe, was quoted in the same article as follows:

"Gaddafi knows he's going to have to pay compensation. The question is whether he can control the domestic agenda and curb his own tongue over the next few months, and whether extremists on the other side of the Atlantic among the families and their supporters in Congress can be kept under control."

The ultimate resolution of the rift between the United States and Libya does not hinge on whether Gaddafi can "keep his tongue." The ultimate resolution will come when the Libyan government meets its responsibilities to the families and to the international community. As for the families and our supporters in Congress being "kept under control"—we have been invigorated by the verdict of the Scottish court, and we will not go away.

SWORD TO PLOUGHSHARES

Mr. DOMENICI. Mr. President, I rise today to discuss some efforts in defense conversion that are reaping great gains. In the book, "The Idea of National Interest", Charles Beard wrote:

> Government might legitimately take the initiative and pursue some interests aggressively. Furthermore, it might make use of its own citizens and their interests to advance the national interest.

Early on U.S. foreign policy for the Former Soviet Union, FSU, was designed to do just that: make use of U.S. citizens' interest to advance our national security objectives.

Today, I would like to briefly underscore some successes, specifically in the realm of defense conversion. Before doing so, however, I wanted to offer some insights regarding the scope of the problem.

First, the legacies of a command economy were prevalent in all nations behind the Iron Curtain. Such legacies included: a structure of production dominated by heavy industry, distorted factor and product prices, antiquated or obsolescent capital stock, inadequate skills to compete in a modern economy; a neglected infrastructure, severe environmental degradation, trade oriented towards other uncompetitive markets, and large volumes of non-performing loans and heavy foreign debt.

The FSU was no exception with respect to inheritance of these burdens and impediments. And despite all these similarities with other eastern European states, the FSU, especially Russia, was unique in one very important way.

For Russia, Ukraine, Belarus, and Kazakhstan "heavy industry" was that of defense. Fifty-two percent of Russia's industry was involved in military-related research, design and manufacturing. In Ukraine, Belarus, and Kazakhstan, the defense industry comprised about fifteen percent of their heavy industry.

This distinction made the Soviet industry not merely an economic concern, but rather a central threat to international security. As Soviet central authority deteriorated, control over its massive military complex also crumbled. As such international security concerns are not limited to issues of control over nuclear weapons and material, but include attaining a degree of economic stability to offer stable employment to a vast number of persons in military and military-related occupations, especially scientists and engineers in that sector.

The threat was apparent; the risk of inadequate action has been readily apparent. The national interest, indeed, the global interest, is in securing stability in the region. Stability in the region equates with global stability, especially in light of the potential leakage of knowhow from weapons complex.

Our approach has come in fits and starts. We have not offered a integrated, comprehensive plan for U.S. economic assistance or nonproliferation programs. Increasingly, however, we are coming to recognize the interrelationship between these two elements of our Russia policy, even if we still haven't achieved a semblance of a strategy.

I did, however, want to discuss some efforts that have succeeded. They are not sufficient in breadth, depth or financial means. Nonetheless, there are an exception to the rule in our efforts to provide meaningful, stable employment to former Soviet scientists and engineers.

I begin with the efforts of the Cooperative Research and Development Foundation, CRDF. CRDF was created pursuant to Section 511 of the Freedom Support Act of 1992 in 1995. Its mission is to conduct innovative activities of mutual benefit with the countries of the FSU. Further, CRDF was to offer opportunities to former weapons scientists to achieve transition to productive civilian research. They have been remarkably successful.

Since its inception, CRDF has expended $16 million of U.S. Government funds and $1 million from private foundations. The FSU, in turn, has committed $4.8 million to these activities. These funds have backed 597 projects that supported a total of 4300 scientists and engineers.

In addition, with major contracts from the DOE, DoD, NIH, and EPA as well as industry, CRDF is helping U.S. participants address issues of financial integrity in their dealings with the FSU. Over $30 million for over 500 projects has been managed by CRDF through these contracts.

The Foundation has committed an additional $11.8 million to projects in five program areas.

CRDF's industry programs reduce the risk for U.S. companies to engage FSU scientists. These grants have leveraged 300 percent of U.S. Government funds through in cash and in-kind contributions from U.S. industry.

I would also note that more than 95 percent of the collaborations formed in CRDF awards will continue, whether with CRDF support or not. Over 100 U.S.-FSU teams are seeking commercial applications for the products of their collaborative research. Twenty-two teams have filed for patents, fourteen of which are joint.

For over a year now CRDF has ensured financial integrity for Department of Energy projects under the Initiatives for Proliferation Prevention, IPP, program. The United States Industry Coalition, USIC, the industry-arm of the IPP program, now boasts 96 members throughout the U.S. and several substantial commercial successes with FSU partners. Through its cooperation with CRDF, USIC and the IPP program now can ensure that funding for FSU scientists involved in these research efforts avoids taxation by Russian or other officials. This aspect is critical for maximizing the impact of U.S. Government or industry investments to provide stable employment and a steady income to FSU scientists.

Since 1994, the IPP program has engaged over 6,200 former weapons of mass destruction scientists. Importantly, USIC members usually surpass cost-sharing arrangements with DOE expenditures totaling $39.3 million versus the $63.4 million invested by U.S. industry. Currently, 75 of USIC's members are engaged in 120 cost-shared projects.

I would like to briefly highlight a recent success story in my home state of New Mexico. On January 15, I participated in a technology demonstration and press conference to announce a $20 million international investment in technologies jointly developed by a small U.S. engineering company, a Russian nuclear weapons plant, and two of the Department of Energy's facilities.

An entrepreneurial American company, Stolar Horizon of Raton, NM, a long-standing member of USIC, identified a Russian technology with market potential, then staked over $5 Million of its own money to develop it. Stolar Horizon worked in tandem with Sandia National Laboratories and the Kansas City Plant through the IPP program to test and refine the technology for commercial, peaceful applications.

The result: Credit Suisse First Boston has committed $20 million in financing to take the product to the global market. An estimated 350 new jobs will be created in New Mexico, and over 600 jobs await Russian nuclear scientists and technicians in Nizhny Novgorod at the Institute for Measuring Systems Research, NIIIS, are planned.

I would remind everyone that U.S. appropriations in FY2001 for the IPP program is only $24.5 million. In this one example, Credit Suisse will provide an investment equal to 80 percent of our own in this fiscal year.

The Stolar Horizon/NIIIS success is a concrete example of the original IPP vision: making the world a safer place through cooperative commercial efforts leading to long-term, well-paying jobs in both nations.

The cooperative efforts of USIC members, DOE-IPP, other U.S. government agencies, and the scientific institutes of the NIS are revolutionizing the post-Cold War world, creating new opportunities for weapons scientists and engineers, and making our world more safe and secure.

I return to the thoughts of Charles Beard. In pursuit of its interests, Government might make use of citizens' interests to advance the national interest. This is the foremost objective of nonproliferation programs that seek to create commercial opportunities in the FSU.

The statistics and examples I've offered above underscore the successes we've achieved. Obviously, our attempts have frequently stumbled sometimes as a result of our own false starts and other times due to circumstances beyond our control. However, at the same time, we have never faced a situation similar to the collapse of the Soviet Union. We had never before legislated or formulated programs with the express intent of preventing proliferation through promotion of commercial opportunities. We had never confronted providing economic development aid to countries burdened by legacies of a command economy. From this perspective, we've made remarkable progress.

Mr. President, I would conclude on the following note: each concrete successful commercial venture will have exponential benefits. I am convinced that these ventures will pay off—by mitigating immediate potential proliferation threats, contributing to a stable economy in the region, and advancing U.S. citizens' own monetary interests.

CONGRATULATING FIRST BOOK

Mr. KENNEDY. Mr. President, last Friday, Congressman MIKE CAPUANO and I had the honor of congratulating First Book for distributing over a quarter of a million books to children across Massachusetts. My distinguished colleague from Massachusetts is a tireless advocate for ensuring that children of all ages obtain the reading materials and skills they need to become active members of our State and of our Nation, and I am happy to have been able to share this important afternoon with him.

Thanks to the coordination of First Book, the generous donations by Random House Children's Books and Little, Brown & Company, and the dedicated volunteers from the Campus Outreach Opportunity League, the Coast Guard and First Book, thousands of children throughout our state who do not always get the opportunity to receive brand new books, are now enjoying their gifts.

First Book is making it possible for young children to have access to books and take the first steps toward learning to read and it is making a real difference in their lives. It is impressive that last year, First Book was responsible for distributing more than 4 million books to children in more than 290 communities across the country.

A 1999 evaluation of First Book conducted by Lou Harris and funded by the

U.S. Department of Education, showed that after a child's involvement in First Book, 55 percent of them reported an increased interest in reading. Ninety-eight percent of the local advisory boards reported that their community was better off because of the support of First Book.

Children need to have reading materials outside of school, and even before they start school. It is the best way to develop a love of reading early in life.

When President Kennedy was young, two of his favorite books were "Billy Whiskers" and "King Arthur and the Round Table." My mother read for endless hours to all nine of us, and she was conscientious about choosing books that were educational and inspirational as well as entertaining. She instilled a love of reading in all of us.

Reading is the foundation of learning and the golden door to opportunity. First Book knows that to open a book is to open a child's mind to a world of new possibilities.

But too many children fail to read at an acceptable level. Reading is a pleasure, but today it is also a necessity. Students who don't learn to read well in their early years cannot keep up in their later years. That is why literacy programs are so important. They give young children practical opportunities to learn to read and practice reading.

As a volunteer for a reading program in Washington, I know that literacy and mentoring programs make a difference not only for the children who participate in them, but the children in the program make a difference in my life, too.

This is the fourth year that Jasmine and I have been reading partners at Brent Elementary School, and it is very impressive to see her make progress as a reader. There is nothing more exciting for Jasmine and me than when we get to choose a brand new book to read together.

If we all work together, families, schools and communities, children will have the support they need to become good readers in their early years, and gain an appreciation for reading that will last a lifetime.

TAXES, THE ECONOMY AND THE FUTURE

Mr. DORGAN. Mr. President, after nearly a decade of economic growth, historic gains in productivity and reining in the Federal budget deficits, Congress is now considering enacting a tax cut. I support a tax cut. And I think it should be retroactive to January 1 of this year to provide a needed boost to our economy.

Cutting taxes now will be helpful both to individual taxpayers and to our economy. But we also need to use some of the expected available surplus to pay down our Federal debt. If a country runs up a debt during tough times, it should pay it down during good times. And some of the surplus should be used to do other important things like improve our schools, provide emergency help to family farmers, and help the elderly afford prescription drug costs.

There is an effort by some to frame this tax cut debate in terms of whether one supports the President. But it is not about who we support. Rather, it's about what we support. What kind of a tax cut should we enact and how large should it be?

Here's what I think we should do:

One, enact the income tax cut in phases. The projected 10 year budget surpluses are just that, projections, and are not at all certain. Therefore we should be conservative. Enact the first phase of the tax cut now, and make it retroactive to January 1. In 2 years, if our economy is still producing the expected surpluses, add to the tax cut.

Two, cut income tax rates and do it in a way that provides fair tax cuts for all tax brackets.

Three, eliminate the marriage tax penalty in the income tax code.

Four, simplify filing requirements by allowing "return free filing" for up to 70 million Americans.

Five, totally exempt all family farms and family businesses from the estate tax and increase the estate tax exemption to two million dollars for all estates—$4 million for married couples.

Six, add a tax credit for investments that are made in rural States, where there is out-migration of people. We should use this opportunity to use tax cuts to stimulate new jobs and economic growth in rural states that have been left behind.

Here are some of the major issues that we must consider as we enact this tax cut.

The President's plan assumes we will have budget surpluses for the next 10 years. I hope that is the case, but with the current slowdown in our economy, we ought to be cautious. Economic forecasts are no more reliable than weather forecasts. If we lock in a large tax cut and then do not get the expected surpluses, we will once again put our country in financial trouble.

One of the major priorities for using the surplus should be to pay down the Federal debt. It grew by trillions in the 80s and early 90s. Now we have the opportunity and an obligation to use part of these surpluses to pay down that debt.

Our Government collects about $1 trillion in personal income taxes and about $650 billion in payroll taxes from individuals each year. The top 1 percent of all income earners in the U.S. pay 21 percent of all taxes, but under the President's plan they would receive 43 percent of the tax cut. That's not fair. We should make changes to the President's plan to provide a larger share of the tax cuts to working families.

A tax cut is a priority, but so too is fixing our schools, helping family farmers through tough times, dealing with the high prices of prescription drugs, and strengthening Medicare and Social Security. Yes, surpluses need to be used to cut taxes and reduce the debt, but some should be used to address other urgent needs that improve our country.

This debate is larger and more important than partisan politics. And these decisions are bigger than whether the Congress is supporting a new President.

Our country works best when we think ahead and think together. That is what we need to do on this issue.

VETERANS' HIGHER EDUCATION OPPORTUNITIES ACT OF 2001

Mr. BIDEN. Mr. President, I am privileged to be a cosponsor of the Veterans' Higher Education Opportunities Act of 2001, S. 131, and I will explain why this legislation is so important.

No one from either side of the aisle questions the importance of education as the steppingstone to success in the 21st century. We all know that the economy of the future is going to require people with specialized training and skills, while the unskilled labor that typified the 18th and 19th centuries is becoming less and less useful. In this regard, it is hardly surprising that Congress is flooded with proposals to enhance access to high-quality elementary education, secondary education, and higher education. I myself have strongly supported expansion of Pell Grants, broadening of student loans, and tax incentives to help families pay for a college education.

As we rightly promote the importance of government help for higher education, it might be useful to recall that one of the first, and most successful, of these higher education initiatives was the GI bill that was enacted back in 1944. Following World War II, millions of veterans were able to obtain college educations through the GI bill, with the result that many were able to attain a standard of living they could not have imagined. Furthermore, all this college-trained talent contributed to the burst of economic advances that improved life for all of us over the ensuing decades.

Fast forward 57 years. We still have a GI bill, and in our highly successful all-volunteer military, it turns out that the single most important factor that attracts many young people to join the military is the availability of educational benefits after discharge. Yet the current GI bill suffers from one big flaw: the educational stipend is no longer sufficient to pay for the cost of a college education.

The current monthly payment in the GI bill has not come close to matching the rate of inflation in educational costs over the past 50 years. Just consider these statistics. At present, the standard GI bill benefit is $650 per month for 36 months. That is it. Moreover, we now ask servicemembers who want educational benefits after discharge to contribute $1200 while they are in the military. By contrast, when it began in 1944, the GI bill benefit included full tuition and fees at any educational institution to which the veteran could gain admittance, PLUS a monthly stipend equivalent to $500 in 2001 dollars, $750 for married veterans.

We thus find ourselves in an anomalous situation: at the same time that the Government is ramping up its support and subsidy for non-veterans seeking college educations, the program that started this whole thing, and which provides key benefits for those who put their lives at risk for the country, is lagging way behind.

The Veterans' Higher Education Opportunities Act of 2001 goes a long way toward redressing this situation. The key provision of this bill is quite simple: the total VA educational stipend under the Montgomery GI Bill will be increased to a level equal to the average cost of tuition at 4-year public colleges. In other words, the standard 36 months of GI bill benefits will be sufficient to allow a veteran to attend college and complete a degree.

The Veterans Higher Education Opportunities Act of 2001 provides the minimal benefit that we should be offering to those who are willing to make the ultimate sacrifice to keep our country free and prosperous, and I encourage my colleagues to support it.

FARMERS AND RANCHERS ON NATIONAL AGRICULTURE

Mr. JOHNSON. Mr. President, today marks National Agriculture Day. Unfortunately, what should be a celebration is instead overshadowed by the grim reality that many of the hard-working families producing food for this Nation and world are having a difficult time making ends meet.

I salute our farmers and ranchers for many reasons. First, Americans spend less than anyone in the world on their grocery bill. Roughly 11 percent of our household income is spent on food, and it takes a mere 38 days to earn enough income to pay a food bill for the entire year. We truly enjoy the most nutritious, affordable, and stable food supply in the world.

Furthermore, the American economic engine depends upon a strong agricultural sector to run on all cylinders. Indeed the agricultural economy is central to my State's prosperity or adversity. According to South Dakota State University, the multiplied value of agriculture's impact on South Dakota's economy was $16 billion in 1999, one-fourth of our total economic output and more than double that of any other industry in my State. I believe the public institutions and private businesses that lay the foundation for rural communities thrive only when we have a strong base of independent family farmers and ranchers in South Dakota.

Finally, agricultural producers are the day-to-day stewards of our land. Environmental and conservation benefits like clean water and air, rich soil, and diverse wildlife habitat are enjoyed by the public largely due to the care and management of family farmers and ranchers.

So, why aren't we truly celebrating National Agriculture Day?

Because current economic conditions are poised to squeeze many of South Dakota's 32,500 farmers and ranchers right out of business—conditions set to reverberate across the entire country. Absent farm aid and long-term farm policy fixes that provide true economic security to family farmers and ranchers, the environmental benefits and food security enjoyed by so many in this country may not survive on a sustained basis.

I believe Congress must take two fundamental steps to remedy this situation: modify the farm bill now and strengthen our laws so the marketplace is truly competitive and fair for all.

Since 1997, U.S. farmers have experienced a price crisis of enormous proportions, exacerbated by a series of weather-related disasters in many regions of the Nation. Surplus crop production, both here and abroad, weak global demand, marketplace concentration, and an inadequate farm income safety net are prime reasons for this price crisis.

Moreover, given the input-intensive nature of production agriculture, many farmers and ranchers are paying more each year for critical inputs like fuel and fertilizer. Corn and wheat farmers in South Dakota may be forced to pay up to twice per acre for fertilizer this year, and still not cover enough acres to boost yields to profit-producing levels. This situates farmers in a price-cost squeeze making it nearly impossible to earn income that covers total expenses.

As a result of an inadequate farm bill, Congress has enacted multi-billion dollar disaster programs in the last 3 years—a record $28 billion in fiscal year 2000. USDA economists predict 2001 may be the worst year ever. Without supplemental income or emergency aid, USDA estimates that net farm income in 2001 could approach its lowest level since 1984. Clearly, the 1996 farm bill fails to provide a meaningful, fiscally-responsible, safety-net for farmers when prices are poor on an annual and sustained basis.

I am concerned that the administration's budget blueprint apparently does not grasp the economic obstacles facing the Nation's farmers, ranchers, and rural communities, as illustrated by the fact that the budget includes zero funding for emergency aid or a farm bill rewrite. This seems ironic, since every major farm group has sent myself and others on the Senate Budget Committee a letter agreeing that roughly $10 billion per year will be needed to modify the farm bill for future years, and that around $9 billion is needed in fiscal year 2001 to offset income losses due to low prices and failed farm safety-net policies.

Already, these farm groups and some Members of Congress are suggesting that we will simply assemble a fourth consecutive aid package for farmers in 2001. I will support this imperative aid when the time comes, but suggest American farmers and taxpayers deserve better. These ad hoc emergency bills, totaling billions of dollars each year, are a poor excuse for a long term policy fix. I believe Congress can and should amend current farm policy immediately to provide a more predictable, secure safety-net for farmers now.

One farm bill alternative I have introduced is S. 130, the Flexible Fallow farm bill amendment. Rep. DOUG BEREUTER (R–NE) has introduced an identical bill in the House. Under my Flex Fallow bill—an idea developed by two South Dakota agricultural producers—farmers voluntarily devoting part of their total cropland acreage to a conservation use receive greater price support on their remaining crop production. My proposal embodies the planting flexibility so popular under "Freedom to Farm," yet strengthens the underlying farm income safety net. In fact, my Flex Fallow bill has been endorsed by Iowa State agricultural economist Neil Harl, who believes the proposal works in a market-oriented fashion and said Flex Fallow "is the missing link to the 1996 Farm Bill."

Furthermore, I believe agricultural producers want to derive income from the marketplace, and in order to assure that can happen, Congress must restore fair competition to crop and livestock markets. The forces of marketplace concentration are squeezing independent farmers and ranchers out of profit opportunities.

The livestock market is one case in point. Meatpacker ownership and captive supply arrangements tend to transpire outside the cash market. As a result, the process of bidding in an open fashion for the purpose of buying slaughter livestock—which is central to competition—is fading away. As such, livestock producers—who depend upon competitive bidding to gain a fair price—are forced to either enter into contractual, ownership, or marketing arrangements with a packer or find themselves left out of market opportunities.

I have authored a bipartisan bill, S. 142, with Senators GRASSLEY, THOMAS, and DASCHLE to forbid meatpackers from engaging in these anticompetitive buying practices. While my legislation is just one of many steps that should be taken to bolster our laws to protect true market competition, I believe Congress should move to address this issue in earnest.

Former President Eisenhower once said, "farming looks mighty easy when your plow is a pencil and you're a thousand miles away from a farm." Because we live in a country where the food is safe and affordable, and the environment is not taken for granted, perhaps some have forgotten President Eisenhower's simple yet honest-to-goodness words.

So today, let us not overlook the critical role farmers and ranchers play in weaving the economic, social, and environmental fabric of this country. Instead, I join all Americans to salute farmers and ranchers on National Agriculture Day. And I invite all Americans to support efforts to ensure a brighter future for the families who put food on our tables every day.

CONDEMNATION OF THE TALIBAN'S WAR ON GLOBAL CULTURE

Mr. JOHNSON. Mr. President, I rise today to condemn an act of mindless destruction by a regime known for its intolerance. I am referring to the reported destruction of the two ancient statues of Buddha carried out by the Taliban government in Afghanistan and the Taliban's call for complete elimination of all artifacts in the region.

The Bamiyan Buddha statues were priceless artifacts. They stood for centuries as guardians of the silk route that connected the ancient Greek and Roman Empires to Asia. Once one of the most cosmopolitan regions in the world, Afghanistan is now one of the most intolerant and repressive nations due to the actions of the ruling Taliban faction. The destruction of these 1,500-year-old statues was ordered and carried out for fear that they would be used for idol worship. Destroying those creations because of an irrational fear motivated by intolerance of other cultures and religions should be condemned by thoughtful people everywhere.

The country of Afghanistan and the global community has lost two of its greatest treasures, and the world is poorer for it. We cannot tolerate the willful destruction of international treasures that are a part of the world's heritage.

People of all faiths and nationalitics, including Muslim communities around the world, have condemned this action. It is imperative that the United States Senate join the people and governments around the world in condemning these senseless acts of destruction, and call on the Taliban regime to immediately cease the destruction of other Pre-Islamic relics.

PRESCRIPTION DRUG SOLUTION MUST BE A PRIORITY

Mr. JOHNSON. Mr. President, few issues have caught the public's attention more than prescription drugs, and few are more deserving of Congress' attention.

We live at a time when we can clearly discern remarkable benefits from all manner of drugs. It is nothing short of miraculous when we consider the relative ease and success of today's treatment of common disorders, as compared with that of only two or three generations ago.

When World War II began, for example, penicillin and other similar antibiotics were known only to a small number of scientists. At the conclusion of the War in 1945, penicillin was widely available, used not only for battle wounds but for infectious diseases in the general public as well. Patients with high blood pressure or high cholesterol levels were, at best, only partially and inadequately treated in the 1940s and 1950s. Now success is the rule, rather than the exception. Calvin Coolidge's son died in 1924 as a result of a blister and a skin infection after playing tennis at the White House. An infection such as that today would be treated as simple, outpatient therapy.

While these examples are noteworthy and provide us with a valuable perspective of times gone by, the hard, cold fact is that many of these modern miracles are still out of the reach of too many American citizens. They simply cannot afford the drugs that might so often prove lifesaving, because of either no insurance or lack of drug coverage within their insurance.

Recent studies indicate that if you go to virtually any other industrialized democracy, the cost of prescription drugs is about half what it is in the United States. We pay about double what anybody else in the industrialized world pays. That to me is so utterly unacceptable and unfair.

When Medicare was created 35 years ago, its benefits were based on private sector coverage, which rarely included prescription drugs. Now, however, virtually all private sector plans include coverage for prescription drugs, while Medicare does not. As a result, many millions of Americans, both Medicare age and younger have either inadequate or no prescription drug insurance at all. A byproduct of no coverage is that these patients wind up paying the highest rates of anyone—an average of 15 percent more than those with insurance. Many of these uninsureds, including the seniors often called "The Greatest Generation" are not filling prescriptions because of their cost, choosing between food and medicine. Or they split pills in half to make them go farther. This is shameful. These are very real every day problems that beg for help.

I strongly believe that all Medicare beneficiaries deserve affordable coverage and financial protection as prescription drugs costs grow at double-digit rates. Astronomical drug prices have come hand-in-hand with the great improvements in drug therapy. Spending for prescription drugs in the United States doubled between 1990 and 1998. In each of the 5 years between 1993 and 1998, prescription drug spending increased by an average of 12.4 percent. In 1999, the drug spending increase was 19 percent and just last year we saw another double digit increase. My office recently completed a three-year statewide survey of prescription drug prices in South Dakota, using a sample of the most heavily prescribed drugs for seniors. I was astonished to find that over 60 percent of the drugs' prices grew at a pace that exceeded the cost-of-living adjustment provided by Social Security, which many Medicare beneficiaries rely on to meet their daily financial needs. In fact, 30 percent of the drugs increased at a pace that was double that of the COLA.

In response to evidence such as this, along with having heard from thousands of concerned South Dakotans affected by skyrocketing drug prices, I have recommitted myself to finding a solution for the prescription drug needs of all Medicare beneficiaries. As such, I have reintroduced two bills that comprise the main pillars of my prescription drug plan: the Prescription Drug Fairness for Seniors Act of 2001, and the Generic Pharmaceutical Access and Choice for Consumers Act of 2001. I don't proclaim these proposals to be the magic bullet that solves all of our nation's prescription drug concerns but they are sensible, financially reasonable approaches that should be a part of an overall prescription drug plan for Medicare beneficiaries. The Fairness bill would provide Medicare beneficiaries access to prescription drugs at the same low prices that drug manufacturers offer their most favored customers. As well, I strongly believe we cannot develop a financially feasible prescription drug benefit without maximizing the utilization of generic drugs. My proposal would increase access and choice in Federal programs by encouraging greater usage of generic pharamaceuticals as a safe, less costly alternative to an often expensive brand-name pharmaceutical. Generic pharmaceutical drugs have been shown to save consumers between 25 percent and 60 percent on their average prescription drug and this plan would greatly benefit many of the most vulnerable members of society.

I do believe Congress needs to create a universal, voluntary drug benefit in the Medicare program, one that provides all Medicare beneficiaries with affordable coverage for drug costs. Perhaps most importantly for South Dakota's Medicare beneficiaries, the plan must ensure access for beneficiaries in rural and hard-to-serve areas including incentives to rural pharmacies and the private entity serving those areas to ensure rapid delivery of prescription drugs.

I believe that these efforts are both comprehensive and achievable in the 107th Congress, and I will work closely with my colleagues to accomplish my personal goal of ensuring access to affordable prescription drugs for all Medicare beneficiaries both in South Dakota and around the Nation.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, March 19, 2001, the Federal debt stood at $5,729,611,586,294.55, five trillion, seven hundred twenty-nine billion, six hundred eleven million, five hundred eighty-six thousand, two hundred ninety-four dollars and fifty-five cents.

Five years ago, March 19, 1996, the Federal debt stood at $5,058,839,000,000, Five trillion, fifty-eight billion, eight hundred thirty-nine million.

Ten years ago, March 19, 1991, the Federal debt stood at $3,447,165,000,000, three trillion, four hundred forty-seven billion, one hundred sixty-five million.

Fifteen years ago, March 19, 1986, the Federal debt stood at $1,982,540,000,000, one trillion, nine hundred eighty-two billion, five hundred forty million.

Twenty-five years ago, March 19, 1976, the Federal debt stood at $599,190,000,000, five hundred ninety-nine billion, one hundred ninety million, which reflects a debt increase of more than $5 trillion—$5,130,421,586,294.55, five trillion, one hundred thirty billion, four hundred twenty-one million, five hundred eighty-six thousand, two hundred ninety-four dollars and fifty-five cents, during the past 25 years.

ADDITIONAL STATEMENTS

A TRIBUTE TO GRACE COLE

• Mrs. MURRAY. Mr. President, I'm sad to inform my colleagues that on Saturday, March 17th, Washington State lost a great advocate for families, and I lost both a good friend and mentor, with the passing of Grace Cole.

At this difficult time, my heart goes out to her family including her two brothers, four sons, four daughters in law, and six grandchildren. I want them to know what the rest of us have known for years: Grace Cole made a difference. We are proud of her and grateful for all she did. And even though she's no longer with us, her activism and her passion live on in the men and women she led into public service.

Well-known and well-loved in Shoreline, in Olympia, and among families and educators throughout our State, Grace Cole set a new standard for public service with strong words and a soft heart. She led the way for advocates like me to follow her from the local school board to the Washington State legislature. And most important, she made a difference for thousands of families throughout our state by standing up for education, the environment and social justice.

Mr. President, today moms and dads who serve their communities in Washington State know they can go on to serve at the State and Federal level. Years ago, however, that path wasn't so clear. Grace Cole blazed that trail and then helped others like me follow her into public service. When I look at the Washington state legislature, I see the impact Grace Cole has made.

I first met Grace in the early 1980s when I started attending Shoreline School Board meetings. During her many years of service on the school board, Grace was a strong and honest voice who always came down on the side of our children.

When I decided to run for the Shoreline School Board, Grace encouraged me and counseled me. During the time I served with Grace on the school board, she always made sure we were acting in the best interests of those we served. Grace knew just what to say, and on many occasions, her wise words helped ease tense moments.

In 1983, Grace was appointed to the House of Representatives. She was reelected seven times and retired in 1998. As long as Grace served in the House, I knew Washington's children had a strong advocate.

In 1987, I decided to run for the Washington State Senate. Once again, Grace was there for me as a counselor, a supporter, and a friend. Even though she was running for reelection at the same time, Grace took the time to make sure that I and others could follow in her footsteps. That is the way Grace was. She set a path and helped us follow it.

Grace Cole also set a new standard for what it means to be an outstanding school board member. In fact, new members of the Shoreline School Board are often measured by the "Grace Cole Standard." I've heard people say of new members, "She'll be great—just like Grace Cole." In 1998, the Shoreline School Board honored Grace with its first Distinguished Service Award.

What made Grace Cole such an icon? First, she knew how to lead. She listened to all sides, helped bring people together, and knew how to put people at ease. She was also a community builder. She worked side-by-side with other parents to pass school levies. She put labels on letters and walked through neighborhoods knocking on doors to ensure voters would go to the polls.

Most of all, Grace was compassionate and caring. Her passion for children drove everything she did. I remember her bill in the state legislature to outlaw spanking in schools. It seemed like such an uphill battle, but Grace would always say, "Kids need to learn by example." She said that over and over again for years until her bill finally passed. The bill's opponents eventually went along because they realized that Grace Cole would never give up on something she believed in.

In the State legislature, Grace won the respect of all lawmakers on both sides of the aisle. I knew that her time in the House was a personal sacrifice for her. She had to leave her family in Shoreline to work long hours in Olympia, then return home to attend community meetings and to help others. During all her public service though, Grace made sure to always put her kids first.

For me, Grace was a perfect example of selfless community service. Today's leaders are too often judged on how much press they get or how "visible" they are. Grace was the person who worked behind the scenes to make people's lives better.

I will miss Grace. She always knew the right thing to say, and she was never afraid of tough votes. She didn't have to be. She knew to do the right thing. Grace showed me and countless others the path to public service. Over the years, so many have followed her—starting in PTA, serving on the school board, and then going to Olympia to fight for their communities.

I know that at this difficult time her four sons and their families feel tremendous sorrow. We all do, but through her work Grace left us so much to be proud of: a strong community of good schools, good neighborhoods, and good friends.

Grace had such a strong and positive spirit that I have a feeling wherever she is, she's organizing a coffee get-together to make sure everyone is doing the right thing. If there are envelopes to lick, phone calls to make, or laws to write, I am sure Grace is making sure it gets done.

I feel fortunate to have known Grace. I am proud to call her a mentor and guide, and I will miss her greatly.•

RECOGNITION OF NORMA LEA MIHALEVICH

• Mr. BOND. Mr. President, I rise to make a few remarks regarding the tremendous contributions Norma Lea Mihalevich has made to her community, her state, and to public education.

It isn't often that we can recognize someone who has devoted her life to public service, but Norma Lea Mihalevich has done just that. As a lifelong resident of Pulaski County in Missouri, Norma Lea has spent the past 24 years in Crocker, MO as Mayor. Her continued re-election has been a stamp of approval on the outstanding job she has done.

Norma Lea Mihalevich has also demonstrated her commitment to public education by her service on the Crocker R-II Board of Education for the past forty-nine years. In addition, she has served as a member of the Missouri School Boards' Association's Board of Directors for eleven years. Ms. Mihalevich knows that the key to improving public education is public involvement on the local level. She has definitely led by example and in 1985 she was named as Missouri Pioneer in Education by the Missouri Department of Elementary and Secondary Education.

It is an honor for me to tell my colleagues about Norma Lea. She is an outstanding individual and example for others. Her service, and commitment to service, is something of which we should all be proud.●

SIMPLOT GAMES

● Mr. CRAIG. Mr. President, I would like to use this occasion to recognize and commend the premier indoor high school track and field event in the Nation. Found in my very own backyard, the Simplot Games are held annually at Holt Arena on the campus of Idaho State University in Pocatello, ID. For the past twenty-three consecutive years, the Simplot Games have provided an opportunity for thousands of youths to compete with top-ranked athletes from every corner of the United States and Canada in a nurturing and supportive environment. Run almost solely by volunteers, the Games are a source of inspiration and pride for all participants. The J.R. Simplot Company, a sponsor of the Games, should be applauded for its dedication to the athletes, not only financially, but for providing such a stage to showcase so many talented young people from around the nation.

The Simplot Games are held annually during the third weekend of February on the fastest indoor track in the country. It is certain a few national records will be broken every year before a cheering crowd of thousands, not to mention the national television audience. I had the opportunity to attend the games this year and witness firsthand the camaraderie and team spirit these exceptional young adults displayed. It was impossible not to be caught up in the excitement of this unique event.

The Simplot Games are sanctioned by USA Track and Field, and awards are presented to contenders finishing in the top six places of their respective events. The Games are not just about athletics, but also about providing guidance and advice to the young competitors. Many notable athletes of Olympic and professional fame make a personal commitment to be a positive influence on the participants through their work with the Simplot Games. This year, Olympians included: Al Joyner, Honorary Chairman of the Simplot Games and 1984 Gold Medalist in the triple jump; Dick Fosbury, 1968 Gold Medalist in the high jump and U.S. Olympic Hall of Famer; Paralympian Marlon Shirley, 2000 Gold Medalist in the 100-meter dash; Andre Phillip, 1988 gold medalist in the 400-meter hurdles; and Dan O'Brien, 1996 Gold Medalist in the decathlon and University of Idaho graduate.

In conjunction with the Games, the Adidas Golden Spike Invitational meet was held during the Simplot events. This professional event brought a hefty number of world class athletes to Pocatello to challenge each other for qualifying marks for the 2004 Summer Olympic Games. Through the competition, one hometown favorite was a particular bright spot: Stacy Dragila, 2000 Olympic Gold Medalist in women's pole vaulting, eclipsed her own world record of fifteen feet, five inches, by a full inch and three quarters.

Next year the Simplot Games will be held February 14–16. I encourage all who compete or have sons and daughters that compete in track and field to participate in this world-class event. If you cannot make the competition, or cheer from a seat in the arena, I invite you to watch this exciting and uplifting event unfold from your own living room on television. I am proud that my state of Idaho is the home of this wonderful event and its sponsor, the J.R. Simplot. I am also proud of all the athletes who compete, not only with the other participants but with themselves, to be the best. It is encouraging for all Americans to see how our children are capable of rising above our expectations and accomplish great things.

While I have the focus on Pocatello and Idaho State University, I would like to congratulate the ISU women's basketball team for earning its first berth ever to the NCAA Women's Tournament. The Bengals went undefeated in the Big Sky Conference this year and tied the nation's longest winning streak this season with 21 straight victories. Despite ISU's first round loss to Vanderbilt, the Bengals showed a lot of heart and determination, and I am proud of all they accomplished this year.●

SHRM VISIT TO CAPITAL

● Mr. HUTCHINSON. Mr. President, I rise today to welcome the members of the Society for Human Resource Management, SHRM, to Washington for their 18th Annual Employment Law and Legislative Conference. Today, close to 300 SHRM members will visit Capitol Hill to share their views on and experience with issues such as the Family and Medical Leave Act, health care, the Fair Labor Standards Act, pension reform, and Section 127 educational assistance.

The Society for Human Resource Management, SHRM, is a strong voice for the human resource profession. SHRM represents its members on issues affecting the workplace, employment, employers, and employees. It also provides them with invaluable services such as government and media representation, education and information services, conferences and seminars, online services, and publications.

SHRM was founded 52 years ago by a small group of "personnel" officers to help the nation work through its post WW II labor-management challenges and improve the professionalism of the industry. Today, SHRM's membership includes over 155,000 human resource professionals in all fifty states and ranges from small one-person consulting firms to Fortune 500 companies. SHRM's members also represent a wide variety of industries, from the 25 percent who work in manufacturing to the 15 percent who work in the service sector. Other members work in the transportation, utilities, retail, finance, insurance, health, real estate, construction, and technology industries.

I want to commend the members of SHRM for taking time out of their demanding daily lives to come to Washington, D.C. to speak with their Senators and Representatives regarding the issues that affect their profession. As a legislator, I cannot stress enough the importance of legislative conferences through which members of associations like the Society for Human Resource Management come to our nation's capital to participate in the legislative process. Citizen participation is a crucial component of the legislative process because it allows legislators and their staff to hear their constituents explain their experiences as they live and work under our nation's laws. The knowledge that legislators gain through these conversations results in sounder legislation and, ultimately, a stronger democracy. Accordingly, I sincerely thank the members of SHRM for their commitment not only to their profession but to the political process.●

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1005. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled

"Energy Conservation Program for Consumer Products; Clothes Washer Energy Conservation Standards" (RIN1904–AA67) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1006. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Energy Conservation Program for Commercial and Industrial Equipment; Efficiency Standards for Commercial Heating, Air Conditioning and Water Heating Equipment" (RIN1904–AB06) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1007. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Alternate Fuel Transportation Program; Biodiesel Fuel Use Credit" (RIN1904–AB00) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1008. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Contractor Legal Management Requirements; Department of Energy Acquisition Regulation" (RIN1990–AA27) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1009. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Energy Conservation Program for Consumer Products; Central Air Conditioners and Heat Pumps Energy Conservation Standards" (RIN1904–AA77) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1010. A communication from the Secretary of the Navy, Department of Defense, transmitting, pursuant to law, a report of Determination and Findings; to the Committee on Armed Services.

EC–1011. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the annual report concerning the prison impact assessment for 2000; to the Committee on the Judiciary.

EC–1012. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated March 16, 2001; transmitted jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986; to the Committees on the Budget; Appropriations; the Judiciary; and Foreign Relations.

EC–1013. A communication from the Acting Executive Director of the Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled "Delegation of Authority to Disclose and Request Information" received on March 19, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1014. A communication from the Acting Executive Director of the Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled "Amendments to the Daily Computation of the Amount of Customer Funds Required to be Segregated" received on March 19, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1015. A communication from the Acting Executive Director of the Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled "Amendments to the Daily Computation of the Amount of Customer Funds Required to be Segregated" (RIN3038–AB52) received on March 19, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1016. A communication from the Acting General Counsel, Office of New Markets Venture Capital, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled "New Markets Venture Capital Program" (RIN3254–AE40) received on March 19, 2001; to the Committee on Small Business.

EC–1017. A communication from the Acting General Counsel, Office of New Markets Venture Capital, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled "HUBZone Program—Amendments" (RIN3254–AE28) received on March 19, 2001; to the Committee on Small Business.

EC–1018. A communication from the Acting General Counsel, Office of New Markets Venture Capital, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled "New Markets Venture Capital Program; Delay of Effective Date" (RIN3254–AE62) received on March 19, 2001; to the Committee on Small Business.

EC–1019. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Final Rule to Remove the Aleutian Canada Goose from the Federal List of Endangered and Threatened Wildlife" (RIN1018–AF42) received on March 15, 2001; to the Committee on Environment and Public Works.

EC–1020. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clean Air Act Full Approval of Operating Permit Program; Tennessee and Memphis-Shelby County" (FRL6956–6) received on March 15, 2001; to the Committee on Environment and Public Works.

EC–1021. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled "Lead-Based Paint Activities in Target Housing and Child-Occupied Facilities; Approval of State of Indian Lead Activities Program"; to the Committee on Environment and Public Works.

EC–1022. A communication from the Acting Secretary of the Army, Department of Defense, transmitting, a report concerning the New York and New Jersey Harbor Navigation Study; to the Committee on Environment and Public Works.

EC–1023. A communication from the Chief of the Regulation Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Fringe Benefits Aircraft Valuation Formula" (Rev. Rul. 2001–13) received on March 16, 2001; to the Committee on Finance.

EC–1024. A communication from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare and Medicaid Programs: Physicians Referrals to Health Care Entities with which They Have Financial Relationships: Delay of Effective Date" received on March 19, 2001; to the Committee on Finance.

EC–1025. A communication from the Chairman of the International Trade Commission, transmitting, pursuant to law, a report entitled "Lamb Meat: Monitoring Developments in the Domestic Industry"; to the Committee on Finance.

EC–1026. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "Social Health Maintenance Organizations: Transition into Medicare+Choice"; to the Committee on Finance.

EC–1027. A communication from the Acting Assistant Secretary of Legislative Affairs, transmitting, pursuant to law, a report concerning the promulgation of an interim rule which amends 22 CFR 41.2(i); to the Committee on Foreign Relations.

EC–1028. A communication from the Acting Director of the Peace Corps, transmitting, pursuant to law, a report concerning the Strategic Plan under the Government Performance and Results Act for Fiscal Year 2000 through 2005; to the Committee on Foreign Relations.

EC–1029. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–1030. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–1031. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–1032. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual performance report for Fiscal Year 2000; to the Committee on Health, Education, Labor, and Pensions.

EC–1033. A communication from the Acting Assistant Secretary of the Occupational Safety and Health Administration, Department of Labor , transmitting, pursuant to law, the report of a rule entitled "Notice of Initial Approval Determination; New Jersey Public Employee Only State Plan" (RIN1218–AB98) received on March 15, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1034. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Food Additives Permitted for Direct Addition to Food for Human Consumption; Dimethyl Dicarbonate" (Docket No. 00F–0812) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1035. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Food Additives Permitted for Direct Addition to Food for Human Consumption; Natamycin (Pimaricin)" (Docket No. 00F–0175) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1036. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Human Cells, Tissues, and Cellular and Tissue-Based Products ; Establishment Registration and Listing" (Docket No. 98N–1042) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1037. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Irradiation in the Production, Processing, and Handling of Food" (Docket No. 00F–0789) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1038. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Indirect Food Additives: Adhesives and Components of Coatings and Paper and Paperboard Components" (Docket No. 99F–2081) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1039. A communication from the Assistant Secretary of Housing-Federal Housing Commissioner, Department of Housing and Urban Development, transmitting, pursuant to law, the annual report on management reform for Fiscal Year 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1040. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled "Capital Requirements for Federal Home Loan Banks" (RIN3069–AB01) received on March 19, 2001; to the Committee on Banking , Housing, and Urban Affairs.

EC–1041. A communication from the General Counsel of the National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Guidelines for Safeguarding Member Information" (12 CFR Part 748) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1042. A communication from the General Counsel of the National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Community Development Revolving Loan Program For Credit Unions" (12 CFR Part 705) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1043. A communication from the Acting General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibilitys" (66 FR 10586) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1044. A communication from the Acting General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Final Flood Elevation Determinations" (66 FR 10596) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1045. A communication from the Acting General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" (66 FR 10592) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1046. A communication from the Acting General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determination" (66 FR 10590) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1047. A communication from the Acting General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" (66 FR 10588) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1048. A communication from the Acting Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, the annual report concerning inventory of commercial activities for 2000; to the Committee on Governmental Affairs.

EC–1049. A communication from the Acting Assistant Secretary on Policy, Management and Budget, Department of the Interior, transmitting, pursuant to law, a report concerning the inventory of commercial activities for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1050. A communication from the Acting Assistant Secretary for Management and Chief Information Officer, Department of the Treasury, transmitting, pursuant to law, the annual report on the inventory of commercial activities for year 2000; to the Committee on Governmental Affairs.

EC–1051. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the annual Accountability Report for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1052. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1053. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the Board's report under the Government in the Sunshine Act for calendar years 1999 and 2000; to the Committee on Governmental Affairs.

EC–1054. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of the list of General Accounting Office reports for December 2000; to the Committee on Governmental Affairs.

EC–1055. A communication from the Acting Director of Employment Service/Staffing Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Repayment of Student Loans" (RIN3206–AJ12) received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1056. A communication from the Acting Director of Employment Service/Staffing Policy Division, Office of Personnel Management, transmitting; pursuant to law, the report of a rule entitled "Suitability" (RIN3206–AC19) received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1057. A communication from the General Counsel of the Federal Retirement Thrift Investment Board, transmitting, pursuant to law, the report of a rule entitled "Correction of Administrative Errors" received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1058. A communication from the Acting Commandant of the United States Coast Guard, Department of Transportation, transmitting, pursuant to law, a report concerning the use of the aids to navigation system by commercial, recreational, and public users; to the Committee on Commerce, Science, and Transportation.

EC–1059. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, a report concerning the status of fisheries of the United States; to the Committee on Commerce , Science, and Transportation.

EC–1060. A communication from the Assistant Administrator for Fisheries, National Marine Fisheries Service, Office of Sustainable Fisheries, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; 2001 Fishing Quotas for Atlantic Surf Clams, Ocean Quahogs, and Marine Mahogany Ocean Quahogs" (RIN0648–AM50) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1061. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Groundfish by Vessels Using Non-Pelagic Trawl Gear in the Red King Crab Savings Subarea" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1062. A communication from the Acting Administrator for Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Final Rule; Notice of Boundary Expansion; Supplemental Management Plan" (RIN0648–AO18) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1063. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska—Closes A Season Directed Atka Mackerel Fishing in the Western Aleutian District of the Bering Sea and Aleutian Islands Management Area and Opens Trawl Gear Fishing in Some Steller Sea Lion Critical Habitat Areas in the Western Aleutian District" received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1064. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Zone Off Alaska; Groundfish Fisheries by Vessels Using Hook-and-Line Gear in the Gulf of Alaska" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1065. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Summer Flounder, Scup, and Black Sea Bass Fisheries; Emergency for the Summer Flounder Fishery; Extension of and Expiration Date" (RIN0548–AO32) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1066. A communication from the Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closure of the Commercial Run-Around Gillnet Fishery for Gulf Group King Mackerel in the EEZ of the Southern Florida West Coast Subzone" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1067. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska—Final Rule to Implement Amendment 66 to the Fishery Management Plan of the Bering Sea and Aleutian Islands Area (Removes Squid Allocation to the Western Alaska Community Development Quota Program)" (RIN0648–AM72) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1068. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; 2001 Specifications and Foreign Fishing Restrictions" (RIN0648–AN69) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1069. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Atlantic Sea Scallop Fishery; Extension of Closed Areas" (RIN0648–AO71) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1070. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Notice of Funds for Financial Assistance for Research and Development Projects in the Gulf of Mexico and Off the United States South Atlantic Coastal States; Marine Fisheries Initiative" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1071. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Scup and Black Sea Bass Fisheries; 2001 Specifications; Commercial Quota Harvested" (RIN0648–AN71) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1072. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Groundfish by Vessels Using Non-Pelagic Trawl Gear in the Red King Crab Savings Area" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1073. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "NMFS Reduces the Trip Limit in the Commercial Hook-and-Line Fishery for King Mackerel in the Southern Florida West Coast Subzone to 500 lb (227 kg) of King Mackerel Per Day in or from the Exclusive Economic Zone (EEZ)" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1074. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; Coastal Pelagic Species Fisheries; Change in Pacific Mackerel Incidental Catch" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1075. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Closure for the Inshore Component Pacific Cod in the Central Regulatory Area of the Gulf of Alaska" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1076. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 of the Gulf of Alaska" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1077. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Trawling in the Seller Sea Lion Protection Areas in the Western Aleutian District of the Bering Sea and Aleutian Islands Management Area" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1078. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species; Regulatory Adjustments; Technical Amendment" (RIN0648–A095) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1079. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Catching Pacific Cod for Processing by the Inshore Component in the Western Regulatory Area of the Gulf of Alaska" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1080. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Trawling in Steller Sea Lion Protection Areas in the Central Aleutian District of the Bering Sea and Aleutian Islands Management Area" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1081. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Closure for the A Season Allowance of Pollock in Statistical Area 610, Gulf of Alaska" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1082. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species (HMS) Fisheries; Vessel Monitoring Systems; Delay of Effectiveness; Request for Comments" (RIN0648–AJ67) received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1083. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Atka Mackerel in the Eastern Aleutian District and Bering Sea Subarea of the Bering Sea and Aleutian Islands" received on March 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1084. A communication from the Associate Bureau Chief of Wireless Telecommunications, Policy and Rules Branch, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Procedures for Reviewing Request for Relief from State and Local Regulations Pursuant to Section 332(c)(7)(B)(v) of the Communications Act of 1934" (Docket No. 97–192) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1085. A communication from the Attorney Advisor of the Cable Services Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Carriage of Digital Television Broadcast Signals: Amendments to Part 76 of the Commission's Rules, Implementation of the Satellite Home Viewer Improvement Act of 1999: Local Broadcast Signal Carriage Issues, Application of Network Non-Duplication-Syndicated Exclusivity Sports Blackout Rules to the Satellite Retransmission of Broadcast Signals, First Report and Order and Further Notice of Proposed Rulemaking" (Docket Nos. 99–120, 00–96, 00–2) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1086. A communication from the Legal Advisor of the Cable Service Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Implementation of the Satellite Home Viewer Improvement Act of 1999: Broadcast Signal Carriage Issues, Retransmission Consent Issues" (Docket Nos. 99–363, 00–96) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1087. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model EC120B Helicopters" ((RIN2120–AA64)(2001–0163)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1088. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767 Series Airplanes"

((RIN2120-AA64)(2001-0162)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC-1089. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737-600, -700, -800, and -700C Series Airplanes" ((RIN2120-AA64)(2001-0161)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC-1090. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model AS350B, B1, B3, Ba, C, D, D1; ASE55E, F, F1, F2, and N Helicopters" ((RIN2120-AA64)(2001-0160)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC-1091. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pratt and Whitney JT9D Series Turbofan Engines" ((RIN2120-AA64)(2001-0159)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC-1092. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Aircraft Company Beech Model 1900D Airplanes" ((RIN2120-AA64)(2001-0164)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC-1093. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas, DC-8-31, -32, -33, -41, -42, -43, -51, -52, -53, -55, -61, 61F, -62, -62F, -63, -63F, DC-8F-54, and CD-8F-55 Series Airplanes" ((RIN2120-AA64)(2001-0158)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated.

By Mr. SESSIONS (for himself, Mr. COCHRAN, and Mr. HUTCHINSON):

S. 568. A bill to amend the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, to respond to the severe economic losses being incurred by crop producers, livestock and poultry producers, and greenhouse operators as a result of the sharp increase in energy costs or input costs from energy sources; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BURNS:

S. 569. A bill entitled the "Health Care Access Improvement Act"; to the Committee on Finance.

By Mr. BIDEN (for himself, Mr. DEWINE, Mr. LEVIN, Mr. SPECTER, Mrs. CARNAHAN, Mrs. HUTCHISON, Mr. MILLER, Ms. COLLINS, and Mr. CARPER):

S. 570. A bill to establish a permanent Violence Against Women Office at the Department of Justice; to the Committee on the Judiciary.

By Mr. THURMOND (for himself, Mr. WARNER, and Mr. ALLEN):

S. 571. A bill to provide for the location of the National Museum of the United States Army; to the Committee on Armed Services.

By Mr. CHAFEE (for himself, Mr. GRAHAM, Mr. HELMS, Mrs. FEINSTEIN, Mrs. HUTCHISON, and Mrs. LINCOLN):

S. 572. A bill to amend title XIX of the Social Security Act to extend modifications to DSH allotments provided under the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000; to the Committee on Finance.

By Mrs. FEINSTEIN (for herself, Mr. CHAFEE, Mr. DURBIN, Mr. REED, Mrs. MURRAY, and Mrs. BOXER):

S. 573. A bill to amend title XIX of the Social Security Act to allow children enrolled in the State children's health insurance program to be eligible for benefits under the pediatric vaccine distribution program; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 574. A bill to amend titles XIX and XXI of the Social Security Act to allow States to provide health benefits coverage for parents of children eligible for child health assistance under the State children's health insurance program; to the Committee on Finance.

By Mrs. FEINSTEIN (for herself and Ms. SNOWE):

S. 575. A bill entitled the "Hospital Length of Stay Act of 2001"; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. FEINSTEIN:

S. 576. A bill to require health insurance coverage for certain reconstructive surgery; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. FEINSTEIN:

S. 577. A bill to limit the administrative expenses and profits of managed care entities to not more than 15 percent of premium revenues; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DORGAN:

S. 578. A bill to prohibit the Secretary of Transportation from amending or otherwise modifying the operating certificates of major air carriers in connection with a merger or acquisition for a period of 2 years, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BIDEN:

S. 579. A bill to amend the Mutual Educational and Cultural Exchange Act of 1961 to authorize the Secretary of State to provide for the establishment of nonprofit entities for the Department of State's international educational, cultural, and arts programs; to the Committee on Foreign Relations.

By Mr. HUTCHINSON:

S. 580. A bill to expedite the construction of the World War II memorial in the District of Columbia; to the Committee on Governmental Affairs.

By Mr. FITZGERALD (for himself and Mrs. CLINTON):

S. 581. A bill to amend title 10, United States Code, to authorize Army arsenals to undertake to fulfill orders or contracts for articles or services in advance of the receipt of payment under certain circumstances; to the Committee on Armed Services.

By Ms. LANDRIEU:

S.J. Res. 8. A joint resolution designating 2002 as the "Year of the Rose"; to the Committee on the Judiciary.

By Mrs. BOXER (for herself, Mr. REID, Ms. SNOWE, Mr. JEFFORDS, Ms. COLLINS, Mr. SPECTER, and Mr. CHAFEE):

S.J. Res. 9. A joint resolution providing for congressional disapproval of the rule submitted by the United States Agency for International Development relating to the restoration of the Mexico City Policy; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. HAGEL, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 22, a bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes.

S. 96

At the request of Mr. KOHL, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 96, a bill to ensure that employees of traveling sales crews are protected under the Fair Labor Standards Act of 1938 and under other provisions of law.

S. 125

At the request of Mr. JOHNSON, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 125, a bill to provide substantial reductions in the price of prescription drugs for medicare beneficiaries.

S. 149

At the request of Mr. ENZI, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 149, a bill to provide authority to control exports, and for other purposes.

S. 193

At the request of Mr. BINGAMAN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 193, a bill to authorize funding for Advanced Scientific Research Computing Programs at the Department of Energy for fiscal years 2002 through 2006, and for other purposes.

S. 198

At the request of Mr. CRAIG, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 198, a bill to require the Secretary of the Interior to establish a program to provide assistance through States to eligible weed management entities to control or eradicate harmful, nonnative weeds on public and private land.

S. 202

At the request of Mr. ALLEN, his name was added as a cosponsor of S. 202, a bill to rename Wolf Trap Farm Park for the Performing Arts as "Wolf Trap National Park for the Performing Arts".

S. 255

At the request of Ms. SNOWE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 255, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 256

At the request of Ms. SNOWE, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 256, a bill to amend the Civil Rights Act of 1964 to protect breastfeeding by new mothers.

S. 258

At the request of Ms. SNOWE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 264

At the request of Ms. SNOWE, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 264, a bill to amend title XVIII of the Social Security Act to expand coverage of bone mass measurements under part B of the medicare program to all individuals at clinical risk for osteoporosis.

S. 281

At the request of Mr. HAGEL, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from North Carolina (Mr. EDWARDS), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Missouri (Mr. BOND), and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 311

At the request of Mr. DOMENICI, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 311, a bill to amend the Elementary and Secondary Education Act of 1965 to provide for partnerships in character education.

S. 350

At the request of Mr. CHAFEE, the names of the Senator from Indiana (Mr. LUGAR) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 350, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 392

At the request of Mr. SARBANES, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 392, a bill to grant a Federal Charter to Korean War Veterans Association, Incorporated, and for other purposes.

S. 403

At the request of Mr. COCHRAN, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 403, a bill to improve the National Writing Project.

S. 409

At the request of Mrs. HUTCHISON, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 409, a bill to amend title 38, United States Code, to clarify the standards for compensation for Persian Gulf veterans suffering from certain undiagnosed illnesses, and for other purposes.

S. 410

At the request of Mr. CRAPO, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 410, a bill to amend the Violence Against Women Act of 2000 by expanding legal assistance for victims of violence grant program to include assistance for victims of dating violence.

S. 413

At the request of Mr. COCHRAN, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 413, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 488

At the request of Mr. ALLEN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 488, a bill to amend the Internal Revenue Code of 1986 to provide for a refundable education opportunity tax credit.

S. 501

At the request of Mr. GRAHAM, the names of the Senator from North Carolina (Mr. EDWARDS), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 501, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. 512

At the request of Mr. DORGAN, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Utah (Mr. BENNETT), and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 512, a bill to foster innovation and technological advancement in the development of the Internet and electronic commerce, and to assist the States in simplifying their sales and use taxes.

S. 517

At the request of Mr. BINGAMAN, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 517, a bill to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

S. 543

At the request of Mr. WELLSTONE, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 548

At the request of Mr. HARKIN, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 548, a bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. Con. Res. 14, a concurrent resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from North Carolina (Mr. HELMS), the Senator from Virginia (Mr. WARNER), the Senator from Maryland (Mr. SARBANES), the Senator from Texas (Mrs. HUTCHISON), the Senator from Minnesota (Mr. DAYTON), and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as "National Airborne Day."

AMENDMENT NO. 112

At the request of Mr. DOMENICI, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from Kentucky (Mr. MCCONNELL), and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of amendment No. 112 proposed to S. 27, a bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SESSIONS (for himself, Mr. COCHRAN, and Mr. HUTCHINSON):

S. 568. A bill to amend the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, to respond to the severe economic losses being incurred by crop producers, livestock and poultry producers, and greenhouse operators as a result of the sharp increase in energy costs or input costs from energy sources; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EMERGENCY RELIEF FROM HIGH ENERGY COSTS FOR CROP PRODUCERS, LIVESTOCK AND POULTRY PRODUCERS, AND GREENHOUSE OPERATORS.

Section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–55), is amended—

(1) in subsection (b)(1), by striking "paragraph (2)" and inserting "paragraph (2) and subsection (c)(2)";

(2) in subsections (b)(2) and (d), by striking "subsection (c)(2)" each place it appears and inserting "subsection (c)(1)(B)";

(3) in subsection (c)—

(A) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and indenting appropriately;

(B) by striking "Assistance" and inserting the following:

"(1) Losses due to damaging weather and related conditions.—Assistance"; and

(C) by adding at the end the following:

"(2) Economic losses due to higher energy costs.—The Secretary shall also provide assistance under this section to crop producers, livestock and poultry producers, and greenhouse operators for any severe increased operating costs that the producers and operators have experienced, or are likely to experience, during calendar year 2000 or 2001 as the result of an increase in energy costs or input costs from energy sources."; and

(4) in subsection (e), by striking "Assistance" and inserting "Except as provided in subsection (c)(2), assistance".

By Mr. BURNS:

S. 569. A bill entitled the "Health Care Access Improvement Act"; to the Committee on Finance.

Mr. BURNS. Mr. President, I rise today to introduce the "Health Care Access Improvement Act of 2001." This bill is designed to dramatically expand rural America's access to modern health care.

The Health Care Access Improvement Act creates a significant tax incentive, which encourages doctors, dentists, physician assistants, licensed mental health providers, and nurse practitioners to establish practices in underserved areas. Until now, rural areas have not been able to compete with the financial draw of urban settings and therefore have had trouble attracting medical professionals to their communities. The $1,000 per month tax credit will allow health care workers to enjoy the advantages of rural life without drastic financial sacrifices. But the real winners in this bill are the thousands of Americans whose access to health care is almost impossible due to a lack of doctors and dentists in small town America.

There are nine counties in the great state of Montana which do not have even one doctor. In these rural settings, agriculture is often the only employer. Farming and ranching is hard, dangerous work. Serious injuries can happen in an instant. And while Montanans have always been known as a heartier breed of people, we get sick too. It is unreasonable to expect the farmer who has had a run-in with an auger or the elderly rancher's widow to drive two hours or more to get stitched up or to have a crown on a tooth replaced. As doctors, dentists, physicians assistants, mental health providers, and nurse practitioners are attracted to the more urban areas, Montanans and others in isolated communities will suffer. We must do what we can to ensure that these health care providers come to rural America, we must give them some incentive to practice in these smaller communities so that citizens living in these areas can finally enjoy the medical treatment they deserve.

This problem is not unique to my State of Montana, alone. In fact, throughout the United States, we continue to experience scarcity in all or parts of 2,692 counties. In rural areas, serious shortages exist in the supply of primary care practitioners and specialty care practitioners. This is precisely the reason why this bill is so important.

Twenty-nine health care organizations believe strongly in this legislation, as well. They actively support the introduction of this legislation to provide a tax credit to health care providers establishing practices in underserved areas because they realize it will help thousands of health care providers make decisions to establish their practices in America's underserved communities. So many communities whose access to qualified health care professionals has been a constant "revolving door" will be greatly helped by this tax credit. Mr. President, I hold here in my hand a letter on behalf of these various groups which I ask to be inserted in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BURNS. It is important to note that less than 11 percent of the nation's physicians are practicing in non-metropolitan areas, less than 11 percent. This is a significant number, folks. We owe it to the men, women, children, elderly and families living in these non-urban communities to take steps necessary to increase this percentage and get more health care providers to their communities.

The Department of Health and Human Services uses a ratio of one primary care physician per 3,500 population as the standard for a primary care Health Professional Shortage Area, HPSA. More than 20 million Americans live in rural and frontier HPSAs. Most of the State of Montana is beyond rural, it's frontier. As of 1997, more than 2,200 physicians were needed nationwide to satisfy these non-metropolitan primary care HPSAs shortages. I think this bill is a step in the right direction.

Mr. President, I urge my colleagues to work with me and join in support of this legislation. Rural Montana, rural America, and health service providers all benefit from increased access, service and a better quality of life. In short, everyone wins with this legislation. I look forward to making this legislation work for so many of the men, women and children in need of quality health care.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Access Improvement Act".

SEC. 2. NONREFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS SERVING HEALTH PROFESSIONAL SHORTAGE AREAS.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

"SEC. 25B. PRIMARY HEALTH SERVICES PROVIDERS SERVING HEALTH PROFESSIONAL SHORTAGE AREAS.

"(a) Allowance of Credit.—In the case of an individual who is a qualified primary health services provider for any month during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to $1,000 for each month during such taxable year—

"(1) which is part of the eligible service period of such individual, and

"(2) for which such individual is a qualified primary health services provider.

"(b) Qualified Primary Health Services Provider.—For purposes of this section, the term 'qualified primary health services provider' means, with respect to any month, any physician, physician assistant, or nurse practitioner, who is certified for such month by the Bureau to be a primary health services provider or a mental health provider licensed under applicable state law who—

"(1) is providing primary health services full time and substantially all of whose primary health services are provided in a health professional shortage area,

"(2) is not receiving during the calendar year which includes such month a scholarship under the National Health Service Corps Scholarship Program or the Indian health professions scholarship program or a loan repayment under the National Health Service

Corps Loan Repayment Program or the Indian Health Service Loan Repayment Program,

"(3) is not fulfilling service obligations under such Programs, and

"(4) has not defaulted on such obligations. Such term shall not include any individual who is described in paragraph (1) with respect to any of the 3 most recent months ending before the date of the enactment of this section.

"(c) Eligible Service Period.—For purposes of this section, the term 'eligible service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

"(d) Other Definitions and Special Rule.—For purposes of this section—

"(1) Bureau.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) Physician.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

"(3) Physician assistant.—The term 'physician assistant' has the meaning given to such term by section 1861(aa)(5)(A) of the Social Security Act.

"(4) Nurse practitioner.—The term 'nurse practitioner' has the meaning given to such term by section 1861(aa)(5)(A) of the Social Security Act.

"(5) Primary health services provider.—The term 'primary health services provider' means a provider of basic health services (as described in section 330(b)(1)(A)(i) of the Public Health Service Act).

"(6) Health professional shortage area.—The term 'health professional shortage area' means any area which, as of the beginning of the eligible service period, is a health professional shortage area (as defined in section 332(a)(1) of the Public Health Service Act) taking into account only the category of health services provided by the qualified primary health services provider.

"(7) Only 60 months taken into account.—In no event shall more than 60 months be taken into account under subsection (a) by any individual for all taxable years.".

(b) Clerical Amendment.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25A the following new item:

"Sec. 25B. Primary health services providers serving health professional shortage areas.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Exhibit 1

ADEA,
American Dental Education Association,
Washington, DC, March 13, 2001.

Hon. Conrad Burns,
United States Senate,
Dirksen Senate Office Building,
Washington, DC.

Dear Senator Burns: The 29 undersigned organizations actively support your introduction of legislation to provide a tax credit to health care providers establishing practices in underserved areas. This tax credit will not only help thousands of health care providers make decisions to establish their practices in America's underserved communities, but also will provide sufficient time for them to establish roots in these communities.

Many communities whose access to qualified health care professionals has been a constant "revolving door" will be greatly helped by this tax credit. It is estimated that more than 20,000 clinicians are needed to eliminate all of the Primary Care Dental, Medical and Mental Health, Health Professional Shortage Areas (HPSAs) now designated across our nation.

Please accept our endorsement for this critical proposal that will improve America's public health and access to health care in underserved areas. Thank you for offering such an important proposal at the outset of the legislative session and for your continued leadership. Please let us know how we may be helpful to you as we work together to improve access to care. We are committed to provide sustained assistance as you move this proposal forward.

Sincerely,
Richard W. Valachovic, D.M.D., M.P.H.
Executive Director.

On behalf of the: American Academy of Pediatric Dentistry; American Association of Colleges of Osteopathic Medicine; American Association of Colleges of Pharmacy; American Association of Community Dental Programs; American Association for Dental Research; American Association of Public Health Dentistry; American College of Nurse-Midwives; American College of Nurse Practitioners; American College of Osteopathic Emergency Physicians; American College of Osteopathic Family Physicians; American Dental Association; American Dental Education Association; American Dental Hygienists' Association; American Medical Student Association; American Optometric Association; American Osteopathic Association; American Psychological Association; American Student Dental Association; Association of Academic Health Centers; Association of American Medical Colleges; Association of American Veterinary Medical Colleges; Association of Schools of Allied Health Professions; Association of Schools and Colleges of Optometry; Association of Schools of Public Health; Clinical Social Work Federation; Coalition of Higher Education Assistance Organizations; National Association of Graduate-Professional Students; National League for Nursing and National Organization of Nurse Practitioners Faculties.

By Mr. BIDEN (for himself, Mr. DeWine, Mr. Levin, Mr. Specter, Mrs. Carnahan, Mrs. Hutchison, Mr. Miller, Ms. Collins, and Mr. Carper):

S. 570. A bill to establish a permanent Violence Against Women Office at the Department of Justice; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, today, I address once more the subject of violence against women. It is still a problem.

According to the Justice Department statistics, violence against women by intimate partners is actually down, falling 21 percent from 1993 to 1998. Luckily, we can thank the programs created by the Violence Against Women Act, which I introduced almost a decade ago, and the efforts of advocates all across this country, from Dover to Denver, in educating us to confront domestic violence head-on.

Yet, unfortunately, we are far from eradicating this crime. It is a crime which harms women, leaving them battered and blue, sending them to the hospital, and causing them to miss work. We have also a crime that affects their children—children who cower while watching their mother get battered, children who too often then act out their own aggression.

I would love to say that, in my lifetime, we will break this cycle of family violence. But, we are not there yet.

One way of working towards this goal, however, is to preserve the Violence Against Women Office at the Justice Department. Today I, along with Senators DeWine, Levin, Specter, Carnahan, Hutchison, Miller, Collins, and Carper, have introduced a bill making the Office permanent.

This office is vital because it has been instrumental in our efforts to help women harmed by domestic violence. Since its inception, the Violence Against Women Office has distributed over one billion dollars in its first five years to states, localities, tribal governments, and private organizations. These governments and groups, in turn, have used these precious funds to improve the investigation and prosecution of crimes of domestic violence, stalking, and sexual assault; to train prosecutors, police officers, and judges on the special aspects of cases involving violence against women; and to offer the needed services to victims and their families.

In particular, this funding includes the incredibly successful STOP grants—grants which fund the Services for the Training of Officers and Prosecutors. These STOP grants—the largest grant program created by the Violence Against Women Act, are especially effective because each grant must be used to upgrade three vital areas: prosecution, law enforcement, and victim services.

Likewise, the Violence Against Women Office has awarded grants to encourage arrest policies, which seek to educate our police officers that, when they answer a call for help by a woman being battered, they should not turn away. This battery is not a private matter, to be left behind closed doors—where a man as king of his castle can do as he pleases. No, not anymore. That woman's abuser is committing a crime and he is subject to arrest and prosecution.

The Office has also distributed monies to our rural areas as part of the program for Rural Domestic Violence and Child Abuse Enforcement. I am sorry to say but this problem is in every part of this nation, and the Violence Against Women Office has sent funds to every corner of America, all the way from Orem, UT to Waterbury, VT. Yet, despite its pervasiveness, domestic violence itself is under attack.

And the Violence Against Women Office is leading the fight. Given the success of the many programs of the Violence Against Women Act as administered by the Office, I believe that the time has come to make the Violence Against Women Office permanent by statute. This Office is long overdue a strong foundation.

Moreover, the Office is due the prestige it deserves. My bill realizes this aim in a couple of ways. First, my bill provides that the Office be separate from any division or component of the Justice Department. In this regard, with the Office's Director reporting directly to the Associate Attorney General, as my bill requires, the Office will be shielded from any attempts to undo the great work it has historically accomplished. Why mess with success?

Second, my bill provides that the Director of the Office shall now be nominated by the President and confirmed by the Senate. This, too, raises the prestige of the work that the Violence Against Women Office seeks to accomplish day-in and day-out. It also subjects the selection of the Director, who performs the essential job of implementing the Violence Against Women Act, to the democratic process—thereby insuring that we attract the best candidates.

Yes, indeed, we are far from solving the crime of domestic violence. But let us take a step in the right direction. Join me in making the Violence Against Women Office permanent. The safety of women and their families depends on it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Violence Against Women Office Act".

SEC. 2. ESTABLISHMENT OF VIOLENCE AGAINST WOMEN OFFICE.

(a) In General.—There is established in the Department of Justice a Violence Against Women Office (in this Act referred to as the "Office") under the general authority of the Attorney General.

(b) Separate Office.—The Office—

(1) shall not be part of any division or component of the Department of Justice; and

(2) shall be a separate office headed by a Director who shall report to the Attorney General through the Associate Attorney General of the United States, and who shall also serve as Counsel to the Attorney General.

SEC. 3. JURISDICTION.

The Office—

(1) shall have jurisdiction over all matters related to administration, enforcement, coordination, and implementation of all responsibilities of the Attorney General or the Department of Justice related to violence against women, including formula and discretionary grant programs authorized under the Violence Against Women Act of 1994 (title IV of Public Law 103-322) and the Violence Against Women Act of 2000 (Division B of Public Law 106-386); and

(2) shall be solely responsible for coordination with other offices or agencies of administration, enforcement, and implementation of the programs, grants, and activities authorized or undertaken under the Violence Against Women Act of 1994 (title IV of Public Law 103-322) and the Violence Against Women Act of 2000 (Division B of Public Law 106-386).

SEC. 4. DIRECTOR OF VIOLENCE AGAINST WOMEN OFFICE.

(a) Appointment.—The President, by and with the advice and consent of the Senate, shall appoint a Director for the Violence Against Women Office (in this Act referred to as the "Director") to be responsible for the administration, coordination, and implementation of the programs and activities of the office.

(b) Other Employment.—The Director shall not—

(1) engage in any employment other than that of serving as Director; or

(2) hold any office in, or act in any capacity for, any organization, agency, or institution with which the Office makes any contract or other agreement under the Violence Against Women Act of 1994 (title IV of Public Law 103-322) or the Violence Against Women Act of 2000 (Division B of Public Law 106-386).

(c) Vacancy.—In the case of a vacancy, the President may designate an officer or employee who shall act as Director during the vacancy.

(d) Compensation.—The Director shall be compensated at a rate of pay not to exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

SEC. 5. REGULATORY AUTHORIZATION.

The Director may, after appropriate consultation with representatives of States and units of local government, establish such rules, regulations, and procedures as are necessary to the exercise of the functions of the Office, and are consistent with the stated purposes of this Act and those of the Violence Against Women Act of 1994 (title IV of Public Law 103-322) and the Violence Against Women Act of 2000 (Division B of Public Law 106-386).

SEC. 6. OFFICE STAFF.

The Attorney General shall ensure that there is adequate staff to support the Director in carrying out the responsibilities of the Director under this Act.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. THURMOND (for himself, Mr. WARNER, and Mr. ALLEN):

S. 571. A bill to provide for the location of the National Museum of the United States Army; to the Committee on Armed Services.

Mr. THURMOND. Mr. President, today I am introducing legislation to create a National Museum for the United States Army. This endeavor is important to every American, every veteran, and all Members of Congress.

I would be greatly pleased to have my colleagues join me in sponsoring this worthy legislation.

Our great Capital City and its surrounding countryside host every kind of museum imaginable, but not one for one of this Nation's greatest institutions, the United States Army. Area museums serving the American public today are all worthy museums, but this great city and this great Nation are sadly without a museum for its citizen-soldiers who have sacrificed so much for their country.

The purpose of the legislation which I introduce today is to designate a place for the Army Museum to be built to preserve, interpret, and display the important role the Army has played in the history of our Nation.

What I propose is not new. Over the past two decades many sites have been suggested and most are unsatisfactory because they have unrealistic development requirements, because their locations are unsuitable for such an esteemed building, or they lacked an appropriate Army setting. Since 1983, the process of choosing a site for the Army Museum has been a long cumbersome undertaking. A site selection committee was organized and it developed a list of 17 criteria which any candidate site is required to possess before it was to be selected as home to the Army Museum. Among other requirements, these criteria required such things as: an area permitting movement of large military vehicles for exhibits and tractor trailer trucks for shipments, commanding and aesthetically pleasing vistas, positive impact on environment, closeness to public transportation, closeness to a Washington Tourmobile route, convenience to Fort Myer for support by the 3rd Infantry, The Old Guard, accessibility by private automobile, adequate parking for 150 staff and official visitors, adequate parking for a portion of the 1,000,000 visitors per year that do not use public transportation, food service for staff and visitors, area low in crime and safe for staff and visitors, suitable space, 300,000 square feet, for construction, a low water table, good drainage and no history of flooding and suitability for subterranean construction.

Since 1984, more than 60 sites have been studied, yet only a handful has been worthy of any serious consideration.

The most prominent recent site suggestions have included Carlisle, Pennsylvania; Gettysburg, Pennsylvania; the Washington Navy Yard; and Fort Belvoir, Virginia. Of these sites, most clearly have characteristics which are directly contrary to the established criteria for site selection. The extraordinary distance of Carlisle from Washington speaks for itself. The suggestion that the Army locate its museum in Washington's Navy Yard is also directly contrary to prerequisites for site selection. The Washington Navy Yard is situated in a dangerous and difficult-to-get-to part of Washington, on the

Anacostia River and on a precarious 50-year flood plain. Because this area floods so often, a "Washington Navy Yard Army Museum", let me pause to repeat this awkward location a "Washington Navy Yard Army Museum", might well suffer the embarrassment of being closed "due to flooding." This would not be the way America should honor Army history. The Navy Yard over the years has become less military in character and a patchwork home to various government offices. To locate the Army Museum in an old Navy yard, which is sometimes under water, would send a clear signal to visitors that choosing a home to their history was nothing more than an afterthought.

In 1991, the Deputy Secretary of Defense directed that the site searches include the Mount Vernon Corridor as a possible location for the Army Museum. Fort Belvoir quickly became a very attractive location. Fort Belvoir offers a 48-acre site, only 5 minutes from Interstate 95, which is traveled by over 300 million vehicles annually, it is 3 minutes from the Fairfax County parkway, and is served by Metro Bus, the Fort Belvoir site fronts on US Route 1, Richmond Highway and is next to the main gate of Fort Belvoir.

The Fort Belvoir site is also a winner historically. It is on a portion of General George Washington's properties when he was Commander in Chief of the Continental Army. It is located on the historical heritage trail of the Mount Vernon Estate, The Grist Mill, Woodlawn Plantation, Pohick Church, and Gunston Hall. Situating the Army Museum at Fort Belvoir is a natural tie to a long established military and historic installation that has already been approved by the National Capitol Planning Commission to be used for community activities, which includes museums, as a part of the Fort Belvoir Master Plan. The Fort Belvoir site meets all 17 criterions originally established by the Army.

The bill I am introducing today names Fort Belvoir as the site for the Army Museum. Fort Belvoir is the best location in the Washington area to host an Army museum. Army veterans want to remember and show their contribution to history in an Army setting and culture in which they themselves once served. Fort Belvoir is the perfect place to do this and it qualifies on every criterion established in 1983 by the Army's Site Selection Committee. For Belvoir is Army and should host Army history. Therefore, I ask that my colleagues support this bill and bring the 18-year search for a home for the Army Museum to a close by selecting a worthy home for one of this Nation's greatest institutions.

Thomas Jefferson wrote to John Adams in 1817, "A morsel of genuine history is a thing so rare as to be always valuable." I am pleased to see that the National U.S. Army Museum is a task for this Congress at the beginning of a new century, at a time when all Americans are proud of their Nation's accomplishments and those who made it all possible. I am absolutely concerned that all our veterans are honored, and honored honorably. Every year Army veterans bring their families to Washington and are disappointed that no museum exists as a tribute to their service and sacrifice. Time is running out for many Army veterans, especially those of World War II. I urge my colleagues to review this important piece of legislation and support its passage. Mr. President, I ask unanimous consent that the text of this bill and the site selection criteria be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Museum of the United States Army Site Act of 2001".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) The Nation does not have adequate knowledge of the role of the Army in the development and protection of the United States.

(2) The Army, the oldest United States military service, lacks a primary museum with public exhibition space and is in dire need of a permanent facility to house and display its historical artifacts.

(3) Such a museum would serve to enhance the preservation, study, and interpretation of Army historical artifacts.

(4) Many Army artifacts of historical significance and national interest which are currently unavailable for public display would be exhibited in such a museum.

(5) While the Smithsonian Institution would be able to assist the Army in developing programs of presentations relating to the mission, values, and heritage of the Army, such a museum would be a more appropriate institution for such programs.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide for a permanent site for a museum to serve as the National Museum of the United States Army;

(2) to ensure the preservation, maintenance, and interpretation of the artifacts and history collected by such museum;

(3) to enhance the knowledge of the American people of the role of the Army in United States history; and

(4) to provide a facility for the public display of the artifacts and history of the Army.

SEC. 3. LOCATION OF THE NATIONAL MUSEUM OF THE UNITED STATES ARMY.

The Secretary of the Army shall provide for the location of the National Museum of the United States Army at Fort Belvoir, Virginia.

ARMY'S NMUSA SITE SELECTION CRITERIA

1. Site large enough for building of 300,000 square feet.
2. Suitable soil and other physical properties.
3. Low water table, good drainage, no history of flooding and suitable for subterranean construction, if necessary.
4. Topography of site permits building design to include north light for labs and graphics branch.
5. Area will permit movement of large military vehicles for exhibits and tractor trailer trucks for shipments.
6. Commanding and aesthetically pleasing vistas.
7. Positive impact on environment.
8. Close to public transportation.
9. Close to Tourmobile route.
10. Convenient to National Archives and Library of Congress for staff use.
11. Convenience to the Pentagon for staff coordination.
12. Close enough to Fort Myer for support by the 3d Infantry, The Old Guard.
13. Accessible by private automobile.
14. Adequate parking for 150 staff and official visitors or space for same.
15. Adequate parking for a portion of the 1,000,000 visitors per year that do not use public transportation or space for same.
16. Food service for staff and visitors, if not provided in new building.
17. Area low in crime and safe for staff and visitors.

By Mrs. FEINSTEIN (for herself, Mr. CHAFEE, Mr. DURBIN, Mr. REED, Mrs. MURRAY, and Mrs. BOXER):

S. 573. A bill to amend title XIX of the Social Security Act to allow children enrolled in the State children's health insurance program to be eligible for benefits under the pediatric vaccine distribution program; to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President, I rise today with my colleagues Senators CHAFEE, DURBIN, REED, MURRAY, and BOXER to introduce a bill to clarify that children receiving health insurance under the State Children's Health Insurance Program, SCHIP, in States like California are eligible for free vaccines under the federal Vaccines for Children, VFC, program.

Providing low-income children with access to immunizations is a high priority of mine. I believe that we must work to ensure that our nation's youngsters begin life protected against the diseases for which there are vaccinations available.

The Centers for Disease Control, CDC, estimates that in many areas of the U.S. immunization rates continue to fall below 75 percent among children under 2 years old. This is unacceptable.

In 1993, the U.S. experienced the largest outbreak of whooping cough in over 20 years. Additionally, from 1989 to 1991, a measles outbreak resulted in 123 deaths and 55,000 cases. These are diseases for which vaccinations are available.

While we are doing a better job of educating families about the importance of receiving timely immunizations, we must now focus our efforts on ensuring access to immunizations for those most in need.

The federal Vaccines for Children program, created by Congress in 1993, P.L. 105-33, is an excellent example of a program that provides vaccines at no cost to low-income children.

To be eligible for the VFC program under current federal law, a child must be a Medicaid recipient, uninsured, or of American Indian or Alaskan Native heritage.

The U.S. Department of Health and Human Services, HHS, argues that a child participating in SCHIP, called Healthy Families in California, is not eligible for the free immunizations provided by the VFC program because that child is "insured."

I believe the interpretation of "insured" is not consistent with Congress's intent in establishing SCHIP. I believe that in defining the term "insured" at that time Congress clearly meant private health insurance plans.

Children enrolled in SCHIP, or in my State the Healthy Families program, are participating in a federal-state, subsidized insurance plan. Healthy Families is a state-operated program. Families apply to the State for participation. They are not insured by a private, commercial plan, as traditionally defined or as defined in the Vaccine for Children's law (42 U.S.C. sec. 1396s(b)(2)(B).

Several California based provider groups agree. For example, in February 1999 the California Medical Association wrote to then-HHS Secretary Donna Shalala: "As they are participants in a federal and state-subsidized health program, these individuals are not "insured" for the purposes of 42 U.S.C. sec. 1396s(b)(B)."

HHS has interpreted the law so narrowly that as many as 630,000 children in California under California's Healthy Families program have lost or will lose their eligibility to receive free vaccines. Approximately 428,641 kids have lost eligibility to date.

The VFC program is particularly important to California in ensuring access to life-saving immunizations for two reasons.

First, California ranks 40th overall among states having children fully immunized by the age of 19 to 35 months. In 1996, however, California ranked 32nd. Clearly the situation in California is getting worse rather than better. Allowing SCHIP children to access immunizations through the VFC program could increase the number of children receiving vaccinations in the State.

Second, in creating SCHIP in California, the State chose to set up a program under which the State contracts with private insurers, rather than providing eligible children care through Medicaid, Medi-Cal in California.

The California Managed Risk Medical Insurance Board, which is administering the new program with the Department of Health Services, wrote to HHS in February 1999: "It is imperative that states like California, who have implemented SCHIP using private health insurance, be given the same support and eligibility for the Vaccines for Children, VFC, program at no cost as States which have chosen to expand their Medicaid program."

A study conducted by the California Medical Association found that pediatric capitation rates for children ages 0-21 averages $24.24 per child per month. However, a 1998 Towers Perrin Study of physician costs for children ages 0-21 years found averages to be $47.00 per child per month. These numbers demonstrate the discrepancy between payment and costs for children enrolled in a capitation plan, which includes all children enrolled in California's Healthy Families program.

Add to this discrepancy in payments the fact that children need 18 to 22 immunizations before the age of 6. This process becomes quite costly!

The discrepancy in payment and costs means that many California physicians cannot afford to provide patients with the necessary life-saving immunizations, so children in my State are often going without vaccinations.

This reality has caused serious problems for children in California.

For example: From 1993 to 1997, Orange County California had 85 hospitalizations and four deaths related to chicken pox. Across the State in 1996 there were 15 deaths and 1,172 hospitalizations related to chicken pox. The Immunization Branch in California reported over 1,000 whooping cough cases, including 5 deaths, in 1998—the largest number of cases and deaths since the 1960s.

Whooping cough and chicken pox are two examples of diseases for which there are vaccinations available.

We must do more to increase access to vaccinations for our nation's children.

In 1998, as many 743,000 poor children in California, who were uninsured or on Medicaid, received these vaccines. This number is down by approximately 32,000 children in comparison to the 1997 immunization figures for California's poor children.

What can be so basic to public health than immunization against disease? Do we really want our children to get polio, measles, mumps, chicken pox, rubella, and whooping cough, diseases for which we have effective vaccines, diseases which we have practically eradicated by widespread immunization?

Congress recognized the importance of immunizations in creating the VFC program, with many Congressional leaders at the time arguing that childhood immunization is one of the most cost-effective steps we can take to keep our children healthy.

It makes no sense to me to withhold immunizations from children who 1. have been getting them when they were uninsured and 2. have no other way to get them once they become insured.

According to an Annie E. Casey Foundation report, 22 percent of California's two-year olds are not immunized. Add to that the fact that we have one of the highest uninsured rates in the country.

Over 28 percent of California's children are without health insurance, compared to 25 percent nationally, according to the Annie E. Case Foundation. Clearly, there is a need.

The San Francisco Chronicle editorialized on March 10, 1998: "More than half a million California children should not be deprived of vaccinations or health insurance because of a technicality . . .," calling the denial of vaccines "a game of semantics."

Children's health should not be a "game of semantics." Proper childhood immunizations are fundamental to a lifetime of good health. I urge my colleagues to join me in supporting this legislation, to help me keep our children healthy.

By Mrs. FEINSTEIN:

S. 574. A bill to amend titles XIX and XXI of the Social Security Act to allow States to provide health benefits coverage for parents of children eligible for child health assistance under the State children's health insurance program, to the Committee on Finance.

Mrs. FEINSTEIN. Mr. President. Today, I am introducing legislation to allow States, at their option, to enroll parents in the State Children's Health Insurance Program, known as S- CHIP.

This bill could provide insurance to 2.7 million uninsured parents nationwide and 356,000 parents in California at a time when the uninsured rate in the country and in California continues to rise.

Congress has appropriated a total of $17.2 billion for SCHIP for Fiscal Years 1998, 1999, and 2000, or about $4.3 billion for each Fiscal Year.

SCHIP is a low-cost health insurance program for low-income children up to age 19 that Congress created in the Balanced Budget Act of 1997. After three years, SCHIP covers approximately two million children across the country, out of the three to four million children estimated to be eligible.

Congress created SCHIP as a way to provide affordable health insurance to uninsured children in families that cannot afford to buy private insurance. States can choose from three options when designing their SCHIP program: 1. expansion of their current Medicaid program; 2. creation of a separate State insurance program; or 3. a combination of both approaches.

California's SCHIP is known as the Healthy Families program and is set up as a public-private program rather than a Medicaid expansion. Healthy

Families allows California families to use federal and State SCHIP funds to purchase private managed care insurance for their children.

Under the federal law, States generally cover children in families with incomes up to 200 percent of poverty, although States can go higher if their Medicaid eligibility was higher than that when SCHIP was enacted in 1997 or through waivers by the Department of Health and Human Services. In California, eligibility was raised to 250 percent of poverty in November 1999, which increased the number of eligible children by 129,000.

Basic benefits in the California SCHIP program include inpatient and outpatient hospital services, surgical and medical services, lab and x-ray services, and well-baby and well-child care, including immunizations. Additional services which States are encouraged to provide, and which California has elected to include, are prescription drugs and mental health, vision, hearing, dental, and preventive care services such as prenatal care and routine physical examinations.

In California, enrollees pay a $5.00 copayment per visit which generally applies to inpatient services, selected outpatient services, and various other health care services.

The United States faces a serious health care crisis that continues to grow as more and more people go without insurance. The U.S. has seen an increase in the uninsured by nearly five million since 1994.

Currently, 42 million people, or 17 percent, of the non- elderly population in the country are uninsured. In California, 22 percent, or 6.8 million, of the nonelderly are uninsured.

A study cited in the May 2000 California Journal found that as many as 2,333 Californians lose health insurance every day. A May 29, 2000 San Jose Mercury article cited California's emergency room doctors who "estimate that anywhere from 20 percent to 40 percent of their walk-in patients have no health coverage."

Among the 1.85 million uninsured children in California, nearly two-thirds or 1.3 million are eligible for Medicaid or SCHIP, called Healthy Families in the state, according to the University of California at Los Angeles.

Last year, we passed legislation enabling California to keep approximately $350 million of the $600 million unspent SCHIP funds. My state and others were at risk of losing funds because the law required states to use all their funds in three years and time was running out on the 1998 funds. Since my state and others still have these funds, as well as funds allotted in fiscal years 1999, 2000 and 2001, enrolling parents and more children could be a good way to increase enrollment.

The bill we are introducing today would gives States the option to expand SCHIP coverage to parents whose children are eligible for the program at whatever income eligibility level the state sets. In my State, that would mean a family of four earning up to $42,625 would be eligible for coverage.

This bill would retain current funding formulas, State allotments, benefits, eligibility rules, and cost-sharing requirements. The only change is to allow States the option to enroll parents.

An SCHIP expansion should be accomplished without substituting SCHIP coverage for private insurance or other public health insurance that parents might already have. The current SCHIP law requires that State plans include adequate provisions preventing substitution and my bill retains that. For example, many States require that an enrollee be uninsured before he or she is eligible for the program. This bill does not change that requirement.

This bill is important for several reasons. More than 75 percent of uninsured children live with parents who are uninsured. Many experts say that by covering parents of uninsured children we can actually cover more children.

If an entire family is enrolled in a plan and seeing the same doctors, in other words, if the care is convenient for the whole family, all the members of the family are more likely to be insured and to stay healthy. This is a key reason for this legislation, bringing in more children by targeting the whole family.

Private health insurance in the commercial market can be very expensive. The average annual cost of family coverage in private health plans is around $6,000. California has some of the lowest-priced health insurance, yet the State ranks fourth in uninsured.

In California, high housing costs, high gas and electricity prices, expensive commutes, and a high cost-of-living make it difficult for many California families to buy health insurance. Over eight in ten of uninsured Californians are working, but they do not earn enough to buy private insurance. SCHIP is a practical and attractive alternative.

Many low-income people work for employers who do not offer health insurance. In fact, forty percent of California small businesses, those employing between three and 50 employees, do not offer health insurance, according to a Kaiser Family Foundation study in June 2000. Californians in 1999 were 6.6 percentage points less likely to receive health insurance through employers than the average American, 62.8 percent versus 69.4 percent, according to UCLA experts.

We need to give hard-working, lower income American families affordable, comprehensive health insurance, and this bill does that.

The California Medical Association and Alliance of Catholic Health Care agree with us and support this legislation.

I urge my colleagues to join me in supporting and passing this bill. By giving States the option to cover parents—whole families—we can reduce the number of uninsured, encourage the enrollment of more children, and help keep people healthy by maximizing this valuable, but currently under-utilized program.

By Mrs. FEINSTEIN (for herself and Ms. SNOWE).

S. 575. A bill entitled the "Hospital Length of Stay Act of 2001", to the Committee on Health, Education, Labor, and Pensions.

Mrs. FEINSTEIN. Mr. President, today, Senator OLYMPIA SNOWE and I are introducing a bill to guarantee that the decision of how long a patient stays in the hospital is left to the attending physician. Our legislation would require health insurance plans to cover the length of hospital stay for any procedure or illness as determined by the physician to be medically appropriate, in consultation with the patient.

The bill is endorsed by the American Medical Association, the American College of Surgeons, the American College of Obstetricians and Gynecologists, and the American Psychological Association.

We are introducing this bill because many people, patients and physicians, have told us that HMOs set limits on hospital stays that are shorter than what the attending physicians believe are medically necessary. In my view, only the physician who is taking care of the patient understands the patient's full medical history and the patient's medical condition and needs. Every patient's condition and course of illness varies. Patients respond differently to treatments. Complications arise. The doctor should decide when patients are medically ready to be discharged, not an insurance plan.

The American Medical Association has developed patient-based discharge criteria which say: "Patients should not be discharged from the hospital when their disease or symptoms cannot be adequately treated or monitored in the discharge setting."

A number of physicians have shared with me their great frustration with the health care climate, in which they feel they spend too much of time trying to get permission and justify their decisions on medical necessity to insurance companies.

A California pediatrician told me of a child with very bad asthma. The insurance plan authorized 3 days in the hospital; the doctor wanted 4–5 days. He told me about a baby with infant botulism (poisoning), a baby with a toxin that had spread from the intestine to the nervous system so that the child could not breathe. The doctor thought a 10–14 day hospital stay was medically necessary for the baby; the insurance plan insisted on one week.

A California neurologist told my staff about a seven-year-old girl with an ear infection and a fever who went to the doctor. When her illness developed into pneumonia, she was admitted to the hospital. After two days she was sent home, but she then returned to the hospital three times because her insurance plan only covered a certain number of days. The third time she returned she had meningitis, which can be life threatening. The doctor said that if this girl had stayed in the hospital the first time for five to seven days, the antibiotics would have killed the infection and the meningitis would never have developed.

Another California physician told my office about a patient who needed total hip replacement because her hip had failed. The doctor believed a seven-day stay was warranted; the plan would only authorize five.

A Chico, California, maternity ward nurse put it this way: "People's treatment depends on the type of insurance they have rather than what's best for them." A Laguna Niguel, California woman, Gwen Placko, wrote this to me: ". . . doctors have become mere employees of for-profit insurance companies. They are no longer captains of their own 'ships' so to speak. . . Only doctors should be the ones to make decisions for the direct treatment and benefit of their patients."

Physicians say they have to wage a battle with insurance companies to give patients the hospital care they need and to justify their decisions about patient care.

A study by the American Academy of Neurology found that the Milliman and Robertson guidelines used by many insurance companies on length of stay are "extraordinarily short in comparison to a large National Library of Medicine database . .. And that [the guidelines] do not relate to anything resembling the average hospital patient or attending physician. . . ." The neurologists found that these guidelines were "statistically developed" and not scientifically sound or clinically relevant.

The arbitrary limits HMOs and insurance plans have set are resulting in unintended consequences. Some 7 in 10 physicians said that in dealing with managed care plans, they have exaggerated the severity of a patient's condition to "prevent him or her from being sent home from a hospital prematurely."

The American College of Surgeons said it all when this prestigious organization wrote: "We believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision-making process only undermines the quality of that patient's care and his or her health and well being. . . . specifically, single numbers [of days] cannot and should not be used to represent a length of stay for a given procedure", April 24, 1997. ACS wrote, "We believe very strongly that any health care system or plan that removes the surgeon and the patient from the medical decision making process only undermines the quality of that patient's care and his or her health and well being."

The American Medical Association wrote, "We are gratified that this bill would promote the fundamental concept, which the AMA has always endorsed, that medical decisions should be made by patients and their physicians, rather than by insurers or legislators. . . We appreciate your initiative and ongoing efforts to protect patients by ensuring that physicians may identify medically appropriate lengths of stay, unfettered by third party payers."

The American Psychological Association wrote me, "We are pleased to support this legislation, which will require all health plans to follow the best judgment of the patient and attending provider when determining length of stay for inpatient treatment."

Americans are disenchanted with the health insurance system in this country, as HMO hassles never seem to end and physicians are effectively overruled by insurance companies. Doctors and patients feel that patient care is compromised in a climate in which anonymous insurance clerks interfere with medical decision-making.

This bill is one step toward returning medical decision-making to those medical professionals trained to make medical decisions.

To summarize, the Hospital Length of Stay Act of 2001:

Requires plans to cover hospital lengths of stay for all illnesses and conditions as determined by the physician, in consultation with the patient, to be medically appropriate;

Prohibits plans from requiring providers (physicians) to obtain a plan's prior authorization for a hospital length of stay;

Prohibits plans from denying eligibility or renewal for the purpose of avoiding these requirements;

Prohibits plans from penalizing or otherwise reducing or limiting reimbursement of the attending physician because the physician provided care in accordance with the requirements of the bill; and

Prohibits plans from providing monetary or other incentives to induce a physician to provide care inconsistent with these requirements.

It includes language clarifying that: nothing in the bill requires individuals to stay in the hospital for a fixed period of time for any procedure; plans may require copayments but copayments for a hospital stay determined by the physician cannot exceed copayments for any preceding portion of the stay.

It does not pre-empt state laws that provide greater protection.

It applies to private insurance plans, Medicare, Medicaid, Medigap, federal employees' plans, Children's Health Insurance Plan, the Indian Health Service.

By Mrs. FEINSTEIN:

S. 576. A bill to require health insurance coverage for certain reconstructive surgery; to the Committee on Health, Education, Labor, and Pensions.

Mrs. FEINSTEIN. Mr. President, today, I am introducing a bill to require health insurance plans to cover medically necessary reconstructive surgery for congenital defects, developmental abnormalities, trauma, infection, tumors, or disease.

This bill is modeled on a California law and responds to reports that insurance plans are denying coverage for reconstructive surgery that doctors say is medically necessary. Too many plans are too quick to label it "cosmetic surgery." The American Medical News has called the HMOs stance, "a classic health plan word game. . . ."

Dr. Henry Kawamoto, testifying before the California Assembly Committee on Insurance stated:

> It used to be that if you were born with something deforming, or were in an accident and had bad scars, the surgery performed to fix the problem was considered reconstructive surgery. Now, insurers of many kinds are calling it cosmetic surgery and refusing to pay for it.

Many doctors have told me that before the heavy penetration of managed care, repairing a person's abnormalities was considered reconstructive surgery and insurance companies reimbursed for the medical, hospital, and surgical costs. But today, many insurance companies and managed care organizations will not pay for reconstruction of many deformities because they deem them to be "cosmetic" and not a "functional" repair.

This bill is endorsed by the March of Dimes, Easter Seals, the American Academy of Pediatrics, the National Organization for Rare Disorders, the American College of Surgeons, the American Society of Plastic and Reconstructive Surgeons, the American Association of Pediatric Plastic Surgeons and the American Society of Maxillofacial Surgeons.

The children who face refusals to pay for surgery are the true evidence that this bill is needed. Here are some of the examples that were brought to the California legislature:

Hanna Gremp, a 6-year old from California, was born with a congenital birth defect, called bilateral microtia, the absence of an inner ear. Once the first stage of the surgery was complete, the Gremp's HMO denied the next surgery for Hanna. They called the other surgeries "cosmetic" and not medically necessary.

Michael Hatfield, a 19-year old from Texas, has gone through similar struggles. He was born with a congenital birth defect that is known as a midline facial cleft. The self-insured plan his parents had only paid for a small portion of the surgery which reconstructed his nose. The HMO also refused to pay any part of the surgery that reconstructed his cheekbones and eye sockets. The HMO considered some of these surgeries to be "cosmetic."

Cigna Health Care denied coverage for surgery to construct an ear for a little California girl born without one and only after adverse press coverage reversed its position saying that, "It was determined that studies have shown some functional improvement following surgery."

Qual-Med, another California HMO, initially denied coverage for reconstructive surgery for a little boy who also had microtia, authorizing it only after many appeals and two years delay.

The bill uses medically-recognized terms to distinguish between medically necessary surgery and cosmetic surgery. It defines medically necessary reconstructive surgery as surgery "performed to correct or repair abnormal structures of the body caused by congenital defects, developmental abnormalities, trauma, infection, tumors, or disease to (1) improve functions; or (2) give the patient a normal appearance, to the extent possible, in the judgment of the physician performing the surgery." The bill specifically excludes cosmetic surgery, defined as "surgery that is performed to alter or reshape normal structures of the body in order to improve appearance."

Examples of conditions for which surgery might be medically necessary are the following: cleft lips and palates, burns, skull deformities, benign tumors, vascular lesions, missing pectoral muscles that cause chest deformities, Crouson's syndrome (failure of the mid-face to develop normally), and injuries from accidents.

This bill is an effort to address the arbitrariness of insurance plans that create hassles and question physicians' judgments when people try to get coverage under the plan they pay premiums for every month.

We need our body parts to function and, fortunately, modern medicine today can often make that happen. We can restore, repair, and make whole parts which by fate, accident, genes, or whatever, do not perform as they should. I hope this bill can make that happen.

By Mrs. FEINSTEIN:

S. 577. A bill to limit the administrative expenses and profits of managed care entities to not more than 15 percent of premium revenues; to the Committee on Health, Education, Labor, and Pensions.

Mrs. FEINSTEIN. Mr. President, today, I am introducing the Health Benefits Integrity Act to make sure that most health care dollars that people and employers pay into a managed care health insurance plan get spent on health care and not on overhead.

Under my bill, managed care plans would be limited to spending 15 percent of their premium revenues on administration. This means that if they spend 15 percent on administration, they could spend 85 percent of premiums revenues on health care benefits or services.

This bill was prompted by a study by the Inspector General (IG) for the U.S. Department of Health and Human Services reported under a USA Today headline in February, "Medicare HMOs Hit for Lavish Spending." The IG reviewed 232 managed care plans that contract with Medicare and found that in 1999 the average amount allocated for administration ranged from a high of 32 percent to a low of three percent. The IG recommended that the Department establish a ceiling on the amount of administrative expenditures of plans, noting that if a 15 percent ceiling had been in place in 1998, an additional $1 billion could have been passed on to Medicare beneficiaries in the form of additional benefits or reduce deductibles and copayments.

The report said, "This review, similar OIG reviews, and other studies have shown that MCOs' [managed care organizations'] exorbitant administrative costs have been problematic and can be the source for abusive behavior." Here are some examples cited by the Inspector General on page 7 of the January 18, 2000 report: $249,283 for food, gifts and alcoholic beverages for meetings by one plan; $190,417 for a sales award meeting in Puerto Rico for one plan; $157,688 for a party by one plan; $25,057 for a luxury box at a sports arena by one plan; $106,490 for sporting events and/or theater tickets at four plans; $69,700 for holiday parties at three plans; $37,303 for wine gift baskets, flowers, gifts and gift certificates at one plan.

It is no wonder that people today are angry at HMOs. When our hard-earned premium dollars are frittered away on purchases like these, we have to ask whether HMOs are really providing the best care possible. Furthermore, in the case of Medicare, we are also talking about wasted taxpayer dollars since Part B of Medicare is funded in part by the general treasury. One dollar wasted in Medicare is one dollar too much. Medicare needs all the funds it can muster to stay solvent and to be there for beneficiaries when they need it.

I was also encouraged to introduce the bill because of annual studies prepared by the California Medical Association, CMA, called the "Knox-Keene Health Plan Expenditures Summary." The March 2001 CMA report covering Fiscal Years 1999 to 2000 found a range of administrative expenditures from plans in my state from a low of 2.7 percent, Kaiser Foundation Health Plan, Southern California, to a high of 22.1 percent, OMNI Healthcare, Inc.

If HMOs are to be credible, they must be more prudent in how they spend enrollees' dollars. Administrative expenses must be limited to reasonable expenses.

An October 1999 report by Interstudy found that for private HMO plans, administrative expenses range from 11 percent to 21 percent and that for-profit HMOs spend proportionately more on administrative cost than not-for-profit HMOs. This study found the lowest rate to be 3.6 percent and the highest 38 percent in California! In some states the maximums were even higher.

The shift from fee-for-service to managed care as a form of health insurance has been rapid in recent years. Nationally, 86 percent of people who have employment-based health insurance (81.3 million Americans) are in some form of managed care. Around 16 percent of Medicare beneficiaries are in managed care nationally (40 percent in California), a figure that doubled between 1994 and 1997. By 2010, the Congressional Budget Office predicts that 31 percent of Medicare beneficiaries will be in managed care. Between 1987 and 1999, the number of health plans contracting with Medicare went from 161 to 299. As for Medicaid, in 1993, 4.8 million people (14 percent of Medicaid beneficiaries) were in managed care. Today, 17.8 million (55.6 percent) are in managed care, according to the Kaiser Family Foundation. In California, 52 percent or 2.6 million out of 5 million Medicaid beneficiaries are in managed care.

In California, the state which pioneered managed care for the nation, an estimated 88 percent of the insured are in some form of managed care. Of the 3.7 million Californians who are in Medicare, 40 percent, 1.4 million, are in managed care, the highest rate in the U.S. As for Medicaid in California, 2.5 million people, 50 percent, of beneficiaries are in managed care.

And so managed care is growing and most people think it is here to stay.

I am pleased to say that in California we already have a regulation along the lines of the bill I am proposing. We have in place a regulatory limit of 15 percent on commercial HMO plans' administrative expenses. This was established in my state for commercial plans because of questionable expenses like those the HHS IG found in Medicare HMO plans and because prior to the regulation, some plans had administrative expense as high as 30 percent of premium revenues.

This bill will never begin to address all the problems patients experience with managed care in this country. That is why we also need a strong Patients Bill of Rights Bill. I hope, however, this bill will discourage abuses like those the HHS Inspector General found and will help assure people that their health care dollars are spent on health care and are not wasted on outings, parties, and other activities totally unrelated to providing health care services.

I call on my colleagues to join me in enacting this bill.

By Mr. DORGAN:

S. 578. A bill to prohibit the Secretary of Transportation from amending or otherwise modifying the operating certificates of major air carriers in connection with a merger or acquisition for a period of 2 years, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. DORGAN. Mr. President, I am very concerned about the current state of affairs in our nation's airline industry. The way airlines have remade themselves since deregulation is very troubling to me and should be very troubling to most of the traveling public in this country.

Since deregulation we have seen an unprecedented number of mergers in the airline industry. What used to be 11 airlines is now 7, and now with United wanting to buy US Airways, and American wanting to buy TWA out of bankruptcy, there is a very high risk that we will quickly be reduced to three mega-carriers in this country. I am afraid of what this will mean to competition which is already almost nonexistent in so many parts of the country.

That is because the major carriers have spent the last 20 years retreating into regional hubs, such as Minneapolis, Denver, and Atlanta, where one airline will control 50 percent, 70 percent, 80 percent of the hub traffic. The result has been that a dominant airline controlling the hub traffic sets its own prices, and it is the people in sparsely populated areas in the country that end up paying for it with outrageously high prices.

These proposed mergers fly directly in the face of public interest and ought not to be allowed. We need more than three airlines. Increased consolidation would be moving in the wrong direction. We need more competition, not more concentration.

That is why I am introducing legislation today to place a moratorium on airline mergers above a certain size for a couple years so we can take a breath and evaluate what kind of air transportation system we want in this country.

I hope my colleagues will join me in expressing loudly that we must avoid having this country go to three major airline carriers. It would be a step backward, not forward.

By Mr. BIDEN:

S. 579. A bill to amend the Mutual Educational and Cultural Exchange Act of 1961 to authorize the Secretary of State to provide for the establishment of nonprofit entities for the Department of State's international educational, cultural, and arts programs; to the Committee on Foreign Relations.

Mr. BIDEN. Mr. President, today I am reintroducing legislation to authorize the establishment of nonprofit entities to provide grants and other assistance for international educational, cultural and arts programs through the Department of State. This is an initiative that was developed last year in discussions with officials of the Department of State. I am pleased to be joined by Representative JIM LEACH of the other body, who is introducing the same bill today.

We are in an era in which cultural issues are increasingly central to international issues and diplomacy. Trade disputes, ethnic and regional conflicts, and issues such as biotechnology all have cultural and intellectual underpinnings.

Cultural programs are increasingly necessary to promoting international understanding and achieving U.S. national objectives. American multinational companies and other Americans doing business overseas welcome opportunities to support the unique cultures of nations in which they do business, as well as telling the story of America's diversity in other countries.

One way they could do this is by helping to sponsor cultural exchange programs arranged through the Department of State. Department officials tells us, however, that there is apparently no easy way to do that. Moreover, many people in our own government are uncertain whether they should engage in presenting the creative, intellectual and cultural side of our nation.

Under this legislation Congress would authorize the Secretary of State to provide for the establishment of private nonprofit organizations to assist in supporting international cultural programs, making it both easy and attractive for private organizations to support cultural programs in cooperation with the Department of State. In so doing, we would affirm support for the promotion and presentation of the nation's intellectual and creative best as part of American diplomacy.

This initiative would support a broad range of cultural exchange programs. Its priority would be to support the organization and promotion of major, high-profile presentations of art exhibitions, musical and theatrical performances which represent the finest quality of creativity our nation produces. These should be presentations that reach large numbers of people, which contribute to achieving our national interests and which represent the diversity of American culture.

The bill would provide authority to solicit support for specific cultural endeavors, offering individuals, foundations, corporations and other American businesses engaged overseas the opportunity to publicly support cross-cultural understanding in countries where they do business.

The non-profit entity would work with the Bureau of Educational and Cultural Affairs as well as the Under Secretary for Public Diplomacy at the Department of State.

I understand that the House International Relations Committee is planning to consider a version of this bill later this week. I look forward to working with my colleagues in the Senate on this legislation in the coming weeks.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 579

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) It is in the national interest of the United States to promote mutual understanding between the people of the United States and other nations.

(2) Among the means to be used in achieving this objective are a wide range of international educational and cultural exchange programs, including the J. William Fulbright Educational Exchange Program and the International Visitors Program.

(3) Cultural diplomacy, especially the presentation abroad of the finest of the creative, visual, and performing arts of the United States, is an especially effective means of advancing the United States national interest.

(4) The financial support available for international cultural and scholarly exchanges has declined by approximately 10 percent in recent years.

(5) There has been a dramatic decline in the amount of funds available for the purpose of ensuring that the excellence, diversity, and vitality of the arts in the United States are presented to foreign audiences by and in cooperation with United States diplomatic and consular representatives.

(6) One of the ways to deepen and expand cultural and educational exchange programs is through the establishment of nonprofit entities to encourage the participation and financial support of multinational companies and other private sector contributors.

(7) The United States private sector should be encouraged to cooperate closely with the Secretary of State and the Secretary's representatives to expand and spread appreciation of United States cultural and artistic accomplishments.

SEC. 2. AUTHORITY TO ESTABLISH NONPROFIT ENTITIES.

Section 105(f) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f)) is further amended—

(1) by inserting "(1)" after "(f)"; and

(2) by adding at the end the following new paragraphs:

"(2) The Secretary of State is authorized to provide for the establishment of private, nonprofit entities to assist in carrying out the purposes of the Act. Any such entity shall not be considered an agency or instrumentality of the United States Government, nor shall its employees be considered employees of the United States Government for any purposes.

"(3) The entities may, among other functions—

"(A) encourage United States multinational companies and other elements of the private sector to participate in, and support, cultural, arts, and educational exchange programs, including those programs that will enhance international appreciation of the cultural and artistic accomplishments of the United States;

"(B) solicit and receive contributions from the private sector to support these cultural arts and educational exchange programs; and

"(C) provide grants and other assistance for these programs.

"(4) The Secretary of State is authorized to make such arrangements as are necessary to carry out the purposes of these entities, including—

"(A) the solicitation and receipt of funds for the entity;

"(B) designation of a program in recognition of such contributions; and

"(C) designation of members, including employees of the United States Government, on any board or other body established to administer the entity.

"(5) Any funds available to the Department of State may be made available to such entities to cover administrative and other costs for their establishment. Any such entity is authorized to invest any amount provided to it by the Department of State, and such amount, as well as any interest or earnings on such amount, may be used by the entity to carry out its purposes.".

By Mr. HUTCHINSON:

S. 580. A bill to expedite the construction of the World War II memorial in the District of Columbia; to the Committee on Governmental Affairs.

Mr. HUTCHINSON. Mr. President, I rise today to introduce legislation that would expedite construction of the World War II Memorial. Some of our colleagues may not be aware that even after having had the opportunity to argue their case before the twenty-two public hearings over the last five years regarding the site and design of the memorial, opponents have now turned to the courts to overturn the Memorial's approval.

Regrettably, it is now clear that legislation will be needed if the World War II Memorial is to be constructed before all the patriots who fought in defense of liberty have passed on. The ugly truth is that every day we lose more than a thousand members of our greatest generation. How many more will be deprived of the joy of seeing this richly deserved tribute to their heroic service completed?

According to the American Battle Monuments Commission, the World War II Memorial will be the first national memorial dedicated to all who served in the armed forces and Merchant Marine of the United States during World War II and acknowledging the commitment and achievement of the entire nation. All military veterans of the war, the citizens of the home front, the nation at large, and the high moral purpose and idealism that motivated the nation's call to arms will be honored.

Symbolic of the defining event of the 20th century in American history, the memorial will be a monument to the spirit, sacrifice, and commitment of the American people, to the common defense of the nation and to the broader causes of peace and freedom from tyranny throughout the world. It will inspire future generations of Americans, deepening their appreciation of what the World War II generation accomplished in securing freedom and democracy. Above all, the memorial will stand for all time as an important symbol of American national unity, a timeless reminder of the moral strength and awesome power that can flow when a free people are at once united and bonded together in a common and just cause.

Construction of this memorial is long overdue. Opponents have had ample opportunity to make their case, and while I respect their opinions, the simple truth is that the site has been selected and the time to begin to move dirt has arrived. I hope all of my colleagues will join me in sponsoring this resolution. Let us, as a nation, prevent the cheapening of this tribute by putting a stop to frivolous legal challenges. Let us say thanks to those who fought to save the babes of humanity from the wolves of tyranny. Let's build the World War II memorial, let's build it upon the National Mall, and let's build it now.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 580

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPEDITED COMMENCEMENT BY AMERICAN BATTLE MONUMENTS COMMISSION OF CONSTRUCTION OF WORLD WAR II MEMORIAL.

Section 2113 of title 36, United States Code, as added by section 601(a) of the Veterans Millennium Health Care and Benefits Act (Public Law 106–117; 113 Stat. 1576), is amended by adding at the end the following new subsection:

"(l) CONGRESSIONAL DIRECTION TO COMMENCE CONSTRUCTION.—(1) Subject to paragraph (2), the Commission shall expeditiously proceed with the construction of the World War II memorial at the dedicated Rainbow Pool site in the District of Columbia without regard to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Commemorative Works Act (40 U.S.C. 1001 et seq.), or any other law pertaining to the siting or design for the World War II memorial.

"(2) The construction of the World War II memorial by the Commission shall be consistent with—

"(A) the final architectural submission made to the Commission of Fine Arts and the National Capital Planning Commission on June 30, 2000, as supplemented on November 2, 2000; and

"(B) such reasonable construction permit requirements as may be required by the Secretary of the Interior, acting through the National Park Service.

"(3) The decision to construct the World War II memorial at the dedicated Rainbow Pool site, and the decisions regarding the design for the World War II memorial, are final and conclusive and shall not be subject to further administrative or judicial review.".

By Mr. FITZGERALD (for himself and Mrs. CLINTON):

S. 581. A bill to amend title 10, United States Code, to authorize Army arsenals to undertake to fulfill orders or contracts for articles or services in advance of the receipt of payment under certain circumstances; to the Committee on Armed Services.

Mr. FITZGERALD. Mr. President, I rise today to introduce S. 581, a bill that will help United States Army arsenals remain competitive and productive in the 21st century. The Army arsenals have long been an important military resource. They have not only served as a cost-effective supplier of high-quality military equipment, they have also proven to be an invaluable supplier of last resort, providing mission-critical parts when private contractors have lacked the capacity to meet emergency needs or have breached their contracts with the government. This bill will help ensure that these important facilities do not fall into disuse during the periods between national emergencies and heightened military needs.

Rock Island Arsenal, in my home state of Illinois, was acquired by the United States in 1804. Located on an island in the Mississippi River, the area was converted to its current function, and named Rock Island Arsenal, in 1862. Since then, Rock Island Arsenal has built weapons and military equipment for all of our nation's wars, developing a specialty in the manufacture of howitzers.

Today, Rock Island Arsenal is the Department of Defense's only general-purpose metal-manufacturing facility, performing forging, sheet metal, and welding and heat-treating operations that cover the entire range of technologically feasible processes. Rock Island Arsenal also contains a machine shop that is capable of such specialized operations as gear cutting, die sinking, and tool making; a paint shop certified to apply Chemical Agent Resistant Coatings to items as large as tanks; and a plating shop that can apply chrome, nickel, cadmium, and copper, and can galvanize, parkerize, anodize, and apply oxide finishes.

These capabilities have proven essential to the functioning of the United States military. In recent years, Rock Island Arsenal has been called on to produce M16 gun bolts when a private contractor defaulted on a contract. It has also produced mission-critical pins and shims for Apache helicopters when outside suppliers have proven unresponsive to the Army's needs.

S. 581 will help guarantee that United States arsenals will be there again when the military needs them in an emergency, by helping to ensure that arsenals have an adequate workload in normal times. During the 1990s, the Department of Defense shifted away from direct funding of arsenals to the Working Capital Fund, "W.C.F.", system, under which private companies compete with the arsenals for government service and production contracts. This system has improved the efficiency of the military by promoting cost transparency and discouraging the overconsumption of arsenal goods and services.

Unfortunately, implementation of the W.C.F. system has also produced some unintended consequences. As arsenals have been placed in competition with private firms, they have remained tied down by government rules that place the arsenals at a competitive disadvantage—and that hamper their efforts to secure a full workload. One of these rules is the requirement that arsenals be paid in advance for all services and products that they provide. Private firms are not required to operate under such conditions, they routinely receive payment only once they have delivered on their contract. As a result, a military department seeking goods or services, or a private contractor seeking help in supplying the government—is discouraged from contracting with an arsenal. Even when an arsenal can provide higher quality or at lower cost, the requirement of upfront payment may prove burdensome enough to convince purchasers to meet their needs elsewhere.

The legislation that I introduce today will place United States Army arsenals on a more equal footing with their private competitors. It will limit the advance-payment requirement to only those circumstances where payment is less than certain, and will otherwise allow arsenals to accept payment after performance. Specifically, arsenals will be allowed to accept later payment when the United States purchases directly from an arsenal, when an arsenal supplies a contractor serving the United States, or when payment for foreign military purchases is guaranteed by the United States. In these cases, an advance-payment requirement is unnecessary—it serves only to put the arsenals at a competitive disadvantage. Application of the requirement in these circumstances should be ended.

S. 581 will help ensure that Army arsenals will be able to secure an adequate workload in periods between supply emergencies. This bill will also serve taxpayers' money by encouraging efficient use of reserve resources, which must be maintained regardless of whether or not they are fully in use. Therefore, in the interest of encouraging optimal utilization of an invaluable national resource, and to help integrate the Army arsenals into the private-competition system of the Working Capital Fund, I today introduce s. 581.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERFORMANCE OF ORDERS FOR ARTICLES OR SERVICES BY ARMY ARSENALS BEFORE RECEIPT OF PAYMENT.

(a) Authority.—(1) Chapter 433 of title 10, United States Code, is amended by inserting after section 4541 the following new section:

"§ 4541a. Army arsenals: performance before receipt of payment

"(a) Authority.—Regulations under section 2208(h) of this title shall authorize the Army arsenals to undertake, with working-capital funds, to fulfill orders or contracts of customers referred to in subsection (b) for articles or services in advance of the receipt of payment for the articles or services.

"(b) Transactions to Which Applicable.—The authority provided in subsection (a) applies with respect to an order or contract for articles or services that is placed or entered into, respectively, with an arsenal by a customer that—

"(1) is—

"(A) a department or agency of the United States;

"(B) a person using the articles or services in fulfillment of a contract of a department or agency of the United States; or

"(C) a person supplying the articles or services to a foreign government under sections 22, 23, and 24 of the Arms Export Control Act (22 U.S.C. 2762, 2763, 2764); and

"(2) is eligible under any other provision of law to obtain the articles or services from the arsenal.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4541 the following new item:

"4541a. Army arsenals: performance before receipt of payment.".

(b) Regulations.—The Secretary of Defense shall prescribe the regulations to carry out section 4541a of title 10, United States Code (as added by subsection (a)), not later than 60 days after the date of the enactment of this Act.

By Ms. LANDRIEU:

S.J. Res. 8. A joint resolution designating 2002 as the "Year of the Rose"; to the Committee on the Judiciary.

Ms. LANDRIEU. Mr. President, I rise today to bring to the attention of the Senate, the continuing beauty and appeal that flowers bring to our nation. Americans have always loved the flowers which God has chosen to decorate our land. In particular, we hold the rose dear as symbols of life, love, devotion, beauty, and eternity. For the love of man and woman, for the love of mankind and God as well as for the love of country, Americans who would speak the language of the heart do so with a rose.

We see evidence of this everywhere. The study of fossils reveals that the rose has existed in America for ages. We have always cultivated roses in our gardens. Our first President, George Washington bred roses and a variety he named after his mother is still grown today. The White House itself boasts of a beautiful Rose Garden. We find roses in our art, music, and literature. We decorate our celebrations and parades with roses. Most of all, we present roses to those we love, and we lavish them on our altars, our civil shrines, and the final resting places of our honored dead. In 1986, in recognition of the high esteem roses are held, President Ronald Reagan and the Congress of the United States proclaimed the rose as the National Floral Emblem of the United States of America.

This proclamation was as a result of the handiwork and dedication of the American Rose Society. The American Rose Society is the premier organization dedicated exclusively to the cultivation of roses. Since 1892, the American Rose Society has strived to enhance the enjoyment and promotion of roses to gardeners of all skill levels. In 2001, the American Rose Society, in conjunction with the 37 member countries that make up the World Federation of Rose Societies, the National Council of State Garden Clubs, and the American Nursery and Landscape Association began waging a campaign to honor our national floral emblem, the Rose.

In an effort to increase support for public rose gardens in the United States; recognize the beauty and inspiration roses add to the environment and landscapes of cities, and communities around the country; to introduce the therapeutic benefits of roses to people of all ages and background; to provide educational programs designed to stimulate and teach about the joys of gardening, especially rose gardening; and to teach the great history and diversity the genus offers, the American Rose Society, whose national headquarters is located in Shreveport, Louisiana, is requesting a joint congressional resolution proclaiming the year 2002 as the Year of the Rose.

The American people have long held a special place in their hearts for roses. Let us continue to cherish them, honor the love and devotion they represent and to bestow them upon all we love just as God has bestowed them on us.

I ask unanimous that the text of this resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 8

Whereas the study of fossils has shown that the rose has been a native wild flower in the United States for over 35,000,000 years;

Whereas the rose is grown today in every State;

Whereas the rose has long represented love, friendship, beauty, peace, and the devotion of the American people to their country;

Whereas the rose has been cultivated and grown in gardens for over 5,000 years and is referred to in both the Old and New Testaments;

Whereas the rose has for many years been the favorite flower of the American people, has captivated the affection of humankind, and has been revered and renowned in art, music, and literature;

Whereas our first President was also our first rose breeder, 1 of his varieties being named after his mother and still being grown today; and

Whereas in 1986 the rose was designated and adopted as the national floral emblem of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress—

(1) designates the year of 2002 as the "Year of the Rose"; and

(2) requests the President to issue a proclamation calling on the people of the United States to observe the year with appropriate ceremonies and activities.

By Mrs. BOXER (for herself, Mr. REID, Ms. SNOWE, Mr. JEFFORDS, Ms. COLLINS, Mr. SPECTER, and Mr. CHAFEE):

S.J. Res. 9. A joint resolution providing for congressional disapproval of the rule submitted by the United States Agency for International Development relating to the restoration of the Mexico City Policy; to the Committee on Foreign Relations.

Mrs. BOXER. Mr. President, on February 15, the United States Agency for International Development issued Contract Information Bulletin 01-03 regarding the "Restoration of the Mexico City Policy."

This bulletin reinstates the international gag rule, which prohibits international family planning organizations that receive federal funding from using their own privately-raised funds to counsel women about abortion, provide abortion services, and lobby on reproductive rights.

Today, I am introducing, along with Senators REID, SNOWE, JEFFORDS, COLLINS, SPECTER, and CHAFEE, a joint resolution of disapproval under the Congressional Review Act.

As my colleagues know, the CRA establishes a procedure for the expedited consideration of a resolution disapproving an agency rule.

I can think of no other case where expedited procedures are more appropriate. Women's lives are at stake.

Approximately 78,000 women throughout the world die each year as a result of unsafe abortions. At least one-fourth of all unsafe abortions in the world are to girls aged 15–19. By 2015, contraceptive needs in developing countries will grow by more than 40 percent.

As a result of the gag rule, the organizations that are reducing unsafe abortions and providing contraceptives will be forced either to limit their services or to simply close their doors to women across the world. And this will cause women and families increased misery and death.

Make no mistake, the international gag rule will restrict family planning, not abortions. In fact, no United States funds can be used for abortion services. That is already law, and has been since 1973. This gag rule does, however, restrict foreign organizations in ways that would be unconstitutional here at home and that is why we seek to reverse it in an expedited fashion under the CRA.

Mr. President, I ask unanimous consent that a copy of the joint resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 9

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress disapproves the rule submitted by the United States Agency for International Development relating to the restoration of the Mexico City Policy (contained in Contract Information Bulletin 01-03, dated February 15, 2001), and such rule shall have no force or effect.

Mr. REID. Mr. President, I am pleased to join Senator BOXER in submitting a joint resolution of congressional disapproval relating to the restoration of the Mexico City Policy.

We are taking this step because the global gag rule—which denies funding to any organization that uses its own funds to provide or promote abortion services overseas—is an ill-conceived, anti-woman, and anti-American policy.

The President's rationale for reimposing the gag rule was that he wanted to make abortions more rare. Yet the last time the Mexico City Policy was in effect, there was no reduction in the number of abortions, only reduced access to quality health care services, more unintended pregnancies and more abortions. Research shows that the only way to reduce the need for abortion is to improve family planning efforts that will decrease the number of unintended pregnancies. Access to contraception reduces the probability of having an abortion by 85 percent.

It the only reason to repeal the Mexico City Policy was to decrease the need for abortions then that would be enough. But our support of international family planning programs literally means the difference between life or death for women in developing countries. At least one woman dies every minute of every day from causes related to pregnancy and child birth in developing nations. This means that almost 600,000 women die every year from causes related to pregnancy. Family planning efforts that prevent unintended pregnancies save the lives of thousands of women and infants each year.

In addition to reducing maternal and infant mortality rates, family planning helps prevent the spread of sexually transmitted diseases. This effort is particularly critical considering that the World Health Organization has estimated that 5.9 million individuals, the majority of whom live in developing nations, become infected with HIV almost every year.

Let me be clear: We are not asking to use one single taxpayer dollar to perform or promote abortion overseas. The law has explicitly prohibited such activities since 1973. Instead, the Mexico City Policy would restrict foreign organizations in a way that would be unconstitutional in the United States. The Mexico City Policy violates a fundamental tenet of our democracy—freedom of speech. Exporting a policy that is unconstitutional at home is the ultimate act of hypocrisy. Surely this is not the message we want to send to struggling democracies who are looking to the United States for guidance.

When President Bush reinstated the Mexico City Policy, he turned the world clock back on women around the world by almost two decades. Today, Senator BOXER and I are looking toward the future and taking the first step to repeal this antiquated, anti-woman policy.

AMENDMENTS SUBMITTED & PROPOSED

SA 115. Mr. DOMENICI (for himself Mr. DEWINE, Mr. DURBIN, Mr. ENSIGN, Mrs. FEINSTEIN, Ms. COLLINS and Mr. MCCONNELL) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

SA 116. Mr. THOMPSON submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 117. Mr. BENNETT proposed an amendment to the bill S. 27, supra.

SA 118. Mr. SMITH, of Oregon proposed an amendment to the bill S. 27, supra.

SA 119. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 120. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 121. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 122. Mr. TORRICELLI (for himself, Mr. DURBIN, Mr. CORZINE and Mr. DORGAN) proposed an amendment to the bill S. 27, supra.

TEXT OF AMENDMENTS

SA 115. Mr. DOMENICI (for himself, Mr. DEWINE, Mr. DURBIN, Mr. ENSIGN, Mrs. FEINSTEIN, Ms. COLLINS, and Mr. MCCONNELL) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS FOR INDIVIDUALS.—

(1) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(A) in subsection (a)(1), by striking "No person" and inserting "Except as provided in subsection (i), no person"; and

(B) by adding at the end the following:

"(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

"(1) INCREASE.—

"(A) IN GENERAL.—Subject to paragraph (2), if the opposition personal funds amount with respect to a candidate for election to the office of Senator exceeds the threshold amount, the limit under subsection (a)(1)(A) (in this subsection referred to as the 'applicable limit') with respect to that candidate shall be the increased limit.

"(B) THRESHOLD AMOUNT.—

"(i) STATE-BY-STATE COMPETITIVE AND FAIR CAMPAIGN FORMULA.—In this subsection, the threshold amount with respect to an election cycle of a candidate described in subparagraph (A) is an amount equal to the sum of—

"(I) $150,000; and

"(II) $0.04 multiplied by the voting age population.

"(ii) VOTING AGE POPULATION.—In this subparagraph, the term 'voting age population' means in the case of a candidate for the office of Senator, the voting age population of the State of the candidate (as certified under section 315(e)).

"(C) INCREASED LIMIT.—Except as provided in clause (ii), for purposes of subparagraph (A), if the opposition personal funds amount is over—

"(i) 2 times the threshold amount, but not over 4 times that amount—

"(I) the increased limit shall be 3 times the applicable limit; and

"(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(ii) 4 times the threshold amount, but not over 10 times that amount, the increased limit shall be 6 times the applicable limit; and

"(iii) 10 times the threshold amount—

"(I) the increased limit shall be 6 times the applicable limit;

"(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(III) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party shall not apply.

"(D) OPPOSITION PERSONAL FUNDS AMOUNT.—The opposition personal funds amount is an amount equal to the excess (if any) of—

"(i) the greatest aggregate amount of expenditures from personal funds (as defined in section 304(a)(6)(B)) that an opposing candidate in the same election makes; over

"(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

"(2) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

"(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution under the increased limit under paragraph (1)—

"(i) until the candidate has received notification of the opposition personal funds amount under section 304(a)(6)(B); and

"(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

"(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate shall not accept any contribution under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

"(3) DISPOSAL OF EXCESS CONTRIBUTIONS.—

"(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

"(B) A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

"(C) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans after the date of enactment of the Bipartisan Campaign Reform Act of 2001 in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.".

(2) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to loans made or incurred after the date of enactment of this Act.

(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—Section 304(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) by inserting after subparagraph (A) the following:

"(B) NOTIFICATION OF EXPENDITURE FROM PERSONAL FUNDS.—

"(i) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this subparagraph, the term 'expenditure from personal funds' means—

"(I) an expenditure made by a candidate using personal funds; and

"(II) a contribution or loan made by a candidate using personal funds (or a loan secured using such funds) to the candidate's authorized committee.

"(ii) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election will exceed the State-by-State competitive and fair campaign formula with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iii) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with any election, the candidate shall file a notification with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iv) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under clause (iii) the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceed $10,000 amount with—

"(I) the Commission; and

"(II) each candidate in the same election.

Such notification shall be filed not later than 24 hours after the expenditure is made.

"(v) CONTENTS.—A notification under clause (iii) or (iv) shall include—

"(I) the name of the candidate and the office sought by the candidate;

"(II) the date and amount of each expenditure; and

"(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

"(C) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

"(D) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 309.".

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) ELECTION CYCLE.—The term 'election cycle' means the period beginning on the day after the date of the most recent election for the specific office or seat that a candidate is seeking and ending on the date of the next election for that office or seat. For purposes of the preceding sentence, a primary election and a general election shall be considered to be separate elections.

"(21) PERSONAL FUNDS.—The term 'personal funds' means an amount that is derived from—

"(A) any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had—

"(i) legal and rightful title; or

"(ii) an equitable interest;

"(B) income received during the current election cycle of the candidate, including—

"(i) a salary and other earned income from bona fide employment;

"(ii) dividends and proceeds from the sale of the candidate's stocks or other investments;

"(iii) bequests to the candidate;

"(iv) income from trusts established before the beginning of the election cycle;

"(v) income from trusts established by bequest after the beginning of the election cycle of which the candidate is the beneficiary;

"(vi) gifts of a personal nature that had been customarily received by the candidate prior to the beginning of the election cycle; and

"(vii) proceeds from lotteries and similar legal games of chance; and

"(C) a portion of assets that are jointly owned by the candidate and the candidate's spouse equal to the candidate's share of the asset under the instrument of conveyance or ownership, but if no specific share is indicated by an instrument of conveyance or ownership, the value of ½ of the property.".

SA 116. Mr. THOMPSON submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following

SEC. 305. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking "$1,000" and inserting "$3,000";

(2) in subparagraph (B), by striking "$20,000" and inserting "$60,000"; and

(3) in subparagraph (C), by striking "$5,000" and inserting "$15,000".

(b) INCREASE IN AGGREGATE INDIVIDUAL LIMIT.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking "$30,000" and inserting "$75,000".

(c) INCREASE IN MULTICANDIDATE LIMITS.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A), by striking "$5,000" and inserting "$15,000";

(2) in subparagraph (B), by striking "$15,000" and inserting "$45,000"; and

(3) in subparagraph (C), by striking "$5,000" and inserting "$15,000".

(d) INDEXING OF INCREASED LIMITS.—

(1) IN GENERAL.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(A) in the second sentence of paragraph (1), by striking "subsection (b) and subsection (d)" and inserting "subsections (a), (b), and (d)"; and

(B) in paragraph (2), by striking subparagraph (B) and inserting the following:

"(B) the term 'base period' means—

"(i) in the case of subsections (b) and (d), calendar year 1974; and

"(ii) in the case of subsection (a), calendar year 2001.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to calendar years after 2002.

SA 117. Mr. BENNETT proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. PROHIBITING SEPARATE SEGREGATED FUNDS FROM USING SOFT MONEY TO RAISE HARD MONEY.

Section 316(b)(2)(C) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)(C)) is amended by inserting before the period at the end the following: ", except that the costs of such establishment, administration, and solicitation may only be paid from funds that are subject to the limitations, prohibitions, and reporting requirements of this Act".

SEC. 306. PROHIBITING CERTAIN POLITICAL COMMITTEES FROM USING SOFT MONEY TO RAISE HARD MONEY.

Section 323 of the Federal Election Campaign Act of 1971, as added by section 101, is amended by adding at the end the following:

"(f) OTHER POLITICAL COMMITTEES.—A political committee described in section 301(4)(A) to which this section does not otherwise apply (including an entity that is directly or indirectly established, financed, maintained, or controlled by such a political committee) shall not solicit, receive, direct, transfer, or spend funds that are not subject to the limitations, prohibitions, and reporting requirements of this Act.".

SA 118. Mr. SMITH of Oregon proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. PROHIBITION ON ACCEPTANCE OF CERTAIN CONTRIBUTIONS WHILE CONGRESS IS IN SESSION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 324. PROHIBITION ON ACCEPTANCE OF CERTAIN CONTRIBUTIONS WHILE CONGRESS IS IN SESSION.

"(a) IN GENERAL.—During the period described in subsection (b), a candidate seeking nomination for election, or election, to the Senate or House of Representatives, any authorized committee of such a candidate, an individual who holds such office, or any political committee directly or indirectly established, financed, maintained, or controlled by such a candidate or individual shall not accept a contribution from—

"(1) any individual who, at any time during the period beginning on the first day of the calendar year preceding the contribution and ending on the date of the contribution, was required to be listed as a lobbyist on a registration or other report filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.);

"(2) an officer, owner, or senior executive of any person that, at any time during the period described in paragraph (1), employed or retained an individual described in paragraph (1), in their capacity as a lobbyist;

"(3) a political committee directly or indirectly established, financed, maintained, or controlled by an individual described in paragraph (1) or (2); or

"(4) a separate segregated fund (described in section 316(b)(2)(C)).

"(b) PERIOD CONGRESS IS IN SESSION.—The period described in this subsection is the period—

"(1) beginning on the first day of any session of the body of Congress in which the individual holds office or for which the candidate seeks nomination for election or election; and

"(2) ending on the date on which such session adjourns sine die.".

SA 119. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Campaign Finance Integrity Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CONTRIBUTIONS

Sec. 101. Requirement for in-State and in-district contributions to congressional candidates.
Sec. 102. Use of contributions to pay campaign debt.
Sec. 103. Modification of political party contribution limits to candidates when candidates make expenditures from personal funds.
Sec. 104. Modification of contribution limits.

TITLE II—DISCLOSURE REQUIREMENTS

Sec. 201. Disclosure of certain non-Federal financial activities of national political parties.
Sec. 202. Political activities of corporations and labor organizations.

TITLE III—REPORTING REQUIREMENTS

Sec. 301. Time for candidates to file reports.
Sec. 302. Contributor information required for contributions in any amount.
Sec. 303. Prohibition of depositing contributions with incomplete contributor information.
Sec. 304. Public access to reports.

TITLE IV—USE OF GOVERNMENT PROPERTY AND SERVICES

Sec. 401. Ban on mass mailings.

TITLE V—EFFECTIVE DATE

Sec. 501. Effective date.

TITLE I—CONTRIBUTIONS

SEC. 101. REQUIREMENT FOR IN-STATE AND IN-DISTRICT CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) by redesignating subsections (e), (f), (g), and (h) as subsections (f), (g), (h), and (i), respectively; and

(2) by inserting after subsection (d) the following:

"(e) REQUIREMENT FOR IN-STATE AND IN-DISTRICT CONTRIBUTIONS TO CONGRESSIONAL CANDIDATES.—

"(1) DEFINITIONS.—In this subsection:

"(A) IN-STATE CONTRIBUTION.—The term 'in-State contribution' means a contribution from an individual that is a legal resident of the candidate's State.

"(B) IN-DISTRICT CONTRIBUTION.—The term 'in-district contribution' means a contribution from an individual that is a legal resident of the candidate's district.

"(2) LIMIT.—A candidate for nomination to, or election to, the Senate or House of Representatives and the candidate's authorized committee shall not accept an aggregate amount of contributions of which the aggregate amount of in-State contributions or in-district contributions, as appropriate, is less than 50 percent of such total amount of contributions accepted.

"(3) TIME FOR MEETING REQUIREMENT.—A candidate shall meet the requirement of paragraph (2) at the end of each reporting period under section 304.

"(4) PERSONAL FUNDS.—For purposes of this subsection, a contribution that is attributable to the personal funds of the candidate or proceeds of indebtedness incurred by the candidate or the candidate's authorized committee shall not be considered to be an in-State contribution or in-district contribution.".

(b) Conforming Amendments.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (b)(1)(A), by striking "(e)" and inserting "(f)";

(2) in subsection (d)(2), by striking "(e)" and inserting "(f)"; and

(3) in subsection (d)(3)(A)(i), by striking "(e)" and inserting "(f)".

SEC. 102. USE OF CONTRIBUTIONS TO PAY CAMPAIGN DEBT.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 101, is amended by adding at the end the following:

"(j) Limit on Use of Contributions To Pay Campaign Debt.—

"(1) Time to accept contributions.—Beginning on the date that is 90 days after the date of a general or special election, a candidate for election to the Senate or House of Representatives and the candidate's authorized committee shall not accept a contribution that is to be used to pay a debt, loan, or other cost associated with the election cycle of such election.

"(2) Personal obligation.—A debt, loan, or other cost associated with an election cycle that is not paid in full on the date that is 90 days after the date of the general or special election shall be assumed as a personal obligation by the candidate.

"(3) Definition of election cycle.—In this subsection, the term 'election cycle' means the period beginning on the day after the date of the most recent general election for the specific office or seat that a candidate is seeking and ending on the date of the next general election for that office or seat.".

SEC. 103. MODIFICATION OF POLITICAL PARTY CONTRIBUTION LIMITS TO CANDIDATES WHEN CANDIDATES MAKE EXPENDITURES FROM PERSONAL FUNDS.

(a) In General.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 102, is amended by adding at the end the following:

"(k) Contribution Limits for Political Party Committees in Response to Candidate Expenditures of Personal Funds.—

"(1) In general.—In the case of a general election for the Senate or House of Representatives, a political party committee may make contributions to a candidate without regard to any limitation under subsections (a) and (d) until such time as the aggregate amount of contributions is equal to or greater than the applicable limit.

"(2) Applicable Limit.—The applicable limit under paragraph (1), with respect to a candidate, shall be the greatest aggregate amount of expenditures that an opponent of the candidate in the same election and the opponent's authorized committee make using the personal funds of the opponent or proceeds of indebtedness incurred by the opponent (including contributions by the opponent to the opponent's authorized committee) in excess of 2 times the limit under subsection (a)(1)(A) with respect to a general election.

"(3) Definition of Political Party Committee.—In this subsection, the term 'political party committee' means a political committee that is a national, State, district, or local committee of a political party (including any subordinate committee).".

(b) Notification of Expenditures From Personal Funds.—Section 304(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following:

"(B)(i) The principal campaign committee of a candidate for nomination to, or election to, the Senate or House of Representatives shall notify the Commission of the aggregate amount expenditures made using personal funds of the candidate or proceeds of indebtedness incurred by the candidate (including contributions by the candidate to the candidate's authorized committee) in excess of an amount equal to 2 times the limit under section 301(a)(1)(A).

"(ii) The notification under clause (i) shall—

"(I) be submitted to the Commission not later than 24 hours after the expenditure that is the subject of the notification is made;

"(II) include the name of the candidate, the office sought by the candidate, and the date and amount of the expenditure; and

"(III) include the aggregate amount of expenditures from personal funds that have been made with respect to that election as of the date of the expenditure that is the subject of the notification.".

SEC. 104. MODIFICATION OF CONTRIBUTION LIMITS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A), by striking "**$1,000**" and inserting "**$2,500**"; and

(B) in paragraph (2)(A), by striking "**$5,000**" and inserting "**$2,500**"; and

(2) in subsection (c)—

(A) in paragraph (1), by striking "subsection (b) and subsection (d)" and inserting "paragraphs (1)(A) and (2)(A) of subsection (a) and subsections (b) and (d)"; and

(B) in paragraph (2)(A), by striking "means the calendar year 1974." and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of paragraphs (1)(A) and (2)(A) of subsection (a), calendar year 2002.".

TITLE II—DISCLOSURE REQUIREMENTS

SEC. 201. DISCLOSURE OF CERTAIN NON-FEDERAL FINANCIAL ACTIVITIES OF NATIONAL POLITICAL PARTIES.

Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) in subparagraph (H)(v), by striking "and" at the end;

(2) in subparagraph (I), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(J) for a national political committee of a political party, disbursements made by the committee in an aggregate amount greater than **$1,000**, during a calendar year, in connection with a political activity (as defined in section 316(c)(3));".

SEC. 202. POLITICAL ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS.

(a) Disclosure to Employees and Shareholders Regarding Political Activities.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following:

"(c) Authorization Required for Political Activity.—

"(1) In general.—Except with the separate, written, voluntary authorization of each individual, a national bank, corporation or labor organization described in this section shall not—

"(A) in the case of a national bank or corporation, collect from or assess its stockholders or employees any dues, initiation fee, or other payment as a condition of employment or membership if any part of the dues, fee, or payment will be used for a political activity in which the national bank or corporation is engaged; and

"(B) in the case of a labor organization, collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of the dues, fee, or payment will be used for a political activity.

"(2) Effect of authorization.—An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time.

"(3) Definition of political activity.—In this subsection, the term 'political activity' includes a communication or other activity that involves carrying on propaganda, attempting to influence legislation, or participating or intervening in a political party or political campaign for a Federal office.

"(d) Disclosure of Disbursements for Political Activities.—

"(1) Corporations and national banks.—A corporation or national bank described in this section shall submit an annual written report to shareholders stating the amount of each disbursement made for a political activity or that otherwise influences a Federal election.

"(2) Labor organizations.—A labor organization described in this section shall submit an annual written report to dues paying members and nonmembers stating the amount of each disbursement made for a political activity or that otherwise influences a Federal election, including contributions and expenditures.".

(b) Disclosure to the Commission of Certain Permissible Activities by Labor Organizations and Corporations.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

"(e) Required Statement of Corporations and Labor Organizations.—Each corporation, national bank, or labor organization that makes an aggregate amount of disbursements during a year in an amount equal to or greater than **$1,000** for any activity described in subparagraph (A), (B), or (C) of section 316(a)(2) shall submit a statement to the Commission (not later than 24 hours after making the payment) describing the amount spent and the activity involved.".

TITLE III—REPORTING REQUIREMENTS

SEC. 301. TIME FOR CANDIDATES TO FILE REPORTS.

(a) Monthly Reports; 24-Hour Reports.—Section 304(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended—

(1) in clause (ii), by striking "and" at the end; and

(2) by striking clause (iii) and inserting the following:

"(iii) additional monthly reports, which shall be filed not later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that monthly reports shall not be required under this clause in November and December and a year end report shall be filed not later than January 31 of the following calendar year; and

"(iv) 24-hour reports, beginning on the day that is 15 days preceding an election, that shall be filed no later than the end of each 24-hour period; and".

(b) Conforming Amendments.—

(1) SECTION 304.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(A) in paragraph (3)(A)(ii), by striking "quarterly reports" and inserting "monthly reports"; and

(B) in paragraph (8), by striking "quarterly report under paragraph (2)(A)(iii) or paragraph (4)(A)(i)" and inserting "monthly report under paragraph (2)(A)(iii) or paragraph (4)(A)".

(2) SECTION 309.—Section 309(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(b)) is amended by striking "calendar quarter" and inserting "month".

SEC. 302. CONTRIBUTOR INFORMATION REQUIRED FOR CONTRIBUTIONS IN ANY AMOUNT.

(a) SECTION 302.—Section 302 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ", and if the amount" and all that follows through the period and inserting: "and the following information with respect to the contribution:

"(A) The identification of the contributor.

"(B) The date of the receipt of the contribution."; and

(B) in paragraph (2)—

(i) in subsection (A), by striking "such contribution" and inserting "the contribution and the identification of the contributor"; and

(ii) in subsection (B), by striking "such contribution" and all that follows through the period and inserting ", no later than 10 days after receiving the contribution, the contribution and the following information with respect to the contribution:

"(i) The identification of the contributor.

"(ii) The date of the receipt of the contribution.":

(2) in subsection (c)—

(A) by striking paragraph (2);

(B) in paragraph (3), by striking "or contributions aggregating more than $200 during any calendar year"; and

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(3) in subsection (h)(2), by striking "(c)(5)" and inserting "(c)(4)".

(b) SECTION 304.—Section 304(b)(3)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)(A)) is amended by striking "whose contribution" and all that follows through "so elect,".

SEC. 303. PROHIBITION OF DEPOSITING CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

"(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit or otherwise negotiate a contribution unless the information required by this section is complete.".

SEC. 304. PUBLIC ACCESS TO REPORTS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended by inserting "and publicly available at the offices of the Commission" after "Internet".

TITLE IV—USE OF GOVERNMENT PROPERTY AND SERVICES

SEC. 401. BAN ON MASS MAILINGS.

(a) IN GENERAL.—Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

"(A) A Member of, or Member-elect to, Congress may not mail any mass mailing as franked mail.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 3210 of title 39, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (3)—

(I) in subparagraph (G), by striking ", including general mass mailings,";

(II) in subparagraph (I), by striking "or other general mass mailing"; and

(III) in subparagraph (J), by striking "or other general mass mailing"; and

(ii) in paragraph (6)—

(I) by striking subparagraphs (B), (C), and (F);

(II) by striking the second sentence of subparagraph (D); and

(III) by redesignating subparagraphs (D) and (E) as subparagraphs (B) and (C), respectively; and

(iii) by striking paragraph (7);

(B) in subsection (c), by striking "subsection (a) (4) and (5)" and inserting "paragraphs (4), (5), and (6) of subsection (a)";

(C) by striking subsection (f); and

(D) by redesignating subsection (g) as subsection (f).

(2) Section 316 of the Legislative Branch Appropriations Act, 1990 (39 U.S.C. 3210 note) is amended by striking subsection (a).

(3) Section 311 of the Legislative Branch Appropriations Act, 1991 (2 U.S.C. 59e) is amended by striking subsection (f).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect at the beginning of the first Congress that begins after December 31, 2002.

TITLE V—EFFECTIVE DATE

SEC. 501. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect 30 days after the date of enactment of this Act.

SA 120. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. DISCLOSURE OF CERTAIN NON-FEDERAL FINANCIAL ACTIVITIES OF NATIONAL POLITICAL PARTIES.

Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) in subparagraph (H)(v), by striking "and" at the end;

(2) in subparagraph (I), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(J) for a national political committee of a political party, disbursements made by the committee in an aggregate amount greater than $1,000, during a calendar year, in connection with a political activity (as defined in section 316(d));".

SEC. 306. POLITICAL ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS.

(a) DISCLOSURE TO EMPLOYEES AND SHAREHOLDERS REGARDING POLITICAL ACTIVITIES.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as amended by section 203, is amended by adding at the end the following:

"(d) DISCLOSURE OF DISBURSEMENTS FOR POLITICAL ACTIVITIES.—

"(1) CORPORATIONS AND NATIONAL BANKS.—A corporation or national bank described in this section shall submit an annual written report to shareholders stating the amount of each disbursement made for a political activity or that otherwise influences a Federal election.

"(2) LABOR ORGANIZATIONS.—A labor organization described in this section shall submit an annual written report to dues paying members and nonmembers stating the amount of each disbursement made for a political activity or that otherwise influences a Federal election, including contributions and expenditures.

"(3) DEFINITION OF POLITICAL ACTIVITY.—In this subsection, the term 'political activity' includes a communication or other activity that involves carrying on propaganda, attempting to influence legislation, or participating or intervening in a political party or political campaign for a Federal office.".

(b) DISCLOSURE TO THE COMMISSION OF CERTAIN PERMISSIBLE ACTIVITIES BY LABOR ORGANIZATIONS AND CORPORATIONS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103 and 201, is amended by adding at the end the following:

"(f) REQUIRED STATEMENT OF CORPORATIONS AND LABOR ORGANIZATIONS.—Each corporation, national bank, or labor organization that makes an aggregate amount of disbursements during a year in an amount equal to or greater than $1,000 for any activity described in subparagraph (A), (B), or (C) of section 316(a)(2) shall submit a statement to the Commission (not later than 24 hours after making the payment) describing the amount spent and the activity involved.".

SA 121. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S.27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. TIME FOR CANDIDATES TO FILE REPORTS.

(a) MONTHLY REPORTS; 24-HOUR REPORTS.—Section 304(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended—

(1) in clause (ii), by striking "and" at the end; and

(2) by striking clause (iii) and inserting the following:

"(iii) additional monthly reports, which shall be filed not later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that monthly reports shall not be required under this clause in November and December and a year end report shall be filed not later than January 31 of the following calendar year; and

"(iv) 24-hour reports, beginning on the day that is 15 days preceding an election, that shall be filed no later than the end of each 24-hour period; and".

(b) CONFORMING AMENDMENTS.—

(1) SECTION 304.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(A) in paragraph (3)(A)(ii), by striking "quarterly reports" and inserting "monthly reports"; and

(B) in paragraph (8), by striking "quarterly report under paragraph (2)(A)(iii) or paragraph (4)(A)(i)" and inserting "monthly report under paragraph (2)(A)(iii) or paragraph (4)(A)".

(2) SECTION 309.—Section 309(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(b)) is amended by striking "calendar quarter" and inserting "month".

SEC. 306. CONTRIBUTOR INFORMATION REQUIRED FOR CONTRIBUTIONS IN ANY AMOUNT.

(a) SECTION 302.—Section 302 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ", and if the amount" and all that follows through the period and inserting: "and the following information with respect to the contribution:

"(A) The identification of the contributor.

"(B) The date of the receipt of the contribution."; and

(B) in paragraph (2)—

(i) in subsection (A), by striking "such contribution" and inserting "the contribution and the identification of the contributor"; and

(ii) in subsection (B), by striking "such contribution" and all that follows through the period and inserting ", no later than 10 days after receiving the contribution, the contribution and the following information with respect to the contribution:

"(i) The identification of the contributor.

"(ii) The date of the receipt of the contribution.";

(2) in subsection (c)—

(A) by striking paragraph (2);

(B) in paragraph (3), by striking "or contributions aggregating more than $200 during any calendar year"; and

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(3) in subsection (h)(2), by striking "(c)(5)" and inserting "(c)(4)".

(b) SECTION 304.—Section 304(b)(3)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)(A)) is amended by striking "whose contribution" and all that follows through "so elect,".

SEC. 307. PROHIBITION OF DEPOSITING CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

"(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit or otherwise negotiate a contribution unless the information required by this section is complete.".

SEC. 308. PUBLIC ACCESS TO REPORTS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended by inserting "and publicly available at the offices of the Commission" after "Internet".

SA 122. Mr. TORRICELLI (for himself, Mr. DURBIN, Mr. CORZINE, and Mr. DORGAN) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. TELEVISION MEDIA RATES.

(a) LOWEST UNIT CHARGE.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) CHARGES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) TELEVISION.—The charges made for the use of any television broadcast station, or a provider of cable or satellite television service, by any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed the lowest charge of the station (at any time during the 365-day period preceding the date of the use) for the same amount of time for the same period.".

(b) RATE AVAILABLE FOR NATIONAL PARTIES.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2)), as added by subsection (a), is amended by inserting ", or by a national committee of a political party on behalf of such candidate in connection with such campaign," after "such office".

(c) PREEMPTION.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) PREEMPTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

"(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.".

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (d), is amended by inserting after subsection (d) the following new subsection:

"(e) RANDOM AUDITS.—

"(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

"(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

"(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

"(B) At least 3 of the 51-100 largest designated market areas (as so defined).

"(C) At least 3 of the 101-150 largest designated market areas (as so defined).

"(D) At least 3 of the 151-210 largest designated market areas (as so defined).

"(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.".

(e) DEFINITION OF BROADCASTING STATION.—Subsection (f) of section 315 of such Act (47 U.S.C. 315(f)), as redesignated by subsection (c)(1) of this section, is amended by inserting ", a television broadcast station, and a provider of cable or satellite television service" before the semicolon.

(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" before "If any";

(2) in subsection (f), as redesignated by subsection (c)(1) of this section, by inserting "DEFINITIONS.—" before "For purposes"; and

(3) in subsection (g), as so redesignated, by inserting "REGULATIONS.—" before "The Commission".

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, March 27, 2001 at 9:30 a.m. in room SD–106 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of this hearing is to consider national energy policy with respect to impediments to development of domestic oil and natural gas resources.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SRC–2 Russell Senate Office Building, Washington, D.C. 20510–6150.

For further information, please call Trici Heninger or Bryan Hannegan at (202) 224–7932.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, March 20, 2001 to hear testimony on the Jordan Free Trade Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FOREIGN RELATIONS

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 20, 2001 at 10:30 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on

Armed Services be authorized to meet during the session of the Senate on Tuesday, March 20, 2001 at 9:30 a.m., in open session to receive testimony on the readiness impact of range encroachment issues, including: endangered species and critical habitats; sustainment of the maritime environment; airspace management; urban sprawl; air pollution; unexploded ordinance; and noise.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. DEWINE. Mr. President, I ask unanimous consent my law clerk, Susan Bruno, be granted floor privileges during the pendency of the campaign finance reform debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALLING UPON THE PEOPLE'S REPUBLIC OF CHINA TO END ITS HUMAN RIGHTS VIOLATIONS IN CHINA AND TIBET

Mr. WARNER. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 22, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The senior assistant bill clerk read as follows:

A resolution (S. Res. 22) urging the appropriate representative of the United States to the United Nations Commission on Human Rights to introduce at the annual meeting of the Commission a resolution calling upon the People's Republic of China to end its human rights violations in China and Tibet, and for other purposes.

There being no objection, the Senate proceeded to consider the resolution.

Mr. WARNER. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and, finally, any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 22) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 22

Whereas the annual meeting of the United Nations Commission on Human Rights in Geneva, Switzerland, provides a forum for discussing human rights and expressing international support for improved human rights performance;

Whereas, according to the Department of State and international human rights organizations, the Government of the People's Republic of China continues to commit widespread and well-documented human rights abuses in China and Tibet;

Whereas the People's Republic of China has yet to demonstrate its willingness to abide by internationally accepted norms of freedom of belief, expression, and association by repealing or amending laws and decrees that restrict those freedoms;

Whereas the Government of the People's Republic of China continues to ban and criminalize groups it labels as cults or heretical organizations;

Whereas the Government of the People's Republic of China has repressed unregistered religious congregations and spiritual movements, including Falun Gong, and persists in persecuting persons on the basis of unauthorized religious activities using such measures as harassment, prolonged detention, physical abuse, incarceration, and closure or destruction of places of worship;

Whereas authorities in the People's Republic of China have continued their efforts to extinguish expressions of protest or criticism, have detained scores of citizens associated with attempts to organize a peaceful opposition, to expose corruption, to preserve their ethnic minority identity, or to use the Internet for the free exchange of ideas, and have sentenced many citizens so detained to harsh prison terms;

Whereas Chinese authorities continue to exert control over religious and cultural institutions in Tibet, abusing human rights through instances of torture, arbitrary arrest, and detention of Tibetans without public trial for peacefully expressing their political or religious views;

Whereas bilateral human rights dialogues between several nations and the People's Republic of China have yet to produce substantial adherence to international norms; and

Whereas the People's Republic of China has signed the International Covenant on Civil and Political Rights, but has yet to take the steps necessary to make the treaty legally binding: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) at the 57th Session of the United Nations Human Rights Commission in Geneva, Switzerland, the appropriate representative of the United States should solicit cosponsorship for a resolution calling upon the Government of the People's Republic of China to end its human rights abuses in China and Tibet, in compliance with its international obligations; and

(2) the United States Government should take the lead in organizing multilateral support to obtain passage by the Commission of such resolution.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: Nos. 19 and 20, and all nominations on the Secretary's desk in the Coast Guard. I further ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

IN THE COAST GUARD

The following named officer for appointment as Commander, Atlantic Area, United States Coast Guard, and to the grade indicated under title 14, U.S.C., section 50:

To be vice admiral

Rear Adm. Thad W. Allen, 3199

The following named officer for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

To be rear admiral (Lower Half)

Capt. Harvey E. Johnson, Jr., 0186
Capt. Sally Brice-O'Hara, 0516

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE COAST GUARD

PN11 Coast Guard nominations (135) beginning Timothy Aguirre, and ending William J. Ziegler, which nominations were received by the Senate and appeared in the Congressional Record of January 3, 2001.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

ORDERS FOR WEDNESDAY, MARCH 21, 2001

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, March 21. I further ask consent that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the Torricelli amendment to the campaign finance bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WARNER. For the information of all Senators, the Senate will resume consideration of the Torricelli broadcasting amendment beginning at 9:30 a.m. tomorrow. Senators should expect a vote in relation to the amendment to occur at approximately 12:30 p.m. Amendments will continue to be offered and voted on every 3 hours throughout the day unless time is yielded back on the amendments

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. WARNER. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:48 p.m., adjourned until Wednesday, March 21, 2001, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 20, 2001:

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS COMMANDER, ATLANTIC AREA, UNITED STATES COAST GUARD, AND TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 50:

To be vice admiral

REAR ADM. THAD W. ALLEN, 3199

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral (lower half)

CAPT. HARVEY E. JOHNSON JR., 0186
CAPT. SALLY BRICE-O'HARA, 0516

IN THE COAST GUARD

COAST GUARD NOMINATIONS BEGINNING TIMOTHY AGUIRRE, AND ENDING WILLIAM J. ZIEGLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 3, 2001.

HOUSE OF REPRESENTATIVES—*Tuesday, March 20, 2001*

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 3, 2001, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

FEDERAL GOVERNMENT'S ROLE IN ENVIRONMENTAL STEWARDSHIP CRITICAL ASPECT FOR PROMOTING LIVABLE COMMUNITIES

Mr. BLUMENAUER. Mr. Speaker, I came to Congress determined that the Federal Government be a better partner in promoting livable communities, to make our families safe, healthy and economically secure. Government needs to lead by example, to set the tone and follow through. A critical aspect is our environmental stewardship.

I just returned from 4 days in Oregon and was, frankly, surprised at the intensity of the public reaction to this administration's lack of commitment to the environment. The sudden about-face from an explicit campaign promise to have mandatory reductions in carbon dioxide emissions has struck a nerve. The administration may think it is time to study global warming, but most Americans agree with the overwhelming scientific evidence that global warming is real and that we must do something about it.

I was struck by the continued deep opposition to the administration's proposal to drill for oil in the Arctic Wildlife Refuge. For me the issue is not a question of whether the environmental damage may result, it is the fundamental question whether we should do it at all.

I was pleased to see a recent newsletter by the Rocky Mountain Institute which contained an article by Amory and Hunter Lovins asking that fundamental question. They point out, for example, that the State of Alaska's own recent survey forecast on the long-term oil prices suggest that the prices are not going to be high enough to make the operation profitable. Using our time and resources to recover this more expensive oil would result not only in a waste of money, but it would in the long run result in more oil imports as we ignore more cost-efficient operations other than the Arctic Wildlife Refuge.

This also continues to ignore the reality that we, as a country, cannot and should not continue to consume energy the way that we currently do: six times higher than the world per capita energy consumption, twice as much as developed countries like Japan and Germany.

The irony is that conservation does work and would work better than a mad rush to exploit our oil resources. It is estimated that a mere 3-mile-per-gallon improvement in the performance of SUVs would offset the entire proposed oil production from the Arctic. And if we feel that we cannot single out these large and inefficient vehicles, then just a ½-mile-per-gallon efficiency improvement in the fleet overall would meet the production of the Arctic wilderness. It is a lack of will regarding the average level over the last 20 years that we have not reduced these mileage requirements. Last year was 24 miles per gallon, tied for lowest in the last 20 years. We can and we should do better.

Simple things like in California having roofs that are white and reflective would reduce air conditioning costs by approximately 30 percent. It would be far more effective for us to make that investment in conservation.

I started in politics during the last energy crisis some 25 years ago, and despite Ronald Reagan's efforts to gut and reverse the efforts, conservation over a period of time has saved a quantity of energy that is four times the entire domestic oil energy production. Conservation is the only alternative that will provide immediate relief to those of us in the West this year. It has no threat from terrorists, no risk of environmental damage, and conservation continues producing every year. That is why past efforts at conservation have made each oil barrel that we have today support almost twice as much of the gross national product as in 1975.

But last and most significant, it does not make sense to strategically drill in the Arctic Wildlife Refuge if we are worried about oil security for the United States. What could be more foolish than placing our bets on an aging 800-mile facility that is increasingly unreliable, that is wearing out, and is impossible to defend? The potential for disruption makes it an ideal target for a terrorist, a rogue state or a deranged person.

It is in fact a potential disaster waiting to happen if you are concerned about security. Far better than this rancorous debate over the potential environmental damage in the wildlife refuge is to work to reduce the waste of energy in the United States.

HEALTH CARE TAX DEDUCTION ACT OF 2001

The SPEAKER pro tempore (Mr. MICA). Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, I just dropped a bill this morning, and I intend to talk about it. It is called the Health Care Tax Deduction Act. What it does is allow deductions for amounts paid for health insurance premiums and unreimbursed prescription drugs. What I am proposing would also provide much-needed relief to individuals struggling with the high cost of health insurance and prescription drugs through a tax deduction.

As we all know, employers can write off the cost of health care coverage that is purchased for their employees. Why cannot individuals be afforded this same opportunity to write off their premiums and their unreimbursed prescription drug expenses? The current tax code sets a threshold at 7.5 percent of adjusted gross income before medical expenses can be taken as a write-off. I do not think this is fair.

Right now, under the current tax code, in order to claim health care expenses the individuals must file an itemized tax return. I believe that all taxpayers should be allowed to deduct these out-of-pocket expenses and costs and that we need to include a place where this deduction could be taken on the short form such as the 1040 EZ, and the 1040A. My bill also applies to the self-employed because individuals who are self-employed will not be eligible for a 100 percent write-off until the year 2003.

Employer-sponsored health insurance is declining. In 1987, 69.2 percent of the population under 65 had health insurance through their place of employment or a family member's place of employment. That number declined to 64.9 percent in 1998. Just who are we talking about? Well, four out of five uninsured Americans in 1998 lived in a family with a full-time worker. Only 72 percent of employees are eligible for coverage from their employer, and

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

about 40 percent of small businesses, 50 workers or less, do not offer any kind of health insurance. This is according to the National Coalition on Health Care.

So who is affected? Low and middle-income families; young adults 18 to 24 make up 30 percent of the uninsured; the near-elderly ages 55 to 64; minority and immigrant populations; people who work in small businesses; others include people with day-labor jobs, temporary or part-time jobs.

I believe we must address this issue because so many Americans are uninsured today, and many millions more are underinsured.

So you might ask why is this so important. Because we all end up paying for the uninsured through higher premiums, deductibles and copayments for covered services, higher taxes for uncompensated care, and reduced wages.

Did you know that Americans spends more than $1 trillion on health care? That represents about 13.5 percent of the gross domestic product. By 2008, spending will increase to 16.5 percent of the gross domestic product. In fact, Mr. Speaker, Americans spend more per capita for health care than any other nation in the world.

But why are so many people uninsured? Most studies cite cost as a major reason for not having insurance. Many workers decline coverage through their place of employment because they cannot afford to pay their share of the premium. Others, such as temporary workers, cannot afford to purchase their own insurance.

We all know that the cost of health care has risen dramatically over the last 20 years. The average premium costs about $4,500 for an individual and about $6,500 for a family. Of that amount, employees pay 10 to 30 percent of that premium. Unfortunately, things will probably get worse because many employers cover the cost of the high premiums to keep workers in a tight labor market. However, if the economy continues to slow down and unemployment begins to rise, then employers might pass the cost along to the employees or in fact discontinue providing health insurance altogether.

Seniors, in particular, have been impacted because so many HMOs have pulled out of Medicare due in large part to the high cost of prescription drugs. Allowing a simple write-off of certain costly health care expenses such as health insurance premiums and out-of-pocket expenses for prescription drugs would be a tremendous benefit that may not be available to them under the current system.

Mr. Speaker, I will be sending out a letter; and I hope all of my colleagues cosponsor my bill. It makes sense to have all taxpayers have this type of deduction available to them.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 41 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 2 p.m.

PRAYER

The Reverend Dr. Cheryl J. Sanders, Third Street Church of God, Washington, D.C., offered the following prayer:

Eternal God, we lift hearts full of gratitude to You on this day that You have made, thanking You for the invitation to rejoice and be glad in it. We give thanks for the women and men of this House of Representatives.

Make Your presence and Your purpose come alive in their deliberations and debates today. By Your spirit, please empower their leadership and legislative process. Through them extend Your blessing to every family and community represented here today, Your grace to those without representation, Your equity to the poor, Your peace to the troubled, Your light to those in despair.

Grant us all full access to the healing resources and reconciling justice You have ordained for our Nation.

In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from the District of Columbia (Ms. NORTON) come forward and lead the House in the Pledge of Allegiance.

Ms. NORTON led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

> S. 420. An act to amend title 11, United States Code, and for other purposes.

RECOGNIZING THE REVEREND DR. CHERYL J. SANDERS, SENIOR PASTOR, THIRD STREET CHURCH OF GOD

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Madam Speaker, it is especially appropriate during this Women's History Month that we have welcomed for prayer a distinguished young woman, an ordained minister of the Church of God, the Reverend Dr. Cheryl Sanders. Not only is Reverend Sanders the senior minister of one of the District's oldest and most distinguished churches, the Third Street Church of God, she is professor of Christian Ethics at Howard University.

Not only does Dr. Sanders minister to the poor as a gifted preacher, she is a woman of extraordinary intellectual range. She has written and taught broadly on subjects ranging from biomedical ethics to the Holiness Pentecostal experience and African American religion and culture. I am proud to note that she has a special interest in feminist ethics.

Madam Speaker, I am particularly proud and pleased to celebrate Women's History Month by having the prayer offered this morning by a woman who, like me, is a native Washingtonian, who attended D.C. public schools, where she was well prepared to achieve her BA at Swarthmore and her masters and doctorate at Howard University Divinity School, where she now teaches.

Dr. Sanders' life as a Christian minister includes her husband and two children. The Church is blessed when such an able and dedicated woman is called to teach and preach in the Nation's Capital.

PRESERVING MARRIAGE

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Madam Speaker, healthy families are fundamentally important to a healthy America. This should go without saying. According to our best data, out-of-wedlock births and weakened marriages are the principal causes of child poverty, welfare dependence, crime, drug use, and child abuse. But the Federal Government spends $150 billion, that is with a B, on welfare programs to subsidize and support single-parent families, and only $150 million trying to reduce out-of-wedlock births.

In other words, we spend 1,000 times as much money supporting single-parent families as we spend encouraging parents to commit to raising their children together.

It is time we remembered the traditional two-parent family. Single parents often do a great job, even against the odds. There are millions of heroic single parents in this country doing their best to support and raise their children. But ask them what they think, and they will be the first to tell you that kids would be better off with both mother and dad caring for them.

TIME TO PASS A FLAT TAX

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. From the womb to the tomb, Madam Speaker, the Internal Rectal Service is one big enema. Think about it: they tax our income, they tax our savings, they tax our sex, they tax our property sales profits, they even tax our income when we die.

Is it any wonder America is taxed off? We happen to be suffering from a disease called Taxes Mortis Americanus.

Beam me up. It is time to pass a flat, simple 15 percent sales tax, and fire these nincompoops at the IRS.

Think about it.

I yield back the socialist, communist income tax scheme of these United States.

THE BUDGET, BY THE NUMBERS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Madam Speaker, the facts are in, and the numbers do not lie. The budget proposed by this Republican-led Congress will meet not only all of the needs, but the priorities as well of the American people.

This budget continues our commitment to improving education by investing $80 billion next year, that is a 14 percent increase, in the education budget; and it supports our national defense with a $14 billion budget increase, and a $5.7 billion increase specifically for improving service members' pay, housing, and veterans health care.

In addition, this budget also includes $153 billion for Medicare reform, and $2.8 billion for the National Institutes of Health. We pay down a historic $2 trillion of the public debt, and ensure that the $2.6 trillion Social Security trust fund remains safe from the Washington spendthrifts.

Madam Speaker, we achieve all these goals while still giving the American families meaningful and fair tax relief, meaning $1,600 for the average family of four will be back in their pockets for them to spend.

Madam Speaker, the numbers simply do not lie. And there is one more, millions, and that is how many Americans want us to pass this reasonable budget and tax relief now.

180TH ANNIVERSARY OF GREEK INDEPENDENCE

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Madam Speaker, I am pleased today to rise in honor of the 180th anniversary of Greek independence.

It was 180 years ago that the Greek patriots rose up against the Ottomans in a courageous act of defiance. Many of them fought and died for what they believed in, the right of self-determination, self-governance, that an independent Greek nation should rightfully exist alongside other sovereign nations, free of foreign domination, oppression and constraints.

A country with a rich history stretching back more than 4,000 years, Greece remains the cradle of democracy and one of the most important contributors to Western Civilization.

When the Founding Fathers of this country sought to create a government of, by, and for the people, they reached for inspiration in the words and theories of the great Greek philosophers.

On this day we reaffirm the common democratic heritage we share. Like our day of independence on July 4th, in which we are always reminded of the cost of freedom and independence, it is only fitting that the Congress of the United States commemorate the struggle that led to Greek independence. We fought the same battles, and won, as did those Greek patriots.

PROTECTING SOCIAL SECURITY AND MEDICARE USING A LOCK BOX

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Madam Speaker, more than 76 million baby boomers are marching toward retirement, creating the greatest demographic challenge this Nation has ever faced. Our government is not prepared to meet their needs. Medicare could be insolvent in the near future. In just a few years, Social Security could be in the red.

The implications are frightening. Seniors currently rely on Social Security for nearly half of their incomes. Medicare provides a staggering amount of the elderly with their basic insurance benefits.

That is why the Republican Congress has taken the first step. We stopped the 30-year raid on the Social Security trust fund, and also on Medicare. Republicans made retirement security a priority and followed through on our word. Now Congress has adopted a lock box on the Social Security program and the Medicare program.

Madam Speaker, Republicans stopped Congress from spending the surplus out of these trust funds for new spending programs.

RECOGNIZING NATIONAL AGRICULTURE WEEK AND AG DAY

(Mr. KENNEDY of Minnesota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY of Minnesota. Madam Speaker, I rise today to pay tribute to the men and women of America who help feed the world. This week is National Agriculture Week, and today is Ag Day. It is a time when we take a moment to pay tribute to those that work the land to feed our world.

For many of the constituents in my district, it is a very special day. Southwest Minnesota is a national leader in producing soybeans, corn, sugar, turkeys, pork, and dairy products.

The efficiency of U.S. farmers is a benefit to all Americans. American families spend approximately 9 percent of their income on food, compared to 11 percent in the United Kingdom, 17 percent in Japan and 53 percent in India.

Madam Speaker, I urge my colleagues not to forget the farmer among all of the other pressing issues of the day. Agriculture is a vital link to the success of our Nation, and we must help our farmers by working to grow demand for their products.

ADMINISTRATION DOING NOTHING TO HELP POWER CRISIS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Madam Speaker, the Pacific Northwest is locked in an unprecedented drought. We have lost hydropower generation and we are going to have to buy energy. But the energy markets have gone haywire because of the failed California deregulation. Prices are 10 times what they were a comparable month 2 years ago.

This is outrageous price gouging and profiteering on the part of some national energy companies. It is threatening residential ratepayers and businesses alike in the Northwest and California.

The Northwest delegation just met with Vice President CHENEY, and we have had the response of the Bush-Cheney administration. They will do one thing to help us, one thing to help the residential ratepayers and the businesses of the Pacific Northwest in the face of this catastrophe that is coming with huge rate increases for profiteering by a few national energy companies based, strangely enough, in Texas.

They will do one thing to help us, they told us, and that one thing is nothing.

TRIBUTE TO THE LATE PINA BROOKS SWIFT

(Mrs. JO ANN DAVIS of Virginia asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JO ANN DAVIS of Virginia. Madam Speaker, I rise to pay tribute to a great lady of Virginia, my friend Pina Brooks Swift, who recently died unexpectedly at the age of 65.

Pina was the chairman of the Virginia Board of Elections and served as past chairman of Republican counties both in the city of Fredericksburg and in Stafford County, Virginia, two prominent localities in Virginia's first district.

Pina was a woman of great energy and integrity who always let you know where she stood, but at the same time respected the opinion of others. She had friends in all walks of life and in both parties. Even those who disagreed with her on some issues, admired her for her candor and genuine affection for her fellow human beings.

In my own case, Pina and I shared a common philosophy, though there were a few issues on which we diverged. But no matter, we spoke freely to one another and always parted as the best of friends.

The death of Pina Brooks Swift marks the end of a remarkably productive life. She will long be remembered as one of the founding ladies of the modern Republican Party of Virginia, as well as a person who was forceful, kind, caring and a great credit to humanity. She will be deeply missed.

OFFICER JAMES NAIM TRIBUTE

(Ms. HART asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HART. Madam Speaker, I rise to pay tribute to a fallen hero. James Naim of Hopewell Township in Pennsylvania was a police officer who was ambushed and fatally shot at point-blank range while he was on foot patrol this past Thursday night. It was a senseless act of violence and cowardice; but unfortunately, such violence has become all too common in our society today.

Officer Naim was at a turning point. He was 32 years old. He was only a police officer in the city of Aliquippa for 14 months, and he was only a few weeks away from earning his college degree. He had been working on it part-time. He was about to be reunited with his wife, Sofia, a native of Bulgaria, who had been having trouble getting her visa to return to the United States.

□ 1415

This young couple had a bright future ahead of them. In the midst of all of this opportunity and change, James Naim knowingly risked his life every day doing what he loved: protecting the lives of others.

All too often we find ourselves looking for heroes in movies and on television, when all we have to do is look next door and see someone like Officer Jim Naim, someone who never sought recognition for his honorable dedication to others, but courageously paid the ultimate price in achieving it.

Today over 1,000 police officers attended the burial of Officer Naim, which reflects the profound impact he had on the lives of those around him. I join them in their tribute to his service and ultimate sacrifice, and recognize that the world has tragically lost another hero.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to clause 8 of rule XX, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record vote on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

RECOGNIZING THE IMPORTANCE OF COMBATTING TUBERCULOSIS

Mr. BALLENGER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 67) recognizing the importance of combatting tuberculosis on a worldwide basis, and acknowledging the severe impact that TB has on minority populations in the United States, as amended.

The Clerk read as follows:

H. RES. 67

Whereas tuberculosis is a horrible disease that is preventable and treatable;

Whereas one third of the world's population is infected with the TB bacteria, including between 10 and 15 million people in the United States;

Whereas someone in the world dies of TB every 15 seconds;

Whereas TB will kill more people this year than any other year in history;

Whereas TB rates are substantially higher for minorities in the United States;

Whereas African Americans suffer from TB at a rate that is eight times greater than that of Caucasians, Latinos at six times greater, Native Americans at five times greater and Asians at a rate of nearly fifteen times greater;

Whereas a substantial number of States have TB rates above the national average, the highest rates being found in Texas, Hawaii, California, Alaska, Florida, Georgia, and New York;

Whereas the increased threat of TB emerging in the United States is an unavoidable byproduct of increased international travel, commerce, and migration;

Whereas leading TB experts agree that in order to control TB in the United States, it is necessary to control TB in the developing countries that contribute the vast majority of the global TB burden and are the destination of tens of thousands of American visitors each year; and

Whereas it is possible to control tuberculosis worldwide, as the global community eradicated smallpox and may soon eradicate polio, if the worldwide political will to do so is found: Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes the importance of increasing United States investment in international tuberculosis control within the foreign aid budget for fiscal year 2002;

(2) recognizes the importance of supporting and expanding domestic efforts to eliminate TB in the United States; and

(3) calls upon local, national and global leaders, including the President of the United States, to commit to putting an end to the worldwide TB epidemic.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. BALLENGER).

GENERAL LEAVE

Mr. BALLENGER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the resolution presently being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BALLENGER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 67, introduced by our colleagues, the gentleman from Texas (Mr. REYES) and the gentleman from Texas (Mr. RODRIGUEZ), seeks to draw more attention at home and abroad to the growing threat posed by tuberculosis. This deadly disease not only poses a threat throughout the developing world, but also disproportionately afflicts minority and poor populations in the United States.

Tragically, Madam Speaker, one-third of the world's population is infected with tuberculosis, a treatable and curable disease. Yet millions die from the disease because its victims lack education and an awareness about its deadly consequences on them or the meager resources needed for treatment. More alarming is the fact that between 10 million and 15 million Americans are infected with tuberculosis in the United States and thousands die of that disease each year.

Madam Speaker, every 15 seconds a person is infected with the deadly tuberculosis virus; and as a consequence, more people will die of the disease this year than in any other year in history. It is also important to underscore that infectious diseases know no borders and that as a result of travel and commerce, more and more Americans, especially the poor and minorities, will become infected and die from this preventable disease.

The global community worked collectively to eradicate smallpox and is working to rid the world of the polio virus. We can do the same with regard to tuberculosis. It is also possible to save lives by providing the poor and minorities in our own country as well as overseas with inexpensive tuberculosis treatment. Madam Speaker, this is not only the right thing to do, it is the smart thing to do. By saving lives, we can increase the productivity and lessen the burden on our taxed health care systems, both in the United States and overseas.

Therefore, Madam Speaker, it is important for the Congress to pass H.R. 67 in order to recognize the challenge posed by the tuberculosis epidemic and to redouble our efforts to combat and eradicate this terrible and deadly disease. This is another example of how America can act globally to serve its own interests at home.

I commend my colleagues for drafting this timely and important resolution, and I urge them to vote for its adoption.

Madam Speaker, I reserve the balance of my time.

Mr. LANTOS. Madam Speaker, I rise in strong support of this resolution, and I yield myself such time as I might consume.

Madam Speaker, H. Res. 67 expresses support for increased United States funding for international tuberculosis treatment and eradication efforts. I would first like to commend my friend and colleague, the gentleman from Texas (Mr. REYES), for introducing this resolution.

This resolution before us today calls for increasing U.S. investment substantially in international tuberculosis control within the Foreign Aid budget for fiscal year 2002. The Reyes resolution also recognizes the importance of supporting and expanding domestic efforts to eliminate TB and calls on international leaders to commit to putting an end to the worldwide TB epidemic.

Madam Speaker, March 24 is World TB Day, the day dedicated to raising awareness of the terrible toll inflicted by tuberculosis and to increase support for fighting TB. It is, therefore, appropriate that we are taking up this resolution today, just a few days prior to World Tuberculosis Day.

Madam Speaker, tuberculosis kills 2 million people every single year. That is one person every 15 seconds. Globally, tuberculosis is the leading cause of death of young women and the leading cause of death of people with HIV/AIDS. The World Health Organization, Madam Speaker, estimates that one-third of the world's population is infected with bacteria that cause tuberculosis, including an estimated 10 million to 15 million people here in the United States. Tuberculosis is spreading as a result of inadequate treatment, and it is a disease that knows no national borders.

In order to control TB in the United States in a more effective manner, it is critical that we ensure the effectiveness of TB-controlled programs globally. There is a highly effective and inexpensive treatment for tuberculosis. It is recommended by the World Health Organization as the best method for treating TB. The strategy is known as Directly Observed Treatment Short Course, DOTS for short. It produces high cure rates, prevents the further spread of the infection, and prevents the development of strains of multidrug resistant TB. Yet fewer than one in five of those ill with tuberculosis are receiving this treatment.

Based on the estimates of the World Bank, Madam Speaker, this treatment is one of the most cost-effective health interventions available, costing less than $100 to save a life. It can produce cure rates of up to 95 percent, even in the poorest countries.

Madam Speaker, I think the United States should commit more of our resources to support this treatment globally. It is the only way that we will be able to stop TB here in the United States and across the globe. I believe that passage of the Reyes resolution will signal that this House of Representatives strongly supports increased funding for the global battle against tuberculosis.

I commend the gentleman from Texas (Mr. REYES) for introducing this resolution, and I urge all of my colleagues to support H. Res. 67.

Madam Speaker, I reserve the balance of my time.

Mr. BALLENGER. Madam Speaker, I reserve the balance of my time.

Mr. LANTOS. Madam Speaker, I am pleased to yield as much time as he may consume to the gentleman from Texas (Mr. REYES), my friend and colleague, and the author of this most important resolution.

Mr. REYES. Madam Speaker, I thank the gentleman from California (Mr. LANTOS) for yielding me this time this afternoon.

Madam Speaker, I rise today to encourage my colleagues to support a very important resolution. This resolution recognizes the importance of combatting tuberculosis commonly referred to as TB, on a worldwide basis and acknowledges the severe impact that TB has on minority populations in the United States.

As I speak this afternoon, I want my colleagues to focus on these four statistics: someone in the world is infected with TB every second of every day; someone in the world dies of TB every 15 seconds; TB kills 2 million people every year; and TB rates are substantially higher for minorities in the United States.

I introduced this resolution with the gentleman from Texas (Mr. RODRIGUEZ), my friend and colleague, because the problem of tuberculosis, which many people think of as a disease of the past that has largely been eradicated, is again posing a serious threat to the health and security of our Nation. We must exert maximum effort to combat this disease on a global scale.

Madam Speaker, tuberculosis is a horrible disease that is preventable and treatable; yet one-third of the world's population is infected with the TB bacteria, including between 10 million and 15 million people in the United States. Every second of every day, a person somewhere in the world is infected with TB. Every second of every day, additionally, someone in the world dies of TB. This treatable disease will kill more people this year than any other time in our history.

Furthermore, TB rates are substantially higher for minorities in the United States, with African Americans suffering from this disease at a rate that is eight times greater than that of Caucasians; Latinos at a rate that is six times greater than Caucasians; Native Americans at a rate of five times greater; and Asians at a rate of nearly 15 times greater. Everything possible needs to be done to stop this disease in its tracks. I am greatly concerned with the TB infection rates along the U.S.-Mexico border as well. Texas and California have TB rates above the national average.

Madam Speaker, TB is emerging in the United States as an unavoidable by-product of increased international travel, commerce, and migration. It is necessary to control TB in developing countries if we are going to control it here within our own borders in the United States. We need to eradicate TB just as we have eradicated smallpox.

Madam Speaker, we need to substantially increase the investment in international tuberculosis control within the foreign aid budget for fiscal year 2002. We need to recognize the importance of supporting and expanding domestic efforts to eliminate TB in the United States, and we all need to work together to put an end to the worldwide TB epidemic.

I ask my colleagues to support H. Res. 67. The World Health Organization has designated this coming Saturday as World TB Day, and I cannot think of a more appropriate way to bring attention to this terrible disease this year than the passage of this resolution.

Finally, I would like to thank the gentleman from California (Mr. LANTOS), my good friend, and the gentleman from North Carolina (Mr. BALLENGER), also my good friend, and their staffs for their work on the Committee on International Relations and for their help in managing this bill. I would also like to thank all of my colleagues who cosponsored this important legislation and who I am sure will keep up the fight to eradicate tuberculosis on a worldwide basis.

Mr. LANTOS. Madam Speaker, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Madam Speaker, I thank the gentleman for yielding me this time.

Tuberculosis is the greatest infectious killer of adults worldwide. Each year, 8 million people are diagnosed with tuberculosis and 2 million die from it, one person every 15 seconds. In India alone, 1,100 people die every day from tuberculosis. Not surprisingly, the statistics on access to TB treatment worldwide are pretty grim. Fewer than one in five of those with TB receive Directly Observed Treatment Short Course, or the so-called DOTS treatment.

Based on World Bank estimates, DOTS treatment is one of the most cost-effective health interventions available, costing as little as $20, and no more than $100, in the developing world to save a life and producing cure rates of up to 95 percent, even in the poorest countries with the least developed health care infrastructure.

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But we have a small window of opportunity during which stopping tuberculosis can be cost effective. The failure to effectively treat TB, which comes from incorrect or interrupted treatment and inadequate drug supplies, creates stronger strains that can become resistant to today's drugs.

An epidemic of multi-drug resistant TB, so-called MDR–TB, multi-drug resistant TB, would cost billions to control, with no guarantee of success. MDR-TB has been identified on every continent. According to the World Health Organization, MDR–TB ultimately threatens to return TB control to the pre-antibiotic era, the pre-1950s era, where no cure for TB was available.

In the U.S., TB treatment, normally about $2,000 per patient, skyrockets to as much as a quarter million dollars per patient, what happened in New York City in the early 1990s, and an MDR–TB treatment may not even be successful.

MDR–TB kills more than half of those infected in the United States and other industrialized nations. In the developing world, multi-drug resistant TB is an effective death sentence.

As H. Res. 67 makes perfectly clear, more needs to be done.

To control TB in the U.S. more effectively, it is necessary to ensure the effectiveness of TB control programs worldwide.

It is not just the humanitarian and the right thing to do for us to work on TB in this country, it also makes a difference and work internationally on TB will make a difference in this country.

This week I will be joined by the gentlewoman from Maryland (Mrs. MORELLA) and the gentleman from California (Mr. WAXMAN) in introducing two pieces of legislation responding to the global TB threat.

Our global TB legislation calls for U.S. investment in international TB control of $200 million for next year, with a focus on expanding proven, low-cost TB treatment in countries with high levels of TB.

Our domestic bill calls for an annual investment of $528 million in Atlanta's Centers for Disease Controls in their efforts to eliminate TB and $240 million in the National Institutes of Health TB research activities.

The Director General of the World Health Organization, Gro Bruntland, said that TB is not a medical problem, it is a political problem. Getting Americans engaged in an international and a domestic issue like TB, even when addressing that issue serves our best interests, is an uphill battle. Still, it is one worth fighting.

Madam Speaker, I thank the gentleman from California (Mr. LANTOS) and the gentleman from Texas (Mr. REYES) for their efforts on this issue. We have an opportunity to save millions of lives now and prevent millions of needless deaths in the future.

Mr. BALLENGER. Madam Speaker, I submit the following exchange of letters for the RECORD between the gentleman from Illinois (Mr. HYDE) and the gentleman from Louisiana (Mr. TAUZIN):

HOUSE OF REPRESENTATIVES, COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, March 19, 2001.

Hon. W.J. "BILLY" TAUZIN,
Chairman, Committee on Energy and Commerce,
Rayburn House Office Building,
Washington, DC.

DEAR MR. CHAIRMAN: I have received your letter concerning H. Res. 67, a resolution recognizing the importance of combating tuberculosis on a worldwide basis. It is our intention that the House consider this resolution on the suspension calendar. The Committee on Energy and Commerce was granted an additional referral on this resolution based on its jurisdiction over public health issues.

We recognize your jurisdiction, and appreciate your willingness to waive your right to consider this resolution without waiving your jurisdiction over the general subject matter.

As you have requested, I will include this exchange of letters in the Congressional Record during consideration of the resolution.

I appreciate your assistance in getting this important legislation to the floor.

Sincerely,

HENRY J. HYDE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, March 19, 2001.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations,
Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN HYDE: it is my understanding that the House leadership has scheduled H. Res. 67, recognizing the importance of combating tuberculosis, for floor action tomorrow, March 20, 2001. As you know, the Committee on Energy and Commerce was given a named additional referral on this legislation.

Because of the desire to bring this legislation before the House in an expeditious manner, I will not exercise my Committee's right to a referral. By agreeing to waive its consideration of the bill, however, the Energy and Commerce Committee does not waive its jurisdiction over H. Res. 67.

I ask for your acknowledgment of the Energy and Commerce Committee's jurisdiction over this legislation. I further request that you include this letter as part of the RECORD during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

W.J. "BILLY" TAUZIN,
Chairman.

Madam Speaker, I yield such time as she may consume to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Madam Speaker, I would like to, first of all, thank the gentleman from North Carolina (Mr. BALLENGER), my colleague who was elected with me in the 10th Congress, for yielding the time.

Madam Speaker, I rise in strong support of H. Res. 67, legislation which highlights the importance of combatting TB on a worldwide basis.

I want to salute the gentleman from Texas (Mr. REYES) and the gentleman from California (Mr. LANTOS) for introducing this resolution.

I also want to thank the gentleman from Ohio (Mr. BROWN) for taking the lead with me in introducing legislation to increase the amount of money that we are expending as seed money to combat tuberculosis on a worldwide basis.

My support is ongoing for programs which save, protect and enhance the lives of millions of people around the world, programs such as infectious disease control and tuberculosis control, in particular.

International tuberculosis control has become an important issue to me over the past few years. Although it is not a widely known fact, TB is the biggest infectious killer of young women in the world. In fact, TB kills more women worldwide than all other causes of maternal mortality combined.

Someone in the world is newly infected with TB every second, and 8 million people become sick with the disease annually. TB accounts for more than 1 quarter of all preventable adult deaths in developing countries.

Currently, an estimated one-third of the world's population, including 15 million people in the United States, are infected with the TB bacteria; and due to its infectious nature, TB cannot be stopped at national borders. It is impossible to control TB in the United States until we control it worldwide.

Effective TB treatment is one of the most cost-effective, tangible interventions that can extend the life of HIV-infected persons, protect families from financial ruin and enable women and girls to enjoy a brighter future. Unfortunately, less than one in four of these infected with TB have access to proven treatment, a proven treatment called DOTs, despite the fact that it is extremely cost effective and produces cures of up to 90 percent.

A full six-month course of drugs costs only $10 or $15, and this strategy has improved cure rates by up to 50 percent and has reduced drug resistance. However, I stress that only a quarter of the world's active TB patients now use DOTs. The World Health Organization, in collaboration with various governments, foundations and anti-TB groups, seeks to solve these problems by creating a global drug facility which will buy and supply good quality drugs to countries and nongovernmental organizations that agree to use them correctly.

The United States must take a leadership role in supporting this initiative by substantially increasing spending programs to eliminate the spread of TB worldwide from $60 million to $200 million next year, with at least half of the money going to the drug facility.

Until we control TB internationally, the minority sectors of our own society will continue to be severely impacted by this disease. Latinos suffer from TB at a rate that is six times that of Caucasians. Rates among African Americans are eight times higher, and Native Americans have an incidence five times greater. Moreover, TB affects Asians with an incidence nearly 15 times greater than Caucasians.

Today, when people and diseases can reach any destination on the globe within 36 hours, TB anywhere is a threat everywhere. The longer we wait to address the TB epidemic, the more difficult and expensive it will be to eradicate the disease.

H. Res. 67 summarizes exactly what we must do to achieve this end, and I urge the support of this body.

Mr. LANTOS. Madam Speaker, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. DAVIS), my good friend.

Mr. DAVIS of Illinois. Madam Speaker, I rise today in support of H. Res. 67, which recognizes the importance of fighting tuberculosis worldwide and especially among minority populations in the United States. I commend the gentleman from Texas (Mr. REYES), my good friend, for recognizing the increasing threat of tuberculosis worldwide and its reemergence in the United States.

Decades ago in this country many Americans were forced into sanitariums as a way to control the spread of TB. Since then, there have been diagnostic and treatment advances that have led to a decline in the number of tuberculosis cases. In the United States between 1977 and 1999, the cases of TB decreased by 42 percent. During this time, the cases of TB in Chicago also decreased by 57 percent.

However, despite the decline of TB among the general population, a disturbing trend of TB remains prevalent among African Americans and other minority groups within the United States. The cases of TB between 1995 and 1999 for African Americans in Chicago were more than four times higher as compared to nonHispanic whites.

Although African Americans were recorded as less than 40 percent of Chicago's population, African Americans accounted for 62 percent of all recorded TB cases in Chicago. In 1999, Chicago was ranked the third highest in the Nation of TB cases, with 463 cases reported.

The community of Chicago's Southside, where approximately 36 percent of the TB cases are reported, joined hands together with the help of the Metropolitan Chicago Tuberculosis Coalition and the American Lung Association of Metropolitan Chicago to develop priorities to move towards the decline in the number of TB cases. Education was listed as the first priority to help in reducing these cases; and I agree with the community leaders, health care professionals and individuals from organizations who are developing and implementing programs of education to educate citizens to become actively involved in fighting this dreaded disease.

Again, Madam Speaker, I want to commend the gentleman from Texas (Mr. REYES) and the gentleman from California (Mr. LANTOS) and all of those who are calling for additional funding for tuberculosis both Nationwide and here at home.

Mrs. CLAYTON. Madam Speaker, I am pleased to speak in support of H. Res. 67, recognizing the importance of combating tuberculosis on a worldwide basis, and acknowledge the severe impact that TB has on minority populations in the United States.

TB WORLDWIDE

While TB is an ancient disease, it is also one of the world's deadliest. Every day, 20,000 people develop TB and 5,000 die from it. TB accounts for more than one quarter of all preventable adult deaths in developing countries.

Each year, there are two million TB-related deaths worldwide and a disproportionate number of people who become sick with TB are the most vulnerable—women, the poor, the homeless, racial and ethnic minorities and people infected with HIV.

TB is the leading killer of people who are HIV-infected, accounting for one third of AIDS deaths worldwide. People co-infected with HIV and TB are up to 800 times more likely to develop active TB during their lifetime than people without HIV infection.

TB is the biggest killer of women, causing more deaths among women worldwide than all other causes of maternal mortality combined.

TB IN THE UNITED STATES

In the 1970s and '80s the United States let its guard down against TB. Many states and cities redirected TB prevention and control funds to other programs and TB came back with a vengeance. The trend toward elimination was reversed and the US experienced a resurgence of TB with a 20 percent increase in TB cases reported between 1985 and 1992. Many of these persons were suffering from difficult to treat drug-resistant TB.

Today, 15 million people in our country are infected with the TB bacteria.

TB rates are substantially higher for minorities in the United States.

African-Americans suffer from TB at a rate that is eight times that of Caucasians.

My state of North Carolina is just below the National average for TB cases. In 1999, North Carolina had a TB rate of 6.4 cases per 100,000 persons. The goal on the Tuberculosis Control program in North Carolina is to reduce TB by the year of 2010 to under one case per one million persons, virtually eliminating TB in the state. This bill encourages leaders in my state, the nation, and world-wide to continue efforts to eliminate Tuberculosis.

WHAT MUST BE DONE

The end of this week (March 24th) is World TB Day. This is the day we commemorate the discovery of the TB bacteria in 1882. Unfortunately, today we are further away from eliminating this killer than we were that day over 100 years ago.

The global community has been complacent about this disease for too long. That is why I am pleased to support Mr. REYES' Resolution commemorating this day and acknowledging the harsh toll that TB takes on minorities. In addition to acknowledging the continued impact of this disease, I also believe we here in the United States must greatly increase our investment in domestic and international TB control programs. Due to its infectious nature, the only way to control TB at home is to address it worldwide. We must invest in our future now, before it's too late—before the spread of drug-resistant TB becomes too difficult or too expensive to control at all.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise in support of H. Res. 67, Recognizing the Importance of Tuberculosis On A Worldwide Basis. This resolution marks a significant realization by the global public health community that we need to do more to stop this illness.

One-third of the world's population, including between 10 million and 15 million people in the United States, is infected with the tuberculosis (TB) bacteria, and rates of TB are substantially higher for minorities in the United States than for other Americans.

This resolution recognizes the importance of "substantially increasing United States investment in international tuberculosis control" in the FY 2002 foreign aid budget. We can no longer delay in combating this illness with the priority it deserves. The resolution also recognizes the importance of supporting and expanding domestic efforts to eliminate tuberculosis (TB) in the United States and calls on local, national and world leaders, including the president, to "commit to putting an end to the worldwide TB epidemic." This is a global problem, which requires a rapid and effective response from all nations.

The measure notes that the increased threat of TB emerging in the U.S. is an "unavoidable byproduct of increased international travel, commerce, and migration," and that in order to control TB in the United States, it is necessary to control TB in developing countries.

Madam Speaker, TB is an avoidable problem, and, in many ways, is much easier to control than other epidemics. We are not doing enough, however, to keep TB from touching our children's lives. We must redouble our efforts as to stem the tide of the TB epidemic and disseminate the appropriate preventative measures to lessen the illness where possible.

I urge my colleagues to support the resolution.

Mr. BACA. Madam Speaker, I rise in support of H. Res. 67, recognizing the importance of tuberculosis funding.

On March 24th, 1882, Dr. Robert Kotch discovered the bacteria that causes TB.

More than a century later, TB is still a serious world threat. In fact, it kills more people today than it did a century ago.

Somewhere in the world someone dies of TB every fifteen seconds.

One third of the world's population is infected with the TB bacteria.

This year alone, TB will take more than 2 million lives, including the lives of many minorities here in the United States. The illness is particularly affecting our African American population.

This disease is a threat to all of us, including to my constituents in California, which has one of the highest rates of this illness in the country.

Therefore, it is essential that we increase funding for TB control, and increase efforts to eliminate TB in the United States.

We must call upon world leaders, including the President to commit to putting an end to this epidemic.

Mr. GILMAN. Madam Speaker, I rise today in strong support of H. Res. 67 and I commend my colleague, Mr. REYES from Texas for bringing this important issue to our attention.

Tuberculosis (TB) is a communicable disease caused by the bacteria tubercle bacillus and a related mycobacterium (Mycobacterium bovis). It is characterized by toxic or allergic symptoms that primarily affect the lungs. One third of the world's population is infected with the TB bacteria, including between 10 and 15 million people in the United States. A substantial number of states have TB rates above the national average. The highest rates are found in Texas, Hawaii, California, Alaska, Florida, Georgia, and my home state of New York. Additionally, TB rates are substantially higher among minorities in the United States. African Americans suffer from TB at a rate of eight times greater than Caucasians, Latinos at six times greater, Native Americans at five times greater and Asians at a rate of nearly fifteen times greater.

Globally, 2 million people die from TB each year. It is estimated that between 2000 and 2020, nearly one billion people will be newly infected, 200 million people will get sick, and 35 million will die from TB—if control is not further strengthened. The global epidemic is growing and becoming more dangerous. The breakdown in health services, the spread of HIV/AIDS and the emergence of multidrug-resistant TB are contributing to the worsening impact of this disease. Leading TB experts agree that in order to control the disease in the United States it is necessary to control TB in the developing countries that contribute the majority of the global TB burden and are the destination of thousands of American visitors each year.

H. Res. 67 recognizes the importance of substantially increasing the United States investment in international tuberculosis control within the foreign aid budget in fiscal year 2002 to help countries worldwide, recognizes the importance of supporting and expanding domestic efforts to eliminate tuberculosis in the United States and call upon local, national and global leaders to commit to putting an end to the worldwide tuberculosis epidemic. Accordingly, I urge my colleagues to support this measure and help limit the spread of this devastating disease.

Mrs. CAPPS. Madam Speaker, I am pleased to speak in support of House Resolution 67, which recognizes the importance of combating tuberculosis on a worldwide basis and acknowledges the severe impact TB has had on minority populations in the United States.

Leading experts on tuberculosis agree that in order to control this deadly disease in the United States, we need to control TB in the developing countries that make up the vast majority of the global TB burden. No one thinks this will be easy, but it is possible.

The global community successfully eradicated smallpox and many soon get rid of polio. If the international community contributes the necessary resolve and resources, we can eradicate tuberculosis as well.

In 1999, there were an estimated 8.4 million new cases of tuberculosis—up from 8 million in 1997. This increase was due in large part to a 20 percent increase in incidence in African countries with high HIV/AIDS rates. Most countries with rapidly growing HIV epidemics also have high TB rates. This is true for countries such as Brazil, Ethiopia, and Nigeria. This is typically because these countries lack the proper health care personnel, infrastructure, and funding. The link between HIV and TB rates means that we can expect several million additional new cases of TB as HIV continues to spread in high-prevalence countries.

TB is the leading cause of death from infection among young women worldwide. One third of the world's population is infected with the tuberculosis bacteria—including 10–15 million people in the United States—and every year between two to three million people die of this curable disease.

On March 16, Archbishop Desmond Tutu officially launched World TB Day, and, on March 24, the international community will recognize World TB Day. The theme, "DOTS (Directly Observed Treatment, Short-course)—TB cure for all," call for equitable access to TB services for anyone with this disease. Access to treatment should be available to men and women, and rich and poor alike. It should also be available to vulnerable groups such as people with HIV or drug-resistant TB. The theme of a TB cure for all contributes to the fulfillment of everyone's right to the highest possible standard of health.

TB rates tend to be significantly higher in the poor and disadvantaged worldwide, and TB rates are substantially higher for minorities in the United States. In fact, Asian Americans are fifteen times more likely to suffer from TB than Caucasians, African Americans are eight times more likely, Latinos are six times more likely, and Native Americans are five times more likely to suffer from this disease.

I would like to take this opportunity to commend an organization in my district called Results. Results is a non-profit organization that seeks solutions to world hunger and poverty. Results is actively working to eradicate TB. I support this goal, and I want to make sure Congress provides the resources to assist in this effort.

Madam Speaker, Congress has a duty to substantially increase the U.S. investment in international tuberculosis control, and to expand domestic efforts to eliminate TB in the United States. I am committed to making this happen, and I am pleased that this important resolution was brought to the House floor today.

Ms. PELOSI. Madam Speaker, I rise today in strong support of H. Res. 67 which recognizes the importance of combating tuberculosis worldwide and the severe impact of tuberculosis on minority populations in the United States. I would like to thank Congressmen SILVESTRE REYES and CIRO RODRIGUEZ for introducing this resolution.

In particular, I would like to recognize the leadership of Congressman SHERROD BROWN who has been an outspoken advocate for increased investment in tuberculosis treatment and prevention.

In last year's Foreign Operations Appropriations bill, we worked together with Chairman SONNY CALLAHAN to triple funding for international tuberculosis to $60 million. Although this was an important victory, we must do more to combat tuberculosis on a global level.

Few diseases are as widespread and as devastating as TB. TB kills 2 million people each year—and is second only to AIDS as the biggest infectious killer of adults in the world. TB will kill more people this year than any other year in history.

TB is also the leading cause of death among people with HIV. It accounts for one-third of AIDS deaths worldwide and up to 40 percent of AIDS deaths in Africa and Asia.

In the United States, TB rates are substantially higher for minorities than Caucasians. African Americans suffer from TB at a rate of eight times greater, Latinos at a rate of six times greater, and Asians at a rate of nearly fifteen times greater.

The good news is that an effective treatment does exist for TB. The World Bank has reported that DOTS (Directly Observed Treatment Shortcourse)—is one of the most cost effective health interventions available. It costs just $20–$100 to save a life. The problem is that only one in five of those ill with TB is receiving treatment.

We have a very small window of opportunity during which stopping TB would be cost effective. If we go too slowly, so much drug resistant TB will emerge that it will cost billions to control, with no guarantee of success.

I enthusiastically support this resolution and working to ensure that Congress provides adequate funding to treat and prevent this terrible disease.

Mrs. MINK of Hawaii. Madam Speaker, I rise in strong support of H. Res. 67, which recognizes the importance of combating tuberculosis on a worldwide basis, and acknowledging the impact that TB has had on the United States minority population.

Hawaii's location, population and visitor profile makes for a unique role in infectious disease developments throughout the Pacific Basin and Asia. Unfortunately, Hawaii has the distinction of having the highest rate of TB among the 50 States. Eighty percent of TB cases occur among the foreign-born. Most of these cases occur in immigrants within five years of arrival into the State.

The State of Hawaii Department of Health Tuberculosis Control Program works closely with the United States Public Health Service Honolulu Quarantine Station (USPHS HQS) to identify communicable diseases such as tuberculosis. The USPHS HQS has been responsible for the identification of communicable TB cases in immigrants that would not have been detected in their native country.

This partnership has been threatened due to recent staff cuts at the USPHS HQS. More quarantine officers are desperately needed to provide protection to the residents of Hawaii and the rest of the United States.

I am hopeful that the passage of this resolution will remind Americans that we must work with all developing nations to combat this horrific disease. We must also keep all U.S. quarantine stations staffed at appropriate levels to limit the spread of TB in our country.

I urge my colleagues to support this resolution.

Mr. RODRIGUEZ. Madam Speaker, today I join my colleague from Texas [SILVESTRE REYES] in order to recognize the need to fight Tuberculosis (TB) across the globe. To many Americans, this is a disease of the past or one that only exists in other countries, far from us. Unfortunately, it is neither gone nor far away. Today, TB remains a dangerous disease impacting 15 million in the United States. If we are to eliminate TB within our own borders, we must work to control TB on a world wide basis.

Nearly 57 million Americans travel in any given year outside of the United States, approximately 1 million people legally immigrate to the United States, and millions of others travel here each year. This continuous movement across borders increases the possible spread of the disease and makes it an international public health threat. While the disease knows no borders, we within our borders can take action and recognize the need to combat tuberculosis globally.

I am greatly concerned that one-third of new TB cases originate in the four Southwest border states of Texas, New Mexico, Arizona, and California, and that minorities are disproportionately hurt by this disease. Tuberculosis occurs along the border at twice the national average. In the United States, Latinos suffer from TB at a rate that is six times that of Anglos. African-Americans suffer from TB at a rate that is eight times that of Anglos.

TB needs to be controlled now before it spreads uncontrollably, or worse yet, becomes resistant to treatments. For most of us it might seem a distant disease that few of us will encounter, but it is a real and threatening disease that can harm many in the United States if we do not take control measures now. I urge you to support this fight against tuberculosis and to support H. Res. 67.

Mr. LANTOS. Madam Speaker, I yield back the balance of my time.

Mr. BALLENGER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the resolution, H. Res. 67, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXPRESSING SYMPATHY FOR VICTIMS OF DEVASTATING EARTHQUAKES IN EL SALVADOR

Mr. BALLENGER. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 41) expressing sympathy for the victims of the devastating earthquakes that struck El Salvador on January 13, 2001, and February 13, 2001, and supporting ongoing aid efforts.

The Clerk read as follows:

H. CON. RES. 41

Whereas on the morning of January 13, 2001, a devastating and deadly earthquake with a magnitude of 7.6 on the Richter Scale and a depth of 36 miles occurred off the coast of El Salvador, southwest of San Miguel, killing hundreds of people, injuring thousands of people, and displacing approximately 1,000,000 people;

Whereas the earthquake has left damage throughout the country, having caused significant landslides and destruction in 12 of El Salvador's 14 provinces;

Whereas almost 2,000 aftershocks and tremors have been recorded, and they continue to occur;

Whereas on the morning of February 13, 2001, a second devastating and deadly earthquake occurred with a magnitude of 6.6 on the Richter Scale and an epicenter located 15 miles east-southeast of San Salvador, El Salvador, killing more than 250 people, injuring thousands of people, and leaving thousands of other people homeless;

Whereas the people of El Salvador have displayed strength, courage, and determination in the aftermath of these earthquakes;

Whereas the people of the United States and El Salvador have developed a strong friendship based on mutual interests and respect;

Whereas El Salvador has appealed to the World Bank, the Inter-American Development Bank, and the international community generally for economic assistance to meet the substantial relief and reconstruction needs of that nation in the aftermath of these earthquakes; and

Whereas the United States has offered technical and monetary assistance through the United States Agency for International Development: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) expresses—

(A) deep sympathy for the people of El Salvador for the tragic losses suffered as a result of the earthquakes of January 13, 2001, and February 13, 2001; and

(B) support for the efforts of the people of El Salvador to rebuild their homes and lives;

(2) expresses support for continuing and substantially increasing, in connection with these earthquakes, relief and reconstruction assistance provided by relief agencies and the international community, including the World Bank, the Inter-American Development Bank, and the United States Agency for International Development;

(3) urges the President to encourage such entities to expedite such assistance; and

(4) encourages assistance by other nations and organizations to alleviate the suffering of the people of El Salvador and to assist them in rebuilding their homes and lives.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. BALLENGER).

GENERAL LEAVE

Mr. BALLENGER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 41.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BALLENGER. Madam Speaker, I include for the RECORD the following letters from the gentleman from Illinois (Mr. HYDE) and the gentleman from Ohio (Mr. OXLEY):

HOUSE OF REPRESENTATIVES, COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, March 19, 2001.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services,
House of Representatives.

DEAR MR. CHAIRMAN: I have received your letter concerning H. Con. Res. 41, a resolution expressing sympathy for the victims of the earthquakes in El Salvador. It is our intention that the House consider this legislation on the suspension calendar. The Committee on Financial Services was granted an additional referral on this resolution based on its jurisdiction over international financial and monetary organizations.

We recognize your jurisdiction, and appreciate your willingness to waive your right to consider this resolution without waiving your jurisdiction over the general subject matter. I will support the Speaker in naming members of your committee as conferees, should it get to conference.

As you have requested, I will include this exchange of letters in the Congressional Record during consideration of the resolution.

I appreciate your assistance in getting this important legislation to the floor.

Sincerely,

HENRY J. HYDE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, March 19, 2001.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations,
Washington, DC.

DEAR HENRY: I understand that you intend to bring H. Con. Res. 41, a resolution expressing sympathy for the victims of the El Salvadoran earthquakes, to the floor for consideration under the suspension calendar. As you know, the Committee on Financial Services was granted an additional referral upon the resolution's introduction pursuant to the Committee's jurisdiction over international financial and monetary organizations under Rule X of the Rules of the House of Representatives.

Because of the importance of this matter, I recognize your desire to bring this legislation before the House in an expeditious manner and will waive consideration of the resolution by the Financial Services Committee. By agreeing to waive its consideration of the resolution, the Financial Services Committee does not waive its jurisdiction over H. Con. Res. 41. In addition, the Committee on Financial Services reserves its authority to seek conferees on any provisions of the resolution that are within the Financial Services Committee's jurisdiction during any House-Senate conference that may be convened on this legislation. I ask your commitment to support any request by the Committee on Financial Services for conferees on H. Con. Res. 41 or related legislation.

I request that you include this letter and your response as part of the Congressional Record during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

MICHAEL G. OXLEY,
Chairman.

Mr. BALLENGER. Madam Speaker, I yield 3¼ minutes to the gentleman from Virginia (Mr. TOM DAVIS), and I commend him for this resolution.

Mr. TOM DAVIS of Virginia. Madam Speaker, I thank the gentleman from North Carolina (Mr. BALLENGER), my friend, for yielding me the time.

Madam Speaker, I rise today as the sponsor in support of H. Con. Res. 41, a resolution which expresses sympathy for the victims of the devastating earthquakes that struck El Salvador on January 13, 2001, and February 13, 2001, and supports ongoing aid efforts.

Two devastating and deadly earthquakes rocked the Central American nation of El Salvador on January 13 and February 13. The first quake measured 7.6 on the Richter scale and had a depth of 96 miles and occurred off the El Salvadoran coastline 65 miles southwest of San Miguel.

The second quake measured 6.6 on the Richter scale and had a depth of about 20 miles, and it occurred 48 miles east of San Salvador. Neighboring countries of Guatemala and Honduras also felt this quake.

These devastating earthquakes were responsible for over 1,100 deaths and more than 8,000 injuries. In addition, the quakes destroyed 150,000 homes and damaged another 185,000 houses. In total, over 1.5 million El Salvadorans have been affected by these national catastrophes.

The humanitarian needs of our neighbors in El Salvador are substantial. El Salvadorans need clean water, health facilities, homes, schools and paved roads. These needs are compounded by severe poverty, particularly in the rural areas, which affects 63 percent of El Salvador's rural families.

The damage assessments continue to rise. The USAID reports that the cost of rebuilding after the two earthquakes will be more than $2.8 billion. Adding to the devastation are the aftershocks that continue to occur in El Salvador.

The United States Geological Survey reports that hundreds of landslides have occurred, making the roads impassable in many places around lakes, while debris flowing around such lakes have altered drainage patterns which will cause sediment dams to form during the rainy season. In addition, many roads and bridges have been washed out or blocked by landslides or mudslides.

As of March 15, the United Nations Office for the Coordination of Humanitarian Affairs reports that over 70,000 people lack adequate drinking water and must depend on clean water transported by trucks.

☐ 1445

Currently, UNICEF is organizing the distribution of water and working closely with the Pan-American Health Organization and the World Health Organization.

After years of brutal civil war and unrest, El Salvador has emerged as one of the most stable nations in Latin America. Not only has El Salvador developed a thriving economy, but it also has instituted many significant democratic reforms. I am deeply concerned that the damage and human suffering caused by these earthquakes may threaten the future stability and economic success of El Salvador. We cannot allow this tragedy to result in socio-political backsliding.

The Washington, D.C. metropolitan area is home to approximately 135,000 Salvadoran-Americans, which is the second-largest Salvadoran community in the United States, only behind Los Angeles, California. I want to take this opportunity to commend the El Salvadoran immigrants who live in America, work honest jobs, contribute to our local economies, and also save enough to send home to their families in El Salvador. Salvadoran immigrants' contributions to their home land is laudable and substantial. They send an estimated $2 billion annually to their families, making their remittances El Salvador's main source of foreign exchange.

Saint Anthony's of Padua Catholic Church in Falls Church, Virginia, is a shining example of the community and the Church working together to bring relief to those who need it most. The congregation is where 5,000 Salvadoran-Americans worship weekly.

By the end of January, almost $93,000 was collected during the Sunday services. Subsequent to this collection, Reverend Father Jose E. Hoyos and his congregation have collected food, drinking water, blankets, and other basic necessities to distribute to earthquake victims.

Father Hoyos traveled to El Salvador in early February to inspect the damage and to report back to his parishioners on recovery efforts. In addition, Father Hoyos brought a check for $88,276 made out to the Catholic charity, Caritas, for the archdiocese of San Salvador.

Madam Speaker, I would like to thank the gentleman from North Carolina (Chairman BALLENGER), the gentleman from Illinois (Mr. HYDE), and the gentleman from Ohio (Mr. OXLEY) for their support in quickly moving this resolution through their committees.

Finally, I believe H. Con. Res. 41 is an important resolution that deserves the support of every Member, and I urge my colleagues on both sides of the aisle to vote in favor of this resolution.

Mr. LANTOS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I first would like to commend the gentleman from Virginia (Mr. DAVIS) for introducing this important resolution. I rise in strong support of the resolution.

El Salvador has suffered two devastating earthquakes within the span of one single month. The first of these was on the 13th of January at a magnitude of 7.6. It killed 827 people, injured about 5,000 others, and destroyed or damaged 222,000 homes.

On February 13, the second earthquake, measuring 6.6, struck El Salvador again, causing more death and destruction in this beleaguered nation.

About a million and a half Salvadorans have been affected, almost one in every four of the country's population. The equivalent in the United States, Madam Speaker, would be that the entire populations of Florida and New York, Pennsylvania, Ohio, and Illinois would have been affected.

On top of these two massive earthquakes, Salvadorans are coping with scores of smaller quakes, now over 5,000 aftershocks. Of course this follows Hurricane Mitch in 1998 and years of civil war preceding it.

We must respond on a scale befitting both of the disasters and the respect and friendship we have for the people of El Salvador.

Now, the administration recently announced some additional assistance for El Salvador. But many of us feel that this has not been anywhere nearly adequate. We were even more surprised and concerned to learn that the earthquake aid that President Bush has pledged has simply taken away from other priorities in El Salvador and the entire region at a time when Latin America has been suffering from a spate of natural disasters.

How long, Madam Speaker, are we going to continue this policy of robbing Peter to pay Paul?

The economies of the affected countries are strained beyond endurance, and much of the progress we have made over the past 2 decades has been reversed. We spent billions during the 1980s to promote democracy in these countries. Now is the time to help them move forward.

The President declared our relationship in the Western Hemisphere to be a foreign policy priority. Yet, I ask what real commitment is there in terms of economic development assistance that we intend to put into this region?

We should vote to pass this resolution today. But more importantly, we should commit ourselves to do more and to do it soon.

I urge my colleagues to support H. Con. Res. 41.

Madam Speaker, I reserve the balance of my time.

Mr. BALLENGER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, today we have the resolution before us, H. Con. Res. 41, which expresses sympathy for all the victims of the two devastating earthquakes.

I would like to say that my wife and I have been working in El Salvador for 35 years and have many friends there. A few days after the earthquake, we were in our hotel, 10:33 in the evening, and that time can be confirmed by several of us that were there, we had an aftershock on the seventh floor of the hotel which was rather a fascinating way to spend the evening.

These quakes on the Richter scale, we have all discussed that. I would just like to say that, after this disaster and we got back to the United States, people in North Carolina have come forward. And this people do not know: it was the beginning of their school year. Their first school day almost, the earthquake came, and it destroyed over 1,000 of their schools. So I was able to get volunteers in North Carolina to provide three container-loads of school furniture and three container-loads of baby diapers. I look forward to this being able to help those people, because it truly is a disaster.

These quakes could not have come at a worse time. Since the end of its protracted civil war, El Salvador has been developing a thriving economy and instituting democratic reforms, making it one of the most promising nations in the region. However, the damage and human suffering caused by the earthquakes now threatens the future stability and economic success of this nation. Without immediately helping, we in the U.S. and elsewhere, the efforts made by El Salvador and its people have been made in vain.

The Department of State and USAID have informed Congress that the Bush administration intends to provide $100 million in assistance. Additionally, and a very important thing, U.S. Attorney General Ashcroft has provided temporary protective status for some 100,000 undocumented Salvadorans, which allows them to stay here and continue to work without the fear of being sent back.

I urge my colleagues to support passage of this resolution.

Madam Speaker, I reserve the balance of my time.

Mr. LANTOS. Madam Speaker, I am delighted to yield 6 minutes to the distinguished gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, as others have indicated, this past January and February El Salvador was rocked by two major earthquakes and thousands of smaller aftershocks. I think it was the gentleman from Virginia (Mr. DAVIS) who sponsored the resolution who indicated that some 1,200 people were killed and almost 10,000 were injured.

Thousands of homes have been destroyed, and the country's infrastructure has been severely impacted. The property damage alone is estimated to be at least $3 billion, according to the most recent estimates; and these numbers, while horrific, do not tell the entire story.

I traveled with the gentleman from North Carolina (Mr. BALLENGER), my friend and the chairman of the subcommittee, to El Salvador in January and witnessed the devastation firsthand. We saw people's homes destroyed. We saw a neighborhood buried under a side of a mountain. We handed out survival packages provided by USAID to hungry and homeless families. That was before the February 13 earthquake.

I think it is very important to understand that these people live in desperate fear of continued aftershocks in the coming rainy season, which only can mean further devastation in their lives. That psychological fear was truly palpable.

After the brutal civil war and the destruction caused by Hurricane Mitch, these latest disasters may seem like more than a people can bear. But I want to let my colleagues know that these people are resilient. They are brave. They are meeting the challenges. But it is so clear that they need additional assistance.

I think every American, too, should know that all Salvadorans are cooperating to rebuild their nation. Everyone from local officials to the president is working with one goal in mind, to get El Salvador back on its feet.

As part of that recovery effort, the national government, led by the center-right party, the ARENA Party, is working closely with local mayors, many of whom are FMLN, a center-left party which includes many former guerrillas.

These are the people who, 15 years ago, were literally at war with each other, and they are now working together in close coordination to recover from these earthquakes. Of course they have their differences, but they are resolving them through a democratic dialogue, much like we do every day in this institution.

So from that perspective, and I know the chairman shares my viewpoint, it was a most encouraging trip. The Salvadoran leadership representing many diverse political perspectives deserves to be commended. After many years, democracy has finally taken root in El Salvador. It is in our national interest, and I would submit it is our moral responsibility, given our long history and involvement in El Salvador to nurture that democracy, to assist them in repairing the infrastructure so necessary to advance their economy and their fledgling democratic institutions.

Salvadorans have the will to repair their country, but they need our help to do so. So much has been wrecked that they simply cannot repair the damage on their own. Now that El Salvador is finally a democracy, the kind of democracy that its people dreamed of for years, let us not turn our back on them.

So I urge my colleagues to come together as the Salvadoran people have done.

Madam Speaker, before I sit down, I would be remiss not to note the special relationship that two Members of this institution have with the people of El Salvador. One, of course, is the gentleman from North Carolina (Mr. BALLENGER), chairman of the Subcommittee on Western Hemisphere. He indicated earlier that he has spent 35 years on El Salvador. What he did not speak to is the fact that those 35 years that he has been providing diapers and roofs and schoolhouses and desks were from his own resources. It is truly a labor of love. I think it is important that our colleagues know that the gentleman from North Carolina (Chairman BALLENGER) and his wife, Donna, are truly held in high regard by the Salvadoran people.

Of course, I also would be remiss not to acknowledge the gentleman from Massachusetts (Mr. MOAKLEY), my friend and the leader of the Massachusetts delegation. His name is as well known in El Salvador as it is in South Boston, for it was the gentleman from Massachusetts (Mr. MOAKLEY), more than any other American, that helped to bring an end to the bloodshed in El Salvador.

So in his absence, I simply want to acknowledge that and to thank the gentleman from Massachusetts (Mr. MOAKLEY) for his courage, for his leadership, to let him know that we are proud of him, all of us, and to report to him that the Salvadoran people continue to be profoundly grateful to his contribution to that nation.

Mr. LANTOS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I merely wish to identify myself with the comments concerning the gentleman from Massachusetts (Mr. MOAKLEY).

Madam Speaker, I ask unanimous consent that the gentleman from Massachusetts (Mr. DELAHUNT) be allowed to control the balance of the time on the Democratic side.

The SPEAKER pro tempore (Mrs. BIGGERT). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BALLENGER. Madam Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BEREUTER).

□ 1500

Mr. BEREUTER. Madam Speaker, I rise as a Member of the majority of the Committee on Financial Services and on its behalf to support the resolution, H. Con. Res. 41, before us which expresses sympathy for the victims of the devastating earthquakes that struck El Salvador on both January 13 and February 13 and to express our support for the ongoing aid efforts.

Madam Speaker, I would like to thank and commend the distinguished gentleman from Virginia (Mr. TOM DAVIS), for introducing this sense of the Congress resolution and for his efforts in bringing this measure to the House floor today.

As noted, this expresses sympathy to the people of El Salvador for the tragic losses which they have incurred. The gentleman from California (Mr. LANTOS) and other Members have referred to the two massive earthquakes and the hundreds of aftershocks, and also the civil war and the hurricane that have been visited upon the people of El Salvador.

Those of us who have visited that country over the years have known about the optimism and especially the energy of the Salvadoran people. No one knows it better than the gentleman from North Carolina and his wife; and as the gentleman from Massachusetts has indicated, they have done so much to assist out of their own financial resources and their own time.

As a member of the Committee on Financial Services, we are urging the World Bank, the Inter-American Development Bank, and U.S. Agency for International Development to accentuate their aid. This Member has been in contact and will further contact the executive directors of the Inter-American Development Bank and the World Bank, as well as the leadership of the former, to see what we can do to be of assistance.

As a member of both the Committee on Financial Services and a member of the Committee on International Relations, I urge my colleagues to support H. Con. Res. 41, and thank my colleagues for all they have done in their efforts in working with the people of El Salvador.

Mr. DELAHUNT. Madam Speaker, I yield 3 minutes to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Madam Speaker, I want to thank the Committee on International Relations for bringing this resolution to the floor. I have a particular interest in this resolution because I represent well over 10,000 Salvadorans who live in my district in Los Angeles, but more importantly, because of the suffering that this poor country has endured over the last 10 years, whether it be civil wars, Hurricane Mitch, or with the recent earthquakes which continue in El Salvador.

I had the opportunity of meeting with the president of El Salvador, along with other colleagues here, to discuss some of the problems that they face there; and what I ascertained from that discussion is that we need to do better than just provide $52 million in aid that the President is going to allow this year, and more than $58 million in the following year. We need to put up at least $2 billion to help to restore that country's infrastructure.

Something that I really want to share with Members here, in my discussion with President Francisco Flores, he mentioned that yes, they are receiving aid from other countries, far more than from our very own country; and one of the problems that they are facing is transporting those items and goods and disseminating them in the municipalities. So while we hear that there is a need to coordinate and work with different factions of that country, we still find that there is a stifling effect in terms of disseminating that aid.

I would ask that the United States and our government work quickly to provide humanitarian aid, but human resource aid as well to help deliver those particular needed items to those many children and elderly and people who are now going without protection over their heads because they have no roof, they have no shelter.

Madam Speaker, I want to urge the House to go a step further and really work in partnership with the country of El Salvador. El Salvador has many, many residents here who are hardworking taxpayers.

Madam Speaker, I would close my statement by also thanking President Bush for granting TPS for an 18-month period because it is very important. It is in this spirit that I ask my colleagues to move forward and ask for more assistance, to the tune of at least $2 billion, for those Salvadorans who are in current need of restoration and support.

Mr. BALLENGER. Madam Speaker, I yield myself such time as I may consume to offer to the gentlewoman from California that Myers Shipping Lines, out of California and out of the East Coast, will be happy to deliver at a cut rate, not a free rate, anything that the gentlewoman might collect in California.

Madam Speaker, I yield 2 minutes to the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

Mrs. JO ANN DAVIS of Virginia. Madam Speaker, as a member of the Committee on International Relations, I rise today to speak in support of H. Con. Res. 41. It is a resolution that expresses sympathy for the victims of the recent and terrible earthquakes in El Salvador.

Madam Speaker, many people are unaware and uninformed about the recent earthquakes. On January 13, 2001, the earthquake struck with a terrible thunder; and without a doubt the aftermath shall be felt for many years. Landslides, mudslides, aftershocks and tremors continued after the first earthquake. Then exactly 1 month later on February 13, a second devastating earthquake shook El Salvador.

El Salvador is a country that is no longer itself. It is a country that has been transformed by terrible and irreversible events. Without our help, it will be unable to recover, and the result will be thousands upon thousands of displaced persons.

Throughout our history, Americans have always been a people who extended their hands to those in need. After World War II, we extended our hands through the Marshall Plan. After the Korean War, we helped to rebuild South Korea. Now after this tragedy, we must help El Salvador.

Madam Speaker, this concurrent resolution accomplishes two basic goals. It expresses our sympathy and solidarity with the people of El Salvador. At the same time, it encourages support for ongoing relief and reconstruction assistance offered by the United States, other nations, and multinational organizations.

I am not one to blindly support the efforts of these multinational organizations, but in this case the direct reconstruction aid offered by them can only result in good. At the same time, I must clarify that I am strongly opposed to the United Nations' population fund effort in El Salvador to distribute reproductive health kits.

Madam Speaker, 1,159 people have lost their lives and 70,000 people are without drinking water. Only by offering the real assistance required and so easily provided by a country with our resources shall we be able to preserve and expand democracy for our posterity.

Madam Speaker, now is the time. We must pass House Concurrent Resolution 41. The gentleman from Virginia (Mr. TOM DAVIS) has given us this opportunity to extend our own hand in friendship to a neighbor. We must reach out and grasp theirs.

Mr. DELAHUNT. Madam Speaker, I yield 1 minute to the distinguished gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Madam Speaker, I thank the gentleman for yielding me this time and for that generous introduction.

I would also like to thank the ranking member from Massachusetts for his leadership here on the floor, and also for the leadership that the gentleman from Massachusetts (Mr. MOAKLEY) has given all of us in regards to El Salvador and so many other issues for a long time.

Madam Speaker, I rise in support of this resolution and offer my strong support to the people of El Salvador as they rebuild their lives, their homes, and their communities from the havoc created by two disastrous earthquakes, one on January 13 and the other on February 13. These disasters resulted in the deaths of several hundred people, with thousands of injured, and over a million homeless or displaced.

I had the opportunity to meet yesterday with a group of young people in my district who are members of a youth organization affiliated with Peace through Inter-American Action based in Bangor, Maine. These students are working with their counterparts in El Salvador to forge practical solutions to a range of domestic and foreign policy problems.

Last year, they hosted three young people from El Salvador, and the group plans to send a delegation there this summer. The importance of their mission is heightened by the current efforts to rebuild El Salvador after these devastating earthquakes.

I urge my colleagues to support this important humanitarian resolution.

Mr. BALLENGER. Madam Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Madam Speaker, I rise today to add my voice to the chorus of voices from this House expressing our condolences to the people of El Salvador. Our thoughts and prayers are with the families, those who died, were injured, displaced by the earthquake and aftershocks last January and February. Our thoughts are also with those worldwide who have committed to lend relief and assistance to those affected by this disaster.

We in the United States appreciate the support of other countries when such disasters happen here, and I am proud that Americans are among those who are helping El Salvador, both by providing immediate relief but also by studying what happened during and after the quakes. By increasing our understanding of the mechanics of earthquakes, we increase our chances of mitigating the damage of future quakes worldwide.

Inevitably, there will be lessons learned from these disasters, as there are with others, including our own. It is important for us in the United States to continue to study these quakes to help mitigate the risks they pose. Let us not forget, earthquakes are a threat to nearly 75 million people in 39 States in the U.S.

Institutions and Federal programs, like the National Earthquake Hazard Reduction Program, do a credible job of contributing to our store of knowledge about the causes and effects of earthquakes and can reduce vulnerability to them through engineering research and new building design.

Technology also holds the promise of providing additional real-time warning of an earthquake to countries around the world. Indeed, countries working together have the potential of improving earthquake advance warnings. Additional seconds of advanced warning can mean the mitigation of destruction and can mean the difference between life and death. Our Subcommittee on Research, in the Committee on Science, will address some of these issues at a hearing tomorrow in room 2318 at 2 p.m.

The point I make, Madam Speaker, is we must not only help now but develop and share new technology with the rest of the world. The people of El Salvador have shown great courage and strength in dealing with the effects of this disaster. They deserve our deep sympathy and support, and I join my colleagues in supporting this resolution.

Mr. DELAHUNT. Madam Speaker, I yield 2 minutes to the distinguished gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Madam Speaker, I thank the distinguished gentleman from Massachusetts for yielding me this time, who has shown such an interest throughout Latin America, and to the gentleman from North Carolina (Mr. BALLENGER), who has really personally extended himself to make a real difference in the lives of millions of people in Latin America and particularly in El Salvador.

I am glad to obviously support this resolution expressing sympathy for the victims of the devastating earthquakes, two of them, with approximately 1,200 people having been killed, injuring thousands more, and displacing over a million individuals. El Salvador has faced unbelievable hardships and challenges over the last several years. Think about Hurricane Mitch just 2 years ago, and now two deadly earthquakes just seem like a horrible twist of fate.

It is encouraging to see that the Bush administration is granting extension of the temporary protected status for Salvadorans living in the United States. That affects thousands of Salvadorans in my district alone, who are working very hard not just to make ends meet for their own families but to give everything they can possibly afford back to their country people in El Salvador. In yesterday's Washington Post, they estimated that as much as $2 billion is being sent home.

Now, that might be one thing if it was coming from some constituents, for example the Irish in America, who by now ought to be doing pretty well, but this is coming from the Salvadorans, who are in very low-paid work. I caused a little laugh there; but everybody knows it is true, and we ought to do more. But this is coming from people who are really providing underpinning for our economy. They are certainly contributing more than they are taking out of our economy; and yet with everything they can afford, they are sending it back.

My point is they are doing their part. We need to do our part for our neighbors. What we really need, as important as this resolution of sympathy is, we need a supplemental of a substantial amount to help the people in El Salvador. We ought to do it now. We put $6 billion into supporting rightwing dictatorships. Now that they have a stable economy and society, we ought to provide substantial funds to help our neighbors.

□ 1515

Mr. BALLENGER. Madam Speaker, I yield 2 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Madam Speaker, I thank the gentleman for yielding me this time, and I thank him for his sponsorship of this legislation, as I also thank the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from Massachusetts (Mr. DELAHUNT), who has also been a leader in this, and the gentleman from Massachusetts (Mr. MOAKLEY) and the others.

I am a sponsor of this legislation and have, like many of my colleagues, been to El Salvador and seen the difficulties that these very brave people have every single day. To think that they believe in esperanza, hope, demonstrates how brave they are. They believe in family. They believe in hard work. They believe in sharing.

I want to join my colleagues in expressing my sympathy for the victims and their families of this devastating earthquake that struck El Salvador in January.

As of February 2, the National Emergency Committee of El Salvador reported over 1,000 deaths, over 4,000 injured, and over 1 million people that have been made homeless. This earthquake was particularly destructive because of its widespread impact which caused damage throughout 12 of the country's 14 provinces. In fact, the earthquake has affected 20 percent of El Salvador's citizens.

Emergency relief to our neighbors has not been sufficient to deal with the extent of the destruction and human suffering that the people of El Salvador continue to endure. Beyond simply providing emergency relief, the cost of reconstruction will be extensive and long lasting. In my community, there are many Salvadorans, many who are now American citizens, who are helping. Also, my county and State have joined forces, just as all Americans should, to help.

I want to commend the President for his demonstration of kindness to the President of El Salvador, Francisco Flores, when he granted temporary protected status to the nationals of El Salvador who are currently residing in the United States.

We, too, can lend a hand to those suffering from this tragedy. I encourage my colleagues to join me in supporting this resolution and any further efforts to improve the conditions for our neighbors in need.

Mr. DELAHUNT. Madam Speaker, I yield 2½ minutes to the distinguished gentlewoman from California (Ms. PELOSI), who has had a long and abiding interest in matters in Central and Latin America and the former ranking member of the Subcommittee on Foreign Operations, Export Financing and Related Programs.

Ms. PELOSI. Madam Speaker, I thank the gentleman for yielding me this time and for his leadership in providing assistance to the people in El Salvador at this very difficult time. I want to commend the gentleman from North Carolina (Mr. BALLENGER) as well for his leadership on this. It is a very important issue.

I know about earthquakes, coming from San Francisco, and I know about El Salvador because I have had a long interest there. In fact, Madam Speaker, my first speech on the floor was about El Salvador, following the lead of our great chairman then of the Committee on Rules, the gentleman from Massachusetts (Mr. MOAKLEY).

The gentleman from Massachusetts (Mr. MOAKLEY) has again exercised leadership, sending a letter signed by 75 colleagues to President Bush asking for significant multiyear assistance for El Salvador. While there is a strong initial response to the crisis, we go through this, those of us in earthquake territory, the emergency response and a strong emotional response from the world, there is no initiative to assist in a longer term with assistance and reconstruction. President Flores has estimated that the relief and reconstruction efforts will cost well over a billion dollars from the international community.

El Salvador has a special significance for the American people. Approximately 1 million Salvadorans live in the United States, thousands of them in my district, I am proud to say. Our nations have close historical ties. We should do everything in our power, and that is significant, everything in our power, to provide sustainable development assistance to lift up the Salvadoran people out of this devastation.

Our distinguished colleague, the gentleman from Nebraska (Mr. BEREUTER), earlier mentioned, and many of us who visited El Salvador can agree, about the optimism and the spirit of the Salvadoran people. They are ready to lift themselves up, but they need some help. In coordination with the international community, we must provide a long-term reconstruction assistance package aimed at the areas of housing, crop assistance, clean water and health care.

Madam Speaker, there are many heroes involved in this effort. I named the gentleman from Massachusetts (Mr. MOAKLEY), who has long been a hero on the subject of El Salvador, actually joined by his staff person, the gentleman from Massachusetts (Mr. MCGOVERN), when he was on his staff, now a hero in the Congress on this issue in his own right. I commend them, USAID, the Red Cross, the World Bank, UNICEF, the Inter-American Development Bank, UNDP, OXFAM and World Vision for the important roles that they play.

I once again commend the gentleman from Massachusetts (Mr. DELAHUNT) for his very important leadership on this issue.

Mr. DELAHUNT. Madam Speaker, I yield the balance of my time to the gentleman from Worcester, Massachusetts (Mr. MCGOVERN), my dear friend and also a leader prior to his coming to Congress on issues involving El Salvador.

Mr. MCGOVERN. Madam Speaker, I thank my colleague, the gentleman from Massachusetts (Mr. DELAHUNT), for yielding me the time and for his incredible leadership on this issue. I also want to thank my colleague, the gentleman from North Carolina (Mr. BALLENGER), for his leadership.

I rise in strong support of this resolution.

I have often thought that the people of El Salvador are constantly being tested. After having survived more than 12 years of a brutal civil war, a peace agreement was reached; and the people of El Salvador began to rebuild their country. In October of 1998, the country was hit by Hurricane Mitch. In November of 1999, I traveled with the gentleman from Massachusetts (Mr. MOAKLEY) to the region of the Lower Lempa River. There we saw firsthand how hard the people, very poor people, were working to rebuild their communities. Quite frankly, their courage, commitment and community spirit was inspiring. And, while still in the throes of recovering from Hurricane Mitch, El Salvador, in the space of 30 days, was brutally battered not by just one major earthquake but by two. In addition, over 2,000 aftershocks have rocked this tiny country.

We have heard the statistics from previous speakers. As the facts come in, the harsh reality is that once again the poorest sector of the country, the most vulnerable, and the rural poor have suffered the greatest loss in terms of housing and economic survival. Nearly 20 percent of the population was rendered homeless by the two earthquakes, and finding adequate housing for them will be a major challenge. If we do not do something to help reactivate the rural community, the rural poor will move even more quickly to the slums of San Salvador and to the United States.

To revive the local economy, people need houses and help to plant their next harvest, to restart their small microenterprises and a long-term plan to lift them out of poverty. And worse is yet to come. Soon the rainy season will start. Over 570 landslides resulted from the first earthquake in January. More followed the second earthquake.

This bill calls upon the international community to respond, quickly and generously. It also calls upon us all to respond not only to the urgent emergency needs of El Salvador but to commit ourselves to the longer term work of reconstruction.

Madam Speaker, I strongly support this call. I want to urgently underscore the need for the United States to lead the international community in the effort to rebuild El Salvador by providing our own long-term and generous contribution to El Salvador's recovery, reconstruction and development. As my colleague from Virginia said earlier, the United States played a very major role in El Salvador in the 1980s, a role, quite frankly, that I questioned whether it was the right role for us to play, but we owe this country a great deal, and I think the very least we need to do is come forward and help them during this very difficult time.

I rise in support of H. Con. Res. 41, and I wish to thank the strong bipartisan coalition of members who have worked to bring this bill to the floor especially Representative DAVIS of Virginia, Representatives BALLENGER and DELAHUNT, Chairman HYDE and Ranking Member LANTOS.

I have often thought that the people of El Salvador are constantly being tested. After having survived more than twelve years of a brutal civil war, a peace agreement was reached and the people of El Salvador began to rebuild their country. In October 1998, the country was hit by Hurricane Mitch. In November 1999, I traveled with Congressman JOE MOAKLEY to the region of the Lower Lempa River. There, we saw first-hand how hard the people—very poor people—were working to rebuild their communities. Quite frankly, their courage, commitment and community spirit was inspiring.

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To revive the local economy, people need houses, and help to plant their next harvest and to restart their small micro-enterprises, and a long-term plan to lift them out of poverty.

And worse is yet to come. Soon, the rainy season will start. Over 570 landslides resulted from the first earthquake in January. With the rains, earth barely holding onto the tops and sides of hills and mountains will slide down on rural communities. The homeless, protected now only by plastic sheeting, will be even more vulnerable to the elements.

This bill calls upon the international community to respond—quickly and generously. It also calls upon us all to respond not only to the urgent emergency needs of El Salvador, but to commit ourselves to the longer-term work of reconstruction.

I support this call.

After the 1986 earthquake, President Reagan approved $50 million in emergency aid. Three months later, the Congress approved an additional $98 million. We can do no less now when the nation-wide effects of the January and February 2001 earthquakes are so much more severe than those experienced in 1986.

I want to urgently underscore the need for the United States to lead the international community in the effort to rebuild El Salvador by providing our own long term and generous contribution to El Salvador's recovery, reconstruction and development.

I urge support of this important bill.

[From the Washington Post, Feb. 23, 2001]

SUPPORTING EL SALVADOR

It wasn't so long ago that day-to-day events in El Salvador were capable of commanding Washington's attention. Now even a major natural disaster in that country close to our borders can go virtually unheeded. In the past six weeks El Salvador has suffered not one but two large earthquakes that have destroyed a large part of the country outside San Salvador, killed at least 1,100 people and left at least 1.3 million homeless in a population of only 6 million. Yet so far the country that has taken the lead in foreign assistance is . . . Spain, which has contributed $25 million in emergency relief and organized a donor conference in Madrid next month. The United States, in contrast, has offered only $10 million so far; the Bush administration says that any additional aid will have to be drawn from existing aid budgets.

This is a poor showing, given both the needs and the past and present ties of the United States to El Salvador. The earthquake threatens to reverse years of recent progress: Officials say that some 120,000 homes have been destroyed, along with scores of schools, local health clinics, roads and agricultural crops. Preliminary studies by the United Nations and the U.S. Agency for International Development suggest that reconstruction costs could rise to $3 billion—or about $2,000 for every person in a country where the per capita income is only $1,100. Unless a vigorous reconstruction program is launched in the coming months, much of the country's economy may simply collapse—likely sending a large new wave of refugees northward.

In 1986, when Central America was at war and a focus of U.S. policy, a smaller earthquake struck San Salvador. Then-Secretary of State George Shultz immediately visited the country to pledge $50 million in emergency aid, and Congress followed up with another $98 million in reconstruction funds. With U.S. help, San Salvador rebuilt and over the next few years successfully ended its war with Marxist insurgents, establishing a democracy that has remained stable. Meanwhile, hundreds of thousands of Salvadorans have settled in the United States, and the $1.7 billion they send home every year is a mainstay of the economy.

Salvadoran President Francisco Flores will be visiting Washington next week in search not only of U.S. help for reconstruction but an administration decision to grant "temporary protected status" to undocumented Salvadorans now in the United States. This measure, which would shield Salvadorans from deportation and allow them to work legally for a limited time, would likely lead to a large increase in remittances; it was used to help Honduras and Nicaragua after Hurricane Mitch in 1998. The Bush administration should embrace this legal relief as well as substantial new aid—and demonstrate that the United States is committed to an El Salvador that is peaceful and democratic, and not only to one at war.

FEBRUARY 20, 2001.

Hon. GEORGE W. BUSH,
President of the United States of America, The White House, 1600 Pennsylvania Avenue, NW, Washington, DC.

DEAR PRESIDENT BUSH: The earthquake that shook El Salvador on January 13th and February 13th have had devastating consequences for a country recently hit by Hurricane Mitch, and only beginning to recover from twelve years of civil war. More than 1200 people were killed in the earthquake. Estimates vary about how many homes were destroyed—although recent estimates put the number at about 300,000. This means that over a million people, more than 15% of the population, are homeless. Some are living in refugee camps and shelters, and some are simply sleeping outdoors. There are tremendous humanitarian needs.

This tragedy has a special meaning for U.S. citizens—as many as a million Salvadorans live here, and El Salvador is one of our closest neighbors. What happens there will affect us, and we should do what we can to help our neighbor recover.

We applaud the efforts that USAID and other agencies of the U.S. government undertook in response to the immediate emergency in El Salvador: sending teams to help dig people out of the rubble, helping with air transport to areas blocked off by landslides, providing emergency food packages, providing temporary housing, etc.

But El Salvador faces difficult long-term challenges. Housing must be re-built, infrastructure repaired and replaced. Environmental problems that increased the severity of the impact of the earthquake must be addressed. And the long-term problems of poverty, especially rural poverty, which have made El Salvador so vulnerable to natural disasters, must be overcome. Rebuilding El Salvador after the earthquake will require a long-term commitment by the Salvadoran people and the Salvadoran government.

Following Hurricane Mitch in October, 1998, the United States joined with other international donors to make a substantial commitment to reconstruction in the region. In addition to generous financial support, the donors adopted a set of important principles to guide their reconstruction efforts. According to these principles, reduction of social and environmental vulnerability, transparency and accountability, decentralization, democracy, debt relief, and human rights are key to the effective reconstruction and transformation of the region. We believe that the same generosity and the same principles should guide our response to the earthquake in El Salvador.

We urge you to support mid-term and long-term development assistance that will enable economically and environmentally sustainable reconstruction in El Salvador.

This will require Congressional support for increased funding of USAID programs for reconstruction in El Salvador over a period of several years.

In addition, it is our view that the extensive damage and negative effects of the earthquake warrant a designation of Temporary Protected Status (TPS) for El Salvador. As you know, Congress has authorized the Attorney General to grant TPS to nationals of a country if they would face "ongoing armed conflict," "natural disaster," or "extraordinary temporary conditions" if returned to their homeland. A TPS designation stays deportation of designated nationals and grants them work authorization for a specific amount of time, either six, twelve, or eighteen months. In this situation, a TPS designation would ensure that Salvadorans in this country could work and send important remittances back to relatives in El Salvador to assist in the reconstruction.

Thank you for your attention to our concerns, and for your support of our neighbors in El Salvador.

Sincerely,

Ambassador Robert E. White, President, Center for International Policy.

Jose Artiga, Executive Director, SHARE Foundation.

Raymond C. Offenheiser, President, Oxfam America.

Rev. Elenora Giddings Ivory, Director, Washington Office, Presbyterian Church (USA).

Jim Winkler, General Secretary, General Board of Church and Society, United Methodist Church.

Raul Yzaguirre, President, National Council of La Raza.

Rev. Bob Edgar, General Secretary, National Council of the Churches of Christ in the USA.

Nancy Lindborg, Acting CEO, MercyCorps.

Father Charles Currie, SJ, Director, Association of Jesuit Colleges and Universities.

Rabbi Dan Polish, Director, Commission on Social Action of Reform Judaism.

Rev. John McCullough, Executive Director, Church World Service.

Marie Dennis, Director, Maryknoll Office for Global Concerns.

George Vickers, Executive Director, Washington Office on Latin America.

Kathy Thornton, RSM, National Coordinator, NETWORK, A National Catholic Social Justice Lobby.

Bev Abma, Disaster Response Administrator, Christian Reformed World Relief Committee.

Tom Hart, Director of Government Relations, The Episcopal Church.

Wesley P. Callender, Director, Voices on the Border.

Jim Matlack, Director, Washington Office American Friends Service Committee.

Rev. Mark B. Brown, Asst. Director, International Affairs and Human Rights, Lutheran Office for Governmental Affairs, Evangelical Lutheran Church in America.

Dr. John L. Williams, President & CEO, Holt International Children's Services.

Steve Bennett, Executive Director, Witness for Peace.

Linda Shelly, Program Director for Latin America/Caribbean, Mennonite Central Committee.

Dr. Valora Washington, Executive Director, Unitarian Universalist Service Committee.

Kathryn Wolford, President, Lutheran World Relief.

Paul Montacute, Director, Baptist World Aid, Baptist World Alliance.

Ralston H. Deffenbaugh, President, Lutheran Immigration and Refugee Service.

William Goodfellow, Executive Director, Center for International Policy.

Angela Kelley, Deputy Director, National Immigration Forum.

Barbara Larcom, Coordinator, Casa Baltimore/Limay.

Greg Laszakovits, Director, Church of the Brethren, Washington Office.

John Lindsay-Poland, Director, Fellowship of Reconciliation Task Force on Latin America and the Caribbean.

Kathy Ogle, Coordinator, Ecumenical Program on Central America and the Caribbean (EPICA).

The Rev. Dr. Theodore F. Schneider, Bishop, Metropolitan Washington, DC, Synod Evangelical Lutheran Church in America.

Margaret Swedish, Director, Religious Task Force on Central America and Mexico.

Edith Villastrigo, Legislative Director, Women Strike for Peace.

David A. Velásquez, President & CEO, DBFS International, LLC.

Rev. Bill Quigly, Missionhurst-CICM, Office of the Provincial.

Deborah Sanders, Capitol Area Immigrants' Rights, Coalition.

Martha Pierce, Director, Chicago Metropolitan Sanctuary Alliance.

Gary Cozette, Director, Chicago Religious Leadership Network on Latin America.

Alice Zachman, Director, Guatemala Human Rights, Commission/USA.

Cristina Espinel and Barbara Gerlach, Co-Chair, Colombia Human Rights Committee.

Rev. Kim Erno, Chair, The Latin America Task Force of the Metropolitan Washington, DC, Synod Evangelical Lutheran Church in America.

Mr. GUTIERREZ. Madam Speaker, I rise in support of the important resolution considered on the Floor of the House today expressing the deep sympathy of Congress for the people of El Salvador and for the tragic losses suffered as a result of the earthquakes of January 13 and February 13, 2001.

I strongly support the continuing and substantial increase of relief and reconstruction assistance provided by representatives of the international community as well as the United States.

As we all know, in a cruel act of fate, two powerful earthquakes hit Central America this winter causing catastrophic losses in El Salvador. The full extent of the damage is still difficult to fathom. In all, these catastrophic natural occurrences left at least 1,200 people dead. More than one million people have been declared homeless. An estimated 200,000 homes were destroyed. Roads and bridges were completely washed out or severely damaged by the landslides. Many school and health care facilities had to be closed. Running and clean water is much needed. Most of the agricultural supply has been severely threatened. Moreover, survivors are threatened by serious epidemic and disease. Such an environmental disaster has resulted in a substantial and immediate disruption of living conditions in El Salvador and warrants our government's continued support and assistance. In short, the needs of El Salvador at this time are enormous and we need to act accordingly and generously.

I applaud the decision announced by the Immigration and Naturalization Service (INS) following this tragedy to grant Temporary Protected Status (TPS) to all Salvadoran nationals living in this country. This will be a relief for many Salvadorans who depend financially on their relatives living in the United States.

On March 7, I joined more than fifty of my colleagues to ask the President to address the needs of El Salvador in this time of need. We requested that the administration develop a significant multi-year relief package for El Salvador, targeted toward areas of housing, crop assistance, clean water and health care. We suggest that this plan be considered as part of an emergency supplemental appropriations bill. We will continue to press the administration to act accordingly.

The resolution we are adopting today is a step in the right direction and one of many that should be taken by this House to provide a compassionate and generous response from the United States toward El Salvador to help maintain the stability of the entire region.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today to speak on behalf of those I represent for the people of El Salvador. I am saddened that El Salvador was struck by the devastating earthquake on January 13th and February 13th of this year. These earthquakes tragically ripped through El Salvador.

Madam Speaker, this earthquake is not the first time in recent memory that a natural disaster has brought devastation on such a wide scale to the people of El Salvador. In addition to this terrible earthquake, there has also been a serious outbreak of dengue fever, which is a very debilitating disease. And it was only two years ago that Hurricane Mitch tore through Central America, leaving an unbearable toll on an already fragile region. In the countries of El Salvador, Honduras, and Nicaragua, more than 11,000 lives were swept away in the rain, winds, and massive landslides that Mitch wrought. In some areas, more than 70 percent of crops were demolished. The price tag of that devastating hurricane soared to more than $4 billion once a full accounting was made.

Madam Speaker, the people of El Salvador never lost hope in the wake of the devastation wrought by Mitch. They worked to improve their lives. They rebuilt roads, and schools, and homes. They began to address the needs of citizens dealing with painful losses and an uncertain future. They began to pull themselves, with the help of international monetary and humanitarian assistance. These earthquakes simply threaten to stifle the development and progress El Salvador has made.

We cannot and should not ask the government of El Salvador, or their people, to walk the path toward recovery alone. We must not turn away from their suffering, but rather must respond swiftly and effectively.

I am pleased that the United States Government is actively participating in these international efforts through the work of USAID. To date, USAID assistance to El Salvador totals more than $5 million, the majority of which was allocated for temporary shelter programs. In addition, the World Food Programme has provided 900 metric tons of rations, the International Federation of the Red Cross has released $100,000 of disaster relief funds as well as sent a delegation of relief workers to assist the 1,200 person Salvadoran Red Cross. Every ounce of help from the international community helps.

Madam Speaker, the people of El Salvador need our help. We have assisted many nations in desperate times of need. As a Nation of immigrants, we are well aware of the strong ties between El Salvador and the United States. Those ties have flourished in our Nation as the Salvadoran community has grown and prospered. Let us all do our share in helping rebuild and develop the affected areas that were struck by the earthquake.

Ms. ROYBAL-ALLARD. Madam Speaker, I rise to in strong support of H. Con. Res 41, of which I am a proud sponsor. This resolution sends an important message of support to the people of El Salvador, who are experiencing great hardship as a result of recent earthquakes.

Most of us will never know the heartbreaking trauma of losing everything important to us—possessions, homes, and especially loved ones—within a span of 30 seconds.

This resolution is necessary to publicly express our country's deep sympathy for the plight of El Salvadorans and to highlight the critical need for the timely delivery of much-needed relief and reconstruction assistance from the international community.

The United States is a Nation fortunate enough to be rich in resources and, I believe, rich in compassion. Therefore, I would like to take this opportunity to encourage our own Federal Government and others across the Nation to join international efforts to provide El Salvador with needed resources for recovery.

In this time of crisis, the Salvadorans have acted with amazing courage and strength. I urge all of my colleagues to join me in expressing our support to the people of El Salvador who are trying to rebuild their lives and their communities, by passing this resolution.

Mr. FALEOMAVAEGA. Madam Speaker, I rise in support of the legislation before the House, H. Con. Res. 41, which speaks on behalf of the good people of El Salvador who are struggling to recover from two devastating earthquakes that struck the nation in January and February of this year.

I commend the author of the resolution, the gentleman from Virginia, Mr. DAVIS, and the Chairman and Ranking Democratic Member of the House International Relations Western Hemisphere Subcommittee, Mr. BALLENGER and Mr. MENENDEZ, for introducing this important measure. I further commend the Chairman and Ranking Democratic Member of the International Relations Committee, Mr. HYDE and Mr. LANTOS, for their leadership in bringing the legislation to the floor. I am honored to join our colleagues in expressing concern and sympathy for the victims of the earthquakes in El Salvador and to support ongoing aid and relief efforts.

Madam Speaker, the people of El Salvador have had more than their share of suffering. In recent decades, El Salvador has been torn apart by civil war, a deadly and costly conflict which claimed the lives of more than 70,000 men, women and children before a peace accord was reached in 1992.

A little over two years ago, one of the most destructive natural disasters ever to hit the region, Hurricane Mitch, wreaked havoc on El Salvador. In the aftermath of Hurricane Mitch's 180 mph winds and massive flooding, El Salvador and her neighbors, Nicaragua and Honduras, lost over 11,000 citizens with damages totaling over $4 billion.

Madam Speaker, despite these major setbacks, the people of El Salvador have worked diligently and courageously to rebuild their nation and democracy. It is a tragedy and cruel fate that they have had to suffer once again.

On January 13th of this year, a huge earthquake registering 7.6 on the Richter Scale struck off the coast of El Salvador, southwest of the city of San Miguel. Exactly a month later, a second crushing earthquake with a magnitude of 6.6 struck east of San Salvador.

Madam Speaker, these devastating earthquakes have taken a tremendous toll on the people of El Salvador and resulted in a humanitarian catastrophe.

Over 1,500 Salvadorans have lost their lives, with thousands more injured. At least 200,000 homes have been destroyed, displacing over a million Salvadorans. More than fifteen hundred schools and dozens of hospitals, as well as essential segments of the country's infrastructure including water systems and the Pan-American Highway, have been badly damaged.

The destruction to El Salvador is estimated to exceed $2 billion in costs.

Madam Speaker, I would urge our colleagues to adopt this legislation which evidences our heartfelt concern for the people of El Salvador and their tragic losses.

The legislation further supports relief efforts of the United States Agency for International Development for El Salvador's reconstruction, along with the assistance of the World Bank, the Inter-American Development Bank and the international community.

To this effect, I commend President Bush for committing $110 million in relief aid when meeting early this month with the President of El Salvador, Francisco Flores. This is a good beginning but more aid is needed. Also important has been President Bush's work permit initiative for Salvadoran immigrants, which has allowed many Salvadorans to continue sending home substantial sums for reconstruction efforts in El Salvador.

Madam Speaker, I urge passage of the measure before us.

Mr. PAUL. Madam Speaker, today I must vote against HCR 41. While I certainly offer my personal sympathy to the victims in El Salvador, and also join in encouraging relief agencies to increase their assistance to these individuals, I cannot support this resolution.

In the past I have complained that similar bills have come to the House Floor without going through the committee process. In this instance the committees were included and I applaud the Chairman for ensuring we had an opportunity to discuss this issue at committee. I am also grateful to the committee staff who worked with me in helping facilitate that discussion.

At the subcommittee I introduced an amendment for discussion purposes only. That amendment would have deleted the specific references to governmental assistance contained in this bill. Had that amendment been adopted I could have supported this resolution. Simply, I believe it is not proper for us to force taxpayers in this country to provide this kind of assistance by having the IRS collect these funds. Next, I believe that the Red Cross, for example, would not only be a more sympathetic entity for the purposes of collecting funds used for relief, but also that it would be a more efficient distributor of such funds than are the plethora of government agencies referenced in this resolution.

Mr. BALLENGER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 41.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. DELAHUNT. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m.

Accordingly (at 3 o'clock and 25 minutes p.m.), the House stood in recess until approximately 6 p.m.

☐ 1800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 6 p.m.

APPOINTMENT OF MEMBER TO ABRAHAM LINCOLN BICENTENNIAL COMMISSION

The SPEAKER pro tempore. Without objection, and pursuant to section 5(a) of the Abraham Lincoln Bicentennial Commission Act (36 U.S.C. 101 NOTE), the Chair announces the Speaker's appointment of the following Member of the House to the Abraham Lincoln Bicentennial Commission:

Mr. LAHOOD of Illinois.

There was no objection.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

CONGRESS OF THE UNITED STATES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, March 20, 2001.

Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 5(a) of the Abraham Lincoln Bicentennial Commission Act (P.L. 106-173), I hereby appoint the following individual to the Abraham Lincoln Bicentennial Commission: Mr. Phelps, IL.

Yours Very Truly,
RICHARD A. GEPHARDT.

APPOINTMENT OF MEMBER TO CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER pro tempore. Without objection, and pursuant to 22 U.S.C. 276d, the Chair announces the Speaker's appointment of the following Member of the House to the Canada-United States Interparliamentary group:

Mr. HOUGHTON of New York, Chairman.

There was no objection.

APPOINTMENT OF MEMBERS TO BOARD OF TRUSTEES OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER pro tempore. Without objection, and pursuant to section 5(d) of Public Law 93-642 (20 U.S.C. 2004(b)), the Chair announces the Speaker's appointment of the following Members of the House to the Board of Trustees of the Harry S Truman Scholarship Foundation:

Mrs. EMERSON of Missouri; and
Mr. SKELTON of Missouri.
There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H. Res. 67, by the yeas and nays; and

H. Con. Res. 41, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

RECOGNIZING THE IMPORTANCE OF COMBATTING TUBERCULOSIS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 67, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the resolution, H. Res. 67, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 405, nays 2, not voting 25, as follows:

[Roll No. 51]

YEAS—405

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Ferguson
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Goode
Paul

NOT VOTING—25

Becerra
Brady (PA)
Brown (FL)
Cannon
Cramer
Fattah
Filner
Hilleary
Keller
Manzullo
Matsui
Millender-McDonald
Moakley
Murtha
Owens
Rothman
Rush
Scarborough
Serrano
Sisisky
Stupak
Taylor (NC)
Thomas
Tiahrt
Vitter

□ 1826

Mr. GUTIERREZ changed his vote from "nay" to "yea."

Mr. BARR of Georgia changed his vote from "present" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FILNER. Madam Speaker, on rollcall No. 51, I was unavoidably delayed by flight cancellations. Had I been present, I would have voted "yea."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. BIGGERT). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

EXPRESSING SYMPATHY FOR VICTIMS OF DEVASTATING EARTHQUAKES IN EL SALVADOR

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 41.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 41, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 405, nays 1, not voting 26, as follows:

[Roll No. 52]

YEAS—405

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla

Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Ferguson
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—26

Ackerman
Becerra
Brady (PA)
Brown (FL)
Cannon
Cramer
Dunn
Fattah
Filner
Gordon
Hilleary
Keller
Manzullo
Matsui
Millender-McDonald
Moakley
Murtha
Owens
Rothman
Rush
Scarborough
Sisisky
Stupak
Taylor (NC)
Tiahrt
Vitter

□ 1837

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FILNER. Madam Speaker, on rollcall No. 52, I was unavoidably delayed by flight cancellations. Had I been present, I would have voted "yea."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–23) on the resolution (H. Res. 92) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 247, TORNADO SHELTER ACT

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–24) on the resolution (H. Res. 93) providing for consideration of the bill (H.R. 247) to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 526

Mr. BRADY of Texas. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor from H.R. 526. My name was mistaken for the gentleman from Pennsylvania (Mr. ROBERT BRADY).

The SPEAKER pro tempore (Mrs. BIGGERT). Is there objection to the request of the gentleman from Texas?

There was no objection.

IMPROVING SERVICE AND SAFETY OF FIRE FIGHTERS THROUGH THE ACCESS TO THERMAL IMAGING CAMERAS ACT

(Mr. GRUCCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRUCCI. Madam Speaker, it takes approximately 28 minutes for responding fire fighters to search the average home by conventional means, which requires fire fighters to crawl on their hands and their knees, feeling for victims. Thermal imaging cameras reduce the search time to 2 or 3 minutes, letting fire fighters see through the darkness to the location of the fire and, more importantly, to the location of the victims.

According to the National Fire Data Center, each year in the United States 5,000 people die and 25,000 are injured in fires, and approximately 100 fire fighters are killed annually in duty-related incidences. Thermal imaging cameras can help save the lives of both the victims of a fire and the fire fighters themselves. However, only a handful of our Nation's fire departments can afford the more than $15,000 for this technology.

For this reason, the gentleman from Pennsylvania (Mr. WELDON) and I have introduced the Access to Thermal Imaging Cameras Act, which authorizes the director of the Federal Emergency Management Agency, FEMA, to make competitive grants to local fire departments for the purposes of acquiring thermal imaging cameras. Similar legislation was very popular with fire fighting organizations and had over 45 cosponsors in the 106th Congress.

Madam Speaker, I ask my colleagues to please join me in providing our local fire fighting departments with the opportunity to improve the quality of their lives and service.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MARKING 180TH ANNIVERSARY OF GREECE'S DECLARATION OF INDEPENDENCE FROM THE OTTOMAN EMPIRE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY of New York. Madam Speaker, I rise to recognize the country where democracy was born and where democracy returned 180 years ago.

March 25, 2001, marks the 180 anniversary of Greece's declaration of independence from the Ottoman Empire. Before then, Greece had been ruled by the Ottoman Empire for almost 400 years, during which time Greeks were deprived of their civil rights.

It is with great pride that Hellenic Americans recount the stories of how their ancestors in Greece stood together and fought against repression by continuing to educate Greek children in their culture, their language, and their religion, even under the threat of death.

This year, the Federation of Hellenic Societies of Greater New York has as its parade theme the Hellenic-American educational system. It is especially important that they are paying tribute to education, cultural heritage, religious learning, and the Hellenic-American values and ideals that are taught in the United States Hellenic parochial schools.

□ 1845

Education has always been the key to preserving Hellenic culture, values, and religion.

This year I have the honor of being selected grand marshal, along with the gentleman from Florida (Mr. BILIRAKIS), who cochairs the Hellenic Caucus with me, and Assemblyman Michael Giannaris from New York and California Secretary of State Phillip Ajjedilis and Honorary Grand Marshal Lucas Tsilas. We will have the privilege of marching with many members of my Astoria community, the largest Hellenic community outside of Athens.

The Hellenic and Phil-Hellenic community has a great deal to celebrate. They will celebrate the coming Olympics and the continued efforts of the Hellenic Caucus to seek a peaceful understanding with Turkey on the issues of the Greek Islands and Cyprus occupation. Here in the United States, we often take democracy for granted. In the world, there are still countries fighting for basic human rights. On this day of Greek independence, let us remember the words of Plato, and I quote: "Democracy is a charming form of government, full of variety and disorder, and dispensing a kind of equality to equals and unequals alike."

Is that not a great way to describe democracy?

The best way to express the feeling of the Hellenic community is the Greek National Anthem that tells of their struggle for independence.

I thank the Federation of Hellenic Societies of Greater New York for all of the contributions they have made to our community and in their efforts to make each year's Greek Independence Day celebration more exciting than the last. I know that I will remember this year. Zeto E Eleftheria. Long live freedom in Greece and in the entire world.

CELEBRATING GREEK INDEPENDENCE DAY

The SPEAKER pro tempore (Mrs. BIGGERT). Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

Mr. BILIRAKIS. Madam Speaker, today I, too, proudly rise to celebrate Greek Independence Day and the strong ties that bind the nations of Greece and the United States.

It was 180 years ago when the people of Greece began a journey that would mark the symbolic rebirth of democracy in the land where those principles to human dignity were first espoused. The word "democracy" stems from two Greek words: "demos," meaning "of the people" and "kratos," meaning "power" and "strength." On this anniversary, it is the power and strength of the Greek people and their courage and commitment to the principles of human government and self-determination that we celebrate.

Revolutions embody a sense of heroism, bringing forth the greatness of the human spirit in the struggle against oppression. It was Thomas Jefferson who said that, and I quote, "one man with courage is a majority." Quoting Jefferson on the anniversary of Greek independence is particularly appropriate. Jefferson and the rest of the Founding Fathers looked back to the teachings of ancient Greek philosophers for inspiration as they sought to craft a strong democratic state. And in 1821, it was the Founding Fathers of our Nation to whom the Greeks looked for inspiration as they began their journey toward freedom.

Encouraged by the American revolution, the Greeks began their rebellion after 4 centuries of Turkish oppression, facing what appeared to be insurmountable odds. Like the United States, Greece faced the prospect of having to defeat an empire to obtain liberty. Many lives were sacrificed at the altar of freedom. In the face of impending defeat, the Greek people showed great courage and rallied around the battle cry, "Eleftheria I Thanatos," liberty or death.

Similar words, "Give me liberty or give me death," spoken in America only 5 decades before by Patrick Henry, embodied the Greek patriots' unmitigated desire to be free.

News of the Greek revolution met with widespread feelings of compassion in the United States. The Founding Fathers eagerly expressed sentiments of support for the fledgling uprising. Several American Presidents, including James Monroe and John Quincy Adams, conveyed their support for the revolution through their annual messages to Congress. William Harrison, our ninth President, expressed his belief in freedom for Greece saying, "We must send our free will offering. The 'Star-spangled Banner,'" he went on to say, "must wave in the Aegean, a messenger for eternity and friendship to Greece."

Various Members of Congress also showed a keen interest in the Greek struggle for autonomy. Henry Clay, who in 1825 became Secretary of State, was a champion of Greece's fight for independence. Among the most vocal was Daniel Webster from Massachusetts, who frequently aroused the sympathetic interests of his colleagues and other Americans in the Greek revolution. It should not surprise us that the Founding Fathers would express such keen support for Greek independence, for they themselves had been inspired by the ancient Greeks and their own struggle for freedom. As Thomas Jefferson once said, "To the ancient Greeks, we are all indebted for the light which led ourselves, the American colonists, out of gothic darkness." Our two nations share a brotherhood bonded by the common blood of democracy, birthed by Lady Liberty, and committed to the ideal that each individual deserves the right of self-determination.

We all know that the price of liberty can be very high. History is replete with the names of the millions who have sacrificed for it. Socrates, Plato, Pericles, and many other great scholars throughout history warned that we maintain democracy only at great cost. The freedom we enjoy today is due to a large degree to the sacrifices made by men and women in the past in Greece, in America, and all over the world.

Madam Speaker, on this 180th birthday of Greek independence, when we celebrate the restoration of democracy to the land of its conception, we also celebrate the triumph of the human spirit and the strength of man's will. The goals and values that the people of Greece share with the people of the United States reaffirm our common democratic heritage. This occasion also serves to remind us that we must never take for granted the right to determine our own fate.

Remembering the sacrifice of the brave Greeks who gave their lives for liberty helps us all realize, Madam Speaker, how important it is to be an active participant in our own democracy, and that is why we honor those who secured independence for Greece so many years ago.

Madam Speaker, today I proudly rise to celebrate Greek Independence Day and the strong ties that bind the nation of Greece and the United States.

One hundred and eighty years ago, the people of Greece began a journey that would mark the symbolic rebirth of democracy in the land where those principles to human dignity were first espoused. The word democracy stems from two Greek words; demos, meaning of the people, and kratos, meaning power and strength. On this anniversary, it is the power and strength of the Greek people and their courage and commitment to the principles of human government and self-determination that we celebrate.

Revolutions are often violent affairs. They come about when a people, who have too long suffered under the yoke of oppression and been denied the very basic tenets of human dignity, rise up in the name of self-determination. The concepts of self-determination and revolution were first espoused by the ancient Greek philosophers. Men such as Aristotle, Socrates, Plato, and Euripides developed the then-unique notion that men could, if left to their own devices, lead themselves rather than be subject to the will of a sovereign. It was Aristotle who said: "We make war that we may live in peace." On March 25, 1821, Archbishop Germanos of Patras embodied the spirit of those words when he raised the flag of freedom and was the first to declare Greece free.

Revolutions also embody a sense of heroism, bringing forth the greatness of the human spirit in the struggle against oppression. It was Thomas Jefferson who said that, "One man with courage is a majority." Quoting Jefferson on the anniversary of Greek independence is particularly appropriate. Jefferson, and the rest of the Founding Fathers, looked back to the teachings of ancient Greek philosophers for inspiration as they sought to craft a strong democratic state. And in 1821, it was the Founding Fathers of our nation to whom the Greeks looked for inspiration as they began their journey toward freedom.

The history of Greek Independence, like that of the American Revolution, is filled with many stories of courage and heroism. There are many parallels between the American and Greek Revolutions. I would like to take the opportunity to recount some of these tales with you now.

Encouraged by the American Revolution, the Greeks began their rebellion after four centuries of Turkish oppression, facing what appeared to be insurmountable odds. Both nations faced the prospect of having to defeat an empire to obtain liberty. And if Samuel Adams, the American revolutionary leader who lighted the first spark of rebellion by leading the Boston Tea Party, had a Greek counterpart, that man would be Alexander Ypsilantis.

Ypsilantis was a Greek who was born in Istanbul, and whose family was later exiled to Russia. Ypsilantis served in the Russian army, and it was there, during his military service, that he became involved with a secret society called the "Philikè Hetairia" which translated means "friendly society." The "friendly society" was made up of merchants and other Greek leaders, but the intent of the society was to seek freedom for Greece and her people.

The group planned a secret uprising for 1821 to be led by Ypsilantis. He and 4,500 volunteers assembled near the Russian border to launch an insurrection against the Turks. The Turkish army massacred the ill-prepared Greek volunteers, and Ypsilantis was caught and placed in prison, where he subsequently died. However, the first bells of liberty had been rung, and Greek independence would not be stopped.

When news of Greeks uprisings spread, the Turks killed Greek clergymen, clerics, and laity in a frightening display of force. In a vicious act of vengeance, the Turks invaded the island of Chios and slaughtered 25,000 of the local residents. The invaders enslaved half the island's population of 100,000.

Althought many lives were sacrificed at the altar of freedom, the Greek people rallied around the battle cry "Eleftheria I Thanatos"—liberty or death. Those same words, spoken in America only five decades before by Patrick Henry, who said: "Give me liberty or give me death," embodied the Greek patriots' unmitigated desire to be free.

Another heroic Greek whom many believe was the most important figure in the revolution was Theodoros Kolokotronis. Kolokotronis was the leader of the Klephts, a group of rebellious and resilient Greeks who refused to submit to Turkish subjugation. Kolokotronis used military strategy he learned while in the service of the English Army to organize a force of over 7,000 men. The Klephts swooped down on the Turks from their mountain strongholds, battering their oppressors into submission.

One battle in particular, where Kolokotronis led his vastly outnumbered forces against the Turks, stands out. The Turks had invaded the Peloponnese with 30,000 men. Kolokotronis led his force, which was outnumbered by a ratio of 4 to 1, against the Turkish army. A fierce battle ensued and many lives were lost, but after a few weeks, the Turks were forced to retreat. Kolokotronis is a revered Greek leader, because he embodied the hopes and dreams of the common man, while displaying extraordinary courage and moral fiber in the face of overwhelming odds.

Athanasios Diakos was another legendary hero, a priest, a patriot, and a soldier. He led 500 of his men in a noble stand against 8,000 Ottoman soldiers. Diakos' men were wiped out and he fell into the enemy's hands, where he was severely tortured before his death. He is the image of a Greek who gave all for love of faith and homeland.

While individual acts of bravery and leadership are often noted, the Greek Revolution was remarkable for the bravery and fortitude displayed by the typical Greek citizen. This heroic ideal of sacrifice and service is best demonstrated through the story of the Suliotes, villagers who took refuge from Turkish authorities in the mountains of Epiros. The fiercely patriotic Suliotes bravely fought the Turks in several battles. News of their victories spread throughout the region and encouraged other villages to revolt. The Turkish Army acted swiftly and with overwhelming force to quell the Suliote uprising.

The Suliote women were alone as their husbands battled the Turks at the front. When they learned that Turkish troops were fast approaching their village, they began to dance the "Syrtos," a patriotic Greek dance. One by one, rather than face torture or enslavement at the hands of the Turks, they committed suicide by throwing themselves and their children off Mount Zalongo. They chose to die rather than surrender their freedom.

The sacrifice of the Suliotes was repeated in the Arkadi Monastery of Crete. Hundreds of non-combatants, mainly the families of the Cretan freedom fighters, had taken refuge in the Monastery to escape Turkish reprisals. The Turkish army was informed that the Monastery was used by the Cretan freedom fighters as an arsenal for their war material, and they set out to seize it. As the Turkish troops were closing in, the priest gathered all the refugees in the cellar around him. With their consent, he set fire to the gunpowder kegs stored there, killing all but a few. The ruins of the Arkadi Monastery, like the ruins of our Alamo, still stand as a monument to liberty.

News of the Greek revolution met with widespread feelings of compassion in the United States. The Founding Fathers, eagerly expressed sentiments of support for the fledgling uprising. Several American Presidents, including James Monroe and John Quincy Adams, conveyed their support for the revolution through their annual messages to Congress. William Harrison, our ninth president, expressed his belief in freedom for Greece, saying: "We must send our free will offering. 'The Star-spangled Banner' must wave in the Aegean . . . a messenger of fraternity and friendship to Greece."

Various Members of Congress also showed a keen interest in the Greeks' struggle for autonomy. Henry Clay, who in 1825 became Secretary of State, was a champion of Greece's fight for independence. Among the most vocal was Daniel Webster from Massachusetts, who frequently roused the sympathetic interest of his colleagues and other Americans in the Greek revolution.

It should not surprise us that the Founding Fathers would express such keen support for Greek independence, for they themselves had been inspired by the ancient Greeks in their own struggle for freedom. As Thomas Jefferson once said, "To the ancient Greeks . . . we are all indebted for the light which led ourselves . . . American colonists, out of gothic darkness." Our two nations share a brotherhood bonded by the common blood of democracy, birthed by Lady Liberty, and committed to the ideal that each individual deserves the right to self-determination.

We all know that the price of liberty can be very high—history is replete with the names of the millions who have sacrificed for it. Socrates, Plato, Pericles, and many other great scholars throughout history warned that we maintain democracy only at great cost. The freedom we enjoy today is due to a large degree to the sacrifices made by men and women in the past—in Greece, in America, and all over the world.

Madam Speaker, on this 180th birthday of Greek Independence, when we celebrate the restoration of democracy to the land of its conception, we also celebrate the triumph of the human spirit and the strength of man's will. The goals and values that the people of

Greece share with the people of the United States reaffirms our common democratic heritage. This occasion also serves to remind us that we must never take for granted the right to determine our own fate.

As Aristotle stated: "If liberty and equality, as is thought by some are chiefly to be found in democracy, they will be best attained when all persons alike share in the government to the utmost."

Remembering the sacrifice of the brave Greeks who gave their lives for liberty helps us all realize how important it is to be an active participant in our own democracy. That is why we honor those who secured independence for Greece so many years ago.

Ms. PELOSI. Madam Speaker, I rise today in honor of the 180th anniversary of the revolution that freed the Greek people from the Ottoman Empire. Although there are no final victories in the long struggle to extend the principles of equality and democracy, we should take advantage of this opportunity to celebrate the triumphs of freedom over tyranny.

I would like to thank the co-Chairs of the Congressional Caucus on Hellenic Issues, Congresswoman Carolyn Maloney and Congressman Michael Bilirakis, for their efforts to organize these statements for Greek Independence Day.

For almost 400 years (1453–1821), the Greek people lived under the brutal domination of the Ottoman Empire. This dark period was characterized by the denial of all civil rights, the closing of Greek schools and churches, and rampant kidnappings of Christian and Jewish children. The Greek Revolution marked the beginning of the struggle that freed the Greek people and reestablished democracy in Greece.

Since their war of independence, Greece has been a strong ally to the United States. In turn, the U.S. has opened its heart to multitudes of Greek immigrants. The contributions of the Greek community in the United States are immeasurable. Greek-Americans have played a significant role in all aspects of American life including our arts, sports, medicine, religion, and politics. In the House of Representatives, the children of Greek immigrants have brought their legacy and inspiration. Congress has been made a better place for their contributions.

In San Francisco, the Greek-American community is a vital, historic, and vibrant component of our world-renowned diversity. The social fabric of San Francisco has benefited from the civic leadership of our late Mayor George Christopher, former Mayor and HUD Regional Director Art Agnos, and former Golden Gate Bridge District Board Member Stephan C. Leonoudakis.

Ancient and modern Greece stand as examples to people around the world of overcoming tyranny. They taught the world that the supreme power to govern is vested in the people through self-governance. Wherever tyranny and ethnic cleansing occur, the principles of equality and democracy are also under siege.

As a member of the Congressional Caucus on Hellenic Issues, I am proud to stand in recognition of the 180th anniversary of Greek Independence Day.

Mr. McGOVERN. Madam Speaker, I rise today and to speak with pride about 180 years of freedom and independence for the people of Greece. Like the Fourth of July, Greek Independence Day reminds us of our duty to defend freedom—whatever the cost.

Every year at this time, my colleagues and I reflect and remember the great influence Greece and Greek democracy had on the founders of the United States. This year, I would like to underscore the fact that Greece, the first democracy, continues its march to become fully integrated into the European Union.

On January 1, 2001, Greece became the twelfth member of the European Monetary Union—the euro-zone. Shops in Greece, ahead of the required deadlines, are already displaying prices in the old drachmas and new euros. Euro banknotes will begin to circulate in January 2002, with the drachma, Europe's oldest currency, ceasing to be legal tender the following March. I myself am sentimental about seeing an end to the drachma, but I admire and respect the economic progress and financial stability Greece has demonstrated in order to meet the criteria of membership in the European Monetary Union.

The recent achievements of the Greek economy were praised by the U.S. Ambassador to Greece, Nicholas Burns, at a late-January business conference in Thessaloniki. Greece, he said, was an example to all its northern neighbors who look forward to members in the European Union. Ambassador Burns spoke of the interest now evidenced by American businesses in investment in Greece, especially its northern region. U.S. investments in Greece currently total $2.2 billion, while bilateral trade increased by some 20 percent.

So we celebrate today not just the glorious past of Greece, but the promising future.

I also want to say a few words about the contributions of Greek-Americans to our own society and communities. In Worcester, there is no better example of this rich heritage than the parish of St. Spyridon Greek Orthodox Church and the leadership of the Reverend Dean N. Paleologos. Located at 102 Russell Street in Worcester, Massachusetts, St. Spyridon is known for its many services and contributions to the community. In addition to running two schools and hosting a food bank, the church is the home for a number of neighborhood gatherings and meetings where plans are made to meet the needs of the community. Father Paleologos is an active member in the Worcester Interfaith Council, a coordinating group for public action and service by the religious community.

And St. Spyridon's parish also knows how to celebrate Greek Independence and Greek heritage. Every two years, more than 60,000 visitors participate in the church's Greek Festival. This year, on March 25, the Worcester Greek community will join the Greek Parade in Boston, which is supported by the Greek Consulate, many Greek and American organizations, and by the Metropolitan Metahodios. On April 1, 2001, St. Spyridon's Greek School will celebrate Greek Independence Day with a special Doxology, honoring both Greece and America, and by hosting a community program of poetry, songs and traditional dances.

On behalf of the more than 1,000 families of Worcester who celebrate their Greek heritage, I am honored to be able to support 180 years of Greek Independence. I want to thank Congressman Bilirakis and Congresswoman Maloney for their leadership in organizing today's tributes. They are an inspiration to all of us in Congress.

Mr. KENNEDY of Rhode Island. Madam Speaker, it is with great pride that I join with my colleagues in celebration of the 180th anniversary of Greek independence. At this time, I would like to thank my colleagues from Florida and New York who have once again shown great leadership in initiating this Special Order and organizing the Congressional Caucus on Hellenic Issues.

Greece has often been called the "cradle of democracy," and rightfully so. In an address that could have been written by one of our founding fathers, Pericles wrote over 2,000 years ago, "Our Constitution is called a democracy because power is in the hands not of the minority, but of the whole people . . . equal before the law." The dream that was born so many years ago in ancient Athens is still alive and well today, here in the United States, and around the world.

Without the example of Greece, the United States might not even be in existence today. As we looked to them for inspiration and guidance in our early, fragile years, so they looked to us on March 25, 1821, when they shook off the repressive bonds of the Ottoman Empire and declared themselves a democracy once again. Since then, they have developed into a strong ally and stabilizing force in their region of the world.

The United States has felt the impact of Greece in many other ways, most notably in the dedication and hard work of its sons and daughters who have immigrated to our nation. These immigrants have contributed greatly to their communities. In my home state of Rhode Island, there are thriving Greek communities in Providence, Pawtucket and Newport. There—as they have done across the United States—they became active participants in their community, and we are richer today because of their great contributions.

Because of all that Greece has given to not only the United States, but also the entire world, it is fitting that we honor our strong ally and its sons and daughters within our nation. Once again, I commend my colleagues for their dedication in making this annual Special Order possible, and look forward to continuing my work with the Hellenic Caucus.

Mr. DIAZ-BALART. Madam Speaker, a declaration of independence is much more than one man standing his ground against another, or a woman raising a flag in protest, or even signatures on a written statement. A declaration of independence is the heart and soul of democracy. Throughout history, people have stood in the face of oppression and demanded to be heard.

It was ancient Greece that originated the basic concept of democracy, in which the supreme power to govern is vested in the people. The United States adopted this philosophy in the framing of our government, and in 1821 your ancestors enshrined this philosophy in their pursuit of freedom.

On March 25, 1821, the Greek people declared their independence from the Ottoman Empire. Although true freedom was not earned for many years, it was March 25, 1821 that will be remembered for all time. These brave men and women will forever remain a symbol to the people of Greece and to many around the globe.

The United States and Greece have been at the forefront of efforts to promote freedom, democracy and human rights throughout the world. These common ideals have forged a bond between the people of Greece and the United States. It is only appropriate that America join in celebration with all Greek-Americans on this special occasion.

It is important to teach America's youth about the many different backgrounds that combine to create our American Heritage, and today it is appropriate to highlight Greek-American heritage.

We have reached a period in time that rivals no other. There are more democratic nations than ever before, but we must continue to make certain that those people still living under the hand of oppressive governments, such as the occupied 40% of the beautiful island of Cyprus, have the tools and resources necessary to achieve their own self-determination.

I would like to extend my best wishes to all Greek-Americans on this day of celebration.

Mr. MEEHAN. Madam Speaker, I rise today in celebration of Greek independence from the Ottoman Empire. March 25, 2001 will mark the 180th anniversary of the start of Greece's struggle for independence from the Turks.

The struggle of the Greek people against the Ottoman Empire exemplifies the remarkable ability of a people to overcome all obstacles if the will to endure is strong enough and the goal, freedom, bright enough.

The parallels between the United States and Greece are substantial. American political thought was influenced just as much by Greek philosophy as the Greek revolution of 1821 was inspired by the American fight for freedom in 1776. In fact, Greek intellectuals used the U.S. Constitution as the basis for its own constitution in the 1820's.

Moreover, the common struggles of our countries have given rise to a bond that spans the generations. The United States and Greece have long-standing historical, political, and cultural ties based on a common heritage, shared democratic values, and alliances during World War II, the Korean War, the Cold War and the Persian Gulf War.

Greece is a country of 11.5 million citizens. Its gross domestic product measures approximately $120.25 billion per year, and it is estimated that Greece's economy will grow at a rate of five percent annually over the next few years. Furthermore, Greece has major export markets in the United States, Germany, Italy, France and the United Kingdom. And as we all know, Greece has among the richest cultural histories of all nations. The Greek language dates back at least 3,500 years and university education, including books, is free.

The citizens of Greece are now preparing to host the 2004 Olympic Games, an honor that holds particular historical significance for them. Beginning in 776 B.C., the Olympic Games were held in the valley of Olympia in Greece every four years for almost 1200 years. The modern Olympic Games were created by Baron Pierre de Coubertin and inspired by the ancient games. First staged in 1896 in Athens, the games attracted about 245 athletes to participate in 43 events. At the Sydney 2000 Games, more than 10,000 athletes took part in 300 events. The Olympic Movement has survived wars, boycotts and terrorism to become a symbol of the ability of the people of all nations to come together in peace and friendship. And in 2004, the games return to their home.

Madam Speaker, I am proud to represent a large and active Greek-American community in the Fifth District of Massachusetts. U.S. participation in Cyprus settlement efforts, the fight for freedom and human rights for the people of Cyprus, the inclusion of Greece in the Visa Waiver Pilot Program, and the presentation of the Congressional Gold medal to His All Holiness Patriarch Bartholomew have all been priorities for the Greek-American community and worthy initiatives I've been proud to support. I will continue to fight for the interests of Greece and Greek-Americans and encourage other Members of Congress to join me.

Mr. LANGEVIN. Madam Speaker, I rise today in proud recognition of the 180th anniversary of Greek Independence. This is a great day, for it commemorates the return of democracy to this, the cradle of Western Civilization, after nearly four hundred years of foreign trade.

Greece has always been proud and independent by nature. Its people were a powerful force both culturally and militarily, as evidenced by the works of Homer and the multitude of Greek philosophers. The pinnacle of Greek influence was Alexander the Great and his unification of the eastern Mediterranean and ancient Middle East. Greek culture was spread throughout the new empire and for the first time, people were communicating with a common language, sharing ideas in a way never before possible. This hellenization was an idea that transformed every place it touched.

Nearly two thousand years later, another important concept from ancient Greece came to the forefront of modern thought. The concept of "rule by the people," an alien idea in a time still dominated by kings and queens, gained prominence in the young United States. This was the desire of the framers of our Constitution, and they found their inspiration in the principles of the polis of Athens.

Thirty years later, in 1821, spurred on by the American example, the people of Greece acted upon a desire to be free. The Ottoman Turks had conquered the region in 1453, bringing an end to over a thousand years of rule by the Orthodox-Christian Byzantine Empire and its resurgence of Greek culture. After a bloody eleven-year war, Greece was finally free once again.

In the modern era, one of the most important reminders of Greek heritage is the Olympic Games, which are finally returning to their origins in Athens in 2004 for the 25th Summer Olympic Games. Every four years, the Olympics have symbolized peace and excellence for people the world over, reassuring us that even the smallest nation can compete on an equal ground with the largest country.

Madam Speaker, it is this feeling that I believe is the greatest contribution Greece has given to our world. We are all equal, whether it is in our democratic government, or in friendly competition, and we can come together in friendship even during the most difficult of times. With that, I would like to thank my colleagues for holding this special order and once again congratulate Greece on the anniversary of its independence and all of the gifts it has given us.

Mr. KNOLLENBERG. Madam Speaker, I rise today to celebrate the 180th anniversary of Greek independence. One hundred and eighty years ago, after nearly 400 years of oppression under the Ottoman Empire, the courage and commitment to freedom of the Greek people prevailed in a revolution for independence. It is an honor today to celebrate Greek Independence Day in the House of Representatives.

Greece and the Greek people have made remarkable contributions to the United States and societies throughout the world. The achievements of Greek civilization in art, architecture, science, philosophy, mathematics, and literature have become legacies for nations across the globe. In addition, and most importantly, the Greek commitment to freedom and the birth of democracy remains an essential contribution for which we as Americans are eternally grateful.

Greek civilization has inspired the American passion for truth, justice, and the rule of law by the will of the people. The forefathers of our nation recognized the spirit and idealism of ancient Greece when fighting for American independence and drafting our Constitution. Forty-five years after our own revolution for independence, this tradition and commitment to freedom was carried forward by the Greek people through their successful revolutionary struggle for sovereignty.

Greek Americans can take pride today in the contributions of Greek culture and in their ancestors' sacrifice. The effects of the vibrant Greek people can be witnesses throughout the United States in our government, culture, and economy, as well as in our commitment to freedom and democracy throughout the world. We, as Americans, are grateful for these gifts.

Madam Speaker, it is important for us to recognize and celebrate this day together with Greece to reaffirm our common democratic heritage. I am proud to join in this celebration and offer my congratulations to Greece and Greeks throughout the world on this very special day.

Mr. ACKERMAN. Madam Speaker, I would like to add my voice to those of my colleagues in the House of Representatives in celebration of Greek Independence Day, March 25th. All of us who love liberty are justified in noting this important day. Greece is the birthplace of the democratic ideal, the principle upon which all our work here depends. The genius of the American republic and the concept of liberty, which sustained our fight for independence, cannot be separated from the great works of the philosophers of ancient Greece.

Every ethnic group in the United States can claim a special bond to our nation's essence. But Greek-Americans can take special pride in knowing that our constitution's organizing principle, "a government of the people, by the people and for the people" came to our shores from the heart of the Aegean.

Madam Speaker, Greece has been a friend and ally to the United States longer than many countries have been in existence. And, through immigration, our nation has been the great beneficiary of the strength, wisdom and creativity of Greece's sons and daughters. Millions of Americans who can trace their family roots back to Greece have contributed in countless ways, large and small, to the greatness, prosperity and harmony of the United States.

I believe the influence of Greece on our nation is underappreciated because it is so ubiquitous. We see it in our nation's architecture, it surrounds us in our theater and humanities, it is instilled in our national intellect at all of our great universities. We need only look around this chamber to sense how critical Greece's legacy to our country has been.

Madam Speaker, I want to thank my colleagues, Representative MICHAEL BILIRAKIS and Representative CAROLYN MALONEY, for helping to organize this salute to Greek Independence Day. I know that the whole House will join me in congratulating the Greek people, and all Americans of Hellenic descent, on this special occasion.

Mrs. KELLY. Madam Speaker, I rise today to join my colleagues to commemorate the 180th Anniversary of the Greek revolution. In 1821, the Greeks, after nearly 400 years of slavery under the Ottoman Empire took up arms and fought for their freedom. March 25, 1821 marked the beginning of this Greek revolution and their struggle for independence.

For many centuries, Greece, the birthplace of democracy, was subject to foreign domination and political control under the Ottoman Empire. Unfortunately, the Greeks did not enjoy the freedoms given in a democracy and so, with a strong determination for liberty, they began a lengthy crusade. When the fighting began, Greece came under fire in several areas ranging from its Northern province of Macedonia, to a near-war that began over the island of Imia near the coast-land of Turkey. The prospects for the rebels' success were not always promising. In fact, they were aided by several of their European neighbors who came to their assistance. England, France and Russia sent their naval fleets to help defuse the Egyptian navy, which was helping the Ottoman Turks exploit internal strife within the Greek ranks. These nations came together to break the bonds of the Ottomans' tyranny, and help the Greek people win the right of self determination. On March 22, 1829, Greece emerged from their fierce campaign for democracy and created the modern Greek state.

Here in the United States we owe a debt of gratitude to the many Greeks whose labor has helped to build this great nation. Throughout our history, the United States and Greece have shared a unique bond in that both nations have struggled for the right to freedom and self-governance. Clearly, our Founding Fathers had a deep admiration for the ancient Greeks who championed their own independence and modeled the American form of government upon the principles of Greek democracy. The ideology of Greece can be found in our own Constitution and these common ideals have promoted a strong bond between our two nations. We share a similar devotion for additional nations to join in our mutual values, goals and respect by embracing the rights and liberties we hold dear. Greek Independence Day is a celebration for both Greek and American freedom.

I would like to thank the other members of the Congressional Caucus on Hellenic Issues, and particularly the co-chairs, my friend, the gentleman from Florida (Mr. BILIRAKIS) and my friend, the gentlewoman from New York (Mrs. MALONEY), for their efforts in organizing this fitting tribute.

Mr. SHERMAN. Madam Speaker, on March 25th, 1821, 180 years ago this week, the Greek people declared their independence, throwing off the yoke of four centuries of Ottoman oppression.

Greek freedom fighters looked to the American revolution and American democracy for inspiration, and adopted their own declaration of independence. Our Founding Fathers in turn were guided by the democratic principles that first arose in Greece. They took to heart the ideals of ancient Greece, the birthplace of democracy.

This is a day for us to reflect on the vital alliance between Greece and the United States and to pay our debt to Hellenic ideals and to Hellenic culture. It is a day for Greek Americans to take pride in the independence of Greece and in the ancient culture of all Hellenes.

Since its liberation, Greece has stood by America. It is my hope and belief that the United Sates will continue to stand by its ally. Greece is one of three nations in the world beyond the former British Empire that has been allied with the United States in every major international conflict of this century. One out of every 9 Greeks lost their lives fighting the Nazis during World War II. And through U.S. generosity, through the Marshall plan, Greece was able to rebuild its war-ravaged economy.

We must also remember that there remain problems in the eastern Mediterranean, problems between Greece and the successor to its former colonial master, Turkey. We must work to bring peace to the Aegean and the eastern Mediterranean.

I hope that our new Administration will use its considerable influence with Ankara to convince the leadership there to support a peaceful and just resolution to the outstanding problems between our two allies. Most importantly, I hope that our government can convince the Turkish side to negotiate in good faith on the continued occupation and division of Cyprus.

Madam Speaker, again, I want to urge all my colleagues to pay tribute to Greek Independence and to all of the contributions made by Hellenes throughout history.

Mr. SCHROCK. Madam Speaker, I rise today to commemorate the 180th Anniversary of Greek Independence Day.

Over 200 years ago, our Founding Fathers turned to the scholarly teachings of ancient Greek philosophers and statesmen in order to form "a more perfect Union." These inspirational teachings about the virtues of democracy served as the basis of our own representative form of government.

On March 25, 1821, these teachings came full circle when the Greeks fought to regain the freedom, liberty, and individual rights they first taught to the world. Now, 180 years later, the Greek system of democracy is in full force and serves as an inspiration to us all.

The celebration of Greek Independence Day should not be reserved to only those of Greek descent; it is a day that should also honor our own nation's democratic principles.

Greece and the United States have shared a common past. We have fought wars together, we are NATO partners, we maintain sound diplomatic relations. We are successful partners on the world stage.

The citizens of the United States are eager to celebrate the Games of the 28th Olympiad in Athens.

Therefore, all Americans celebrate Greek Independence Day, for it is the commemoration of all that we believe in, and all that our forefathers fought for—life, liberty, and the pursuit of happiness.

Mrs. MORELLA. Madam Speaker, I rise today in recognition of Greek Independence Day. One hundred and eighty years ago Greece began the struggle against the Ottoman empire that would lead to their independence. Americans have celebrated our connection with Greece throughout our history. Thomas Jefferson once said, ". . . To the ancient Greeks . . . we are all indebted for the light which led ourselves [American colonists] out of Gothic darkness."

Our nations have a common democratic bond that have led us to look to one another for examples for our governing bodies. It is of course the philosophies of the ancient Greeks that inspired our founding fathers to pursue freedom through the Declaration of Independence. In turn it is this same document that the Greeks used to declare their freedom from the Ottoman Empire.

It is not only our form of government that we have learned from the Greeks. One only has to look around our nation's capital to see how we have been influenced by Greek art. From the Capitol building to the Lincoln and Jefferson Memorials, we have incorporated their styles. In addition, a large part of our culture has been shaped by ancient Greek philosophy and their approach to science. In recent history Greece has been 1 of only 3 nation's that have allied with the United States in every major international conflict. During World War II, 600,000 Greeks gave their lives in the fight for freedom.

The contributions that Greek-Americans have made in communities around the United States are to be commended. Greek-Americans commonly establish groups that form ties to maintain appreciation of their cultural heritage, provide opportunities for social interaction, while preserving traditions and the Greek language for future generations. Additionally, the contributions that Greek-Americans have made in the business community are unsurpassed. Through the utilization of the American tradition of small, family owned businesses the Greek-American community has prospered.

Madam Speaker, the eighth congressional district of Maryland, which I represent, has the 17th largest population of Greek-Americans in the United States. I am proud of the contributions that these community leaders have made to Montgomery County and our nation. I join with them in celebrating Greek Independence Day and urge my colleagues to join me in recognizing the achievements of Greek-Americans.

Mr. LANTOS. Madam Speaker, I rise today to join in marking the 180th anniversary of the independence of Greece today. The winning of independence almost two centuries ago marked the culmination of struggle of the Greek people to restore the ideals of democracy established by their ancestors.

In 1821, under the leadership of Alexandros Ypsilantis, the Greek people fought together to establish Greek sovereignty. The courageous efforts of Ypsilantis planted a seed in the hearts of the Greek people. This seed grew into a flourishing movement that led to religious freedom, a reinvigorated sense of cultural and national identity, and the long awaited return to the democratic ideals born in Ancient Greece.

Madam Speaker, while we are here today to pay tribute to the anniversary of Greek Independence, I want also to pay tribute to the Greek-American community, which offers us a cultural bridge between our two countries. This community justly takes pride that Greek ideals contributed to America's revolution even before the Greeks themselves had the opportunity to succeed in their campaign for freedom. It is important for us to commemorate this day together to reaffirm our common democratic heritage.

The Founding Fathers of our nation were inspired and motivated by the Athenian model of democracy. In 370 B.C., Plato wrote in The Republic, "Democracy is a charming form of government, full of variety and disorder, and dispensing a kind of equality to equals and unequals alike." As participants in a representative democracy, those of us in this Congress recognize our great debt to the ancient Greek philosophers who provided much of the foundation of American democracy.

Madam Speaker, I invite my colleagues to join me in observing Greek Independence Day. As a member of the Congressional Caucus on Hellenic Issues, I take this opportunity to salute the Greek people for their historic achievement of independence nearly two centuries ago, and I recommit myself to work for closer ties between the people of the United States and the people of Greece.

Mr. NADLER. Madam Speaker, I rise today to commemorate Greek Independence Day. March 25, 2001 marks the 180th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire—a struggle that would last without relief for eight years.

For nearly 400 years, Greece remained under the control of this oppressive regime. During this time, they were stripped of all civil rights. Their schools were closed down, their young boys were kidnapped and raised as Muslems to serve in the Turkish army, and millions of their people were executed as the Ottoman Empire sought to maintain control.

But the people of Greece persevered. They began secretly educating their children in churches and chapels across the country. By the early 1800's, the Greeks' desire for independence was fueled by this continued education. They became deeply interested in their ancient past and their folk culture. In 1814, Greek merchants in Odessa, Russia, formed the Friendly Society which eventually organized a movement against the Ottoman Turks that led to a Greek revolt. Fighting with what was once described as "suicidal courage despite meager resources", the Greeks won their independence after eight years of all-out war and four centuries of oppression.

In their fight for independence, the Greeks looked to the American Revolution as their ideal, even translating the Declaration of Independence and using it as their own. In an 1821 address, Greek Commander in Chief Petros Mavromichalis said to American citizens, ". . . it is in your land that liberty has fixed her abode . . . trusting that in imitating you, we shall imitate our ancestors and be thought worthy of them if we succeed in resembling you . . ."

While the Greeks may have looked to the American Revolution as a blueprint for their own revolution, it is us, the citizens of the United States, who will forever be in debt to the Greeks. For it is they who forged the very notion of democracy. And without that notion, the United States may have never come to be what it is today. In the words of Thomas Jefferson, ". . . to the ancient Greeks . . . we are all indebted for the light which led ourselves out of Gothic darkness . . ."

It is my hope that the relationship between the people of Greece and the people of America will continue to advance our understanding of democracy and that the hardships experienced by those in both countries will offer hope to all nations struggling for justice today.

I urge my colleagues to join me today in commending those of Greek heritage for all they have overcome and for all they have contributed in the hope of making the world around them better for everyone.

Ms. SANCHEZ. Madam Speaker, I rise today to recognize the great nation of Greece and celebrate with its citizens 180 years of independence from the Ottoman Empire.

When we think about democracy in Greece, inevitably our thoughts drift to the country's venerable ancients: Solon, the lawmaker who framed Athens' constitution; the philosopher Socrates and his disciple Plato; Pericles, the leader of democratic politics in Athens. These men helped shape our concepts of philosophy, art, science and drama. Their writings and teachings influenced generations of great thinkers and are still in use at colleges and universities around the world today. They provided the basis for our founding fathers' essays and treaties on life, liberty and the pursuit of happiness.

However, despite the fact that these men helped develop the ideals of democracy that we Americans hold so dear, it was not until 1821 that the Greek people declared independence and moved from beneath the thumb of the Ottoman Empire. This movement marked the beginning of true democratic freedom within the modern nation of Greece, and it is this courageous action that we honor today.

The rebellion began in March 1821 when Alexandros Ypsilantis, the leader of the revolutionary Philiki Etaireia crossed the Prut River into Turkish-held Moldavia with a small force of troops. Although Ypsilantis was defeated, his actions sparked a number of revolts against the Turks on March 25, 1821, the traditional date of Greek independence.

The Greeks' struggle for freedom inspired many Americans, who left our country to fight for Greece's Independence. Our great Congress also sent money and supplies to assist in Greece's struggle for autonomy. And over the years, we have worked side-by-side with Greek leaders to oppose tyranny and oppression and advance the cause of democracy worldwide.

But our ties with Greece do not end with this shared commitment to the principles of democracy. Indeed, today more than 1 million people of Greek descent live in the United States. These men and women have made innumerable contributions to our society and way of life, and for this we thank them.

Colleagues, please join me in saluting the people of Greece for their tremendous commitment to democracy and the principles that helped to found our nation.

Mrs. CAPPS. Madam Speaker, as a member of the Hellenic Caucus I am pleased to address the House in recognition of the 180th anniversary of the revolution that freed the Greek people from the Ottoman Empire. This Sunday, on March 25th, people of Greek heritage all over the world will celebrate Greek Independence Day.

In 1821, the Greeks rose up against the oppressive Ottoman Empire, which had occupied Greece for nearly four centuries. This was the beginning of a successful struggle for freedom and independence. The Greek people sought the right to govern themselves and to determine their own destiny.

It is important that we recognize this day not only because the Greek people are a vibrant community which has made lasting contributions to the United States, but also because the ancient Greeks forged the notion of democracy. They believed in the right of self-governance—one of the pillars of our great nation. In fact, when forming a fledgling democracy, our Founding Fathers relied heavily on the political wisdom of the ancient Greeks. Thomas Jefferson once called ancient Greece "the light which led ourselves out of Gothic darkness."

This day is doubly significant for many in Greece and for Greek-Americans, because it was on this day in the Orthodox calendar that the archangel Gabriel appeared to Mary and announced that she was pregnant with the divine child. Churches in Greece celebrate the Festival of the Annunciation with pomp and circumstance, and Greek Independence Day is celebrated with parades and celebrations in cities across Greece and the United States.

Greek Independence Day is historically significant in other ways as well. It marks the first major war of liberation after the American Revolution. It was also the first successful struggle for independence from the Ottoman Empire.

Madam Speaker, I am pleased that we have taken time out today to recognize this very important day in Greek history.

Mr. GEKAS. Madam Speaker, three years before Prince Ypsilantis and Archbishop Germanos embarked on thier crusades to liberate Greece from the Ottomans, the English poet Lord Byron released the fourth canto of his work Childe Harold's Pilgrimage. Two lines from that work resonate powerfully with me on this the 180th Greek Independence Day:

"Yet Freedom, yet thy banner, torn, but flying,
Streams like the thunder-storm against the wind."

Of course, Bryon was a passionate philhellene who tirelessly promoted the cause of Greek independence. In fact, few may actually know, but the renowned romantic poet was named commander-in-chief of the Greek Army of Independence in January of 1824 in recognition of his enormous contributions to the cause of freedom and liberty for all Greeks.

Byron eloquently conveyed the undying yearning for liberty that beat in the breast of every Greek two centuries ago. Like a call to arms, the words of his poems inflamed the spirit of Freedom within patriots throughout the Balkans. And, Byron's ability to recruit a regiment of liberation troops, and fund many others, served to take these emboldened men to victory. By 1829, the Ottoman sultan had been forced to sign the Treaty of Adrianople liberating Greece and insuring that the birthplace of democracy would be set on a path of democratic renewal herself.

On this day every year, Greeks celebrate the momentous acts that led to the birth of the Hellenic Republic. Over one million Greek Americans join in that celebration. I am proud to do so this year, as well.

Yet, I want to take this moment to thank and celebrate those Americans, Britons and others who adopted the cause of Greece as their own. While Lord Byron lost his life in the cause of Greek Independence, succumbing to an illness he recklessly disregarded earlier to join the Greek crusade, he was not the only philhellene to sacrifice greatly that the Greek people may live free of foreign tyranny. Without all of them, Greece would not have returned to the fold of free nations. Without them the land that birthed democracy, in a very real sense, would have died under the weight of foreign oppression.

So on this joyful day, let me say thank you to the philhellenes, as a Greek American, and as one who cherishes the inalienable right of all men to live free.

Madam Speaker, I submit a recitation of another poem. A poem the late Lord Byron wrote in lament of an enslaved Greece. Could the Commander in Chief have truly known how profoundly thankful generations to come would be for his words and deeds?

THE ISLES OF GREECE

(By Lord Byron)

"The isles of Greece, the isles of Greece!
Where burning Sappho loved and sung,
Where grew the arts of war and peace,
Where Delos rose and Phoebus sprung!
Eternal summer gilds them yet,
But all, except their sun, is set.

The Scian and the Teian muse,
The hero's harp, the lover's lute,
Have found the fame your shores refuse:
Their place of birth alone is mute
To sounds which echo further west
Then your sires' 'Islands of the Blest.'

The mountains look on Marathon—
And Marathon looks on to sea;
And musing there an hour alone,
I dream'd that Greece might still be free;
For standing on the Persians' grave,
I could not deem myself a slave.

A king sate on the rocky brow
Which looks o'er the sea-born Salamis;
And ships, by thousands, lay below,
And men in nations;—all were his!
He counted them at break of day—
And when the sun set where were they?

And where are they? and where are thou,
My country? On thy voiceless shore
The heroic lay is tuneless now—
The heroic bosom beats no more!
And must thy lyre, so long devine,
Degenerate into hands like mine?

'Tis something, in the dearth of fame,
Though link'd among a fetter'd race,
To feel at least a patriot's shame,
Even as I sing, suffuse my face;
For what is left the poet here?
For Greeks a blush—For Greece a tear.

Must we but weep o'er days more blest?
Must we but blush?—Our fathers bled.
Earth! render back from out thy breast
A remnant of our Spartan dead!
Of the three hundred grant but three,
To make a new Thermopylae!

What, silent still? and silent all?
Ah! no;—the voices of the dead
Sound like a distant torrent's fall,
And answer, 'Let one living head,
But one arise,—we come, we come!'
'Tis but the living who are dumb.

In vain—in vain: strike other chords;
Fill high the cup with Samian wine!
Leave battles to the Turkish hordes,
And shed the blood of Scio's vine!
Hark! rising to the ignoble call—
How answers each bold Bacchanal!

You have the Pyrrhic dance as yet;
Where is the Pyrrhic phalanx gone?
Of two such lessons, why forget
The nobler and the manlier one?
You have the letters Cadmus gave—
Think ye he meant them for a slave?

Fill high the bowl with Samian wine!
We will not think of themes like these!
It made Anacreon's song devine:
He served—but served Polycrates—
A tyrant; but our masters then
Were still, at least, our countrymen.

The tyrant of the Chersonese
Was freedom's best and bravest friend;
That tyrant was Miltiades!
Oh! that the present hour would lend
Another despot of the kind!
Such chains as his were sure to bind.

Fill high the bowl with Samian wine!
On Suli's rock, and Parga's shore,
Exists the remnant of a line
Such as the Doric mothers bore;
And there, perhaps, some seed is sown,
The Heracleidan blood might own.

Trust not for freedom to the Franks—
They have a king who buys and sells;
In native swords, and native ranks,
The only hope of courage dwells:
But Turkish force, and Lation fraud,
Would break your shield, however broad.

Fill high the bowl with Samian wine!
Our virgins dance beneath the shade—
I see their glorious black eyes shine;
But gazing on each glowing maid,
My own the burning tear-drop laves,
To think such breasts must suckle slaves.

Place me on Sunium's marbled steep,
Where nothing, saves the waves and I,
May hear our mutual murmurs sweep;
There, swan-like, let me sing and die:
A land of slaves shall ne'er be mine—
Dash down yon cup of Samian wine."

Mr. BAIRD. Madam Speaker, I rise today to take a moment to observe the 180th anniversary of Greek Independence Day. March 25th, 1821, marked the beginning of the revolution that freed the Greek people from the Ottoman Empire. Indeed, today should be a international celebration not just of Greek freedom and independence, but it should be a celebration democracy throughout the world.

History tells us that it was the ancient Greeks who developed the concept of democracy. In itself, democracy was a revolutionary ideal, placing the power to govern in the hands of the people. After 2,500 years, mankind is only beginning to grasp the magnitude of what the ancient Greeks achieved. Through dozens of generations, through the rise and fall of great empires, through wars and plagues, through depressions and economic revolutions, through the triumphs and travails of human affairs, one thing has endured: the dream of democracy.

Greek-Americans have enriched our country enormously, in every profession, in every region, in every walk of life. Cities across America take their names from such places as Athens and Corinth and Delphi and Sparta.

And of course, our country would not exist if the ancient Greek city-states had not developed the world's most revolutionary idea—democracy. Our founding fathers studied history closely and revered deeply the works of the ancient Greeks. Thomas Jefferson, the author of the Declaration of Independence, once observed, "Greece was the first of civilized nations, presenting examples of what man should be."

Although democracy is a significant common value that strengthens the bond between the United States and Greece, we must realize there is more to this relationship. Greece's major role in World War II provided tremendous setbacks to the Axis offensive. Furthermore, Greece remained an important ally throughout the Cold War and the struggle to promote our democratic values around the globe.

Today, the United States and Greece are leaders in the pursuit to promote democracy, human rights, freedom, and peace. President Clinton referred to Greece as "a beacon of democracy, a regional leader for stability, prosperity and freedom."

Greece has been a friend and ally for more than the last century and we will stand by her to peacefully resolve the situation in Cyprus and other challenges that the twenty-first century may bring.

So today, I am proud to join with Greek Americans and the Greek people in celebration of Greek Independence Day, reaffirming the democratic principles from which our two nations were born and which have shaped our world. America and Greece have special responsibilities in this quest—the United States as the world's strongest democracy, Greece as the world's first. But if we engage fully in the changing world beyond our borders, we can build a future in which all nations enjoy prosperity, democracy, and peace.

Mr. COYNE. Madam Speaker, I am honored today to join in this special order commemorating the 180th anniversary of Greece's independence from the Ottoman Empire.

180 years ago, in 1831, Greek patriots rose up against their Ottoman overlords in a long and bloody revolution that lasted nearly eight years. The cause of Greek independence required great courage, perseverance and sacrifice. The Greek people experienced frequent adversity and hardships, but their struggle continued. Many brave men and women lost their lives in this fight, and freedom was not won without considerable cost. In the end,

however, the Greek people never wavered in their struggle for freedom, and the land that was once the cradle of democracy was again free.

This day is very special to the people of America because Greece and the United States have much in common. Our shared democratic ideals have formed a basis for a strong and sustained friendship. Furthermore, the writings of early Greek philosophers like Plato and Polybius were adopted by many patriots of the American Revolution, who used their words as inspiration. Even today, Greece remains one of our most loyal partners and democratic allies in the global community.

In recognition of this historic event, the House has repeatedly observed this annual commemoration of Greek independence. Recently, the Senate passed a resolution designating March 25, 2001, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy".

Madam Speaker, it is only appropriate that we recognize these Greek patriots who shed blood for the same principles of freedom and self-government that inspired the patriots of our own revolution here in America. Consequently, it is appropriate that all of us, as Americans, share in the celebration of this momentous occasion. I am honored to join my colleagues in commemorating the 180th anniversary of Greek independence.

• Mr. MENENDEZ. Madam Speaker, I rise today to honor the 180th Anniversary of Greek Independence Day. The annual celebration commemorates the day the Greek people took up arms against the Ottoman Empire in 1821. And today, it stands as the defining moment in the establishment and preservation of modern democratic ideals espoused by Greek society.

The Greek and American people share a common heritage that cannot be overlooked. The foundation of America's democracy is based on the democratic principles established by the ancient Greeks. The political and philosophical beliefs of the ancient Greeks enabled our Founding Fathers to craft a Constitution and to establish a government that holds high the ideals of equality and justice. During its struggle for independence, Greece looked to the Declaration of Independence and the American Revolution for inspiration.

The annual Greek Independence Day parade will be held on Sunday, March 25, 2001. On that day, the streets of New York City will overflow with the pride and passion of the Greek-American community. Greek Independence Day is not only significant because it marks the beginning of the liberation of Greece from Ottoman rule, but also because it presents an opportunity for all Greek-Americans to reflect on the important economic and cultural contributions their community has made to American society.

It is especially comforting to see the support and guidance that the National Coordinated Effort of Helenes and the Federation of Hellenic Societies, as well as other Greek-American organizations provide their community members—ensuring that past accomplishments are celebrated and commemorated, while also ensuring future success by providing opportunities for advancement in education and the workplace.

Today, I ask my colleagues to join me in honoring Greek Independence Day and the common democratic heritage of Greeks and Americans.

Mr. WAXMAN. Madam Speaker, I am pleased to join my colleagues in celebrating 180 years of Greek Independence.

March 25, the official Greek independence day, is a proud day for Greeks across the world. It is a powerful reminder of the strength and determination inspired by the ideals of freedom and self governance, and an important opportunity for Congress to rise and recognize the shared values and goals between Greece and the United States.

Greece is a remarkable country with an exceptional past and a tremendous future. Its proud heritage as the ancient founder of democracy has evolved with great accomplishments like the war of independence, membership in NATO, and partnership in the European Union.

I join my colleagues in recognition of this special occasion and the strong U.S.-Greece relationship. The ties between our two countries are underscored by strategic economic, military, and diplomatic ties, and are continually enhanced by the activism of vibrant Hellenic-American communities across the United States.

HONORING THE 180TH ANNIVERSARY OF GREEK INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. TIERNEY) is recognized for 5 minutes.

Mr. TIERNEY. Madam Speaker, I rise today and join my colleagues who spoke just prior to me in honor of the 180th anniversary of the Greek independence. As a Member of the congressional caucus on Hellenic issues, I once again join those colleagues and others in paying tribute to the nation of Greece and its people.

As we all know, as was so eloquently put forth by the gentleman from Florida (Mr. BILIRAKIS) and the gentlewoman from New York (Mrs. MALONEY), ancient Greece was the fountain of democratic ideals and values for the rest of the world, and her modern counterpart has been steadfast in ensuring that the philosophic traditions of the past are actively practiced.

Today, we celebrate the triumph of the ideal of self-government in recognizing the achievements of the Greeks who so valiantly fought for independence. We also recognize the debt of gratitude that the citizens of the United States and many other nations owe for the ideals upon which the American democratic experiment is based.

Greece, at the juncture between continents, continues to be actively involved in the international community, maintaining excellent relations with the United States, Europe and other nations. We all remember the recent response to the devastating earthquake in Turkey as an example of the commitment of goodwill that the Greek people continually demonstrate. It is my hope that this spirit of rising above differences will serve to inspire other nations as we move forward into the 21st century.

On behalf of the people of the 6th Congressional District of Massachusetts, I wish to extend congratulations to the people of Greece and all of the people of Greek heritage in the United States on this important holiday.

I am honored to have been selected to be an honorary grand marshal in this year's independence day parade in Boston. I look forward to sharing in the celebration once again with my constituents. It is my hope that the new millennium will bring forth many more years of positive and productive relations between the United States and Greece.

LESSONS OF GREEK INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. SIMMONS) is recognized for 5 minutes.

Mr. SIMMONS. Madam Speaker, I stand here today in a Chamber that has for centuries witnessed on a daily basis the dreams and the fruits of American independence. Today, we remember that it was March 25, 1821, that the Greeks rose up to seek their independence. As has always been the case, the price of that independence was high.

Greek independence is a matter of special interest to me because of my family and, in particular, my wife, Heidi. My wife, Heidi, is the great, great granddaughter of a young 4-year-old survivor of the Battle of Missolongi. For those of my colleagues who recall those events, it was Missolongi that rose up against Ottoman rule. It was Missolongi that captured the attention of Lord Byron, and it was Missolongi where some of the harshest battles of Greek independence were fought.

When Missolongi finally fell, the survivors numbered only a few thousand women and children, one of them the 4-year-old great, great grandmother of my wife, Catherine, or Haidine, "the forsaken one," as she was known. She was impressed into the household of an Egyptian admiral and relocated to Alexandria, Egypt, where 3 years later, at the age of 7, she came to the attention of a British diplomat. The British diplomat offered to buy her out of slavery, but the offer was refused, until a few months later, she became sick, at which point the offer was accepted and the sick little girl was delivered to the diplomat's family. He and his wife nursed her back to health, they relocated to England where she was adopted, educated, raised up, and eventually married to the son of an admiral. They relocated to Canada and eventually to the United States.

So, Madam Speaker, the story of Greek independence is also the story of

America and of Americans and of our families. It is a story of the struggle for freedom, the struggle for democracy, and the struggle for a better life for our families, our friends, and our neighbors.

As we gather in this great Chamber, this cradle of democracy here in these United States, we should never forget the lessons of Greeks and the lessons of Greek independence.

CELEBRATING 180 YEARS OF GREEK INDEPENDENCE

The SPEAKER pro tempore (Mr. FERGUSON). Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, on March 25, as has been mentioned, Greece celebrates its 180th year of independence. I am here tonight to praise the society that represents, in a historical sense, the origins of what we call Western culture and, in a contemporary sense, one of the staunchest defenders of Western society and values. There are many of us in Congress, on both sides of the spectrum, who are staunchly committed to strengthening and preserving the ties between the Greek and American people. I would particularly like to thank the co-chairs of our Hellenic Caucus, the gentleman from Florida (Mr. BILIRAKIS) and the gentlewoman from New York (Mrs. MALONEY), for their fine leadership and tireless efforts to strengthen the ties between our two countries.

Just 200 years ago, after the Greek people began the revolution that would lead to their freedom, one of our predecessors in this Chamber, Congressman Daniel Webster, referring to the 400 years during which the Greeks were ruled by the Ottoman Empire, observed, and I quote, "These people," the Greeks, "a people of intelligence, ingenuity, refinement, spirit and enterprise, have been for centuries under the atrocious and unparalleled Tartarian barbarism that ever oppressed the human race."

The words Congressman Webster chose then to describe the Greek people, intelligence, ingenuity, refinement, spirit and enterprise, are as apt today as they ever have been. In the years since, Americans and Greeks have grown ever closer, bound by ties of strategic and military alliance, common values of democracy, individual freedom, human rights, and close personal friendship.

In the early 20th century, Greece stood by the United States in World War I when Hitler's war machine decimated Europe in the middle of this century. Greece again stood on the same side of the United States to repulse the greatest threat to freedom and human decency the world as ever seen and, I might add, at great cost to the Greek people and the Greek nation.

□ 1900

History has shown that the historic battle of Crete, in which the indomitable spirit of the Greek people forced Hitler to delay his planned invasion of Russia, was one of the most important battles of the Second World War. From the outset of that war, Greece showed its true character as a nation of courage and honor, devoted to freedom and self-determination.

World War II's aftermath left Europe mired in the Cold War; and Greece, a NATO ally to this day, once again answered the call. Greece showed its national valor and sense of historic mission, joining forces with the United States and preserving and protecting the freedoms enjoyed today by an unprecedented number of the world's people.

The qualities exhibited by the nation of Greece, Mr. Speaker, are a reflection of the strong character and values of its individual citizens. The United States has been greatly enriched as many sons and daughters of Greece made a new life in America. They and their children and grandchildren have enriched our country in countless ways, contributing to our cultural, professional, commercial, academic and political life.

The timeless values of Greek culture have endured for centuries, indeed for millenia. As Daniel Webster noted, 400 years of control by the Ottoman Empire could not overcome the Greek people's determination to be free.

But I regret to say, Mr. Speaker, to this day the Greek people must battle against oppression. For almost 24 years now, Greece has stood firm in its determination to bring freedom and independence to the illegally occupied nation of Cyprus. Like their forefathers who were under the control of a hostile foreign power for four centuries, the Cypriot people hold fast in defiance of their Turkish aggressors with every confidence that they will again be a sovereign nation, and they will.

The United States must be on their side in both the fight to secure that freedom and the celebration to mark the day when it finally arrives.

Mr. Speaker, in closing, I want to congratulate the Greek people for 180 years of independence and thank them for their contributions to American life.

VIOLENCE AGAINST WOMEN

The SPEAKER pro tempore (Mr. FERGUSON). Under a previous order of the House, the gentlewoman from Illinois (Mrs. BIGGERT) is recognized for 5 minutes.

Mrs. BIGGERT. Mr. Speaker, I would like to switch subjects for a moment to talk about another matter during this month of women's history. As the Republican chair of the Congressional Women's Caucus, I would like to take the opportunity to discuss an issue that affects thousands of women each year, violence against women.

There are two types of violence against women that need to be addressed: domestic violence and sexual assault. Scratch the surface of any of our Nation's most challenging social problems, from crime in the schools to gang violence and homelessness, and you are likely to find a root cause of domestic violence.

Law enforcement officials are reporting that domestic violence situations are among their most frequent calls. Judges find that children first seen in their courts as victims of domestic violence return later as adult criminal defendants. Schools are noticing that children with emotional problems often come from an environment where violence is the norm.

Violence begets violence, and we must break the cycle. We have begun to address the problem, but there is still much work to be done. Reauthorizing the Violence Against Women Act in the 106th Congress was a giant step in the right direction.

Since it passed in 1994, the Violence Against Women Act has been effective. In fact, the Justice Department estimates that violence against women has decreased by 21 percent since the law was originally passed. The law also has been credited with providing shelter space for more than 300,000 women and their families.

Mr. Speaker, I would like to commend my many colleagues here in the House who supported and fought for this important legislation, both in 1994 and the reauthorization last year. I am proud that reauthorization received such strong bipartisan support, and I am hopeful that our future efforts to address this tremendous problem will receive similar levels of support from both sides of the aisle.

The reauthorization of the Violence Against Women Act brought much-needed attention to these issues, attention that will be translated into greater public awareness of this issue and a greater public commitment to solving the problems of violence against women.

But another particular area of violence against women that needs more congressional attention is sexual assault. The statistics on this issue are staggering. A rape occurs every 90 seconds, and estimates show that one out of every three women will be sexually assaulted in her lifetime.

Seven out of every 10 rapes are committed by someone the victim knows. Seventy-six percent of the women over 18 who are raped and/or physically assaulted are assaulted by a current or former husband, cohabitating partner or date.

What can we do to address this horrendous problem? We must talk about it. We must raise public awareness. For years, these problems have been swept under the table, and women have been hesitant about talking about them in public or even reporting them.

I am thankful that this trend is in reverse and the public is becoming more outraged about these heinous crimes against women. We, as leaders, must be willing to bring more attention to the fight against sexual assault and domestic violence.

By focusing public attention on these acts of brutality against women, we can raise public awareness. We can make a difference. We have already seen positive effects of the Violence Against Women Act, but that is just a start.

As the month of March draws to a close, I would like to point out that the month of April is nationally known as National Sexual Assault Awareness Month. I would like to see this designation made official.

Officially designating April as National Sexual Assault Awareness Month would raise public awareness. Violence against women is a large, unrecognized and all-too-often ignored problem in all of our communities. The costs of these violent acts is borne not only by the women who experience it, but by their families, communities and our Nation as a whole.

This is a national issue, and it must receive national attention. We must continue our congressional commitment to making our streets and homes safe for women and children.

A TRIBUTE TO GOVERNOR JOAN FINNEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, I rise this evening to convey my thoughts and prayers for the former governor of our State, Governor Joan Finney, and her family. Last month, Governor Finney was diagnosed with liver cancer. I wish her strength and courage as she fights this devastating disease.

Governor Finney has had a long and distinguished career in service to the public. She was a trailblazer for women in elective office, and her example has served as inspiration and a role model for others in our State and around the country.

Joan Finney served our State for 16 years as Kansas Treasurer. She started her career as a Republican and switched to become a Democrat.

In 1990, she became the first women ever elected governor of our State. Governor Finney is truly a woman of the people.

Throughout her years of public service, she was able to connect to everyday Kansans in a way all of us who hold elective office can respect and admire.

I was privileged to serve in the Kansas Senate during Governor Finney's term as governor. During that time, she always had the well-being of the people of our State as her priority.

While we sometimes disagreed, I always knew where the Governor stood on each and every issue. She was honest and straightforward. No public opinion polls, no focus groups, just Joan Finney doing what she thought was best for the people she loved, the people of Kansas.

Governor Finney was always respectful, and her heart was always in the right place. She believed passionately in her positions and worked hard for the hard-working people of Kansas.

Family is very important to Governor Finney. Members of her family played key roles in her campaigns and in her administration.

I know that her family is with her now as she faces this great challenge. May the strength and goodwill that she displayed in her years as public service now help her defeat this terrible disease.

My thoughts and prayers go out to Governor Finney, to her husband Spencer and to her children, Sally Finney, Richard Finney and Mary Holliday.

Kansans care greatly for you, Mrs. Finney, and we pray God will bless you and give you courage and strength.

AMERICA'S FARMERS AND RANCHERS NEED A NEW FARM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, the 276 million of us who do not work in the farming and ranching sectors need to take time today on National Agriculture Day to give thanks to the 700,000 men and women of American agriculture for all they do to feed our Nation and, indeed, much of the rest of the world.

Mr. Speaker, I rise tonight to pay highest tribute to some of the hardest working people in America. I know of no other people who take such great financial risks, give more of themselves each and every day, and who do so with great discipline and dignity.

With the depression that is afflicting rural regions of our country, America needs a new declaration of economic independence, and that declaration should insist that America's farmers and ranchers are not expendable. Their husbandry and stewardship are central pillars of our national security and freedom.

Today, we are witnessing an alarming hollowing out of America's countryside and a wanton destruction of precious arable lands that have sustained us and on which future generations will depend.

Rural America is on life support. The current farm depression, now in its fourth year, is the deepest since 1915. This year's prices were at a 27-year low.

The average age of our farmers is 57 years, and now they are getting over three-fourths of their earnings in public support because the market does not work for them.

And up until today, National Agriculture Day, what have we heard from the new administration? Silence. Not the peacefulness of the countryside, but the eerie solemnness of the graveyard.

President Bush, when he delivered his State of the Union address just a few weeks ago in this Chamber, had nothing to offer America's farmers. No plans. No solutions. No ideas. The budget that he has submitted so far suggests that agriculture's crisis will be taken care of out of something called a contingency fund. That sounds like it is tangential. Now, how exactly is that supposed to happen?

The President has talked largely about estate taxes, implying that farmers can leave their properties to sons and daughters. But what does that do to earn a living today and hold on for the rest of their productive years?

Anyone who saw the New York Times story this past weekend saw the heart-wrenching story about potato growers in Idaho facing their lowest prices in decades. They are worried about having an income. What will a tax cut do for them?

Then yesterday the President spoke on our Nation's energy policy. But, for agriculture, it was again the sound of silence. America has the ability to convert many of our crops into ethanol and biodiesel, throwing off the yoke of international fuel dependency. In fact, if we just converted our strategic petroleum reserve to a strategic fuels reserve and only fill 2 percent of it with biofuels, we would double the production of both ethanol and biodiesel in this country, helping to build that new industry from inside this Nation.

But the President did not mention it, not a word. But he did express his appreciation just yesterday to the OPEC ministers who agreed to hold price increases to only 7 percent for imported fuel. He thought that gesture by them was comforting. It is not comforting to me.

Mr. President, why do you not offer some comfort to America's farmers and ranchers and help them get their prices up the same 7 percent that you are willing to accept for oil? Why do you not help them develop new products like ethanol and biodiesel? Why do you not tell them what you propose to break them out of the cycle of dependency on government farm payments? Why do you not offer an agriculture policy that our farmers and ranchers can look toward the future?

Let me start in this way. America's farmers and ranchers need a new farm bill that gives equal footing to them in our global marketplace, starting out with contracting rights. We need a budget from the executive branch that addresses the farm crisis and positions American agriculture for the future.

We need to meet America's energy crisis with a major national commitment to biofuels. We must invest in new ways for farmers and ranchers to move their products to the market domestically and internationally. We need to restore a free market in agriculture and enforce antitrust laws.

We must give farmers and ranchers a place at the bargaining table in global trade negotiations, starting with the reform of NAFTA and the proposal for the free trade agreement of the Americas. We must launch a new homesteading program that ties the chance to retain your farm or to own a farm mortgage and title to conservation and holding and preserving our arable land for future generations who will depend on it.

Mr. President, it is National Agriculture Day. Help us celebrate it by giving America's farmers and ranchers the respect and the attention they deserve at the highest levels.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to address their remarks to the Chair, not directly to the President.

MANIPULATION OF INTEREST RATES CAUSE ECONOMIC PROBLEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, today the Federal Reserve lowered interest rates by a half a percentage point. They have been asked to lower the interest rates by just about everybody in the country. Whether they are investors or politicians, everybody literally has been screaming at the Fed and Alan Greenspan to lower the interest rates, lower the interest rates.

□ 1915

It was anticipated that he would, and he did. He lowered the interest rates by 50 basis points. The stock market promptly went down 236 points. So obviously just lowering interest rates is not the solution to the problems we face. As a matter of fact, I believe it is the problem.

Interest rates have been manipulated by the Federal Reserve as long as I can remember, especially in the last 30 years since we have had a total fiat monetary system. So it is the manipulation of interest rates that causes a problem.

In a free market economy, you do not have a central bank pretending it has knowledge it does not have, that it knows exactly what the money supply should be and what the interest rate should be. That is a prescription for disaster; and it leads to booms and busts, speculations in the stock markets, crashes in the stock markets. This is a well-known phenomenon. It has been with us since 1913, since we have had the Federal Reserve. We have seen it in the speculation in the 1920s and the depression of the 1930s. It is ongoing.

We have a responsibility here in the Congress to deal with this. We have a responsibility to maintain the integrity of the money. Yet we up that responsibility to a secretive body that works on its own, deliberating and deciding how much money supply we should have.

To lower interest rates, a central bank has to increase the money. That is debasement. That is devaluing the money deliberately. In the old days, when the king would do this, they would clip coins. Literally coin debasement, stealing value from coinage in the old days was a capital crime. Today, though, it is accepted practice in all economies of the world. We have had no linkage of any currency of the world in the last 30 years to anything of real value.

The economies have functioned relatively well. But just in the last 6 years, we have had eight financial international crises, all patched together by more inflation, more printing of more money. Let me tell my colleagues, I am convinced it will not last, it will not continue.

Take a look at what is happening in Japan today. Japan lowered their interest rates, too. They have been doing this for a long time. They are down to 0 percent, and nothing seems to be happening. Their stock market is at a level it was 16 years ago. We have to decide whether or not we may be moving into a similar situation. I think it is a very serious problem.

We talk about interest rates. We talk about stimulating the economy. But we really do not talk about the problem, and that is the monetary system and the nature of the dollar.

The money supply right now is currently rising at the rate of 20 percent, as measured by MZN. This is horrendous inflation. This is inflation. Everybody says no, there are reassurances. The Federal Reserve and all the statisticians say there is no inflation. The CPI is okay and the PPI is okay. But there is inflation. Because if one increases the supply of money, one is creating inflation.

The most important aspect of that is the instability it creates in the marketplace. It does not always lead to a CPI increasing at 10 or 15 percent. Our CPI is rising significantly. We have other prices going up significantly, like education costs and medical care costs, housing costs. So there is a lot of inflation even when one measures it by prices.

But the real problem with the inflation when one allows a central bank to destroy its money is twofold. One, it creates an overcapacity or overinvestment, excessive debt that always has to be wiped out and cleaned out of the situation, or economic growth cannot be resumed. Japan has not permitted this to happen, and economic growth has not resumed. That is the most important aspect because that causes the unemployment and that causes the harm to so many people.

Now, there is another aspect of inflation, that is the monetary debasement that I have great concern about. That is, when it goes to extremes, it inevitably wipes out the middle class. It destroys the middle class. We are just starting to see that happening in this country.

Low middle-income earners, individuals who are still not on the dole but willing to work, they are having a tough time paying their bills. That is the early stages of what happens when a currency is destroyed.

Last year, for the first time in our history of keeping this record since 1945, in 55 years, the wealth of the American people went down 2 percent.

PUBLICATION OF THE RULES OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE 107TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GOSS) is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I am pleased to transmit herewith the Rules of Procedure for the Permanent Select Committee on Intelligence for the 107th Congress. The enclosed rules were adopted by the Committee, Thursday, March 1, 2001.

Pursuant to rule XI, clause 2(a)(2) of the Rules of the House of Representatives, I request that the enclosed Rules of Procedure be printed in the CONGRESSIONAL RECORD.

RULES OF PROCEDURE FOR THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

1. SUBCOMMITTEES

(a) Generally

(1) Creation of subcommittees and the working group shall be by majority vote of the Committee.

(2) Subcommittees and the working group shall deal with such legislation and oversight of programs and policies as the Committee may direct.

(3) Subcommittees and the working group shall be governed by these rules.

For purposes of these rules, any reference herein to the "Committee" shall be interpreted to include subcommittees and the working group, unless otherwise specifically provided.

(b) Establishment of Subcommittees

The Committee establishes the following subcommittees:

(1) Subcommittee on Human Intelligence, Analysis, and Counterintelligence;

(2) Subcommittee on Technical and Tactical Intelligence; and

(3) Subcommittee on Intelligence Policy and National Security.

For purposes of these rules, any reference herein to the "Committee" shall be interpreted to include subcommittees, unless otherwise specifically provided.

(c) Establishment of Working Group

(1) The Committee establishes the Working Group on Terrorism and Homeland Security (hereinafter referred to as the "working group"). For purposes of these rules, any reference to the "Committee" shall be interpreted to include the Working Group, unless otherwise specifically provided.

(2) The working group may not authorize or issue a subpoena.

(d) Subcommittee Membership

(1) Generally. Each Member of the Committee may be assigned to at least one of the three subcommittees and the working group.

(2) Ex Officio Membership. In the event that the Chairman and Ranking Minority Member of the full Committee do not choose to sit as regular voting members of one or more of the subcommittees, each is authorized to sit as an ex officio Member of the subcommittees or the working group and participate in the work of the subcommittees or the working group. When sitting ex officio, however, they—

(A) shall not have a vote in the subcommittee or in the working group; and

(B) shall not be counted for purposes of determining a quorum.

2. MEETING DAY

(a) Regular Meeting Day for the Full Committee

(1) Generally. The regular meeting day of the Committee for the transaction of Committee business shall be the first Wednesday of each month, unless otherwise directed by the Chairman.

(2) Notice Required. Such regular business meetings shall not occur, unless Members are provided reasonable notice under these rules.

(a) Regular Meeting Day for Subcommittees or Working Group

There is no regular meeting day for subcommittees or the working group.

3. NOTICE FOR MEETINGS

(a) Generally

In the case of any meeting of the Committee, the Chief Clerk of the Committee shall provide reasonable notice to every Member of the Committee. Such notice shall provide the time and place of the meeting.

(b) Definition

For purposes of this rule, "reasonable notice" means:

(1) written notification;

(2) delivered by facsimile transmission or regular mail, which is

(A) delivered no less than 24 hours prior to the event for which notice is being given, if the event is to be held in Washington, DC; or

(B) delivered no less than 48 hours prior to the event for which notice is being given, if the event is to be held outside Washington, DC.

(c) Exception

In extraordinary circumstances only, the Chairman may, after consulting with the Ranking Minority Member, call a meeting of the committee without providing notice, as defined in subparagraph (b), to Members of the Committee.

4. PREPARATIONS FOR COMMITTEE MEETINGS

(a) Generally

Designated Committee Staff, as directed by the Chairman, shall brief Members of the Committee at a time sufficiently prior to any Committee meeting in order to:

(1) assist Committee Members in preparation for such meeting; and

(2) determine which matters Members wish considered during any meeting.

(b) Briefing Materials

(1) Such a briefing shall, at the request of a Member, include a list of all pertinent papers, and such other materials, that have been obtained by the Committee that bear on matters to be considered at the meeting; and

(2) The staff director shall also recommend to the Chairman any testimony, papers, or other materials to be presented to the Committee at any meetings of the Committee.

5. OPEN MEETINGS

(a) Generally

Pursuant to Rule XI of the House, but subject to the limitations of subsection (b), Committee meetings held for the transaction of business, and Committee hearings, shall be open to the public.

(b) Exceptions

Any meeting or portion thereof, for the transaction of business, including the markup of legislation, or any hearing or portion thereof, shall be closed to the public, if:

(1) the Committee determines by record vote, in open session with a majority of the Committee present, that disclosure of the matters to be discussed may:

(A) endanger national security;

(B) compromise sensitive law enforcement information;

(C) tend to defame, degrade, or incriminate any person; or

(D) otherwise violate any law or Rule of the House.

(2) Notwithstanding paragraph (1), a vote to close a Committee hearing, pursuant to this subsection and House Rule XI shall be taken in open session—

(A) with a majority of the Committee being present; or

(B) pursuant to House Rule X, clause 11(d)(2), regardless of whether a majority is present, so long as at least two Members of the Committee are present, one of whom is a member of the Minority, and votes upon the motion.

(c) Briefings

All Committee briefings shall be closed to the public.

6. QUORUM

(a) Hearings

For purposes of taking testimony, or receiving evidence, a quorum shall consist of two Committee Members.

(b) Other Committee Proceedings

For purposes of the transaction of all other Committee business, other than the consideration of a motion to close a hearing as described in rule 5(b)(2)(B), a quorum shall consist of a majority of Members.

7. REPORTING RECORD VOTES

Whenever the Committee reports any measure or matter by record vote, the report of the Committee upon such measure or matter shall include a tabulation of the votes cast in favor of, and the votes cast in opposition to, such measure or matter.

8. PROCEDURES FOR TAKING TESTIMONY OR RECEIVING EVIDENCE

(a) Notice

Adequate notice shall be given to all witnesses appearing before the Committee.

(b) Oath or Affirmation

The Chairman may require testimony of witnesses to be given under oath or affirmation.

(c) Administration of Oath or Affirmation

Upon the determination that a witness shall testify under oath or affirmation, any Member of the Committee designated by the Chairman may administer the oath or affirmation.

(d) Interrogation of Witnesses

(1) Generally. Interrogation of witnesses before the Committee shall be conducted by Members of the Committee.

(2) Exceptions.

(A) The Chairman, in consultation with the Ranking Minority Member, may determine that Committee Staff will be authorized to question witnesses at a hearing in accordance with clause (2)(j) of House Rule XI.

(B) The Chairman and Ranking Minority Member are each authorized to designate Committee Staff to conduct such questioning.

(e) Counsel for the Witness

(1) Generally. Witnesses before the Committee may be accompanied by counsel, subject to the requirements of paragraph (2).

(2) Counsel Clearances Required. In the event that a meeting of the Committee has been closed because the subject to be discussed deals with classified information, counsel accompanying a witness before the Committee must possess the requisite security clearance and provide proof of such clearance to the Committee at least 24 hours prior to the meeting at which the counsel intends to be present.

(3) Failure to Obtain Counsel. Any witness who is unable to obtain counsel should notify the Committee. If such notification occurs at least 24 hours prior to the witness' appearance before the Committee, the Committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain counsel, however, will not excuse the witness from appearing and testifying.

(4) Conduct of Counsel for Witnesses. Counsel for witnesses appearing before the Committee shall conduct themselves ethically and professionally at all times in their dealings with the Committee.

(A) A majority of Members of the Committee may, should circumstances warrant, find that counsel for a witness before the Committee failed to conduct himself or herself in an ethical or professional manner.

(B) Upon such finding, counsel may be subject to appropriate disciplinary action.

(5) Temporary Removal of Counsel. The Chairman may remove counsel during any proceeding before the Committee for failure to act in an ethical and professional manner.

(6) Committee Reversal. A majority of the members of the Committee may vote to overturn the decision of the Chairman to remove counsel for a witness.

(7) Role of Counsel for Witness.

(A) Counsel for a witness:

(i) shall not be allowed to examine witnesses before the Committee, either directly or through cross-examination; but

(ii) may submit questions in writing to the Committee that counsel wishes propounded to a witness; or

(iii) may suggest, in writing to the Committee, the presentation of other evidence or the calling of other witnesses.

(B) The Committee may make such use of any such questions, or suggestions, as the Committee deems appropriate.

(f) Statements by Witnesses

(1) Generally. A witness may make a statement, which shall be brief and relevant, at

the beginning and at the conclusion of the witness' testimony.

(2) Length. Each such statements shall not exceed five minutes in length, unless otherwise determined by the Chairman.

(3) Submission to the Committee. Any witness desiring to submit a written statement for the record of the proceedings shall submit a copy of the statement to the Chief Clerk of the Committee.

(A) Such statements shall ordinarily be submitted no less than 48 hours in advance of the witness' appearance before the Committee.

(B) In the event that the hearing was called with less than 24 hours notice, written statements should be submitted as soon as practicable prior to the hearing.

(g) Objections and Ruling

(1) Generally. Any objection raised by a witness, or counsel for the witness, shall be ruled upon by the Chairman, and such ruling shall be the ruling of the Committee.

(2) Committee Action. A ruling by the Chairman may be overturned upon a majority vote of the Committee.

(h) Transcripts

(1) Transcript Required. A transcript shall be made of the testimony of each witness appearing before the Committee during any hearing of the Committee.

(2) Opportunity to Inspect. Any witness testifying before the Committee shall be given a reasonable opportunity to inspect the transcript of the hearing, and may be accompanied by counsel to determine whether such testimony was correctly transcribed. Such counsel:

(A) shall have the appropriate clearance necessary to review any classified aspect of the transcript; and

(B) should, to the extent possible, be the same counsel that was present for such classified testimony.

(3) Corrections.

(A) Pursuant to Rule XI of the House Rules, any corrections the witness desires to make in a transcript shall be limited to technical, grammatical, and typographical.

(B) Corrections may not be made to change the substance of the testimony.

(C) Such corrections shall be submitted in writing to the Committee within 7 days after the transcript is made available to the witness.

(D) Any questions arising with respect to such corrections shall be decided by the Chairman.

(4) Copy for the Witness. At the request of the witness, any portion of the witness' testimony given in executive session shall be made available to that witness if that testimony is subsequently quoted or intended to be made part of a public record. Such testimony shall be made available to the witness at the witness' expense.

(i) Requests to Testify

(1) Generally. The Committee will consider requests to testify on any matter or measure pending before the Committee.

(2) Recommendations for Additional Evidence. Any person who believes that testimony, other evidence, or commentary, presented at a public hearing may tend to affect adversely that person's reputation may submit to the Committee, in writing:

(A) a request to appear personally before the Committee;

(B) a sworn statement of facts relevant to the testimony, evidence, or commentary; or

(C) proposed questions for the cross-examination of other witnesses.

(3) Committee's Discretion. The Committee may take those actions it deems appropriate with respect to such requests.

(j) Contempt Procedures

Citations for contempt of Congress shall be forwarded to the House, only if:

(1) reasonable notice is provided to all Members of the Committee of a meeting to be held to consider any such contempt recommendations;

(2) the Committee has met and considered the contempt allegations;

(3) the subject of the allegations was afforded an opportunity to state, either in writing or in person, why he or she should not be held in contempt; and

(4) the Committee agreed by majority vote to forward the citation recommendations to the House.

(k) Release of Name of Witness

(1) Generally. At the request of a witness scheduled to be heard by the Committee, the name of that witness shall not be released publicly prior to, or after, the witness' appearance before the Committee.

(2) Exceptions. Notwithstanding paragraph (1), the Chairman may authorize the release to the public of the name of any witness scheduled to appear before the Committee.

9. INVESTIGATIONS

(a) Commencing Investigations

(1) Generally. The Committee shall conduct investigations only if approved by the full Committee. An investigation may be initiated either:

(A) by a vote of the full Committee;

(B) at the direction of the Chairman of the full Committee, with notice to the Ranking Minority Member; or

(C) by written request of at least five Members of the full Committee, which is submitted to the Chairman.

(2) Full Committee Ratification Required. Any investigation initiated by the Chairman pursuant to paragraphs (B) and (C) must be brought to the attention of the full Committee for approval, at the next regular meeting of the full Committee.

(b) Conducting Investigations

An authorized investigation may be conducted by Members of the Committee or Committee Staff members designated by the Chairman, in consultation with the Ranking Minority Member, to undertake any such investigation.

10. SUBPOENAS

(a) Generally

All subpoenas shall be authorized by the Chairman of the full Committee, upon consultation with the Ranking Minority Member, or by vote of the Committee.

(b) Subpoena Contents

Any subpoena authorized by the Chairman of the full Committee, or the Committee, may compel:

(1) the attendance of witnesses and testimony before the Committee; or

(2) the production of memoranda, documents, records, or any other tangible item.

(c) Signing of Subpoenas

A subpoena authorized by the Chairman of the full Committee, or the Committee, may be signed by the Chairman, or by any Member of the Committee designated to do so by the Committee.

(d) Subpoena Service

A subpoena authorized by the Chairman of the full Committee, or the Committee, may be served by any person designated to do so by the Chairman.

(e) Other Requirements

Each subpoena shall have attached thereto a copy of these rules.

(f) Limitation

(1) The working group may not authorize nor issue a subpoena.

(2) A subpoena authorized and issued by the Committee shall not compel the attendance of a witness before the working group, or the production of memoranda, documents, records, or any other tangible item to the working group.

11. COMMITTEE STAFF

(a) Definition

For the purpose of these rules, "Committee Staff" or "staff of the Committee' means:

(1) employees of the Committee;

(2) consultants to the Committee;

(3) employees of other Government agencies detailed to the Committee; or

(4) any other person engaged by contract, or otherwise, to perform services for, or at the request of, the Committee.

(b) Appointment of Committee Staff

(1) Chairman's Authority. The appointment of Committee Staff shall be by the Chairman, in consultation with the Ranking Minority Member. The Chairman shall certify Committee Staff appointments to the Clerk of the House in writing.

(2) Security Clearance Required. All offers of employment for prospective Committee Staff positions shall be contingent upon:

(A) the result of a background investigation, and

(B) a determination by the Chairman that requirements for the appropriate security clearances have been met.

(C) RESPONSIBILITIES OF COMMITTEE STAFF

(1) Generally. The Committee Staff works for the Committee as a whole, under the supervision and direction of the Chairman of the Committee.

(2) Authority of the Staff Director.

(A) Unless otherwise determined by the Committee, the duties of Committee Staff shall be performed under the direct supervision and control of the staff director.

(B) Committee Staff personnel affairs and day-to-day Committee Staff administrative matters, including the security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director.

(3) Staff Assistance to Minority Membership. The Committee Staff shall assist the Minority as fully as the Majority of the Committee in all matters of Committee business, and in the preparation and filing of supplemental, minority, or additional views, to the end that all points of view may be fully considered by the Committee and the House.

12. LIMIT ON DISCUSSION OF CLASSIFIED WORK OF THE COMMITTEE

(a) Prohibition

(1) Generally. Except as otherwise provided by these rules and the Rules of the House of Representatives, Members and Committee Staff shall not at any time, either during that person's tenure as a Member of the Committee or as Committee Staff, or anytime thereafter, discuss or disclose:

(A) the classified substance of the work of the Committee;

(B) any information received by the Committee in executive session;

(C) any classified information received by the Committee for any source; or

(D) the substance of any hearing that was closed to the public pursuant to these rules or the Rules of the House.

(2) Non-Disclosure in Proceedings.

(A) Members of the Committee and the Committee Staff shall not discuss either the substance or procedure of the work of the Committee with any person not a Member of the Committee or the Committee Staff in connection with any proceeding, judicial or otherwise, either during the person's tenure as a Member of the Committee, or of the Committee Staff, or at any time thereafter, except as directed by the Committee in accordance with the Rules of the House and these rules.

(B) In the event of the termination of the Committee, Members and Committee Staff shall be governed in these matters in a manner determined by the House concerning discussions of the classified work of the Committee.

(3) Exceptions.

(A) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee Staff may discuss and disclose those matters described in subsection (a)(1) with

(i) Members and staff of the Senate Select Committee on Intelligence designated by the chairman of that committee;

(ii) the chairmen and ranking minority members of the House and Senate Committees on Appropriations and staff of those committees designated by the chairmen of those committees; and

(iii) the chairman and ranking minority member of the Subcommittee on Defense of the House Committee on Appropriations and staff of that subcommittee as designated by the chairman of that subcommittee.

(B) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee Staff may discuss and disclose only that budget-related information necessary to facilitate the enactment of the annual defense authorization bill with the chairmen and ranking minority members of the House and Senate Committees on Armed Services and the staff of those committees designated by the chairmen of those committees.

(C) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee staff may discuss with and disclose to the chairman and ranking minority member of a subcommittee of the House Appropriations Committee with jurisdiction over an agency or program within the National Foreign Intelligence Program (NFIP), and staff of that subcommittee as designated by the chairman of that subcommittee, only that budget-related information necessary to facilitate the enactment of an appropriations bill within which is included an appropriation for an agency or program within the NFIP.

(D) The Chairman may, in consultation with the Ranking Minority Member, upon the written request to the Chairman from the Inspector General of an element of the Intelligence Community, grant access to Committee transcripts or documents that are relevant to an investigation of an allegation of possible false testimony or other inappropriate conduct before the Committee, or that are otherwise relevant to the Inspector General's investigation.

(E) Upon the written request of the head of an Intelligence Community element, the Chairman may, in consultation with the Ranking Minority Member, make available Committee briefing or hearing transcripts to that element for review by that element if a representative of that element testified, presented information to the Committee, or was present at the briefing or hearing the transcript of which is requested for review.

(F) Members and Committee Staff may discuss and disclose such matters as otherwise directed by the Committee.

(b) Non-Disclosure Agreement

(1) Generally. All Committee Staff must, before joining the Committee, agree in writing, as a condition of employment, not to divulge any classified information, which comes into such person's possession while a member of the Committee Staff, to any person not a Member of the Committee or the Committee Staff, except as authorized by the Committee in accordance with the Rules of the House and these rules.

(2) Other Requirements. In the event of the termination of the Committee, Members and Committee Staff must follow any determination by the House of Representatives, with respect to the protection of classified information received while a Member of the Committee or as Committee Staff.

(3) Requests for Testimony of Staff.

(A) All Committee Staff must, as a condition of employment, agree in writing, to notify the Committee immediately of any request for testimony received while a member of the Committee Staff, or at any time thereafter, concerning any classified information received by such person while a member of the Committee Staff.

(B) Committee Staff shall not disclose, in response to any such request for testimony, any such classified information, except as authorized by the Committee in accordance with the Rules of the House and these rules.

(C) In the event of the termination of the Committee, Committee Staff will be subject to any determination made by the House of Representatives with respect to any requests for testimony involving classified information received while a member of the Committee Staff.

13. CLASSIFIED MATERIAL

(a) Receipt of Classified Information

(1) Generally. In the case of any information that has been classified under established security procedures and submitted to the Committee by any source, the Committee shall receive such classified information as executive session material.

(2) Staff Receipt of Classified Materials. For purposes of receiving classified information, the Committee Staff is authorized to accept information on behalf of the Committee.

(b) Non-Disclosure of Classified Information

Generally. Any classified information received by the Committee, from any source, shall not be disclosed to any person not a Member of the Committee or the Committee Staff, or otherwise released, except as authorized by the Committee in accord with the Rules of the House and these rules.

14. PROCEDURES RELATED TO HANDLING OF CLASSIFIED INFORMATION

(a) Security Measures

(1) Strict Security. The Committee's offices shall operate under strict security procedures administered by the Director of Security and Registry of the Committee under the direct supervision of the staff director.

(2) U.S. Capitol Police Presence Required. At least one U.S. Capitol Police officer shall be on duty at all times outside the entrance to Committee offices to control entry of all persons to such offices.

(3) Identification Required. Before entering the Committee's offices all persons shall identify themselves to the U.S. Capitol Police officer described in paragraph (2) and to a Member of the Committee or Committee Staff.

(4) Maintenance of Classified Materials. Classified documents shall be segregated and maintained in approved security storage locations.

(5) Examination of Classified Materials. Classified documents in the Committee's possession shall be examined in an appropriately secure manner.

(6) Prohibition on Removal of Classified Materials. Removal of any classified document from the Committee's offices is strictly prohibited, except as provided by these rules.

(7) Exception. Notwithstanding the prohibition set forth in paragraph (6), a classified document, or copy thereof, may be removed from the Committee's offices in furtherance of official Committee business. Appropriate security procedures shall govern the handling of any classified documents removed from the Committee's offices.

(b) Access to Classified Information by Members

All Members of the Committee shall at all times have access to all classified papers and other material received by the Committee from any source.

(c) Need-to-know

(1 Generally. Committee Staff shall have access to any classified information provided to the Committee on a strict "need-to-know" basis, as determined by the Committee, and under the Committee's direction by the staff director.

(2 Appropriate Clearances Required. Committee Staff must have the appropriate clearances prior to any access to compartmental information.

(d) Oath

(1) Requirement. Before any Member of the Committee, or the Committee Staff, shall have access to classified information, the following oath shall be executed:

I do solemnly swear (or affirm) that I will not disclose any classified information received in the course of my service on the House Permanent Select Committee on Intelligence, except when authorized to do so by the Committee or the House of Representatives.

(2) Copy. A copy of such executed oath shall be retained in the files of the Committee.

(e) Registry.

(1) Generally. The Committee shall maintain a registry that:

(A) provides a brief description of the content of all classified documents provided to the Committee by the executive branch that remain in the possession of the Committee; and

(B) lists by number all such documents.

(2) Designation by the Staff Director. The staff director shall designate a member of the Committee Staff to be responsible for the organization and daily maintenance of such registry.

(3) Availability. Such registry shall be available to all Members of the Committee and Committee Staff.

(f) Requests by Members of Other Committees

Pursuant to the Rules of the House, Members who are not Members of the Committee may be granted access to such classified transcripts, records, data, charts, or files of the Committee, and be admitted on a non-participatory basis to classified hearings of the Committee involving discussions of classified material in the following manner:

(1) Written Notification Required. Members who desire to examine classified materials in the possession of the Committee, or to attend Committee hearings or briefings on a non-participatory basis, must notify the Chief Clerk of the Committee in writing.

(2) Committee Consideration. The Committee shall consider each such request by

non-Committee Members at the earliest practicable opportunity. The Committee shall determine, by roll call vote, what action it deems appropriate in light of all of the circumstances of each request. In its determination, the Committee shall consider:

(A) the sensitivity to the national defense or the confidential conduct of the foreign relations of the United States of the information sought;

(B) the likelihood of its being directly or indirectly disclosed;

(C) the jurisdictional interest of the Member making the request; and

(D) such other concerns, constitutional or otherwise, as may affect the public interest of the United States.

(3) Committee Action. After consideration of the Member's request, the Committee may take any action it may deem appropriate under the circumstances, including but not limited to:

(A) approving the request, in whole or part;

(B) denying the request; or

(C) providing the requested information or material in a different form than that sought by the Member.

(4) Requirements for Access by Non-Committee Members.

Prior to a non-Committee Member being given access to classified information pursuant to this subsection, the requesting Member shall—

(A) provide the Committee a copy of the oath executed by such Member pursuant to House Rule XXIII, clause 13; and

(B) agree in writing not to divulge any classified information provided to the Member pursuant to this subsection to any person not a Member of the Committee or the Committee Staff, except as otherwise authorized by the Committee in accordance with the Rules of the House and these rules.

(5) Consultation Authorized. When considering a Member's request, the Committee may consult the Director of Central Intelligence and such other officials it considers necessary.

(6) Finality of Committee Decision.

(A) Should the Member making such a request disagree with the Committee's determination with respect to that request, or any part thereof, that Member must notify the Committee in writing of such disagreement.

(B) The Committee shall subsequently consider the matter and decide, by record vote, what further action or recommendation, if any, the Committee will take.

(g) Advising the House or Other Committees

Pursuant to Section 501 of the National Security Act of 1947 (50 U.S.C. §413), and not the Rules of the House, the Committee shall call to the attention of the House, or to any other appropriate committee of the House, those matters requiring the attention of the House, or such other committee, on the basis of the following provisions:

(1) By Request of Committee Member. At the request of any Member of the Committee to call to the attention of the House, or any other committee, executive session material in the Committee's possession, the Committee shall meet at the earliest practicable opportunity to consider that request.

(2) Committee Consideration of Request. The Committee shall consider the following factors, among any others it deems appropriate:

(A) the effect of the matter in question on the national defense or the foreign relations of the United States;

(B) whether the matter in question involves sensitive intelligence sources and methods;

(C) whether the matter in question otherwise raises serious questions affecting the national interest; and

(D) whether the matter in question affects matters within the jurisdiction of another Committee of the House.

(3) Views of Other Committees. In examining such factors, the Committee may seek the opinion of Members of the Committee appointed from standing committees of the House with jurisdiction over the matter in question, or submissions from such other committees.

(4) Other Advice. The Committee may, during its deliberations on such requests, seek the advice of any executive branch official.

(h) Reasonable Opportunity to Examine Materials

Before the Committee makes any decision regarding any request for access to any classified information in its possession, or a proposal to bring any matter to the attention of the House or another committee, Members of the Committee shall have a reasonable opportunity to examine all pertinent testimony, documents, or other materials in the Committee's possession that may inform their decision on the question.

(i) Notification to the House

The Committee may bring a matter to the attention of the House when, after consideration of the factors set forth in this rule, it considers the matter in question so grave that it requires the attention of all Members of the House, and time is of the essence, or for any reason the Committee finds compelling.

(j) Method of Disclosure to the House

(1) Should the Committee decide by roll call vote that a matter requires the attention of the House as described in subsection (i), it shall make arrangements to notify the House promptly.

(2) In such cases, the Committee shall consider whether:

(A) to request an immediate secret session of the House (with time equally divided between the Majority and the Minority); or

(B) to publicly disclose the matter in question pursuant to clause 11(g) of House Rule X.

(k) Requirement to Protect Sources and Methods

In bringing a matter to the attention of the House, or another committee, the Committee, with due regard for the protection of intelligence sources and methods, shall take all necessary steps to safeguard materials or information relating to the matter in question.

(l) Availability of Information to Other Committees

The Committee, having determined that a matter shall be brought to the attention of another committee, shall ensure that such matter, including all classified information related to that matter, is promptly made available to the chairman and ranking minority member of such other committee.

(m) Provision of Materials

The Director of Security and Registry for the Committee shall provide a copy of these rules, and the applicable portions of the Rules of the House of Representatives governing the handling of classified information, along with those materials determined by the Committee to be made available to such other committee of the House or Member (not a Member of the Committee)

(n) Ensuring Clearance and Secure Storage

The Director of Security and Registry shall ensure that such other committee or Member (not a Member of the Committee) receiving such classified materials may properly store classified materials in a manner consistent with all governing rules, regulations, policies, procedures, and statutes.

(o) Log

The Director of Security and Registry for the Committee shall maintain a written record identifying the particular classified document or material provided to such other committee or Member (not a Member of the Committee), the reasons agreed upon by the Committee for approving such transmission, and the name of the committee or Member (not a Member of the Committee) receiving such document or material.

(p) Miscellaneous Requirements

(1) Staff Director's Additional Authority. The staff director is further empowered to provide for such additional measures, which he or she deems necessary, to protect such classified information authorized by the Committee to be provided to such other committee or Member (not a Member of the Committee).

(2) Notice to Originating Agency. In the event that the Committee authorizes the disclosure of classified information provided to the Committee by an agency of the executive branch to a Member (not a Member of the Committee) or to another committee, the Chairman may notify the providing agency of the Committee's action prior to the transmission of such classified information.

15. LEGISLATIVE CALENDAR

(a) Generally

The Chief Clerk, under the direction of the staff director, shall maintain a printed calendar that lists:

(1) the legislative measures introduced and referred to the Committee;

(2) the status of such measures; and

(3) such other matters that the Committee may require.

(b) Revisions to the Calendar

The calendar shall be revised from time to time to show pertinent changes.

(c) Availability

A copy of each such revision shall be furnished to each Member, upon request.

(d) Consultation with Appropriate Government Entities

Unless otherwise directed by the Committee, legislative measures referred to the Committee shall be referred by the Chief Clerk to the appropriate department or agency of the Government for reports thereon.

16. COMMITTEE TRAVEL

(a) Authority

The Chairman may authorize Members and Committee Staff to travel on Committee business.

(b) Requests

(1) Member Requests. Members requesting authorization for such travel shall state the purpose and length of the trip, and shall submit such request directly to the Chairman.

(2) Committee Staff Request. Committee Staff requesting authorization for such travel shall state the purpose and length of the trip, and shall submit such request through their supervisors to the staff director and the Chairman.

(c) Notification to Members

(1) Generally. Members shall be notified of all foreign travel of Committee Staff not accompanying a Member.

(2) Content. All Members are to be advised, prior to the commencement of such travel, of its length, nature, and purpose.

(d) Trip Reports

(1) Generally. A full report of all issues discussed during any Committee travel shall be submitted to the Chief Clerk of the Committee within a reasonable period of time following the completion of such trip.

(2) Availability of Reports. Such report shall be:

(A) available for the review of any Member or Committee Staff; and

(B) considered executive session material for purposes of these rules.

(e) Limitations on Travel

(1) Generally. The Chairman is not authorized to permit travel on Committee business of Committee Staff who have not satisfied the requirements of subsection (d) of this rule.

(2) Exception. The Chairman may authorize Committee Staff to travel on Committee business, notwithstanding the requirements of subsections (d) and (e) of this rule—

(A) at the specific request of a Member of the Committee; or

(B) in the event there are circumstances beyond the control of the Committee Staff hindering compliance with such requirements.

(f) Definitions

For purposes of this rule the term "reasonable period of time" means:

(1) no later than 60 days after returning from a foreign trip; and

(2) no later than 30 days after returning from a domestic trip.

17. DISCIPLINARY ACTIONS

(a) Generally

The Committee shall immediately consider whether disciplinary action shall be taken in the case of any member of the Committee Staff alleged to have failed to conform to any Rule of the House of Representatives or to these rules.

(b) Exception

In the event the House of Representatives is:

(1) in a recess period in excess of 3 days; or

(2) has adjourned sine die; the Chairman on the full Committee, in consultation with the Ranking Minority Member, may take such immediate disciplinary actions deemed necessary.

(C) Available Actions

Such disciplinary action may include immediate dismissal from the Committee Staff.

(d) Notice to Members

All Members shall be notified as soon as practicable, either by facsimile transmission or regular mail, of any disciplinary action taken by the Chairman pursuant to subsection (b).

(e) Reconsideration of Chairman's Actions

A majority of the Members of the full Committee may vote to overturn the decision of the Chairman to take disciplinary action pursuant to subsection (b).

18. BROADCASTING COMMITTEE MEETINGS

Whenever any hearing or meeting conducted by the Committee is open to the public, a majority of the Committee may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions and in accordance with the spirit of the purposes enumerated in the Rules of the House.

19. COMMITTEE RECORDS TRANSFERRED TO THE NATIONAL ARCHIVES

(a) Generally

The records of the Committee at the National Archives and Records Administration shall be made available for public use in accordance with the Rules of the House of Representatives.

(b) Notice of withholding

The Chairman shall notify the Ranking Minority Member of any decision, pursuant to the Rules of the House of Representatives, to withhold a record otherwise available, and the matter shall be presented to the full Committee for a determination of the question of public availability on the written request of any Member of the Committee.

20. CHANGES IN RULES

(a) Generally

These rules may be modified, amended, or repealed by vote of the full Committee.

(b) Notice of Proposed Changes

A notice, in writing, of the proposed change shall be given to each Member at least 48 hours prior to any meeting at which action on the proposed rule change is to be taken.

DOMESTIC VIOLENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. ROYBAL-ALLARD) is recognized for 5 minutes.

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise to join my colleagues in the women's caucus to add my strong support to the struggle against domestic violence.

It is important for all Americans to understand we are all impacted by this violence, even if we are not directly victims. Domestic violence undermines the very foundation of our American society, the family. And it undermines our quality of life of all of us because in one way or another our society pays the price, through the increased homelessness, substance abuse, dependence on welfare, juvenile delinquency, and lower productivity in our workplaces that often results from domestic violence.

These negative effects are documented by research which shows that domestic violence dramatically affects a woman's ability to work and support herself and her children. This often forces her to rely on welfare, or even worse, to return to her batterer for financial support.

To help stop this cycle of violence, I will once again introduce the Battered Women's Employment Protection Act, which will help abused women retain their jobs and the financial independence necessary to escape a violent environment.

This act achieves these goals by allowing employed victims of domestic violence, without penalty, access to reasonable time off from work in order to seek legal and medical assistance, make necessary court appearances, and attend to personal security.

Further, to ensure that battered women can remain financially independent, it requires states to provide unemployment benefits to women who are forced to leave their work as a result of domestic violence.

For women attempting to escape abuse, these safeguards are often a matter of life and death. Our society cannot afford to ignore this crisis of violence in so many of our families. Nor can we afford to continue paying the price of its ultimate consequences. I will continue to fight in the 107th Congress to get these provisions enacted into law, and I hope my colleagues and all Americans will join me.

GREEK INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. KIRK) is recognized for 5 minutes.

Mr. KIRK. Mr. Speaker, I rise today because Sunday marks the 180th anniversary of the revolution that earned the independence of the Greek people from the Ottoman Empire. Nearly 400 years ago, after the fall of Constantinople, Bishop Germanos of Patras raised the Greek flag at Agia Lavras, sparking a powerful revolution against the Ottoman oppressors.

Citing the values and priorities that led to the establishment of our own country here in the United States, the Greek commander chief, Petros Mavromichalis, once proclaimed that "in imitating you, we shall imitate our ancestors and be thought worthy of them if we succeed in resembling you . . . it is for you, citizens of America, to crown this glory."

Following the triumphs of 1821, Greece continued to prove itself as a loyal ally of the United States and an internationally recognized advocate of democracy. Greece is one of only three nations in the world beyond those of the former British Empire to be allied with the United States in every major international conflict of the 20th century.

From the trenches of World War I to the barren fields of Desert Storm, Greece remains faithful to the implementation and sustainment of democracy. Most recently in the Balkans, Greece has played a steady hand of democracy in the face of regional unrest and instability.

Mr. Speaker, we depend on Greece more than ever today. As conflict spreads in the neighboring former Yugoslav Republic of Macedonia, Greece's role as a stable democracy and key NATO ally becomes more important. All eyes now turn to young leaders in the Mediterranean like Greece's Foreign Minister Papandreou to advise us on the path of peace.

A path to peace. Would that we could have one in Cyprus, divided by a cold war barrier that is as ugly as it is outdated.

We look with hope at the new Bush administration and their role in bringing together the leaders from Ankara, Nicosia, Athens to find peace.

Greece is a special jewel of beauty in the Mediterranean from the ecology of Patmos to the vibrant Rembetiko of the Plaka.

I want to wish a hearty congratulations to the Greek people and pay special regards to one of the leading Greek-Americans of northern Illinois, State Senator Adeline Geo-Karis of Zion, who is one of our true leaders. I am sure she will correct all of my pronunciation in the Greek language.

We wish the Greek people well. To Greece, we say to a free and democratic ally: Cronia polla hellas.

AIDS PANDEMIC

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentlewoman from California (Ms. LEE) is recognized for 60 minutes as the designee of the minority leader.

GENERAL LEAVE

Ms. LEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of my Special Order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. LEE. Mr. Speaker, tonight I would like to begin by thanking Minority Leader GEPHARDT for allowing tonight's Special Orders to be held to increase the awareness of the AIDS pandemic which is reeking havoc on Africa, the Caribbean, and many other developing nations throughout the world. Africa, however, is the epicenter of this human tragedy.

I rise tonight to express my strong opposition to the lawsuit filed against the South African government by 39 pharmaceutical companies. In 1997, the South African government passed the Medicines Act which would allow the manufacturing and the importation of generic life-saving AIDS medicines. Through this lawsuit, however, the pharmaceuticals would all but halt those opportunities; and this is just downright wrong.

While this suit has been postponed at the request of the pharmaceutical companies, it is slated to be heard by the South African Justice Department in the near future. Should this lawsuit proceed, there is a dangerous potential for life-saving AIDS medicines to be pushed further out of reach for AIDS patients and communities throughout the world and for those who need them the most.

While some pharmaceutical companies have taken steps to lower the costs of these medications, and I applaud their initiatives, life-saving medications still remain far out of reach for millions of people living with AIDS. Ninety percent of the world's 36 million people with HIV face a death sentence, a death sentence because they cannot afford medication because they are poor and because they live in the developing world.

For example, in countries like Zimbabwe and Swaziland, the average life expectancy was 65 to 70 years of age. As a direct impact of AIDS, those rates have decreased to 30 to 35 years of age. This is staggering. In Zimbabwe, it is estimated that one-quarter of all Zimbabweans are infected with HIV. In Botswana, there is a 50 percent chance that teenage girls and boys will contract HIV if a sustained strategy to prevent new HIV infections is not instituted.

In wealthy countries, including the United States, people living with AIDS is treatable. In all of Africa, where more than 70 percent of HIV cases are concentrated and where more than 70 percent of AIDS deaths have already occurred, HIV-infected people face painful, painful death, with no hope of treatment because the essential AIDS medications are just too expensive. They want the drugs but cannot afford the prices set by drug companies.

We must not tolerate the current policy which dictates that life with a manageable illness is possible if one is wealthy or if one has money; however, death from AIDS is certain if one is poor.

The African AIDS crisis has spurred a tremendous public outcry for relief, and AIDS patients are demanding the right to live and demanding the basic human right to affordable treatment.

The South Africa Medicines Act provides the crucial legal clearance required for South Africa to obtain affordable life-extending generic HIV drugs. But the drug companies claim that the South African Medicines Act is criminal and unfairly robs them of their rights to unfettered patent monopoly. But I say that this lawsuit is criminal.

Everyone from international patent experts to the World Health Organization agrees that the South African Medicine Act is perfectly legally sound. While drug companies paralyze the Medicines Act in court, South Africans face preventable deaths.

According to UNAIDS, every day, 6,000, 6,000 more South Africans die from AIDS. The continent of Africa accounts for only 1.3 percent of the global pharmaceutical market in part because the average person lives on less than $300 per year. That is $300 per year, while the average AIDS treatment may cost as much as $15,000 per year.

The multinational pharmaceutical industry is not concerned with African profits. But the drug industry fears the growing awareness on the part of American taxpayers that pills cost pennies to manufacture. The drug industry also fears that the growing awareness that a large percentage of research and development costs are born by United States taxpayers, and the taxpayer-funded inventions are often licensed for a pittance to the world's most profitable industry.

The drug industry fears that this growing awareness will reduce the willingness of United States consumers and public programs to continue to pay the extraordinarily high prices in our own country.

While I call on the United States Congress to stand with the South African government and with people living with AIDS fighting this lawsuit, we must also redouble our efforts in ending this devastating crisis in South Africa, in the Caribbean, everywhere where drug company profiteering keeps essential drugs out of reach of the poor.

We must oppose the lawsuit in South Africa, instead offer concrete support to countries committed to curtailing the AIDS crisis through access to affordable treatment.

☐ 1930

We need life-saving action, not litigation, not lawsuits.

HIV-infected persons have a basic right to vital medicines for prevention and treatment of AIDS and must have access to drugs for treatment of opportunistic infections. These are infections related to HIV and AIDS such as tuberculosis, pneumonia, shingles and to anti-retroviral agents.

In this debate, it is extremely important to recognize that access to HIV and AIDS medications is only one part of the solution to our devastating human tragedy in Africa and throughout the world. The United Nations' program on HIV and AIDS estimates that it will cost $3 billion to address HIV prevention in sub-Saharan Africa alone. That is $3 billion in 1 year only.

We need a comprehensive effort to address HIV and AIDS throughout the developing world. While we provide some support for HIV-AIDS education and prevention initiatives, we must increase development and infrastructure building, particularly as it relates to health care delivery systems and long-term health management strategies.

A severe lack of basic health and economic infrastructure does impede our ability to combat the HIV and AIDS crisis in Africa, the Caribbean and throughout the world. Building the bridge between public and private sectors and bringing foreign investors to the table is also central to our strategy in eradicating this disease. These are the crucial elements that are called for in the AIDS Marshall Plan.

Mr. Speaker, I would like to thank my predecessor, Congressman Ron Dellums, for his clarity on this issue and his vision in determining a comprehensive response, and for beating the drug in every village, in every community and on every continent.

This bridge must be built swiftly, otherwise our efforts will be for naught. The AIDS Marshall Plan and the World Bank AIDS trust fund provide a road map that leads to that bridge.

Finally, heavily affected HIV and AIDS countries must receive complete multilateral and bilateral debt cancellation this year so they can respond to this crisis effectively. AIDS is decimating the continent of Africa and leaving behind millions of orphans in its wake. By 2010, there will be more AIDS orphans in Africa than there are children in America's public schools. This is truly mind boggling.

We cannot sacrifice this generation of children on the altar of indifference. The AIDS epidemic has cut life expectancy by 25 years in some countries. It is a crisis of biblical proportions in Africa and puts the very survival of the continent at stake.

This is not only a humanitarian crisis, it is a looming economic, political and social catastrophe. It is a national security threat. We must continue to raise awareness about the global crisis and this deadly disease and escalate our efforts to find solutions. HIV–AIDS is not a Democratic or Republican issue. It is a disease that threatens the entire human family.

Mr. Speaker, this Congress must continue its bipartisan efforts as we began last year under the strong leadership of the gentleman from Iowa (Mr. LEACH) and my colleagues in the Black Caucus and the Congressional Progressive Caucus.

Mr. Speaker, I yield to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), who chairs the Congressional Black Caucus' Health Brain Trust. She is a physician from the Virgin Islands, a region of our world where the epidemic is second in its hardest hit numbers in terms of infection rates.

Mrs. CHRISTENSEN. Mr. Speaker, this issue of the HIV and AIDS pandemic is one that needs to be on the forefront of our agenda every day. I want to use this time to publicly applaud my colleague, the gentlewoman from California (Ms. LEE), for reserving this hour to focus on this issue on the floor of the House, and for her hard work and all of the leadership she has given to the issue of international AIDS.

This Special Order is timely. On the one hand it is timely because of the unfortunate and misguided South Africa case, and on the other hand because of the recent commendable responses by several pharmaceutical companies to the pandemic and the need to make treatment accessible.

Because it does not get much focus, Mr. Speaker, let me use this opportunity to interject some information about my region, the Caribbean. Although many of my colleagues do not recognize it, one of the regions hardest hit by the epidemic is the Caribbean where the HIV infection rates are among the highest in the world, with an adult prevalence rate of 2.3 percent, second only to that of sub-Saharan Africa.

Official estimates show that as of December 2000, there were reported 390,000 persons living with HIV or AIDS in the Caribbean. However, because there are reporting barriers, the real number is estimated to be closer to 600,000. In the English-speaking Caribbean, AIDS is the leading cause of death among men between the ages of 15 and 44; 35 percent of HIV-positive adults are women. A child is either born HIV positive or is infected through breast milk every day in the English-speaking Caribbean.

In my own district in the U.S. Virgin Islands, there is a cumulative total of 380 persons living with AIDS reported since we began tracking HIV and AIDS. That seemingly small number becomes much larger when you put it against our small population of 110,000 people, bringing the Virgin Islands into the top 10 of U.S. States and territories in terms of incidence of AIDS.

Our neighbor, Puerto Rico, ranks among the top five in incidence of AIDS among U.S. States and territories. Major challenges exist in the fight against HIV and AIDS in the Caribbean, not unlike those in Africa and our communities of color here at home.

Yesterday I was visited by representatives of the Global Network of People living with AIDS, which is a network by and for people with HIV–AIDS in Africa, Asia Pacific, Latin America, Europe, North America and the Caribbean. With them were representatives of the Caribbean Regional Network of people living with AIDS.

I am always impressed by the commitment, despite severe odds, and the tireless work of these organizations, as well as others, and all of the work that they are doing to stem the tide of this terrible pandemic around the world. I applaud them, and with them I also applaud the many community, faith-based, and advocacy organizations that are on the front lines of the pandemic here in the United States where the epidemic in African American communities bears many resemblances to the global one.

It is on all of these shores that the battle must be fought; and the CBC will continue to be an integral part of it, because whether here or elsewhere, the persons affected are disproportionately people of African descent. And while prevention must be the bulwark of our efforts, we must do all that is possible to make treatment available to those infected regardless of where they live, how they live, and their or their government's ability to pay.

That is why we are here this evening, to call attention, one, to the need to continue the process begun last year with the passage of the Marshall Plan for Africa, and the creation of the trust fund. Now we must fully fund our share and encourage our international partners, both public and private, to contribute to create a trust fund that will be large enough to make a difference.

The provision of effective drugs must be a part of the equation. We hear too many reasons why folks say drugs do not have to be made readily available to the countries that are being devastated in sub-Saharan Africa. They tell us, well, the infrastructure is not in place. Some say there is no way to ensure that the drugs will reach those in need. Others complain that the magnitude of the epidemic is such that we will never be able to provide medicine in the volume needed. I cannot say strongly enough that these excuses are completely unacceptable and unsupportable, as is the lawsuit referred to by my colleague, the gentlewoman from California (Ms. LEE).

Our humanity demands we respond on all levels to reduce any barrier to life that this epidemic creates. In doing so we will also be able to address the other obstacles, treating other diseases, such as malaria, sleeping sickness, and the others that also take a mighty toll. Mr. Speaker, we must care about human lives lost. We must care about the effect of those losses on the ability of these countries to grow, to stabilize and to take their place on the world's stage. If nothing else, we must care about the orphaned children to whom parental love and nurturing have been lost forever.

But more than care, we must do something about it. So I also applaud the companies that have stepped up the efforts to make life-saving drugs available, especially those who have recognized the need to allow some drugs to be provided in their generic form, as Bristol Myers Squibb has done in the one instance. This is the kind of example, Mr. Speaker, that we hope others will understand, accept the need for, and follow.

As one of the companies' spokespersons has been quoted as saying last week, this is not about profits. It should not be about profits. It is about poverty and devastating disease. The nature of this pandemic demands that business as usual and even profits be put aside and that every sector respond fully. If we can rise to the occasion demanded by this pandemic everywhere, including in our own communities of color here at home, not only will we bring this pandemic under control, we will significantly improve the health of people and communities beyond this one disease and far into the future.

Mr. Speaker, I thank the gentlewoman for yielding to me, and I yield back to her.

Ms. LEE. Mr. Speaker, I thank the gentlewoman for her statement and also for her major contributions in bringing her medical expertise and her commitment to the body politic here in the United States Congress.

Now, I would like to yield to the gentlewoman from Illinois (Ms. SCHAKOWSKY), a real leader on consumer issues, on banking issues, and on women's health issues. She has been very focused in terms of her commitment to access to medicines and to treatment for those living with HIV and AIDS.

Ms. SCHAKOWSKY. Mr. Speaker, I am proud to join today with the gentlewoman from California and other distinguished Members who are concerned about the scourge of AIDS and HIV in sub-Saharan Africa and around the globe.

I am glad we decided to work on this issue from the outset of the 107th Congress. Much discussion but, even more, action needs to occur in the next 2 years if we are serious about combatting the spread of HIV–AIDS and if we want to aggressively work to provide relief to those who are already suffering from this terrible disease.

Those of us here tonight are familiar with the staggering statistics. However, I believe that at least some of them need to be repeated time and again until necessary results are achieved. Since the HIV–AIDS pandemic began, it has claimed 21.8 million lives. Over 17 million men, women and children have died due to AIDS in sub-Saharan Africa alone. Over 36 million people are infected with the HIV virus today. Over 25 million of them live in sub-Saharan Africa. By 2010, approximately 40 million children worldwide will have lost one or both of their parents to HIV–AIDS.

If there is anyone who thinks it does not affect them, let me just point out that one of the side effects of HIV–AIDS has been the development of drug-resistant TB, tuberculosis. One does not have to engage in IV drug use or unprotected sex to get drug-resistant TB. Just sit next to someone on an airplane who coughs on you, and then you have it. So all of us are at risk.

I find it unspeakably offensive that 39 pharmaceutical companies filed suit against South Africa in order to prevent that country from implementing aggressive strategies to make life-saving drugs available and affordable.

□ 1945

I would say that that lawsuit needs to be immediately dropped. As the world's leader, the United States must set the moral example for other nations to follow.

We have to think about this. We are facing a worldwide pandemic that has the potential of eclipsing all plagues of the past, all wars, can destabilize nations and continents and the world, and has been declared a security risk by the United Nations Security Council. The very idea that profits and patents and intellectual property rights would be placed up here while the health of the people of this planet is placed down here is unimaginable. This is a time in history that requires the people of the world to sit down at a table and together to develop the strategies that will end this threat.

I welcome the news that the Bush administration will honor the policies implemented by the Clinton administration on the subject of the access to drugs in developing countries, or at least in sub-Saharan Africa. However, I believe that there is more that can and must be done. President Bush should use existing authority to give the World Health Organization the right to use HIV/AIDS patents where the United States Government has rights to those inventions.

Great progress has been made in developing products to treat HIV and AIDS, and many of those products were developed with taxpayer funding. These publicly financed products should be accessible and affordable to consumers both in the United States and in other countries. Along with the gentleman from Illinois (Mr. JACKSON), the gentlewoman from California (Ms. WATERS) and the gentlewoman from California (Ms. LEE), I wrote to President Clinton on this subject last year and intend to raise this issue again with President Bush.

A recent Washington Post editorial stated, "The administration should lead an international effort to clarify poor countries' right to fight emergencies with generic drugs, and it should declare its sympathy for the South African government in the pending case." The editorial went on to say that Robert Zoellick, the U.S. Trade Representative, should come out publicly and declare this administration's support for the Clinton administration's executive order on pharmaceuticals for sub-Saharan Africa.

The Congress and the administration need to work together to form a budget that includes increased HIV/AIDS funding for numerous programs. We also have a number of legislative initiatives that deserve action.

We need full funding for the World Bank AIDS Trust Fund legislation sponsored by the gentlewoman from California (Ms. LEE) and the gentleman from Iowa (Mr. LEACH). With this bill, which is a public-private partnership dedicated to fighting HIV/AIDS and developing vaccines, we have the ability to leverage more than $1 billion in U.S. contributions. This bill was authorized for 2 years and funded for this year, and we need to make sure it is included in our appropriations priorities this year.

I want to thank the gentlewoman from California (Ms. WATERS) for her work and for reintroducing the HIV/AIDS Medicines for Poor Countries Act, of which I am an original cosponsor, and which would make it illegal for the United States Government to use the TRIPS agreement, the World Trade Organization agreement, to challenge another country's efforts to make HIV/AIDS drugs available at lower prices. The bill would also prohibit any agency of the U.S. Government from using Federal funds to seek to revoke any law or policy of a developing country that promotes access to HIV/AIDS medicines. Finally, the bill would require the U.S. to urge the World Trade Organization to exempt developing countries from the application of provisions of the TRIPS agreement that restrict their ability to make HIV/AIDS medicines available to their populations at affordable prices.

The Congress, President Bush and his Trade Representative have a responsibility to South Africa and to the rest of the world. It should be the policy of this administration and this Congress to denounce efforts that limit access to lifesaving drugs and to attack the AIDS crisis to the fullest extent. Anything less would be unconscionable.

Ms. LEE. I thank the gentlewoman from Illinois for a very clear, very passionate statement and for her consistent work on behalf of all humanity.

Mr. Speaker, I yield to the gentlewoman from California (Ms. WATERS), a sponsor of the Affordable HIV/AIDS Medicines for Poor Countries Act. I also want to make sure that we recognize her tonight for actually leading the Congressional Black Caucus' effort in our initiatives on the whole HIV/AIDS pandemic on a global basis, a strong supporter of the AIDS Marshall Plan, and a leader in our debt relief efforts.

Ms. WATERS. Mr. Speaker, I would like to thank the gentlewoman from California (Ms. LEE) for organizing this effort tonight to address this critical issue of the global HIV/AIDS pandemic. I would like to also thank all of my colleagues who have extended their day to be here this evening to help draw additional attention to this issue.

The HIV/AIDS pandemic is having a severe impact on many developing countries, especially those in sub-Saharan Africa. Approximately 17 million Africans have died of AIDS, including 2.4 million who lost their lives in the year 2000 and an estimated 25 million people in sub-Saharan Africa are living with HIV. In South Africa alone, over 4 million people are living with HIV. That is almost 10 percent of the country's population.

In 1997, the South African government passed a law to make HIV/AIDS drugs more affordable and available for its people. This law allows the importation of commercial drugs from sources other than the manufacturers, a practice called parallel importing, and authorizes the South African government to license local companies to manufacture generic drugs, a practice called compulsory licensing.

International pharmaceutical companies opposed this law, and no less than 39 pharmaceutical companies sued the South African government to block its implementation. Hearings on this lawsuit are scheduled to resume in April. Two of the largest companies participating in the lawsuit, Merck and Bristol-Myers Squibb, have recently cut the prices they charge African countries for their AIDS drugs, but their prices remain well beyond the reach of the people of South Africa.

I urge all 39 pharmaceutical companies to drop this case before the trial resumes next month. It is absolutely unconscionable that some of the world's wealthiest corporations are trying to prevent an African country from manufacturing or purchasing lifesaving medicines. These are the very same corporations that have steadfastly refused to make HIV/AIDS medicines available to impoverished people in sub-Saharan Africa at reasonable prices. It is time to let African countries take care of their people.

The Agreement on Trade-Related Aspects of Intellectual Property Rights, known as TRIPS, is one of the international agreements enforced by the World Trade Organization, commonly referred to as WTO. The TRIPS agreement allows pharmaceutical companies to use their patents to prevent poor countries from producing and distributing affordable HIV/AIDS medicines. As a result of the TRIPS agreement and pressure from the pharmaceutical companies, many people in developing countries have been denied lifesaving HIV/AIDS medicines because they simply cannot afford to pay the prices these companies demand.

On March 7, 2001, I introduced H.R. 933, the Affordable HIV/AIDS Medicines for Poor Countries Act. This bill would allow developing countries faced with an HIV/AIDS crisis to enact legislation to expand the availability and affordability of HIV/AIDS medicines without worrying about whether the U.S. Government, the WTO or the multinational pharmaceutical companies will challenge their laws. This bill has over 35 cosponsors; and, of course, I urge all of my colleagues to join me and support H.R. 933.

It would be indefensible for the WTO, which is dominated by the world's richest multinational companies, to deny poor people in the world's poorest countries simple life-prolonging medicines. It would also be indefensible for the United States to support pharmaceutical companies' efforts to prevent poor countries from making AIDS medicines available to their people.

Mr. Speaker, I would like to close by saying, many of us spent a considerable amount of our time working to dismantle apartheid in South Africa. Many of us were involved at the State level in tremendous divestment of our pension funds from companies that were doing business in South Africa. Some of my colleagues who were here in Congress, I think, led by Congressman Ron Dellums, produced the sanctions bill on South Africa and basically helped to draw attention to what was going on there around the world. We were leaders and we helped to galvanize the world community on the atrocities of South Africa.

Mr. Speaker, we did not do that work to simply stand by and watch all of these people who suffered for so many years, who fought and died for the right just to live in their country, who fought and died for the right to vote, who fought and died to release political prisoners from prison, we did not do all of that work, joining with this world effort, to stand by and watch 39 pharmaceutical companies try and enforce their intellectual property right and then, after they are confronted by the world activist community, say, "Okay, we're going to reduce the price of drugs, but the court case remains open."

Mr. Speaker, we will once again join hands around the world, and just as we fought and we won on the issue of apartheid in South Africa, just as we fought for the release of Nelson Mandela and all of the political prisoners, just as we fought for the right for the ANC to determine the direction of the people of South Africa, we will fight to make sure that people in South Africa and other parts of sub-Saharan Africa and people in other developing nations are not denied the right to simply live because pharmaceutical companies, protecting their intellectual property rights, their patent rights, will not allow them to have access to the medicines they need to live.

I would like to send a signal and a warning to the pharmaceuticals: You cannot get away with tokenism, knowing it is not enough to reduce the price of drugs when still the price that you have reduced it to is not low enough. They still cannot afford it. We want you to get out of the way.

We have seen what can be done in India. We have seen what can be done in Brazil. We are watching them as they deal with HIV/AIDS, as they put together wonderful programs to provide their people with the medicine that they need, reducing the caseloads, helping to prevent HIV and AIDS. We see what can be done if people have access to the basic medicines that they need.

So we will engage one more time in the same kind of battle that we engaged in to get rid of apartheid on this issue. We do not care how powerful the pharmaceuticals are. We do not care how many campaign contributions have been made. We do not care what claims they have with the WTO. We will fight, and we will win. We will win because this is an issue of life and death and morality. This is an issue where the people will not be denied.

So, Mr. Speaker, I close this evening by saying once again, I thank the gentlewoman from California (Ms. LEE) and all my colleagues who have decided that they are going to take time in their legislative priorities and put this at the top of their priorities. They are doing this, we are doing this, because we believe in the right for human beings to live when we know we have the medicines and the assistance and the resources to help them live rather than die. It is a fight and a struggle we do not wish to be engaged in if we did not have to be. But I think, based on what we have seen, we have been left with no choice; and we will engage in that struggle.

□ 2000

Ms. LEE. I would like to thank the gentlewoman for that very eloquent statement, and also for putting this in a historical context for us and reminding us that we have waged war before on a very ruthless system, and we won, and it is important that we do keep hope alive, because we will win this battle also.

Mr. Speaker, let me now yield to the gentleman from Chicago, Illinois (Mr. DAVIS), an individual whose life has been committed to social, economic and political justice. He is an individual who constantly speaks the truth on behalf of a variety of issues here in Congress.

Mr. DAVIS of Illinois. I thank the gentlewoman very much. I want to thank the gentlewoman from California (Ms. LEE) not only for yielding but certainly for organizing this special order and for the tremendous work she has done on behalf of all people who are seeking truth and justice, not only in South Africa but throughout the world.

Mr. Speaker, I rise to join in this discussion with my colleagues, a discussion concerning an epidemic that is negatively impacting the lives of millions of people throughout the world.

Across the Atlantic, millions of Africans are battling with an epidemic that has ravaged the human capital infrastructure, leaving homes and communities barren. The dreams and hopes of millions of people have been deferred as men, women and children engage in a losing battle with the silent but powerful enemy that is sweeping and dismantling Africa at an alarming rate.

It is without question that the HIV-AIDS crisis has rocked Africa. And, yes, I cringe when I hear that 36 million people are infected with the HIV virus today, while 25 million people live in Sub-Saharan Africa alone.

This deleterious enemy has no compassion and strikes without prejudice. HIV-AIDS will have a devastating impact on the fruit of Africa's future, the children. It is estimated that by the year 2010, 35 million children will be infected with HIV-AIDS. Moreover, in the same year approximately 40 million children will have lost one or both of their parents to HIV-AIDS.

I hasten to mention several socioeconomic problems linked to the spread of HIV-AIDS. Millions of children will be left orphaned; industry will suffer due to the decline of a healthy workforce; we will see the sharp decrease of young adult and middle age populations, which will reduce consumption and halt local economies; we will see the fiscal ruin of poor countries attempting to bear the exorbitant health service delivery costs. Furthermore, communities and homes will be left divided due to the destruction and devastation caused by HIV-AIDS.

In North America and in other countries of wealth, HIV-AIDS is being somewhat controlled. Through collaboration, the road for a brighter tomorrow is chartered. Because we place a priority in stopping this disease in more wealthy countries, citizens have benefitted directly from innovative research and best practices. They have better access to affordable medication, and their quality of life has been greatly enhanced.

Yet this is not the case for Africa. In all of Africa, where more than 80 percent of HIV cases are concentrated and where more than 70 percent of AIDS deaths have already occurred, HIV-infected people face painful death with no hope of treatment because critical AIDS medications are too expensive.

We must unite and work on a solution that provides affordable treatment and needed drugs to treat every African man, woman and child.

The huge discrepancy in the delivery of health services in rich and poor countries begs the question, are we truly serious about assisting our brothers and sisters in Africa? If we are serious about finding solutions to this epidemic, then I charge us to commit ourselves to fighting for the humanity of our African brothers and sisters, at whatever the cost. We must provide life-saving drugs at reasonable cost. We must support funding for innovative research in finding a cure. We must support the regulation of affordable drugs for all Africans infected by this deadly disease. We must support the development of a comprehensive HIV-AIDS policy for Africa.

As a civil society, we ourselves must unite to confront this dilemma head on, to defeat this plague which has us anxious and on the run. It is time for us to stop running and begin to act. That time is now.

I want to thank the gentlewoman from California (Ms. LEE) again for not only yielding but for providing this opportunity to discuss such an important issue.

Ms. LEE. Mr. Speaker, I thank the gentleman from Illinois for his very powerful statement, and also for providing a road map in terms of what we need to do.

Mr. Speaker, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON), who has been a leader and is a leader on a variety of issues here in this Congress and at home in North Carolina. Specifically, she is working very diligently on the HIV-AIDS crisis in rural communities, and she always reminds us that rural communities have the same types of diseases and same types of disparities that urban communities have to deal with, and oftentimes in greater numbers.

Mrs. CLAYTON. Mr. Speaker, I want to thank the gentlewoman from California (Ms. LEE), who not only has organized this special order to allow us to express our concern and passion and outrage that we are putting profit over saving lives, but for her tireless and continuous leadership in this area. I am looking forward to the gentlewoman showing us how to make sure we do things in rural America as well.

The gentlewoman has asked us to concentrate on the whole issue of the AIDS epidemic in Africa. The AIDS epidemic has devastated many countries in Africa, leaving few men, women and children untouched. Sub-Saharan Africa has been far more severely affected by AIDS than any other part of the world. In 16 countries, all, all in Sub-Saharan Africa, more than one in 10 adults is affected by the HIV virus. That is one out of 10.

According to a joint report issued by the Joint United Nations Report on HIV and AIDS, one-half, in fact maybe more than one-half, of all children, 15-year-olds, will either die from AIDS or be affected by it. We cannot accept that as normal.

I want to quote from a recent article in the paper that says this:

> The question of how to provide affordable AIDS medicine to impoverished people is plaguing governments throughout sub-Saharan Africa, where 25.3 million of 36.1 million people with HIV live, according to United Nations estimates. In neighboring Botswana, where 36 percent of adults are infected with the HIV virus, which causes AIDS, the government announced today it hoped to provide antiretroviral medication by the year's end to all who need it.

However, Botswana does not know how they will afford it.

> Botswana has the highest rate of HIV infection in the world, but the country's entire population of 1.6 million is less than the number of HIV patients here.

Their entire population. We need to understand that this is not insignificant. This is a very, very serious problem.

Secretary Colin Powell has indicated that AIDS is a national security problem and an economic problem. I hope this remains a concern of the administration. But, more than that, I hope this translates into real, meaningful policy action that will make a difference in treating those in Africa.

Given the loss of lives that AIDS has caused, the devastation of entire communities and the long-term impact of economic growth, we must step up our effort to fight this devastating disease. With children dying at the age of 15 and with a life expectancy of no more than 45 years for a child born in many of these countries, what should be done should never be a question of other than to save lives. The moral right to save lives outweighs any profit consideration. Saving lives is far more important than protecting the profit rights of the individual companies. We need to accelerate the efforts to increase AIDS awareness in all of these countries as well, particularly in Africa and particularly in rural Africa as well.

In a recent Washington Post story, it was said that information came to a local community some 20 years after the epidemic started, and that information could have saved hundreds and thousands of lives. To demonstrate how slowly information moved, that same article said that it took 3 years for critical information to move from a devastated health center just 3 miles down a paved road. By then, 30 percent of the entire town's population was suffering from HIV, and they need not have had that happen. We have to work to ensure that stories like this are no longer the norm.

Everyone, including governments in Africa, the United States and other governments around the world, must assist in this effort. More support should be given to volunteer counseling, testing and treatment. These programs enable African men and women, not only in terms of prevention but also to learn of their HIV status.

In the United States, people have lived much longer and in improved health with HIV because we indeed have had drug treatment that has increased the quality of life. These drug treatments, however, are too costly and not accessible for most people living in Africa. Until we find a cure, this treatment must be made not only for those of us who live in a developed country but those who live in Africa as well.

Treatment can prolong life, it can add to the quality of life, and, significantly, it can improve the family's opportunity to participate in that. In fact, AIDS-related mortality in this country has fallen by 75 percent because, in the last 3 years, because we have had added to the treatment, so the mortality of AIDS has decreased.

But that is not the case in Africa. In just a 3-year period there are news articles indicating it is growing faster. In fact, children are being orphaned at an increased rate. Many of these orphan children will end up dying because they, too, are infected by AIDS, of which their parents have died. This is unacceptable to society in the 21st century. It is unacceptable morally. We cannot accept this as being a civil society.

There is a treatment called HAART which is highly effective. This therapy has indeed been found by a Congressional Research Service Report to save victims of AIDS. We should indeed make that available.

The President and Congress must keep this issue on the top of the agenda and find assistance, but, most importantly, the pharmaceutical companies must be urged to provide needed drugs to Africa at a substantially reduced rate. We indeed celebrate and applaud those who have reduced rates. But that is not enough. Drug companies, particularly pharmaceutical companies with these treatments, are compelled to act morally now, not later. Indeed, it is not the moral thing to enter into a lawsuit to protect your property rights while individuals are dying. Indeed, we call on these companies indeed to drop that lawsuit.

The responsibility for treating and hopefully ending the AIDS epidemic is on the shoulders of us all. It is also on the shoulders of the people in Africa, and we ask that they recognize, all of the governments, that they indeed have a problem.

Again, Mr. Speaker, I am delighted that the gentlewoman has allowed us to speak on this issue.

Let me just say that Africa is indeed suffering from the scourge of this, but I would be remiss in not saying that where the rest of the Nation indeed is getting hold of this problem and indeed moving in the right direction, that five States, including my State, North Carolina, as well as South Carolina, Georgia, Mississippi and Alabama, are indeed going in the wrong direction.

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These are 5 States that are exceeding the States in other areas. Indeed, poor areas in North Carolina are increasing in the incidence of tuberculosis, as well as AIDS. So I want to work in my State on these emergencies, and I want to urge our citizens and our pharmaceutical companies to respond to the well-documented urgency of millions of people who are dying daily from the scourge of this disease in Africa.

Mr. Speaker, I thank the gentlewoman for allowing me to participate.

HIV AND AIDS STATISTICS, NOVEMBER 2000

GLOBAL[1]	
People newly infected with HIV/AIDS in 1999	5.4 million
Adults	4.7 million
Women	2.3 million
Children younger than 15	620,000
Number of people living with HIV/AIDS	34.3 million
Adults	33.0 million
Women	15.7 million
Children younger than 15	1.3 million
AIDS deaths in 1999:	2.8 million
Adults	2.3 million
Women	1.2 million
Children younger than 15	500,000
Total number of AIDS deaths since the beginning of the epidemic.	18.8 million
Adults	15.0 million
Women	7.7 million
Children younger than 15	3.8 million
USA[2]	
Reported total AIDS cases in the U.S. through 1999	733,374
By gender:	
Male	(82%)
Female	(18%)
By race/ethnicity:	
Children younger than 13	(1%)
Whites	(43%)
Blacks	(37%)
Latino/a	(18%)
Asian/Pacific Islander	(<1%)
By method of exposure:	
Men who have sex with men	(47%)
Injection drug users	(25%)
Heterosexual exposure	(10%)
Blood or blood product infection	(2%)
Reported total AIDS deaths in the U.S. through 1999	430,441

[1] Sources: UNAIDS HIV/AIDS Report on the Global HIV/AIDS Epidemic—June 2000.

[2] Sources: CDC "HIV/AIDS Surveillance Report" Vol. 11, No. 2; National Vital Statistics Reports, Vol. 48 No. 11, July 24, 2000.

Ms. LEE. Mr. Speaker, I want to thank the gentlewoman from North Carolina for her very comprehensive statement and for reminding us that this is a global pandemic. We did declare in Alameda County a state of emergency as it relates to the HIV/AIDS pandemic in our own area in Northern California. I also thank the gentlewoman for reminding the administration of their commitment to address this as a priority.

Mr. Speaker, I now yield to the gentlewoman from Texas (Ms. JACKSON-LEE), who serves on the Committee on the Judiciary. I have had the privilege to benefit from her insights in our travels to Africa, looking at the devastation caused by this pandemic as it relates to orphans and children, also as it relates to women and economic development in Nigeria.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman for her leadership and the opportunity to join her on this important Special Order that is seeking to put, again, on the national horizon the question of HIV/AIDS and its international impact. Let me thank the gentlewoman very much for her leadership on the Marshall Plan of the 106th Congress; and of course, we want to see it funded again this year.

I do not know if we realize the deep sphere, the piercing of the heart of what HIV/AIDS has done internationally. In our travels in visiting South Africa, we came upon an area in Soweto where, as we entered the area, we were told of a woman who had just been stoned to death because of her willingness to stand up and admit that she was HIV infected. These are the kinds of cultural differences that bar information from getting to large segments of the population in Africa.

Although I would say that I am gratified by the progress that has been made, it is clearly a necessity that we speak about this issue today and that we encourage and work with and make a strong request to the Congress and to the White House to put this as one of its number one priorities.

Let me also emphasize that this weekend I was able to participate in a community partners conference on HIV/AIDS in the 18th Congressional District in Houston. Over 500 people were present there who obviously were concerned about domestic AIDS, a variety of minority groups from all over the country who have helped sponsor this particular conference; and they too were as concerned about the international impact as they were concerned about the national impact.

As my colleague well knows, we were together at the United Nations when Vice President Gore spoke to this issue, with the support of Kofi Annan and the former United States ambassador to the U.N. It was clear that the members of the Security Council were recognizing that this is a devastating plague. So I believe that it is of necessity that we acknowledge it, we acknowledge the fact that HIV/AIDS has been declared the world's deadliest disease by the World Health Organization. It is expected to grow in intensity in India, Southeast Asia, and in China.

Mr. Speaker, HIV/AIDS has become a plague on the continent of Africa of biblical proportions by claiming over 18 million lives in recent decades. This crisis is having a direct impact on the future viability of many sub-Saharan countries. For this reason, I am delighted this evening to again emphasize the importance of how we can bring about a cure or bring about a diminishing of this terrible impact.

We need additional funding for medication to be made available to the millions of poor around the world, to fight the growing death toll attributable to HIV/AIDS. The impact of the HIV/AIDS epidemic on sub-Saharan Africa has been especially severe. Since the beginning of the epidemic, over 80 percent of all AIDS deaths have occurred in sub-Saharan Africa, and by the end of 1999 there were an estimated 23.3 million people in sub-Saharan Africa living with HIV/AIDS. That is 70 percent of the total HIV-infected people worldwide.

In sub-Saharan Africa there are over 5,000 AIDS-related funerals per day. That is why when we passed the African Growth and Opportunity Act, a trade bill and, of course, many went to the floor of the House and said, what relevance does a trade bill have to do with Africa now, when, in fact, they are dying of HIV/AIDS. But it was important, and I offered amendments, to focus the corporate community on providing resources. I am sorry to say that we are not yet there with enough resources to help in the devastating pandemic that is going on and the resources needed to provide the medication.

The world knew the size of the coming catastrophe in Africa and had the means available to slow its progression. Estimates from the World Health Organization in 1990 and 1991 projected a caseload and eventual death toll in the tens of millions by 2000. Yet, we did not act. And now is the time that we must establish the fact of a crisis not only of mind and action, but of heart.

Less than 20 years after doctors first described the symptoms, HIV has infected 53 million people. So far, 19 million have died, roughly the population along the Amtrak route from New York to Washington, D.C. We have pharmaceutical companies who have offered to provide charitable dollars to help; but I believe we need important action, and that is why I am a cosponsor of the Affordable HIV/AIDS Medicines for Poor Countries Act of 2001. It is important that pharmaceuticals begin in a massive way to allow generic drugs to go into sub-Saharan Africa to be able to confront this problem. It is only a matter of funding, and we need the administration and its White House Office on AIDS policy to begin to develop this kind of strategy and work with the pharmaceuticals to now go to the next step and be able to develop these generic drugs.

The administration and Congress can work together, along with the Congressional Black Caucus and many other caucuses that are concerned about this issue. This effort should be led by drug manufacturers and the Congress. It should be a top priority. We could see an end to unnecessary deaths and suffering by the close of this year if we make the commitment to do so today.

The cost of HIV/AIDS treatment for those living in the Third World is estimated to be about $10,000. It is estimated even if treatment costs were reduced to only $1,000 a year, it would still be far too expensive for Third World countries. Drug therapies that have extended the lives of people living with HIV/AIDS in the United States and other developed countries could cost between $4,000 and $20,000 per person per year in sub-Saharan Africa. We can do this. The treatment of HIV/AIDS involves three drugs that, taken in combination, can prolong the life of an AIDS patient significantly, the cocktail. In the United States we have seen a 75 percent decline in the amount of mortality in the last 3 years.

The therapies which use various combinations of anti-viral drugs emerged in Western countries 5 years ago, transforming the health and future of AIDS patients who took them. Since that time, the gap in medical care between rich and poor countries has grown tremendously. We have a crisis, Mr. Speaker, and we can do something about it. Of the estimated 36 million people living with HIV, more than 25 million are in sub-Saharan Africa.

Nearly 42 million of South Africa's 45 million people are infected with the virus, more than any other country. What I would say, Mr. Speaker, is that the UNAID update report released last week on HIV/AIDS infection rates reports that in many countries, up to 35 percent of all adults are infected with the disease. The report also estimates that half of today's teenage population in parts of Africa will perish from HIV/AIDS, and the most vulnerable group are women in Africa. Fifty-five percent of all adults living with HIV are women. I believe we can do something about this, and I thank the gentlewoman from California (Ms. LEE) and her visit to the South African conference in Durban, South Africa, in bringing back the information.

This is a time now for us to be concerned about our babies, the babies of the world, the babies in sub-Saharan Africa, the women of the world, the men of the world, families of the world. It is time now that we stand and join in with the World Health Organization, this administration, the Congress, many of our progressive caucuses, including the Congressional Black Caucus, Mr. Speaker, and provide a resolution and a solution to the devastation and death.

Mr. Speaker, I rise to join my democratic colleague, Representative BARBARA LEE from California, in expressing our concerns regarding the ravages of HIV/AIDS on the continent of Africa. For this reason I am in favor of any effort by this body to increase access to HIV/AIDS treatment and education throughout the developing world, but especially on the continent of Africa.

HIV/AIDS has been declared the world's deadliest disease by the World Health Organization. HIV/AIDS has become a plague on the Continent of Africa of biblical proportions by claiming over 18 million lives in recent decades. Unlike the black death in 14th century Europe, which took half as many lives, the means of controlling AIDS were known.

This crisis is having a direct impact on the future viability of many sub-Saharan African communities. For this reason, I am joining Congresswoman LEE of California in support of additional funding for medication to be made available to the millions of poor around the world to fight the growing death toll attributed to HIV/AIDS.

The impact of the HIV/AIDS epidemic on sub-Saharan Africa has been especially severe. Since the beginning of the epidemic, over 80% of all AIDS deaths have occurred in sub-Saharan Africa. By the end of 1999, there were an estimated 23.3 million people in sub-Saharan Africa living with HIV/AIDS. That is 70% of the total number of HIV-infected people worldwide. In sub-Saharan Africa, there are over five thousand AIDS-related funerals per day.

The world knew the size of the coming catastrophe in Africa and had the means available to slow its progression. Estimates from the World Health Organization in 1990 and 1991 projected a caseload, and eventual death toll, in the tens of millions by 2000.

Less than 20 years after doctors first described its symptoms; HIV has infected 53 million people. So far, 19 million have died, roughly the population along the Amtrak route from New York to Washington, DC.

Recently a drug company announced an initiative to offer a limit of $100 million in charitable contributions of medicines to fight AIDS in Africa.

I would offer that the drug manufacturers and the Congressional Black Caucus should be on the same side in this effort. It is only a matter of funding, which this Administration could take the lead in gathering from the global community of wealthier nations. This effort should be lead by drug manufacturers and the Congress as a top priority. We could see an end to unnecessary deaths and sufferings by the close of this year if we make the commitment to do so today.

The cost of HIV/AIDS treatment for those living in the third world is estimated to be about $10,000 a year. It is estimated that even if treatment cost were reduced to only $1,000 a year it would still be far too expensive for Third World countries.

Drug therapies that have extended the lives of people living with HIV/AIDS in the United States and other developed countries could cost between $4,000 and $20,000 per person per year in sub-Saharan Africa.

The treatment of HIV/AIDS involves three drugs that taken in combination can prolong the life of an AIDS patient significantly.

In the United States, where the treatment has become standard, the AIDS-related mortality rate fell 75 percent in three years.

The therapies, which use various combinations of antiviral drugs emerged in Western countries five years ago, transforming the health and future of AIDS patients who took them.

Since that time the gap in medical care between rich and poor countries has grown tremendously—our nation along with other should be ashamed at this condition.

Now we are faced with a situation where the world's largest drug companies have begun a court challenge of South Africa's efforts to buy cheap, generic substitutes for patented AIDS medicines.

Of the estimated 36 million people living with HIV more than 25 million are in sub-Saharan Africa. Nearly 4.2 million of South Africa's 45 million people are infected with the virus, more than in any other country.

According to the UNAIDS Update report released last week on HIV/AIDS infection rates in many countries up to 35% of all adults are infected with the disease. The report also estimates that half of today's teenage population in parts of Africa will perish from HIV/AIDS. The most vulnerable group being affected by HIV/AIDS is the women of Africa; their infection rate is far greater than males. About fifty-five percent of all adults living with HIV are women, and this rate is expected to continue to rise in countries where poverty, poor health systems and limited resources for prevention and care are present. What fuels the spread of this disease or any disease is, misinformation, cultural practices, passivity on the part of leaders, neglect on the part of those nations with resources that if engaged would make a difference in the fight to win out over the disease.

I would like to commend Congresswoman LEE for her efforts to offer a clear perspective on the HIV/AIDS epidemic in Africa. She recently returned from Durban, South Africa, after participating in AIDS 2000, which was the 13th International AIDS conference.

Now, more than ever, the leadership of the United States is needed in order to avert a tragedy on the Continent of Africa. Therefore, I implore my fellow colleagues of the House to seriously reconsider the level of funding that has been appropriated for this critical area.

Many people have asked why this is important to the United States. I reiterate that aside from the humanitarian perspective, the CIA has issued a report that declares HIV/AIDS a threat to our national security. HIV/AIDS undermines democracy and progress in many

African nations and the developing world. Left to its own course HIV/AIDS will lead to political instability and may result in civil wars, which may affect the global balance of powers as well as economic viability of many African nations. In many of these instances, our military service personnel may be pressed into service in order to defend American interest in any attempt to bring stability to those nation's that decline into civil strife because of the ravages of HIV/AIDS. HIV/AIDS like any plague cannot be contained in any specific geographical area it will roll across borders of the rich and poor nations alike. Unfortunately, when this dreaded disease came to our shores many felt that it was a calamity for gay people, drug users AIDS knows no boundaries. With globalization, we also must be conscious of the potential for AIDS and other infectious diseases to be carried across borders.

The World Health Organization estimates that 34.5 million children and adults in Africa are living with HIV and/or AIDS. We must work to bring this tragic situation under control using all means at our disposal as a nation, which includes acting in a leadership capacity to encourage other nations to join in an effort to address this mammoth health crisis.

I would ask my colleagues not to continue to bury their minds under useless words, but to apply our collective resources to find solutions to the problem of HIV/AIDS in Africa.

Ms. LEE. Mr. Speaker, I want to thank my colleague from Texas for taking time out of her very busy schedule and making a major contribution to this Special Order tonight.

In closing, Mr. Speaker, let me just say, I think we have heard tonight from many of my colleagues who are indicating that they believe, as I do, that this lawsuit should be dropped and it should be dropped immediately. We have made some progress in the fight against this pandemic, but we certainly do not need any more obstacles to making sure that people begin to receive medication so that they can live.

I thank my colleagues, once again, for joining us this evening.

Ms. MILLENDER-MCDONALD. Mr. Speaker, HIV/AIDS continues to devastate women throughout the world and nowhere is it more overwhelming than on the African continent. As news reports tell us daily, AIDS in Africa has reached crisis proportions. Two-thirds of the world's 33 million AIDS infected victims live on the African continent. Tragically, the epicenter of this disease is among African women with profound effects on their children. More than nine-tenths of the eight million children orphaned by AIDS last year were in Africa. What can any of us do?

New and inexpensive drug treatments that help prevent mother-to-child transmission need to be employed in Africa. Governments, corporations and non-governmental organizations must coordinate strengths and cooperate in addressing major problem areas, including the critical absence of adequate infrastructure throughout the continent. Local capacity must be developed through education of the masses, and scientific knowledge needs to be improved.

I call upon the Administration to include $150 million in its FY2002 budget for the World Bank AIDS Trust Fund. This landmark public/private partnership, authorized under the Global AIDS and Tuberculosis Relief Act of 2000, is designed to leverage contributions with additional resources from the international donor community as well as from the private sector. These funds are necessary to implement HIV/AIDS best practices in countries hardest hit by HIV/AIDS.

While the HIV/AIDS disease continues to devastate humanity and finding a cure seems far into the future, we cannot afford to give up. I will continue to devote my time and energy to finding solutions to the myriad difficulties surrounding the treatment and fight against AIDS.

Ms. PELOSI. Mr. Speaker, I commend Congresswoman BARBARA LEE for organizing today's Special Order and for her leadership in the fight against the global AIDS pandemic. Rep. LEE's work was instrumental in the establishment and funding of the World Bank Trust Fund. With her unrelenting advocacy, over the course of the past year, the world has finally, albeit belatedly, started taking notice of the global AIDS pandemic and the havoc it is creating in the developing world. I join her today in calling for a stronger U.S., international, and multilateral commitment to combat global HIV/AIDS, which is the world's most deadly infectious disease ever.

The social, economic, security and human costs of this crisis are devastating entire nations. Increased funding for global AIDS programs must be provided as part of a renewed commitment to a comprehensive and adequately funded development assistance strategy addressing the new challenges facing the developing world as a result of HIV/AIDS.

The United States must take the lead. Our investment in the fight against the global AIDS pandemic not only has a direct impact, but it also leverages significant funds from other countries and multilateral institutions. Non-governmental organizations working to fight global AIDS believe that the U.S. funding for global AIDS programs should be doubled this year, to a total across all U.S. agencies and programs of $464.5 million. Just to put this number in perspective, the Joint United Nations Programme on HIV/AIDS (UNAIDS) estimates that $3 billion is needed annually for Africa alone to provide minimal care, anti-viral drugs, and HIV prevention. Estimates of costs for an effective response to the epidemic worldwide start at $7 billion annually.

In FY 2001, Congress and the Administration significantly expanded funding for global HIV/AIDS efforts with the LIFE (Leadership and Investment in Fighting an Epidemic) initiative. The Foreign Operations Appropriations Subcommittee, on which I have served as the Ranking Democrat, succeeded in our effort to dramatically increase funding for global AIDS at the United States Agency for International Development. Programs which last year received $190 million for international prevention, care, and education efforts, including programs to prevent mother-to-child transmission and address the needs of the growing population of AIDS orphans, will receive $315 million in the current fiscal year.

So much more needs to be done.

Comprehensive prevention efforts have turned around HIV epidemics in Uganda and Thailand, and averted an epidemic in Senegal. We know that prevention and education programs work. The United States must now demonstrate leadership in providing needed funding so that effective programs can be expanded and replicated.

We must also invest in the efforts to develop a vaccine. Vaccines are our best hope to bring this epidemic under control, and we must do all we can to facilitate cooperation between the public and private sectors in order to bring together the necessary resources and expertise.

Unfortunately, these challenges are only the beginning. India already has more infected people than any other nation, over 3.5 million. Experts are predicting that without significant efforts to treat those with HIV and prevent new infections the number of people living with HIV/AIDS in India could surpass the combined number of cases in all African countries within two decades. Asia already accounts for one out of every four infections worldwide. The Newly Independent States in the former Soviet Union are also seeing significant increases in their HIV infection rates. There has been a six-fold increase in the number of HIV infections in Eastern Europe and Central Asia in the last four years.

Developing nations will be unable to turn the tide on this epidemic if even the most basic health care is unavailable or out of reach for most of their citizens. Yet despite such scarcity, community-based organizations in villages are doing much with little. People must be educated about HIV and how to prevent its spread. Increased testing and counseling opportunities are desperately needed. Basic care and treatment that can be delivered in homes or makeshift clinics is essential. And the need for support for the growing number of children orphaned by AIDS looms large.

Access to affordable drugs is a critical piece of the fight against global AIDS in the developing world. In January, I joined with 28 Members of Congress in writing President Bush urging this Administration to continue the Clinton Administration's Executive Order promoting Access to HIV/AIDS Pharmaceuticals and Medical Technologies. We must take every possible action to ensure that people with HIV/AIDS around the world have access to life-saving drugs.

The fight ahead of us against the global AIDS pandemic is a long one. We have no choice but to engage in the fight and to prevail. I look forward to working with Congresswoman LEE and others here and in the NGO community to promote U.S. leadership in the fight against global AIDS.

Ms. SCHAKOWSKY. Mr. Speaker, I am proud to join today with the gentlewoman from California (Ms. LEE) and other distinguished members who are concerned about the scourge of HIV and AIDS in sub-Saharan Africa and around the globe. I am glad we have decided to work on this issue from the outset of the 107th Congress. There is a lot of discussion and even more action that needs to occur in the next two years if we are serious about combating the spread of HIV/AIDS and if we want to aggressively work to provide relief to those who are already suffering from this terrible disease.

Those of us here tonight are familiar with the staggering statistics. However, I believe that at least some of them need to be repeated time and again until necessary results are achieved.

Since the HIV/AIDS pandemic began, it has claimed 21,800,000 lives.

Over 17,000,000 men, women, and children, have died due to AIDS in sub-Saharan Africa alone.

Over 36,000,000 people are infected with the HIV virus today. Over 25,000,000 live in sub-Saharan Africa.

By 2010, approximately 40,000,000 children worldwide will have lost one or both of their parents to HIV/AIDS.

One does not have to look far to come across scores of figures like those I just mentioned. And, as daunting a picture as the numbers paint for us, there are in fact many things that can be done right now to advance the struggle to prevent others from being infected and to help extend the lives of those who are already suffering.

The numerous drug companies that have filed suit against South Africa in order to prevent that country from implementing aggressive strategies to make life-saving drugs available and affordable immediately should be dropped. I am appalled by the drug industry's thirst for profit and willful neglect of the AIDS pandemic in Africa. These companies have to stop putting profits before people. And, as the world's leader, the United States must set the moral example for other nation's to follow.

I welcome news that the Bush Administration will honor the policies implemented by the Clinton Administration on this subject. However, I believe that there is more that can and must be done. President Bush should use existing authority to give the World Health Organization (WHO) the right to use HIV/AIDS patents where the United States government has rights to those inventions. Great progress has been made in developing products to treat HIV and AIDS, and many of those products were developed with taxpayer funding. These publicly-financed products should be accessible and affordable to consumers both in the United States and in other countries. Along with Representatives JACKSON, WATERS, and LEE, I wrote to President Clinton on this subject last year and intend to raise this issue again with President Bush.

A recent Washington Post editorial stated,

> The Administration should lead an international effort to clarify poor countries' right to fight emergencies with generic drugs, and it should declare its sympathy for the South African government in the pending case.

The editorial went on to say that Robert Zoellick, the U.S. Trade Representative should come out publicly and declare this Administration's support for the Clinton Administration's Executive Order on pharmaceuticals for sub-Saharan Africa.

The Congress and the Administration need to work together to form a budget that includes increased HIV/AIDS funding for numerous programs. We also have a number of legislative initiatives that deserve action.

We need full funding for the World Bank AIDS Trust Fund—legislation sponsored by Congresswoman LEE and Congressman LEACH. With this bill, which is a public private partnership dedicated to fighting HIV/AIDS and developing vaccines, we have the ability to leverage more than a $1 billion U.S. contribution. This bill was authorized for two years and funded for this year and we need to make sure it is included in our appropriations priorities this year.

I want to thank Congresswoman WATERS for her work and for reintroducing the HIV/AIDS Medicines for Poor Countries Act, which I am an original cosponsor of, and which would make it illegal for the U.S. government to use the TRIPS agreement to challenge another countries efforts to make HIV/AIDS drugs available at lower prices. The bill would also prohibit any agency of the U.S. government from using federal bills to seek to revoke any law or policy of a developing country that promotes access to HIV/AIDS medicines. Finally, the bill would require the U.S. to urge the World Trade Organization (WTO) to exempt developing countries from the application of provisions of the TRIPS agreement that restrict their ability to make HIV/AIDS medicines available to their populations at affordable prices.

The Congress, President Bush, and his Trade Representative have a responsibility to South Africa and to the rest of the world. It should be the policy of this Administration and this Congress to denounce efforts that limit access to life savings drugs and to attack the AIDS crisis to the fullest extent. Anything less would be unconscionable.

VIOLENCE AGAINST WOMEN

The SPEAKER pro tempore (Mr. GRAVES). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to offer comment on a source of poor women's health that is one hundred percent preventable—injuries and deaths caused by domestic violence. The injuries, mental and emotional conditions of women and their children who are the witnesses or victims of domestic violence could be prevented, but there is a lack of resolve on the part of Congress to make this a top priority.

The dynamics of domestic violence are all encompassing and usually starts as emotional abuse that evolves into physical abuse that can result in serious injury or death on not only women, but also the children living in that home.

As a result, the federal government has moved to establish Violence Against Women and training programs that serve the young victims of domestic violence who either experience or witness violence.

It is alarming to note that according to the National Coalition Against Domestic Violence, between 50 and 70 percent of men who abuse their female partners also abuse their children. Moreover, at least 3.3 to 10 million American children annually witness assaults by one parent against another. Consequently, the children of domestic violence are at a high risk of anxiety and depression and often experience delayed learning skills.

Mr. Speaker, domestic violence affects women of all cultures, races, occupations, and income levels. Ninety-two percent of reported domestic violence incidents involve violence against females.

Although domestic violence effects women across all racial and economic lines, a high percentage of these victims are women of color. African American women account for 16 percent of the women who have been physically abused by a husband or partner in the last five years. African American women were the victims in more than 53 percent of the violent deaths that occurred in 1997. This is why we must continue to fund programs like the Violence Against Women Grants that also fund projects to encourage arrests of the perpetrators of these most dreadful crimes.

I am joining my colleagues of the Women's Caucus to express concern about the plight of women's health in our nation, but to also include in that debate the negative health effects of domestic violence on our nation's women.

Mr. Speaker, I would also like to bring awareness to the specific problems within my state of Texas. In Texas, there were 175,725 incidents of family violence in 1998. An estimated 824,790 women were physically abused in Texas in 1998. Of all of the women killed in 1997, 35 percent were murdered by their intimate male partners. In 1998, 110 women were murdered by their partners.

A new member of my staff is an advocate against and survivor of domestic violence and she offers this message to those who seek to remedy this situation. On March 18, 1990, she made the difficult decision to end her marriage of fourteen years, which was plagued by marital abuse. From her experience she has committed her life to advocating for and assisting women in crisis. "Women often do not want the relationship to end, they want the violence to stop!" Instead of seeing women as helpless victims they are in fact courageous survivors who work hard to preserve their families. The women of which I speak was the organizer of the City of Houston's first Candlelight Vigil in observance of Domestic Violence Awareness Month. She was asked by Vice President Al Gore at a White House ceremony, unveiling postage stamps with the National Domestic Violence Hotline number on the cover, to tell her story.

An example how important federal efforts in this area are demonstrated by the impact that VAWA grants have had on services in the local community. In Houston, we have the Houston Area Women's Center which operates a domestic violence hotline, a shelter for battered women and counseling for violence survivors. The center provides all of its services for free.

Furthermore, this center maintains an invaluable website that allows anyone to access information about domestic violence resources and support networks.

Over 34,000 women in Houston called for counseling services in 1997 for family violence. This counseling included services for women with children and teenagers who have also survived violence. The shelter housed 1,062 women and children and assisted close to 2,000 with other forms of services.

The Texas Council on Family Violence has used VAWA funds for several projects as well. These include the National Domestic Violence

Hotline, Technical Assistance and Model Policies and Procedures Project, the Texas Domestic Violence Needs Assessment Project and the Domestic Violence Rural Education Project.

Unfortunately, the STOP Grant funding for the Texas Council on Family Violence has decreased within the last 2 years from $8 million in 1999 to $8.5 million in 2000. Because the funding level for the Violence Against Women Grants has remained at the same level as fiscal year 2000, it is imperative that we increase funding so that these vital programs will be properly funded as we move into the new millennium.

As the public service announcement of the Texas Association Against Sexual Assault indicates, "Most people think rape happens in a dark alley. That beautiful women are the usual victims. But sexual violence isn't really about sex, it's about power. And it can happen to anyone, anywhere . . ."

Mr. Speaker, the Violence Against Women Grants and the Reauthorization of the Violence Against Women's Act are the most important weapons that women and men have in this country to ensure that gender-motivated violence does not continue to increase in this society. I ask my colleagues to support these and other legislative initiatives in this Congress so that we may move forward, not backward in our fight to end domestic violence everywhere.

PUBLIC LANDS IN THE UNITED STATES AND RELATED TOPICS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, for our little nightside chat this evening, there are a couple of topics that I would like to discuss with my colleagues, primarily involving public lands in the United States. As many of my colleagues know, and many may not be aware of, quite frankly, there is a distinct difference between the urban areas of the United States and the rural areas of the United States and even more of a distinct difference between the eastern United States and the western United States. Now, granted, the United States is one country, and we have a lot in common, but the reason that we have a lot in common is because we have the respect where we do not have things in common to understand that we work as a team. So this evening I want to go through some discussion on public lands.

I think the best way to begin this is to talk about a wonderful book that I have just almost finished reading. I would recommend it to my colleagues. As I should disclose, I do not know the author, I have never met the author, I do not have any interest in the book, other than it is fascinating. It is the book on the transcontinental railroad. The author is Stephen Ambrose, and it talks about the major accomplishment that was necessary in this country for the entire country to come together to build a transcontinental railroad, the armies that were necessary to put this thing together. I think really just reading a little of the first part, just a couple of paragraphs, because I do not like to read during my Special Order speeches, my nightside chat; but I thought here it would probably be appropriate, so that we can get a taste, a little idea of the flavor of what was necessary to build the transcontinental railroad in the United States.

In our own minds, we need to kind of put ourselves back 150 years and think of the United States, a new country, relatively speaking, out into the frontier, a frontier that most of the population of this country had never even set foot on, a frontier which had never been really surveyed in any kind of detail. In fact, the surveying techniques back then were still pretty rough as compared to today's GPS system.

So as I say that, keep this in mind. We need to put our mindsets for a moment back 150 years, back to about 140 years, 1858, put our minds there for a moment and listen to this: "Next to winning the Civil War and abolishing slavery, building the first transcontinental railroad from Omaha, Nebraska to Sacramento, California was the greatest achievement of the American people in the 19th century." Next to winning the Civil War and abolishing slavery, that was the big accomplishment of the 19th century. "Not until the completion of the Panama Canal in the early 20th century was it ever rivaled as an engineering feat. The railroad took brains, it took muscles and sweat in quantities and scope never before put into a single project. It could not have been done without a representative democratic system."

Let me repeat that. It could not have been done without a representative, democratic political system. It could not have been done without skilled and ambitious engineers, most of whom had learned their craft in American colleges and honed it into war. It could not have been done without bosses and foremen who learned how to organize and lead men as officers in the Civil War; without free labor, without hard working laborers who had learned how to take orders in the war; without those who came over to America in the thousands and thousands and thousands from China seeking a fortune; without laborers, many speaking different languages and coming to America from every inhabited continent in the world.

□ 2030

Mr. Speaker, it could not have been done without the trees and without the iron available in America; without the capitalist willing to take high risks for great profit; without men willing to challenge all at every level in order to win all; without men to challenge all at every level to win all. Most of all, it could not have been done without teamwork. Nothing like it in the world. And that is the title of the book, Nothing Like It in the World by Stephen Ambrose.

Nothing Like It in the World is the story of the men who built the transcontinental railroad, the investors who risked their businesses and money, the enlightened politicians. By the way, the standout of the enlightened politicians, the political mover of the transcontinental railroad in the United States was Abraham Lincoln.

When my colleagues go out and talk to your constituents and say name the two major accomplishments of Abraham Lincoln, from a political viewpoint, obviously, most everybody I know could answer the first, the abolishment of slavery and the victory in the Civil War. But not very many people out there understand the role, the significant role, of which the transcontinental railroad could not have been built without Abraham Lincoln. In fact, even the measurement of how far the rails are apart was put in place by Abraham Lincoln.

The Union had won the Civil War, and slavery had been abolished, but it was Abraham Lincoln who was an early and constituent champion of railroads. Unfortunately, as we all know, Abraham Lincoln would not live to see this great achievement. Even the scheme of how to have it built, to have the government finance and to have the government put two private companies on two opposite ends of our great country in competition to build that railroad, and their destination was to the final mile of track to be laid which, of course, they met in Utah.

It was the last great building project to be done mostly by hand. Can you imagine the surveying back then to go out into the mountains of the Sierras or to go into the plains of Nebraska and trying to figure out a direct route which would support a railroad, the likes of which the world had never seen? The manpower took tens of thousands of men and women, but tens of thousands of people to be able to go out there and lay that track, just the organization of those thousands and thousands of working people.

If we had not had the Civil War, we probably would not have had the organization in place, because the amount and number of people that we took out there and the logistics that were necessary to put this thing together had been earlier put together through the Civil War. So there was a benefit coming out of the Civil War. In addition to that, people knew how to take orders. People knew how to be foremen.

The Chinese labor, which played a major role, they wanted to come over here. They returned to their homeland, China, as rich people.

It is amazing, as I said earlier, that this was the last building project to be done mostly by hand, excavating dirt, cutting through ridges, filling gorges, blasting tunnels to the mountains; and, as the book says, those tunnels, they would have to hand bore a hole into the rock, and they would use thousands and thousands of kegs of powder to blow the rock apart.

Many times the explosion would just come back out, and they would have to start again. On a good day, according to the book, on a good day these hard-working people would be able to dig into that granite and maybe move 6 inches a day.

At the height of the construction of this railroad, those companies were laying rail for the first transcontinental railroad at the pace a man could walk. Imagine laying rail at the pace a man could walk. Imagine the accomplishment of this country, of the political system that would allow this kind of massive project to be put together, of the engineer, of the support, of the young power, the young people that went out there because, as my colleagues know, this was back-breaking work.

It is a part of the history of this country. And as I move on to what I want to talk about, public lands, the transcontinental railroad really was one of the most significant events in the history of this country. It changed everything.

For example, my colleagues may not know this, but we had no time zones before this railroad was put into place. Every community in the United States kept its own time. It is the railroads that put time zones in place in the United States.

It is the railroads that allowed one person to have more than one store because they could ship their products from one place to the other. It was the railroads that allowed the cattle and so on to be shipped across the country. It was the railroads that allowed many, many different things.

It changed the entire nature of the United States of America. It allowed America to expand across the lands it had purchased through, for example, Louisiana Purchase and the other purchases of which we had put together out in the West. You know, it is very interesting.

Again, before I set the book down, it is Stephen Ambrose, and the title of the book is Nothing Like It In The World. I encourage my colleagues to take a look at this. It is a fascinating book.

By the way, every history class in America ought to have some time devoted to the transcontinental railroad and what it did for America and how it moved us into the settlement of the West and the production and the manufacturing. Every business class, every college in America ought to be aware; and this book, frankly, does a good job of it. They ought to be reading this book to understand what a massive project it was.

Again, our minds are still back, colleagues, around the 1858s, 1860s. The Civil War was just getting over, and out here in this country we knew that the law back then was not that you simply had a title to a piece of land. A piece of paper saying you owned a piece of land did not mean a whole lot back then, especially in the frontier of the West. It did not mean a lot.

What meant a lot was possession. If you did not possess the land, and all of us have heard that saying that possession is 9/10 of the law. That is what it meant. That is where it came from. If you did not possess it, the chances of you being able to retain legal title on it were not very good.

This country, the population of this country was primarily on the East over here to my left on the map. Our population centers were right along the East. That is where we saw it. We had all of this land out here. By the way, as we begin to build the transcontinental railroad, then we came from both ends.

On this end, over on the California end, we had no steel production. We did not have rails and the timber and so on. We had to harvest the timbers as they came across for the ties. All of that had to come down and back around.

But back in those days what they wanted to do, what our government wanted to do, what the people of this country wanted to do was to settle the new frontier, to claim that land for that new country, the United States of America. And it is from that intent that the dynamics of much of the difference between the East and the West and public lands and government lands, it is from there that these differences were borne.

Let me give my colleagues an example. In the East, they have private property ownership; and if you take a look, I have some very interesting statistics that I think will help us get the picture of concentrations of people. Today, take a look. We know we just had the Census come out to give you a concentration of people. This is total, 78 percent of the people in America lives in the East Coast. The remaining 22 percent that we have in our country is West, this area. But of that 22 percent, half of them live in the State of California.

In comparison, this area of the country is pretty sparsely populated. When my colleagues take a look at the difference in ownership, and this is a critical factor, and I will explain how we got there, but this is a critical factor, when my colleagues from the East wonder why we in the West stand up and talk about public lands and we stand up and talk about the need to use these public lands, you have to understand that in the East your ownership is dominated.

The ownership of land in the eastern United States, as pointed out here, is dominated by private ownership. In the East, it is almost all private property. In the West, ownership is dominated by government ownership; and this map that I have to my left demonstrates that. The color on the map, whether it is the light green or the dark green or the red, the colors on that map indicate or show, demonstrate land that is owned by the government.

The white parts of the country is private ownership, private land ownership. Take a look at this in the West.

Now, the district that I represent is the 3rd Congressional District of Colorado. I would like to point it out here. That district goes right along the edge, and it goes from Wyoming to the State of New Mexico.

My district, most of my colleagues have been in my district. If my colleagues have ever skied in Colorado, if my colleagues have ever vacationed in the mountains, the odds are you were in my district here in the 3rd Congressional District. That district is larger than the entire State of Florida, but my colleagues can see it is on my eastern boundary.

On my eastern boundary, where the difference between public land ownership to the West and private ownership to the East meet, they meet right on my district line. They meet on the line as it goes out further to the north and further to the south.

How is it? How in the history of our country did we come up where primarily you have private ownership in the East and you have primarily government ownership in the West? It is the very factor that is talked about in this book. It is the very factor of talking about settling the West. Go West, young man. Go West. That was the theory, because our population was so populated in the East as it is today.

The government decided to give some kind of incentive for people to leave the safety of the cities in the East where commerce was healthy, where there was sophistication, so-called, we put that in quotes, where there was movement and populations and lots of thriving economy. You had to be able to give some kind of incentive to get people to leave the populations of the East and head West to possess the land.

The transcontinental railroad was just a part of that. But even before that, again we are in that 1858 to 1865 time period, in 1862, the Homestead Law was enacted by Congress. Most of my colleagues have heard about the Homestead Law.

An interesting note for my colleagues, the reason the Homestead Law was not enacted before 1862 was that the southern States knew that any settlement in the West or any new States in the West would be free States. They would oppose slavery. So it took until 1862 when the southern States had left the Union. It took until 1862 to pass the Homestead Act because, prior to 1862, the southern States defeated the Homestead Act.

What is the Homestead Act? The Act enacted in 1862 provided that either head of a family, either head of family, which is interesting back then because there was recognition of the woman, but even the woman or the man as head of the family had to be 21 years old or a veteran of just 14 days in service in the Armed Forces. And if you were a citizen, you could acquire a tract of land under private ownership. You could acquire a tract of land of 168 acres.

And what happened, every American's dream, every American's dream is to own private property. Every American's dream back then was to own a farm. You see, our land, our economy back then was 98 percent agriculture, and it was your dream back then to go out and have your own piece of land. And 160 acres under the Homestead Act, even the poor people of our country could go out. You did not have to be rich to have the land. All you had to do was commit to that piece of land 5 years. You had to live on it and work on it for 5 years.

That was enough incentive to entice a lot of our population, not a lot, but enough of our population would be more proper terminology, enough of our population to go West, young man, go west, and that is what they did.

They begin to move into these areas. They begin to go into the Iowas and the Nebraskas and the Ohios and down here in the regions, the Oklahomas. As they got up here in the Dakotas and so on, a funny thing happened, what is that saying, a funny thing happened on the way to the play? A funny thing happened on the way to the West Coast.

What happened was this, when they started to move West, they found out in the State of Kansas or up there in Nebraska that 160 acres really was not quite enough in some spots to produce enough agriculture to support one family. In a lot of areas, it was enough land to do that.

They actually amended the Homestead Act to double the 160 acres in some places to make it 320 acres. That is why you have a homestead of 160 and some of 320. Some areas out in here took 320 acres to support a family. Remember the focus of the country back then was a family. What was necessary to provide for an average family?

☐ 2045

They based on that on acres, 160 acres or 320 acres. But as I said, something happened on the way to the West. They hit the Rocky Mountains. What happened in the Rocky Mountains? This starts to begin to explain our differences, why we have so much government ownership in the West and very little public ownership in the East, why in the East we are dominated by private property ownership, and in the West we are dominated by government ownership.

What began to happen is when people, our frontiersman, the explorers, the brave people, the men and the women and the husbands and the people who went out, a typical life-span was probably 35 years old, the disease and so on that took so many of their lives, but they continued as frontiersmen to go into the West.

When they hit the Rocky Mountains, guess what they discovered? They got up in that kind of country, number one, they found out that, in the East, you try to get rid of your water. In the West, you try and conserve water. They discovered that the West was a very arid place, that it did not have water like the East did.

On top of that, they discovered 160 acres in many places would not even support a cow. There was no way possible for you to be able to support a family in the Rocky Mountains on 160 acres from an agricultural point of view.

So what was the result? We found that our populations were going around the mountains. They found here in California, see this patch in California where you have private property, the white spot there, a lot of private property ownership there. That was prosperous. People were skipping this area, and they were coming around into the private property ownership areas of California where you could become prosperous, where you could support a family in the valleys and so on of California.

Well, the government realized that this was a problem. We did not want people bypassing and going around and ending up in California. We wanted people to live all the way from California to New York.

So they had to come up with some kind of remedy to convince people to live in the Rocky Mountains, to convince people to live in this arid part of the country.

So they did the calculation. Somebody came up and said, you know, in order to support a family in the Rocky Mountains, a family may need 3,000 acres, not 160 acres, which was later amended to 320 acres, but like 3,000 acres to support a family.

The government, as one can understand, said, wait a minute. We cannot give 3,000 acres to everybody that comes in under the Homestead Act. We cannot amend the Homestead Act to provide 3,000 acres.

Thereupon was born the idea, hey, instead of selling the land, instead of allowing our citizens to go out and work the land and take title to the land, let us loan them the land. Let us keep ownership of the land but allow the people to go out and use the land.

They talked about it, and they debated it. It was never the intent of this government, ever, it was never the intent of this government to take this part of the Nation and tie up almost the entire Western United States and almost all of Alaska.

Take a look at when we brought Alaska in as a State. Take a look at when the Seward's Folly bought Alaska. It was never the intent of the government and it has never been the intent of the government to make that land off limits to people. It was never that intent.

Today you will hear people who urge, hey, let us get them off the Federal lands. Ironically, most of those claims and those urges come from the East because they feel no pain. They do not have a lot of government land in the East. But we are completely surrounded.

For example, in my district, outside of the city of Pueblo, my communities, whether it is Glenwood Springs, Colorado, whether it is Durango, whether it is Grand Junction, Meeker, Craig, Telluride, Aspen, Snowmass, Vail, it is completely surrounded by government lands.

The fact is that never ever, and I keep stressing this because it is so critically important, never in the history of this country was it the intent of the government, of the people, of the citizens, or of any organization to take that part of the country that is in color on this map and make it off limits to the citizens of this country. It was always the intent of the Federal Government and the government lands here to manage those lands in such a way that you could have a concept called multiple use.

Now, many of my colleagues grew up, as I did, going into the National Forests. Do my colleagues remember what the sign was that hung on the National Forests? For example, the White River National Forest, whose headquarters are in Glenwood Springs, Colorado, do my colleagues remember what that sign said? It says "Welcome, you are now entering the White River National Forest". Underneath that hung a sign that said "A land of many uses". That is exactly what our forefathers wanted, a land of many uses.

The government would keep title because of the politics. Because of the politics of giving that much land to one person, the government kept title, which explains exactly why the government owns these vast amounts of land. They kept title. But they always intended for it to be a land of many uses. That concept has worked very well over the years.

Now obviously the government maintained the management responsibility. Every one of us in these chambers have management responsibilities on government lands.

As science advances, as our own technology and management of lands advances, we have to change our management process. But never has our management required that, in bulk, we take people off the lands.

I come from a land where we are surrounded by the government. We live in a country where we all dream of private land ownership. We live in a country that was to be free of the government, that the government worked for the people. The people did not work for the government. That is the concept of our country.

Yet, in the West, we find ourselves besieged by people who do not face the same challenges we do, and some who face the same challenges but, in my opinion, do not appreciate the fact that we are almost totally dependent upon government lands for our subsistence, our recreational subsistence, our environmental protection, our highways, our power lines, our water.

I will give my colleagues an example. Water in the State of Colorado, almost every drop of water in Colorado in the western half is stored upon, originates, or runs across Federal lands. Can one imagine if our use of that water, if the many uses of lands, a land of many uses was prohibited as some people now urge?

Now, let me say that the public lands have with it, as I mentioned earlier, a very high responsibility. These lands do belong to the people of the country. But I am tired of hearing the argument that, hey, the people back here, the people that enjoy complete private ownership, look, some of these States we cannot even find a government spot in, but I am tired of some people who say, look, you know, we should not allow these people, for example, to have a ski area in Colorado, to expand a ski area, to have a highway, to have power lines. My colleagues cannot imagine what we go through.

To give my colleagues an idea, out here in the East, when one wants to build a ditch for water, when one wants to build a highway, when one wants to do some kind of alteration of the land, one goes to one's public zoning board. One may go to one's municipality or to one's county, the zoning board.

When we want to do it out here in the West, our zoning board is located here in Washington, D.C., the BLM or the Department of Interior or the Forest Service or the United States Congress. That is where our planning and zoning board is. So as one can expect, it gets somewhat frustrating for those of us.

I can tell my colleagues that, for some reason out there, there seems to be a connotation that, if one supports many uses of the public lands, why, one must be against the environment. That could not be further from the truth.

The reason many of us live out there is because of the environment. We do not live out there because we get rich living out there. We live out there because, and I happen to think my district is one of the most beautiful, and I think most of my colleagues on the floor would agree, my district is one of the most beautiful districts in the country.

My district has got 54 mountains over 14,000 feet. My district is the highest district in the Nation. We live at the highest elevation in the Nation. It is beauty everywhere one looks.

But do my colleagues know what we have discovered over the years, people can live amongst that beauty without scarring it.

Now, we have learned a lot. We learned that the mining techniques, for example, which pretty much are gone now in the mountains, and that argument could be held one way or the other, we learned that the old mining techniques tore up the land, and we are now recovering a lot of that land.

But we also know, for example, for our forests, we have learned a lot about forest and forest health. We know that in forest and forest health that management of that forest, taking timber out of the forest, not for the sake of commercial timber, but to manage the forest for our wildlife, for the health of the forest is necessary.

I think it is incumbent upon those of my colleagues who do not live near public lands, I think it is incumbent upon them to take a little time to understand why in the West we have different problems because of the fact that we live on government lands or we are surrounded by government lands, compared to the problems my colleagues have under private ownership.

Let us go just for a moment, I want to talk about another book here that is very fascinating about the forests in America. This is strictly now limited to forests, not just public lands. This book is by Douglas McCleary. It is called "American Forests, a History of Resiliency and Recovery." Now, again, I have never met the author to the best of my knowledge. I am just telling my colleagues this is a good book, a good reference book for something I am talking about. I think it would be good to talk about a few interesting factors that are highlighted by this book.

Now, this book, by the way, is not put out by an environmental organization. It is not put out by a lumber company. It is put out by an individual who has gained a reputation for integrity in his investigations and his facts.

Let us read a few things. "Following two centuries of decline, the area of forest land has stabilized. Today the United States has the same amount of forest area as it did from 1920."

Now, if my colleagues listen to some of this propaganda, a lot which, by the way, has just come on recently to raise funds, attacking the Interior Secretary Gail Norton, who I know personally. I have dealt with Gail. I have worked side by side with her, she is from Colorado, for years and years. This is an individual in my opinion of high integrity, but who is being assaulted by certain organizations who want to use her as a fund-raising technique. If one listens to some of this advertising, one would think the forests out here have been devastated.

Again, look at it, the forests today are as large as the forests were in 1920. One could never gather that from those commercials that one hears.

"Nationally, the average volume of standing timber per acre in the United States forest is about one-third greater today than it was in 1952. In the East, the average volume per acre of standing timber", this is not processed timber, this is not commercial timber, this is standing timber, "in the east, the average volume of standing timber is almost doubled." In the West, it is a third greater than it was just 50 years ago, a third greater in standing timber.

Now, remember, a large part of this is because, in the early days, for example, when the transcontinental railroad went through, they took a lot of forest. They took a lot of timber down. The trains, the steamships, the food, everything depended on timber. They put their cows in there. They did not manage the harvest of it. They cut timber tree after tree after tree for the ties underneath the rail. Remember all those steam locomotives, before they put coal in there, they threw wood in there.

And the fence, back then, the fences were all built of wood. Today, this is before the invention of barbed wire or wire for fences. So a lot of the uses of wood have been reduced. So that is in fact a contributing factor that we have to consider when we talk about the increase here.

But nonetheless, listen to this: "The populations of whitetail deer, wild turkey, elk, pronghorns, and many other wildlife species have increased dramatically. Tree planting on all forest land rose dramatically after World War II, reaching record levels in the 1980s. Many private forests are now actively managed for tree growing. 70,000 certified tree farms encompass 95 million acres of privately owned land."

In other words, now the big thing is not farming, but actually growing trees.

"The tens of millions of acres of stump lands that existed in 1900 have long since been reforested. Many of those areas today are mature forests. Others have been harvested a second time, and a cycle of regeneration to young forests has started again.

"Eastern forests have staged a major come back. Forest growth nationally has exceeded the harvest since the 1940s with each subsequent decade generally showing increased margins. Recreational use of our national forests has increased many fold."

I am going to talk about recreational management because it is very important.

"American society in the 20th Century changed from rural to urban and industrialized. And although this change has been accompanied by a corresponding physical and psychological separation of people from land and resources, today's urbanized nation is no less dependent on the products of its forests and fields than were the subsistence farmers of the Americas past."

I think, and I will not read much further here, but I think the summation that I am trying to say here is, look, we have to retain, and we have to stand strong for the preservation of multiple use, of many uses on Federal lands. It is critical for the well-being of half of this Nation.

Now I realize that this takes some patience on people who do not deal with Federal lands. Oh, sure, out here in the East, you have the Appalachians. Down here in Florida, you have got the Everglades. You have some spots up here near the lakes, Great Lakes and so on.

But for the most part, I am asking the understanding of my colleagues, before they draw automatic conclusions about people's use, about people as being a resource on government and public lands, take into consideration the management of those lands.

There are lots of ways that we manage Federal lands. The most exclusive way and the way that is fixed forever, it is locked in, I guess theoretically Congress could change it, but short of a world war, I do not see it changing, the most aggressive, most nonflexible and most locked-in management of Federal lands is called a, wilderness area.

I know a lot about wilderness areas. I sponsored wilderness areas. Last year I put in over 100,000 acres of land into wilderness on different projects. The year before, I think I put in another 18,000 acres. Wilderness is a very extreme tool and it is a very proper tool in its appropriate use.

□ 2100

But from wilderness clear over to this end of the spectrum would be no management of Federal lands. That is no good.

The days of being able to allow people to go onto the public lands and cut timber or recreate or take water or destroy the environment, those days are gone. Every one of us who lives in the West has an additional responsibility. Because we live on the land, we can monitor the land more carefully. We have to be the enforcers of making sure that those public lands are not abused.

But at the same time we need to understand there are different methods. There is a strong advertising campaign going on out there that would suggest to my colleagues that if these government lands, if large parts of these lands are not put into wilderness areas, then these lands will not be protected. The reason wilderness was used as the designation is that it is a very popular word. Stop 10 people in your district and see if you can get any negative view about the word "wilderness." That is like motherhood and apple pie.

The reality is that you have to look at the fine print. What does the fine print do for water rights, and in the West I intend to speak extensively about water soon in one of my nightside chats, but wilderness areas have significant impacts on water rights. And Colorado is the only State in the Union, where all of our free-flowing water goes out of the State. We have no free-flowing water for our use that comes into the State. So water rights are a big deal; and when you have the Federal Government out of Washington, D.C. coming in and doing things with land designations that impact our water rights, we kind of get up in arms. We kind of become a little defensive, which is why you see such extensive debate when we have Congressmen from the eastern coast who decide let us put a wilderness out in Colorado or Utah or Nevada, it kind of burns us when one of you colleagues steps forward, and you have probably never spent a night in the West unless you were doing a political trip or on vacation, and you step forward and say it does not impact my constituents, we are not going to put a wilderness area in Central Park of New York City or Connecticut, but let us put a wilderness in Colorado.

The impact and the management of government lands, what does it do to the local people? What is the fine print? We have a lot of different management tools, and by the way, every other management tool allows more flexibility. We have national parks, national monuments, special management areas. We have areas where we allow mineral protection and grazing and hunting. We have areas that have special designations like Lake Powell for water storage; and by the way, California, for power production.

We have an array of management tools. Many of you may remember the tragic fire of Storm King Mountain that occurred in Glenwood Springs. We managed that land under one plan one day; and because of the fire, a few days later we switched the management plan because we had an entire different set of factors to deal with.

The wild fires that take place, we have discovered that many fires are healthy for the forest; but many of these fires do damage which needs to be managed in a different way. The wildlife that we try to preserve, the Endangered Species Act, we find out that there has to be certain management of the forest to preserve these.

We have to understand that recreation, many of the people, unless you are very wealthy in my district, for example, if you live in Glenwood Springs or Aspen or Steamboat, most of the mountain communities in Colorado, unless you are very wealthy, you do not own a lot of land because the land out there is very expensive, and most people are not wealthy, although it is a very wealthy district, and most of those people recreate on Federal lands. Some of our biggest family recreational sports are skiing or recreating at Lake Powell. Yet we have people out there, primarily again out of the East, we have special interest groups who want to drain Lake Powell. Lake Powell has more shoreline than the entire Pacific West Coast. It produces massive amounts of power. It gives us flood control. But again as I said, it is probably the primary family recreation spot in the State of Utah; and of course you have that family recreation area in Arizona, and these groups want to drain it. They want to take down the dam to go back, as they say, to days they never experienced, and with very little knowledge.

And here we have a State like California who suffered blackouts yesterday and suffered blackouts today, and they may suffer rolling blackouts tomorrow. Why? Because on a per-capita basis California produces less power than any other State in the Union. Recently in the last 10 to 20 years, they have kind of bought into this picture: not in my backyard. No power production in my State. Let somebody else do it.

That kind of philosophy is what creates problems. Let me come back. There are lots of ways to manage these lands which does a good job. For example, the Colorado Canyons Conservation Area, that was my bill last year. My wife and I hiked the conservation area this last weekend. There are very few weekends that my wife and I are not hiking public lands, recreating on the lands, talking to people that use the lands, talking to the environmentalists and the water experts on these lands.

The Colorado canyons, and if you are ever in Grand Junction, Colorado, go walk the canyon. Go down to the Great Sand Dunes or the Black Canyon National Park, take a look at the Rocky Mountain National Park. There we have used in a responsible fashion, and we have been able to manage these public lands. Do not take it away from us. It is our life-style. We subsidize. It is our subsistence, and we think that we have good teams out there.

My Colorado canyons legislation could not have happened if I had not had cooperation from environmental activists, if I had not had cooperation from the ranching community, if I had not had cooperation from the locally elected officials, from local groups like the local chamber of commerce or from the mountain bikers, the users, or from the people, the water experts, because the Colorado River came there.

There are a lot of different people that can come together, but they ought to come together in a straightforward fashion. From the ads that I hear about wilderness, the perception, especially here in the East, because those in the East have not really lived it, it is very easy to kind of direct your perception of what is happening in the West. And the easiest way to kind of propagandize or direct your vision of what is going on in the West and on the government lands is to make you visualize that the only way to protect the lands is to put it in wilderness; that the people have overrun the lands and that we need to take people off the lands.

In some cases, that is accurate. In most cases, it is not. In most cases, the land is being properly managed. Can we improve? Of course we can improve. Who cannot? Education can improve, health care can be improved, highways can be improved, environmental organizations can improve. Of course we can improve that management. And it is a responsibility of ours to improve that management. But we should not take the most dramatic, the most radical step, and that is to join that movement to take people off these lands.

Now, I am going to have an opportunity here in the next week or week and a half and I will have another night-side chat where I will talk to my colleagues about water. Water really is an amazing subject to talk about, especially when we take a look at exactly the differences that we have in the East and the West. My colleagues are going to see that, as I mentioned, there are dramatic differences between ownership and so on.

And before I close out on water, I want to give some comparisons of some interests. My comments here are focused towards those here who represent eastern States, States like Kentucky, Rhode Island, New York, Ohio, Indiana, Pennsylvania, Delaware, or Maryland. Let me give some comparisons so my colleagues can understand where my focus, where my devotion is in the West. You will get a pretty broad picture.

Let us compare some States. I picked 11 eastern States tonight in preparation for these comments. I picked 11 eastern States, and I picked 11 western States to compare the amount of public ownership and the amount of government land in the West compared to government land in the East.

The State of Nevada. In the State of Nevada, roughly 83 percent of the land is owned by the government. Eighty-three percent of the State of Nevada is owned by the government versus the State of New Jersey, which is only 3 percent. Three percent in the State of New Jersey.

The State of Utah. Sixty-four percent of the State of Utah is owned by the government; in Maryland, just a little over 2 percent; Utah, 64 percent. Maryland, just over 2 percent. Idaho. Sixty-one percent of the State of Idaho is owned by the government. In Delaware, 2 percent. Pennsylvania, 2 percent. Indiana, 1.7 percent. Oregon, back to the West again, 52 percent. Wyoming, 50 percent. Half of the State of Wyoming is owned by the government. Arizona. Almost half of the State of Arizona is owned by the government. California. Forty-five percent of the State of California is owned by the government. Colorado. Thirty-seven percent of the State of Colorado is owned by the government. And, by the way, most of that ownership is in my district.

In Ohio, less than 1.3 percent is owned by the government. Massachusetts. Less than 1.3 percent of Massachusetts is owned by the government. Maine, less than a percent. New York, less than a percent. Rhode Island, less than half a percent. Connecticut, two-tenths of a percent. On the other hand, back to the West, New Mexico, 32 percent; Washington, 28 percent; Montana, 28 percent.

So when one of my colleagues from Massachusetts, where about 1 percent of the State is owned by the government, proposes legislation dealing with a State like Nevada, which has 83 percent of its land owned by the government; or Alaska, Alaska is in the high 90s, I think 94 or 96 percent of Alaska is owned by the government, it is nice to understand these comparisons.

My point is this: we work as a team back here, theoretically, in the United States Congress. Not theoretically, we really do. There are a lot of things we agree on. A lot of people say to me, gosh, back at the United States Capital it is always Republicans and Democrats, Republicans and Democrats. Always division. That is not necessarily true. There are a lot of differences back here between urban and rural, between East and West, and I am here tonight to try to explain the justification.

It is not evil that there are differences between the East and the West, but it is something that should be understood. For us to do our jobs efficiently, for us to be Representatives of the United States of America, we need to understand some fundamental differences brought about during the early days of our country and the settlement of our country. That is what I hope my comments tonight have accomplished.

Now, I want to come back in a week or so, and I want to spend an hour talking about the differences in water. Water and the West. It is uniquely different than water in the East. The water tastes the same, perhaps; but the water laws and the allocation of water and the amount of water and the implications of storage of water and the power production of water, all of those issues have factors that create a differentiation between the East and the West.

We clearly, in the West, are outnumbered by those in the East. We know this. It is like the same in my district in Colorado. In my district in Colorado, we have 80 percent of the water resources, and 80 percent of the population lives outside my district.

□ 2115

We have to try and educate and work with each other so that we truly can have a team effort towards a common goal. But many times in the West we feel left out. And so my purpose in speaking with Members this evening and my purpose in speaking with them next week about water is so that they have a little clearer understanding of why we get so energized here, why we are so concerned when we talk about something as fundamental to us, not necessarily fundamental to you but fundamental to our subsistence in the West, such as government and public lands, such as water.

I look forward, Mr. Speaker, to again next week having a similar discussion where we will focus on water. I think Members will be impressed, they will be surprised how much water is necessary, I think about 1,500 gallons of water to serve them a Big Mac, a French fry and a malt. That is about the water that is necessary to grow that kind of food for them. The amount of water that agriculture takes, we never even think about, because you do not think about how much water it takes to get a Big Mac hamburger at McDonald's. You do not think how much water it takes when you buy hamburger buns at the grocery store. You do not think how much water it takes when you have the oak tree outside. It is a lot of water. The management of that water is just as critical to us as the management of public lands.

In conclusion, I would recommend, it is fascinating, regardless of where you live in the United States, it is fascinating to read this book about the transcontinental railroad, 1863 to 1869. It is entitled "Nothing Like It in the World," Stephen Ambrose. Members may remember, he wrote about the Lewis and Clark exploration and so on. It is fascinating. I would challenge each of my colleagues to go out and get this, and I would bet you that every one of them in a couple of weeks will say, wow, that is a great book. That really gave me a perception and a study of American history. I would also recommend that any time you come across a history teacher or a business teacher, ask those instructors to present this to their classes, to talk about the difference that the transcontinental railroad made in everything from timekeeping in the United States to the amount of federally and government owned lands in the West compared with government and privately owned lands in the East.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of personal business.

Ms. BROWN of Florida (at the request of Mr. GEPHARDT) for today and the balance of the week on account of official business.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. UNDERWOOD (at the request of Mr. GEPHARDT) for today and the balance of the week on account of official business.

Mr. CANNON (at the request of Mr. ARMEY) for the week of March 12 and for March 19 and the balance of the week on account of family health concerns.

Mr. TAYLOR of North Carolina (at the request of Mr. ARMEY) for today on account of inclement weather and canceled flights.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mrs. MALONEY of New York, for 5 minutes, today.

Mr. TIERNEY, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Ms. ROYBAL-ALLARD, for 5 minutes, today.

(The following Members (at the request of Mr. BILIRAKIS) to revise and extend their remarks and include extraneous material:)

Mr. BILIRAKIS, for 5 minutes, today.

Mrs. BIGGERT, for 5 minutes, today.

Mr. MORAN of Kansas, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. GOSS, for 5 minutes, today.

Mrs. MORELLA, for 5 minutes, today.

Mr. HEFLEY, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes today and March 21.

Mr. KIRK, for 5 minutes, today.

Mr. SCHROCK, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

ADJOURNMENT

Mr. McINNIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 17 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 21, 2001, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1276. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Pyriproxyfen; Pesticide Tolerance [OPP-301103; FRL-6766-6] (RIN: 2070-AB78) received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1277. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Pymetrozine; Pesticide Tolerances for Emergency Exemptions [OPP-301106; FRL-6766-9] (RIN: 2070-AB78) received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1278. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Imazethapyr; Time-Limited Pesticide Tolerance [OPP-301108; FRL-6774-9] (RIN: 2070-AB78) received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1279. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Butene, Homopolymer; Tolerance Exemption [OPP-301104; FRL-6769-8] (RIN: 2070-AB78) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1280. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Protection of the Stratospheric Ozone: De Minimis Exemption for Laboratory Essential Uses for Calendar Year 2001 [FRL-6952-1] (RIN: 2060-AJ15) received March 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1281. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes: Washington [WA-72-7147a; FRL-6938-5] received March 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1282. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Additions to and Deletions from the Procurement List—received March 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

1283. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Availability of "Allocation of Fiscal Year 2001 Operator Training Grants" [FRL-6951-6] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1284. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Request For Grant Proposals Making Smart Growth Work: Community Innovations And Responses To Barriers—received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce, Transportation and Infrastructure, and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 92. Resolution providing for consideration of motions to suspend the rules (Rept. 107-23). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 93. Resolution providing for consideration of the bill (H.R. 247) to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks (Rept. 107-24). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. JOHN (for himself, Mr. GORDON, Mr. BISHOP, Mr. ETHERIDGE, Mr. HILLEARY, Mr. THOMPSON of Mississippi, Mr. HOLDEN, Mr. KIND, Mr. HINCHEY, Mr. CRAMER, Mrs. CLAYTON, Mr. CLEMENT, Mr. BERRY, Mr. STENHOLM, Mr. PHELPS, Mr. JEFFERSON, Mr. BOYD, Mr. SHOWS, Mr. BOUCHER, Mr. TANNER, Mr. BAKER, Mr. STUPAK, Mr. MCINTYRE, Mr. FROST, and Mr. CHAMBLISS):

H.R. 1096. A bill to provide for improved educational opportunities in low-income and rural schools and districts, and for other purposes; to the Committee on Education and the Workforce.

By Mr. GANSKE (for himself, Mr. DINGELL, Mr. BALDACCI, Mr. BARTLETT of Maryland, Mr. BEREUTER, Mr. BLUMENAUER, Mrs. BONO, Mrs. CAPPS, Mr. DEFAZIO, Ms. DEGETTE, Mr. DOGGETT, Ms. ESHOO, Mr. EVANS, Mr. FRANK, Mr. GALLEGLY, Mr. GILMAN, Mr. GREEN of Texas, Mr. HANSEN, Mr. HINCHEY, Mr. HORN, Ms. KAPTUR, Mr. KIND, Mr. KUCINICH, Mr. LAFALCE, Mr. LEACH, Mr. LIPINSKI, Mr. LUTHER, Mrs. MALONEY of New York, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. MEEHAN, Mr. MORAN of Virginia, Mrs. MORELLA, Mr. NADLER, Mr. NETHERCUTT, Mr. OLVER, Mr. PALLONE, Mr. PAYNE, Ms. ROYBAL-ALLARD, Ms. SCHAKOWSKY, Mr. SNYDER, Mr. STARK, Mr. STUPAK, Mrs. TAUSCHER, Mr. THOMPSON of California, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Mr. WAXMAN, Mr. WEINER, and Mr. WELLER):

H.R. 1097. A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to tobacco products, and for other purposes; to the Committee on Energy and Commerce.

By Mr. YOUNG of Alaska (for himself, Mr. OBERSTAR, Mr. LoBIONDO, and Ms. BROWN of Florida):

H.R. 1098. A bill to improve the recording and discharging of maritime liens and expand the American Merchant Marine Memorial Wall of Honor, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. YOUNG of Alaska (for himself, Mr. OBERSTAR, Mr. LoBIONDO, and Ms. BROWN of Florida):

H.R. 1099. A bill to make changes in laws governing Coast Guard personnel, increase marine safety, renew certain groups that advise the Coast Guard on safety issues, make miscellaneous improvements to Coast Guard operations and policies, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. POMBO (for himself, Mr. YOUNG of Alaska, Mr. ROHRABACHER, Mr. RADANOVICH, Mr. JONES of North Carolina, Mr. DOOLITTLE, Mr. SCHAFFER, Mr. LARGENT, Mrs. BONO, Mr. GIBBONS, Mr. SKEEN, Mrs. EMERSON, Mr. NETHERCUTT, Mr. HERGER, and Mr. REHBERG):

H.R. 1100. A bill to amend the Endangered Species Act of 1973 to improve the ability of individuals and local, State, and Federal agencies to prevent natural flood disaster; to the Committee on Resources.

By Mr. PICKERING (for himself, Mr. TOWNS, Mr. TAUZIN, Mr. STEARNS, Mr. SESSIONS, Mr. WICKER, Mr. GRAHAM, Mr. MURTHA, Mr. BARTLETT of Maryland, Mr. SCARBOROUGH, Mr. BOYD, Mr. TERRY, Mr. THORNBERRY, Mr. McCRERY, Mr. PETERSON of Pennsylvania, Mr. NORWOOD, and Mr. YOUNG of Alaska):

H.R. 1101. A bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1999, and for other purposes; to the Committee on Energy and Commerce.

By Mr. PICKERING:

H.R. 1102. A bill to provide for the preservation and restoration of historic buildings at historically women's public colleges or universities; to the Committee on Resources.

By Mr. BRADY of Texas (for himself, Mr. STENHOLM, Mr. COX, and Mr. SCHAFFER):

H.R. 1103. A bill to provide safer schools and a better educational environment; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 1104. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to provide, in the case of an employee welfare benefit plan providing benefits in the event of disability, an exemption from preemption under such title for State tort actions to recover damages arising from the failure of the plan to timely provide such benefits; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 1105. A bill to amend the Real Estate Settlement Procedures Act of 1974 to provide for homeowners to recover treble damages from mortgage escrow servicers for failures by such servicers to make timely payments from escrow accounts for homeowners insurance, taxes, or other charges, and for other purposes; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1106. A bill to exclude certain veterans' compensation and pension amounts from consideration as adjusted income for purposes of determining the amount of rent paid by a family for a dwelling unit assisted under the United States Housing Act of 1937; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1107. A bill to amend the Internal Revenue Code of 1986 to allow married individuals who are legally separated and living apart to exclude from gross income the income from United States savings bonds used to pay higher education tuition and fees; to the Committee on Ways and Means.

By Mr. BILIRAKIS:

H.R. 1108. A bill to amend title 38, United States Code, to provide that remarriage of the surviving spouse of a veteran after age 55 shall not result in termination of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. GOODLATTE (for himself, Mr. ARMEY, Mr. BACHUS, Mr. BALLENGER, Mr. BARTON of Texas, Mrs. BONO, Mr. CANTOR, Mr. COX, Mr. CULBERSON, Mr. CUNNINGHAM, Mr. DeMINT, Mr. DOOLITTLE, Mr. FLAKE, Mr. FLETCHER, Mr. HEFLEY, Mr. HILLEARY, Mr. ISAKSON, Mr. KOLBE, Mr. MILLER of Florida, Mr. NETHERCUTT, Mr. NORWOOD, Mr. PAUL, Mr. RYUN of Kansas, Mr. SESSIONS, Mr. SPENCE, Mr. TANCREDO, Mr. WICKER, Mr. WOLF, Mr. ISTOOK, and Mr. GOODE):

H.R. 1109. A bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities; to the Committee on Education and the Workforce.

By Mr. GRAHAM (for himself, Mr. ROEMER, Mr. OSBORNE, Mr. KIND, Mr. KING, Mr. DUNCAN, Mr. BALDACCI, Mr. SMITH of Texas, Mr. GREEN of Wisconsin, Mr. ALLEN, Mr. GOODE, Mr. ETHERIDGE, Mr. SHAYS, Mr. BLUMENAUER, Mr. WALSH, Ms. CARSON of Indiana, Mr. WELDON of Florida, Mr. WOLF, Mr. FRANK, and Ms. NORTON):

H.R. 1110. A bill to prohibit high school and college sports gambling in all States including States where such gambling was permitted prior to 1991; to the Committee on the Judiciary.

By Mr. GREENWOOD (for himself, Mrs. LOWEY, Mrs. JOHNSON of Connecticut, Mrs. McCARTHY of New York, Mrs. ROUKEMA, Mr. WEINER, Mr. SHAYS, Mrs. TAUSCHER, Mr. OSE, Mrs. THURMAN, Mr. BOEHLERT, Ms. SCHAKOWSKY, Mr. BLAGOJEVICH, Ms. WOOLSEY, Mrs. KELLY, Mr. LARSEN of Washington, Mr. TIERNEY, Mr. ALLEN, Mrs. JONES of Ohio, Mr. SANDERS, Mr. BALDACCI, Mr. INSLEE, Mr. STARK, Mr. HINCHEY, Mr. BRADY of Pennsylvania, Mr. FRANK, Mr. OLVER, Mr. BONIOR, Mr. BENTSEN, Mr. ABERCROMBIE, Mr. PRICE of North Carolina, Mr. BARRETT, Mr. HOLT, Ms. HOOLEY of Oregon, Mr. BERMAN, Ms. HARMAN, Ms. SOLIS, Ms. DeLAURO, Mr. MORAN of Virginia, Mr. FILNER, Mr. CAPUANO, Mr. BLUMENAUER, Ms. SANCHEZ, Mr. McGOVERN, Ms. BALDWIN, Ms. SLAUGHTER, Ms. PELOSI, Mr. DeFAZIO, Mr. SCHIFF, Mr. JEFFERSON, Mr. PAYNE, Mr. CROWLEY, Mr. NADLER, Mr. HOEFFEL, Mr. GONZALEZ, Mr. EVANS, Mr. McDERMOTT, Mr. RODRIGUEZ, Ms. McCARTHY of Missouri, Mr. THOMPSON of California, Mr. CUMMINGS, and Mr. GEORGE MILLER of California):

H.R. 1111. A bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans; to the Committee on Education and the Workforce, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOEFFEL (for himself, Mr. CONYERS, Mrs. MALONEY of New York, Mr. FATTAH, Mr. MARKEY, Ms. SCHAKOWSKY, Mr. FRANK, Mr. BECERRA, Mr. BORSKI, Mr. BRADY of Pennsylvania, Mr. McGOVERN, Mr. BERMAN, Mr. NADLER, Mr. JACKSON of Illinois, Mr. ENGEL, Ms. MILLENDER-McDONALD, Mrs. MINK of Hawaii, and Mr. WEXLER):

H.R. 1112. A bill to make Federal law apply to antique firearms in the same way it applies to other firearms; to the Committee on the Judiciary.

By Ms. EDDIE BERNICE JOHNSON of Texas:

H.R. 1113. A bill to amend the Small Business Act to direct the Administrator of the Small Business Administration to establish an office within the Administration to conduct oversight of certain loan programs, and for other purposes; to the Committee on Small Business.

By Mr. LaFALCE (for himself and Ms. VELÁZQUEZ):

H.R. 1114. A bill to combat international money laundering and protect the United States financial system, and for other purposes; to the Committee on Financial Services.

By Mr. LEACH:

H.R. 1115. A bill to authorize the Secretary of State to provide for the establishment of nonprofit entities for the Department's international educational, cultural and arts programs; to the Committee on International Relations.

By Mrs. LOWEY (for herself, Mrs. MORELLA, Mr. FROST, Mr. SMITH of Washington, Mrs. ROUKEMA, Mr. WEINER, Ms. KAPTUR, Mr. HINCHEY, Mr. NADLER, Ms. RIVERS, Mr. SHAYS, Mrs. KELLY, Mr. HYDE, Mr. ABERCROMBIE, Mr. STARK, Ms. SOLIS, and Mr. CROWLEY):

H.R. 1116. A bill to reestablish the Office of Noise Abatement and Control in the Environmental Protection Agency, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY of New York (for herself, Mr. KIRK, Mr. CROWLEY, Mr. LEACH, Mr. HOEFFEL, Ms. SCHAKOWSKY, Mr. BERMAN, Mr. WAXMAN, Mr. FILNER, Mr. ENGEL, Mr. CUMMINGS, Mr. BRADY of Pennsylvania, Mr. PALLONE, Mrs. THURMAN, Ms. JACKSON-LEE of Texas, Mr. SAWYER, Ms. BROWN of Florida, Mr. JEFFERSON, Ms. McKINNEY, Mr. SANDERS, Ms. LEE, Mr. ABERCROMBIE, Mr. CAPUANO, Mr. McGOVERN, Mr. TOWNS, Mr. SHERMAN, Ms. HOOLEY of Oregon, Mrs. MINK of Hawaii, Mr. UDALL of Colorado, Mr. FARR of California, Mr. NADLER, Mr. GONZALEZ, Mr. MORAN of Virginia, Mr. HINCHEY, Mr. ALLEN, Mrs. MORELLA, Mr. PAYNE, Mr. ACKERMAN, Mr. FRANK, Mr. TIERNEY, Mr. GILMAN, Mr. GREENWOOD, Mr. WYNN, Mr. BALDACCI, Mr. BLUMENAUER, Mr. LANTOS, Mr. SHAYS, Mr. DAVIS of Illinois, Ms. SLAUGHTER, Mrs. JOHNSON of Connecticut, Mrs. Kelly, Ms. Waters, Mrs. Meek of Florida, Mr. Hilliard, Mr. Meehan, Mr. Rodriguez, Ms. Woolsey, Mr. McDermott, Mr. Stark, Ms. Pelosi, Ms. DeGette, Mr. Weiner, Mr. Price of North Carolina, Ms. Norton, and Mr. Levin):

H.R. 1117. A bill to provide a United States voluntary contribution to the United Nations Population Fund; to the Committee on International Relations.

By Mrs. MINK of Hawaii:

H.R. 1118. A bill to establish comprehensive early childhood education programs, early childhood education staff development programs, model Federal Government early childhood education programs, and for other purposes; to the Committee on Education and the Workforce.

By Mrs. MINK of Hawaii:

H.R. 1119. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to State and local educational agencies to pay such agencies for one-half of the salary of a teacher who uses approved sabbatical leave to pursue a course of study that will improve his or her classroom teaching; to the Committee on Education and the Workforce.

By Mr. MORAN of Virginia (for himself, Mr. Tom Davis of Virginia, Mr. Wolf, and Mr. Faleomavaega):

H.R. 1120. A bill to require the Secretary of the Army to designate Fort Belvoir, Virginia, as the site for the planned National Museum of the United States Army; to the Committee on Armed Services.

By Mr. POMEROY (for himself, Mr. Thune, and Mr. Udall of New Mexico):

H.R. 1121. A bill to amend the Agricultural Marketing Act of 1946 to require retailers of beef, lamb, and pork to inform consumers, at the final point of sale to consumers, of the country of origin of the commodities; to the Committee on Agriculture.

By Mr. RANGEL:

H.R. 1122. A bill to authorize the President to award a gold medal on behalf of the Congress to Jesse L. Jackson, Sr. in recognition of his outstanding and enduring contributions to the Nation; to the Committee on Financial Services.

By Mr. RANGEL:

H.R. 1123. A bill to designate the facility of the United States Postal Service located at 153 East 110th Street in New York, New York, as the "Tito Puente Post Office Building"; to the Committee on Government Reform.

By Mr. RANGEL:

H.R. 1124. A bill to authorize the Director of the Office of National Drug Control Policy to enter into negotiations with representatives of the Government of Cuba to provide for increased cooperation between Cuba and the United States on drug interdiction efforts; to the Committee on International Relations.

By Mr. RANGEL:

H.R. 1125. A bill to redesignate the Federal building located at 1 Federal Plaza in New York, New York, as the "Ronald H. Brown Federal Building"; to the Committee on Transportation and Infrastructure.

By Mr. RYUN of Kansas:

H.R. 1126. A bill to amend the Internal Revenue Code of 1986 to allow all taxpayers who maintain households with dependents a credit for dependents; to the Committee on Ways and Means.

By Mr. STEARNS:

H.R. 1127. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for amounts paid for health insurance and prescription drug costs of individuals; to the Committee on Ways and Means.

By Mr. THORNBERRY:

H.R. 1128. A bill to reduce the amount of paperwork and improve payment policies for health care services, to prevent fraud and abuse through health care provider education, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UDALL of Colorado (for himself, Mr. Boehlert, Mr. George Miller of California, Mr. Bonior, Mr. Etheridge, and Mr. Honda):

H.R. 1129. A bill to establish the High Performance Schools Program in the Department of Energy, and for other purposes; to the Committee on Education and the Workforce.

By Mr. UDALL of Colorado (for himself, Mr. Etheridge, and Mr. Honda):

H.R. 1130. A bill to establish a research program at the National Science Foundation to quantify the relationship between the physical characteristics of elementary and secondary schools and student academic achievement in those schools, and for other purposes; to the Committee on Science.

By Mr. UDALL of New Mexico (for himself, Mr. Udall of Colorado, and Mr. Matheson):

H.R. 1131. A bill to provide permanent appropriations to the Radiation Exposure Compensation Trust Fund to make payments under the Radiation Exposure Compensation Act (42 U.S.C. 2210 note); to the Committee on Appropriations.

By Mr. UDALL of New Mexico (for himself, Mr. Udall of Colorado, and Mr. Matheson):

H.R. 1132. A bill to ensure the timely payment of benefits to eligible persons under the Radiation Exposure Compensation Act (42 U.S.C. 2210 note); to the Committee on Appropriations.

By Mr. WATTS of Oklahoma:

H.R. 1133. A bill to amend the impact aid program under the Elementary and Secondary Education Act of 1965 relating to the calculation of payments for small local educational agencies; to the Committee on Education and the Workforce.

By Mr. WELLER (for himself, Mr. Kleczka, Mr. Ryan of Wisconsin, and Mr. Pomeroy):

H.R. 1134. A bill to amend the Internal Revenue Code of 1986 to modify the exemption from the self-employment tax for certain termination payments received by former life insurance salesmen; to the Committee on Ways and Means.

By Mr. WICKER (for himself, Mrs. Jones of Ohio, Mr. Norwood, Mr. Simpson, and Mr. Ose):

H.R. 1135. A bill to ensure that members of the Armed Forces who are married and have minor dependents are eligible for military family housing containing more than two bedrooms; to the Committee on Armed Services.

By Mr. WICKER (for himself, Mr. Pickering, Ms. McKinney, Mr. Boucher, Mrs. Meek of Florida, Mr. Shows, Mrs. Mink of Hawaii, Mr. Schaffer, Mr. Norwood, Mr. Stupak, Mr. Paul, Ms. Hart, and Mr. Cramer):

H.R. 1136. A bill to amend title 38, United States Code, to require Department of Veterans Affairs pharmacies to dispense medications to veterans for prescriptions written by private practitioners, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. WILSON (for herself, Mr. Skeen, Mr. Crowley, Mr. Holt, Mr. Paul, and Ms. Hooley of Oregon):

H.R. 1137. A bill to amend the Internal Revenue Code of 1986 to establish a permanent tax incentive for research and development, and for other purposes; to the Committee on Ways and Means.

By Mr. HOYER (for himself, Mr. Hyde, Mr. Frank, Mr. Berman, Mr. Sensenbrenner, Mr. Sabo, and Mr. Pallone):

H.J. Res. 39. A joint resolution proposing an amendment to the Constitution of the United States to repeal the 22nd amendment to the Constitution; to the Committee on the Judiciary.

By Mr. ANDREWS (for himself, Mr. Hefley, Mr. Riley, and Mr. Kirk):

H. Con. Res. 67. Concurrent resolution expressing the sense of the Congress relating to the Taiwan Relations Act; to the Committee on International Relations.

By Mr. KING (for himself, Mr. Burr of North Carolina, Mr. Wolf, Mr. LaTourette, Mr. Ehrlich, Mr. Abercrombie, Mr. Traficant, Mr. Diaz-Balart, Ms. Rivers, Mr. Tancredo, Mr. Hoeffel, Mr. McNulty, Mr. Taylor of North Carolina, Mr. Pascrell, Mr. Tierney, Mr. McGovern, Mr. Pallone, Mr. Sanders, and Mr. Towns):

H. Con. Res. 68. Concurrent resolution condemning the Government of the People's Republic of China for its poor human rights record; to the Committee on International Relations.

By Mr. LAMPSON (for himself, Mr. Chabot, Mr. Horn, Mr. Greenwood, Mrs. Mink of Hawaii, Mr. Kolbe, Mr. Gonzalez, Mr. Smith of New Jersey, Mr. Kirk, Mr. Crenshaw, Mr. Foley, Ms. Jackson-Lee of Texas, Mr. Shimkus, Mrs. Tauscher, Mr. Borski, Mrs. Thurman, Mr. Sandlin, Mr. Pascrell, Mrs. Maloney of New York, Mr. Hastings of Florida, Mr. Frank, Mr. Kind, Ms. Eshoo, Mr. Farr of California, Mr. Hinchey, Mr. Hinojosa, Mr. Reyes, Mr. Baca, Mr. Edwards, Mr. Rodriguez, Mr. Ortiz, Mrs. Emerson, Mr. Gutknecht, Mr. Green of Texas, and Mr. Bentsen):

H. Con. Res. 69. Concurrent resolution expressing the sense of the Congress on the Hague Convention on the Civil Aspects of International Child Abduction and urging all Contracting States to the Convention to recommend the production of practice guides; to the Committee on International Relations.

By Mr. SAWYER (for himself, Mrs. Morella, Mr. Lewis of Georgia, Mrs. Maloney of New York, Mr. McGovern, Mr. Hinchey, Ms. Pelosi, Mrs. Mink of Hawaii, Mr. Luther, Mr. McDermott, Ms. Slaughter, Ms. Lofgren, Ms. Baldwin, Mr. Lantos, Mrs. Meek of Florida, Mr. Inslee, Mr. Sanders, Mr. Wynn, Mr. Thompson of California, Mrs. Tauscher, and Mr. Frost):

H. Con. Res. 70. Concurrent resolution expressing the sense of the Congress that the United States should develop, promote, and implement policies to slow global population growth by voluntary means; to the Committee on Energy and Commerce, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TOOMEY (for himself and Mr. ROEMER):

H. Con. Res. 71. Concurrent resolution recognizing the importance of families and children in the United States and expressing support for the goals and ideas of National Family Day; to the Committee on Education and the Workforce.

By Mr. WICKER:

H. Con. Res. 72. Concurrent resolution expressing the sense of Congress regarding the employers of the members of the reserve components of the Armed Forces; to the Committee on Armed Services.

By Ms. PRYCE of Ohio.

H. Res. 92. A resolution providing for consideration of motions to suspend the rules; House Calendar No. 8. House Report No. 107–23.

By Mr. DIAZ-BALART:

H. Res. 93. A resolution providing for consideration of the bill (H.R. 247) to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks; House Calendar No. 9. House Report No. 107–24.

By Ms. MILLENDER-McDONALD:

H. Res. 94. A resolution honoring the contributions of Venus and Serena Williams; to the Committee on Government Reform.

By Mr. RANGEL:

H. Res. 95. A resolution expressing the support for a National Week of Reflection and Tolerance; to the Committee on Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mrs. TAUSCHER, Mr. SAXTON, and Mr. TOM DAVIS of Virginia.

H.R. 13: Mr. LARSON of Connecticut and Mr. PALLONE.

H.R. 16: Mr. DAVIS of Illinois.

H.R. 17: Mrs. MORELLA.

H.R. 20: Mr. SUNUNU.

H.R. 25: Ms. McKINNEY.

H.R. 28: Mr. FERGUSON, Ms. SANCHEZ, Mr. HOYER, Mr. MOORE, Mr. BOYD, Mr. CARSON of Oklahoma, and Ms. KILPATRICK.

H.R. 31: Mr. GRAVES, Mr. SESSIONS, Mr. LaHOOD, Mr. LEWIS of Kentucky, and Mr. WICKER.

H.R. 41: Mr. KELLER, Mr. LEVIN, Mr. SANDLIN, Mr. ROHRABACHER, Ms. HART, Mr. ISAKSON, Mr. BRADY of Texas, Mr. DAVIS of Florida, Mr. TOM DAVIS of Virginia, Mr. MORAN of Virginia, Mr. GRUCCI, Mr. RYAN of Wisconsin, and Mr. SCHROCK.

H.R. 45: Mr. SIMMONS.

H.R. 61: Mr. PASTOR and Mr. GREEN of Wisconsin.

H.R. 65: Mrs. CAPITO.

H.R. 98: Mr. NETHERCUTT, Mrs. THURMAN, Mr. ABERCROMBIE, Mr. McHUGH, Mr. WEXLER, Mr. FOLEY, Mr. McDERMOTT, and Mr. SESSIONS.

H.R. 133: Mr. SMITH of New Jersey.

H.R. 144: Ms. McKINNEY, Mr. BAIRD, Ms. BROWN of Florida, Ms. NORTON, Mr. BORSKI, and Mr. HONDA.

H.R. 161: Mr. ISSA.

H.R. 184: Mr. COSTELLO.

H.R. 187: Mr. PAYNE.

H.R. 198: Mr. STUMP.

H.R. 199: Mr. COBLE, Mr. SESSIONS, and Mrs. KELLY.

H.R. 214: Mr. ETHERIDGE, Mr. STUPAK, and Mr. PLATTS.

H.R. 220: Mr. SIMPSON.

H.R. 240: Mr. ADERHOLT.

H.R. 257: Mr. BROWN of South Carolina, Mr. ISSA, Mr. SCHROCK, Mr. PENCE, Mr. CHABOT, and Mr. SMITH of New Jersey.

H.R. 267: Ms. SOLIS.

H.R. 278: Mr. FERGUSON.

H.R. 283: Mr. PETRI.

H.R. 285: Mr. SHAYS, Mr. UDALL of New Mexico, Ms. BALDWIN, Mr. JACKSON of Illinois, and Mr. BOUCHER.

H.R. 288: Mr. GONZALEZ.

H.R. 303: Ms. CARSON of Indiana, Mr. McDERMOTT, Mr. KIND, Mr. DEAL of Georgia, Mrs. CAPITO, Mr. RYAN of Wisconsin, Mr. OXLEY, Mr. YOUNG of Florida, Mr. FLETCHER, Mr. MORAN of Kansas, Mrs. CUBIN, Mr. TOM DAVIS of Virginia, Mrs. CHRISTENSEN, Ms. DeLAURO, Mr. HORN, Mr. FORD, and Mr. DINGELL.

H.R. 322: Mr. DIAZ-BALART and Mr. DAVIS of Florida.

H.R. 326: Mr. COSTELLO, Mr. KLECZKA, Mr. TAUSCHER, and Mr. MENENDEZ.

H.R. 335: Mr. LARGENT.

H.R. 336: Ms. CARSON of Indiana, Mr. STRICKLAND, Ms. SCHAKOWSKY, Ms. NORTON, Mrs. MINK of Hawaii, and Mr. GEORGE MILLER of California.

H.R. 337: Mr. NETHERCUTT and Mr. EVANS.

H.R. 338: Mr. NETHERCUTT.

H.R. 339: Mr. DAVIS of Illinois.

H.R. 361: Mr. ABERCROMBIE.

H.R. 362: Mr. PENCE, Mr. FROST, Mr. STUPAK, Mr. SMITH of New Jersey, Mrs. MALONEY of New York, and Ms. MILLENDER-McDONALD.

H.R. 368: Ms. HART.

H.R. 369: Ms. NORTON.

H.R. 374: Mr. RAMSTAD, Mr. RYAN of Wisconsin, and Mr. SIMMONS.

H.R. 436: Mr. WELDON of Pennsylvania, Mr. OSBORNE, Mr. SAXTON, Mr. ANDREWS, Mr. SHIMKUS, Ms. RIVERS, Mr. WU, Mr. GONZALEZ, and Mr. SIMPSON.

H.R. 437: Mr. GARY MILLER of California and Mr. OTTER.

H.R. 457: Mr. BOEHLERT.

H.R. 503: Mr. HEFLEY and Mr. ARMEY.

H.R. 507: Mr. WICKER.

H.R. 544: Mr. ENGEL, Mr. TERRY, Mr. SANDERS, and Mr. LEWIS of Georgia.

H.R. 549: Mr. SOUDER, Mr. HEFLEY, Mr. PITTS, Mr. GOODLATTE, Mr. CALVERT, and Mrs. JO ANN DAVIS of Virginia.

H.R. 557: Mr. PRICE of North Carolina, Ms. CARSON of Indiana, and Mr. ETHERIDGE.

H.R. 572: Mr. GORDON and Mr. LaTOURETTE.

H.R. 594: Mr. FARR of California.

H.R. 600: Mr. HALL of Texas, Ms. PELOSI, Mr. BOSWELL, Ms. DeLAURO, Mr. HILLIARD, Mrs. JO ANN DAVIS of Virginia, Mr. LANGEVIN, Mr. INSLEE, Ms. SLAUGHTER, Mr. COSTELLO, Mr. DUNCAN, and Mr. KILDEE.

H.R. 601: Mr. OTTER and Mr. DUNCAN.

H.R. 602: Ms. HARMAN, Mr. LoBIONDO, Mr. LANGEVIN, Ms. SANCHEZ, and Mr. SCHIFF.

H.R. 606: Mrs. MALONEY of New York, Ms. SCHAKOWSKY, Ms. NORTON, Mr. EDWARDS, and Mr. HORN.

H.R. 609: Mr. GEORGE MILLER of California.

H.R. 611: Mr. WHITFIELD, Mr. WAMP, Mr. BURTON of Indiana, and Mr. CLEMENT.

H.R. 613: Mr. SIMMONS, Mr. DREIER, and Mr. MOORE.

H.R. 623: Mr. BLUMENAUER, Mr. BLAGOJEVICH, and Mr. WAXMAN.

H.R. 638: Mr. BONIOR, Ms. SOLIS, and Mr. HOEFFEL.

H.R. 641: Mr. HUTCHINSON, Ms. DUNN, Mr. TOM DAVIS of Virginia, Mr. McCRERY, Mr. BALLENGER, Ms. CARSON of Indiana, Mr. SANDLIN, Mr. RODRIGUEZ, Mr. McGOVERN, Ms. LEE, Mr. MILLER of Florida, Mr. HEFLEY, Mr. COOKSEY, Mr. SESSIONS, Mr. SIMPSON, Mr. OTTER, Mr. WALDEN of Oregon, Mr. WELDON of Florida, and Mr. McKEON.

H.R. 648: Mr. BARTLETT of Maryland.

H.R. 661: Ms. DUNN.

H.R. 663: Ms. CARSON of Indiana, Ms. RIVERS, and Ms. VELÁZQUEZ.

H.R. 668: Mr. HUTCHINSON, Mr. BACA, and Mr. LoBIONDO.

H.R. 671: Ms. McKINNEY and Mr. BERMAN.

H.R. 686: Ms. SOLIS.

H.R. 704: Ms. LEE.

H.R. 705: Mr. STUMP.

H.R. 710: Ms. HART and Mr. KLECZKA.

H.R. 717: Mr. SAWYER, Mr. SNYDER, Mr. VITTER, Mr. BARTLETT of Maryland, and Mr. BISHOP.

H.R. 721: Mr. UNDERWOOD, Mr. LANTOS, Mr. ROSS, Mr. BOSWELL, Mr. BARCIA, Mr. HOLT, Mr. VISCLOSKY, Mr. MATSUI, Ms. LEE, Mr. WEINER, Mr. SCOTT, and Ms. SOLIS.

H.R. 737: Mr. BALDACCI, Mr. KUCINICH, Mr. EVANS, Mrs. McCARTHY of New York, Mr. LIPINSKI, and Mr. REHBERG.

H.R. 744: Mr. SIMPSON.

H.R. 745: Mr. BLAGOJEVICH.

H.R. 762: Mr. RANGEL, Mr. ARMEY, and Mr. WEXLER.

H.R. 765: Ms. CARSON of Indiana, Mr. FRANK, and Mr. BROWN of Ohio.

H.R. 770: Ms. VELÁZQUEZ and Mr. WATT of North Carolina.

H.R. 787: Mr. SMITH of New Jersey.

H.R. 792: Mr. DAVIS of Illinois and Mr. ANDREWS.

H.R. 801: Mr. BALDACCI, Ms. CARSON of Indiana, Mr. CRENSHAW, and Mrs. KELLY.

H.R. 808: Mr. ENGEL, Mrs. CAPPS, Mr. OLVER, Mr. GOODE, Mr. SHERMAN, Mr. GUTIERREZ, Ms. JACKSON-LEE of Texas, Ms. SCHAKOWSKY, Ms. WOOLSEY, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. CARSON of Indiana, and Mrs. CAPITO.

H.R. 817: Mr. JONES of North Carolina and Mr. ISAKSON.

H.R. 827: Mr. STUPAK, Mrs. MINK of Hawaii, Mr. SESSIONS, and Mr. MEEHAN.

H.R. 835: Mr. FLETCHER, Mr. WATKINS, and Mr. SIMPSON.

H.R. 839: Mrs. MEEK of Florida, Mr. MOORE, and Mr. BLAGOJEVICH.

H.R. 844: Mr. RANGEL and Mrs. MALONEY of New York.

H.R. 853: Mr. CRAMER and Mr. McINTYRE.

H.R. 862: Mr. LANGEVIN.

H.R. 864: Mr. DOOLITTLE.

H.R. 868: Mr. LoBIONDO, Mr. SCARBOROUGH, Mr. LARSEN of Washington, Mr. BACHUS, Mr. FILNER, Mr. CRENSHAW, Mrs. MINK of Hawaii, Mr. COOKSEY, Mr. BLAGOJEVICH, Mr. AKIN, Mr. PICKERING, and Mr. TERRY.

H.R. 871: Mr. SIMMONS.

H.R. 875: Mr. FRANK, Ms. LEE, Mr. WAXMAN, Mrs. MINK of Hawaii, Mr. FILNER, Mrs. THURMAN, Mr. CONYERS, Ms. SCHAKOWSKY, Mr. TERRY, Ms. JACKSON-LEE of Texas, Ms. SLAUGHTER, Mrs. LOWEY, Mr. HONDA, Ms. NORTON, Ms. LOFGREN, Mr. CLAY, Mrs. MALONEY of New York, Ms. McCARTHY of Missouri, and Ms. HART.

H.R. 876: Mr. WATTS of Oklahoma.

H.R. 886: Mr. HINCHEY, Mr. FROST, Ms. McKINNEY, Ms. NORTON, and Mr. WYNN.

H.R. 887: Mr. GRUCCI and Mr. RUSH.

H.R. 892: Mr. SCHAFFER.

H.R. 893: Mr. SCHAFFER.

H.R. 899: Mr. FOLEY, Mr. SIMMONS, Mr. HEFLEY, Mr. MOORE, and Mr. SMITH of New Jersey.

H.R. 902: Mr. FILNER, Mr. KLECZKA, Mr. BALDACCI, Mr. COSTELLO, Mr. CRAMER, Mr. BLUMENAUER, Mr. BONIOR, Ms. BERKLEY, Mr. HINCHEY, Mr. McGOVERN, Mr. DEUTSCH, Ms.

Baldwin, Mr. Abercrombie, Mr. Leach, Mr. Jefferson, Mr. Riley, Mr. Frost, Mr. Schrock, Mr. DeFazio, Ms. Hart, Mr. Frank, Mr. Rangel, Mr. Langevin, and Mr. Otter.

H.R. 908: Ms. McKinney.

H.R. 912: Mr. Blagojevich, Mr. Boswell, Mr. Dooley of California, Mr. Gephardt, Mr. Hobson, Mr. Hoyer, Mr. Matsui, Mrs. Mink of Hawaii, Mr. Peterson of Minnesota, Mr. Phelps, Mr. Strickland, and Ms. Woolsey.

H.R. 914: Mr. Crenshaw.

H.R. 917: Mr. Brown of Ohio and Mr. Barcia.

H.R. 933: Mr. Filner, Mr. Allen, Mr. Gutierrez, Ms. McKinney, Mr. Cummings, Mr. Gonzalez, Mr. Lantos, Mr. George Miller of California, Ms. Carson of Indiana, Mr. Jefferson, and Mr. Clyburn.

H.R. 936: Mr. Clement and Mr. Skelton.

H.R. 937: Mr. Sununu and Mr. Hayworth.

H.R. 938: Mr. Olver, Mr. Fattah, Ms. Kaptur, Ms. Woolsey, and Mr. Clay.

H.R. 948: Mr. Neal of Massachusetts, Ms. Brown of Florida, Mr. Blumenauer, Mr. Udall of New Mexico, and Mr. Clememt.

H.R. 951: Mr. Jefferson, Mr. Hutchinson, and Mr. Camp.

H.R. 952: Mr. Dingell, Mr. Waxman, Mr. Rogers of Michigan, Mr. Frost, Mr. Lipinski, Mr. Stupak, Mr. Filner, Ms. Norton, and Mr. Sessions.

H.R. 956: Mr. LaFalce, Ms. Sanchez, Mr. Becerra, Mr. McGovern, Mr. Berman, Ms. Jackson-Lee of Texas, Mr. Doyle, Ms. Rivers, Mr. Filner, and Mr. LoBiondo.

H.R. 959: Ms. Solis, Ms. Lee, Mr. Barrett.

H.R. 963: Mr. Rohrabacher and Mr. Sanders.

H.R. 968: Mr. Foley, Mr. Jefferson, Mrs. Wilson, Mrs. Christensen, Mr. Shows, Mr. Isakson, Mr. Gibbons, Mr. Frost, Mr. Sessions, Mr. McNulty, Mr. Stearns, Mr. Horn, Mr. Boucher, Mr. Peterson of Minnesota, Mr. Filner, Mr. Diaz-Balart, Mr. Delahunt, Mr. Tom Davis of Virginia, and Mr. Chambliss.

H.R. 981: Mrs. Jo Ann Davis of Virginia.

H.R. 995: Mr. Skeen.

H.R. 996: Mr. Skeen.

H.R. 1004: Mr. Bonior, Ms. Jackson-Lee of Texas, Mr. Wynn, and Mr. Thompson of Mississippi.

H.R. 1015: Mr. Frank and Mr. Chambliss.

H.R. 1018: Mr. Weldon of Florida, Mr. Burton of Indiana, Mr. Hoekstra, Mr. Rohrabacher, Mr. Culberson, and Mr. Baker.

H.R. 1019: Mr. Goss; Mr. Hall of Texas, Mr. Isakson, Mr. McHugh, Mr. Schrock, Mr. Terry, Mr. Vitter, and Mr. Weldon of Florida.

H.R. 1066: Mr. George Miller of California, Mr. Sherman, Ms. Lee, Mr. Lantos, Ms. Woolsey, Mr. Berman, Mr. Stark, and Ms. Solis.

H.R. 1076: Mr. Waxman, Mr. Abercrombie, Mr. Wexler, Mr. Cramer, Mr. Blumenauer, Mr. Langevin, Mr. Barrett, Mr. Gordon, Mrs. Maloney of New York, Mrs. Mink of Hawaii, Mr. Phelps, Mr. DeFazio, Mr. Dingell, Mr. Filner, Mrs. Capps, Ms. Solis, Mr. Baird, Mr. Capuano, Mr. Bentsen, Mr. Sherman, Ms. Berkley, Mr. Oberstar, Ms. Lee, Mr. Moore, Mr. Frank, Mr. Frost, Mr. Bishop, Mr. Brown of Ohio, Mr. Saxton, Mr. Cummings, Mrs. Napolitano, Ms. Brown of Florida, Mr. Brady of Pennsylvania, Ms. Carson of Indiana, Mr. Menendez, Mr. Dooley of California, Mr. Davis of Florida, and Mr. Towns.

H.R. 1078: Mrs. Thurman, Mr. Frost, Mr. Frank, and Mr. Kildee.

H.R. 1086: Mr. Rush.

H.R. 1089: Mr. Gonzalez.

H.J. Res. 11: Mr. Platts and Mr. Barr of Georgia.

H.J. Res. 12: Mr. Barr of Georgia.

H.J. Res. 27: Mr. Doolittle.

H.J. Res. 36: Mr. Otter, Mr. McKeon, and Mr. Traficant.

H. Con. Res. 4: Mr. Fossella, Mr. Taylor of Mississippi, Ms. McKinney, Mr. English, Mr. Holden, and Mr. Langevin.

H. Con. Res. 23: Mr. Barr of Georgia and Mr. Stump.

H. Con. Res. 25: Mr. Weldon of Pennsylvania and Mr. King.

H. Con. Res. 29: Ms. Berkley and Mr. Hastings of Florida.

H. Con. Res. 38: Mr. LaFalce.

H. Con. Res. 41: Ms. Norton.

H. Con. Res. 42: Mr. Andrews, Mr. Stupak, Mr. Issa, and Mr. Kennedy of Rhode Island.

H. Con. Res. 48: Mr. Doolittle.

H. Con. Res. 49: Mr. Doolittle.

H. Con. Res. 52: Mr. Gutierrez, Mr. Waxman, Ms. Lee, Mr. Kirk, Mr. DeFazio, Ms. Slaughter, Mr. Menendez, and Mr. Coyne.

H. Con. Res. 54: Mr. Turner, Mr. Kingston, Mr. Wicker, Mr. DeFazio, Mr. Taylor of Mississippi, and Ms. Hooley of Oregon.

H. Con. Res. 58: Ms. Slaughter and Mr. Gilman.

H. Con. Res. 59: Mr. DeLay and Mrs. Kelly.

H. Con. Res. 60: Mr. Weiner, Mr. Delahunt, Mr. Brown of Ohio, and Ms. Kaptur.

H. Res. 13: Mr. Stearns.

H. Res. 56: Mr. Kirk, Mr. Bonior, Mr. Ackerman, Ms. Lee, Mr. Berman, Mr. Menendez, Mr. Brown of Ohio, Mr. Faleomavaega, Mr. Engel, Mr. Abercrombie, Mr. Sherman, Mr. Delahunt, Mr. Clement, Ms. Berkley, Mr. Coyne, Mr. Doyle, Ms. DeGette, and Ms. McKinney.

H. Res. 67: Ms. McCarthy of Missouri, Mrs. Napolitano, Ms. McKinney, Mr. Pastor, Mr. Tom Davis of Virginia, Mr. Lantos, Mrs. Morella, Mr. Moran of Virginia, Mr. Bentsen, Mr. Smith of New Jersey, Mr. George Miller of California, Mr. Faleomavaega, Mr. Ortiz, Mr. Frost, Mr. Lampson, Mr. Fattah, Ms. Pelosi, Mr. Gonzalez, Mr. Wexler, Mrs. Jones of Ohio, Ms. Berkley, Mr. Crowley, Mr. McHugh, Mr. Cooksey, Mr. Blumenauer, and Ms. Lee.

H. Res. 73: Mr. Smith of New Jersey.

H. Res. 86: Ms. Slaughter, Ms. Kaptur, Ms. Solis, and Mr. Kildee.

H. Res. 87: Mr. Rangel, Mr. Oberstar, Mr. Putnam, and Mr. Castle.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 526: Mr. Brady of Texas.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

7. The SPEAKER presented a petition of the Legislature of Rockland County, New York, relative to Resolution No. 56 of 2001 petitioning the Nuclear Regulatory Commission to immediately shut down Indian Point 2 nuclear power plant until the Commission inspects each and every safety component and piece of equipment and certifies to the public that the said nuclear power plant is safe; to the Committee on Energy and Commerce.

EXTENSIONS OF REMARKS

HONORING GAYE LeBARON

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize my good friend and a true Sonoma County legend, Gaye LeBaron.

Ms. LeBaron is stepping down as a daily columnist with the Press Democrat newspaper in Santa Rosa after nearly 46 years with the paper.

She began her career in journalism in 1951 as a correspondent with the Sonoma Index Tribune. She joined the Press Democrat as a student intern in 1955 and graduated to cub reporter in 1957. Over the years she has performed almost every job in the newsroom. She began writing her Press Democrat column in 1959 and it has since become a daily staple in the lives of thousands of Sonoma County readers.

Gaye LeBaron embodies the county's collective memory. She has written on both events she has witnessed and experienced and on the county's colorful and more distant past.

She co-authored a two-volume history of Santa Rosa and Sonoma County and edited a third volume on Sonoma County in the 19th Century. Her class on the History of Sonoma County at Santa Rosa Junior College is one of the most popular offerings each semester.

To her colleagues at the paper, she was the newsroom's "go-to-guy" who could tell them when a highway opened, or how a local landmark got its name or whether an obituary should run on page one.

To her readers she was an artist who painted broad word pictures of how the county once was and made us all feel part of the continuum of history.

But there was another side to Gaye LeBaron. Many of her columns reflected her keen observations of the contemporary political and social landscape, often seen through the eyes of her acerbic informant, "Sam the Shark." Whether a literary device or Sonoma County's own "Deep Throat," Sam asked the questions that more dignified people perhaps would not and together Sam and Gaye stirred the debate and moved us forward.

Mr. Speaker, Gaye LeBaron has received a multitude of awards and acknowledgments. She is revered in her community and is a giant in her profession. It is therefore fitting and proper that we honor her today for her long and distinguished career and for her many accomplishments.

HONORING CHAMPIONSHIP SEASON OF THE LADY BLUE DEVILS

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GORDON. Mr. Speaker, today I rise to recognize the championship season of the Jackson County Lady Blue Devils. The Lady Blue Devils recently won a second straight Class AA girls basketball state championship.

Residents of Jackson County, Tennessee, can be proud of their Lady Blue Devils. The team went 22–10 this season and showed remarkable perseverance and resilience. Just hours before the team beat their opponents by a 46–42 score, the mother of senior guard Sarah Gipson died after a two-year fight with cancer.

The team played with guts and determination despite Sarah's heart-wrenching loss. Sarah's mother, the former Dianne Spivey, was a member of the school's state championship team in 1973.

I commend the team and its coach, Jim Brown, for a fine season and gutsy win. The following are members of the 2000–2001 state champion Lady Blue Devils: Candace Stafford, Courtney Childress, Kayla Olson, Becca Focer, Sarah Gipson, Sheena Hager, Jennifer Harris, Ashley Hopkins, Amanda Naff, Deanna Apple, Andrea Davidson, Emily Lane, Marissa Hensley, Megan Pepper, Alyssa Bowman, managers Lucy Anderson, Stephenee Clayton, Faith Henshaw, Lacy Sircy, and trainer Shawn Moffitt. Kevin Bray and Barbara Brown also serve as the team's assistant coaches.

INTRODUCTION OF THE INVESTOR AND CAPITAL MARKETS FEE RELIEF ACT

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. OXLEY. Mr. Speaker, I applaud my colleagues Mr. FOSSELLA, Mr. BAKER, Mrs. KELLY, and Mrs. MALONEY for introducing legislation that is vitally important to every American investor indeed, to every American business seeking access to our capital markets. It's called the Investor and Capital Markets Fee Relief Act, and it will save investors and market participants $14 billion dollars over the next ten years.

Congress must take action. If nothing is done to stop the flow of investors' cash into government coffers, more than $24 billion overcharges will be collected over the next ten years.

This fee Relief legislation reduces fees to a level more consistent with Congress's original intent. Fees will recover the Commission's costs of supervising the markets, but they will no longer be a burdensome tax on investors and capital formation.

The bill reduces all excess SEC fees: transaction, registration, merger/tender, single stock futures, and the trust indenture fee. The fee relief bill provides a stable funding structure for the SEC by ensuring that appropriators have sufficient funds to meet the agency's funding needs.

The fee relief bill also includes a pay parity provision to help the Commission attract and retain first-rate attorneys, accountants, and economists. In the post-Gramm-Leach-Bliley financial services world, SEC professionals performing the same work as their colleagues in the banking agencies should receive similar compensation.

I would like to commend our colleagues in the other Body, specifically Senators PHIL GRAMM and CHUCK SCHUMER, for their excellent work in moving similar legislation, S. 143, through the Senate Banking Committee. I look forward to seeing the Senate act on that legislation soon.

Here in the House, I thank my numerous colleagues from both sides of the aisle who have joined Mr. FOSSELLA as original cosponsors of this legislation and given it such strong bipartisan support right from the start. I look forward to moving this bill through the financial Services Committee expeditiously.

HONORING THE HOPKINTON BASKETBALL TEAM

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. MCGOVERN. Mr. Speaker, I rise today to join the community of Hopkinton, Massachusetts in celebrating the accomplishments and performance of the Hopkinton High School Girl's Varsity Basketball Team. Their banner season came to a remarkable conclusion on March 13, 2001 at the Fleet Center in Boston where they captured the 2000–2001 Massachusetts Division IV State Championship.

There are many stories of note surrounding this group of remarkable athletes. Of the 15 members of the team, 12 are underclassmen. Such an accomplishment for a team of relatively young women is certainly impressive. Another story is the inspirational play of sophomore forward Meg Davis, who overcame a painful back injury to play in the tournament. In the first half, while the Hillers were trailing the Manchester Hornets, Davis and junior guard Mari Levine, who finished with a team-high 20 points, sparked a critical run, ultimately leading their team to a convincing 61–39 victory.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Teamwork was the key to the Hillers' successful season. Led on the court by senior co-captains Connie Chace and Jen Sanborn, every player added to the Hillers' fairy tale season: senior Kelley Connelly, juniors Allison Azar and Shawna McCabe, sophomores Katie Baldiga, Taylor Chance, Julia Weaver, Lindsey Dragin, and freshmen Lauren Aulds, Erika Steele, Callie Nealon and Jackie Pappas. And of course, special recognition must be extended to Coach Dick Bliss for his inspirational leadership.

Mr. Speaker, it is with tremendous pride that I recognize the exceptional student-athletes of the Hopkinton High School Girl's Varsity Basketball team for an unforgettable season. I congratulate them on their accomplishment and wish them the best of luck in years to come.

HEATHER HAGAN—AMERICAN HERO

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. ENGLISH. Mr. Speaker, in a time of crisis, many of us choose not to get involved. Mr. Speaker, we've all read the newspaper headlines when someone has witnessed a crime or even saw someone get injured and they chose not to get involved because they didn't want to complicate their lives.

Today, I rise to pay tribute to someone who acted differently, bravely. Heather Hagan personifies a hero's life. She chose to get involved and in the end saved a woman's life. At 15 years old, Heather showed incredible intuition, caring, and determination for one so young.

On March 12, as she was doing her daily rounds delivering The Herald to her customers on her paper route, she noticed something different at the home of Josephine McCutcheon. The newspapers were piled up against the door, unclaimed for several days. Additionally, Heather realized she had not seen the 81-year-old woman in days.

Heather completed her route. She thought about how odd it was that Mrs. McCutcheon had not picked up her newspaper or even stopped delivery if she was going out of town. Worried, she called the elderly woman's house but the line was busy.

Heather chose not to let it end there. She knew something was not right so she returned to the home of the former Mercer councilwoman and county commissioner. There was no response when she knocked at the door. Sensing something was wrong, Heather contacted the local authorities, who found Mrs. McCutcheon lying on the floor of the house after a fall, unable to summon help.

Mr. Speaker, in a time when the news is full of stories of insensitive and selfish people, they have not been introduced to teens such as Heather Hagan. She broke the mold. She gives me hope for the coming generations.

The easy thing to do would've been for Heather to do her job and leave it at that. But she, in the immortal words of Robert Frost, took the road less traveled by, going out of her way, having a dramatic impact on someone's life. I would like to say thank you to Heather—she is truly a treasure to our community.

HONORING THE INTERNATIONAL YEAR OF VOLUNTEERS

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. THOMPSON of California. Mr. Speaker, Mr. Speaker, I rise today in recognition of the International Year of Volunteers. The United Nations General Assembly has designated the year 2001 to encourage and advance the concept of volunteer service.

In Humboldt County, California, the North Coast Regional Network for Service and Volunteerism was founded to facilitate and improve effective volunteer efforts. The North Coast Regional Network joins other volunteer groups throughout the nation in working to promote and strengthen volunteerism. Hundreds of California's North Coast residents enthusiastically volunteer their time to enhance the quality of life in our community. They work in a wide variety of non-profit organizations, educational institutions, senior and youth programs, the arts and health services.

Mr. Speaker, the International Year of Volunteers recognizes and honors the voluntary commitment of individuals and groups who contribute their time and resources and share their skills to build better communities. For that reason, Mr. Speaker, it is appropriate at this time that we honor the efforts of the North Coast Regional Network, and all volunteers, for their dedication to community service.

GOODBYE MRS. CULLEN

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. FRANK. Mr. Speaker, as we in Congress and in the Executive Branch intensify our efforts better to support public education in this country, we should be sure to continue to focus on teachers as the central element in this effort. The dedicated men and women who have entered the teaching profession over the years deserve far better treatment than we have given them. Too often they are inadequately compensated, and given too little to work with in the way of resources. Despite that, large numbers of talented, intelligent, creative individuals have continued to go into the teaching profession because of their love of learning and their concern for young people.

In June, one individual who is an excellent example of this tradition will be retiring.

Patricia Cullen is a sixth grade teacher at the Wareham Middle School in Wareham, Massachusetts and she will be enjoying a well deserved retirement after 33 years of dedicated teaching at the end of this year. In the words of Judith Bruno of the Wareham Middle School staff, speaking on behalf of the faculty and staff of the school, "Mrs. Cullen is a dedicated, caring and loving teacher to all of her students. She focuses on her student's strengths and positive attributes instead of the negatives. Pat helps her students to strive, to achieve, and to be successful in their endeavors. All her students love and respect her. The faculty and staff have the same feelings for her and trust me when I say we have mixed emotions about her leaving. We are happy for the new chapter beginning in her life but saddened to see her leave us."

Ms. Bruno continues, "Mrs. Cullen is truly a remarkable woman and a credit to the teaching profession. Pat Cullen truly personifies what a teacher should be."

Mr. Speaker, I am deeply committed to providing more resources at the federal level so that Patricia Cullen, her colleagues, and those who will join this profession can do an even better job than they have been doing. But in addition to the material resources which we owe these dedicated public servants, we owe them better recognition as well for the job they do in often difficult circumstances. I am delighted to join Patricia Cullen's students and colleagues in recognizing her excellent work, and wishing her well.

HONORING THE 270TH BIRTHDAY OF PRINCE WILLIAM COUNTY, VIRGINIA

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. TOM DAVIS of Virginia. Mr. Speaker, I would like to take this opportunity to recognize Prince William County, Virginia, which will be celebrating its 270th birthday on March 20, 2001.

Prince William County was established by the Virginia General Assembly on July 9, 1730, when the population increased to a point that the formation of a new county was necessary. It took several months for the legislation to become law. In 1731, Prince William County was recognized as a county and included Fairfax, Arlington, Alexandria, Loudon and Fauquier. Named for William Augustus, the second son of King George II, the county was cut to its current size in 1759. Within the county there are also two independent cities, Manassas and Manassas Park.

The citizens of Prince William County are continually contributing to the country's history and cultural heritage. The county was home to some of the nation's first European settlements. Many of the first arrivals to the county were of Irish descent. They settled on vacant plots and began to farm, aided only by convicts who had been sent from England. It also played an important role in the American Revolution by aiding in the formation of the new country.

Prince William County was the site of many Civil War battles. One of the most notable of the Civil War conflicts was the Battle of First Manassas, which was the first major encounter between the North and South. The Manassas Battlefields are now National Parks visited by thousands every summer.

Prince William County continues, to this day, to have a close connection to our military. In fact, the town of Quantico is completely surrounded by a Marine Corps Base. The military history of this town goes back to the Revolutionary and Civil Wars, when the land was used for Virginia Naval Operations. The Marine Corps Base was established there in 1917.

Today, Prince William County is the second most populous county in the Commonwealth. The rich history in this county makes it one of the most historical counties in the nation. The citizens are proud to keep this history alive and are continually reminded of the past by the collective knowledge of those who live and work there. Moreover, Prince William County is a leader in a new Virginia revolution, a technology revolution. I am certain that her citizens will continue their role as leaders of Virginia's and America's futures.

Mr. Speaker, in closing, I wish continued prosperity for the County of Prince William and I call upon all of my colleagues to join me in applauding this remarkable milestone. I am proud to represent a portion of Prince William County in the House of Representatives.

A TRIBUTE TO FRANK E. McCARTHY

HON. DON SHERWOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. SHERWOOD. Mr. Speaker, I wish to inform my colleagues of the recent passing of Frank E. McCarthy, the President of the National Automobile Dealers Association (NADA). Frank died on February 25 as a result of complications from his battle with kidney cancer.

Before my election to Congress, I was a franchised new car dealer and a member of NADA, so I can personally attest to the role that Frank McCarthy played as an automotive industry leader for more than three decades. Dealers, automotive executives, and policymakers alike will miss his determination, reasoned voice, and knowledge of the industry. NADA is the Voice of the Dealers and for 33 years Frank McCarthy was the heart of NADA.

Frank had been the chief executive of NADA since 1968, making him one of the deans of the trade association community in the nation's capital. To put his service in perspective, Frank assumed the helm of NADA when Lyndon Johnson was President and the 1968 Ford Galaxie was the best selling car in America. During his entire tenure, Frank enjoyed the utmost respect among Members of Congress, professional staff, and his colleagues in the private sector.

On behalf of dealers, Frank built strong relationships with the automobile manufacturers. He had a unique abilty to convey the concerns of the franchised dealers directly and concisely without sacrificing civility or professionalism. Under his leadership, NADA has become one of the largest trade associations in the United States, providing a wide variety of services to dealers and their more than one million employees. In all of these efforts, Frank was the consumate team player, always seeking credit for others rather than himself.

Despite Frank's extraordinary professional accomplishments, he never lost sight of what is truly important in life. During the eulogies delivered at his funeral earlier this month, his family and colleagues spoke eloquently about the balance in Frank's life. His deep faith was a guiding force in his approach to life, and his professional responsibilities never overshadowed his commitment to his wife, Pat, and their five children and 12 grandchildren. In that regard, Frank McCarthy was a role model to working men and women in all walks of life.

At this time, we all feel a tremendous sense of loss, but also reflect with great affection and gratitude for his contributions to the industry and his community.

TEACHER SABBATICAL LEAVE GRANTS ACT

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. MINK of Hawaii. Mr. Speaker, today I am introducing the Teacher Sabbatical Leave Grants Act.

Without a quality teacher in the classroom, it is impossible for us, as a nation, to provide the education our children deserve. It is essential that we ensure quality teachers are in every classroom in every school.

Professional development helps ensure our teachers' skills grow and change as our students grow more diverse and as our technology changes. However, our teachers will never get the in-depth development training they need to stay on top of their field from one-day workshops.

Recent findings have shown that 99 percent of our teachers have participated in at least one professional development activity in the past year. However only 12 percent of teachers who spent only 1 to 8 hours in professional development said it improved their teaching a lot. That is a dismal figure. We must work to provide teachers with intensive professional development, so 100 percent of teachers who receive the training feel that it improved their teaching. Without it, we will never be able to ensure our children are being taught by quality teachers.

My bill will give teachers the opportunity to receive intensive professional development training. This bill creates a program to provide grants for public school teachers who take one or two semesters of sabbatical leave to pursue a course of study for professional development. The grant covers one-half of the salary the teacher would have earned if the teacher had not been granted a leave of absence. Teachers are eligible if they have been approved for sabbatical leave and if they have enrolled in a course of study at an institution of higher education designed to improve classroom teaching.

By providing teachers with financial resources, they will be free to pursue an intensive course of study that can greatly improve their teaching skills.

And studies have shown that the more qualified a teacher is, the better the students' performance will be.

For instance, in Boston, students assigned to the most effective teachers for a year showed 18 times greater gains in reading and nearly 16 time greater gains in math than those students who were assigned to the least effective teachers.

In Tennessee, similar students with 3 very effective teachers in a row scored 50 percentile points better than students who were assigned 3 very ineffective teachers in a row.

All of our students deserve to achieve these same gains.

By providing teachers with the opportunity to receive intensive professional development, my bill will help put more effective, qualified teachers in the classroom.

I urge my colleagues to support the Teacher Sabbatical Leave Grants Act.

CONGRATULATING THE OUR LADY OF LOURDES WARRIORS

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. KELLY. Mr. Speaker, I rise today to pay tribute to a group of hard working women who have given their all in order to continue one of the Hudson Valley's greatest dynasties. On Sunday afternoon, the 14 members of the Our Lady of Lourdes women's basketball team cruised to their third consecutive Class B State title, the Warriors' eighth crown in the past 15 years.

Under the guidance of 18th year coach Brian Giorgis, Our Lady of Lourdes won their final 27 games en route to a 27–1 record and a 22nd place ranking in USA Today's national poll. After defeating Garden City, 57–37 to reach the championship games, the Warriors put the crown jewel on their season by setting down Iroquois, 57–28 in the final.

Throughout the year, the Warriors embodied the American ideal, working together as a team to accomplish a goal. From seniors who had played on two previous State championship teams to first year players getting their first taste of interscholastic competition, the team formed a cohesive unit under coach Giorgis and steamrolled the competition, outscoring its opponents by a whopping 1,905 to 978. At the same time they showed dedication to their sport and their teammates, they held the same high standard towards their education and the local community, making it easy to understand their near invincibility.

While Our Lady of Lourdes is not a large school, it looms large in the annals of women's basketball. My fellow colleagues, please join me in congratulating coach Brian Giorgis, the Most Valuable Player of the Tournament, Kristin Keller, all-tournament team members Jenna Viani and Kristen Vilardi, team members Kelly Barnum, Kim Boone, Sue Clanci, Kathy Duffy, Jocelyn Kelly, Vicki Koster, Lauren Martinez, Aimee Meyer, Kelly Roche, Natalie Serkowski and Julianne Viani and all who assisted the Our Lady of Lourdes Warriors in building the latest empire in the Empire State.

IN HONOR OF DENNIS WEBER FOR HIS SERVICE TO DISABLED AMERICAN VETERANS AND OUR NATION

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Ms. SANCHEZ. Mr. Speaker, I rise to pay tribute to Dennis Weber, Commander of the California chapter of the Disabled American Veterans for his service to his community, his country and as a proud member of the Armed Services.

Mr. Weber, a true Californian, was born on February 21, 1948 in Los Angeles, California. Upon graduating from high school Mr. Weber enlisted in the United States Marine Corps. While serving with the 3rd Marine Engineer Battalion near An Hoa, Mr. Weber's platoon was ambushed by the Viet Cong. As platoon leader and while severely wounded, Mr. Weber encouraged his men to stand strong against the ambush and managed to lead his platoon to safety. Unfortunately two of his men were killed in the battle. After spending a year in the hospital recovering from his wounds Mr. Weber was medically discharged and returned to Los Angeles where he immediately began serving his country's needs in the Los Angeles city government.

During Mr. Weber's year as Commander he has lead the organization in assisting veterans in filing more than 16,000 claims for VA benefits, assisted in transporting more than 49,000 veterans to medical appointments covering over 1 million miles, and his given veterans countless amounts of emotional support.

The State of California and this nation is proud to have Mr. Weber as a native son. Mr. Weber is an example of the finest product of this nation and I want to thank him for his professionalism, initiative and unwavering devotion to veterans. As commander of the California chapter Mr. Weber's performance has truly been in keeping with the highest tradition of the Disabled American Veterans, the state of California, and the United States of America.

Colleagues, please join with me as we honor Mr. Dennis Weber with his wife Pam for his outstanding contributions to our nation.

TRIBUTE TO THE LATE RITCHIE VALENS

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. BERMAN. Mr. Speaker, I rise to pay tribute to the late Ritchie Valens, who was inducted into the Rock of Roll Hall of Fame on March 19th. Although Valens died over forty years ago, his presence is still strongly felt in my congressional district, especially in the Northeast San Fernando Valley where he grew up. The recognition he is receiving brings honor to his entire community.

A pioneer in the history of rock and roll who helped shape American music, Valens is considered to be the first Chicano rock and roll star to cross over into mainstream America with his hits, "Come On, Let's Go," the ballad "Donna" and the flipside, "La Bamba" which is still heard all over the world. At age seventeen, his career ended tragically when he died in a plane crash along with rock and roll legend Buddy Holly and fellow rocker the Big Bopper (J.P. Richardson) on February 3, 1959.

Valens achieved success and stardom at a younger age than many of rock's superstars, including John Lennon, Paul McCartney and Bob Dylan. The music Valens made is as vibrant today as it was when his hits were released in the late 1950's.

Born Richard Steve Valenzuela, Valens began his music career by imitating the earliest rock and roll artists, especially Elvis, Chuck Berry, Jerry Lee Lewis, Fats Domino, The Penguins and The Drifters. Like so many of that era, Valens was caught up in the excitement of rock and roll. The performer with the greatest influence on his music, however, was Little Richard. Ritchie would entertain visitors in his household with his versions of Little Richard's "Ooh My Soul." He joined The Silhouettes, a typical high school garage band that played the popular tunes of the day at high school sock hops, church dances and local parties. Playing for the Silhouettes helped Valens realize that making music was what he wanted to do more than anything else.

In 1987, Columbia Pictures released the film La Bamba, written and directed by admired Chicano playwright Luis Valdez, which immortalized Valens' brief life. The movie rejuvenated his music nearly thirty years after his death. A whole new generation of fans grew to love Valens' as his hits were re-recorded and performed by the East Los Angeles Chicano group, "Los Lobos," for the La Bamba soundtrack. This contemporary band went on to become a musical phenomenon, in large part because of Valens' achievements in the early days of rock and roll.

Since the release of the movie La Bamba, Valens' contributions to rock and roll have been honored many times: he received a star on the Hollywood walk of Fame, The United States Postal Service recognized his life and career with a commemorative postage stamp, the Ritchie Valens Recreation Center was formally dedicated at a park in his hometown of Pacoima, and he was inducted into Hollywood's Rock Walk for his contributions to pop music. Additionally, an annual music festival, "The Legend Lives On," is held in his honor.

It was an honor to work with Valens' family, friends and fans to urge the recording industry to name this outstanding artist to the Rock and Roll Hall of Fame. Although long overdue, Valens' inclusion is richly deserved and is cause for great celebration in Pacoima today.

I ask my colleagues to join me in honoring the late Ritchie Valens, rock and rolls' first Chicano star!

TRIBUTE TO CALIFORNIA MARITIME PRESIDENT JERRY ASPLAND

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GEORGE MILLER of California. Mr. Speaker, I rise today to bring to the attention of my colleagues another milestone in the seventy-two year history of the California Maritime Academy, located in the City of Vallejo in my district of California. In furthering its mission of supporting the maritime interests of the United States, Cal Maritime receives federal assistance, primarily in the form of its training ship, the T.S. Golden Bear. Many of its graduates become licensed officers on merchant marine vessels, or in the U.S. Navy or Coast Guard. As a federally designated regional maritime academy for the Western states, Cal Maritime is the maritime college of choice for students from California, Washington, Alaska, Hawaii, Arizona, and other western states.

On June 30, 2001, California Maritime Academy President Jerry A. Aspland will retire, completing five years at the helm of this fine institution. President Aspland, a Cal Maritime graduate, had previously retired from his position as President of Arco Marine, Inc., when the California State University system called him to begin a second career as one of the nation's leading maritime educators. He assumed the position of President of Cal Maritime on July 1, 1996.

President Aspland's tenure has been marked by numerous advances for the institution. Cal Maritime has become fully involved with the CSU system, as its twenty-second campus. Enrollment has nearly doubled. Numerous improvements to their facilities have been completed on his watch, including the recent opening of a new, state-of-the art laboratory building, infrastructure and technology replacement and upgrading, seismic retrofits, and the acquisition of additional training vessels. Ground will be broken soon for a new technology center on the campus. A second annual summer training cruise has been introduced, thereby doubling the number of training billets. Academic programs have been expanded, and further options are in the planning stages. Under his leadership, Cal Maritime was the first U.S. maritime academy to receive preliminary approval for having its educational program meet the requirements of the international Standards for Training, Certification, and Watchkeeping. A new strategic plan has just been published, and the institution is in readiness for its next academic accreditation visit scheduled this fall.

By any measure the Aspland years at the California Maritime Academy have been years of accomplishment in every aspect of this distinguished academic institution. I invite my colleagues to share my great pride in all that Cal Maritime has contributed and continues to contribute to its students, graduates, and to the maritime interests of the United States.

Finally, on behalf of the constituents of my district and my colleagues here in this chamber, I wish to extend to President Jerry Aspland our deeply felt appreciation for all that has been accomplished on his watch, along with our very best wishes for the happy, healthy retirement that he and his wife, Carol, have earned and so richly deserve.

PERSONAL EXPLANATION

HON. JOHN B. SHADEGG

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. SHADEGG. Mr. Speaker, on March 7, 2001, I missed rollcall votes 31 and 32. I was chairing a hearing with Vice President Cheney. Had I been present I would have voted "yea" for H.R. 624, the Organ Donation Improvement Act of 2001, and "yea" for H. Con. Res. 47, which honored the 21 members of the National Guard who were killed in the tragic crash of a National Guard Aircraft on March 3, 2001.

SCHOOLS INVITED TO APPLY FOR FREE 3M LIBRARY SECURITY PRODUCTS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. TOWNS. Mr. Speaker, I submit the following for the RECORD.

3M ANNOUNCES PROGRAM TO DONATE $1.5 MILLION TO SCHOOLS

3M, in partnership with the American Association of School Librarians, will select 100 schools to receive 3M security products that protect their valuable resources.

ST. PAUL, MINN.—March 6, 2001—3M today announced the company will donate $1.5 million to middle and high schools through its "3M Salute to Schools" program in 2001, which provides much-needed security products that help reduce the loss of valuable library resources.

One hundred schools will be selected to receive, free of charge, up to two 3M™ Detection Systems for the entrance/exit of their library media centers, a supply of 3M™ Tattle-Tape™ Security Strips for making materials and materials processing accessories—a package with an average value of about $15,000.

Now in its second year, "3M Salute to Schools" is sponsored by 3M, in partnership with the American Association of School Librarians (AASL), a division of the American Library Association. 3M and AASL both share a strong commitment to education and value investing in the nation's schools.

"Protecting a school's most valuable learning tools is an ongoing challenge for a library media center with limited resources and no proven security," says Don Leslie, 3M Library Systems. "One of the fundamental goals of '3M Salute to Schools' is to enhance education by making detection systems more available to schools that might not otherwise have the resources to purchase them."

In 2000, 3M donated $1 million to schools through "3M Salute to Schools." AASL selected 70 schools to receive a 3M detection system from among more than 500 applicants.

"Research shows the highest-achieving students attend schools with good library media centers, and protecting library resources contributes to the overall improvement of library media services for young people." says Harriet Selverstone, president of AASL. "AASL is pleased to again partner with 3M to help school libraries preserve these resources for students throughout the country."

"3M Salute to Schools" is open to middle and high schools in the United States. Schools selected to receive the donation will be awarded up to two 3M detection systems for the entrance/exit of their library media centers, a supply of 3M™ Tattle-Tape™ Security Strips for marking items in their collection and necessary materials processing accessories. Individual donations will vary depending upon specific needs of the library, such as the size of a collection and the physical layout of the media center. To be considered for the donation, a school must meet eligibility requirements and be able to demonstrate a need for a detection system.

Applications are available online at www.3M.com/library of by calling the American Library Association Fax-On-Demand system at 1-800-545-2433, then press 4 and request document no. 802. Recipients will be announced at the American Library Association Annual Conference, June 14 through 20 in San Francisco. Applications must be postmarked by May 1, 2001.

For more information about the 2001 "3M Salute to Schools" program, contact the AASL Awards Program at 1-800-545-2433, ext. 4383, or aasl@ala.org.

The global leader in library security for more than 30 years, 3M protects literally billions of individual items in thousands of libraries throughout the world. 3M is a Founding Partner to the American Library Association's Campaign for America's Libraries, also known as the @ your library™ campaign. This five-year public education campaign is designed to help promote the value of all types of libraries and librarians in the 21st century. The sponsorship further demonstrates 3M's commitment to helping libraries better meet the changing needs of library professionals and their customers—now and in the future.

TRIBUTE TO THE LATE DR. ROBERT HUTCHINGS GODDARD

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. HOYER. Mr. Speaker, I represent the 5th Congressional District of Maryland which is home to NASA's Goddard Space Flight Center. I would like to take this opportunity to celebrate the achievements of Dr. Robert Hutchings Goddard who, 75 years ago this month, launched the world's first liquid propellant rocket. Indeed, the flight of Goddard's rocket on March 16, 1926, at Auburn, MA, was a feat as epochal in history as that of the Wright Brothers at Kitty Hawk. During his lifetime Dr. Goddard designed, built, and launched 35 rockets of increasing sophistication. Dr. Goddard was the first scientist who not only realized the potential of missiles and space flight but also contributed directly in bringing them to practical realization.

Mr. Speaker, on September 16, 1959, the 86th Congress of the United States authorized the issuance of a gold medal in honor of Dr. Goddard. When measuring the importance of Dr. Goddard's innovative contributions, there is no greater proof of his originality than his United States patents. In addition to the two patents issued in July 1914, 56 more would be issued to him in his lifetime. Thirty-five patents pending were issued after his death in 1945. An additional 131 patents, based upon his notes, sketches, and photographs, were applied for by his widow, Esther C. Goddard. In 1960, the U.S. Government acquired the rights to use these 214 patents.

Mr. Speaker, Dr. Goddard created the building blocks which others would later invent independently. Dr. Goddard considered both manned and unmanned vehicles to explore the moon and planets, solar power, electric propulsion, and even flight to the stars. Today, the Armed Forces, NASA, and many others in the science community are able to construct rockets, missiles, weather instruments due to Dr. Goddard's vision. On this day, I would like to honor and recognize one of the greatest scientists and the father of modern rocket propulsion, Dr. Robert H. Goddard.

INTRODUCTION OF THE INTERNATIONAL COUNTER-MONEY LAUNDERING AND ANTI-CORRUPTION ACT OF 2001

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. LAFALCE. Mr. Speaker, I am pleased to be introducing today, in cooperation with Senator JOHN KERRY, anti-money laundering legislation that passed, on a bipartisan vote of 31–1, the House Banking and Financial Services Committee in the 106th Congress. Unfortunately, the full House did not consider this legislation in the previous Congress. But I am hopeful that we will make a serious effort in the 107th Congress to enact this important bill into law.

The purpose of the International Counter-Money Laundering and Anti-corruption Act of 2001 is to provide the United States with new tools to combat foreign money laundering threats, and to prevent the use of the domestic financial system by money launderers and corrupt foreign officials. The bill specifically addresses the abuse of offshore secrecy havens by criminals who seek to launder their illicit monetary gains.

Let me stress an important point: offshore secrecy havens are used by financial institutions and businesses around the world for perfectly legal and legitimate transactions. However, the officially recognized secrecy, and almost non-existent supervision, of the financial sectors in many of these jurisdictions, make it remarkably easy for criminals to abuse them. And with the global growth of electronic commerce and banking, and the unprecedented expansion of global commerce in general, the financial system is more vulnerable to abuse.

In a speech to international bankers in the Spring of 2000, former Treasury Secretary Larry Summers highlighted three important reasons to embark on an aggressive fight against money laundering:

First, it help us pursue criminals who commit the underlying organized crimes that generate tainted money, such as drug trafficking, tax evasion, and fraud;

Second, it helps us fight the foreign corruption that undermines U.S. and multilateral assistance programs to promote democracy and economical development abroad; and lastly,

It helps us protect the stability of the international financial system.

The bill we are introducing today enshrines these principles. The bill provides the Treasury Secretary with the authority and discretion to address a specific money laundering problem with precision—which cannot be done with current law.

Current law provides limited options for law enforcement; the Treasury Secretary can either issue informational advisories to U.S. financial institutions about specific offshore jurisdictions, or take the more extreme approach of invoking sweeping and often disruptive economic sanctions. In an effort to strengthen our ability to fight money laundering, the bill I am introducing today provides new discretionary authority to the Treasury Secretary, which can be invoked under certain select circumstances. For instance, the Secretary can use these discretionary tools if he or she were to identify an area of "primary money laundering concern" offshore. If invoked by the Treasury Secretary, these discretionary tools only apply to the activities of U.S. financial institutions outside the U.S., but not domestically.

Our bill grants the Treasury Secretary the authority, and policy discretion, to use several new tools that fall between informational advisories, on the one hand, and economic sanctions on the other. For example, the Secretary could identify a particular institution in a foreign jurisdiction as a primary money laundering concern without making a determination regarding the entire foreign jurisdiction, and then, impose restrictions on activities concerning such an institution. The approach taken in the bill offers the kind of regulatory flexibility, which does not exist today, needed to tackle a fast-moving and remarkably adaptable class of criminals.

More specifically, the bill would do the following:

Authorize the Secretary of the Treasury to impose one or more of five new special measures upon finding a jurisdiction, financial institution operating outside the United States, or class of international transactions to be of "primary money laundering concern";

Require the Secretary, in selecting a measure, to consult with the Federal Reserve and consider several factors of concern to domestic financial institutions;

Outline the special measures, including enhanced recordkeeping and reporting; collection of information on beneficial ownership of certain accounts; conditions on opening so-called payable-through and correspondent accounts; and prohibition of payable-through or correspondent accounts;

Require the Secretary to consult with selected Federal officials and consider a number of factors in making a finding relative to a primary money laundering concern;

Require the Secretary to notify Congress within 10 days of taking a special measure;

Authorize banks to share suspicions of employee misconduct in employment references with other banks without fear of civil liability, and clarify prohibitions against disclosure of a suspicious activity report to the subject of the report;

Clarify penalties for violating Geographic Targeting Orders issued by the Secretary to combat money laundering in designated geographical areas;

Require the Bank Secrecy Act Advisory Group to include a privacy advocate among its membership and to operate under the "sunshine" provisions of the Federal Advisory Committee Act;

Require reports from the Treasury Department and banking agencies regarding penalties for Bank Secrecy Act and safety-and-soundness violations;

Express the sense of the Congress that the U.S. should press foreign governments to take action against money laundering and corruption, and make clear that the United States will work to return the proceeds of foreign corruption to the citizens of countries to whom such assets belong; and,

Express the sense of the Congress that the U.S. should support the efforts of the Financial Action Task Force, an international anti-money laundering organization, to identify jurisdictions that do not cooperate with international efforts to combat money laundering.

We are often told by the financial services industry that it self-regulates well in the area of international and correspondent banking, and that, therefore, no legislation is needed. However, a recent staff report by the Senate's Permanent Subcommittee on Investigations concluded that U.S. correspondent banking provides an important avenue for rogue foreign banks and their criminal clients to carry on money laundering and other criminal activity in the U.S. We are also too often reminded by egregious cases—such as the recent one involving the laundering of Russian organized crime funds through offshore centers and U.S. financial institutions—that our current regulatory and law enforcement system may not be as protected as we like to think. A well targeted, common sense approach—such as the one in this bill—that fills in gaps in current law makes sense. Moreover, keeping in mind the need to protect legitimate commerce, the bill is crafted in a way that evenly balances burden-sharing between regulators and the financial services industry.

In sum, I am pleased to propose comprehensive money laundering legislation to address one of the most insidious and challenging of financial crimes. Money laundering is now estimated to absorb somewhere between 2 and 5 percent of the world's domestic product, or nearly $600 billion, and represents a significant threat to the international financial system. The enhanced tools in this proposed legislation will lead to improved ways of preserving the integrity of the international financial system, working in partnership with our major trading partners and the world's market economies.

As we consider policy changes in this area, we must address the appropriate needs of law enforcement without impeding legitimate commerce. By empowering the Federal government with more flexible and effective tools than those offered under existing law, the bill moves us closer to meeting this goal. I look forward to working with the Bush Administration, law enforcement officials, and the financial services industry, to enact a common sense approach to fighting money laundering.

APRIL SCHOOL OF THE MONTH

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. McCARTHY of New York. Mr. Speaker, I have named Meadowbrook Elementary School in East Meadow as School of the Month in the Fourth Congressional District for April 2001.

Thomas Mangano is Principal of Meadowbrook Elementary, and Dr. Robert R. Dillon is the Superintendent of Schools for the East Meadow Union Free School District.

The school motto says it all—"Four Walls with the Future Inside." For over 45 years, Meadowbrook has been educating Long Island's future generations on the importance of accepting everyone as is. These children have learned that being "different" doesn't matter.

Boasting a 100 percent teacher PTA membership, Meadowbrook fosters a culture of inclusion and emphasizes a strong school, family and community partnership. All teachers have been trained in the "World of Difference" program which fosters a respect for diversity at all levels. Meadowbrook is a multi-cultural school representing a variety of countries such as India, Pakistan, Columbia, South Korea, South Vietnam, China, El Salvador, Egypt, Israel and Russia.

Meadowbrook, recognized as a New York State Blue Ribbon School, is one of five elementary schools in the East Meadow Public School District and has 510 students. Meadowbrook is one of two sites which provides educational services to children who face special educational challenges. This, combined with the school's emphasis on cultural awareness, teaches children that being different is good.

I commend Meadowbrook for the focus on special education students. I have a learning disability that wasn't diagnosed until I was an adult, so I'm particularly gratified to know children are being helped at a young age. It's also comforting to me that these kids don't feel "different." I know that feeling, and it's not a good one.

Congratulations, and keep up the good work.

TRIBUTE TO REV. VERSIE PULPHUS EASTER OF THE CHRISTIAN METHODIST EPISCOPAL CHURCH, TURNER CHAPEL CHURCH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. BONIOR. Mr. Speaker, the Christian Methodist Episcopal Church is an organization with a noble mission: to preach the Good News, teach divine truth and heal life by the power of God. Extending from the efforts of first generation pioneers to present day evangelists, CME's mission has always been to spread good faith to communities worldwide.

Each year the Turner Chapel Christian Methodist Episcopal Church has held a week-long spiritual revival, encompassing several area churches and welcoming members of all denominations of faith. During this revival, congregation members join together in spiritual song, spoken word, and biblical teachings, renewing and strengthening their religious beliefs. This evening, as the Turner Chapel Church culminates its revival week with its final service, they have chosen to honor visiting revival leader Rev. Versie Pulphus Easter, for her treasured contributions to the community.

A life long evangelist and missionary to the Christian Methodist Episcopal Church, Rev. Easter has demonstrated her dedication and commitment through her outstanding service with her community and beyond. A certified United States Chaplain Association member, ordained Elder in Full of the CME Church, and veteran pastor of over 31 years, she has made history as the first Female Presiding Elder of the CME Church. Captivating audiences as a world evangelist as well, her message and ministry have been received in Australia, the Bahamas, Germany, and Brazil. Currently serving as pastor of the Womack Temple CME Church in Dyersburg, Tennessee and living by the motto: Where God Guides, He Provides, her distinguished service and remarkable dedication to improving the lives of people through faith continue to serve as an example to communities around the world.

I applaud the Turner Chapel Christian Church and Rev. Versie Pulphus Easter for their leadership, commitment, and service. I know that Rev. Easter is honored by this recognition and I urge my colleagues to join me in saluting her for her exemplary years of faith and service.

27TH ANNIVERSARY OF TURKEY'S INVASION OF THE REPUBLIC OF CYPRUS

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. CAPUANO. Mr. Speaker, on July 20th 2001, we will mark the 27th anniversary of Turkey's invasion of the Sovereign State of Cyprus. On this date in 1974, Turkish troops began a campaign to forcibly evict nearly 200,000 Greek Cypriots from their homes located in the northern part of the island of Cyprus. After twenty-seven years, Greek Cypriots are still prohibited from returning to their homes and remain refugees within their own country.

Nearly 1,000 women were raped, their ages vary from 12 to 78, while over 6,000 Greek Cypriots were massacred, many of them tortured to death. Over 1,600 men, women and children who vanished during the invasion have not been accounted for, and the Turkish government continues to refuse to provide information as to their whereabouts.

Despite these heinous crimes, Turkey continues to relocate some 80,000 Turkish citizens to Northern Cyprus, thus changing the demographic structure in the north. Many of these Turkish citizens occupy homes and estates once belonging to Greek Cypriots who were evicted during the invasion. Additionally, historical institutions of religious and cultural heritage have been willfully pillaged and destroyed.

Tragically, there are only 500 Greek Cypriots still living in the occupied area, and even those few families are subject to constant and systematic campaigns of harassment and intimidation. They are forbidden to attend school or work, denied medical assistance and cannot visit their families living in the Republic of Cyprus. This blatant violation of international law and basic human rights must not be tolerated.

In 1983, Turkey encouraged a "unilateral declaration of independence" by the Turkish Republic of Northern Cyprus (TRNC). The United Nations Security Council as well as our government condemned this declaration. To date the TRNC is not officially recognized as a sovereign State by any country except for Turkey.

Mr. Speaker, since that time, the international community has made some progress on this issue. In June of 1999, the European Commission of Human Rights found Turkey responsible for continuing to violate several provisions of the European Convention of Human Rights, including not accounting for missing persons, limiting the living conditions of the enslaved, and failing to protect the properties of the displaced persons.

The recent decision of the European Parliament (EP) to approve a report delivered by Jaques Poos, the former Foreign Minister of Luxembourg and the Cyprus Rapporteur of the EP Foreign Relations Commission, has rattled Turkey and the Denktash regime. The decision accused the illegal TRNC regime and Turkey of a lack of progress in efforts to find a solution on the island. In addition to insisting that the Turkish occupation forces withdraw from the island, the report defended the Greek Cypriot's position that would allow for its membership in the European Union, before a settlement of the Cyprus issue.

Mr. Denktash and his government at present are experiencing some difficulties of their own. Faced with collapsing banks, unemployment, inflation and devalued wages—the situation could be ready for change.

Mr. Speaker, I reiterate my argument from last year that the continued occupation of Northern Cyprus is clearly an affront to over 90 United Nations and Security Council resolutions calling on Turkey to withdraw its forces and return refugees to their homes and for Turkey to respect the sovereignty, independence and territorial integrity and unity of the Republic of Cyprus. This is an insult to the United States and the global community which has worked tirelessly to unify Greek and Turkish Cypriots in a peaceful manner.

I hope that the United States and the international community will continue to advocate for a peaceful solution to this conflict that has torn Cyprus apart and caused 27 years of suffering for thousands of innocent people.

H.R. 333 PROVIDES RELIEF TO FAMILIES, CONSUMERS, FARMERS, AND SMALL BUSINESSES

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. MOORE. Mr. Speaker, I rise to share my support for H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001. H.R. 333 is the culmination of many years of compromise and discussion in Congress and among consumer advocates and business representatives. This bill is the culmination of efforts to protect families filing bankruptcy, family farmers, and small businesses without negatively harming responsible borrowers.

In recent years, the bankruptcy filing rate has increased rapidly, with a record high of 1.4 million in 1998. In 2000, over $40 billion was discharged through bankruptcies. Retailers pass on the costs of losing this money to all consumers by raising prices for goods and services. All consumers, regardless of their use of credit, pay for these discharged debts. In fact, bankruptcies cost each household in America $400 per year.

Furthermore, creditors are forced to restrict access to credit as bankruptcies cost creditors more and more money. This restricted access to credit disproportionately affects low-income Americans, who are most in need of affordable credit for mortgages and consumer purchases. It is more important than ever, given the recent economic downturn, that we fight to lower prices for consumers and provide equal access to credit to all Americans.

Mr. Speaker, H.R. 333, fairly addresses the concerns of bankruptcy filers, consumers, and creditors. This bill contains a needs-based formula that directs filers into chapter 7 or Chapter 13 based on their ability to pay. Filers earning less than the national median income are not affected by this legislation. Furthermore, if filers earn more than the national median income, but if after paying the allowable monthly deductions and secured debts payments the filers are unable to pay not less than the lesser of 25 percent of non-priority unsecured debt or $6,000 (or $100 a month), whichever is greater, or $10,000, they will have access to Chapter 7 without qualification. These precautions are taken to ensure that those who can afford to pay their debts are required to do so. And even if a filer is above the limits, this bill protects those who have special circumstances such as a decline in income or unexpected medical expenses that can be taken into account and preclude moving the filer into Chapter 13.

All of these provisions are included to ensure that bankruptcy relief is available to those who are truly in need, while ending the abuses in the system by irresponsible debtors who are capable of repaying their debts.

Furthermore, Mr. Speaker, H.R. 333 includes provisions to protect women and children, those individuals who typically have the most to lose in bankruptcy proceedings. There has been criticism that the bill would put women and children in competition with credit and finance companies for scarce resources of the debtor. This is not the case, however. Current bankruptcy law puts child support and alimony payments in seventh priority. H.R. 333 moves alimony and child support to the first priority of debts to be repaid. H.R. 333 also protects savings for a child's education and retirement savings. Additionally, it strengthens the ability of women to collect marital dissolution obligations.

Also of importance is the provisions that permanently extends Chapter 12, the agricultural bankruptcy chapter. It also adjusts the jurisdictional debt limit so it may be adjusted periodically pursuant to the Consumer Price Index and provides different treatment for certain tax claims arising from the disposition of a family farm. Protection of family farms is especially important given the low commodity prices of recent years. Farmers need this protection.

Finally, H.R. 333 contains a number of provisions that were devised to address serious problems in the small business bankruptcy context. Small businesses often work with small profit margins and an even smaller margin for error. Thus they cannot afford the losses they are faced with by bankruptcy abuses.

Currently, the bankruptcy system significantly harms small businesses with endless delays that last for months and even years. H.R. 333 includes provisions improving the management of bankruptcies by providing effective cost and delay reduction by incorporating several time-tested techniques.

Specifically, the bill directs bankruptcy judges to actively manage Chapter 11 cases, thereby encouraging debtors and creditors to work together to try to move businesses out of bankruptcy, and restore them to normal business practice and protecting employees.

The bill also encourages the development of standard-form plans and disclosure statements. Current law requires disclosure statements to be drafted from scratch, which greatly contributes to the costs of the Chapter 11 process. The use of standard-form plans and disclosure statements would free up vital assets that companies could otherwise use to help in the reorganization.

I believe in personal responsibility, and not spending more than you make. I also realize, however, that there are circumstances in life that prevent honest and hard-working individuals and families from getting ahead. A death in the family, divorce, job loss, unexpected medical expenses and other events can all contribute financial hardships. Our family farmers are facing low commodity prices and other unavoidable situations, and their farms should be protected. Small businesses should be provided with the ability to get out of bankruptcy quickly. We all want to enable these groups to find relief in filing for bankruptcy, while ensuring that all consumers are protected. Mr. Speaker, I believe that H.R. 333 accomplishes these goals, and I urge my colleagues to support this legislation.

MARCH CITIZEN OF THE MONTH

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. McCARTHY of New York. Mr. Speaker, I have named Frederick Brewington, Attorney and community activist in Hempstead as Citizen of the Month in the Fourth Congressional District for March 2001.

When there is an issue the public is concerned about, you can bet Frederick is there, fighting against injustices, and seeking the truth. Our community is better because Frederick is with us.

A graduate of Northeastern University School of Law, Frederick opened his personal practice in Hempstead over 13 years ago. His law firm handles civil and voting rights, employment discrimination, constitutional law, and fair housing cases.

In addition to his practice, Frederick also finds time to teach Federal Pretrial Litigation and Trial Practice at Touro College in Huntington. A much-sought after public speaker, Frederick has addressed the Nassau Bar Association on numerous occasions, taught at the Practicing Law Institute, and conducted many media interviews.

Frederick stands out from the crowd because of his commitment to all elements of community activism. Well-fought legal battles are only part of his contribution to Nassau. He is an active member of the Church of the Good Shepherd, where he serves as a Trustee, and he is a certified Lay Preacher.

He has proven that a community is what you make of it. He has lived on Long Island, in Albany, and in Massachusetts. Frederick has been honored by all three communities, and has a long list of titles, awards of recognition, and certificates of appreciation from each.

Every so often you come across someone who is so actively, so immersed in his or her community, that you have to stop and wonder how he or she does it. Frederick is one of those people.

Frederick and is wife, Adrienne, who is pastor of United Methodist Church of Westbury, reside in Freeport.

AIDS CRISIS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. BONIOR. Mr. Speaker, the AIDS death toll now stands at a staggering 21,800,000. Sheer numbers tell us that AIDS is one of the most pressing humanitarian issues that faces the international community. From Africa, to Bangladesh, to back home in Michigan, AIDS is crippling the human condition. It is our responsibility to do all that we can to thwart this deadly pandemic.

Internationally, we should take a leadership role in combating AIDS. Of the 36 million people infected by the HIV virus today, 25 million live in sub-Saharan Africa. That is why the World Bank AIDS Trust Fund needs the full $150 million to fund its efforts to assist those countries hardest hit by HIV/AIDS, particularly those in sub-Saharan Africa. I urge President Bush to continue to support President Clinton's initiative that made the patent laws over HIV/AIDS drugs in sub-Saharan Africa less stringent. This will allow African AIDS patients to more easily get their hands on the medicine which they so desperately need. In promoting education and prevention abroad, we are taking fundamental steps to battling this crisis at home which knows no borders, age, or race.

AIDS is also hitting us hard at home. More than 700,000 cases of AIDS have been reported in the United States since 1981, and as many as 900,000 Americans may be infected with HIV. In Michigan, Detroit hospitals are having a hard time providing quality HIV/AIDS care because of the costs involved. Nationwide, we need to ensure that hospitals have the proper resources to provide AIDS patients with the quality care they deserve. Half of all new HIV infections are estimated to occur between the ages of 13–24. We need to ensure that our young people have the knowledge and counseling necessary to prevent and battle this disease.

Concrete steps need to be taken to battle this overwhelming problem. The Housing Opportunities for Persons with AIDS program needs at least $300 million this year to continue to do its job. It is the only Federal program that helps our cities and States address the housing crisis facing people living with AIDS. The Centers for Disease Control and Prevention is in need of $10 million dollars to develop and implement a grassroots HIV/AIDS prevention media campaign for minorities. Every dollar we spend on prevention saves many lives and dollars in the long run.

It is crucial that we are not only reactive in this situation, but strongly proactive as well. I hope that all of my colleagues will do the right things, and support funding for AIDS prevention and increasing access to medication for our worldwide community. We need adequate resources to deal with this terrible crisis at home and abroad. Millions of lives are at stake.

DRESS FOR SUCCESS: EMPOWERING WOMEN THROUGH CHARITABLE GIVING

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Ms. MILLENDER-McDONALD. Mr. Speaker, in keeping with the celebration of Women's History month, I rise to inform my colleagues and their constituents about a unique program, Dress for Success, designed to provide low-income women with appropriate dress clothing for job interviews.

Dress for Success is a non-profit organization that helps low-income women to make the transition into the workforce. To assist in this transition, Dress for Success provides each of its clients with one business suit when they receive an interview and a second suit when they secure job placement. Most of these women are referred by organizations such as domestic violence shelters, job training programs, and programs for incarcerated women. To date, Dress for Success has provided suits to over 50,000 women.

"Clean Your Closet Week" is its annual major business suit drive, and it is being observed during the period of March 17th—March 24th. This year "Clean Your Closet Week" will be celebrated in over 50 cities in the United States. One of the drop off points may be in or near your district. I encourage you to inform your constituents about this worthy and important event so that more women can be aided with re-entry into the work force. To find the Dress for Success site nearest you, please visit their web site at *www.dressforsuccess.org.*

Mr. Speaker, in closing, I ask my colleagues to explore how this program works to provide appropriate business attire to women, and how it acts to improve their self-esteem. This program promotes charitable giving to individuals in needs of assistance. We all aspire to dress for success, therefore, we should endeavor to help those who are less fortunate to realize their goals to look and feel their best.

HONORING ELDRED CLIFFORD SCHROEDER

HON. GARY MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GARY MILLER of California. Mr. Speaker, I rise to commend the heroic deeds of Eldred Clifford Schroeder, a distinguished World War II veteran.

In February of 1943, at the height of World War II, 24-year-old Eldred Clifford Schroeder was drafted into the United States Army, where he was assigned to the 786th Bombardment Squadron in the European theater of operations. He climbed the ranks to become a Technical Sergeant and served as a tail gunner on a B–24 Liberator.

After flying 22 successful combat missions, Schroeder and his crew were shot down over France. Fortunately, the French underground rescued him and returned him to England where his leg was treated for shrapnel wounds. He resumed flying, but on his 26th combat mission, he was again shot down over France. This time, German troops found Schroeder, and he was taken as a prisoner of war. He was imprisoned at Stalag Luft One, in Barth, Germany, until the camp was liberated nine months later by the Russian Army in May of 1945.

Mr. Schroeder, a distinguished veteran, died in 1968 without receiving the numerous medals and honors he earned. His World War II experience reads like a Hollywood movie, but the bravery he demonstrated in the face of danger was real. Today, I am honored to celebrate the contributions he made to help win the war in Europe, and privileged to present these tokens of a grateful nation to the family of a true American hero.

On behalf of the United States Army, I proudly present the Schroeder family an Air Medal with three oak-leaf clusters, a Purple Heart, a POW Medal, an American Campaign Medal, a European, African, Middle-Eastern Campaign Medal, and Honorable Service Lapel Pin, WWII.

Mr. Speaker, I ask that this 107th Congress join me in posthumously recognizing a member of our Greatest Generation, Eldred Clifford Schroeder.

INTRODUCTION OF LEGISLATION TO REPEAL PUHCA

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. PICKERING. Mr. Speaker, I am pleased to introduce a bill today to help America's energy consumers by repealing an outdated law that serves as a barrier to competition for increased supply and transmission in today's troubled energy marketplace. This bill, which is identical to legislation introduced by Chairman TAUZIN in the last Congress and very similar to legislation approved by the Senate Banking Committee in the last Congress, would repeal a New Deal Law, the Public Utility Holding Company Act of 1935 (PUHCA).

I am pleased to be joined by Representative TOWNS, Representative STEARNS and Chairman TAUZIN in introducing this important bipartisan legislation. I will be working closely with these members as we seek to bring an end to this outdated policy which has outlived its usefulness and purpose. Chairman TAUZIN has been the author of this legislation in the past and I am proud to take his mantle forward. In addition, Representative STEARNS and TOWNS have long been involved in the fight to repeal PUHCA and I look forward to working with them and having their leadership on this effort.

This legislation is a bipartisan initiative. The current Republican and previous Democratic Administrations have called for the repeal of PUHCA. Further, the bill would implement the recommendations of the Securities and Exchange Commission (SEC) made in 1995 following an extensive study by the SEC of the effects of this outdated law on the energy markets.

Mr. Speaker, one of the factors that has contributed to the current California energy crisis and will stand in the way of any permanent solution is the structural and financial restraints imposed under PUHCA. PUHCA unnecessarily restricts the flow of capital into the troubled California market, which is inhibiting the development of new generation and transmission capacity. Repeal of PUHCA would eliminate these artificial structural and financial barriers and could contribute to the alleviation of California's energy problem and the Western regional energy problem.

PUHCA is a law that has long outlived its usefulness. It imposes unnecessary costs on consumers and directly undermines the intent of recently enacted federal and state policies designed to bring more completion and capital to America's energy market.

PUHCA was enacted in 1935 to address abuses arising out of pyramid corporate structures at a time when electric utility regulation was just starting at both the federal and state level. PUHCA's primary purpose was to simplify complex holding company structures and to limit inappropriate business practices. This purpose was accomplished in the 1950's and the SEC has recommended to Congress that PUHCA be repealed since 1981.

Today, a significant number of electric and gas utility holding companies are required by PUHCA to operate under arbitrary rules that preclude them from investing in areas of need, developing new technologies and services, and competing in open markets. Other utility companies are exempt from PUHCA's restrictions, but must operate primarily within one state in order to maintain their exemptions. Our nation's gas and electric utility companies, therefore, must operate principally within certain geographic "boxes." This stifles innovation, hinders competition, and creates market power problems in the regional electricity markets which conflicts directly with FERC's efforts to open the country's wholesale markets and transmission lines.

PUHCA also delays or, in some cases, prevents registered companies from offering new products and services to their consumers. As a barrier to entry for gas and electric utilities in all states, PUHCA limits investment and growth opportunities on a nationwide basis in the gas and electric industries. PUHCA also unnecessarily restricts the flow of capital into all states thereby inhibiting the development of new transmission and generation capacity. PUHCA stands in the way of the efforts by our nation's utility industry to serve consumers in a more competitive manner.

The counterproductive restricts that PUHCA places on the natural gas and electric power industries are based on historical assumptions that are no longer valid. The factors that existed when PUHCA was enacted in 1935 no longer exist today. Federal and state laws at that time were inadequate to protect consumers and investors 66 years ago. Today, federal and state regulations have become much more comprehensive and sensitive to market conditions. PUHCA, however, remains an economic drag on America's energy industry.

Mr. Speaker, I first became aware of PUHCA's outdated restrictions when I served as an aide to Senator Lott on the Telecommunications Act of 1996. At the time, we were trying to modernize the Communications Act of 1934, another command and control New Deal legislation like PUHCA. PUHCA had to be amended to allow competition in our telecommunications industry. Today, we need to repeal the 1935 Act and replace it with one that makes sense in today's energy and capital markets.

There exists no reason to retain this outdated regulation. The ability of State commissions to regulate holding company systems and, together with the development of regulation under the Federal Power Act of 1935 and the Natural Gas Act of 1938, have eliminated the regulatory "gaps" that existed in 1935 with respect to wholesale transactions in interstate commerce. The expanded ability of State commissions and the FERC to regulate inter-affiliate transactions have further rendered the 1935 Act unnecessary. In addition, important market power issues will continue to be reviewed by FERC, the Department of Justice and the Federal Trade Commission.

This legislation would reform the regulation of utility holding companies by repealing the duplicative SEC-related provisions of the Public Utility Holding Company Act of 1935, while assuring that the SEC retains all of its non-PUHCA jurisdiction of securities and securities markets in order to protect investors. The bill would put gas and electric power companies on an equal competitive footing, allowing them to take advantage of market opportunities that benefit consumers, investors and utility companies.

Registered companies will continue to be subject to the same government regulation intended to protect consumers and investors as that to which other industry participants are subject. SEC authority under the Securities Act, Exchange Act, Investment Advisers Act, and Trust Indenture Act will all remain in place. The State securities commissions will also have available to them the various State Blue-Sky laws. The bill will assure FERC access to those books, records, accounts, and other documents of holding companies, their affiliates and subsidiaries, which are relevant to costs incurred by a public utility company and which are necessary for the protection of consumers with respect to rates.

In the new environment confronting the utility industry, PUHCA has become nothing more than a bottleneck that constrains the ability of our nation's natural gas and electric power industries to serve consumers. PUHCA is an anachronism that burdens utility systems with costs and restrictions that impair their competitiveness and prevent them from adapting to the new and more competitive environment. PUHCA is no longer a solution because the problems of the 1930's have been replaced by effective state and federal legislation and by the realities of today's marketplace. Simply put, America no longer can afford the Public Utility Holding Company Act of 1935. It is time for Congress to act on the recommendations of the SEC and to enact this legislation.

IN HONOR OF THE MEMBERS OF THE FEDERATION OF THE DODECANESIAN SOCIETY OF AMERICA AND CANADA

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to the members of the Federation of the Dodecanesian Society of America and Canada. The Dodecanesian Islands include the twelve Aegean islands of ancient Greece ringing Asia Minor. The goal of the Federation is to salute the islands' struggle to remain Greek through years of occupation and their ultimate triumph 50 years ago when the twelve islands united with modern Greece. The Federation will celebrate their 50-year independence on Saturday, March 11, 2001.

The Dodecanesian Islands most certainly have a remarkable history that dates back to ancient times. The epic and legendary story of the Dodecanesian Islands is truly one of captivating heroics. The chain of islands, which include the island of Rhodes whose great colossus was one of the seven wonders of the world, are where Hippocrates, the father of Medicine, called home and began his first scientific investigation of disease and the organs of the body.

Certain individual Dodecanesian Islands have fascinating histories that accurately illustrate Greek history. The Dodecanesian island of Patmos sheltered Saint John the Evangelist and it was there he wrote the Book of Revelation. The island of Kassos contributed a large fleet to the independence struggle and as well a large part of the Greek merchant fleet which aided the allied cause in the Second World War. Homer writes that the Dodecanesian Islands aided Agamemnon in the siege of Troy, where Rhodes bought from "that most pleasant land" nine "tall ships."

Mr. Speaker, the members of the Federation of the Dodecanesian Society of America and Canada do valuable work ensuring that the American and Canadian Dodecanese decedents develop strong and unbinding ties to their homeland of Greece. This organization does an admirable job promoting and instilling "enosis," the Greek word for ties to one's homeland, for thousands of my constituents and I am proud to recognize them today.

TRIBUTE TO RALPH O. WALTON, JR., A SKI INDUSTRY LEADER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to pay tribute to a ski industry leader. Ralph O. Walton Jr. announced on March 14th that he is retiring as Chairman of the Board of Crested Butte Mountain Resort, Inc. where he has been the driving force behind shaping Crested Butte as one of Colorado's premier destination mountain resorts. His leadership in this important industry deserves the recognition and praise of this body.

In 1970, Ralph and his brother-in-law, Howard H. (Bo) Callaway bought the Crested Butte Ski area. In the 30 years since, he has been the senior officer. "I have had a great 30 years at Crested Butte, but now is the right time for Martha and me to spend a little more time together and let the younger generation take the ski area forward," Ralph said.

Under his leadership, the resort invested over $100 million in improvements, including 13 lifts, two warming houses, and 700,000 square feet of construction at the base area. He pioneered the first non stop, scheduled jet service to regional mountain airports, and developed both the Crested Butte Marriott Hotel and the Crested Butte Sheraton Hotel.

"Ralph Walton has been the guiding force behind the ski area at Crested Butte for the past 30 years and the ski area owes him a great debt of gratitude for helping it get to its position today. Everyone in Crested Butte will sorely miss his active leadership but we understand his desire to retire at this time," said Bo Callaway, the Resort's co-owner.

The 70 year old Georgia native graduated from Auburn University in 1951 with a BS in Electrical Engineering and spent two years in the United States Army as a First Lieutenant.

Ralph has also been associated with the National Ski Areas Association as a board member. He spent time as the Vice Chairman of the Board of Colorado Ski Country, USA and as a board member. He also worked for Westinghouse Electric Corporation for sixteen years.

Ralph has also found time to be active in Rotary International, the Optimist Club, IEEE, the Hamilton Baptist Church, and the United Congressional Church of Crested Butte.

Mr. Speaker, Colorado's ski industry is losing one of its great leaders. He has done so much for the ski industry, and for Crested Butte. I would like to take a moment to thank Ralph for all his work and wish him good luck in his future endeavors.

BERENSTEIN BEAR BOOK DONATION FOR THE CHILDREN OF SAN ANTONIO

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. RODRIGUEZ. Mr. Speaker, today I would like to share with you the devotion to public service displayed by a group known as the Southwestern Bell Communications (SBC) Telephone Pioneers. The San Antonio Council #40 of this organization worked diligently to have 991 popular Berenstein Bear books donated to their community's schools. With this donation they are taking concrete steps to promote reading of these fun books and others by elementary school children.

The SBC Telephone Pioneers have the goal of impacting over 86,000 families by donating a set of eleven books to ninety-one elementary schools in three different San Antonio school districts. The hope is that the teachers will read these stories about the popular Berenstein Bear family to help children better understand life's little and big issues while gaining an appreciation of reading books. Brother and sister bear share their stories of starting school, making friends, and dealing with their feelings while Mama and Papa give advice. They learn about honesty, sharing, and responsibility. These wonderful stories will not only help the children relate to different situations, but hopefully will also inspire the children to continue learning through reading.

This tremendous donation by the SBC Telephone Pioneers is commendable. The over 40,000 students that will have access to these books are fortunate. The SBC Telephone Pioneers have set an example of how to improve our communities one child at a time. The donation of these books is a special tribute to the children of San Antonio and volunteers who cared enough to make a difference.

HIGH PERFORMANCE SCHOOLS RESEARCH ACT

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. UDALL of Colorado. Mr. Speaker, today I am introducing the High Performance

Schools Research Act, a bill that would establish a research program at the National Science Foundation to quantify the relationship between the physical characteristics of elementary and secondary schools and student academic achievement in those schools.

I am pleased that my colleagues Mr. ETHERIDGE and Mr. HONDA are joining me as original cosponsors of this bill.

This legislation is part of a package of bills I plan to introduce or cosponsor that together will promote "federal smart growth." As we have seen in my state of Colorado, sprawl around our fast-growing towns and cities destroys valuable open space, farmland, wildlife, and natural, cultural and recreational resources. I believe that the federal government can do a better job to support state and community efforts to control growth and prevent sprawl.

I am introducing the High Performance Schools Research Act in conjunction with a bill I am reintroducing today, the High Performance Schools Act of 2001 (H.R. 3143 in the 106th Congress). The High Performance Schools Act takes the concept of "whole buildings" and puts it into the context of our schools, establishing a program in the Department of Energy to help school districts produce "high performance" school buildings. With energy costs and school enrollment on the rise and school buildings across the country in need of construction or major repairs, school districts need to have the appropriate tools and assistance to make good building decisions. The High Performance Schools Act is intended to help school districts make these good decisions, as well as to conserve energy and protect the environment.

In addition to the economic and environmental benefits of smart building choices, evidence is growing that high performance buildings are beneficial for student performance. A growing number of studies link student achievement and behavior to the physical building conditions. A study from Mississippi State University, for example, showed that in schools in North Carolina, Texas and Nevada, variables such as natural light and climate control played a role in improved test scores, higher morale and fewer discipline problems. And in one of the most rigorous studies of its kind, a 1999 report commissioned by Pacific Gas & Electric found that students who took their lessons in classrooms with more natural light scored as much as 25 percent higher on standardized tests than other students in the same school district.

But while these studies have begun to reveal important information correlating a school building's environment with student performance, no large-scale, comprehensive study has been conducted to date. Understandably, school districts are reluctant to base infrastructure investment decisions on the results of a few narrowly conceived studies. So to give them the information they need to make better decisions, I am introducing the High Performance Schools Research Act, which will establish a National Science Foundation research program to thoroughly investigate the linkages between specific characteristics of the physical environment of a school and student learning. My hope is that further research will confirm initial findings correlating a school's environment to academic achievement, thus bolstering the case for high performance schools, which are themselves important components in any smart growth plan.

I look forward to working with my colleagues Mr. ETHERIDGE and Mr. HONDA and other Members of the House to move forward with this initiative.

THE HIGH PERFORMANCE SCHOOLS RESEARCH ACT

The High Performance Schools Research Act would establish a research program at the National Science Foundation to quantify the relationship between the physical characteristics of elementary and secondary schools and student academic achievement in those schools.

This bill is intended as a companion to the High Performance Schools Act of 2001, which takes the concept of "whole buildings" and puts it into the context of our schools, establishing a program in the Department of Energy to help school districts produce "high performance" school buildings.

CONTEXT

In addition to the economic and environmental benefits of smart building choices, evidence is growing that high performance buildings are beneficial for student performance. A growing number of studies link student achievement and behavior to the physical building conditions. Although these studies have begun to reveal important information correlating a school building's environment with student performance, no large-scale, comprehensive study has been conducted to date.

HOW IT WOULD WORK

The High Performance Schools Research Act is intended to help give school districts the information they need to make better decisions. The bill would establish a National Science Foundation research program to thoroughly investigate the linkages between specific characteristics of the physical environment of a school and student learning.

VIOLENCE AGAINST WOMEN

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Ms. SCHAKOWSKY. Mr. Speaker, I would like to thank my colleagues in the Women's Caucus who have been organizing weekly special orders around topics of great concern to women during the time when we celebrate Women's History Month.

Today's topic is violence against women. Violence against women is a profound and extremely pervasive problem, striking across borders, across economic, cultural and ethnic backgrounds, and across all the age groups. It is an epidemic that affects not only women, but their children and families as well.

We, in Congress, should be proud that we were able to reauthorize the Violence Against Women Act last session. Now, we must live up to our promise and appropriate full funding to the programs included in this bill.

Furthermore, pervasive discrimination continues to deny women full political and economic equality, and is often at the root of violations of their basic human rights. This is reflected in the various manifestations of violence women endure: domestic violence; female genital mutilation; sex trafficking; rape during times of armed conflict; sexual assault; "honor" killings; sex-selection or gender preference abortions; and other manifestations, including neglect in areas of education and nutrition women and girls endure, both here and abroad.

The statistics are appalling. Globally, 1 out of every 3 women has been beaten or sexually abused in her lifetime. In the United States, 1 out of every 6 women has been beaten or sexually abused. There are somewhere between 1 to 2 million women and girls who are illegally trafficked around the world, with at least 50,000 coming into the United States. Some 130 million girls and young women have undergone female genital mutilation and it is estimated that in the United States there are at least 10,000 girls at risk of this practice.

Women's lives are endangered by violence which is directed at them simply because they are women. We must stop what I believe has become too accepted and tolerated in our society. Violence against women is not acceptable and we must get that message out to both the perpetrators of the violence and the women who endure it.

We recently witnessed a landmark moment in international justice, when three Bosnian Serbs were convicted for the rape, torture, and sexual enslavement of Muslim women during the Bosnian war. For the first time in the international justice system, sex crimes against women are being specifically identified and punished. In the past, UN war crimes tribunals ignored mass rape and sexual enslavement and considered these crimes to be a natural occurrence in war. Crimes against women such as forced prostitution and rapes that took place during WWI were never even prosecuted in the international tribunals that followed the war. Today, perhaps most significantly, the judges ruled that mass rape is a crime against humanity, the most serious category of international crimes after genocide.

However, while there is still even one woman out there who endures violence, our work will not be complete. We need more money for services such as transitional housing and job placement and training to support women while they seek to escape abusive situations. We also need to provide trainings to educate boys and girls against violence so the problem stops.

We must change our attitudes to come up with remedies to cure this epidemic, not just treat its symptoms. We as women must be empowered to challenge the culture of violence. Our work can not be complete until the women of the world live free from an ever present fear of violence.

TRIBUTE TO THE FOUNDERS OF SAN ANTONIO, TEXAS

HON. CHARLES A. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GONZALEZ. Mr. Speaker, I rise today to honor the founders of San Antonio, Texas, the city I represent here in the United States Congress. Friday, March 9, 2001 marked the 270th anniversary of the founding of La Villa de San Fernando, the settlement which would later become known as the City of San Antonio.

On March 9, 1731, the Spanish Government founded the first permanent civic settlement in what is now the State of Texas. On this day, under the stewardship of Spanish King, Philip V, sixteen Canary Island families arrived in the territory then known as Tejas to establish La Villa de San Fernando. It would become the first civic government in Texas.

In honor of the sacrifices and contributions of the founding families of the City of San Antonio, and on behalf of the Canary Islands Descendants Association of San Antonio, Texas, I hereby recognize the role of the Canary Islanders in the founding of the Villa De San Fernando in 1731—later named San Antonio, Texas.

The founding of the city of San Antonio was achieved formally under the law of the Council of the Indies which was the Spanish law governing Nueva Espana in 1731;

With the arrival of the Canary Islanders, having the required number of ten families, the number required by the Laws of the Indies, to establish a town, the settlers were thus entitled to organize their own civil government, to receive lands for the construction of their homes and the sowing and raising of crops, to have a church and town hall, and to build a town with a public square and regularly planned streets;

After reaching their destination, following untold hardships, the exhausted travelers were received by Captain Juan Antonio de Almazan of the Presidio of Bejar; on the following day they were lodged in the best houses of the soldiers;

Following the detailed instructions of Viceroy Juan de Acuna, Marquez de Casafuerte the survey and distribution of the lands for the establishment of a new settlement was made;

On March 12, 1731 Captain Almazan took the heads of families to the Arroyo (now called San Pedro Creek) and divided the lands among them for a later time when they might divide the lands with more care. He urged them to plant crops before June 30;

By July 2, 1731 the settlers gave their efforts to the establishment of the proposed town, the church, and the public square;

On the following day July 3, 1731 lots were distributed to the families to build their homes adjoining the church and Casa Real. Then a large cross was formed at the main entrance of the Church as the center. By completing each of the four squares of the four sides of the cross a perfect larger square two thousand one hundred eighty-six varas on each side was delineated. The corners were identified by four long rocks as markers. A deep furrow was plowed from corner to corner to indicate the boundary in accordance with the instructions of the Viceroy;

On July 20, 1731 the first civil government was established when Captain Almazan appointed the members of the city council and other officers.

The Canary Islanders who were sent by King Philip V to establish the Villa de San Fernando did accomplish and played an important role in the beginning of the development of the magnificent City of San Antonio, in the region first known as Tejas, which developed into the great State of Texas.

TUNISIA 45TH ANNIVERSARY OF INDEPENDENCE

HON. MARK KIRK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. KIRK. Mr. Speaker, today, I would like to recognize a great ally of the United States, Tunisia, as she celebrates 45 years of independence. In 1797, the United States signed a Treaty of Peace and Friendship with the North African country of Tunisia. Over 150 years later, Tunisia peacefully gained independence from France. Today, we congratulate Tunisia for 45 years as an independent nation.

The Republic of Tunisia has remained a steadfast friend to the United States, joining Allied forces during World War II and continuing support throughout the Cold War. Today, Tunisia enjoys a burgeoning economy, as the nation's per capita income continues to grow substantially. One of Tunisia's most valuable assets has been its continued willingness to further the Middle East peace process. Despite being surrounded by nations engulfed in political turmoil, Tunisia continues to take an active role in fighting terrorism and international unrest.

I congratulate Tunisia on 45 years of independence and look forward to the United States' continuing strong relations with Tunisia for years to come. Please join me in celebrating the 45th Anniversary of Tunisia's independence.

NATIONAL RIGHT TO WORK ACT OF 2001

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GOODLATTE Mr. Speaker, I am pleased today to introduce the National Right to Work Act of 2001.

This Act will reduce federal power over the American workplace by removing those provisions of federal law authorizing the collection of forced-union dues as part of a collective bargaining contract.

Since the Wagner Act of 1935 made forced-union dues a keystone of federal labor law, millions of American workers have been forced to pay for union "representation" that they neither choose nor desire.

The primary beneficiaries of Right to Work are America's workers—even those who voluntarily choose to pay union dues, because when union officials are deprived of the forced-dues power granted them under current federal law, they will be more responsive to the workers'needs and concerns.

Mr. Speaker, this act is pro-worker, pro-economic growth, and pro-freedom.

The twenty-one states with Right to Work laws, including my own state of Virginia, have a nearly three-to-one advantage over non-Right to Work states in terms of job creation.

Workers who have the freedom to choose whether or not to join a union have a higher standard of living than their counterparts in non-Right to Work states. The National Right to Work Act would make the economic benefits of voluntary unionism a reality for all Americans.

While this bill is about economics, it is more about freedom.

Compelling a man or woman to pay fees to a union in order to work violates the very principle of individual liberty upon which this nation was founded. Oftentimes, forced union dues are used to support causes that worker does not wish to support with his or her hard-earned wages.

Thomas Jefferson said it best, ". . . to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves is sinful and tyrannical."

By passing the National Right to Work Act, this Congress will take a major step toward restoring the freedom of America's workers to choose the form of workplace representation that best suits their needs.

In a free-society, the decision of whether or not to join or support a union should be made by a worker, not a union official, not an employer, and certainly not the U.S. Congress.

The National Right to Work Act reduces federal power over America's labor markets, promotes economic growth and a higher standard of living, and enhances freedom.

I urge my colleagues to quickly pass the National Right to Work Act and free millions of Americans from the tyranny of forced-union dues.

TRIBUTE TO ALEX BRISEÑO FOR TWENTY-FOUR YEARS OF SERVICE TO THE CITY OF SAN ANTONIO

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. RODRIGUEZ. Mr. Speaker, today it is my privilege to recognize Alex Briseño for his 24 years of service to the City of San Antonio. As Mr. Briseño retires from his current position as the City Manager to one of the largest cities in Texas we know that his hard work and dedication will be greatly missed by the people of our community.

Nobody understands San Antonio's government better than Alex Briseño. He began his career with the City of San Antonio in 1977 as assistant to the city manager. Within three years he advanced to become an assistant city manager. During his next ten years of service he learned the intricacies of different departments within the city, knowledge that would empower him to manage the city staff with the wise hand of experience. He supervised numerous different departments ranging from the Budget Department to the Information Services and Health Department. He was well prepared for the challenges he would face as city manager, the city's top non-elected executive position.

In 1990, Mr. Briseño became city manager for a city that currently has more than 1.1 million people and covers an area of 417 square miles. He oversaw a budget of more than $1 billion and managed 11,000 employees. Through his leadership in the past ten years San Antonio has continued to grow and develop.

Mr. Briseño not only shared his leadership skills with the city while acting as city manager; he also served the community through his service in various organizations. He has been on the board of directors of the Boy Scouts of America, helping to develop the youth of our nation. He has served on the United Way of San Antonio and Bexar County Board of Trustees to better the lives of those in need, served on the board of directors of his alma mater, Trinity University, to improve education in the city, and worked with the Alamo Area Council and Free Trade Alliance San Antonio to create new opportunities for growth and advancement.

One aspect of this Mr. Briseño's life that helped to prepare him for leadership in the city of San Antonio was his education. At Trinity University he earned his undergraduate degree in economics where he graduated magna cum laude. He then continued his education to earn his Master's in Urban Studies. His service as a captain in the United States Army was another invaluable source of education that prepared him for his future years in city government.

We should all commend the dedication of this man to his job and his community. He was born and raised in San Antonio, received his education in life there, and stayed to help build its future. San Antonio is a better place because of Mr. Briseño's service. We wish him well in all future endeavors.

HIGH PERFORMANCE SCHOOLS ACT OF 2001

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. UDALL of Colorado. Mr. Speaker, today I am introducing the High Performance Schools Act of 2001, a bill intended to help school districts build schools that provide better learning environments for children, while also saving on energy costs and protecting the environment.

I am pleased that my colleagues Representatives SHERWOOD BOEHLERT, GEORGE MILLER, DAVID BONIOR, BOB ETHERIDGE, and MIKE HONDA are joining me as original cosponsors of this bill.

This legislation is part of a package of bills I plan to introduce or cosponsor that promotes sustainable development and preserves quality of life in communities that are undergoing intense growth. As we have seen in my State of Colorado and in many parts of the West, unprecedented population growth has led to urban sprawl and congestion, which has eroded much of the quality of life we value, including valuable open space, farmland, wildlife, and natural, cultural and recreational resources.

I believe that the Federal Government can do a better job to support State and community efforts to control growth and prevent sprawl. And this bill is one step toward that goal.

Many of you know about my interest in clean energy. As lead co-chair of the Renewable Energy and Energy Efficiency Caucus in the House, I am committed to promoting these technologies that further our national goals of broad-based economic growth, environmental protection, national security, and economic competitiveness.

In recent years, we've seen a wide array of successes in developing these technologies. In particular, much research has focused on improving energy efficiency and increasing the use of renewable energy in buildings in a "whole building" approach to design and construction. By incorporating advanced energy efficiency technologies, daylighting, and renewable energy, "whole buildings" provide benefits in the way of energy savings, environmental protection, and economic efficiency. As buildings account for roughly a third of our annual energy consumption and a commensurate share of greenhouse gas emissions, this research focus seems well justified. They are also important components in any smart growth plan.

The bill I am introducing today—the "High Performance Schools Act of 2001"—takes the concept of "whole buildings" and puts it into the context of our schools. My bill would establish a program in the Department of Energy to help school districts produce "high performance" school buildings. It would provide block grants to State offices of energy that would then be allocated as grants to school districts for building design and technical assistance. These grants would be available to school districts that are faced with rising elementary and secondary school enrollments, that can't afford to make major investments in construction or renovation, and that commit to work with the state agencies to produce school facilities that incorporate a "high performance" building approach.

Now is the time for improving the way we build our schools. One reason why—the current energy crisis is taking its toll on school districts across the country. Many of them are being forced to pay higher heating bills with funds that had been budgeted for textbooks or new teacher salaries. We must do all we can to ensure that scarce education resources are used primarily for education purposes, not to keep our children warm.

Another reason why the timing for this initiative is critical—this country is currently experiencing a dramatic increase in student enrollment due to the "baby boom echo," the children of the baby boom generation. During the 20 years from 1989 to 2009, this Nation is being asked to educate an additional 8.3 million children. At the same time, over 70 percent of our Nation's schools were built before 1960 and are now in need of major repairs.

Visiting schools in the 2nd Congressional district in Colorado, I have seen firsthand the spaces in which our children are learning and growing. Many districts can't afford sorely needed remodeling or construction of new schools, while others are scrambling to address severe overcrowding issues. And we aren't alone: School enrollment in Colorado increased by 70,000 students in the last five years. While new schools open at or above capacity, enrollment is projected to grow in Colorado by 120,000 in the next decade.

Clearly, there's an urgent need for school construction—in Colorado and in every State across the country. Thousands of communities nationwide are even now in the process of building new schools and renovating existing ones. But in drawing up construction plans, schools often focus on short-term construction costs instead of longterm, life-cycle savings. My bill would help ensure that school districts have the tools and assistance they need to make good building decisions.

High performance schools are a win for energy savings and a win for the environment, but best of all, they are also a win for student performance. A growing number of studies link student achievement and behavior to the physical building conditions. A study from Mississippi State University, for example, showed that in schools in North Carolina, Texas and Nevada, variables such as natural light and climate control played a role in improved test scores, higher morale and fewer discipline problems. And in one of the most rigorous studies of its kind, a 1999 report commissioned by Pacific Gas & Electric found that students who took their lessons in classrooms with more natural light scored as much as 25 percent higher on standardized tests than other students in the same school district.

We wouldn't dream of putting only manual typewriters in new school buildings—we would install today's computer technology. Nor should we build yesterday's "energy inefficient," non-sustainable, and less effective schools. Our kids are our country's future, and they should have the best school facilities, especially if they will cost less and benefit us all in other ways.

In short, we have an enormous opportunity to build a new generation of sustainable schools, schools that incorporate the best of today's designs and technologies and as a result provide better learning environments for our children, cost less to operate, and help protect our local and global environment. The High Performance Schools Act would start us on the road to achieving these goals. I look forward to working with Reps. BOEHLERT, MILLER, BONIOR, ETHERIDGE, and HONDA and other Members of the House to move forward with this important initiative.

THE HIGH PERFORMANCE SCHOOLS ACT OF 2001

The High Performance Schools Act would enable our school districts to build today's schools with today's designs and technologies, producing school buildings that take advantage of advanced energy conservation technologies, daylighting, and renewable energy. Not only has this "whole building" approach been demonstrated to improve student performance, but such buildings also cost less to operate and help protect our local and global environment.

CONTEXT

Fully 25 percent of the energy used in today's schools is wasted, costing schools some $1.5 billion every year. Ending this waste could pay for the entire careers of 70 additional teachers in each of our congressional districts. These savings could be especially significant at a time when there is a clear need for more teachers.

There is also a clear need for school construction. Students of the "echo boom" generation—the children of the baby boomers—are reaching school age even while class sizes are being reduced. At the same time, studies show that over 70 percent of our nation's schools were built before 1960 and are now in need of major repairs. School construction and modernization earned an "F" from the American Society of Civil Engineers in its 1998 Report Card for America's Infrastructure. Many districts can't afford sorely needed remodeling or construction of new schools, while others are scrambling to address severe overcrowding issues.

HOW IT WOULD WORK

The High Performance Schools Act of 2001 would help give school districts the tools and assistance they need to make good building choices. The bill would establish a program in the Department of Energy to help school districts produce "high performance" school buildings. Funds would be directed to school districts through state offices of energy for building design and technical assistance. These grants would be available to school districts that are faced with rising elementary and secondary school enrollments, that lack the resources to make major infrastructural investments, and that commit to work with the state agencies to produce school facilities that incorporate a "high performance" building approach. Some grants would also be available to facilitate private and public financing, promote the use of energy service companies, work with school administrations, students, and communities, and coordinate public benefit programs.

TRIBUTE TO JERALD T. MAHSHIE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. VISCLOSKY. Mr. Speaker, it is truly my distinct honor to pay tribute to one of Northwest Indiana's hidden treasures, Jerald T. Mahshie, of Schererville, Indiana. Jerry is one of the most dedicated, distinguished and creative citizens of Indiana's First Congressional District.

For the past 3½ years, Jerry has been the Director of Food and Beverage at the Radisson Hotel at Star Plaza in Merrillville, Indiana. While Jerry has been a resident of the First Congressional District for only a short time, Northwest Indiana has certainly been rewarded by the true service and uncompromising dedication he has displayed to both its citizens and communities, as well as his employer.

During his tenure at the Radisson Hotel, Jerry's consummate professionalism and attention to detail enabled the facility to become one of the premier meeting and dining locations in the First Congressional District.

When I think of Jerry, the first image that comes to my mind is not his successful professional career, but his extraordinary leadership and care for others. Whenever a project has needed a leader or an issue has needed to be addressed, Jerry has stepped forward to accept the challenge. Unfortunately, Northwest Indiana will be losing this hidden treasure, as Jerry has accepted a position in the Indiana's capitol, Indianapolis.

Jerry is truly a remarkable man. His hard work has earned him a number of accomplishments and awards. Such achievements include: Member of the American Academy of Chefs, President of the American Culinary Federation Chefs of Northwest Indiana, Certified Executive Chef, 1999 Lake County Convention and Visitors Bureau Hospitality and Professional of the Year. In addition to his devotion to his job, Jerry finds time to serve his community. He is a past member of the Hammond Area Career Center Advisory Board and the Ivy Tech Gary Campus Advisory Board, as well as the Chairman for the 2001 Taste of Northwest Indiana.

Mr. Speaker, I applaud Jerry Mahshie for his remarkable accomplishments, enduring service, and the unforgettable effect he has had on the people of Northwest Indiana. We will surely miss him. May the future continue to hold great things for this outstanding professional.

TRIBUTE TO THE HONORABLE PATSY MINK OF HAWAII

HON. JUDY BIGGERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. BIGGERT. Mr. Speaker, March is Women's History Month, a time to reflect upon and honor the contributions of women that have made this country a better place. Today, we are going to recognize one of our own.

Few dispute the positive impact of Title IX, the landmark civil rights legislation that prohibits sex discrimination in federally-funded education programs. But I wonder how many of my colleagues realize that we have the privilege to serve with one of the driving forces behind that law—the Gentlelady from Hawaii, Patsy Mink.

As a member of the House Education and Labor Committee, Patsy was one of the architects of Title IX. And since its enactment 30 years ago, she has been a leading voice in the call for full enforcement of the law.

The importance of her work cannot be understated. This is demonstrated by my own family's experience.

Only the youngest of my three daughters, Adrienne, had the opportunity to play soccer from kindergarten on through college.

As the assistant soccer coach for her team in the mid and late 1980s, I can well remember the excitement of the girls—and their parents—when girls' soccer first became a recognized team sport in our high school. That meant that Adrienne, just like my son Rody before her, would have the opportunity to play a sport she loved throughout her years in school.

But the impact of Title IX is widespread.

Thanks to its passage in 1972, my daughter Adrienne and so many other young women and girls throughout America have come to benefit from the opportunities enjoyed for so long by young men and boys in America.

A recent GAO study reported that, since the enactment of Title IX, the number of women enrolled in college has more than doubled from about 3.7 million to 8.2 million. The number of women participating in intercollegiate sports also has grown from about 30,000 to 157,000—this is an increase from 1.7 percent to 5.5 percent of all full-time, undergraduate women. The unparalleled opportunities that women and girls currently have in the classroom and on the playing field are due in large part to Title IX.

Title IX has enabled young women to participate in school sports—to learn the value of teamwork and competition, and to gain the self-confidence and skills that are so valuable in business and in other future careers.

I cannot say enough about how instrumental Patsy was in bringing out these opportunities for young women. As with any issue on which Patsy Mink takes a stand, she has consistently shown her passion for enforcing gender equity, particularly as it relates to education. And as the legislative record shows, she has been steadfast in her commitment to preserving the advances and effectiveness of Title IX.

Congresswoman Mink is to be commended for her leadership on Title IX. She will long be remembered for her tireless efforts toward achieving true equality for women. And her efforts truly represent the spirit and ideals of Women's History Month.

SBA LEGISLATION

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, today I rise to introduce a bill which will improve the efficiency and effectiveness of the Small Business Administration (SBA). As you know, the Small Business Administration (SBA) is responsible for aiding, counseling, assisting, and protecting the interests of the nation's small businesses. According to the U.S. General Accounting Office, as of September 30, 2000, SBA's total loan portfolio was about $52 billion, including $45 billion in direct and guaranteed small business loans and other guarantees and $7 billion in disaster loans. The SBA plays a critical role in the development of small businesses all around the nation.

However, in a recent report, GAO found that SBA's lack of a coordinated lender oversight program increases the potential for program abuse and unnecessary financial risk. Therefore, GAO recommended that SBA ensure that the required 7(a) lender oversight reviews are conducted. Additionally, GAO recommended that SBA establish organizational responsibilities and a mechanism for ensuring that information on the lender review process is collected, reported and analyzed.

I am introducing this legislation to ensure that GAO's recommendations are carried out. My bill, if enacted, would not only address GAO's concerns by establishing an office which has responsibility for lender oversight reviews but would also bring forth a mechanism for ensuring that information on the lender review process and lender compliance is collected, analyzed and reported to relevant Congressional Committees.

Mr. Speaker, this bill is not a partisan issue, but it is a good government issue because it not only assures that the people's money is spent wisely but empowers the SBA to ensure that the laws are followed. I urge my colleagues to support this legislation and I look forward to being able to vote on this bill on the house floor.

RURAL EDUCATION

HON. CHRISTOPHER JOHN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. JOHN. Mr. Speaker, it is my pleasure to reintroduce the Rural Education Development Initiative (REDI) Act which calls for an increased focus on rural education and provides assistance to the many small, poor, rural schools in our country. As the House begins the reauthorization of the Elementary and Secondary Education Act, REDI will ensure that the educational opportunities for rural areas are not forgotten.

The National Center for Education Statistics (NCES) reports that 46 percent of our Nation's public schools serve rural areas, yet they only receive 22 percent of the Nation's education funds annually. In addition data from the National Assessment of Educational Progress (NAEP) consistently shows large gaps between the achievement of students in high-poverty schools and those in other schools.

Another critical problem for rural school districts involves the hiring and retention of qualified administrators and certified teachers, especially in special education, science, and mathematics. Consequently, teachers in rural schools are almost twice as likely to provide instruction in two or more subjects than teachers in urban schools.

More importantly, many small school districts often can't qualify for federal programs based on their small enrollments, and some money-distribution formulas do not fit many states' county-wide system of school districting.

All these problems add up to one thing: our rural schools need more funding opportunities. REDI provides this opportunity and gives our rural students a chance to succeed. This legislation creates a grant program to assist rural areas with technology efforts, professional development activities designed to prepare teachers who are teaching out of their primary subject area, academic enrichment programs, and activities to recruit and retain highly qualified teachers in special education, mathematics, or science.

REDI is bi-partisan and is supported by the National Education Association (NEA). I look forward to working with my Colleagues to enact REDI and realize our goal of parity for rural students.

POLITICIZING THE FEDERAL JUDICIARY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. CONYERS. Mr. Speaker, "Bipartisanship." "The rule of law." A judiciary that "looks and feels like the diverse country" we are. All ideas that then-Governor Bush's campaign promised to deliver on during the fall campaign.

Many believe that these slogans were just that: Bromides intended as camouflage, as feel-good dressing for a right wing agenda far outside the political mainstream.

President Bush's actions with the federal judiciary in just the past week—when the White House may believe that everyone is distracted with the tax cutting plan for the rich—may in fact prove just how far out of touch with the mainstream, and its own campaign rhetoric, this administration really is.

First, the White House has floated a balloon that it's considering abandoning the long-standing practice of soliciting comments from the ABA for judicial nominees. This could be the clearest signal that ideology and a crass desire to politicize the judiciary—rather than judicial competence—will be touchstone for Bush nominations to the federal judiciary.

And then today, the Bush administration has announced that it would rescind nominations for the federal bench made by the Clinton Administration. Among the casualties, African American judges who bore the stamp of enthusiastic approval from the ABA and from Republicans. Judges such as Roger Gregory, who had support of two Republican senators in Virginia, and who would represent the first African American appointment on the 4th Circuit Court of Appeals. Judge Gregory was appointed to the court in a recess appointment after the Republican Senate would not schedule a confirmation vote.

Both actions speak loudly to African Americans. They portend a plan by this Bush White House to politicize the judiciary. They both turn the clock backwards.

Today's Detroit News has the following article which is on point.

[From the Detroit News, Mar. 20, 2001]

BUSH WITHDRAWS MICH. JUDICIAL NOMINEES

(By Jesse J. Holland)

WASHINGTON.—President Bush on Monday dumped former President Clinton's last judicial nominees, including two Michigan women nominated for the 6th U.S. Circuit Court of Appeals who never got a hearing.

Michigan Court of Appeals Judge Helene White waited for a Senate Judiciary Committee hearing for four years—longer than any other judicial nominee in history.

And Detroit attorney Kathleen McCree Lewis, a partner in the Dykema Gossett law firm who often argues cases before the 6th Circuit, was nominated in September 1999 but never had a hearing.

"I'm very disappointed," she said. "I knew it could happen, but because there had been statements about bipartisanship, it was my hope that it wouldn't."

Bush officially withdrew 62 executive and judicial nominations.

Besides Michigan, the 6th Circuit includes Ohio, Tennessee and Kentucky.

"Both of these nominees were not only very qualified and widely respected, but would have been excellent members of the federal bench," said Rep. Debbie Stabenow, D-Lansing. "While the President has continued to talk about the need to reach out to Democrats and foster greater bipartisanship in Washington, it's time he needs to follow-up his words with bipartisan deeds."

Stabenow and Sen. Carl Levin, D-Detroit, had been pushing for a hearing for the two Michigan nominees.

"Some of these individuals will be considered for positions in the Bush administration," White House spokesman Scott McClellan said. "No one should be considered ruled in or out at this point."

The decision to withdraw the Clinton judicial nominees comes as Bush starts to look at filling the remaining vacancies with his own nominees.

White House counsel Albert Gonzales and Atty. Gen. John Ashcroft met with top officials from the American Bar Association on Monday to discuss the nomination process. A committee of senior administration officials led by Gonzales has interviewed more than 50 candidates in a drive to fill nearly 100 vacancies with judges who share Bush's conservative philosophy.

LASTING PEACE IN NORTHERN IRELAND IN U.S. NATIONAL INTEREST

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GILMAN. Mr. Speaker, last week was Saint Patrick's Day and Irish events all around our country and the globe, commemorated the patron Saint of Ireland. The Irish in America proudly celebrated their heritage and prayed for lasting peace and justice in the long divided and troubled north of Ireland. Along with Ireland's many friends around the globe, we joined in that prayer for lasting peace.

Former President Bill Clinton played an important role, along with former Senator George Mitchell, in bringing about the historic Good Friday Accord of April 1998 that has the best chance for making that peace a reality, if the accord is carried out and honored by all sides.

Now, I am pleased to note that our new President, George W. Bush, has willingly and aggressively picked up the mantle of our continued U.S. support for finding and sustaining a lasting peace and justice in the north. Unlike any President of the United States in my memory, President Bush last week at the White House ceremony for Saint Patrick's Day stated, "It is in our national interest that there be lasting peace, a real lasting peace, in Northern Ireland.

I join with all of the Irish American community in thanking President Bush for that strong and unambiguous statement of our continued U.S. interest and support in the long and difficult struggle for lasting peace in Northern Ireland.

Mr. Speaker, I request that the full text of President Bush's remarks at the White House ceremony for Irish American Leaders held on

March 16, 2001 be included at this point in the RECORD, and I invite my colleagues to review the President's significant supporting statement for peace in Ireland and I look forward to joining in a bi-partisan effort to support the President's initiative here in the Congress.

REMARKS BY THE PRESIDENT DURING RECEPTION FOR IRISH-AMERICAN LEADERS

The President: Thank you very much. It sounds like we invited some rowdy Irish-Americans. (Laughter.) Thank you all for coming. Taoiseach, thank you very much, sir. Secretary of State of Northern Ireland, Dr. Reid; First Minister Trimble; Deputy First Minister Mallon. Thank you all for being here.

I want to thank the ambassadors who are here; I want to thank the other leaders from Northern Ireland who are here. It's most gracious of you to take your time to come and celebrate St. Patrick's Day with us. Mr. Speaker, it's good to see you again, sir, as well.

The Taoiseach and I just had an excellent meeting. We spent a good hour of frank dialogue. He gave me Dublin's perspective on the peace process in Northern Ireland, just as Prime Minister Blair gave me London's perspective when we met last month. An Irish proverb tell us that a friends's eye is a good mirror. and I can tell you that what is striking about my meetings with both Prime Ministers is how similar their persepectives are, how optimistic they are and how determined they are.

It is clear that all sides want the Good Friday Agreement to succeed. It is also clear that all sides are seeking to overcome very difficult internal obstacles and to keep up forward momentum. The agreement negotiated by both Prime Ministers in Belfast last week is a reflection of a common commitment. As always, we deeply appreciate the efforts.

And, again, I want to pledge what I said yesterday; the United States stands ready to help. (Applause.) It is in our national interest that there be a lasting peace, a real lasting peace, in Northern Ireland.

I also want to say how much I appreciate the contributions that Irish-Americans have made to the cause of peace. Many of you are right here in this room, and our nation thanks you. By supporting those committed to a peaceful approach, you're truly giving something back to your native land.

Today is also about celebrating what Irish-Americans have given to their adopted land. The White House itself was designed by an Irish-American. This fact about America's home is symbolic of the contributions made by millions of Irish of both Catholic and Protestant persuasion.

Your industry and talent and imagination have enriched our commerce and enriched our culture. The strong record of public service has fortified our democracy. And the strong ties to family and faith and community have strengthened our nation's character. In short, the Irish are a big reason why we'll always be proud to call ourselves a nation of immigrants.

Happy St. Patrick's Day. (Applause).

And now, would you join us, please, for some refreshments in the State Room. Welcome to the White House. (Applause.)

HOUSE OF REPRESENTATIVES—*Wednesday, March 21, 2001*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. LATOURETTE).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 21, 2001.

I hereby appoint the Honorable STEVEN C. LATOURETTE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

Rabbi Hillel Cohn, Congregation Emanu El, San Bernardino, California, offered the following prayer:

Thousands of years ago, in setting down the fundamental requirements for any community, the Torah charged:

"Tsedek, tsedek tirdof":

"Justice, justice shall you pursue."

Appreciating the importance of justice, the Founders of this Nation envisioned an America that would guarantee "liberty and justice for all."

O God, strengthen the resolve of those who serve here to make the decisions as well as the processes leading to those decisions genuinely just. Let America pursue justice in our enforcement of laws, in our forms of punishment, in our methods of choosing our leaders, in our allocation of precious resources, in our expectations of other nations, and in our daily relations with one another.

Praised be the Eternal God, the Sovereign, who loves justice and expects us to pursue justice, uncompromising and true justice. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WAMP. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WAMP. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California (Mr. LEWIS) come forward and lead the House in the Pledge of Allegiance.

Mr. LEWIS of California led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING RABBI HILLEL COHN

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute.)

Mr. LEWIS of California. Mr. Speaker, it is my privilege today to introduce to my colleagues an old friend, Hillel Cohn, who is about to retire as rabbi of Congregation Emanu El in San Bernardino, California. Not too long ago, in a community meeting, Rabbi Cohn approached me and said, "Jerry, I understand we're going to have a wedding." Thereby he was announcing to me that, not too long after that, he was marrying two of my now young children, not so young children.

Hillel is a UCLA graduate. He got his Ph.D. at the divinity school at Claremont College. He came to San Bernardino to lead this congregation in 1963. Our community has been blessed by his service. He has been involved in virtually every organization of any moment to San Bernardino, California, as well as the surrounding communities. His leadership indeed has had a huge impact, ranging from our commission that involves human affairs that attempts to provide balance and strength within our community. He has been a leader within the religious community, obviously, but most importantly he has used his extra time, that volunteer time, to touch every aspect of our life. His service upon his retirement will only increase, I am assured.

Ladies and gentlemen, it is my privilege to introduce to you my friend, Rabbi Hillel Cohn.

ON THE ECONOMY AND TAX CUTS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, over the last 6 months, we have seen some major changes in our economy. We lost 94,000 manufacturing jobs just in February. Overall economic growth slowed to just 1.1 percent in the fourth quarter of last year. In the quarter before that, the growth was 5.6 percent. I do not need to remind anyone how far down the stock market has gone. Clearly, we need to take action. Some in this body are claiming that even by talking about the slowdown in the economy, we are pushing the country into recession. But we need to have a sensible discussion about what needs to be done to breathe new life into the American economy. This is too important to make it political.

Yesterday's cut in interest rates will help, but we need tax cuts as well. Only by getting more money into the hands of the people who spend can we get our economy going again. Let us pass the President's tax relief package. In fact, let us even make it bigger and retroactive. And let us do it now.

FUNDING NEEDED FOR NEW MARKET INITIATIVES

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, last year we spent a great deal of time, energy and effort developing a new markets venture capital program with enthusiastic support from President Clinton and Speaker HASTERT. When I look at the current President's budget for 2002, it provides no money at all for these initiatives to spur economic growth and development in disadvantaged inner city and rural communities.

Today, we are going to hear a great deal about faith as a way of dealing with the needs, hopes and aspirations of the disadvantaged. I say that faith without money is shallow. Let us keep the faith and fund these new market initiatives for inner city and rural disadvantaged communities.

UNIVERSITY OF MIAMI PRESIDENT EDWARD THADDEUS FOOTE, II

(Ms. ROS-LEHTINEN asked and was given permission to address the House

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to pay tribute to Edward Thaddeus Foote II, President of the University of Miami, who will soon retire after 20 years of remarkable service to the university and indeed to the entire South Florida community.

Tad arrived at UM in 1981 where he introduced corporate-style strategic planning and recruited approximately three-quarters of the current faculty during his tenure. Under his leadership, high-quality teaching became a top priority, and the university's research productivity has expanded dramatically.

Tad enabled the founding of the University's School of Architecture, School of Communication, School of International Studies, as well as the Dante B. Fascell North-South Center, making the University of Miami the largest and most comprehensive private research university in the Southeast. Tad is a visionary and a bold leader who never compromises his quest for quality.

Sadly, he has announced that he will be leaving the presidency on June 1 but will serve as chancellor of the University until 2003.

Mr. Speaker, I ask that my colleagues join me in celebrating the tremendous advancements realized under President Tad Foote's extraordinary leadership and in wishing him Godspeed.

AMERICA IN DANGER

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, America is in danger. China just built their third missile base, and North Korea referred to Uncle Sam as an aggressor. Think about it. We are now looking down the fangs of a dragon.

China is going after Taiwan, North Korea is escalating tensions, and Janet Reno is doing Saturday Night Live. Beam me up here.

While President Reagan crippled communism, Reno's actions have absolutely reinvented the greatest threat America has ever had and no one is looking.

I yield back all those Chinese missiles pointed at American cities.

AMERICAN FOREIGN POLICY

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, former President Clinton promised us we would be out of Bosnia by the end of 1996. We are still there and have spent billions of U.S. taxpayer dollars in the process. We have spent billions more in Haiti, Rwanda, Somalia, Kosovo and many other places. We have become the world's policeman, even though our people do not want us to be.

There are armed conflicts going on in many places all around the world all the time. We seem to follow a CNN foreign policy, throwing huge money at whichever problem area is being emphasized on the national news. Macedonia is next. We are spending $4 million every day in Iraq 10 years after the Gulf War.

In Sunday's Washington Times, syndicated columnist Steve Chapman wrote this:

> Remember the war in Kosovo? The United States launched an 11-week aerial bombardment of Yugoslavia in 1999 to help the ethnic Albanians. Two years later, our soldiers are fighting the Albanians and welcoming help from the Serbs. In the Balkans, you see, a friend is merely someone who isn't your enemy just yet.

CONGRATULATING JOHNSON C. SMITH UNIVERSITY ON ITS "MARCH MADNESS" DREAM STORY

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATT of North Carolina. Mr. Speaker, in North Carolina at this time of year, March Madness is bursting out all over. Three of the five first-team All-American players are from North Carolina teams. Duke, the University of North Carolina, Wake Forest, the University of North Carolina at Greensboro, and the University of North Carolina at Charlotte from my congressional district were all in the field of 64, although only one survives.

But perhaps the most exciting March Madness story in North Carolina this year is at Johnson C. Smith University, the alma mater of my colleague EVA CLAYTON. Founded in 1867, JCSU is one of four historically black colleges and universities located in my congressional district and has a student body of approximately 1,500 students. JUS finished this year's basketball season with a 27–4 record, won the CIAA basketball tournament, won the South Atlantic Regional Division II championship, and tonight will be playing in the Division II Elite 8 in California. Now, that is a real March Madness dream story.

I congratulate President Dorothy Yancey, Coach Steve Joyner and his basketball team and the entire Johnson C. Smith University family on producing this March Madness dream story and on continuing to educate our young people in this country.

PUTTING AMERICA'S FAMILIES FIRST

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the Republican budget puts America's families first by responsibly using the surplus to pay down the national debt, provide needed tax relief and bolster funding for priorities like education, Social Security, Medicare, prescription drug benefits and national defense.

Republicans refuse to squander the surplus and will work diligently to pass a balanced budget. The Republican budget puts American families first by responsibly using the surplus for education priorities, strengthening Social Security, modernizing Medicare, providing prescription drug benefits and bolstering national defense, as I said earlier.

In addition, we need to show support for the next part of the tax relief package Congress and the White House are working on, including eliminating the taxes on marriage and death, and doubling the child tax credit.

Mr. Speaker, eliminating the taxes on marriage and death are a top priority for this Congress and the White House. When I have a town hall meeting, one of the top issues on the minds of my constituents is relief from these onerous and immoral taxes. No married couple ought to be taxed an extra $1,400 per year just for getting married, and no family farm or small business should be allowed to go under because of the death tax. These taxes are on the chopping block.

APPOINTMENT OF MEMBERS TO UNITED STATES HOLOCAUST MEMORIAL COUNCIL

The SPEAKER pro tempore. Without objection, and pursuant to Public Law 106–292 (36 U.S.C. 2301), the Chair announces the Speaker's appointment of the following Members of the House to the United States Holocaust Memorial Council:

Mr. GILMAN of New York;
Mr. LATOURETTE of Ohio; and
Mr. CANNON of Utah.

There was no objection.

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 92 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 92

Resolved, That it shall be in order at any time on the legislative day of Wednesday, March 21, 2001, or Thursday, March 22, 2001, for the Speaker to entertain motions that the House suspend the rules relating to the following measures:

(1) The concurrent resolution (H. Con. Res. 43) authorizing the printing of a revised and

updated version of the House document entitled "Black Americans in Congress, 1870–1989";

(2) The bill (H.R. 1042) to prevent the elimination of certain reports;

(3) The bill (H.R. 1098) to improve the recording and discharging of maritime liens and expand the American Merchant Marine Memorial Wall of Honor, and for other purposes;

(4) The bill (H.R. 1099) to make changes in laws governing Coast Guard personnel, increase marine safety, renew certain groups that advise the Coast Guard on safety issues, make miscellaneous improvements to Coast Guard operations and policies, and for other purposes.

(5) The bill (H.R. 496) to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes;

(6) The bill (H.R. 802) to authorize the Public Safety Officer Medal of Valor, and for other purposes.

☐ 1015

The SPEAKER pro tempore (Mr. LATOURETTE). The gentlewoman from Ohio (Ms. PRYCE) is recognized for one hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my good friend, the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During the consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, yesterday the Committee on Rules met and passed this resolution providing that it shall be in order at any time on the legislative day of Wednesday, March 21, or Thursday, March 22, for the Speaker to entertain motions to suspend the rules relating to the measures previously outlined by the reading clerk.

The Members and their staffs have had time to examine these rules, and the Committee on Rules is not aware of any controversy or concern. While these items are non-controversial, they are indeed important pieces of legislation to many Members of this body and, more importantly, to the constituents we represent.

Accordingly, I urge my colleagues to support this rule, as well as the six bills it makes in order.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is not the intention of the Democratic Members of the House to object to this rule. We do, however, object to the continued use of the suspension calendar on days that are under the rules of the House supposed to be used for the consideration of bills on the Union Calendar. Obviously, little business has been reported to the House from its committees, other than matters from the Committee on Ways and Means. Thus, it seems the majority has come to rely on minor bills to fill the time in between the consideration of tax bills.

Mr. Speaker, there are any number of important issues facing the country today. Education, Social Security, Medicare, national defense, crime and energy are just a few of them; yet we have not seen any signs of any of these issues heading to the floor.

It is time for this Congress to buckle down and get to work; and, Mr. Speaker, we should do our work under regular order.

So, in order to give the House something to do today, Democrats will not object to this rule. But that being said, we cannot be counted on to continue to stand aside as the Republican majority continues to shirk its responsibilities.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me remind my colleagues that these are non-controversial measures, and that they are important to many Members of this body. The resolution will simply allow this House to complete its work on these initiatives.

Mr. Speaker, I urge support for the resolution and the underlying legislative initiatives.

Mr. FROST. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, the Chair announces that he will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record vote on H.R. 1099, the Coast Guard Personnel and Maritime Safety Act of 2001, will be taken tomorrow.

Record votes on remaining motions to suspend the rules will be taken today.

PRINTING REVISED UPDATED VERSION OF "BLACK AMERICANS IN CONGRESS, 1870–1989"

Mr. NEY. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 43) authorizing the printing of a revised and updated version of the House document entitled "Black Americans in Congress, 1870–1989".

The Clerk read as follows:

H. CON. RES. 43

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. PRINTING OF REVISED VERSION OF "BLACK AMERICANS IN CONGRESS, 1870–1989".

(a) IN GENERAL.—An updated version of House Document 101–117, entitled "Black Americans in Congress, 1870–1989" (as revised by the Library of Congress), shall be printed as a House document by the Public Printer, with illustrations and suitable binding, under the direction of the Committee on House Administration of the House of Representatives.

(b) NUMBER OF COPIES.—In addition to the usual number, there shall be printed 30,700 copies of the document referred to in subsection (a), of which—

(1) 25,000 shall be for the use of the Committee on House Administration of the House of Representatives; and

(2) 5,700 shall be for the use of the Committee on Rules and Administration of the Senate.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. HOYER) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have just a few statements I want to make on this resolution. In the 101st Congress, House Document 101–117, entitled "Black Americans in Congress, 1870–1989," was printed and distributed to the House and the Senate. This document noted the distinguished service of 66 African Americans who had served in the Congress up to that point in time. In fact, when I was elected to the 104th Congress, we happened to have this particular book that was in our office, and it is just a fascinating history and documentation of the 66 African Americans who had served in the Congress. It really makes for an interesting reading and I think pays tribute to those African Americans.

Since that document was printed, some 40 additional African Americans have served in the United States Congress. House Concurrent Resolution 43 will simply direct the Library of Congress to revise the biographies of Members included in the first volume, so it will be an update, and also provide for the inclusion of African American Members of the House and Senate who have been elected since the document was last published.

Mr. Speaker, I urge my colleagues to support the passage of this measure. It has been good working with our distinguished colleague, the gentleman from Maryland (Mr. HOYER), the ranking member of the committee. I know that all the members of the committee feel that this is an important document. I think it is a good document also that can be viewed by citizens across the country. It has been a pleasure to work with the gentleman from Maryland (Mr. HOYER) on this.

Mr. Speaker, I reserve the balance of my time.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, obviously I rise in strong support of this resolution. I was delighted to introduce this legislation just over 3 weeks ago in conjunction with the chairman of our committee, the gentleman from Ohio (Mr. NEY), who has been an example I think for all the Congress as to how to work in a bipartisan, productive, positive fashion; and I thank the gentleman for that. I see some of the majority staff on the floor as well. I want to thank them as well for the very cooperative way in which they are working with our minority staff to make sure that we do our business in a very productive, positive way. I very much appreciate it.

Mr. Speaker, this resolution authorizes the printing, as the chairman has said, of a revised edition of the House document last printed in the 101st Congress, 11 years ago, entitled "Black Americans in Congress, 1870–1989." I thank my distinguished colleague from Ohio for facilitating and cosponsoring this resolution. His support has been critical in bringing this resolution to the floor so quickly.

I also thank my 43 other distinguished cosponsors, including the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the Chair of the Congressional Black Caucus, who hopefully will be here in just a few minutes; the entire caucus membership; and the gentleman from Oklahoma (Mr. WATTS), chairman of the House Republican Conference himself, and a distinguished African American, who have cosponsored this legislation.

The first edition of Black Americans in Congress, Mr. Speaker, was published in 1976 during our country's bicentennial. This was just over a century after the first African American to serve in Congress, Hiram Revels of Mississippi, was elected to the Senate. That election, of course, came after a great civil war was waged to ensure that African Americans not only were considered to be full persons, but also would be considered among those included in the ringing phrase in the Declaration of Independence that we hold these truths to be self-evident, that all men, and we should have added, but had not at that time, and women, are created equal, and are endowed by their Creator with certain unalienable rights, and among these are life, liberty and the pursuit of happiness. We fought a great civil war to address the grievance of non-inclusion of those of African descent. It was not until the last century, in the 1920s, that women were given the full franchise in America.

It is appropriate that we recognize inclusion. We are going to have today the passage of this resolution, to recognize those of African American descent who have served in this Congress and made an historical contribution to this country. Next week I expect us to bring forward out of our committee another resolution which will recognize all of the women who have served in Congress to the present date.

The second edition of this document, which was published in 1990, contains brief biographies, photographs, and other historical information about Senator Revels and the 65 other distinguished African Americans who had served as of January 23, 1990. The volume is a treasured resource in libraries across America.

It is through this document, Mr. Speaker, that not only can young African Americans, but young people of all races, colors and creeds can be inspired by the biographies it contains, so that irrespective of who they might be, they can aspire to be honored by their neighbors and constituents and serve in the Congress of the United States.

This book explores not only the lives and careers of Members, but also provides a window on the many obstacles that have confronted African Americans as they made their way to the halls of this Congress. For example, Mr. Speaker, the biography of Senator Revels reveals how, having been born to free parents in 1827, he pursued a career of religious work in several States, including my own State of Maryland.

Settling in Mississippi after the Civil War, Revels won election to the State senate. After his colleagues sent him to Washington to complete Jefferson Davis' term in the United States Senate, an irony that I am sure is not lost on any of the readers of this biography, some Senators bitterly opposed his seating, arguing, among other things, that he did not meet the 9-year citizenship requirement, having just secured full citizenship with the ratification of the 14th Amendment in 1868.

Think of that argument, Mr. Speaker. "We have prohibited you from being a citizen. You are now free and a full citizen because we have adopted a constitutional amendment, but you do not qualify for membership in this body because, as a result of us not according you full citizenship, you have not met the 9-year requirement."

Fortunately, however, the Senate rejected those arguments and seated Mr. Revels on February 25, 1870, by a vote of 48 to 8.

The first African American Member of this House, Representative Joseph Rainey of South Carolina, was born the son of slave parents who managed to buy their family's freedom. When the Civil War began, Rainey was drafted and compelled to serve on a Confederate blockade runner, but he escaped to Bermuda. Returning to South Carolina after the war, Rainey was elected to the State senate, and later to complete an unexpired term in this body, taking office in December of 1870. Rainey served five terms with distinction and became the first Member of African ancestry to preside over this House.

Since Senator Revels and Representative Rainey took their oaths as Members of the 41st Congress, 104 additional African Americans have trod the path they so courageously blazed. A total of 40 additional distinguished African Americans have served since publication of the 1990 edition, 32 of whom are serving today.

Mr. Speaker, one need only to look around the House to see a new generation of African American leaders serving the American people ably and proudly. It is important, Mr. Speaker, that we recognize their contribution and chronicle their service, not for them individually, not to aggrandize them or to expand their egos. It is to recognize the hallmark of America, diversity and inclusion. It is our strength, and it is our promise to all our people. Even more importantly, it is crucial that we continually seek to inspire young people, as I said earlier, all across America, that they can aspire to public service, whatever the color of their skin and however humble their circumstances might have been. Adopting this resolution is yet another way to do that.

Mr. Speaker, the distinguished gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) has noted that the 1990 edition was dedicated to Representative Mickey Leland of Texas, a colleague with whom I had the honor of serving.

□ 1030

He perished in a plane crash in August 1989 while on a humanitarian mission in Africa.

The gentlewoman has suggested that this next edition be dedicated to our late colleague Julian Dixon who died just last December, shocking and saddening us all after 22 years of service in this House. It was my privilege to serve with him for almost two decades. He was a wonderful human being and a great Member of this body. I cannot think of a more appropriate thing to do.

Mr. Speaker, I know that the gentleman from Ohio (Mr. NEY) joins me in that sentiment. Mr. Speaker, I urge the House to support the motion.

Mr. Speaker, I reserve the balance of my time.

Mr. NEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I obviously would concur, and I have no objection to the volume being dedicated to our late colleague from California, Julian Dixon, in honor of the tremendous 22 years of his life that he and his family give in distinguished service to this chamber and to citizens across the country.

I think we all recognize that his contribution was absolutely tremendous, well respected, and we all miss not having Julian Dixon with us. I do agree with that.

Mr. Speaker, I ask unanimous consent that the gentlewoman of West Virginia (Mrs. CAPITO) control the remainder of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). Without objection, the time allocated to the gentleman from Ohio (Mr. NEY) will be controlled by the gentlewoman from West Virginia (Mrs. CAPITO).

There was no objection.

Mrs. CAPITO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the last version of this publication, the 1990 edition, contained biographical information on 66 African Americans who served in the House and Senate, from 1870 through 1990. The updating of this publication will allow Members, scholars and the public access to information on every African American to ever serve in Congress, including the 40 Members who have entered the House and Senate after the printing of the last edition of this book.

The first African-American Member of Congress, Hiram Rhodes Revels of Mississippi, served in the Senate during the 41st Congress. Since that time, more than 100 other distinguished African-American legislators have served in the Congress. It is appropriate that, as we start the first Congress of this new millennium, that we recognize the service of African-American Members, and I urge my colleagues to support the passage of H. Con. Res. 43.

Mr. Speaker, I reserve the balance of my time.

Mr. HOYER. Mr. Speaker, I yield 1 minute to myself simply to introduce the next speaker.

I indicated that we are passing this resolution today, and next week I expect the House will pass a resolution sponsored by the gentlewoman from Ohio (Ms. KAPTUR) and co-sponsored by every other woman Member of the House to recognize the contribution of women.

We have a distinguished African-American woman who now chairs the Congressional Black Caucus, an outstanding leader in the State Senate in Texas for many years, and an outstanding leader in this House. She is not only a Texas leader, she is a national leader as well.

Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, as chair of the Congressional Black Caucus, I am honored to urge the passage of H. Con. Res. 43 which authorizes the revised printing of the House document entitled "Black Americans in Congress."

I want to thank the gentleman from Maryland for his foresight and leadership on this issue; and also the gentleman from Ohio (Mr. NEY), the chairman of the Committee on House Administration. I know the gentleman from Ohio has many obligations which touch and concern the efficient management and operation of this institution. I want to thank the gentleman for including the important task of updating this book as a part of his mission.

Mr. Speaker, I ask that if this resolution is approved, that the revised version be dedicated to my friend and colleague, Representative Julian Dixon, who passed away 3 months ago. As we know since the original printing of this book, 40 new African-American Members of Congress have walked through these hallowed halls. Many Members who are here now were not here when the book was first printed, including myself.

Mr. Speaker, our being here is not an individual accomplishment, it is a testament to a people. African Americans in this country have gone from chains to Congress, from auction block to Wall Street, from segregation to Silicon Valley. African Americans have been a moving and integral force in the history and development of this country, and we will continue to press forward. As members of the Congressional Black Caucus, our motto has always been "No permanent friends, no permanent enemies, just permanent issues."

This motto encompasses our goal of ensuring that every American can enjoy the blessings of peace and prosperity. It is not a utopian ideal or an insurmountable hurdle. It is the concrete realization of Dr. Martin Luther King's message when he said that we are trying to make America true to its promise.

The individual stories in this book are a tribute to those who have worked toward fulfilling America's promise. Their struggles serve as a road map to guide us forward in our struggle together as a people and as a Nation.

Mr. Speaker, I thank the gentleman from Maryland (Mr. HOYER) for sponsoring this legislation once again, and say once again that it is important that young people of African-American descent and even new immigrants must understand that they are role models and they can achieve, they can aspire. The opportunities are possible, and with a documentation of this sort I feel that it will be a major part of libraries throughout this country so that there will be a bright future planned for, worked for, thought about, and achieved by those who feel perhaps now that the opportunity simply is not there. They need to know their history, and I thank my colleagues very much for supporting this resolution that will further document that history and progress.

Mrs. CAPITO. Mr. Speaker, I reserve the balance of my time.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our next speaker is a member of the Committee on House Administration who has served with great distinction, a leader in one of the great cities of the world in which we articulated so compelling our belief that all men were created equal. We did not live up to the reality of that statement, as compelling and profound as it was, because I think we did not realize the full ramifications of what we said. It took Martin Luther King and thousands of other courageous African Americans to call our attention to the shortcomings between our actions and our words.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. FATTAH), who has been a great leader and a great supporter on the Committee on House Administration.

Mr. FATTAH. Mr. Speaker, let me thank the gentleman from Maryland, the ranking member, and let me quickly state that I support this resolution. I think it is important. I am a Member that has served in a number of capacities, on the Committee on House Administration, the Committee on Standards of Official Conduct, both committees which really serve this institution; and I think all of us have a responsibility to serve the institution and not just serve our own districts and our own needs.

Part of that service is that this institution has to be respectful of its own history and it is important given the 13,000 or so individuals who have served in the House, and some number close to a hundred who have been African Americans, I think it is important that this book document the life and work of African-American Members. It should be updated. It would be important for students all across the globe who study the United States Congress to read the stories of people like my predecessor, the Congressman from the second district, William H. Gray, who rose to be the highest ranking African American at that time to serve in the Congress; to learn about the gentleman from Oklahoma (Mr. WATTS) and his leadership in the majority party; to understand the legacy of an Adam Clayton Powell who passed into law more measures which have an impact on tens of millions of Americans than any of us could talk about on a day on this floor, from Head Start to the minimum wage law. It would be helpful for people who want to study this institution to know that there was a time in which African-American Members who served here could not eat in the Member's dining room, could not check into a hotel in this city, and nonetheless came to this floor and worked on committees and championed the causes of their districts and helped move this Nation towards a more perfect Union.

Mr. Speaker, I want to thank my colleague for authoring this resolution to update and revise this historical document that is reflective of the life and legacy of so many who have served, and moreover for the tens of millions of people whom they have represented here in the halls of Congress. I urge all of my colleagues to support the resolution.

Mrs. CAPITO. Mr. Speaker, I reserve the balance of my time.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have one additional speaker, the distinguished representative from Texas who has the distinct honor of succeeding Barbara Jordan and Mickey Leland in representing their district of Texas.

Barbara Jordan was one of the most compelling and articulate voices on behalf of the Constitution of the United States and the principles that it set forth.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman from Maryland and I thank the members of the majority for assisting in bringing this legislation to the floor and for the bipartisan aspect of this legislation.

Mr. Speaker, I think that there are many things that the House can convene to do, and in many instances there is vigorous debate because that is what democracy is all about. I am very proud to be able to stand today to add support to the leadership of the gentleman from Maryland (Mr. HOYER) on this legislation and many others, and proud to be an original co-sponsor of legislation that brings dignity to the service of so many Americans.

After the Emancipation Proclamation and reconstruction began, the best and the brightest of the then-free slaves rose up to be governors and Senators and Members of Congress. It was not an easy time for them and they were not given in many instances the appropriate recognition, but they served in this august body, a body that when you bring guests to walk through the halls, they are in awe at the history and respect of this institution.

Those African Americans who served during reconstruction were in many instances described in ugly terms, and yet they were lawyers and teachers and property owners in some instances. And they served at the very best. It was then in 1901 that George White, an African American, a freed slave, went to the floor of the House to be able to speak to his colleagues in a very dramatic but sad way. For at that time as Jim Crow raised his head, George White, the last African American, went to the floor to say good-bye for his seat no longer existed, but he indicated that the Negro, like the Phoenix, would rise again.

Mr. Speaker, it took some 30 years before Oscar De Priest came to this House, and it had to be done with collaboration with other Members, to be sure that he could be seated.

I would simply say, and I thank the gentleman for the time, that that is a history that is rich and it is a history that is deep and should be told. And as we moved into the 1940s and 1950s, more African Americans came to the United States Congress with their respective histories. I believe it is appropriate as we have grown, not for any self-enhancement, but to be able to show the world and not just America that we are truly a democracy and this is the people's House.

Tragically in this century or at least in these last decades, we have had one Senator and previously a Senator that served in the 1960s and 1970s and I believe early eighties, Senator Brooks, and so we have not done as well in the United States Senate, but I am gratified for this rendition that will pay tribute again to the Honorable Barbara Jordan, who eloquently stated her belief in this democracy during the impeachment hearings of 1974; and of course eloquently acknowledged the deep love of this institution of Congressman Mickey Leland, who was the founder and organizer of the Select Committee on Hunger, and lost his life trying to serve those who were less fortunate than he.

□ 1045

We now come forward and, hopefully, Julian Dixon, who we have lost, who will be honored and many, many others already served with such distinction. This is an excellent contribution to the history of this great body. This brings us closer together.

Although we realize we differ on opinions on many issues, it is certainly a fine moment in this Congress, I say to the gentleman from Maryland (Mr. HOYER), when we can come together to celebrate or commemorate the very few African Americans that have served and expressed their love of this country representing not only African Americans and their respective districts but representing all of America.

Mr. Speaker, I want to thank the authors of the legislation and commend those who will eventually have the opportunity to peruse and read this document of history, a good reading and good history.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentlewoman from Texas (Ms. JACKSON-LEE) for her very cogent comments, for her contribution to this body, and to enhancing the history of the contribution of African Americans to the House and to this country.

Mr. Speaker, in closing, let me thank the gentlewoman from West Virginia (Mrs. CAPITO) for her contribution to this debate and her participation in passing this resolution, and again to thank the gentleman from Ohio (Mr. NEY), the chairman of the Committee on House Administration, and his staff for working so diligently to ensure the rapid passage of this resolution.

Mr. KIND. Mr. Speaker, I rise in support of the resolution brought by my good friend from Maryland.

Last year, Mr. HOYER and former Chairman THOMAS helped move a bill of mine through their committee and onto the floor which authorized the preservation of veterans' war memories through an interactive archive at the Library of Congress. I was pleased that my colleagues here in the House, as well as those in the Senate, approved the Veterans Oral History Project unanimously. The bill was signed into law last October; a fitting tribute to the contributions and sacrifices of our war veterans.

We are now here to authorize a measure to acknowledge the special contributions of Members of our own body. Many of the African-American Representatives elected to this House over the decades have been pioneers in their own times, and updating the book that recognizes this unique group of elected leaders is a wise and worthy investment on our part.

History must accurately reflect the efforts of African-American leaders elected to national office, efforts which, at various times and locations in this country, were heroic in the face of both quiet and overt racism and bigotry.

This bill will assist historians and students of history to understand the who and what of African-Americans running and winning national office, so that each American can reflect on the how and why.

Again, I applaud my good friend from Maryland for this effort at preserving this body's and this Nation's valuable history. And I look forward to the updated copy of this valuable book.

Mrs. CHRISTENSEN. Mr. Speaker, I am honored today to rise in support of H. Con. Res. 43, a bill authorizing the printing of a revised and updated version of the House document entitled "Black Americans in Congress, 1870–1989." I would also like to thank my colleague and friend, Congressman STENY HOYER for introducing this very important and critical measure.

Mr. Speaker, with the convening of the 107th Congress, a total of 106 African-Americans have been elected to the Congress in the history of this nation; 4 in the Senate and 102 in the House. In addition to these 106, John W. Menard (R–LA) won a disputed election in 1868 but was not permitted to take his seat in Congress. Whereas, the number of African-Americans who have served in Congress over the past 130 years (1870–2001) has been small, our contribution has been enormous and invaluable to our society. It is important to continue to preserve our contributions and legacies to this institution because although we have remained few in numbers, our presence and work continues to be heard throughout the halls of Congress. Individually and collectively, under the direction of the Congressional Black Caucus, our work has and continues to affect individuals throughout the nation and the world. Our dear and beloved colleague, Congressman Micky Leland was a great humanitarian, who championed the cause to end hunger in Ethiopia. His life was tragically cut short in a plane crash in the mountains of Ethiopia. The late Congressman Julian Dixon who pursued his long-time involvement in ensuring the nation's commitment to civil rights through his advocacy for the Equal Employment Opportunities Commission, the U.S. Commission on Civil Rights, and the Community Relations Service. Former Representative Louis Stokes distinguished himself as the leader and founder of the Congressional Black Caucus Health Braintrust, whose purpose is to address and eliminate health disparities. Representative JOHN CONYERS, who is the second longest serving Member of Congress and the longest serving African-American member of the Congress in U.S. History, continues to work on behalf of social justice and economic opportunity. These are just some of the historical contributions of African-Americans to the U.S. Congress.

Mr. Speaker, it is important that we continue to document the work and accomplishments of African-Americans in Congress by updating the document entitled "Black Americans in Congress, 1870–1989." This document contains invaluable information for children across the nation, especially children of African-American descent. I encourage my colleagues to support this bipartisan measure.

Ms. KILPATRICK. Mr. Speaker, first I would like to thank the University of Akron's Political Resources Page and the Congressional Research Service both of whom were very helpful in helping me acquire this information.

I. HISTORICAL BACKGROUND

African-Americans in Congress

Of the more than 11,000 representatives in U.S. Congress since 1789, there have been 105 black Members of Congress. 101 elected to the House and four to the Senate.

Most of these members entered the institution in two distinct waves. The first wave started during Reconstruction. The first black Member of Congress was Hiram Rhodes Revels (R–MS) who served in the Senate during the 41st Congress (1870). The first black Member of the House was Joseph H. Rainey (R–SC). He also served in the 41st Congress.

A total of 22 blacks who were in Congress came from states with high black populations—the former slave states of the South.

From 1870 to 1897 South Carolina elected eight blacks to the House.

Mississippi and Louisiana each elected one black to the House.

Between the Fifty-second and Fifty-sixth Congresses (1891–1901) there was only one black member per session.

Four former slave states—Arkansas, Tennessee, Texas, and West Virginia—never elected any black representative during the Reconstruction era despite very sizable black populations.

Second Wave of Blacks in Congress

The second wave began in 1928 with the election of Republican Oscar DePriest from an inner-city Chicago District. He was defeated in 1934 by Arthur Mitchell, the first black Democrat elected to Congress.

In 1944, Adam Clayton Powell, Jr. was elected Congressman in Harlem, New York. For the first time since 1891 there was more than one black representative in the House.

In 1950, there was another breakthrough for black representation when Representative William Dawson (R–Il) gained enough seniority to become the first black to chair a standing committee, the Government Operations Committee.

In 1960, Powell became Chairman of the more important Education and Labor Committee.

Another breakthrough came in 1966 when Edward W. Brooke was elected as a Republican Senator from Massachusetts, a state whose population was less than 3 percent African-American. Brooke served until his defeat in 1978.

African-American Women in Congress

In 1968, Shirley Chisolm (D–NY) became the first African-American woman to serve in the House. She served in the 91st through the 97th Congresses (1969–1983). Since that time, 20 other African-American women have been elected.

In 1992, Carol Moseley Braun (D–IL) became the first African-American woman and the first African-American Democrat to serve in the Senate.

Rep. Barbara Jordan (D–TX) became the first African-American woman from the South to serve in Congress.

Party Affiliation

The majority of African-American Members have been Democrats. There have been 78 African-American Democrats and 27 African-American Republicans. African-American members of Congress have served on all major committees. Sixteen have served as committee chairmen, 15 in the House and one in the Senate.

II. CLOSING

Mr. Speaker, the list of great African-American leaders could go on and on. And it is continually growing.

Take a look around this very body and you will see a new generation of African-American leaders who serve the American people. I emphasize this point because the African-American struggle for rights has benefited all Americans. Whether they be poor, women, minority or disabled, all Americans have benefited from our attempt to make our democracy accountable to all of its citizens. It is important that we recognize the contribution of African American Members of Congress and their service to the American people. It's important that we capture the rich lessons of their lives which will inspire generations to come.

I have joined more than 40 of our colleagues in cosponsoring a concurrent, bipartisan resolution for the printing of a revised edition of the House document entitled, "Black Americans in Congress, 1870–1989."

The latest edition of this work, published in 1990, contains brief biographies, photographs and other important historical information about the 66 distinguished African Americans who had served in either chamber of Congress as of January 23, 1990. Since that time, another 40 distinguished African Americans have served.

On the heels of this past February's national celebration of Black History Month, I encourage my colleagues to support this important resolution, which directs the Library of Congress to revise and update this volume. It will be a tremendous resource for Members, scholars, students and others.

Mr. HOYER'S action on behalf of this measure is evidence of how far our nation has come. When the Voting Rights Act was signed into law by President Johnson in 1965, there were five African Americans in Congress. Today, there are nearly 40.

We have come a long way, but our work is not yet done. This past election has illustrated the need for us to reform our democracy. Never again should we be forced to relive the civil rights battles fought so long ago. The events of the 2000 Presidential Election was a potent reminder of a legacy of disenfranchisement that we believed existed only in the annals of our nation's history.

The election of African Americans to Congress was the result of the dedication of many of those commemorated in the publication Black Americans in Congress. Revising and updating this publication speaks symbolically to the continued struggle not only to maintain the right to vote, but to ensure that all votes are counted once cast.

Mr. CONYERS. Mr. Speaker, I rise today in support of H. Con. Res. 43, legislation to authorize printing of a revised and updated version of the book "Black Americans in Congress, 1870–1989." This volume is an important chronicle of the history of the United States Congress, and the diversity that has made up this Congress for over one hundred years.

The printing of an updated version of "Black Americans in Congress" will serve as an educational and historical reference for all Americans. We must never forget that there were Black Members of this Congress in 1870, just five years after the end of slavery. We must not hesitate to teach our children that there were, at one time, Members of Congress who had barely secured their own right to vote. As we continue to work towards the promise of our democratic system, it becomes even more relevant to recognize those past Members of Congress who struggle, in sometimes hostile environments, to serve our country. Special thanks go to my good friend STENY HOYER and the Members of the Administration Committee who have shown such leadership on this important issue. As a founding member and Dean of the Congressional Black Caucus, I encourage the House to pass this resolution.

Mr. BACA. Mr. Speaker, I strongly support, and encourage my colleagues to support, the authorization of a revised and updated printing of the House Document "Black Americans in Congress, 1870–1989". The achievement's of African-Americans here in Congress is truly remarkable and should be accurately documented for history.

In total, 103 African-Americans have taken their place in United States history as Congressional leaders. Their constituents know that they have and will continue to work to ensure that all citizens are represented equally and fairly. African-American Members of Congress continually strive to make sure that no one is left behind in this great nation.

The Congressional Black Caucus has an illustrious history, which includes efforts such as civil rights demonstrations and boycotts, a successful campaign for enactment of the Martin Luther King, Jr. national holiday, sanctions against apartheid in South Africa, and support for democracy in Haiti. In particular, I want to thank the members of the Black Caucus who have repeatedly visited my district, namely MAXINE WATERS, SHEILA JACKSON-LEE, JOHN CONYERS, JUANITA MILLENDER-MCDONALD, former Rep. Alan Wheat, former Rep. Mervyn Dymally, former Rep. Ron Dellums, the late former Rep. Augustus Hawkins, and the late Julian Dixon. These members have helped encourage African-American political activism in the Inland Empire.

More importantly, African-American Congressmen and women are role models for youth who can better identify with people who look and think as they do. Representative Barbara Jordan embodies this. She represented Houston, Texas and articulated with skill and knowledge the needs of not only African-Americans but also other minority communities. Among her legislative achievements was an amendment to the Voting Rights Act, which provided for the printing of bilingual ballots.

Oscar DePriest was the first Black Congressman in the twentieth century. When he took his seat, he was the only Black member in the chamber. Adam Clayton Powell, a magnificent orator, was both a Congressman and a Pastor. He understood the needs of Blacks in his district because he spoke to them and more importantly, listened to them every week. He served 11 terms in Congress and was chair of the influential Education and Labor Committee. New York's Shirley Chisolm was the first female elected to Congress and fought fervently for the Title I program that benefited disadvantaged children throughout the country. This is a very abbreviated list of accomplished public servants who gave their time and talent for the benefit of all Americans.

The working legacy of these remarkable 103 African-Americans must be preserved. We must recognize their service as well as the service of the current African-American Members of Congress. They continue the struggle for freedom, equality, and full-representation for all as guaranteed by our Constitution. We must honor their struggle. That is why I support, and I ask my colleagues to support, the updating of this important house document.

Mr. HOYER. Mr. Speaker, I yield back the balance of my time.

Mrs. CAPITO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res 43.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. CAPITO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. CAPITO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 43.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from West Virginia?

There was no objection.

PREVENTING ELIMINATION OF CERTAIN REPORTS

Mr. GRUCCI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1042) to prevent the elimination of certain reports, as amended.

The Clerk read as follows:

H.R. 1042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPORTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) does not apply to any report required to be submitted under any of the following provisions of law:

(1) Section 801(b) and (c) of the Department of Energy Organization Act (42 U.S.C. 7321(b) and (c)).

(2) Section 822(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (42 U.S.C. 6687).

(3) Section 7(a) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1106(a)).

(4) Section 206 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2476).

(5) Section 404 of the Communications Satellite Act of 1962 (47 U.S.C. 744).

(6) Section 205(a)(1) of the National Critical Materials Act of 1984 (30 U.S.C. 1804(a)(1)).

(7) Section 17(c)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3711a(c)(2)).

(8) Section 10(h) of the National Institute of Standards and Technology Act (15 U.S.C. 278(h)).

(9) Section 212(f)(3) of the National Institute of Standards and Technology Authorization Act for Fiscal Year 1989 (15 U.S.C. 3704b(f)(3)).

(10) Section 11(g)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(g)(2)).

(11) Section 5(d)(9) of the National Climate Program Act (15 U.S.C. 2904(d)(9)).

(12) Section 7 of the National Climate Program Act (15 U.S.C. 2906).

(13) Section 703 of the Weather Service Modernization Act (15 U.S.C. 313 note).

(14) Section 118(d)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1268(d)(2)).

(15) Section 304(d) of the Federal Aviation Administration Research, Engineering, and Development Authorization Act of 1992 (49 U.S.C. 47508 note).

(16) Section 2367(c) of title 10, United States Code.

(17) Section 303(c)(7) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(7)).

(18) Section 102(e)(7) of the Global Change Research Act of 1990 (15 U.S.C. 2932(e)(7)).

(19) Section 5(b)(1)(C) and (D) of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7704(b)(1)(C) and (D)).

(20) Section 11(e)(6) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(e)(6)).

(21) Section 2304(c)(7) of title 10, United States Code, but only to the extent of its application to the National Aeronautics and Space Administration.

(22) Section 4(j)(1) of the National Science Foundation Act of 1950 (42 U.S.C. 1863(j)(1)).

(23) Section 36(e) of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885c(e)).

(24) Section 37 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885d).

(25) Section 108 of the National Science Foundation Authorization Act for Fiscal Year 1986 (42 U.S.C. 1886).

(26) Section 101(a)(3) of the High-Performance Computing Act of 1991 (15 U.S.C. 5511(a)(3)).

(27) Section 3(a)(7) and (f) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)(7) and (f)).

(28) Section 7(a) of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1873 note).

(29) Section 16 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2215).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GRUCCI) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. GRUCCI).

GENERAL LEAVE

Mr. GRUCCI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material on H.R. 1042, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GRUCCI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last year, the Federal Reports Elimination and Sunset Act of 1995 went into effect, eliminating all reports to Congress contained in House Document 103-7. The law was intended to alleviate the amount of paperwork agencies are required to produce.

However, included in the hundreds of reports eliminated, the Committee on Science identified 29 contained in H.R. 1042 that are relevant to its oversight responsibilities. Included in these are the National Science Foundation's Science Indicators; a biennial report from the President on activities of all agencies in the field of marine science; an annual report on the National Technology Information Service and its activities; updates to the National Earthquake Hazards Reductions Program;

and an annual report on the application of new technologies to reduce aircraft noise levels.

These and other reports in H.R. 1042 will continue to provide constructive evaluation tools for the committee and the agencies producing them.

In the 106th Congress, the House passed H.R. 3904 under suspension and by voice vote. Unfortunately, the Senate ran out of time after the bill was cleared for passage and failed to be enacted into law. Less one report, H.R. 1042 is identical to H.R. 3904 passed last year. It is a noncontroversial legislation, and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support the Committee on Science bill H.R. 1042, a bill to prevent the elimination of certain government reports.

Mr. Speaker, the task of the Committee on Science and obligation is to oversee a number of technical and scientific aspects of our government's business. In order to do so, we are enhanced or helped by the important reports that we have been receiving over the years.

This legislation helps to correct an error that eliminated the reporting of or providing of such reports. I am representing the interests of the entire Congress as I speak, but especially the interests of the Committee on Science.

This bill, should it pass both Houses and be signed into law, would stop the elimination of valuable reports that are produced by agencies at the direct request of Congress throughout the entire Federal Government.

Briefly, the situation is that H.R. 1042 was designed to address, began with the signing into law of the Federal Reports Elimination Sunset Act of 1995. This legislation was one of the actions taken in the first year after the Republicans took over that now appears to be excessive.

This bill eliminated every report listed in a document reports to be made to Congress in the 103rd Congress, which was virtually every statutorily required report to Congress. Some reporting requirements were arguably obsolete, but these reports contained much of the information that the executive branch supplies to Congress, ranging from the annual budget documents to reports on the functioning of specific government programs.

These reports go to the heart of executive branch accountability and Congress oversight responsibilities. It is hard to fathom how Congress could do its job of reviewing executive branch activities and making intelligent and legislative decisions without current detailed information on many of those subjects.

H.R. 1042 prevents the elimination of 29 reports within the jurisdictional areas covered by the Committee on Science. These range from the National Energy Policy Plan, which obviously at this juncture in our history is enormously important, and I serve on the Subcommittee on Energy, and we will be intensely reviewing how we can enhance the utilization of our limited resources, create alternative resources for energy and, in general, help America continue to be successful in having the right energy resources, to the Annual Report on Aeronautics and Space Activities, to the Annual Report of the National Science Board. Other reports let Congress know how the administration is doing in such high-priority areas as women and minorities in science and technology, high performance computing, placement of minorities, women and handicapped individuals at the National Science Foundation, and global warming.

Other reports deal with satellites, with critical technologies, with earthquakes and with technology transfer.

Mr. Speaker, this information is too important not to be made public. We, therefore, support this legislation; and I would ask my colleagues to support the passage of H.R. 1042.

Mr. Speaker, I yield back the balance of my time.

Mr. GRUCCI. Mr. Speaker, I include the following letter from the gentleman from Utah (Mr. HANSEN), chairman of the Committee on Resources, for the RECORD:

House of Representatives,
Committee on Resources,
Washington, DC, March 20, 2001.

Hon. Sherwood L. Boehlert,
Chairman, Committee on Science, Rayburn HOB, Washington, DC.

Dear Mr. Chairman: I have just reviewed the text of H.R. 1042, to prevent the elimination of certain reports, which is scheduled to be considered by the House of Representatives this Wednesday under suspension of the rules. This bill was referred exclusively to the Committee on Science. One of the reports to Congress proposed to be restored is found in section 7(a) of the Marine Resources and Engineering Development Act of 1966.

Based on recent referrals of bills, the Committee on Resources has primary jurisdiction of the National Sea Grant College Program which is part of the Marine Resources and Engineering Development Act of 1966. The Committee on Science has received sequential referrals of bills which reauthorize appropriations for the Sea Grant program. See H.R. 437 (105th Congress) and H.R. 1175 (104th Congress).

The Committee on Resources supports the restoration of this report to Congress and thanks Congressman Grucci for including it in his bill. We have no objection to the consideration of H.R. 1042 on the Floor this week but ask that this letter be included as part of the debate to register our jurisdictional interest.

Thank you for your leadership in ensuring that Congress has adequate information on the programs it supports and I look forward to working with you in the coming months on legislation of mutual interest.

Sincerely,
James V. Hansen.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Grucci) that the House suspend the rules and pass the bill, H.R. 1042, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. GRUCCI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

MARITIME POLICY IMPROVEMENT ACT OF 2001

Mr. LoBIONDO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1098) to improve the recording and discharging of maritime liens and expand the American Merchant Marine Memorial Wall of Honor, and for other purposes.

The Clerk read as follows:

H.R. 1098

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Maritime Policy Improvement Act of 2001".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Vessel COASTAL VENTURE.
Sec. 4. Expansion of American Merchant Marine Memorial Wall of Honor.
Sec. 5. Discharge of agricultural cargo residue.
Sec. 6. Recording and discharging maritime liens.
Sec. 7. Tonnage of R/V DAVIDSON.
Sec. 8. Miscellaneous certificates of documentation.
Sec. 9. Exemption for Victory Ships.
Sec. 10. Certificate of documentation for 3 barges.
Sec. 11. Certificate of documentation for the EAGLE.
Sec. 12. Waiver for vessels in New World Challenge Race.
Sec. 13. Vessel ASPHALT COMMANDER.

SEC. 3. VESSEL COASTAL VENTURE.

Section 1120(g) of the Coast Guard Authorization Act of 1996 (Public Law 104-324; 110 Stat. 3978) is amended by inserting "COASTAL VENTURE (United States official number 971086)," after "vessels".

SEC. 4. EXPANSION OF AMERICAN MERCHANT MARINE MEMORIAL WALL OF HONOR.

(a) Findings.—The Congress finds that—

(1) the United States Merchant Marine has served the people of the United States in all wars since 1775;

(2) the United States Merchant Marine served as the Nation's first navy and defeated the British Navy to help gain the Nation's independence;

(3) the United States Merchant Marine kept the lifeline of freedom open to the allies of the United States during the Second World War, making one of the most significant contributions made by any nation to the victory of the allies in that war;

(4) President Franklin D. Roosevelt and many military leaders praised the role of the United States Merchant Marine as the "Fourth Arm of Defense" during the Second World War;

(5) more than 250,000 men and women served in the United States Merchant Marine during the Second World War;

(6) during the Second World War, members of the United States Merchant Marine faced dangers from the elements and from submarines, mines, armed raiders, destroyers, aircraft, and "kamikaze" pilots;

(7) during the Second World War, at least 6,830 members of the United States Merchant Marine were killed at sea;

(8) during the Second World War, 11,000 members of the United States Merchant Marine were wounded, at least 1,100 of whom later died from their wounds;

(9) during the Second World War, 604 members of the United States Merchant Marine were taken prisoner;

(10) 1 in 32 members of the United States Merchant Marine serving in the Second World War died in the line of duty, suffering a higher percentage of war-related deaths than any of the other armed services of the United States; and

(11) the United States Merchant Marine continues to serve the United States, promoting freedom and meeting the high ideals of its former members.

(b) GRANTS TO CONSTRUCT ADDITION TO AMERICAN MERCHANT MARINE MEMORIAL WALL OF HONOR.—

(1) IN GENERAL.—The Secretary of Transportation may make grants to the American Merchant Marine Veterans Memorial Committee, Inc., to construct an addition to the American Merchant Marine Memorial Wall of Honor located at the Los Angeles Maritime Museum in San Pedro, California.

(2) FEDERAL SHARE.—The Federal share of the cost of activities carried out with a grant made under this section shall be 50 percent.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000 for fiscal year 2002.

SEC. 5. DISCHARGE OF AGRICULTURAL CARGO RESIDUE.

Notwithstanding any other provision of law, the discharge from a vessel of any agricultural cargo residue material in the form of hold washings shall be governed exclusively by the provisions of the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.) that implement Annex V to the International Convention for the Prevention of Pollution from Ships.

SEC. 6. RECORDING AND DISCHARGING MARITIME LIENS.

(a) LIENS ON ANY DOCUMENTED VESSEL.—

(1) IN GENERAL.—Section 31343 of title 46, United States Code, is amended as follows:

(A) By amending the section heading to read as follows:

"§ 31343. Recording and discharging liens".

(B) In subsection (a) by striking "covered by a preferred mortgage filed or recorded under this chapter" and inserting "documented, or for which an application for documentation has been filed, under chapter 121".

(C) By amending subsection (b) to read as follows:

"(b)(1) The Secretary shall record a notice complying with subsection (a) of this section if, when the notice is presented to the Secretary for recording, the person having the claim files with the notice a declaration stating the following:

"(A) The information in the notice is true and correct to the best of the knowledge, information, and belief of the individual who signed it.

"(B) A copy of the notice, as presented for recordation, has been sent to each of the following:

"(i) The owner of the vessel.

"(ii) Each person that recorded under section 31343(a) of this title an unexpired notice of a claim of an undischarged lien on the vessel.

"(iii) The mortgagee of each mortgage filed or recorded under section 31321 of this title that is an undischarged mortgage on the vessel.

"(2) A declaration under this subsection filed by a person that is not an individual must be signed by the president, member, partner, trustee, or other official authorized to execute the declaration on behalf of the person.".

(D) By amending subsection (c) to read as follows:

"(c)(1) On full and final discharge of the indebtedness that is the basis for a notice of claim of lien recorded under subsection (b) of this section, the person having the claim shall provide the Secretary with an acknowledged certificate of discharge of the indebtedness. The Secretary shall record the certificate.

"(2) The district courts of the United States shall have jurisdiction over a civil action to declare that a vessel is not subject to a lien claimed under subsection (b) of this section, or that the vessel is not subject to the notice of claim of lien, or both, regardless of the amount in controversy or the citizenship of the parties. Venue in such an action shall be in the district where the vessel is found, or where the claimant resides, or where the notice of claim of lien is recorded. The court may award costs and attorneys fees to the prevailing party, unless the court finds that the position of the other party was substantially justified or other circumstances make an award of costs and attorneys fees unjust.".

(E) By adding at the end the following:

"(e) A notice of claim of lien recorded under subsection (b) of this section shall expire 3 years after the date specified in the notice under subsection (b) of this section.

"(f) This section does not alter in any respect the law pertaining to the establishment of a maritime lien, the remedy provided by such a lien, or the defenses thereto, including any defense under the doctrine of laches.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 313 of title 46, United States Code, is amended by striking the item relating to section 31343 and inserting the following:

"31343. Recording and discharging liens.".

(b) NOTICE REQUIREMENTS.—Section 31325 of title 46, United States Code, is amended as follows:

(1) In subsection (d)(1)(B) by striking "a notice of a claim" and inserting "an unexpired notice of a claim".

(2) In subsection (f)(1) by striking "a notice of a claim" and inserting "an unexpired notice of a claim".

(c) APPROVAL OF SURRENDER OF DOCUMENTATION.—Section 12111 of title 46, United States Code, is amended by adding at the end the following:

"(d)(1) The Secretary shall not refuse to approve the surrender of the certificate of documentation for a vessel solely on the basis that a notice of a claim of a lien on the vessel has been recorded under section 31343(a) of this title.

"(2) The Secretary may condition approval of the surrender of the certificate of documentation for a vessel over 1,000 gross tons.".

(d) TECHNICAL CORRECTION.—Section 9(c) of the Shipping Act, 1916 (46 U.S.C. App. 808(c)) is amended in the matter preceding paragraph (1) by striking "Except" and all that follows "12106(e) of title 46," and inserting "Except as provided in section 611 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1181) and in sections 12106(e) and 31322(a)(1)(D) of title 46,".

(e) EFFECTIVE DATE.—This section shall take effect July 1, 2002.

SEC. 7. TONNAGE OF R/V DAVIDSON.

(a) IN GENERAL.—The Secretary of Transportation shall prescribe a tonnage measurement as a small passenger vessel as defined in section 2101 of title 46, United States Code, for the vessel R/V DAVIDSON (United States official number D1066485) for purposes of applying the optional regulatory measurement under section 14305 of that title.

(b) APPLICATION.—Subsection (a) shall apply only when the vessel is operating in compliance with the requirements of section 3301(8) of title 46, United States Code.

SEC. 8. MISCELLANEOUS CERTIFICATES OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the following vessels:

(1) LOOKING GLASS (United States official number 925735).

(2) YANKEE (United States official number 1076210).

(3) LUCKY DOG of St. Petersburg, Florida (State of Florida registration number FLZP7569E373).

(4) ENTERPRIZE (United States official number 1077571).

(5) M/V SANDPIPER (United States official number 1079439).

(6) FRITHA (United States official number 1085943).

(7) PUFFIN (United States official number 697029).

(8) VICTORY OF BURNHAM (United States official number 663780).

(9) R'ADVENTURE II (United States official number 905373).

(10) ANTJA (State of Florida registration number FL3475MA).

(11) SKIMMER, manufactured by Contour Yachts, Inc. (hull identification number QHG34031D001).

(12) TOKEENA (State of South Carolina registration number SC 1602 BJ).

(13) DOUBLE EAGLE2 (United States official number 1042549).

(14) ENCOUNTER (United States official number 998174).

(15) AJ (United States official number 599164).

(16) BARGE 10 (United States official number 1101368).

(17) NOT A SHOT (United States official number 911064).

(18) PRIDE OF MANY (Canadian official number 811529).

(19) AMAZING GRACE (United States official number 92769).

(20) SHEWHO (United States official number 1104094).

SEC. 9. EXEMPTION FOR VICTORY SHIPS.

Section 3302(l)(1) of title 46, United States Code, is amended by adding at the end the following:

"(D) The steamship SS Red Oak Victory (United States official number 249410), owned by the Richmond Museum Association, located in Richmond, California.".

"(E) The SS American Victory (United States official number 248005), owned by Victory Ship, Inc., of Tampa, Florida.".

SEC. 10. CERTIFICATE OF DOCUMENTATION FOR 3 BARGES.

(a) DOCUMENTATION CERTIFICATE.—Notwithstanding section 12106 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), and subject to subsection (c) of this section, the Secretary of Transportation may issue a certificate of documentation with an appropriate endorsement for employment in the coastwise trade for each of the vessels listed in subsection (b).

(b) VESSELS DESCRIBED.—The vessels referred to in subsection (a) are the following:

(1) The former Navy deck barge JIM, having a length of 110 feet and a width of 34 feet.

(2) The former railroad car barge HUGH, having a length of 185 feet and a width of 34 feet.

(3) The former railroad car barge TOMMY, having a length of 185 feet and a width of 34 feet.

(c) LIMITATION ON OPERATION.—A vessel issued a certificate of documentation under this section may be used only as a floating platform for launching fireworks, including transportation of materials associated with that use.

SEC. 11. CERTIFICATE OF DOCUMENTATION FOR THE EAGLE.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), chapter 121 of title 46, United States Code, and section 1 of the Act of May 28, 1906 (46 U.S.C. App. 292), the Secretary of Transportation shall issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EAGLE (hull number BK—1754, United States official number 1091389) if the vessel is—

(1) owned by a State, a political subdivision of a State, or a public authority chartered by a State;

(2) if chartered, chartered to a State, a political subdivision of a State, or a public authority chartered by a State;

(3) operated only in conjunction with—

(A) scour jet operations; or

(B) dredging services adjacent to facilities owned by the State, political subdivision, or public authority; and

(4) externally identified clearly as a vessel of that State, subdivision or authority.

SEC. 12. WAIVER FOR VESSELS IN NEW WORLD CHALLENGE RACE.

Notwithstanding section 8 of the Act of June 19, 1886 (46 App. U.S.C. 289), beginning on April 1, 2002, the 10 sailboats participating in the New World Challenge Race may transport guests, who have not contributed consideration for their passage, from and around the ports of San Francisco and San Diego, California, before and during stops of that race. This section shall have no force or effect beginning on the earlier of—

(1) 60 days after the last competing sailboat reaches the end of that race in San Francisco, California; or

(2) December 31, 2003.

SEC. 13. VESSEL ASPHALT COMMANDER.

Notwithstanding any other law or agreement with the United States Government, the vessel ASPHALT COMMANDER (United States official number 663105) may be transferred to or placed under a foreign registry or sold to a person that is not a citizen of the United States and transferred to or placed under a foreign registry.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. LOBIONDO) and the gentleman from Massachusetts (Mr. MCGOVERN) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. LOBIONDO).

Mr. LOBIONDO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the Maritime Policy Improvement Act of 2001. The provisions in this bill were developed during the conference negotiations on the Coast Guard Authorization Act of 2000 but were not enacted because of unrelated matters.

We are aware of no controversy surrounding this bill and hope that the Senate will send it to the President for his signature as soon as possible.

The bill contains provisions to authorize an expansion of the American Merchant Marine Memorial Wall of Honor, to establish a new method for recording and discharging certain maritime liens, and to provide limited relief to certain vessel owners.

Mr. Speaker, these men who braved enemy fire in all of our conflicts should be remembered for their actions to defend freedom and keep the supply lines open. Their sacrifices and battle should not be forgotten by a Nation that they served too well.

Mr. Speaker, I am pleased to be a part of this effort, and I urge all Members to support this bill

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H.R. 1098, the Maritime Policy Improvement Act of 2001. Mr. Speaker, this is a noncontroversial bill that includes those maritime policy provisions that had been agreed to last year by the conferees on the Coast Guard Authorization Act of 2000.

However, Mr. Speaker, as was mentioned, that bill was not reported from conference due to failure to agree to a Senate amendment concerning the types of damages that could be awarded for negligent deaths of passengers on board cruise ships. That provision is not included in this bill being considered today.

H.R. 1098 will allow for the recording of maritime liens on all U.S. flag vessels, not just those with preferred mortgages recorded with the Secretary.

It would clarify that the discharge of agricultural residues from cargo tanks in international waters is to be regulated under MARPOL Annex V.

It would provide for the construction of an American Merchant Marine Wall of Honor to honor those in the U.S. merchant marine who served the United States in every conflict beginning with the Revolutionary War.

It allows the Coast Guard to prescribe vessel safety operating standards for World War II victory ships that operate around San Francisco and Tampa.

Mr. Speaker, passage of this bill will clear the slate for the committee of last year's issues related to Coast Guard and maritime policy. Then we can begin to look at the problems currently facing the Coast Guard and the U.S. maritime industry to help them in the years ahead.

Mr. Speaker, I urge my colleagues to strongly support the passage of H.R. 1098, the Maritime Policy Improvement Act of 2001.

Mr. Speaker, I yield back the balance of my time.

Mr. LOBIONDO. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, I rise today in support of H.R. 1098, the Maritime Policy Improvement Act of 2001.

I am particularly pleased that section 4 of this legislation incorporates a bill that I introduced from the 106th Congress. This section authorizes the Secretary of Transportation to make grants to the American Merchant Marine Veterans Memorial Committee to construct an addition to the American Merchant Marine Memorial Wall of Honor in San Pedro, California.

Since 1775, the maritime community has played a critical role in gaining and preserving American freedom. The merchant marine served as our first navy and defeated the British navy in our fight for independence. We owe much to the brave mariners past and present who have served in the merchant marine.

The American Merchant Marine Memorial Wall of Honor located in San Pedro, California, is a symbol of the debt we owe those who have served so bravely.

Many of my colleagues will remember how the merchant marine secured its place in American history during the Second World War. During that conflict, the 250,000 men and women in the U.S. merchant marine fleet made enormous contributions to the eventual winning of the war, keeping the lifeline of freedom open to our troops overseas and to our allies. This fleet was truly the fourth arm of defense, as it was called by President Franklin D. Roosevelt and other military leaders.

The members of the U.S. merchant marine faced danger from submarines, mines, armed raiders, destroyers, aircraft kamikazes and the elements. At least 6,800 mariners were killed at sea. More than 11,000 were wounded at sea. Of those injured, at least 1,100 later died from their wounds. More than 600 men and women were taken prisoner by our enemies. In fact, 1 in 32 mariners serving abroad merchant ships in the Second World War died in the line of duty, suffering a greater percentage of war-related deaths than all other U.S. services.

Since that time, the U.S. merchant marine has continued to serve our Nation, promoting freedom and meeting the high ideals of its past members. It is fitting to honor the past and present members of the United States merchant marine. That is why I introduced the legislation.

I am delighted at the chairman and his very fine number of people that sit on that subcommittee that he heads, and I am very grateful for his honoring that.

I thank Chairman YOUNG, Chairman LOBIONDO, and ranking member OBERSTAR. The relatives of those who served their country as men and women merchant mariners will deeply be appreciated. So will I and all citizens and people generally.

Mr. LoBIONDO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. LoBIONDO) that the House suspend the rules and pass the bill, H.R. 1098.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LoBIONDO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LoBIONDO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1098.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

□ 1100

COAST GUARD PERSONNEL AND MARITIME SAFETY ACT OF 2001

Mr. LoBIONDO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1099) to make changes in laws governing Coast Guard personnel, increase marine safety, renew certain groups that advise the Coast Guard on safety issues, make miscellaneous improvements to Coast Guard operations and policies, and for other purposes.

The Clerk read as follows:

H. R. 1099

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Coast Guard Personnel and Maritime Safety Act of 2001".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—PERSONNEL MANAGEMENT

Sec. 101. Coast Guard band director rank.
Sec. 102. Compensatory absence for isolated duty.
Sec. 103. Accelerated promotion of certain Coast Guard officers.

TITLE II—MARINE SAFETY

Sec. 201. Extension of Territorial Sea for Vessel Bridge-to-Bridge Radiotelephone Act.
Sec. 202. Preservation of certain reporting requirements.
Sec. 203. Oil Spill Liability Trust Fund; emergency fund borrowing authority.
Sec. 204. Merchant mariner documentation requirements.
Sec. 205. Penalties for negligent operations and interfering with safe operation.

TITLE III—RENEWAL OF ADVISORY GROUPS

Sec. 301. Commercial Fishing Industry Vessel Advisory Committee.
Sec. 302. Houston-Galveston Navigation Safety Advisory Committee.
Sec. 303. Lower Mississippi River Waterway Advisory Committee.
Sec. 304. Navigation Safety Advisory Council.
Sec. 305. National boating safety advisory council.
Sec. 306. Towing Safety Advisory Committee.

TITLE IV—MISCELLANEOUS

Sec. 401. Patrol craft.
Sec. 402. Clarification of Coast Guard authority to control vessels in territorial waters of the United States.
Sec. 403. Caribbean support tender.
Sec. 404. Prohibition of new maritime user fees.
Sec. 405. Great Lakes lighthouses.
Sec. 406. Coast Guard report on implementation of NTSB recommendations.
Sec. 407. Conveyance of Coast Guard property in Portland, Maine.
Sec. 408. Harbor safety committees.
Sec. 409. Miscellaneous conveyances.
Sec. 410. Partnerships for performance of work at Coast Guard Yard.
Sec. 411. Boating safety.

TITLE I—PERSONNEL MANAGEMENT

SEC. 101. COAST GUARD BAND DIRECTOR RANK.

Section 336(d) of title 14, United States Code, is amended by striking "commander" and inserting "captain".

SEC. 102. COMPENSATORY ABSENCE FOR ISOLATED DUTY.

(a) IN GENERAL.—Section 511 of title 14, United States Code, is amended to read as follows:

"§ 511. Compensatory absence from duty for military personnel at isolated duty stations

"The Secretary may grant compensatory absence from duty to military personnel of the Coast Guard serving at isolated duty stations of the Coast Guard when conditions of duty result in confinement because of isolation or in long periods of continuous duty.".

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 13 of title 14, United States Code, is amended by striking the item relating to section 511 and inserting the following:

"511. Compensatory absence from duty for military personnel at isolated duty stations.".

SEC. 103. ACCELERATED PROMOTION OF CERTAIN COAST GUARD OFFICERS.

Title 14, United States Code, is amended—

(1) in section 259, by adding at the end a new subsection (c) to read as follows:

"(c)(1) After selecting the officers to be recommended for promotion, a selection board may recommend officers of particular merit, from among those officers chosen for promotion, to be placed at the top of the list of selectees promulgated by the Secretary under section 271(a) of this title. The number of officers that a board may recommend to be placed at the top of the list of selectees may not exceed the percentages set forth in subsection (b) unless such a percentage is a number less than one, in which case the board may recommend one officer for such placement. No officer may be recommended to be placed at the top of the list of selectees unless he or she receives the recommendation of at least a majority of the members of a board composed of five members, or at least two-thirds of the members of a board composed of more than five members.

"(2) The Secretary shall conduct a survey of the Coast Guard officer corps to determine if implementation of this subsection will improve Coast Guard officer retention. A selection board may not make any recommendation under this subsection before the date on which the Secretary publishes a finding, based upon the results of the survey, that implementation of this subsection will improve Coast Guard officer retention.

"(3) The Secretary shall submit any finding made by the Secretary pursuant to paragraph (2) to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.";

(2) in section 260(a), by inserting "and the names of those officers recommended to be advanced to the top of the list of selectees established by the Secretary under section 271(a) of this title" after "promotion"; and

(3) in section 271(a), by inserting at the end thereof the following: "The names of all officers approved by the President and recommended by the board to be placed at the top of the list of selectees shall be placed at the top of the list of selectees in the order of seniority on the active duty promotion list.".

TITLE II—MARINE SAFETY

SEC. 201. EXTENSION OF TERRITORIAL SEA FOR VESSEL BRIDGE-TO-BRIDGE RADIOTELEPHONE ACT.

Section 4(b) of the Vessel Bridge-to-Bridge Radiotelephone Act (33 U.S.C. 1203(b)), is amended by striking "United States inside the lines established pursuant to section 2 of the Act of February 19, 1895 (28 Stat. 672), as amended." and inserting "United States, which includes all waters of the territorial sea of the United States as described in Presidential Proclamation 5928 of December 27, 1988.".

SEC. 202. PRESERVATION OF CERTAIN REPORTING REQUIREMENTS.

Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) does not apply to any report required to be submitted under any of the following provisions of law:

(1) COAST GUARD OPERATIONS AND EXPENDITURES.—Section 651 of title 14, United States Code.

(2) SUMMARY OF MARINE CASUALTIES REPORTED DURING PRIOR FISCAL YEAR.—Section 6307(c) of title 46, United States Code.

(3) USER FEE ACTIVITIES AND AMOUNTS.—Section 664 of title 46, United States Code.

(4) CONDITIONS OF PUBLIC PORTS OF THE UNITED STATES.—Section 308(c) of title 49, United States Code.

(5) ACTIVITIES OF FEDERAL MARITIME COMMISSION.—Section 208 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1118).

(6) ACTIVITIES OF INTERAGENCY COORDINATING COMMITTEE ON OIL POLLUTION RESEARCH.—Section 7001(e) of the Oil Pollution Act of 1990 (33 U.S.C. 2761(e)).

SEC. 203. OIL SPILL LIABILITY TRUST FUND; EMERGENCY FUND BORROWING AUTHORITY.

Section 6002(b) of the Oil Pollution Act of 1990 (33 U.S.C. 2752(b)) is amended after the first sentence by inserting "To the extent that such amount is not adequate for removal of a discharge or the mitigation or prevention of a substantial threat of a discharge, the Coast Guard may borrow from the Fund such sums as may be necessary, up to a maximum of $100,000,000, and within 30 days shall notify Congress of the amount borrowed and the facts and circumstances necessitating the loan. Amounts borrowed shall be repaid to the Fund when, and to the extent that removal costs are recovered by the Coast Guard from responsible parties for the discharge or substantial threat of discharge.".

SEC. 204. MERCHANT MARINER DOCUMENTATION REQUIREMENTS.

(a) INTERIM MERCHANT MARINERS' DOCUMENTS.—Section 7302 of title 46, United States Code, is amended—

(1) by striking "A" in subsection (f) and inserting "Except as provided in subsection (g), a"; and

(2) by adding at the end the following:

"(g)(1) The Secretary may, pending receipt and review of information required under subsections (c) and (d), immediately issue an interim merchant mariner's document valid for a period not to exceed 120 days, to—

"(A) an individual to be employed as gaming personnel, entertainment personnel, wait staff, or other service personnel on board a passenger vessel not engaged in foreign service, with no duties, including emergency duties, related to the navigation of the vessel or the safety of the vessel, its crew, cargo or passengers; or

"(B) an individual seeking renewal of, or qualifying for a supplemental endorsement to, a valid merchant mariner's document issued under this section.

"(2) No more than one interim document may be issued to an individual under paragraph (1)(A) of this subsection.".

(b) EXCEPTION.—Section 8701(a) of title 46, United States Code, is amended—

(1) by striking "and" after the semicolon in paragraph (8);

(2) by redesignating paragraph (9) as paragraph (10); and

(3) by inserting after paragraph (8) the following:

"(9) a passenger vessel not engaged in a foreign voyage with respect to individuals on board employed for a period of not more than 30 service days within a 12 month period as entertainment personnel, with no duties, including emergency duties, related to the navigation of the vessel or the safety of the vessel, its crew, cargo or passengers; and".

SEC. 205. PENALTIES FOR NEGLIGENT OPERATIONS AND INTERFERING WITH SAFE OPERATION.

Section 2302(a) of title 46, United States Code, is amended by striking "$1,000." and inserting "$5,000 in the case of a recreational vessel, or $25,000 in the case of any other vessel.".

TITLE III—RENEWAL OF ADVISORY GROUPS

SEC. 301. COMMERCIAL FISHING INDUSTRY VESSEL ADVISORY COMMITTEE.

(a) COMMERCIAL FISHING INDUSTRY VESSEL ADVISORY COMMITTEE.—Section 4508 of title 46, United States Code, is amended—

(1) by inserting "**Safety**" in the heading after "**Vessel**";

(2) by inserting "Safety" in subsection (a) after "Vessel";

(3) by striking "(5 U.S.C. App. 1 et seq.)" in subsection (e)(1)(I) and inserting "(5 U.S.C. App.)"; and

(4) by striking "of September 30, 2000" and inserting "on September 30, 2005".

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 45 of title 46, United States Code, is amended by striking the item relating to section 4508 and inserting the following:

"4508. Commercial Fishing Industry Vessel Safety Advisory Committee.".

SEC. 302. HOUSTON-GALVESTON NAVIGATION SAFETY ADVISORY COMMITTEE.

Section 18(h) of the Coast Guard Authorization Act of 1991 (Public Law 102–241) is amended by striking "September 30, 2000." and inserting "September 30, 2005.".

SEC. 303. LOWER MISSISSIPPI RIVER WATERWAY ADVISORY COMMITTEE.

Section 19 of the Coast Guard Authorization Act of 1991 (Public Law 102–241) is amended by striking "September 30, 2000" in subsection (g) and inserting "September 30, 2005".

SEC. 304. NAVIGATION SAFETY ADVISORY COUNCIL.

Section 5 of the Inland Navigational Rules Act of 1980 (33 U.S.C. 2073) is amended by striking "September 30, 2000" in subsection (d) and inserting "September 30, 2005".

SEC. 305. NATIONAL BOATING SAFETY ADVISORY COUNCIL.

Section 13110 of title 46, United States Code, is amended by striking "September 30, 2000" in subsection (e) and inserting "September 30, 2005".

SEC. 306. TOWING SAFETY ADVISORY COMMITTEE.

The Act entitled "An Act to Establish a Towing Safety Advisory Committee in the Department of Transportation" (33 U.S.C. 1231a) is amended by striking "September 30, 2000." in subsection (e) and inserting "September 30, 2005.".

TITLE IV—MISCELLANEOUS

SEC. 401. PATROL CRAFT.

Notwithstanding any other provision of law, the Secretary of Transportation may accept, by direct transfer without cost, for use by the Coast Guard primarily for expanded drug interdiction activities required to meet national supply reduction performance goals, up to 7 PC–170 patrol craft from the Department of Defense if it offers to transfer such craft.

SEC. 402. CLARIFICATION OF COAST GUARD AUTHORITY TO CONTROL VESSELS IN TERRITORIAL WATERS OF THE UNITED STATES.

The Ports and Waterways Safety Act (33 U.S.C. 1221 et seq.) is amended by adding at the end the following:

"SEC. 15. ENTRY OF VESSELS INTO TERRITORIAL SEA; DIRECTION OF VESSELS BY COAST GUARD.

"(a) NOTIFICATION OF COAST GUARD.—Under regulations prescribed by the Secretary, a commercial vessel entering the territorial sea of the United States shall notify the Secretary not later than 24 hours before that entry and provide the following information regarding the vessel:

"(1) The name of the vessel.

"(2) The route and port or place of destination in the United States.

"(3) The time of entry into the territorial sea.

"(4) Any information requested by the Secretary to demonstrate compliance with applicable international agreements to which the United States is a party.

"(5) If the vessel is carrying dangerous cargo, a description of that cargo.

"(6) A description of any hazardous conditions on the vessel.

"(7) Any other information requested by the Secretary.

"(b) DENIAL OF ENTRY.—The Secretary may deny entry of a vessel into the territorial sea of the United States if—

"(1) the Secretary has not received notification for the vessel in accordance with subsection (a); or

"(2) the vessel is not in compliance with any other applicable law relating to marine safety, security, or environmental protection.

"(c) DIRECTION OF VESSEL.—The Secretary may direct the operation of any vessel in the navigable waters of the United States as necessary during hazardous circumstances, including the absence of a pilot required by State or Federal law, weather, casualty, vessel traffic, or the poor condition of the vessel.

"(d) IMPLEMENTATION.—The Secretary shall implement this section consistent with section 4(d).".

SEC. 403. CARIBBEAN SUPPORT TENDER.

The Coast Guard is authorized to operate and maintain a Caribbean Support Tender (or similar type vessel) to provide technical assistance, including law enforcement training, for foreign coast guards, navies, and other maritime services.

SEC. 404. PROHIBITION OF NEW MARITIME USER FEES.

Section 2110(k) of title 46, United States Code, is amended by striking "2001" and inserting "2006".

SEC. 405. GREAT LAKES LIGHTHOUSES.

(a) FINDINGS.—The Congress finds the following:

(1) The Great Lakes are home to more than 400 lighthouses. 120 of these maritime landmarks are in the State of Michigan.

(2) Lighthouses are an important part of Great Lakes culture and stand as a testament to the importance of shipping in the region's political, economic, and social history.

(3) Advances in navigation technology have made many Great Lakes lighthouses obsolete. In Michigan alone, approximately 70 lighthouses will be designated as excess property of the Federal Government and will be transferred to the General Services Administration for disposal.

(4) Unfortunately, the Federal property disposal process is confusing, complicated, and not well-suited to disposal of historic lighthouses or to facilitate transfers to nonprofit organizations. This is especially troubling because, in many cases, local nonprofit historical organizations have dedicated tremendous resources to preserving and maintaining Great Lakes lighthouses.

(5) If Great Lakes lighthouses disappear, the public will be unaware of an important chapter in Great Lakes history.

(6) The National Trust for Historic Preservation has placed Michigan lighthouses on

their list of Most Endangered Historic Places.

(b) ASSISTANCE FOR GREAT LAKES LIGHTHOUSE PRESERVATION EFFORTS.—The Secretary of Transportation, acting through the Coast Guard, shall—

(1) continue to offer advice and technical assistance to organizations in the Great Lakes region that are dedicated to lighthouse stewardship; and

(2) promptly release information regarding the timing of designations of Coast Guard lighthouses on the Great Lakes as excess to the needs of the Coast Guard, to enable those organizations to mobilize and be prepared to take appropriate action with respect to the disposal of those properties.

SEC. 406. COAST GUARD REPORT ON IMPLEMENTATION OF NTSB RECOMMENDATIONS.

The Commandant of the Coast Guard shall submit a written report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate within 90 days after the date of enactment of this Act on what actions the Coast Guard has taken to implement the recommendations of the National Transportation Safety Board in its Report No. MAR-99-01. The report—

(1) shall describe in detail, by geographic region—

(A) what steps the Coast Guard is taking to fill gaps in its communications coverage;

(B) what progress the Coast Guard has made in installing direction-finding systems; and

(C) what progress the Coast Guard has made toward completing its national distress and response system modernization project; and

(2) include an assessment of the safety benefits that might reasonably be expected to result from increased or accelerated funding for—

(A) measures described in paragraph (1)(A); and

(B) the national distress and response system modernization project.

SEC. 407. CONVEYANCE OF COAST GUARD PROPERTY IN PORTLAND, MAINE.

(a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—The Secretary of Transportation, or a designee of the Secretary, may convey to the Gulf of Maine Aquarium Development Corporation, its successors and assigns, without payment for consideration, all right, title, and interest of the United States in and to approximately 4.13 acres of land, including a pier and bulkhead, known as the Naval Reserve Pier property, together with any improvements thereon in their then current condition, located in Portland, Maine. All conditions placed with the deed of title shall be construed as covenants running with the land.

(2) IDENTIFICATION OF PROPERTY.—The Secretary, in consultation with the Commandant of the Coast Guard, may identify, describe, and determine the property to be conveyed under this section. The floating docks associated with or attached to the Naval Reserve Pier property shall remain the personal property of the United States.

(b) LEASE TO THE UNITED STATES.—

(1) CONDITION OF CONVEYANCE.—The Naval Reserve Pier property shall not be conveyed until the Corporation enters into a lease agreement with the United States, the terms of which are mutually satisfactory to the Commandant and the Corporation, in which the Corporation shall lease a portion of the Naval Reserve Pier property to the United States for a term of 30 years without payment of consideration. The lease agreement shall be executed within 12 months after the date of enactment of this Act.

(2) IDENTIFICATION OF LEASED PREMISES.—The Secretary, in consultation with the Commandant, may identify and describe the leased premises and rights of access, including the following, in order to allow the Coast Guard to operate and perform missions from and upon the leased premises:

(A) The right of ingress and egress over the Naval Reserve Pier property, including the pier and bulkhead, at any time, without notice, for purposes of access to Coast Guard vessels and performance of Coast Guard missions and other mission-related activities.

(B) The right to berth Coast Guard cutters or other vessels as required, in the moorings along the east side of the Naval Reserve Pier property, and the right to attach floating docks which shall be owned and maintained at the United States' sole cost and expense.

(C) The right to operate, maintain, remove, relocate, or replace an aid to navigation located upon, or to install any aid to navigation upon, the Naval Reserve Pier property as the Coast Guard, in its sole discretion, may determine is needed for navigational purposes.

(D) The right to occupy up to 3,000 gross square feet at the Naval Reserve Pier property for storage and office space, which will be provided and constructed by the Corporation, at the Corporation's sole cost and expense, and which will be maintained, and utilities and other operating expenses paid for, by the United States at its sole cost and expense.

(E) The right to occupy up to 1,200 gross square feet of offsite storage in a location other than the Naval Reserve Pier property, which will be provided by the Corporation at the Corporation's sole cost and expense, and which will be maintained, and utilities and other operating expenses paid for, by the United States at its sole cost and expense.

(F) The right for Coast Guard personnel to park up to 60 vehicles, at no expense to the government, in the Corporation's parking spaces on the Naval Reserve Pier property or in parking spaces that the Corporation may secure within 1,000 feet of the Naval Reserve Pier property or within 1,000 feet of the Coast Guard Marine Safety Office Portland. Spaces for no less than 30 vehicles shall be located on the Naval Reserve Pier property.

(3) RENEWAL.—The lease described in paragraph (1) may be renewed, at the sole option of the United States, for additional lease terms.

(4) LIMITATION ON SUBLEASES.—The United States may not sublease the leased premises to a third party or use the leased premises for purposes other than fulfilling the missions of the Coast Guard and for other mission related activities.

(5) TERMINATION.—In the event that the Coast Guard ceases to use the leased premises, the Secretary, in consultation with the Commandant, may terminate the lease with the Corporation.

(c) IMPROVEMENT OF LEASED PREMISES.—

(1) IN GENERAL.—The Naval Reserve Pier property shall not be conveyed until the Corporation enters into an agreement with the United States, subject to the Commandant's design specifications, project's schedule, and final project approval, to replace the bulkhead and pier which connects to, and provides access from, the bulkhead to the floating docks, at the Corporation's sole cost and expense, on the east side of the Naval Reserve Pier property within 30 months from the date of conveyance. The agreement to improve the leased premises shall be executed within 12 months after the date of enactment of this Act.

(2) FURTHER IMPROVEMENTS.—In addition to the improvements described in paragraph (1), the Commandant is authorized to further improve the leased premises during the lease term, at the United States sole cost and expense.

(d) UTILITY INSTALLATION AND MAINTENANCE OBLIGATIONS.—

(1) UTILITIES.—The Naval Reserve Pier property shall not be conveyed until the Corporation enters into an agreement with the United States to allow the United States to operate and maintain existing utility lines and related equipment, at the United States sole cost and expense. At such time as the Corporation constructs its proposed public aquarium, the Corporation shall replace existing utility lines and related equipment and provide additional utility lines and equipment capable of supporting a third 110-foot Coast Guard cutter, with comparable, new, code compliant utility lines and equipment at the Corporation's sole cost and expense, maintain such utility lines and related equipment from an agreed upon demarcation point, and make such utility lines and equipment available for use by the United States, provided that the United States pays for its use of utilities at its sole cost and expense. The agreement concerning the operation and maintenance of utility lines and equipment shall be executed within 12 months after the date of enactment of this Act.

(2) MAINTENANCE.—The Naval Reserve Pier property shall not be conveyed until the Corporation enters into an agreement with the United States to maintain, at the Corporation's sole cost and expense, the bulkhead and pier on the east side of the Naval Reserve Pier property. The agreement concerning the maintenance of the bulkhead and pier shall be executed within 12 months after the date of enactment of this Act.

(3) AIDS TO NAVIGATION.—The United States shall be required to maintain, at its sole cost and expense, any Coast Guard active aid to navigation located upon the Naval Reserve Pier property.

(e) ADDITIONAL RIGHTS.—The conveyance of the Naval Reserve Pier property shall be made subject to conditions the Secretary considers necessary to ensure that—

(1) the Corporation shall not interfere or allow interference, in any manner, with use of the leased premises by the United States; and

(2) the Corporation shall not interfere or allow interference, in any manner, with any aid to navigation nor hinder activities required for the operation and maintenance of any aid to navigation, without the express written permission of the head of the agency responsible for operating and maintaining the aid to navigation.

(f) REMEDIES AND REVERSIONARY INTEREST.—The Naval Reserve Pier property, at the option of the Secretary, shall revert to the United States and be placed under the administrative control of the Secretary, if, and only if, the Corporation fails to abide by any of the terms of this section or any agreement entered into under subsection (b), (c), or (d) of this section.

(g) LIABILITY OF THE PARTIES.—The liability of the United States and the Corporation for any injury, death, or damage to or loss of property occurring on the leased property shall be determined with reference to existing State or Federal law, as appropriate, and any such liability may not be modified or enlarged by this Act or any agreement of the parties.

(h) Expiration of Authority To Convey.—The authority to convey the Naval Reserve property under this section shall expire 3 years after the date of enactment of this Act.

(i) Definitions.—In this section:

(1) Aid to navigation.—The term "aid to navigation" means equipment used for navigational purposes, including but not limited to, a light, antenna, sound signal, electronic navigation equipment, cameras, sensors power source, or other related equipment which are operated or maintained by the United States.

(2) Corporation.—The term "Corporation" means the Gulf of Maine Aquarium Development Corporation, its successors and assigns.

SEC. 408. HARBOR SAFETY COMMITTEES.

(a) Study.—The Coast Guard shall study existing harbor safety committees in the United States to identify—

(1) strategies for gaining successful cooperation among the various groups having an interest in the local port or waterway;

(2) organizational models that can be applied to new or existing harbor safety committees or to prototype harbor safety committees established under subsection (b);

(3) technological assistance that will help harbor safety committees overcome local impediments to safety, mobility, environmental protection, and port security; and

(4) recurring resources necessary to ensure the success of harbor safety committees.

(b) Prototype Committees.—The Coast Guard shall test the feasibility of expanding the harbor safety committee concept to small and medium-sized ports that are not generally served by a harbor safety committee by establishing 1 or more prototype harbor safety committees. In selecting a location or locations for the establishment of a prototype harbor safety committee, the Coast Guard shall—

(1) consider the results of the study conducted under subsection (a);

(2) consider identified safety issues for a particular port;

(3) compare the potential benefits of establishing such a committee with the burdens the establishment of such a committee would impose on participating agencies and organizations;

(4) consider the anticipated level of support from interested parties; and

(5) take into account such other factors as may be appropriate.

(c) Effect on Existing Programs and State Law.—Nothing in this section—

(1) limits the scope or activities of harbor safety committees in existence on the date of enactment of this Act;

(2) precludes the establishment of new harbor safety committees in locations not selected for the establishment of a prototype committee under subsection (b); or

(3) preempts State law.

(d) Nonapplication of FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) does not apply to harbor safety committees established under this section or any other provision of law.

(e) Harbor Safety Committee Defined.—In this section, the term "harbor safety committee" means a local coordinating body—

(1) whose responsibilities include recommending actions to improve the safety of a port or waterway; and

(2) the membership of which includes representatives of government agencies, maritime labor, maritime industry companies and organizations, environmental groups, and public interest groups.

SEC. 409. MISCELLANEOUS CONVEYANCES.

(a) Authority To Convey.—

(1) In general.—The Secretary of Transportation may convey, by an appropriate means of conveyance, all right, title, and interest of the United States in and to each of the following properties:

(A) Coast Guard Slip Point Light Station, located in Clallam County, Washington, to Clallam County, Washington.

(B) The parcel of land on which is situated the Point Piños Light, located in Monterey County, California, to the city of Pacific Grove, California.

(2) Identification of property.—The Secretary may identify, describe, and determine the property to be conveyed under this subsection.

(3) Limitation.—The Secretary may not under this section convey—

(A) any historical artifact, including any lens or lantern, located on the property at or before the time of the conveyance; or

(B) any interest in submerged land.

(b) General Terms and Conditions.—

(1) In general.—Each conveyance of property under this section shall be made—

(A) without payment of consideration; and

(B) subject to the terms and conditions required by this section and other terms and conditions the Secretary may consider appropriate, including the reservation of easements and other rights on behalf of the United States.

(2) Reversionary interest.—In addition to any term or condition established under this section, each conveyance of property under this section shall be subject to the condition that all right, title, and interest in the property shall immediately revert to the United States, if—

(A) the property, or any part of the property—

(i) ceases to be available and accessible to the public, on a reasonable basis, for educational, park, recreational, cultural, historic preservation, or other similar purposes specified for the property in the terms of conveyance;

(ii) ceases to be maintained in a manner that is consistent with its present or future use as a site for Coast Guard aids to navigation or compliance with this Act; or

(iii) ceases to be maintained in a manner consistent with the conditions in paragraph (4) established by the Secretary pursuant to the National Historic Preservation Act (16 U.S.C. 470 et seq.); or

(B) at least 30 days before that reversion, the Secretary provides written notice to the owner that the property is needed for national security purposes.

(3) Maintenance of navigation functions.—Each conveyance of property under this section shall be made subject to the conditions that the Secretary considers to be necessary to assure that—

(A) the lights, antennas, and associated equipment located on the property conveyed, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as they are needed for this purpose;

(B) the owner of the property may not interfere or allow interference in any manner with aids to navigation without express written permission from the Commandant;

(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation or make any changes to the property conveyed as may be necessary for navigational purposes;

(D) the United States shall have the right, at any time, to enter the property without notice for the purpose of operating, maintaining and inspecting aids to navigation, and for the purpose of enforcing compliance with this subsection; and

(E) the United States shall have an easement of access to and across the property for the purpose of maintaining the aids to navigation in use on the property.

(4) Maintenance of property.—(A) Subject to subparagraph (B), the owner of a property conveyed under this section shall maintain the property in a proper, substantial, and workmanlike manner, and in accordance with any conditions established by the conveying authority pursuant to the National Historic Preservation Act (16 U.S.C. 470 et seq.), and other applicable laws.

(B) The owner of a property conveyed under this section is not required to maintain any active aid to navigation equipment on the property, except private aids to navigation permitted under section 83 of title 14, United States Code.

(c) Special Terms and Conditions.—The Secretary may retain all right, title, and interest of the United States in and to any portion of any parcel referred to in subsection (a)(1)(B) that the Secretary considers appropriate.

(d) Definitions.—In this section:

(1) Aids to navigation.—The term "aids to navigation" means equipment used for navigation purposes, including a light, antenna, radio, sound signal, electronic navigation equipment, or other associated equipment which are operated or maintained by the United States.

(2) Commandant.—The term "Commandant" means the Commandant of the Coast Guard.

(3) Owner.—The term "owner" means, for a property conveyed under this section, the person identified in subsection (a)(1) of the property, and includes any successor or assign of that person.

(4) Secretary.—The term "Secretary" means the Secretary of Transportation.

SEC. 410. PARTNERSHIPS FOR PERFORMANCE OF WORK AT COAST GUARD YARD.

(a) Authority.—The Commandant of the Coast Guard may enter into agreements and other arrangements with public and private foreign and domestic entities, to establish partnerships for the performance of work at the Coast Guard Yard, located in Baltimore, Maryland.

(b) Receipt of Funds, Contributions, and Use of Facilities.—

(1) In general.—The Coast Guard may, under partnerships under this section, receive funds, contributions of materials and services, and use of non-Coast Guard facilities.

(2) Treatment of funds received.—Funds received by the Coast Guard under this subsection shall be deposited into the Coast Guard Yard Revolving Fund.

(c) 5-Year Business Plan.—The Secretary of Transportation shall, within 6 months after the date of the enactment of this Act, submit to the Congress a 5-year business plan for the most efficient utilization of the Coast Guard Yard.

SEC. 411. BOATING SAFETY.

(a) Federal Funding.—Section 4(b)(3) of the Act of August 9, 1950 (16 U.S.C. 777c(b)(3)) is amended by striking "$82,000,000" and inserting "$83,000,000".

(b) State Funding.—Section 13102(a)(3) of title 46, United States Code, is amended by striking "general State revenue" and inserting "State funds, including amounts expended for the State's recreational boating safety program by a State agency, a public corporation established under State law, or any other State instrumentality, as determined by the Secretary''.

The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to the rule, the gentleman from New Jersey (Mr. LoBIONDO) and the gentleman from Massachusetts (Mr. McGOVERN) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. LoBIONDO).

Mr. LoBIONDO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the Coast Guard Personnel and Maritime Safety Act of 2001. This bill contains many important provisions related to Coast Guard personnel management, commercial and recreational vessel safety, and environmental protection. These provisions were developed during the conference negotiations on the Coast Guard Authorization Act of 2000 in the last Congress, but were not enacted because of unrelated matters.

We are aware of no controversies concerning any section in this bill and hope that the Senate will send this bill to the President as soon as possible.

Section 103 of this bill gives the Coast Guard additional promotional authority to respond to retention problems in the Coast Guard officer corps. Section 203 of the bill allows the Coast Guard to borrow up to $100 million from the Oil Spill Liability trust fund to clean up oil spills in emergency situations. The bill also contains authority for the Coast Guard to acquire seven PC–170 patrol craft from the Navy for use in drug interdiction operations.

Mr. Speaker, I want to take this opportunity to commend the men and women of the Coast Guard for the exceptional service they provide to our country. All Americans benefit from a strong Coast Guard that is equipped to stop drug smugglers, support the country's defense, and respond to national emergencies.

Unfortunately, the Coast Guard, like other military services, suffers from readiness problems related to deferred maintenance, aged equipment, and personnel training and retention. We must act to correct these problems and put the Coast Guard on sound financial footing to be ready to respond to increasing demands on Coast Guard resources, especially and I repeat, especially the needs to increase drug interdiction operations.

Finally, the Coast Guard operations must be made whole next year, ending this destructive cycle of funding shortfalls and end-of-the-year supplemental funding bills.

Mr. Speaker, I urge all Members to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H.R. 1099, the Coast Guard Personnel and Maritime Safety Act of 2001.

Mr. Speaker, this is a very noncontroversial bill. As with the prior bill, H.R. 1099, all of the provisions were worked out by the conferees to the Coast Guard Authorization Act of 2000 conference last year.

H.R. 1099 will help provide additional resources to combat drug smuggling, improve safety on our waterways, extend the lives of six safety advisory committees, increase the penalties for negligent operation of vessels on our Nation's waterways, improve the management for issuing documents to U.S. mariners, and allow for quicker promotions for Coast Guard officers of particular merit.

Mr. Speaker, the Coast Guard is currently drastically reducing their operations due to funding shortfalls. These reductions have been caused largely by the increased price of energy, unbudgeted personnel entitlements in the National Defense Authorization Act of 2000, and increased health care costs.

As a result, the Coast Guard has reduced current operations by 10 percent and will reduce their operations by 30 percent on April 1. Clearly, additional funding is required. Failure to provide adequate funding will result in more drugs in our communities, more illegal immigrants on our streets, and more incursions by foreign fishing vessels into our waters.

Mr. Speaker, the Coast Guard Personnel and Maritime Safety Act will improve the management of the Coast Guard, improve safety on our Nation's waterways, and provide added financial resources to help clean up oil spills.

Therefore, I strongly urge my colleagues to support passage of H.R. 1099, the Coast Guard Personnel and Maritime Safety Act of 2001.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. LoBIONDO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have a brief closing statement. Mr. Speaker, I would like to thank the gentleman from Massachusetts (Mr. McGOVERN) and the gentleman from Minnesota (Mr. OBERSTAR) for their help in these matters, especially the gentleman from Alaska (Chairman YOUNG) for his advocacy of the Coast Guard.

I would like to urge each Member of this body to understand the job that the Coast Guard is doing every day, to stop making excuses for why we are not giving them the resources that they need to protect our environment, our natural resources, for drug interdiction, and all the other things that they do.

I think this is the year when we can join together shoulder to shoulder to make sure that we recognize the fine men and women of the Coast Guard and the job that they do and give them the resources necessary to continue their mission as dictated by Congress.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New Jersey (Mr. LoBIONDO) that the House suspend the rules and pass the bill, H.R. 1099.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LoBIONDO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed, and the vote will occur tomorrow.

GENERAL LEAVE

Mr. LoBIONDO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1099.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

INDEPENDENT TELECOMMUNICATIONS CONSUMER ENHANCEMENT ACT OF 2001

Mr. UPTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 496) to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes, as amended.

The Clerk read as follows:

H. R. 496

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent Telecommunications Consumer Enhancement Act of 2001''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The Telecommunications Act of 1996 was enacted to foster the rapid deployment of advanced telecommunications and information technologies and services to all Americans by promoting competition and reducing regulation in telecommunications markets nationwide.

(2) The Telecommunications Act of 1996 specifically recognized the unique abilities and circumstances of local exchange carriers with

fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide.

(3) Given the markets two percent carriers typically serve, such carriers are uniquely positioned to accelerate the deployment of advanced services and competitive initiatives for the benefit of consumers in less densely populated regions of the Nation.

(4) Existing regulations are typically tailored to the circumstances of larger carriers and therefore often impose disproportionate burdens on two percent carriers, impeding such carriers' deployment of advanced telecommunications services and competitive initiatives to consumers in less densely populated regions of the Nation.

(5) Reducing regulatory burdens on two percent carriers will enable such carriers to devote additional resources to the deployment of advanced services and to competitive initiatives to benefit consumers in less densely populated regions of the Nation.

(6) Reducing regulatory burdens on two percent carriers will increase such carriers' ability to respond to marketplace conditions, allowing them to accelerate deployment of advanced services and competitive initiatives to benefit consumers in less densely populated regions of the Nation.

(b) PURPOSES.—The purposes of this Act are—

(1) to accelerate the deployment of advanced services and the development of competition in the telecommunications industry for the benefit of consumers in all regions of the Nation, consistent with the Telecommunications Act of 1996, by reducing regulatory burdens on local exchange carriers with fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide;

(2) to improve such carriers' flexibility to undertake such initiatives; and

(3) to allow such carriers to redirect resources from paying the costs of such regulatory burdens to increasing investment in such initiatives.

SEC. 3. DEFINITION.

Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended—

(1) by redesignating paragraphs (51) and (52) as paragraphs (52) and (53), respectively; and

(2) by inserting after paragraph (50) the following:

"(51) TWO PERCENT CARRIER.—The term 'two percent carrier' means an incumbent local exchange carrier within the meaning of section 251(h) whose access lines, when aggregated with the access lines of any local exchange carrier that such incumbent local exchange carrier directly or indirectly controls, is controlled by, or is under common control with, are fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide.".

SEC. 4. REGULATORY RELIEF FOR TWO PERCENT CARRIERS.

Title II of the Communications Act of 1934 is amended by adding at the end thereof a new part IV as follows:

"PART IV—PROVISIONS CONCERNING TWO PERCENT CARRIERS

"SEC. 281. REDUCED REGULATORY REQUIREMENTS FOR TWO PERCENT CARRIERS.

"(a) COMMISSION TO TAKE INTO ACCOUNT DIFFERENCES.—In adopting rules that apply to incumbent local exchange carriers (within the meaning of section 251(h)), the Commission shall separately evaluate the burden that any proposed regulatory, compliance, or reporting requirements would have on two percent carriers.

"(b) EFFECT OF COMMISSION'S FAILURE TO TAKE INTO ACCOUNT DIFFERENCES.—If the Commission adopts a rule that applies to incumbent local exchange carriers and fails to separately evaluate the burden that any proposed regulatory, compliance, or reporting requirement would have on two percent carriers, the Commission shall not enforce the rule against two percent carriers unless and until the Commission performs such separate evaluation.

"(c) ADDITIONAL REVIEW NOT REQUIRED.—Nothing in this section shall be construed to require the Commission to conduct a separate evaluation under subsection (a) if the rules adopted do not apply to two percent carriers, or such carriers are exempted from such rules.

"(d) SAVINGS CLAUSE.—Nothing in this section shall be construed to prohibit any size-based differentiation among carriers mandated by this Act, chapter 6 of title 5, United States Code, the Commission's rules, or any other provision of law.

"(e) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any rule adopted on or after the date of enactment of this section.

"SEC. 282. LIMITATION OF REPORTING REQUIREMENTS.

"(a) LIMITATION.—The Commission shall not require a two percent carrier—

"(1) to file cost allocation manuals or to have such manuals audited or attested, but a two percent carrier that qualifies as a class A carrier shall annually certify to the Commission that the two percent carrier's cost allocation complies with the rules of the Commission; or

"(2) to file Automated Reporting and Management Information Systems (ARMIS) reports.

"(b) PRESERVATION OF AUTHORITY.—Except as provided in subsection (a), nothing in this Act limits the authority of the Commission to obtain access to information under sections 211, 213, 215, 218, and 220 with respect to two percent carriers.

"SEC. 283. INTEGRATED OPERATION OF TWO PERCENT CARRIERS.

"The Commission shall not require any two percent carrier to establish or maintain a separate affiliate to provide any common carrier or noncommon carrier services, including local and interexchange services, commercial mobile radio services, advanced services (within the meaning of section 706 of the Telecommunications Act of 1996), paging, Internet, information services or other enhanced services, or other services. The Commission shall not require any two percent carrier and its affiliates to maintain separate officers, directors, or other personnel, network facilities, buildings, research and development departments, books of account, financing, marketing, provisioning, or other operations.

"SEC. 284. PARTICIPATION IN TARIFF POOLS AND PRICE CAP REGULATION.

"(a) NECA POOL.—The participation or withdrawal from participation by a two percent carrier of one or more study areas in the common line tariff administered and filed by the National Exchange Carrier Association or any successor tariff or administrator shall not obligate such carrier to participate or withdraw from participation in such tariff for any other study area. The Commission may require a two percent carrier to give 60 days notice of its intent to participate or withdraw from participation in such common line tariff with respect to a study area. Except as permitted by section 310(f)(3), a two percent carrier's election under this subsection shall be binding for one year from the date of the election.

"(b) PRICE CAP REGULATION.—A two percent carrier may elect to be regulated by the Commission under price cap rate regulation, or elect to withdraw from such regulation, for one or more of its study areas. The Commission shall not require a carrier making an election under this subsection with respect to any study area or areas to make the same election for any other study area. Except as permitted by section 310(f)(3), a two percent carrier's election under this subsection shall be binding for one year from the date of the election.

"SEC. 285. DEPLOYMENT OF NEW TELECOMMUNICATIONS SERVICES BY TWO PERCENT COMPANIES.

"(a) ONE-DAY NOTICE OF DEPLOYMENT.—The Commission shall permit two percent carriers to introduce new interstate telecommunications services by filing a tariff on one day's notice showing the charges, classifications, regulations, and practices therefor, without obtaining a waiver, or make any other showing before the Commission in advance of the tariff filing. The Commission shall not have authority to approve or disapprove the rate structure for such services shown in such tariff.

"(b) DEFINITION.—For purposes of subsection (a), the term 'new interstate telecommunications service' means a class or subclass of service not previously offered by the two percent carrier that enlarges the range of service options available to ratepayers of such carrier.

"SEC. 286. ENTRY OF COMPETING CARRIER.

"(a) PRICING FLEXIBILITY.—Notwithstanding any other provision of this Act, any two percent carrier shall be permitted to deaverage its interstate switched or special access rates, file tariffs on one day's notice, and file contract-based tariffs for interstate switched or special access services immediately upon certifying to the Commission that a telecommunications carrier unaffiliated with such carrier is engaged in facilities-based entry within such carrier's service area. A two percent carrier subject to rate-of-return regulation with respect to an interstate switched or special access service, for which pricing flexibility has been exercised pursuant to this subsection, shall compute its interstate rate of return based on the nondiscounted rate for such service.

"(b) PRICING DEREGULATION.—Notwithstanding any other provision of this Act, upon receipt by the Commission of a certification by a two percent carrier that a local exchange carrier that is not a two percent carrier is engaged in facilities-based entry within the two percent carrier's service area, the Commission shall regulate such two percent carrier as non-dominant, and therefore shall not require the tariffing of the interstate service offerings of such two percent carrier.

"(c) PARTICIPATION IN EXCHANGE CARRIER ASSOCIATION TARIFF.—A two percent carrier that meets the requirements of subsection (a) or (b) of this section with respect to one or more study areas shall be permitted to participate in the common line tariff administered and filed by the National Exchange Carrier Association or any successor tariff or administrator, by electing to include one or more of its study areas in such tariff.

"(d) DEFINITIONS.—For purposes of this section:

"(1) FACILITIES-BASED ENTRY.—The term 'facilities-based entry' means, within the service area of a two percent carrier—

"(A) the provision or procurement of local telephone exchange switching or its equivalent; and

"(B) the provision of telephone exchange service to at least one unaffiliated customer.

"(2) CONTRACT-BASED TARIFF.—The term 'contract-based tariff' shall mean a tariff based on a service contract entered into between a two percent carrier and one or more customers of such carrier. Such tariff shall include—

"(A) the term of the contract, including any renewal options;

"(B) a brief description of each of the services provided under the contract;

"(C) minimum volume commitments for each service, if any;

"(D) the contract price for each service or services at the volume levels committed to by the customer or customers;

"(E) a brief description of any volume discounts built into the contract rate structure; and

"(F) a general description of any other classifications, practices, and regulations affecting the contract rate.

"(3) SERVICE AREA.—The term 'service area' has the same meaning as in section 214(e)(5).

"SEC. 287. SAVINGS PROVISIONS.

"(a) COMMISSION AUTHORITY.—Nothing in this part shall be construed to restrict the authority of the Commission under sections 201 through 208.

"(b) RURAL TELEPHONE COMPANY RIGHTS.—Nothing in this part shall be construed to diminish the rights of rural telephone companies otherwise accorded by this Act, or the rules, policies, procedures, guidelines, and standards of the Commission as of the date of enactment of this section.".

SEC. 5. LIMITATION ON MERGER REVIEW.

(a) AMENDMENT.—Section 310 of the Communications Act of 1934 (47 U.S.C. 310) is amended by adding at the end the following:

"(f) DEADLINE FOR MAKING PUBLIC INTEREST DETERMINATION.—

"(1) TIME LIMIT.—In connection with any merger between two percent carriers, or the acquisition, directly or indirectly, by a two percent carrier or its affiliate of securities or assets of another two percent carrier or its affiliate, if the merged or acquiring carrier remains a two percent carrier after the merger or acquisition, the Commission shall make any determinations required by this section and section 214, and shall rule on any petition for waiver of the Commission's rules or other request related to such determinations, not later than 60 days after the date an application with respect to such merger or acquisition is submitted to the Commission.

"(2) APPROVAL ABSENT ACTION.—If the Commission does not approve or deny an application as described in paragraph (1) by the end of the period specified, the application shall be deemed approved on the day after the end of such period. Any such application deemed approved under this subsection shall be deemed approved without conditions.

"(3) ELECTION PERMITTED.—The Commission shall permit a two percent carrier to make an election pursuant to section 284 with respect to any local exchange facilities acquired as a result of a merger or acquisition that is subject to the review deadline established in paragraph (1) of this subsection.".

(b) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any application that is submitted to the Commission on or after the date of enactment of this Act. Applications pending with the Commission on the date of enactment of this Act shall be subject to the requirements of this section as if they had been filed with the Commission on the date of enactment of this Act.

SEC. 6. TIME LIMITS FOR ACTION ON PETITIONS FOR RECONSIDERATION OR WAIVER.

(a) AMENDMENT.—Section 405 of the Communications Act of 1934 (47 U.S.C. 405) is amended by adding to the end the following:

"(c) EXPEDITED ACTION REQUIRED.—

"(1) TIME LIMIT.—Within 90 days after receiving from a two percent carrier a petition for reconsideration or other review filed under this section or a petition for waiver of a rule, policy, or other Commission requirement, the Commission shall issue an order granting or denying such petition. If the Commission fails to act on a petition for waiver subject to the requirements of this section within this 90-day period, the relief sought in such petition shall be deemed granted. If the Commission fails to act on a petition for reconsideration or other review subject to the requirements of this section within such 90-day period, the Commission's enforcement of any rule the reconsideration or other review of which was specifically sought by the petitioning party shall be stayed with respect to that party until the Commission issues an order granting or denying such petition.

"(2) FINALITY OF ACTION.—Any order issued under paragraph (1), or any grant of a petition for waiver that is deemed to occur as a result of the Commission's failure to act under paragraph (1), shall be a final order and may be appealed.".

(b) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any petition for reconsideration or other review or petition for waiver that is submitted to the Commission on or after the date of enactment of this Act. Petitions for reconsideration or petitions for waiver pending with the Commission on the date of enactment of this Act shall be subject to the requirements of this section as if they had been filed on the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. UPTON) and the gentleman from Wisconsin (Mr. BARRETT) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. UPTON).

GENERAL LEAVE

Mr. UPTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to insert extraneous material on H.R. 496.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. UPTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H.R. 496, the Independent Telecommunications Consumer Enhancement Act of 2001. This legislation provides common sense regulatory relief that will enable small and mid-size telephone companies to respond to competition in their service territories.

For too long, telephone companies have been saddled with unnecessary and burdensome regulations that increase the costs associated with providing phone service. The current regulatory framework for incumbent local exchange carriers is, to say the least, antiquated.

Too often, the FCC imposes one-size-fits-all rules on all carriers, neglecting to take into account the size of carriers and the difference in the level of competition faced by carriers that serve disparate geographic regions. Reports must be filed that are rarely, if ever, read probably by FCC staff, reports that literally cost millions and millions of dollars and certainly countless man-hours to compile.

The FCC also imposes rigid rules on the types of price regulation that small and mid-size carriers may, in fact, elect. These rigid rules prevent a carrier from electing different regulatory treatment for different parts of its territory, even if the carrier serves distinctive regions of a State or the country, and the costs to provide such service in these regions is simply not the same.

The FCC's rules also do not give small and mid-size carriers the flexibility to offer discounts to reflect competitive conditions in their service territory.

Mr. Speaker, one final area that the bill addresses concerns the process through which the FCC issues decisions on mergers and waivers of the Commission's rules. Mr. Speaker, this process takes way too long. Mergers of small and mid-size carriers, or the acquisition of one of these carriers of access lines belonging to a large carrier, should be decided within 60 days. Requests for waivers or reconsideration of the commission's rules governing the activities of small and mid-size companies should not take longer than 90 days. Both of these timetables give the FCC plenty of time to make the review.

Mr. Speaker, I would like to reiterate that this bill provides common sense relief to those incumbent local exchange carriers that possess fewer than 2 percent of the Nation's access lines.

I commend in particular the gentlewoman from Wyoming (Mrs. CUBIN), my good friend and colleague, for authoring this legislation again; and I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. BARRETT of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join my colleagues on the Committee on Energy and Commerce in support of the Independent Telecommunications Consumer Enhancement Act. Along with the gentleman from Tennessee (Mr. GORDON) and the gentleman from Mississippi (Mr. PICKERING), I was an original cosponsor of the bill introduced by the gentlewoman from Wyoming (Mrs. CUBIN) in the previous Congress and reintroduced this year.

The gentleman from Tennessee (Mr. GORDON) had intended to be here to manage this bill this morning, but he and his wife, Leslie, are welcoming their new baby daughter, Peyton Margaret, into the world this morning. So I offer my congratulations to both of them for that.

The Independent Telecommunications Consumer Enhancement Act, approved by voice vote on the House floor last year, would relax some of the FCC's one-size-fits-all regulations for our Nation's small and mid-size local telephone companies, those with less than 2 percent of the Nation's phone lines.

These companies serve rural and suburban communities across the country and are poised to offer broadband and other advanced services to customers who are often outside the scope of the larger companies. This bill will reduce paperwork for the smaller companies, increase their pricing flexibility, and allow them to bundle services on one bill without reopening the 1996 Telecommunications Act.

In my State of Wisconsin, 81 of the 83 companies providing local service are classified as 2 percent companies. By freeing these companies from portions of a regulatory system designed with much larger companies in mind, we will be taking an important first step towards bridging the digital divide by allowing for increased investment in Internet facilities in rural and suburban areas.

I urge my colleagues to support this common sense legislation, Mr. Speaker.

Mr. Speaker, I reserve the balance of my time.

Mr. UPTON. Mr. Speaker, I yield 5 minutes to the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Speaker, last year I introduced legislation similar to H.R. 496 that began a process to force the Federal Communications Commission to administer small and mid-size telecommunications companies differently during its regulatory deliberations.

This bill passed by unanimous voice vote in the House and in the Committee on Commerce. This legislation does nothing more than clear out the regulatory underbrush that makes it difficult for small and mid-size companies to offer the same types of services that their sometimes larger competitors do.

Let me give my colleagues an idea of the companies in my State that we are talking about. H.R. 496 helps companies like small telephone carriers in Chugwater, Wyoming, Chugwater Telephone Company, which has 300 access lines. All West Communications has 363 access lines. Project Telephone Company, 219. Union Telephone, 1,600. It is one of the larger. These are the types of carriers that are in my district, and my colleagues will find these types of carriers all over the country. These are the carriers we are trying to help not have to fill out the extraordinarily complex and expensive forms that the larger companies, AT&T and some of the larger companies, have to do.

☐ 1115

The intention was then and it continues to be my intention today to lessen the regulatory burdens on small and mid-sized telephone companies so that they can streamline their business plans and, hopefully, shift some more of their resources to deploying advanced telecommunication services to all areas of the country, including rural areas.

With the help of many of my colleagues, and I sincerely thank them, especially the chairman of the Committee on Commerce, the gentleman from Louisiana (Mr. TAUZIN); the gentleman from Michigan (Mr. UPTON), the subcommittee chairman; the gentleman from Mississippi (Mr. PICKERING); the gentleman from Wisconsin (Mr. BARRETT); the gentleman from Tennessee (Mr. GORDON); and the gentleman from Oklahoma (Mr. LARGENT). I really appreciate the help that they have given in getting this bill to this point.

The FCC, to its credit, has made some headway in this area, and I do commend them for it, however, they cannot seem to get the ball across the goal line. In 1999, the Commission initiated a process to reduce accounting requirements for small telecommunications companies; and although we have seen some incremental steps and public meetings held, we have yet to see a final product. I said it last year and I will restate it, because I think it is very important, the Commission's time line on finalizing the accounting and reporting standards has changed like the Wyoming winds. My bill does nothing more than what the Commission already says it is attempting to do.

One of the concerns I heard last year was that the bill would somehow make it impossible to collect sufficient cost data to determine its high-cost support mechanisms. My colleagues all know that I represent the most rural State in the country and, as such, Federal universal service support is absolutely critical. I would never do anything to compromise universal service.

In a letter written to me last month by the president of the National Association of Regulatory Utility Commissioners, or NARUC, and the Chair of the NARUC Telecom Committee made it clear that nothing in this bill, and I quote, "precludes States from access to information needed in State proceedings through data requests or similar methods. We understand that this bill does not affect underlying accounting rules nor prohibitions against cross subsidies."

Let me be clear. This bill does nothing to take away any authority from the FCC in requesting necessary paperwork that it needs to do its job.

Mr. Speaker, I want to be brief, which I guess is already too late, so I will summarize the changes and improvements that we have made to the bill. Last year, the gentleman from Massachusetts (Mr. MARKEY) and I worked on several modifications to the bill, a majority of which were incorporated into it as it passed the House. This year we have continued our dialogue and have come together on even more changes and clarifications.

First, I want to commend the gentleman from Massachusetts for his concern for rural telecommunications customers and the rates that they pay. I am pleased that we have had the opportunity to work out language that will guaranty that under section 286 of the bill, which is the pricing flexibility section, that rural customers' rates will not increase when competition forces prices to go down in one area only to be shifted to another area to make up the difference.

We have tightened the definition of what a 2 percent carrier is. There is now language in section 284 where we have installed a bulletproof fire wall to protect against possible gaming of the system when companies elect to choose tariff flexibility.

Finally, we have reworked the merger section. And I want it to be clear that the merger review language only applies to those companies that remain 2 percent companies after the acquisition of another company.

Mr. Speaker, I cannot overstate the importance of this bill for rural areas like Wyoming. I appreciate all of the help that I have had in getting it this far.

Mr. UPTON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. KENNEDY), a supporter of the bill who represents a district that I know is fairly rural in lots of different ways.

Mr. KENNEDY of Minnesota. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in support of H.R. 496, the Independent Telecommunications Enhancement Act of 2001.

H.R. 496 is good for southwest Minnesota because it helps our small and mid-sized telephone companies by reducing the regulatory burden that has been put upon them. One of my goals in Congress is to help our rural communities by improving their rural telecommunications infrastructure.

I believe that this bill, introduced by the gentlewoman from Wyoming, who says she is from the most rural State, while I profess to be from the most rural district in the country, that this will help us meet the goal by reducing government regulations on smaller phone companies and allowing them to focus their efforts instead on providing quality and competitive service to rural America instead of dealing with burdensome regulations.

By allowing companies to focus on improving our communities by deploying new services and investing in infrastructure instead of complying with burdensome regulations, more residents in southwest Minnesota and in Wyoming will have access to telecommunication services that their friends and families in bigger cities oftentimes already have.

I believe this is a step in the right direction towards closing the digital divide that we face here in America, and I also believe that by improving rural telecommunications services and infrastructure that we can make our rural areas more attractive to new and existing businesses.

I thank the chairman, I thank the gentlewoman from Wyoming for putting this forward, and I look forward to voting for it.

Mr. BARRETT of Wisconsin. Mr. Speaker, I yield back the balance of my time.

Mr. UPTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know I asked unanimous consent that all Members be able to revise and extend their remarks, but I particularly want to note and request the addition for the RECORD of the statement by the vice chairman of the subcommittee, the gentleman from Florida (Mr. STEARNS), who is chairing an important hearing on airline mergers now and was not able to come over and engage in the debate.

The other thing I would just like to point out is that my district in particular, though it is certainly not as rural as the State of Wyoming, is very much what I consider a microcosm of the country. We have good pockets of urban and rural, farms, businesses large and small, and I know that, particularly as chairman of this new subcommittee, we have two outstanding small telephone services, one in Bloomingdale, Michigan, in Van Buren County, and Climax Telephone Company in Kalamazoo County that will benefit from this legislation, as we will see through the rest of the country as well.

We do not need burdensome regulation imposed by anyone on small companies like these that provide really the only service, whether it be high-speed digital fiber to those communities, whether cable, all of those different things. These companies are there and they are the only ones there. In fact, their prosperity will only grow because of this legislation.

I would note that last year we passed this legislation without dissent. I would think that again this year we will pass it without dissent as well. I ask all my colleagues to vote in support of this legislation.

Mr. TOWNS. Mr. Speaker, independent telephone companies have filled an important role in the development of our Nation's telecommunications system. For decades the cooperatives and family-owned businesses made sure that all Americans would have access to quality telephone service. Entrepreneurs are buying exchanges promising to deploy improved voice and data service in small communities.

Recent studies by NECA and NTIA show that small carriers like these are investing in broadband deployment. I support any legislation that would speed the deployment of advanced services, whether that's in Brooklyn, New York or Basin, Wyoming. The Digital Divide is a pressing issue in this country, not only in urban areas but rural ones as well. I do not look kindly on those who feel that the Digital Divide is not an issue in this country. Those of us who represent rural and urban areas know all too well the lack of access our constituents face. We have a responsibility to create digital opportunities for all Americans, not just those living in the big cities.

I want to voice my support for this legislation, but I do have concerns that giving carriers too much price flexibility could put consumers at a competitive disadvantage. I believe we should support small carriers as well as consumer interests. I want to be on record as promoting broadband deployment in rural areas while not jeopardizing the affordability of basic phone services.

Mr. MARKEY. Mr. Speaker, I rise in opposition to H.R. 496. Before I speak to the remaining issues of concern with the legislation that I believe must be rectified before it merits support, I want to begin by thanking Mrs. CUBIN, Mr. GORDON, Mr. DINGELL, and Chairman TAUZIN, and Chairman UPTON for being responsive to many of the concerns that have been raised about H.R. 496 since it was first introduced.

The bill being offered today contains many helpful clarifications and changes embodied in it that were in response to concerns I have raised about the measure. I believe that in its current form it clarifies a number of key definitions that affect the scope of the bill. Moreover, the bill also contains clarifications that better capture the expressed intent of its advocates without some of the possible unintended consequences that I have warned about.

The legislation now better defines which companies qualify as "2 percent carriers" so that certain Bell Operating Companies are not inadvertently included in the definition. The bill also preserves certain Commission authority necessary to protect consumers and contains adjustments in provisions dealing with the introduction of new telecommunications services, participation in subsidy pools, and the pricing flexibility section.

Again, I want to thank Mrs. CUBIN and my other colleagues who have agreed to these changes. I believe they are helpful clarifications and I believe they improve the bill. I would note, however, that I still believe that additional changes are warranted for this legislation and that I hope can be dealt with prior to sending this bill to the President.

This legislation, Mr. Speaker, also known as the "2 percent" bill, directly affects small and mid-sized telephone companies and has repercussions for millions of consumers across the country.

A chief concern is the "trigger" for key deregulatory provisions in the bill, namely the pricing flexibility and pricing deregulation provisions. The bill on the House floor today will continue to allow pricing deregulation upon the arrival of "facilities-based" competition in a given service area. Facilities-based entry, however, is defined in the bill to include not only provision of local exchange switching or its equivalent, but also the "procurement" of such. Moreover, a facilities-based competitor is merely required to have at least one customer—I repeat, one sole customer.

Hopefully there will be more competition. The point is that although competition may arrive, it may not be robust or effective in constraining prices. A single competitor serving a single customer is simply an insufficient trigger for deregulation. Such a low threshold will mean sweeping deregulation with only the illusion of truly competitive markets in many areas of the country. I hope we can subsequently adjust this competitive trigger so that it reflects the kind of significant competition that serves to constrain prices and drive innovation, rather than the "paper tiger" competition that this definition will permit for deregulation to occur.

In addition, I am concerned about combining a lessening of reporting requirements with the continuation, and indeed, increased flexibility, of participation in subsidy pools. At a time when policymakers are struggling to extract unnecessary subsidies from the system and make remaining subsidies more explicit, this legislation would appear to make it more difficult for policymakers and regulators to discern whether the subsidies generally, or particular subsidy levels, are still justified or need to be recalibrated. Mr. Speaker, the National Association of Regulatory Utility Commissioners (NARUC) recently passed a resolution on this bill that stated in part—and I'll quote from it—that "appropriate reporting requirements that . . . verify proper distribution and use of universal service funding should continue to be available."

If these so-called 2 percent companies want to live in a truly competitive environment with less regulation then I'm all for that—I wish them well and I hope they make it in the free marketplace.

Yet this legislation still suffers from a "have-your-cake-and-eat-it-too" quality. I believe that even if we are unwilling today to lessen or cap the subsidy as we lessen 2 percent company regulations and move these companies from monopoly mindsets to greater competition, we must at least have accountability in the subsidy system so that it doesn't become even more bloated than it already is.

I believe that this Congress needs to have a broader discussion when we act to eliminate certain legacy regulations to ensure that we also act to eliminate or limit legacy subsidies.

In addition, I continued to believe that there is a potential in this bill for companies to "game" the regulatory system. We usually do not give regulated entities the opportunity to choose their form of regulation but this bill does just that. I want to commend the bill's sponsors for adjusting the bill somewhat in this area in response to my concerns so that a company now chooses rate-of-return regulation or price cap regulation and this election must be done for 1 year. However, clarifying that such election cannot be done on any given month but rather on an annual basis does not fully alleviate the problem. Flipping back and forth on a yearly basis still permits companies to game the regulatory system in my view.

Another issue I want to highlight is the merger review section. This section states that any review involving a so-called 2 percent carrier must be approved or denied by the Commission within 60 days. I understand that the companies do not want merger reviews to drag on for years, but I would suggest that 60 days is too short and unrealistic.

While I believe the Commission in itself is streamlining its process, if the majority is insistent on having a merger review "shot clock" I would suggest giving the Commission a greater period of time.

Finally, I want to comment broadly on the overall intent of the bill and what I believe will be the unfulfilled promise that the sponsors of the bill seek to achieve. While the purpose of the bill as stated in its text, is to accelerate the deployment of advanced services in more rural areas of the country, there is no requirement that any of the savings a company garners through lessened regulatory obligations be spent or invested in deployment of new, or advanced services to rural areas. The legislation has no advanced services build-out requirement, no blueprint or timetable for deployment to rural areas for such services. It appears that the savings a company enjoys through this bill can go directly to profits and to shareholders.

As we proceed further on this bill I would encourage Members to further review suggestions made by NARUC and its membership and work again on these issues so that consumers and the public interest are fully protected.

Again, I want to thank Mrs. CUBIN for the adjustments in the bill that she has been willing to make thus far. I enjoy working with her and want to continue our discussions on this bill. I believe that working together, along with Chairman UPTON, Chairman TAUZIN, Mr. DINGELL, Mr. GORDON, Mr. BARRETT, Mr. PICKERING, Mr. LARGENT and other supporters of the bill, that we can ultimately reach a resolution with the Senate that works for everybody. In addition I want to commend and thank Mrs. CUBIN'S staff, Bryan Jacobs, and the Energy and Commerce Committee Republican staff, Howard Waltzman, for their efforts in fashioning compromises in many sections of the bill.

Mr. BEREUTER. Mr. Speaker, today this Member received a letter from the chief executive officer of one of the many rural telephone companies in Nebraska. Great Plains Communications is based in Blair, Nebraska.

Great Plains serves 33,600 lines across 13,600 square miles of rural Nebraska. The company's service area includes 76 communities and 63 exchanges. That amounts to about two and one-half customers per square mile. Fifty of those exchanges have 6 or fewer customers per square mile and 20 of the exchanges have 2 or fewer subscribers per square mile.

At a recent telecommunications conference at Creighton University in Omaha, Great Plains CEO Mick Jensen noted that most rural telephone companies are experiencing flat growth, that flat growth makes investment difficult, that costs continue to rise, and that these rural telephone companies lack economies of scale and are serving many customers with limited income.

Across the United States more than 1,000 small, local telephone companies are facing similar problems as they work to provide good service to rural residents. These telephone companies have more limited financial resources and relatively higher expenses than large telephone companies. Yet, these small companies must function under FCC regulations intended for large carriers.

Mr. Speaker, the Independent Telecommunications Consumer Enhancement Act will help to end "one-size-fits-all" regulation of small and rural telecommunications carriers. It will protect these carriers and their customers from unfair and unnecessary regulatory burdens. And, in doing so, it will free resources that can be used to provide advanced telecommunications services to residents of rural areas.

Mr. UPTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Michigan (Mr. UPTON) that the House suspend the rules and pass the bill, H.R. 496, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

APPOINTMENT OF MEMBERS TO BOARD OF TRUSTEES OF JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The SPEAKER pro tempore. Without objection, and pursuant to section 2(a) of the National Cultural Center Act (20 U.S.C. 76h(a)), the Chair announces the Speaker's appointment of the following Members of the House to the Board of Trustees of the John F. Kennedy Center for the Performing Arts:

Mr. HASTERT of Illinois;
Mr. KOLBE of Arizona; and
Mr. GEPHARDT of Missouri.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules.

Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today, and then on the Speaker's approval of the Journal.

Votes will be taken in the following order:

House Concurrent Resolution 43, by the yeas and nays;

H.R. 1042, by the yeas and nays;

H.R. 1098, by the yeas and nays; and

Approval of the Journal, de novo.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

PRINTING REVISED UPDATED VERSION OF "BLACK AMERICANS IN CONGRESS, 1870–1989"

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 43.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 43, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 414, nays 1, not voting 17, as follows:

[Roll No. 53]

YEAS—414

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar

Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema

Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney

Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—17

Becerra
Brown (FL)
Cannon
Collins
Gordon
Keller

McHugh
Mica
Moakley
Rothman
Scarborough
Sessions

Simmons
Sisisky
Taylor (NC)
Weldon (FL)
Woolsey

□ 1151

Mr. TAYLOR of Mississippi changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 8, rule XX, the Chair will reduce to 5 minutes the minimum time for the electronic vote on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

PREVENTING ELIMINATION OF CERTAIN REPORTS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1042, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GRUCCI) that the House suspend the rules and pass the bill, H.R. 1042, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 414, nays 2, not voting 16, as follows:

[Roll No. 54]

YEAS—414

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw

Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)

Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey

Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)

Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)

Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Hefley
Taylor (MS)

NOT VOTING—16

Becerra
Brown (FL)
Cannon
Gordon
Keller
Kennedy (MN)

McHugh
Mica
Moakley
Morella
Rothman
Scarborough

Sessions
Sisisky
Taylor (NC)
Weldon (FL)

□ 1201

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. KENNEDY of Minnesota. Mr. Speaker, on rollcall No. 54 I was inadvertently detained. Had I been present, I would have voted "yea."

MARITIME POLICY IMPROVEMENT ACT OF 2001

The SPEAKER pro tempore (Mr. SIMPSON). The pending business is the question of suspending the rules and passing the bill, H.R. 1098.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. LoBIONDO) that the House suspend the rules and pass the bill, H.R. 1098, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 415, nays 3, not voting 14, as follows:

[Roll No. 55]

YEAS—415

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—3

Flake
Paul
Taylor (MS)

NOT VOTING—14

Becerra
Brown (FL)
Cannon
Gordon
Keller
McHugh
Mica
Moakley
Rothman
Scarborough
Sessions
Sisisky
Taylor (NC)
Weldon (FL)

□ 1209

So (two-thirds of those present having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

Pursuant to clause 1, rule I, the Journal stands approved.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 459

Mr. LARSEN of Washington. Mr. Speaker, I ask unanimous consent that the gentleman from California (Mr. LEWIS) be removed as a cosponsor of H.R. 459.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE GOVERNMENT'S APPETITE FOR LAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, a few days ago, I did a Special Order about a tax cut and how one can never satisfy government's appetite or demand for money. I said then that if we gave every department and agency double what they got the year before, they might be happy for a short time, but they would soon be back crying about a shortfall in funding. Everyone supports education, for example, and I certainly do.

□ 1215

But you almost never hear the fact that education spending has gone up at a rate many times the rate of inflation over the last several years.

But I want to expand today on something else that I mentioned in that special order of a few days ago, and that is government's appetite for land.

Just as you can never satisfy government's appetite for money, you can never satisfy government's desire for land. They always want more, and they have been getting it at what people should realize is an alarming rate.

Today, over 30 percent of the land in the United States is owned by the Federal Government. Another almost 20 percent is owned by State and local governments or quasi-governmental agencies.

So today you have about half the land in some type of public or governmental ownership.

The most alarming thing is the speed with which this government greed for land has grown over the past 30 years or 40 years.

Another alarming aspect of this trend is the growing number of restrictions that government at all levels is putting on the land that does remain in private hands.

A few years ago, the National Home Builders Association told me if there was strict enforcement of the wetlands rules and regulations, over 60 percent of the developable land would be off limits for homes.

Now some who already have nice homes might think this would be good, to stop most development. But you cannot stop it, because the population keeps growing, and people have to have someplace to live.

So what happens? When government keeps buying and restricting more and more land, it does two things: It drives up the costs and causes more and more people to be jammed closer and closer together.

First, it drives up land and building costs so that many young or lower income families are priced out of the housing market, especially for new homes.

Second, it forces developers to build on smaller and smaller postage-stamp-size lots or build townhouses or apartments.

Do you ever wonder why subdivisions built in the 1950s or 1960s often have big yards and now new subdivisions do not, or why new homes that should cost $50 a square foot now cost $100 a square foot or more? It is in large part because government keeps buying or restricting so much land.

This trend is causing more and more people to be jammed into smaller and smaller areas, increasing traffic, pollution, crime, and just an overall feeling of being overcrowded.

It is sometimes referred to as the urban sprawl, and environmental extremists are attacking it because they know it is unpopular, but they are the very people who have caused it.

Most of these environmental extremists come from very wealthy families, and they probably have nice homes already or even second homes in the country.

But it is not fair and it is not right, Mr. Speaker, for the people who already have what they want to demand policies that drive up the costs and put an important part of the American dream out of reach for millions of younger or lower income people.

Make no mistake about it, when government buys or restricts more and more land, it drives up the costs of the rest of the land. And this hurts poor and lower income and middle income people the most.

Even those forced to live in apartments are hurt, because apartment developers have to pass their exorbitant land and regulatory costs on to their tenants. When government takes land, they almost always take it from poor or lower income people or small farmers.

We have way too many industrial parks in this country today. States and local governments, which do almost nothing for older small businesses, will give almost anything to some big company to move from someplace else.

Is it right for governments to take property for very little paid to small farmers and then give it to big foreign or multinational companies or even to big companies to develop resort areas for the wealthy? I do not think so.

One of the most important things we need to do to insure future prosperity is to stop government at all levels from taking over more private property. Anyone who does not understand this should read a book called The Noblest Triumph, Property and Prosperity Through the Ages by Tom Bethell. The whole book is important, but a couple of brief excerpts: The Nobel Prize winning economist Milton Friedman has said, "You cannot have a free society without private property? Recent immigrants have been delighted to find you can buy property in the United States without paying bribes.

The call for secure property rights in Third World countries today is not an attempt to help the rich. It is not the property of those who have access to Swiss bank accounts that needs to be protected. It is the small and insecure possessions of the poor.

This key point was well understood by Pope Leo XIII who wrote that the fundamental principle of socialism, which would make all possessions public property, is to be utterly rejected because it injures the very ones whom it seeks to help."

Over the years, when government has taken private property, it has most often taken it from lower and middle income people and small farmers. Today, federal, state and local governments, and quasi-governmental agencies now own about half the land in this Nation. The most disturbing thing is the rapid rate at which this taking has increased in the last 40 years. Environmentalists who have supported most of this should realize that the worst polluters in the world have been the socialist nations, because their economies do not generate enough income to do good things for the environment, and that private property is almost always better cared for than public property and at a much lower cost.

ELECTION REFORM

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 5 minutes.

Mr. LANGEVIN. Mr. Speaker, last week, I announced the introduction of a resolution calling on Congress to enact meaningful election reform legislation.

Today, I am proud to introduce another measure on election reform and to announce an important voting technology demonstration I am sponsoring tomorrow with my former secretary of state colleagues who are presently now in the House and the Senate.

I am pleased to introduce legislation today to improve the voting process for millions of elderly Americans and persons with disabilities.

In every election year, many of these people stay at home, stay away from the polls, not from apathy but from concern about their ability to cast a vote independently. The elderly and visually impaired may not be able to decipher small print or confusing ballots, and people in wheelchairs may have difficulty maneuvering in older voting booths.

Unfortunately, this problem is pervasive throughout the United States. With nearly one in five Americans having some level of disability and approximately 35 million Americans over the age of 65, we must act now to ensure that our voting system is accessible to all Americans.

To ensure that Americans are not discouraged from voting because of outdated voting equipment and inaccessible voting places, I am introducing the Voting Opportunity through Technology and Education, or VOTE, Act. This measure would require the Federal Election Commission to establish voluntary accessibility and ease-of-use standards for polling places in voting equipment.

In 1984, Congress passed the Voting Accessibility for the Elderly and Handicapped Act. This legislation required that all polling places in the United States be made accessible to the elderly and the disabled, but provided the FEC with little enforcement power. With the establishment of the new accessibility and ease-of-use standards in my VOTE Act, the FEC would be able to provide secretaries of state and election administrators with more information and support services to help them comply with accessible laws.

Additionally, the voting technology industry could use these standards to ensure that their products may be correctly used by all Americans at the polls. Finally, the VOTE Act would provide grants to States so that they may improve their voting systems and educate poll workers and voters about the availability and benefits of these new technologies.

Mr. Speaker, I know first-hand how modern voting systems can increase voter turnout and improve accuracy. As a secretary of state for the State of Rhode Island, I was the chief architect of a plan to upgrade the State's voting system and equipment. The replacement of outdated lever machines with optical scan equipment and Braille and tactile ballots helped increase voter turnout and significantly reduced chances of error.

To highlight this equipment, as well as other voting technologies now available, I am joining former secretaries of state now in Congress, the gentleman from Missouri (Mr. BLUNT) and the gentleman from Ohio (Mr. BROWN), in hosting the voting technology demonstration on Thursday, March 22. There we will address our own work at the State level to improve voting accountability and accuracy and demonstrate the various forms of election equipment, including punchcard ballot, optical scan and direct recording electronic systems.

Mr. Speaker, I encourage all of my colleagues to attend this educational event, as it will help prepare us for a nationwide discussion on election reform. Additionally, I ask that my colleagues join me in supporting this VOTE Act to make voting one of the greatest expressions of civic participation available on an equal basis to all Americans.

REINTRODUCTION OF CHILD HANDGUN INJURY PREVENTION ACT, H.R. 1014

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

Ms. CARSON of Indiana. Mr. Speaker, we continue to observe school shootings, and I am concerned that we have yet to pass strong gun safety legislation.

Despite recent polls by CBS and the New York Times which suggest that 70 percent of American people favor stricter handgun laws, Congress continues to ignore the public's concerns.

January 10, in Ventura County, California, a 17-year-old student held a classmate at gunpoint during the school's lunch break. The gunman was fatally wounded by police.

January 12, 2001, in my district, Indianapolis, Indiana, a 4-year-old boy shot himself with a pistol he found in his mother's pocketbook.

February 7, 2001 in Dallas, Texas, a 14-year-old boy fired a gun in the direction of classmates while on school grounds.

March 6, in Santee, California, a 15-year-old boy took a .22-caliber long-barrel revolver from his father's locked collection of weapons and killed two schoolmates, while injuring 13 others.

March 7, this year, Williamsburg, Pennsylvania, a 14-year-old girl shot a female classmate in the shoulder in the cafeteria of a parochial school.

March 7, Prince Georges County, Maryland, a 14-year-old boy shot and wounded another teenager outside Largo Senior High School.

From 1987 to 1996, nearly 2,200 American children, 14 years of age and younger, died from unintentional shootings. What are we waiting for? We must not allow these tragedies to become an everyday part of American life. We must not be apathetic.

While firearm fatalities cost America more money than any of the other four leading causes of death, guns are the only consumer product in America, except tobacco, which are exempt from health care and safety regulations. Sadly, guns continue to be exempt from Federal oversight, and consumer protection laws continue to be tougher on toy guns than on real guns.

The history of consumer product regulation teaches us that significant numbers of death and illnesses can be preserved when health and safety regulations exist. The Poison Prevention Packaging Act requires child-resistant packaging. The Consumer Federation of America estimates that more than 700 children have avoided accidental poisonings. Also, the introduction of sleep wear and toy standards have saved children's lives.

I ask my colleagues to join me in the bill that I introduced last week, the Child Handgun Injury Prevention Act, H.R. 1014. It requires manufacturers' safety devices.

We introduced it in another bill that requires training to entitle you to have licenses. H.R. 1014 requires the Secretary of the Treasury to mandate all newly manufactured handguns come equipped with child safety devices, and it would establish a Federal standard for the devices.

We can do nothing less than to ensure the future safety of our children and prevent them from unintentional handgun injury. We need to require safety devices that meet the rigid tests by the Department of the Treasury.

I encourage each Member of the House of Representatives to join me in this effort.

□ 1230

TRIBUTE TO BRET TARVER

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, Phoenix, Arizona, has now grown to be the sixth largest city in our country. Yet over the course of the last 7 days, the entire city and surrounding areas have seen the frenetic pace of life come virtually to a standstill as the community has paused to honor one of our fallen fire fighters.

A week ago today, in responding to a blaze at a supermarket, Phoenix fire fighter Bret Tarver gave his life. For his wife, Robin, for their three young daughters, for the Phoenix Fire Department, for brother and sister fire fighters across the country and for all Arizonans, this is an exceptional loss.

Bret Tarver was born 40 years ago in what is now the 6th Congressional District of Arizona in Cave Creek. He and his wife, Robin, and their daughters recently made their home in another area of the district, Queen Creek, Arizona. That is because Bret was a lifelong outdoors enthusiast. He loved hunting and fishing. He loved nature. But most of all, he loved his family, and he loved being a public servant.

Mr. Speaker, all too often, during the course of political discourse, we describe elective office as public service. Mr. Speaker, how incomplete a definition that is. Public service can take many forms. The citizen can volunteer. He can be involved in civic clubs or spiritual organizations. Yet the ultimate public service all too often comes from our public safety officers who here at home are called upon to put their lives on the line.

So it was one week ago on a Wednesday with the sun shining and the flowers blooming and spring training and all the frenetic activity so common to the desert southwest that an event sadly too common, a fire in uncommon and tragic fashion, ended the life of an uncommon man.

Colleagues describe Bret Tarver as a gentle giant, a man who stood over 6 feet 3 inches, who tipped the scales at well over 200 pounds, who had tremendously big hands, but often would envelope the tiny hands of his daughters and other kids on their soccer team in his own, one who inspired trust, one who worked tirelessly in his chosen profession as a fire fighter.

Mr. Speaker, when so many of that calling have come to Washington this week, perhaps the greatest tribute we can pay to the memory of Bret Tarver is to pause and appreciate the service and the sacrifice of every one of those fire fighters who put their lives on the line who in so many ways, in so many manifestations, work for the public good and the public safety, and who sadly, in the case of Bret Tarver, pay the ultimate sacrifice as a part of public service.

Mr. Speaker, I know my colleagues join me in expressing sympathies and encouraging prayer for Bret's widow, Robin, for his three daughters, for the strapping brothers that made up an active household years ago who mourn his loss, for his parents, for his fellow fire fighters, and for the people of Phoenix and the surrounding area.

Mr. Speaker, we pause to remember Bret Tarver, his sacrifice, his legacy, and the shining example of true public service that he represented so well and so faithfully.

TIME TO MOVE TOWARDS ENERGY INDEPENDENCE IN OUR COUNTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GREEN) is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Speaker, I would like to join the gentleman from Arizona (Mr. HAYWORTH) because, last year, the city of Houston lost two fire-fighters. It is appropriate that we remember the Tarver family and their sacrifice, because having experienced two fire fighters' loss of life last year and again having fire fighters up here this week with us, we join in that.

I rise today, though, to talk about the energy crisis affecting our country and steps that need to be taken to increase our exploration, production, and delivery of energy. I want to try and cool some of the rhetoric that I believe is slowing down the process of trying to find a comprehensive energy solution.

First, at this moment, insufficient supplies of natural gas are threatening to produce widespread shortages, not only in California and the West, but throughout our country this summer.

This shortage can be traced to the oversupply of natural gas 2 years ago. Everyone likes to point the finger at energy producers when prices are high; but no one seems to care when, a year or two ago, we could not even give natural gas away. Those extremely low prices 2 years ago stopped exploration activities and forced many natural gas producers to cap marginally-producing wells.

The laws of supply and demand work, and it did not stay out of balance for too long. We thought that cheap natural gas would last forever in the building spree; and with our encouragement, because it is safer and cleaner, new natural gas generators highlighted this belief that natural gas would be cheap.

So today around our country, the demand for natural gas has far outstripped the supply, and we need to respond to this shortfall.

Staying in front of our energy needs is the key to avoiding high cost. Exploration and production of domestic energy sources are the keys to staying in front along with more efficient use of our domestic energy.

While we are behind on natural gas production, I need to remind everyone we will soon also be behind on oil production as well. Last summer's high gasoline prices are only a taste of what is to come. Already we have heard that OPEC plans to cut production in an attempt to maintain a stable world oil price. Demand in this country easily outstrips the supply, and we have no cushion to fall back on during times of a tight supply.

It is for these reasons that we must take steps to stay ahead of our oil curve and tap more domestic sources of production. Specifically, I have agreed to cosponsor H.R. 39, the Arctic Coastal Plain Domestic Energy Security Act of 2001. The coastal plain of the Arctic Natural Wildlife Refuge, known as ANWR, is said to contain between 5.7 and 16 billion barrels of recoverable oil. If the upper 16 billion barrels of recoverable reserve can be extracted, it represents 20 years of oil which we will not have to import from other parts of the world. I want to emphasize that these reserve numbers are also considered very conservative.

As a Member of Congress from Houston, Texas, I know firsthand that the drilling technologies have continued to improve. In fact, we have been and continue drilling and production in the Gulf of Mexico. Technology has allowed us to go deeper and also do it more efficiently and safely.

As equipment and techniques advance, the percentage of recoverable oil will also increase. Industry now has the technology to reduce the amount of land impacted by new oil development.

North Slope drillers routinely drill directional wells that reach out 4 miles from the surface of the rig. That means that one production pad on the surface can produce from 64 square miles of subsurface oil fields. So you do not have the imprint of that facility.

The decision to support drilling in ANWR was not made just on the need to utilize energy resources alone. I have been to ANWR. I have seen the environment and have witnessed firsthand the diversity of life that lives there, even during August, Mr. Speaker, and met with the Alaskans that live the closest to the ANWR refuge.

I would not support this legislation if I did not feel that we could confidently with our ability safely extract oil in an environmentally sound manner.

Careful development of ANWR under strict regulatory guidelines can provide our Nation with a vital resource while minimizing the environmental impact on the coastal plain and its wildlife.

Our experiences on Alaska's North Slope provide strong evidence that oil and gas development in nearby ANWR would pose little threat to the ecology of the coastal plain. The record is clear. Air quality is good. The drilling wastes have been well managed, and wildlife and their habitat have been minimally impacted.

The debate on this issue has been heated and will get even more heated. But many of the arguments being made in opposition to opening ANWR were raised at the time Prudhoe Bay and the North Slope development was being considered. Today we are much better than we were those many years ago. Most experts have acknowledged that Prudhoe Bay has been, and continues to be, a success story.

I keep going back to the same point, we can extract this vital resource while at the same time safeguarding the environment and other resources in that region. After careful consideration, the answer should be yes. Extracting oil from ANWR will have positive benefits for American consumers.

I do not dismiss the concerns in the environmental community, but many of the arguments again were made at the same time when we were doing it for North Slope. The environment has been safeguarded on North Slope. I believe with advances in drilling technology, we will be safer with ANWR.

Mr. Speaker, I hope my colleagues will join me in cosponsoring H.R. 39. It is time to move towards energy independence in our country.

NURSING SHORTAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Mrs. CAPPS) is recognized for 5 minutes.

Mrs. CAPPS. Mr. Speaker, I rise to bring to the attention of the House the impending shortage of nurses. I am one of three nurses currently serving in Congress. Before I was elected, I served the people of Santa Barbara as a public health nurse over 20 years.

My experience gives me a distinct perspective on nursing issues. I know firsthand the challenges facing the nursing profession and the consequences if we fail to meet them. Nurses are the first line of defense in our health care system, and the importance of this role cannot be overstated.

Today the nursing community is facing a dire situation. There is currently an ongoing shortage of nurses in the work force. In the past, this type of shortage has been resolved when pay and benefits have risen enough to attract new nurses into the field. But that is not the case this time. While some compensation levels have been rising, these improvements have not attracted enough nurses back into practice.

We are also facing a looming crisis in a profession that will strain the health care system and threaten the quality of care. We have an aging nursing work force and a dwindling supply of new nurses. Right now, the average age of employed registered nurses is 43 years. By 2010, 40 percent of the RN work force will be over 50.

Unfortunately, and in contrast, the number of young nurses is decreasing. Under 30 years of age, it has now declined by 41 percent. With this combination, we are facing an incredible shortfall of well-trained, experienced nurses in all fields.

To make matters worse, this will happen just as the 78 million members of the baby boom generation begin to retire and need an even greater amount of health care.

In my home State of California, the problem is even worse. Less than 10 percent of the RN work force back home is under the age of 30, and nearly a third are over the age of 50. California already ranks 50th among the States in RNs per capita.

Part of the problem is that the nursing work force is so homogeneous. The vast majority of nurses are white women. Fifty years ago, a smart young woman had only a handful of career options available to her, including nursing. But as our society's views on women's equality have progressed, we have not escaped the perception that nursing is women's work.

As young women have explored different careers, very few young men have entered the nursing work force to replace them. So right now less than 6 percent of the nursing work force is comprised of men.

Likewise, even though the percentage of minorities in our national work force has arisen close to 25 percent, minorities still only represent 10 percent of RNs.

In order to deal with this looming shortage, we are going to need to address a number of issues and to be very creative in our solutions. We need to draw more people into the profession, particularly the young men and women at the high school level who are just choosing their career paths. We need to reach out to minorities and disadvantaged youth. We need to retain those nurses who are already in the work force. We need to make sure we have enough nursing school faculty, mentors and preceptors to properly educate and train our work force.

□ 1245

I have been working with various working groups, with Senator JOHN KERRY, and other Members of Congress to develop a set of measures that can help deal with both the immediate and the long-term problems that we face. Soon I will be introducing comprehensive legislation to address these shortages.

This legislation will include proposals to improve access to nursing education, to create partnerships between health care providers and educational institutions, to support nurses as they seek more training, and to improve the collection and analysis of data about the nursing workforce.

But we will also need to look at creative new ideas to truly address this problem. In my home town, Santa Barbara, Cottage Hospital and Santa Barbara City College have joined with San Marcos High School to create a health academy. This is a perfect example of the kind of creative solution we need.

In their sophomore year, 60 students will start taking health-care courses taught by professionals from the hospital and college. When they graduate, they can be certified nursing assistants or continue their nursing education in SBCC's 2-year nursing education RN program. For its first class in this high school, there are already 128 applicants for those 60 spaces.

This program can serve to recruit young men and women into the nursing profession as well as change misperceptions among other students and teachers about the value of a nursing career. With support, this program could be replicated in other high-need areas, or other types of public-private partnerships could be developed.

The challenges we face in the nursing and public health communities are becoming more and more evident and the need for national action on them is equally evident.

Mr. Speaker, I hope my colleagues will join me in this effort so we can achieve a bipartisan solution to these problems.

FOOD SAFETY IN THE UNITED STATES AS IT RELATES TO THE MEAT INDUSTRY

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 3, 2001, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, just as a courtesy to whoever may follow, I will probably take about 20 minutes on this special order.

Mr. Speaker, you cannot help but notice a myriad of headlines touting gloom and doom on the horizon for our Nation's future. Whether it is foot-and-mouth disease threatening the world's livestock, the downturn in the world's economy, or the energy crisis that is jacking up home heating costs to really high levels, many of my constituents wonder where to turn for answers. Well today, Mr. Speaker, I would propose that America take a second look at its backbone, agriculture, as agriculture relates to some of these issues.

So the first topic I would like to discuss is food safety. The United States has one of the safest food supplies in the world. Prior to coming to Congress I was a physician and I am a father and I have a very keen interest in the issue of food safety. A few years ago, I was on an overseas surgical mission; and instead of just bringing back good memories, I brought back a case of encephalitis which I may have picked up from food overseas.

When I came to Congress, I cosponsored and helped pass the Food Quality Protection Act. It established new safety standards for the use of pesticides and required the EPA to use sound science in making its decisions. We all have a great stake in helping to ensure that our food supply is safe.

There have been concerns about the safety of food with the spread of two diseases in Europe related to the livestock and meat industry: Foot-and-mouth disease and mad cow disease. Both of these diseases, believe me, are being taken very seriously by the United States Department of Agriculture, the USDA, and the livestock industry. A little bit of background is in order.

Foot-and-mouth disease does not pose a threat to humans, but it is devastating to livestock herds. The disease attacks cattle, swine, sheep, deer, goats and other cloven-hoofed animals. The disease is caused by a virus that is very contagious and can be spread by physical contact between infected animals and people, animals and other material. The virus can persist in contaminated fodder in the environment for up to 1 month depending on the temperature and various other conditions.

The disease causes blisters in the mouth and on the feet of the animals. It causes them to drool. It causes them to be lame. Let me repeat, the disease does not affect humans. This disease causes debilitation if the animal lives, and it frequently results in death to the animal. The disease is not new, and it has been fairly widespread around the world. It was not, however, prominent in areas with extensive agricultural trade with the United States until the recent outbreak in Great Britain and Northern Europe.

Let me make a point. There are currently no cases of foot-and-mouth disease in the United States. But historically there have been nine outbreaks of foot-and-mouth disease in our country. The last outbreak in the United States occurred in 1929. According to the Animal, Plant and Health Inspection Service, livestock animals in the United States are highly susceptible to the foot-and-mouth disease virus. If an outbreak were to occur in our country, it would be essential to detect and eradicate it immediately. If it were to spread across the country, our livestock industry could suffer enormous economic losses. The disease could spread to deer and other wildlife making it even more difficult to eradicate, so it is crucial that we keep the virus from entering the United States.

We have always prohibited infected animals and infected animal by-products from entering the country, but in response to the recent serious outbreak in Europe, the USDA has taken the following actions: Number one, USDA has temporarily prohibited the importation of swine and other ruminants, and any fresh swine or ruminant meat and other products of swine and ruminants from the European Union.

Number two, USDA is preventing travelers entering the United States from carrying any agricultural products, particularly animal products, that could spread the disease. The USDA has mandated that travelers report any farm contact to Customs and USDA officials. All baggage is subject to inspection with penalties for violations of up to $1,000.

Number three, the USDA has established a team of 40 academic and government experts to evaluate, monitor and assist in containment efforts.

Number four, the USDA has placed additional inspectors and dog teams at airports and other ports of entry to check incoming passengers, luggage and cargo. They have stationed USDA officials worldwide to monitor reports of the disease.

Number five, the USDA has conducted a widespread public education campaign to make the public more aware of this disease and the steps that we can all take to help keep our country free of this animal disease.

Mr. Speaker, this is a serious matter and I hope that my remarks today are helpful in that public education effort.

Now, in addition to foot-and-mouth disease, there have also been concerns about the cattle disease bovine spongiform encephalopathy, or what is called mad cow disease. It has been featured in many news stories. It is usually portrayed in a very ominous and foreboding manner.

Mr. Speaker, I want to make it very clear, there has never been a case of mad cow disease in the United States. Not only has no human being ever been affected by it in the United States, but no cow has ever been infected by it in the United States, and that is not a coincidence. The USDA and the cattle industry have taken extensive measures to keep our beef supply safe. Mad cow disease was first discovered in England in 1985. Scientists believe that the disease began when remains of sheep that had suffered from a neurologic disease called scrapie were used as cattle feed. Cows developed a neurologic disease called bovine spongiform encephalopathy after eating the contaminated feed. It is not otherwise contagious between animals. Scrapie is found in some sheep in the United States, but it has never caused any health problems in humans.

Mad cow disease in cattle causes a certain type of protein called prions, a normal part of human and animal brain, to become deformed. This leads to a degeneration of brain tissue and to eventual death. In Europe when they have seen these cases, it has occurred primarily in younger people. Although deformed prions are located in brain tissue, eye tissue and spinal cords of infected cattle, if humans eat beef products containing those tissues, it is possible for them to contract a form of the disease.

About 90 people in Europe have died from the human form of the disease which is called Creutzfeldt-Jacob variant disease. All of those fatalities occurred in Europe, mostly in Great Britain. I wanted to again point out, there have never been any cases in the United States of either humans or animals catching this disease. Why is that? Well, it is because we have been watching for it. The USDA has been doing its job.

The USDA began taking steps in 1988 to prevent the disease from reaching the United States beef industry. In 1989, they banned the importation of live ruminants such as cattle, sheep, goats and most ruminant products from countries where mad cow disease has been identified. In 1990, they began educational outreach efforts to veterinarians, cattle producers and laboratory diagnosticians about the clinical signs and diagnosis of the disease. They also began an active surveillance effort to examine the brains of U.S. cattle for possible signs of disease.

In 1993, they expanded their surveillance to include what are called "downer" cows. These are cows that fall down from a disease, frequently on the slaughterhouse floor, not just cows that were acting unusual.

In 1997, the USDA moved to prohibit the importation of live ruminants, i.e. cattle, and most ruminant products from all of Europe. The Environmental Protection Agency also passed regulations to prevent the feeding of most mammalian proteins to ruminants.

In 1998, the USDA entered into an agreement with Harvard University to analyze and evaluate the department's prevention measures.

In 1999 and again in 2000, the USDA expanded their surveillance procedures. In December of last year, the USDA prohibited all imports of rendered animal products regardless of species from Europe. The restriction applied to products originating, rendered, processed or otherwise associated with European products.

Last month, the USDA suspended importation of processed beef and associated products from Brazil, not because there was evidence of disease in Brazil, but because they could not document that they were taking all steps to prevent the disease in Brazil.

The USDA has trained more than 250 State and Federal field veterinarians throughout the United States to recognize and diagnose animal diseases, including mad cow disease.

In all of that time with the thousands of cattle that have been tested, there has never been a single cow found to have the disease in the United States.

There has also been pathology work done on a systematic basis in the United States to investigate human deaths caused by neurological diseases. The Center for Disease Control and Prevention does this for a variety of public health reasons in the study of neurologic diseases. There have been no cases in the United States where the patient has died from a variant associated with mad cow disease. George Gray, a researcher at Harvard School of Public Health stated, "The chance of this becoming a serious health risk in the United States is very low."

□ 1300

He also said, "We won't have a United States' style epidemic here. It just won't happen." An official of the World Health Organization agreed. He said that American officials are "taking the right measures to prevent the occurrence of the disease in their country." He added that "the risk in the United States is low."

This is not to say that we should stop taking steps to further decrease the disease from reaching our country. I plan to ask for increased funding for the Centers for Disease Control for surveillance of prion diseases to bring us up to the level being spent for research in other countries. I have also met with officials from the USDA and representatives of the cattle industry regarding this problem. I am also willing to support additional measures if the Animal and Plant Health Inspection Service feels that that would be helpful in adding another layer of protection for our beef supply and for the public's health. This is a very serious issue, and it should be dealt with responsibly and rationally and calmly.

Working to maintain and protect our food supplies goes hand in hand with building the United States' reputation as a reliable supplier of food products to the rest of the world. This, Mr. Speaker, will help strengthen our Nation's agricultural economy and our Nation's agricultural exports because we have a safe product and other countries are going to want that safe product.

In light of the hoof and mouth disease in other parts of the world, it is even more important, in my opinion, to grant President Bush what is called "fast track" trade authority. Every President should be granted the opportunity to negotiate a treaty in good faith with a foreign government. Congress should have renewed that authority when it expired in 1994. In trade meetings, it is very important for all the negotiators to know that Congress will choose either to accept or reject the treaty without removing or inserting provisions.

Mr. Speaker, this is very important for international trade as it relates to these animal diseases which I have talked about. Other nations are going to be very leery of entering into agreements of international agricultural trade. We must be able to craft a treaty exactly and to have that treaty voted on without change or I am afraid those foreign governments will not want to enter into international treaties. Foreign countries are wisely hesitant to agree to contentious issues during negotiations if they know that later on when they have put their neck on the line with their own citizens that the treaty could be undercut by changes or congressional amendments.

Mr. Speaker, my home State of Iowa is always one of the leading States in the production of agricultural products. In a recent year it exported more than $3.5 billion in farm commodities alone. It is probable that we will export even more meat if our meat remains safe. But this may be short-lived once other countries reestablish their livestock and then say from their experience with hoof and mouth disease, "We're going to cut off those borders."

The ramifications of a trade slowdown based on caution due to animal health concerns is not just a problem for agricultural products, either. If trade agreements are not reached, other sectors of the economy are going to be impacted.

Iowa firms are very active, for instance, in the area of international financial services. Failure to bring trade agreements to conclusion can impact their ability to market their products around the world. Right now, the two most contentious issues in our international trade agreements are agriculture and financial services. And so we have a balance going on.

It is amazing, Mr. Speaker, how an issue like hoof and mouth disease can impact another area before us, such as international trade on financial services. History proves that the free flow of goods around the world is beneficial to our economy. Now is not the time for protectionism. We must have adequate safeguards at our borders, but we must also ensure that we are able to export our agricultural commodities.

And it is not just for our own financial benefit. The Midwest, where I come from, is the world's breadbasket. We supply meat and grains to the world. When we are looking at burgeoning populations around the world, it is very important to prevent famine that we be able to export our goods. All one has to do is look back in history. High tariffs and retaliatory trade practices turned an economic downturn in the 1930s into the Great Depression, pushing unemployment to over 30 percent. We must make sure that our animals stay healthy and that we continue to promote international trade. It is important for the economy.

Mr. Speaker, on a final note, the Bush administration has faced many important decisions in its first few months in office. I think one remaining decision will have long-lasting implications. It involves the oxygenate requirements of the Clean Air Act. The EPA is being asked to waive the requirement for the State of California. I think this would be very damaging if pursued by the administration. I believe the President understands the importance of maintaining the current requirement and that he will choose not to grant a waiver.

I was able to talk to President Bush directly on Air Force One when he flew back to Iowa recently. I talked to the President about the matter of promoting ethanol and banning a chemical called MTBE. This is the oxygenate that is used in gasoline around most of the country. It is an oil-based oxygenate, an oil-based chemical. I think we have to phase that out.

The EPA has determined that this chemical, MTBE, is a ground water contaminant and it is a possible carcinogen. If you take one teaspoon of that chemical and you put it into an Olympic-size swimming pool, it renders all the water in that swimming pool undrinkable. The stench is incredible, much less what it could be doing to your body once it gets inside.

New York, California and other States have taken action to phase out and ban the chemical. The same action has been taken by major cities like Chicago. That chemical has got to go. It is even getting into Iowa's water supply as it comes out the exhaust tail pipes of cars as they drive across Iowa. The choice then becomes whether we make a sensible transition to a cleaner oxygenate, like ethanol, or just eliminate the clean air standards altogether. The reasonable answer is to turn to ethanol.

Opponents argue that the ethanol industry cannot meet the demand. That is simply not accurate. The ethanol industry's annual capacity now exceeds 2 billion gallons.

My colleague from New Jersey has arrived on the floor. They are even building ethanol plants in New Jersey these days. You do not need to use corn. You can use vegetable refuse. You can use any type of plant material. You can ferment it. You can create the ethanol. It helps that gasoline burn cleaner. It reduces carbon monoxide. We have had a great improvement in our Nation's air supply, and the EPA will tell you that a large part of it has been due to those clean air standards.

We can supply the ethanol. The ethanol industry's annual capacity now exceeds 2 billion gallons. It has added 226 million gallons of capacity in the last year. It will add another 320 million gallons of capacity this year. Over the next 2 years, construction is scheduled to begin on an additional 1.13 billion gallons of additional capacity.

Ethanol has twice the oxygen content of MTBE, and so it will only take half the volume of ethanol to replace it. The Renewable Fuels Association believes that about 580 million gallons of ethanol will be needed to fill the need in California and that we can meet California's target. Ethanol also provides a great benefit to the rural economy.

We are talking about an energy policy. We are talking about how dependent we are on foreign oil. This is a renewable fuel. The United States Department of Agriculture reported last year that replacing MTBE with ethanol would increase farm income more than $1 billion annually. It would reduce our balance of trade deficit by $12 billion over the next 10 years. It would create 13,000 new jobs in rural America. It would reduce farm program costs and loan deficiency payments by creating an important new value-added market to our grain. Moreover, the USDA concluded that ethanol can replace MTBE used in reformulated fuels nationwide without price increases or supply disruptions within the next 3 years.

And so I have a bill before Congress. It has a whole bunch of bipartisan supporters for this bill, from all parts of the country. I would encourage my colleagues to sign on to this environmentally sound bill.

Ethanol production is the third largest use of corn in the United States, utilizing about 7 percent of the corn crop. Current levels of ethanol production add 30 cents to the value of a bushel of corn and adds about $4.5 billion to the U.S. farm economy annually. That will help us, Mr. Speaker, when we are looking at this budget. By creating an additional demand for corn, we can help ensure that the market price will provide a sufficient return on the cost of production to allow the farmer to break even, hopefully even turn a profit. That will lessen the need for Federal support subsidies that are currently needed to keep farmers on the farm. That is beneficial for the producer, it is beneficial for the rural economy, and it is beneficial to the environment.

I have pursued this cause of ethanol along with the gentleman from Illinois (Mr. SHIMKUS). We introduced the Clean Air and Water Preservation Act of 2001. We have been joined by more than 30 Members of Congress who have cosponsored this legislation. Our legislation would phase out MTBE over 3 years. It calls on the EPA to assist in dealing with groundwater pollution already caused by MTBE. It keeps the oxygenate provisions of the Clean Air Act intact. And it promotes the use of ethanol.

At a time when energy is on the Nation's agenda, let us not ignore the role of ethanol, the clean-burning, homegrown natural fuel source, or the role that agriculture plays in our Nation's prosperity and security.

PRESIDENT BUSH'S ANTI-ENVIRONMENTAL BEHAVIOR

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, I rise this afternoon to highlight some of the serious shortcomings in the Bush administration's environmental arena as it relates to national energy plans.

Last month, President Bush stood before Congress in these very Chambers and spoke to the American people, saying he would pursue alternative energy sources and environmentally sound policies to help solve our energy crisis. In fact, I want to quote the President because he told us, and I quote, "We can promote alternative energy sources and conservation, and we must." He was so right. At the time, I thought the plan sounded too good to be true. Unfortunately, with the recent release of the administration's budget blueprint, I realize that it was too good to be true.

Sadly, the Bush administration's budget blueprint reneges on the commitments the President made to pursue renewable energy sources. Headlines in the Washington Post and other newspapers across the country have stated the administration's intent to cut energy efficiency and renewable energy R&D and technology development programs by 35 percent. That is unacceptable, Mr. Speaker.

This is especially frustrating because in this Congress we have an impressive group of bipartisan support for renewables. As the lead Democrat on the Subcommittee on Energy of the Committee on Science, I am personally working with the gentleman from Maryland (Mr. BARTLETT), the chairman, to promote environmentally sound priorities.

Mr. Speaker, if the 35 percent cut in the blueprint were to go through, it would seriously hamper efforts to develop improved and lower cost solar energy; it would hamper wind power investment, bioenergy and geothermal energy technologies.

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This is where our Federal priorities must be, not in increasing our dependence on fossil fuels, as the administration appears to want in its policies.

It is said that actions speak louder than words, Mr. Speaker. That is why I am outraged. But I am not surprised. I am not surprised that the administration's commitment to environmentally friendly sources of energy lasted only as long as the television cameras were rolling.

I say to our President, now is not the time to cut funding for national energy efficiency and renewable energy programs. Now is the time to increase the investment. Proposing to cut funding for vital energy efficiency and renewable energy programs would be a step in the very wrong direction, and it would be a serious blow to the efforts that we hope to take to craft a sensible national energy policy.

In my district, as well as across California, consumers and businesses are facing electric and gas bills two or three times higher than those of last year. California is facing an electricity reliability crisis that threatens our State's economy. What we need is responsible energy policy that includes significant investment in clean energy sources to supplement electric supply, and we also must recognize the need to reduce demand for electricity by promoting and using more efficient energy technologies. These are programs that will protect our environment and leave a better future for our children.

Since passing the National Energy Policy Act in 1992, Congress has generally ignored energy issues; but the power problems in California, as well as the increased price of natural gas and oil throughout our entire Nation, have brought energy back to the top of our Nation's agenda. The energy shortage we are experiencing in California is proof enough that Congress must raise the stakes in search of alternative energy sources. Obviously, what we are doing now is not good enough.

As Congress and this administration forges a long-term energy plan, it is imperative that we make a true commitment to alternative energy sources, efficiency, and conservation to prevent future energy crises and to protect our environment. Measures of this kind can work. For example, in my district two of my counties are working to make sure we have more energy-efficient programs, programs that must be modeled for the rest of the country.

ADDRESSING IMPORTANT ENVIRONMENTAL ISSUES

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I woke up this morning and I read on the front page of USA Today that President Bush is doing a terrible job on highly significant environmental issues. I suppose that is no surprise to my colleagues here in the well or here in the House Chambers.

Yesterday the Bush Administration abandoned more stringent restrictions on the amount of arsenic allowed in tap water. Arsenic is a known carcinogen, I think many people know. The week before, President Bush broke a campaign promise to the American people that he would work to reduce carbon dioxide emissions; and carbon dioxide is, of course, a greenhouse gas that causes and is a major factor in global warming.

I also read in the paper this morning that the Bush administration is planning to restrict new mining limits in the next few days. Of course, we have not heard about that yet, but it sounds like just another indication that this administration is essentially anti-environment.

Mr. Speaker, I ask, what is the President going to do for the special interests tomorrow? I do not think there is any person, average person, or any group of concerned citizens, that asked the President to abandon these more stringent restrictions on the amount of arsenic in water. I doubt very much that there was a group of citizens who told him he should go back on his campaign promise and not regulate carbon dioxide emissions.

This is coming from the special interests. This is coming from the corporate special interests, oil interests, mining interests, coal interests, who contributed to the President's campaign and who now are calling the shots with this administration at the White House on these very important environmental issues.

The reason that I am so concerned about it, Mr. Speaker, is because we are talking about the health and the safety of the average American, the air we breathe, the water that we drink. These are not environmental issues that we have any doubt about what the impact is going to be. We know that if these carbon dioxide emissions are not regulated in some way, that a lot more people will get sick from the air. We know that if the arsenic levels are not reduced in drinking water, that a lot more people will get cancer from arsenic.

So it is really almost mind-boggling to think that this administration, in such a short time, has come down so hard, if you would, on the side of those who would seek to deregulate or weaken, or certainly not improve, environmental regulations that need to be improved.

Let me talk initially, if I could, about the carbon dioxide change that the President had. He did not change his position on carbon dioxide until four Republican Senators sent a letter to him on March 6. Until that time, not only during the campaign, but even in the first few months we heard from the EPA administrator, Christine Whitman, the former Governor of New Jersey, my former governor, that a consensus had been essentially built in the White House, in this administration, to regulate CO_2. But after that letter was sent on March 6, the President broke his promise, because special-interest lobbyists pressured him to do so. We know that Vice President CHENEY basically pulled the rug from under the EPA administrator and insisted in his capacity as the chairman, I guess, of this new Energy Task Force that carbon dioxide not be regulated.

But, again, I think this is symptomatic of what we are going to see with this administration, broken promises on protections that we need for the environment and for the American people. I hope it does not continue, but every indication is that it will.

Let me briefly mention, Mr. Speaker, about the carbon dioxide emissions, because I want everyone to understand that the reduction in carbon dioxide that myself and other environmentalists support is not a crazy idea that is just supported by a bunch of eco-freaks. In fact, numerous large multinational corporations have adopted company-wide targets to cut global warming pollutants that include carbon dioxide.

One of President Bush's most loyal supporters, the Enron Corporation, has urged the President to create a credit-trading system for carbon dioxide in a manner very similar to a bill I introduced in Congress and that I will be reintroducing shortly, where we use a trading system, which is essentially a market approach to try to reduce carbon dioxide and other emissions.

I have worked, frankly, with both utilities and environmental groups in creating what I consider a workable emission-reduction plan, and I know that there are solutions other than "business as usual," in other words, the idea of simply throwing the environment aside in the name of economic development.

Utilities and environmentalists can work together to come up with a program that reduces carbon dioxide. It is not a situation where you have to choose between the environment and industry, or you have to choose between impacting people's health in terms of the air they breathe versus the cost of producing energy.

Now, in making the statement that was made yesterday on the second issue, to roll back protective standards on the amount of acceptable arsenic in drinking water, I think the Bush administration crossed the line even further in terms of not caring about the public than they did even with the carbon dioxide emissions, because here we are talking directly about an issue that studies have shown will directly impact the number of people that have cancer.

Arsenic, I do not have to tell anyone, is an awful substance that can cause bladder, lung, skin and other kinds of cancer. The proposal to reduce the amount of arsenic from an acceptable level of 50 parts per billion, which is the status quo, to 10 parts per billion, is actually something that was endorsed by the European Union and is in place for the countries that are part of the European Union, and also adopted by the World Health Organization. So the United States now, instead of being in unison with Europe and most of the world, is now keeping with a standard that was adopted in the forties about the level of arsenic that you can consume in your water.

According to the National Academy of Sciences, exposure to arsenic at the current standard, 50 parts per billion "could easily result in a combined cancer risk on the order of 1 in 100." This level of risk is much higher than the maximum cancer risk typically allowed by the Safe Drinking Water Act standards. Most of the time when we are talking about what is acceptable, we are talking about a case where maybe 1 in 10,000 people would be impacted. When you talk about 1 in 100, that is an incredible risk and could impact millions of people, maybe tens of millions of people.

The interesting thing about the administration's announcement yesterday also with regard to the arsenic levels is that once again my former governor, now the EPA administrator, Christine Whitman, actually admitted that the 50 parts per billion was unacceptable and that the standard needed to be lowered significantly. She said it twice in the statement that she put out from the EPA. Yet at the same time, she said that the 10 parts per billion was not a standard that there was a lot of scientific agreement on.

I would say once again that I know that Mrs. Whitman is trying to be helpful and trying to suggest that the standard needs to be lowered even though the Bush Administration does not want to do it, but I would point out again that we know that a lot of the countries in the world, part of the European Union and the World Health Organization, have adopted the 10 parts per billion, so you cannot say it is not a standard widely accepted. In fact, it is widely accepted.

Finally, I wanted to mention, before I move on to some of my colleagues that are going to join me today, this latest report that the Bush administration is proposing to suspend new environmental regulations on hard-rock mining that were put in place over industry objections on President Clinton's last day in office.

The Interior Department's Bureau of Land Management is to announce supposedly today that it is reopening the revised 38–09 regulations, giving the government new authority to prohibit new mine sites on Federal land. Again, we cannot allow the administration to move forward with this attack on our health and the health of the environment. We are talking about water and air quality, the key components of life. We do not want our constituents, Americans, living in fear; and I think that we are just seeing more and more of these ill-advised choices by the Bush administration.

I know that some of my colleagues today are probably going to talk about the Arctic National Wildlife Refuge as well. I would yield to the gentleman from Oregon, if he likes, at this point.

Mr. BLUMENAUER. Mr. Speaker, I thank the gentleman for yielding. I appreciate the gentleman's courtesy and this opportunity to join in this discussion.

It is important to me. I commend the gentleman for focusing attention on the environment and how the pieces fit together, and the relationship between Congress, the new administration and the American people.

It is very much in keeping with why I came to Congress, determined to make sure that the Federal Government was a better partner in promoting community livability, making our families safe, healthy and economically secure. An important part of that partnership, frankly, is that the Federal Government needs to play a constructive role. It needs to lead by example, set the tone, and follow through.

I, frankly, was shocked in the area of environmental stewardship with last week's announcement dealing with global warming and the broken promise of the Bush administration dealing with how we were going to deal with CO_2 emissions. I just returned from 4 days in my State of Oregon; and, like your State of New Jersey, citizens there are keenly concerned about the environment and quality of life. I was, frankly, despite that environmental orientation of Oregonians, surprised at the intensity of the public reaction to the administration's lack of commitment to the environment.

Now, setting apart the fuzzy image portrayed by the last campaign, it is clear at this point it is more characterized by a series of reversals. You have already referenced the reversal of the arsenic standard by EPA administrator Whitman. Earlier in the week we heard from Department of Energy Secretary Abraham that our energy crisis could be avoided by relaxing environmental regulations and drilling for oil in Alaska's National Wildlife Refuge. Of course, last week, President Bush reversed an explicit campaign position to reduce greenhouse gas emissions.

□ 1330

None of these actions demonstrates that commitment to the livability of our communities, ensuring the public safety, environmental protection, or long-term energy conservation. We certainly do not need to spend more time studying whether or not global warming is happening, or whether arsenic poses a health problem to our children and families. We know that it is. We need to devote our time and energy instead to deal with how we are going to fix it.

It is true that we do not harbor a false sense of security in numbers. The fact is that almost 2,000 scientists have reiterated their findings that global warming is occurring, and its linkage to carbon-based energy consumption is clear. This is a clear emerging scientific consensus.

The administration's actions are also out of sync with where the American public is concerned. The gentleman from New Jersey (Mr. PALLONE) and I take pride in the environmental consciousness of the citizens that we represent in New Jersey and Oregon, but it is clear that the American public feel deeply about the environment and environmental protection. It was just this week that a Gallop poll found that 52 percent of Americans believe that we should be protecting the environment over a much smaller number dealing with energy, and by almost 2 to 1 there was a majority of those polled who opposed drilling for oil in the Alaskan Wildlife Refuge.

On the campaign trail, then-Governor Bush promised to seek a reduction of carbon dioxide emissions, including those emissions on a long list of pollutants regulated at power plants. Last fall, the Bush campaign materials released a comprehensive national energy policy that spoke of the "need for a comprehensive energy policy," I am quoting, "that would be forward-looking, encourage the development of renewable energy sources and increased conservation."

Specifically, then-Governor Bush proposed that legislation be introduced that would require electric utilities to reduce emissions and significantly improve air quality and "establish mandatory reduction targets for emissions of 4 main pollutants, sulfur dioxide, nitrogen oxide, mercury and carbon dioxide." He was going to phase them in, and so on and so forth, provide market-based incentives; the gentleman from New Jersey has heard the drill.

The point is that he was clear and unequivocal. In fact, then-candidate Bush derided Vice President Gore for being too soft on this. This came up in one of the Presidential debates, and we know those are perhaps the most intensely scripted political theaters in the history of the Republic. This was not accidental, this was calculated.

Now, the question arises, and I have had difficulty from the press because they want to know, was this an action of deliberately misleading the public on the part of candidate Bush, or did he just not understand. I do not want to be in a situation to try and delve into the hearts and minds of other politicians, but suffice it to say, I think it is kind of an unnerving Hobson's choice here. Do we believe that a governor of an energy-producing State whose primary professional background to that point had been as an energy executive, did not know what he was talking about, or the alternative, which was he knew, in fact, what he was talking about, and there was never any intention to provide this protection to the American public.

I think, frankly, either approach is unacceptable. It is unnerving, it underscores the credibility of what we are doing in the political process, and I personally am very much dismayed, not just because of what it says about the political process, but what it means for us as a public to try and deal with problems of global warming, of acid rain, of trying to get on to the next generation of energy-efficient activities and do what this Congress needs to be doing.

I am more than willing, Mr. Speaker, to continue. I have some further thoughts, but I notice that we have been joined by another colleague, and the gentleman from New Jersey (Mr. PALLONE) perhaps at this point, before going on and talking about the Arctic Wildlife Refuge in a few minutes, maybe the gentleman has other parts of this discussion that he would like to enter into at this point.

Mr. PALLONE. Mr. Speaker, I appreciate the gentleman's comments. What I wanted to do was just comment briefly on the arsenic and then yield to our colleague from Maine.

The one thing that I noticed that my colleague from Oregon talked about, the special interests with regard to this arsenic level in drinking water; it is interesting, because yesterday, when the EPA administrator former Governor Whitman announced that they were, in fact, going to stick with the status quo and not lower the arsenic level standards, contrary to what had been proposed, it was the same day that there was an article in The Washington Post which was called, "All Decked Out, But Will Runoff Ruin the Well." It was by the American Wood Preservers Institute which was worried that this new arsenic standard would have a negative effect on their ability to produce this pressure-treated wood product.

Basically, what they do is they produce the kind of wood product that, I guess, is coated with a material that preserves it, what we see on decks or boardwalks or docks around the country. It said in the article that the stakes are high. Obviously, this organization was trying to get the standard to stay the same. It says, "The stakes are high for the wood preservers because 98 percent of the lumber sold for outdoor purposes, mostly northern pine, is treated with CCA at some 350 plants. The plants use about 144.5 million pounds CCA annually and about 37 million pounds of that mixture is arsenic. They sell 5 billion board feet annually.

I was thinking to myself, because of what the gentleman said, about our own constituents. I live in a shore district, so it is true that a lot of the places we go on the boardwalk or on the docks we see, I assume, this kind of coated wood. Can we imagine for 1 minute that anybody who had a dock or was using a boardwalk would not sacrifice that if they knew that the alternative was that their drinking water was going to be contaminated and they had a 1 out of 100 chance of getting cancer from the arsenic. Our priorities, or the administration's priorities, are unbelievable that this kind of an organization would come in and say, we have to continue to manufacture this processed wood and we are going to not be able to sell as much, or it is going to cost us more. That is what we are dealing with here, that kind of industry. The average person is going to say, charge me more for the deck, but at least keep the water so that I can drink it. It is just incredible to me.

Mr. Speaker, I yield to the gentleman from Maine.

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding to me. I appreciate the gentleman holding this Special Order to discuss one of the more disturbing incidents of the early weeks of the Bush administration. The President has broken his promise to the American people on the environment and, in doing so, he has evidenced a real disregard for our health and for the long term consequences of the policies that we adopt here in the Congress today.

I really think we need to look at this example. I have had legislation in each of the last two Congresses and will introduce legislation very soon to deal with these old coal-fired and oil-fired power plants that are the major source of man-made carbon dioxide emissions in this country. I think it is worth noting that these old power plants which were grandfathered under the Clean Air Act and the Clean Air Act amendments are not subject to the same standards that a new power plant would be in this country. Yet, they emit 33 to 40 percent of all man-made carbon dioxide emissions in this country.

The President tried to say that well, carbon dioxide is not a pollutant, and certainly it is not a pollutant like mercury or sulfur dioxide or nitrogen dioxide because those are pollutants in all cases and in all circumstances. But carbon dioxide, because there is so much of it being emitted now, is transforming the globe in a way that we can no longer ignore.

During his campaign and even until last week, President Bush had committed to reducing carbon dioxide emissions from power plants. For example, in a speech last September in Michigan, President Bush said, we will require all power plans to meet clean air standards in order to reduce emissions of sulfur dioxide, nitrogen oxide, mercury, and carbon dioxide. That is the four-pollutant strategy that the EPA administrator, Christy Whitman, was discussing in the early weeks of her new job. Mr. Bush made this promise to protect people from the effects of climate change and when it was made, it was a serious and substantial part of the appeal that he was making to the American people to suggest that he was a moderate on the issues related to the environment. But that is not the case. He has broken his word to protect the American people and has instead given in to the oil and gas industries who, not surprisingly, are among the largest contributors to his campaign.

Now, Christy Whitman, the new administrator of the EPA, was traveling through Europe and saying in radio and television interviews that the President would work to protect people by cleaning up power plants and further, that he was really concerned about this issue of global climate change.

Now, over the last few years, we have had this debate, both in this Congress and around the country, as to whether this climate change phenomenon is real, is it serious, and is it immediate. Well, every time the group of scientists working through the United Nations take another look at this, the evidence is clearer and clearer than it was before. Now, there is a consensus. There is a consensus in the scientific community that climate change is real, that the problem is serious, that it is driven by man-made emissions from automobiles and power plants and other sources, and that we need to do something about it.

The United Nations Intergovernmental Panel on Climate Change, the IPCC, is a group of scientists from around the world. They have agreed that climate change is a real issue and we need to act in response. This is not a small group. More than 2,500 of the world's leading climate scientists, economists and risk analysis experts from 80 different countries have contributed to the panel's third assessment report on climate change. These scientists are projecting that we will see temperatures rise from 2.7 to 11 degrees over the next 100 years. Particularly at the upper end of that scale, that could have a phenomenal impact on this country and on the globe. There would be a broad range of different impacts. Sea levels will rise, and on the coast of Maine, we care about that; we do not want to see our beaches disappear. But particularly in tropical areas of the world and in places like Bangladesh which are low-lying countries, the effects on the globe and the resulting movement of populations could be substantial.

Glaciers and polar ice packs are melting. Already the area covered by sea ice in the Arctic declined by about 6 percent from 1978 to 1995. Ice thickness has decreased 40 percent since the 1960s. Droughts and wildfires will occur more often, and as habitat changes or is destroyed, species will be pushed to extinction.

Despite the scientific consensus, what the President said in his announcement was that there is uncertainty. Well, there is not. One can always find someone who disagrees with an emerging consensus, but this is a very strong emerging consensus in the scientific community.

The oil and gas industries, as important as they are in this country, as much as they may have contributed to various people, are a source of the problem that we need to get a grip on.

I also wanted to mention, just in terms of the warming issue, the year 1998 was the warmest year ever measured globally in history. The top 10 warmest years ever measured worldwide over the last 120 years all occurred after 1981, and the sixth warmest of these years occurred after 1990.

As I mentioned before, I have this legislation, the Clean Power Plant Act, which I will introduce again, and the interesting thing about this legislation is we are not talking about Kyoto here. What I am suggesting in this bill is that carbon dioxide emissions in this country be set at the level authorized by the Rio Treaty in 1991, when the former President Bush was President, a treaty that he signed, a treaty that was ratified by the U.S. Senate. And the way my legislation works, it allows emissions trading in carbon dioxide among different plants, but overall, it sets a national limit consistent with the Rio Treaty, and then we work to set caps for individual plants and to make sure that we get down to the overall national goal.

□ 1345

As I said, it is possible to do emissions trading because carbon dioxide does not have an adverse local impact. It has an adverse global impact.

The last thing I want to say on this point, right now the President's failure to act is extremely disturbing, because any action that we take today is not likely to have a significant effect on the upper atmosphere for 100 years, for 100 years, and that means that we have to act before we have anyway of knowing exactly what the impact of our actions will be.

We just know that we have to reduce greenhouse gas emissions in this country. Carbon dioxide is the principal greenhouse gas; 33–40 percent of it comes from these old coal-fired and oil-fired power plants. And we can do it. It is possible to develop the technology.

Environmental cleanup will never get easier than when you have 33–40 percent of all of the emissions in the country coming from about 500 plants. It cannot be easier than this.

The President also said that he thought the costs of dealing with the climate change issues would be too much. He never said beside the costs of cleaning up 500 power plants, the costs of the weather patterns, the changes in weather patterns that we are going to face as the globe becomes warmer. He never factored in the costs that it is going to have on our agriculture areas as they find they are unable to grow in one part of the country and have to move to another part of the country. The costs of not acting are far greater than, the costs of acting, and putting off for 4 years any effort to deal with the primary greenhouse gas is a fundamental mistake for the health of the planet.

It a fundamental mistake in terms of our relations with the rest of the world, because other countries around the world are proceeding. We are the problem in this case. We are the problem.

Here we sit in the United States, 5 percent of the globe's population and we have met 25 percent of all the greenhouse gases in the country, and we are trying to suggest that China and India and other people need to act before we do.

It is time to put our own house in order. It is time for people in the Congress to get the President to reverse his position and to tell the oil and gas industries that this country, this planet cannot be held captive to their special interests for the next 4 years.

Mr. Speaker, I thank the gentleman for yielding to me.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Maine (Mr. ALLEN), my colleague, and I know that everything the gentleman is saying is so true.

Just to give two examples, quickly, one is, I was with President Clinton last year at this time in March in India. And we had a ceremony, it was just outside the Taj Mahal, where we announced cooperation between India and the United States on a number of environmental issues that specifically related to clean air.

There is no question that India, being the sort of leader within the developing countries, is looking to see what the United States is going to do on CO_2 and other emissions before they are going to act. Because they say, look, most of the problem is coming from the developed country. If you are not going to take the initiative, then why should we when we are economically underdeveloped?

India was more than willing to play that role, but they are not going to do it if the United States does not take the leadership on it, that is for sure.

Mr. Speaker, I yield to the gentleman from Maine.

Mr. ALLEN. The gentleman makes a very good point. It reminds me of another thought here. Part of the concern is that India and China, as they develop their own energy resources, are going to be relying on coal, among other sources, because both of those countries have coal.

We are developing in this country clean coal technology, clean coal technology that if this is transferred to China and India, if we help them with the development of their electrical infrastructure will have far less impact on the environment than otherwise.

It is not just carbon dioxide. It is also mercury. I mean, mercury is one of those pollutants that does not go away; and we are having substantial problems in the Northeast, as the gentleman knows, with mercury pollution.

Frankly, we have to figure out how to take some of this mercury out of the air, and the best way to do it is changing how we deal with these old coal-fired and oil-fired power plants.

Mr. Speaker, I thank the gentleman again for yielding.

Mr. PALLONE. The other thing the gentleman mentioned about coastal States. My district is a coastal district. In fact, there are certain parts of it that are no more than a few blocks wide from the ocean.

I will tell the gentleman that my constituents are very concerned about the impact that global climate changes are going to have on the rising sea level.

We have to put in place these beach replenishment projects every year that costs us millions of dollars, and that is not going to work any more if the sea level continues to rise. This is not pie in the sky. This is real.

ADDRESSING IMPORTANT ENVIRONMENTAL ISSUES

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for the balance of the time allocated to the gentleman from New Jersey (Mr. PALLONE).

Mr. BLUMENAUER. Mr. Speaker, I thank my colleagues, and I think we have some interesting context that has been established here.

I would just take a moment to reference what my other colleague from Portland, the gentleman from Maine (Mr. ALLEN), talked about, that it is going to be 100 years or more before the full impact of actions that we take today will be felt, that we have set in motion a pattern of environmental destruction that will take decades and perhaps centuries to correct.

There is no time to waste, and it is not appropriate for us to continue pretending to do something about it by just reiterating the studies that have already been done. Most Americans agree with the scientific evidence that global warming is real and that we must, in fact, do something about it.

It is in this context that I must confess a certain surprise by the administration's proposal to meet the current energy crisis with a proposal to drill for oil in the Arctic Wildlife Refuge.

This issue beyond question, let us just put for a moment aside the notion that whether or not it is going to be destructive for the environment, whether the environmental costs, whether the problems that would deal with the native indigenous culture, treaty problems and environmental problems with our friends in Canada, put all of those aside for a moment, assume that it is either they could be moderated or it would be worth it.

There is a fundamental question whether or not it is actually worth it to go ahead and pursue this approach for the energy security of the United States.

I was pleased recently to read the latest newsletters from the Rocky Mountain Institute where Amory and Hunter Levins asked that fundamental question, can you, in fact, make a profit over the course of the next 20 years by invading the Arctic Wildlife Refuge?

It is interesting that the State of Alaska itself has done its recent price forecasting that suggests that what the State of Alaska envisions as being the long-term price of oil over the course of the next 10 years, that it would not generate enough revenue to be profitable.

If we use our time and our resources to recover this expensive oil in some of the most environmentally sensitive areas in the world, it would actually end up resulting in a waste of money, and we would have to be importing more oil sooner, as opposed to dealing with less expensive energy alternatives.

Many would argue that another fundamental issue, and it is one that I agree, is whether this country can continue to use the current energy patterns that we have using six times as much energy per capita as the rest of the world, twice as much as developed countries like Japan and Germany.

The irony is that conservation and energy efficiency does in fact work. It works better than an effort to exploit the Arctic Wildlife Refuge. It is estimated that a mere 3 miles per gallon improvement in the performance of SUVs would offset the oil production from the Arctic.

If, for some reason, we cannot change those huge and inefficient vehicles, just one half mile per gallon efficiency overall for the fleet would more than equal the production of the arctic wilderness.

This is not beyond our power. Last year, the average fleet efficiency of 24 miles per gallon was tied for a 20-year low. We can and we should do better.

In the Pacific Northwest, we are sending energy that we really do not have to spare to the State of California. Yet we find that there could be a 30 percent energy savings for reducing air conditioning just by changing the color of the roofs in southern California to a white reflective surface.

It would be far more effective for us to make that investment in conservation. When I started in this business 25 years ago, we were in the midst of an energy crisis. Even though many of those initiatives were reversed by the Reagan administration, conservation has nonetheless saved a quantity of energy that is four times the entire domestic oil industries production.

In the West, this is our only immediate solution. Given droughts and limited generating capacity, the only way this year that we will be able to make a difference is by changing our patterns of consumption. When we conserve, there is no threat from terrorists. There is no risk of environmental damage. It keeps producing year after year.

I must point out, perhaps most significantly when I hear on the floor of this Chamber people talking about protecting our strategic oil reserves, that if we place all of our bets on the Arctic Wildlife Refuge, we are, in fact, dooming the United States to a very insecure posture. If we are going to place our bets on an aging 800-mile long facility, a pipeline through the Arctic that is increasingly unreliable, that is wearing out, that is impossible to defend from disruption, from terrorists or rogue states or deranged people, it is not a very smart way for us to make those investments. Far better to deal with how we use energy in a more cost effective and efficient manner.

I have more comments to make on this, but I want to yield to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman from Oregon (Mr. BLUMENAUER) for yielding to me and for taking this special order; and I also want to thank the gentleman from New Jersey (Mr. PALLONE).

Clearly, the President has disappointed the Nation when he did an about-face and broke his promise to regulate CO_2 emissions, especially among the older power plants, oil and gas burning power plants in this Nation.

The suggestion has been made by some that it was okay to break this campaign promise because it was only one sentence in a long speech, it came late in the speech. I do not remember when any of us were running that our supporters told us it would be okay to break our promises if it was not the first thing we said in the speech or if it was not the fifth thing we said in the speech, that they would not take it that seriously.

As my colleagues have pointed out here, the President made this statement about these controls in CO_2 because he wanted to appear to the country to be concerned about the Nation's environment, and he wanted to appear to be more concerned than the Vice President Al Gore. That is why he made this promise. But the public thought he meant it. Now he has broken it.

Tragically, he has broken it because he is buying in to a very old idea that somehow America cannot clean up its environment and meet its energy needs, a false dichotomy, a fact that does not exist, that we know time and again is proven in everyday business life in this country, that companies all over the United States are doing exactly that. They are saving energy. They are increasing their efficiency. They are reducing their greenhouse emissions, and the country and the world are better off for that.

□ 1400

But this President apparently has a very old energy policy. It begins by dragging these old, old power plants, these dinosaurs from a past age, dragging them into the future and saying this is America's energy policy.

It begins by trying to convince the public that somehow we can have oil independence, which is far different than what we should be doing. We can develop energy sufficiency, and we can sustain energy in this country, and we can meet this Nation's need. But that policy is very different than oil independence.

The first policy of energy sustainability and sufficiency for the needs of this country is achievable and in the national interest. The other one is not.

If we are really seeking to strengthen America's hand with respect to energy and our economy, we should do all that is possible to develop a national sustainable energy policy that would minimize our dependence on foreign oil.

Very similar to the cocaine trade, if we are serious, we would make every effort to diminish the demand in the American market. If we are very serious about being independent from foreign oil supplies, then we must make every effort to diminish the demand in the American market.

Rather than placing so much of our emphasis on new oil supplies, we would build a national energy policy that is based on the strengths of our country rather than its weakness. These strengths are the marketplace, innovation, technology, and the allocation of capital.

If these economic forces were truly unleashed to provide a national energy policy, the role of coal and oil would be greatly diminished, still very important, but diminished.

America's energy policy would evolve to one where business decisions, capital allocations, research commitments, and environmental policy would coincide to make business more efficient and productive, development of new products and services would expand, and the environment would be easier and less expensive to clean up. Such a policy demands a synergy that, for the most part, national energy policy to date is treated as a stepchild.

To do so, the Congress must stop thinking of the energy policy as an extension of the past. Rather, the Congress and the President must set the tools of the future free to create this new energy vision and reality.

Technology, science and the Internet have the ability to almost immediately and dramatically change the demand and the cost of America's energy futures needs.

New materials, demand-side energy reductions, contracting out energy management, dramatically improved renewable energy sources, inventory management, business-to-business networks, transportation shipping efficiencies, more development of oil and gas, conservation opportunities in the three big sectors of transportation, lighting and heating and cooling, all will allow for us to develop a national energy policy that in fact provides for an enhanced economic and national security.

This is far different than a policy that only concerns itself with the production of oil and continuing to believe in an economy that is as large and dynamic as America that we can simply produce our way to energy independence.

No longer would our citizens have to worry every time that another leader in OPEC gets into domestic problems and seeks to solve his problems on the back of the American consumers and the economy.

No longer would this generation of Americans pass its energy and environmental failures on to the next generation where they become more difficult and expensive to solve.

That would be an energy policy. But the President has turned his back on that policy when he began with breaking his campaign promise to regulate CO_2 emissions from older coal plants.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the leadership of the gentleman from California (Mr. GEORGE MILLER) dating back to the last time we were in a major energy crisis.

We are privileged to have join us the gentleman from New York (Mr. HINCHEY). I thank him for his concern and interest in issues that relate to the environment and the leadership he has provided individually and on the Committee on Appropriations.

Mr. Speaker, it is my pleasure to yield to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, I thank the gentleman from Oregon for yielding me this time. I thank him and the gentleman from New Jersey for organizing this time so we could address an issue that is perhaps the most important that faces the economy of our country and the welfare of the American people over the course of the next decade.

We are increasingly alarmed about the statements that have been coming from the administration with regard to American energy policy and the steps that need to be taken to develop a coherent, comprehensive, safe energy policy that is going to maintain the strength of our economy and the welfare of our people.

For example, on Monday, Bush said that he saw "no short-term fixes to the country's energy problem." He also said "it is clear from first analysis that the demand for energy in the United States is increasing much more so than its production. With the result, we are finding in certain parts of the country that we are short on energy, and this administration is concerned about it."

Well, the administration may be concerned, but the two predicate statements before that are both incorrect. The current situation has no correlation whatsoever to demand outstripping supply and arises instead from what we have seen recently, and that is generators withholding energy and price gouging of consumers.

In other words, those few people in our country who maintain control over the energy supply system and the generation system have been gouging consumers and withholding capacity from the marketplace in order to drive prices up.

Instead of a responsible energy policy that addresses these artificial shortages, the only plan the administration has come up with is to open up Alaska's Arctic National Wildlife Refuge and other federally protected lands to oil and natural gas drilling.

So what we have here in effect is a very convenient conflict of interests. What the President wants to do, in alliance with his oil production friends, is to open up the Arctic National Wildlife Refuge. At the same time, he is using the alleged shortage of energy to try to develop public support and public opinion in that direction. While he is doing that, he is allowing his friends in the oil industry to gouge consumers by dramatically increasing prices and withholding energy capacity from the market.

It is a very shocking circumstance, indeed. Let me just talk for another minute about the need to reduce the demand for oil and how that is key. Any serious energy plan must focus our efforts on reducing our demand for oil rather than on increasing our supplies, as the present administration seems determined to do.

The centerpiece of the administration's energy plan is to drill for oil in Alaska's Arctic National Wildlife Refuge. This move would simply be a gift to the oil companies that would do little, if anything, to affect our energy prices or our security.

The U.S. Geological Survey has estimated recently that the amount of oil that could be recovered from the Arctic Refuge would amount to less than a 6-month supply for American consumers. It will take 7 to 10 years for any oil from the Arctic Refuge to make its way to the market, and it would not even help many parts of our country.

For example, none of it would be shipped east of the Rocky Mountains; and no Alaska oil would ever be refined into home heating oil, which many people depend upon to heat their homes and businesses. At no time would oil from the refuge be expected to meet any more than at most 2 percent of U.S. demand.

The Arctic Refuge is one of our national treasures. It deserves to be protected as wilderness, of course, not to spoil for a few months' worth of oil. Oil, as we know, is a global commodity; and its price will always be driven by world markets that are for the most part beyond our control.

The United States has only 2 percent of the world's oil reserves but generates about 25 percent of world demand while gulf state OPEC members control about two-thirds of proven reserves. We currently depend upon imports for over half of our oil supplies. By 2015, this dependence is expected to increase to more than 68 percent.

It is quite clear that we are not going to meet our energy needs by drilling in the Arctic National Wildlife Refuge. What we need is a policy of energy conservation, of renewable energy based upon solar or wind or other renewable sources, and we need to conserve.

We can produce much more energy in our country through conservation than we can by opening up the Arctic National Wildlife Refuge or any other portion of the country that is not currently exploited. That is where our efforts needs to go, in conservation.

Mr. Speaker, I thank the gentleman from Oregon (Mr. BLUMENAUER) very much for giving us the opportunity to make these points.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's argument and continued leadership.

It is my privilege in our remaining 2 minutes to turn to two final leaders that we have here. First, I yield to the gentleman from Ohio (Mr. KUCINICH), a gentleman who has been active in providing leadership on energy issues as a local official, as a mayor, as a legislator, and now as a Member of Congress.

Mr. KUCINICH. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, a few years ago, I was privileged to be one of the representatives to the talks, the conference of parties, discussions, concerning the effect of global climate change. The talks took place in Buenos Aires, and I was one of the few Members of Congress who was privileged to attend and present views consistent with the discussion that is occurring on this floor.

There is concern all over the world about changes taking place in the global climate. I spoke with individuals from some of the islands in the South Pacific who talk about how the sea level is starting to rise and it is affecting the properties on those islands.

We know that there are 2,500 scientists who have done studies in connection with the United Nations which have demonstrated that global climate change is a reality. I mean, any citizen of this country is aware that, in the last few years, we have seen extreme changes in our climate.

We have seen 100-year floods occur every few decades, if not every few years. We have seen tremendous heat waves which buckle freeways with their great heat intensity. We have seen unusual storms take place in areas which have been unaccustomed, hurricanes with much more intensity; tornadoes the same.

I mean, sooner or later, we come to an understanding that it is human activity which is beginning to create an overall change in the Earth's environment; and sooner or later, we have to come to an understanding that our responsibility here is, not only in the present, it is not simply to keep certain interest groups moving forward, but our responsibility is to many generations forward so that people have a place to work out their own destiny on this planet.

So the survival of the planet is at stake here and the survival of the democratic tradition, because we have an obligation as citizens of democracy to address this issue in a forthright way and to do it with others who are concerned from around the world.

We have a moral responsibility to reduce emissions. Now, as of late, we are seeing assertions that somehow carbon dioxide is not a problem. The truth is, since the Industrial Revolution, the concentration of carbon dioxide has risen about 30 percent and is now higher than it has been in the last 400,000 years.

Humans have created this level of carbon dioxide that the Earth can no longer naturally absorb. So we are driving the rate of global warming, and we must take steps to reduce CO_2 pollution. The United States is the greatest polluter.

Now, in spite of strong consensus around the scientific evidence, it seems that special interests are more influential. The recent pattern of environmental decisions are an ironic backdrop to the debate occurring right now on campaign finance reform. Before the interest groups have made their lobbying effort to prevent carbon dioxide regulations, we could all see the science as justifying greater efforts to control carbon dioxide.

We know that Secretary O'Neill 3 years ago spoke of global warming significance as second only to nuclear conflagration. He even criticized the Kyoto Protocol as being too weak. We know that Administrator Christine Todd Whitman has spoken out strongly about putting limits on carbon dioxide emissions as part of a multi-pollutant strategy to curb emissions. Unfortunately, we are seeing another direction taken.

I would like to conclude by also, not only by pointing out how we are going the wrong way on carbon dioxide emissions and dealing with that, but, also, yesterday, a statement was made that the administration pulled arsenic regulations out of concerns about drinking water.

Now, this industry that is driving this was apparently more influential than studies from the National Academy of Science. And before the EPA was even created, arsenic was regulated. So we need to be very concerned.

I urge my colleagues and this administration to pay heed to the scientific evidence. Whether the issue is carbon dioxide or arsenic, there is a consensus around the issue; and that consensus is that scientific proof ought to be carefully regarded.

Mr. BLUMENAUER. Mr. Speaker, I thank the gentleman from Ohio (Mr. KUCINICH) for his leadership and for his comments.

Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts (Mr. MARKEY), who has been leading on this for years.

Mr. MARKEY. Mr. Speaker, I appreciate very much the gentleman from Oregon (Mr. BLUMENAUER) having this Special Order today.

Of course we have had a stunning set of decisions which have been made by this administration just in the past week highlighted by the decision not to impose new standards on CO_2 emissions, that is, the emissions that go into the atmosphere that are causing the greenhouse effect.

□ 1415

Eighty-eight percent of those come from coal-fired plants. If we do not put the controls on, we are going to lose our ability to deal with that issue.

Moreover, there is also this drive by the administration to go to the Arctic pristine wilderness and drill for oil. Now that oil, of course, would go in a pipeline down to California so that the oil could be put into SUVs that average 14 miles a gallon. We should first figure out how to make SUVs go 20 or 25 miles per gallon before we go into the pristine wilderness and destroy it forever. Is not that our responsibility as the technological generation, to ensure that two-thirds of the oil that we put into automobiles, into SUVs, and that is where two-thirds of all oil in our country goes to, is first made more efficient, that is those vehicles, before we destroy God's beautiful creation.

Now the administration likes to say that we will only create tiny footprints like Carl Sandburg's little cat's feet, you can see the image, but the reality is in Prudhoe Bay already where we do allow for drilling, it has done something quite different. There is over 1,000 square miles of development permanently scarring the environment. They have twice the NOX emissions as Washington, D.C. up there in Prudhoe Bay and tons of greenhouse gases. You have pipelines crisscrossing the landscape.

There is a black and white debate here. We can have this or this debate. Here is what goes on in Prudhoe Bay right now every day: 1,000 square miles of development; 500 miles of roads; 3,893 wells drilled; 170 drill pads; 55 contaminated waste sites; one toxic spill every day; two refineries; twice the nitrogen oxide pollution as Washington, D.C.; 114,000 metric tons of methane and 11 million metric tons of carbon emissions every year; and $22 million in civil and criminal fines; 25 production and treatment facilities; 60 million cubic yards of gravel mined.

The other side, you have no development which is what we are saying. First, let us look at SUVs. First, let us look at buildings. First, let us make ourselves more efficient. First, let us use technology to cut OPEC down to size. They know that we are addicted to these vehicles that get 12 to 14 miles a gallon. We should not go to the Arctic wilderness first, we should go to where we consume the energy.

36-YEAR ANNIVERSARY OF THE MARCH ACROSS EDMUND PETTUS BRIDGE

The SPEAKER pro tempore (Mr. KENNEDY). Under the Speaker's announced policy of January 3, 2001, the gentleman from Georgia (Mr. LEWIS) is recognized for 60 minutes.

Mr. LEWIS of Georgia. Mr. Speaker, I take a Special Order today with my colleague, my friend, the gentleman from New York (Mr. HOUGHTON). We cochair an organization, a group called Faith and Politics. It is truly a group that is bipartisan in nature. For the past few years, we have been engaging in what we call a dialogue on race. We have been taking Members of Congress, Republicans and Democrats, back on a journey, a journey of reconciliation, back to places in Alabama: Birmingham, Montgomery, and Selma.

Just a few days ago, to be exact, on March 2, 3 and 4, we had an opportunity as a group to travel again, a learning experience for many of us, so I thought it would be fitting to come to the House floor this afternoon and talk for a few moments about what we saw, what we felt and what we came away with from this trip to Birmingham, to Montgomery, to Selma.

Mr. Speaker, I think it is fitting and appropriate for us to have this dialogue today, this discussion, for today, exactly 36 years ago today, March 21, 1965, 2 weeks after Bloody Sunday, 700 of us, men and women, young children, elected officials, ministers, priests, rabbis, nuns, American citizens from all over the country, walked across the Edmund Pettus Bridge on our way from Selma to Montgomery to dramatize to the Nation and to the world that people of color wanted to register to vote.

Just think, just a few short years ago in Georgia, Alabama, Mississippi, it was almost impossible for people of color to register to vote. You had to pass a so-called literacy test in the States of Georgia; Alabama and Mississippi. On one occasion a black man was asked to give the number of bubbles in a bar of soap. If you failed to cross a "t" or dot an "i," maybe you misspelled a word, you flunked the so-called literacy test.

Well, because of the action of the Congress and the leadership of a President, 36 years ago, and the involvement of hundreds and millions of our citizens, we have come the distance. And so tonight we want to talk about what has happened and the progress.

Mr. Speaker, I want to yield to my friend and my colleague, the co-chair of the board of Faith and Politics, the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Speaker, it is always an honor to be with the gentleman from Georgia (Mr. LEWIS) whether we are on the House floor or in Selma or any place. I had a wonderful experience with the gentleman from Georgia; Ambassador Sheila Sisulu; and Douglas Tanner, who is the president of the Faith and Politics organization in my part of the country, upstate New York; and it was fascinating talking about the gentleman's reminisces and experiences in Alabama, and also comparing those to Ambassador Sisulu's experiences in South Africa. It was absolutely great.

I have a couple of comments I would like to make and then also, Mr. Speaker, of my friend, the gentleman from Georgia (Mr. LEWIS), I would like to ask a question at the end of this. Let me make a comment or two if I could.

We had an extraordinary experience in Alabama. I had children and grandchildren, and it was a family affair because I wanted them to have the same sense that I did the first time I was down there of the enormity of this. We celebrate Washington's birthday and Lincoln's birthday and Labor Day, but this is something that we should put a fine point on because it did something to break us over a tidewater in this country which many of us did not feel at the time because we were not there.

I was down there with the gentleman from Georgia (Mr. LEWIS), and he is all dressed up as he is today and he is handsome and he has a nice suit on and he speaks well and he is a very dignified individual. And yet I think back to that time 36, 37 years ago when the gentleman was on the pavement having been beaten and bloodied and representing all of the aspirations that we have for fairness and decency in our society, and we were not there. We wanted to be there, but we were not there; but the gentleman from Georgia was there.

I am a member of the World War II generation, and we are dying pretty rapidly. And someone said at the end of 2008 we will all be gone, but not so of the people of the gentleman from Georgia's generation and the people who fought those battles in Selma, Birmingham, and Montgomery. You cannot listen, as you have heard me say so many times to this lovely lady, Betty Fikes, singing without understanding something about our country that one does not sense unless you sing the Star Spangled Banner or America the Beautiful. This is an extraordinary experience, and this is the lady who was singing at the time of the marching and the beatings and the death and the tragedy down there. These people are all alive. And so to be able to go down there and experience that, be with them, knowing that they are alive and still giving their message, their testament, is always an extraordinary experience.

Mr. Speaker, I would like to ask a question, if I could. Those of us who have seen the gentleman from Georgia (Mr. LEWIS) in action and were with Betty Fikes and with Bernard Lafayette and with so many others, look back and see something which was an enormous change in our whole philosophy. But as we know now, it was only one moment in time, it was only one incident and it did not cure our sense of discrimination in this country, it only opened it up. So the question I ask of the gentleman from Georgia, what do we do next? What are those things that we must continue to do not only to honor this legacy but to fulfill our pioneering spirit and try to make this a better place.

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentleman for his kind words, and let me try to respond to his kind question.

I notice several of my colleagues are here, and I want to give them an opportunity to say something. But any time we see racism, bigotry, see people discriminated against because of the color of their skin, because of their race or national origin, because of their sex or sexual orientation, for whatever reason people are kept down or kept out, we have an obligation, all of us as citizens of America, as human beings, to speak out and say something, to get in the way, to not be quiet.

When I was growing up, my mother used to tell me do not get in trouble. But as a young person I got in trouble, and I saw many young people getting in trouble by sitting down. President Kennedy once said back in 1960, by sitting down on those lunch counter stools, we were really standing up. So by marching for the right to vote 36 years ago, we were helping to make America something better. So from time to time, we all have to get in the way.

Mr. HOUGHTON. Mr. Speaker, I would advise the gentleman from Georgia that I will yield to somebody on the gentleman's side, and then I know that the gentlewoman from Missouri (Mrs. EMERSON) wants to say something.

Mr. LEWIS of Georgia. Mr. Speaker, let me recognize the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Speaker, earlier this month I was privileged to be one of 140 people of all walks of life, all ages, from all over the country and all over the world who joined the gentleman from Georgia (Mr. LEWIS), the gentleman from New York (Mr. HOUGHTON), and the gentleman from Alabama

(Mr. HILLIARD) in the Faith and Politics Institute on the fourth annual pilgrimage to Alabama.

I blocked out that weekend early in the year because I wanted to go, but I did not anticipate the depth of feelings and emotion that pilgrimage would evoke. Revisiting the history of the life-changing and Nation-changing events which occurred more than 40 years ago, it is an experience even now that I will never forget. Yes, we went to the different institutes, museums, the historical sites, but it was also having several of the leaders of that important and tumultuous time with us to inform and guide us which made it come alive.

As we walked through Kelly Ingram Park, prayed at the 16th Street Baptist Church, now a memorial to the four little girls killed by a bomb made not only of explosives but of hate, moved on to Montgomery to the First Baptist Church and to the Dexter Avenue King Memorial Baptist Church which Dr. King pastored, and which along with others was a central meeting place of that movement, and finally took that solemn march across the Edmund Pettus Bridge in Selma, we knew that we had truly come once again treading our path through the blood of slaughter.

□ 1430

It was a time of introspection. How insignificant many of the things we squabble, worry and fret about became. I recall that during much of the movement, I was safely ensconced at St. Mary's College in Notre Dame, Indiana; and, though far away in many ways, the summer of 1963 changed even those two campuses.

Even more than before, I understood the level of indebtedness that all of us owe to the multitude of committed and courageous people, like John Lewis, Reverend Shuttlesworth, Dr. Bernard Lafayette, Bob Zelner, Betty Fikes and others who ministered to us that weekend, some well known, others unnamed, who believed in an America of justice, equality, fairness and respect and who were willing to sacrifice, bear painful beatings and even to give their lives, as too many did, to make it a reality. Unquestionably, all of us, like those who made this pilgrimage before, returned inspired, refocused and revived personally as well as for the work that each one of us do every day.

Looking back at what we as a people had achieved because of the civil rights movement and taking stock of the many troubling events that have occurred over the past few years, we can see that although much change was brought about because of the movement, we have lost some ground. The need is clear more than ever that we must be vigilant and continue to walk in the way of those brave men and women, to forever secure and preserve the rights and privileges that they so courageously won. We still have so much more to work towards.

Although I have heard it said before and I have heard the gentleman from Georgia (Mr. LEWIS) say it, I have said it myself, after this weekend it became even clearer that the right to quality health care is the major civil rights issue of this time. The civil rights movement that we had just revisited provided not only inspiration but living lessons for those of us who are thrust by need, time and circumstance into positions of leadership. We only hope and pray that we are as up to the task.

We live today at the beginning of the third millennium in a country which spends more money than any other in the world on health care. Yet today hundreds of African Americans and other people of color, people in our rural communities, will die from preventable diseases and causes, all because in one way or another they have been denied access to quality health care.

I want to say on behalf of the millions of Americans, both in the States and in the territories, that today, with a significant surplus projected, it would be another travesty of justice if the health care needs in this country were not fully addressed. Universal coverage must be provided and the disparities that exist for people of color in this country must be eliminated. This is our charge. Although different, this cause is no less just, and the movement must be no less fervent or steadfast.

I want to take this opportunity to thank the Faith and Politics Institute and the many people who were a part of our pilgrimage this year for reminding me that with faith in God and belief in the better America that this country can be, that on all of the important challenges that face our community today we can and will overcome.

Mr. LEWIS of Georgia. Mr. Speaker, I would like now to yield to the gentlewoman from Missouri (Mrs. EMERSON).

Mrs. EMERSON. Mr. Speaker, I am going to, if I could, address my comments to my good friend the gentleman from Georgia (Mr. LEWIS). I want to thank him from the bottom of my heart and that of my husband for allowing us to go with him and all of our colleagues and others to this most incredible experience in Alabama. I cannot relate to the gentleman from Georgia how extraordinary it felt to meet with and see him and Bernard Lafayette and Reverend Shuttlesworth and Bob Zelner, all of you and others who were such vital and vibrant parts of the civil rights movement in their youth. I can see him very easily back then now after that weekend. Perhaps he does not just have quite as much hair, but he has that same spirit and that same belief. It was extraordinary to be able to hear and exchange stories and tales from what I think is probably the most dramatic movement in the 20th century.

There are two or three things that I learned and that had a significant impact on me beyond the visits that we made to the significant landmarks over the weekend. One thing that I learned that I did not realize before was what is the importance of the interwoven relationship of the gentleman's sectarian and political views, his and others', with deeply held religious views and beliefs, and how it all interrelated, and they used those beliefs in God and their beliefs in the righteousness of their cause to overcome incredibly overwhelming odds. That was a very important thing that I learned and something that I think carries forward and should carry forward always.

I also learned how important the weekend was in providing an opportunity, as I mentioned in church on the Sunday we were there, for reflection and repentance. While I was raised in a different part of the country and am of a different race and perhaps somewhat of a different cultural background and, quite frankly, was too young at the time, in spite of that, I regret sincerely that I did not have an opportunity to play a more active role in what was the defining moment of the 20th century. But they gave us the opportunity to feel what it was like as best I could.

I think the bottom line is, and one which I hope every single person who was with us got from this wonderful experience, was that through the reflection, through repentance, through all of that is the recognition, I think, that comes, and it is what we are all working for, and that is reconciliation. The gentleman from Georgia and so many others provided me the inspiration to work toward that goal. I could never thank him enough for giving me that opportunity.

Mr. LEWIS of Georgia. Let me thank the gentlewoman for those kind and wonderful words. She added so much to the trip. We will always be grateful for her involvement.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. GEPHARDT), the Democratic leader who made the trip to Alabama.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Georgia for his life, really, and his leadership and what he means to all of us. I want to thank him for holding this trip. I told him personally the other day how much I appreciated the work that he and his staff does to help the Faith and Politics Institute put on this weekend. This is the first time that I have had the chance to be with him. I have wanted to come and could not make it happen but was able to come this year.

I want to thank all the Members, the gentleman from New York (Mr. HOUGHTON), the gentlewoman from Missouri

(Mrs. EMERSON), the gentleman from Illinois (Mr. LAHOOD), the Members who are here from our side who participated in this event. It was, in a word, moving to all of us to be part of this event. It was, in my view, one of the most important things that I have been able to do in my entire life. Because until you go to Selma and meet with some of your colleagues and hear the history of what happened and how it happened and what it meant in their lives and to see them still alive today and still fighting for these issues was truly moving.

There is no substitute for it. There is no way to read about it. There is no way to even see a television show about it and understand it the way you can when you are actually in the spot and meeting with these wonderful American citizens who improved our country so importantly. I felt like I was meeting with history. It would be kind of like meeting with patriots in Concord or Lexington or Gettysburg or some other place in our country where momentous events occurred that made our country what it is.

It is also an understanding that the right to vote is basic to our democracy and that we have to always fight, even in today's circumstance, for people's right to vote. It is obviously a different fight today, but it was certainly that compulsion to want freedom and democracy that led the gentleman from Georgia and his colleagues to commit the heroic acts that went on then.

And then, of course, to remember that 10 days after Bloody Sunday, President Lyndon Johnson came to this room and personally delivered his voting rights legislation and gave the most stirring address of his presidency. I doubt that would have happened, it certainly would not have happened in that time, if he had not done and his friends had not done what they did. President Johnson defined the national imperative to overcome the tyranny of discrimination and bigotry. President Johnson recognized, as President Lincoln had recognized a century before, that a nation divided could not stand. He got all of us to make a commitment to voting rights.

I would like to quote one of the things that he said in his speech. He said, "Many of the issues of civil rights are very complex and very difficult. But about this there can and should be no argument. Every American citizen must have an equal right to vote. There is no reason which can excuse the denial of that right. There is no duty which weighs more heavily on us than the duty we have to ensure that right."

It took a while longer, but he finally convinced the Congress to pass the Voting Rights Act. We stand today with the challenge before us again. We have to improve on our election process. We have been meeting in bipartisan ways to try to make that happen. I am convinced that if we have faith in one another and we work with one another, we can improve the election process in our country in the year 2001, in the year 2002.

We are not there yet, I guess is what I am saying today. What we saw a few weekends ago, what the gentleman did 36 years ago was the beginning of another effort in our history to ensure the basic fundamental right of our democracy. He made great progress, and he is our hero because he did that.

But we have a similar obligation now. In a different time with different issues, a different set of challenges, we have as much of an obligation as the gentleman from Georgia had 36 years ago to see that we ensure this right for every American today.

It was an honor to be with him. I do not know of a time that I have spent in my life that was more productive or useful than that weekend. I thank him for making it possible. I look forward to working with him and Members on both sides of the aisle in the days ahead to try to advance these issues and these challenges to a more successful conclusion.

We are on the road. We are not there yet. We are going to get there sometime soon.

Mr. LEWIS of Georgia. I thank the leader for those kind and extraordinary words.

Mr. Speaker, it is now my pleasure to yield time to the gentleman from Illinois (Mr. LAHOOD), who has been very active in Faith and Politics and has made these trips to Alabama.

□ 1445

Mr. LAHOOD. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I wanted to come to the floor during this Special Order time to also pay special tribute to the gentleman from Georgia (Mr. LEWIS). My wife and I have had the privilege of attending two trips to Selma; and even though we did not attend the one this year, we were there last year and the year before last and had the extraordinary opportunity to experience a sort of living history of what took place during that period of time.

I know it must have been a thrill to go back to Selma this year and to maybe hug or greet the new mayor of Selma. I know the gentleman has been going back there for many years, but to have somebody like the new mayor just elected in Selma must have been an extraordinary opportunity and thrill for the gentleman after so many years of fighting for voting rights.

I think part of what we learned on the trip is that voting is a precious right that we have in America, and it really comes home when you go to Selma and go to Montgomery and experience the opportunity to travel across the roads that the gentleman traveled and others traveled to gain that right for so many people. As we all lived out the election last November, it also I think gives us the idea that the right to vote is precious, and when people do not have that right and perhaps are denied that right, we can experience what the gentleman did back 35 or 36 years ago to try to win it for a whole group of people that did not have it.

I think it is a good message for all of us, to continue our efforts to make sure that when people go to the polls, the right is carried out in an accurate way and a way that reflects the will of the people.

So it has been a great experience and a good lesson for all of us, that there are many things that we do when we are elected to these jobs in terms of introducing bills and coming on the floor and debating, but the opportunity to step outside of that role and to experience what people like the gentleman from Georgia (Mr. LEWIS) have experienced and others have experienced I think is a good lesson for all of us in terms of what we can bring back to the House in terms of reforms that may be made as a result of that experience.

So I congratulate the gentleman. As one who has tried to practice bipartisanship and support bipartisanship, I think the trip to Selma and Montgomery is one of the extraordinary bipartisan efforts; and I congratulate the gentleman, and Faith and Politics, and Doug Tanner and the work that he does and his organization. Doug works mighty hard around here to try to bring people together, and I know that there are grand plans to do something extraordinary next year, and I hope that Members of the House will look on the opportunities we have had at Selma to build on that for other opportunities with Faith and Politics and with the gentleman.

Again, I thank the gentleman for giving all of us an opportunity to know him, know his experience, share his experience, and to really imbue in all of us the importance of how precious the right to vote really is for all of us.

I thank the gentleman for this Special Order and the chance to say a few words.

Mr. LEWIS of Georgia. Mr. Speaker, I would say to the gentleman from Illinois (Mr. LAHOOD), my friend and brother, thank you for all your good work and for being so supportive of Faith and Politics and making those trips to Alabama.

Mr. Speaker, it is my pleasure to yield to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I am very grateful to the honorable gentleman from Georgia (Mr. LEWIS) for yielding.

Mr. Speaker, I brought my pilgrimage book with me. I was hoping there would be this opportunity to have a Special Order. In a way it is a little bit like our pilgrimage can continue and can come even to life here in this place where we do our business, because that is actually what it was. It was a pilgrimage down into that countryside, to Montgomery, to Birmingham and to Selma and then to cross that bridge, and to do so with the leadership of one who was there, an esteemed Member of Congress, a leader here now.

A few decades ago the gentleman from Georgia (Mr. LEWIS) was 20, 21 years old, just a young boy, when he took upon himself that historic role. I see the gentleman with a different light now.

Mr. LEWIS of Georgia. The gentlewoman is making me a little younger, but I did have all my hair then.

Mrs. CAPPS. The gentleman was very brave to do what he did then, and that kind of bravery is rare.

I do not go on pilgrimages every day, and I do not see that kind of bravery around me very often; but I see it here. To have the leadership of our colleague, the gentleman from New York (Mr. HOUGHTON), the Faith and Politics Institute, the Reverend Doug Tanner and the leadership of this place, it is remarkable.

It is an honor to serve in the House of Representatives. It is an honor to represent my district, as each of us feel that so keenly, to come and do our constituents' business here, to enact legislation. But this place is so much more than that. This place breathes and lives the history of brave men and women who have made this country great, who have made this country, the United States of America, what it is today.

We are so fortunate that some of that history is still alive with us and our colleague here, the gentleman from Georgia (Mr. LEWIS), the wonderful men and women we were able to meet in Alabama as we visited the Civil Rights Institute, Dexter Avenue Baptist Church, Civil Rights Memorial, First Baptist Church, Rosa Parks' visualization of her experience on that bus, Brown Chapel AME Church; and then, arm in arm, to walk across, after the church service, it is really impressive to me how much this living history that has given us the voting rights that we enjoy in this country now came out of places of worship in the South, and in the North as well, because that was the inspiration, that was the moral force that enabled this bravery to occur and this hard-fought freedom to be won. That is the inspiration that it was.

I was so pleased that our family could include many of our family members, and that my daughter Laura could join me, because it is very personal; and it is religious, it is moving, to be called upon to examine in ourselves where was I during this time in our country's history, and where am I now.

As our leader, the gentleman from Missouri (Mr. GEPHARDT), was stating, the challenges are not over; and in many respects the pilgrimage has not passed either. It is still going on, and we must reexamine.

My colleague talked about inequality in health care, a basic right that we want for all of our people around the world, and surely in this country; and the voting issue is still before us. Election reform is much needed now, and here we are in the House talking about this. I believe the leadership is called for from us, in a bipartisan way, to address this most fundamental right.

If people were killed, and it was a bloody Sunday indeed, that was the impetus for the Voting Rights Act of the sixties, then surely we cannot defame that spilled blood by resting on the laurels of that day; but we must reexamine the inequalities which exist today, whether it is in machines or whether it is practices; and we have a responsibility to make sure that when we see injustice, that we put a stop to it, that we ensure that every single citizen of this great land has every access to vote, to express that most fundamental right of democracy. After all, people died for that. They died for that in our lifetime.

I believe now that we must, in this dawning of a new century, live up to their expectations of us and our leadership.

So, again, I was one of the fortunate people to take that pilgrimage; and if it ever occurs again and there is an opportunity, I hope that others will join with us as well. I commend the gentleman from Georgia (Mr. LEWIS) and the leadership that as a young person the gentleman showed so mightily with his friends and his fellow folks there who did a brave thing, and that we can have this opportunity through the Faith and Politics Institute and the corporate sponsors that make that happen for us as well. This is a big commitment on folks' part, and so I thank the gentleman for letting me take part in that.

Mr. LEWIS of Georgia. Mr. Speaker, I thank my friend and colleague, the gentlewoman from California (Mrs. CAPPS), so much for going on the trip and participating as a wonderful person on that trip and participating in this Special Order.

Mr. Speaker, I yield now to the gentleman from Florida (Mr. MILLER).

Mr. MILLER of Florida. Mr. Speaker, let me express my thanks and appreciation to the gentleman from Georgia (Mr. LEWIS) for making this trip possible. This was indeed a very moving experience for me personally, as it was for all of us who participated in that unique weekend. It was a chance to, as people talked about, walk through history. It was an amazing walk through history.

I kept asking myself that weekend, the gentlewoman from California (Mrs. CAPPS) and I often were there together, what was I doing back in those days? I was an undergraduate at the University of Florida in those days, just as a young guy enjoying the fraternity life and not thinking about it. But you would read things in the paper about what took place at the 16th Street Baptist Church. We were there, with the girls, where the bombing took place.

We walked across the bridge in Selma. You start thinking how did our country allow this to happen, and why was I not more involved in trying to help end it, like the gentleman did? The gentleman was a leader.

You talk about the young JOHN LEWIS. It is kind of fun seeing the photographs from the early days. Which one is JOHN? Did he really have that much hair back in 1961, 1962, 1963? We saw his photographs in the museums. The gentleman is a hero. He helped lead that effort.

I appreciate that the gentleman brought people with us there. Bob Zelner flew in for it, and Bernard Lafayette, who is a delightful gentleman. He actually grew up in my area, the Tampa, Florida, area; and his father was able to be there. And being with, and I cannot remember the old elderly gentleman from the Dexter Avenue Baptist Church.

Mr. LEWIS of Georgia. Deacon Nesibitt was the deacon who brought Martin Luther King, Jr. to the church in Montgomery.

Mr. MILLER of Florida. In 1956. This is fascinating. This is the history. We have the deacon of the church who went to Atlanta and talked Martin Luther King out of going to Savannah and coming to Montgomery and making his mark in history too and helping lead that effort. That is the part of the history that you get to be part of.

A book I am reading right now, I do not know how much time we have, so I do not want to use up the time of other speakers, is "America Afire." It is a delightful book, but it is talking about the founding of our country. I was just reading about how in the late part of the 18th century when we were voting and drafting the Constitution, it was white men, Christian, basically, landowners that were involved in it. It is amazing that they wrote a document that could evolve.

That is the great thing about our country. You feel proud, as horrible as what the African American community went through for generations in this country, the fact is we have survived, and we are going to go forward.

This was an effort that I think is so inspirational for me. I appreciate the opportunity. At the conclusion, going to the Brown Chapel, I went to more churches on a weekend than I normally do. I go to church, but not as many as the gentleman took me to over the weekend. And the march across the Edmund Pettus Bridge was special.

I am going to encourage all my colleagues, especially on my side of the aisle, I am standing on your side of the aisle today, but this was certainly not a partisan event. I congratulate the gentleman for what he has done, leading in the non-violence effort. That was important, the gentleman's phase of it. Hearing Bernard talk about that too, how you learned to be non-violent. When people approached you with violence and you could tolerate that, I just do not know what I would do under those circumstances.

So I commend the gentleman, and really my admiration and respect is great for you, because now I learned more about it. I thank the gentleman for giving me that opportunity. I really sincerely appreciate it. I will work to get more of my colleagues 2 years from now to participate when we have another one of these.

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentleman so much for participating as part of this trip to Alabama.

Mr. Speaker, I yield time to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman from Georgia, and I would like to say to the gentleman from Florida (Mr. MILLER), who made a symbolic gesture, which we appreciate, because the gentleman is right, this is not partisan, this is really a coming together, and I want to thank the gentleman for his remarks and for his remarks about the experience.

I am a repeater, three-timer, and I appreciate very much the idea and the vision that came from Faith and Politics, but from the gentleman from Georgia (Mr. LEWIS) and the gentleman from New York (Mr. HOUGHTON), to be able to cause us Members of Congress who legislate to stop for a moment to reinvigorate ourselves and really take to hand the reality of what we do every day, and that is that we work with laws on behalf of the people of the United States, because they have the privilege of voting for us, and we have the privilege of being elected and the privilege of serving.

□ 1500

So this particular pilgrimage to Selma is so very special and, in particular, this year, because more than any other time in 2000, I think some of us felt that we were literally brought to our knees at a time that for many of our constituents was very troubling during the November election. There were a multitude of responses: anguish, anger, disappointment, despair. I do not know if we could have found our way if we had not had the gentleman from Georgia (Mr. LEWIS) to remind us in his eloquence, even during that time frame, to be grounded, to be strengthened by those who were strong enough in 1965 to persist for the right to vote.

Mr. Speaker, I know the story has been told many times, and I know there are others here, so I just want to quickly say, we all know that the gentleman tried on more than one occasion to gather himself and others to walk across the bridge and that it was not a time of lack of fear; and that when he walked, it was not that, oh, we know we are going to make it, he and Hosea Williams and the other throngs of individuals. It was not a frivolous walk.

The gentleman from Georgia worked for a long time to develop a sense of nonviolence, but as well the commitment to nonviolence. I think people need to understand that, that it was not a walk of lightness and that the gentleman from Georgia (Mr. LEWIS) had to study and to adopt and to commit to himself that he would be nonviolent, and he walked across that bridge, the Edmund Pettus Bridge that will remain deep in our hearts, and it was a day of violence. It took courage to go, it took courage to stand, it took courage to pray, and as well, it took courage to be able to come back again.

Mr. Speaker, I say to the gentleman from Georgia, in the time that he has taken us there, along with the gentleman from New York (Mr. HOUGHTON), we have not just walked across a bridge, we have discovered each other and we have discovered a fulfillment of the fundamental right to vote under our Constitution and what it truly means to overcome.

I think with that, I would almost challenge each of us that we can do that in this very House. We can really come together around issues that help those who cannot speak for themselves. I hope that this recounting of the Selma story, where Members on different sides of the aisle and different backgrounds, actually sat down and spoke to each other but, more importantly, I say to the gentleman, we heard each other, with testimonies and song, and to be able to touch and feel Bernard Lafayette, our eloquent speaker, to be able to be in the churches where Martin spoke, to eat some of the good cooking that was there during that time, to be hosted by the gentleman from Alabama (Mr. HILLIARD) and the gentleman from Alabama (Mr. BACHUS); to be able to sing the songs, I have never felt a deeper feeling by singing those songs. There is a certain way to sing them, and certainly we had them sung the right way.

So I would simply close by saying to the gentleman that I have been a threepeater and I expect to go again, but I expect, hopefully, to, more importantly, as I see many of the youngsters who are here for their spring break, soaking up democracy and soaking up our process, I hope they have an opportunity to know that we do other things, commemorate and commend that march on Selma, that bloody Sunday that generated the Voter Rights Act of 1965. As we move toward electoral reform, let no one be ashamed of what happened as much as what does not happen, if we do not fix the system and make it right in tribute to the gentleman from Georgia (Mr. LEWIS), our hero, along with so many others, that we reinforce the right to vote and the value of democracy in this Nation.

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentlewoman from Texas (Ms. JACKSON-LEE). I thank her so much for participating, and not only on the march, the journey of reconciliation, the dialogue, but for participating in this Special Order today. I thank the gentlewoman for her leadership.

Now, Mr. Speaker, I would like to yield time to the gentlewoman from the State of California (Ms. LEE).

Ms. LEE. Mr. Speaker, I want to thank the distinguished and courageous gentleman from Georgia for yielding and for organizing this Special Order, and for also leading one of the most memorable journeys of my lifetime.

Let me take a moment to convey my deepest gratitude to the gentleman from Georgia (Mr. LEWIS) for his sacrifices, his leadership, and for his tolerance, which he has demonstrated throughout his life as he fought and as he continues to fight for freedom and for justice. I also want to thank the people of Alabama for their heroic and their noble struggles, for I know for a fact that because of their blood, sweat, and tears, I am here today serving as a Member of Congress.

Now, during our visit to Birmingham, Montgomery, and Selma, we talked about where we were during those tumultuous times. Some felt guilty, but everyone felt gratitude. But I would dare to say that all of us felt galvanized to redouble our efforts for equality and justice and realize just how blessed we are to be Members of Congress, for we actually have a second time and a third time to make a difference in the lives of people in this millennium.

This pilgrimage was very personal for me, whether visiting the 16th Street Baptist Church where four young and beautiful African-American children died as a result of a ruthless bombing or touring the National Voting Rights Museum in Selma or marching across the Edmund Pettus Bridge in Selma. I was reminded of my childhood in Texas where I was forced to drink out of the colored-only water fountain or not allowed to go to movie houses or my dad, dressed in his military uniform, with his family, being told that he could not be served at restaurants. Yes, all of these painful repressed memories surfaced, experiences which I seldom talk about. But for me, I say to the gentleman, this visit provided really some breakthroughs personally; and I thank him for that.

Now, as we toured Rosa Parks Museum and Library and during our visit to the Dexter Avenue King Memorial Baptist Church where Dr. King served as pastor, and during our moments at the First Baptist Church and while worshipping at Brown Chapel AME Church, I reflected on the unfinished business of Dr. Martin Luther King and the gentleman from Georgia (Mr. LEWIS) and all of those who shed their blood for the right to vote. Of course, I was reminded of thousands of African Americans and others who were disenfranchised in the recent elections. During our visit to Alabama, several people told me, now I understand why you and other Members of the Congressional Black Caucus protested the ratification of the Electoral College vote and walked off the floor of Congress. Our pilgrimage to Alabama certainly provided additional inspiration to work on electoral reform so that never again will the lives and legacy of those known and unknown be denigrated by denying the people the right to vote.

Mr. Speaker, let me emphasize the importance of educating young people about the civil rights movement. Many young people of color, many African Americans really do believe that integration always was, that the right to vote always was. The history of the civil and human rights movement has all but been ignored in American history books. Many young people believe that the ability to sit anywhere on the bus or to eat at a lunch counter just always was. Many young people believe that riding in any car on a train instead of the colored-only car just always was.

Well, Mr. Speaker, the Faith and Politics mission to Alabama reminded us of times passed and that we owe a debt of gratitude to the gentleman from Georgia (Mr. LEWIS), Dr. Martin Luther King, Rosa Parks, and all of those heroes who made it possible for people like me to pick up the baton and fight to end institutional racism, unequal education, universal health care, to fight for that; to fight for affordable housing, for a clean environment, a livable wage, and to fight for people who have been left out of this economic prosperity.

In closing, let me just encourage each and every Member of Congress to participate in this magnificent pilgrimage. It is really a privilege and an honor to be able to meet with men and women and break bread with them, those men and women who were on the front lines, taking bold risks to make America a better place. It was because of them that democracy was actually forced to confront and address its contradictions.

Mr. Speaker, I thank the gentleman from Georgia. I want to thank all of those with the Faith and Politics Institute for really putting this together. I hope that everyone in this body and all of our young people can benefit from the great work that the gentleman is doing, because we certainly have benefited from the struggles which took place during that time.

Mr. LEWIS of Georgia. Congresswoman BARBARA LEE, I want to thank you for going on the trip and for participating in this Special Order.

Mr. Speaker, I now yield time to the gentleman from North Carolina (Mr. ETHERIDGE), our colleague and friend.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. KERNS). The chair will remind all Members to address one another by State delegation rather than by first names.

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding. I thank the gentleman from Georgia, or really, from Alabama. It was great to be in his native home State and for the opportunity for me and my son, who is a school teacher, to go and visit. Let me tell the gentleman what came as the result of it.

My son taught third grade and is now working with children who really have deficiencies in reading and math, who are trying to get to grade level. As the gentleman knows, he took a lot of video footage while he was there of the gentleman and Bernard Lafayette and Fred Shuttlesworth and others and DICK GEPHARDT, our leader. But what he has done now that he has gotten back, he has taken that footage and is tying it to North Carolina during that very same period, using it for staff development for teachers as well as young people.

Mr. Speaker, let me thank the gentleman from Georgia for letting me walk through history with heroes of history, for helping stimulate and revive my thinking about Brown Chapel, the Pettus Bridge, for the things that happened that really changed this Nation for the better. To all of my colleagues who have not been, I would say to them, they need to go to understand. My colleagues really need to go to understand. We can read the history books, we can even see the videos, but until you walk through history and you walk through the museums and the parks and you see how children were abused, children who were innocent, denied the opportunity for an education, how children were attacked by dogs and water hoses and all of those other things that today we shudder to even think happen, but they were commonplace.

As we walk through history, we appreciate the right to vote, and for those who have always had it, they do not understand how important and precious it really is. How precious is human decency and basic common sense and housing, as we have talked about. Let me thank the gentleman again and Faith and Politics for making it available. I planned to go, as the gentleman well knows, a couple of times, and other things happened. I am glad I went, I am glad this became a bipartisan venture.

I have been to Birmingham before. I have been to Montgomery on business. But if someone has not been on this trip, a walk through history, one really does not understand how important it is for America. I guess I was heartened, I would say to my friend, by the strength of human will. No one can know unless they go or no one can truly understand the total commitment of a whole community from the smallest child to the oldest person, until you get to Montgomery, and you understand they were willing to walk for you. You do not understand until you walk through the park in Birmingham and you see what children went through and adults and how people were willing to give up their lives.

Yes, we have challenges today. We need to stand on the shoulders of people like the gentleman from Georgia (Mr. LEWIS), Martin Luther King, and others who have laid a foundation, but the challenges are still here for those of us in this body. Not just access to education, but equal opportunity to education for every child, the chance for a child to get a college education when they have the ability, but not the money; health care opportunities for our seniors and others, and yes, the right to vote and the obligation and right to have that vote counted. In America in the 21st century, there is no excuse to repeat the problems of history in the past.

Mr. Speaker, we have a long, unfinished agenda, but to my friend from Georgia, let me thank him for making this available for our colleagues, and I would encourage others of my colleagues to go. Not only will they benefit, but their constituents will benefit immensely and America will be a better place for it.

Again, I thank the gentleman again for his courage of nonviolence. After having walked through the footprints of history, I have questioned myself on many days: could I have stood knowing the abuse that I was about to take. I do not know the answer to that.

□ 1515

Mr. LEWIS of Georgia. Mr. Speaker, I yield to the gentleman from Louisiana (Mr. JEFFERSON), my colleague and my friend.

Mr. JEFFERSON. Mr. Speaker, I want to begin by just acknowledging the gentleman from Georgia (Mr. LEWIS) and the gentleman's place in history. Sometimes we are here working with you every day, and we do not appreciate how much you mean to all of us and to our country.

Mr. Speaker, I suppose today that there are a couple of people in this country who are living now who played a more significant role perhaps than the gentleman did in the civil rights movement, but only maybe one or two, maybe not that many.

It is just that small a group that made this huge difference for all of us, and it is important to acknowledge that and to thank the gentleman and to tell all the Members who serve with us every day that we serve with a very special Member, with a very special man who, not only in this country but around the world, who is known for what he has done to make human rights real for people and to inspire others around the world to fight for human rights.

I thank the gentleman for being our colleague and our friend and for permitting us to be with the gentleman on this pilgrimage.

Let me say, when the gentleman was starting out, I was a little younger than the gentleman. I was probably about 11 years old back then, living in a place called Lake Providence, Louisiana, in the northeastern part of the State in the Mississippi Delta, though. I know that the gentleman knows how tough it was back then.

The things the gentleman recounts in his book, Walking With the Wind, are things that I went through as a young boy as well.

I remember when my mother and others in our family were trying hard to get the right to vote and to pass a literacy test. When my mother finally got this done in 1926, she was only one of five people in our parish to have the right to vote. I remember her trying to teach other people in our little living room there how to recite the preamble to the Constitution, how to recite the Presidents in order from 1 to 20 or so, and how to compute their ages, the year, the month and the day.

They struggled with these things, as would have the whites in that area back then, but they did not have to take it. They had just as little schooling as the black folks had, but did not have to take the test.

I remember when in 1966 the Federal registrars came to town after the passage of the Voting Rights Act.

In 1966, there was a line formed around the little courthouse a lot like you might have seen in the pictures in South Africa, a long line of folks in our little town. And the stories told by my mother who was up there watching this line and had a fellow named Vaughn, Henry Vaughn, I remember his name, who came to that line and said to my mother and her friends and to Reverend Scott, who was then our local civil rights leader, Reverend Scott, why are all your folks lined up like this? There is not a one of them who is fit to hold an office. Who you all going to put in? Reverend Scott said, I do not know who we are going to put in, but there are some folks we want to take out.

There is a power in the vote that went to those folks that never had it before. Mr. Vaughn approached them because they would have the power to vote. It is a power that none of us ought to take for granted, that none of us ought to diminish in the way we treat it, that all of us ought to embrace at this point in our lives and remember those shoulders on which we stood back in those days.

There were lessons to be learned as we went through this pilgrimage with the gentleman. We were reminded of all the times that I went through in my life with my mother and her friends and my family and all those families like her. Because, as the gentleman points out in his book, it was not just the big people at the top. It was the foot soldiers of the movement that made the movement, people like my mother and others and the ladies we met and the gentleman we met down there with the gentleman in Alabama. It was those folks who made the difference.

There is a book, I say to the gentleman from Georgia (Mr. LEWIS), that says But For Birmingham, and if the gentleman had not taken the ride in 1961 and come through Birmingham and had it happen there, if the gentleman had not started that movement back then with others, the gentleman's colleagues, young people, it shows what young people can do with their lives if they commit themselves.

The SPEAKER pro tempore (Mr. KERNS). The time of the gentleman from Georgia (Mr. LEWIS) has expired.

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to yield to the gentleman from Georgia (Mr. LEWIS) an additional 10 minutes.

The SPEAKER pro tempore. Any additional Members may seek an additional 5-minute Special Order by unanimous consent.

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts is recognized for 5 minutes.

There was no objection.

THIRTY-SIX YEAR ANNIVERSARY OF MARCH ACROSS EDMUND PETTUS BRIDGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. McGOVERN) is recognized for 5 minutes.

Mr. McGOVERN. Mr. Speaker, I yield to the gentleman from Louisiana (Mr. JEFFERSON).

Mr. JEFFERSON. Mr. Speaker, I will speak very briefly now to try and end this, but there is so much to say.

Mr. Speaker, I want to say to the gentleman from Georgia (Mr. LEWIS) at the very end, we came back here from the gentleman's trip to hear remarks that Senator BYRD had made and indiscreet remarks that he had made on a television program, and all of us were in an uproar about it, but I saw it in a different paradigm, because of my trip with the gentleman, honest to goodness.

I thought about what the gentleman said when the gentleman talked about nonviolence being more than a tactic but a way of life, and the fact that the part of the movement was not just to win the struggle but to redeem those who were on the other side of it, those who were the enemies of the right to vote, the enemies of freedom.

I felt that I should approach that in a different spirit, and it was all because of the gentleman's teaching in that short time that we had there about the love and the community, about the value of nonviolence and about how we ought to internalize how we dealt with other people. I called to talk to him about what he had said in a way very different from the way I would have had I not gone with the gentleman. There is some strength, tremendous strength, in the nonviolence movement that comes, as the gentleman said, from the inside out.

Mr. Speaker, I thank the gentleman for teaching me that, and I thank the gentleman for serving with me as a colleague. I thank the gentleman for allowing me to come on the trip. It is a life-changing experience, and I thank the gentleman for it.

Mr. McGOVERN. Mr. Speaker, I yield to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentleman from Louisiana (Mr. JEFFERSON), my friend and my colleague, for those kind and extraordinary words. I think we all can come together and help build up a loving community and really help build the truly interracial democracy in America.

We are really one family. We are one house, the American house, the American family or the world house or the world family.

Mr. McGOVERN. Mr. Speaker, I want to just say a few words here.

Mr. Speaker, first, I want to say that I am grateful to the gentleman from Georgia (Mr. LEWIS), my colleague, and to the Faith and Politics Institute for giving me and my wife, Lisa, the opportunity to not only learn more about the great struggle for civil rights in this country but to be inspired to do more right now to make this country an even better country, to have this experience, to be there with the gentleman from Georgia (Mr. LEWIS) and Reverend Fred Shuttlesworth, and Bernard Lafayette and Bob Zelner and Betty Fikes, all giants in the movement, was a real privilege.

Let me add that I have never heard a voice sing more beautifully than Betty Fikes.

We have had the opportunity to walk through history and to retrace the steps of Martin Luther King, of Rosa Parks, of the gentleman from Georgia

(Mr. LEWIS) and Fred Shuttlesworth, but we also had the opportunity to reflect on our current challenges in this country.

I think we all agree that we still have a long way to go before we achieve the dream that Martin Luther King spoke so passionately about. As Members of Congress, I think we need to realize that we need to act. We need to do more to fight racism and bigotry and prejudice in this country. We need to ensure voting rights in this country, and we need to do that through more than just rhetoric.

We need to pass legislation for real election reform here in this country. We need to fight to make sure that every child has the opportunity for a first-rate education. We need to make sure that everybody in this country gets health care. We need to make sure that there is funding existing in the Department of Justice to enforce our civil rights laws.

We have a long way to go, and I want to thank my colleague from Georgia for giving my wife, Lisa, and I the great privilege to not only travel with the gentleman but to learn and to be inspired. So I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, let me just thank the gentleman from Massachusetts (Mr. MCGOVERN), my friend, my colleague, my brother, and thank the gentleman and his wife for making the trip. It is my hope and my prayer that we will continue, all of us, to work together to make real the very essence of our democracy, the idea of one person, one vote, not only that people must have a right to vote but also have their vote counted.

THIRTY-SIX YEAR ANNIVERSARY OF MARCH ACROSS EDMUND PETTUS BRIDGE

Ms. CARSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

There was no objection.

Ms. CARSON of Indiana. Mr. Speaker, I am very humbled by this opportunity to join with my colleagues who had the invaluable experience of journeying to Montgomery in terms of a reenactment of the Montgomery boycott that was led by the gentleman from Georgia (Mr. LEWIS), my distinguished colleague, who was born in what used to be the sovereign State of Alabama, and certainly the gentleman from New York (Mr. HOUGHTON). The gentleman from New York (Mr. HOUGHTON) did not have to be there because of his situation, but he was.

I want to give praise and compliments to all of the Members who took time away from their districts to go to revisiting that situation. I remembered it very well. Even though I was not personally present, I was prayerfully present and watched in horror how the gentleman from Georgia (Mr. LEWIS) was attacked by dogs while he sought justice and equality for the people and their particular movement.

Those before me have given the gentleman from Georgia (Mr. LEWIS) and the gentleman from New York (Mr. HOUGHTON) much praise, for which it was deserved.

Let me use another example I often tell students when I talk to them. Just last week I had the privilege of speaking to 11,000 black engineering students who had convened in Indianapolis for their national conference. They could have easily been on a beach or having a party, but they were there trying to further their knowledge in the field of the math and engineering, and I loved them very much for devoting that time to their upward mobility.

There is a situation that I often described to children and young people, because I do not want them to not know about it, and that was during the early years of the movement, they were what they call chain gangs. They would assemble men, strong men, in chains and make them work on public projects.

There was a chain gang that busted out the mountains in Chattanooga, Tennessee, in the Lookout Mountains in Chattanooga, Tennessee, to enable the engineers of that time to build a highway through the Lookout Mountains in Chattanooga, Tennessee.

They had to bust out the mountains. They used chisels. They sang songs. They were on a chain gang. They were enslaved, but they did their jobs so that a highway could be planned and laid by engineers.

As we travel through this life, whether we are in Congress or whether we are in various professions, we can never forget those who paved the way for us, who shared the sweat and the tears and had the commitment for the future generations to have an opportunity to move on.

Mr. Speaker, I want to praise again the gentleman from Georgia (Mr. LEWIS), my colleague. And as my colleagues know, I was the one that bought the idea of a Congressional Gold Medal to the United States House of Representatives on behalf of the mothers of civil rights movement for Ms. Rosa Parks, and I did that as an inspiration to those who would not forget the people that paved the way for us.

While she sat there, the whole world stood up and brought people together, brought the name of Dr. Martin Luther King to the ears and eyes of America. While Rosa Parks just sat there, the whole world stood up.

Let me end, Mr. Speaker, by reminding us that, in order to have harmony in this world, there has to be harmony between the black and the white. That is why the creators of the piano made both black and white keys, one tune cannot be harmonious without the other.

As we move forward and we have resistance in this country and in this world now toward equal opportunity, toward affirmative action, toward Americans with disabilities, toward women who seek medical assistance despite their economic circumstances, lest we forget that this is supposed to be one Nation under God, with liberty and justice for all people, not just in the preamble, not just in some written script, but in the spirit of liberty for everybody.

I want to close, Mr. Speaker, by again giving my heart-felt gratitude to the gentleman from Georgia (Mr. LEWIS), who is from what used to be the sovereign State of Alabama, I am from what used to be the sovereign State of Indiana, for all of the sacrifices that he made and those who were with him and those who followed after him that paved the way for many of us.

THIRTY-SIX YEAR ANNIVERSARY OF MARCH ACROSS EDMUND PETTUS BRIDGE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. PELOSI) is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, this afternoon an unusual quality is the order of the day, an unusual quality for this House, and that is of humility.

It is with great humility that any of us talk about this trip to Selma, Alabama, to Montgomery and to Birmingham in the presence of the gentleman from Georgia (Mr. LEWIS), our colleague. With humility and gratitude to the gentleman from Georgia (Mr. LEWIS) and to the gentleman from New York (Mr. HOUGHTON) and to the Faith and Politics Institute, I am grateful to the gentleman from Georgia (Mr. LEWIS) for the opportunity to bring my daughter Christine, for the two of us to be able to go with you to walk through history.

□ 1530

It is a tradition in our country that families take their children to visit Boston and Philadelphia, to see places of significance, Washington DC., in our country's history. We must add to that list of must visits Alabama, Birmingham, to see what happened and how it is memorialized at the museum and in the monuments there, with the dogs and the hoses and the rest, to see we are capable of man's inhumanity to man, to Montgomery to see the sites of the march, and to Selma to see where the gentleman from Georgia (Mr. LEWIS) crossed over the bridge and where he was physically beaten for his courage.

What stands out to me and what I want to use my brief time, Mr. Speaker, on this Special Order that the gentleman from Georgia (Mr. LEWIS) is participating in, and I thank him for allowing us to have this time to express our appreciation for that very, very special visit, which, as the gentleman from Louisiana (Mr. JEFFERSON) said, has made a difference in all of our lives, is I want to talk for a moment about the Reverend Martin Luther King.

Reverend King is revered in our country as a great leader. Indeed, he has joined the ranks of American Presidents in having a day named for him where people honor his contribution to our country. But I wish that more people would honor him more fully and have a greater appreciation for his contribution. Certainly he was a great civil rights leader; but he was also a disciple, an apostle of nonviolence, faith-based nonviolence that was central to his success, to his strength, and to the contribution that he made to our country.

So, in closing my remarks, I want to say that I hope that one of the resolves that comes out of our visit and out of this Special Order and out of our work in Congress is a fuller appreciation throughout our country in our schools for the work of Reverend Martin Luther King. I hope on another occasion to say more on that subject.

Mr. Speaker, I am pleased with great humility and gratitude to yield to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentlewoman from California (Ms. PELOSI), my friend and my colleague, for yielding and for going on this trip. I want to also take the time to thank all of the staff of Faith and Politics, staff from the Capitol, the Capitol Police, and others that assisted us in making this trip a very successful trip.

We have come a distance in the past 36 years toward laying down the word on race, toward creating a truly interracial democracy. We are on our way toward the building of the beloved community. We are not there yet; but during the past 36 years, we traveled such a distance.

Those signs that I saw in Selma that said "white men," "colored men," "white women," "colored women," they are gone. They will not return.

Today, in Selma, Alabama, in Montgomery, in Birmingham, you have biracial government, black people, white people working together to create a sense of community, to create a sense of family.

If there is anything we learned from this trip, even here in the House, the people's House, the House of Representatives, we can create a sense of family, one family, one House, the American House, the American family.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MICA (at the request of Mr. ARMEY) for today on account of traveling with the President.

Mr. WELDON of Florida (at the request of Mr. ARMEY) for today on account of traveling with the President.

Mr. KELLER (at the request of Mr. ARMEY) for today on account of traveling with the President.

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. MINK of Hawaii) to revise and extend their remarks and include extraneous material:)

Mr. LANGEVIN, for 5 minutes, today.

Mrs. CAPPS, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. CARSON of Indiana, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. FOLEY) to revise and extend their remarks and include extraneous material:)

Mr. HEFLEY, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, March 22.

Mr. PETERSON of Pennsylvania, for 5 minutes, today and March 22.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. HAYWORTH, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. MCGOVERN, for 5 minutes, today.

Ms. CARSON of Indiana, for 5 minutes, today.

Ms. PELOSI, for 5 minutes, today.

ADJOURNMENT

Ms. PELOSI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Thursday, March 22, 2001, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for official foreign travel, by Committees of the House of Representatives, pursuant to Public Law 95–384, and for miscellaneous groups in connection with official foreign travel during the first quarter of 2001 are as follows:

REPORTS OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO RUSSIA, MOLDOVA, AND UKRAINE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 18 AND FEB. 24, 2001

Name of member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Xenia Horczakiwskyj	2/18	2/21	Russia		979.50						
	2/21	2/22	Moldova		225.00						
	2/22	2/23	Ukraine		269.00						
	2/23	2/24	Russia		326.50						
							801.38				
Committee totals					1,800.00		801.38				2,601.38

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

XENIA HORCZAKIWSKYJ, March 7, 2001.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1285. A letter from the Acting Assistant Secretary, Department of Defense, transmitting a report on the Angel Gate Academy Program; to the Committee on Armed Services.

1286. A letter from the Deputy Under Secretary of Defense, Office of the Director of Defense Research and Engineering, Department of Defense, transmitting the Annual Report of the Strategic Environmental Reserch and Development Program for Fiscal Year 2000; to the Committee on Armed Services.

1287. A letter from the Secretary, Department of Defense, transmitting a letter in response to the annual report on cost savings resulting from workforce reductions which is due no later than February 1 of each fiscal year, will be submitted within 90 days; to the Committee on Armed Services.

1288. A letter from the Principal Deputy Under Secretary, Department of Defense, transmitting the Defense Science Board Letter Report on the Department of Defense Science and Technology Program; to the Committee on Armed Services.

1289. A letter from the Secretary, Department of Health and Human Services, transmitting the 2001 Report To Congress On Telemedicine; to the Committee on Energy and Commerce.

1290. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Determination of Nonattainment as of November 15, 1996, and Reclassification of the St. Louis Ozone Nonattainment Area; States of Missouri and Illinois [MO 061-0161a; IL 187-2; FRL-6955-4] received March 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1291. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Full Approval of Operating Permit Program; Tennessee and Memphis-Shelby County [TN-T5-2001-01a; FRL-6956-6] received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1292. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Texas; Electric Generating Facilities; and Major Stationary Sources of Nitrogen Oxides for the Dallas/Fort Worth Ozone Nonattainment Area [TX-126-2-7486; FRL-6952-9] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1293. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on Workforce Planning for Foreign Service Personnel; to the Committee on International Relations.

1294. A letter from the Comptroller General, General Accounting Office, transmitting a report on the failure of the Department of Defense to provide access to certain records to the General Accounting Office, pursuant to 31 U.S.C. 716(b)(1); to the Committee on Government Reform.

1295. A letter from the Chairman, Federal Maritime Commission, transmitting the Annual Program Performance Report for FY 2000; to the Committee on Government Reform.

1296. A letter from the Comptroller General, General Accounting Office, transmitting a report entitled, "Framework for Considering Budgetary Implications of Selected GAO Work"; to the Committee on Government Reform.

1297. A letter from the Managing Director, National Transportation Safety Board, transmitting the Board's Inventory of Commercial Activities as required under the Federal Activities Reform Act of 1998; to the Committee on Government Reform.

1298. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting the report in compliance with the Government in the Sunshine Act for Calendar Year 2000, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

1299. A letter from the Deputy Assistant Secretary, Budget and Finance, Department of the Interior, transmitting the annual report entitled, "Outer Continental Shelf Lease Sales: Evaluation of Bidding Results" for fiscal year 2000, pursuant to 43 U.S.C. 1337(a)(9); to the Committee on Resources.

1300. A letter from the Secretary, Department of the Interior, transmitting the 2000 Annual Report for the Office of Surface Mining (OSM), pursuant to 30 U.S.C. 1211(f), 1267(g), and 1295; to the Committee on Resources.

1301. A letter from the The United States Trade Representative, Executive Office of the President, transmitting a report on the pending accession to the World Trade Organization of the Republic of Moldova; to the Committee on Ways and Means.

1302. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Form 7004- Research Credit Suspension Period [Notice 2001-29] received March 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1303. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property [Rev. Rul. 2001-17] received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1304. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Gross Income Defined [Rev Rul. 2001-13] received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1305. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Availability of "Award of Grants and Cooperative Agreements for the Special Projects and Programs Authorized by the Agency's FY 2001 Appropriations Act and the FY 2001 Consolidated Appropriations Act" [FRL-6951-5] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Energy and Commerce and Transportation and Infrastructure.

1306. A letter from the Acting Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting a report on bluefin tuna for 1999-2000; jointly to the Committees on Resources and International Relations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of Michigan (for himself and Mrs. EMERSON):

H.R. 1138. A bill to amend section 402 of the Federal Water Pollution Control Act to provide that no permit shall be required for animal feeding operations within the boundaries of a State if the State has established and is implementing a nutrient management program for those animal feeding operations; to the Committee on Transportation and Infrastructure.

By Mrs. BONO (for herself, Mr. STUMP, Mr. DOOLITTLE, and Mr. HERGER):

H.R. 1139. A bill to terminate the participation of the Forest Service in the Recreational Fee Demonstration Program; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska (for himself, Mr. OBERSTAR, Mr. QUINN, and Mr. CLEMENT):

H.R. 1140. A bill to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COLLINS (for himself, Mr. LEWIS of Georgia, and Mr. TANNER):

H.R. 1141. A bill to provide duty-free treatment for certain steam or other vapor generating boilers used in nuclear facilities; to the Committee on Ways and Means.

By Mr. CONYERS (for himself, Mrs. CHRISTENSEN, Mr. BONIOR, and Mrs. JONES of Ohio):

H.R. 1142. A bill to amend title XIX of the Social Security Act to permit uninsured individuals to obtain coverage under the Medicaid Program, to assure coverage of prescription drugs, alcohol and drug abuse treatment services, mental health services, long-term care services, and other services, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DIAZ-BALART (for himself, Mr. WAXMAN, Ms. ROS-LEHTINEN, Mr. FOLEY, Mr. GILMAN, Mr. GREEN of Texas, Mr. GUTIERREZ, Mr. KING, Mr. LEVIN, Mr. MENENDEZ, Mrs. MORELLA, Mr. RODRIGUEZ, and Ms. ROYBAL-ALLARD):

H.R. 1143. A bill to amend titles XIX and XXI of the Social Security Act to permit States the option of coverage of legal immigrants under the Medicaid Program and the State children's health insurance program (SCHIP); to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGEL:

H.R. 1144. A bill to provide for an increase in the Federal investment in research on cancer, Alzheimer's disease, and asthma by $2,000,000,000 for fiscal year 2002, and to express the sense of the House of Representatives that the Federal investment in such research should further be increased for each of the fiscal years 2003 through 2006; to the Committee on Energy and Commerce.

By Mr. ENGLISH (for himself, Mr. SHERWOOD, Ms. HART, and Mr. KUCINICH):

H.R. 1145. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to assure that the full amount deposited in the Abandoned Mine Reclamation Fund is spent for the purposes for which that Fund was established; to the Committee on Resources.

By Mr. PAUL (for himself, Mr. Stump, and Mr. Pombo):

H.R. 1146. A bill to end membership of the United States in the United Nations; to the Committee on International Relations.

By Mr. ENGLISH (for himself, Ms. Hart, and Mr. Ryun of Kansas):

H.R. 1147. A bill to prohibit the exportation of Alaskan North Slope crude oil; to the Committee on International Relations, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HILLEARY (for himself, Mr. John, Mr. Bishop, Mr. DeMint, and Mr. Norwood):

H.R. 1148. A bill to provide grants to certain rural local educational agencies; to the Committee on Education and the Workforce.

By Mr. HONDA (for himself and Mr. Horn):

H.R. 1149. A bill to amend the Domestic Volunteer Service Act of 1973 to create as a component of the Volunteers in Service to America program a technology corps that uses VISTA volunteers and other persons with expertise regarding information technology to facilitate the use of information technology in schools, libraries, and community centers, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HUTCHINSON (for himself, Mr. Brady of Texas, Mr. Moran of Kansas, Mr. Hulshof, and Mr. Petri):

H.R. 1150. A bill to amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for elections for Federal office, and for other purposes; to the Committee on House Administration, and in addition to the Committees on Education and the Workforce, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LANGEVIN (for himself, Mrs. Maloney of New York, Mr. Brown of Ohio, Mr. Stark, Mr. McGovern, Mr. Frank, Mr. Kennedy of Rhode Island, and Mr. Lantos):

H.R. 1151. A bill to direct the Federal Election Commission to issue voluntary standards to promote the accessibility and effective use of voting systems, voting equipment, and polling places, to make grants to assist States in complying with such standards and carrying out other activities to promote accessibility in voting, and for other purposes; to the Committee on House Administration.

By Mr. LANTOS (for himself, Mrs. Morella, Mr. Waxman, Mr. Gilman, Mr. Shays, Mr. Horn, Mr. Kucinich, Mr. Tom Davis of Virginia, Mr. Owens, Mr. Smith of New Jersey, Ms. Pelosi, Mr. LaHood, Mr. Towns, Mr. Upton, Mr. Kanjorski, Mrs. Mink of Hawaii, Mrs. Maloney of New York, Ms. Norton, Mr. Cummings, Mr. Blagojevich, Mr. Davis of Illinois, Mr. Tierney, Mr. Turner, Mr. Allen, Ms. Schakowsky, Mr. Clay, Mr. Sanders, Mr. Delahunt, Mr. Hall of Ohio, Mr. Oberstar, Mr. Olver, Mr. Wexler, Mr. Abercrombie, Mr. Nadler, Mr. Traficant, Mr. Moakley, Mr. McDermott, Mr. Peterson of Minnesota, Ms. Brown of Florida, Ms. McCarthy of Missouri, Mr. Capuano, Mr. Engel, Mr. George Miller of California, Mr. Filner, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Costello, Mr. Phelps, Mr. Matsui, Mr. Evans, Mr. Serrano, Mr. McNulty, Mr. Luther, Mr. Barrett, Mr. Holt, Mr. Doyle, Mr. Stark, Ms. Rivers, Ms. Waters, Ms. Eshoo, Mrs. Lowey, Ms. Velázquez, Mr. Underwood, and Mr. Sandlin):

H.R. 1152. A bill to promote human rights, democracy, and the rule of law by providing a process for executive agencies for declassifying on an expedited basis and disclosing certain documents relating to human rights abuses in countries other than the United States; to the Committee on Government Reform.

By Mr. MALONEY of Connecticut:

H.R. 1153. A bill to amend the Internal Revenue Code of 1986 to increase the child tax credit to $2,000 per child and make such credit refundable; to the Committee on Ways and Means.

By Mr. NADLER (for himself, Mr. Meeks of New York, Mr. McGovern, Ms. Velázquez, Mrs. Christensen, Mr. Serrano, Mr. Stark, Mr. Lantos, Ms. McKinney, Ms. Norton, Ms. Waters, Mr. Rangel, Mr. Payne, Ms. Rivers, Ms. Carson of Indiana, and Ms. Eddie Bernice Johnson of Texas):

H.R. 1154. A bill to require Federal law enforcement agencies to expunge voidable arrest records, to provide incentive funds to States that have in effect a system for expunging such records, and for other purposes; to the Committee on the Judiciary.

By Mr. PETERSON of Minnesota (for himself, Ms. Baldwin, Mr. Cummings, Mrs. McCarthy of New York, Mr. Shays, Mr. Costello, Mrs. Lowey, Mr. Clay, Ms. Slaughter, Mr. Gilchrest, Mr. Wynn, Mr. Sabo, Ms. Millender-McDonald, Mr. Levin, Mr. Shaw, Mr. Bartlett of Maryland, Mr. Chabot, Mr. Blagojevich, Mr. Wu, Mr. Deutsch, Mr. Gilman, Mr. Pascrell, Mr. Ose, Ms. Woolsey, Mr. Capuano, Mr. Bentsen, Mr. Gonzalez, Mrs. Tauscher, Mr. Tancredo, Mr. Delahunt, Mr. Andrews, Mr. Upton, Ms. Hooley of Oregon, Mr. Engel, Mr. Nethercutt, Mr. Inslee, Mr. Wexler, Mr. Crane, Mr. Baldacci, Mr. Wolf, Mr. Olver, Mrs. Maloney of New York, Mrs. Morella, Mr. Doyle, Mr. Traficant, Mr. Leach, Mr. Kleczka, Mr. George Miller of California, Mr. Stark, Ms. Kilpatrick, Mr. Hinchey, Mr. Boehlert, Mr. Rangel, Mr. Isakson, Mr. Sanders, Ms. Schakowsky, Mr. Phelps, Mr. Smith of Washington, Mr. Smith of New Jersey, Mr. Kolbe, Mr. Pallone, Mr. Lewis of Georgia, Mr. Horn, Mr. Blumenauer, Mr. Allen, Mr. Payne, Mr. Moran of Virginia, Mr. Tierney, Ms. Rivers, Mr. Boucher, Mrs. Roukema, Mr. Thompson of California, Mr. Evans, Mr. Lipinski, Mr. Towns, Mr. Luther, Mr. McGovern, Mrs. Kelly, Mr. Gallegly, Ms. Sanchez, Ms. McKinney, Mr. Whitfield, Ms. Roybal-Allard, Mr. Conyers, Mr. Kucinich, Mr. Sherman, Mr. Holt, Mr. Weldon of Pennsylvania, Mr. Lewis of California, Mr. Deal of Georgia, Mr. Brady of Pennsylvania, Mr. Green of Texas, Mr. Udall of Colorado, Mrs. Jones of Ohio, Mr. Barcia, Mr. Farr of California, Mr. DeFazio, Mr. Nadler, Mr. Berman, Mr. Jones of North Carolina, Mrs. Northup, Mr. Weller, Mr. English, Mr. Borski, Mr. Maloney of Connecticut, Mr. Lantos, Mr. Bass, Mr. Ackerman, Mr. Green of Wisconsin, Mr. Meehan, Mr. Clyburn, Mr. Neal of Massachusetts, Ms. Brown of Florida, Mr. Crowley, Mr. Kildee, Mr. Hoeffel, Mr. Hyde, Mr. Pomeroy, Mr. Saxton, Mr. Kennedy of Rhode Island, Mr. Hall of Ohio, Mr. Dicks, Mr. Frank, Mr. Weiner, Mr. Weldon of Florida, Mrs. Capps, Mr. Price of North Carolina, Mrs. Johnson of Connecticut, Mr. Filner, Mr. Scarborough, and Mr. Greenwood):

H.R. 1155. A bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful; to the Committee on Agriculture.

By Mr. SIMPSON (for himself, Mr. Gibbons, Mr. Otter, Mr. Stump, and Mr. Schaffer):

H.R. 1156. A bill to preserve the authority of the States over waters within their boundaries, to delegate the authority of the Congress to the States to regulate water, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THOMPSON of California (for himself, Mrs. Bono, Mr. Calvert, Mr. Cunningham, Mr. Doolittle, Ms. Dunn, Mr. Gallegly, Mr. Greenwood, Mr. Hansen, Mr. Herger, Mr. Horn, Mr. Hunter, Mr. Issa, Mr. McKeon, Mr. Ose, Mr. Otter, Mr. Pombo, Mr. Radanovich, Mr. Simpson, Mr. Walden of Oregon, Mr. Young of Alaska, Mr. Baca, Mr. Baird, Mr. Becerra, Mr. Berman, Mr. Blumenauer, Mrs. Capps, Mr. Condit, Mrs. Davis of California, Mr. Dicks, Mr. DeFazio, Mr. Dooley of California, Mr. English, Ms. Eshoo, Mr. Farr of California, Mr. Filner, Mr. Hinchey, Mr. Honda, Ms. Hooley of Oregon, Mr. Inslee, Mr. Lewis of California, Mr. Lantos, Mr. Larsen of Washington, Ms. Lee, Ms. Lofgren, Mr. Matsui, Mr. McDermott, Mr. McGovern, Ms. Millender-McDonald, Mr. George Miller of California, Mrs. Napolitano, Ms. Pelosi, Mr. Reyes, Ms. Roybal-Allard, Ms. Sanchez, Ms. Solis, Mr. Sherman, Mr. Schiff, Mr. Stark, Mr. Stupak, Mrs. Tauscher, Mr. Udall of Colorado, Mr. Udall of New Mexico, Ms. Waters, Ms. Woolsey, and Mr. Wu):

H.R. 1157. A bill to authorize the Secretary of Commerce to provide financial assistance to the States of Alaska, Washington, Oregon, California, and Idaho for salmon habitat restoration projects in coastal waters and upland drainages, and for other purposes; to the Committee on Resources.

By Mr. THORNBERRY:

H.R. 1158. A bill to establish the National Homeland Security Agency; to the Committee on Government Reform.

By Mr. LANTOS (for himself, Mr. Cox, Mr. Sherman, Mr. Capuano, Mr. Brown of Ohio, Mr. Blagojevich, Ms. Pelosi, Mr. Wolf, Mr. Horn, Mr. DeFazio, Ms. Woolsey, Mr. Menendez, Mr. Hoyer, Mr. Evans, Mr. Frank, Mr. Abercrombie, Mr. Payne, Mr. Wynn, Mr. Hoeffel, Ms. Kaptur, Mr. Wamp, Mr. Rohrabacher, Mr. DeLay, Mr. Faleomavaega, Mr. Smith of New Jersey, Mr. Brady of Pennsylvania, Mr. George Miller of California, Mr. Diaz-Balart, Mr. Pallone, Mr. Bonior, Ms. Berkley, Ms. Lee, Mr. Strickland, Mr. Jones of North Carolina, Mr. Stark, Mr. Kirk, Mr. Gutierrez, Ms. Slaughter, Mr. Engel, Mr. Gephardt, Mr. Lewis of Georgia, Mr. Goode, Mr. Souder, Mr. Tancredo, Mr. DeMint, Mr. Hoekstra, Mr. Schaffer, Mr. Hostettler, Mr. Sam Johnson of Texas, Mr. Doolittle, Mr. Shadegg, and Mr. Pence):

H. Con. Res. 73. Concurrent resolution expressing the sense of Congress that the 2008 Olympic Games should not be held in Beijing unless the Government of the People's Republic of China releases all political prisoners, ratifies the International Covenant on Civil and Political Rights, and observes internationally recognized human rights; to the Committee on International Relations.

By Mr. LATOURETTE (for himself and Mr. Costello):

H. Con. Res. 74. Concurrent resolution authorizing the use of the Capitol Grounds for the 20th annual National Peace Officers' Memorial Service; to the Committee on Transportation and Infrastructure.

By Mr. SIMMONS (for himself, Mr. LaTourette, Ms. Baldwin, Mr. Ferguson, Mr. Wolf, and Mr. Holden):

H. Con. Res. 75. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued honoring Hiram Bingham IV, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued; to the Committee on Government Reform.

By Mr. YOUNG of Alaska (for himself, Mr. Oberstar, Mr. LaTourette, and Mr. Costello):

H. Con. Res. 76. Concurrent resolution authorizing the use of the East Front of the Capitol Grounds for performances sponsored by the John F. Kennedy Center for the Performing Arts; to the Committee on Transportation and Infrastructure.

By Mr. BARRETT:

H. Res. 96. A resolution Recognizing National Poison Prevention Week, and encouraging parents, educators, and caregivers to teach children the dangers of ingesting household substances; to the Committee on Government Reform, and in addition to the Committees on Education and the Workforce, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. LEE:

H. Res. 97. A resolution recognizing the enduring contributions, heroic achievements, and dedicated work of Shirley Anita Chisholm; to the Committee on Government Reform.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. LaTourette introduced a bill (H.R. 1159) for the relief of Stefan Zajak and Teresa Bartoszewska-Zajak; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 51: Mr. Pombo, Mr. Farr of California, Mr. Otter, and Mr. Issa.

H.R. 145: Mr. Davis of Illinois and Mr. Langevin.

H.R. 162: Mr. Holt, Mr. Abercrombie, Mr. Pallone, Mr. Levin, Mr. Jefferson, Ms. Baldwin, Mr. Davis of Illinois, Mr. Kind, and Mr. Sawyer.

H.R. 179: Mr. Clyburn, Mrs. Cubin, Mr. Doolittle, Mr. Graham, Mr. Honda, Mrs. Lowey, Mr. Otter, Mr. Putnam, Mr. Scott, Mr. Simpson, Ms. Solis, and Mr. Upton.

H.R. 189: Mr. LaHood.

H.R. 192: Mr. LoBiondo.

H.R. 199: Mr. King, Mr. Kildee, Mr. McNulty, and Mr. Hayworth.

H.R. 225: Ms. Lofgren, Mr. George Miller of California, Mr. Cummings, Mrs. Lowey, and Ms. Kilpatrick.

H.R. 281: Mr. Spence, Mr. Gilman, Mr. Cooksey, and Mr. Jefferson.

H.R. 292: Mr. Davis of Illinois.

H.R. 303: Mr. Meehan, Mr. Rehberg, Mr. Greenwood, Mr. Markey, and Mr. Barcia.

H.R. 326: Mr. Meehan and Mr. Lantos.

H.R. 370: Mr. Souder.

H.R. 380: Ms. Lee.

H.R. 440: Mr. Baldacci.

H.R. 488: Mrs. Lowey.

H.R. 504: Mr. Thompson of California, Ms. Carson of Indiana, Mr. Bonior, Mr. Kolbe, Mr. Sandlin, Ms. Schakowsky, Mrs. Wilson, Mr. Gutierrez, Mr. Payne, Mr. Langevin, Mr. Gonzalez, and Mr. Doyle.

H.R. 511: Ms. Schakowsky.

H.R. 525: Mr. Pascrell.

H.R. 526: Ms. Schakowsky, Mr. Rahall, Mr. Pastor, Mr. Inslee, Ms. Solis, Mr. Menendez, Mr. Berman, Mr. Bentsen, Mr. Bonior, and Mr. Baird.

H.R. 534: Mr. Lewis of Kentucky, Mr. Gary Miller of California, Mr. Simmons, Mr. Skeen, Mr. Platts, Mr. Smith of New Jersey, Mr. Everett, Mr. Sessions, Mr. Issa, Mr. Simpson, Mr. Pitts, Mr. Wicker, Mr. Ehrlich, Mr. Cantor, Mr. Herger, Mr. Lantos, Mr. McInnis, Mr. Shays, Mr. Holden, Mr. Hayworth, and Mr. Tiahrt.

H.R. 536: Mr. Coyne, Mr. Baird, Mr. LoBiondo, Mr. Davis of Illinois, Mr. Grucci, Ms. Sanchez, and Mr. Rodriguez.

H.R. 550: Ms. Kilpatrick and Mr. Kildee.

H.R. 579: Mr. Lantos.

H.R. 581: Mr. Simpson.

H.R. 599: Mrs. Jones of Ohio, Mr. LaTourette, Mr. Abercrombie, Mr. Kildee, Mr. Baldacci, Mr. Waxman, Mr. McNulty, Mr. Kind, Mr. Capuano, and Mr. DeFazio.

H.R. 606: Mr. LoBiondo, Mr. Snyder, Mr. Ose, Ms. Roybal-Allard, and Mr. Saxton.

H.R. 612: Mr. Edwards, Mr. Moore, Mr. Kildee, Mr. Phelps, and Mr. Udall of New Mexico.

H.R. 622: Mr. Blumenauer and Ms. Hooley of Oregon.

H.R. 630: Mr. Boehlert, Mr. Coyne, Mr. Price of North Carolina, Ms. Slaughter, and Mr. Goode.

H.R. 633: Ms. Slaughter, Mr. McGovern, Mr. McNulty, Mr. Engel, Ms. Lee, Mr. Frost, Mr. Frank, Ms. Solis, Mr. Brown of Ohio, Mrs. Mink of Hawaii, Ms. Schakowsky, Mr. Green of Texas, Mrs. Jones of Ohio, Mr. Gonzalez, Ms. Carson of Indiana, Mr. Cummings, Mr. Kildee, Mr. Lantos, and Mr. Baldacci.

H.R. 637: Mr. Paul and Mr. Smith of Texas.

H.R. 643: Mr. Abercrombie.

H.R. 645: Mr. Abercrombie.

H.R. 668: Mr. Lantos, Mrs. Mink of Hawaii, Ms. Carson of Indiana, Mr. Souder, and Mr. Acevedo-Vila.

H.R. 680: Mr. Owens and Ms. Carson of Indiana.

H.R. 683: Mr. John, Mr. Kleczka, Mr. Langevin, Mr. Udall of Colorado, Mr. Payne, Ms. Lee, and Ms. DeLauro.

H.R. 690: Mr. Rangel, Mr. Hoeffel, Mr. Clay, Mr. Hastings of Florida, Mr. Andrews, and Mr. Rush.

H.R. 691: Mr. Borski and Mr. Petri.

H.R. 747: Ms. Woolsey.

H.R. 752: Mr. Smith of New Jersey.

H.R. 755: Ms. Jackson-Lee of Texas, Ms. Brown of Florida, Ms. McKinney, Mr. Dooley of California, Mr. Inslee, Mr. Dicks, Ms. Solis, Mr. Moore, Mrs. Kelly, and Mr. Lewis of Georgia.

H.R. 770: Mr. Peterson of Minnesota.

H.R. 781: Mr. Pallone, Ms. Lee, and Mr. Honda.

H.R. 783: Mr. Kucinich.

H.R. 801: Mr. Terry, Mr. Snyder, and Mr. Gutierrez.

H.R. 811: Ms. Carson of Indiana, Mr. Snyder, and Mr. Gutierrez.

H.R. 817: Mr. Tiberi and Mr. Baldacci.

H.R. 870: Mr. Bonior, Mr. McGovern, Ms. Hart, Mr. Rodriguez, Mr. Reyes, Mr. Gonzalez, and Mr. Rush.

H.R. 907: Mrs. Maloney of New York.

H.R. 912: Mr. Ackerman, Mrs. Capps, Mr. DeFazio, Mr. Dicks, and Mr. Reyes.

H.R. 962: Mr. Engel, Ms. Kilpatrick, Ms. McCollum, Mr. Smith of New Jersey, Ms. Norton, Mrs. Lowey, and Mr. Pascrell.

H.R. 964: Mr. Frank, Mr. Abercrombie, Ms. Schakowsky, Mr. Frost, Ms. Lofgren, Mr. Blagojevich, Mr. Rodriguez, Mr. Capuano, Mr. Gonzalez, Ms. McKinney, Ms. Solis, and Mr. Lantos.

H.R. 969: Mr. Smith of Texas.

H.R. 994: Ms. DeLauro, Ms. Millender-McDonald, Mr. Fattah, Mrs. Jones of Ohio, Mr. Markey, Ms. Carson of Indiana, Mrs. Napolitano, and Ms. Solis.

H.R. 1007: Mr. Gallegly, Mr. Diaz-Balart, Mr. Wolf, Mr. Blumenauer, Mr. Payne, Mr. Smith of Texas, and Mr. Lantos.

H.R. 1015: Mr. Sanders, Mr. Goode, and Mr. Pickering.

H.R. 1078: Mr. McNulty.

H.R. 1086: Mr. Sanders and Ms. DeLauro.

H.R. 1088: Mr. Ryun of Kansas, Mr. Ferguson, Mr. Sherman, Mr. Gonzalez, Mr. Maloney of Connecticut, and Mr. Green of Wisconsin.

H. Con. Res. 29: Mr. Akin.

H. Con. Res. 37: Mr. Weldon of Pennsylvania.

H. Con. Res. 53: Mr. Allen.

H. Con. Res. 61: Mr. Brown of Ohio.

H. Con. Res. 68: Mr. Fattah, Mr. Lewis of Georgia, and Mr. Clay.

H. Res. 13: Mr. Graham.

H. Res. 15: Mr. Barr of Georgia.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 459: Mr. LEWIS of California.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 247

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 2: At the end of the bill, add the following new section:

SEC. 3. USE OF AMERICAN PRODUCTS.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available for the activities authorized under the amendment made by this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available for the activities authorized under the amendment made by this Act, the Secretary of Housing and Urban Development, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SENATE—*Wednesday, March 21, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable GEORGE ALLEN, a Senator from the State of Virginia.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Lord, You have told us that if we, as branches, are connected to You, the Vine of virtue, our lives will emulate Your character. We dedicate this day to live as branches for the flow of Your spirit. We admit that apart from You, we can accomplish nothing of lasting significance. We ask that the Senators and all of us who work with them may be distinguished for the fruit of Your spirit, a cluster of divinely inspired, imputed, and induced traits of Your nature reproduced in us.

Your love encourages us and gives us security; Your joy uplifts us and gives us exuberance; Your peace floods our hearts with serenity; Your patience calms our agitation over difficult people and pressured schedules; Your kindness enables us to deal with our own and other people's shortcomings; Your goodness challenges us to make a renewed commitment to absolute integrity; Your faithfulness produces trustworthiness that makes us dependable; Your gentleness reveals the might of true meekness that humbly draws on Your power; Your Lordship gives us self-control because we have accepted Your control of our lives. You are the mighty God of Abraham, Isaac, Jacob, and Jesus Christ. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE ALLEN led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 21, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable GEORGE ALLEN, a Senator from the State of Virginia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ALLEN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

SCHEDULE

Mr. JEFFORDS. Mr. President, today the Senate will immediately resume consideration of the campaign finance reform legislation. Debate will continue on Senator TORRICELLI's amendment regarding broadcasting. If all debate time is used, a vote may be expected around 12 noon. However, some time may be yielded back, and therefore the vote could occur earlier. Progress is being made on the bill, and further amendments will be offered throughout the day. As a reminder, votes will occur throughout the day approximately every 3 hours.

I thank my colleagues for their attention.

Mr. REID. Will the Senator yield for a question?

Mr. JEFFORDS. I am happy to yield.

Mr. REID. Mr. President, through my friend from Vermont, I ask the Chair, if all time is used on the Torricelli amendment—he spoke for a short time last night—what time would the vote occur?

The ACTING PRESIDENT pro tempore. Approximately 12:20 p.m.

Mr. REID. I thank the Chair.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

> Torricelli amendment No. 122, to amend the Communications Act of 1934 to require television broadcast stations, and providers of cable or satellite television service, to provide lowest unit rate to committees of political parties purchasing time on behalf of candidates.

AMENDMENT NO. 122

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the Torricelli amendment No. 122.

The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, the Senate now turns its attention to what is the other half of the campaign finance problem. It is, after all, not simply what is raised but why money is raised and where it is going.

This Senate, for 5 years, has had to overcome four filibusters to get us to this moment in considering campaign finance reform. We have voted on 113 occasions to reform the campaign finance laws. We have considered 300 pieces of legislation, heard 3,000 speeches, and filled 6,000 pages of the CONGRESSIONAL RECORD. But none of this will mean anything, this legislation will accomplish no more than leading to a less informed public with less political dialog, if we do not complement the reduction in fundraising with more availability of information by reducing the cost.

The McCain-Feingold legislation, as written, will not abate the expense of running for political office. It could, if not amended, simply lead to an American public, as Senator MCCONNELL has said many times, that is less informed with less political speech. I know no one in the country who believes that is the kind of reform we genuinely seek.

The Alliance for Better Campaigns recently stated:

> Reform must do more than limit the supply of political money. It must also restrain the demand for political money.

There is a perception in the media and in the public that the entire problem of campaign financing is the amount of money. That is a problem, but it is not the only problem. Members of this institution know that an equal burden that must be addressed is the amount of time Senators and Members of the House of Representatives are taken away from their legislative responsibilities, not meeting with ordinary citizens, to cater to the wealthy to gain access to this money.

On the chart on my left, I have taken a State at random, New Jersey, and given an indication of what it takes in time to run what all future Senate campaigns in New Jersey probably will cost—a minimum of $15 million. This would require, under current campaign finance laws, raising $20,833 every day 7 days a week for 2 years, or 150 fundraising events, each raising $100,000, or 1,500 events at $10,000 per event, 1,500 fundraisers at $10,000.

We can make it more difficult to raise the money. We can eliminate soft money. The question remains: Are we simply adding to the burden of how much time candidates must spend doing that? If we are eliminating categories of money, making it more difficult to get the $15 million, all we could be doing is adding to that time which candidates must spend finding it. That will not be an achievement. That is why today we are dealing with the other half of the equation—not what is raised but how much is spent.

The 2000 elections provide an illustration. Common Cause estimates that the 2000 elections cost $3 billion. This is a 50-percent increase over 1996, begging the question, At this rate of increase, where is the Nation going?

Obviously, to anyone in the system, by far the greatest component of this campaign spending is the cost of television advertising. Indeed, one-third of the $3 billion raised and spent in the 2000 elections went to pay for political advertisements on television. My predecessor, Senator Bradley of New Jersey, probably said it best a few years ago:

> Today's political campaigns function as collection agencies for broadcasters. You simply transfer money from contributors to television stations.

During the 2000 elections, the broadcast networks enjoyed record profits. The placing of political advertisements on the networks is not a public service. They do not do this under duress. It is a major form of network profits. It is estimated to be at least $770 million and, indeed, figures could be as high as $1 billion that was spent by candidates on political advertisements—a 76-percent increase over 1996.

The chart on my left illustrates the rapid increase. President midterm spending, in 1982, adjusted for inflation, was $200 million; in the year 2000, now reaching $800 million. It is an exponential increase that is unsustainable. The Alliance for Better Campaigns recently issued its report, "Gouging Democracy, How the TV Industry Profiteered on Campaign 2000."

This report illustrates how stations across the country took advantage of candidates by increasing their pricing for advertising just when they knew that campaigns needed the time the most.

In Philadelphia and New York City, the two media networks which serve my State of New Jersey, the cost of some political ads increased almost 50 percent between Labor Day and election day—television stations recognizing that unlike an automobile manufacturer or a soap manufacturer that can advertise at any time of the year, a candidate has no choice but to communicate with those voters between Labor Day and election day. They have a captive market and they take full and unconscionable advantage.

The letter on my left is a perfect example. This is a television station which has had an ad placed by a Federal candidate. Under the law, they are required to sell this ad at the lowest unit rate. But as is typical of the television networks, they wrote a letter back to the candidate saying:

> Activity is a lot heavier than the station anticipated, and your schedules are already getting bumped.

My colleagues, this is the heart of the problem. The candidate placed the ad at $6,300, as required by law. But the television station let the candidate know: You may have bought this ad in accord with Federal law at $6,300, but you will never see it on television because we will bump it. You will not get it for when you bought it. It will be shown in the middle of the night when no one will see it.

So they politely extort another $8,000 in order to guarantee the time slot that has been provided. An ad required to be sold at $6,000 by law is now in excess of $14,000. This is the heart of the problem. And it is typical.

In our surveys across the country, as in Philadelphia and New York, these rates were going up by 50 percent. We have seen in others, typically, 30-percent increases in these rates.

Now, by law, Members of the Senate undoubtedly think this was addressed years ago, and they would be right in having that belief. Nothing I am now reviewing should be allowed by law. But there is a loophole, and the loophole, as I have illustrated, is that they will sell you the time. They will just never guarantee it will ever be seen on television. That, as I think anybody could assess, is not much of an advertising campaign.

The law is actually being complied with as an exception. The rule is the violation. The chart on my left illustrates this point conclusively. The heavy red lines are advertisements that are placed above the lowest unit rate—remembering that the law requires that advertisements be sold to political candidates, as required for communication in Federal elections, at the lowest unit rate.

WCCO in Minneapolis met its public responsibility by selling 4 percent of all of its advertisements at the lowest unit rate. And 95 percent of all the ads placed were higher than lowest rates. They are paying commercial rates.

In New York city, an advertising market with which I am familiar, WNBC—not some unaffiliated station, but one owned by the National Broadcasting Company itself—15 percent of their ads were in accordance with the law at the lowest unit rate; for 78 percent they were charging commercial rates to Federal candidates for public office. There are stations that are better. The chart illustrates that virtually in every market in the country, large States and small, rural and urban, the responsibilities are not being met.

In Los Angeles, KABC—once again, an affiliate owned by the network itself—34 percent of all advertisements are being sold at commercial rates. In Columbus, OH, it is 90 percent. At KYW, one of the most popular stations in Philadelphia, it is 91 percent. At WXYZ in Detroit, it is 88 percent sold at commercial rates.

My colleagues, the law as you intended it, to require lowest unit rate sales of advertising, has collapsed. It is not happening. Broadcasters are auctioning advertising time to Federal candidates in competition with the industries of America. Any candidate is facing the prospect of a bidding war with General Motors or Ford or IBM when they go to place political advertising. The law is simply not functioning.

Similar patterns, as I have demonstrated, are all over the country. To quote the Alliance for Better Campaigns, "while this law remains on the books, its original intent is no longer served."

The other part of this equation is not simply that there is price gouging of candidates by taking advantage of a loophole in the lowest unit rate, but, almost incredibly and simultaneously, the broadcasters are violating another responsibility. One responsibility is the lowest unit rate to allow advertising, not to increase the cost of campaigns and increase fundraising responsibilities and burdens; the other is to provide news coverage. These, my colleagues, after all, are the public airwaves, licensed by the Federal Government for the interest of the American people to promote their debates. The Federal airwaves are not to be used entirely for sitcoms and cartoons, or to sell soap or automobiles. There is a public responsibility.

I am going to show the difference between what is going on in advertising and news coverage. As you can see on this chart, those ads sold at the unit rate are flat. The red line shows that almost all advertising is going on to the non-unit rate or commercial rate of advertising.

We will move on to the news coverage. Now, remembering how the advertising was increasing at commercial costs, exponentially the chart was rising to the top. Consider this, remembering the two responsibilities: selling at lowest unit rate and providing news coverage in the public interest.

In Philadelphia, during the New Jersey Senate primary—remembering there was no incumbent—we were choosing a U.S. Senator for New Jersey, during a Presidential election, the final 2 weeks of the campaign. In Philadelphia, this is the amount of news coverage in the final 14 days of the election: WPVI in Philadelphia, an average of 19 seconds per evening; WVAU, in the public interest, on a federally licensed station, dedicated an average of 1 second per night to informing their viewers on the Senate campaign in its closing days. In New

York, the situation was not very much different. WNBC—once again, a network-owned-and-operated affiliate, not some arm's length operating station, but NBC's own station in New York, in the final 2 weeks of the campaign—gave 23 seconds to covering the primary. At WCBS in New York, an average of 10 seconds was given to covering this.

As Robert McChesney wrote in Rich Media, Poor Democracy:

> Broadcasters have little incentive to cover candidates, because it is in their interest to force them to publicize their campaigns.

Exactly. Why would anyone provide free coverage in the public interest in hard news when, alternatively, candidates must pay millions of dollars to the stations themselves to get their message across? There is a disincentive to provide news because people have to pay for it.

The Brennan Center reports that, indeed, in the 30 days preceding the November elections, the national broadcasters averaged about 1 minute per night—1 minute—in substantive campaign coverage.

Rather than a discussion of substantive issues, the broadcast networks covered the campaign 2000 primarily as a horse race. Only one in four network news stations aired stories that were, indeed, issue oriented.

The chart on my left makes this comparison: what is happening in advertising in which candidates are now paying nearly a billion dollars, and what is happening in news coverage as required by Federal license. These are the top four rated TV stations in Philadelphia and New York.

Overall, a viewer in the State of New Jersey is 10 times more likely to see a paid political advertisement—10 times—than they are ever to see a news story, excepting that most of those news stories are scandal, and horse races, and are not news anyway.

Conceding they really are news, let's operate on the fiction they were putting news on the air. Nevertheless, one would be 10 times more likely to see a political advertisement.

Here are examples in Philadelphia: WPVI, 122 advertisements ran between May 24 and June 5. The number of news stories was 11. WNBC in New York, 99 advertisements, 16 news stories.

The fact is, news coverage has reached an all-time low. Just as the networks are evading their responsibility for the lowest unit cost under the law, they are also avoiding their responsibility to provide hard news.

During last summer's political conventions for Democrats and Republicans, ABC, CBS, and NBC reduced by two-thirds the hours they devoted to convention coverage of 1988, the last time there was an open seat Presidential election.

Broadcasters are in many respects public trustees. They should not be putting the public airwaves out to bid when political candidates want to communicate with their constituents. They receive their licenses by meeting FCC requirements under the 1934 Communications Act in the public interest. The law makes clear that the airwaves are public property and that they must be used for the "public interest, convenience, and necessity."

Indeed, perhaps maybe this Congress deserves some of the blame. In 1997, the Congress gave broadcasters digital TV licenses which doubled the amount of spectrum. If sold at auction, it would have brought in $70 billion. William Safire wrote:

> A rip-off on a scale vaster than dreamed . . . by the robber barons.

Bob Dole called it "a giant corporate welfare scheme."

What all this has meant is broadcasters taking advantage of this new technology without any new responsibility, and we have allowed this situation to deteriorate to the point of billion-dollar campaigns putting enormous burdens of time and money on the political system. That is, in my judgment, unsustainable.

In response to this gift of public assets, President Clinton appointed an advisory panel to update the public interest obligation of broadcasters. The panel advised broadcasters to voluntarily air 5 minutes a night in the 30 days before the election. During the 2000 elections, local affiliates of NBC and CBS agreed to the 5 minutes. Although these stations should be commended, they and other stations made similar decisions representing 70 percent of the 1,300 local stations.

Shockingly, ABC, which was the second biggest beneficiary of political advertisement last year, did not make any commitment at all. The refusal of ABC to join other broadcast networks was the broadest step toward further corporate irresponsibility.

In sum, what much of this means is that contrary to law and the national interest, the broadcasters have now developed a dependency on political advertising. As the chart on my left illustrates, this is now the source of revenues of television stations and networks, gaining 25 percent of all of their revenue from the automobile companies, the largest industry in America; 15 percent from retailers across the country, and, unbelievably, 10 percent of all revenues of television stations is now coming from political advertising.

If this, however, were a chart of Iowa or New Hampshire or early primary States, we would find during the Presidential elections that it is not third but first.

Even taking the network's greatest advantage of looking at this nationally, it is clear television stations have developed a dependency—indeed, an addiction—on political advertising. That is clearly not in the national interest.

What should, however, gain the attention of the American people is the almost unbelievable hypocrisy of the networks on this issue. They have joined the fight for campaign finance reform by criticizing the current finance system, and we welcome their assistance. If there is to be genuine reform, we are glad the voices of the networks have been part of the drumbeat of criticism to bring this Congress to a change. They want change. They just do not want to be part of it, recognizing there is a reason this money is being raised, and they are the principal reason.

Outside this Chamber, today the National Association of Broadcasters will have its lobbyists attempting to convince Members they should not bear any responsibility and they should be able to evade the current law and charge commercial rates for their $1 billion in political advertising. Indeed, since 1996, the National Association of Broadcasters has spent $19 million. While the network broadcasters are convincing the American people to change the political system, their lobbyists are in the hall spending millions of dollars in lobbying time convincing people not to lower costs, do not raise money, but keep spending it on us.

From 1996 through 1998, the National Association of Broadcasters and five media outlets together spent $11 million to defeat 12 campaign finance bills that would have, if implemented, reduced the cost of broadcasting for candidates.

Time's up. You wanted campaign finance reform and you were right, the system should be changed, but you miscalculated because you are going to be part of that reform.

On a bipartisan basis, this Senate is going to vote today to implement a law which we intended a long time ago. These are public airwaves. There will not be price gouging for candidates for Federal office. This time will be sold at the lowest unit rate as was always our intention.

Under the Torricelli-Corzine-Durbin-Dorgan, et al., amendment, we are going to bring the letter of the law back in line with the spirit of the law.

Our intention is very simple: One, require broadcasters to charge candidates and political parties the lowest rate offered throughout the year. Therefore, the gouging that takes place because the networks know that we must advertise between Labor Day and election day will end. They will base these prices on the lowest rate throughout the year.

Second, ensure that candidate and party ads cannot be bumped, displaced, by other advertisers willing to pay more for the air time. Simply stated, to avoid the problem, as in the letter I indicated from one television station, where a candidate for public office attempting to communicate with their constituent is told that General Motors is willing to pay more for the same spot; therefore, either you pay what they will pay or your advertisement will run in the dead of the night.

Three, require the FCC to conduct random checks during the preelection period to ensure compliance with the law. In 1990, Senator Danforth of Missouri requested a similar audit by the FCC and for the first time revealed the extent to which broadcasters were not charging candidates the lowest unit rate. Although the crackdown resulted in a temporary dip in rates as broadcasters followed the law more closely, recognizing the FCC controlled their licenses, as soon as the study was finished, the monitoring was over, rates went up again, and the law was violated. This time we will monitor it, but we will monitor it permanently.

Savings that will result from this amendment are extraordinary, as is the ability to change the national political culture of the fundraiser, reducing costs, resulting in reduced fundraising. This is a great opportunity. I do not know a member of this Congress who wouldn't rather spend their time legislating than raising funds. I don't know a Member of this Congress who wouldn't prefer to be at home on the weekends with their family or constituents, rather than traveling around the Nation raising funds. This isn't something that anybody enjoys. There is an endless spiral of fundraising that is out of control, but it will not be stopped simply by eliminating soft money or making it more difficult to raise money of any kind. Candidates will find money within the law under some system unless we address the question of costs. In the modern political age, the cost of a campaign is easily defined. It is television. This is a network-driven process. And it can change.

My final chart illustrates the difference in running political campaigns in three jurisdictions. If the Torricelli-Corzine-Durbin-Dorgan amendment is adopted, the cost of running advertising in Los Angeles, the second most expensive media market in the country, would be a 75-percent difference by applying the lowest unit rate; in Denver, 41 percent; in Birmingham, AL, an incredible 400-percent difference.

This goes to the heart of the problem. We are simply requiring what was asked a long time ago. We do not do this to an industry that is struggling. The broadcast industry is making record profits by using Federal licenses with new technology that has been given without cost. Now, my friends, it is time to ask them to meet their responsibilities.

A new campaign finance system in America will require responsibilities and sacrifices by many people—certainly by every Member of Congress. This amendment will welcome the broadcasters into a new responsibility in being part of the answer to the problem rather than the core of the problem itself.

I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). Who yields time?

Mr. DODD. Mr. President, I yield 10 minutes to the distinguished Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. CORZINE. Mr. President, I am pleased to join my esteemed colleague, the senior Senator from New Jersey and a number of other colleagues in offering this amendment to reduce the exploding costs of political advertisements on the airwaves. As Senator TORRICELLI has articulated and effectively demonstrated, this amendment would guarantee that candidate advertisements are not preempted by more favored, high-spending advertisers and that candidates are given the lowest available rate for the reserved time.

Mr. President, campaigns do cost too much. God knows, I know. To communicate with voters, at least in large States like New Jersey with multiple and expensive media markets, candidates must use television time. And television is very expensive. My campaign was charged as much as $55,000 for one 30-second spot alone in the weeks directly preceding the election. Others actually paid more.

When I began my run for the Senate, I was generally unknown to the community at-large. I had enjoyed a successful business career, which I thought would make a contribution to the Senate, the Nation, and my community. But virtually no one in New Jersey knew who I was or, more importantly, where I stood on the issues. Meanwhile, my opponents included a former Governor and a former Congressman who were very well recognized throughout our State. The Governor had run five statewide campaigns and the latter had been in Congress 8 years and politics most of his adult life. Certainly their experience should not have been disqualifying, but neither should a lifetime of participation in the private sector preclude the possibility for government service.

With that background, Mr. President, as you may know, New Jersey has no major in-State television market. Rather, north Jersey voters are served by New York City television stations while south Jersey voters are served by those from Philadelphia.

The trend in television news coverage is to spend less and less time on State and local races, and the problem is exaggerated in New Jersey where stations from other States devote little airtime to covering New Jersey politics.

As my senior colleague pointed out, in both the Philadelphia market and New York market, as we ran up to the primary, there was very little coverage. It averaged, if you looked across the two markets, 13 seconds per day during the 60 days leading up to the election. Think about that: 13 seconds a day for five candidates to express their points of view and get in front of the public. That is some debate. I do hope we can do something about it.

Compounding matters, there is also a trend away from covering substantive issues, as Senator TORRICELLI remarked, in favor of covering elections in horseraces, who is up, who is down, what the polls say, not what the issues are. For those candidates, such as myself, who want to engage voters on the issues, the only option is to purchase time from the high priced, out-of-State broadcasters in our case. The end result is the candidates, especially challengers, those who have not previously held public office, must grapple with hugely expensive media costs to stand a chance.

Let me be clear. Media exposure does not guarantee success. A bankrupt message will lose, despite a well-funded media campaign. I don't buy the argument you can buy an election. There are many examples of candidates who have spent significant amounts of money, only to lose. People who argue you can buy elections, in my view, underestimate the ability and the judgment of the voters. Still, while adequate exposure on television clearly is not sufficient to generate success, lack of exposure for many candidates almost certainly will guarantee failure, again, particularly for challengers and newcomers who might bring different experiences and perspectives to issues.

Congress recognized this media cost problem in 1971 when it required broadcasters to offer candidates the lowest price offered for a similar timeslot. Unfortunately, that legislation included a major loophole. Under the law, while local stations must offer a candidate the lowest available rate, the broadcasters are allowed to preempt those commercials and broadcast them at a later time—in the case in New Jersey and Philadelphia markets, maybe at 3 a.m., as opposed to prime time. To guarantee that an advertisement is shown at a particular time, candidates are forced to pay premium rates. These premiums have increased the price of on-air time dramatically.

Not long ago, the Alliance for Better Campaigns issued a report entitled "Gouging Democracy."

I ask unanimous consent that the executive summary of this report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Executive Summary

Local television stations across the country systematically gouged candidates in the closing months of the 2000 campaign, jacking up the prices of their ads to levels that were far above the lowest candidate rates listed on the stations' own rate cards. They did so despite a 30-year-old federal law designed to protect candidates from such demand-driven price spikes. The stations apparently did not break the law; rather, they exploited loopholes in a law that has never worked as intended. In 2000, this so-called "lowest unit charge" [LUC] safeguard for candidates was overrun by the selling practices of stations, the buying demands of candidates, the sharp rise in issue advocacy advertising and the unprecedented flood of hard and soft money into political campaigns.

As a result, political advertisers spent five times more on broadcast television ads in 2000 than they did in 1980, even after adjusting for inflation. The candidates made these payments to an industry that has been granted free and exclusive use of tens of billions of dollars worth of publicly owned spectrum space in return for a pledge to serve the public interest. In 2000, the broadcasters treated the national election campaign more as a chance to profiteer than to inform. Their industry has become the leading cause of the high cost of modern politics.

This study is based on a comparison of political advertising sales logs and rate cards at 10 local television stations; an analysis of political advertising costs at all stations in the top 75 media markets in the country; and interviews with Democratic and Republican media buyers, television station ad sales managers and officials at the Federal Communications Commission. Its key findings:

Candidates Paid Prices Far Above the Lowest Published Rate. In the final months of Campaign 2000, federal, state and local candidates paid ad rates that, on average, were 65 percent above the candidates "lowest unit charge" rate published in the stations' own rate card, according to an audit of ad logs at 10 local stations across the country. The 10 stations are major network affiliates in large markets; in total, they aired more than 16,000 candidate ads.

Stations Steered Candidates Toward Paying Premium Rates. Television stations made their lowest candidate rate unattractive to candidates by selling ads at that rate with the proviso that they could be bumped to another time if another advertiser came forward with an offer to pay more. The LUC system is supposed to ensure that candidates are treated as well as a station's most favored product advertisers (e.g., the year-round advertiser who buys time in bulk and receives a volume discount). But unlike most product advertisers, candidates operate in a fast-changing tactical environment and need assurance that their ads will run in a specified time slot. During the height of the 2000 campaign, station ad salesmen routinely took advantage of these special needs and steered candidates toward paying high premiums for "non-preemptible" ad time.

An Explosion of Issue Advocacy Ads Caused Spikes in All Ad Rates. The biggest change in the marketplace of political advertising in recent years has been the explosive growth of party and issue group advertising; in 2000, it accounted for roughly half of all political ad spending. These ads are not entitled to LUC protection. In markets where there were highly competitive races, stations doubled and sometimes tripled issue ad rates in the campaign's final weeks. This had a tail-wags-dog effect on the pricing of candidate spots. The intention of the LUC system is to peg candidate rates to volume discount rates for product ads. But in 2000, candidates paid rates driven up by the demand spike created by the flood of soft money-funded issue advocacy ads.

Some Candidates Were Shut Out of Air Time. The heavy demand for political ad time squeezed some would-be candidate advertisers off the air. In some markets, television stations either ran out of inventory or refused to sell air time to down-ballot state and local candidates. These candidates are entitled to lower ad rates than issue groups and parties, but, unlike candidates for federal office, they are not guaranteed access to paid ad time.

Political Ad Sales Were at Least $771 Million . . . Stations in the top 75 media markets took in at least $771 million from Jan. 1 to Nov. 7, 2000 from the sale of more than 1.2 million political ads, almost double their 1996 take of $436 million.

. . . and May Have Hit $1 Billion. The $771 million figure is a conservative estimate. It covers ad spending on the 484 stations in the nation's 75 largest markets, but excludes the ad dollars spent on roughly 800 stations in the nation's 135 smaller markets. It also fails to account for the spike in ad rates that occurred close to Election Day. Some Wall Street analysts estimate the actual political ad revenue total was closer to $1 billion.

While Profiteering on the Surge in Political Spending, Stations Cut Back on Coverage. Even as it was taking in record revenues from political advertisers, the broadcast industry scaled back on substantive coverage of candidate discourse. Throughout the 2000 campaign, the national networks and local stations offered scant coverage of debates, conventions and campaign speeches, prompting veteran ABC newsman Sam Donaldson to remark that his network evening news political coverage had "forfeited the field" to cable. The industry also fell far short of a proposal by a White House advisory panel, co-chaired by the president of CBS, that stations air five minutes a night of candidate discourse in the closing month of the campaign. In the month preceding Nov. 7, the national networks and the typical local station aired, on average, just a minute a night of such discourse. This minimal coverage increased the pressure on candidates to turn to paid ads as their only way of reaching the mass audience that only broadcast television delivers.

Mr. CORZINE. According to this report, the cost of political advertising last year was $771 million, more than doubling the cost just 8 years ago in 1992. That is up from $375 million to almost $800 million. That is a conservative estimate. The fact is, media costs simply are growing out of control.

This is a chart I would like to see for earnings of a company I formally represented.

To avoid having campaign ads preempted, candidates are forced to pay prices above the lowest unit cost. Some 78 percent of the political ads on WNBC, a New York network affiliate—one of the prime spots for placing your ads in the New York media market—were purchased at a rate higher than the lowest published candidate rate for those timeslots in the fall of 2000. You will see here: WNBC—78 percent.

So we compare it equally with Philadelphia, where you also have to run in New Jersey, and 91 percent of the ads were sold at or above those lowest unit costs.

It is critical to remember that the public owns the airwaves. They are licensed to broadcasters but they belong to all of us. They are a public trust, gifted to the broadcasters for commercial use.

The Television Bureau of Advertising, based on estimates supplied by CMR MediaWatch, estimates that ad revenues for the broadcast television stations in 1999 exceeded $36 billion. Seemingly, the public spectrum has proved profitable for the television broadcasters: $36 billion. Consequently, it is not unreasonable to ask the stations to make time available so candidates can communicate with the voters.

An article by David Broder appearing in yesterday's Washington Post drives home the underlying motivation for this amendment. I ask unanimous consent the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, March 20, 2001]

WHERE THE MONEY GOES . . .

(By David S. Broder)

The Sunday television talk shows were focused on campaign finance reform, but no one was rude enough to suggest that TV itself is at the heart of the problem. The same subject is conspicuous by its absence in the campaign finance debate now underway in the Senate. For a change, the lawmakers are arguing seriously how to regulate the money coming into politics from business, labor and wealthy individuals. But they are ignoring where that money goes.

Voters I've interviewed seem to think this money goes into the coffers of the political parties or into the pockets of the politicians. In fact, the parties and the candidates are the middlemen in this process, writing checks as fast as the contributions arrive.

Many of the checks go to broadcasters for those 30-second ads that, in the final weeks of a campaign, fill the screen during the breaks in local news shows and popular prime-time series.

A report earlier this month from the Alliance for Better Campaigns, a bipartisan public interest group critical of the broadcasters, said that "stations in the top 75 media markets took in at least $771 million . . . from the sale of more than 1.2 million political ads" last year. If the figures for stations in the 135 smaller markets were added, it's estimated that the total take probably would be counted at $1 billion.

That reality is being ignored as senators debate rival measures, all of which have a common feature—reducing the flow of contributions that pay the campaign television bills. Common sense tells you that if the TV bill remains that exorbitant, politicians will continue the "money chase" under any rules that are in place.

But that fact is suppressed in Senate debate for the same reason it was ignored on the TV talk shows: fear of antagonizing the station owners, who control what gets on the air.

The influence that broadcasters exercise in their home markets is reflected in the power their lobbyists wield in Washington. That is the main reason the major proposals before the Senate—one sponsored by Sens. John McCain and Russ Feingold and the other crafted by Sen. Chuck Hagel—have no provisions aimed at reducing the TV charges. Instead, they focus on the high-dollar "soft

> money" contributions to the political parties. McCain and Feingold would eliminate them; Hagel would limit their size.
>
> The soft-money exemption from the contribution limits that apply to other gifts to candidates and parties was created in order to finance such grassroots activity as voter registration and Election Day turnout. But now most of the soft money is converted into TV issue ads, indistinguishable for all practical purposes from the candidates' electioneering messages.
>
> The National Association of Broadcasters denies the Alliance for Better Campaigns' charge of price "gouging" in the last campaign. But there are no discounts for issue ads; they are sold at whatever price the market will bear. And the heavy volume of issue ads drove up the cost for all TV spots in the weeks leading up to Election Day, including those placed by candidates, thus fueling the money chase.
>
> Whether the McCain-Feingold bill, or the Hagel substitute, or some blend of the two is passed, campaign cash will continue to flow to those television stations—and they will continue to charge the candidates and parties what the traffic will bear.
>
> For years, some reform advocates have argued that no new law will be effective unless the cost of television can be brought down. McCain, in fact, has drafted a bill that would require the broadcasters—in return for their use of the public airways—to contribute perhaps one percent of their earnings to finance vouchers that the parties and candidates would convert into payment for TV spots. Estimates are that it would go a long way toward eliminating the need for private funding of the TV side of campaigns.
>
> But McCain does not plan to offer this as an amendment during the current debate, fearing that the broadcasters' lobby would turn enough votes to kill the underlying bill. It is possible that other senators may offer amendments designed to reduce the need for billion-dollar political TV budgets, but their prospects are poor.
>
> The reality is that any measure that becomes law without such a provision is likely to be no more than a Band-Aid. As long as broadcasters can continue to treat politics as a profit center, not a public responsibility, the money will have to come from somewhere to pay those bills. The current debate focuses too much on the people who write the checks. It's time to question, as well, where the money goes.

Mr. CORZINE. He writes:

> Common sense tells you that if the TV bill remains . . . exorbitant, politicians will continue the "money chase" under any rules that are in place.

This amendment seeks to lower the cost of television to reduce that money chase by lowering the amount of money necessary to run for election.

Many would argue if we truly want to get rid of this money chase in politics, we should guarantee free air time for public debate. I agree, but for today we argue only for TV time at the lowest cost per unit. That is all this amendment does. It requires broadcasters to make time available on a nonpreemptable basis at the lowest cost offered to anyone for that time period, and it requires the FCC to conduct periodic audits to ensure compliance.

This does nothing more than enforce the original intent of Congress when it first required broadcasters to make time available at the lowest unit rate. This simple but powerful reform potentially will bring sanity to the cost of 21st century campaigns.

I urge my colleagues, as Senator TORRICELLI has before me and others will after, to support this amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I am about to yield to my colleague and friend, Senator DORGAN, but I wish to commend both of our colleagues from New Jersey—Senator TORRICELLI for being the lead sponsor of this amendment and Senator CORZINE and others for their cosponsorship of it and to Senator CORZINE for some excellent remarks on the purpose of this amendment.

I will take some time later on this morning to address the substance of the amendment, but I commend both of my colleagues for their efforts. This is very well thought out. The point Senator CORZINE made that we sometimes forget is that these are public airwaves which we license people to use for commercial purposes. Nothing is more important than making people aware of the choices, both issues and substantive choices as well as political choices that they make in national, local, or State elections. We can't say anything about local or State elections, but we can about national—Federal elections.

I think Senators TORRICELLI, CORZINE, DORGAN, and DURBIN have hit on a very important point if this bill is to do truly what its authors intend it to do.

I yield 15 minutes to Senator DORGAN.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I say to Senator TORRICELLI and my other colleagues who have cosponsored this amendment, they have done a real service, in my judgment, in this debate. This is an amendment that can hardly be opposed by Members of the Senate. It makes so much sense and is so overdue.

Let me begin in a more general way talking about campaign finance reform and then describing why this amendment is critical to the success of this effort.

This Saturday there was a story in one of the major city newspapers in this country. I do not think I will identify the people in the story, but I want to use this story to make a point. It is a story about a group which have gathered to fund certain political campaigns. It says they met in a conference room, 40 business executives, investors, wealthy folks gathered at a law firm conference room, and they had some candidates come in and they would make presentations to the gathered potential donors. Then the donors would score them, 1 to 10, and determine who was best, who were the best candidates.

It was like a beauty contest without the bathing suits or good looks, I guess. You have the candidates come in this law office conference room, make their presentation, and they get a score of 1 to 10. Apparently after the candidates have made this presentation, this group of investors would decide who they were going to support. In this case, the story was about a Member of Congress now who went to this conference room, made a presentation, scored in the 10s, I guess, and then this group of 40 people said: You are our guy. What we are going to do is, we are going to do a couple of hundred thousand dollars worth of television advertising for you—independent issue ads—and then, second, we are going to bundle some money and get you a couple of hundred thousand dollars in checks.

So this little beauty contest produces $400,000 for a candidate. The group evolved from a small core of Wall Street bigwigs led by so-and-so. Their goal is to target large sums of money to specific kinds of candidates who come in and survive this little beauty contest they have.

Do we need campaign finance reform? Of course we do. That is just one evidence of the desperate need for campaign finance reform. You bet we need it. I support the McCain-Feingold bill. I admit it is not perfect. I might have written some sections differently. It may need to be changed some. But it is a piece of legislation this Congress ought to embrace.

Fifty years ago we effectively had no rules with respect to campaigns. There were no limits, no reporting requirements, and there was an exchange of money in this town in paper bags or envelopes; it could be in cash. The amount of money was donated and unreported.

Was that a system that worked? Of course not. That desperately needed to be changed and it was in the early 1970s. We had the reforms of 1974 that tried to establish certain limits and tried to establish certain reporting. In many ways it worked, in some areas, but in other ways it has not worked. Money and politics are like water finding a hill. They run downhill inevitably.

There is in this political system, rather than a competition of ideas is, which is what democracy ought to be about, a mad rush for money in order to pay the costs of television advertising, which has become the mother's milk of politics. What has happened to their competition of ideas in this blizzard of television advertising? Ideas are almost gone, nearly obliterated. The orgy of 30-second advertisements in this country is a slash-and-burn and hit-and-run negative attack, often by nameless and faceless people, in many cases by organizations that are not part of political parties. They are independent organizations collecting unlimited money from donors who are undisclosed.

Do we need campaign finance reform? Darned right, we do. This system is out of control.

In this morning's Washington Post there is a columnist who really makes the case about, what we need in politics is more money, that we just need more money in this political system. I wonder, has this person been on some kind of space flight somewhere? Did the shuttle take him up, and have they been gone for the last 10 years? Could they not have failed to see in September and October—and even before in every election year, especially last year—the blizzard of advertisements, the 30-second ads in every venue of every kind?

Our political system doesn't need more money. In fact, what has happened—and I think that is what has prompted this amendment—is that politicians have become collectors of money in order to transfer the money to television stations that become the large beneficiaries of this new system of ours.

My colleague, Senator TORRICELLI, has offered an amendment that says the television stations in this country have a responsibility to do what the law says they should do—that industry has a responsibility to sell political time for political advertisements to candidates at the lowest rate on the rate card. But that has not been happening. What has happened in the communications business—especially television and radio—is a galloping concentration and mergers. Since the 1996 Telecommunications Act, we have seen a rash of mergers and large companies becoming larger. In virtually every State, there are fewer television stations owned locally, and more are owned by large national companies.

Guess what happened. The result is they make decisions now about the ad prices and the rate cards they are going to use for politics. They are maximizing their revenue from the political income in this country.

My colleague described what is happening in New Jersey. I think that is important, because he describes the substantial increase in costs of television advertising for political purposes in New Jersey.

Let me describe what happened in North Dakota. The advertisement that cost a mere $290 in 1998 to clear an ad on four NBC stations in western North Dakota—remember that this is a sparsely populated area, and the rates are much different from in New Jersey and New York—but a $290 or $300 advertisement 2 years go sold at $753 last fall, nearly tripling the advertising rates of the television stations in a small State such as North Dakota.

I am told that the two Federal races paid almost exactly double for about the same time on the television stations in North Dakota in the year 2000.

This isn't just about big markets, it is about every market, and it is about the television industry deciding it is going to profit as a result of being able to ignore, effectively, a provision that exists in law requiring the sale of television advertising at the lowest rate on the card for political advertising.

I happen to think we ought to do more in reform with respect to advertising. I know some think this would be too intrusive. But, as I indicated, I think political campaigns ought to be a competition about ideas. They ought to be about competing ideas of what we need to do in this country to make this a better place in which to live. They have instead become this machine gunfire of 30-second advertisements.

I would like to see at some point that we require the lowest rate on the rate card to be offered to those who purchase a 1-minute ad, require the television industry to sell ads in 1-minute increments, and require the candidate to appear on the ad three-fourths of the time of the 1-minute ad. That would really require people to use television advertising to tell the American people what they are about. If they want to criticize their opponent, good for them. But they would have to do it in person on the air.

I think that would really change a lot of political advertising in this country, and I think America would be better served to have positive debate about what the candidate stands for; one would stand for one set of ideas, and the other would stand for another set of ideas; and let people make a choice. But these days, that is not what you have. You have a rush to try to destroy one candidate by the other, and in many cases we are seeing expenditures and unlimited money coming from undisclosed donors. That doesn't serve this political system at all.

My colleague says let us at least solve this problem by adding to the McCain-Feingold bill. As I indicated when I started, I support the McCain-Feingold legislation because I think it is a significant step in the right direction. But it will be incomplete if we do not add this amendment because this amendment will finally tell the television industry: You must do what the law requires. Here is exactly what Congress says the law has required for some long while that you have gotten away from doing. If we don't do this, we will not see an abatement to this mad rush for money and the requirement that those who are involved in politics collect funds in order to transfer those funds to the television stations that are now charging double and triple for the advertising that is required in America politics.

I really believe this is a critically important amendment.

I must say my colleague from New Jersey, Senator TORRICELLI, made an outstanding presentation. He has done his homework, as I described, with one of my colleagues. He has made a very effective presentation of why this is necessary.

Let me make an additional point about the television industry. I think the television industry does some awfully good things in our country, and all of us take advantage of it almost every day. And we appreciate the good things they do. But, as we know, the television industry was provided a spectrum. The public airwaves were given to broadcasters free on the condition they serve "the public interest, convenience, and necessity."

According to a study by the Norman Lear Center at the University of Southern California, during the 2000 campaign the typical local television station in a major market aired just 45 seconds of the candidate's second discourse per night during a month before November 7. Why? They know what sells on the news. They are chasing ambulances, they are not covering political campaigns.

There were stories about this in the last campaign. Too often television stations decided they weren't going to put campaign news in the news strip, let people buy it, and at the same time on the commercial side of the station they were jacking up the price of their ads and preventing candidates from accessing the lowest unit cost.

I think on the issue of public interest, convenience, and necessity, we have a ways to go in the television industry dealing with the coverage of political campaigns.

Major broadcast networks performed only slightly better—airing just 64 seconds a night of a candidate's discourse per network, according to an Annenberg Public Policy Center report.

The question is, How are the American people to gather information about the competition of ideas that ought to exist in the political race over the newscast? Hardly. The news industry, including the networks, is not covering most of these campaigns. And local stations have decided increasingly that there is a menu for their nightly news, and they understand exactly what it is. It is often dealing with crime, even while crime goes down.

Incidentally, there are wonderful studies about this which show decreased crime rates and increased viewing of stories about violent crime on the nightly news because that is what sells.

It is time for us to ask for something better and something different from the television industry. In this circumstance, we are simply asking them to do what we believe the law has required them to do but what they have been refusing to do in recent years, and that is to sell 45 days before a primary and 60 days before a general election to candidates for public office at the lowest unit charge of the station for the same class and amount of time for the same period as for the commercials that are aired on those stations. That is what the requirement is.

It is what they have not been doing, and it is what Senator TORRICELLI and Senator CORZINE, Senator DURBIN, I, and others say it is time to be required to do.

So I am pleased today to support this amendment. I think it is a very important amendment, and I am especially pleased my colleague, Senator TORRICELLI, has taken the lead to offer it today.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, let me inquire, how much time remains on the proponents' side?

The PRESIDING OFFICER. Seventeen minutes 45 seconds.

Mr. DODD. How much time remains on the other side?

The PRESIDING OFFICER. Ninety minutes.

Mr. DODD. May I inquire of my colleague from Kentucky—if I could interrupt for 1 second—we are down to about 17 minutes on the proponents' side. Will my colleague from Kentucky be willing at some point to yield us a little time if we need it?

Mr. McCONNELL. Mr. President, I would be happy to yield some time. I am unaware of speakers at the moment in opposition to the Torricelli amendment. There may be some. Actually, I know of one who wants to speak. He is not on the floor at the moment. So we will be casual about time, and I will make sure we can accommodate all speakers.

Mr. DODD. How much time does my colleague want?

Mr. TORRICELLI. Let me inquire. We have several colleagues who want to speak on behalf of the amendment. While I want to speak, I do not want to take all the time that remains. So I am under the Senator's guidance.

Mr. DODD. Why not take the time the senator's need, and I am confident my colleague from Kentucky will yield us some time if we need it.

Mr. McCONNELL. I say to my colleague from New Jersey, I am not exactly swamped with speakers requesting time. I will be glad to work with the Senator to have adequate time.

Mr. TORRICELLI. I thank the Senator very much.

At this point, I want to deal with several of the questions that have been put before the Senate. In the absence of anyone coming to the Senate floor to confront the overwhelming logic of our amendment, I want to deal with the stealth arguments being presented in Senators' offices. Even though no one will rise in defense of this indefensible cause of the networks, nevertheless, there are silent arguments being waged. I will debate those even if there is not someone in person to do it.

As some of my colleagues have noted, some of the most effective arguments were actually made yesterday in the Washington Post by David Broder, the columnist. Let me begin by quoting those arguments. I quote:

> The reality is being ignored—

That is in dealing with McCain-Feingold—

> as senators debate rival measures, all of which have a common feature—reducing the flow of contributions that pay the campaign television bills. Common sense tells you that if the TV bill remains that exorbitant, politicians will continue the "money chase" under any rules that are in place.

Exactly. Further:

> The reality is that any measure that becomes law without such a provision—

Parenthetically, that meaning the cost of television—

> is likely to be no more than a Band-Aid. As long as broadcasters can continue to treat politics as a profit center, not a public responsibility, the money will have to come from somewhere to pay those bills. The current debate focuses too much on the people who write the checks. It's time to question, as well, where the money goes.

That is the heart of the argument for this amendment.

Where does the money go? Mr. McCAIN and Mr. FEINGOLD deal with the demand for money. We are dealing with the supply of the advertisements. This is an equation that inevitably must be dealt with together in the bill.

It has been noted by my colleague, Senator CORZINE, of our experience in the New York metropolitan area, although indeed we do so simply because we are the most familiar with it. The arguments we are making about New York and Philadelphia could be made in any market in the country, although I want, parenthetically, to deal with how the networks are approaching political campaigns today, not as a responsibility to enhance communication but as an economic opportunity.

It should be noted that of the 10 stations that made the most money from political advertising in the year 2000, three are in New York: NBC, ABC and CBS; two are in Philadelphia, WPVI and WCAU. They range from WNBC in New York, which placed $25 million of advertising, and in Philadelphia with $11 million for WCAU. It is best described by the sales director at the CBS affiliate in Philadelphia as "the best year we've had in forever."

Why was it the best year and why all this excitement?

Let me quote from an article by Paul Taylor, former Washington Post political reporter. Quoting the CBS affiliate in Buffalo, WIVB-TV, Patrick Paolini, general sales manager, who said:

> We're salivating. No question it will be huge as far as ad revenue [is concerned] . . . It's like Santa Claus came. It's a beautiful thing.

He was not talking about the quality of the debate. "Santa Claus coming" was not about substantive arguments to help the people of New York. He was talking about the prospects of HILLARY RODHAM CLINTON running for the Senate and the potential revenues, recognizing the expenditures in a Clinton Senate campaign. "We're salivating." "It's a beautiful thing." "It's like Santa Claus came."

It is not by chance that we come today making this argument. There has been a calculation by television networks to take advantage of this political system and this fundraising to maximize their profits.

There are arguments going on in Senators' offices as we speak. Papers are being circulated, as I have suggested, in the absence of any Senators coming to argue against this amendment. Stealth arguments are being made to Senators' offices. Let me go through a few of these arguments for a moment.

The National Association of Broadcasters is arguing, first, that we are going down the slippery slope of free time.

My colleagues, there is no amendment before the Senate requiring free time. Indeed, there could be an argument for it. All of our European allies, in every other industrial democracy in the world, broadcasters are required to provide free time to help the public debate. We are not doing that today. It would be warranted, but it is not being argued.

We are simply requiring that the law read as many Senators believe it already exists—lowest unit cost. We are closing a loophole in the current law.

Second, the National Association of Broadcasters is arguing in Members' offices that: Candidates already receive a 30 percent discount on regular commercial ad rates. Oh, my colleagues, if only it were so. As I think we demonstrated earlier in my arguments, that is a fiction. Candidates are not getting 30 percent. Yes, that is the law. That is what should be happening. But as we have demonstrated—in Minneapolis, 95 percent of advertising is now being done at commercial rates, 4 percent is at lowest unit rate; in Detroit, 8 percent is at lowest unit rate; in Philadelphia, 9 percent; in San Francisco, 14 percent; in Las Vegas, 38 percent; in Seattle, 9 percent.

No, National Association of Broadcasters, you are not providing a 30-percent discount. That is the exception. The rule is, you are price gouging. You are charging commercial rates—contrary to current law.

Third, arguing that: This has a fundamental, constitutional problem. There is no constitutional problem. First, we have had, for more than 30 years, the requirement that ads must be sold at the lowest unit rate. We are not doing anything new. We are closing a loophole in current law. If there is a constitutional argument now, then there has been a constitutional argument for decades; and it has never been raised before, although, frankly, even if it had been, it would have failed.

The fifth amendment's taking challenge would fail in this provision. There is no right to a grant of a license or property interest in the use of a frequency. The networks have a public license to use the public frequencies for their network business. There is no constitutional right to it. You apply for a license, and you can get that license subject to conditions. Public responsibility is one of those conditions.

Selling air time for the public debate at a reasonable cost is another condition. That has always been a condition.

Under section 304 of the Communications Act of 1934, broadcasters are required to "waive any claim to the use of any particular frequency or electromagnetic spectrum as against the regulatory power of the U.S." There they have waived the constitutional right to claim that the spectrum must be used for public purposes.

In Federal Communications Commission v. Sanders Bros. Radio Station, a court decision, the Supreme Court of the United States interpreted this provision to mean that:

> No person is to have anything in the nature of a property right as a result of granting a license.

There simply is no constitutional right impaired by asking these reduced rates.

Finally, the broadcasters are arguing, in correspondence to our offices, that broadcasters should not bear the burden of campaign reform. Why not? Isn't dealing with the campaign finance problems of the country everybody's responsibility? We are saying that candidates for public office should no longer avail themselves of soft money, should abide by certain rules. Why indeed should broadcasters not bear some of the responsibilities? Do they not have public licenses? Do they not have responsibility to air the news fairly, cover campaigns, to inform the public? Should they be allowed to price gouge?

They make the argument: What about newspapers? Shouldn't newspapers bear this responsibility? I don't know a newspaper in America that deals with a Federal license, nor are newspapers under the same circumstance of a market that will only permit so many newspapers. The spectrum has limited the number of television stations; hence, the FEC's requirements and Federal law.

These National Association of Broadcasters arguments are an insult. They confirm the arrogance with which the networks are approaching Federal campaigns, the arrogance that is leading to avoidance of Federal responsibilities, the selling at lowest unit rate cost, or the raising of these extraordinary arguments without merit.

That is the sum and substance of the case they are making. To the credit of my colleagues, they are so meritless in their points that no one will actually argue their point of view. Hence, I challenge them alone.

We have other colleagues who have come to the floor to make their case. I yield the floor. Senator DURBIN will be available to speak to the Senate.

Mr. DODD. Mr. President, I commend my colleague from New Jersey, once again, for raising the arguments that are being circulated around the offices of the Senate and pointing out the fallacy of those arguments.

The facts are inarguable, when you look at the rates that are being charged in major markets all across the country. It goes back to the heart of the bill. As we are trying to keep down costs, for many of us it runs somewhere around 75 or 80 cents on the dollar that is spent on TV advertising. It varies from State to State, I am sure, but that is not an unrealistic number in modern campaigns to spend that much of a campaign dollar on TV advertising, considering how much the public relies on television for its sources of information.

If we are truly trying to put the brakes on the ever-spiraling cost of campaigns, as my colleague from Wisconsin has eloquently described, there is no natural law that I know of which says that the costs of campaigns ought to continue to rise at the rate they have been rising over the last few years. Trying to do something about cost as well as the amount of dollars that are raised is the second part of this equation.

If we are making the case that we don't need more money in politics, that case is more easily made if we are able to demonstrate that we can reduce the cost of trying to speak to the American public about what our views are, what their choices are, as we encourage people to participate in the electoral process.

I thank our colleagues, the authors of this amendment, for offering the amendment and making the case they have. I know our colleague from Illinois, who is a cosponsor of the amendment, wants to be heard. I see my colleague from Wisconsin. Maybe he would like to take a couple minutes before Senator DURBIN arrives. I yield a couple of minutes to the Senator from Wisconsin.

Mr. FEINGOLD. I know the Senator from Illinois is coming. I will take a moment or two. I appreciate the Senator from Connecticut giving me the time so I can indicate my support for this amendment. I think I can speak for the Senator from Arizona as well. We are going to support this amendment.

The Senator from New Jersey has laid out the substantive arguments very persuasively. I wish to say a word or two about how this amendment relates to our overall McCain-Feingold bill and why it is very consistent with reform. The Senator from Connecticut has already mentioned this, pretty much foreshadowing what I will say.

The most important point is that the amendment compliments the soft money ban. The bottom line of our legislation is, we have to get rid of this party soft money that is growing exponentially. The reality, though, as the Senator from New Jersey has pointed out, is that in a post-soft-money world, the amount of money available for a candidate in party advertising will be significantly reduced. That is how it should be. That is what we must do.

Reducing the cost of television time will have the very beneficial effect of reducing the impact of the loss of soft money on the ability of candidates to legitimately get their message out. The parties will only have hard money to spend. For that reason, it is appropriate to allow them to use the lowest unit rate as well.

The fact is, this amendment can help make the legislation work. This amendment will help the parties to adjust to the new world of fundraising for only hard money, and it will help candidates have the sufficient resources to respond to ads that will still be run by outside groups.

Some of the concerns about all the money that would flow to the outside groups are overblown. I don't think all the money will flow. It is false that all the corporations will give their money in that way. The fact is, there still will be these ads and people will still need to respond. The Torricelli amendment does make it possible for people to have that ability to respond through the legitimate, controlled, regulated, and disclosed hard money system.

Like the soft money ban in this bill, the amendment will take our election law back to its original intent. The soft money ban reinvigorates the century-old prohibition of corporate spending in connection with Federal elections. Lowest unit rate, on the other hand, was intended to give candidates a significant discount for advertising so they could get their message out. The practice of having preemptible and then, on the other hand, nonpreemptible classes of time was not contemplated by the lowest unit rate statute. What this amendment does is bring the LUR back to what the Congress intended it to be.

In my mind, it is very similar to what the soft money ban does. It takes us back to where we were supposed to be. We are talking in both cases about loopholes that have helped destroy an entire system that actually was pretty well thought out. But loopholes do occur, and this amendment helps us close them.

The Senator from New Jersey already did a fine job on this. I reiterate, this is not a slippery slope. This is not the next step to free time. I wish it was. There ought to be free time for candidates. There ought to be reduced television costs, but LUR is not free time. The original McCain-Feingold bill, when Senator McCAIN and I first came together to work on a bipartisan basis, was about voluntary spending limits in return for reduced costs for television time. That is something we were unable to get a majority of the Senate to support. That is not what this amendment does. This amendment simply makes LUR effective and useful in practice for candidates.

I thank the Senator and appreciate his very serious involvement in this campaign finance debate and, in particular, for this amendment that, as I indicated, Senator McCAIN and I tried for 5 years to finally get this bill on the floor. We always said we have our ideas, but we believe that if this bill is brought to the floor of the Senate, the Members of the Senate will make it a better bill. Every one of us is an expert on this issue. If we come out and have an honest, open debate as we are having now, it will get better. The Torricelli amendment is proof of that proposition.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I yield myself whatever time I may use. I assure my colleagues from Connecticut and from Illinois it will be short.

I have been very pleased by the debate so far on this subject and, frankly, somewhat surprised. The comity in the Senate has been excellent. There has been a total absence of unsubstantiated charges of corruption, which we had on the floor the last time this debate came up. That is a step in the right direction.

On that subject, in today's Washington Post, there was an interesting article by George Will, a columnist. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, March 20, 2001]

DROPS IN THE BUCKET

(By George F. Will)

McCainism, the McCarthyism of today's "progressives," involves, as McCarthyism did, the reckless hurling of imprecise accusations. Then, the accusation was "communism!" Today it is "corruption!" Pandemic corruption of "everybody" by "the system" supposedly justifies campaign finance reforms. Those reforms would subject the rights of political speech and association to yet further government limits and supervision, by restricting the political contributions and expenditures that are indispensable for communication in modern society.

The media, exempt from regulations they advocate for rival sources of influence, are mostly John McCain's megaphones. But consider how empirically unproved and theoretically dubious are his charges of corruption.

What McCain and kindred spirits call corruption, or the "appearance" thereof, does not involve personal enrichment. Rather, it means responding to, or seeming to respond to, contributors, who also often are constituents. However, those crying "corruption!" must show that legislative outcomes were changed by contributions—that because of contributions, legislators voted differently from the way they otherwise would have done.

Abundant scholarship proves that this is difficult to demonstrate, and that almost all legislative behavior is explainable by the legislators' ideologies, party affiliations or constituents' desires. So reformers hurling charges of corruption often retreat to the charge that the "real" corruption is invisible—a speech not given, a priority not adopted. That charge is impossible to refute by disproving a negative. Consider some corruption innuendos examined by Bradley Smith, a member of the Federal Election Commission, in his new book "Unfree Speech: The Folly of Campaign Finance Reform."

In April 1999, Common Cause, McCain's strongest collaborator, made much of the fact that from 1989 through 1998 the National Rifle Association had contributed $8.4 million to congressional campaigns. However, that was just two-tenths of one percent of total spending ($4 billion) by congressional candidates during that period. How plausible is it that NRA contributions—as distinct from the votes of 3 million NRA members—influenced legislators?

Common Cause made much of the fact that in the 10 years ending in November 1996, broadcasting interests gave $9 million in hard dollars to federal and state candidates and in soft dollars to parties. Gosh. Five election cycles. Changing issues and candidates. Rival interests within the industry (e.g., Time Warner vs. Turner). And broadcasters' contributions were only one-tenth of one percent of the $9 billion spent by parties and candidates during that period. Yet, as Smith says, Common Cause implies that this minuscule portion of political money caused legislative majorities to vote for bills they otherwise would have opposed, or to oppose bills they otherwise would have supported, each time opposing the wishes of the constituents that the legislators must face again.

As Smith says, to prove corruption one must prove that legislators are acting against their principles, or against their best judgment, or against their constituents' wishes. Furthermore, claims of corruption seem to presuppose that legislators should act on some notion of the "public good" unrelated to the views of any particular group of voters.

Although reformers say there is "too much money in politics," if they really want to dilute the possible influence of particular interests (the NRA, broadcasters, whatever), they should favor increasing the size of the total pool of political money, so that any interest's portion of the pool will be small. And if reformers really want to see the appearance of corruption, they should examine what their reforms have done, have tried to do and have not tried to do.

Smith notes that incumbent reelection rates began to rise soon after incumbents legislated the 1974 limits on contributions, which hurt challengers more than well-known incumbents with established financing networks. After 1974, incumbents' fund-raising advantages over challengers rose from approximately 1.5 to 1, to more than 4 to 1.

Early 1997 versions of the McCain-Feingold and Shays-Meehan reform bills would have set spending ceilings—surprise!—just where challengers become menacing to incumbents. Shays-Meehan set $600,000 for House races. Forty percent of challengers who had spent more than that in the previous cycle won; only 3 percent of those who spent less won. In 1994, 1996 and 1998, all Senate challengers lost who spent less than the limits proposed in the 1995 and 1997 versions of McCain-Feingold.

There are interesting limits to McCain's enthusiasm for limits. His bill does not include something President Bush proposes—a ban on lobbyists making contributions to legislators while the legislature is in session. Such a limit would abridge the freedom of incumbents. Campaign finance reform is about abridging the freedom of everyone but incumbents—and their media megaphones.

Mr. McCONNELL. It was on the whole subject of unsubstantiated charges of corruption.

In my view, as I have said in the past, and repeat again today, when people make those kinds of charges, they need to back them up. I am quite pleased there have been no such charges made during this debate. It produces an atmosphere that makes it more likely that we can better legislate.

This is the second amendment offered in the last 24 hours that I think addresses some of the real problems in today's campaign finance reform debate. The first problem that we addressed yesterday was the problem of the millionaire candidate. It passed 70-30. It was an excellent amendment by Senator DOMENICI and Senator DEWINE and Senator DURBIN that actually addresses a real problem we have in today's campaigns.

Now we have another amendment that addresses a real problem. I commend the Senator from New Jersey for a thoughtful, well-researched, and, in my view, conclusive case, that the law that has been on the books for 30 years requiring the broadcasters to sell candidates time at the lowest unit rate ought to be complied with. None of us likes having to raise money. But it is my view that it is better than getting it out of the Treasury. I assume we will debate later whether or not the taxpayers ought to pick up the tab for our campaigns. If it is inconvenient for us, it ought to come through our efforts, not somebody else's.

As the Senator from New Jersey pointed out, and very persuasively, no matter how many hours there are in a day, with the declining value of the $1,000 contribution set in the 1970s, when a Mustang cost $2,700, and inflation in the television industry, far beyond the CPI—coupled with an apparent unwillingness that we have all experienced in our States of broadcast stations to cover campaigns in the news—we are, in effect, blacked out in terms of earned coverage.

The need for commercials is critical and essential. So what the Senator from New Jersey is saying is, let's apply the law, as originally written, correctly. Give candidates for public office an opportunity to get their message across. I think it is an amendment, the passage of which is necessary if we are going to address one of the real problems in the current campaign finance system.

This is something of a historic moment. I think Senator McCAIN, Senator FEINGOLD, and I are going to be on the same side of an amendment. Come to think of it, it is the second time.

I commend the Senator from Wisconsin, also, for his consistent opposition to amending the first amendment for the first time in 200 years. He and I have been on the same side of that issue over the years. This will be the second time we have been on the same side. I think it bodes well as we move forward in this debate.

In my judgment, we are actually improving this bill. I hope we will make other improvements as we go along. I intend to support the Torricelli amendment. I commend the Senator from New Jersey for a completely well-researched, documented case that addresses one of the real problems we have in American politics in the year 2001.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I don't know if I need specific time yielded. I ask for 20 minutes.

The PRESIDING OFFICER. The time of the proponents has expired.

Mr. McCONNELL. I had yielded the Senator 20 minutes.

Mrs. BOXER. If my friend will yield for a moment, I wonder if the Senator from Kentucky will give me 5 minutes at the conclusion of Senator DURBIN's time. I would appreciate it.

Mr. McCONNELL. I will be happy to do that.

The PRESIDING OFFICER (Mr. BUNNING). The Senator from Illinois is recognized.

Mr. DURBIN. I thank the Senator from Kentucky for graciously allowing me to speak.

Back in the early 1960s, Newt Minow, of Chicago, was named Chairman of the Federal Communications Commission by President John Kennedy. He came up with a phrase to characterize television at that moment in our history, which has become legendary. Newt Minow called television in the early 1960s, "the great wasteland." He took a look at what was available on television and suggested that the American people deserved better. It triggered a national debate for reform and creative thinking about the role of television.

I say today, if you look at the role of television in this debate on political campaigns and public issues, television is not just a great wasteland, television has become a killing field because the people who run the television stations, the networks and local broadcasters, have forgotten the bottom line: their responsibility to the American people.

You see, they are selling a product. It is something they create; it is programming—the types of things we like to watch on television, such as sports, news, and entertainment. But their business is different than any other. The way they sell their product is on something that we as Americans all own—the airwaves. The television stations don't own the airwaves. We tell them: You can rent the airwaves; you can lease the airwaves, and we will license you to use the airwaves, but we expect you to do it in a responsible way.

Today we are engaged in a debate—and all this week—on campaign finance reform. Many people have suggested changes that are significant. I salute Senators FEINGOLD of Wisconsin and McCAIN of Arizona. I have been a cosponsor of the bill. They are talking about the sources of money that go into political advertising. We all know that the sources have become scandalous in size and, frankly, in their special interests. I think they are on the right track to clean up the money going into political campaigns. But the important thing to remember is that just dealing with the supply side, if you will, of political campaigns, the sources of campaign contributions misses the point.

Do you want to really reform political campaigns in America? You can't even have a serious conversation about that, unless you address the role of television. Television used to be a tiny part of political campaigns, but it has grown almost out of control.

Take a look at these numbers—political advertising on broadcast television. Starting in 1970, network expenditures were $260,000. Come down to the year 2000, 30 years later, and it is $15 million-plus. Station TV used to be about $12 million in the 1970 cycle. Now we are up to $650 million. The total expenditure for the year 2000 was estimated to be some $665 million. Well, the Alliance for Better Campaigns came out and said it was going to be between $771 million and $1 billion spent on television by political campaigns.

So what we have, in fact, are efforts by candidates of both political parties to raise money to give to television and radio stations in an effort to get your message out to the American people. When we created these stations and we acknowledged that the public owned the airwaves, we also said when it came to political advertising, candidates would be treated differently than other advertisers—something called the lowest unit charge. We basically said that if there was a bargain at the TV station, the bargain should be given to the political candidate. That is in the interest of sharing information on public issues, but also in keeping the cost of political campaigns under control.

But, sadly, though the law required, as of 1971, that the lowest unit charge be charged to candidates in their campaigns, the fact is that candidates are paying more and more. Why? Because if you go to a television station in Chicago, or in Springfield, IL, and say you want to buy a 30-second ad right before the newscast the night before the election, they will say: Senator, great. We will be glad to sell you that ad. Incidentally, if we only charge you the lowest unit rate, the bargain basement, sadly, if anybody comes and offers a dollar more for that ad, we knock you off the air.

Well, there isn't a political candidate with any good sense that will agree to that. If you are going to be knocked off the air right before the news and they put you on right before the Pledge of Allegiance and the Star-Spangled Banner at the end of the night, you have lost everything. Your market doesn't have the benefit of all the good things you have to say.

What candidates are doing is not paying the lowest unit charge, they are paying the inflated charges. The television stations have become a killing field, because they have taken the law, which said we are going to favor candidates in public discourse of issues, and have turned it upside down so that candidates, frankly, end up paying dramatically more than the lowest unit rate. The cost to the campaign skyrockets, and then candidates, incumbents and challengers alike, scramble, beg, and plead for people to give them money so they can give it right back to the television stations.

That is why the Torricelli amendment, of which I am a cosponsor, is so important. It addresses the demand side of political campaigns—not just the supply side, where the money comes from, but how the money is spent. Sadly, as we get closer to election day and the demand for their TV ads goes up, these stations raise their rates dramatically.

A gentleman by the name of Paul Taylor, who used to write for the Washington Post, created a group called Alliance for Better Campaigns. He enlisted the support of a lot of great people, such as former President Ford; former President Carter; Walter Cronkite, the legendary CBS news commentator; and a former Senator from Illinois, Paul Simon.

This public interest group said let's take a look at television with regard to public information and whether it is doing its job. I was in one of their meetings in Chicago. They brought in the managers of TV stations and said: We noticed you are not covering campaigns, unless the candidates pay for it, on your stations. What Mr. Taylor did was to invite the radio and TV stations to take a 5-minute segment during the last week or two of the campaign and make it available for some public debate and public discourse about the issues.

Sadly, after we take a look at the participation in it, very few stations got involved in Mr. Taylor's request.

Let me tell you some of the statistics they developed. The political coverage of these stations shows the result of an analysis of political ad costs in all top 75 media markets.

The alliance advocates scrapping the lowest unworkable lowest unit charge and requiring the industry to open the airwaves. When they were asked to do it voluntarily, the stations did not comply.

These stations steer candidates toward premium rates. They pay the highest amount. They are shut out of air time.

America is different in this regard. Many countries make this time available to their candidates so they can have literally free access to television and radio, but in America you have to pay for it. We do not provide free air time. The cost, of course, is going through the roof.

Let me give an illustration of how bad it is using one market in which I have to buy advertising, and the market is in St. Louis. St. Louis is one of the toughest markets in which to buy advertising. There are some radio stations there which will only sell you four or five ads a week. They limit you. You cannot buy any more.

Listen to what we found when we went to a major network affiliate in St. Louis and compared some of the charges they made in the last election cycle with what they charged just a few weeks later.

The cost of nonpreemptible time—in other words, you get a set time which is guaranteed—was four times higher than preemptible time. Take the lowest unit charge which candidates are supposed to get, and then if you want to make sure you get the time you asked for, at this station you are going to pay up to four times as much for that nonpreemptible time.

On the early morning weekday news shows, the rate that this station charged after the political campaign was over went down 55 percent from the political campaign time. During noon weekday news, the rate went down 66 percent in the weeks after the election campaign.

The story goes on. Weekday evening news took 3.3 times the amount to buy a nonpreemptible ad, and then as soon as the campaign was over, they dropped the overall rate 38 percent. On week night news at 10 o'clock in St. Louis, they dropped it 45 percent. On the Sunday a.m. news talk shows, as soon as the campaign was over, advertising costs went down 66 percent; the Sunday p.m. local news, 25 percent.

The television stations and the network affiliates are gaming the system. They understand that candidates are desperate for time. They understand that if they tell them it is preemptible, they will pay more, and then as soon as the campaigns are over, we see these dramatic decreases in the cost of this television time.

That is why it has become a killing field. They run up the rate cost for the candidates, and they refuse to cover the campaigns. They have really forgotten their civic responsibility that the airwaves belong to the American people. As a consequence of that, we are seeing a phenomenon in American politics which we cannot ignore.

A lot of people are going to argue later about how much money we should be able to raise. But keep in mind that if we are raising money to pay for electronic media—television—the cost of that media, according to a media buyer I contacted, goes up 15 to 20 percent every 2 years. So your campaign needs to raise 15 to 20 percent more funds to do exactly the same thing you did on television 2 years ago. If you are running for the Senate, in a 6-year period of time you can see a 60-percent increase in your television cost.

Let me give an example in St. Louis again. A moderate television buy in St. Louis runs about $186 a point. A point is the way they measure the audience. A 1,000-point buy for a week of spots—that is about 30 or 40 30-second ads a day—will cost you $186,000.

Under the current rules of raising money, I can ask a contributor to give me up to $1,000. So in order to run advertising in one area that serves the State of Illinois, I have to get 186 people to give me $1,000. Obviously, when one considers the entire State of Illinois and the campaign everyone is facing, one can see how the cost of these campaigns is going through the roof.

A $200,000 media buy buys a few 30-second slivers of time to get ideas and views out on the public airwaves. It takes just a moment to purchase it, and if a person gets up to get a sandwich in the kitchen, they miss that 30-second ad. It requires asking 4,000 people to make a $50 campaign contribution.

Former Senator Bill Bradley said a few years ago:

> Today's political campaigns function as collection agencies for broadcasters. You simply transfer money from contributors to television stations.

It is interesting to me that as we spend more and more money on television in these campaigns, as we do our best to get our message out, our market—the voters of America—has responded by refusing to vote.

If you ran a company and said, "We are not selling enough of our product, let's increase the marketing budget"; and after a quarter or two, you brought in the marketing department and said, "How are you doing?" and they said, "We have doubled the marketing budget"; you went to the sales department and asked, "How are you doing?" and they said, "Sales are down"—that is what is happening in political campaigns. The marketing budget is increasing, but we are not making the sales to the American people. They are not buying what we are selling.

Why? Because, frankly, the whole process has been tainted. It has been tainted by the expense, by the involvement of special interest groups, and by the fact that so many candidates, myself included, spend so many waking hours trying to raise money to launch an effective campaign such as in a State as large as the State of Illinois.

This amendment is an important step forward because here is what it does: This amendment says that we are going to eliminate class distinctions for air time for candidates under the current statute. We are going to make time purchases nonpreemptible, we are going to allow political parties the benefit of the lowest unit charge, and we are going to require random audits in designated market areas to check compliance.

We cannot say to the TV station how much it charges, but we can say they cannot run their ad rates up right before an election, as so many stations have done, and then drop them precipitously as soon as the election is over.

All of this money going to television stations from political campaigns is, frankly, good for their business, but it is not good for America. Let us remember our responsibility: to make sure the airwaves are used in a manner that serves all the people in this country, not just serving the needs to make a profit. Sadly, that is what has been done too many times in the past.

I hope we will see an increase in voter participation, but I hope we will also see an increase in interest in public issues by the networks and by the local stations. It is not enough for them to say that a few times, in what might not even be prime time before an election campaign, they are going to make their station available so there can be a debate among the candidates. It is not enough that they will give us the Sunday morning opportunities to talk on the shows. As good as that is, that just does not make it in terms of selling products—they know that—and in terms of convincing voters as to what we have at stake in these elections. I think it is time for these networks and television stations to be part of campaign finance reform. The original version of the McCain-Feingold bill included this reform, included efforts to address the television and radio costs which candidates face that was taken out of the bill for reasons I don't know, but it should be brought forth.

If we are going to have real campaign finance reform, then we definitely have to make sure we are getting candidates an opportunity to purchase time at affordable rates. Otherwise, we are going to find the cost of campaigning continuing to skyrocket and the sources of money for candidates drying up as we cut off soft money, as we cut off other sources. I think this amendment is critically important.

When they asked these stations how much time they would give of their own time during the course of the campaign in a survey, it is interesting what they found. A national study released by the University of Southern California's Norman Lear Center, on February 5, 2001, of 74 local stations, found that the typical local television station spent less than 1 minute of air time a night on candidate discourse in the final month of the 2000 campaign—less than a minute.

The study found all but one local station failed to meet a voluntary public industry standard that they air 5 minutes a night of candidate-centered discourse in the 30 nights before the election. Stations in the survey that indicated they would try to meet the standard, which was just 7 percent of the Nation's 1,300 local stations, averaged 2 minutes and 17 seconds a night.

They are paying no attention whatever to elections and campaigns unless the candidates show up with money in hand and are prepared to pay the outrageous charges that have been leveled against them in terms of these candidates.

National broadcast networks didn't do much better. They averaged 64 seconds a night per network of candidate discourse in the final month of the 2000 campaign.

It is no surprise the broadcasting industry, which has profited so much from political campaign spending, also vigorously resists any campaign finance reform which touches them. The media industry, since 1996, has spent over $111 million lobbying Congress, partly to block campaign finance reform bills that included any kind of discounted or free candidate air time. The number of registered media-related lobbyists has increased from 234 in 1996 to 284 in 1999. The amount spent rose in 1999 to $31.4 million, up 26.4 percent from the 1996 amount. This is big business. This is big profit. They have a lot at stake.

I hope at the end of this debate we will enact this amendment, an amendment I have cosponsored with Senator TORRICELLI, Senator CORZINE, and Senator DORGAN. If we do not address the real costs of campaigns, the demand side of the ledger, we are not going to serve the need of real campaign finance reform.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I ask unanimous consent that a vote on the pending amendment occur at the expiration of the period of time beginning with 5 minutes of the remarks by the Senator from California, 5 minutes of remarks by the Senator from Nevada, and 7 minutes under the control of the Senator from Connecticut.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California is recognized for 5 minutes.

Mrs. BOXER. Mr. President, I thank my colleague from Kentucky for yielding.

I strongly support the amendment being offered today by Senators TORRICELLI, CORZINE, DURBIN, and DORGAN.

We learn best when involved in the middle of a situation. Anyone who runs for office from my State of California knows it is all about television. In its wisdom, our founders said if you come from a State that has 500,000 people, you get 2 Senators; you come from a State that has 34 million people, like my State, you get 2 Senators. It is very difficult in a large State to personally meet but a very small percentage of the people. So we must rely on television. That is the only way.

What has happened, and the chart shows this, in California, the broadcasters have taken tremendous advantage of this situation. To say the costs are unreasonable is an understatement. They are confiscatory. They are taking 80 percent or 90 percent of our budget after we pay our overhead. TV was so expensive in my last race I couldn't even afford to have much radio. I didn't even have any left over for radio. I raised $20 million and huge sums went to television.

The facts are, when we approached the TV stations, we thought we were entitled to get the lowest rate because that is, in fact, the law. However, it is a little bit similar to airline seats. If you see airline seats advertised, they say we have a special fare from Los Angeles to New York; it is really cheap, $100. Call up and they say: Sorry, those seats are sold. Therefore, you have to spend $1,000. It is a little bit similar.

When we went to the broadcasters and asked to buy time and asked for the lowest rate, which is required by law, they would say: Absolutely, we will give you that rate. But be warned, if someone else comes along and wants to pay more, you cannot retain that spot.

Again, everyone knows if you are running for the Senate you need to reach people when they are up and about. Otherwise, it doesn't pay. If you say, fine, bump me to another spot, you could be having your commercial aired at 3 o'clock or 4 o'clock in the morning. Not that many people will see it. So they have you in a very difficult situation.

Los Angeles is the second most expensive media market. Senator TORRICELLI's chart shows basically the average 30-second spot is almost $35,000 in a good time slot. By the way, I once wanted to buy a couple of slots, and I was told it was $50,000, but let's just say about $35,000. Under the Torricelli amendment, it comes down 75 percent. That is a very big difference.

The fact is, this is a very good amendment. I am very much for the McCain-Feingold bill. I will be opposed to amendments that I think are not good amendments, are not meritorious amendments, and cannot be defended and might make this veto bait. It would be hard to imagine that George W. Bush could look at what the broadcasters are doing to candidates, some of whom are struggling very hard to get the money they need, and will take the side of the broadcasters who are laughing all the way to the bank, nodding their head, saying: We really got them this time.

I have good relationships with the communications industry in my State, good relations with the TV people, the radio people, but I have asked over and over again, how can they sleep at night knowing what the people who own airwaves in this country get so people can find out what candidates stand for. It is almost impossible unless you are independently wealthy or just raise huge sums of money.

So to close this statement, I say again how strongly I support the underlying bill and how much I respect Senators MCCAIN and FEINGOLD. I will be voting against most amendments.

The PRESIDING OFFICER. The Senator's 5 minutes has expired.

Mrs. BOXER. I ask for 20 more seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. In closing, which I would have done if I had the opportunity, I believe there are certain amendments that strengthen this underlying bill. This is one of those amendments. It strengthens the underlying bill. It makes it even better. It gets at a situation that is out of control. I will be supporting this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. ENSIGN. Mr. President, what we are talking about on this amendment is something called the lowest unit rate. The spirit of the law that was passed was that candidates could have the lowest unit rate charged to them by broadcasters so campaigns would be less expensive and candidates could get their message out to the masses.

The Senator from California just talked about how expensive it is in her

State to advertise. I cannot even imagine, coming from a State like Nevada with only 2 million people, what it is like in a State like California with 34 million people. But I can tell you, having been through 4 campaigns in the last 8 years, that advertising costs on television have skyrocketed. The State of Nevada, during that same 8-year period of time, grew by approximately 50 percent. It was the fastest growing State in the country. So you would expect television time to go up by a significant amount—maybe by 70 percent or 80 percent, as it has in other parts of the country. But in Nevada, even though we have only grown by 50 percent, our advertising rates have gone up by as much as 300 percent to 400 percent. That is at least 6 times faster than the rate the population has grown.

My first congressional campaign was the most expensive congressional campaign ever in the State of Nevada. I spent around $700,000, and my opponent spent around $800,000. Now a typical congressional race in the State of Nevada will cost somewhere between $1.5 to $2 million. That is a significant change of cost in just 8 years. And almost every dime of that increase has come from the increase in the cost of television advertising.

The broadcasters were just visiting me back here in Washington D.C. and we had a discussion about the lowest unit rate and what that means for a congressional campaign. During my first campaign we bought time for the most part on the lowest unit rate. But in the last couple of campaigns, candidates have not been able to use the lowest unit rate because when you place an ad, that ad is probably going to be bumped by a higher paying customer. There is so much competition for certain time slots on television that those commercials always get bumped, and what you end up with is terrible placement and you do not get your message out to the people you are trying to reach.

My advisers in the last two campaigns have insisted we not buy the lowest unit rate because you cannot direct your message to the people to whom you want to direct it. So we are always forced to buy the most expensive slot in order for our message to be effective. In addition, at the end of a campaign cycle, the broadcasters' rates skyrocket.

The broadcasters used to dread campaigns because that was the time of year they made the least amount of money because of this lowest unit rate. Now it is one of their favorite times of the year because it is actually one of their highest profit margin times of year. This certainly was not the intent of the legislation that brought about the lowest unit rate.

So I applaud the Senators who are bringing this amendment to the floor. I add my support to this amendment.

Before I yield the floor I want to address one final issue. Broadcasters have the airwaves for free, and the justification for this is that they provide a very important public service to local communities by providing news and local politics.

I talked to the Nevada broadcasters about this last week. While I would say in this election their coverage improved—and more of the campaigns were covered during this time it was still pathetic.

When you consider how much time is spent on a sensational television story, as compared to the time spent on a message or a story that actually affects the lives of the vast majority of people in our States, I think you will agree that many of these local broadcasts across the country spend a small percentage of their time actually delivering important public service to the communities.

So I think it is the responsibility of the broadcasters to not only accept what we are trying to do with the lowest unit rate, and the spirit of the law of the lowest unit rate, but also we need to call on the broadcasters to cover more of our politics, so that we get more people involved in the political system.

The PRESIDING OFFICER. The 5 minutes of the Senator has expired.

Mr. ENSIGN. I ask unanimous consent for another 20 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENSIGN. To close on this, even though I believe the broadcasters have made progress in my State, we need to keep the pressure on them because we are seeing such a low voter turnout. If we cannot get our message as candidates to the general public, we cannot get them inspired to come out and participate in elections.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I am expecting a couple of Members who asked to come over and be heard.

Just to conclude, it is an encouraging sign we have heard nothing but strong support for the amendment offered by our colleague from New Jersey. I think the argument is quite clear. The facts have been laid out about as clearly as possible. There is clearly a loophole, to put it mildly—maybe something more serious occurs—when the lowest unit rate is not being recognized in major media market after major market all across this country, thus raising the cost of campaigns.

Part of the idea was, of course, to have the lowest unit rate so people's voices could be heard during election season to hopefully enlighten and educate the public about the choices they would make. I do not want to say that is necessarily what occurs in every 30-second or 1-minute ad that the public is subjected to, but nevertheless the idea is the unit cost would be the lowest rate so the cost of campaigns would not get out of hand, which obviously what has occurred in the last few years.

The charts Senator CORZINE used, and Senator TORRICELLI, showed the exponential growth in the cost of campaigns. While there are a lot of reasons that has occurred, there is no reason any more clear than the rising cost of television advertising.

I note the arrival of my colleague and friend from New York who would like to be heard on this issue as well. I commend her for her support of this as well and thank the authors of this amendment. This is really an important piece of this bill.

If we are going to try to keep down costs, keep down the rising costs of campaigns, we have to address this issue. The Senator from New Jersey has done that with this amendment.

I am happy to yield 3 or 4 minutes to my colleague from New York.

Mrs. CLINTON. Mr. President, I thank my good friend from Connecticut. I also thank Senators TORRICELLI and CORZINE for bringing this important issue to the forefront of this debate because clearly we are not going to be able to have the kind of campaign finance reform that many of us are hoping will come out of this process if we do not address the most expensive aspect of modern-day campaigns.

As we all know, that is the advertising that we have to do in order to communicate with voters about where we stand on issues. It is a particular challenge in large States. But it is a national one that all of my colleagues face.

The Torricelli amendment, which would amend the Communications Act of 1934, would require that the lowest unit rate be provided to committees of political parties or candidates purchasing time. I think that is in the best interest of our democracy. I certainly believe it is the kind of reform that goes to the real heart of what the money chase is all about.

I think a lot of us would like to be able to turn the clock back to the days that some of our colleagues can remember, but for most of us, we just read about it, where you could literally go out into a town square or out in the countryside, set up a little platform, visit with constituents, make a speech, keep on going, and reach most of the people who were going to vote for you or make a decision on an important issue. Those days are long gone. The television broadcast networks know they are the means by which we must communicate.

I think this amendment is not only fair but long overdue. I commend the Senator from New Jersey for bringing it to the floor. I hope the television industry recognizes that there is an effort to not just have a level playing field but fulfill what many of us thought was the bargain; that when we use the public airwaves for communications—and those communications are basically controlled by the companies that have been given, in my opinion, the privilege of having those airwaves—that there has to be some way they give back to keep the first amendment alive, to keep democracy going. I am just so pleased that we are going to have a chance to vote on it.

I thank my good friend from Connecticut for yielding some time so that I could weigh in on the importance of this issue.

Mr. DODD. Mr. President, there was one other Member who wanted to be heard. He is not here. I am going to yield back the time, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. McCONNELL. Mr. President, if the Senator will withhold for just a moment, we wondered if Senator BURNS wanted to speak. He may be walking through the door momentarily.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. If the Senator from Connecticut has any time

The PRESIDING OFFICER. All time has expired.

Mr. LEVIN. Are we waiting for another speaker?

Mr. McCONNELL. The Senate has been waiting for a minute. Why not ask unanimous consent to speak for a minute or two.

Mr. LEVIN. I appreciate the usual courtesy of my good friend from Kentucky.

Mr. President, I ask unanimous consent that I have 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I commend the Senator from New Jersey, and the managers of the bill who I understand are supporting the amendment. I think it takes an important step towards reducing the money chase and leveling the playing field.

First, the money chase will be reduced somewhat because so much of the money which has been raised goes into television. The more reasonable these ads are and the closer they come to the lowest rate, which is supposed to be provided for anyway under existing law, the less demand there will be for money in order to get a minimum message on television.

I think it does some real good in terms of reducing the case for huge amounts of money for campaigns.

Second, it attempts to level the playing field a bit because the less funded candidates will have a greater opportunity, as the television rates are less, to have at least a minimum message on television that they are able to fund.

I think leveling the playing field is also something we are trying to do in the legislation before us.

The existing law and spirit of the law provide that the lowest unit charge of the station is supposed to be provided in the 60 days preceding the date of the general election and 45 days preceding the primary.

This amendment just carries out what is clearly the spirit, purpose, and intent of the existing law, and again I commend the Senator from New Jersey for bringing this forward and for those who have indicated their support for it, including, I understand, both Senators McCAIN and FEINGOLD.

Mr. McCONNELL. Mr. President, the Senator from Oklahoma wishes to speak for a couple of minutes. We expect him to walk in the door momentarily. At the end of his 2 minutes, it is our intention at that point to go to a vote.

Mrs. CLINTON. Mr. President, may I ask unanimous consent to supplement my earlier remarks?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mrs. CLINTON. Thank you very much.

Mr. President, I didn't realize it until after I spoke, but my good friend, Senator TORRICELLI from New Jersey, gave me one of the articles he read into the RECORD that I have yet a new title; that is, "Modern Day Santa Claus."

I was given an article that was written by Paul Taylor about broadcasters and their desire to have political advertising.

I was delighted to learn that I am a beautiful thing like Santa Claus because the campaign I ran brought, I guess, great beauty and good cheer to the broadcasters of my State.

I would like to add to my previous comments in support of this amendment that I think this is a good start to ensure that the spirit of the current law is enacted and implemented. But I think we should go further. And later in the debate I hope we will have a chance to talk about even going further, to perhaps legislate the 5 minutes that has been suggested by a number of people as being free air time, and even to have a debate on an issue I support, which is free broadcast time across the board and some way to fulfill the political obligations of communications that I think our society so desperately needs without having the charges attached to it that we currently are experiencing.

I know in 1997 when the FCC doubled the amount of the spectrum it licensed to television broadcasters, I joined with many others in recommending that 5-minute, voluntary, candidate-centered discourse during the 30 days leading up to the campaign. We know that is not happening.

I think we need to do more to provide free air time for political candidates. I hope we will not only pass this amendment but go on to consider other ways we can make air time more readily available. If it were in my power, as Santa Claus, to give that gift to the American people, I would certainly do it. But I am going to try to make that case in addition to supporting this very worthy amendment.

I thank the Senator from Kentucky for yielding me time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I ask unanimous consent that the distinguished assistant majority leader have 5 minutes prior to the vote.

Mr. TORRICELLI. If the Senator would yield, could I have 1 minute, then, before the vote, just to close on my amendment?

Mr. McCONNELL. Sure. Then the vote will occur 6 minutes from now, and will be followed by an amendment by the Senator from Minnesota, Mr. WELLSTONE.

I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

Mr. NICKLES. Thank you very much. I thank my colleagues for their cooperation. I understand my colleagues are ready to vote and that they have held the vote off so I could make a few comments. I appreciate that.

I am going to speak against this amendment. I heard everybody say they are for it, so I am sure this amendment will be adopted. But my guess is, this amendment should be classified as "the million-dollar gift to Senators" and maybe for Senate candidates.

This is a big gift. This is a gift. In reading the language it says:

> . . . to such office shall not exceed the lowest charge of the station (at any time during the 365-day period preceding the date of the use) for the same amount of time for the same period.

What that means is, we get to buy ads at the lowest rate that the station charged anybody anytime during the past year.

These are political ads. Some stations may have lower rates because they want to do something to help a charity. Maybe they want to be kind to a university and raise money, and there is a fundraising drive, such as the University of Kentucky. So they want to have a fundraising drive, and the station says, this is a low time of the year, so, yes, we will give you good rates. And maybe this is in April or maybe it is in January when time is pretty cheap because the demand is not very large.

What we are saying is, we want to have that rate for politicians in October and early November, when maybe the demand is very great. The rates might be four times as much, three times as much. You have the new shows on TV.

I look at this, and maybe it sounds kind of nice. Somebody says this is really enforcing what the existing language is. I say hogwash. This amendment is worth millions, and everybody should know it. This amendment is worth millions to candidates.

I question the wisdom of doing it, saying we should have lower rates than anybody else in the country. And, oh, incidentally, Mr. Broadcaster, we politicians want to check your rates for that entire year, and we get the lowest of anybody. Of anybody, anytime, we get the lowest. We are special. I question the wisdom of it. I am going to support some amendments to help this bill. I do not doubt that this amendment is going to be adopted, but I certainly question the wisdom of it.

Some people said: Let's just have free time. This is a gift. This may not be free time, but this is a gift that may be greater than free time.

Some people say: Maybe we should have free time for candidates of so many minutes or so many hours, and so on. This is an amendment worth a lot more than that. So our colleagues should know that. Because rates vary significantly throughout the year, and we are saying you get the lowest rates.

I guess if a person is going to buy a rate in August, that is one thing; so we check the last 365 days, and then if you are going to buy an ad in October, we have to check the last 365 days to see if there is a lower rate.

I think this amendment is very well intended. But, in my opinion, this amendment should not be adopted.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, what is the time circumstance?

The PRESIDING OFFICER. There is 1 minute remaining for the Senator from Oklahoma.

Mr. NICKLES. I yield the Senator from Alaska whatever time I have remaining.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I rise to agree with the Senator from Oklahoma. This amendment in my State is going to be catastrophic. We have many small stations that survive on mass marketing throughout the year at low rates. This will mean they will have to provide those of us who are candidates with the same rates. It makes no sense to me at all. I think it is an invasion of the rights of the people who operate these small independent stations.

I agree with what the Senator from Oklahoma said. It is a benefit to candidates. If people are meaning to kill this bill, this is one way to do it.

Mr. LEAHY. Mr. President, I am pleased to be able to support the amendment offered by Senators TORRICELLI, CORZINE, and DURBIN. I believe that allowing candidates the opportunity to let their message be known to the public, through television ads, without having to raise an obscene amount of money to finance those advertisements is a needed step toward truly reforming our campaign finance system. During the 2000 election broadcasters' advertising prices soared precisely when airtime was most valuable to candidates. Due to this dramatic increase in prices the broadcasters earned record profits from political advertising.

David Broder of the Washington Post articulated the need for TV advertising price relief. He writes, "Common sense tells you that if the TV bill remains . . . exorbitant, politicians will continue the 'money chase' under any rules that are in place." The rules to which Mr. Broder refers are the rules drafted in the campaign finance reform bill.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 1 minute.

Mr. TORRICELLI. Mr. President, the Senate is now moving beyond a simple soft money ban to genuine campaign finance reform, ensuring that as we reduce the amount of money in the political system, we are not reducing the amount of political debate in the Nation.

There is nothing new or startling about this amendment. Under current law, the broadcast industry must provide the lowest unit rate for political broadcasting. The problem is, they have been evading their responsibility. Stations now will have to participate in a shared sacrifice. Candidates will not raise certain forms of money that are undermining political confidence, and the broadcast industry must meet its public responsibility to provide low-cost broadcasting.

I believe this is a critical component to comprehensive campaign finance reform. It allows many of us to be part of McCain-Feingold.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. TORRICELLI. I believe it is a proper addition.

I thank the Chair.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The clerk will call the roll.

Several Senators addressed the Chair.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, I ask unanimous consent to be recognized for just 1 minute.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object, and I will not object, people keep coming and getting more time. That is fine. But I think we need to reserve another matching minute because now the opponents are coming to the floor laying out their arguments. People are coming to the floor. So if Senator BURNS is speaking against this amendment, I ask unanimous consent that I have 30 seconds to respond to his comments.

The PRESIDING OFFICER. Is there an objection?

Mr. MCCONNELL. Mr. President, I object. I am on the same side as the Senator from California on this issue. It seems to me the Senator from Montana is not unreasonable to ask for a minute to explain his position, after which the regular order would occur.

The PRESIDING OFFICER. Is there an objection?

Mr. MCCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent for a minute for Senator BURNS and a minute for Senator BOXER.

The PRESIDING OFFICER. Is there an objection?

Without objection, it is so ordered.

Mr. BURNS. Mr. President, I thank my friend, the assistant leader.

I have been tied up in a committee all morning trying to get over here. We have had some pressing energy business. But I wish to make one point.

How many other industries are we asking to lower their rates on the services they perform for the sake of political activity? Are we asking the automobile companies? The gasoline companies? The newspapers? The direct mailers? The writers? Are we asking them to lower their rates on their inventory for the sake of political activity? I think not.

And the broadcasters, once their time is gone, it is gone forever; and they cannot recover it. I don't think we have a right to ask them to do that, especially incumbents, as we are here, who have access to the news every night.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from California is recognized for 1 minute.

Mrs. BOXER. Mr. President, we are not asking anyone to lower their rates. That is a misstatement of the amendment. The Torricelli amendment simply says current law should be followed. Current law says the lowest rate should apply. May I remind my friends, the airwaves are owned by the American people. People get a license. The airwaves should be open to the American people.

In California, they give us 10 percent at the lowest rate, and 90 percent of it is at the highest rate. You cannot get your message out.

This amendment is a clarification of existing law. It strengthens McCain-Feingold. If you vote against this, it is just a signal to the broadcasters to keep on ripping us off and all the money will go to TV.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the Torricelli amendment No. 122. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER (Mr. BURNS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 70, nays 30, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—70

Akaka
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bunning
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Crapo
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Frist
Graham
Hagel
Harkin
Hatch
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Shelby
Smith (OR)
Snowe
Stabenow
Thompson
Torricelli
Voinovich
Wellstone
Wyden

NAYS—30

Allard
Allen
Baucus
Brownback
Burns
Campbell
Cochran
Craig
DeWine
Domenici
Enzi
Fitzgerald
Gramm
Grassley
Gregg
Helms
Hutchinson
Hutchison
Inhofe
Lott
Lugar
Nelson (NE)
Nickles
Sessions
Smith (NH)
Specter
Stevens
Thomas
Thurmond
Warner

The amendment (No. 122) was agreed to.

Mr. DODD. I move to reconsider the vote by which the amendment was agreed to.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 123

Mr. WELLSTONE. I call up amendment numbered 123.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself and Ms. CANTWELL, proposes an amendment numbered 123.

Mr. WELLSTONE. Mr. President, I ask unanimous consent reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To allow a State to enact voluntary public financing legislation regarding the election of Federal candidates in such State)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. STATE PROVIDED VOLUNTARY PUBLIC FINANCING.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

Mr. WELLSTONE. Mr. President, my understanding is Senator CLINTON will be coming to the floor in a moment.

Mr. DODD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I ask unanimous consent the Senator from New York be recognized for 5 minutes as in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. I ask my colleague if we may extend that to 10 minutes.

Mr. DODD. I ask for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New York is recognized for 10 minutes.

Mrs. CLINTON. I thank the Chair.

(The remarks of Mrs. CLINTON, Mr. DODD, and Mr. WELLSTONE pertaining to the introduction of S. 584 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WELLSTONE. Mr. President, before we go to the Senator from Idaho, I ask unanimous consent that in addition to Senator CANTWELL as original cosponsor of my amendment, also Senator CORZINE and Senator BIDEN be included as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Idaho.

(The remarks of Mr. CRAPO are located in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I will reserve for myself just a little bit of time now because there will be other Senators who will want to speak on this subject. This is an amendment to the McCain-Feingold bill, a very important piece of legislation in and of itself, which I think is a very important step forward for all of us. I hope this amendment will have bipartisan support. I think it just adds to the McCain-Feingold bill.

This amendment simply allows States, any of our States, to set up voluntary systems of full or partial public financing for Federal congressional candidates that involve voluntary spending limits on both personal and outside contributions, as long as these systems are not in conflict with the Federal Election Campaign Act. So this simply allows States, if they want, to set up a voluntary system of partial public financing.

This is entirely a voluntary system, and we leave it up to our State.

Historically, the States have been a "laboratory of reform"—the term was coined by Supreme Court Justice William Brandeis—where innovative policies have been created.

This States rights amendment allows these laboratories to do their work in a safe way—I want Senators to listen to this—because the electoral regulation that Congress has written into Federal law remains the floor. That is the law.

In other words, while States will be given wide latitude to set up voluntary systems of public financing, they will not be able to enact laws that will allow candidates, whether covered by public financing or not, to engage in conduct that will otherwise be in violation of Federal election laws.

While the Federal law is the floor, I think it is a low floor, indeed, although McCain-Feingold makes it better. Many believe our system is awash in special interest money. I agree with them. It is not a matter of individual corruption. I almost wish it was. It goes way beyond I don't wish it was, but I think it is a more serious problem.

I don't think we are talking about the wrongdoing of individual officeholders. But we are talking about a huge imbalance of power where some people, by virtue of their economic resources, have way too much wealth access and too many people are left out.

Please remember that 80 percent of the money spent in the year 2000 was hard money. Please remember as these campaigns—we just had an amendment that was an effort to deal with part of the problem—become more capital intensive, more television expensive, as communication technology becomes the main weapon in every electoral conflict, the big money matters even more.

This amendment says: Look, if our States want to—we leave it up to them—set up a voluntary system of partial or public financing to apply to our races, they should be able to do so.

This debate in the Senate about big money and politics and the ways in which too often our elections have become auctions and the ways in which all too often Senators have to be concerned about cash constituencies as well as real constituencies couldn't have come at a more perfect time.

Let me give a few examples. Several weeks ago we had an effort that took 10 hours to overturn 10 years of work. The National Academy of Sciences said repetitive stress injury is the most serious injury in the workplace. It endorsed taking action, did the research, did the study, endorsed a standard that was promulgated by OSHA, but big business said jump. So we jumped, and we turned our back on reasonable standards. We turned our back on science, and we turned our back on a lot of workers and their pain. We made them expendable.

Then we had the bankruptcy bill. I gave enough speeches about the bankruptcy bill to deafen all the gods. I will not repeat any of it, just to say ultimately what we got with this bill was a wish list for the credit card industry which is not held accountable at all for their reckless and sometimes predatory lending practices but very harsh for a whole lot of people who find themselves having to declare bankruptcy—not because they are trying to game any system but because of a major medical bill, because they have lost their job, or because there has been a divorce in the family.

Then we have the news today that the arsenic standard that EPA had promulgated to make sure we had safe drinking water has been overturned by the Administrator of EPA, the Environmental Protection Agency.

Then we have a tax cut—I am not going to spend a lot of time on this. It will be in the budget debate in about 2 weeks. If I am proven wrong, I will be glad to be proven wrong. I believe my colleagues will find that ultimately a rigorous sort of measurement, if you will, of what the surplus really is—and then alongside of that what the tax cut really amounts to—will mean two or three things.

It will mean there won't be a dime for any of the investments to which we say we are committed. There are going to be some harsh discretionary domestic spending cuts. What that means is anything from energy assistance, to housing, to programs that try crimes against women who have been battered—you name it. In addition, you have tax cuts that represent a Robin-Hood-in-reverse philosophy so that over 40 percent of the benefits go to the top 1 percent.

What I said before I will say again. The President talks about leaving no child behind. One-third of all the children in America live in families who will not receive one dime from this tax cut, and 50 percent of African Americans live in families who will not receive one dime, and 57 percent of Hispanic children live in families who will not receive one dime, but over 40 percent goes to the top 1 percent of the population.

So forget any commitment to making sure that every child in America has a good education. The vast majority of people believe in that goal. Forget any commitment to making sure that elderly people—I argue there are a lot of families as well who are hurt by this—can afford the prescription drugs they need for their health. And forget any commitment to expanding health care coverage for the 43 or 44 million people who have no coverage at all. For that matter, forget any commitment to beginning to get serious about home health care so that a lot of elderly people aren't institutionalized, aren't forced into nursing homes but can still live in home in as near normal circumstances as possible with dignity, or people with disabilities.

From where is the money going to come?

How about the veterans? I will tell you about the veterans budget. There is a $1 billion increase, but $900 million of it is medical inflation.

Then we have all of these commitments which we say we are going to make for the millennium program—elderly, home-based care, in addition to mental health services; in addition a bill I have with EVAN BAYH to finally deal with the distress about the fact that 30 percent of the adults in the homeless population are veterans—many of them Vietnam veterans—and we need to reach out and help them. I tell you, I don't think any of this is by accident because for the sake of the top 1 percent of the population making sure they get the tax cuts—by the way, these are the same people who are the heavy hitters. They are the big givers who give the contributions, whether it is soft money or hard money.

We are at the same time not going to live up to our commitment of leaving no child behind. We are not, if this administration has its way, going to do much about prescription drug costs, or expanding health care coverage, or making sure there is a good education for every child. Obviously, we have an all-out assault on basic workplace protections and environmental protections.

I think a lot of people in Minnesota and a lot of people in the country have reached the conclusion that the Congressional agenda is not their agenda; that the Congressional agenda is the agenda of the powerful; that the Congressional agenda is the agenda of the heavy hitters; and that the Congressional agenda is the agenda of the investors in both political parties.

For so many people, when it comes to their concerns for themselves, their families, and their communities, their concerns are of little concern in the corridors of power in this Congress.

Who could fault them for this belief? Many people believe there is a connection between big special interest money and the outcomes in American politics.

People believe what is on the table and what is off the table is based upon who has the money and power. People believe who gets to run and who does not get to run and who wins and who loses is quite often determined by the mix of money in politics. People believe that some people march on Washington every day, and they have the lobbyists, and they have the lobbying coalitions, but that when it comes to their concerns, they are not well represented. People believe that if you pay, you play, and if you don't pay, you don't play.

So people have lost faith in this system. I do not know what I think is worse: That so many citizens have this disillusionment and disengagement toward Government and public affairs. I hate that. I state that as the son of a Jewish immigrant born in the Ukraine who fled persecution in Russia. I love this country. I hate it when people feel that way about public affairs. Sometimes I think it is even worse when I talk to people who are so excited about public affairs, and they tell me they will never run for office. They say they do not want to spend all their time raising the money. They cannot bear the thought of it.

Frankly, I think it gets to the point where we have this horrible self-selection process where a lot of the very best people never will run for office, for a Senate seat or a House seat. I think that is a tragedy for the country.

I know the sponsors of the new McCain-Feingold bill hope this bill will have the votes to pass. I hope it does. But this bill is scaled down. It is a step toward comprehensive reform, but I do think this is an ideal time to let States take the lead. While we should not allow States to undermine Federal election law, the law should not be an artificial ceiling that prevents States from setting up systems of public financing that allow them to address this money chase, to address voter apathy, to address corruption, actual and perceived.

Mr. President, by way of background to this amendment, my own State of Minnesota attempted to set up a public financing system for Federal candidates 9 years ago, when the State legislature passed a law offering partial public financing to candidates for Congress from Minnesota.

Unfortunately, the Federal Court of Appeals for the Eighth Circuit struck down Minnesota's law in 1993 in Weber v. Heaney. The court ruled that because the Federal Election Campaign Act, FECA, did not specifically allow States to create this kind of voluntary public financing program, then FECA prohibited it. I think what the court was saying was: If you want to do it, fine, but we want to see the authority.

The amendment I am offering would correct that by adding one simple sentence to FECA which specifically allows States to set up voluntary public financing programs for the election of their own Members of the Senate and House, as long as no such program violates any provision of the current FECA law. That is all this amendment does.

In other words, if a State—Minnesota, Montana, Connecticut; I will talk about States that have already done this —wants to create a public financing fund and give its congressional candidates the option—a voluntary option; it is not required—of financing their campaigns partially or wholly with public money rather than private contributions, that State will be able to do so—again, provided there is no violation of any of the current FECA provisions.

I want to stress to colleagues, because I do not want there to be any misinformation about this amendment, that these programs must be strictly voluntary, just as the public financing for Presidential elections is voluntary. Candidates who would rather finance their campaigns with private dollars, adhering to the existing campaign finance rules, would be free to do so. However, the courts have made it clear, in some cases, by upholding the very public financing systems for election of State officeholders, which are models for this legislation, that a State may offer public financing or other enticements to make contribution limits and spending limits attractive.

This amendment, giving States the option of creating their own voluntary alternatives to the current system, is perfectly constitutional.

Some States have already moved in this direction. Twelve States already offer partial public financing to candidates for State offices. In fact, one of the most advanced of these programs is in my colleague, Senator MCCONNELL's own State of Kentucky. In Kentucky, there is a system of partial public financing for gubernatorial candidates.

In my own State of Minnesota, there is a voluntary public financing system for statewide candidates as well as candidates for the legislature. Candidates agree—it is voluntary—to spending limits, and in return they receive public funds.

The State of Minnesota provides a tax credit for contributions to State candidates of up to $50.

In addition, four States have gone even further and have recently passed full or nearly full public financing systems for their elections—it is inspiring—in Maine, Vermont, Massachusetts, and in Senator MCCAIN's own State of Arizona. They have passed legislation similar to the Clean Money, Clean Elections Act.

Senator KERRY and I have introduced this as national legislation. Eventually, I would like to get there. Basically, that is what they are saying in these States to the citizens. And the citizens said: Yes, let's do it.

I want to talk about these inspiring examples. They have said: Listen, if each citizen will contribute a small amount into a clean money, clean election fund—maybe $5—and then candidates draw from that fund—candidates who have passed a threshold to show that they are viable candidates—then these candidates do not have to be involved in the money chase. They do not have to be dependent on these private dollars. You, the people of Maine, you, the people of Vermont, you, the people of Arizona, you, the people of Massachusetts, you own the elections. You own your own State government. You own the political process.

In Maine it is just incredible. There was broad participation in the Clean Elections program during this last election, with 116 out of 352 general election candidates—both Republicans and Democrats—participating.

What these clean money, clean election States have done is dramatically reduced the influence of special interest money by providing a level playing field, by offering candidates a limited and equal amount of public funds.

I am saying to colleagues today, at the very minimum, we ought to allow our States to move forward with these voluntary systems if they want to do so. That is the only proposition you vote on. Will you or will you not at least be willing to allow your States to provide for a system of voluntary full or partial public financing for our races, understanding full well that everything else about Federal election law stays as is.

I want to offer some comments about Maine, giving some indication of what happened in Maine, because I think it inspires a lot of hope. These comments tell us something about what they have done and why it is so important to allow States to do so.

Here are some of the comments of people who ran.

Shlomit Auciello, a Democrat challenger:

> Without Clean Elections, I couldn't even think about running for office. I just couldn't afford it.

Chester Chapman, a Republican challenger:

> The main reason I did it was that this is what people want.

Glenn Cummings, a Democrat challenger:

> I spent a lot of kitchen table time explaining the system to people. Once they knew what it was they really liked it. They liked that it means no soft money and no PAC money will be used. I want to work for the people of Maine and I don't want to be beholden to anyone else.

Gabrielle Carbonear:

> It will definitely change some things. For one thing I will have about half the amount of money I raised last time but much more time to talk with people which is a good thing.

Just one more:

> We have an obligation to put into practice the system that was approved by voters in 1996. Maine is in the lead in this area. It will only work if it is used, and it is important for incumbents to embrace it. Also, the Clean Election Act is making it easier to recruit candidates to run for office.

That was said by Rick Bennet, Republican incumbent, assistant senate minority leader, and candidate for reelection.

I simply say to my colleagues, I am all for McCain-Feingold, as long as it does not get too weakened. I think the amendment we just adopted—the Torricelli amendment—was a step in the right direction. But, honest to goodness, 80 percent of the money is hard money. You still have this huge problem of the system being so wired for incumbents. It is so hard for challengers to raise the money and for there to be a level playing field. I can remember what happened when I ran in 1990; I can remember in 1996. I am now in a reelection.

At a very minimum, there ought to be a vote on public financing in the Senate, but this amendment doesn't say we vote on public financing directly. We don't vote on this at the Federal level, and we don't really vote on it saying that Montana or Minnesota has to do it. Given the experience of some of the States, such as Maine, Vermont, Massachusetts, Arizona, and other States that have moved forward, let us at least allow States, on a voluntary basis, to have a system of partial public financing that they could apply to Federal races.

If they want us to have the opportunity to volunteer to be involved in clean money and clean elections as opposed to all this big interested money that will continue to dominate the process, even with McCain-Feingold passing—there is still so much of that money; we are still so awash in that money—at the very minimum we ought to allow States to light a candle and lead the way.

I know there are other Senators who are going to be coming to the floor. I can speak a much longer time about this and will, but if my colleague from Connecticut is going to speak, I will yield the floor for now.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my friend from Minnesota. I commend him for this amendment.

This is a very creative amendment because it doesn't go to the heart of what many of us have felt for a long time, and that is that as we have done with Presidential elections—I don't know if my colleague from Minnesota spent time on this point—we have had public financing of Presidential races. Ronald Reagan, George Bush, this President Bush, and President Clinton have all used public moneys in Presidential elections going back to the late 1970s. I believe President Reagan was the first—maybe President Carter was the one—to use public moneys and public financing of a Presidential election.

All would agree that as a result of that, the costs of Presidential elections, while they are expensive, have been reduced by having a public financing scheme where, as a result of accepting public dollars, candidates agree to certain caps, certain limitations on how much money will be spent by a Presidential candidate.

This country is not without precedent in dealing with public financing. My colleague has talked about some of the States that have done things. We have done it at the national level and with some success. This amendment doesn't call for Federal public financing, as I understand it. It merely says to the States, if they would like to establish a public financing mechanism for candidates running for the House of Representatives or the Senate, the two Federal offices for which there are elections in each State, then the States would be allowed to construct such a mechanism that then-candidates who would agree to accept public moneys in those States would also accept certain limitations, principally financial ones, as one way of trying to get a better handle on this ever spiraling cost of campaigns.

I don't have the charts with me that some of our other colleagues have used which point to the exponential increase in the cost of running for Federal office. There is not a person in this Chamber who holds a seat who can't bear witness to that fact. We wouldn't be here if we hadn't gone through the excruciating gauntlet of having to raise the money and spend the dollars in order to be on television and run all the various elements of a successful campaign. We are all familiar, every one of us, with how vastly these campaigns have increased in cost.

I have often cited the statistic that when I first ran for Congress, some 24 years ago, Ella Grasso was running for Governor of the State of Connecticut, the first woman to be elected in her own right as a Governor in the United States. Ella Grasso spent about $500,000, an unprecedented amount of money, in the State of Connecticut to win a statewide race. I think she even bought New York television time, which always adds considerably to the cost of a campaign in Connecticut. And $500,000 was an outrageous sum of money 24 years ago.

My colleague from Connecticut, Senator LIEBERMAN, and I—I can't recall the exact amount, but I will pretty much be in the ballpark to tell the Senate that a contested race in Connecticut is now somewhere between $4 and $6 million. I promise you, if you went back 24 years, prior to 1974, you would have found an increase in the cost of campaigns but nothing like we have seen in the last 25 years, with no indication this trend line is going anywhere but up in the coming years.

The issue before us is whether or not we can come up with some mechanism which reduces the money chase, brings down the cost of these campaigns, which is what the Torricelli amendment tries to do by insisting the lowest unit rate be charged for campaign costs for advertising, and now what our colleague from Minnesota has proposed—that is, the creative idea of saying to the 50 States that if you decide you would like to have this kind of a mechanism for your candidates for Federal office, we should not necessarily stand in the way.

If this were a mandate, then I think it would run into immediate constitutional problems. There may be some with this anyway. I know States in the past have tried to pass legislation which would put limitations on us, such as term limits. In every one of those cases, the courts have overruled State statutes which would limit the ability of people to serve here. We ourselves could put limitations in the Constitution on our service, but States don't have the right, according to the Supreme Court or the Federal courts, to do that.

I do not think this amendment falls into that category. This is not some limitation on a Member's right to run or to serve. It merely offers the option of a different mechanism for financing the campaign. While I am not a constitutional scholar, I am sure there will be those who make the case that this may suffer from a constitutional flaw. I am sure there will be others who will argue that this does not.

In my view, because this does go in a direction that contributes significantly to the underlying bill Senator McCAIN and Senator FEINGOLD have submitted to us, it is worthy of support.

I commend my colleague from Minnesota for offering this creative idea. We are constantly hearing from our colleagues how we need to give our States more flexibility. It is a call we hear quite frequently in one piece of legislation after another. My colleague from Minnesota and I serve on the Education Committee of the Senate. We have just spent a number of days—marking up, as we call it—writing up the education bill for elementary and secondary education.

One of the important debates was how much flexibility we would give our local communities and our States in using Federal dollars. It is a worthy debate because most of us embrace the idea that local communities ought to have a great deal of latitude in deciding how the education system ought to work in those communities.

I will be interested to know if those who are most vociferous in arguing for greater flexibility at the State level in the education of our children would not similarly be inclined to support this amendment which would offer greater flexibility to our States that may decide that the cost of campaigns in their States has gotten out of control; that they would like to do something about it; that they would like to offer Federal candidates an option that would reduce those costs.

I am attracted to this amendment. I think it has value. I urge my colleagues to read it carefully, to raise questions to my colleague from Minnesota, if they have them, and then vote for this amendment. I think it deserves our support. I know others will come to the floor to address this matter. I don't know if my colleague care to take a few more minutes or not. I am prepared to stay with him and engage in some debate. If not, we could suggest the absence of a quorum and urge Members to come to the floor to discuss the amendment.

Mr. WELLSTONE. Mr. President, first of all, I thank my colleague from Connecticut. There are three or four Senators who want to speak, and I have more to say. Frankly, I don't want to use up all of our time without hearing from the opposition. I will take a few more minutes. If nobody is here, I will suggest the absence of a quorum and ask that the time be charged to the opponents of this amendment. I would like to hear from them rather than burning off all my time.

Mr. DODD. Well, I suggest that the time be charged to both sides equally. That is normally how we proceed. Why not go ahead, and I am sure others will come to the floor.

Mr. WELLSTONE. All right. Mr. President, there are 65 organizations that support this amendment. I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SIXTY STATE AND NATIONAL ORGANIZATIONS SUPPORTING "STATES' RIGHTS" AMENDMENT

ACORN—Association of Community Organizations for Reform Now
Alliance for Democracy
American Friends Service Committee of Northeast Ohio
Arizona Clean Elections Institute
California Clean Money Campaign
Campaigns for People, Texas
Citizen Action of New York
Citizen Action of Illinois
Colorado Progressive Coalition
Connecticut Citizen Action Group
Democracy South
Equality State Policy Center, Wyoming
Fannie Lou Hamer Project
Florida Consumer Action Network
Florida League of Conservation Voters
Georgia Rural-Urban Summit
Global Exchange
Gray Panthers
Hawaii Elections Project
Indiana Alliance for Democracy
Iowa Citizen Action Network
League of United Latin American Citizens
Louisiana Democracy Project
Lutheran Office for Governmental Affairs—Evangelical Lutheran Church in America
Maine Citizen Leadership Fund
Maryland Campaign for Clean Elections
Massachusetts Voters for Clean Elections
Michigan Campaign Finance Network
Midwest States Center
Minnesota Alliance for Progressive Action
Missouri Voters for Clean Elections
Money in Politics Research Action Project, Oregon
National Voting Rights Institute
NETWORK: A Catholic Society Justice Lobby
New Hampshire Citizen Alliance for Action
New Jersey Citizen Action
New Mexico Alliance for Community Empowerment
New Mexico Progressive Alliance
North Carolina Alliance for Democracy
Northeast Action
Progressive Leadership Alliance of Nevada
Progressive Maryland
Public Campaign
Rainforest Action Network
Religious Action Center of Reform Judaism
Rural Organizing Project, Oregon
San Fernando Valley Alliance for Democracy
Sierra Club
South Carolina Progressive Network
United Methodist Church—General Board of Church and Society
United for a Fair Economy
United Vision for Idaho
USAction
USPirg
Utah Progressive Action Network
Vermont Pirg
West Virginia Citizen Action
West Virginia Peoples' Election Reform Coalition
Western States Center
Wisconsin Citizen Action

Mr. WELLSTONE. Mr. President, these different organizations range from the national AFL-CIO to AFSCME and SEIU. Also, at the State level, there are a lot of different State organizations, including the California Clean Money Campaign, Arizona Clean Elections Institute, the Maine Citizen Leadership Fund, Maryland Campaign For Clean Elections, Massachusetts Voters Information Clean Elections, Public Campaign, Missouri Voters For Clean Elections, the Catholic Social Justice Lobby, New Hampshire Citizen Alliance For Action, Florida Consumer Action Network, and it goes on.

Then there is one organization I mention, which is the Fannie Lou Hamer Project. I mention that project because I think in a lot of ways—and I hope I say this the right way because I have such deep love and respect for the memory of Fannie Lou Hamer. For colleagues who don't know about her, Fannie Lou Hamer was the daughter of a sharecropper in Mississippi. There were 14 children in her family, and she grew up poor. She was one of the great leaders of the civil rights movement.

The reason I mention the Fannie Lou Hamer Project is that Fannie Lou Hamer uttered the immortal words, "I am so sick and tired of being sick and tired." She was talking about economic justice issues. I think the reason the Fannie Lou Hamer Project is one of the organizations that is most behind this amendment is that a whole lot of people in the country—and I think this whole issue of campaign finance reform—when you say it that way, it doesn't have passion. It is about civil rights. I hear colleagues talking about freedom of speech and that more money is freedom of speech—the more money, the more speech, and then some people who have all of this money use a megaphone to drown everybody else out.

I am all for freedom of speech. I think the Supreme Court is right, although I didn't agree with the decision in Buckley v. Valeo. If there was a problem of corruption, that is the time for reform, they said. If you think the standard of a representative democracy is that each person should count as one, and no more, we have violated that standard.

I will put this in a civil rights context for a moment. A lot of people believe they don't have the freedom to be at the table, the freedom to participate in the political process, or the freedom to run for office; and they don't have the freedom to be people who can affect who runs for office because they don't have the big dollars.

Honest to goodness, I believe that ultimately this debate is all about—I wish I had brought the brilliant speech that Bill Moyers gave called "The Soul of Democracy." This is about the soul of democracy. If my father Leon was alive today—the Jewish immigrant I mentioned earlier—he would say this is all about this wonderful, bold, beautiful experiment we have had in self-rule in the United States of America. We don't want to lose that. We don't want to have a minidemocracy or a psuedodemocracy, when only certain people can run for office, when some people matter a whole lot more than other people, in terms of who can affect our tenure and who can't. This becomes a justice issue.

I say to my colleagues—and I will be very frank about it—the reason for this is absolutely constitutional. Not in one court case—and I mentioned the Minnesota court of appeals case—has any judge raised a constitutional question. We make it crystal clear that we are simply saying that—it is almost like consumer law, where we make it clear, hey, there is a Federal standard that no State can go below it. But if the State of Florida or Minnesota want to do better, they can do so.

Colleagues, we can do a lot better when it comes to financing campaigns. Justice Brandeis was right; the States are laboratories of reform, and I challenge Senators to come to the floor and vote for the proposition that if your State wants to apply a full or partial public financing on a voluntary basis to congressional races so that the people of Florida, or Connecticut, or Arizona, or Wisconsin, or Minnesota, or you name it, can feel like, by God, we have put together a model program for the Nation—we are leading the way—then let them do so.

I am for McCain-Feingold unless it gets too weakened. We had this debate yesterday where Senators came to the floor and said we were presenting the millionaires amendment. Their answer to the problem of people who have their own wealth and can finance their own campaigns was to dramatically raise the spending limits. So now somebody can go from **$1,000** to **$6,000** a year. I recited the figure yesterday that one-quarter of 1 percent of the population contributes **$200** or more, and one-ninth of 1 percent of the population contributes **$1,000** or more. Now we are raising it to **$6,000**.

Well, if you are worried about the great advantage the wealthy candidates have, then what you want to do is move toward a system of clean money, clean elections. I wish we could pass it at the Federal level. That is what makes it a more level playing field. But if we can't pass it at the Federal level, at the very minimum—and if we can't pass it at the Federal level because some of the folks who have such power can basically block that, so we have to move along with McCain-Feingold as a first step, fine; but would it not make McCain-Feingold stronger to allow States to move forward if they want to do so?

I met with some of the legislators and some of the candidates, both Democrats and Republicans, from the State of Minnesota, and it was one of the most inspiring meetings I have had. Oh, God, how I yearned that this could be our elections. They were telling me: PAUL, I was an incumbent and I had the money and I could have beat a challenger, but it wasn't the right thing to do any longer. So I agreed to participate in a clean money, clean election campaign. I felt so much better about it. I did the right thing. That was a Republican.

Then you had challengers saying: If we didn't have this clean money, clean election system, there would be no way, as a challenger, I could have raised the money. This created, more or less, a level playing field.

Everybody was saying: We had to spend less time at these big-dollar fundraisers and less time with cash constituencies and a lot more time with real constituencies. We could be at the coffee shops, we could be not chasing the big dollars but focusing on the big issues.

Well, Senators, vote for this amendment and at least let your State lead the way. If they want to pass it in the legislature, or by initiative, or referendum, however it is done, a law that would apply a voluntary partial, or some form of public financing, to the Senate and House races from States, let them do so. Let them become the laboratory of reform. See how the people like it. You know something. You will be striking a blow not only for clean money, clean elections, but you will also, as my colleague from Connecticut pointed out, be consistent about being a decentralist and letting States lead the way if they have a model program.

The third thing you are going to do, and I do not know if I should make this argument because it may be a reason people vote against it, but the third is you are going to be nurturing and promoting a lot of grassroots politics at the State level because once people realize at the State level they might be able to achieve this—since it looks like we are not there yet, though we are going to take a good step forward, I hope, with McCain-Feingold—there is going to be a wave of grassroots involvement where people in the States are going to try to win this. And that is great.

I am looking to win this vote. I am looking for a vote for every reformer. Every Senator who says he or she is a reformer should vote for this amendment. I am looking for a vote from Democrats. I am looking for a vote from those Senators who voted against the so-called millionaire amendment because they did not think it was much of a reform to get to the point where you have a contest with someone who has a lot of resources versus someone who is dependent on the top 1 percent for their economic resources. I am looking for their vote for this. I am looking for support from Democrats and Republicans.

Some of my Republican colleagues come from States that have passed clean money, clean election legislation, a voluntary system at the State level. They are doing it, and they are doing it well. Can we not vote for the proposition that we ought to at least let the people in our States decide? That is all this amendment says.

If there are colleagues who want to speak, that is fine. I have been told other Senators are on their way. I will suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides. But I ask those opponents to come to the floor—we do not want to use up all of our time, unless the opponents want to throw in the towel right now and vote for this amendment. That would be OK, too.

I yield the floor and suggest the absence of a quorum, with the time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

Mr. DODD. Mr. President, I ask unanimous consent that the distinguished Senator from Florida be recognized to speak for 5 minutes as in morning business and that the time not be charged to the present amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida.

(The remarks of Mr. NELSON of Florida are located in today's RECORD under "Morning Business.")

Mr. McCONNELL. Mr. President, on the subject of the Wellstone amendment, if my understanding is correct, I believe the Senator from Minnesota allows each State legislature to determine whether or not there could be a system of taxpayer funding and spending limits imposed on Federal elections from that State.

There are a lot of issues we don't know much about in terms of public opinion. But we do have a pretty good sense of how people feel about having their tax dollars used to elect public officials. In a research project in September of 1999, the question was asked: Should public funding be provided for all candidates running for Congress? It was very simply put. The public responded yes, 25 percent; no, 56 percent; not sure, 18 percent.

The use of the term "public funding" produces a better result for the proponents of taxpayer funding of elections because "public" is presumed to be sort of a benign thing producing a positive response. I am unaware of what the answer would have been had the words "taxpayer funding" of elections been inserted, but we do know when Americans know it is their tax money that is being used, it produces a response sometimes ranking right up there with anger.

We have an opportunity every April 15 to have the biggest poll on this subject ever taken in America. It is the check off on our tax returns which doesn't add anything to our tax bill. It simply diverts $3 of taxes we already owe to the Presidential election campaign funds. It doesn't add to our tax bill. Last year, only about 12 percent of Americans checked off indicating they wanted to divert $3 of their tax bill away from children's nutrition or defense of the Nation or any other worthwhile cause the Government funds into a fund to pay for buttons and balloons at the national conventions which get some of the tax money, and the Presidential campaigns, which get some of that tax money.

Interestingly enough, this has continued to drop over the years. It was originally $1 when it was set up back in the mid-1970s. The high water mark of taxpayer participation was 29 percent in 1980. It has gone consistently down since then. Ten years ago, in order to make up for the lack of interest, when the other party was in charge of both Houses and the White House, the $1 check was upped to $3 so that fewer and fewer people could designate more and more money to make up for the lack of public interest in having their dollars pay for political campaigns.

In short, with all due respect to the Senator from Minnesota, who has been very straightforward about the fact he would like to have taxpayer funding of all elections in America, this is not an idea widely applauded by the American people. In fact, they hate it. Almost any way you ask the question, there is a negative response.

I hope this amendment will be defeated. It certainly takes us in exactly the wrong direction if the idea is to produce a campaign finance reform bill out of the Senate which might subsequently at some point be signed by the President of the United States. I think it is further noteworthy that the Presidential system is collapsing anyway. President Bush was able to raise more money because of his broad support across America and chose not to accept the public's subsidy and the speech restrictions on his campaigns that go along with that on a State-by-State basis.

Another candidate, Steve Forbes, obviously because of his own personal wealth, chose not to take public funding. I think that is a trend. I think you are going to see more and more candidates for President on both sides of the aisle deciding they do not want to use taxpayer funds for their elections because a number of bad things happen to you once you do that.

We know that once you opt into the system, you are stuck then with all the auditors and all the restrictions. We know one out of four of the dollars spent in Presidential elections has been spent on lawyers and accountants trying to help the candidates comply with all the rules that come along with it and of course also telling them how they can get around those rules.

So it is a pretty thoroughly discredited system that I think most Members of the Senate are not going to want carried over to congressional races as well. It is bad enough the Presidential elections are stuck with it. And of course they are ignoring it.

Issue advocacy was huge in the Presidential election. One of the reasons both sides have gone to using issue ads is the scarcity of hard dollars, even when supplemented with tax dollars in the Presidential race, a genuine scarcity in terms of the enormous audience you have to reach in America.

This is a system that simply does not allow the candidates for President to get out their own message. To give State legislatures the opportunity to impose that on us without our will, without acting at the Federal level, seems to me a particularly bad idea. I hope this amendment will not only be defeated but be soundly defeated.

I yield the floor and retain the remainder of my time.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, there are two colleagues on the floor, and I will just take 1 quick minute to respond. How much time do we have left?

The PRESIDING OFFICER. Just under 24 minutes.

Mr. WELLSTONE. Just under 24 minutes. I say to all Senators—or staffs, because quite often staffs follow this debate as well—it all depends upon how you frame the question. Actually, when you talk to people and say, do you want to try to get some of the private money out and big dollars out and you want to have clean money, clean elections where they are your elections and your government, people are all for it. It depends on how you frame the question.

But all the arguments my colleague from Kentucky made do not apply to this amendment. Mr. President, 24 States including the State of Kentucky have a system of public financing or partial public financing. They must like it. But the point is, we give people in our States the right to decide. That is all this amendment says.

I made the argument for clean money, clean elections. But that is beside the point. What we are saying is let the States be the laboratories of reform and let the people decide—what they did in Maine, or what they have done in Massachusetts, or what they have done in Arizona, or what they have done in Vermont, or, for that matter, what they have done in a lot of other States with partial public financing. Let them decide whether, on a voluntary basis, they want to apply that to congressional races. That is the point. We do not get to make that decision for them. You are just voting on the proposition of whether or not you want to let the people in your States make the decision.

Mr. President, I yield 10 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. REID. Will the Senator yield just for a unanimous consent request?

Ms. CANTWELL. Yes.

Mr. McCONNELL. Mr. President, after consultation with the assistant Democratic leader, I ask unanimous consent that the vote on the Wellstone amendment occur at 2:15.

Mr. KERRY. Reserving the right to object, Mr. President, I would like to ascertain how much time remains and how much time might be available.

Mr. McCONNELL. If I may finish, I say to my friend from Massachusetts, the thought we had was 20 minutes of the time between now and then would be for your side and 10 for our side.

Mr. REID. I think that is about all the time we have anyway, isn't it, on Senator WELLSTONE's time.

Mr. KERRY. How much time remains on our side?

The PRESIDING OFFICER. There remain 21 minutes 52 seconds.

Mr. KERRY. Could I ask for 12 minutes?

Mr. REID. Senator CANTWELL, I think, indicated she would like 8 minutes.

Mr. WELLSTONE. I would like to reserve. There are others coming. Unfortunately, when we went into a quorum call, the time was equally divided because we didn't have people down here. I would like to reserve the last 3 minutes for myself.

Mr. REID. I say to my friend from Minnesota, we have 21 minutes.

Mr. WELLSTONE. Let's do 10 and 8.

Mr. McCONNELL. I will be glad to accommodate your side. Senator WELLSTONE wants to speak again, Senator CANTWELL, Senator KERRY—are there others?

Mr. REID. Senator CORZINE wanted 5 minutes.

Mr. WELLSTONE. You tell me how to do that.

Mr. KERRY. Mr. President, I ask unanimous consent that, after the Senator from Washington, I be permitted to speak for 10 minutes and we have the vote at the conclusion of that amount of time, and allowing for the time for the use of the Senator from Kentucky as the manager on his side.

Mr. McCONNELL. What I would like to do is set a time for the vote in consultation with the Senators on the floor, and we will divide the time after that.

Mr. KERRY. Mr. President, could I suggest perhaps we allow the Senator from Washington to begin speaking and arrange the time?

Mr. REID. How much time does the Senator need?

Mr. KERRY. Mr. President, 12 minutes.

Mr. REID. CORZINE 5 minutes; WELLSTONE, 5 minutes.

Mr. McCONNELL. CANTWELL?

Mr. WELLSTONE. Mr. President, 10 minutes. Vote at 2:30.

Mr. McCONNELL. Mr. President, I ask unanimous consent a vote occur on the Wellstone amendment—on or in relation to the Wellstone amendment at 2:30.

Mr. REID. And the time be allocated——

Mr. McCONNELL. The time be allocated in the following manner: 12 minutes for Senator KERRY, 5 minutes for Senator CORZINE, 5 minutes for Senator WELLSTONE at the end, 5 minutes for Senator CANTWELL—10 minutes for Senator CANTWELL.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. And 2 minutes before the vote for the Senator from Kentucky.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington.

Ms. CANTWELL. Mr. President, I rise today in support of the McCain-Feingold campaign finance reform legislation and the Wellstone amendment. I ran for the U.S. Senate because I believe it is time for us to reform our political system and bring it into the 21st century. At a time where citizens are more empowered than ever with information, where access to technology and communications tools makes it possible for citizens to track and understand on a daily basis our legislative progress, and where citizens understand exactly the tug and pull of the legislative process, that is, who is getting tugged and who is getting pulled. It is time to respond with a political system that is more inclusive in the decision process. That meets the best long-term needs of our citizens, instead of a political system of financing campaigns that rewards short-term expedient decisionmaking.

But before I go on about the Wellstone amendment that I rise to support, I want to thank the authors of the bill, Senators JOHN MCCAIN and RUSS FEINGOLD, for the commitment, determination, courage and perseverance that they have demonstrated on this issue. Campaign finance reform has few friends. It has many enemies. It suffers from a public that simply believes that we can not reform ourselves or this system. JOHN MCCAIN and RUSS FEINGOLD, at great personal expense, have championed this cause for many years and I am proud to join them in the heat of this battle.

I rise today in support of the Wellstone amendment that I am cosponsoring along with Senators CORZINE and KERRY because I believe it will truly start us down the road of progress. Progress in allowing clean money and clean money efforts to finance campaigns. There is almost a grassroots effort popping up in many States such as Maine, Vermont, Arizona, and Massachusetts, and hopefully with this amendment, in many more States across our country.

The clean money effort allows us to put our political system where it belongs—back in the hands of the public, making it more accountable for the people we represent. This is the political reform that our country so badly needs.

The money we raise from special interests plays a role in politics. It plays a role in setting the terms of the debate. It plays a role in what issues get placed at the top of the legislative agenda. And, most importantly, it keeps the focus in the wrong place.

Elizabeth Drew, wrote a book called "Whatever It Takes," that chronicled some of the way business and the Congress operate. Paraphrasing her remarks, some of the interest groups oppose legislation because it is the camel's nose under the tent. It is something they can stop, and so they do.

We need a political decision making process in Congress in an information age where people are brought together, and not just met with because we agree with them. Our failure to act to reduce the amount of money in politics is feeding the skepticism and cynicism about politics and government among our citizens, and particularly our youth.

At a time when we are not far from Internet voting, we ought to have a system of financing campaigns that encourages our citizens to be more involved. Our citizens believe the current campaign finance system prevents us from acting in their interest.

We have been through a technology revolution in this country, and we have to have a governing system, and a campaign system that will keep pace with it.

I was reminded in this last cycle—going around the State of Washington, I met a constituent who wanted to tell me about a piece of legislation. They turned around to their desktop and printed off the bill that was being considered, circled the sections of the bill they were most interested in, and said: Now tell me why we can't get this passed by the U.S. Senate.

I didn't have to answer this person. They knew very well why it was not getting addressed in the Senate. And that is why we need to change our system.

I welcome Senator WELLSTONE's amendment and his recognition that States can be leaders in this area. I hope my colleagues embrace the spirit of this amendment and recognize it for what it is—a great opportunity to watch, to see, and to learn from those experiments that are happening at the State level.

As Senator WELLSTONE said, States are great laboratories. By letting States that are interested in doing so set up public funding systems for their Federal candidates, we will be providing ourselves with valuable research on how we can level the playing field and get the money out of politics.

Think about that: The time that Members spend raising money instead spent listening to the voters in their States.

We have already learned from the clean money election systems in Maine that candidates taking part in that voluntary system have had the following things say:

It was easier to recruit candidates to run for office.

It is what the people want.

I will only have about half the money I raised last time but much more time to talk to the people.

We have learned that voluntary limits can work. In his Senate race in 1996, Senator JOHN KERRY and his opponent, then-Governor Bill Weld, agreed to a voluntary spending limit, and the result was a campaign waged largely on the issues. Senator KERRY proved there are incentives for both sides to improve the political discourse.

In Arizona, 16 candidates were elected under the clean money system, including an upset victory over the former speaker of the State senate. And the challenger spent only one-quarter of the money that his opponent took.

In Maine, 49 percent of the State senate candidates won their seats while participating in the clean money program.

Overall, States implementing public financing have seen more candidates run, more contested primaries, more women running for office, and, most importantly, it is proving that good candidates can run winning campaigns and participate in a system that limits spending.

The only way we have to truly level the playing field, both between candidates and parties of opposing ideologies, and more importantly, between new candidates and incumbents, is to commit the resources to the process of getting people elected.

Not until we create a campaign system with a shorter and more intensive campaign period—something I think the public would truly applaud—funded with finite and equal resources available to all candidates, will we be able to really listen carefully to what the people want.

Not until then will we be able to free candidates from the time, and the energy drain that is needed for dialing for dollars. Not until then will we be able to improve the quality of political discourse, to play down the dominance of polls, to render tax-driven negative ads ineffective, and to remove the appearance that political decisionmaking is not based on principle but on the dependence on funds.

We can't in an information age and a technology age be smart enough to figure out how to make prescription drugs and new therapies improve the quality of life and health care and yet not even have the debate to make prescription drugs more affordable.

Why is that? Because it, too, has gotten clogged in this debate and campaign finance reform. Senator WELLSTONE's amendment removes the roadblock to exploring new options for getting people elected in a new information age. I support the right of States to experiment with new ideas to help level the playing field and to improve our election process and our campaign system.

Thank you, Mr. President.

Mr. WELLSTONE. Mr. President, I thank Senator CANTWELL but remind her that actually we worked together on this amendment. It is really our amendment—the Wellstone-Cantwell-Kerry amendment.

I thank the Senator for her help on the amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I thank the Chair.

Mr. President, let me begin my comments by making it as clear as I can that I am a strong supporter of the McCain-Feingold legislation. I have had the pleasure of working with both of them through the years on campaign finance reform. I want McCain-Feingold to pass the Senate and ultimately be signed into law.

But let me also make it equally as clear to my colleagues and all Americans who are focused on and care about this issue that what we might achieve, if we pass McCain-Feingold, is only a small step towards what we ought to be trying to do in this Congress. The fact is that even if we pass McCain-Feingold, all that we would have achieved is a reduction—it is not all, but it is significant and it is important—in the soft money flow to our campaigns through either corporate contributions or private contributions.

Nothing in McCain-Feingold is going to restrain the arms race of fundraising in the United States. Nothing in McCain-Feingold is going to restrain ultimately the dependency of people in Congress to have to go out and ask people for significant amounts of money in total—because of amounts of money that you can give Federally—hard money up to the $25,000, which may well be lifted in the course of this debate—people who have $20,000, $25,000, or $15,000 to make in a contribution will have far more capacity to be able to affect Federal campaigns than the average American citizen.

I do not know if my colleagues are aware of this, but almost all of the soft money that was contributed in the last election cycle for both parties came from about 800 people. Obviously, those 800 people have the capacity to be able to put up larger Federal contributions or match Federal dollar contributions.

What the Congress ought to be doing and what we ought to be focused on is how to put the greatest distance between each of us in the fundraising and create the greatest proximity between each of us and the people who vote for us or who are asked to vote for us.

The Senator from Kentucky said earlier in this debate that this amendment by Senator WELLSTONE, myself, and Senator CANTWELL is a bad idea because it would tell the States how to run a Federal election, or it would take our campaigns—I think was the language—and prevent the States from somehow living by the rules that the Federal Government has set up or espouses. Nothing, again, could be further from the truth.

First of all, it is not our campaign. It is the voters' campaign. This election belongs to the voters of each of our States. How presumptuous of us to stand here and say we should deny the voters of our States the right to elect us the way they might like to elect us.

Moreover, this amendment is purely voluntary. No Member of Congress is compelled to go with the system even if a State requires it. So it is really only a half preemption. It is a way of saying to those 24 States—almost half the States in the Union; among them the State of the Senator from Kentucky. They have already adopted some form of public financing. Every one of those States has decided they do not want special interests governing the elections. They want to reduce the election process to the simplest connection between candidate and voter.

I am pleased to say that ever since I ran in 1984—the first time for the Senate—I have been able, thus far, to run without taking the larger conglomerate funds, the PAC money funds. I think I am the only Member of the Senate who has been elected three times without taking PAC money. I am proud of that. That is not because PACs are inherently evil or a bad part of the process. I think it is fine under the Constitution for people to come together and give money jointly through a PAC. The problem is, when it is conglomerated the way it is, in the amounts that it is, it leaves our fellow citizens with the perception that the system is up for grabs; that the money is what controls the elections of our country.

Senator JOHN McCAIN, in the course of his Presidential campaign, elicited from his countrymen and women a great sympathy for that notion. Part of what propelled that campaign was people's conviction they do not get to control what happens in the Senate and the House of Representatives, but the large money has more control over what happens here than their conglomerate votes they express on election day.

What the Wellstone-Kerry-Cantwell amendment seeks to do is simply give a choice to States. If you are a conservative and you believe in States rights, here is the ultimate States rights amendment because what we are saying is that a State has the right to offer to its candidates a different way of getting elected. And if the candidate for Federal office wants to take advantage of that, they may. It does not require you, there is no mandate, any person in the Senate who wants to go out and rely on their amounts of money they can raise can do so. But it gives to the State the right to put that as an offering to those who run.

Why is it that we should stand here and take ownership of the campaign away from the people who elect us, and deny them the right to say they would like to see the races for the House and the Senate run by the same standard that we run our race for Governor and for our local legislature?

As I said earlier, nothing in McCain-Feingold will ultimately resolve the terrible problem of Senators having to raise extraordinary sums of money. The reason for that is we are still going to have to go out and raise tens of millions of dollars, except it will be without soft money; it will be so-called hard money.

Let me say to my colleagues, they will still—each of them—be completely subject to the same kinds of questions that exist today about the linkage of money and politics. The only way we will ultimately divorce ourselves from that perception which leads most Americans to believe that this whole thing is somehow out of their reach and out of their control, and that it is gamed and they cannot really make a difference—the only way you will affect that, ultimately, is to adopt some form of public financing.

I know the votes are not here today. I know too many of my colleagues are comfortable with the status quo. I know we cannot win that vote in the Senate today. But that does not mean we should not put it in the debate. And it does not mean we should not require a vote because the real test of whether or not people want our democracy to work is whether or not we are going to do the most we can, in a most reasonable way, to separate ourselves from the fundraising that is so suspect and that taints the entire system.

I respectfully suggest to my colleagues that a voluntary system—once again, purely voluntary; no challenge to the first amendment at all; no mandate whatsoever; no constitutional issue —simply a voluntary system that would allow a candidate to go for matching money, in the same way that we do in the Presidential race, and have done for years—and, I might add, contrary to what the Senator from Kentucky said, with great success—even President George W. Bush in the general election took the public funding. He ran for President of the United States with public money. Bob Dole ran for President of the United States with public money. President George Bush first ran with public money. President Ronald Reagan ran with public money. Why is it that if it is good enough to elect a President of the United States, it should not at least be voluntarily available to those who run for the Senate?

The reason is too many of my colleagues know that might put the opposition on an equal footing with them. Too many of my colleagues are comfortable with the system where they can use the incumbency to raise the large amounts of money and not allow for a fair playing field that enhances the democracy of this country.

That is why the Senate has more than 50-percent membership of millionaires—because most people in this country cannot afford to run for the Senate. That is how our democracy in this country is, in fact, distorted. We do not have a true representation in the so-called upper body of America because too many people cannot even begin to think about running for office in this country.

Last time I ran in the State of Massachusetts, the Governor of the State, a Republican, joined with me in putting a limit on what we would spend. We voluntarily agreed to no independent expenditures. We voluntarily agreed to no soft money. We voluntarily agreed on a total limit of how much we would spend in our campaign on the ground and in the media.

The result of that was, we had nine 1-hour televised debates. And in the course of those nine 1-hour televised debates—in the course of all the free media—the people in the State were able to hear a debate about Social Security, a debate about Medicare, a debate about health care, a debate about the economy; and they ultimately made a decision.

I say to my colleagues, I warrant that 95 percent or 100 percent of the dollars we spent on paid advertising—which were equal amounts—was a complete wash, a mishmash that ultimately did not affect the outcome.

We are hocking the Congress of the United States to our fundraising efforts in order to be able to run paid advertisements that result, generally speaking, in a clouding of the issues, not a shedding of light to people about what these issues are really about.

The only way to stop having Americans ask about the influence of money is to adopt the greatest division between us and the influence of the money. And that will come through some form of public financing.

I will be speaking more about this in the next few days. I will be offering an amendment to this bill that tries to go further than what we currently have on the table. I know the reason Senators McCAIN and FEINGOLD have settled where they are is because this is the best chance we have for the votes we have today. But that does not mean the

Senate should not be called on to debate and vote on an issue that ultimately will be the only way out of this morass that we find ourselves in.

I think my time has expired.

The PRESIDING OFFICER (Ms. STABENOW). The Senator's time has expired.

Mr. KERRY. I thank the Chair and hope my colleagues will support this voluntary opportunity that the Senator from Minnesota offers.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Madam President, do we have, all together, 10 minutes remaining?

The PRESIDING OFFICER. There is a total of 20 minutes preceding the vote. The Senator from Minnesota has 5 minutes remaining, and the Senator from New Jersey has 5 minutes.

Mr. WELLSTONE. I say to my colleague from Massachusetts, if he would like, I will yield an additional 5 minutes to him. I will reserve the final 5 minutes. We are in complete agreement. He is making a very strong statement for clean money, clean elections.

Mr. REID. Madam President, if the Senator will yield, the Senator from New Jersey is on his way. He has 5 minutes. The Senator from Minnesota has 5 minutes. The rest is under the control of the Senator from Kentucky. That was the understanding we had.

Mr. WELLSTONE. I am sorry, I was under the impression that the Senator from New Jersey would not be able to make it at all.

Mr. REID. He is on his way.

Mr. WELLSTONE. I will take my time now. This is a joint effort. There are a number of different Senators who are part of this: Senator CANTWELL worked very hard on this, Senator KERRY; Senator BIDEN is an original cosponsor; Senator CORZINE is an original cosponsor; Senator CLINTON is an original cosponsor. There are other Senators as well.

My colleague from Kentucky has made the argument before—in fact, I remember debating him on MacNeil, Lehrer that public financing, a clean money, clean election bill, which Senator Kerry and I have written, would amount to "food stamps for politicians." The problem with that argument is that it presupposes that the election belongs to the politicians. The election belongs to the people we represent.

I argue that McCain-Feingold is a step in the right direction, but if we want to have a system that gets out a lot of the big money, brings people back in, is not so wired for incumbents, and assures that we have a functioning representative democracy where we do live up to the goal of each person counting as one, and no more than one, frankly, clean money, clean elections is the direction in which to go, as has already been accomplished by a number of States. Maine, Vermont, Massachusetts, and Arizona have led the way, but there are about 24 States in the country that have some system of public or partial financing.

We are not voting today for clean money, clean elections. We are just voting on the following proposition: Will we vote to allow our States, the people in our States and their elected representatives, the right to decide whether or not a system of voluntary partial or full public financing should be applied to U.S. House and Senate races. Why don't we allow the people in our States the chance to make that decision?

This is a Brandeis amendment. States are the laboratories of reform. For Senators who say they want States to decide on the most fundamental core issue of all, which has to do with representation, let them decide. If they don't want to adopt such a system, they won't, but let them decide.

Secondly, by doing that, we will nurture and provoke a wave of grassroots citizen involvement because people will realize that at their State level not only can they adopt clean money, clean elections that affect State races, but they can do it so that it will affect our races.

This is simply an amendment that says: Let the States, our States, make the decision whether they want to adopt such a voluntary system of partial or full public financing or clean money, clean elections.

Senator CORZINE and Senator BIDEN are on the floor. I yield the final 6 or 7 minutes equally divided between the two of them. I yield 3 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Minnesota has used his 5 minutes.

The Senator from Delaware.

Mr. BIDEN. Madam President, I thank my colleague from Minnesota, Senator WELLSTONE, for bringing this amendment to the Senate, and I am pleased to join him in this effort to finally break the ice on getting rid of special interest money in our campaigns—once and for all.

He and I have been at this for a long time, a very long time. And while I support the McCain-Feingold bill, we have to remember that it only addresses a portion of the problems we have.

Indeed, the effort to secure real reform of the way we finance political campaigns has been a central concern of my entire Senate career, almost three decades. In fact, the first Committee testimony I ever gave as a U.S. Senator, back in 1973, was to speak in favor of public financing and spending limits for campaigns.

And if you think campaign finance reform is a tough issue today, let me tell you, as some of my colleagues well remember, it was truly unpopular then.

As I continued to push for public funding of campaigns in 1974, my goal was to get rid of special interest money—money that pollutes the system and drowns out the voices of ordinary persons. Special interest money has a tendency to influence anyone running for public office, or at a minimum, casts that impression that elected officials are beholden to someone other than the American people.

Public financing also helps to level the financial playing field for challengers taking on well established incumbents who had virtually all of the fund-raising muscle.

But again, I encountered a lot of opposition, from colleagues on both sides of the aisle. A story I know I have told before: One senior Senator pulled me aside in the cloakroom, and told me that he had worked hard and earned his seniority, and he was not going to open the door for some challenger to be able to raise as much money as he could. He basically asked me—I expect when he would tell the story, he didn't ask me, he told me—to stop what I was doing.

In that same year, 1974, I wrote an article for the Northwestern University Law Review, outlining the three principal reasons that I was pursuing campaign finance reform. First, a political process that relied totally on private contributions allowed for, at the very least, the potential of wealthy individuals and special interest groups exercising a disproportionate influence over the system.

Second, such a process meant that wealthy candidates had an almost insurmountable advantage. And third, incumbents had an equally daunting advantage; the system virtually locked them into office.

We did make some progress in 1974, largely because of documented abuses in the 1972 presidential campaign, with the passage of Amendments to the Federal Election Campaign Act of 1971, known as the FECA. The 1974 amendments, which I supported, established the Federal Election Commission to help ensure proper enforcement of campaign laws, and also set the now familiar federal campaign contribution limits of $1,000 for individuals and $5,000 for political action committees.

The amendments further established campaign spending limits and expanded public financing for presidential campaigns.

Not unexpectedly, the constitutionality of the 1974 amendments was challenged almost immediately, and the Supreme Court decided the issue in its 1976 landmark ruling, Buckley v. Valeo.

The Court upheld the law's contribution limits, but overturned the limits on expenditures as a too severe restriction of political speech. The Court did leave open, however, the possibility of spending limits for publicly financed campaigns—which, so far, despite my best efforts, has been limited to presidential campaigns—because the candidates could disregard the limits if they rejected the public funds.

There were additional issues in the case, not directly related to campaign financing, including a separation of powers question regarding how Commissioners to the FEC were appointed.

In response to the Court's decision, Congress enacted additional amendments to the FECA in 1976, which again, I supported. One amendment repealed the spending limits except for publicly financed campaigns; another addressed the FEC appointment procedures; and another restricted and regulated PAC fund-raising. I also supported a third round of refining FECA amendments, which passed in 1979.

In addition to those successes in the 1970s, there were also frustrations. In 1977, I introduced legislation to prohibit the personal use of excess campaign funds by defeated candidates, by retired or resigned Federal office holders, or by the survivors of a deceased office holder. The bill was debated on the floor, but ultimately failed.

The greater frustrations of the late 1970s and early 1980s were, first, that partisan stalemate kept us from making additional progress, and second, that despite our efforts with the FECA amendments, individual campaigns and political parties were bypassing the laws by taking advantage of loopholes in the regulatory language and system.

We finally broke the stalemate on reform legislation in the Senate, and on narrowing one of the biggest loopholes, by delineating more specific guidelines for the use of political action committees, or PACs, when we passed the Boren-Goldwater amendment in 1986, legislation I was proud to cosponsor. This would have reduced PAC contributions and put a total limit on the amount of PAC money a candidate could accept.

But the celebration was short-lived, and progress on campaign finance reform stalled again, despite our continuing efforts to give it a legislative jump start.

With my colleagues, Senator KERRY from Massachusetts and then-Senator Bradley from New Jersey, I offered public campaign financing bills in the 101st, the 102nd and the 103rd Congresses.

Others among our colleagues were equally persistent during this era, perhaps most notably, Senators Boren and Mitchell, Senator Danforth and Senator HOLLINGS, who has proposed a constitutional amendment to allow Congress to pass legislation setting mandatory limits on contributions and expenditures for federal campaigns. I have supported that proposal in the past, as well as other reforms suggested by the distinguished Senator from South Carolina and other colleagues.

We did manage to pass several significant pieces of legislation through the Senate, only to have the process stalled again in the conference process. And as I know many of my colleagues will remember, we even managed to get a pretty good bill out of conference and through both Houses, in 1992—a bill that included voluntary spending limits in congressional campaigns, in exchange for certain public funding benefits, as well as restrictions on PAC receipts and soft money.

But the legislation was vetoed by President George H.W. Bush, and our Senate override vote failed by 57–42.

When we resubmitted the legislation the following year, with Senator Boren again as the lead sponsor and with President Clinton's support and, indeed, some additional provisions proposed by the White House, the Congressional Campaign Spending Limit and Election Reform Act again got pretty far.

Just as I had done 20 years before, I testified before the Senate Rules Committee, arguing for public financing as the only road to true campaign finance reform. The bill, with one major compromise amendment, passed the Senate 60–38, but a compromise with the House proved more difficult, and our debate ended with a filibuster against appointing conferees.

The 104th Congress saw a famous handshake between President Clinton and the Speaker of the House, Mr. Gingrich, signaling their "agreement in principle" to pursue campaign finance reform. And the two major sweeping reform bills, which continue to dominate our debates today, were born McCain-Feingold in the Senate, and Smith-Meehan-Shays, now known as Shays-Meehan, in the House.

Then in 1997, I again partnered with Senator KERRY, as well as Senators WELLSTONE, Glenn and LEAHY, to introduce the Clean Money, Clean Elections Act.

That proposal would have wiped private money out of the campaign system almost entirely, by greatly reducing the limit on individual contributions and imposing an additional limit for each state. Candidates would have received public funds and free media time, calculated by State size.

Unfortunately, as with so many other proposals directed toward public financing for congressional campaigns, we got no further than a referral to committee.

In recounting this history, I do not mean to sound downtrodden or discouraged.

We have made progress through congressional action—with the FECA amendments and since 1979, the elimination of honoraria and the "grandfather clause" on the personal use of excess campaign funds, the National Voter Registration Act and the increase in the tax return checkoff for the Presidential Election Campaign Fund from $1 to $3.

The 106th Congress saw no fewer than 85 campaign finance reform bills introduced, 24 of them in the Senate, including the McCain-Feingold bill that we are debating today, as well as the Hagel-Kerrey bill on which hearings were held last spring.

While none of the sweeping reform proposals made it through the last Congress, we did take a small but important step, enacting a proposal initially offered by Senator LIEBERMAN and later incorporated into an amendment he sponsored with Senators McCain and Feingold.

The legislation, which in virtually identical form to McCain-Feingold-Lieberman was signed into law by President Clinton last July, addressed the problem of so-called "stealth PACs," operating under section 527 of the tax code.

Such organizations claimed tax exempt status, but at the same time also claimed exemption from regulation under the FECA. That meant these stealth PACs could try to influence political campaigns with undisclosed and unregulated contributions, all tax free. The new law closes that loophole, requiring 527 organizations to adhere to appropriate regulatory and disclosure requirements. Again, an important step.

And I hope it is a step that gives us momentum to make further progress in the 107th Congress. My own legislative initiatives, throughout my career, have focused on public financing of federal campaigns, and I continue to believe that it is truest course to reform.

But I have been in the past, and will be in our deliberations now, willing and eager to support other brands of reform that offer responsible regulation and close what can, at times, seem like an endless chain of newly exploited loopholes in existing law.

Our goal, whatever proposal is at issue, must be to uphold the public trust and to secure public confidence in the integrity of our election process. We are not entitled to that confidence; we have to earn it.

That is no small task, especially having just emerged from an election that was not only contentious but expensive—the total amount raised just by the two national parties was close to $1.2 billion, a $300 million increase from the 1996 election cycle.

And half of that $1.2 billion was so-called "soft money," raised and spent beyond the reach of federal regulation, although certainly with the intent of influencing some Federal elections. As the amounts and creative uses of soft money have grown, we must give the issue the serious consideration it merits, as, I might add, McCain-Feingold does, with its outright ban on soft money raising and spending in Federal races.

In the past, as I've attempted to summarize today, we have made some progress, but time and time again, we have stopped short of how far we need to go on campaign finance reform.

The amendment offered by Senator WELLSTONE today gives us at least a chance, for Senate races in some States, to discard the influences of special interests.

Public financing allows candidates to compete on an equal footing where the merits of their ideas outweigh the size of their pocketbook. It frees members from the corroding dependence on personal or family fortune or the gifts of special interest backers. It ends the need for perpetual fundraising by elected officials.

But above all else, it helps restore the American people's faith in our democracy.

The truth is that campaigns are financed by people, and when they are financed by all the people—not just a small percentage—they will create much better government and will do the one thing that most needs to be done at this time, and that is to begin to restore public confidence in the system. Either all of America decides who runs for office, or only a few people. It's as simple as that.

And if we cannot pass this at the Federal level, let's at least give the States the chance to do it, as Senator WELLSTONE is proposing. The fact is, the States have been leading the way when it comes to public financing.

My home State is now considering such a proposal. If candidates can agree to spending limits, and choose public financing over special interest money, we should not stand in the way of allowing a state to pursue an avenue of reform that we are reluctant to take here in Washington.

Public financing is the true, comprehensive way to reform. While I would prefer to enact public financing at the federal level, I nevertheless support my colleague's effort to restore faith in our electoral process by giving States the go ahead.

Madam President, I don't understand what my friend from Kentucky gets so worried about. I know he disagrees with guys like me and the Senator from Massachusetts about public financing of elections, which I think is the only way we ever clean this up.

This is a simple yet important amendment. All we are saying is, if your State decides it wants to put in a financing system and if both candidates running for office or three candidates running for that office agree to abide by it, then what is the big deal? I find it so fascinating that by and large my Republican friends talk about States rights so much. They are such great champions of States rights. They would love the Environmental Protection Agency to be subservient to the States. They think the 11th amendment means something the Supreme Court, unfortunately, has decided it means. The States are the repository of wisdom to my friends on the other side of the aisle, by and large.

We are not going to even allow the States, if they choose, to set up a financing system for elections if all the candidates voluntarily agree. If they don't voluntarily agree, they can't do it constitutionally, in my view. Here we are with even this modest attempt.

What we are afraid of on this floor is the public one day waking up and saying: Hey, the emperor has no clothes; this has been a big sham. Gosh, look at this, I didn't realize this.

All they know now is generically they don't like the way we do business. All they know now is generically there is too much money involved in politics. In their home States, if they like the idea of too much money continuing to be involved in politics, so be it; they can decide that. But if they decide that there is a way to get the big money out and a way to make sure every single voter in the State has the same say as any wealthy person, then they might do this.

This is so modest, it is almost embarrassing to have to argue for its passage. It is the single most insightful way to understand why what we are doing doesn't mean much.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from New Jersey.

Mr. CORZINE. Madam President, I rise today in strong support of the Wellstone-Cantwell States' Rights amendment. I am proud to be a cosponsor of this amendment which will allow States to attempt innovative approaches to campaign finance reform on their own initiative.

The McCain-Feingold reform bill goes a long way towards reforming the campaign system. This amendment allows States to go even further. It would allow States to use money from their own treasuries, to ensure that campaigns are funded with clean money. Money that is free from the taint of special interest.

As you well know, States have historically acted as engines of reform. Some States, including New Jersey, have adopted strong public financing systems allowing candidates a level playing field when seeking statewide office. However, when it comes to campaigns for Federal office, these States hands are tied. According to the Federal Election Campaign Act, Federal candidates are not allowed to take part in those financing systems.

This amendment is remarkably simple. It allows States to extend to Federal candidates public funding solutions already available to candidates seeking State office.

The fundamental reason McCain-Feingold is important is that it holds the promise to reduce the amount of dirty money in the campaign process, to reduce any appearance of impropriety on the part of representatives elected to do the people's work. Some States have already realized that public financing is the necessary next step in the equation, that public money is clean money. However, states find themselves restrained in enacting a solution.

This amendment will not cost the U.S. Government a penny. It does not mandate public financing in any way. In fact, the United States already provides public support for candidates seeking the presidency. And this amendment does not propose to extend the same financing to all Federal candidates. Rather it allows States the freedom to offer public financing and a more level playing field for candidates seeking Federal office. Do we allow States the freedom to determine the format of their own campaign finance systems? Or do we allow reform to end with McCain-Feingold, to end with the Congress?

New Jersey has an excellent public financing system for gubernatorial candidates. Allowing the State to extend this system to include Federal candidates holds a great deal of promise. In New Jersey, candidates seeking public financing agree to a funding cap that keeps pace with inflation. Then, for every dollar raised by the candidate, the State matches him with two. When all is said and done, the candidate has to do one-third of the fundraising. Imagine all the additional time you could spend engaging with voters about the issues that affect their lives as opposed to overburdened with fundraising responsibilities. Politicians can spend less time on the fundraising circuit and more time on the campaign trail. The Democratic candidate for governor, Mayor James McGreevey, stopped fundraising for the June primary in January.

This amendment will allow States like New Jersey to pick up where McCain-Feingold leaves off. It allows State governments to create a truly level playing field in the States and serve as examples to the Nation of realistic and forward-looking approaches to campaign finance reform. I strongly urge my colleagues to vote for this amendment.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Madam President, about the only thing more unpopular than taxpayer funding of elections would be a congressional pay raise. The American people hate, detest, and despise the notion that their tax dollars would be used to fund political campaigns. We have the biggest survey in the history of America on this very subject taken every April 15 when Americans have an opportunity on their income tax returns to check off $3 of taxes they already owe to divert into the Presidential election campaign fund.

This is not an add-on to their tax burden. This is $3 in taxes they already owe. They have an option to divert that away from children's nutrition programs, or the national defense, or whatever might be considered worthwhile, into a fund that has been maintained since 1976, to pay for the campaigns for President of the United States and to buy buttons and balloons for the national conventions.

So we have this massive survey every April 15 in which Americans get to vote on this very issue. The high water mark of American participation in the Presidential checkoff was 28.7 percent. That was in 1980—about 20 years ago. At that time, the high water mark, 28.7 percent, of Americans were willing to divert $1 of the taxes they already owed into this fund. It has been consistently tracking down over the years to a point where about 10 years ago the Congress changed the dollar checkoff to $3, so fewer and fewer people could divert greater and greater amounts of money to try to make up for the shortfall that was occurring because of lack of participation, lack of interest, and opposition to the Presidential publicly funded elections.

In the 2000 campaign just completed, the 2000 Presidential primary, candidates were only able to receive a percentage of the matching funds they were due that year, even with three of the Republican candidates—Governor Bush, Steve Forbes, and Senator HATCH—not accepting taxpayer funds. So they have had a problem, even with the $3 checkoff, dealing with keeping this fund adequately up to snuff.

Now the other thing worthy of notice is, even if a State were to set up taxpayer funding of the election system, they could not constitutionally deny this money to fringe and crackpot candidates. It is worth noting that over the history of the taxpayer-funded system for Presidential elections that began a quarter century ago, taxpayers ponied up more than $1 billion overall, and $40 million of it has gone to candidates such as Lyndon LaRouche and Lenora Fulani. Larouche got taxpayer money while he was still in jail.

It is important for my colleagues to understand that even if a State, with concurrence of the candidates for Congress, decided to set up a taxpayer-funded scheme for the election for the Senate in that particular State, there would be no way, constitutionally, to restrict those funds to just the candidates of the Republican Party and the Democratic Party. So you would have an opportunity all across America to replicate the system we have had in the Presidential system, where fringe and crackpot candidates get money from the Treasury to pay for their campaigns for office.

I think this is really an issue that greatly separates many Senators philosophically, as to whether or not reaching into the Treasury—whether the Federal or State treasury—and providing subsidies for political candidates is a good idea. We used to call it food stamps for politicians. In the early nineties, it was called vouchers. Candidates were going to get taxpayer-paid vouchers for campaigns—food stamps for politicians, for goodness' sake. Can you imagine how the American people would feel about such an absurd idea?

So I certainly hope the Senate will not go on record as giving to the States the option to squander tax dollars in such an absurd way. I have some optimism about the bill we are currently debating, the McCain-Feingold bill, and I am authorized by Senator MCCAIN to indicate that he intends to oppose this amendment. He doesn't think it would add to the underlying bill and go in the direction he would like.

So this is one of those rare occasions upon which Senator McCain and I will agree on an amendment, and we hope the overwhelming majority of the Senate will agree that authorizing the use of tax dollars for political campaigns is a uniquely bad idea—and already tried. We have had a 25-year experiment that has wasted over a billion dollars of taxpayer dollars and funded fringe candidates, including those in jail, and to replicate that in any of our States, it seems to me, is a very bad idea.

I hope Members of the Senate will oppose this amendment which will be voted upon shortly.

Are there any other Members who wish to speak?

Mr. WELLSTONE. Madam President, do we have any time left?

The PRESIDING OFFICER. The Senator has consumed all of his time.

Mr. WELLSTONE. All right.

The PRESIDING OFFICER. There are 2½ minutes before the vote.

Mr. MCCONNELL. I am prepared to yield back the remainder of my time. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. MCCONNELL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment of the Senator from Minnesota.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 36, nays 64, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—36

Akaka
Bayh
Biden
Bingaman
Boxer
Cantwell
Carper
Cleland
Clinton
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Levin
Lieberman
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Stabenow
Torricelli
Wellstone
Wyden

NAYS—64

Allard
Allen
Baucus
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Carnahan
Chafee
Cochran
Collins
Conrad
Craig
Crapo
DeWine
Domenici
Dorgan
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kohl
Kyl
Landrieu
Leahy
Lincoln
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The amendment (No. 123) was rejected.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky.

AMENDMENT NO. 134

Mr. MCCONNELL. The next amendment is now the Hatch amendment, and I see the Senator from Utah is on the floor. I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The senior assistant bill clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 134.

Mr. HATCH. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike section 304 and add a provision to require disclosure to and consent by shareholders and members regarding use of funds for political activities)

Beginning on page 35, strike line 8 and all that follows through page 37, line 14, and insert the following:

SEC. 304. DISCLOSURE OF AND CONSENT FOR DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 304 the following:

"SEC. 304A. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

"(a) DISCLOSURE.—Any corporation or labor organization (including a separate segregated fund established and maintained by such entity) that makes a disbursement for political activity or a contribution or expenditure during an election cycle shall submit a written report for such cycle—

"(1) in the case of a corporation, to each of its shareholders; and

"(2) in the case of a labor organization, to each employee within the labor organization's bargaining unit or units;

disclosing the portion of the labor organization's income from dues, fees, and assessments or the corporation's funds that was expended directly or indirectly for political activities, contributions, and expenditures during such election cycle.

"(b) CONSENT.—

"(1) PROHIBITION.—Except with the separate, prior, written, voluntary authorization of a stockholder, in the case of a corporation, or an employee within the labor organization's bargaining unit or units in the case of a labor organization, it shall be unlawful—

"(A) for any corporation described in this section to use funds from its general treasury for the purpose of political activities; or

"(B) for any labor organization described in this section to collect from or assess such employee any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activities.

"(2) EFFECT OF AUTHORIZATION.—An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time.

"(c) CONTENTS.—

"(1) IN GENERAL.—The report submitted under subsection (a) shall disclose information regarding the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council, and each affiliate of the labor organization and information on funds of a corporation spent by each subsidiary of such corporation showing the amount of dues, fees, and assessments or corporate funds disbursed in the following categories:

"(A) Direct activities, such as cash contributions to candidates and committees of political parties.

"(B) Internal and external communications relating to specific candidates, political causes, and committees of political parties.

"(C) Internal disbursements by the labor organization or corporation to maintain, operate, and solicit contributions for a separate segregated fund.

"(D) Voter registration drives, State and precinct organizing on behalf of candidates and committees of political parties, and get-out-the-vote campaigns.

"(2) IDENTIFY CANDIDATE OR CAUSE.—For each of the categories of information described in a subparagraph of paragraph (1), the report shall identify the candidate for public office on whose behalf disbursements were made or the political cause or purpose for which the disbursements were made.

"(3) CONTRIBUTIONS AND EXPENDITURES.—The report under subsection (a) shall also list all contributions or expenditures made by separated segregated funds established and maintained by each labor organization or corporation.

"(d) TIME TO MAKE REPORTS.—A report required under subsection (a) shall be submitted not later than January 30 of the year beginning after the end of the election cycle that is the subject of the report.

"(e) DEFINITIONS.—In this section:

"(1) ELECTION CYCLE.—The term 'election cycle' means, with respect to an election, the period beginning on the day after the date of the previous general election for Federal office and ending on the date of the next general election for Federal office.

"(2) POLITICAL ACTIVITY.—The term 'political activity' means—

"(A) voter registration activity;

"(B) voter identification or get-out-the-vote activity;

"(C) a public communication that refers to a clearly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate for Federal office; and

"(D) disbursements for television or radio broadcast time, print advertising, or polling for political activities."

Mr. HATCH. Madam President, I rise today to say a few words on the task at hand, namely reforming our campaign finance laws and doing it within the contours of the First Amendment of our Constitution. I fully appreciate that the issue of campaign finance is of growing concern to the American electorate and has already played an important role in the recent election. And I commend my colleagues, Senators MCCAIN and FEINGOLD for their bold leadership in an effort to address the public perception that our political system may be corrupt. At this time, I will simply explain the limitations we all face in this endeavor. Limitations imposed by the cherished First Amendment of our constitution. During the course of the coming days, I will more specifically address the underlying legislation, and where in my analysis of the law it falls short of meeting minimal constitutional requirements. There are some bright lines drawn by the Supreme Court on this issue and I will get to that.

The Founders of our country certainly understood the link between free elections and liberty. Representative government—with the consent of the people registered in periodic elections—was—to these prescient leaders of the new nation—the primary protection of natural or fundamental rights. As Thomas Jefferson put it in the Declaration of Independence, to secure rights "Governments are instituted among Men" and must derive "their just Powers from the Consent of the Governed."

That freedom of speech and press was considered by Madison to be vital in assuring that the electorate receives accurate information about political candidates was demonstrated by his vehement arguments against the Alien and Sedition Acts in 1800. The Sedition Act, of course, in effect, made it a crime to criticize government or government officials. Its passage was a black mark on our history.

Although the exact meaning or parameters of the First Amendment are not clear, a thorough reading of Supreme Court jurisprudence provides constructive guides for us in Congress.

Political speech is necessarily intertwined with electoral speech, particularly the right of the people in election cycles to criticize or support their government. Indeed, the form of government established by the Constitution is uniquely intertwined with freedom of speech. The very structure of the Constitution itself establishes a representative democracy, which many observers, including myself, find to be a form of government that would be meaningless without freedom to discuss government and its policies.

To get to the heart of the matter being discussed today, I want to turn to the seminal Supreme Court case of Buckley v. Valeo.

In short, Buckley and its progeny stand for the following propositions: (1) money is speech; that is, electoral contributions and expenditures are entitled to First Amendment protection; (2) contributions are entitled to less protection than expenditures because they create the appearance of corruption or quid pro quos; (3) express advocacy is entitled to less deference than issue advocacy; (4) corporate donations and corporate express advocacy expenditures may be restricted; (5) political party independent expenditures may not be restricted at least if not connected to a campaign; and (6) restrictions on soft money are probably unconstitutional because soft money does not create the same problem of corruption from quid pro quos that contributions bring. I will explain these further.

To understand why certain recent campaign finance reform measures, such as the well-intentioned McCain-Feingold bill, infringe on free speech and free elections, it is necessary to survey the Supreme Court's decisions on campaign finance reform and the problems it brings to free speech. The granddaddy of these cases is *Buckley* v. *Valeo*, 424 U.S. 1 (1976). Buckley established the free speech paradigm in which to weigh the competing campaign reform proposals.

As my colleagues know well, two decades ago, in the wake of the Watergate scandal, Congress passed the Federal Election Campaign Act, or FECA. The Act imposed a comprehensive scheme of limitations on the amount of money that can be given and spent in political campaigns. FECA capped contributions made to candidates and their campaigns, as well as expenditures made to effect public issues, including those that arise in a campaign. The Act also required public disclosure of money raised and spent in federal elections.

The Supreme Court in Buckley upheld against a First Amendment challenge the limitation on contributions but not the limitations on expenditures. The Court reasoned that contributions implicated only limited free speech interests because contributions merely facilitated the speech of others, i.e., candidates. Crucial to the Court's analysis was its belief that limiting contributions was a legitimate governmental interest in preventing "corruption" or the "appearance of corruption" because such limitations would help prevent any single donor from gaining a disproportionate influence with the elected official—the so-called "quid pro quo" effect. A similar interest justified mandatory public disclosure of political contributions above minimal amounts.

But Buckley reasoned that expenditures of money by the candidate or others outside the campaign did not implicate the same governmental interests because expenditures relate directly to free speech and are less likely to exert a quid pro quo. Therefore, to the Court, limitations on expenditures could not be justified on any anti-corruption rationale. Nor could they be justified by a theory—popular in radical circles—that limitations on expenditures, particularly on the wealthy or powerful, equalize relative speaking power and ensure that the voices of the masses will be heard.

The Court viewed such governmental attempts at balance as an abomination to free speech and held that this justification for restraints on expenditures was "wholly foreign to the First Amendment." It seems to me that such "balance" is, in reality, a form of suppression of certain viewpoints, a position that flies in the face of Justice Holmes' notion that the First Amendment prohibits suppression of ideas because truth can only be determined in the "marketplace" of competing ideas.

Significantly, the Supreme Court in Buckley held that any campaign finance limitations apply only to "communications that in express terms advocate the election or defeat of a clearly identified candidate for federal office." As we have heard before, a footnote to the opinion elaborated on what has later been termed "express advocacy." To the Court, communications that fall under FECA's purview must contain "magic words" like "vote for" or "elect" or "support" or "Smith for Congress" or "vote against" or "defeat" or "reject." Communications without these electoral advocacy terms have subsequently almost always been classified by courts as "issue advocacy" entitled to full First Amendment strict scrutiny protection.

One important underpinning of the Buckley Court's view of the relationship between the freedom of speech and elections is that money equates with speech. The Court in a fit of pragmatism recognized that effective speech requires money in the market place to compete.

But beyond looking at the purpose of campaign finance laws, it is clear that restrictions on political spending have the result of limiting the amount and effectiveness of speech. Let me borrow Professor Sullivan's example of a law restricting the retail price of a book to no more than twenty dollars. To Justice Steven such a law is about money and not about a particular book. But does not such a law limit the amount and effectiveness of speech because it creates a disincentive to write and publish such books. The Supreme Court has, as Professor Sullivan pointed out, repeatedly held that financial disincentives to specific content-based speech, just as much as direct prohibitions on such speech, trigger strict First Amendment review.

And I must emphasize that restrictions on campaign contributions and expenditures cannot be justified as content neutral regulation. The Buckley Court rejected the example given by defenders of the regulations at hand that spending and contribution limits are similar to limiting the decibel level on a sound truck and do not stop the truck from broadcasting. The Court rejected that analogy because, to the Court, decibel limits aim at protecting the eardrums of the closest listener, not at preventing the sound truck from reaching a larger audience. To the Court, unlike decibel limits, limits on campaign expenditures and contributions do restrict the communicative effectiveness of speech. The Court was right.

Buckley's other key underpinning is its "strict scrutiny" justification of the restrictions on direct contributions to campaigns as needed to combat "corruption" and the "appearance of corruption"—in other words "quid pro quo" exchanges. This has been criticized by the congressional reformers not as over-inclusive, but ironically as under-inclusive. I believe the underlying bill goes much further than Buckley.

If Buckley v. Valeo established the skeleton of First Amendment protection of the electoral process from onerous regulation, Buckley's progeny filled in the flesh. Let me mention a few of the main cases.

In First National Bank v. Bellotti, decided in 1978, the Supreme Court reaffirmed its view in Buckley that expenditures for issues are directly related to expression of political ideas and are, thus, on a higher plane of constitutional values requiring the strictest of scrutiny. Bellotti found a Massachusetts law that prohibited "corporations from making contributions or expenditures for the purpose of . . . influencing or affecting the vote on any question submitted to the voters" unconstitutional because it infringed both (1) the First Amendment right of the corporations to engage in issue advocacy and, (2) the First Amendment right of citizens to "public access to discussion, debate, and the dissemination of information and ideas."

Bellotti did not involve restrictions on corporate donations to candidates. The Court distinguished between portions of the law "prohibiting or limiting corporate contributions to political candidates or committees, or other means of influencing candidate elections"—which were not challenged—and provisions "prohibiting contributions and expenditures for the purpose of influencing . . . questions submitted to voters," i.e., issue advocacy. The Court explained that the concern that justified the former "was the problem of corruption of elected representatives through creation of political debts" and that the latter "presents no comparable problem" because it involved contributions and expenditures that would be used for issue advocacy rather than communication that expressly advocate the election or defeat of a candidate.

In Citizens Against Rent Control/Coalition for Fair Housing v. Berkeley, the Court once again gave full panoply of protection to expenditures linked to communication of ideas. In this case the Court invalidated a city ordinance that limited to $250 contributions to committees formed solely to support or oppose ballot measures submitted to popular vote. The Court held that it is an impairment of freedom of expression to place limits on contributions which in turn directly limit expenditures used to communicate political ideas, without a showing of the "corruption" element laid out in Buckley.

In Federal Election Commission v. National Conservative Political Action Committee, the Court once again relied on Buckley's distinction between expenditures and contributions, with the former receiving full first amendment protection. The Court invalidated a section of the Presidential Election Campaign Fund Act which made it a criminal offense for an independent political committee or PAC to spend more than $1000 to further the election of a Presidential candidate who elects to receive public funding. The Court held that the PAC's independent expenditures were constitutionally protected because they "produce speech at the core of the first amendment."

One year later, in Federal Election Commission v. Massachusetts Citizens for Life, Inc., decided in 1986, the Supreme Court clarified the distinction between issue and express advocacy, holding that an expenditure must constitute express advocacy in order to be subject to FECA's prohibition against the use of corporate treasury funds to make an expenditure "in connection with" any Federal election. In this case, the Court held that a publication urging voters to vote for "pro-life" candidates, that the publication identified, fell into the category of express advocacy. But the Court refused to apply FECA's prohibition in this case to MCFL—Massachusetts Citizens for

Life, Inc.—because the organization was not a business organization. The Court noted that "[g]roups such as MCFL . . . do not pose . . . danger of corruption. MCFL was formed to disseminate political ideas, not to amass capital."

Just 5 years ago, the Supreme Court, in Colorado Republican Federal Campaign Committee v. FEC addressed the issue of whether party "hard money" used to purchase an advertising campaign attacking the other party's likely candidate, but uncoordinated with its own party's nominee's campaign, fell within FECA's restrictions on party expenditures. A fractured Court agreed that applying FECA's restriction to the expenditures in question violated the first amendment.

A plurality of the Court—Justices Breyer, O'Connor, and Souter—based their holding on the theory that the expenditure at hand had to be treated as an independent expenditure entitled to first amendment protection, not as a "coordinated" expenditure or express advocacy, which may be restricted. It is significant to note that Justice Thomas, joined by Chief Justice Rehnquist and Justice Scalia, concurred in the judgment, but would abolish Buckley's distinction between protected expenditures and unprotected contributions, believing that both implicated core expression central to the first amendment.

As a plurality of the Court noted, because any soft money used to fund a Federal campaign must comport with the contribution limits already in place, soft money does not result in the actuality or the appearance of quid pro quo "corruption" warranting intrusions on core free speech protected by the first amendment. In any event, it is my view that such soft money activities such as voter registration drives, voter identification, and get-out-the-vote drives, as well as communication with voters that do not fall within express advocacy, are protected by the first amendment's freedom of association—the right to freely associate with a party, union, or association—as well as by free speech.

Finally, there is the very recent case of Nixon, just last year. I remember that when this case was decided, proponents of so-called campaign finance reform gloated that this case supported their positions. In my view, all the case did was extend Buckley's restrictions on contributions to State campaign finance laws. The Court rejected a challenge to Missouri's contribution restriction as too limited because it did not take into account inflation. The Court held that Buckley demonstrated the dangers of corruption stemming from contributions and that there was sufficient evidence in the record to support the conclusion that Missouri's campaign contribution limit addressed the appearance of corruption. The case did not address the issues of independent expenditures, issue advocacy, or soft money expenditures.

As I noted at the outset, Buckley and its progeny stand for the following propositions: No. 1, money is speech; that is, electoral contributions and expenditures are entitled to first amendment protection; No. 2, contributions are entitled to less protection than expenditures because they create the appearance of corruption or quid pro quos; No. 3, express advocacy is entitled to less deference than issue advocacy; No. 4, corporate donations and corporate express advocacy expenditures may be restricted; No. 5, political party independent expenditures may not be restricted at least if not connected to a campaign; and, No. 6, restrictions on soft money are probably unconstitutional because soft money does not create the same problem of corruption from quid pro quos that contributions bring.

I am concerned that the practical result of the limitation on contributions is that candidates must seek contributions from a larger set of donors. This means that candidates are spending a greater amount of time raising money than would otherwise be the case. This is aggravated by the need for a lot of money in general to compete in American elections, given our large electoral districts, statewide elections, and weak political parties, which require candidates to fund direct communications to the electorate. The rising costs of elections are further aggravated by the rising importance of expensive television advertising and the use of political consultants, with their reliance on polling and focus groups. Elections have become a money chase.

Ironically, this is the major complaint of the reformers. Their initial FECA reforms have caused the problems they are now complaining about. First, PAC money, and now soft money, are the result of limitations on contributions. Let's not kid ourselves. Like pressurized gas, money will always find a crevice of escape. In other words, money will always find a loophole. All that the FECA and courts have accomplished is to encourage the substitution of contributions to candidates for contributions and expenditures made to and by organizations such as political parties or advocacy groups. These organizations are less accountable to the voter. The net result is the growth of yet another huge government bureaucracy to police an inherently unworkable scheme.

Furthermore, if one believes, as I do, the efficacy of Justice Holmes' free speech model of a "marketplace of competing ideas," it is impermissible to drown out or even ban corporate speech or the speech of the wealthy, as some advocate. If the remedy for "bad" speech is not censorship, but "more" speech, then the remedy for corporate speech is likewise not censorship, but more noncorporate speech.

It should be obvious that in the electoral sphere the wealthy and powerful have no monopoly over speech. This is not analogous to Turner Broadcasting System, Inc. v. FCC, where the Court in part upheld the congressional requirement that cable operators carry a certain percentage of local broadcasting of local programs on their lines because cables' monopoly power choked the broadcast competitors. Unlike the open access rule in that case, limitations on contributions offer no guarantee that the market power of speech will be redistributed from the wealthy to the poor. Such spending limits will not stop wealthy candidates like Ross Perot from spending personal wealth or the rich from influencing mass media through direct ownership or through the purchase of advertisements. Surely, no one would advocate that we attach an income test to the first amendment.

The wealthy will always have substitutes for electoral speech. Moreover, the success of the labor unions and voluntary associations as competitors in the market place of ideas demonstrate that limitations on contributions from the wealthy and on corporate speech are unnecessary.

In my view, a far better, though, admittedly not perfect, solution—one that I believe is both workable and is consistent with the dictates of the first amendment—is a campaign system that requires complete disclosure of funds contributed to candidates or used to finance express advocacy by independent associations, political parties, corporations, unions, or individual in connection with an election.

A system of complete disclosure would bring the disinfectant of sunshine to the system. The Democrats will audit the Republicans and the Republicans will scrutinize the Democrats. And outside public interest groups and the media will police both. The winner will be the public. They will be able to make their own assessments. As I have said before, one man's greedy special interest is another man's organization fighting for truth and justice.

To the extent that our campaign finance laws require updating, we need to find a constitutionally sound manner of doing so. We need to proceed with care and caution when acting on legislation that would have the impact of regulating freedom or of placing government at the center of determining what is acceptable election speech and what is not. And, we need to pass legislation that, above all, keeps the power of American elections where it rightfully belongs—in the hands of the voters themselves.

Let me again commend my friends, Senators McCAIN and FEINGOLD, for their leadership on this issue. Without their efforts and tenacity and pushing this issue, we probably would not be discussing this important matter. They deserve a lot of credit. Even though I disagree and have done so very publicly, I still have a lot of respect for my two colleagues.

It is important to publicly air these issues, especially given the unfortunate perception of the problems in Washington.

We can achieve needed reform here. Such reform lies in expanded disclosures. With free and open disclosure of contributions, the public will be fully able to decide for itself what is legitimate. I look forward to helping my colleagues in achieving reforms that will be constitutional and effective.

Today, I rise to introduce an amendment as a substitute to section 304 of the McCain/Feingold campaign finance reform bill of 2001.

Thomas Jefferson, in 1779, wrote that "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical." That was true then, and it remains true today.

As I will discuss later, section 304 of the McCain-Feingold bill that purports to be a "Beck" fix is wholly inadequate. Thus, I rise today to protect the rights of working men and women in this country to be able to decide for themselves which political causes they wish to support.

Some will choose to make this a complicated issue by arguing the intricacies of the Supreme Court Case, Communications Workers of America v. Beck, but it is really quite straight forward—it's about fairness. In certain states, as a condition of employment, there are requirements to join or pay dues to a labor organization. Let me make clear at the outset that I am a strong supporter of collective bargaining when employees voluntarily choose to be represented by a labor organization.

But I seriously doubt that even one of my colleagues would suggest that the Government should force any American to speak in favor of causes in which he or she does not believe. Yet, we as Members of the U.S. Senate, currently stand by and allow our friends and constituents to be forced into speech because of their compulsory financial relationship with a union.

I would like to know which of my colleagues would support any provision of law that would mandate an individual's financial involvement in a practice that was fundamentally at variance with their own beliefs. I dare say that there would not be many Members from either side of the aisle who would advocate the arbitrary usurpation of fundamental freedoms like that of speech. But this is exactly what happens to our union members and dues paying non-members.

Individuals who belong to or are represented by labor unions financially commit themselves to causes and candidates that may be completely against their own. We force individuals to subvert their rights of political expression to those of the unions.

My amendment is quite simple and straightforward. It has two parts: Part one requires a labor organization to obtain "separate, prior, written, voluntary authorization" before assessing "any dues initiation fee, or other payment if any part of such dues, fee, or other payment will be used for political activities". Part two requires that a labor organization disclose to its membership how it has allocated and spent the portion of a members or nonmembers dues and fees that went to political activity.

Nothing can be more fair than to inform working men and women which causes they are supporting. It is just that simple.

Let me also point out to my colleagues that this amendment also covers individuals who are shareholders in a corporation. It requires that a corporation gain prior consent from its shareholders before spending resources from the corporation's general treasury on political activity. It also requires that a corporation disclose to its shareholders which political activity it contributes to. This amendment places corporations and labor organizations on equal ground and levels the playing field.

I feel that it is important to note that there is a fundamental difference between the compulsory way that a labor organization assesses its dues and fees from members and nonmembers and the completely voluntary manner a shareholder opts into purchasing stock. But in past debates, my colleagues from the other side of the aisle have cried foul and claimed that treating labor and corporations differently wasn't fair. Well we now have an amendment that takes care of that particular concern.

It is simply imperative and pretty basic that union should obtain consent to use the funds they receive prior to any use other than for collective bargaining, contract administration, or grievance adjustment. After all, if consent is to mean anything, then it must be received before the money is spent. After the fact is simply too late and means no consent was given for the "activity." Let me state it again because I think this fact is vital to creating a fair and meaningful fix to this problem—effective consent must be given before the funds are used.

My amendment is a commonsense solution to an important problem pertinent to the lives of many Americans. The solution—consent before spending.

I said that real consent is prior consent. Let me give you an example. The Electronic Signatures in Global and National Commerce Act of 1999—better known as the Digital Signature Act—legalized digital electronic contracts. The act allows an individual to enter into a binding contract without ever having to leave the comfort of his home through the use of a so-called digital signature.

When the Digital Signature Act was first introduced, many of my Democratic colleagues had serious reservations about it. They argued that the bill lacked basic, but extremely important, consumer protection provisions. They argued that the bill must include effective consumer consent provisions. Critics of the bill worried that an unsuspecting consumer might receive an unsolicited e-mail with the inclusion of an electronic signature therefore making the contract legally enforceable. To prevent this sort of unwanted solicitation of business, many of my Democratic colleagues advocated that a consumer must first consent to receive the contract electronically.

My amendment seeks to extend similar rights to workers that the Digital Signature Act granted consumers. We should allow workers the same fundamental rights that my Democratic colleagues demanded be granted to individuals who enter in a contact over the Internet.

We must allow America's working men and women these very fundamental rights. American workers should have the right to have meaningful and informed consent over the expenditure of their dues, fees, or payment made to their union. Without these rights we are in essence creating different classes of society—those who are free to determine which political groups they will support and those who are not.

I hope that my colleagues will agree with me that the standards for meaningful and informed consent we extended to consumers under the Digital Signature Act must also be provided to workers and shareholders. We must allow workers to consent to the use of their union dues on any expenditures other than collective bargaining, contract administration, or grievance. This consent must be provided in a manner that verifies the workers or shareholder's capacity to access clear and conspicuous information of their rights, receive regular disclosures of these expenditures, and maintain the right to revoke their consent at any time.

Let me pause to ask a couple of questions. If your friend wants to borrow your car, shouldn't he ask beforehand? If he doesn't, then it's a crime. Wouldn't it be odd to have a system in place that requires you to lend the car and then file a form for its return? Why should the unions be allowed to take from the people who pay dues without getting their consent first? By adopting this amendment, we can help all

Americans. It is fairer and more equitable to obtain consent before the dues are spent. That is the right way of doing things.

Unions have the right, like any other organization, to spend the dues and fees it collects for purposes such as campaigns, issue ads, and a host of additional political and other activities. I support their right. What is disconcerting about the current situation is that many employees who are effectively forced to pay dues and fees may disagree with the positions taken and not wish to support them.

Now some have suggested that section 304 takes care of the so called Beck problems and codifies Beck.

Unfortunately, the proposed section 304 of the McCain-Feingold bill does not require prior consent. Nor does it codify the Beck decision, as it purports to do. Section 304 is far narrower than the holding in Beck. The Supreme Court clearly held in Beck that any expenditures outside of collective bargaining, contract administration, or grievance adjustment must be returned to the non-union employee upon request of the objecting employee. However, section 304 only prohibits unions from using non-union employee dues for "political activities unrelated to collective bargaining"—an ambiguous phrase that is not defined in that section.

Because section 304 is so narrowly drafted, it would allow unions to use non-union dues for soft money non-collective bargaining expenditures, such as get-out-the-vote campaigns and other political activities, by simply avoiding the label "political." By masquerading the activity as one for "educational purposes," a union could use dues for blatantly political activities such as informing union members on what pro-union stand political candidates take.

Again, I recognize the unions' right to engage in any political activity that they find appropriate. The more political speech the better as far as I'm concerned. But, we need to protect the fundamental right of the workers to know that activities and what type of issues their money is being used for, and the ability for them to decide if they wish to support the activity.

Mr. President, the American worker faces a hidden tax at just the moment the worker cannot afford it. And the American worker has less say in where his money goes to than just about any group. In fact, an argument can be made that section 304 of the McCain-Feingold bill actually does the exact opposite of what its intentions are.

Under current law, dues paying non members may object to the use of portion of their dues that is spent for purposes other than or non-essential to collective bargaining. If the McCain-Feingold bill were to pass, those same dues-paying-non-members would only be permitted to object to use of the portion of their dues spent only for "political purposes unrelated to collective bargaining." This difference might sound subtle but is anything but.

Mr. President, my amendment is a modest measure of fundamental fairness. It embodies a very simple concept—fairness. American's men and women work hard every day. They have earned the right to know how their money is being spent for certain political purposes, causes, and activities. The disclosure and second part of this amendment does nothing more than require a report by labor organizations to be filed with the Federal Election Commission and given to workers represented by unions, showing how much of their union dues and fees are being spent on the political process.

I have to say that this amendment does not impose overly burdensome or onerous requirements on the unions. This is basic information, and it should be freely provided. I cannot believe that the union leadership have a legitimate interest in keeping secret what political causes and activities employee dues and fees are being spent to support. If employees learn how their money is being spent in the political process, unions will enjoy an even greater confidence level in their decision making.

With the addition of this amendment to the McCain-Feingold bill we will ensure that every American is treated equally under the law and extended the rights and freedoms that are fundamental under the Constitution. I urge my colleagues to thoughtfully consider this amendment and vote for its passage.

I reserve the remainder of any time I may have remaining.

The PRESIDING OFFICER (Mr. CRAPO). Who yields time?

Mr. DODD. I yield 10 minutes to the distinguished Senator from North Carolina, Mr. EDWARDS.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EDWARDS. Mr. President, I rise today to voice my strong support for the McCain-Feingold bill, to add my encouragement and praise for all the hard work done by Senators MCCAIN and FEINGOLD, and to say how important this issue is to our democracy, to our Government, and to the American people.

I would not presume to suggest to my colleagues who serve with me in the Senate that I have any more knowledge about the way the political financing system in this country works than they do. They are all experts at it. What I say is that this debate is not about us. Instead, it is about the people we were sent here to represent.

I have heard, both in the media and in the course of the debate, lots of discussion about some strategic advantage that may flow to one party, or one Senator or another, as a result of this bill. What I say about that argument is that thirty years from now, the American people will not judge what we do in these 2 weeks based upon some transitory, strategic advantage that one party or another may gain as a result of the McCain-Feingold bill. Instead, they are going to judge us based on what we did for our Government, for our democracy, and what we did to allow voters, ordinary Americans, to once again believe they have some ownership in this democracy. That ultimately is what it is all about.

I say to colleagues, both Democrats and Republicans, that whatever in the long term is good for our democracy is good for either the Democratic or the Republican Party. I think that is the test we should use in making judgments about what ought to be done.

During the course of my time in the Senate, I have held many townhall meetings around North Carolina, and over and over I hear the same refrain—folks believe that they no longer have a voice in their own democracy and, as a result, they don't feel any ownership in this Government. So Washington is some faraway place, and they don't think they do anything to help them. They think it is just some bureaucratic institution that has nothing to do with their day-to-day lives. More important, they feel impotent to do anything about it.

The folks I grew up with in smalltown North Carolina, oddly enough, think if somebody writes a $300,000 or $500,000 check to a political party, or for a particular election, when they go to the polls and vote, their voices will not be equally heard. I think that is just good common sense, and there is a reason people think that way. This is an issue we need to do something about. A lot of it is perception but perception matters. It really matters when people believe this isn't their Government. It is their democracy; it belongs to them, not to some special interest group, and not to the people who are up here representing them. In fact, it belongs to the American people.

A couple of examples, Mr. President: We are in the process right now of trying to pass an HMO reform bill. Senator MCCAIN, Senator KENNEDY, and I, and Congressmen NORWOOD, DINGELL, and GANSKE on the House side have introduced the same bill. Our legislation, which provides basic patient protection rights to every single American who is covered by insurance or HMOs, is supported by every health insurance group that has been fighting for patient protection for the last 5 years. The only people we have been able to identify on the other side are the big HMOs and insurance companies.

Unfortunately, the big HMOs and insurance companies are very well represented in Washington, and their voice is heard loudly and clearly. It is really important for the voice of the American people to be heard on issues such as basic patient rights. Then I read in the newspaper today that at least it appears there is going to be some pulling back of the regulation of arsenic in drinking water. These are the kinds of things that, when folks around the country see them, cause them concern, and they particularly cause concern—even though they may not see a direct relationship—they particularly cause them to be worried when they know the way political campaigns are financed in this country, and they know that lots of huge, unregulated soft money contributions are being made to political campaigns in every election cycle.

So the question is, What do we do to return power in this democracy to where it started and made our country so great and where it belongs today?

We are trying to do two basic things in this bill. One is to ban soft money—we talked about it at length—these unregulated, totally uncontrolled contributions made by special interests, corporations, many different groups, and individuals.

The simple answer is, it ought to be banned, and it ought to be banned today. We will talk at length later about constitutional issues, but it is black and white to anyone who has read Buckley v. Valeo and specifically applies the analysis of that case to a soft money ban. There is absolutely no question that a ban on soft money is constitutional under Buckley v. Valeo. We will talk about that at length at a later time.

The second issue is these bogus sham issue ads. In addition to the fact folks see all this money flowing into the system, they feel cynical, they feel they do not own their Government anymore, and that they have no voice in democracy.

In addition to that, they turn on their televisions in the last 2 months before an election and see mostly hateful, negative, personal attack ads posing as issue ads. Any normal American with any common sense knows these are pure campaign ads. Those are the ads we are trying to stop.

Senator SNOWE actually said it very well when she said these ads are a masquerade. In fact, they are more than a masquerade, they are a sham, they are a fraud on the American people, and they are nothing but a means to avoid the legitimate election laws of this country.

We are trying to put an end to these so-called issue ads that are nothing but campaign ads. It is another issue that needs to be addressed. All this—these issue ads that are nothing but sham ads, really campaign ads, unregulated flow of soft money into campaigns—all this is about a very simple thing. It is not about us. It is not about the people in Washington. It is not about the people in this Congress. It is about the people we were sent to represent. We need to be able to say 20, 30 years from now when we are not around anymore—at least some of us will not be around anymore—we need to be able to say to our children and our families that we did the right thing; we did what was best for the country, and we did what was best for the democracy.

We will talk about this issue later, but it is also clear that Snowe-Jeffords, under the constitutional test established in Buckley v. Valeo, is constitutional. There are only two requirements that have to be met: One, that there be compelling State interest under Buckley. The Court has already held that what we are doing in these sham issue ads and with soft money is a compelling State interest because of the need to avoid corruption or, more importantly, in this case, the appearance of corruption.

Second, the legislation has to be narrowly tailored. That has been interpreted by the U.S. Supreme Court to mean it is not too broad, not substantially overbroad. Snowe-Jeffords does exactly that. It is very narrowly tailored. Two months before the general election, it requires the likeness of the candidate or the name of the candidate to be used and only applies to broadcast ads.

The empirical evidence shows very clearly that something around 1 percent of the ads are not covered by that, actually issue ads that fall within that category. Ninety-nine percent of the ads in the last election cycle, in fact, were campaign ads.

What that empirical evidence supports is the notion that not only does it appear that Snowe-Jeffords is narrowly tailored, in fact, the overwhelming evidence is that it is narrowly tailored, which is exactly what the Buckley U.S. Supreme Court decision required. We will talk about this later as we discuss these various provisions.

The bottom line is, both the soft money ban and Snowe-Jeffords are constitutional and meet the constitutional requirements of Buckley v. Valeo.

In conclusion, I thank the Senators who have worked so hard on this issue for so long. I say to my colleagues, I hope that instead of focusing on some strategic advantage that a particular campaign may have, or a particular political party may have, that instead we will focus on what is best for democracy and what is best for the American people.

I thank the Chair.

Mr. DODD. Mr. President, how much time remains on the opponents' side?

The PRESIDING OFFICER. The opponents have 80 minutes.

Mr. DODD. I yield 3 minutes to my good friend from Arizona, the author of the underlying bill.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I thank Senator HATCH for a valiant attempt at trying to balance this problem about so-called paycheck protection and corporations. Unfortunately, he is not having any more success than we did when we attempted to try to strike that balance as well.

The bill, very briefly, strikes our codification of the Beck provision. It has no regulatory mechanism, and it has no methodology for who would enforce it and how.

It says in his amendment that "expressly advocate support for opposition to a candidate." What does that mean?

It talks about as far as corporations are concerned, "use funds from its general treasury for the purpose of political activity." What is the general treasury? The stock market value? The cash on hand? The money that is being disbursed?

This, unfortunately, is an amendment which clearly cannot adequately define what a stockholder's involvement is. Again, suppose a stockholder said his or her stock money could not be used and then, of course, the stock is split or the stock is sold or there is a reduction in the amount of the budget. Who gets what money? Who regulates it?

Very frankly, I am in sympathy with the Senator from Utah because we tried to address this issue. It is just well nigh impossible and certainly is not addressed in any kind of parity or specificity in this amendment.

Mr. President, I will be moving to table this amendment at the appropriate time. I would like to work with the Senator from Utah to see how we can obtain some kind of parity, although I point out, as I said before, the paycheck protection in this permission or nonpermission really is not what this campaign finance reform is all about because if you ban the soft money; you ban the corporate check; you ban the union check; you ban the union leader from giving a million-dollar check; you ban the corporate leader from giving the check. When you ban soft money, then all they can do is give a $1,000 check for themselves or $1,000 from their friends.

Later on, I am sure there will be some specific questions about the language in this bill. It is nonspecific, it is unenforceable, and it is in such an amorphous state, very frankly, it is meaningless. I believe my time has expired.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. I thank my colleague. I intend to speak about this amendment at some future point in the debate. In the meantime, I recognize my friend and colleague from Massachusetts. How much time does he need? Fifteen minutes?

Mr. KENNEDY. If I can start with 15 minutes.

Mr. DODD. I yield 15 minutes to the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to ask my friend and colleague from Utah some questions, if he will be good enough to answer some questions.

Since 99.7 percent of American for-profit corporations are privately held, how does this amendment apply to them?

Mr. HATCH. It applies to every corporation.

Mr. KENNEDY. It cannot because you refer to those that have stockholders, page 2. Since 99 percent of the corporations do not have them, then they are not covered.

Mr. HATCH. I do not know a corporation that does not have stockholders, whether they be private or public.

Mr. KENNEDY. I am telling you they do not, so effectively your amendment does not apply to the 99.7 percent under your definition.

We always get these amendments maybe a half an hour beforehand.

In our review, the Senator's amendment excludes 99.7 percent of all corporations.

Another question I have——

Mr. HATCH. Can I answer the Senator, since he asked the question?

Mr. KENNEDY. These are of the businesses——

Mr. HATCH. Will the Senator yield so I can answer his question?

Mr. KENNEDY. OK.

Mr. HATCH. My amendment covers every corporation. There are a lot of private corporations, but they are still corporations.

Let's face it. The major thrust of my amendment is towards public corporations which has been complained of from time to time by Senators on both sides of the aisle. I am trying to cover both unions and corporations so we have an equal protection program.

Mr. KENNEDY. The Senator may be attempting, but that is not what the language says.

On page 2, it says under "PROHIBITION.—Except with the separate, prior, written, voluntary authorization of a stockholder, in case of a corporation"—and once we have 99 percent of the businesses, according to Dun & Bradstreet, not covered by the stockholders, they are even, by mere definition, excluded.

Last week more than 6.7 billion shares were traded in the New York Stock Exchange. How were those covered? Would the Senator's amendment apply to just the stockholders included last week?

Mr. HATCH. My amendment would cover the stockholders who existed on the day the request for the expenditures was made.

Mr. KENNEDY. In your amendment, you talk about cycle; you don't talk about day. A cycle is generally referred, under the Federal Election Commission, to be the whole 2-year-period. We are talking about these transitions in terms of stockholders just from 1 day. I am wondering how the permission for stockholders would be met in those circumstances.

Mr. HATCH. We are talking about violations of the Federal Election Campaign Act. The FEC would have the job of determining the regulations applicable under the circumstances. The amendment is quite clear what we are trying to get after; that is, trying to give stockholders and union members a right to have some say in the way unions spend, in the case of unions, and corporations, in the way corporations spend on behalf of shareholders.

Mr. KENNEDY. It is the position of Senators McCAIN and FEINGOLD that is done under the codification of the Beck decision in the first place.

You talk about the parity between corporations and unions. Yet on page 3 you say "for any corporation described in this section to use funds from its general treasury." So you are talking about the use of funds by corporations.

But on the other hand, if it is a labor organization, you are talking about collecting or assessing such employees' dues or initiation fees or other payments. On the one hand, you require one criteria for corporations for expenditures, and on the other hand, for the unions, you have an entirely different definition.

Can you explain why you favor corporations in your language to the disadvantage of unions? Why do we have such a disparity in this when you tried to represent to the Senate that you are trying to be evenhanded?

Mr. HATCH. What are we talking about?

Mr. KENNEDY. Would you look at this language and tell me if I am wrong? I think it is very important. You are representing this is evenhanded. This is not evenhanded. We want to understand why it isn't evenhanded or the Senator should admit it isn't, if you are trying effectively to gut the representatives of working families.

Mr. HATCH. I don't think the distinguished Senator from Massachusetts is wrong in what he is saying. I don't think you are wrong in your interpretation of the language, but the bill treats the union members and their dues in the separate context of shareholders and their value in a corporation.

The regulations will have to be set by the Federal Election Commission pursuant to this amendment. It is equal in treatment because what we are trying to do is give the shareholders in the case of corporations a right to have some say in how the assets of a corporation are used, in proportion to their shares in a corporation. Naturally, these situations are not analogous, and for the union member, how the dues of the union member are spent by the unions.

The Senator's characterization of the McCain-Feingold language is inaccurate, and I think I more than indicated that in my opening remarks with regard to the Beck case. Actually, the McCain-Feingold language narrows the Beck case.

Mr. KENNEDY. If I could reclaim my time.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. KENNEDY. Mr. President, what we are seeing very clearly is not what is being stated by the Senator from Utah but what is included in the language. That is what we are voting on. In the language of the amendment, it is very clear on page 2 that in the case of a corporation, to each of its shareholders, it is less than 2 percent of all businesses that have shareholders.

For the shareholders, we see how the velocity of the transitions of shareholders—we find there is a different criteria that is used for unions, different from corporations.

On the first page, it talks about any corporation or labor organization. Taking the case of a labor organization, it must submit a written report for such cycle—that is 2 years; in the case of a labor organization, to each employee. Now, that is to each employee. There are 13 million members of the trade union movement. Those who are members, of course, bargain. Several million more are covered, generally, by political activity.

Listen to what they have to have for every individual. They will have to receive a report from the organization. On page 4, what will be included: "Internal and external communications relating to"—it will be interesting to hear the definition of what is related—"specific candidates, political causes,"—this is a new word.

What in the world is a "political cause"? Generally, a political cause is in the eye of the beholder. What do they mean by political cause?

They have to send to every employee—that is what this says—the internal and external communications relating to specific candidates.

Who are specific candidates? What do we think are the specific candidates? According to the Federal Election Commission, every Member of Congress is defined as a candidate, 435 House Members, 100 Senators.

Any communication that is internal or external relating to—whatever that means—political candidates, political causes and committees of political parties.

If you don't, you have the criminal penalties included under the Federal Elections Commission where people can go to jail for failing to file these reports which are so voluminous.

This amendment is poorly drafted. It doesn't even do what the proponents of this amendment are attempting to do. It is one sided. It is targeted. The aim of this proposal is very clear. It doesn't apply to any of the other independent groups. It doesn't apply to the National Rifle Association. They don't have to conform with it. The Sierra Club doesn't have to; Right to Life doesn't have to. It is just to corporations. But only less than 2 percent of the corporations have to apply, and every union.

In terms of every activity or potential activity and every expenditure for every member, not only at the national level, the State level and local level have to get the reports. Every member has to get the report. It is absolutely nonworkable.

Finally, what are these activities? On page 5, the term "political activity" means voter registration activity. Many of us have tried to encourage voter registration. In fact, labor unions are involved in that. Not many companies or corporations are. I wish they would be. Some of them have been, but they won't be any longer if this passes. They won't be contributing to any local group, to the League of Women Voters or other groups involved in voter registration activity because if they do, they trigger all of these other kinds of participation.

The proponents of this understand who does the voter registration. Who does it? It is labor unions. And they are included. Voter identification or get-out-the-vote activity, who does that? Maybe the Senator from Utah can list the number of corporations that are involved. We know who does it. We might as well state it is directed against union activity. They are the ones. I don't mean companies or corporations. Even the ones that have shareholders—again, it is targeted to who?—corporations? No, it is targeted to the labor union and then public communication that refers to a clearly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate.

Maybe there are some corporations, but primarily those are for unions, again.

This is very clear, what is being stated here. Under the existing Feingold-McCain bill, there is restatement of what the constitutional holdings are at this time. It is effectively a restatement. There are some who would like to change or alter those. But this is a very poor attempt at trying to gain parity. We could take additional time to go through the various provisions. I hope the Members will take that time.

We just received this at the time the Senator rose to speak. It is poorly drafted, poorly constructed, and it does not do the job the proponents want it to do.

Finally, I do think workers and those who represent workers and unions should have a right to have their voices heard, to speak out on these issues. The fact remains, we still have not had an opportunity to vote on a minimum wage. I know there are many in this Chamber who hope we never will have that opportunity; but we will, and we will have it done pretty soon.

Then there is the Patients' Bill of Rights that workers support, and we are having difficulty, given the fact that today the President of the United States issued a message that if any of the proposals currently before the Congress pass, he would veto each one of them.

We have seen what has happened in recent times with arsenic standards being pulled back at the request of industry. We find out that the CO_2 standards are being pulled back at the request of industry. We have other examples that are current on this score. We are finding out the influence of the HMOs on the administration is overpowering. It is not the voices of the workers or the families that are tripping up this country, it is the special interests, the large, powerful groups that are expending untold millions. By a ratio of virtually 10 to 1 and 12 to 1, corporations are involved in outspending the unions of this country. Nonetheless, we are faced at this time with an attempt to try to emasculate that opportunity for their voices to be heard. They are the voices for education. They are the voices for health care. They are the voices for child care.

Those are the voices that I think we need to hear a lot more of, not less.

To reiterate, I rise in opposition to this amendment, misleadingly called the Paycheck Protection Act. It is nothing of the sort. Instead, it is a blatant attempt to silence the voices of working families on the most important issues our Nation faces today. It is an effort to muzzle effective debate on critical legislation affecting the workers of this country. It is not reform. It is revenge for the extraordinarily successful efforts made by the unions to get out the vote in the last election. The amendment is wrong and unfair. It is undemocratic. It is most likely unconstitutional. I urge my colleagues to vote against it.

Make no mistake about it. A vote for this amendment is a vote against America's workers.

Supporters of this amendment claim that they are concerned about union members' rights to choose whether and how to participate in the political process. We know better. It is crystal clear that the real agenda of those who support the pending amendment is not to protect dissenting workers but to scuttle union participation in the political process.

My friends across the aisle know that unions and their members are among the most effective voices on issues of concern to workers, including raising the minimum wage; ensuring the availability of health insurance; protecting the balance between work and families; preserving Social Security, Medicare and Medicaid; improving education; and ensuring safety and health on the job. And unions help their members to become active in the political process. As a result of union activity, over two million union members registered to vote in just the last 4 years. In the last election, there were 4.8 million more union household voters than in 1992. In fact, 26 percent of the voters in the last election came from union households. This should surely be a welcome development in a country that prides itself on fostering and promoting a healthy democracy.

But my friends across the aisle do not welcome this development. They want to do everything they can to keep workers from voting and from participating in the political process. That is because they fear that workers and those who represent workers' interests will defeat their anti-labor agenda. Silencing the voices of working families will make it easier for Republicans and their big-business friends to achieve their anti-worker goals. Supporters of this amendment want to cut workers' overtime pay and deny millions of workers an increase in the minimum wage. They would end the 40-hour work week and permit sham, company-dominated unions. They voted for this body's shameful repeal of the Department of Labor's ergonomics rule, leaving workers unprotected against the number one threat to health and safety in the workplace. They oppose the Family and Medical Leave Act. They support privatizing Social Security. They favor private school vouchers that take funds away from our efforts to improve the public schools. They are not trying to help working Americans. To the contrary, they want to gag workers so that they can implement an aggressive agenda that workers strongly oppose.

This is not paycheck protection. This is paycheck deception. And if we adopt it, we will achieve our opponents' goals of disenfranchising working families. This amendment would silence working families by barring a union from collecting any dues or fees that are not related to collective bargaining unless the union obtained a written permission slip from each employee each year. It would require unions to create an unnecessary, burdensome and expensive bureaucratic process. Unions would have to create recordkeeping and filing systems for responses, solicit approval from each covered employee every year, and constantly recalculate the amounts they could spend on political activity—activity that frequently requires immediate action. The AFL-CIO has estimated that implementing a paycheck deception provision would cost unions and their members approximately $90 million in the first year and $27 million each year thereafter. That is money taken away from workers' hard-earned benefits and their pension plans.

This will, of course, hamper unions' ability to participate fully in political and legislative battles. That is the primary purpose of this bill. Handicapping unions in this way will also further skew the drastic existing imbalances in our political system. A report issued last fall by the non-partisan Center for Responsive Politics showed that special business interests spent more than $1.2 billion in political contributions in the last election cycle. These payments swamped the contributions of working families through their unions, which amounted to a total of only $90.3 million. That means big business outspent labor unions by a ratio of 14 to 1.

The same report found that business outspent unions in "soft money" contributions by an even larger margin—17 to 1. The situation has gotten worse over time, moreover. In the 1998 election cycle, according to a previous report by the center, businesses outspent unions on politics by only 11 to 1. In 1996, the gap was 10 to 1. In 1992, it was 9 to 1.

These ever-widening disparities are not good news for our democracy. But this paycheck deception amendment would only tip the electoral and legislative playing field ever more decisively in favor of big corporations and the wealthy.

In only the last 2 weeks, the power of these special interests has become ever more apparent. Just 2 weeks ago, the Congress voted—with less than 10 hours of debate in the Senate and a mere hour of discussion in the House—to revoke worker protections against ergonomic injuries on which the Department of Labor had worked for 10 years. No employer is now required to do anything to prevent these painful and debilitating worker injuries.

Following up on their ergonomics victory, business and special interests scored another coup when this body passed the bankruptcy bill last week. This is a bill that caters to the credit card industry, at the expense of working Americans who will now face more business-created hurdles to getting back on their feet financially after setbacks.

This amendment is also a "poison pill" for campaign finance reform. It is being championed by those who believe that the inequities in the system are just fine—who would like to have no changes to address the corrupting influence that money has on our national elections. They know that no supporter of campaign finance reform—including my good friend Senator McCain—can vote for a bill that contains these outrageous provisions. They propose this amendment with the full knowledge that it could bring down these reforms and further the power of corporate and wealthy special interests. We should not allow ourselves to be made parties to this ploy.

For these reasons, paycheck deception bills have been rejected every time they have been raised. In 1998, a large, bipartisan majority of the House of Representatives voted down a national paycheck deception scheme by a vote of 246 to 166. Twice now—in 1997 and 1998—bipartisan majorities in the Senate have blocked paycheck deception bills. Thirty-five States have refused to enact paycheck deception bills since that time. And California voters in 1998 and Oregon voters just last year soundly defeated ballot initiatives that would have imposed paycheck deception.

The cynicism behind this amendment is made more obvious because the amendment is completely unnecessary. For almost 13 years, the law has offered ample protections for any workers who disagree with a union's political activities. Under the landmark Beck decision, no worker, anywhere in the country, may be forced to support union political activities. In addition, in 21 States, workers cannot be required to support any union activities—even collective bargaining.

Since the Beck decision, every union, as the law requires, has created a procedure to ensure that dues-paying workers can opt out of a union's political expenditures. These procedures universally involve notice to workers of the opt-out rights provided under Beck; establishment of a means for workers to notify the union of their decision to exercise these rights; an accounting by the union of its spending so that it can calculate the appropriate fee reduction; and the right of access to an impartial decisionmaker if the worker who opts out disagrees with the union's accounting or calculations.

Moreover, the President has recently issued an Executive Order that goes to great lengths to ensure that all workers know their rights under Beck. This Executive Order, issued on February 17, requires every Government contractor to post a clear notice that alerts employees of their right to withhold their payments to unions for any purposes other than costs related to collective bargaining. Individuals may file complaints with the Secretary of Labor if they believe that a contractor has failed to meet this requirement. And the Secretary may investigate any contractor suspected of a violation, and may order a range of sanctions for noncompliance, including debarment of the contractor. I opposed this Executive Order because it does not inform workers of any of their other rights under our Nation's labor laws. But in this context, it removes any doubt whatsoever that workers will be informed of their Beck rights and provided remedies if they are not.

Remedies for violation of Beck rights are also available under the National Labor Relations Act. Under that act, non-union members who believe that they are being required to support a union's political activities, or who believe that the union's procedures do not afford an adequate opportunity for the individual to object, may file a complaint with the National Labor Relations Board or go directly to Federal court. In such cases, the board or the courts decide whether the particular union has developed procedures that are adequate to meet Beck requirements.

To erase any further doubts, the McCain-Feingold bill explicitly codifies the Beck requirements as a matter of law. Section 304 of McCain-Feingold requires all unions to establish objection procedures for real paycheck protection.

The bill requires unions to provide personal, annual notice to all affected employees informing them of their rights.

It requires that union procedures lay out the steps for employees to make objections to paying dues that would go toward political activity.

It requires unions to reduce the fees paid by any employee who has made an objection so that the employee will not be charged for any activities unrelated to collective bargaining.

It requires unions to provide explanations of their calculations.

Forty years ago, in a case called Machinists v. Street, the Supreme Court recognized that the majority of union voters have "an interest in stating [their] views without being silenced by the dissenters," and that it was necessary to establish a rule that "protect[s] both interests to the maximum extent possible, without undue impingement of one on the other." Beck was the Supreme Court's formulation of this rule, and it represents a sound and reasonable way to achieve this goal. And McCain-Feingold respects this rule laid out so well by the Court.

The proposed amendment would upset this careful balance between majority and dissenting interests. Where the Court has stated that "dissent is not to be presumed—it must be affirmatively made known to the union by the dissenting employee," the bill creates precisely the opposite regime: dissent will be presumed absent explicit consent. Under this ill-advised amendment—and unlike in every other democratic institution in our country, including the Congress itself—a minority would be able to thwart the will of the majority by fiat. Not by debate. Not by discussion. Not by a reasoned exchange of competing ideas. Just by silence.

I believe this paycheck deception amendment is also unconstitutional.

The amendment would interfere with union members' freedom to associate in their unions according to membership rules of their own choice. Under current law, unions may make payment of normal dues the precondition for membership and participation in the union. Unions may—and do—provide that only those individuals who have paid their full dues may vote on issues before the union or run for union elective office. It is entirely appropriate for those workers who do not wish to support the union's political activities to resign from membership. They cannot be required to fund political activities, and their dues will be reduced accordingly. These workers will receive the full benefits of union representation on issues related to the union's bargaining obligations. But they will not be members of the union who can participate in making fundamental decisions about union business—including the election of officers, the use of organizational resources, or the union's political positions.

But this amendment states that those who do not pay full dues still have a full voice in the affairs of the union. They would have the same rights and benefits as those who pay full dues. That is not only unconstitutional, it is just plain wrong.

Some of my colleagues claim that the egregious unfairness in this amendment can be cured if corporations are bound by "shareholder protection" requirements. But comparing unions and corporations and workers and shareholders is like comparing apples and oranges. They simply are not the same.

First, no corporation requires payments for political purposes as a condition of employment. Shareholders are not employees. It is laughable to think that bills that regulate payments that are "conditions of employment" create parity between unions and corporations.

Second, 99.7 percent of American for-profit corporations are privately held and have no shareholders to protect.

Third, shares in public corporations are typically held by institutions such as mutual or pension funds not by individuals. Any bill that purported to create parity between unions and corporations would have to reach individuals, and would have to apply to the political and legislative spending of intermediate entities, not simply to expenditures by the companies at the end of the ownership chain. None of my colleagues is rushing to do that.

Finally, were corporations to be required to meet the standards that would be imposed on unions, they would have to account for political and legislative spending and budgets; disclose such spending and budgets to shareholders; constantly track new shareholders and recalculate ownership shares based on daily activities in the stock market; constantly solicit consent from this ever-changing group; and pay extra dividends or other financial benefits to shareholders who did not authorize political expenditures.

The pending amendment does not do this. No bill purporting to create parity has ever done this. No bill would ever do so. Such a bill would likely bring commerce to its knees, as corporations spent their time creating immense administrative bureaucracies to implement these requirements.

We would never hamstring corporations in this way and we should not do it to labor unions, either. We should not impose these unreasonable, unfair, and likely unconstitutional burdens on our country's unions, which represent the most effective voice for our working families.

Since its founding, our nation has respected and nurtured the fundamental principle that democracy thrives best when there is robust debate over issues of public concern. This amendment would subvert that bedrock proposition. I urge my colleagues to reject this attack on our working families, our unions, and our country's core values.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I can't stay here and let the Senator from Massachusetts get away with this. Here we go again. I acknowledge he represents a State that is highly unionized. I don't know if he ever worked for a union or belonged to a union, but I have. I spent 10 years in the building construction trade unions. I have a lot of respect for the union movement. I would fight for the right of collective bargaining.

But, unlike my colleague from Massachusetts, I do not believe I have to champion everything that one cause wants over everybody else. I should not say everybody else, but over anybody who is not one of the most liberal special interest groups in our country.

I do not need a lecture from the distinguished Senator from Massachusetts on how to write legislation. Nor do I need a lecture from the distinguished Senator from Massachusetts on what the Beck decision means.

The Senator and many on the other side of the aisle will spend every ounce of their beings to make sure that union members have no say with regard to how their moneys are spent in political activities.

By the way, with all due respect to my friend from Massachusetts—and everybody knows he is my friend; that is why I think my words may have a little more impact than some others' —the idea to include corporations and treat them in a manner comparable to labor organizations, as I recall, came from the distinguished Senator from Massachusetts himself. That was in the early 1990s when I offered amendments requiring disclosure of the money spent by labor organizations, money of hard-working American men and women.

As I recall, one of the principal arguments of my friend from Massachusetts was that corporations were not treated similarly—those big, massive, powerful corporations compared to these little, tiny, "difficult to maintain freedom for the union members" unions.

We all know what is going on here. There are people on that side who will fight to the death because, although 40 percent of all union members are Republicans, virtually 100 percent of all union political money is used to elect Democrats. I can recall many years when some of the most liberal Republicans who always supported labor, and when a Democrat who supported labor ran against them, that Democrat got labor support. If I have to cite anybody, I will cite Jacob Javits of New York.

I know what is going on here. They will fight to the death to make sure that those 40 percent of Republicans who work in the unions, who believe in Republican principles, will never have any say on how the totality of the money is spent in the political arena.

Oddly enough, I respect my friend from Massachusetts because he has been the No. 1 champion of these unpowerful trade union organizations.

Mr. DODD. Oddly enough.

Mr. HATCH. These poor little picked-on people who basically have no say in their lives, unless they have the protection of the distinguished Senator from Massachusetts, among others.

But to come here today and tell me I have to write every detail of regulation into a statute that I know the FEC can do is almost an insult. It comes close.

Mr. KENNEDY. Almost.

Mr. HATCH. He is fighting for his special interests, and I don't blame him. He gets 100 percent support from union activity and union money. It has kept him in office for years.

I have to say it is not just the liberal side of the union movement. My goodness, it is almost every liberal special interest group in this country. We all know when the distinguished Senator from Massachusetts speaks, he speaks for every liberal special interest group in this country, and you had better pay attention if you are on the Democratic side of the aisle, because if you don't, you are going to have a primary in the next election.

I respect that kind of power. And I love my colleague as very few in this body do.

(Laughter.)

Mr. McCAIN. I don't.

Mr. HATCH. Senator McCAIN said he doesn't. He is naturally being humorous, as he always is.

Let me just say this. I acknowledge that it is difficult to devise a manner in which this should be done, but I think we should work together and do what the distinguished Senator from Massachusetts said in the early 1990s ought to be done. We ought to get those big special interests in the corporate world to have to conform to certain disclosures.

This is an important matter for hardworking Americans. If my colleague thinks stockholders should be treated similarly, that is what I am trying to do in good faith. I think I am doing it pretty well.

Just so we get rid of this argument that every detail has to be written into legislation—heck, everybody around here knows that isn't the case ever. I myself think sometimes we ought to be a little more specific and not just let the bureaucracy run wild, but that is not the way things work in this Federal Government. Just think about it.

I think the argument of the distinguished Senator from Massachusetts is very insufficient in the details with regard to what legislation is all about. Let me give an illustration. The Federal Communications Act simply tells regulators to regulate the airwaves in the public trust.

I am sure the distinguished Senator from Massachusetts would love to have three or four thousand pages defining what that means—or maybe 150,000 pages defining what that means. But it works. It works as long as we have honest people in the bureaucracy.

Think of this one. There is a level of detail in all legislation that is left to administrators and regulators.

The McCain-Feingold bill that is so magnificent, triumphed by the distinguished Senator from Massachusetts, requires State parties to use hard money to pay the salary of a State party worker if they spend more than 25 percent of their time on Federal election activities.

That is pretty broad to me. Nowhere does McCain-Feingold state how State parties are to track these people's time—nowhere. We will leave that to the regulators.

I could go down each paragraph in the McCain-Feingold bill and shred it alive, if the argument of the distinguished Senator from Massachusetts has any merit, which, of course, it does not. But that doesn't stop bombastic argument, nor should it. I love them myself. I love to see the distinguished Senator from Massachusetts get up there, and everybody is almost positive he is going to blow a fuse before he is through. But the fact is, he has a right to do that. I admire him for doing it. I admire the way he supports his special interests. I do not know of anybody who does it better. We don't have anybody on our side who can do that as well.

(Applause in the Galleries.)

The PRESIDING OFFICER (Mr. Brownback). There will be order in the gallery.

Mr. HATCH. That brought tears to my eyes.

Mr. President, McCain-Feingold does not say if the contract workers are employees of the State party, or regular, full-time employees. Those details are left to regulators.

The amendment amends the FECA act so that the FEC would administer this and all existing FEC enforcement laws and regulations, as well as penalties that would apply.

I know what is going on. It is wonderful to argue for what helps your side. McCain-Feingold, to their credit, is trying to get a more honest system that is equal both ways. But if you read the provision on the Beck decision, it basically obliterates it. It basically narrows it so much that it has no meaning.

I have to say there are those on the other side of the floor who will never allow the Beck Supreme Court decision, the ultimate law of the land, to be enforced, or to be applied, because it would even things up, and it would allow 40 percent of the union membership in this country to have some say on how their dues are being spent in the political activity.

That is all I am trying to do. I think it is a reasonable thing. I think it is the right thing. I think it is the intelligent thing. If we don't do this, then are we really trying to have a bill that is going to correct some of the ills of our society?

I have no illusion. I suspect that many, if not all, on the other side will vote against this amendment because it does basically even things up. It does what the distinguished Senator from Massachusetts said we ought to do back in the early 1990s, but today is indicating, if we do it, that it has to be done in such specificity that it would be the most specified language in the history of legislative achievement.

AMENDMENT NO. 134, AS MODIFIED

Mr. President, I send a modification to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. HATCH. It is a technical correction.

Mr. DODD. I would like to see the amendment.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, my modification is at the desk. I ask unanimous consent that my amendment be so modified.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Reserving the right to object—I am not going to object—Members should have the right to modify their amendments.

For the purposes of clarification, I wonder if my colleague from Utah might take a minute to explain the modification.

Mr. HATCH. It basically corrects language in the amendment. It basically allows proportionate share with regard to the unions, and also with regard to corporations. I think it applies both ways. But I wanted to make sure.

Mr. DODD. I am sure the President understood that.

I have no objection.

Mr. HATCH. Mr. President, I yield the floor.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 134), as modified, is as follows:

Beginning on page 35, strike line 8 and all that follows through page 37, line 14, and insert the following:

SEC. 304. DISCLOSURE OF AND CONSENT FOR DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 304 the following:

"SEC. 304A. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

"(a) Disclosure.—Any corporation or labor organization (including a separate segregated fund established and maintained by such entity) that makes a disbursement for political activity or a contribution or expenditure during an election cycle shall submit a written report for such cycle—

"(1) in the case of a corporation, to each of its shareholders; and

"(2) in the case of a labor organization, to each employee within the labor organization's bargaining unit or units;

disclosing the portion of the labor organization's income from dues, fees, and assessments or the corporation's funds that was expended directly or indirectly for political activities, contributions, and expenditures during such election cycle.

"(b) Consent.—

"(1) Prohibition.—Except with the separate, prior, written, voluntary authorization of a stockholder, in the case of a corporation, or an employee within the labor organization's bargaining unit or units in the case of a labor organization, it shall be unlawful—

"(A) for any corporation described in this section to use portions, commensurate to the share of such stocks of funds from its general treasury for the purpose of political activities; or

"(B) for any labor organization described in this section to collect or use any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activities.

"(2) Effect of authorization.—An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time.

"(c) Contents.—

"(1) In general.—The report submitted under subsection (a) shall disclose information regarding the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council, and each affiliate of the labor organization and information on funds of a corporation spent by each subsidiary of such corporation showing the amount of dues, fees, and assessments or corporate funds disbursed in the following categories:

“(A) Direct activities, such as cash contributions to candidates and committees of political parties.

“(B) Internal and external communications relating to specific candidates, political causes, and committees of political parties.

“(C) Internal disbursements by the labor organization or corporation to maintain, operate, and solicit contributions for a separate segregated fund.

“(D) Voter registration drives, State and precinct organizing on behalf of candidates and committees of political parties, and get-out-the-vote campaigns.

“(2) IDENTIFY CANDIDATE OR CAUSE.—For each of the categories of information described in a subparagraph of paragraph (1), the report shall identify the candidate for public office on whose behalf disbursements were made or the political cause or purpose for which the disbursements were made.

“(3) CONTRIBUTIONS AND EXPENDITURES.—The report under subsection (a) shall also list all contributions or expenditures made by separated segregated funds established and maintained by each labor organization or corporation.

“(d) TIME TO MAKE REPORTS.—A report required under subsection (a) shall be submitted not later than January 30 of the year beginning after the end of the election cycle that is the subject of the report.

“(e) DEFINITIONS.—In this section:

“(1) ELECTION CYCLE.—The term ‘election cycle’ means, with respect to an election, the period beginning on the day after the date of the previous general election for Federal office and ending on the date of the next general election for Federal office.

“(2) POLITICAL ACTIVITY.—The term ‘political activity’ means—

“(A) voter registration activity;

“(B) voter identification or get-out-the-vote activity;

“(C) a public communication that refers to a clearly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate for Federal office; and

“(D) disbursements for television or radio broadcast time, print advertising, or polling for political activities.”

The PRESIDING OFFICER. Who yields time?

Mr. McCONNELL. Mr. President, how much time remains?

The PRESIDING OFFICER. On this amendment, there are 37 minutes. The opponents have 62 minutes.

Mr. McCONNELL. Mr. President, I thank Senator DODD and others for allowing Senator HATCH to modify his amendment. We got into quite a tussle the other night over that issue. I am pleased to see the comity that the Senate normally enjoys. It has been exercised on this occasion. I thank everyone for allowing Senator HATCH to modify his amendment.

Let me say that this amendment has been described as a poison pill by the New York Times and the Washington Post and Common Cause. I think it is important for Members to understand what a “poison pill” is by their definition. A poison pill is anything that might affect labor unions. Disclosure and consent are universally applauded in the campaign finance debate. Disclosure and consent are the two principles upon which there is wide agreement on a bipartisan basis throughout this Chamber—unless it applies to labor unions.

What Senator HATCH is trying to do is to apply those principles—disclosure and consent—to organized labor in this country. Admittedly, the so-called paycheck protection amendment in the past has only applied to unions. Many of our Members have complained about that.

The senior Senator from Arizona, as recently as January 22, complained about the fact that it did not apply to shareholders. The junior Senator from Wisconsin, on the same day, was complaining about the paycheck protection proposal because it only applied, as he put it, to one player, the labor unions. Senator KERRY of Massachusetts, in the last year or so, was complaining about paycheck protection because it only applied to labor unions. Senator LIEBERMAN, in February of 1998—just a couple years ago—I suspect it is still his view that paycheck protection is a problem because it does not apply to corporations. That is one of the principal arguments against so-called paycheck protection.

The Senator from Utah has now applied it to corporations. He has applied it. There is parity between unions and corporations. The goal is to ensure that all political money is voluntary.

In a corporation without shareholders, if the owner uses his money on politics, obviously, it is voluntary because it is his money. With shareholders, we need this legislation so executives do not decide for the shareholders.

In unions, the consent provision ensures political money from dues are voluntarily used for political purposes. And, of course, there are no privately held unions.

Paycheck protection is clearly constitutional. In Michigan State AFL-CIO v. Miller, the U.S. Sixth Circuit Court of Appeals upheld a State statute requiring unions to get affirmative consent each year from union members. In fact, the court held that the affirmative consent requirement, similar to Senator HATCH's requirement, was not even subject to the highest degree of strict scrutiny. Rather, the court found the affirmative consent requirement so noncontroversial that it was subject only to intermediate scrutiny. And it survived intermediate scrutiny and survived review under this standard.

The court upheld the affirmative consent requirement explaining that:

> By verifying on an annual basis that individuals intend to continue dedicating a portion of their earnings to a political cause, [the consent requirement] both reminds those persons that they are giving money for political causes and counteracts the inertia that would tend to cause people to continue giving funds indefinitely even after their support for the message may have waned. The annual consent requirement ensures that political contributions are in accordance with the wishes of the contributors.

So there is a binding Federal court precedent upholding affirmative consent requirements on unions. This case makes clear that such provisions are not even subject to strict scrutiny.

It is entirely possible that unions are the biggest spenders in our elections. But we do not know because they do not disclose the majority of their political activities. The numbers people use to say corporations outspend unions are suspect because they only include what unions disclose. But we can estimate what unions spend because there is no meaningful disclosure anywhere of what unions spend on political activities—such as phone banks, direct mail, voter identification, get-out-the-vote activity, candidate recruitment, political consulting, and other activities—in support of the Democratic Party. We must, admittedly, simply estimate what they spend.

By contrast, we have a very good idea what corporate America spends because almost all of its activity is limited to operating PACs and making soft money donations to parties, which, unlike big labor's ground game, are fully disclosed activities.

In estimating what unions spend, we should note that in Beck cases—and remember, the Beck case was about a nonunion member—it is not unusual for nonunion members, seeking a refund of the pro rata share of their fees that the union uses for activities unrelated to collective bargaining, to get back in excess of 70 percent. In the Beck case itself, Mr. Beck got back 79 percent.

So let's be very conservative and say that the unions spend 10 percent of the money they take in each year to help Democrats.

Now, let's look at how much unions take in from dues from members, agency fees from nonmembers, and other sources, such as their affinity credit card program. According to figures from the Department of Labor for 1999, the Auto Workers Union took in $308,653,016. The Steelworkers Union took in $569,198,286. The Machinists Union took in $167,201,344. The Carpenters Union took in $624,205,132. The Laborers International Union took in $133,921,734. The Food and Commercial Workers Union took in $316,458,642. The Airline Pilots Union took in $277,508,365. The Teamsters brought in $303,498,920.

I could go on. I have not yet included some of the largest unions, such as the Communications Workers, the Service Employees Union, the Hotel Workers Union, the National Education Association, and the Electrical Workers, all of which are among the largest unions in America.

But if we just add up what the eight unions I mentioned raked in during 1999, it amounts to $2,700,645,439. If we double this figure, to reflect what these eight unions took in during the 1999–2000 election cycle, it amounts to $5,401,290,878.

If these eight unions spent just 10 percent of this amount to help the Democrats in the last election, these eight alone spent $540 million. So it is safe to say that unions easily spend at least $½ billion for Democrats in each election cycle.

Independent academic research from Professor Leo Troy of Rutgers arrives at similar numbers, as do estimates from former high-ranking union officials, such as Duke Zeller, formerly a Teamsters official, who has acknowledged that big labor spent about $400 million for the Democrats and Bill Clinton in 1996.

Contrast this with $244 million total for all corporate and business association hard and soft money contributions to the Republican and Democratic Parties, including their congressional committees.

These figures regularly cited about business outspending labor 10 or 15 to 1 are based on questionable figures generated by the "reform industry" to reenforce its own mythology about how corrupt Congressmen are, in the pocket of big business. These estimates are not based on sound, unbiased FEC figures.

Moreover, the reformers' estimates only look at how much publicly disclosed hard and soft money businesses and labor give to parties and their candidates. They totally ignore the hundreds of millions big labor pour into its massive, undisclosed ground game operated on behalf of the Democratic Party.

The dirty little secret that big labor and its allies do not want anyone to know is that corporate America just makes contributions and may run up some issue ads once in a while to which we can assign a price tag, thanks to ad buy information. Big labor, on the other hand, makes some contributions, runs some issue ads, but that is just the tip of the iceberg. The vast majority of its political activity and money is dedicated to the ground game. These direct expenditures which completely dwarf what business spends on politics, even if they are only 5 to 10 percent of what big labor rakes in each year, aren't disclosed anywhere. Nowhere is this disclosed. And big labor's allies will do everything they can to make sure these massive expenditures that form the brunt of big labor's political operation remain hidden away from the sunlight of disclosure.

The distinguished Senator from Massachusetts has noted that no corporation does get-out-the-vote operations. Unions offer the appearance of a legitimate democratic process but none of the reality, and disregard the interests of working men and women instead of representing them.

In 1959, Congress enacted the Labor-Management Reporting and Disclosure Act to protect the rights and interests of union members against abuses by unions and their officials. The act gave union members various substantive rights that were considered so crucial to ensuring that unions were democratically governed and responsive to the will of their membership that they were labeled the Bill of Rights of Members of Labor Organizations. The LMRDA made rank-and-file union members the sole guardians of protections set forth in the Bill of Rights for Members of Labor Organizations by prohibiting the Secretary of Labor from investigating violations of those rights.

Of course, Congress realized that the protections provided in the Bill of Rights for Members of Labor Organizations were meaningless if union members did not know of their existence. Therefore, in section 105 of the act, Congress mandated that "every labor organization shall inform its members concerning the provisions of this chapter." Unfortunately, as demonstrated by the U.S. Fourth Circuit Court of Appeals recent decision in Thomas v. The Grand Lodge of the International Association of Machinists, a decision handed down in just January of this year, the officials at labor unions have frustrated the will of Congress and sought to prevent their members from learning of their rights by refusing to notify members of the act's protections when they join.

In Thomas, the union asserted that their one-time publication of the provisions of the act to their membership way back in 1959—the fact that they published it one time in 1959 —satisfied their obligation to notify their members. The court of appeals rejected this somewhat ingenious argument because it ran counter to the clear text of section 105 and because "Congress clearly intended that each individual union member, soon after obtaining membership, be informed about the provisions of the act," including the Bill of Rights of Members of Labor Organizations.

This is the reality of union democracy and the contempt union leaders have for the rights and interests of working men and women. Unions still continue to fight disclosing to workers the basic rights Congress set forth back in 1959.

The reason the underlying amendment doesn't include ideological groups is that when you give to the Sierra Club, you know the causes they advocate. When people join unions or are forced to pay fees to unions, they probably don't know that unions use their dues for such things as an effort in 1996 to legalize marijuana in California. The Teamsters contributed $195,000 in union dues to support that particular effort. I wonder how many hard-working families of union members want their hard-earned dollars to be used for the legalization of marijuana. I cite that as an example of the way in which union dues can be used without the consent of members and on causes certainly the members are not likely to agree with.

Senator HATCH, though this important amendment is trying to get at some of these problems, I commend him for his outstanding leadership on this issue over the years. We certainly hope this amendment will be approved.

I retain the remainder of my time and yield the floor.

The PRESIDING OFFICER. Who seeks time?

The Senator from Connecticut.

Mr. DODD. Mr. President, I yield 15 minutes to the distinguished senior Senator from the State of Michigan, Mr. LEVIN.

The PRESIDING OFFICER. The Senator from Michigan is recognized for up to 15 minutes.

Mr. LEVIN. I thank my friend from Connecticut.

Mr. President, this amendment is written as though it would apply to both corporations and unions. The words on the piece of paper we have just been handed say "any corporation or any labor union." When somebody first looked at it, they would say: Aha, this applies to both.

In the real world, it doesn't. In the real world, the only entities to which it applies are unions and not corporations. The activities which are covered here are really for, first, voter registration activity. I don't know of too many corporations that engage in that. I would love to know from the sponsors of this amendment what percentage of corporations engage in voter registration activity. That is the first thing it covers, something which unions do and corporations don't. But we are told there is parity in this amendment.

The second thing we are told it covers is voter identification or get-out-the-vote activity. I don't know of too many corporations that engage in voter identification or get-out-the-vote activity. I would be really interested to hear from the sponsors of this amendment as to what percentage do because I don't know of many. In fact, I don't know of any offhand. So while it purports to be equal in its application, while it purports to have parity to both unions and corporations, it is purely paper parity, it is not real world parity. It is the appearance of parity without the reality of parity—paper parity.

The third item is public communication that refers to a clearly identified candidate. I am not sure what that means, because if it were a public communication that expressly advocated support for or opposition to, it would then be an expenditure which would have to be paid for in hard dollars. I am not sure even what the relevance of that is in this particular place. The same thing with disbursements for television or radio broadcast time.

The heart of this amendment is to go after union activity and to place requirements on unions that are so onerous that they will not be able to meet them. To require affirmative approval of certain activities in a voluntary organization and association which has voted to engage in certain activities in which free people engage is set aside here. Instead, under this amendment, we have a free association of people, because no one can be required to be a member of a union, not in this country. Nobody can be required to be a member of a union.

So you have an association of free men and women who have decided that they want to engage in certain political activity, but we are told in this amendment that they have to go through certain hoops and they have to jump across certain hurdles before they are allowed to do so.

We are told that there is parity here. Stockholders are also covered by this, we are told. Yet we haven't heard, despite the many suggestions and questions asked about this, of any corporations that engage in this activity that would be required to obtain stockholder approval before using corporate funds to do so.

If this were a serious amendment aimed at parity, if this were truly a real-world parity amendment, it would not be written in the way it is relative to corporations. Saying that you would have to get the approval of stockholders, for instance, without saying which class of stockholders—common stock, preferred stock—what day are we getting the approval of stockholders on, was it yesterday before a billion shares of stock were sold on the New York Stock Exchange, is it today, when another billion shares of stock are going to be sold on the New York Stock Exchange. This is not a moving target which would be presented to a corporation. It would be a moving bullet which would have to be somehow or other captured so these requirements could be met. But they are not real requirements because corporations don't engage in the activity purportedly being covered by this amendment.

The purpose of this amendment is to try to restrict legitimate political activity of an association of men and women in a labor union. The disguise is pretty thin. The disguise is, look, we have heard a lot about covering corporations, so we are doing it. But this isn't the activity that the corporations engage in which is set forth in this amendment. This is the activity in which labor unions engage—voter registration activity, voter identification, or get-out-the-vote activity. So the disguise is pretty thin. The parity is paper parity only.

This amendment, it seems to me, should be seen for what it is—a way to attempt to reduce the political activity of labor unions. There was a case called Machinists v. Street in the Supreme Court back in 1961. The Supreme Court expressed concern with encroachment on the legitimate activities and necessary functions of unions. They made it very clear in that case that it is up to the members of the union to decide in what activities they would engage, and that dissent is not presumed, in the words of the Supreme Court.

This amendment reverses that right of association where members of an association are presumed to support, by the election of their officers and adoption of their bylaws, the program of that association. It reverses the Supreme Court's assumption and presumes dissent, requiring affirmative approval of members of a free association.

This is what the Supreme Court said:

> Any remedies, however, would properly be granted only to employees who have made known to the union officials that they do not desire their funds to be used for political causes to which they object. The safeguards in the law were added for the protection of dissenters' interests, but dissent is not to be presumed.

This amendment, by requiring that unions go through very complicated, cumbersome procedures in order to obtain affirmative approval of members of that free association, is intended to put a damper on union political activity, and it is very clear what this purpose is.

Finally, let me just say this: This is not an amendment, it seems to me, which belongs in this bill or is really appropriate in this bill. This is an amendment that is aimed at labor unions, separate and apart from any bill that we have before us relative to money going into campaigns. This is not an amendment that is aimed at the appearance of corruption, which we have been told, under Buckley, can be addressed by trying to put some limits on contributions to campaigns. That is what the Buckley case says we can do.

In order to avoid the appearance of corruption, the appearance of impropriety, we can put contribution limits on contributions, we can restrict contributions because of what can be implied, and is too often implied, by large contributions going into these campaigns. We have not been shown the corruption that this amendment intends to remedy.

What this amendment intends to do is to restrict the rights of association of members of a union—people who voluntarily decide they are going to either be in a union, remain in a union, or join a union; people who are not required to stay in a union by law; people who are not required to join a union by law because no law can require that in this country. Yet it is the restriction of that association, the right of men and women in a free country to associate freely and to decide on a regime of political activity that is being restricted by this amendment—with no showing of an appearance of corruption, restriction on the rights of association. That is what this amendment reflects.

That cannot just be disguised or covered up by saying, oh, look, it applies to corporations, too, when in fact the corporations do not engage in the activity being discussed here. And, in fact, if this seriously were aimed at corporations, it would be so totally unworkable that it would fall of its own weight. No corporation I know of could possibly comply with these rules, even if it wanted to engage in get-out-the-vote activity or voter registration. There would be no practical way it could comply with this.

The effort to modify this amendment was a reflection of the total inability of a corporation to function under this kind of a rule. But it doesn't cure the problem because, again, we are not told: When is this decision made? What day are the stockholders going to be counted? Do they have to be asked on a certain day as to whether or not they approve a get-out-the-vote campaign or a voter registration campaign? The next day you may have hundreds of thousands, perhaps in a large corporation, of different stockholders. What classes of stock are covered? There is nothing about that—and for good reason. That is not the purpose of the amendment.

The purpose of this amendment, I am afraid, is a purpose in which we as a body should not participate. The purpose of this amendment is to restrict the political activities of a free association. We should not do that, whether we like the association or don't like the association. We should not do that whether the association is supportive generally of our party or opposes generally our party. The principle here, the principle involved, is the right of association under the first amendment. It cannot be restricted by law. It should not be restricted by this body. We should not attempt to place these kinds of restrictions on the associative rights of American citizens.

Finally, under a NAACP case in 1963, I will close with this quote. The first amendment is what is being discussed in that case, and this is what the Supreme Court held:

> Because first amendment freedoms need breathing space to survive, government may regulate in the area only with narrow specificity.

I know we are going to have a debate over whether or not the bill before us meets the first amendment test. Those of us who very much support McCain-

Feingold feel passionately that it does, that it is narrowly crafted to allow for regulation, to address the appearance of impropriety and corruption. But there is no way that the amendment before us, which has an effect only on the free association of labor unions, can possibly meet this test with no showing of an appearance of corruption, no showing of an appearance of impropriety, and severe practical limits on the rights of association in trade unions. And I believe this language should not only be defeated by this body, but, hopefully, will be rejected on a bipartisan basis because it would cut into the rights that I believe all of us should want very much to protect.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, the Senator from Michigan is correct, of course, that no worker can be forced to join a union. They can, however, be forced to pay fees to unions, equal to union dues, as a condition of maintaining their employment. That is precisely the point of Senator HATCH's amendment.

As for the concern of the Senator from Michigan about the fact that no corporation does ground wars as unions do, that is, of course, precisely the point. That is exactly why McCain-Feingold is biased in favor of Democrats.

Unions, as the Senator from Michigan has pointed out, do the ground war for the Democrats. I wish we had an ally like that on our side. I admire the unions greatly. They do the ground war for the Democrats.

For Republicans, it is the party that takes the primary role in the ground war. As we have discussed here, and as the Senator from Michigan has conceded, corporations don't do that sort of thing. They never have and, in my view, they never will.

McCain-Feingold eliminates one-third of the resources that Republican Party organizations have to counter the union ground game from which Democrats benefit 100 percent.

According to Forbes magazine, the NEA's local uniserve directors act as the largest army of paid political organizers and lobbyists in the United States. According to NEA's own strategic plan and budget, these political operatives had a budget of $76 million for the 2000 cycle—$76 million for the 2000 cycle alone. None of that is touched by McCain-Feingold.

With regard to the unions, what do unions do to help Democrats? Again, I say I wish we had such an ally. This is what the unions do for the Democrats:

One, get out the vote;

Two, voter identification;

Three, voter registration;

Four, mass mailings;

Five, phone banks;

Six, TV advertisements;

Seven, radio advertisements;

Eight, magazine advertisements;

Nine, newspaper advertisements;

Ten, outdoor advertising and leafletting;

Eleven, polling;

And twelve, volunteer recruitment and training.

Boy, I wish we had an ally such as that. That would be wonderful. The only entity we have that engages in any of those activities on behalf of Republicans is our party organizations. Their funds would be reduced by at least a third or, in the case of the Republican National Committee, 40 percent by McCain-Feingold.

McCain-Feingold purports to regulate some union activity, and I gather from reading the paper it has made the unions at least a little bit nervous. It purports to prohibit TV and radio ads that refer to a candidate within 60 days of a general election or 30 days of a primary.

However, with regard to national parties, everything the national party does must be paid for in 100-percent federally regulated hard dollars, even if it does not mention a single candidate.

If, in fact, that 1 restriction on union activity remains in the bill at the end, that leaves 11 other activities unions engage in untouched by McCain-Feingold while at the same time the bill reduces the funds available for the national parties by a third, to 40 percent.

In addition to that, McCain-Feingold, in effect, federalizes State and local parties in even-numbered years. In order for the Republican National Committee—it would apply to Democrats as well, but it is not as important to them because they have the unions as I just described—in the case of the local parties and the national party, they would have to operate at 100-percent Federal dollars, even if they were trying to influence a mayor's race in Wichita, KS.

This bill does little or nothing to the unions. What little it purports to do, I gather, has made the unions nervous, and it will be interesting to see if, before the end of this debate, not only are the amendments such as the one we are debating not approved, I am curious to see whether there will be additional amendments offered that will, in fact, take out what few uncomfortable portions of the existing bill there are for organized labor. In other words, I am predicting that not only will Senator HATCH's amendments—this one and the one he will offer after this one—probably be defeated, but that those elements of McCain-Feingold that currently create some angst among unions, there will be an effort to strip those out before we get to final passage.

In the name of fairness, what we are talking about, with Senator HATCH's amendment, is to make sure that union dollars are voluntarily given by members and that union activities are disclosed. Consent and disclosure are two principles, it seems to me, that have been at the heart of the campaign finance debate for many years.

I think we are probably through on this side. I do not know how many more speakers you have.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I know of three or four anyway. There may be a few others.

Mr. MCCONNELL. How much time do I have?

The PRESIDING OFFICER. The Senator from Kentucky has 15 minutes 30 seconds.

Mr. MCCONNELL. I reserve the remainder of my time, and I will see how it goes.

Mr. DODD. How much time remains on the opponents' side?

The PRESIDING OFFICER. Forty-seven minutes 22 seconds.

Mr. DODD. Maybe we will consume all of it, and if the Senator from Kentucky——

Mr. MCCONNELL. I have reserved mine.

Mr. DODD. How much time does my good friend from Minnesota need?

Mr. WELLSTONE. Ten minutes, and I may not take a full 10 minutes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. WELLSTONE. Mr. President, I will tell you why I may not take the full 10 minutes. I had an opportunity to hear Senator LEVIN, and he said much of what I wanted to say except he said it better than I can.

I do want to be really clear that this "paycheck protection" amendment that all of us have been expecting has taken an even more egregious and cynical form than I had contemplated in all my nightmares.

This is not about sham issue ads. It is important to go after soft money that goes into such ads by any kind of organization. This is not about parity between corporations and unions, for all of the reasons Senator LEVIN outlined. This is, however, going after political activity defined as "voter registration activity, voter identification, or get out the vote, public communication that refers to a clearly identified candidate for Federal office."

I can understand why, given what we have been doing on the floor of the Senate over the last couple of weeks, such as, for example, in 10 hours overturning 10 years of work to have a rule to provide some protection for people against repetitive stress injury—I can understand why my colleagues would not want unions, or any kind of organization that represents workers, communicating with those workers.

This is a gag rule amendment. That is what this is about. Basically, this is the issue: This amendment is all about going after a democratic, with a small "d"—may I please make that distinction—a democratic institution, with a small "d," and denying that associational democratic institution the right to represent and serve its members.

What my colleagues are worried about, what this amendment is a reflection of, is the concern of some of my colleagues that this particular democratic organization, with a small "d"—a union, or it can be any organization—will be able to serve its members.

Frankly, we in the Senate ought to be for all democratic, with a small "d," associational organizations, and we should be all about supporting their rights to serve their members, not trying to gag them, trying to block communication. My colleagues are so worried that these associations and these organizations of people who do not give the millions of dollars will be able to, God forbid, be involved in voter registration activity, get-out-the-vote efforts, internal communication, and grassroots politics.

This is the ultimate anti grassroots politics, anti association, anti group and organization, anti rank-and-file member, anti people communicating with one another, anti people without the big bucks through their association being able to have some power and some say and some clout in American politics.

This amendment should be roundly defeated.

I yield the floor.

Mr. CORZINE. Mr. President, I rise today in strong opposition to the so-called paycheck protection amendment. This proposal, in my view, is little more than a thinly veiled attack on organized labor, and an attempt to undermine genuine campaign finance reform.

The effect of this amendment would be to bury unions in a morass of bureaucratic red tape, and severely impede their ability to represent their membership. It would push unions further to the periphery of the political process, and hurt the working men and women they represent. It also may well be unconstitutional.

Every day, associations and other organizations representing everything from chocolate manufacturers to retired people come to Capitol Hill to advocate for their members. These organizations use a variety of mechanisms to decide how they spend their money. Some give broad authority to their D.C. representatives. Others centralize authority with their president. Others operate through special boards or committees.

It is not Congress's business to dictate to these organizations how they make their internal spending decisions. That is their business. And that is how it should be.

But this amendment says that it is our business as politicians to tell unions how to make their internal spending decisions. The obvious intent is to harm unions' ability to function effectively in the political process. This doesn't just discriminate unfairly against unions. It undercuts their constitutional rights of free association and of free speech.

As a result of the 1988 Beck case, all workers can already opt out of paying union dues. They can choose not to be in the union and to pay a fee that only covers costs associated with contract management and collective bargaining. No worker is forced to join the union. Therefore, no worker is forced to cover costs associated with political activities. And, I would add, the underlying legislation includes a provision that makes this very clear.

In reality, this amendment is a deliberate attempt to undermine one of the key purposes of unions, advocating for their members not only with management, but with elected officials. The amendment goes well beyond what the Supreme Court required in the Beck decision. It would require union members to affirmatively agree to set aside a portion of their dues for political activities. And then it would require period reports spelling out details of those activities.

These requirements would impose significant costs on unions and limit their ability to participate in the political process.

It is important to remember that unions are democratic institutions. Decisions are made by majority vote or by duly elected representatives. Moreover, as I said earlier, nobody is forced to join a union: If you decide to join, as with other voluntary organizations, you accept the democratic decision-making process.

It is absurd to join the NRA and ask that no funds be used for political activities. You cannot pay a reduced fee to simply receive American Rifleman magazine. And you cannot join the Sierra Club just for the tote bag. Similarly, political activities are a fundamental feature of a union's operations.

Unions were formed in the first place to reduce the historic imbalance between workers and management, between most Americans and powerful, entrenched interests. By coming together, working families have an influential voice, and nowhere is the voice of labor unions more important than in the political arena. This amendment would, in effect, silence that voice, and in the process silence millions of working families.

If we believe in the constitution right to free association, we cannot support this amendment. If we believe in the rights of working families to be heard, we cannot support this amendment. And if we believe in fundamental and equitable campaign finance reform, we cannot support this amendment.

Mr. DODD. Mr. President, we have many Members desiring to be heard. I want to make sure I accommodate everyone who wants to be heard.

I yield to my colleague from Massachusetts for 5 minutes.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Massachusetts is recognized for up to 5 minutes.

Mr. KERRY. Mr. President, I thank my colleague.

The impact of this amendment and the fundamental unfairness of it are so obvious and so patently clear. What this tries to achieve doesn't necessitate a raising of voices or even an angry response, although I think there are plenty of Members who feel offended by what it seeks to do.

The purpose of this McCain-Feingold legislation is to try to create a fair playing field. "Fair" is not a word we hear a lot applied to the standards which our colleagues on the other side seem to seek in this. But "fair" means you try to achieve parity to the best degree possible between both sides' potential supporters, those who give to us.

What is extraordinary to me is what is being sought here is effectively the silencing of the capacity of organized labor to be able to participate with a fig leaf, a pretense about corporate responsibility and shareholder obligations. There is nothing in the terminology of the legislation in the way it has been set forth that actually creates any equality at all between shareholders and union members who, I might add, are a completely different concept altogether. After all, I think it is understood there are certain laws that apply to unions—to union participation, the Beck law, to the rights of union members, to union democracy, election of leaders, the way in which they participate—which are completely different from the role of shareholders and the way shareholders participate.

More importantly, look at the basic numbers. Corporations outspent unions in political activities in the last election 15–1. Even if you accept the argument of some Republicans that unions tend to predominantly be supportive of Democrats, which might incidentally illicit some thinking on their part about why it is that happens, but with ergonomics in the past week and other attacks, I think we can understand that differential, but even if you were to split the corporate contributions—because some corporations do, indeed, also give to Democrats—and you took only 8–1 or 7–1, you are looking at a level of expenditure that so far outstrips the participation of unions that the real objection of some of our colleagues is not the money; it is the fact that people, voters, actually go out and get engaged in the system in a way that shareholders don't.

What they are trying to do is legislatively strip away the capacity of those people to be able to participate to the full extent of our democratic process.

The Supreme Court of the United States made it clear in Communication Workers of America v. Beck—in the Beck decision—when it said that unions can't, over the objection of a dues-paying nonmember employee, spend funds collected from those activities unrelated to collective bargaining. They cannot use that money in politics already.

That decision has been properly codified in this legislation by Senators MCCAIN and FEINGOLD. Here we are codifying Beck and restricting the capacity of the nonmember employee, dues-paying employee. What the legislation seeks to do in reading several sections of it, sections (B), (C), and (D) of section 1, is show it is specifically targeted to internal and external communications relating to specific candidates. That is the kind of communication that takes place in the union. It doesn't take place among shareholders.

Internal disbursements, to operate and solicit contributions—likewise, not a shareholder participation.

Voter registration drive, et cetera.

What it specifically seeks to do is restrain those activities which our colleagues don't like because they are participating in the process, and it doesn't achieve parity with the corporate sector—and, I might add, places a burden on the corporate process, which is absolutely not workable.

I don't see how it is possible for corporations to make the kinds of divisions that are called upon in this legislation. It would require a constant tracking of new shareholders, a constant recalculation of their ownership stakes. Shares are traded daily on the stock market. Corporations would have to collect and process spending authorization from those daily changing shareholders. And, finally, the corporations would have to pay additional dividends or other financial benefits to shareholders who refuse to authorize corporate and political legislative spending.

It is completely unworkable on the corporate side, but it is not meant to be workable. It is clearly meant to be a restraint on the capacity of a voluntary association under the Constitution to be able to participate in the electoral process in a way not denied to any number of other groups in our country.

I think our colleagues ought to join together because this is an amendment calculated to try to undo the McCain-Feingold concept, and particularly calculated to establish a playing field that is not level.

Mr. DODD. I yield 5 minutes to my colleague from Wisconsin.

Mr. FEINGOLD. Mr. President, the President of the United States, President Bush, issued a statement with regard to campaign finance reform indicating he is committed to working with the Congress to ensure that fair and balanced campaign finance reform legislation is enacted. He specifically referred to a desire to have a balance between unions and corporations in the United States.

Apparently Senator HATCH's amendment is an attempt to do that. But as has been effectively pointed out by Senator LEVIN, it doesn't accomplish that. It isn't balanced. It isn't parity. The distinguished Senator from Massachusetts pointed out when it comes to the balance between unions and business in the country, this amendment doesn't even apply to 99.7 percent of the businesses in the country.

It is an interesting technique to talk about balance between unions and corporations but not include many other kinds of organizations as well.

What is even more troubling is the point made by the Senators from Michigan and Massachusetts. The definition of "political activity" is by no means balanced between what corporations do and unions do. This needs to be reiterated. There are four kinds of activity listed. Two of the activities are activities in which at least at this point only unions participate, and a third is defined in a circular way which means that it probably doesn't apply to the kind of disbursements for television or radio that corporations do. The fourth activity refers only to express advocacy, which unions and corporations can only do through their PACs.

The Senator from Michigan has it right. He said it is purely paper parity between corporations and unions. What he said is not only alliterative, it is dead right. This amendment is purely paper parity.

Even the President of the United States' principles and desire that we create a balance between unions and corporations are not achieved by the Hatch amendment.

I compliment the Senator from Utah for attempting to do this. On its face, the amendment is not as one-sided as some that have been offered in the past. For example, one previous amendment on this subject said that any union or corporation that charges its members dues is covered by the provision. But, of course, no corporation in America charges dues.

Nonetheless, let's be serious. Is there anybody in this body who really believes that this provision will actually work? This amendment supposedly would require every corporation in America to get the permission of its shareholders before it spends money for political activities. That is ludicrous. Corporations have millions of shareholders. Their identity changes every day. The Senator from Massachusetts made this very clear—how could you possibly do this? Billions of shares of stock change hands each week—billions. Apparently, it would be necessary to get the permission of every shareholder.

What about people who own shares in corporations through mutual funds? How are their rights protected? Actually the amendment says that "without the separate, prior, written voluntary authorization of a stockholder, it shall be unlawful for any corporation described in this section to use funds from its general treasury for the purpose of political activity." So perhaps this provision only requires corporations to get the permission of one stockholder.

But if that is what it means, if it does not apply to billions of stockholders, which would be unworkable, and only requires the consent of one stockholder, it would be a sham like the earlier proposals.

I take the Senator from Utah at his word, that he is trying to be even-handed, trying to cover unions and corporations equally. But if his proposal actually works, the Senator from Utah has singlehandedly rewritten the law of corporations in this amendment. Corporate shareholders generally have little ability to influence corporate policy and practices. The officers and directors of a corporation do that, and they are responsible and have a legal duty to their shareholders to do it. If this amendment actually works—and I am very skeptical that it does—then before this vote, corporate America should be descending on this body en masse within an hour or so.

Lots of representatives of corporate America oppose this bill now, but if this bill passes, every corporation in America will oppose it. This provision would be a disaster for corporations if it works in that way.

Aside from the problems with this amendment that the other speakers have very well pointed out, our Beck provision addresses the issue of the use of union dues for political purposes. The real problem with this amendment is that this is a poison pill to this bill. It fits the definition of a poison pill to a tee.

If this amendment passes, reform is dead. I am confident that we will defeat it despite the herculean efforts of the Senator from Utah to cover corporations and unions equally because a sugar-coated poison pill is still a poison pill. When the sugar wears off, and it will wear off pretty quickly on this amendment, as we have seen, the poison underneath will kill this bill.

It is essential for the sake of this campaign finance reform effort that this amendment be tabled.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, the arguments about the mechanics of the Hatch amendment are a sham. The Securities and Exchange Commission has managed to figure out ways to determine who is a shareholder and when, so that shareholders can be sent annual statements and proxies. Regulators are quite capable of handling these issues.

There has been mentioned on the floor, "the appearance of corruption." Let me ask a question. Why does it create the appearance of corruption for a union or citizen group to run an ad criticizing our voting records around election time, such that it justifies regulation under the Snowe-Jeffords language that is in the underlying McCain-Feingold bill, but it does not create the appearance of corruption of the process for that same soft money from advocacy groups and unions to be used for phone banks, leaflets, mailings, and other things designed to criticize candidates and influence elections?

This is absurd. Remember when you hear the words "poison pill," you know it is an amendment that may have some impact on organized labor.

It has been suggested by the sponsors and others that the Beck decision, which of course applied to nonunion members working in union shops, was codified in the underlying McCain-Feingold bill.

I have a statement from the lawyer who represented Mr. Beck in that case, dated January 30 of this year. He said:

> I have reviewed section 304. As one of the attorneys for the nonmembers in Beck, and objecting nonmembers in several cases following Beck, I can assure you that section 304 of McCain-Feingold-Cochran does not codify Beck. It would gut Beck.
>
> The federal courts and the National Labor Relations Board ("NLRB") now both have jurisdiction over claims of misuse of compulsory dues for political and other nonbargaining purposes. The jurisdiction is concurrent, because such claims are claims for breach of the "judicially created duty of fair representation" owed to workers by their exclusive bargaining agents . . .

The Lawyer goes on:

> However, section 304 of McCain-Feingold-Cochran would amend section 8 of the NLRA expressly to make it an unfair labor practice for a union to "not to establish and implement [an] objection procedure", by which nonmembers compelled to pay dues as a condition of employment can obtain a reduction in their dues for "expenditures supporting political activities unrelated to collective bargaining."
>
> If this amendment to the NLRA becomes law, then the courts are likely to hold that Congress intended to oust the courts of jurisdiction to enforce the prohibition on such spending.[5] That would leave individual workers with no effective means of enforcing their Beck rights, as history demonstrates . . .

Further in the statement the lawyer points out:

> Many Beck cases do not even make it to the Board, because the NLRB's General Counsel does not prosecute them vigorously. According to the National Right to Work Legal Defense Foundation's Staff Attorneys, who have represented most employees who have filed Beck charges with the Board, the General Counsel has settled many Beck charges with no real relief for the charging employees. The Board's Regional Directors have refused to issue complaints on and dismissed many other charges at the direction of the General Counsel. No appeal from a dismissal of a charge is possible, because the General Counsel has "unreviewable discretion to refuse to institute unfair labor practice proceedings." . . .

The Lawyer continues:

> Thus, by vesting Beck-enforcement authority in the NLRB, the McCain-Feingold-Cochran amendment to the NLRA would leave no real remedy available to objecting employees who wish to bring Beck claims that a union's spending of compulsory dues or fees, or its objection procedure, breaches the duty of fair representation.
>
> Section 304 of McCain-Feingold-Cochran, if it becomes law, would legislatively overrule almost 40 years of decisions of the United States' Supreme Court concerning what union activities objecting nonmembers may be compelled to subsidize . . .

Far from codifying Beck, this underlying bill basically neutralizes Beck.

> Section 304 of McCain-Feingold-Cochran purports to limit the use of compulsory union dues and fees. In fact, it is craftily drafted to overrule the Supreme Court's interpretation of the federal labor laws and sanction the use, now prohibited, of compulsory dues and fees for a broad range of political, ideological and other non-bargaining purposes.
>
> Section 304 effectively would overrule the Court's decisions in Ellis and Beck for employees forced under the NLRA to pay union dues and fees to keep their jobs, because section 304 does not prohibit the use of compulsory dues for all activities unnecessary to the performance of a union's duties as the exclusive bargaining agent for the objecting employees' bargaining unit. Rather, section 304 prohibits the use of compulsory union dues only for "political activities unrelated to collective bargaining." Section 304, if enacted, thus would permit the use of compulsory funds for union organizing, litigation not concerning the nonmembers' bargaining unit, and the portions of union publications that discuss those subjects, uses now prohibited under Ellis and Beck.
>
> Even worse, section 304 would repudiate the 1961 decision in Street that no political and ideological activities may be subsidized with compulsory dues and fees. Section 304 would not prohibit the use of compulsory funds for all political activities, but only "political activities unrelated to collective bargaining," which it defines as only "expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining." (Emphasis added.) This definition would not prohibit the use of compulsory dues and fees for political party activities not in connection with an election, lobbying on judicial and executive branch appointments, campaigning for and against ballot propositions, and publications and public relations activities on political and ideological issues not directed to specific legislation. Moreover, because most legislation on which unions lobby could be said to be "related to collective bargaining," the McCain-Feingold amendment would effectively prohibit the use of compulsory dues and fees only for and against candidates for public office . . .

Mr. President, you get the drift. Beck is effectively repealed by the underlying McCain-Feingold legislation.

I do not know how many more speakers we have.

How much time do I have remaining?

The PRESIDING OFFICER. Eight minutes. The other side has 29 minutes.

Mr. McCONNELL. I reserve the remainder of my time.

Mr. DODD. Mr. President, I yield 5 minutes to the distinguished Senator from New York.

How much time remains for the opponents?

The PRESIDING OFFICER. The opponents have 29 minutes remaining.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, I thank the Senator from Connecticut.

Mr. President, I rise to oppose the amendment of my friend Senator HATCH on so-called "paycheck protection."

All of us know the purpose of this amendment. It is, quite simply, to kill McCain-Feingold, pure and simple.

The proponents of this amendment won't vote in favor of McCain-Feingold. They just want to diminish the number of Democrats voting for McCain-Feingold and thereby have it fail.

In reality, the actual reason for this amendment is simply to end campaign finance reform as we know it today.

If the proponents of this amendment wanted to move the issue forward, they wouldn't do it as part of campaign finance because this amendment has absolutely nothing to do with campaign finance.

This amendment is about the way unions and corporations govern themselves, a subject we should debate separately.

I ask those who are proponents of this amendment if their goal is not to kill the underlying bill, they should then withdraw the amendment and move it forward in the appropriate committees as part of corporate governance and governance of labor unions.

Let us be clear about the actual substance. It is, as many have already said on other occasions, "paycheck deception" to claim that union members get railroaded into paying for speech with which they disagree.

In reality, all of us know people are not forced to join unions. Unions are voluntary associations that members are free to quit the second they disagree with the union's political activities.

That is the essential freedom. If the freedom went any further, we would have no voluntary organizations in America, and we probably wouldn't have a democracy.

To say that people are coerced by an organization that they can quit at any moment because they do not get the majority vote, there would be strong objection to any legislative body, including this one, as there would be to unions.

Even those who quit, of course, would be represented by the union by paying agency fees.

For that reason, the first amendment argument advanced by the proponents of this amendment is, quite frankly, a red herring.

There are people in this country and in this body who just do not like unions. So they argue with the structure of the union, and the very same structure of an organization that they like, they don't argue with at all.

The first amendment rights of members are not transgressed when unions engage in political activity because they chose to associate themselves with the speech. It's that simple.

Moreover, unions are democratic organizations.

Our friends on the other side of the aisle would have you believe that union bosses are making unilateral decisions in smoke-filled rooms that flout the will of their members and stifle their first amendment rights.

That very argument has been made by Communists and fascists about this body and about our democracy. They vote. They set their own dues. Not everybody gets his or her way because a majority vote prevails.

It makes no sense to castigate unions for engaging in the same majority rule upon which our country is founded. I argue that the reason we hear this argument is not because of any greater devotion to democracy but because of dislike and even hatred of unions. How dare these union organizations force employers to pay more than the employer wants to pay. But, my colleagues, that argument went out if not in the 1890s, in the 1930s.

We all know union members elect their own leaders, and they set their own dues. Not every member of the union is satisfied with the election. In almost every vote we take here not every Member is satisfied with the outcome of the vote.

If the union wants to change leaders and lower their dues to foreclose political expression, they are, of course, free to do so.

That they have not done that on the whole is an indication that members' free speech rights are not being violated in the wholesale way alleged by our friends on the other side.

Now, the sponsor of this amendment has commendably made the attempt—unlike some past versions of this—to include at least publicly held corporations.

For one thing, I do not hear the venom directed at publicly held corporations that make decisions and spend their money on ads when certain shareholders disagree with those decisions. Shareholders can go to the corporate meeting, voice their objections, and they probably have even less chance as an individual union member of changing things.

We do not hear that kind of vehemence and even venom. But the argument for union democracy is probably greater than that of corporate democracy.

Shares in corporations are alienable and change hands in virtually instantaneous transactions millions of times each day.

To pretend that shareholders who buy and sell their shares so readily are analogous to members for the purpose of consenting to political speech is just not a serious argument.

That is why it just isn't workable to try to include corporations, and why, my colleagues, this is just an anti-union measure from start to finish that should be debated in the Health, Education and Labor Committee and put to its proper death.

Incidentally, also, other associations similar to labor unions, such as the Chamber of Commerce, aren't covered by this amendment.

In sum, I urge Members to vote against this amendment and see it for what it is—a poison pill that has nothing to do with union members' rights but everything to do with defeating campaign finance reform.

I thank my colleague and yield back the time I may have remaining.

Mr. DODD. Mr. President, I know my colleague from Oklahoma wishes to be heard. I want to take a couple of minutes. I will be glad to give him whatever time he needs. I would like to reserve 4 minutes at the end of the debate.

How much time remains?

The PRESIDING OFFICER. A little over 21 minutes.

Mr. DODD. I will take about 5 minutes. My colleague from Oklahoma wants 5 or so minutes, if he would like, and others may show up. I would like to reserve the last 4 minutes to share some of that time with my colleague from Kentucky, if he needs it, or anyone else who may come over.

Senator SCHUMER from New York made a very compelling and sound argument against this amendment.

First of all, I know it is something Members do with great frequency. If you read this amendment, it is terribly complicated. It almost seems to be a flawed amendment. I get the thrust of what I think the Senator from Utah wants to do, but I am not sure, even if it were adopted, it achieves the results that he desires with the language he has crafted. It is rather complicated. In fact, the modification that the Senator from Utah made may even complicate it further, as I read it.

Just on a first blush, if you look at this, the amendment itself probably should be recrafted in a way. So it ought to be rejected merely on technical grounds.

Even for those who may support what he wants to do, I do not believe this amendment does what the author claims. For those of us who disagree with the intent of the amendment, there are deeper reasons why this amendment ought to be rejected. First, there is no parity. That is what my colleague from New York was suggesting. Whether people like unions or not, they are democratic institutions. There are laws which govern how union officials are elected. They may not always perfect elections. There have been some highly flawed elections. Recently, we went through one nationally where there was great controversy of one particular international union. Members of that union protested loudly over how that election was conducted.

But, fundamentally, they are democratic institutions where the members get to decide a number of things. They decide whether or not to form a union. They decide who their officials will be by secret ballot. They have rights to access of information about union finances and operations. Under the law, they are required to have that access. Union rules are applied on an equal basis. Now, there are problems that occur in the breach, but the law requires it.

If you change the word from "union" to "corporation," the workers in a corporation do not have the right to organize themselves per se. They do not elect their officials, the management team. Access to information of finances is not legally required to be made available to all the employees. The rules apply differently than from unions. Corporations are hierarchical structures. They could not function otherwise. I am not suggesting it ought to be, but to suggest that unions and corporations are sort of parallel organizations is to fly in the face of factually what exists.

So there is a significant difference between how a union is organized, how it functions, and how a corporation functions. Despite, again, what my colleagues have said, there are 21 States in this country where people who are nonunion members still get the benefits of what unions are collectively able to bargain for. Nonunion members get a free ride on the coattails of collective bargaining agreements in 21 States in this country.

Further, there are laws in place to ensure that nonmembers in the 29 free-bargaining States can confine their payments to what is directly related to collective bargaining, contract administration. That is in 29 States in this country.

There have been a bunch of different States that have tried to do what the Senator from Utah wants to do. Every one of these States rejected it. Only one has it—ironically, the State of Utah—and that State has not made a determination yet as to whether or not this paycheck deception, as I call it, is going to become the law of the land.

Our colleagues in the State legislative bodies have rejected this. The courts have rejected this as being unconstitutional as well.

Unions are the only member organizations that have to give their members the option of receiving all the economic benefits of membership whether they are actually members. So whether one likes unions or does not like them, there is a fundamental difference. To suggest somehow we are going to achieve parity, that is not the case.

On the issue of shareholders, despite the fact there has been a tremendous and healthy explosion of involvement by average citizens purchasing stocks in America in the last 10 years—While I do not have the exact percentage today of Americans who own stock, own a piece of equity in American business, I would estimate it to be approximately around 70 percent. It is a wonderful, new statistic in terms of people's participation economically in their own independence. But a substantial part of stock that has been purchased is purchased through mutual funds. There are individual buyers, but a lot of it is done through large investors or larger conglomerates, if you will.

However, when you start breaking this out and start to decide how a shareholder would vote on whether or not corporate funds ought to be used for political activities—I do not think I have to say much more—you are entering a morass of problems on how you divide the percentages of corporate equity based on a corporation's political involvement. You are literally putting a sign around almost every corporation's neck saying: Indict me. Because I do not know how you do it without getting yourself into trouble.

It seems to me, this bill is a step in the wrong direction. In a bill where we are trying to reduce the amount of money, the proliferation of soft-money dollars, in politics, to try, all of a sudden, to engage in a debate that is unworkable, and as the amendment is currently crafted, it is unworkable—and even if it were well crafted—I think this is fundamentally a step in the wrong direction and does not further the overall goals of this bill.

My colleague from New York said it well. If corporate America thought this amendment was going to be adopted, it would be banging down the Senate doors. The idea that they should be treated exactly like unions is not something that corporate America would welcome.

Here make no mistake, again there appears to be a lot of animosity here, a lot of venom, a lot of anger over the fact that organized labor fights on behalf of their people. They fight for a Patients' Bill of Rights. They fight for prescription drug benefits. They fight for a minimum wage increase. They fight to improve the quality of education. Make no mistake, there are people who disagree with them. And they wish the unions would just be quiet and go away and stop speaking out on these issues and stop getting themselves involved in the political life of America. I appreciate their desire to have that occur, but that is not right. It is not how America functions. It is not what we ought to codify as new law.

Whatever else one thinks about McCain-Feingold—and despite the fact I agree with my colleague from Wisconsin, if this amendment were adopted, it would virtually act as a "poison pill" and kill this bill. To the extent people are interested in campaign finance reform, the adoption of this amendment would, for all practical purposes, destroy the fine effort that has been waged by the Senator from Arizona and the Senator from Wisconsin to achieve campaign finance reform.

If this amendment were adopted, aside from that issue, it would be a major setback, in my view, for millions and millions of working people in this country who want their voices heard, want the issues they care about to be on the table when politics is being discussed and candidacies are being decided.

For those reasons, and others brought up today, I respectfully say to my friend from Utah that this amendment would be more properly withdrawn for the reasons I said at the very outset of the discussion. Notwithstanding all of the above, the amendment ought to be defeated. And I urge my colleagues to do so when the vote occurs.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, it is with some regret I rise in opposition to this amendment. I tell my friend and colleague from Connecticut, I happen to agree with him on the portions of his debate alluding to the corporate side of this, trying to say that stockholders would give approval—for the information of the Parliamentarian, I am on the time of the Senator from Connecticut. I see the Parliamentarian is having a hard time deciphering that. I am not often on the side of my friend from Connecticut, but at this time I will use his 5 minutes.

Mr. DODD. Mr. President, I hope the world notes and records this moment. I thank my colleague.

The PRESIDING OFFICER. For the record, the Senator from Connecticut wants to be notified when there are 4 minutes remaining?

Mr. DODD. I think my colleague said he needs 5 minutes. I will give him 10 minutes. If he uses less, let me know.

The PRESIDING OFFICER. There are 12 minutes left.

Mr. DODD. Better make it 8.

Mr. NICKLES. I will do that.

Mr. President, I mention to my friend from Connecticut, I happen to agree with him. The corporate side of this would not work. I read the language. It is the second time today I have read the language. The other time I read the language was in relation to the amendment dealing with broadcasting.

All of a sudden we are giving gifts to politicians to the tune of—if you are from a large State, such as New York, New Jersey, or California, the previous amendment gave a gift to politicians in the millions of dollars. And that was in the language. The language in this amendment, regretfully—I have the greatest respect for my colleague from Utah, but I do not think the corporate side is workable.

I heard people say: We want to have voluntary campaign contributions that should apply to the unions and businesses. But no one is compelled to be a stockholder.

My friend from Connecticut mentioned, you may happen to own a mutual fund. This is absolutely impossible to enforce. But I also say there is a big difference between stockholders and employees. And the reason why we called the original one paycheck protection is because unions are actually taking money away from individuals on a monthly basis many times to the tune of $20 or $30 a month, and in 29 States, in many cases, taking away that money without their approval. Oh, they may not join the union, but they still have to pay agency dues, agency fees.

A lot of that money is used for political purposes. That part of the amendment I happen to agree with wholeheartedly. That is the amendment I wish we were voting on, not this one that confuses corporate, where you have to get shareholders' approval, who voluntarily purchase stock, because that is not workable.

It is workable to say, before you take money out of a worker's paycheck to the tune of $25 a month, if that individual does not want their money to be used—maybe $5, $10, $15 a month—for political purposes, they should have a veto. They should be able to say: No, don't take my money.

No one should be compelled to contribute to a campaign in the year 2001 in the United States. Yet we have millions of Americans who are given no choice. Some people have said this is a killer amendment, that it is a poison pill to kill the bill. I disagree wholeheartedly. I was a principal sponsor of that original paycheck protection amendment. I still am. I believe very strongly no one should be compelled to contribute to a campaign against their will, period. We want to encourage participation. We don't want to mandate it. We don't want to take money away from an individual, use it in a way they don't like, and then say: If you want to, you might file for a refund.

That is the Beck decision. I think we should strike the Beck provision. I agree entirely with the Senator from Kentucky. The Beck provision in the underlying bill is a fraud. It should not be in there. It doesn't protect workers; it doesn't codify Beck. It dilutes it, if it does not totally eviscerate it. It needs to be deleted. We will wrestle with that amendment later. I don't want to confuse the two.

Paycheck protection is important. It is important for those millions of workers in 29 States that are compelled to join a union. If they object to the union and resign their membership in the union, they still have to pay agency fees. Agency fees can be in excess of $20 a month. Much of that money, maybe half, maybe more, is used for political purposes against their will. Those hard earned dollars may be used for political purposes maybe they don't agree with, money that goes to candidates campaigning against a tax cut, maybe campaigning to take away their right to own firearms, maybe very liberal positions with which they don't agree.

You might ask: Where did Paycheck Protection come from? I began this fight because an American Airlines union member came up to me and said that his money was being used for political purposes that he was against it, totally, and he couldn't do anything about it. I told him I would try to help him. I told him I will try to pass legislation to have voluntary campaign contributions for everybody in America. That shouldn't be too much to ask for. That is the genesis of paycheck protection.

I hope maybe we will have a chance to vote on that. I hope we will find out, are people really for voluntary campaign contributions. Unfortunately, the amendment we have before us does much more than make a campaign contributions voluntary. So maybe at a later point in the debate—we still have a week and a half left—maybe we can vote on voluntary campaign contributions. That is this Senator's purpose.

For someone to say this is a poison pill because organized labor doesn't want it is nonsense, do we should just give a special interest a blank check—do we let them veto anything that we present on the floor of the Senate? I don't think so. Organized labor forcibly confiscates hundreds of millions of dollars for political purposes. Organized labor put in at least $300 to $500 million in the last campaign cycle. That is a lot of money. Let them participate, but it just should all be done with voluntary campaign contributions.

Likewise, if businesses are raising money for political action committees, that should all be done on a voluntary basis. Nobody should be compelled to contribute to a campaign in the year 2001.

I hope we will have a chance to vote on paycheck protection, voluntary campaign contributions for all Americans. I do believe that the language that deals with the corporate side of this is not workable and does not have anything to do with voluntary campaign contributions. I say that with great regret because I have the greatest respect for my colleague from Utah.

I also want to address one other issue very quickly. That is the issue with Beck. My friend from Kentucky mentioned that the Beck language in the underlying bill needs to be taken out. I agree wholeheartedly. I hope we will have bipartisan support. People who said they wanted to codify the Beck decision, this does not codify it, it changes it, changes it dramatically. To me, that is not right. I don't think it is right for us to say verbally it codifies Beck when it takes worker protections and actually guts the Beck decision. I hope that at a later point, not to confuse it with this amendment, but at a later point my colleagues will join those of us who would like to see that language removed from the underlying bill.

I thank my friend and colleague from Connecticut for the time and also my friend and colleague from Kentucky who I think has handled this bill quite well.

The PRESIDING OFFICER. There are 7 minutes 23 seconds remaining for the proponents, and 6 and a half minutes for the opponents.

The Senator from Kentucky.

Mr. McCONNELL. Before the Senator from Oklahoma leaves the floor, I want him to know he has our great admiration. He is the one who thought of paycheck protection. He outlined the history of it a few moments ago. I understand we will not have his vote on this offering because, as he knows, we were trying to meet the objections of some of those on the other side who have said for years: You ought to apply it to corporations as well as unions. We did that. It looks as though we are not going to get any of their votes anyway.

I do credit the Senator from Oklahoma. This is his piece of work originally. I hope at some point in the debate he will offer the amendment without the corporate provision. I certainly would vote for it. I think many Members would. It deals with a very real problem in the American political system.

I think we are essentially through with the debate, I say to my friend from Connecticut.

Mr. DODD. If my colleague will yield, we are prepared to yield back whatever time we have remaining. If that would be the case, then I think a motion to table would be made, and we could move on.

Mr. McCONNELL. I yield back the time on this side.

Mr. DODD. I yield back our time as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona.

Mr. McCAIN. Mr. President, I move to table amendment No. 134, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 69, nays 31, as follows:

[Rollcall Vote No. 43 Leg.]

YEAS—69

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Fitzgerald
Graham
Hagel
Harkin
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Stevens
Thompson
Torricelli
Wellstone
Wyden

NAYS—31

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Craig
Crapo
Enzi
Frist
Gramm
Grassley
Gregg
Hatch
Helms
Kyl
Lott
Lugar
McConnell
Murkowski
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Thomas
Thurmond
Voinovich
Warner

This motion was agreed to.

Mr. DODD. I move to reconsider the vote by which the motion was agreed to.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. I ask unanimous consent, following the debate tonight on the pending Hatch amendment, the Senate then resume consideration of the amendment beginning at 9 o'clock in the morning, and there be 30 minutes of debate remaining, equally divided, in the usual form. Finally, I ask consent that following the use or yielding back of time, the Senate proceed to a vote on or in relation to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 136

Mr. HATCH. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 136.

Mr. HATCH. I ask unanimous consent reading of the amendment be dispensed with.

Mr. KENNEDY. Reserving the right to object—I don't intend to object—does the Senator have copies of the amendment?

Mr. HATCH. I understand your side has copies.

Mr. DODD. I say to my colleague, there is a copy we can get.

Mr. KENNEDY. I have a copy.

The PRESIDING OFFICER. Is there objection to the dispensing of the reading of the amendment?

Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To add a provision to require disclosure to shareholders and members regarding use of funds for political activities)

On page 37, between lines 14 and 15, and insert the following:

SEC. 305. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 304 the following:

“SEC. 304A. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

“(a) IN GENERAL.—Any corporation or labor organization (including a separate segregated fund established and maintained by such entity) that makes a disbursement for political activity or a contribution or expenditure during an election cycle shall submit a written report for such cycle—

“(1) in the case of a corporation, to each of its shareholders; and

“(2) in the case of a labor organization, to each employee within the labor organization's bargaining unit or units;

disclosing the portion of the labor organization's income from dues, fees, and assessments or the corporation's funds that was expended directly or indirectly for political activities, contributions, and expenditures during such election cycle.

“(b) CONTENTS.—

“(1) IN GENERAL.—The report submitted under subsection (a) shall disclose information regarding the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council, and each affiliate of the labor organization and information on funds of a corporation spent by each subsidiary of such corporation showing the amount of dues, fees, and assessments or corporate funds disbursed in the following categories:

“(A) Direct activities, such as cash contributions to candidates and committees of political parties.

“(B) Internal and external communications relating to specific candidates, political causes, and committees of political parties.

“(C) Internal disbursements by the labor organization or corporation to maintain, operate, and solicit contributions for a separate segregated fund.

“(D) Voter registration drives, State and precinct organizing on behalf of candidates and committees of political parties, and get-out-the-vote campaigns.

“(2) IDENTIFY CANDIDATE OR CAUSE.—For each of the categories of information described in a subparagraph of paragraph (1), the report shall identify the candidate for public office on whose behalf disbursements were made or the political cause or purpose for which the disbursements were made.

“(3) CONTRIBUTIONS AND EXPENDITURES.—The report under subsection (a) shall also list all contributions or expenditures made by separated segregated funds established and maintained by each labor organization or corporation.

“(c) TIME TO MAKE REPORTS.—A report required under subsection (a) shall be submitted not later than January 30 of the year beginning after the end of the election cycle that is the subject of the report.

“(d) DEFINITIONS.—In this section:

“(1) ELECTION CYCLE.—The term ‘election cycle’ means, with respect to an election, the period beginning on the day after the date of the previous general election for Federal office and ending on the date of the next general election for Federal office.

“(2) POLITICAL ACTIVITY.—The term ‘political activity’ means—

“(A) voter registration activity;

“(B) voter identification or get-out-the-vote activity;

“(C) a public communication that refers to a clearly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate for Federal office; and

“(D) disbursements for television or radio broadcast time, print advertising, or polling for political activities.”

Mr. HATCH. Mr. President, this amendment is simple, and straightforward. It does not attempt to codify the Beck case that we debate year-after-year on the Senate floor. There is nothing complex or legalistic about it. Frankly, like the section 527 bill we passed last year, we simply require disclosure.

This is a modest measure of fundamental fairness. It is a simple right-to-know amendment. The right of American workers and shareholders who pay dues and fees to unions and corporations that represent them, to know how their money is being spent for certain political purposes, causes, and activities. It does nothing more than require a report by labor organizations and corporations to be given to the shareholders and workers represented by unions. This shows how much of their money is being spent in the political process.

As we all know, part of the debate here has been the use of these types of money that never have to, because of the loophole in the Federal election laws, be seen on the reports or be reported by those who received benefits from union expenditures.

I have to say this amendment does not impose overly burdensome or onerous requirements on corporations or unions. This is basic information, and it should be freely provided.

I cannot believe that either union or corporate leadership has a legitimate interest in keeping secret what political causes and activities employee dues, fees, or earnings are being spent to support. If employees or shareholders learn how their money is being spent in the political process, unions and corporations will enjoy an even greater confidence level in their decisionmaking.

On the other hand, if employees and shareholders might not like what they see, is that any reason they should not see it? Is it too onerous? No. After the numerous paperwork burdens that this Congress has freely imposed on small businesses and all taxpaying citizens, how can any of us object to ensuring that workers, teachers, janitors, electricians, and others are informed about how their dues are being spent on the most fundamental of all American activities, the political process?

I doubt anyone would suggest that unions, even at the local level, do not keep these records anyway. How else can an organization that represents employees be effective and accountable, if it does not even know how the dues and fees collected from the employees it represents are being expended?

Should we have the same requirements also be applied to corporations that give this type of information to their shareholders? There is not the same problem there, but why not, if that is what my colleagues think is fair? My amendment therefore covers not only labor unions but also corporations for this simple disclosure requirement.

This amendment represents only one simple, straightforward question: Should an employee be left in the dark on how his or her union dues and fees are being spent in the political process? This amendment is the most modest of beginning steps we can take to bring common sense or reform to our campaign laws.

Finally, let me add one more important point. Everyone knows that the corporate world represents shareholders and not individual dues-paying members. Everybody knows the corporate world does not do the collateral campaign work that the unions do with dues-paid money. It is hardly the same situation. That most likely is the reason why some of my colleagues did not vote for the preceding amendment.

But the distinguished Senator from Massachusetts has in the past raised a fair point. If we include the unions, why should we not include the corporations? These are not reporting requirements that are onerous or burdensome.

This amendment is about basic fairness, and I hope all my colleagues will support it. Basically, it allows individuals that are shareholders or members of a labor organization the right to know how their money is spent in the American electoral process.

I think this is a fair amendment, it is a decent amendment, it is fair to both sides. It just requires simple disclosure. Why not?

I yield the floor.

Mr. DODD. Mr. President, does my colleague from Arizona wish to be heard on this?

Mr. McCAIN. I would like 3 minutes.

Mr. DODD. I yield 3 minutes to the distinguished Senator from Arizona.

Mr. McCAIN. Mr. President, I thank Senator HATCH for an effort to do what all of us agree is a fundamental of any campaign finance reform, and that is full and complete disclosure. I regret having to point out my opposition to this amendment because it is my understanding this full disclosure of political activity of both business and labor is defined in the basic bill under section (2) Political Activity, which says:

> The term "political activity" means—(A) voter registration activity; (B) voter identification or get-out-the-vote activity; (C) a public communication that refers to a fairly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate for Federal office; and [finally] (D) disbursement for television or radio broadcast time, print advertising or polling for political activities.

The way I read this is most of these activities are conducted by labor unions and only one by corporations. So we have an imbalance here on requirements for disclosure.

There are many other things that are done by businesses and corporations that need to be disclosed as well, in my view. Very few corporate activities are involved in voter registration activities. Of course, unions are. The same thing holds for voter identification or get-out-the-vote activity. Express advocacy is clearly not something that is done a lot by businesses, nor is polling.

I assure Senator HATCH of the following: We are working with Senator SNOWE and with Senator COCHRAN and Senator COLLINS, and we are trying to come up with a fair disclosure amendment that will give greater disclosure than is presently in the bill but in a more fair and balanced way.

I will have to oppose this amendment on the grounds of its imbalance. The one thing we promised everybody when we proposed this legislation was we would resist any attempt to pass an amendment that would unbalance what we had put forward as a level playing field. This would imbalance that. I believe we can have all of those items fully disclosed, and more, so observers will say this full disclosure, this light, will shine on business and unions alike in an equal manner.

Having said that, I regret to have to oppose the amendment. I will make a motion to table at the appropriate time.

I yield the floor.

Mr. KENNEDY. Mr. President, will the Senator from Connecticut yield me 3 minutes?

Mr. DODD. I am happy to yield my colleague 5 minutes.

I thank my colleague from Arizona for his comments. We are going to meet in the morning for a half-hour debate before the final vote on this Hatch II amendment. I thank my colleague. The Senator from Massachusetts?

Mr. KENNEDY. Mr. President, with all respect to my friend and colleague from Utah, this really is no improvement over the earlier amendment. In many respects, it just continues the differentiation by which different groups are being treated, not just the corporations and unions but other groups as well.

Again, I know my friend talked about the drafting. He doesn't need any lectures from me. But I am confused because the amendment is very unclear. It says, for example, that "political activities" must be reported. If you look on page 5 it has "political activity" defined. If you go to the term "political activity," it means, if you go to line 19, "political activity."

So you have political activity being defined as political activity. It is really quite difficult to understand.

We all know at the present time that unions are subject to substantial reporting and disclosure requirements. I have in my hand the disclosure requirements. They are extensive. Unions have to disclose PAC funds, all payments for express advocacy, and detailed financial information. This goes far beyond what corporations today are required to report.

It is publicly available. For any of those who have a viewpoint that is the same as that of the Senator from Utah, they can just go down to the Labor Department where all these reports are on file. They are available to the public.

The case has not been made about the inadequacy of the information that is reported. We have language requiring additional disclosure in this amendment, but there has been no case that the current information is inadequate to reveal what political activities are being supported.

I think that doesn't make a great deal of sense.

This bill is not only vague, it is burdensome. As we mentioned earlier, and as Senator HATCH said during our prior colloquy, corporations would have to send reports to anyone who was a shareholder at the time of the expenditures.

We have had the chance to do the numbers. Last week alone there were more than 6 billion stockholder transactions just on the New York Stock Exchange.

Does this mean that if any of the corporations that would be included in this bill made an expenditure last week that all holders of those shares would have to be notified? The amendment says they would have to be notified of all expenditures within a 2-year election cycle. That is unwieldy. It is unworkable. It is enormously bureaucratic. It makes no sense at all.

We had a good exchange in the last debate. Many of us are troubled about what either my good friend, Senator HATCH, or others who support this amendment have against working families and the working families' agenda. Working families want an increase in the minimum wage, a Patients' Bill of Rights, and additional funding in education. They want to make sure we have a sound and secure national security. They want Medicare and Medicaid to be enhanced. They want to improve worker training. They want to invest in continuing education and workforce training programs. I daresay that kind of a program would be worthwhile at the present time. This is what their agenda is all about.

We are probably in some form of economic crisis. And what we have from the administration is a tax bill which isn't an economic program; it is a tax bill that was basically devised over a year ago when we had entirely different economic conditions.

I think the kinds of investment that working families have advocated in terms of ensuring that we are going to invest in training programs, invest in education, invest in small business, enhance research and training, and not see further cuts in the National Science Foundation, or other cuts in the advanced technology program, makes a good deal of sense.

We hope this amendment is not accepted. In the earlier debate and discussion, we went through these and other provisions in careful detail. The amendment does seem to be one-sided, unfairly targeted, and completely unnecessary.

I think the sponsors, Senator FEINGOLD, and Senator McCAIN, as well as Senator DODD and others, have eloquently pointed out the kind of balance and protections for the American voters that have been included in the McCain-Feingold legislation. That was carefully considered. It seems to me that we ought to stay with those proposals. I hope this amendment will not be accepted.

Mr. DODD. Mr. President, I thank my colleague from Massachusetts for his comments. I think he hit it right on the head with this.

I made comments earlier on the previous amendment offered by my good friend from Utah. He made the point. I understood the intent of what the Senator was trying to achieve. As Senator NICKLES of Oklahoma, with whom I don't normally agree on these matters, properly pointed out, you cannot carry out the intent of the amendment. Despite the desire to do so, the language of the amendment, if followed to the letter of the proposal, or even the spirit, creates a tremendously bureaucratic nightmare for both corporations and for labor organization.

I do not agree that anyone would have an interest to discourage activity at all. We want to know what is going on. Under current Federal law, labor unions are required to make various records be available and open. The records cannot be shielded or hidden. That is in violation of existing Federal law.

To suddenly add even more bureaucratic requirements for every disbursement, receipt and expenditure in every level, including affiliates, and every minor tangible office, is not in the spirit of true disclosure. This is in the spirit of discouragement from anyone participating in the process. Everyone knows we have a hard time getting more people to participate in the process as it is.

In last year's Presidential and congressional Federal elections, we had about 50 million who participated out of 101 million eligible voters in this country. It seems to me we ought to be doing better and we can do better. We lecture the world all the time about how important it is to vote. We like to think of ourselves as an example for nations that are seeking to establish democratic institutions.

It seems to me it is in our collective interest to promote that idea, and to do so by example with an environment of full disclosure, of fairness, and of equity.

But with all due respect to my friend from Utah, the adoption of this amendment is nothing more than to create unnecessary burdens on institutions that, frankly, we wish were more active in the political life of America. If they were, then in some sense through voter education efforts we might have greater voter participation.

This amendment, in my view, only adds additional unnecessary burdens to a process that already discourages too many people from participating in the public life of our Nation. For those reasons, I urge our colleagues when the vote occurs tomorrow to reject this amendment.

I think the provisions included in the bill drafted by the Senators from Arizona and Wisconsin very aptly deal with this very question of true disclosure and information. They have done so in the spirit of seeking to make people aware of what institutions are doing that involve themselves in the political life of our country.

But to add this amendment to the McCain-Feingold bill would have the opposite effect. It would not effectuate what we are trying to achieve. Our goals are to reduce the proliferation of the money in the political life of our country and to make it less costly for people to seek Federal office.

We ought to simultaneously try to reduce the amount of hurdles, burdens, and gauntlets that institutions such as corporations and labor unions have to presently meet. To add to them, to make their involvement even more difficult, I don't think is in anyone's interest, Democrats or Republicans, and certainly not in the interest of the American people.

For those reasons, I frankly urge that the amendment be withdrawn. But, if it is not going to be withdrawn, I urge my colleagues with the same expression that we saw with the previous Hatch amendment to vote with the same sense of collective voice on this particular proposal. For those reasons, I urge the rejection of this amendment.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have listened to these comments about the imbalance. McCain-Feingold is balance. It brings balance. Let me give you an illustration.

McCain-Feingold regulates what unions care about least. Think about it. It regulates get out the vote. It regulates two things: It regulates television advertisement within 60 days. It regulates radio ads for a candidate—not a party—within 60 days of a general election, or 30 days of a primary. It does do that. That is technically unconstitutional on its face. But it does do that. Television advertisements and radio advertisements are all McCain-Feingold does with regard to what the unions are interested in. These are the two things they care about least.

What they really care about and what we ought to be concerned about, if we want fairness, and if we don't want one side to have an advantage over the other, McCain-Feingold ought to cover all get out the vote activities. That is probably one of the most important things in the political process today, if not the most important thing.

Voter identification, McCain-Feingold does not do anything about that. Voter registration, nothing. Mass mailings, nothing. Phone banks, nothing; magazine advertisements, newspaper advertisements, outdoor advertising and leafleting, polling, volunteer recruitment and training, union-salaried, full-time political operatives. And look, I do not have any problem with that in the sense that unions have a right to do whatever they want to do in advancing their issues in the political process. And I would fight for their right to do that, as I have in the past. But the only people whose rights are infringed upon by the McCain-Feingold bill happen to be the Republican Party because the unions do all of this for the Democratic Party.

Mr. DODD. Will my colleague yield?

Mr. HATCH. If I could finish making my point, and then I will be happy to yield.

The unions are the principal get-out-the-vote force in the Democratic Party. Keep in mind, 40 percent of union members are Republicans, yet almost 100 percent of the money that unions raise helps get out the vote for Democrats. That does not seem like a fair process, but that is the way it is. But that money could only be hard money to the political parties, meaning they are severely hampered in getting out the vote.

No. 2, voter identification. The unions do that beautifully for Democrats. I do not know of one Republican that a union has worked for to help identify Republican voters. I am sure there is one or two, but the fact is the vast majority—almost 100 percent—of their money goes to help Democrats. That is their right. Why aren't the Democrats scared about what the McCain-Feingold bill will do to the Democratic Party? Because the Democratic Party does not have to worry about all of this because the unions do it for them? Most of the employees of the unions are dues-paid political operatives. They are very good, the best in the business. I respect them.

Volunteer registration: The Republican Party has been limited to hard dollars—$1,000 a person—in order to get out voter registration. The unions do it for the Democrats. And, by the way, there is not one word in McCain-Feingold to regulate that, or to require the same requisite on the unions that they require on the Republican Party.

The Democratic Party can get by because the unions will do it for them. Even though they have the same rules as the Republican Party, the Republican Party does not have a group like the union movement doing get out the vote, voter identification, voter registration, mass mailings, phone banks, magazine advertisements, newspaper advertisements, outdoor advertising and leafleting, polling, volunteer recruitment and training, and a whole raft of other things, including——

Mr. DODD. Will my colleague yield on that point? That is not our fault. That is your fault. Why don't you get somebody to organize the voter registration and GOTV?

Mr. HATCH. Wait. The last point I was making was, and union-salaried, full-time political operatives.

You can say that is our fault. Let's assume that is so. The fact is, we do not have anybody doing that. It is totally unregulated. That is the guts of the political process. If we are going to regulate, let's regulate everybody, not just the parties. And the parties themselves ought to be given greater leeway than this bill gives them.

The only thing that McCain-Feingold regulates is the thing that the unions care about the least; that is, TV advertisements and radio advertisements.

Look, I give a lot of credit to the Democrats. I give a lot of credit to the unions. There is no question that is why they won the last election in the Senate and had more people elected than Republicans. Because they were getting out the vote like never before. They did voter identification like never before. They did voter registration. They did mass mailings. And they did phone banks. They did TV advertisements, radio advertisements, magazine advertisements, newspaper advertisements, outdoor advertising and leafleting, polling, volunteer recruitment and training, and had union-salaried, full-time political operatives all over this country. That is their right.

Why do we take all those rights away from the Republican Party? You can't just answer by saying that is the Republicans' fault because they are not paying the same homage to the unions that the Democrats do, and I have to say we are not, in the sense of doing everything that they want done, because not everything they want done is right.

All my amendment does is require disclosure to the union members and corporate shareholders. I am not even asking for priority in this area. I am not asking for any equality with regard to all the things the unions do for Democrats that make them not care about the parties not being able to raise soft money. The unions do it all for them, and that is all soft money.

Now, I had some strong words with my colleague from Massachusetts earlier in this debate, and they were meant in good taste and in good humor as well. But I feel strongly on this issue.

This amendment will give ordinary workers the opportunity to have a meaningful voice in how their political contributions are used. I held a union card. I understand this.

Organized labor is not a monolithic entity, but too often the leadership of these unions act in a monolithic fashion when it comes to elections.

This amendment tries to level the playing field for both unions and corporations. All it requires is disclosure.

Mr. DODD. Will my colleague yield on that point?

Mr. HATCH. Sure.

Mr. DODD. I want to point out, if I may, when you talk about the great advantage that labor has, because it does organize, it does work on voter registration, it does work on get out the vote——

Mr. HATCH. It does all these things——

Mr. DODD. If I may finish. This is not a liability and it should be applauded. The fact that corporations do not do that sort of a thing does not mean that other organizations should be condemned because they do encourage people to participate.

To make one other point regarding parity, as of October 2000, according to the Center for Responsive Politics and the Federal Election Commission, the ratio of "total" contributions from corporations versus unions was 15 to 1. As of October 2000, corporations had contributed more than $841 million dollars, while unions contributed just over $36 million. As of October 2000, the ratio of "hard money" contributions from corporations versus unions was 14 to 1. In 1998 and 1996, the ratio was 16 to 1. Between 1992 and 1998, corporate contributions increased nearly $220 million, while union contributions grew by $12.6 million. No parity in these statistics.

These ratios and statistics are according to the Federal Election Commission. You talk about disparity—16 to 1—every year, I say to my friend from Utah. Corporations have massive amounts of money, hard and soft money, they are pouring into these Federal elections.

Mr. HATCH. If I may take back the floor.

Mr. DODD. Of course you may. It is your time, Senator.

Mr. HATCH. Nowhere did they count these dues-paid political operatives. I read a report a number of years back—I think it was the Congressional Research Service, if my recollection serves me correctly—where they estimated that the unions spend about a half billion dollars—that is with a "B"—a half billion dollars every 2 years in local, State, and Federal politics. This money is spent on dues-paid political operative activities that never show up in these figures.

Let me tell you, I am not against their right to do that. I think they should have a right to do that. I respect them. I will fight for their right to do that. The fact that it is all one-sided, even though 40 percent of union members are Republicans, I can live with that. But what I cannot live with is shutting down the party, the only way we can compete, where the unions do all these things for Democrats but nothing for Republicans.

The fact is, the Democrats will continue to count on the unions to get out their vote. But why do we have McCain-Feingold shutting down, the rights of Republicans to compete to get out the vote, to have voter identification, voter registration, mass mailings, phone banks, TV advertisements, radio advertisements, magazine advertisements, newspaper advertisements, outdoor advertising and leafleting, polling, volunteer recruitment and training, and full-time political operatives?

The fact is, this is all done for Democrats. Their party does not have to do it. They can live with the hard money limitation that this bill would impose upon them. But the Republican Party would have no soft money. All this is soft money on the unions' part—all working for Democrats, all one sided. And the Republican Party does not have the same opportunities. Talk about imbalance.

Again, let's go back to what my amendment does. My amendment does not say: Stop that. You members of the unions are not allowed to do that. It does not say that at all. It does not say you can't get out the vote for Democrats, and does not say you can't do voter identification for Democrats. It does not say you can't do voter registration for Democrats. It does not say you can't do mass mailings or phone banks or TV advertisements or radio advertisements—although for those two, with the 60-day requirement, McCain-Feingold does do something; but it is unconstitutional on its face—it does not say you can't do magazine advertisements and newspaper advertisements and outdoor advertising and leafleting and polling, and volunteer recruitment and training. It does not say you can't have union-salaried, full-time political operatives—the best in the business, all over the country in every State in the Union that counts, in every large city that counts. They can do all of that.

I am not arguing against that. All my amendment says is that they need to disclose to their members something that in this computer age they can do without—

Mr. DODD. Will my colleague yield?

Mr. HATCH. If I could just finish my comments, something that they can do in this computer age without an awful lot of difficulty, and something I believe the corporate world can do without an awful lot of difficulty is provide disclosure. Tell me what is wrong with disclosure. To me, that is the only thing that will make our process more fair, more honest, more decent. Disclosure helps everyone equally to know how their money is spent. I believe that everyone should be entitled to know what political speech they are supporting. Disclosure is what honesty and fairness in politics is all about. Why would anyone fight against disclosure?

Fairness is all I am asking for. I am not asking to stop any of this. It has been admitted basically that unions do the work for the Democratic Party.

Mr. DODD. Will the Senator yield?

Mr. HATCH. They basically help the Democratic Party, and they will continue to have the right to.

Mr. DODD. Should we have with all these independent 501(c)(4)s, the National Right to Life groups, the Christian Coalition, the National Rifle Association, should there be full disclosure of every member, including all their disbursements, contributions, and expenditures? Does my colleague support that?

Mr. HATCH. You can't compare those to the unions.

Mr. DODD. Would you agree?

Mr. HATCH. I would like to answer. The National Rifle Association is made up primarily of blue-collar Democrats. In all honesty, that is why there hasn't been a lot of mouthing about gunslinging because Al Gore found in the last election that he had offended an awful lot of Democrats. I think that is why he lost West Virginia.

Mr. DODD. Should we have full disclosure?

Mr. HATCH. Not of members, but only of expenditures.

Mr. DODD. Why not of members?

Mr. HATCH. Because then you get into the NAACP, and we have already had the Supreme Court say that is unconstitutional.

Mr. DODD. Should we know who are making the contributions to these organizations that are out every day with such activities as get out the vote, voter registration, voter information, and mailings? You talk about full disclosure, why not full disclosure on these organizations?

Mr. HATCH. The Supreme Court has ruled in cases that you cannot require disclosure of membership lists. I don't personally have much problem with disclosure of moneys that have been put into the process, but not the names.

Mr. DODD. Are we going to keep that secret?

Mr. HATCH. The main case was the NAACP where one of the Southern States tried to get them to disclose their membership list and the Court said they didn't have to do. They are a legitimate organization. I am not asking the unions to disclose their membership lists either, nor am I asking corporations to disclose their shareholder lists, although anybody who looks at a corporate filing can figure that out.

If disclosure requirements applied equally to the Sierra Club, to NARAL, and to other groups, disclosure might not be a bad thing for all of them. I would not be pushing for disclosure of members in nonprofit foundations because the Supreme Court has already ruled on that. But now we are talking about real players in the political process, not peripheral organizations. The fact is, many members of the NRA are Democrats. They are just offended by some of the phony demagoging that has been done about guns through the years. They are tough on crime. That is another debate.

With regard to the right-to-life community, I have to admit that they support both sides, but they support people who are pro-life, just as the prochoice groups support the people who are pro-choice on both sides.

Mrs. CLINTON. Will the Senator yield on this point?

Mr. HATCH. I am happy to.

Mrs. CLINTON. My good friend from Connecticut raised an issue that troubles me about this proposed amendment that the distinguished Senator from Utah has put forth.

In addition to the issues that Senator KENNEDY and Senator DODD have raised about the vagueness and definitional concerns raised in the amendment, this particular issue is the real heart of the parity problem that many of us have with this amendment.

It reminds me of the old Anatole France saying: The law is fair; neither the rich nor the poor can sleep under the bridge. What we have is an amendment that in its practice not only would fall disproportionately on unions as compared to corporations but which, under the rationale put forward by it, completely leaves out other membership groups, as the Senator from Connecticut so rightly points out.

The burdensome reporting requirements that are imposed under this amendment on unions in particular are really much more difficult to comply with than if they would be in a corporation. As I understand the amendment, corporations would be required to report only on expenditures from their own general treasuries and from the general treasuries of their subsidiaries. However, unions would be required to report on the expenditures from all of their affiliates, which would mean that a local union would be required to report on expenditures by a national union, and vice versa, even though neither of them had either access or control to the financial records of the other.

This point we heard about from Senator DODD is particularly important. If the point we are trying to get at with this amendment is to understand who is doing what with what funds to engage in political activity during election cycles, then clearly a lot of the other membership groups that raise and spend tremendous amounts of money—two were mentioned, the NRA, the Sierra Club, you can add the Chambers of Commerce, National Right to Work Foundation, other groups across the political spectrum——

Mr. HATCH. Does the Senator have a question because I think I have the right to the floor.

Mrs. CLINTON. My question would be: In response to the discussion between the Senators on this issue, how can we impose undue burdens on only unions as compared to corporations and completely leave out of the Senator's concerns all of these membership groups that raise tremendous amounts of money, are on the front lines of our political campaigns, have a direct influence on how voters vote, and yet are in no way covered by the Senator's amendment?

Mr. HATCH. Let me answer the question. The fact is, we are equal with regard to both corporations and unions. We don't include any ideological groups because when you give to the Sierra Club, you know the causes they advocate. You have a right to give. You are not forced or compelled to contribute to these organizations. But when people join unions or are forced to join unions because of the laws that we have, they are forced to pay fees to unions. Most of the union members probably don't know what the union dues are used for, especially with regard to politics or things such as an effort in 1996 to legalize marijuana in California, for instance. The Teamsters contributed **$195,000** to that effort in union dues to support that effort. How many working families want their hard-earned money to be used for marijuana legalization? I think that they have a right to know this kind of information.

Disclosing expenditures is constitutionally different from disclosing contributors to ideological groups which the Supreme Court has said we should not do. Disclosing expenditures does not implicate free association. It is important to differentiate between expenditures and contributors. The difference is, union members are forced to pay dues.

Mr. DODD. If my colleague will yield, we disagree so fundamentally on that.

Mr. HATCH. Let me restate that.

Mr. DODD. That is not true.

Mr. HATCH. It is true in nonright-to-work States. People are forced to join the union and forced to pay dues. They don't have to stay in the union, I agree. They can quit if they give up their jobs.

Mr. DODD. Nor are they required to contribute union dues. Under those 29 States, that is not the case with respect to the contribution of union dues.

Mr. HATCH. In right-to-work States, that is not the case.

Mr. DODD. They get the benefits of the collective bargaining agreements even though they are not members per se. They all get the same benefits.

Mr. HATCH. That is another argument for another day. The fact is, I don't think anybody in their right mind is going to say that people are not compelled to pay union dues in nonright-to-work States, if they want the job and they want to work in a union business. It is that simple. Nobody doubts that. I don't have any problem with that. That is the way the law is. But to say they can spend 100 percent of the money for only one party and not disclose it seems to me to be a bad process, especially when Democrats have suggested: Well, if you don't make the corporations disclose, why should you make the unions? I am saying let's make both of them disclose. Let's be fair so there is no imbalance.

The imbalance is in the fact that the only two things the unions don't care about are TV advertisements and radio advertisements. They can do all these other things: Get out the vote, voter identification, voter registration, mass mailings, phone banks, TV advertisement, radio advertisements, magazine advertisements, newspaper advertisements, outdoor advertising, leafleting, polling, volunteer recruitment and training, and most of their employees are union salaried, full-time political operatives, all working for one party, and at the same time this McCain-Feingold bill limits the Republican Party, which has no outside organization doing this. It limits hard dollars to no more than **$1,000** per contributor. Talk about imbalance. In other words, the two groups that you would hope would be fully in the political process—

the two political parties—are the ones that are left out, while we ignore all this other stuff.

Talk about imbalance. The McCain-Feingold bill is imbalanced. What is even worse, in my eyes, is that the one thing they impose on unions and others is TV advertisements and radio advertisements within 30 to 60 days of the primary and general elections. Think about that. That says they don't have the right to speak during that time which, under Buckley v. Valeo, shows that directly violative of the first amendment. Here we have the media and everybody else arguing for this.

My amendment does one thing. It doesn't stop the unions from doing this. It doesn't say you are bad people, you should not do this. It says you need to disclose what you are doing so that all members of the union know what political ideologies they are supporting with their dues. That includes 40 percent of them who are basically Republicans and whose moneys are all going to elect Democrats, people who are basically contrary to their philosophical and political viewpoints.

All I ask is that there be disclosure. But to even it up, since the Democrats have raised this time and again, I would require disclosure in the corporate world, too—disclose what the money is used for regarding politics.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. McCONNELL. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF COLONEL WILSON A. "BUD" SHATZER

Mr. THURMOND. Mr. President, I rise today to pay tribute to Colonel Wilson A. "Bud" Shatzer, who after thirty-one years of dedicated service to the nation and the military, will retire from the United States Army on April 1, 2001.

Colonel Shatzer's career began following his graduation from Eastern Washington University in 1970 when he was commissioned a Second Lieutenant in the Armor Branch. Over the past three decades, his assignments have included a variety of both command and staff positions, and throughout his military career, Colonel Shatzer consistently distinguished himself in all his assignments. Furthermore, whether a newly commissioned Second Lieutenant or a seasoned Colonel, this officer always demonstrated one of the most important qualities an officer should possess, a deep-seated concern for his soldiers regardless of their rank. As a leader and teacher Colonel Shatzer proved himself to be a willing mentor of young officers and enlisted men, and in the process, he helped to shape the successful careers of soldiers throughout the Army.

Many of us came to know Colonel Shatzer during his five-year tour as Executive Officer, Army Legislative Liaison. His professionalism, mature judgment, and sound advice earned him the respect and confidence of members of the Army Secretariat and the Army Staff. While dealing with Members of Congress and Congressional staff, the Department of Defense, and the Joint Staff, Colonel Shatzer's abilities as an officer, analyst and advisor were of benefit to the Army and to those with whom he worked in the Legislative Branch.

For the past thirty-one years, Colonel Shatzer has selflessly served the Army and our Nation professionally, capably and admirably. Through his personal style of leadership, he has had a positive impact on the lives of not only the soldiers who have served under him, but of the families of these soldiers, as well as the civilian employees of the Army who have worked with and under this officer. I am sure that all of those in the Senate who have worked with Colonel Shatzer join me today in wishing both he and his wife, Annie, health, happiness, and success in the years ahead.

BUDGET COMMITTEE MARKUP

Mr. NELSON of Florida. Mr. President, it is a great privilege for me to be a new Member of the Senate, and it is a great privilege for me to be assigned to the Budget Committee. It is with a heavy heart that I have just learned that it is the intention of the chairman, the distinguished Senator from New Mexico, for whom I have the highest regard, not to have a markup in the Budget Committee and rather bring a chairman's mark under the lawful procedures of the Budget Act straight to the floor.

I am compelled to rise to express my objection, for that is what a legislative body is all about in the warp and woof and crosscurrents of ideas for Members to hammer out legislation, particularly on something as important as adopting a budget.

We first started adopting budgets pursuant to the Budget Act passed in the 1970s because Congress had difficulty containing its voracious appetite to continue to spend. Thus, the Budget Act was adopted in which Congress would adopt a blueprint, an overall skeletal structure, for expenditures and for revenues that would be the model after which all of the various committees, both appropriations and authorizing committees, would then come in and flesh out the skeletal structure of the budget adopted.

How important this budgetary debate is this year for the questions in front of the Congress. Such things as: How large is the tax cut going to be, particularly measured against, juxtaposed against, how large the surplus is that we are expecting over the next 10 years. That, of course, is a very iffy projection. We have seen, if history serves us well, that, in fact, we don't know beyond a year, 2 years at the most, with any kind of degree of accuracy, if we can forecast what the surpluses or the deficits are going to be in future years.

So the budget debate brings the central question of how large should the tax cut be counterbalanced against how much of the revenues and the surplus do we think will be there over the course of the next decade. That, then, leads us, once we know that, to be able to decide how much we will appropriate for other needed expenditures for the good of the United States.

Most everyone in this Chamber agrees there ought to be a modernization of Medicare with a prescription drug benefit. Most everyone in this Chamber agrees there should be additional investment in education, and there is a bipartisan bill that is beginning to work its way through the legislative process on increased investment in education and accountability. Most everyone in this Chamber agrees we have to pay our young men and women in the Armed Forces of this country more of a comparable wage in competition with the private sector in order to have the kind of skill and talent we need in today's all-volunteer Armed Forces.

Most people in this body would agree we have to have certain expenditures with regard to health care, planning for the end game, encouraging additional long-term insurance, equalizing the tax subsidies for health insurance now from a large employer to a small employer, or to an individual employer, or to an individual.

There are a number of items on which there is consensus that is built on this side of the Capitol where we should go with regard to expenditures in the future while controlling our fiscal appetite.

That brings me back to the budget resolution, for it is the very essence of adopting a budget resolution that we should have as our watchwords "fiscal discipline." That is why we need to have a full and fair discussion of all the issues in adopting a budget resolution. That is why we ought to mark it up and have that discussion first in the committee.

I wrap up by saying of all the debates that will take place this year, the debate on how we will allocate the resources with regard to the budget of the United States is one of the most important. It ought to have a full and fair and thorough discussion.

THE BIRTH OF WILLIAM BLUE HOLLIER

Mr. CRAPO. Mr. President, I rise today to announce the birth of a fine young man, William Blue Hollier. William was born on Monday, March 5th, making him a couple of weeks old today. He is the first child of Will and Alyssa Hollier. Will serves as my Administrative Assistant and has been an invaluable part of my staff for over 8 years. I'm happy to report that mother, father, and baby are doing well, although Will and Alyssa are probably getting used to fewer hours of sleep.

Young William is the grandson of Charles and Judy Hollier of Lafayette, LA; Judy Myers of New Orleans; and Bob and Cheri Knorr of Sawyer, ND. His great-grandparents, Henry and Mary Myers of Opelousas, LA; Art Odegard of Minot, ND; and Walt Knorr of Devil's Lake, ND, also join me in welcoming this baby.

It is always a joyous event to bring a new family member into the world. William has been much-anticipated and has held a place in the hearts of his parents and family for many months now as they have awaited his arrival. As the father of five myself, I know that Will and Alyssa are in for a most remarkable, frustrating, rewarding, and exciting experience of their lives. William Blue will make certain of that. Our best wishes go out to the Hollier family on this most auspicious occasion.

CHILDREN AND HEALTHCARE WEEK

Mr. HOLLINGS. Mr. President, each day, many of our Nation's children face illnesses that require a doctor's office or hospital visit. This can be frightening for both the child and his or her family, and underscores the need to continue providing quality, caring pediatric health services. This week in Greenville, SC, The Children's Hospital of The Greenville Hospital System is celebrating Children and Healthcare Week with a number of valuable activities for health care professionals, parents and community partners. Among the events are continuing education classes for medical residents and support staff as well as an awards ceremony to honor local individuals who have dedicated their lives to pediatric care.

Children and Healthcare Week highlights educational programming to increase public, parental and professional knowledge of the improvements that can be made in pediatric health care. In particular, it stresses new ways to meet the emotional and developmental needs of children in health care settings. Lack of quality health care should never be an impediment to the long-term success of our nation's children and I commend Greenville's dedication to Children and Healthcare Week.

45th ANNIVERSARY OF TUNISIA'S INDEPENDENCE

Mr. COCHRAN. Mr. President, I congratulate Tunisia on the occasion of her 45th year of independence.

Tunisia is a constitutional democracy striving to create a more open political society, diversify its economy, attract foreign investment, and improve its diplomatic ties with both the European Union and United States.

I am pleased to be a member of the Hannibal Club USA whose mission is to improve the political and economic ties between the United States and Tunisia. I am hopeful that a mutually beneficial relationship between our two countries will continue to grow in the years ahead.

ELECTIONS IN UGANDA

Mr. FEINGOLD. Mr. President, I rise today to express my serious concern about the recent presidential elections in Uganda. Uganda is a country of great promise; in the past year I and many of my colleagues have come to this floor to praise the Ugandan Government and the Ugandan people for their energetic and effective fight against the AIDS pandemic. In recent years, the economy has enjoyed moderate economic growth. Most strikingly, even given the persistence of brutality like that embodied by the Lord's Resistance Army, there can be no mistaking that Uganda has come a long way from the dark days when Idi Amin and Milton Obote terrorized their citizens. This progress toward stability and an improvement in the quality of life enjoyed by Ugandans has been cause for celebration, and legitimately so.

But the latest trends from Uganda are alarming. In particular, the days leading up to the March 12 presidential elections revealed a disturbing willingness on the part of the ruling party to retain power through intimidation. According to observers, the opposition was threatened with violence and arrests from state security forces throughout the campaign. Reports indicate that, in some cases, opposition supporters also resorted to violent tactics. While most observers agree that outcome of the vote would probably not have been different had the election not been marred in this manner, there can be no question that Uganda has been proven to be less democratic and less stable by these recent events, and the security of individual Ugandans wishing to exercise basic civil and political rights is not assured.

It is unquestionably true that many positive developments have unfolded in Uganda over the years that President Museveni has been in office. But Uganda's success is not about Mr. Museveni. Institutions, not individuals, are the backbone of lasting political stability and development. And the movement system currently in effect in Uganda, always dubious, increasingly looks like a single-party system by another name. Its defenders will point to last year's referendum on this so-called "no-party" system and claim that it is the will of the people. But the deck was clearly stacked against multipartyism in last year's referendum on the movement system—state-sponsored political education courses were used to mobilize support for the Movement, and the opposition boycotted the vote.

Today, in the wake of the presidential election and after long months of Uganda's involvement in the Democratic Republic of the Congo—an adventure that, while perhaps profitable for the few, is clearly unpopular with the Ugandan people—today, those of us who genuinely wish to see Uganda consolidate the successes of the past and make even more progress in the years ahead are profoundly troubled.

Some in Central Africa believe that the U.S. turns a blind eye to the shortcomings of the government in Kampala. I certainly hope that is not the case, because that is not in the interests of the U.S. or the Ugandan people. I have recently had cause to reflect on the damage done by years of U.S. support for undemocratic and sometimes violently repressive regimes elsewhere on the continent. We do no one any favors when we fail to tell it like it is, when we look away from blatantly undemocratic acts because we so desperately want to encourage countries that hold great promise. It is precisely because Uganda has made such precious gains that I am troubled, for these gains will surely be wasted if the staying power of the current regime becomes the utmost priority of the government.

SILVER RIBBON CAMPAIGN

Mr. ENZI. Mr. President, I rise today to recognize and honor a campaign to raise disability awareness that originated in my State of Wyoming. I am very proud of the mission behind this effort that, in 3 short years, has gained steam nationally and internationally.

Known as the Silver Ribbon Campaign, this effort to honor disability awareness month, March, was begun by the Natrona County School District #1 Student Support Services and the Parent Resource Center. The campaign has generated significant activity among local officials and is responsible for a variety of training, educational and interactive activities related to raising disability awareness in the broader community. In addition to engaging local officials and the general public, the campaign has worked successfully with the business community and numerous media outlets to ensure a diverse yet unified front in heightening awareness about the reality of living with a disability.

I am particularly proud of the campaign's special effort to include activities targeted towards raising awareness among children. Not only will the public library host a reading hour on disability awareness, with awareness bookmarks available for the public, but public school buses and other public transportation will display the campaign's trademark silver ribbon during the month of March.

The campaign has issued the silver ribbon as a pin, and since its inception in 1998, more than 250,00 pins, along with thousands of balloons and displays, have been used to raise awareness around the State of Wyoming. As I mentioned before, similar activities are being duplicated nationwide.

I am honored but not surprised to once again have the opportunity to highlight a community-based effort invented in Wyoming that other communities are modeling. I hope hearing me today will encourage my colleagues to introduce their own State to the Silver Ribbon Campaign and further raise disability awareness in this country. This is a critical effort that every community should embrace.

EVERYBODY WINS!

Mr. KENNEDY. Mr. President, Everybody Wins! is an innovative literacy improvement program that pairs adults with children for one hour a week to share lunch, a good book and friendship. The U.S. Senate launched Everybody Wins! at the Brent Elementary School in 1995. Today, this program serves 4,500 children in the Washington area.

Last night, I had the honor of attending a reception to celebrate the Everybody Wins! program. I was joined by my colleague Senator JIM JEFFORDS who I commend for his leadership in making the Everybody Wins! program such a success in the U.S. Senate, and Art Tannenbaum, the visionary behind this wonderful program.

I was especially honored to join First Lady Laura Bush at last evening's event. Mrs. Bush's passion for reading and strong commitment to early literacy touched the lives of thousand of families in Texas, and it is clear from last night that she brings that same commitment to children all across the country.

I was deeply moved by her remarks last night and her real passion for children and their needs, and I believe my colleagues would appreciate her thoughtful statement as well.

Mr. President, I ask unanimous consent to print Mrs. Bush's remarks from last evening into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FIRST LADY LAURA BUSH'S REMARKS, EVERYBODY WINS! EVENT, MARCH 20, 2001

Thank you very much, Dr. Billington.

First I want to thank Lisa Vise.

Lisa, you are a remarkable girl. You remind us that one person's work can make a difference in a lot of other people's lives.

Senator Jeffords, Senator Kennedy, Mr. Chabraja, Mr. Cole, Mr. Woodward, distinguished guests, I'm pleased to be with you tonight.

Everybody Wins is the largest children's literacy and mentoring organization in the District because you understand the value of spending quality time reading to children.

I am fortunate because someone spent time reading to me as a child—my mother. Thanks to her I developed a lifelong passion for reading, and I grew up to become a teacher. As much as I loved being read to as a child, I love reading to children even more.

The Everybody Wins volunteers will agree reading together has tremendous results. Children who are read to by an adult learn two things: First, that reading is worthwhile, and second, that they are worthwhile.

Reading is the foundation of all learning. Children must have good reading skills to succeed in every subject in school. Those who do not read well by the end of the third grade often have a difficult time catching up. Sadly, thousands of children can't read well in America.

According to a 1998 study, 68 percent of fourth-graders in our nation's lowest-income schools were unable to read at even a very basic level.

We may grow numb to statistics, but we cannot grow numb to our children. That so many children can't read is a clear indication of a fundamental failure of adult responsibility for children's lives and futures.

I know we can turn those numbers around. With caring Americans like you, we will turn those numbers around.

George's defining commitment to children is a quality education. His budget includes $5 billion over the next five years for reading initiatives. Through his Reading First program, he wants to give states and schools the funding and tools to implement sound reading programs in Kindergarten through second grade.

While government does its part, it's up to us as parents and citizens to help children read and succeed in life. Children need more than a program; they need a voice. They need strong role models to put loving arms around them and read to them. You recognize that need. I'm proud you are lending your voice and a hand to Everybody Wins.

Please continue supporting this worthy endeavor. Because of you, Everybody does win.

Thanks to the Senators for demonstrating your commitment to children and sharing your common love of reading. Reading is common ground for all of us. Thank you all so much.

COMMEMORATING THE 10TH ANNIVERSARY OF THE PERSIAN GULF WAR

Mr. JEFFORDS. Mr. President, today I wish to add my voice to the many who have come before the Senate to honor the brave men and women who served our nation so honorably in the Persian Gulf War. March 3, 2001 marked the tenth anniversary of the end of the Persian Gulf War. I pay special tribute to the families of those who gave their lives in this effort.

I would like to draw my colleagues attention to an important event that will be taking place this Sunday, March 25th, 2001, in Manchester, NH. A group of dedicated Americans is gathering to observe the 10th anniversary of the Persian Gulf war, to honor those who served, and to evaluate the fulfillment of our promise to care for those who suffered as a result of their service. A driving force behind this event is the New England Persian Gulf Veterans Inc., NEPGV, and its dynamic founders, David and Patricia Irish. Since the NEPGV's inception in 1996, David and Trish have worked tirelessly to promote the issues and challenges of Gulf War Veterans in New England and beyond. I want to publicly thank them for their efforts and let them know that I will be with them in spirit on the 25th of March.

This is an appropriate time to remember the outstanding job our service men and women did in liberating Kuwait from occupation. Together with our allies, this action stated that in the post Cold War world, the unprovoked conquest of one's neighbors would not be tolerated. The unprecedented coalition of twenty six nations rolled back a tyrannical dictator and a military ill prepared for the determination of the United States and its allies, nor the might and professionalism of the soldiers involved. In the face of the poor performance of old Soviet equipment, the Gulf War firmly established the military superiority of the United States and confirmed our status as the world's lone superpower. Our willingness to work together with our friends in the Arab world set a new tone in the region and ushered in a new era of respect for international cooperation.

The Gulf War coalition also laid a foundation for a remarkable United Nations operation that for the first time, aggressively sought to identify and destroy any potential capability for development of weapons of mass destruction or manufacture of chemical or biological agents. While UNSCOM had a very difficult time carrying out its mission and was eventually forced to leave Iraq, the world community learned a great deal from the experience, and set any potential future proliferations on notice that these types of actions will not be tolerated.

While peace process in the Middle East is at a low ebb right now, it is also appropriate that we remember how the Gulf War was a critical catalyst for the Oslo Peace Agreement between Israel and the Palestinians, the cornerstone for the wave of peace that swept the region during the 1990s. While subsequent agreements have been shattered by the recent violence, all sides still stand by Oslo, as do the moderate Arab nations who continue to insist that the risks they have taken for peace are worth it. Had it not been for US leadership and the success of the Gulf War, this would not be the case.

As a senior member of the Senate Veterans Affairs Committee, I take very seriously my obligation to address the needs of all our Veterans. Although it has been 10 years since this decisive victory in the Persian Gulf, servicemen and women continue to step forward with symptoms of illnesses and disease likely attributable to serving in Southwest Asia during the war. This was brought home to me by the death of a friend of my son Leonard, John Clark, Jr. A Gulf War veteran, John was stricken with colon cancer at age 31, two short years after his return home from the Gulf. John's case is similar to other service members coming back from the Gulf War. John passed away in 1996. For John and his family, as for many veterans, the war continues well after they have taken off their uniforms and returned to life as civilians. I will continue to work to insure that Gulf War veterans obtain access to VA health benefits and that meaningful research continues to determine treatment for these troubling medical problems. Our Gulf War veterans, having served in Active, Reserve and National Guard units, must know that we here in Washington will continue to fight for them as they fought for us.

Once again, I remember, commemorate and congratulate the members of our Armed Forces who served with distinction during the Gulf War. I sincerely thank them for their service to our country on this, the tenth anniversary of this victory.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, March 20, 2001, the Federal debt stood at $5,732,596,852,845.50, five trillion, seven hundred thirty-two billion, five hundred ninety-six million, eight hundred fifty-two thousand, eight hundred forty-five dollars and fifty cents.

One year ago, March 20, 2000, the Federal debt stood at $5,728,254,000,000, five trillion, seven hundred twenty-eight billion, two hundred fifty-four million.

Five years ago, March 20, 1996, the Federal debt stood at $5,059,798,000,000, five trillion, fifty-nine billion, seven hundred ninety-eight million.

Ten years ago, March 20, 1991, the Federal debt stood at $3,448,161,000,000, three trillion, four hundred forty-eight billion, one hundred sixty-one million.

Fifteen years ago, March 20, 1986, the Federal debt stood at $1,982,276,000,000, one trillion, nine hundred eighty-two billion, two hundred seventy-six million, which reflects a debt increase of almost $4 trillion—$3,940,320,852,845.50, three trillion, nine hundred forty billion, three hundred twenty million, eight hundred fifty-two thousand, eight hundred forty-five dollars and fifty cents, during the past 15 years.

ADDITIONAL STATEMENTS

IN HONOR OF GARY P. PLUNDO, D.O.

• Mr. SANTORUM. Mr. President, I stand before you today to recognize Gary P. Plundo, D.O., M.P.M. from Greensburg, PA who will be installed as the 87th president of the Pennsylvania Osteopathic Medical Association, POMA during their 93rd Clinical Assembly in Philadelphia this May.

Dr. Plundo has been an outstanding member of the medical profession through his many years of service to the people of Greensburg, PA. He has served in many capacities throughout his tenure to improve the health of the people of this community. Both professionally and as a volunteer, Dr. Plundo has used his expertise to help the lives of others. As he becomes the next president of POMA, I am confident that his leadership will take the organization to new heights.

In recognition of his accomplishments and installation as president of POMA, I would like to submit the following proclamation in his honor:

Whereas, Gary P. Plundo, D.O., M.P.M., will be installed on May 4, 2001, as president of the Pennsylvania Osteopathic Medical Association, the state organization that represents over 3,500 licensed osteopathic physicians, over 440 interns, residents and fellows, and 1,000 osteopathic medical students at the Philadelphia College of Osteopathic Medicine and 550 at the Lake Erie College of Osteopathic Medicine; and

Whereas, Dr. Plundo is a graduate of the University of Pittsburgh and the Des Moines University Osteopathic Medical Center College of Osteopathic Medicine and Surgery; and

Whereas, Dr. Plundo has been an officer and trustee of the Pennsylvania Osteopathic Medical Association, a delegate to the American Osteopathic Association and a community leader in the field of family medicine; and

Whereas, he has distinguished himself as a dedicated physician who continues the osteopathic tradition of assuring exemplary family medicine;

Now, therefore, I congratulate Gary P. Plundo, D.O., M.P.M., on his installation as the 87th President of the Pennsylvania Osteopathic Medical Association, and wish him the best for a successful and rewarding tenure.•

RECOGNIZING AIR FORCE CAPTAIN GLEN CHRISTENSEN

• Mr. CONRAD. Mr. President, today I would like to recognize the achievements of Air Force Captain Glen Christensen.

Captain Glen Christensen was named 21st Air Force Company Grade Officer for 2000. In the selection for this award, Glen was in competition with Wing Company Grade Officers from seven other Air Force Bases including Robbus AFB, GA, MacDill AFB, FL, Pope AFB, NC, Charleston AFB, SC, Little Rock AFB, AK, McGuire AFB, NJ, and Dover AFB, DE. Candidates for the awards were evaluated in five categories which include: duty achievement; self improvement; off-duty accomplishments; other leadership accomplishments, and positive representation of the U.S. Air Force.

Three weeks prior, Captain Christensen had been selected Company Grade Officer of the Year for the 89th Security Forces Squadron at Andrews Air Force Base, MD, and then for the 89th Support Group, and finally for the 89th Airlift Wing at Andrews. He won the squadron and group competition for the second consecutive year. At the group level, he represented Security Forces and competed with selectees from Mission Support, Services and Civil Engineering squadrons. At the Wing level, Christensen competed with five other group winners from among 454 company grade officers in all groups. In addition to Security Forces, which Glen represented, group winners came from Logistics, Medical, Operations, and Communications groups and from the Wing Commander's staff.

While second in command of the third largest Security Forces unit in the Air Force, Captain Christensen organized and directed security at Andrews AFB for the NATO 50th Anniversary Summit, two Joint Services Open House Air Shows, and the recent Presidential Inauguration, in addition to everyday base law enforcement and security for the "President's base" and "Air Force One."

Glen graduated in 1993 from the United States Air Force Academy with Military Distinction. He is the son of Everett and Sybil Christensen of Madelia, MN.

Mr. President, I offer my congratulations to Captain Christensen and his family on this award.•

RETIREMENT OF STEPHAN LEONOUDAKIS

• Mrs. BOXER. Mr. President, it is a pleasure to take this opportunity to draw the Senate's attention to the career of Stephen C. Leonoudakis.

Stephan was Director of the Golden Gate Bridge, Highway and Transportation District from 1962 until his retirement this past January. Even by the standards set by some members of this chamber, this is a long time. He served continuously in the same position for 38 years. Over the course of this time, he became nearly as integral to the Bridge District as the famous span for which it was named. There are few who remember a time when he was not Director. The question is not whether he will be missed, but what will we do without him?

Stretching from San Francisco to Marin County across the opening to San Francisco Bay, the Golden Gate Bridge is one of the most identifiable landmarks in the world. People flock to the bridge from around the globe, often braving the chilly mid-summer fog to catch a breathtaking glimpse of the city to the east, the seemingly endless Pacific Ocean to the west, the Bay directly below and the graceful structure itself above and around. It is a truly enchanted place.

But, as the name implies, the Golden Gate Bridge, Highway and Transportation District is more than just a bridge with a million dollar view. It is a full-service transportation district complete with buses, ferries, bicycles, pedestrians, staffmembers and all the maintenance and other administrative challenges that come with them. This is where Stephan really shined. Over his tenure, he participated in transforming the Bridge District from an agency that essentially looked after a beautiful landmark into an organization which operates a world-class transit agency serving millions of commuters and visitors annually. This is a tremendous achievement that Stephan shares.

There were times, I imagine, when people thought that Stephan might just outlast the bridge he loved and looked after all these years. But thanks to solid construction, regular maintenance and a vigorous seismic program he began, it looks like Stephan is going to beat the bridge into retirement by many years. We can all be grateful for that even as we bid a friend a fond, happy and healthy retirement. No one deserves it more.●

THE LA SALLE ACADEMY FOOTBALL TEAM

● Mr. REED. Mr. President, I rise today to recognize the achievement of La Salle Academy of Providence, RI whose football team became State Champions for the year 2000.

In 1871, the de La Salle Christian Brothers came to Rhode Island to teach at the "Brothers" school. In 1876, that school became an academy and was named La Salle, after the Christian Brothers founder, Saint John Baptiste de La Salle. Since its opening 125 years ago, La Salle has offered its students a rigorous, value-based education. The Brothers' approach to comprehensive student development has been evident not only in their academic excellence, but in the successes of their clubs and athletic teams as well.

The athletic department at La Salle has a strong commitment to instilling leadership, sportsmanship, and a healthy approach to athletic competition. Since its founding in 1908, the La Salle football program has been one of the most successful in the state. Legendary Coach Jack Cronin guided the Rams to 274 wins during his 44 years tenure from 1928 to 1972. In the 1940's and 1950's, La Salle played before some of the largest crowds ever to see a game in Rhode Island, including 25,000 in 1945, 40,000 in 1947, and 10,000 in 1955. In the 1970's and 1980's, the La Salle football team won ten Division A titles.

La Salle also participates in the oldest sports rivalry in the state. For seventy-one years, La Salle and East Providence High School have met traditionally on Thanksgiving Day. Up until this past year, the series had been tied, but with La Salle's victory they now proudly lead that series 35–34, with two ties.

Through the leadership of Tim Coen, first year Coach of the La Salle Rams, and Team Captains Toyin Barnisile, Joe Ben, Howie Brown, David Regus, and Jon-Erik Schneiderhan, La Salle can boast its first Super Bowl Division Championship. After winning only four of nine league games in the previous year, the Rams completed the regular season with an impressive 9–0 record, including a win over Thanksgiving rival and two-time defending state champions East Providence.

The last time La Salle played in a championship game was nearly a decade ago in 1992, when they lost to Portsmouth High School. The year 2000 finally brought a re-match as this year's Super Bowl game pitted the Portsmouth Patriots against the La Salle Rams. The Rams were victorious in a very close game, thanks to the exceptional effort put forth by the La Salle team supported by their fellow students and alumni.

As a proud graduate and former member of the La Salle Academy football team, I know the skills, training, and strength of character that are necessary to achieve what this program has achieved. I would ask that my colleagues join me in applauding La Salle Academy for its remarkable accomplishments this year and throughout its long tradition of excellence.●

MESSAGE FROM THE HOUSE

At 3:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 41. Concurrent resolution expressing sympathy for the victims of the devastating earthquakes that struck El Salvador on January 13, 2001, and February 13, 2001, and supporting ongoing aid efforts.

The message also announced that pursuant to Public Law 106–292 (36 U.S.C. 2301), the Speaker appoints the following Members of the House of Representatives to the United States Holocaust Memorial Council: Mr. GILMAN, Mr. LATOURETTE, and Mr. CANNON.

The message further announced that pursuant to section 5(b) of Public Law 93–642 (20 U.S.C. 2004(b)), the Speaker appoints the following Members of the House of Representatives to the Board of Trustees of the Harry S Truman Scholarship Foundation: Mrs. EMERSON of Missouri and Mr. SKELTON of Missouri.

The message also announced that pursuant to 22 U.S.C.. 276d, the Speaker appoints the following Member of the House of Representatives to the Canada-United States Interparliamentary Group: Mr. HOUGHTON of New York, Chairman.

The message further announced that pursuant to section 5(a) of the Abraham Lincoln Bicentennial Commission Act (36 U.S.C. 101 note), the Speaker appoints the following Member of the House of Representatives to the Abraham Lincoln Bicentennial Commission: Mr. LAHOOD of Illinois.

The message also announced that pursuant to section 5(a) of the Abraham Lincoln Bicentennial Commission Act (Public Law 106–173), the Minority Leader appoints the following individual to the Abraham Lincoln Bicentennial Commission: Mr. PHELPS of Illinois.

MEASURES REFERERD

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 41. Concurrent resolution expressing sympathy for the victims of the devastating earthquakes that struck El Salvador on January 13, 2001, and February 13, 2001, and supporting ongoing aid efforts: to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–1094. A communication from the Acting Administrator of the Food and Nutrition Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Clarification of WIC Mandates of Public Law 104–193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996" (RIN0584–AC51) received on March 19, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1095. A communication from the Rules Administrator of the Federal Bureau of Prisons, Office of General Counsel, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Drug Abuse Treatment and Intensive Confinement Center Programs: Early Release Consideration" ((RIN1120–AA36) (RIN1120–AA66)) received on March 19, 2001; to the Committee on the Judiciary.

EC–1096. A communication from the Director of the Office of Regulations Management, Board of Veterans' Appeals, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Appeals Regulation—Title for Members of the Board of Veterans' Appeals—Rescission" (RIN2900–AK61) received on March 19, 2001; to the Committee on Veterans' Affairs.

EC–1097. A communication from the Director of the Office of Regulations Management, Board of Veterans' Appeals, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Revised Criteria for Monetary Allowance for an Individual Born with Spina Bifida Whose Biological Father or Mother is a Vietnam Veteran" (RIN2900–AJ51) received on March 19, 2001; to the Committee on Veterans' Affairs.

EC–1098. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, Presidential Determination Number 2001–12, relative to the certification of twenty-four major illicit drug producing and transit countries; to the Committee on Foreign Relations.

EC–1099. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "Amendments to the International Traffic in Arms Regulation: Canadian Exemption" (22 CFR Part 126) received on March 19, 2001; to the Committee on Foreign Relations.

EC–1100. A communication from the Acting Administrator of the Agency for International Development, transmitting, pursuant to law, a report concerning the development assistance and child survival/diseases program allocations for Fiscal Year 2001; to the Committee on Foreign Relations.

EC–1101. A communication from the Chief Counsel of the St. Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Seaway Regulations and Rules; Tariff of Tolls" (RIN2135–AA12) received on March 15, 2001; to the Committee on Environment and Public Works.

EC–1102. A communication from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Nuclear Safety Management" (RIN1901–AA34) received on March 19, 2001; to the Committee on Environment and Public Works.

EC–1103. A communication from the Secretary of the Interior, transmitting the report of acceptance of the Palmerita Ranch Land Donation; to the Committee on Energy and Natural Resources.

EC–1104. A communication from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Security Requirements for Protected Disclosure Under Section 3164 of the National Defense Authorization Act for Fiscal Year 2000" (RIN1992–AA26) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1105. A communication from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance" (RIN1901–AA87) received on March 19, 2001; to the Committee on Energy and Natural Resources.

EC–1106. A communication from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Federal Savings Association Bylaws; Integrity of Directors" (RIN1150–AB39) received on March 16, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1107. A communication from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Consumer Protections for Depository Institution Sales of Insurance; Change in Effective Date" (RIN1150–AB34) received on March 16, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1108. A communication from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Liquidity" (RIN1150–AB42) received on March 16, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1109. A communication from the Senior Banking Counsel, Office of General Counsel, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Financial Subsidiaries" (RIN1505–AA77) received on March 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1110. A communication from the Deputy Executive Secretary to the Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Standards of Privacy of Individually Identifiable Health Information" (RIN0091–AB08) received on March 16, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1111. A communication from the Deputy Executive Secretary to the Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "National Medical Support Notice; Delay of Effective Date" (RIN0970–AB97) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1112. A communication from the Deputy Executive Secretary to the Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Standards for Privacy of Individually Identifiable Health Information" (RIN0091–AB08) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1113. A communication from the Deputy Executive Secretary to the Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Standards for Privacy of Individually Identifiable Health Information" (RIN0991–AB08) received on March 19, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–1114. A communication from the Board of Trustees of the Federal Hospital Insurance Trust Fund, transmitting, pursuant to law, the annual report related to the near-term and long-term financial outlook for 2001; to the Committee on Finance.

EC–1115. A communication from the Board of the Federal Supplementary Medical Insurance Trust Fund, transmitting, pursuant to law, the annual report evaluating the financial adequacy of the SMI program for calendar year 2001; to the Committee on Finance.

EC–1116. A communication from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting, pursuant to law, the annual report on the current and projected financial conditions of the Social Security Program for calendar year 2001; to the Committee on Finance.

EC–1117. A communication from the Deputy Assistant Secretary of the Division of Welfare-to-Work, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Welfare-to-Work (WtW) Grants; Final Rule; Interim Final Rule" (RIN1205–AB15) received on March 19, 2001; to the Committee on Finance.

EC–1118. A communication from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Change in Application of Federal Financial Participation Limits" (RIN0938–AJ96) received on March 16, 2001; to the Committee on Finance.

EC–1119. A communication from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Monthly Actuarial Rates and Monthly Supplementary Medical Insurance Premium Rate Beginning January 1, 2001" received on March 16, 2001; to the Committee on Finance.

EC–1120. A communication from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Expanded Coverage for Outpatient Diabetes Self-Management Training and Diabetes Outcome Measurements" (RIN0938–AI96) received on March 16, 2001; to the Committee on Finance.

EC–1121. A communication from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Inpatient Hospital Deductible and Hospital and Extended Care Services" (RIN0938–AK27) received on March 16, 2001; to the Committee on Finance.

EC–1122. A communication from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicaid Managed Care" (RIN0938–AI70) received on March 16, 2001; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on Small Business, with an amendment in the nature of a substitute:

S. 295: A bill to provide emergency relief to small businesses affected by significant increases in the prices of heating oil, natural gas, propane, and kerosene, and for other purposes (Rept. No. 107–4).

From the Committee on Small Business, with amendments:

S. 395: A bill to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration (Rept. No. 107–5).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. MCCAIN, Mrs. FEINSTEIN, Mr. JEFFORDS, Mr. WELLSTONE, Mrs. MURRAY, Mr. KENNEDY, Ms. COLLINS, Mr. SPECTER, Mr. SCHUMER, and Mrs. CLINTON):

S. 582. A bill to amend titles XIX and XXI of the Social Security Act to provide States with the option to cover certain legal immigrants under the medicaid and State children's health insurance program; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. LEAHY, Mr. JEFFORDS, Mr. GRAHAM, Mr. CHAFEE, and Mrs. CLINTON):

S. 583. A bill to amend the Food Stamp Act of 1977 to improve nutrition assistance for working families and the elderly, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. CLINTON (for herself, Mr. WELLSTONE, and Mr. DODD):

S. 584. A bill to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. CRAPO (for himself, Mr. CRAIG, and Mr. SMITH of New Hampshire):

S. 585. A bill to provide funding for environmental and natural resource restoration in the Coeur d'Alene River Basin, Idaho; to the Committee on Environment and Public Works.

By Mr. DODD:

S. 586. A bill to authorize negotiation for the accession of Chile to the North American Free Trade Agreement, to provide for fast track consideration, and for other purposes; to the Committee on Finance.

By Mr. CONRAD (for himself, Mr. THOMAS, Mr. DASCHLE, Mr. JOHNSON, and Mr. ROBERTS):

S. 587. A bill to amend the Public Health Service Act and title XVIII of the Social Security Act to sustain access to vital emergency medical services in rural areas; to the Committee on Finance.

By Mr. SCHUMER (for himself and Mrs. CLINTON):

S. 588. A bill to reduce acid deposition under the Clean Air Act, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SMITH of New Hampshire:

S. 589. A bill to make permanent the moratorium on the imposition of taxes on the Internet; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS (for himself, Mr. BREAUX, Mr. FRIST, Mrs. LINCOLN, Ms. SNOWE, Mr. CHAFEE, and Mr. CARPER):

S. 590. A bill to amend the Internal Revenue Code of 1986 to allow a refundable tax credit for health insurance costs, and for other purposes; to the Committee on Finance.

By Mr. BENNETT (for himself and Mr. REID):

S. 591. A bill to repeal export controls on high performance computers; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SANTORUM (for himself, Mr. LIEBERMAN, Mr. HUTCHINSON, Mr. DURBIN, Mr. BROWNBACK, Ms. LANDRIEU, Mr. LUGAR, Mr. BAYH, and Mr. DEWINE):

S. 592. A bill to amend the Internal Revenue Code of 1986 to create Individual Development Accounts, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HUTCHINSON:

S. Res. 61. A resolution expressing the sense of the Senate that the Secretary of Veterans Affairs should recognize board certifications from the American Association of Physician Specialists, Inc., for purposes of the payment of special pay by the Veterans Health Administration; to the Committee on Veterans' Affairs.

By Mr. HELMS (for himself, Mr. WELLSTONE, Mr. HUTCHINSON, and Mr. SMITH of New Hampshire):

S. Con. Res. 27. A concurrent resolution expressing the sense of Congress that the 2008 Olympic Games should not be held in Beijing unless the Government of the People's Republic of China releases all political prisoners, ratifies the International Covenant on Civil and Political Rights, and observes internationally recognized human rights; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 41

At the request of Mr. HATCH, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 41, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

S. 90

At the request of Mr. BINGAMAN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 90, a bill authorizing funding for nanoscale science and engineering research and development at the Department of Energy for fiscal years 2002 through 2006.

S. 133

At the request of Mr. BAUCUS, the names of the Senator from Ohio (Mr. DEWINE), the Senator from New York (Mr. SCHUMER), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Illinois (Mr. DURBIN), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 133, a bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion for employer-provided educational assistance programs, and for other purposes.

S. 135

At the request of Mrs. FEINSTEIN, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 135, a bill to amend title XVIII of the Social Security Act to improve payments for direct graduate medical education under the medicare program.

S. 143

At the request of Mr. GRAMM, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 143, a bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes.

S. 155

At the request of Mr. BINGAMAN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 155, a bill to amend title 5, United States Code, to eliminate an inequity in the applicability of early retirement eligibility requirements to military reserve technicians.

S. 170

At the request of Mr. REID, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 278

At the request of Mr. JOHNSON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 278, a bill to restore health care coverage to retired members of the uniformed services.

S. 316

At the request of Mr. MCCONNELL, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 316, a bill to provide for teacher liability protection.

S. 326

At the request of Ms. COLLINS, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 326, a bill to amend title XVIII of the Social Security Act to eliminate the 15 percent reduction in payment rates under the prospective payment system for home health services and to permanently increase payments for such services that are furnished in rural areas.

S. 393

At the request of Mr. FRIST, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 393, a bill to amend the Internal Revenue Code of 1986 to encourage charitable contributions to public charities for use in medical research.

S. 441

At the request of Mr. CAMPBELL, the name of the Senator from Nevada (Mr.

REID) was added as a cosponsor of S. 441, a bill to provide Capitol-flown flags to the families of law enforcement officers and firefighters killed in the line of duty.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 512

At the request of Mr. DORGAN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 512, a bill to foster innovation and technological advancement in the development of the Internet and electronic commerce, and to assist the States in simplifying their sales and use taxes.

S. 534

At the request of Mr. CAMPBELL, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 534, a bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as "mad cow disease") and foot-and-mouth disease in the United States.

S. 543

At the request of Mr. WELLSTONE, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 548

At the request of Mr. HARKIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 548, a bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes.

S. 550

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 550, a bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas.

S. RES. 44

At the request of Mr. COCHRAN, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. Res. 44, a resolution designating each of March 2001, and March 2002, as "Arts Education Month."

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself, Mr. CHAFEE, Mr. MCCAIN, Mrs. FEINSTEIN, Mr. JEFFORDS, Mr. WELLSTONE, Mrs. MURRAY, Mr. KENNEDY, Ms. COLLINS, Mr. SPECTER, Mr. SCHUMER, and Mrs. CLINTON):

S. 582. A bill to amend titles XIX and XXI of the Social Security Act to provide States with the option to cover certain legal immigrants under the Medicaid and State children's health insurance program; to the Committee on Finance.

Mr. GRAHAM. Mr. President, I rise today on behalf of Senators CHAFEE, MCCAIN, FEINSTEIN, JEFFORDS, WELLSTONE, MURRAY, KENNEDY, COLLINS, SPECTER, SCHUMER, CLINTON, and myself to introduce the Immigrant Children's Health Improvement Act of 2001.

This bill will give States the option to provide Medicaid and CHIP coverage to immigrant children and pregnant women who arrived legally in this country after August 22, 1996. That is the date Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act—commonly known as welfare reform.

The goal of that legislation was to encourage self-sufficiency in adults. But it also affected children, including immigrants, citizens, and those not yet born. The legislation cut off government-supported health care for all legal immigrants, regardless of their ages or circumstances.

Census data released last week offered good news on the number of uninsured people in America. The data shows that the number of Americans without health insurance fell from 44.3 million to 42.6 million in 1999. This is the first decline since 1987. But the news is not good for everyone who works hard in this country, who plays by the rules, who tries to build a better life for themselves and their families.

What was not in the headlines is the fact that the proportion of immigrant children who are uninsured remains extremely high.

A new report by the Urban Institute shows that in the last year, nearly half of low-income immigrant children in America had no health-insurance coverage. In my State of Florida, that ratio is nearly three to one. This is just one of many reports that show that in our zeal to discourage dependency in adults, we unintentionally punished children.

A study by the Center on Budget and Policy Priorities finds that the percentage of low-income immigrant children in publicly-funded coverage—which was low even before welfare reform—has fallen substantially.

Florida is home to more than half a million uninsured children, many of whom are in this country legally or are citizens whose immigrant parents are ineligible for coverage and so think their children are similarly barred.

Under this bill, States have the option of taking steps to change that by eliminating the arbitrary designation of August 22, 1996, as a cutoff date for allowing children to get health care. Giving States the option of providing this coverage to legal immigrant children and pregnant women would cover more than 200,000 people a year. States have asked for this option. Many are already trying to provide coverage but can't make up the holes in their budget.

In their 2001 Winter Policy Report, the National Governors' Association endorsed this commonsense policy proposal. The National Council of State Legislators has also endorsed this bill. More than 200 respected public-interest groups including Catholic Charities, the National Council of La Raza, the National Association of Public Hospitals, the National Immigration Law Center, the Children's Defense Fund, and the American Academy of Pediatrics have all joined together in support of the bill. Beginning today and for months to come, these organizations will be holding events to rally behind this and other legislation that supports the goal of providing healthy solutions for hard-working American families.

Under this umbrella, Senators KENNEDY and JEFFORDS will be introducing legislation to restore food stamps to legal immigrants and Representatives LEVIN and MORELLA will be introducing a bill to protect immigrant women from domestic violence.

Passage of the Immigrant Children's Health Improvement Act is an important step in revisiting the welfare reform legislation.

What we now realize, years after passing that landmark law, is that legal immigrant children are, as much as citizen children, the next generation of Americans. Providing Medicaid and CHIP to legal immigrant children is critical in order to guarantee that generation can be healthy and productive members of their adopted country.

We call upon Congress and the President to act this year and pass this important bill.

By Mr. KENNEDY (for himself, Mr. SPECTER, Mr. LEAHY, Mr. JEFFORDS, Mr. GRAHAM, Mr. CHAFEE, and Mrs. CLINTON):

S. 583. A bill to amend the Food Stamp Act of 1977 to improve nutrition assistance for working families and the elderly, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. KENNEDY. Mr. President, today Senator SPECTER, Senator LEAHY, Senator JEFFORDS, Senator GRAHAM, Senator CHAFEE, and I introduce the bipartisan "Nutrition Assistance for Working Families and Seniors Act." Our goal is to repair specific holes that time has worn in the nation's core nutrition safety net—the Food Stamp Program.

Hunger is a silent crisis affecting families all across America. No corner of our land is immune from this tragedy.

The Nation can well afford to ensure that the average food stamp benefit of 79 cents per meal is available to everyone who truly needs it. In a time of economic prosperity, the moral imperative to feed the hungry may be clearest. But in a time of economic uncertainty, the need to feed the hungry should be clearest.

The bottom line is that too many working families and seniors in America have trouble putting enough food on the table. On February 26, 2001, the New York Times included a compelling account of the difficulties faced by the Payne family from Cleveland, Ohio. Mrs. Payne states that "it's difficult to work at a grocery store all day, looking at all the food I can't buy, so I imagine filling up my cart with one of those big orders and bringing home enough food for all my kids." She and her husband, a factory worker, routinely go without dinner to be sure that their four children have enough to eat. The Payne family was among thousands of working families that have recently turned to emergency food pantries and soup kitchens in search of help. The Payne family did not know that they were eligible for food stamps.

Nationwide, participation in the Food Stamp Program has declined 34 percent since 1996, four times faster than the decline in the poverty rate. This means that over 2 million fewer people who live in poverty are accessing food stamps today. Over a quarter of the reduction in food stamp participation between 1994 and 1998 resulted from welfae reform and its elimination of food stamp eligibility for legal immigrants, both by directly rendering legal immigrants ineligible for food stamps, and by discouraging their U.S. citizen children from accessing food stamps.

The results are predictable. The U.S. Department of Agriculture determined that 4.9 million adults and 2.6 million children lived in households that experienced hunger during 1999. The Urban Institute finds that 33 percent of former welfare recipients have to skip or cut meals due to lack of food.

The most vulnerable people among us—recent immigrants, children, and the elderly—are the ones who face the greatest difficulty. Republicans and Democrats agree that we need to work together in good faith to deliver senior citizens from having to choose between heating and eating, and from having to choose between paying for their prescription drugs or for their groceries. There is also widespread agreement that more must be done to end childhood hunger. A July 1999 General Accounting Office study concludes, "Children's participation in the Food Stamp Program has dropped more sharply than the number of children living in poverty, indicating a growing gap between need and assistance."

Sadly, the enormity of this crisis is confirmed by a major study released today by the Urban Institute's National Survey of America's Families, which focuses upon the impact that welfare reform has had on the children of immigrants. The report finds that 80 percent of the children of immigrants are United States citizens, but the immigrant status of parents prevents these citizen children from receiving the aid they need. According to the Urban Institute, 24 percent of children of immigrants live in poverty compared to 16 percent of children of citizens, and 37 percent of children of immigrants live in households that have difficulty putting enough food on the table each month, compared to 27 percent of children of citizens.

The report also shows that access to public benefits makes a difference for immigrant families. Largely because Massachusetts pays to provide food stamps to all legal immigrants, food insecurity rates there are relatively similar for children of immigrants and children of citizens 28 percent of immigrant children versus 22 percent of native children). Texas provides no such benefit, however, and this fact is reflected in its food insecurity rates. Over 49 percent of children of immigrants lack secure access to adequate nutrition in Texas, compared to a third of children of citizens.

While hunger and malnutrition are serious problems for people of all ages, their effects are particularly damaging to children. Hungry and undernourished children are more likely to become anemic and to suffer from allergies, asthma, diarrhea, and infections. They are also more likely to have behavioral problems and difficulty in learning. When children arrive at school hungry, they cannot learn. If we do not address this silent crisis, our considerable investments in education and early learning activities will not have the full positive impact that they should. Clearly more must be done for both the children of citizens and the children of immigrants.

A strong Food Stamp Program is essential to ensure that all people in America can get the food they need to stay healthy. In seven common sense steps, this bill reaches goals shared by Republicans and Democrats alike—promoting self-sufficiency, encouraging transitions from welfare to work, and eradicating hunger among children and seniors.

First, this bill restores eligibility for food stamps to all legal immigrants, a matter of fundamental fairness and basic need. The Kaiser Commission on Medicaid and the Uninsured reports that immigrant families on average pay $80,000 more in taxes than they receive in local, state, and federal benefits over a lifetime. For 30 years prior to welfare reform, food stamps were available to legal immigrants, and as today's Urban Institute report confirms, legal immigrants are now among those most in need of nutritional assistance. Our laws recognize that legal immigrants need access to employment, education, and health care, yet all of these efforts are compromised when legal immigrants are denied access to basic nutrition.

The effort to prevent legal immigrants from accessing food stamps never made sense from a policy perspective, and I am pleased to see considerable bipartisan momentum building to restore eligibility. Our key allied in the effort to restore eligibility include the National Conference of State Legislatures, the U.S. Conference of Mayors, the National Association of Counties, the National Black Caucus of State Legislators, the Hispanic Caucus, leaders of all major religious denominations, and over 1,400 immigration, hunger, and social justice organizations that are active in every state. Over twenty newspapers have published editorials urging restoration of food stamp eligibility to legal immigrants. With such strong and broad public support, I am hopeful that immigrants will not have to wait another year to have their access to basic nutrition restored.

Second, this bill ends the child penalty under current food stamp law. Just as the marriage penalty in our tax code unfairly penalizes some couples, existing law unfairly limits nutritional assistance to some families with children. This bill fixes the problem by indexing the food stamp standard deduction to family size in a way that simply ensures that every family that is in deep poverty, with earnings under 10 percent of the poverty limit, will receive the maximum current food stamp benefit regardless of family size. Over half of the benefit from this provision will go to working families.

Third, this bill addresses a core nutritional concern of senior citizens and other low-income families on fixed incomes, many of whom qualify for the minimum food stamp benefit. The food stamp minimum benefit has remained at $10 since 1977. This bill raises the minimum benefit to $25 over the course of five years, and then indexes it to inflation.

Fourth, this bill ensures that food stamp law treats child support payments like income when calculating benefits, by disregarding 20 percent of these payments in the benefit determinations. This measure is consistent with last year's overwhelming House approval of a plan to encourage states to pass more child support payments through to low-income families. Parents who know that their children will directly benefit if they pay their child support are more likely to remain on the job, pay their child support, and, most importantly, remain involved with their children.

Fifth, this bill gives states more options for helping families make the transition from welfare to work. Current food stamp law allows a 3-month state option for a transitional food stamp benefit. This bill mirrors Medicaid's six-month Medicaid transitional benefit for food stamps, simplifying state recordkeeping, increasing state flexibility, and helping TANF families transition to work.

Sixth, this bill improves access to food stamp information, helping to ensure that families like the Paynes are aware of the help that remains available to them. It helps rural families apply for food stamps using online and telephone systems, eliminating the need to travel to food stamp offices. It also supports stronger public-private partnerships that generate and distribute information about the nation's nutrition assistance program.

Finally, this bill increases federal support for emergency food programs, 71 percent of which are operated by faith based organizations. Sharp increases in requests for help from food pantries and soup kitchens have occurred over the past year despite steep declines in food stamp participation. Many food banks find themselves unable to meet the increased requests for help. Nationally, the U.S. Conference of Mayors and America's Second Harvest have independently documented a 15 to 20 percent increase in needs over 1998. 79 percent of Massachusetts food pantries funded through Project Bread reported serving more working poor in 1998, and 72 percent reported helping more families with children. To ensure that emergency food needs are met without unnecessarily tapping Food Stamp resources. this bill increases funding for The Emergency Food Assistance Program by 10 percent.

The total cost of this bill amounts to about $2.75 billion over five years, which would increase the cost of the Food Stamp Program by about 2 percent. This bill's cost is also modest in relation to the current ten-year non-Social surplus—it uses but 0.2 percent of the projected federal surplus.

We've often heard that hunger has a cure. This is a call to action, not a truism, for the many people who have cooperated in developing this legislation. I'm proud to work with them for its prompt passage.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nutrition Assistance for Working Families and Seniors Act of 2001".

SEC. 2. RESTORATION OF FOOD STAMP BENEFITS FOR LEGAL IMMIGRANTS.

(a) LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS.—

(1) IN GENERAL.—Section 402(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "Federal programs" and inserting "Federal program";

(ii) in subparagraph (D)—

(I) by striking clause (ii); and

(II) in clause (i)—

(aa) by striking "(i) SSI.—" and all that follows through "paragraph (3)(A)" and inserting the following:

"(i) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)";

(bb) by redesignating subclauses (II) through (IV) as clauses (ii) through (iv) and indenting appropriately;

(cc) by striking "subclause (I)" each place it appears and inserting "clause (i)"; and

(dd) in clause (iv) (as redesignated by item (bb)), by striking "this clause" and inserting "this subparagraph";

(iii) in subparagraph (E), by striking "paragraph (3)(A) (relating to the supplemental security income program)" and inserting "paragraph (3)";

(iv) in subparagraph (F);

(I) by striking "Federal programs" and inserting "Federal program";

(II) in clause (ii)(I)—

(aa) by striking "(I) in the case of the specified Federal program described in paragraph (3)(A),"; and

(bb) by striking "; and" and inserting a period; and

(III) by striking subclause (II);

(v) in subparagraph (G), by striking "Federal programs" and inserting "Federal program";

(vi) in subparagraph (H), by striking "paragraph (3)(A) (relating to the supplemental security income program)" and inserting "paragraph (3)"; and

(vii) by striking subparagraphs (I), (J), and (K); and

(B) in paragraph (3)—

(i) by striking "means any" and all that follows through "The supplemental" and inserting "means the supplemental"; and

(ii) by striking subparagraph (B).

(2) CONFORMING AMENDMENT.—Section 402(b)(2)(F) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)(F)) is amended by striking "subsection (a)(3)(A)" and inserting "subsection (a)(3)".

(b) FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT.—Section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613) is amended—

(1) in subsection (c)(2), by adding at the end the following:

"(L) Assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.)."; and

(2) in subsection (d)—

(A) by striking "not apply" and all that follows through "(1) an individual" and inserting "not apply to an individual"; and

(B) by striking "; or" and all that follows through "402(a)(3)(B)".

(c) AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS.—Section 422(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1632(b)) is amended by adding at the end the following:

"(8) Programs comparable to assistance or benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).".

(d) REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.—Section 423(d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1183a note; Public Law 104–193) is amended by adding at the end the following:

"(12) Benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), if a sponsor is unable to make the reimbursement because the sponsor experiences hardship (including bankruptcy, disability, and indigence) or if the sponsor experiences severe circumstances beyond the control of the sponsor, as determined by the Secretary of Agriculture.".

(e) DERIVATIVE ELIGIBILITY FOR BENEFITS.—Section 436 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1646) is repealed.

(f) APPLICATION.—This section and the amendments made by this section shall apply to assistance or benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for months beginning on or after April 1, 2002.

SEC. 3. PREVENTION OF HUNGER AMONG FAMILIES WITH CHILDREN.

(a) STANDARD DEDUCTION.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

"(1) STANDARD DEDUCTION.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States equal to the applicable percentage established under subparagraph (C) of the income standard of eligibility under subsection (c)(1).

"(B) LIMITATIONS.—The standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States under subparagraph (A) shall not be—

"(i) less than $134, $229, $189, $269, and $118, respectively; or

"(ii) more than the applicable percentage specified in subparagraph (C) of the income standard of eligibility established under section (c)(1) for a household of 6 members.

"(C) APPLICABLE PERCENTAGE.—The applicable percentage referred to in subparagraphs (A) and (B) shall be—

"(i) for fiscal year 2002, 8 percent;

"(ii) for fiscal year 2003, 8.5 percent;

"(iii) for fiscal year 2004, 9 percent;

"(iv) for fiscal year 2005, 9.5 percent; and

"(v) for each subsequent fiscal year, 10 percent.".

(b) APPLICATION DATE.—The amendments made by this section shall apply on the later of—

(1) July 1, 2002; or

(2) at the option of a State agency of a State (as those terms are defined in section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012)), October 1, 2002.

SEC. 4. ENCOURAGEMENT OF COLLECTION OF CHILD SUPPORT.

(a) IN GENERAL.—Section 5(e)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(2)) is amended—

(1) by inserting "AND CHILD SUPPORT" after "INCOME";

(2) in subparagraph (A) by—

(A) striking "DEFINITION OF" and all that follows through "not include" and inserting "LIMITATION ON DEDUCTION.—The deduction in this paragraph shall not apply to";

(B) striking "or" at the end of clause (i);

(C) striking the period at the end of clause (ii) and inserting "; or"; and

(D) adding at the end the following:

"(iii) child support received to the extent of any reduction in public assistance to the household as a result of receiving such support."; and

(3) in subparagraph (B), by striking "to compensate" and all that follows through the period and inserting "and child support received from an identified or putative parent of a child in the household if that parent is not a household member.".

(b) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2002.

SEC. 5. MINIMUM FOOD STAMP ALLOTMENT.

Section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking "shall be $10 per month." and inserting "shall be—

"(1) for each of fiscal years 2002 and 2003, $15 per month;

"(2) for each of fiscal years 2004 and 2005, $20 per month;

"(3) for fiscal year 2006, $25 per month;

"(4) for fiscal year 2007 and each subsequent fiscal year, the minimum allotment under paragraph (3), adjusted on each October 1 to reflect the percentage change in the cost of the thrifty food plan for the 12-month period ending in the preceding June, rounded to the nearest lower dollar increment.".

SEC. 6. TRANSITIONAL BENEFITS OPTION.

(a) IN GENERAL.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

"(s) TRANSITIONAL BENEFITS OPTION.—

"(1) IN GENERAL.—A State may provide transitional food stamp benefits to a household that is no longer eligible to receive cash assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(2) TRANSITIONAL BENEFITS PERIOD.—Under paragraph (1), a household may continue to receive food stamp benefits for a period of not more than 6 months after the date on which cash assistance is terminated.

"(3) AMOUNT.—During the transitional benefits period under paragraph (2), a household shall receive an amount equal to the allotment received in the month immediately preceding the date on which cash assistance is terminated, adjusted for—

"(A) the change in household income as a result of the termination of cash assistance; and

"(B) any changes in circumstances that may result in an increase in the food stamp allotment of the household and that the household elects to report (as verified in accordance with standards established by the Secretary).

"(4) DETERMINATION OF FUTURE ELIGIBILITY.—In the final month of the transitional benefits period under paragraph (2), the State agency may—

"(A) require a household to cooperate in a redetermination of eligibility to receive uninterrupted benefits after the transitional benefits period; and

"(B) renew eligibility for a new certification period for the household without regard to whether the previous certification period has expired.

"(5) LIMITATION.—A household sanctioned under section 6 shall not be eligible for transitional benefits under this subsection.".

(b) CONFORMING AMENDMENTS.—

(1) Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by striking subsection (c) and inserting the following:

"(c) CERTIFICATION PERIOD.—

"(1) IN GENERAL.—'Certification period' means the period for which households shall be eligible to receive benefits under this Act.

"(2) DURATION.—

"(A) IN GENERAL.—A certification period shall not exceed 12 months, except that—

"(i) a certification period may be up to 24 months if all adult household members are elderly or disabled; and

"(ii) a certification period may be extended during the transitional benefits period under section 11(s).

"(B) EXTENSION.—The certification period may be extended to the end of a transitional benefits period established by a State under section 11(s).

"(3) CONTACT.—A State agency shall have at least 1 contact with each certified household—

"(A) at least once every 12 months; or

"(B) in a case in which the household is in a transitional benefits period under section 11(s), within the 6-month period beginning on the date on which cash assistance is terminated.".

(2) Section 6(c) of the Food Stamp Act of 1977 (7 U.S.C. 2015(c)) is amended by striking "No household" and inserting "Except in a case in which a household is receiving transitional benefits during the transitional benefits period under section 11(s), no household".

SEC. 7. FOOD STAMP INFORMATION.

(a) TRAINING MATERIALS; NUTRITION INFORMATION.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) (as amended by section 6) is amended by adding at the end the following:

"(t) RESOURCES FOR STATE AGENCY EMPLOYEES.—The Secretary, in partnership with State agencies, shall develop training materials, guidebooks, and other resources for use by employees of State agencies that focus on issues of access and eligibility under the food stamp program.

"(u) NUTRITION INFORMATION.—The Secretary shall maintain a toll-free information number for individuals to call to obtain information concerning the nutrition programs.".

(b) INTER-PROGRAM COORDINATION OF APPLICATION AND VERIFICATION PROCESS.—Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (e) and inserting the following:

"(e) PILOT PROJECTS FOR INTER-PROGRAM COORDINATION OF APPLICATION AND VERIFICATION PROCESS.—

"(1) IN GENERAL.—The Secretary shall provide the Federal shares of funds to States to carry out pilot projects under paragraph (2) to improve the application and verification process for low-income working households to participate in the food stamp program.

"(2) ELIGIBLE PROJECTS.—

"(A) INTER-PROGRAM APPLICATION PROCESS.—

"(i) APPLICATION AT ONE-STOP DELIVERY CENTERS.—The Secretary shall provide funding to not more than 5 States to conduct pilot projects to improve inter-program coordination by co-locating employees and automated systems necessary to accept complete initial processing of applications for assistance under this Act at centers in one-stop delivery systems established under section 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c)).

"(ii) APPLICATION FOR ASSISTANCE UNDER MEDICAID/SCHIP.—The Secretary shall provide funding to not more than 5 States to conduct pilot projects to improve inter-program coordination by co-locating employees and automated systems necessary to accept complete initial processing of applications for assistance under this Act at locations where applications are received for assistance under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.).

"(B) INTER-PROGRAM VERIFICATION PROCESS.—

"(i) IN GENERAL.—The Secretary shall provide funding to not more than 5 States to conduct pilot projects to reduce administrative burdens on low-income working households by coordinating, to the maximum extent practicable, verification practices under this Act and verification practices under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.).

"(ii) ELIGIBILITY.—To be eligible to conduct a pilot project under clause (i), a State must have an automation system with the capacity to verify through electronic records the most common sources of incomes under this Act and titles XIX and XXI of the Social Security Act.

"(iii) ADMINISTRATION.—The Secretary and the Secretary of Health and Human Services shall adjust procedures under this Act and titles XIX and XXI of the Social Security Act, to the extent each of the Secretaries determines appropriate, to facilitate pilot projects under clause (i).

"(3) PREFERENCES.—In selecting pilot projects under this subsection, the Secretary shall provide a preference to projects that—

"(A) operate in rural areas; or

"(B) benefit low-income households residing in remote rural areas.

"(4) WAIVER.—To reduce travel and paperwork burdens on eligible households, the Secretary may waive requirements under sections 6(c) and 11(e)(3) for pilot projects conducted under this subsection.

"(5) EVALUATION OF PILOT PROJECTS.—Any State conducting a pilot project under this subsection shall provide to the Secretary, in accordance with standards established by the Secretary, an evaluation of the effectiveness of the project.

"(6) FUNDING.—Of funds made available under section 18 for each of fiscal years 2001 and 2002, the Secretary shall use—

"(A) $10,000,000 to pay 75 percent of the additional costs incurred by State agencies to conduct pilot projects under paragraph 2(A); and

"(B) $500,000 to pay 75 percent of the costs of evaluating pilot projects conducted under paragraph 2(B).".

(c) INNOVATIVE PARTICIPATION STRATEGIES.—Section 17 of the Food Stamp Act of

1977 (7 U.S.C. 2026) is amended by adding at the end the following:

"(l) INNOVATIVE OUT-OF-OFFICE APPLICATION AND PARTICIPATION STRATEGIES.—

"(1) IN GENERAL.—The Secretary shall conduct demonstration projects to evaluate the feasibility and desirability of allowing eligible households to participate in the food stamp program through the use of the Internet and telephones instead of through in-office visits and interviews.

"(2) PREFERENCES.—The Secretary shall provide a preference under this subsection to projects that—

"(A)(i) are conducted in rural areas; or

"(ii) serve eligible households in remote locations; and

"(B) are collaborative efforts between State agencies and nonprofit community groups.

"(m) GRANTS FOR PARTNERSHIPS AND TECHNOLOGY.—

"(1) IN GENERAL.—The Secretary shall provide grants to State agencies and nonprofit organizations to conduct projects to improve access to the food stamp program through partnerships and innovative technology.

"(2) PRIORITY.—In providing grants under this subsection, the Secretary shall give priority to projects that focus on households with low food stamp participation.

"(n) GRANTS FOR COMMUNITY PARTNERSHIPS AND INNOVATIVE OUTREACH STRATEGIES.—

"(1) ESTABLISHMENT.—The Secretary shall establish a program to award grants to eligible organizations described in paragraph (2)—

"(A) to develop and test innovative strategies to ensure that low-income needy eligible households that contain 1 or more members that are former or current recipients of benefits under a State program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) continue to receive benefits under this Act if the households meet the requirements of this Act;

"(B) to help ensure that households that have applied for benefits under a State program established under part A of title IV of the Social Security Act, but that did not receive the benefits because of State requirements or ineligibility for the benefits, are aware of the availability of, and are provided assistance in receiving, benefits under this Act if the households meet the requirements of this Act;

"(C) to conduct outreach to households with earned income that is at or above the income eligibility limits for benefits under a State program established under part A of title IV of the Social Security Act if the households meet the requirements of this Act; and

"(D) to conduct outreach to households with children if the households meet the requirements of this Act.

"(2) ELIGIBLE ORGANIZATIONS.—

"(A) IN GENERAL.—Grants under paragraph (1) may be provided to—

"(i) food banks, food rescue organizations, faith-based organizations, and other organizations that supply food to low-income households;

"(ii) schools, school districts, health clinics, non-profit day care centers, Head Start agencies under the Head Start Act (42 U.S.C. 9831 et seq.), Healthy Start agencies under section 301 of the Public Health Service Act (42 U.S.C. 241), and State agencies and local agencies providing assistance under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

"(iii) local agencies that operate child nutrition programs (as those terms are defined in section 25(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769f(b)); and

"(iv) other organizations designated by the Secretary

"(B) GEOGRAPHICAL DISTRIBUTION OF RECIPIENTS.—

"(i) IN GENERAL.— Subject to clause (ii), the Secretary shall select, from all eligible applications, at least 1 recipient to receive a grant under this subsection from—

"(I) each region of the Department of Agriculture; and

"(II) in addition to recipients selected under subclause (I), each rural or urban area determined to be appropriate by the Secretary.

"(ii) EXCEPTION.—The Secretary shall not be required to award grants based on the geographical guidelines under clause (i) to the extent that the Secretary determines that an insufficient number of eligible grant applications has been received.

"(3) CRITERIA.—The Secretary shall develop criteria for awarding grants under paragraph (1) that are based on—

"(A) the demonstrated record of an organization in serving low-income households;

"(B) the ability of an organization to reach hard-to-serve households;

"(C) the level of innovation in the proposals submitted in the application of an organization for a grant; and

"(D) the development of partnerships between the public and private sector entities and the community.

"(4) ADMINISTRATION.—

"(A) ADMINISTRATIVE COSTS.—Not more than 5 percent of the funds made available for the grant program under paragraph (5) shall be used by the Secretary for administrative costs incurred in carrying out this subsection.

"(B) PROGRAM EVALUATIONS.—

"(i) IN GENERAL.—The Secretary shall conduct evaluations of programs funded by grants under this subsection.

"(ii) LIMITATION.—Not more than 20 percent of funds made available for the grant program under paragraph (5) shall be used for program evaluations under clause (i).

"(5) FUNDING.—Of funds made available under section 18 for each of fiscal years 2001 and 2002, the Secretary shall use $10,000,000 to carry out the grant program under this subsection.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL COMMODITIES UNDER EMERGENCY FOOD ASSISTANCE PROGRAM.

Section 214 of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7515) is amended by adding at the end the following:

"(e) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to any other funds that are made available to carry out this section, there are authorized to be appropriated to purchase and make available additional commodities under this section $20,000,000 for each of fiscal years 2002 through 2006.

"(2) DIRECT EXPENSES.—Not less than 50 percent of the amount made available under paragraph (1) shall be used to pay direct expenses (as defined in section 204(a)(2)) incurred by emergency feeding organizations to distribute additional commodities to needy persons.".

By Mrs. CLINTON (for herself, Mr. WELLSTONE, and Mr. DODD):

S. 584. A bill to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse"; to the Committee on Environment and Public Works.

Mrs. CLINTON. Mr. President, it is an honor to be here today in order to join my colleague Congressman ELIOT ENGEL and other members of the New York Delegation in introducing a bill that would designate the U.S. Courthouse situated at 40 Centre Street in New York City the Thurgood Marshall United States Courthouse.

The courthouse on 40 Centre Street is the site where Thurgood Marshall served from 1961 to 1965 during his tenure on the U.S. Second Circuit Court of Appeals. For over 30 years of his life, Thurgood Marshall worked in New York, first as chief counsel of the NAACP, and later as a Justice on the Second Circuit Court of Appeals.

President Kennedy nominated Thurgood Marshall to serve on the federal bench in a recess appointment—at the time there was resistance to an African American being named to the federal appeals court. Robert Kennedy was Thurgood Marshall's sponsor, and sat beside him in a show of support throughout his confirmation hearing. The Senate eventually confirmed his nomination.

Later, President Johnson went on to name Justice Marshall Solicitor General of the United States, and then to nominate him as the first African American to serve on the United States Supreme Court. There, he became one of the most influential and respected justices of this past century. In a tribute to Justice Marshall, Chief Justice Rehnquist said:

> Inscribed above the front entrance to the Supreme Court building are the words "Equal Justice Under Law." Surely, no one individual did more to make these words a reality than Thurgood Marshall.

It is amazing to think that a little boy who grew up under the iron grip of Jim Crow, a talented student who was denied admission to the University of Maryland's Law School because of his race and went on to graduate at the top of his law class at Howard University, charted a course in the courts that led the way for the Civil Rights Movement to put an end to the segregation that had plagued our country for so long.

Thurgood Marshall will always be our nation's preeminent civil rights lawyer. He won 29 of the 32 cases he argued before the Supreme Court. During his time with the NAACP, he argued one of the hallmark court cases of our time, Brown v. Board of Education, which declared segregation illegal.

For those of us who were alive then, we will forever have etched in our consciousness images of the Little Rock Nine, and the sheer courage of those children who would not be deterred from their efforts to integrate Central High School. As foot soldiers of the first true test of Brown v. Board of

Education, the Little Rock Nine will always be American heroes. And so will Thurgood Marshall, whose brilliance and persistence in the courtroom made possible the eventual success of the civil rights movement, as it took root in small towns and large cities all across America.

Thurgood Marshall was a role model to all who knew him in the way that he carried himself and treated his coworkers and friends. He was known for his casualness, and his ability to put people at ease. And he enjoyed life—his son, Thurgood Marshall, Jr., has shared with me the love his father held for New York City and the joy he found there. I had the privilege of attending his memorial service, and saw that 85 of his former law clerks were there. This is a great testament to Thurgood Marshall, and I believe they, and all the good works they do, may be one of his greatest legacies.

New Yorkers will be proud to have a courthouse named after a man who committed himself to attaining equal opportunity for every American. For many years of his life, Thurgood Marshall was denied access to the institutions, restaurants and hotels in New York City and elsewhere. But he always found an open door at the courthouse, and he never gave up on his belief that he could right the nation's wrongs through the courts. There could not be a more fitting tribute than to name a courthouse in New York City, a city at the forefront of so many national and global movements, after Thurgood Marshall, an American hero and visionary whose work embodies the spirit of our country.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF THURGOOD MARSHALL UNITED STATES COURTHOUSE.

The United States courthouse located at 40 Centre Street in New York, New York, shall be known and designated as the "Thurgood Marshall United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the Thurgood Marshall United States Courthouse.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I commend my colleagues from New York and our colleagues in the House, Congressman ENGEL, for their introduction of this bill. I compliment my friend from New York for her wonderful remarks about Thurgood Marshall, who has been an inspiration for a generation of us who grew up watching him change the law of this country, making a difference in the lives of millions and millions of people but also for generations to come, who will remember and reflect on his work as an inspiration in their time to redress the wrongs of their age.

It is appropriate, proper, and fitting that this building in New York that houses the Federal judiciary be named for such an inspiring figure of our times.

I commend the Senator from New York for offering this, for her words today, and my compliments to Thurgood Marshall's family. Thurgood Marshall, Jr. has been a great friend to many of us here and has been a wonderful public servant in his own right. He carries on the great tradition his father carried as a judge and Member of the U.S. Supreme Court.

I ask unanimous consent I be allowed to be a cosponsor of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank Senator CLINTON for her words about Thurgood Marshall. I certainly also would like to be a cosponsor of this. I recommend on the floor of the Senate, if it is appropriate, Juan Williams' wonderful biography of Thurgood Marshall that I read about 6 months ago, which was a very inspiring biography because it was about such an inspiring civil rights leader and great judge.

I thank the Senator from New York for her remarks.

By Mr. DODD:

S. 586. A bill to authorize negotiation for the accession of Chile to the North American Free Trade Agreement, to provide for fast track consideration, and for other purposes; to the Committee on Finance.

Mr. DODD. Mr. President, I rise today to reintroduce legislation I authored last year to enable the President to admit Chile into NAFTA. Nearly 6 years ago, a bipartisan majority of this body ratified the North American Free Trade Agreement. Since then the promises of new jobs, increased exports, lower tariffs and a clearer environment have all been realized. In other words, Mr. President, NAFTA has succeeded despite the predictions of some that America could not compete in today's global economy.

As I said last year, with the success of NAFTA as a backdrop, it is now high time to move forward and expand the free trade zone to other countries in our hemisphere. To help accomplish that important goal, my legislation will authorize and enable the President to move forward with negotiations on a free trade agreement with Chile.

President Bush has stated time and again that he wants to increase ties with Latin America and more fully engage our neighbors to the South. Western Hemisphere trade ministers are planning to develop a draft proposal for a Free Trade Area of the Americas at their ministerial meeting in Buenos Aires in April. This draft will then be considered by Western Hemisphere leaders at the third Summit of the Americas in Quebec City at the end of that month. I hope that this summit bears fruit. Indeed, I have been working toward a free trade agreement of the Americas for many years. We should quickly take the first step toward economic integration with our Southern neighbors by including Chile, who has been in negotiations to join NAFTA since early January, in our North American trade agreement.

Chile is surely worthy of membership in NAFTA. In fact, Chile has already signed a free trade agreement with Canada in 1996. And, in addition, Chile has also put in place a free trade agreement with Mexico. After a brief slowdown last year, today the Chilean economy is growing at a healthy annual rate of more than 6 percent. Chile is noted for its concern for preserving the environment, and has put in place environmental protections that are laudable. Chile's fiscal house is in order as evidenced by a balanced budget, strong currency, strong foreign reserves, and continued inflows of foreign capital, including significant direct investment.

In addition, Chile has already embraced the ideals of free trade. Since 1998, the Chilean tariff on goods from countries with which Chile does not yet have a free trade agreement has fallen from 11 percent to 8 percent. That tariff is scheduled to continue to fall by a point a year until it reaches 6 percent in 2003. While some goods are still assessed at a higher rate, the United States does a brisk export business to Chile, sending approximately $3.6 billion in American goods to that South American nation. That represents 24 percent of Chile's imports. That $3.6 billion in exports represents thousands of American jobs across the Nation.

Our firm belief in the importance of democracy continues to drive our foreign policy. After seventeen years of dictatorship, Chile returned to the family of democratic nations following the 1988 plebiscite. Today, the President and the legislature are both popularly elected and the Chilean armed forces effectively carry out their responsibilities as mandated in Chile's Constitution. American investment and trade cay play a critical role in building on Chile's political and economic successes.

It is unrealistic to think that the President will have the ability to negotiate a free trade agreement without fast track authority. Nor should we ask Chilean authorities to conduct negotiations under such circumstances. Therefore, the bill I am introducing today will provide President Bush with a limited fast track authority which will apply only to this specific treaty. I believe that fast track is key to enabling the President to negotiate the most advantageous trade agreements, and should therefore be re-authorized. At this point, however, there are stumbling blocks we must surmount before generic fast track can be re-authorized. Those stumbling blocks should not be allowed to stand in the way of free trade with Chile.

Naysayers claim that free trade prompts American business to move overseas and costs American workers their jobs. They will tell you that America, the Nation with the largest and strongest economy, the best workers, and the greatest track record of innovation cannot compete with other nations.

The past 6½ years since we ratified NAFTA have proven them wrong. Today, tariffs are down and exports are up. The environment in North America is cleaner. Most importantly, NAFTA has created 710,000 new American jobs all across the Nation.

The many successes of NAFTA are an indication of the potential broader free trade agreements hold for our economy. Furthermore, trade and economic relationships foster American influence and support our foreign policy. In other words, this bill represents new American jobs in every state in the nation, a stronger American economy and greater American influence in our own Hemisphere. I urge my colleagues to support this bill.

By Mr. CONRAD (for himself, Mr. THOMAS, Mr. DASCHLE, Mr. JOHNSON, and Mr. ROBERTS):

S. 587. A bill to amend the Public Health Service Act and title XVIII of the Social Security Act to sustain access to vital emergency medical services in rural areas; to the Committee on Finance.

Mr. CONRAD. Mr. President, today I am introducing the Sustaining Access to Vital Emergency Medical Services Act of 2001. This bill would take important steps to strengthen the emergency medical service system in rural communities and across the Nation.

Across America, emergency medical care reduces human suffering and saves lives. According to recent statistics, the average U.S. citizen will require the services of an ambulance at least twice during his or her life. As my colleagues surely know, delays in receiving care can mean the difference between illness and permanent injury, between life and death. In rural communities, which often lack access to local health care services, the need for reliable EMS is particularly critical.

Over the next few decades, the need for quality emergency medical care in rural areas is projected to increase as the elderly population in these communities continues to rise. Unfortunately, while the need for effective EMS systems may increase, we have seen the number of individuals able to provide these services decline. Nationwide, the majority of emergency medical personnel are unpaid volunteers. As rural economies continue to suffer, and individuals have less and less time to devote to volunteering, it has become increasingly difficult for rural EMS squads to recruit and retain personnel. In my State of North Dakota, this phenomenon has resulted in a sharp reduction in EMS squad size. In 1980, on average there were 35 members per EMS squad; today, the average squad size has plummeted to 12 individuals per unit. I am concerned that continued reductions in EMS squad size could jeopardize rural residents' access to needed medical services.

For this reason, the legislation I am introducing today includes measures to help communities recruit, retain, and train EMS providers. My bill would establish a Rural Emergency Medical Services Training and Equipment Assistance program. This program would authorize $50 million in grant funding for fiscal years 2002–2007, which could be used in rural EMS squads to meet various personnel needs. For example, this funding could help cover the costs of training volunteers in emergency response, injury prevention, and safety awareness; volunteers could also access this funding to help meet the costs of obtaining State emergency medical certification. In addition, EMS squads would be offered the flexibility to use grant funding to acquire new equipment, such as cardiac defibrillators. This is particularly important for rural squads that have difficulty affording state-of-the-art equipment that is needed for stabilizing patients during long travel times between the rural accident site and the nearest medical facility. This grant funding could also be used to provide community education training in CPR, first aid or other emergency medical needs.

In addition, this legislation takes steps to help ensure emergency medical providers are fairly reimbursed for ambulance services provided to Medicare, Medicare+Choice, and Medicaid managed care beneficiaries. As you may know, the Balanced Budget Act required that Medicare+Choice and Medicaid managed care plans provide payment for emergency services that a "prudent layperson" would determine are medically needed. However, regulations implementing this requirement did not include ambulance services within the definition of "emergency services." Because of this oversight, ambulance providers are sometimes left in the difficult position of providing services to individuals who, by any rational review, appear to need immediate medical attention. However, when it is later determined that the patient's symptoms were the result of heartburn, for example, rather than a serious heart condition, the ambulance provider is denied payment for services. This is simply unfair.

While it is certainly important that EMS providers take care not to provide unnecessary services, it is unfair to deny ambulance providers payment when they provide immediate emergency services to individuals who appear tin serious need of medical care. In my State, EMS providers are operating on tight budgets and cannot afford to provide high levels of uncompensated care. To ensure EMS services remain available, particularly in underserved rural areas, we must ensure that EMS providers are appropriately reimbursed for the care they provide to our communities. For this reason, my legislation would revise the "prudent layperson" definition to include ambulance services. This change will ensure that ambulance providers who provide care in situations where a responsible observer would deem this care medically necessary receive reimbursement under traditional Medicare, Medicare+Choice, and Medicaid managed care.

It is my hope that the Sustaining Access to Vital Emergency Medical Services Act will help ensure EMS providers can continue providing quality medical care to our communities. I am happy to say that this legislation is supported by the National Association of State EMS Directors, the National Rural Health Association, and the American Ambulance Association. I am also pleased that Senators THOMAS, DASCHLE, JOHNSON, and others are joining me in this effort. I urge my colleagues to support this important piece of legislation.

Mr. THOMAS. Mr. President, I am pleased to rise today to introduce "The Sustaining Access to Vital Emergency Medical Services Act of 2001" with Senators CONRAD, DASCHLE, ROBERTS and JOHNSON. As with all rural health legislation I have worked on, I am proud of the bipartisan effort behind this bill.

"The Sustaining Access to Vital Emergency Medical Services Act of 2001" will provide assistance to rural providers to maintain access to important emergency medical services, EMS. This legislation is necessary because rural EMS providers are primarily volunteers who have difficulty recruiting, retaining and educating EMS personnel. Rural EMS providers also have less capital to buy and upgrade essential, life-saving equipment.

The first section of this legislation is the authorization of an annual $50 million competitive grant program. Grantees can use these funds for recruiting volunteers, training emergency personnel, using new technologies to educate providers, acquiring EMS vehicles such as ambulances and acquiring emergency medical equipment. I think it is important to note that all of the above eligible uses of funds were priority concerns of State EMS Directors in a recently conducted Rural EMS Survey with recruitment and retention ranking as number one.

The second part of this legislation applies the prudent layperson standard for emergency services currently used in hospital emergency rooms to ambulance services. This provision will assist ambulance providers in collecting payments for transporting patients to the hospital after answering a 911 call regardless of the final diagnosis. This is a common sense approach and ensures that all aspects of emergency care are operating under the same definition of emergency.

I believe this legislation is an important part of ensuring rural residents have access to emergency services. It is also flexible so communities can decide for themselves what is their most imminent EMS need. Our bill is supported by the National Association of State EMS Directors, the National Rural Health Association and the American Ambulance Association. I strongly urge all my colleagues interested in rural health to consider cosponsoring "The Sustaining Access to Vital Emergency Medical Services Act of 2001."

By Mr. JEFFORDS (for himself, Mr. Breaux, Mr. Frist, Mrs. Lincoln, Ms. Snowe, Mr. Chafee, and Mr. Carper):

S. 590. A bill to amend the Internal Revenue Code of 1986 to allow a refundable tax credit for health insurance costs, and for other purposes; to the Committee on Finance.

Mr. JEFFORDS. Mr. President, today, I am pleased to join with my colleagues in introducing the Relief, Equity, Access, and Coverage for Health, REACH, Act, a bipartisan bill that will provide low and middle income Americans with refundable tax credits for the purchase of health insurance coverage.

New Census Bureau data indicate that there are now 43 million Americans with no health coverage. And, for the third straight year, insurance premiums for employer-sponsored coverage have increased significantly, by as much as 10 to 13 percent. We know from past experience that premium increases cause people to lose their health insurance. By some estimates, as many as 3 million Americans will lose coverage for every 10 percent increase in premiums.

With premiums increasing and the economy uncertain, the problem could worsen. The impact of these numbers is very real for American families. The uninsured often go without needed health care or face unaffordable medical bills. Access to health coverage for the uninsured must be one of our nation's top priorities.

The REACH tax credit is targeted to those who are most in need of help, Americans who earn too much to qualify for public programs, but nevertheless struggle to pay for health insurance. Without additional resources, health insurance coverage is either beyond their reach or only purchased by giving up other basic necessities of life.

The REACH Act makes a refundable tax credit available to more than 20 million Americans who do not have access to employer-sponsored insurance and who are ineligible for public programs. The amount of the credit for this group is $1,000 for individuals with adjusted gross incomes of up to $35,000 to purchase self-only coverage, and $2,500 for taxpayers with an AGI of up to $55,000 to purchase family coverage.

We also want to help hard working Americans who have access to employer-subsidized insurance, but have difficulty paying for their share of the premiums. Over 7 million Americans decline insurance offered by their employers. To relieve their financial burden, the REACH Act provides a refundable tax credit of $400 for the purchase of self-only coverage and $1,000 for the purchase of family coverage under the employer's group health plan.

Initial estimates indicate this legislation will provide coverage to more than 10 million Americans who are presently uninsured. In addition, it will give needed financial relief to over 60 million low and moderate income working Americans who are using their own scarce dollars to buy health insurance coverage today.

The REACH Act provides a bipartisan, market-based solution to a complex problem. It will bolster the private health insurance market and strengthen employer-sponsored coverage, the cornerstone of our nation's health care system. While this legislation will not solve the entire problem, it is clearly a substantial step in the right direction. I will continue to work with my colleagues to tackle this problem on other fronts, including strengthening the safety net, working to make Medicaid and SCHIP more effective programs, and fighting to provide a prescription drug benefit for Medicare beneficiaries.

I look forward to working with my colleagues on enacting the REACH Act into law this year. I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Relief, Equity, Access, and Coverage for Health (REACH) Act".

SEC. 2. REFUNDABLE HEALTH INSURANCE COSTS CREDIT.

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable personal credits) is amended by redesignating section 35 as section 36 and inserting after section 34 the following new section:

"SEC. 35. HEALTH INSURANCE COSTS.

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the amount paid by the taxpayer during the taxable year for qualified health insurance for the taxpayer and the taxpayer's spouse and dependents.

"(b) Limitations.—

"(1) Maximum dollar amount.—

"(A) In general.—The amount allowed as a credit under subsection (a) to the taxpayer for the taxable year shall not exceed the sum of the monthly limitations for coverage months during such taxable year.

"(B) Monthly limitation.—The monthly limitation for each coverage month during the taxable year is the amount equal to 1/12 of—

"(i) in the case of self-only coverage, $1,000, and

"(ii) in the case of family coverage, $2,500.

"(C) Limitation for employees with employer subsidized coverage.—In the case of an individual who is eligible to participate in any subsidized health plan (within the meaning of section 162(l)(2)) maintained by any employer of the taxpayer or of the spouse of the taxpayer for any coverage month, subparagraph (B) shall be applied by substituting '$400' for '$1,000' and '$1,000' for '$2,500' for such month.

"(2) Phaseout of credit.—

"(A) In general.—The amount which would (but for this paragraph) be taken into account under subsection (a) shall be reduced (but not below zero) by the amount determined under subparagraph (B).

"(B) Amount of reduction.—The amount determined under this subparagraph is the amount which bears the same ratio to the amount which would be so taken into account for the taxable year as—

"(i) the excess of—

"(I) the taxpayer's modified adjusted gross income for the preceding taxable year, over

"(II) $35,000 ($55,000 in the case of family coverage), bears to

"(ii) $10,000.

"(C) Modified adjusted gross income.—The term 'modified adjusted gross income' means adjusted gross income determined—

"(i) without regard to this section and sections 911, 931, and 933, and

"(ii) after application of sections 86, 135, 137, 219, 221, and 469.

"(3) Coordination with deduction for health insurance costs of self-employed individuals.—In the case of a taxpayer who is eligible to deduct any amount under section 162(l) for the taxable year, this section shall apply only if the taxpayer elects not to claim any amount as a deduction under such section for such year.

"(4) Inflation adjustment.—

"(A) In general.—In the case of any taxable year beginning after 2002, each of the dollar amounts referred to in paragraphs (1)(B), (1)(C), and (2)(B) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, by substituting '2001' for '1992'.

"(B) Rounding.—If any amount as adjusted under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

"(c) Coverage Month Defined.—For purposes of this section—

"(1) IN GENERAL.—The term 'coverage month' means, with respect to an individual, any month if—

"(A) as of the first day of such month such individual is covered by qualified health insurance, and

"(B) the premium for coverage under such insurance, or any portion of the premium, for such month is paid by the taxpayer.

"(2) EXCLUSION OF MONTHS IN WHICH INDIVIDUAL IS ELIGIBLE FOR COVERAGE UNDER CERTAIN HEALTH PROGRAMS.—Such term shall not include any month during a taxable year with respect to an individual if, as of the first day of such month, such individual is eligible—

"(A) for any benefits under title XVIII of the Social Security Act,

"(B) to participate in the program under title XIX or XXI of such Act,

"(C) for benefits under chapter 17 of title 38, United States Code,

"(D) for benefits under chapter 55 of title 10, United States Code,

"(E) to participate in the program under chapter 89 of title 5, United States Code, or any similar program for State or local government employees, or

"(F) for benefits under any medical care program under the Indian Health Care Improvement Act or any other provision of law.

"(3) EXCLUSION OF MONTHS IN WHICH INDIVIDUAL IS IMPRISONED.—Such term shall not include any month with respect to an individual if, as of the first day of such month, such individual is imprisoned under Federal, State, or local authority.

"(d) QUALIFIED HEALTH INSURANCE.—For purposes of this section, the term 'qualified health insurance' means health insurance coverage (as defined in section 9832(b)(1)), including coverage under a COBRA continuation provision (as defined in section 9832(d)(1)).

"(e) MEDICAL SAVINGS ACCOUNT CONTRIBUTIONS.—

"(1) IN GENERAL.—If a deduction would (but for paragraph (2)) be allowed under section 220 to the taxpayer for a payment for the taxable year to the medical savings account of an individual, subsection (a) shall be applied by treating such payment as a payment for qualified health insurance for such individual.

"(2) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under section 220 for that portion of the payments otherwise allowable as a deduction under section 220 for the taxable year which is equal to the amount of credit allowed for such taxable year by reason of this subsection.

"(f) SPECIAL RULES.—

"(1) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amount which would (but for this paragraph) be taken into account by the taxpayer under section 213 for the taxable year shall be reduced by the credit (if any) allowed by this section to the taxpayer for such year.

"(2) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(3) COORDINATION WITH ADVANCE PAYMENT.—Rules similar to the rules of section 32(g) shall apply to any credit to which this section applies.

"(g) EXPENSES MUST BE SUBSTANTIATED.—A payment for insurance to which subsection (a) applies may be taken into account under this section only if the taxpayer substantiates such payment in such form as the Secretary may prescribe.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section, including regulations under which—

"(1) an awareness campaign is established to educate the public, employers, insurance issuers, and agents or others who market health insurance about the requirements and procedures under this section, including—

"(A) criteria for insurance products and group health coverage which constitute qualified health insurance under this section,

"(B) procedures by which employers who do not offer health insurance coverage to their employees may assist such employees in securing qualified health insurance, and

"(C) guidelines for marketing schemes and practices which are appropriate and acceptable in connection with the credit under this section, and

"(2) periodic reviews or audits of health insurance policies and group health plans (and related promotional marketing materials) which are marketed to eligible taxpayers under this section are conducted for the purpose of determining—

"(A) whether such policies and plans constitute qualified health insurance under this section, and

"(B) whether offenses described in section 7276 occur.".

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 of such Code (relating to information concerning transactions with other persons) is amended by inserting after section 6050S the following new section:

"SEC. 6050T. RETURNS RELATING TO PAYMENTS FOR QUALIFIED HEALTH INSURANCE.

"(a) IN GENERAL.—Any person who, in connection with a trade or business conducted by such person, receives payments during any calendar year from any individual for coverage of such individual or any other individual under creditable health insurance, shall make the return described in subsection (b) (at such time as the Secretary may by regulations prescribe) with respect to each individual from whom such payments were received.

"(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

"(1) is in such form as the Secretary may prescribe, and

"(2) contains—

"(A) the name, address, and TIN of the individual from whom payments described in subsection (a) were received,

"(B) the name, address, and TIN of each individual who was provided by such person with coverage under creditable health insurance by reason of such payments and the period of such coverage,

"(C) the aggregate amount of payments described in subsection (a),

"(D) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in subparagraph (A), and

"(E) such other information as the Secretary may reasonably prescribe.

"(c) CREDITABLE HEALTH INSURANCE.—For purposes of this section, the term 'creditable health insurance' means qualified health insurance (as defined in section 35(d)) other than, to the extent provided in regulations prescribed by the Secretary, any insurance covering an individual if no credit is allowable under section 35 with respect to such coverage.

"(d) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required under subsection (b)(2)(A) to be set forth in such return a written statement showing—

"(1) the name and address of the person required to make such return and the phone number of the information contact for such person,

"(2) the aggregate amount of payments described in subsection (a) received by the person required to make such return from the individual to whom the statement is required to be furnished,

"(3) the information required under subsection (b)(2)(B) with respect to such payments, and

"(4) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in paragraph (2).

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) is required to be made.

"(e) RETURNS WHICH WOULD BE REQUIRED TO BE MADE BY 2 OR MORE PERSONS.—Except to the extent provided in regulations prescribed by the Secretary, in the case of any amount received by any person on behalf of another person, only the person first receiving such amount shall be required to make the return under subsection (a).".

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1) of such Code (relating to definitions) is amended by redesignating clauses (xi) through (xvii) as clauses (xii) through (xviii), respectively, and by inserting after clause (x) the following new clause:

"(xi) section 6050T (relating to returns relating to payments for qualified health insurance),".

(B) Paragraph (2) of section 6724(d) of such Code is amended by striking "or" at the end of the next to last subparagraph, by striking the period at the end of the last subparagraph and inserting ", or", and by adding at the end the following new subparagraph:

"(BB) section 6050T(d) (relating to returns relating to payments for qualified health insurance).".

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code is amended by inserting after the item relating to section 6050S the following new item:

"Sec. 6050T. Returns relating to payments for qualified health insurance.".

(c) CRIMINAL PENALTY FOR FRAUD.—Subchapter B of chapter 75 of such Code (relating to other offenses) is amended by adding at the end the following new section:

"SEC. 7276. PENALTIES FOR OFFENSES RELATING TO HEALTH INSURANCE TAX CREDIT.

"Any person who knowingly misuses Department of the Treasury names, symbols, titles, or initials to convey the false impression of association with, or approval or endorsement by, the Department of the Treasury of any insurance products or group health coverage in connection with the credit for health insurance costs under section 35 shall on conviction thereof be fined not more than $10,000, or imprisoned not more than 1 year, or both.”.

(d) Conforming Amendments.—

(1) Section 162(l) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(6) Election to have subsection apply.—No deduction shall be allowed under paragraph (1) for a taxable year unless the taxpayer elects to have this subsection apply for such year.”.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period “, or from section 35 of such Code”.

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the last item and inserting the following new items:

“Sec. 35. Health insurance costs.

“Sec. 36. Overpayments of tax.”.

(4) The table of sections for subchapter B of chapter 75 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 7276. Penalties for offenses relating to health insurance tax credit.”.

(e) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) Penalties.—The amendments made by subsections (c) and (d)(4) shall take effect on the date of the enactment of this Act.

SEC. 3. ADVANCE PAYMENT OF CREDIT TO ISSUERS OF QUALIFIED HEALTH INSURANCE.

(a) In General.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

“SEC. 7527. ADVANCE PAYMENT OF HEALTH INSURANCE CREDIT TO ISSUERS OF QUALIFIED HEALTH INSURANCE.

“(a) General Rule.—In the case of an eligible individual, the Secretary shall make payments to the health insurance issuer of such individual’s qualified health insurance equal to such individual’s qualified health insurance credit advance amount with respect to such issuer.

“(b) Eligible Individual.—For purposes of this section, the term ‘eligible individual’ means any individual—

“(1) who purchases qualified health insurance (as defined in section 35(c)), and

“(2) for whom a qualified health insurance credit eligibility certificate is in effect.

“(c) Health Insurance Issuer.—For purposes of this section, the term ‘health insurance issuer’ has the meaning given such term by section 9832(b)(2) (determined without regard to the last sentence thereof).

“(d) Qualified Health Insurance Credit Eligibility Certificate.—For purposes of this section, a qualified health insurance credit eligibility certificate is a statement furnished by an individual to a qualified health insurance issuer which—

“(1) certifies that the individual will be eligible to receive the credit provided by section 35 for the taxable year,

“(2) estimates the amount of such credit for such taxable year, and

“(3) provides such other information as the Secretary may require for purposes of this section.

“(e) Qualified Health Insurance Credit Advance Amount.—For purposes of this section, the term ‘qualified health insurance credit advance amount’ means, with respect to any qualified health insurance issuer of qualified health insurance, an estimate of the amount of credit allowable under section 35 to the individual for the taxable year which is attributable to the insurance provided to the individual by such issuer.

“(f) Required Documentation for Receipt of Payments of Advance Amount.—No payment of a qualified health insurance credit advance amount with respect to any eligible individual may be made under subsection (a) unless the health insurance issuer provides to the Secretary—

“(1) the qualified health insurance credit eligibility certificate of such individual, and

“(2) the return relating to such individual under section 6050T.

“(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.”.

(b) Clerical Amendment.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

“Sec. 7527. Advance payment of health insurance credit for purchasers of qualified health insurance.”.

(c) Effective Date.—The amendments made by this section shall take effect on January 1, 2002.

SEC. 4. COMBINATION OF COST OF SCHIP COVERAGE FOR A TARGETED LOW-INCOME CHILD WITH REFUNDABLE HEALTH INSURANCE COSTS CREDIT TO PURCHASE FAMILY COVERAGE.

(a) In General.—Section 2105(c)(3) of the Social Security Act (42 U.S.C. 1397ee(c)(3)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting such clauses appropriately;

(2) by striking “Payment” and inserting the following:

“(A) In general.—Payment”; and

(3) by adding at the end the following new subparagraph:

“(B) Combination of cost of providing child health assistance with refundable health insurance costs tax credit.—

“(i) In general.—In the case of a targeted low-income child who is eligible for child health assistance and whose parent is eligible for the refundable health insurance costs tax credit provided under section 35 of the Internal Revenue Code of 1986, payment may be made to a State under subsection (a)(1) for payment by the State to a health insurance issuer that receives advance payment of such credit on behalf of the parent under section 7527 of the Internal Revenue Code of 1986, of an amount equal to the estimated cost of providing the child with child health assistance for a calendar year, but only if—

“(I) the health insurance issuer uses the State payment made under this subparagraph and the advance credit payment to provide family coverage for the parent and the targeted low-income child; and

“(II) the State establishes to the satisfaction of the Secretary that the conditions set forth in clauses (i) and (ii) of subparagraph (A) are met.

“(ii) Definition of health insurance issuer.—In this subparagraph, the term ‘health insurance issuer’ has the meaning given such term in section 9832(b)(2) of the Internal Revenue Code of 1986 (determined without regard to the last sentence thereof).”.

(b) Effective Date.—The amendments made by this section take effect on January 1, 2002.

Mr. FRIST. Mr. President, I am pleased to join Senator JEFFORDS and my colleagues today in a bipartisan effort to address the growing number of individuals and families without health insurance coverage in this country.

The problem has been made clear. Despite last year’s decline in America’s uninsured population, there are still more than 43 million americans—one-sixth of our Nation’s population, who do not have health insurance. We know that the majority of the uninsured, 32 of the 44 million, earn an annual income of under $50,000. We also know that the rising cost of health insurance is the single most important reason given for the lack of purchasing coverage. Many Americans simply cannot afford to buy health insurance.

The solutions are becoming clearer as well. A one-size-fits-all approach to expand health coverage and access to health care does not meet the various needs of the uninsured population. However, because our workforce is growing and evolving out of the older traditional models, we must look to common features of the uninsured population. Although more than 80 percent of the uninsured individuals come from families with at least one employed member, the majority of uninsured Americans do not have access to employer-sponsored health coverage. An additional seven million Americans have access to employer-provided health insurance but are, in many cases, unable to afford it. Therefore, my colleagues and I today are introducing the Relief, Equity, Access, and Coverage for Health, REACH, Act to build upon the current system of employer-based coverage which continues to be the main source of coverage for most Americans.

Our goal is to fill the coverage gaps that exist in the current system while also complementing and expanding the reach of the employment-based system. The central tenet of our proposal is a refundable tax credit for low-income Americans who are not offered a contribution for their insurance through their employer and do not receive coverage through Federal programs such as Medicaid or Medicare. For example, our proposal will help hard working Americans who cannot afford to buy coverage on their own, such as the part-time worker who is not offered employer-sponsored health insurance. We provide that worker with a $1,000 tax credit to purchase coverage. We help a young family with two children earning less than $50,000 a year by providing them with a $2,500 credit to purchase a health insurance policy for themselves and their children. In addition, the REACH Act also is designed to assist those Americans who do have access to employer-subsidized health insurance but, too often, decline it because they cannot afford the cost-sharing components. We provide these individuals and families with up to $400 annually for single coverage or $1,000 for themselves and their families. Overall it is estimated that these provisions would expand new health insurance to as many as 17 million previously uninsured Americans.

I appreciate the work my colleagues have done on this bill, and I look forward to seeing the REACH Act passed into law this year.

By Mr. SANTORUM (for himself, Mr. LIEBERMAN, Mr. HUTCHINSON, Mr. DURBIN, Mr. BROWNBACK, Ms. LANDRIEU, Mr. LUGAR, Mr. BAYH, and Mr. DEWINE):

S. 592. A bill to amend the Internal Revenue Code of 1986 to create Individual Development Accounts, and for other purposes; to the Committee on Finance.

Mr. SANTORUM. Mr. President, today, I am introducing with Senator JOE LIEBERMAN "the Savings Opportunity and Charitable Giving Act of 2001." Other bipartisan cosponsors include Senators HUTCHINSON, DURBIN, BROWNBACK, LANDRIEU, LUGAR, and BAYH. Within a month of the White House's formation of the Office of Faith-Based and Community Initiatives, we are moving the process forward in Congress by the bipartisan introduction of the key tax relief provisions of the President's Faith-Based Initiatives including Individual Development Accounts, IDAs, which President Bush endorsed in his campaign as part of the New Prosperity Initiative. Representatives J.C. WATTS, Jr. and TONY HALL will be introducing a similar measure in the House of Representatives within the coming weeks. Beneficiary Choice expansion and other provisions will be pursued in a thoughtful manner but on a separate track from the tax provisions in the Senate.

Success in today's new economy is defined less and less by how much you earn and more and more by how much you own, your asset base. This is great news for the millions of middle-class homeowners who are tapped into America's economic success, but it is bad news for those who are simply tapped out, those with no assets and little hope of accumulating the means for upward mobility and real financial security. This widening asset gap was underscored in a report issued earlier this year by the Federal Reserve. The Fed found that while the net worth of the typical family has risen substantially in recent years, it has actually dropped substantially for low-income families.

For families with annual incomes of less than $10,000, the median net worth dipped from $4,800 in 1995 to $3,600 in 1998. For families with incomes between $10,000 and $25,000, the median net worth fell from $31,000 to $24,800 over the same period. The rate of home ownership among low-income families has dropped as well. For families making less than $10,000, it went from 36.1 percent to 34.5 percent from 1995 to 1998; for those making between $10,000 and $25,000, it fell from 54.9 percent to 51.7 percent.

How do we reverse this troubling trend? IDAs are the unfinished business of the Community Renewal and New Markets Empowerment initiatives which became law in December of 2000 and will increase job opportunities and renew hope in what have been hopeless places. But to sustain this hope, we must provide opportunities for individuals and families to build tangible assets and acquire stable wealth.

Our legislation is aimed at fixing our nation's growing gap in asset ownership, which keeps millions of low-income workers from achieving the American dream. Most public attention focuses on our growing income gap. Though the booming American economy has delivered significant income gains to the nation's upper-income earners, lower-income workers have been left on the sidelines. This suggests to some that closing this divide between the have-mosts and the have-leasts is simply a matter of raising wages. But the reality is that the income gap is a symptom of a larger, more complicated problem.

How do we do this? We believe that the marketplace can provide such opportunity. Non-profit groups around the country have launched innovative private programs that are achieving great success in transforming the "unbanked," people who have never had a bank account, into unabashed capitalists. Through IDAs, banks and credit unions offer special savings accounts to low-income Americans and match their deposits dollar-for-dollar. In return, participants take an economic literacy course and commit to using their savings to buy a home, upgrade their education or to start a business.

Thousands of people are actively saving today through IDA programs in about 250 neighborhoods nationwide. In one demonstration project undertaken by the Corporation for Enterprise Development, CFED, a leading IDA promoter, 1,300 families have already saved $329,000, which has leveraged an additional $742,000.

While the growth of IDAs has been encouraging, access to IDA programs is still limited and scattered across the nation. The IDA provision of this legislation will expand IDA access nationwide by providing a significant tax credit to financial institutions and community groups that offer IDA accounts. This credit would reimburse banks for the first $500 of matching funds they contribute, thus significantly lowering the cost of offering IDAs. Other state and private funds can also be used to provide an additional match to savings. It also benefits our economy, the long-term stability of which is threatened by our pitiful national savings rate. In fact, according to some estimates, every $1 invested in an IDA returns $5 to the national economy.

IDAs are matched savings accounts for working Americans restricted to three uses: 1. buying a first home; 2. receiving post-secondary education or training; or 3. starting or expanding a small business. Individual and matching deposits are not co-mingled; all matching dollars are kept in a separate, parallel account. When the account holder has accumulated enough savings and matching funds to purchase the asset, typically over two to four years, and has completed a financial education course, payments from the IDA will be made directly to the asset provider.

Financial institutions, or their contractual affiliates, would be reimbursed for all matching funds provided plus a limited amount of the program and administrative costs incurred, whether directly or through collaborations with other entities. Specifically, the IDA Tax Credit would be the aggregate amount of all dollar-for-dollar matches provided, up to $500 per person per year, plus a one-time $100 per account credit for financial education, recruiting, marketing, administration, withdrawals, etc., plus an annual $30 per account credit for the administrative cost of maintaining the account. To be eligible for the match, adjusted gross income may not exceed $20,000, single, $25,000, head of household, or $40,000, married.

President Bush has expressed support for IDAs in his campaign and we are working with the Administration to coordinate efforts to the fullest extent possible. Supporting groups include the Credit Union National Association, the Financial Services Roundtable, the Corporation for Enterprise Development, the National Association of Homebuilders, the National Center for Neighborhood Enterprise, the National Federation of Community Development Credit Unions, the National Council for La Raza, and others.

Individual Development Accounts, combined with other community development and wealth creation opportunities, are a first step towards restoring faith in the longstanding American promise of equal opportunity. That faith has been shaken by stark divisions of income and wealth in our society. With the leadership of President Bush and Speaker Hastert, I am hopeful, along with our other cosponsors, that Congress will take this first step toward restoring the long-cherished American ideals of rewarding hard work, encouraging responsibility, and expanding savings opportunity this year.

The Non-Itemizer Charitable Deduction provision will initially allow non-itemizers to deduct 50 percent of their charitable giving, after they exceed a cumulative total of $500 in annual donations, $1,000 for joint filers. The deduction will be phased into a 100 percent deduction over the course of 5 years in 10 percent increments. Under current law non-itemizers receive no additional tax benefit for their charitable contributions.

More than 84 million Americans cannot deduct any of their charitable contributions because they do not itemize their tax returns. In contrast, there are 34 million Americans who itemize and receive this benefit. For example, in Pennsylvania, there are nearly 4 million taxpayers who do not itemize deductions while slightly more than 1.5 million taxpayers do itemize.

While Americans are already giving generously to charities making a significant positive impact in our communities, this provision provides an incentive for additional giving and allows non-itemizers who typically have middle to lower middle incomes to also benefit from additional tax relief. In fact, non-itemizers earning less than $30,000 give the highest percentage of their household income to charity. It is estimated that restoring this tax relief provision to merely 50 percent which existed in the 1980's would encourage more than $3 billion of additional charitable giving a year. The phased in increase to 100 percent will result in even more additional giving. The floor is included because the standard personal deduction encompasses initial contributions.

One important dimension of promoting charitable efforts helping to revitalize our communities, empower individuals and families, and enhance educational opportunities is encouraging charitable giving. This legislation is a great opportunity to lower the tax burden on the many Americans who have not received any tax relief for their charitable contributions since 1986.

The IRA Charitable Rollover allows individuals to roll assets from an IRA into a charity or a deferred charitable gift plan without incurring any income tax consequences. The donation would be made to charity directly without ever withdrawing it as income and paying taxes on it.

The rollover can be made as an outright gift, for a charitable remainder annuity trust, charitable remainder unitrust or pooled income fund, or for the issuance of a charitable annuity. The donor would not receive a charitable deduction. This incentive should assist charitable giving in education, social service, and religious charitable efforts.

Food banks are finding it increasingly difficult to meet the demand for food assistance. In the past, food banks have benefitted from the inefficiencies of manufacturing, including the overproduction of merchandise and the manufacturing of cosmetically-flawed products. However, technology has made businesses and manufacturers significantly more efficient. Although beneficial to the company's bottomline, donations have lessened as a result. The fact is that the demand on our nation's church pantries, soup kitchens and shelter continues to rise, despite our economy.

According to an August 2000 report on Hunger Security by the U.S. Department of Agriculture, 31 million Americans, around 10 percent of our citizens, are living on the edge of hunger. Although this number has declined by 12 percent since 1995, everyone agrees that this figure remains too high.

Unfortunately, many food banks cannot meet this increased demand for food. A December '99 study by the U.S. Conference of Mayors found that requests for emergency food assistance increased by an average of 18 percent in American cities over the previous year and 21 percent of emergency food requests could not be met. Statistics by the United States Department of Agriculture show that up to 96 billion pounds of food goes to waste each year in the United States. If a small percentage of this wasted food could be redirected to food banks, we could make important strides in our fight against hunger. In many ways, current law is a hindrance to food donations.

The tax code provides corporations with a special deduction for donations to food banks, but it excludes farmers, ranchers and restaurant owners from donating food under the same tax incentive. For many of these businesses, it is actually more cost effective to throw away food than donate it to charity. The hunger relief community believes that these changes will markedly increase food donations-whether it is a farmer donating his crop, a restaurant owner contributing excess meals, or a food manufacturer producing specifically for charity.

This bipartisan legislation was introduced separately by Senators Lugar and Leahy with 13 additional cosponsors including myself. It has been endorsed by a diverse set of organizations, including America's Second Harvest Food Banks, the Salvation Army, the American Farm Bureau Federation, the National Farmers Union, the National Restaurant Association, and the Grocery Manufacturers of America.

Under current law, when a corporation donates food to a food bank, it is eligible to receive a "special rule" tax deduction. Unfortunately, most companies have found that the "special rule" deduction does not allow them to recoup their actual production costs. Moreover, current law limits the "special rule" deduction only to corporations, thus prohibiting farmers, ranchers, small businesses and restaurant owners from receiving the same tax benefits afforded to corporations.

This provision would encourage additional food donations through three changes to our tax laws: This bill will extend the "special rule" tax deduction for food donations now afforded only to corporations to all business taxpayers, including farmers and restaurant owners. This legislation will increase the tax deduction for donated food from basis plus ° markup to the fair market value of the product, not to exceed twice the product's basis. This bill will codify the Tax Court ruling in Lucky Stores, Inc. v. IRS, in which the Court found that taxpayers should base the determination of fair market value of donated product on recent sales.

I would like to thank my colleagues for joining me in this important effort to increase savings opportunities for lower income working Americans, to encourage the charitable giving of all Americans, to provide additional resources for the charitable organizations which serve their communities, and to encourage additional donations of food to alleviate hunger. I would also encourage my other colleagues to consider supporting this important initiative.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 61—EXPRESSING THE SENSE OF THE SENATE THAT THE SECRETARY OF VETERANS AFFAIRS SHOULD RECOGNIZE BOARD CERTIFICATIONS FROM THE AMERICAN ASSOCIATION OF PHYSICIAN SPECIALISTS, INC., FOR PURPOSES OF THE PAYMENT OF SPECIAL PAY BY THE VETERANS HEALTH ADMINISTRATION

Mr. HUTCHINSON submitted the following resolution; which was referred to the Committee on Veterans' Affairs:

S. RES. 61

Whereas the United States has, in the course of its history, fought in many wars and conflicts to defend freedom and protect the interests of the Nation;

Whereas millions of men and women have served the Nation in times of need as members of the Armed Forces;

Whereas the service of veterans has been of vital importance to the Nation and the sacrifices made by veterans and their families should not be forgotten with the passage of time;

Whereas the obligation of the Nation to provide the best health care benefits to veterans and their families takes precedence over all else;

Whereas veterans deserve comprehensive and high-quality health care services;

Whereas the Secretary of Veterans Affairs only recognizes board certifications of allopathic physicians from specialty boards that are members of the American Board of Medical Specialties and board certifications of osteopathic physicians from specialty boards recognized by the Bureau of Osteopathic Specialists;

Whereas physicians not certified by the American Board of Medical Specialties or the Bureau of Osteopathic Specialists are not eligible for special pay for board certification;

Whereas there are other nationally recognized organizations that certify physicians for practice in areas of specialty;

Whereas the failure of the Secretary of Veterans Affairs to recognize board certifications from other nationally recognized organizations may limit the pool of qualified physicians from which the Department of Veterans Affairs can hire; and

Whereas not recognizing board certifications of other nationally recognized organizations, such as the American Association of Physician Specialists, Inc., may limit the ability of veterans to receive the highest quality health care: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of Veterans Affairs should, for the purposes of the payment of special pay by the Veterans Health Administration, recognize board certifications from the American Association of Physician Specialists, Inc., to the same extent as the Secretary of Veterans Affairs recognizes board certifications from the American Board of Medical Specialties and the Bureau of Osteopathic Specialists.

Mr. HUTCHINSON. Mr. President, I rise today to offer a resolution concerning our nation's veterans' population and the quality of health care that they receive.

As a member of this Senate Veterans' Affairs Committee, the chairman of the Personnel Subcommittee on the Senate Armed Services Committee, as well as the former chairman of the Health and Hospitals Subcommittee on the House Veterans' Affairs Committee, I am very concerned that today's veterans' community receive the best possible health care coverage that we can provide.

Recently, it was brought to my attention that the Department of Veterans Affairs only recognizes two organizations for physician certification credentials. However, there are other organizations that have pressed the VA to consider their credentials and have been met with a closed door.

While it is my understanding that very recently the Department has rescinded this decision due to the VA General Counsel ruling it to be illegal, the VA still does not recognize other board certifications in the matter of specialty pay.

Within the last few weeks, Congressman JOE SCARBOROUGH, my good friend and former colleague, has introduced legislation on behalf of one of these excluded organizations, the American Association of Physician Specialists. His resolution addresses the issue of board certification recognitions by the new Secretary of the VA to include this organization in the list of organizations that are recognized for certification and special pay.

Today, I am pleased to offer the Senate counter-part to Congressman SCARBOROUOGH's legislation in the hopes that this vehicle may rectify a policy and system that seems faulty.

SENATE CONCURRENT RESOLUTION 27—EXPRESSING THE SENSE OF CONGRESS THAT THE 2008 OLYMPIC GAMES SHOULD NOT BE HELD IN BEIJING UNLESS THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA RELEASES ALL POLITICAL PRISONERS, RATIFIES THE INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS, AND OBSERVES INTERNATIONALLY RECOGNIZED HUMAN RIGHTS

Mr. HELMS (for himself, Mr. WELLSTONE, Mr. HUTCHINSON, and Mr. SMITH of New Hampshire) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 27

Whereas the International Olympic Committee is in the process of determining the venue of the Olympic Games in the year 2008 and is scheduled to make that decision at the International Olympic Committee meeting scheduled for Moscow in July 2001;

Whereas the city of Beijing has made a proposal to the International Olympic Committee that the summer Olympic Games in the year 2008 be held in Beijing;

Whereas the Olympic Charter states that Olympism and the Olympic ideal seek to foster "respect for universal fundamental ethical principles";

Whereas the United Nations General Assembly Resolution 48/11 (October 25, 1993) recognized "that the Olympic goal of the Olympic Movement is to build a peaceful and better world by educating the youth of the world through sport, practiced without discrimination of any kind and the Olympic spirit, which requires mutual understanding, promoted by friendship, solidarity, and fair play";

Whereas United Nations General Assembly Resolution 50/13 (November 7, 1995) stressed "the importance of the principles of the Olympic Charter, according to which any form of discrimination with regard to a country or a person on grounds of race, religion, politics, sex, or otherwise is incompatible with the Olympic Movement";

Whereas the Department of State's Country Reports on Human Rights Practices for 2000 reports the following:

(1) "The [Chinese] government continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms.".

(2) "Abuses included instances of extra judicial killings, the use of torture, forced confessions, arbitrary arrest and detention, the mistreatment of prisoners, lengthy incommunicado detention, and denial of due process.".

(3) "The Government infringed on citizens' privacy rights.".

(4) "The Government maintained tight restrictions on freedom of speech and of the press, and increased its efforts to control the Internet; self-censorship by journalists continued.".

(5) "The Government severely restricted freedom of assembly and continued to restrict freedom of association.".

(6) "The Government continued to restrict freedom of religion and intensified controls on some unregistered churches.".

(7) "The Government continued to restrict freedom of movement.".

(8) "The Government does not permit independent domestic nongovernmental organizations (NGOs) to monitor publicly human rights conditions.".

(9) "[The Government has not stopped] violence against women (including coercive family planning practices—which sometimes include forced abortion and forced sterilization).".

(10) "The Government continued to restrict tightly worker rights, and forced labor in prison facilities remains a serious problem. Child labor exists and appears to be a growing problem in rural areas as adult workers leave for better employment opportunities in urban areas.".

(11) "Some minority groups, particularly Tibetan Buddhists and Muslim Uighurs, came under increasing pressure as the Government clamped down on dissent and 'separatist' activities.";

Whereas the egregious human rights abuses committed by the Government of the People's Republic of China are inconsistent with the Olympic ideal;

Whereas 119 Chinese dissidents and relatives of imprisoned political prisoners, from 22 provinces and cities, issued an open letter on January 16, 2001, signed at enormous political risk which expresses the "grief and indignation for each of China's political prisoners and their families", asks the Chinese Government to release all of China's political prisoners, and asserts that the release of China's political prisoners will improve "Beijing's stature in its bid for the 2008 Olympics"; and

Whereas although the Government of the People's Republic of China signed the International Covenant on Civil and Political Rights in 1998, but has failed to ratify the treaty, and has indicated that it will not fully implement the recently ratified International Covenant on Economic, Social and Cultural Rights: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) acknowledges and supports the January 16, 2001, open letter released by Chinese dissidents and the families of imprisoned Chinese political prisoners stating that the release of China's political prisoners would improve Beijing's stature in its bid to host the 2008 Olympic Games;

(2) expresses the view that, consistent with its stated principles, the International Olympic Committee should not award the 2008 Olympics to Beijing unless the Government of the People's Republic of China releases all of China's political prisoners, ratifies the International Covenant on Civil and Political Rights without major reservations, fully implements the International Covenant on Economic, Social and Cultural Rights, and observes internationally recognized human rights;

(3) calls for the creation of an international Beijing Olympic Games Human Rights Campaign in the event that Beijing receives the Olympics to focus international pressure on the Government of the People's Republic of China to grant a general amnesty for all political prisoners prior to the commencement of the 2008 Olympics as well as to ratify the International Covenant on Civil and Political Rights;

(4) calls on the Secretary of State to endorse publicly the creation of the Beijing Olympic Games Human Rights Campaign in the event that Beijing receives the Olympics,

and to utilize all necessary diplomatic resources to encourage other nations to endorse and support the campaign as well, focusing particular attention on member states of the European Union and the Association of Southeast Asian Nations (ASEAN), Japan, Canada, Australia, the Nordic countries, and all other countries engaged in human rights dialogue with China;

(5) requests that the President, during his expected participation in the Asia-Pacific Economic Cooperation (APEC) Leaders Summit in Shanghai in October 2001, call for the release of all Chinese political prisoners and Chinese ratification of the International Covenant on Civil and Political Rights;

(6) recommends that the Congressional-Executive Commission on the People's Republic of China, established under title III of the U.S.-China Relations Act of 2000 (Public Law 106-286), devote significant resources to monitoring any violations of the rights of political dissidents and political prisoners, or other increased abuses of internationally recognized human rights, in the preparation to the 2008 Olympic Games and during the Olympic Games themselves; and

(7) directs the Secretary of the Senate to transmit a copy of this resolution to the senior International Olympic Committee representative in the United States with the request that it be circulated to all members of the Committee.

AMENDMENTS SUBMITTED AND PROPOSED

SA 123. Mr. WELLSTONE (for himself, Ms. CANTWELL, Mr. CORZINE, Mr. BIDEN, and Mrs. CLINTON) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

SA 124. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 27, supra; which was ordered to lie on the table.

SA 125. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 126. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 127. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 128. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 129. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 130. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 131. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 132. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 133. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 134. Mr. HATCH proposed an amendment to the bill S. 27, supra.

SA 135. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 27, supra; which was ordered to lie on the table.

SA 136. Mr. HATCH proposed an amendment to the bill S. 27, supra.

TEXT OF AMENDMENTS

SA 123. Mr. WELLSTONE (for himself, Ms. CANTWELL, Mr. CORZINE, Mr. BIDEN, and Mrs. CLINTON) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. STATE PROVIDED VOLUNTARY PUBLIC FINANCING.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: "The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.".

SA 124. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. ENHANCED REPORTING AND SOFTWARE FOR FILING REPORTS.

(a) ENHANCED REPORTING FOR CANDIDATES.—

(1) WEEKLY REPORTS.—Section 304(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)) is amended to read as follows:

"(2) PRINCIPAL CAMPAIGN COMMITTEES.—If the political committee is the principal campaign committee of a candidate for the House of Representatives or for the Senate, the treasurer shall file a report for each week of the election cycle that shall be filed not later than the 5th day after the last day of the week and shall be complete as of the last day of the week.".

(2) PROMPT DISCLOSURE OF CONTRIBUTIONS.—Section 304(a)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended—

(A) by striking "of $1,000 or more";

(B) by striking "after the 20th day, but more than 48 hours before any election" and inserting "during the election cycle"; and

(C) by striking "within 48 hours" and inserting "within 24 hours".

(b) SOFTWARE FOR FILING OF REPORTS.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12) SOFTWARE FOR FILING OF REPORTS.—

"(A) IN GENERAL.—The Commission shall—

"(i) develop software for use to file a designation, statement, or report in electronic form under this Act; and

"(ii) make a copy of the software available to each person required to file a designation, statement, or report in electronic form under this Act.

"(B) REQUIRED USE.—Any person that maintains or files a designation, statement, or report in electronic form under paragraph (11) or subsection (d) shall use software developed under subparagraph (A) for such maintenance or filing.".

(c) CONFORMING AMENDMENTS.—

(1) Section 304(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(C) The reports described in this subparagraph are as follows:

"(i) A pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which such candidate is seeking election, or nomination for election, and which shall be complete as of the 20th day before such election.

"(ii) A post-general election report, which shall be filed no later than the 30th day after any general election in which such candidate has sought election, and which shall be complete as of the 20th day after such general election.

"(iii) Additional quarterly reports, which shall be filed no later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter: except that the report for the quarter ending December 31 shall be filed no later than January 31 of the following calendar year.".

(2) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(A) in subsection (a)(3)(A)—

(i) in each of clauses (i) and (ii)—

(I) by striking "paragraph (2)(A)(i)" and inserting "subparagraph (C)(i)"; and

(II) by striking "paragraph (2)(A)(ii)" and inserting "subparagraph (C)(ii)"; and

(ii) in clause (ii), by striking "paragraph (2)(A)(iii)" and inserting "subparagraph (C)(iii)";

(B) in each of paragraphs (4)(B) and (5) of subsection (a), by striking "paragraph (2)(A)(i)" and inserting "paragraph (3)(C)(i)"; and

(C) in subsection (a)(4)(B), by striking "paragraph (2)(A)(ii)" and inserting "paragraph (3)(C)(ii)";

(D) in subsection (a)(8), by striking "paragraph (2)(A)(iii)" and inserting "paragraph (3)(C)(iii)";

(E) in subsection (a)(9), by striking "(2) or"; and

(F) in subsection (c)(2), by striking "subsection (a)(2)" and inserting "subsection (a)(3)(C)".

(3) Section 309(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(b)) is amended—

(A) by striking "304(a)(2)(A)(iii)" and inserting "304(a)(3)(C)(iii)"; and

(B) by striking "304(a)(2)(A)(i)" and inserting "304(a)(3)(C)(i)".

SA 125. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. VOTER IDENTIFICATION REQUIRED.

Section 8(e) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-6(e)) is amended by adding at the end the following:

"(4) Any requirement under this section to make an oral or written affirmation regarding the address of a registrant shall include a requirement that such registrant present picture identification as part of such affirmation.".

SEC. 306. VOTER ROLL COORDINATION DEMONSTRATION PROJECT.

(a) DEMONSTRATION PROJECT ESTABLISHED.—The Federal Election Commission shall establish a demonstration project for the purpose of determining the feasibility and advisability of requiring coordination of the official list of registered voters and certain State records to ensure—

(1) such list is accurate; and

(2) that eligible voters are not improperly removed from the official list.

(b) PROJECT.—

(1) IN GENERAL.—The project conducted under this section shall require a State to maintain accurate records regarding individuals eligible to vote in the project area by coordinating—

(A) State records of—

(i) individuals registered to vote with respect to elections for Federal office through the appropriate State motor vehicle authority under section 5 of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-3);

(ii) deaths; and

(iii) individuals convicted of a felony; with

(B) the official list of the appropriate jurisdiction of individuals registered, and otherwise eligible, to vote in such elections.

(2) STUDY.—In conjunction with the demonstration project under this subsection, the Federal Election Commission shall conduct a study of—

(A) the current practices and methods of voting jurisdictions used to maintain official lists of registered voters; and

(B) reasons for any failure of such practices and methods to prevent voting fraud or inaccurate lists.

(c) PROJECT AREA AND DURATION.—

(1) PROJECT AREA.—The Federal Election Commission shall implement the project in the voting jurisdictions of St. Louis County, Missouri, and St. Louis City, Missouri.

(2) DURATION.—The project conducted under this section shall be implemented for a period ending on the date of the next general election for the office of President and Vice President.

(d) REPORT.—Not later than 1 year after the completion of the demonstration project, the Federal Election Commission shall submit a report to Congress on the demonstration project and study conducted under subsection (b) together with such recommendations as the Federal Election Commission determines appropriate—

(1) regarding resources, technology, and personnel necessary for maintenance of accurate records; and

(2) legislative and administrative action, including the feasibility of national standards.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SA 126. Mr. BOND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. MAIL REGISTRATION.

(a) REQUIREMENT FOR FIRST-TIME VOTERS TO PRESENT IDENTIFICATION.—Section 6(c)(1) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-4(c)(1)) is amended by striking "a State may by law require a person to vote in person if" and inserting "a State shall by law require a person to vote in person and present a picture identification if".

(b) REMOVAL OF VOTERS IN RESPONSE TO UNDELIVERED NOTICES.—

(1) IN GENERAL.—Section 6(d) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-4(d)) is amended by striking "may proceed" and all that follows through the end and inserting the following: "shall—

"(1) proceed in accordance with section 8(d); or

"(2) if provided for under State law, remove the name of the registrant from the official list of eligible voters in elections for Federal office provided that reasonable safeguards are available to prevent the removal of an eligible voter.".

(2) CONFORMING AMENDMENTS.—

(A) Section 8(a)(3)(C) of such Act (42 U.S.C. 1973gg-6(a)(3)(C)) is amended by inserting "or section 6(d)(2)" after "paragraph (4)".

(B) Section 8(c)(2)(B) of such Act (42 U.S.C. 1973gg-6(c)(2)(B)) is amended by inserting "or section 6(d)(2)" after "subsection (a)".

(c) CONTENTS OF MAIL VOTER REGISTRATION FORM.—Section 9(b)(3) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-7(b)(3)) is amended to read as follows:

"(3) may include a requirement for notarization or other formal authentication as each State may by law require; and".

SEC. 306. MAINTENANCE OF ACCURATE LIST OF ELIGIBLE VOTERS.

(a) REQUIRED VOTER REMOVAL PROGRAM.—Section 8(a) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-(6)(a)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(7) conduct a program to determine whether the number of eligible voters in any jurisdiction is less than the number of eligible voters on the official list for such jurisdiction and, if such determination is made, remove the names of ineligible voters from such list in accordance with paragraph (4).".

(b) NOTIFICATION OF FELONY CONVICTIONS.—Section 8(g) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-6(g)) is amended by adding at the end the following:

"(6) The Attorney General shall provide, upon request of any chief State election official, expedited access to applicable records regarding felony convictions of individuals in order to determine if an individual is eligible to vote under any applicable State law.".

(c) ADDITIONAL PENALTY FOR CONSPIRACY.—Section 12(2) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-(10)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking "process, by" and inserting "process";

(2) in subparagraph (A), by inserting "or knowingly and willfully conspires with another person to deprive, defraud, or attempt to deprive or defraud the residents of a State of a fair and impartially conducted election process, by" before "the procurement"; and

(3) in subparagraph (B), by inserting "by" before "the procurement".

SEC. 307. PENALTIES UNDER VOTING RIGHTS ACT.

(a) INCREASED PENALTIES.—Subsections (c) and (e)(1) of section 11 of the Voting Rights Act of 1965 (42 U.S.C. 1973i) are each amended by striking "$10,000" and inserting "$30,000".

(b) MISREPRESENTATION OF ELIGIBILITY.—Section 11(c) of the Voting Rights Act of 1965 (42 U.S.C. 1973i(c)) is amended by inserting "or gives false information as to the individual's status as a convicted felon" after "voting district".

SA 127. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. MODIFICATION OF REPORTING REQUIREMENTS.

(a) FILING DATE FOR REPORTS.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(1) in paragraph (2)(A)(i), by striking "(or posted by registered or certified mail no later than the 15th day before)";

(2) in paragraph (4)(A)(ii), by striking "(or posted by registered or certified mail no later than the 15th day before)"; and

(3) by striking paragraph (5) and inserting "(5) [Repealed.]".

(b) MONTHLY REPORTING BY MULTICANDIDATE POLITICAL COMMITTEES.—Section 304(a)(4)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(4)(B)) is amended by adding at the end the following: "In the case of a multicandidate political committee that has received contributions aggregating $100,000 or more or made expenditures aggregating $100,000 or more, by January 1 of the calendar year, or anticipates receiving contributions aggregating $100,000 or more or making expenditures aggregating $100,000 or more during such year, the committee shall file monthly reports under this subparagraph.".

(c) REPORTING OF CERTAIN EXPENDITURES.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12)(A)(i) A political committee, other than an authorized committee of a candidate, that has received contributions aggregating $100,000 or more or made expenditures aggregating $100,000 or more during the calendar year or anticipates receiving contributions aggregating $100,000 or more or making expenditures aggregating $100,000 or more during such year, shall notify the Commission in writing of any contribution in an aggregate amount equal to $1,000 or more received by the committee after the 20th day, but more than 48 hours, before any election.

"(ii) Notification shall be made within 48 hours after the receipt of such contribution and shall include the name of the political committee, the identification of the contributor, and the date of receipt of the contribution.

"(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.".

SA 128. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by adding at the end the following:

"(2) RANDOM AUDITS.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act.

"(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under paragraph (1) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

"(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.".

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking "6 months" and inserting "12 months".

SA 129. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. CIVIL ACTION.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended by adding at the end the following:

"(e) CIVIL ACTION.—

"(1) AUTHORITY TO BRING CIVIL ACTION.—If the Commission does not act to investigate or dismiss a complaint within 120 days after the complaint is filed, the person who filed the complaint may commence a civil action against the Commission in United States district court for injunctive relief.

"(2) ATTORNEY'S FEES.—The court may award the costs of the litigation (including reasonable attorney's fees) to a plaintiff who substantially prevails in the civil action.".

SA 130. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. LIMIT ON TIME TO ACCEPT CONTRIBUTIONS.

(a) TIME TO ACCEPT CONTRIBUTIONS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following:

"(i) TIME TO ACCEPT CONTRIBUTIONS.—

"(1) IN GENERAL.—A candidate for nomination for election, or election, to the Senate or House of Representatives shall not accept a contribution from any person during an election cycle in connection with the candidate's campaign except during a contribution period.

"(2) CONTRIBUTION PERIOD.—In this subsection, the term 'contribution period' means, with respect to a candidate, the period of time that—

"(A) begins on the date that is the earlier of—

"(i) January 1 of the year in which an election for the seat that the candidate is seeking occurs; or

"(ii) 90 days before the date on which the candidate will qualify under State law to be placed on the ballot for the primary election for the seat that the candidate is seeking; and

"(B) ends on the date that is 5 days after the date of the general election for the seat that the candidate is seeking.

"(3) EXCEPTIONS.—

"(A) DEBTS INCURRED DURING ELECTION CYCLE.—A candidate may accept a contribution after the end of a contribution period to make an expenditure in connection with a debt or obligation incurred in connection with the election during the election cycle.

"(B) ACCEPTANCE OF CONTRIBUTIONS IN RESPONSE TO OPPONENT'S CARRYOVER FUNDS.—

"(i) IN GENERAL.—A candidate may accept an aggregate amount of contributions before the contribution period begins in an amount equal to 125 percent of the amount of carryover funds of an opponent in the same election.

"(ii) CARRYOVER FUNDS OF OPPONENT.—In clause (i), the term 'carryover funds of an opponent' means the aggregate amount of contributions that an opposing candidate and the candidate's authorized committees transfers from a previous election cycle to the current election cycle.".

(b) DEFINITION OF ELECTION CYCLE.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), as amended by section 101(b), is amended by adding at the end the following:

"(25) ELECTION CYCLE.—The term 'election cycle' means the period beginning on the day after the date of the most recent general election for the specific office or seat that a candidate is seeking and ending on the date of the next general election for that office or seat.".

SA 131. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. INDEPENDENT LITIGATION AUTHORITY.

Section 306(f) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)) is amended by striking paragraph (4) and inserting the following:

"(4) INDEPENDENT LITIGATING AUTHORITY.—

"(A) IN GENERAL.—Notwithstanding paragraph (2) or any other provision of law, the Commission is authorized to appear on the Commission's behalf in any action related to the exercise of the Commission's statutory duties or powers in any court as either a party or as amicus curiae, either—

"(i) by attorneys employed in its office, or

"(ii) by counsel whom the Commission may appoint, on a temporary basis as may be necessary for such purpose, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, and whose compensation shall be paid out of any funds otherwise available to pay the compensation of employees of the Commission.

"(B) SUPREME COURT.—The authority granted under subparagraph (A) includes the power to appeal from, and petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which the Commission appears under the authority provided in this section.".

SA 132. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. RESTRUCTURING OF THE FEDERAL ELECTION COMMISSION.

(a) IN GENERAL.—So much of section 306(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)) as precedes paragraph (2) is amended to read as follows:

"(a) COMPOSITION OF COMMISSION.—

"(1) IN GENERAL.—

"(A) ESTABLISHMENT.—There is established a commission to be known as the Federal Election Commission.

"(B) APPOINTMENT OF MEMBERS.—The Commission shall be composed of 7 members appointed by the President, by and with the advice and consent of the Senate, of which 1 member shall be appointed by the President from nominees recommended under subparagraph (C).

"(C) NOMINATIONS.—

"(i) IN GENERAL.—The Supreme Court shall recommend 10 nominees from which the President shall appoint a member of the Commission.

"(ii) QUALIFICATIONS.—The nominees recommended under clause (i) shall be individuals who have not, during the time period beginning on the date that is 5 years prior to the date of the nomination and ending on the date of the nomination—

"(I) held elective office as a member of the Democratic or Republican political party;

"(II) received any wages from the Democratic or Republican political party; or

"(III) provided substantial volunteer services or made any substantial contribution to the Democratic or Republican political party or to a public officeholder or candidate for public office who is associated with the Democratic or Republican political party.

"(D) LIMIT ON PARTY AFFILIATION.—Of the 6 members not appointed pursuant to subparagraph (C), no more than 3 members may be affiliated with the same political party.".

(b) CHAIR OF COMMISSION.—Section 306(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)(5)) is amended by striking paragraph (5) and inserting the following:

"(5) CHAIR; VICE CHAIR.—

"(A) IN GENERAL.—A member appointed under paragraph (1)(C) shall serve as chair of the Commission and the Commission shall elect a vice chair from among the Commission's members.

"(B) AFFILIATION.—The chair and the vice chair shall not be affiliated with the same political party.

"(C) VACANCY.—The vice chair shall act as chair in the absence or disability of the chair or in the event of a vacancy of the chair.".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The term of the seventh member of the Federal Election Commission appointed under section 306(a)(1)(C) of the

Federal Election Campaign Act of 1971, as added by subsection (a) of this section, shall begin on May 1, 2002.

(2) Current Members.—Any member of the Federal Election Commission serving a term on the date of enactment of this Act (or any successor of such term) shall continue to serve until the expiration of the term.

SA 133. Mr. CLELAND submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. REQUIRED CONTRIBUTOR CERTIFICATION.

Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended—

(1) in subparagraph (A)—

(A) by striking "and" the first place it appears; and

(B) by inserting ", and an affirmation that the individual is an individual who is not prohibited by sections 319 and 320 from making the contribution" after "employer"; and

(2) in subparagraph (B) by inserting "and an affirmation that the person is a person that is not prohibited by sections 319 and 320 from making a contribution" after "such person".

SA 134. Mr. HATCH proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

Beginning on page 35, strike line 8 and all that follows through page 37, line 14, and insert the following:

SEC. 304. DISCLOSURE OF AND CONSENT FOR DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 304 the following:

"SEC. 304A. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

"(a) Disclosure.—Any corporation or labor organization (including a separate segregated fund established and maintained by such entity) that makes a disbursement for political activity or a contribution or expenditure during an election cycle shall submit a written report for such cycle—

"(1) in the case of a corporation, to each of its shareholders; and

"(2) in the case of a labor organization, to each employee within the labor organization's bargaining unit or units;

disclosing the portion of the labor organization's income from dues, fees, and assessments or the corporation's funds that was expended directly or indirectly for political activities, contributions, and expenditures during such election cycle.

"(b) Consent.—

"(1) Prohibition.—Except with the separate, prior, written, voluntary authorization of a stockholder, in the case of a corporation, or an employee within the labor organization's bargaining unit or units in the case of a labor organization, it shall be unlawful—

"(A) for any corporation described in this section to use funds from its general treasury for the purpose of political activities; or

"(B) for any labor organization described in this section to collect from or assess such employee any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activities.

"(2) Effect of authorization.—An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time.

"(c) Contents.—

"(1) In general.—The report submitted under subsection (a) shall disclose information regarding the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council, and each affiliate of the labor organization and information on funds of a corporation spent by each subsidiary of such corporation showing the amount of dues, fees, and assessments or corporate funds disbursed in the following categories:

"(A) Direct activities, such as cash contributions to candidates and committees of political parties.

"(B) Internal and external communications relating to specific candidates, political causes, and committees of political parties.

"(C) Internal disbursements by the labor organization or corporation to maintain, operate, and solicit contributions for a separate segregated fund.

"(D) Voter registration drives, State and precinct organizing on behalf of candidates and committees of political parties, and get-out-the-vote campaigns.

"(2) Identify candidate or cause.—For each of the categories of information described in a subparagraph of paragraph (1), the report shall identify the candidate for public office on whose behalf disbursements were made or the political cause or purpose for which the disbursements were made.

"(3) Contributions and expenditures.—The report under subsection (a) shall also list all contributions or expenditures made by separated segregated funds established and maintained by each labor organization or corporation.

"(d) Time to Make Reports.—A report required under subsection (a) shall be submitted not later than January 30 of the year beginning after the end of the election cycle that is the subject of the report.

"(e) Definitions.—In this section:

"(1) Election cycle.—The term 'election cycle' means, with respect to an election, the period beginning on the day after the date of the previous general election for Federal office and ending on the date of the next general election for Federal office.

"(2) Political activity.—The term 'political activity' means—

"(A) voter registration activity;

"(B) voter identification or get-out-the-vote activity;

"(C) a public communication that refers to a clearly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate for Federal office; and

"(D) disbursements for television or radio broadcast time, print advertising, or polling for political activities."

SA 135. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; which was ordered to lie on the table; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. SENSE OF THE SENATE.

(a) Findings.—The Senate finds that—

(1) the right to vote is fundamental under the United States Constitution;

(2) all Americans should be able to vote unimpeded by antiquated technology, administrative difficulties, or other undue barriers;

(3) States and localities have shown great interest in modernizing their voting and election systems, but require financial assistance from the Federal Government;

(4) more than one Standing Committee of the Senate is in the course of holding hearings on the subject of election reform; and

(5) election reform is not ready for consideration in the context of the current debate concerning campaign finance reform, but requires additional attention from committees before consideration by the full Senate.

(b) Sense of the Senate.—It is the sense of the Senate that the Senate should schedule election reform legislation for floor debate not later than June 29, 2001.

SA 136. Mr. HATCH proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, and insert the following:

SEC. 305. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 304 the following:

"SEC. 304A. DISCLOSURE OF DISBURSEMENTS OF UNION DUES, FEES, AND ASSESSMENTS OR CORPORATE FUNDS FOR POLITICAL ACTIVITIES.

"(a) In General.—Any corporation or labor organization (including a separate segregated fund established and maintained by such entity) that makes a disbursement for political activity or a contribution or expenditure during an election cycle shall submit a written report for such cycle—

"(1) in the case of a corporation, to each of its shareholders; and

"(2) in the case of a labor organization, to each employee within the labor organization's bargaining unit or units;

disclosing the portion of the labor organization's income from dues, fees, and assessments or the corporation's funds that was expended directly or indirectly for political activities, contributions, and expenditures during such election cycle.

"(b) Contents.—

"(1) In general.—The report submitted under subsection (a) shall disclose information regarding the dues, fees, and assessments spent at each level of the labor organization and by each international, national, State, and local component or council, and each affiliate of the labor organization and information on funds of a corporation spent by each subsidiary of such corporation showing the amount of dues, fees, and assessments or corporate funds disbursed in the following categories:

"(A) Direct activities, such as cash contributions to candidates and committees of political parties.

"(B) Internal and external communications relating to specific candidates, political causes, and committees of political parties.

"(C) Internal disbursements by the labor organization or corporation to maintain, operate, and solicit contributions for a separate segregated fund.

"(D) Voter registration drives, State and precinct organizing on behalf of candidates and committees of political parties, and get-out-the-vote campaigns.

"(2) IDENTIFY CANDIDATE OR CAUSE.—For each of the categories of information described in a subparagraph of paragraph (1), the report shall identify the candidate for public office on whose behalf disbursements were made or the political cause or purpose for which the disbursements were made.

"(3) CONTRIBUTIONS AND EXPENDITURES.—The report under subsection (a) shall also list all contributions or expenditures made by separated segregated funds established and maintained by each labor organization or corporation.

"(c) TIME TO MAKE REPORTS.—A report required under subsection (a) shall be submitted not later than January 30 of the year beginning after the end of the election cycle that is the subject of the report.

"(d) DEFINITIONS.—In this section:

"(1) ELECTION CYCLE.—The term 'election cycle' means, with respect to an election, the period beginning on the day after the date of the previous general election for Federal office and ending on the date of the next general election for Federal office.

"(2) POLITICAL ACTIVITY.—The term 'political activity' means—

"(A) voter registration activity;

"(B) voter identification or get-out-the-vote activity;

"(C) a public communication that refers to a clearly identified candidate for Federal office and that expressly advocates support for or opposition to a candidate for Federal office; and

"(D) disbursements for television or radio broadcast time, print advertising, or polling for political activities."

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on March 27, 2001, in SR-328A at 9 a.m. The purpose of this hearing will be to review the Research, Extension and Education title of the farm bill.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 21, at 9:30 a.m., to conduct an oversight hearing. The committee will review current U.S. energy trends and recent changes in energy markets.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 21, 2001, at 2 p.m., to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 21, 2001, at 3 p.m., to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CLEAN AIR, WETLANDS, PRIVATE PROPERTY AND NUCLEAR SAFETY

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air, Wetlands, Private Property and Nuclear Safety be authorized to meet on Wednesday, March 21, at 9:30 a.m., on the Clean Air Act with regard to the nation's energy policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, March 21, 2001, at 9:30 a.m., in open session to receive testimony on installation readiness, in review of the Defense authorization request for fiscal year 2002 and the future years' Defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SURFACE TRANSPORTATION AND MERCHANT MARINE

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation and Merchant Marine of the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, March 21, 2001, at 9:30 a.m., on oversight of the Surface Transportation Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 21, at 2 p.m., to conduct an oversight hearing. The subcommittee will receive testimony on the Klamath Project in Oregon, including implementation of PL 106–498 and how the project might operate in what is projected to be a short water year.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATING UNITED STATES POST OFFICE FACILITIES AT 620 JACARANDA STREET IN LANAI CITY, HAWAII, AND AT 2305 MINTON ROAD IN WEST MELBOURNE, FLORIDA

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration, en bloc, of the following post office naming bills that are at the desk: H.R. 395 and H.R. 132.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bills by title.

The assistant legislative clerk read as follows:

A bill (H.R. 132) to designate the facility of the United States Postal Service located at 620 Jacaranda Street in Lanai City, Hawaii, as the "Goro Hokama Post Office".

A bill (H.R. 395) to designate the facility of the United States Postal Service located at 2305 Minton Road in West Melbourne, Florida, as the "Ronald W. Reagan Post Office of West Melbourne, Florida".

There being no objection, the Senate proceeded to consider the bills en bloc.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the bills be read the third time and passed, the motions to reconsider be laid upon the table, and that any statements relating to either of these bills be printed in the RECORD, with the above occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills (H.R. 132 and H.R. 395) were read the third time and passed.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 101–549, appoints Josephine S. Cooper, of Washington, DC, to the Board of Directors of the Mickey Leland National Urban Air Toxics Research Center, vice Joseph H. Graziano.

ORDERS FOR THURSDAY, MARCH 22, 2001

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9 a.m. on Thursday, March 22. I further ask unanimous consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the pending Hatch amendment to S. 27, the campaign finance reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MCCONNELL. Mr. President, for the information of all Senators, the

Senate will resume consideration of the pending Hatch amendment for up to 30 minutes tomorrow morning. Senators should expect a vote in relation to the amendment at approximately 9:30 a.m. Amendments will be offered and voted on throughout the day tomorrow.

As a reminder, votes will also occur during Friday's session of the Senate.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. McCONNELL. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:08 p.m., adjourned until Thursday, March 22, 2001, at 9 a.m.

EXTENSIONS OF REMARKS

INTRODUCTION OF NET CORPS ACT OF 2001

HON. MIKE HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. HONDA. Mr. Speaker, it was once conventional wisdom that if you merely put computers in classrooms, the quality of our children's education would dramatically improve. No doubt, our schools are better because of the presence of computers, but we have learned that our teachers and administrators must be better trained and assisted if we are to maximize the use of computers and the Internet in schools.

Today, I will introduce legislation that expands the Corporation for National Service by creating a National Education Technology (NET) Corps that works with our school teachers and administrators to integrate technology into classroom curriculum.

NET Corps will work to improve the quality of classroom education for our children by coupling the specific needs of our school systems with the energy and intellect of some of the brightest people in our academic institutions and high tech industry.

In addition to recruiting students from America's universities, the federal government will encourage high tech businesses to lend their employees to the NET Corps program—on a part-time or full-time basis—by offering these corporations a tax credit.

Already, my proposal has drawn strong support from Silicon Valley executives, teachers and the non-profit community who recognizes that career opportunities for the next generation of Americans will increasingly come from our fast-paced, knowledge economy. Over two-thirds of economic growth stems from technological innovation—our students must be empowered with high tech skills so they can navigate, adapt and succeed in the Internet economy.

As a Peace Corps volunteer in El Salvador in the 1960s, I believe that NET Corps is an excellent model. I understand the positive impact that direct service programs have in our communities and the lives of volunteers. The NET Corps programs will afford opportunities to our professional men and women to make contributions to our schools and our children.

As a former high school teacher and a Member of this body representing Silicon Valley, I'm proud to introduce legislation that will foster a cooperative working relationship between schoolteachers and high-tech savvy volunteers to improve the quality of our children's education.

THE GENERATOR TARIFF REPEAL ACT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. COLLINS. Mr. Speaker, today I rise to introduce legislation that would repeal the duty on the importation of replacement steam generators used in nuclear power plants.

Steam generators are necessary for the operation of nuclear power facilities. However, because they are no longer produced in the United States, domestic electric utilities must import replacement nuclear steam generators. Despite the fact that there is neither a current nor any reasonable likelihood of future domestic manufacturing capability, a tariff is imposed on these imports. Prior to the conclusion of last year's Congress, a reduction in this tariff was included in the Miscellaneous Trade and Technical Corrections Act (H.R. 4868). Because a full repeal would have breached the limitation on revenue impact for the bipartisan miscellaneous trade bill, the original full repeal of the tariff was changed to a reduction to 4.9%.

This tariff should be removed. While providing no benefit to any domestic manufacturer, this expensive tax is borne directly by domestic consumers of electricity. The cost of the duty is passed on to the ratepayer through the state public utility commissions in ratemaking proceedings. In short, the consumer pays this unnecessary tax directly and entirely. There is no domestic manufacturing industry to protect and the consumer derives no benefit from this tax. Except for raising a minor amount of revenue for the Treasury, this is a classic case of a tariff that serves no purpose other than to raise costs for consumers.

This tariff repeal legislation has enjoyed strong bipartisan support in both the House of Representatives and the other body. I ask my colleagues to join the effort again this year to eliminate this unneeded tariff by cosponsoring the Generator Tariff Repeal Act.

TRIBUTE TO PAUL SELDENRIGHT CHAMPION OF HOPE TRIBUTE DINNER FOR THE NATIONAL KIDNEY FOUNDATION OF MICHIGAN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. BONIOR. Mr. Speaker, the National Kidney Foundation of Michigan is an organization with a noble mission: to prevent and eliminate diseases of the kidney and urinary tract, to enhance the quality of life for people with kidney disease through education, services, advocacy and research, and to increase organ donation. We all share the National Kidney Foundation's vision of "Making Lives Better" so that every individual will have the opportunity to live a healthy life.

Each year the National Kidney Foundation of Michigan has honored several Michigan residents who are outstanding members of the community and have helped in the campaign for the treatment of kidney disease and increased awareness of organ and tissue donation. This evening, the Foundation will be hosting the fourth annual Champion of Hope Tribute Dinner, which will honor the 2001 Champions of Hope.

This year, the National Kidney Foundation of Michigan has chosen Paul Seldenright as a recipient of the award. When Paul retired from his 27-year career with the Michigan State AFL–CIO, he did not retire from public service. He has continued to demonstrate his dedication and commitment through service within his community and beyond. A member of the A. Philip Randolph Institute and lifetime member of the NAACP as well, his contribution to the fight for racial equality and economic justice has continued to serve as an example to communities across the country. Without leaders like Paul Seldenright, the mission to improve the lives of people with kidney disease through education, services, research, and organ donation would be that much more difficult.

I applaud the National Kidney Foundation of Michigan and Paul Seldenright for their leadership, advocacy, and community service. I know that Paul is honored by the recognition and I urge my colleagues to join me in saluting him as a 2001 recipient of the Champion of Hope Award.

RAISING AWARENESS OF VITILIGO

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. BILIRAKIS. Mr. Speaker, I would like to take this opportunity to bring attention to a skin condition called Vitiligo. Vitiligo is a skin condition of white patches resulting from loss of pigment. This disease can strike anyone at anytime, and it is both genetic and environmental.

The typical Vitiligo macule is white in color, has convex margins, and appears as though the white areas were flowing into normally pigmented skin. The disease progresses by gradual enlargement of individual macules and the development of new white spots on various parts of the body.

Vitiligo affects between one and two percent of the population, regardless of sex, race, or age around the world. An estimated five million Americans are afflicted with Vitiligo. The

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

more dark-skinned a person is, the more their Vitiligo stands out. Because of the contrast between affected and unaffected areas of skin. In half of all Vitiligo cases, onset occurs between the ages of 10 and 30. There are, however, reported cases of Vitiligo present at birth.

Over 30% of affected individuals may report a positive family history. Both genetic and environmental factors contribute to Vitiligo. Many patients attribute the onset of their Vitiligo to physical trauma, illness or emotional distress, such as the death of a family member.

Treatment of this disease is essential. Vitiligo profoundly impacts the social and psychological well-being of its victims, especially children. Although, this disease is painless, the disfigurement of Vitiligo—accentuated among persons with dark or tan skin—can be devastating. Raising the public's awareness of this disease and its known treatment will bring relief to those who suffer from Vitiligo.

April has been declared Vitiligo Awareness Month by Governor Jeb Bush of Florida. The American Vitiligo Research Foundation, located in my district in Clearwater, Florida, is holding a seminar in April to bring attention to this disease. This is an opportunity for researchers and doctors to discuss and share information about Vitiligo. The seminar will also afford children with the disease the opportunity to understand that they are not alone.

I would like to thank Stella Pavlides of Clearwater, Florida, who brought this disease to my attention, and I commend her dedication to educating the public about Vitiligo. Although this disease does not physically harm a person, it can destroy one's spirit. Increased public awareness is the only way to help reduce the discrimination experienced by patients living with this disease.

CELEBRATING THE WOMEN OF LEWISTON/AUBURN

HON. JOHN ELIAS BALDACCI

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. BALDACCI. Mr. Speaker, I rise today to call my colleague's attention to a dinner being held next week in the Lewiston/Auburn communities of Maine. The event, "Celebrating the Women of L/A," will honor women who have touched the lives of others in their communities.

For decades, the women of Lewiston and Auburn—like those throughout Maine, the nation and the world—have raised children, served as caregivers, worked inside and outside the home, and volunteered their time and talents. They have maintained a strong and quiet foundation for our families that has nourished us all. The celebration will recognize all that women bring to families and our community.

Those submitting nominations were asked to briefly describe what it was about the nominee that made her such a special and important part of the community. Here are a few examples:

> She has a remarkable zest for life and a strong compassion for people who are less fortunate than herself. She is a woman with seemingly endless energy, who knows no bounds when called upon to help.

> Growing up all of my friends called her "Mom." Never one to pass judgment on our friends, she trusted that we would make the right choices. She always taught us to look beyond the surface. Those who know her know that they don't come much better than this. She is everything that I would ever want to be.

> She is a wise person beyond her years. Her generosity is beyond words. She has a very kind heart and expects nothing in return. Her joy is seeing others happy.

> In the professional arena, she has broadened her skills and experience by accepting new challenges and has dared to take on new responsibilities as she uncovered each potential opportunity.

> She has deep morals and a deep spiritual connection to this universe. The world and my life would be a different place without her in it.

> She is a very independent young woman who tries everyday to be true to herself. She understands that a healthy spirit allows her to be the best she can be for herself and everyone else that she loves.

> She exemplifies everything that is fantastic in contemporary womanhood; she is strong, self-directed, intelligent, warm, involved, and committed to her community and its people.

> When all else fails, she will at least make you laugh.

These are but a few examples of the testimonials received on behalf of the honorees. They speak to the importance and influence that these women have had on their families, colleagues, and communities.

I am proud to have the opportunity to pay tribute to the following Women of L/A here in the House of Representatives. The Honorees are Marie-Paule Badeau, Wendy Jean Beaucage, Kathryn Beaule, Kim Blake, Sue Bowie, Rachael Caron, Joy Carter, Sonja Christiansen, Betty DeCoster, Kayt Demerchant, Lorraine Gosselin, Sandra Hinds, Melissa Holt, Pat Landean, Cathy Levesque, Marty McIntyre, Debbie McLean, Kathleen Noel King, Beverly Ouellette, Cecelia Palange/Sister Mary Vincent, Therese Parent, Joline Richard, Alta Rogers, Doris Roy, Therese Samson-Blais, Dale Sherburne, Lise Smith, Marguerite Stapleton, Jess Whitaker, and Janette Wing.

These 30 women are all extremely deserving of this recognition, and I congratulate them as they are recognized for their efforts in the home, in the workplace and in the community. I know that they are also representative of many other women throughout the communities and as we honor them, we also look around at the many other women who have made positive differences in L/A. I offer my thanks and best wishes to all the women of L/A for making Lewiston and Auburn such a strong and vibrant community.

EXPRESSING SYMPATHY FOR VICTIMS OF DEVASTATING EARTHQUAKES IN EL SALVADOR

SPEECH OF

HON. MIKE HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. HONDA. Madam Speaker, the massive earthquakes that have hit El Salvador, first on January 13 with a magnitude of 7.6 on the Richter Scale, and then on February 13 with a magnitude of 6.6, have brought untold hardships to a nation that has been working diligently to overcome previous natural disasters.

Hundreds of lives have been lost, thousands injured and a million more have been displaced, leaving them without food, water or shelter.

As Americans, it is our duty to pull together to help our friends and allies during times of extreme crisis. I urge our government to expedite relief efforts, especially where entities such as the World Bank, the Inter-American Development Bank, and the United States Agency for International Development are concerned.

This disaster also affected me on a deeply personal level—I spent two years in the Peace Corps and the people I met and worked with during my time in El Salvador's rural villages welcomed me into their homes and into their hearts. My deepest sympathies go out to the people of El Salvador for the losses they have had to endure.

I have spoken with President Francisco Flores of El Salvador and he has informed me that a massive relief effort is underway to provide shelter, food and water. Many families are still taking refuge in public areas and soccer stadiums. He also expressed fears that disease may run rampant due to open sewage pipes and contaminated water. I assured President Flores that I would do what I could, to bring attention to this crisis. I also told him about the efforts going on in my home district of San Jose to help coordinate relief efforts.

Although the situation needs much attention, the most important thing to remember is that there is hope. I have seen, with my own eyes, the ability of El Salvadorans to persevere—and with the efforts of the good people in the United States, we must and will help the people of El Salvador pull through this trying time. Again, I strongly urge that we expedite our efforts to bring relief to the people of El Salvador.

WOMEN'S HISTORY MONTH

HON. ADAM SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. SCHIFF. Mr. Speaker, March is Women's History Month and I would like to take this opportunity to honor Stacey Murphy, an elected City Council-member of the City of Burbank, California, as 2001 Woman of the Year for California's 27th Congressional District.

Ms. Murphy, who served a term as Mayor from 1999–2000 and Vice Mayor from 1998–1999, has an exemplary record of service to her community and has consistently strived to improve the quality of life in her city. First elected to the Burbank City Council in 1997, Ms. Murphy has contributed to the success of numerous municipal initiatives, including maintaining the city's electric utility, ensuring dependable power at reasonable rates for Burbank's consumers; completing Burbank's first lighted field dedicated to the sport of soccer; completing the community theater complex operated by the renowned Colony Theater; implementing the "Got Wheels" youth transportation program; approving the construction of a new Buena Vista library; and seeking to protect Burbank's residents from the adverse impacts caused by the Burbank Airport. As a representative of the citizens of Burbank, Ms. Murphy has been a force for finding common ground on the issues and challenges confronting the city.

Prior to her election to the City Council, Ms. Murphy served as a member of the Magnolia Park Citizens Advisory Committee, the City of Burbank Park and Recreation Board, her local School Site Council, the Roosevelt Elementary PTA and the Gate Advisory Committee. She has also brought leadership to the regional level, serving as a board member of the San Fernando Valley Transit Zone and as a representative to the Southern California Association of Governments.

Born on May 12, 1958 in Los Angeles, California, Ms. Murphy graduated from Hollywood High School in 1976 and attended California State University, Northridge. A Burbank resident for the past 17 years, Ms. Murphy is the proud mother of Sean, age 16, Robert, age 14, and Connor, age 8.

As Burbank Mayor Bill Wiggins has said, "Stacey Murphy does a great job of bringing opposing sides together and coming up with creative solutions that ensure everyone has been treated fairly." I am proud to name Stacey Murphy as 2001 Woman of the Year for California's 27th Congressional District.

TRIBUTE TO VICTOR "VIC" V. VEYSEY

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. CALVERT. Mr. Speaker, I join today with my colleagues, Congressmen JERRY LEWIS, DUNCAN HUNTER and DAVID DREIER, to pay tribute to a most wonderful person, former Member of Congress, friend and great American—Victor "Vic" V. Veysey—who passed away at 85 last month.

Calvin Coolidge, America's 13th President, once said, "No person was ever honored for what he received; honor has been the reward for what he gave." and Vic Veysey gave much during his years of public service and teaching.

A member of the House of Representatives from 1971 to 1975, Vic Veysey made a great impact in a short amount of time upon the Imperial Valley, California and the nation. In fact, I attribute an internship in his Washington, D.C. office for piquing my own interest in politics. It was 1973, during Vic Veysey's second term and the Senate Watergate hearings. It was an incredible time in American politics. More impressive, though, was how Vic ran his congressional office: he took time to understand his constituents, and their problems, and to do his homework, learning the issues and knowing how the issues would affect his constituents.

He is probably best known for his lifelong commitment to education, youth and democracy. Veysey graduated from Caltech in 1936 with a Bachelor of Arts in Civil Engineering and from the University of Harvard Business School in 1938 with a MBA in Industrial Management. The next natural course was to teach, which Vic did for 11 years at Caltech and Stanford. At Caltech, he worked on different rocket projects during World War II and aspects of the atomic bomb, Project Camel.

Vic Veysey then returned to his roots and began his political career—running and winning a seat on the Brawley School Board, where he was instrumental and a founding trustee in establishing the Imperial Valley College. In 1962, Vic was elected to the California State Assembly, where he served four terms (1962–1971). My colleague, Mr. LEWIS of California had the honor to work with Vic Veysey during his assembly days, before they were both elected to the U.S. House of Representatives.

After leaving Congress, Vic Veysey served as assistant secretary of the Army during the Ford Administration. His love of education remained, however, and he returned to California to assume the directorship of Caltech's Industrial Relations Center, becoming a director emeritus for the Industrial Relations Departent upon his retirement.

Vic is survived by his wife of 60 years, Janet, three sons, a daughter, nine grandchildren and five great-grandchildren.

Mr. Speaker, looking back at Vic's life, we see a life dedicated to public service and education. An American whose gifts to the Imperial Valley and California led to the betterment of those who had the privilege to come in contact or work with Vic. Honoring his memory is the least that we can do today for all that he gave over his 85 years of life.

PERSONAL EXPLANATION

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. TIAHRT. Mr. Speaker, on March 20th, I was unavoidably detained and missed rollcall votes numbered 51 and 52. Rollcall vote 51 was on passage of H. Res. 67, recognizing the impact tuberculosis has on minority populations and the need to combat it on a worldwide basis. Rollcall vote 52 was on passage of H. Con. Res. 41, expressing sympathy for the victims of the El Salvadoran earthquakes. Had I been present I would have voted "yea" on both H. Res. 67 and H. Con. Res. 41.

ANNIVERSARY OF LUIS DAVID AND NENITA RODRIGUEZ

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to take this opportunity to recognize Luis David and Nenita Rodriguez's emerald wedding anniversary on March 9th.

They were married in 1946 at Our Lady of Mercedes Church in Havana, Cuba and have worked together to raise a family, accomplish careers, and now enjoy all the rewards of their labors together.

They have been blessed with one son, Luis David II, and two grandchildren, Luis David III and Luisa Margarita, who fill their lives with joy.

Mr. Rodriguez attributes the success of his marriage to his wife, who has always supported him in decisions impacting their lives, encouraged him to reach goals he aimed for, and is steadfast in her devotion to her family. Because a successful marriage is a joint effort, both Mr. and Mrs. Rodriguez have contributed as much to reach this joyous celebration.

I want to join their family and friends in congratulating them on their emerald wedding anniversary and sincere wishes for many more anniversaries.

HONORING THE BIRTH OF PEYTON MARGARET GORDON

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. CLEMENT. Mr. Speaker, I rise today to congratulate my friend and colleague the Honorable BART GORDON on the birth this morning of his first child, Peyton Margaret Gordon.

BART and his lovely wife, Leslie, are truly blessed with the birth of this beautiful little girl, who came into this world at a healthy 6 pounds, 12 ounces, and 18 inches. As a father myself, I know what this day means to BART.

I wish him and Leslie the best and hope the rest of their days are as full of love and joy as this day has been.

WOMEN'S HISTORY MONTH

HON. MELISSA HART

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Ms. HART. Mr. Speaker, Susan B. Anthony once said that she prayed every moment of her life. Not on her knees, but in her work. She said that she prayed to bring women to an equal standing with men. It is this sense of equality and justice that we celebrate during Women's History Month every March. As important as it is to recognize the courage and vision of women's past accomplishments, it is even more important to take our cue from those pioneers and act to alleviate some of the injustices that still take place. One such injustice is the continuing problem of domestic violence.

Studies have shown that each year, more than 2 million women are assaulted by their partner—while the real number may be twice that. I do support efforts to counsel and change abusers. Many abusers have been able to change their attitudes and behavior towards their partners and keep their families together. Unfortunately, many have not, and the women, despite the threat to themselves and their children, stay in these abusive relationships. According to the National Coalition Against Domestic Violence, one of the major reasons women stay in them is a lack of resources or fear of independence—a sense that there is nowhere else for them to go, and there is nowhere for them to get help. They believe that if they leave their partners, they will be forced into poverty and unable to provide for their children.

Strong women fought to break all women free from the shackles of being second-class citizens those many years ago. We vote, we work, and we succeed on our own. But too many still need help to enjoy this freedom completely. One of the most impressive programs that I have come across in my years in public service that addresses these concerns is New Choices/New Options. This program provides these new heads-of-household with the skills necessary to compete in today's marketplace. It is a program focused on providing assistance for displaced homemakers. What is most notable about this program is that in addition to teaching career development skills, it helps to instill a new sense of self-confidence in the women who participate in this program. Many women who come from abusive relationships not only need job training, but perhaps more importantly, they need the tools to help rebuild their lives—they need us to help them become pioneers for their children's futures.

Participants work one-on-one and in group settings to assess their needs and then design a plan to help meet these needs. They learn conflict resolution techniques and develop effective decision-making skills. This program helps participants build a safe and secure future for themselves and their families. It is so crucial that these women break this new ground like their sisters before them so they can break the cycle of domestic violence.

Domestic violence is a societal ill that can occur at any time, to anyone. Let us confront this issue head on, so that during some future celebration of Women's History Month, someone can take to this very floor and commemorate the end of domestic violence.

SCHOOL SHOOTINGS PLAGUING OUR SOCIETY

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. CAMP. Mr. Speaker, I rise to discuss a tragic and horrible situation plaguing our society, the incidences of school shootings. I would like to call the attention of my colleagues to the following article by Mr. John Telfer, which appeared in the Midland Daily News on Sunday, March 11, 2001. He offers great and truthful insight into the appalling social problem of school shootings. He correctly writes that the answer is not more unnecessary gun laws, but rather we must find a solution that addresses the moral breakdown in our society. He truly writes about "The Heart of the Matter."

THE HEART OF THE MATTER

(By John Telfer)

President Bush, in the aftermath of the latest school shooting, did not make a new call for gun control when commenting on the tragedy. Instead, he focused on the heart of the matter. "All adults in society can teach children right from wrong, can explain that life is precious," he said.

The media seemed almost disappointed. The last line of an Associated Press story read: President Clinton used a rash of school shootings during his term to call for stiffer gun control laws. Bush did not mention the issue.

Thank goodness. It is time for America to stop trying to use Band-Aid fixes to solve problems of the heart. Instead of seeking more gun control, we should be asking why some of our children think it is OK to kill people they dislike.

Let that sink in a moment. Some of our children think it is OK to shoot a person who has hurt them. That's a gun control issue? We need to face the facts as a nation that these kids no longer believe the commandment "thou shall not kill" applies to them. They have come up with their own definition of reality and it has nothing to do with what most people would deem morally correct.

A radio commentator the other day said we shouldn't be surprised by the violent actions of some young people. Every day they live in a world that encourages them to come up with their own definitions of right and wrong, from sexual promiscuity to illegal drug, alcohol and tobacco use to underage viewing of violent R-rated movies and more.

We encourage young people to come up with their own solutions to problems in school and life, often telling them there is no wrong answer. We don't want to place limits on their answers—that might stifle creativity. We expose them to images, concepts and viewpoints that require maturity to understand. We expect them to make good choices.

But in giving them all this freedom to choose, some kids are having a hard time figuring out where the boundary line is between acceptable and unacceptable behavior. The fact is our children need boundaries. They need rules. They need to know there are many incorrect solutions to the problems they are encountering. They need to be taught what is right and what is wrong and they need it pounded in their heads over and over and over again until you are so sick of doing it you are ready to throw in the towel as a parent. And then they need it again.

It's time for America to quit asking "why" these shootings keep happening. We know that answer. These kids have sick hearts. And they don't know the morally correct way to deal with the problems they are facing.

Our kids need to be taught right from wrong. They need to have boundaries they cannot cross without facing consequences. They need to know some values and beliefs are not negotiable. And they need all of these things while being taught under a forgiving umbrella of love. Then, and only then, will America be attacking the heart of the problem.

TRIBUTE TO LIEUTENANT COLONEL RICHARD P. McFARLAND UNITED STATES AIR FORCE ON THE OCCASION OF HIS RETIREMENT

HON. JOHN E. PETERSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise today to pay tribute to Lieutenant Colonel Richard P. McFarland as he prepares to culminate his active duty career in the United States Air Force. Rich is the epitome of an outstanding officer and leader.

Lieutenant Colonel McFarland received his commission more than 20 years ago from the United States Air Force Academy. A graduate of Auburn University, as well as the Air War College, Rich McFarland has met the many challenges of military service as an Air Force Officer, and has faithfully served his country in a variety of command and staff assignments.

Rich concludes his career as the Special Assistant for Space, C3I and Intelligence in the Office of the Assistant Secretary of Defense for Legislative Affairs; he was instrumental in advising the Defense Department leadership on a broad range of national security issues of immediate interest to Congress. Rich's extensive knowledge of intelligence matters and space operations are instrumental in his role as the chief advisor to the Secretary of Defense, Deputy Secretary of Defense and other Department of Defense Officials regarding national security strategy issues.

Mr. Speaker, service and dedication to duty have been the hallmarks of Lieutenant Colonel McFarland's career. He has served our nation and the Air Force well during his years of service, and we are indebted for his many contributions and sacrifices in the defense of the United States. I am sure that everyone who has worked with Rich joins me in wishing him and his wife, Anne, health, happiness, and success in the years to come.

THE CLEAR YOUR GOOD NAME ACT

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. NADLER. Mr. Speaker, according to the Source of Criminal Justice Statistics, there were more than 10 million arrests in 1999 alone. Many of these arrests led to criminal convictions and helped make our streets and communities safer. The men and women of law enforcement play a critical role in enforcing our laws and creating a just society. We owe them all a debt of gratitude for their service.

However, as any police officer will tell you, sometimes someone is arrested who is not guilty of any crime. It could be a case of mistaken identity or of someone being in the wrong place at the wrong time. Perhaps someone falsely accused an innocent person or simply lied to the police. When the mistake or false accusation is discovered, the innocent person is free to go, but the record of the arrest can haunt him or her for the rest of his or her life.

Today, we are announcing the introduction of the Clear Your Good Name Act, which would require the expungement of voided arrest records in order to clear the names of innocent people.

The bill defines a "voided arrest" as any arrest followed by the release of the person without the filing of formal charges, by dismissal of proceedings against the person arrested, or by a determination that the arrest was without probable cause. The bill would require expungement of voided Federal arrest records and would provide a financial incentive to States to provide for expungement of voided State records. Some States have enacted laws requiring the expungement of voided arrest records, and we want to encourage other States to follow their lead. This bill would make States with expungement statutes eligible to receive a 10-percent increase in crime control funding. Specifically, it would increase the Edward Byrne Memorial State and Local Law Enforcement Assistance programs. For 2001, Congress appropriated $569 million for these programs. If every State passed an expungement law, the cost would be $56 million. These funds are used to reduce drug demand, improve effectiveness of law enforcement operations, and assist citizens in preventing crime.

When people are mistakenly arrested and then released after it is determined that they are innocent, they should not have to carry the burden of the mistaken arrest with them for the rest of their lives. We know that arrest records can prejudice opportunities for schooling, employment, professional licenses, and housing. But innocent individuals who have done nothing wrong should not be marked for life.

Lt. Manny Gomez is a perfect example of how an innocent person with a voided arrest record was unfairly denied access to a job. Before I tell his story I want to say a few words about Lt. Gomez. He came to my office two years ago to inform me of this problem, and has worked diligently with my staff and with other Members of the House and Senate to correct an injustice. He has been called "tenacious" by the NY Daily News, and has been profiled in the New York Times. He has worked with the NY City Council and with the NY State Assembly to pass expungement legislation. He is an example of a crusader who stays focused, works hard, and demands results. We are lucky to have him as a champion of this cause.

This is his story. In 1995, Lt. Gomez, two army duffel bags by his side, was approached by police officers in the train station because he happened to fit the description of someone they were looking for. He told them he was not the person, but he went voluntarily to the police station. Within five minutes another officer determined that indeed he was not the person they were looking for, and he was released after he gave the police his name and address. He was unaware that the encounter generated what is called a voided arrest record. Years later when he applied for a job at the police department, he told them—what he believed to be true—that he was never arrested. Unfortunately, the voided record had not been expunged, and the police found the record and accused him of not being truthful. The case of mistaken identity had come back to haunt him, and he was not allowed to become a police officer. He was never aware that he was arrested, so he then began searching for the reason for the record. After he investigated his case and discovered what had happened, he found that there was no law to provide for the expungement of voided arrest records, even if the person was completely innocent of all charges. After a lengthy battle over several years he was finally able to explain the situation to the police department. The police department has since realized that it was in error and will allow him to become a police officer. Unfortunately, not everyone is as capable as Lt. Gomez, and many people are unfairly harmed by voided arrest records that are never expunged. Thus the need for this bill.

I am hopeful that with a strong coalition working together we can pass this legislation and enable innocent people to clear their good names and go about their lives free from the harmful effects of a mistaken arrest.

ENERGY AND GLOBAL WARMING

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Ms. PELOSI. Mr. Speaker, I rise to express my deep concern about the direction President Bush is taking on energy and global warming.

The overwhelming majority of climate scientists agree that the earth's atmosphere is warming, and human activities, especially combustion of fossil fuels, are contributing to the warming trend.

Robert Watson, chairman of the Intergovernmental Panel on Climate Change, has said, "We see changes in climate, we believe humans are involved, and we're projecting future climate changes much more significant over the next 100 years than over the last 100 years."

Coastal areas, such as my district of San Francisco, will face serious challenges from global warming. Sea levels are rising both because ice sheets are melting and because the ocean is expanding as it absorbs heat from the atmosphere. The projections for the rise in sea level between 1990 and 2100 range from a low of 3.54 inches to a high of 34.64 inches—close to three feet.

President Bush says, "My Administration takes the issue of global climate change very seriously." During his campaign, he pledged to reduce emissions from electric utilities, including carbon dioxide. Last week, responding to a concerted campaign from the electric utility and fossil fuel industries, he broke that promise. The environment, and the human communities around the world that will be harmed by climate change, will suffer the consequences.

Instead of encouraging the U.S. to reduce our dependence on the fossil fuels that cause global warming, by using energy more efficiently

The Administration has made drilling in the Arctic National Wildlife Refuge the centerpiece of their energy policy. They say we need oil from the Refuge to reduce our dependence on foreign oil. They even point to the electricity shortages in California as a reason to drill for oil in the Refuge. But oil is used to generate less than one percent of California's electricity, truly a negligible amount.

Not only would oil from the Refuge do nothing to help California, but it would also do very little to increase America's energy supply. Over the next half century, the coastal plain of the Refuge would contribute less than 1 percent of the oil consumed in the U.S.

The Administration is using the energy crisis to score victories against the environment, both on climate change and drilling in the Arctic Refuge. If they can roll over environmental protection in these areas, none of our environmental laws and regulations will be safe from attack.

I call on President Bush to stand up for the American people and the environment. We must move quickly to counter global warming—our future depends upon it.

CELEBRATING GREEK INDEPENDENCE DAY

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. GILMAN. Madam Speaker, I am pleased to rise in support of the celebration of Greek independence, and I thank our colleagues, the gentleman from Florida (Mr. BILIRAKIS) and the gentlelady from New York (Mrs. MALONEY), for reminding us of the important role Greece has played in the past and plays now.

It is important that we join together to celebrate the 180th anniversary of Greek independence and to pay tribute to a nation which is considered the birthplace of democracy. Lest we forget, the world owes a great deal to the nation that first developed the concept of majority rule, a concept that is at the very heart of our own institutions.

In 1821, Greek patriots rose up against the Ottomans, who for nearly 400 years had curtailed their basic civil rights. The struggle of the Greek patriots won the support of many in Western Europe and in the United States. The French, the British, and the Russian governments, strongly identifying with the descendants of a nation that had so strongly influenced Western civilization, intervened on behalf of the Greeks, forcing the Ottoman Empire to recognize Greece as an independent state in 1829.

Our nation has greatly benefited from the contributions of Greek immigrants who have substantially contributed their toil, their knowledge and their skills to our American society.

We have been blessed with a strong, vibrant Greek-American community who have significantly contributed to our culture, our prosperity, and who have deeply embraced the ideals of Democracy.

Greece has been an island of peace and security in a sea of troubles which have embraced the Balkans, and today plays an important role in assisting in our efforts to bring peace and security to the entire region. With regard to Cyprus, Greece is still in the process of trying to reconcile the 27-year occupation of that Island by the Turkish army.

Thousands of Greeks fought and died for their independence in the same fashion that America's founders fought and died. As Greece prepares to welcome the world to the Athens Olympics in 2003, let us join in celebrating this very special Greek Independence Day, and let us hope and pray that we can soon celebrate peace and reunification on Cyprus.

VIOLENCE AGAINST WOMEN

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Ms. HARMAN. Mr. Speaker, during Women's History Month, I would like to highlight one of the cruelest and most widespread forms of violence: violence against women. In 1999, there were over 59,000 domestic violence calls for assistance in Los Angeles County—755 in my district alone. And those are just the women who call.

I am taking this opportunity to mention two shelters located in my district. Rainbow Services, a shelter in San Pedro, California, was the first shelter to establish an emergency response program in Los Angeles County for battered women and children. Rainbow Services provides resources and guidance that help battered women end abuse. Women at the shelter are given help obtaining a restraining order and there is a large network of almost 20 weekly peer support groups. As important, all services are offered in Spanish, allowing access for more women to seek help.

A second shelter, the 1736 Family Crisis Center in Hermosa Beach, also offers unique and important help. The Center aids women and children who need to use emergency services by allowing them to stay one month with confidential shelter. Second Step Shelters also provide transitional abuse counseling and offer independent living skills training, which allows women to become self-sufficient after their time at the shelter.

Mr. Speaker, violence against women is still an epidemic in this country. It is my hope this important issue continues to receive government attention. Shelters, like those in my district, must receive the necessary resources so all women in need have access to a safe and confidential home. We cannot ignore this issue, or sweep it under the rug. Only constant vigilance and providing women with tools and knowledge will be successful in ending the cycle of domestic violence.

CELEBRATING GREEK INDEPENDENCE DAY

SPEECH OF

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. SMITH of New Jersey. Madam Speaker, 180 years ago the Greek people rose against the Ottoman Empire to free themselves from oppression and to reestablish not only a free and independent state, but a country that would eventually regain her ancient status as a democracy. In congratulating the people of Greece on the anniversary of their revolution, I join in recognizing the distinction earned by Greece as the birthplace of democracy and her special relationship with the United States in our fight together against Nazism, communism and other aggression in the last century alone. Yes, democrats around the world should recognize and celebrate this day together with Greece to reaffirm our common democratic heritage.

Yet, Mr. Speaker, while the ancient Greeks forged the notion of democracy, and many Greeks of the last century fought to regain democracy, careful analyses of the political and basic human freedoms climate in today's Greece paint a sobering picture of how fundamental and precious freedoms are treated.

Taking a look at the issues which have been raised in the Organization for Security and Cooperation in Europe (OSCE) Human Dimension Review Meetings and will be considered over the next week at the United Nations Committee on the Elimination of All Forms of Racial Discrimination (CERD), a few of the most critical human dimension concerns about contemporary Greece affect the freedom of expression, the freedom of religious belief and practice, and protection from discrimination.

Legal restrictions on free speech remain on the books, and those convicted have typically been allowed to pay a fine instead of going to jail. In recent years, though, Greek journalists and others have been imprisoned based on statements made in the press. This was noted in the most recent Country Report on Human Rights Practices prepared by the Department of State. The International Press Institute has also criticized the frequent criminal charges against journalists in cases of libel and defamation.

Religious freedom for everyone living in Greece is not guaranteed by the Greek Constitution and is violated by other laws which are often used against adherents of minority or non-traditional faiths. Especially onerous are the provisions of Greek law which prohibit the freedom of religious

These statutes have a chilling impact on religious liberty in the Hellenic Republic and are inconsistent with numerous OSCE commitments which, among other things, commit Greece to take effective measures to prevent and eliminate religious discrimination against individuals or communities; allow religious organizations to prepare and distribute religious materials; ensure the right to freedom of expression and the right to change one's religion or belief and freedom to manifest one's religion or belief. Over the last ten years, the European Court of Human Rights has issued more than a dozen judgments against Greece for violating Article 9 (pertaining to Freedom of Thought, Conscience and Religion) of the European Convention on Human Rights.

One positive development was the decision made last summer to remove from the state-issued national identity cards the notation of one's religious affiliation. In May 2000, Minister of Justice Professor Mihalis Stathopoulos publicly recognized that this practice violated Greece's own Law on the Protection of Personal Data passed in 1997. The decision followed a binding ruling made by the relevant Independent Authority which asked the state to remove religion as well as other personal data (fingerprints, citizenship, spouse's name, and profession) from the identity cards. This has long been a pending human rights concern and an issue raised in a hearing on religious freedom held by the Commission on Security and Cooperation in Europe (which I Co-Chair) in September 1996.

I am pleased to note that Greece has acknowledged in its most recent report to the UN CERD that the problems faced by the Roma community (which has been a part of Greek society for more than 400 years), migrant workers and refugees are "at the core of the concern of the authorities." The recognition that issues which need attention is always the first step necessary to addressing the problem. The Commission has received many reports regarding the Roma community in Greece, including disturbing accounts of pervasive discrimination in employment, housing, education, and access to social services, including health care. With a very high illiteracy rate, this segment of Greek society is particularly vulnerable to abuse by local officials, including reports of Roma being denied registration for voting or identity cards that in turn prevents them from gaining access to government-provided services. Particularly alarming are incidents such as the forced eviction of an estimated 100 families by order of the mayor of Ano Liossia and the bulldozing of their makeshift housing in July of 2000. Similar incidents have occurred in recent years in Agia Paraskevi, Kriti, Trikala, Nea Koi, and Evosmos.

Our Founding Fathers relied heavily on the political and philosophical experience of the ancient Greeks, and Thomas Jefferson even called ancient Greece "the light which led ourselves out of Gothic darkness." As an ally and a fellow participating State of the OSCE, we have the right and obligation to encourage implementation of the commitments our respective governments have made with full consensus. I have appreciated very much and applaud the willingness of the Government of Greece to maintain a dialogue on human dimension matters within the OSCE. We must continue our striving together to ensure that all citizens enjoy their fundamental human rights and freedoms without distinction.

RAILROAD RETIREMENT AND SURVIVORS IMPROVEMENT ACT OF 2001

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. RAHALL. Mr. Speaker, I am pleased to join my colleagues on the Committee on Transportation and Infrastructure in introducing the "Railroad Retirement and Survivors' Improvement Act of 2001" today.

In the Third District of West Virginia, we have 8,300 citizens who will benefit from this bill, which ranks southern West Virginia seventh in the United States.

The bill we are introducing today will double benefits for widows of railroad retirees, reduce the retirement age from 62 to 60 years of age with 30 years of service, and allow a person to be vested in the system after five years of service, rather than 10 years, as currently required.

No taxpayers' dollars will be used to finance these railroad retirement benefits, which are paid by employer and employee taxes.

This bill includes the exact provisions of H.R. 4844, which I helped to write last year, and which passed the House by an overwhelming vote of 391–25 on September 7, 2000. However, the Senate did not act on the bill.

The bill is a product of two years of negotiation between management of the railroad industry and railroad workers. As last year's vote demonstrates, the bill has strong bi-partisan support. I will work to bring the bill to the House floor for a vote, and I expect to see the same strong support as last year.

Once this bill becomes law, it will enable railroad retirees and widows to enjoy a better quality of life, by receiving the increased benefits which they deserve. They spent their working lives paying into their retirement and they deserve to reap decent benefits.

PREVENT CHILD ABUSE—N.J. APRIL BLUE RIBBON CAMPAIGN

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. PALLONE. Mr. Speaker, I would like to remind my colleagues that the month of April is Child Abuse Prevention Month. Throughout the month, thousands and perhaps millions of individuals from around the country who are working to reduce child abuse will be wearing blue ribbons to draw attention to this monumental national concern.

Prevent Child Abuse—New Jersey is undertaking the blue ribbon campaign in my state with a kickoff event on March 28.

This organization serves as a national model for how a statewide group can make a difference in combatting a serious social problem.

By establishing local partnerships, PCA–NJ helps communities, strengthens families and supports parents through parenting programs, education and training, advocacy and public awareness programs.

Valuable PCA–NJ programs include the Parent Linking Project, which provides comprehensive services to teen parents and their children at school; Healthy Families, under which intensive, home visitation services are provided to overburdened parents of newborns; Every Person Influences Children. which sponsors parent education workshops for parents and training for teachers to incorporate life skills and character education into daily curricula, and the Adolescent Pregnancy Prevention Initiative, which undertakes case management and counseling programs for teens to build self esteem and help them make healthy choices.

In addition to the Blue Ribbon Campaign, PCA–NJ also sponsors many public education and community awareness efforts, including a speakers' bureau, loaned materials under the New Jersey Parenting Education Resource Center (PERC); and a web site and 800 number for information and other resources.

Mr. Speaker, in New Jersey, each year, over 80,000 calls are made to the N.J. Division of Youth and Family Services by concerned citizens and professionals reporting suspected child abuse and neglect. This figure for just one state gives us an idea of the extent of this shameful problem in our country—the most advanced, educated and prosperous nation in the world. It is my hope that drawing attention to this problem, as we are doing in New Jersey and around the country with the Blue Ribbon Campaign, will eventually and dramatically reduce the incidence of child abuse.]

HONORING THE LATE DOCTOR JESSE W. AUSTIN

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. PICKERING. Mr. Speaker, I rise today to pay tribute to the late Doctor Jesse W. Austin, Sr., a constituent of mine who passed away on Monday, February 12, 2001, at his residence in Forest, Mississippi. Dr. Austin, affectionately known as "Doctor Bill", was 84 years of age at the time of his death and had been a practicing physician in the City of Forest and Scott County for more than 39 years.

Doctor Bill was born in Osyka, Mississippi in 1916 but moved to Forest in 1924. He graduated from Forest High School in 1934, Mississippi State University in 1938, and Tulane Medical School in 1942. Shortly after graduating from Tulane, Doctor Bill entered the United States Army and served with the U.S. 3rd Army in Europe as a Battalion Surgeon. He participated in 5 major battles which began with the Normandy Invasion and ended in Yugoslavia on VE Day. Doctor Bill's service decorations included the Silver Star, two Bronze Stars, and the Purple Heart. At the Battle of the Bulge, he was known as the "Battling Surgeon."

Upon returning from Service in 1945, Doctor Bill began his medical practice with his father, Doctor R.B. Austin, II. At that time, most patient care was done either at the patient's home or in the doctor's office. It was not unusual for Doctor Bill to spend most of his day making house calls and treating patients. He had a bedside manner with his patients that truly reflected his love and concern for their well-being. Because of his caring attitude, Doctor Bill endeared himself to all the residents of Forest and Scott County that lasted until his final day of life. During his medical career, Doctor Bill delivered more than 3500 babies, most of whom were born at home.

Doctor Bill served as the first president of the Mississippi Chapter of the Battle of the Bulge Veterans. It was he who stepped forward in 1994 to provide the leadership to form the state's first Battle of the Bulge Veterans group and helped organize the inaugural meeting of the group in Forest. He was a member of the Forest United Methodist Church and was an ardent Mississippi State University supporter. He was also a member and past president of the Central Medical Society. Doctor Bill was active in civic affairs and he and his wife were honored as Forest's "Citizens of the Year" and named grand marshals of the Christmas Parade in 1984.

Doctor David Lee, a medical colleague of Doctor Bill said that "he was one of the best general practitioners I've known. He was one of the most dedicated doctor I've been associated with." Doctor Howard Clark, a physician from Morton, Mississippi said both Doctor Bill and his father were wonderful doctors stating, "They were down-to-earth, ethical, people loving doctors." Sid Salter, editor of the Scott County Times said, "Doctor Bill died as he lived—a well loved and respected man. He did not talk patriotism, he lived it. He did not talk of healing. He used his head, heart and hands to bring it about in his fellow man regardless of their race, creed, color, or economic status. He did not speak of his service to mankind. He simply rendered it day by day."

Doctor Bill is survived by his wife Opal, daughters Sue Thigpen and Judy Webb, sons J. W. "Ace" Richard and Terry, their husband and wives, 14 grandchildren, 1 great grandchild, and many nieces and nephews. Doctor Bill was a great man. He loved the Lord, his family, his friends, his country, his state, and by all means Forest and Scott County. He served others to the best of his ability. It is my honor to pay tribute and express my appreciation and that of the 3rd Congressional District of Mississippi for his life of service and contributions to the betterment of our nation and all mankind.

SUN CHRONICLE IS RIGHT ON THE MONEY REGARDING NURSING HOMES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. FRANK. Mr. Speaker, on Saturday, March 10, an editorial in the Sun Chronicle, published in Attleboro, Massachusetts, accurately analyzed one of the major causes for the difficulties we are facing in providing decent nursing home care. As the editorial notes, "the main problem can be traced back the Balanced Budget Act of 1997." As the Sun Chronicle editorial writers note, today, "patients sit neglected in nursing homes, . . . meanwhile the federal and state governments—both enjoying budget surpluses—pay the nursing homes less than it costs to take care of patients."

It is disgraceful in this wealthy nation for us to allow this situation to continue. We allocate far too little of our great wealth to pay the hard working people who provide essential nursing home services, and the consequence is that we do not provide these services nearly as well as we should. I was delighted to read this forceful, thoughtful, persuasive editorial in the Sun Chronicle and I ask that it be shared here.

[From the Sun Chronicle, Mar. 10, 2001]

NURSING HOME NEGLECT IN AN AGE OF SURPLUSES

What's wrong with this picture?

Patients sit neglected in nursing homes, wounds soaking through bandages, food growing cold before feeding help arrives, sheets smelling of urine. Administrators can't fill aide positions and nurses leave for higher-paying jobs.

Meanwhile, the federal and state governments—both enjoying budget surpluses—pay the nursing homes less than it costs to take care of patients.

This fractured picture is all too real, as the Sun Chronicle's Rick Thurmond reported in last Sunday's edition.

The only thing that explains this unconscionable situation is politics—and only politics can fix it.

The main problem can be traced back to the Balanced Budget Act of 1997, enacted to counteract federal deficits and eventually bring the budget into balance.

Thanks to the surging economy, that day arrived far sooner than expected, and now such a big surplus is projected that a major tax cut is supported by both parties.

The Medicare cuts in the Balanced Budget Act, while softened last fall, continue—placing nursing home companies in an impossible position.

The government pays for 80 percent of nursing home patients. In Massachusetts, Medicaid provides about $130 a day for patients, while the costs are about $150.

The result is such low salaries that the homes have difficulty keeping aides and professionals alike, with a direct impact on patient care and comfort.

But even keeping salaries low isn't doing it for nursing homes. A number have closed, including Sheldonville Nursing Home in Wrentham and Van Dora Nursing Home in Foxboro. One-fourth of the state's nursing homes face bankruptcy.

Obviously, the answer is money, and the money is there. The question is whether it will be a priority.

Local congressman James McGovern and Barney Frank voted against the Balanced Budget Act and have fought to restore Medicare cuts. We hope the next federal budget, drawing on the burgeoning surplus, will do more for a vulnerable elderly population than have recent budgets.

At the state level, a small step has been taken in approval of two years of wage supplements for nursing home workers. Another state bill has been introduced to boost nursing home reimbursements, but the sponsor has expressed concern that the state income tax cut approved by voters last year will make funds hard to come by.

Obviously, the state tax cut and the coming federal tax cut will increase competition for funding but they should not prevent it.

The sorry picture of nursing home care today can be improved. The means are there. What's needed is the will.

TRIBUTE TO THE NASA GLENN RESEARCH CENTER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. KUCINICH. Mr. Speaker, I would like to bring to the attention of my colleagues an article published in the Continental March 2001 magazine that highlights the achievements of the NASA Glenn Research Center over the past 60 years. Revolutionary advancements in aerospace and aviation technologies have been developed at the NASA Glenn Research Center (GRC), which is located in my congressional district in Cleveland, OH. This article highlights Glenn's contributions to aviation, which include research to create quieter, nonpolluting airplanes. In addition, it details the GRC's work in developing a power system used on the International Space Station and how their research is used to improve commercial products in the United States.

NASA Glenn Research Center continues to play an instrumental role in maintaining our Nation's leadership in aeronautics and aerospace technology. In the future the center will continue to make groundbreaking discoveries that will improve both space travel and life on Earth.

[From the Continental, March 2001]

REACHING FOR THE STARS

(By Todd Wilkinson)

On airy moonlit nights, stargazers in the Northern Hemisphere may notice what appears to be a glowing white speck making regular passes through the sky. It's not a UFO they are seeing or even the pulses of a meteor shower. That piece of metallic glitter is actually a massive human stepping-stone to the cosmos—the new International Space Station—orbiting 220 miles above the earth and taking shape as a base camp for the future exploration of our solar system.

Back on the ground, scientists and biomedical researchers from the National Aeronautics and Space Administration (NASA) are paying special attention to the space station's evolving construction from laboratories located in Cleveland. That's right, Cleveland. As in Ohio. The city pressed up against the southern shore of Lake Erie.

Surprising to many is that quietly over the past half-century some of the most revolutionary advancements in space and aviation technology have been developed at Lewis Field. The Glenn Research Center here, named in honor of the pioneering astronaut and U.S. senator, John Glenn, is perhaps the most unsung of NASA's 10 major campuses. Less known than the Johnson Space Center in Houston or the Kennedy launch pads at Cape Canaveral, Fla., or the Jet Propulsion Laboratory in Pasadena, Calif., NASA Glenn is, nonetheless, playing a pivotal role in transforming the agency's 11th and most novel facility—the space station—from a pie-in-the-sky dream into a symbol of 21st-century ingenuity. And it is giving Cleveland and numerous partner businesses and local universities a tangible connection to the frontier of space.

The NASA Glenn Campus is a labyrinth of six wind tunnels and more than 150 buildings, along with a beehive of laboratories. Since the early 1940s, around the time America entered World War II, the research facilities have been central to the development of jet engines that are today the foundation of commercial and military aviation. But in 1961, when President John F. Kennedy set U.S. sights on the moon, the laboratories also became nurseries for rocket propulsion in the race to space, notes Donald Campbell, director of the Glenn Research Center.

Better than any political leader in the country, Senator Glenn has understood the dividends accrued from public investment in technology. During recent heated debates in Congress over funding for NASA and concerns about cost overruns that have dogged the space station, it was Glenn who urged colleagues to support research and development in emerging technologies. If the United States is to maintain a competitive edge over other nations, he argued, it must sustain and nurture institutions like NASA.

Campbell says NASA Glenn channels much of its research-driven technology into U.S. industry, enabling major advances in commercial products like jet engines and communications satellites. During the 1970s and 1980s, NASA spent about $200 million on turbine engine technologies developed by Glenn and its commercial partners. In turn, that investment yielded billions of dollars in benefits for the U.S. economy, through job creation and spin-off technologies, including the eventual production of the General Electric 90 engine—the workhorse of many planes. "Engine propulsion technology has historically led the development of new generations of aircraft design, and that shows no signs of changing," says Joe Shaw, chief of NASA Glenn's ultraefficient engine technology program. "More and more we are seeing a cross pollination of ideas between the dual missions of NASA—its support of aeronautics for commercial and military purposes and exploration of space."

Likewise, the quest to build more powerful and efficient spacecraft reaped incredible dividends. "It's hard to tell what could come out of our space research that will affect our lives on the ground," Shaw says. "I don't think anybody with the Apollo program knew it would lead to the proliferation of personal laptop computers and digital wristwatches and microbiological sensors."

Not far off on the horizon, Shaw says, are aircraft that will burn dramatically cleaner fuel, reducing carbon dioxide and nitrogen oxide emissions that contribute to global warming and smog. Those same planes will boast engines that are barely audible to the human ear on the ground once the planes are beyond airport boundaries. Yet the biggest advancement that could arrive in less than a generation will be fleets of "smart airplanes," whose computer systems adjust engines in flight to make them fly more efficiently. And where commercial flights are concerned, efficiency results in the need for less fuel. Ultimately, that would mean better bargains for travelers. An ambitious goal of NASA Glenn scientists is to reduce the travel time to the Far East and Europe by half within the next 25 years, but to also make it possible at today's ticket prices.

Last September, R&D Magazine named three research teams based at Glenn winners of its prestigious R&D 100 Award, known within the industry as the "Nobel Prize of applied research." The projects that attracted global attention involved the development of superstrong titanium alumnide sheet metal used in aircraft bodies; advancements with PMR (Polymerization of Monomer Reactants) to give aircraft longer shelf lives; and the application of GENOA software that has enabled Boeing and GE aircraft engines to save millions of dollars improving the cutting-edge 777 aircraft engine. Since the early 1960s, Glenn researchers have claimed nearly 80 of the 110 R&D 100 Awards given to NASA projects.

Without question, the most awe-inspiring projects are those dealing with space travel. By his own admission, John Dunning, a 30-year NASA veteran and manager of space station support at Glenn, isn't a man prone to spontaneous gleeful outbursts. But last November, when Space Shuttle Endeavour lifted off from the launch pad at Kennedy Space Center, Dunning and his Glenn colleagues let out a collective whoop. In her belly, Endeavour carried solar panel arrays and advanced nickel-hydrogen batteries that are today providing the power essential to making the International Space Station operational. Without the electrical juice generated by the photovoltaic panels and stored in super batteries, astronauts would be whistling in the dark, says Dunning.

Much of the transportable power grid, built and tested in cooperation with a handful of private aerospace companies, originated on drawing boards at the Glenn laboratories. Prior to shuttle launches in October, November and January, a specially designed radiator that removes waste heat from the station was tested in the Space Power Facility, the world's largest space environment simulation chamber, at NASA Glenn's Plum Brook Station in Sandusky, Ohio. "Before these recent shuttle missions delivered the power components, the space station crew had been confined to a service module, because most of the structure was uninhabitable," Dunning says. "With the power systems up and running, the volume of space available to crews will significantly improve by about a factor of three, and the amount of consumable electricity will increase from four kilowatts to 24 kilowatts."

A future principal component of the station's power plant, being developed by NASA Glenn, could be the "flyway energy storage system," which functions like a gyroscope motor spinning at 60,000 revolutions per minute. When the space station arrays are illuminated by the sun, the flywheel functions like a mechanical battery, converting motion into usable energy and vice versa. During periods of orbit when the station is shaded from sunlight, the wheel is turned into a generator that makes electricity to power the life support system and science equipment. Scientists note that at full operating speed the flywheel rotor's linear velocity is two-and-one-half times the speed of sound (1,875 miles per hour). If the wheel itself were allowed to spin without meeting resistance, it would go on for more than 12 hours.

"The flywheel energy storage system represents a revolutionary step in energy storage technology," says Raymond Beach, NASA Glenn's team leader for flywheel development. He sees the flywheel as a potential long-term alternative for chemical batteries, which don't last as long and which generate waste. "The process is very efficient," he points out. "More than 85 percent of the energy put into the wheel comes out."

NASA believes that in the coming decades similar solar-powered generators could have applications on earth and on Mars. When the Mars Surveyor Lander mission reaches the Red Planet, two pilot Glenn projects—the Mars Array Technology Experiment (MATE) and the Dust Accumulation and Removal Technology (DART)—will explore the feasibility of producing oxygen propellant from the Martian atmosphere and will test whether power-generating solar cells can function amid extreme cold and notorious Martian dust storms. "Because of the dust, the cold temperatures and the varying light spectrum, the best solar cell for our 'gas station on Mars' might be one that we wouldn't consider using in our space solar arrays," says NASA Glenn Project Manager Cosmo Baraona, who is overseeing the experiments.

Solar cells designed at Glenn have already performed better than expected with the Pathfinder and Sojourner Rover, but David Scheiman, a researcher at the Ohio Aerospace Institute in Cleveland, a partner of Glenn, says it is uncertain if those cells will work over the estimated five years it will take to get a human to and from Mars.

Through its Microgravity Science Division, Glenn is NASA's star performer with microgravity experiments involving combustion and fluid physics. Aside from its history with spacecraft and jet engines, Glenn has bolstered Cleveland's reputation as a hub for biomedicine. "We are fortunate to reside in a region with some of the best medical research institutions in the country and a growing biomedical industry base," says Campbell.

At the forefront are researchers like Rafat Ansari, a groundbreaking physicist. "My personal interest is with the human eye," he says. According to Ansari, our eyes are not only windows to the soul, but also windows to the human body, reflecting the health and function of vital chemical processes. They are also places where physicians can look to better understand the risks of exposure to radiation during deep space travel to destinations like Mars. "When light passes from the cornea into the retina, it also passes through nearly every tissue type found in the body," Ansari says. "By studying those tissues, we can look for evidence of certain conditions from one's cholesterol level to the formation of cataracts to the potential for Alzheimer's disease to diabetes."

Ansari began his career with NASA 13 years ago. His fascination with eyes started when his father developed cataracts. It led him to investigate the etiology of cataracts and the risks associated with certain diseases. Astronauts can be especially vulnerable because increased exposure to radiation associated with deep space travel may accelerate the growth of cataracts and macular degeneration.

Ansari and a team of Glenn researchers are working with the federal Food and Drug Administration to develop a screening process for diabetes. Another project at the Glenn laboratories involved development of an apparatus in partnership with the National Eye Institute, located at the National Institutes of Health in Bethesda, Md. It would have applications not only on Mars but also in rural parts of the world where there is a niche to fill with telemedicine. The patient or, in the case of space travel, the astronauts would wear a specially designed helmet with eye-examining goggles connected to special sensors monitoring the heart in real time. The apparatus could detect health abnormalities as explorers walk across the Martian surface. But long before the first human mission is sent to the fourth planet from the sun, Ansari would like to see such mobile devices used in remote locales on earth where medicine is unavailable.

In the years ahead, the facility bearing Senator Glenn's name promises to claim its own prominent place on the journey of human discovery. "This year, as we celebrate the Glenn center's 60th anniversary, all of us can look back in pride at our outstanding accomplishments that have helped propel NASA and U.S. industry to new horizons," adds Campbell. "And no matter where that next horizon is found, Glenn's pioneers and innovators will make it possible for us to travel beyond it. Ultimately, we want the public to benefit from what we do."

BOROUGH OF DURYEA CELEBRATES CENTENNIAL

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to the Borough of Duryea, Pennsylvania, which will celebrate its centennial on April 7 with a community parade and picnic held by the Duryea Centennial Committee.

Duryea was originally called Babylon because it was a veritable Babel of languages and nationalities due to the immigrants who came to work in the coal mines.

The community was also known as Marcy Township before assuming its present name. The township was formed from territory taken from Pittston, Ransom and Old Forge townships on January 19, 1880. It was named for a pioneer, the first British settler in the region, Zebulon Marcy, who emigrated from Connecticut in the spring of 1770. A census taken at the formation of Marcy Township found 1,159 inhabitants, which had increased to 2,904 by 1890. According to the 2000 census, the population of Duryea is 4,634.

The present name of the community commemorates Abram Duryea of New York, who bought coal lands in the area in 1845 and opened mines around which the town grew up. He served in the Civil War as a colonel of the Fifth New York Infantry in May, 1861, and was brevetted major-general four years later for his gallant and meritorious services.

Prior to becoming a borough, Duryea was a post-office village within Marcy Township, situated two miles north of Pittston. Duryea was incorporated as a borough on April 6, 1901. The first set of ordinances was adopted by council and approved by the burgess, whose equivalent today is the mayor, on August 23, 1901.

In 1901, John A. Burlington was the burgess, Gary M. Gray was president of the council and Charles D. Evans was borough secretary.

At that time, a Methodist church and a Catholic church were already established in the borough. The community was rich in mining and agriculture. Within the borough, there were new coal breakers, along with a rapid rise in the real estate market. The community already had postal, telegraph and telephone communication, as well as the service of three leading railroads, the Lehigh Valley, the Erie and Wyoming Valley, and the Delaware, Lackawanna and Western.

Duryea was a thriving community, boasting one baker, two blacksmiths, three carpenters, three milliners, one drugstore, two dry goods stores, two general stores, one gentleman's furnishings store, three grocery stores, a hat and cap store, four hotels, an iron fence manufactory, a meat market, a drill moving factory, two livery stables, three physicians and one undertaker.

Today, the majority of the borough is occupied by single-family residences. Some of these are company houses that were once owned by the coal companies. While there were only 400 homeowners in Duryea in 1901, today there are 2,089.

The borough is also still home to commercial enterprises, with two small businesses and three manufacturing plants, including Schott Glass Technologies, which makes products used in some of the greatest scientific ventures of our time. For example, laser glasses from the Duryea plant are helping scientists seek cleaner, cheaper sources of energy.

Present-day Duryea, led by Mayor Mark Rostkowski, is also home to six churches and six cemeteries, one parochial school, a little-league baseball field, a field for junior football and a playground.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the centennial of the Borough of Duryea, and I wish its residents well as they begin a new century for their community.

CELEBRATING NAT GEIER ON HIS 90TH BIRTHDAY

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. DEUTSCH. Mr. Speaker, I rise to honor Mr. Nat Geier, a distinguished citizen of Sunrise, Florida who has devoted himself to improving his community over the last three decades. Through numerous citizen campaigns, Mr. Geier has been the engine of improvement in strengthening the Broward County community. This week, Nat Geier will turn ninety years old—it is an occasion which Broward County residents will celebrate with pride.

Born in Poland in 1911, Mr. Geier immigrated to America at the age of nine. He dropped out of the New York City School system at age 13 to get a job in the garment business cutting material. This young drop-out learned quickly, worked hard, and rose up in the ranks, eventually earning enough to relocate and buy a condominium in Florida. An early resident of the now well-developed areas of South Florida, Mr. Geier has always understood that homeownership is the anchor of all communities because it gives residents long-term investment in the quality of their communities. For this reason, two decades ago, Mr. Geier set out to educate Broward residents of the importance of the "Homestead Exemption" rules which use the Florida tax code to encourage homeownership and community enhancement. Mr. Geier's efforts brought the benefits of the rules to thousands of homeowners and helped build the strong and lasting communities which exist in Broward County today.

Mr. Geier's experience as a young man convinced him that a good education is the key to a productive job and success in life. Motivated by this conviction, Mr. Geier has consistently supported the Broward Schools in their efforts to provide young residents with quality education and opportunities for success. Throughout his thirty years in South Florida, Mr. Geier has actively campaigned in support of school bond referendums as well as funding early-on for computers in classrooms. More recently, Mr. Geier initiated the Area Agency for the Aging's Seniors for Seniors Dollar Drive. This fundraiser provides thousands in funding for the Area Agency's senior citizen support programs and community events. In these and several other civic initiatives, Mr. Geier has demonstrated his devotion and care to improving the quality of life for all Broward residents. His efforts span over four decades and his tremendous impact spans across the lives of his entire community. Mr. Speaker, let me conclude by saying, "Thank you and happy birthday to Nat Geier," one of Broward County's most remarkable residents.

SOUND ECONOMIC POLICY

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. OXLEY. Mr. Speaker, I commend to my colleagues' attention the following article, "Can the U.S. Live With a Sounder, Saner Stock Market?" The author correctly points out that despite all of the recent attention on interest rates, the condition of our capital markets and the health of the U.S. economy are strongly influenced by the decisions that are made on trade policy, regulatory relief, and tax cuts. If we get those growth policies right, we will do a great service for the increasing number of Americans who are investing to improve their everyday lives and saving for their retirement.

[From the Wall Street Journal, Mar. 20, 2001]

Can the U.S. Live With a Sounder, Saner Stock Market?

(By George Melloan)

Alan Greenspan has demonstrated that he can curb "irrational exuberance" in the stock markets, or so the conventional wisdom goes. Today, he presumably will try to perform a more difficult feat, arresting the world-wide decline in equities that he has been widely accused of—or credited with—causing. The auguries for his success are not especially favorable. The markets weeks ago factored into prices the likelihood of a Federal Reserve rate target reduction, but that didn't prevent last week's steep slide.

The concept of Mr. Greenspan as a deus ex machina who intervenes occasionally to change the course of markets is overrated. His "irrational exuberance" speech in December 1996 rattled investors. But that may only have been because he was remarking on something that was obvious to almost everyone: Some stocks were selling at prices far in excess of their underlying values.

It certainly didn't stop the bull run, which continued another three years until its peak early last year. Probably, a series of rate-target increases in the late 1990s by the Fed acted as something of a brake on stock markets and an American economy heavily fueled by credit. But the overriding factor was that stock averages last year had reached a never-never land that even the most optimistic logic could not justify. Consumers, responding to the "wealth effect" of their paper riches, piled up debt. When stocks sank last year, household net worth declined for the first time since records have been kept. Quite likely, household balance sheets have deteriorated further this year.

Up until last week it appeared that the Dow had stabilized at around the 10500 level, despite a slowdown in economic growth and a series of warnings of lower-than-expected earnings from major corporations. But the Nasdaq, which had reflected some of the greatest price excesses, continued its downward spiral and the Dow ultimately followed, dropping below 10000. The evaporation of liquidity caused by falling prices in one or two markets ultimately affects all markets in this age of globalization, so Europe, Japan and Southeast Asia all took big losses as well. Europe, as measured by the FTSE index, was hardest hit, with a 9% decline, compared to 7.7% in the Dow.

Many investors in high-flying stocks are licking their wounds. Money runners on Wall Street have lost some of the brash self-confidence of a year ago. Brokers who for years have been assuring customers that no investment can beat equities over time have a bit less confidence in that assertion. There is a realization dawning that maybe stock values do have some link to earnings and that a stock price that might take the company 40 years to earn could be a tad high.

This new sobriety is a healthy thing. The economists who have been arguing that the U.S. was developing an asset bubble, like Japan in the 1980s, have been appeased. Their concept that there is such a thing as asset inflation, fueled by liberal credit policies, has been reinforced. Yet the oversold markets pretty much have taken care of themselves, without tempting interventions by politicians, who sometimes in the past (in the 1930s, for example) have jumped in to make things worse. Investors now know that stocks go down as well as up, a useful lesson.

The new sobriety befits equity markets that now have a different function from the one they had 10 or 15 years ago when they were mainly the province of the well-to-do. Today, some 60% of Americans have a beneficial ownership in stocks. Mutual funds have replaced savings accounts as the preferred investment of small savers. Private pension funds holding the retirement money of millions of Americans are heavily invested in stocks. These new, steady, sources of funding give stock markets a greater stability than before. But they also mean that stocks play a greater role in household balance sheets, and hence in the holder's perception of whether he is getting richer or poorer.

It is for this reason that policy makers need to give attention to the macroeconomy that underlies corporate stocks. It suffered from great neglect during the latter stages of the Clinton administration, even as the signs of an economic slowdown mounted. The administration allowed the beginnings of a new round of trade opening negotiations in Seattle to be scuttled by organized labor, the Naderites and assorted zanies. Mr. Clinton made only a feeble and belated effort to get fast track legislation to speed new trade agreements. Thus years have been wasted in starting negotiations for new multilateral trade and investment pacts that invariably re-energize the global economy.

Regulatory burdens continued to pile up. The EPA was set on automatic to crank out new restrictions that impose costs and yield either no benefits, or negative consequences. The previous administration kow-towed to "environmentalist" claims of a coming "global warming" disaster, despite a large body of scientific proof that no such trend exists. More public lands, including sites rich in oil and gas, were locked up as "wilderness" areas.

The passage of federal tax cuts last year, when they would have come in time to stimulate a flagging economy, was blocked by President Clinton. Democrats this year are still resisting even the modest initial tax cut tranches proposed by George W. Bush, styling themselves as the new guardians of fiscal responsibility. In other words, the economy is not going to get any help soon from tax cuts. That vaunted federal surplus could vanish quite rapidly if the American economy goes into recession. The old saying, penny wise and pound foolish, applies here.

Despite all these forms of neglect, the U.S. still has a powerful economic base, U.S. demand kept Asia afloat after the 1997 meltdown. It has helped revive Mexico and has given Europe a market. The discovery by Americans of the marvelous communications potential of the Internet moved computers from the purely business realm into the home as a consumer product. Information technology is for real, even if it was oversold on stock markets during the dot-com rage.

Consumer confidence, as measured by a monthly University of Michigan survey, remains reasonably upbeat. Employment is high, despite prospects of some big corporate layoffs. All that has happened to the American economy so far has been a slowing of growth, not a recession. The Fed is trying to ensure adequate liquidity while at the same time tending to its fundamental job of trying to keep the dollar sound. And finally, stock markets are safer places for money than they were a year ago, which is no bad thing.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 22, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 27

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review the Research, Extension and Education title of the Farm Bill.
SR–328A

9:30 a.m.
Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on military strategy and operational requirements; to be followed by closed hearings (in Room SH–219).
SH–216

Environment and Public Works
Fisheries, Wildlife, and Water Subcommittee
To hold hearings to examine water and wastewater infrastructure needs.
SD–406

Health, Education, Labor, and Pensions
To hold hearings to examine early education and care programs in the United States.
SD–430

Energy and Natural Resources
To hold hearings to examine national energy policy with respect to impediments to development of domestic oil and natural gas resources.
SD–106

10 a.m.
Appropriations
Interior Subcommittee
To hold hearings to examine trust reform issues.
SD–138

Finance
To hold hearings to examine the affordability of long term care.
SD–215

10:30 a.m.
Foreign Relations
Business meeting to consider pending calendar business.
SD–419

11 a.m.
Foreign Relations
To hold hearings on the nomination of William Howard Taft, IV, of Virginia, to be Legal Adviser of the Department of State.
SD–419

2 p.m.
Judiciary
Technology, Terrorism, and Government Information Subcommittee
To hold hearings to examine domestic response capabilities for terrorism involving weapons of mass destruction.
SD–226

MARCH 28

9:30 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine health information for consumers.
SD–430

10 a.m.
Appropriations
Defense Subcommittee
To hold hearings to examine certain Pacific issues.
SD–192

Foreign Relations
To hold hearings to examine the Department of Energy's nonproliferation programs with Russia.
SD–419

10:30 a.m.
Indian Affairs
To hold hearings on S. 210, to authorize the integration and consolidation of alcohol and substance abuse programs and services provided by Indian tribal governments; S. 214, to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health; and S. 535, to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Cancer Prevention and Treatment Act of 2000.
SR–485

MARCH 29

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review environmental trading opportunities for agriculture.
SR–328A

10 a.m.
Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold oversight hearings to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Titles I, II, III, V, VI, VII, and VIII of the National Parks Omnibus Management Act of 1998.
SD–628

10:30 a.m.
Foreign Relations
To hold hearings on the nomination of John Robert Bolton, of Maryland, to be Under Secretary of State for Arms Control and International Security.
SD–419

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the implementation of the Administration's National Fire Plan.
SD–628

APRIL 3

10 a.m.
Judiciary
To hold hearings to examine online entertainment and related copyright law.
SD–226

APRIL 4

9:30 a.m.
Armed Services
SeaPower Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on shipbuilding industrial base issues and initiatives.
SR–222

APRIL 5

10 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.
SD–138

APRIL 24

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Bureau of Reclamation, of the Department of the Interior, and Army Corps of Engineers.
SD–124

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of the Interior.
SD–138

APRIL 25

10 a.m.
Judiciary
To hold hearings to examine the legal issues surrounding faith based solutions.
SD–226

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Corporation for National and Community Service.
SD–138

APRIL 26

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Nuclear Security Administration, Department of Energy.
SD–124

MAY 1

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD–124

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD–226

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Forest Service, Department of Agriculture.
SD–138

MAY 2

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Veterans' Affairs.
SD–138

MAY 3

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radio Active Waste Management.
SD–124

MAY 8

10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD–226

MAY 9

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Aeronautics and Space Administration.
SD–138

MAY 16

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Federal Emergency Management Agency.
SD–138

JUNE 6

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Science Foundation and the Office of Science Technology Policy.
SD–138

JUNE 13

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Environmental Protection Agency and the Council of Environmental Quality.
SD–138

JUNE 20

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Housing and Urban Development.
SD–138

POSTPONEMENTS

MARCH 27

10:30 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings on issues relating to Yucca Mountain.
SD–124

APRIL 3

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings to examine issues surrounding nuclear power.
SD–124

HOUSE OF REPRESENTATIVES—*Thursday, March 22, 2001*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. BASS).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 22, 2001.

I hereby appoint the Honorable CHARLES F. BASS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Rebecca Hartvigsen, Home of Guiding Hands, Santee, California, offered the following prayer:

Every head bowed, every eye closed.

Thank You, God, for being here this morning.

Surround us, remind us, You have fearfully and wonderfully made us all. From the most impaired to the most vigorous, You are not a respecter of persons.

You know each by name. You know the numbers of hairs counted on our head. You know our thoughts this moment and at all times.

Please walk among Members of the Congress. Pour out Your anointing of wisdom, knowledge, understanding. Assign each bodyguards of Godliness and integrity. Give all freshness of spirit, renewed faith; brighten their hopes for peace, justice for all. Touch Your servants, Father. Bless them and bless their families.

Bless all who live, love and work in this great Nation.

In His name, Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. STEARNS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. STEARNS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. HINCHEY) come forward and lead the House in the Pledge of Allegiance.

Mr. HINCHEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 132. An act to designate the facility of the United States Postal Service located at 620 Jacaranda Street in Lanai City, Hawaii, as the "Goro Hokama Post Office Building."

H.R. 395. An act to designate the facility of the United States Postal Service located at 2305 Minton Road in West Melbourne, Florida, as the "Ronald W. Reagan Post Office of West Melbourne, Florida."

The message also announced that pursuant to Public Law 101-549, the Chair, on behalf of the Majority Leader, appoints Josephine S. Cooper, of Washington, D.C.; to the Board of Directors of the Mickey Leland National Urban Air Toxics Research Center, vice Joseph H. Graziano.

WELCOMING REVEREND REBECCA HARTVIGSEN

(Mr. HUNTER asked and was given permission to address the House for 1 minute.)

Mr. HUNTER. Mr. Speaker, a few days ago we passed a resolution offering our deepest sympathies to the victims of the tragedy at Santana High School in San Diego County. Today offering our prayer is Reverend Rebecca Hartvigsen who participated with what she described as a multitude of spiritual leaders whose counseling of parents and students has started the healing process in east San Diego County.

We offer all those spiritual leaders who have taken on this burden of the heart our warmest thanks.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 one-minutes from each side.

OUT WITH THE OLD, IN WITH THE NEW

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the Bush administration has begun to right the wrongs of the past 8 years.

This week, the Department of Interior announced that it would suspend mining regulations forced on the public in the waning minutes of the Clinton administration. Known as the 3809 regulations, the Clinton changes would have resulted in the loss of more than 3,000 jobs in Nevada alone and an economic shortfall in that State of up to $350 million. In addition, the regulations would have forced the United States to become just as dependent on foreign-mined metals as we are on foreign-produced oil, the recipe for yet another national crisis. And it would have been the American consumers who would have suffered.

Luckily, a new day has dawned and a new administration has arrived. The public can again have faith in their government and know that their views will be heard.

I yield back the last-minute, reckless decisions of the prior administration and welcome the fair, responsible and sensible disposition of the new Bush administration.

INTERNATIONAL CHILD ABDUCTION

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, next week the gentleman from Ohio (Mr. CHABOT) and I will be attending the Fourth Special Commission on The Hague Convention on the Civil Aspects of International Child Abduction. Later this morning we will have the opportunity to vote on a resolution that urges all contracting states to The Hague Convention on the Civil Aspects of International Child Abduction

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

to adopt a resolution drafted by the International Center for Missing and Exploited Children that would recommend that the Permanent Bureau of The Hague produce and promote Practice Guides to assist in the implementation and operation of the Convention.

While great strides have been made, we recognize that there are serious shortcomings in its implementation. These Practice Guides, therefore, are necessary.

There will be no parents included from the U.S. on the trip to The Hague. So at this time I would like to let the parents of abducted children, including people like Lady Catherine Meyer, Joseph Cooke, Jim Rinaman, Tom Sylvester, Tom Johnson and others know that I have heard their stories, I have heard their voices, and I will be representing them and their concerns before the 60 contracting parties. Their voices will be heard there.

CONGRATULATING FOUNDERS OF MIAMI'S WOMEN'S PARK AND HISTORY GALLERY

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, the gentlewoman from Florida (Mrs. MEEK) and I wish to congratulate the founders of Miami Women's Park and History Gallery:

Mother of the Park and women's rights pioneer, Roxcy O'Neal Bolton; chair of the committee, Judge Bonnie Lano Rippingille; secretary, Teresa Zorilla Clark; treasurer, Molly Turner; and historian, Dr. Dorothy Jenkins Fields.

I also congratulate and as well the gentlewoman from Florida (Mrs. MEEK) congratulates founders Leona Cooper, Katherine Fernandez-Rundle, Diane Brant, Colette McCurdy Jackson, Dr. Patricia Clements, and the late Elaine Gordon, Monna Lighte and Helen Miller.

Judge Rippingille also founded Sisters of the Heart, a program that links delinquent girls with positive female role models.

Tomorrow, the Park will exhibit 100 years of African American Women's History, narrated by historian Dr. Jenkins Fields. The girls will learn of African American women in literature and in the suffrage movement. They will write essays and paint posters with positive images.

We congratulate the Women's Park Committee for the contributions of women in South Florida and for leaving a positive legacy by investing in the lives of our future leaders. Tomorrow's leaders are today's girls.

CDBG RENEWAL ACT

(Mrs. MEEK of Florida asked and was given permission to address the House for 1 minute.)

Mrs. MEEK of Florida. Mr. Speaker, today, with the support of 50 of my colleagues, I am introducing the Community Development Block Grant Renewal Act, a bill that directs more CDBG funding to the low and moderate income people so that the CDBG program should serve.

The basic mission of the Community Development Block Grant program is to direct Federal funding to the neediest among us. Today, pressures on low and moderate income people are more acute than ever before because of a severe shortage of affordable housing, the growing loss of public housing units and the changes in welfare law.

Mr. Speaker, the CDBG program is not a revenue-sharing measure. It is not meant to simply redistribute money from the Federal Government to the States and local governments for any purposes whatsoever. Rather, the Community Development Block Grant program is to build housing, to provide safe, healthy housing for people who cannot afford market rents. It is meant to provide economic development and jobs for people with low and moderate income.

My bill would amend the CDBG statute to better reflect the original spirit and intent of the law. It will require grantees to spend at least 80 percent of their CDBG funds to directly benefit low and moderate income people.

LOS SERRANOS COUNTRY CLUB ADOPTS ELEMENTARY SCHOOL

(Mr. GARY MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY MILLER of California. Mr. Speaker, I rise to recognize the partnership that has been forged between Los Serranos Country Club in Chino Hills, California, and Los Serranos Elementary School.

Jack Kramer, the owner of the Los Serranos Country Club, has committed to donating $10,000 a year over the next 5 years to the Los Serranos Elementary School. The first to participate in the Chino Valley Unified School District's new Adopt-A-School program, Mr. Kramer is demonstrating one way businesses can support their local schools.

Mr. Kramer's desire to improve his community is admirable and worthy of praise. As the first business owner to participate in this program, he has set an outstanding example to other business leaders, and his generosity has most certainly set a high standard. However, most noteworthy is Mr. Kramer's reason for participating. His simple statement, "it's worthwhile," says everything about education.

PEACE IN THE BALKANS REQUIRES INDEPENDENCE FOR KOSOVO

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. From the United Nations to heads of state, everyone is hoping against hope for peace in the Balkans. I do not want to rain on everyone's parade, but in my opinion there will never be peace in the Balkans until there is independence for Kosovo. The bottom line, it is the right thing to do. Ninety percent of the citizens of Kosovo are ethnic Albanians. Freedom and independence for Kosovo is the only long-term solution for a lasting peace in the Balkans.

I yield back the fact that map boundaries have been redrawn regularly throughout history to accomplish peace.

NURSE JILL STANEK TO ADDRESS LAWMAKERS TODAY

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, at noon today, some of us will be hearing from Jill Stanek, a nurse from Christ Hospital in Oak Lawn, Illinois. She will be sharing some actual experiences with us, telling us what happens when a baby survives an abortion. That is something we do not often hear about.

Just what does happen? Babies survive abortion more often than one might think. One day Julie found a small living baby in a soiled utility room at her hospital, 22 weeks old, aborted because he had Down's Syndrome. His mother had an abortion, but he survived. The hospital did not know what to do with him, so he was just left in that cold room, lying naked on the counter. No one lifted a finger to help him live. Jill sat and cradled him in her arms for 45 minutes until he died.

Mr. Speaker, last year we passed the Born Alive Infants Protection Act in the House to make it clear that all infants who are born alive, even if they were supposed to be aborted, are treated as legal persons under Federal law. Soon, it will be introduced again.

Today, I invite my colleagues just to come and listen to Jill tell her story. It will take place in Room 311 Cannon at 12 noon.

U.N. CONVENTION ON ELIMINATION OF DISCRIMINATION AGAINST WOMEN

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, in honor of International Women's Day on March 8, 68 of my House colleagues and I sent a letter to the Secretary of State urging the Bush administration to support U.S. ratification of CEDAW, the U.N. convention on the elimination of all forms of discrimination against women.

Ratified by 166 other nations, CEDAW establishes a universal definition of discrimination against women and provides international standards for equality in education, health care, employment, commercial transactions and public life.

This Congress, I have reintroduced House Resolution 18, and I ask my colleagues to become cosponsors. Let us send a message loud and clear to women in this Nation and all over the world that the United States is truly committed to protecting women's rights.

A CASE OF SELECTIVE INSANITY?

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, this morning we had a guest chaplain who opened our session with prayer. We have a full-time chaplain. So does our Senate. So do a lot of athletic teams and our military services each have a large number of chaplains.

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And our schools have condoms.

Mr. Speaker, I wish that you could help me and at least 150 million other Americans understand why chaplains and prayers are good for our House of Representatives, good for our Senate, good for our athletic teams and good for our soldiers and sailors and marines and airmen. And condoms are good for our kids. Is this a case of selective insanity?

VIOLENCE AGAINST WOMEN

(Ms. CARSON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. CARSON of Indiana. Mr. Speaker, historically domestic violence has been a silent epidemic. According to a recent study conducted by the Commonwealth Fund, almost 4 million women are physically abused each year in the United States.

Domestic violence is the leading cause of injury to women in this country, where they are more likely to be assaulted, injured, raped or killed by a male partner than any other type of assailant.

However many politicians, intentionally or unintentionally, have not dealt with this serious and destructive epidemic. In my district alone, judicial levels have been totally insensitive to the plight of victims of domestic violence to the extent of sending perpetrators home on home monitors, with ankle bracelets; and they eventually go out and kill the victim without being noticed by the system until it is way too late.

We need to expand the Call to Protect program, continue funding through VAWA and demand that the Violence Against Women Office in the Department of Justice becomes permanent.

We can tackle the undiagnosed treatment of women before it matures into violence by conducting early prevention to teach young people the importance of supporting and respecting one another.

TAX RELIEF AND A BUDGET FOR EVERY FAMILY

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, this week the House Committee on the Budget will take the first step towards passing the budget for fiscal year 2002. Our budget is a bold and responsible statement that places the concerns of hard-working American families ahead of the concerns of the Washington bureaucracy.

With budget surpluses in Washington, we have an opportunity to shore up Social Security, protect Medicare, pay down our record amount of debt, and provide relief from enormously high tax burdens.

Federal taxes are the highest they have ever been since World War II. When you combine the overall tax burden of local, State, and Federal governments, plus the cost of regulations, folks are giving almost half of what they make back to their government. This is unacceptable and needs to be changed.

Without a doubt, working Americans need a break. This is not the time for politicians in Washington to point fingers of blame at the current state of the economy. We must rise above the partisan bickering and pass legislation that will provide immediate and meaningful relief to hard-working American families.

DANGERS OF ARSENIC LEVELS IN DRINKING WATER

(Mr. HINCHEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HINCHEY. Mr. Speaker, I want to call to the attention of the Members of the House an issue of great public concern because it affects public health.

In 1997, this Congress directed the Environmental Protection Agency to upgrade standards for arsenic across the country. The standards that we have today have been in effect since 1942. They are 50 parts per billion of arsenic in drinking water. All around the world, countries have raised the standards to 10 parts per billion, because arsenic in drinking water is known to cause cancer of the bladder, the urinary tract, lung cancer, and other ailments.

The backtracking on this rule that took place earlier this week is of great concern to all of us. The Bush administration has announced that it will not follow through on reducing arsenic in drinking water. This is a threat to the health and safety of more than 31 million Americans who now drink water with elevated levels of arsenic. Most of these people live in the southwestern portion of our country.

I call upon the Bush administration and this Congress to stick by the raising of these standards for arsenic in drinking water. This is a matter of grave concern for public health and safety.

WELCOMING COACH RICK PITINO BACK TO KENTUCKY

(Mrs. NORTHUP asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. NORTHUP. Mr. Speaker, when the people around this country think about Louisville, Kentucky, a number of positive images come to mind. We are known as the hometown of sports legends Muhammad Ali, Pee Wee Reese, Denny Crum, and Paul Hornung. We are known as the home of the greatest 2 minutes in sports, the running of the Kentucky Derby. And, of course, we are home to the world-famous Louisville Slugger baseball bat.

Mr. Speaker, another sports legend, Rick Pitino, has returned home to Kentucky, this time as head basketball coach at the University of Louisville. Coach Pitino is no stranger to our State. He led the University of Kentucky Wildcats to a national championship in 1996.

We are thrilled to have Coach Pitino back where he belongs, in the Bluegrass State. No one likes to win basketball games more than Coach Pitino. But more importantly, he will set a great example for our children and young adults, inspiring them to set high goals and then work hard to achieve success.

Coach, welcome back to Kentucky and to the University of Louisville.

URGING CONGRESS TO LIMIT TRASH IMPORTATION

(Mrs. JO ANN DAVIS of Virginia asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, news came last week that the Fresh Kills landfill on Staten Island that has taken municipal waste from New York City is scheduled to be closed in a couple of weeks, a few months ahead of what was expected. Now that Fresh Kills will soon be closing, the problem of municipal waste being hauled interstate becomes all the more acute.

Virginians are certainly not fond of the trash trucks coming down I–95, bringing out-of-state garbage through their communities to dump sites in the State. Not only is the trash unwanted, but the added large-truck traffic has made many local rural roads unsafe.

State legislative efforts to stem this invasion of garbage into the Commonwealth have been frustrated by Federal courts labeling trash as "commerce," and thus subject to only Congress' regulation pursuant to the commerce clause of the Constitution.

This morning I am urging my colleagues in Congress to pass tough legislation that will empower States to limit the amount of trash being brought within their borders. The closing of Fresh Kills makes this legislation all the more urgent, since New York is apparently counting on exporting even more of their trash. Virginians do not want this garbage coming into their communities, and I ask Congress' help in getting action on this problem.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BASS). Pursuant to clause 8, rule XX, the Chair announces that he will postpone further proceedings on today's motion to suspend the rules if a recorded vote or the yeas and nays are ordered, or if the vote is objected to under clause 6 of rule XX.

Any record vote on the postponed question will be taken later today.

PUBLIC SAFETY OFFICER MEDAL OF VALOR ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 802) to authorize the Public Safety Officer Medal of Valor, and for other purposes, as amended.

The Clerk read as follows:

H.R. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Safety Officer Medal of Valor Act of 2001".

SEC. 2. AUTHORIZATION OF MEDAL.

After September 1, 2001, the President may award, and present in the name of Congress, a Medal of Valor of appropriate design, with ribbons and appurtenances, to a public safety officer who is cited by the Attorney General, upon the recommendation of the Medal of Valor Review Board, for extraordinary valor above and beyond the call of duty. The Public Safety Medal of Valor shall be the highest national award for valor by a public safety officer.

SEC. 3. MEDAL OF VALOR BOARD.

(a) ESTABLISHMENT OF BOARD.—There is established a Medal of Valor Review Board (hereinafter in this Act referred to as the "Board"), which shall be composed of 11 members appointed in accordance with subsection (b) and shall conduct its business in accordance with this Act.

(b) MEMBERSHIP.—

(1) MEMBERS.—The members of the Board shall be individuals with knowledge or expertise, whether by experience or training, in the field of public safety, of which—

(A) two shall be appointed by the majority leader of the Senate;

(B) two shall be appointed by the minority leader of the Senate;

(C) two shall be appointed by the Speaker of the House of Representatives;

(D) two shall be appointed by the minority leader of the House of Representatives; and

(E) three shall be appointed by the President, including one with experience in firefighting, one with experience in law enforcement, and one with experience in emergency services.

(2) TERM.—The term of a Board member shall be 4 years.

(3) VACANCIES.—Any vacancy in the membership of the Board shall not affect the powers of the Board and shall be filled in the same manner as the original appointment.

(4) OPERATION OF THE BOARD.—

(A) CHAIRMAN.—The Chairman of the Board shall be elected by the members of the Board from among the members of the Board.

(B) MEETINGS.—The Board shall conduct its first meeting not later than 90 days after the appointment of the last member appointed of the initial group of members appointed to the Board. Thereafter, the Board shall meet at the call of the Chairman of the Board. The Board shall meet not less often than twice each year.

(C) VOTING AND RULES.—A majority of the members shall constitute a quorum to conduct business, but the Board may establish a lesser quorum for conducting hearings scheduled by the Board. The Board may establish by majority vote any other rules for the conduct of the Board's business, if such rules are not inconsistent with this Act or other applicable law.

(c) DUTIES.—The Board shall select candidates as recipients of the Medal of Valor from among those applications received by the National Medal of Valor Office. Not more often than once each year, the Board shall present to the Attorney General the name or names of those it recommends as Medal of Valor recipients. In a given year, the Board shall not be required to select any recipients but may not select more than 5 recipients. The Attorney General may in extraordinary cases increase the number of recipients in a given year. The Board shall set an annual timetable for fulfilling its duties under this Act.

(d) HEARINGS.—

(1) IN GENERAL.—The Board may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, and receive such evidence as the Board considers advisable to carry out its duties.

(2) WITNESS EXPENSES.—Witnesses requested to appear before the Board may be paid the same fees as are paid to witnesses under section 1821 of title 28, United States Code. The per diem and mileage allowances for witnesses shall be paid from funds appropriated to the Board.

(e) INFORMATION FROM FEDERAL AGENCIES.—The Board may secure directly from any Federal department or agency such information as the Board considers necessary to carry out its duties. Upon the request of the Board, the head of such department or agency may furnish such information to the Board.

(f) INFORMATION TO BE KEPT CONFIDENTIAL.—The Board shall not disclose any information which may compromise an ongoing law enforcement investigation or is otherwise required by law to be kept confidential.

SEC. 4. BOARD PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—(1) Except as provided in paragraph (2), each member of the Board shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Board.

(2) All members of the Board who serve as officers or employees of the United States, a State, or a local government, shall serve without compensation in addition to that received for those services.

(b) TRAVEL EXPENSES.—The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of service for the Board.

SEC. 5. DEFINITIONS.

In this Act:

(1) PUBLIC SAFETY OFFICER.—The term "public safety officer" means a person serving a public agency, with or without compensation, as a firefighter, law enforcement officer, or emergency services officer, as determined by the Attorney General. For the purposes of this paragraph, the term "law enforcement officer" includes a person who is a corrections or court officer or a civil defense officer.

(2) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Attorney General such sums as may be necessary to carry out this Act.

SEC. 7. NATIONAL MEDAL OF VALOR OFFICE.

There is established within the Department of Justice a National Medal of Valor Office. The Office shall provide staff support to the Board to establish criteria and procedures for the submission of recommendations of nominees for the Medal of Valor and for the final design of the Medal of Valor.

SEC. 8. CONFORMING REPEAL.

Section 15 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2214) is amended—

(1) by striking subsection (a) and inserting the following new subsection (a):

"(a) ESTABLISHMENT.—There is hereby established an honorary award for the recognition of outstanding and distinguished service by public safety officers to be known as the Director's Award For Distinguished Public Safety Service ('Director's Award').";

(2) in subsection (b)—

(A) by striking paragraph (1); and

(B) by striking "(2)";

(3) by striking subsections (c) and (d) and redesignating subsections (e), (f), and (g) as subsections (c), (d), and (e), respectively; and

(4) in subsection (c), as so redesignated—

(A) by striking paragraph (1); and

(B) by striking "(2)".

SEC. 9. CONSULTATION REQUIREMENT.

The Board shall consult with the Institute of Heraldry within the Department of Defense regarding the design and artistry of the Medal of Valor. The Board may also consider suggestions received by the Department of Justice regarding the design of the medal, including those made by persons not employed by the Department.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 802.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 802, the Public Safety Officer Medal of Valor Act of 2001, was introduced by the gentleman from Texas (Mr. SMITH), chairman of the Subcommittee on Crime, together with the gentleman from Virginia (Mr. SCOTT), the ranking minority member of the Subcommittee on Crime.

This bill establishes a National Medal of Valor to be awarded each year by the President in the name of Congress to public safety officers who have displayed the highest degree of valor in the performance of their duties.

The bill is substantially similar to H.R. 802, introduced in the 106th and 105th Congresses. In the 106th Congress, the Committee on the Judiciary reported H.R. 46 by voice vote, and the bill passed the House by a recorded vote of 412 to 2. In the 105th Congress, the committee reported H.R. 4090 by voice vote, and the House passed the bill by voice vote as well. Unfortunately, neither bill became law. H.R. 802 presently before us was ordered favorably reported by voice vote out of the Committee on the Judiciary on March 8.

Mr. Speaker, many countries award a national medal to public safety officers for heroism in the line of duty. Unfortunately, the United States does not. This bill would rectify that shortcoming. I believe it fitting and proper that our Nation honor those public safety officers who demonstrate the highest forms of heroism and valor in the course of their duties. I urge all of my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to join my colleagues in support of H.R. 802. I am a cosponsor of the bill, along with many other members of the Committee on the Judiciary. This bill would establish a public safety officer Medal of Valor to be awarded periodically to selected public safety officers for "extraordinary valor above and beyond the call of duty."

It provides for the Department of Justice to solicit, to review, and to screen nominations from the law enforcement community for the award. Final decisions on the award would be made by the board, to be appointed by the President and bipartisan congressional leadership.

The Public Safety Medal of Honor will be the highest national award for valor by a public safety officer. This bill will not only allow members of the public safety community to recognize extraordinary heroism within the profession, but will establish a mechanism giving that heroism the public recognition it deserves.

I urge Members to vote for the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. Mr. Speaker, I thank the chairman of the Committee on the Judiciary for yielding me time.

Mr. Speaker, many countries recognize their public safety officers with a national medal. In the United States, many State and local governments recognize extraordinary act of heroism by their public safety officers. At the Federal level, however, there is no national medal that may be awarded to public safety officers, regardless of which level of government employs them.

Mr. Speaker, this bill will establish a medal to be given by the President to a public safety officer who has displayed extraordinary valor above and beyond the call of duty. The Attorney General will select the recipients of the medal, and no more than five medals may be awarded in any given year.

Mr. Speaker, I am pleased that the Fraternal Order of Police, the National Troopers Coalition, the International Brotherhood of Police Officers, and the Federal Law Enforcement Officers Association, among others, support this legislation. I urge my colleagues to support it as well.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an excellent award. The public safety officers to be considered will be fire fighters, law enforcement officers, and emergency service officers as determined by the Attorney General. This award is an extremely important award. I urge Members to support the legislation.

Mr. BACA. Mr. Speaker, I rise in support of H.R. 802, the Public Safety Officer Medal of Valor Act. It is appropriate that the President award a medal to a law enforcement officer who has performed with bravery beyond the call of duty.

Our public safety officers put their lives on the line each and every day, performing acts of selfless heroism.

For this reason I was proud to sponsor legislation last year, which I am reintroducing this year, to provide low-cost housing to public safety workers in our communities.

The families of police officers live in fear of a knock at the door, the cap carried silently in hand, as they are informed that an officer has paid a lasting price, made the ultimate sacrifice.

Our men and women of law enforcement know of this very real possibility, and yet they strive to be the very best at protecting the public. As a husband, father, and grandfather, I am thankful that our law enforcement officers are there to keep our streets safe.

I am grateful that if a home burns, our firefighters will selflessly speed to the scene, rescuing the injured, the trapped, the elderly, the infirm.

Our emergency personnel, who administer CPR, drive ambulances, and handle our medical emergencies are also to be saluted for all of their sacrifices.

This bill is a fitting salute to members of law enforcement, and it deserves our strong support.

Mr. HOYER. Mr. Speaker, I rise today in strong support of H.R. 802. This important piece of legislation will authorize our President to award the Medal of Valor to an outstanding public safety officer who has demonstrated valor above and beyond the call of duty. The Medal of Valor, which would be awarded to an outstanding firefighter, law enforcement official or emergency service provider, will shed a positive spotlight on professionals who risk their lives so that we can have a civil and safe society. Their achievements also are a reminder of the many ways in which public safety professionals are making our communities safer and better places to live every day.

Mr. Speaker, each day the brave men and women in the areas of public safety serve every neighborhood, city, and state without looking for any recognition or awards. Although serving the public can be a thankless existence at times, I believe the time is long overdue to recognize and celebrate the achievements of our public safety officers. As the Co-Chair of the Congressional Fire Services Caucus and an active member of the Law Enforcement Caucus, I have the privilege of working with these modern-day heroes and heroines on issues that will ultimately assist them in making each and everyone of our communities a better place to live.

Mr. Speaker, I urge all of my colleagues to send a strong message to our public safety officers by supporting this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 802, Public

Safety Officer Medal of Valor. I am pleased that this legislation has moved through the Congress on an expedited process. I have strongly supported similar legislation in the past and I am proud to do so again.

H.R. 802 would establish a Public Safety Officer Medal of Valor to be awarded periodically to a selected public safety officer "for extraordinary valor above and beyond the call of duty." The bill provides for the Department of Justice to solicit, review and screen nominations for the award. Final decisions on the award would be made by the board to be appointed by the President and both parties' congressional leadership.

This bill would also possibly honor many fallen heroes of the Houston Police Department who were killed in the line of duty while protecting society. Officer like Troy Alan Blando assigned to the auto theft division, who was killed on May 19, 1999 when he was attempting to arrest a suspect driving a stolen Lexus. The suspect fired a 40 caliber Glock, striking Officer Blando once in the chest. Officer Blando made it back to his vehicle and radioed for back-up, giving other units his location and a description of the suspect. Officers arrived on the scene within seconds and arrested the fleeing suspect. Offer Blando died in route to Ben Taub Hospital. Officer Blando was a 19 year veteran of the Houston Police Department.

Officer K.D. Kinkaid was killed on May 23, 1998 while he was off duty and driving in his truck with his wife. As they drove past an oncoming vehicle, an object struck the windshield of the truck. Officer Kinkaid turned around and followed the other vehicle. The other vehicle stopped and Officer Kinkaid exited his truck and approached the driver's side. Officer Kinkaid identified himself as a police officer and proceeded to question the suspects in the vehicle. One of the suspects shot Officer Kinkaid and they fled the scene in the vehicle. Officer Kinkaid died from the gunshot wound a few days later.

Officer C.H. Trinh died on April 6, 1997 while working at his parents' convenience store when a man walked in and attempted to rob him. Officer Trinh was shot in the head and died at the scene. The suspect who was later caught, confessed to the killing, telling police he had entered the store with a handgun and jumped the counter. He stated that after taking some of Officer Trinh's jewelry, Tong demanded his wallet. When he saw Officer Trinh's police badge he got scared and shot the officer.

Officer D.S. Erickson was killed on December 24, 1995 while she was working an extra job directing traffic outside a local church on Christmas Eve. She was struck by a passing vehicle. She was transported to the hospital but died during surgery.

Officer G.P. Gaddis was murdered on January 31, 1994 by one of two suspects he was transporting to jail for aggravated robbery. Both suspects had been searched and handcuffed behind their backs prior to being placed in the back seat of the patrol car. One of the suspects wiggled his hands, still cuffed, to his front, and retrieved a .380 hidden on his person. He then shot Officer Gaddis in the back of the head as he was driving down the road. The patrol car crashed into a house and the suspect escaped from the wrecked car, but was arrested a short distance away from the scene.

These are some of the sorrowing stories of officers who have lost their lives in my home city of Houston. Presently, 95 police officers from the Houston Police Department have been killed in the line of duty.

H.R. 802 is an important initiative because there are many officers that act heroically everyday but never receive their due credit. They must be recognized for their invaluable service because they accomplish so much for communities throughout the nation. These are important issues of substantial concern. For this reason, H.R. 802 has garnered bipartisan support by my colleagues.

In the 106th Congress, a similar bill, H.R. 46, was marked up on March 24, 1999 in the Subcommittee on Crime of the Judiciary Committee. The bill was marked up by the Full Committee and was ordered to be reported by voice vote. The bill passed in the House and was later added into an omnibus Senate bill with several controversial provisions. While changes were made by the Senate to address objectionable parts of the bill so that it could be taken up in the House by unanimous consent, it was not brought before the House adjournment sine die. That was, obviously, unfortunate and can be rectified today.

I urge my colleagues to support the legislation.

Mr. SCOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 802, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENTS TO CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002

Mr. Speaker, the Committee on Rules is planning to meet the week of March 26 to grant a rule which will limit the amendment process for floor consideration of the concurrent resolution on the budget for fiscal year 2002.

The Committee on the Budget ordered the budget resolution reported on March 21 and is expected to file its committee report late tomorrow.

Any Member wishing to offer an amendment should submit five copies and a brief explanation of the amendment to the Committee on Rules in room H–312 of the Capitol by 6 p.m. on Monday, March 26. The text of the concurrent resolution is available at the Committee on the Budget and on that committee's Web site.

As in past years, the Committee on Rules intends to give priority to amendments offered as complete substitutes.

Members should use the Office of Legislative Counsel and the Congressional Budget Office to ensure their substitute amendments are properly drafted and scored, and should check with the Office of the Parliamentarian to be certain that their substitute amendments comply with the rules of the House.

PROVIDING FOR CONSIDERATION OF H.R. 247, TORNADO SHELTERS ACT

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 93 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 93

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 247) to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 pursuant to clause 8 of rule XVIII. That amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1030

The SPEAKER pro tempore (Mr. BASS). The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 93 is an open rule providing for the consideration of H.R. 247, the Tornado Shelters Act. The rule provides 1 hour of general debate, evenly divided and controlled by the chairman and the ranking minority member of the Committee on Financial Services.

The rule provides that it shall be in order to consider as an original bill for the purpose of amendment the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1.

The rule further provides that the amendment in the nature of a substitute shall be open for amendment at any point.

Finally, the rule allows the Chairman of the Committee of the Whole to accord priority and recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD, and provides one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 247 amends the Housing and Community Development Act of 1974 to authorize communities to use Community Development Block Grant funds for construction of tornado-safe shelters in manufactured home parks. As my colleagues may remember, a deadly tornado just before Christmas took the lives of a dozen people in Alabama and to help prevent similar tragedies, the gentleman from Alabama (Mr. BACHUS) introduced this legislation earlier this year.

Tornadoes occur in many parts of the world, and these destructive forces of nature are found most frequently during the spring and summer months. With spring starting this week, I think that it is appropriate for the House at this time to be considering legislation that could help mitigate in the future further wind storms in areas that seem to be hardest hit.

According to FEMA, the Federal Emergency Management Agency, in an average year, 800 tornadoes are reported nationwide, resulting in 80 deaths and over 1,500 injuries.

Hurricanes and tornadoes both have in common very high winds and obviously associated damage. From Hurricane Andrew we in south Florida learned about the vulnerability of housing construction with roofs and windows and doors being particularly important areas to check for weaknesses.

Mobile home parks are particularly susceptible to damage from high winds, even if precautions have been taken to tie down the units. I am hopeful that this important legislation, the Tornado Shelters Act, will help address these problems.

Mr. Speaker, I think we all owe a debt of gratitude to the gentleman from Alabama (Mr. BACHUS) for his leadership on this issue. I urge my colleagues to support both this open rule, as well as the underlying bill, Mr. Speaker; and I look forward to debate and passage of this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume. I want to thank the gentleman from Florida (Mr. DIAZ-BALART) for yielding me this time.

Mr. Speaker, this is an open rule. It will allow for the consideration of H.R. 247, which is called the Tornado Shelter Act. As my colleague from Florida has described, this rule will provide 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. The rule permits amendments under the 5-minute rule. This is the normal amending process in the House. All Members on both sides of the aisle will have an opportunity to offer germane amendments.

Tornadoes represent the most furious side of nature. They cause enormous loss of life and destruction of property every year. Unfortunately, my own community of southwest Ohio has seen some of the worst tornadoes in recent years. In April of 1974, a devastating tornado killed 33 people in Xenia, Ohio, just outside my district; and the tornado destroyed a quarter of the homes in that city. The city was struck again by tornadoes in 1989 and 2000.

According to the Federal Emergency Management Agency, mobile homes are particularly vulnerable to a tornado's destructive power, because they can be overturned so easily by high winds; and I am sure there is close to a consensus among Members of the House that the Federal Government should provide assistance to those who are in the greatest danger from tornadoes. That is the thought behind this bill which would permit the Federal community development block grants to be used to construct or maintain tornado shelters in mobile home parks.

Though the bill has worthy goals, I do object to the process used to bring this bill to the floor. It did not go through committee, there were no hearings, there was no committee report. There was minimum notice given to the Members that the bill would be considered, and I do not think that is good legislating. We have a process to help us understand legislation and its consequences. We have a process to ensure that Members on both sides of the aisle who have questions or concerns about the bill are treated fairly, and that process was not followed.

During Committee on Rules consideration, the gentleman from Massachusetts (Mr. FRANK) raised questions about the bill. I think this is a good bill; however, I would be a lot more confident in supporting it if I knew that it was fully examined through the committee process, and that questions like the ones asked by the gentleman from Massachusetts (Mr. FRANK) had already been answered before the bill came to the House Floor.

Mr. Speaker, I reserve the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. LAFALCE).

MOTION TO ADJOURN

Mr. LAFALCE. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from New York (Mr. LAFALCE).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. LAFALCE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 71, nays 336, not voting 25, as follows:

[Roll No. 56]

YEAS—71

Allen
Andrews
Baird
Baldacci
Berkley
Berry
Bonior
Capps
Capuano
Carson (IN)
Carson (OK)
Clay
Clayton
Clyburn
Condit
Conyers
Coyne
Crowley
DeFazio
Delahunt
Filner
Frank
Gephardt
Gonzalez
Gutierrez
Hall (OH)
Hastings (FL)
Hill
Hilliard
Inslee
Israel
Jackson-Lee (TX)
Jefferson
Kanjorski
Kennedy (RI)
Kilpatrick
LaFalce
Lampson
Langevin
Lee
Lewis (GA)
Lowey
Matsui
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Miller, George
Mink
Nadler
Neal
Oberstar
Obey
Olver
Payne
Pelosi
Peterson (MN)
Price (NC)
Roybal-Allard
Sandlin
Schakowsky
Slaughter
Stark
Stupak
Tauscher
Towns
Udall (CO)
Waters
Weiner
Woolsey

NAYS—336

Abercrombie
Aderholt
Akin
Armey
Baca
Bachus
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berman
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Cardin
Castle
Chabot
Chambliss
Clement
Coble
Collins
Combest
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Flake
Fletcher
Foley
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
Kildee
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McKeon
McKinney
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Paul
Pence
Peterson (PA)
Petri
Phelps
Pitts
Platts
Pombo
Pomeroy
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sawyer
Saxton
Schaffer
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Traficant
Turner
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—25

Ackerman
Becerra
Brown (FL)
Cannon
Dooley
Doyle
Edwards
Gekas
Gordon
Johnson, E.B.
Jones (OH)
Moakley
Morella
Owens
Pickering
Portman
Putnam
Rothman
Sanders
Scarborough
Scott
Shays
Sisisky
Toomey
Wexler

☐ 1103

Messrs. GRUCCI, TERRY, BILIRAKIS, AKIN, CAMP, BONILLA, STUMP, JOHN, BRADY of Texas, TOM DAVIS of Virginia, PAUL, and ROSS changed their vote from "yea" to "nay."

Messrs. MATSUI, CROWLEY, and INSLEE changed their vote from "nay" to "yea."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PROVIDING FOR CONSIDERATION OF H.R. 247, TORNADO SHELTERS ACT

Mr. DIAZ-BALART. Mr. Speaker, we have no further speakers at this time on this open rule.

I ask the distinguished gentleman from Ohio (Mr. HALL) how many speakers he has remaining.

Mr. HALL of Ohio. Mr. Speaker, we have three speakers on this side.

Mr. DIAZ-BALART. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 6 minutes to the gentleman from New York (Mr. LAFALCE).

Mr. LAFALCE. Mr. Speaker, one of the greatest features of a deliberative body is adherence to the ordinary process unless there are extraordinary reasons. We have a process for the consideration of legislation. We have committees. We have subcommittees. We have hearings.

We have rules that a subcommittee should have a hearing and report a bill out or the committee should have the hearing; but in all events, committees should report a bill out. That is so that bills can be considered, deliberated, different people could be heard from whose perspectives one might never anticipate so that amendments could be offered to deal with difficulties that are perceived only during that process.

Now, I am not saying that that must be an ironclad process at all times. I am not saying that there cannot be exceptions because of exceptional circumstances.

But on this particular bill, the first I heard of it was last week when it was scheduled without my knowledge whatsoever for the Suspension Calendar. I communicated with Members of the leadership on the committee; and I said, Look, we cannot do this. We have not had any hearings whatsoever. We have not had any discussion. Let us pull the bill off, let us have some opportunity to discuss it, and we can take it up in a few weeks or so, unless there is some compelling reason, some compelling urgency.

That was my understanding of what the process was going to be. I was flabbergasted when I found out this week that it was still coming to the floor of the House without hearings, without committee deliberation, without the ability to offer amendments, but most of all, without any consultation with either me or the gentleman from Massachusetts (Mr. FRANK), the ranking member of the relevant subcommittee.

That means something. That means no respect either. That means no collegiality. That is not the way for the new Committee on Financial Services to start out this Congress. That is not the best way to bring up the first bill from the Committee on Financial Services, as if the minority Members, the Democrats, do not exist; and if they do exist, their rights are nonexistent.

It is not the bill so much, but it is this very offensive process. I do not want to unduly delay the deliberations of the body today. I am sensitive to the personal needs and times of the Members. But somehow we must be able to make this point. We do not want this to happen again. We want collegiality. We want bipartisanship. We have experienced it in the past. We expect it as Members of this body.

Now, with respect to the particular bill, it has a laudable goal; and I hope that I can wind up supporting it. I would like to. I have nothing but the highest regard for the sponsor of the bill. We have worked together on so many different causes over the years, particularly Third World debt. But, I really do not know the urgency. I suspect the Senate is not going to consider this until September. I could be wrong. But that means we do have some latitude of time.

Further, this deals with an amendment to the Community Development Block Grant program. Now, if we are going to deal with an amendment to the Community Development Block Grant program, I think that there are a number of things that we should consider.

First of all, if we are only going to make eligible shelters for tornados and storms, there is some technical issues that should have been considered not on the floor of the House, but in subcommittee. For example, should we really give public monies to private for-profit entities to use? That is a serious issue. We ought to talk about that, deliberate about it.

Secondly, if we are going to use community development moneys, should we have income-targeting provisions? That is a serious issue that should have been dealt with in subcommittee rather than taking up the time of the floor.

Third, should there be a nonexclusivity clause with respect to the use of the shelters? By that, I mean should the shelter be open to the public, because a good many of these shelters would not be.

There are a host of other issues, too, that should have been brought up in connection with this bill.

So I just want the minority Members to understand, I do not want to make the biggest case in the world out of this, but all Democrats, despite the fact that we are in the minority, demand respect. Respect means that one must recognize and maintain our rights rather than trample on them. This should not happen again.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I assure our friends on the other side of the aisle that we mean no disrespect; that, quite on the contrary, we have great respect for their points of view as well as the fine work that they do on a daily basis.

We take note of the comments made by the distinguished gentleman from New York (Mr. LAFALCE). All legislative bodies must balance, must balance a series of factors; and one factor, one such factor that is balanced in the equation is the need to proceed with important legislation. It is that factor that in our view outweighed other factors and today made us proceed, made the Committee on Rules come to the decision to proceed.

Now, the gentleman from Alabama (Mr. BACHUS) has worked long and hard, and I was pleased to see that the gentleman from New York (Mr. LAFALCE) recognized and commended his leadership as well on this issue of public safety. That is why we believe that it is important to move forward.

In addition, we have, Mr. Speaker, another guarantee built in so that the minority will be respected in this process, cognizant as we are of the arguments made by the gentleman from New York (Mr. LAFALCE); and that is that the rule that we have brought forward is an open rule so that at least at this stage, the stage of the plenary consideration of the legislation, any Member can introduce and have considered any amendment to improve this important legislation.

So in that sense, we feel that, having taken notice of the comments made by the distinguished gentleman from New York (Mr. LAFALCE), we nonetheless are providing a mechanism and a vehicle for and of intrinsic fairness, which is the vehicle of an open rule and which I think that all of the Members should support as the goal for the functioning of this House whenever possible.

Mr. Speaker, I reserve the balance of my time.

□ 1115

Mr. HALL of Ohio. Mr. Speaker, I yield 4 minutes to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Speaker, I rise in strong opposition to the proposed rule here today, and I hope that Congress is listening because if you listen very carefully, you will find out that you do not like this resolution, and you do not like this bill, and this is not the way the House should be operating and each of you should be aware of it.

Mr. Speaker, why are we ignoring the regular order? Why is it so important that it is brought to the floor without having the scrutiny of anyone. Tell me why. Is it urgent or is it an attempt to confuse or snooker? Is it an attempt to bring something to the floor that is needed by someone, and someone that will perhaps benefit from this piece of legislation? It looks like a relief act to me for somebody. Please look at this piece of legislation; and when you look at it, you will not like it because what it is doing is bringing to the floor a bill that would make a significant change in the Community Development Block Grant program.

Mr. Speaker, every time a bill like this comes to the floor, I come forward to speak against it because it is just another way of using the Community Development Block Grant funds to subvert general revenue funds and funds that should be used from that particular area.

All of us know that we can improve our bills more by sending them to committee. The gentleman spoke about an open rule. An open rule is fine, but it does not give the kind of substantive look and scrutiny that a committee can give, and we have a very strong committee to look at this.

President Bush talked about bipartisanship, and just a few weeks ago we went on a retreat where we talked about bipartisanship and respect. We talked about comity. You know what this particular process that they are using does, it undermines the bipartisan way we do things. It undermines the respect we have for each other. It undermines every tenet of bipartisanship.

Mr. Speaker, there are several issues raised by the bill which I disagree with, but the committee has not had a chance to look at it. If we adopt this proposed rule and consider this bill, you could fund tornado shelters at mobile home sites which do not even have low-income or moderate-income residents.

You could take that money and help some of the low- and moderate-people in your community build homes or get jobs, but if you do this, which is within the law, you could do this, but if you did it, you would be taking the funds away from people who really need it.

Secondly, if you do this, some contractor or developer could build these shelters around their property using government funds; and when this is all over, that shelter belongs to that developer or property owner; and when someone in your district who might need a home, a moderate-income person, and you know how hard it is to get affordable housing in this country, you know how hard it is to get a house.

Mr. Speaker, nonetheless, I would have a hard time supporting this particular rule, and the bill as well, because I feel very deeply about the Community Development Block Grant program, and I have seen several runs on these funds. Each of you who have a pet project that you want, you come to the floor and make a run on the Community Development Block Grant funds. This was really a very bad way of doing it, and I think you should rethink this and go back to the bill and let them look at it. Go back to the committee and let them look at what you are trying to do.

Mr. Speaker, Congress intended for these funds to be used for a distinct purpose. It did not mean for you to come to the floor with an emergency all of a sudden, look, here is a pile of money, let us use this for that emergency. Congress intended for you to take these moneys and help low- and moderate-income people. So this is inconsistent. It is very inconsistent with the core principle of Community Development Block Grant funds.

Mr. Speaker, I thank you, but I hope my colleagues who brought this to the floor will reconsider it because it does not lead to the kind of thing that we preach here in the Congress.

Mr. DIAZ-BALART. Mr. Speaker, may I inquire of the time remaining?

The SPEAKER pro tempore (Mr. BASS). The gentleman from Florida (Mr. DIAZ-BALART) has 23 minutes remaining; and the gentleman from Ohio (Mr. HALL) has 17 minutes remaining.

Mr. DIAZ-BALART. Mr. Speaker, I yield 7 minutes to the gentleman from Alabama (Mr. BACHUS), the author of this important legislation.

Mr. BACHUS. Mr. Speaker, I think we have been asked a fair question here. Is this an attempt to snooker? Is this an attempt to deceive? No, it is an attempt to do neither. It is an attempt to save lives. It is an attempt to quit treating people who live in mobile home parks as second-class citizens under the HUD regulations.

The program director at HUD for shelter programs, for storm mitigation, is the one that suggested this language to us. My county, which was hit by a tornado, 12 people, 10 of them in a mobile home, and during the main debate on the floor I will show you a picture of one of the young victims. She was alive being carried from her manufactured home. Her father and her 16-month-old baby were not as fortunate. They died.

Mr. Speaker, when the county approached the government and asked for Community Development Block Grant funds, they were told that mobile home sites do not qualify. Clearly that is what this legislation does.

Mr. Speaker, never consulted we are told. In fact, the committee had extensive talks with committee staff on the other side. I talked to one Democratic staffer myself. He asked, Do we need this. I told him what our answer had been. He called the program director. He got the same answer. He called me back and said, You are right.

Currently manufactured housing communities, mobile homes, are excluded from these grants. Low-income site-built homes qualify. Apartment buildings qualify. And not only that, but a $500,000 site-built home, permanent home, qualifies for a grant from FEMA to build a safe room, but a mobile home does not qualify for a safe room because it does not have an interior hall, it does not have a room that does not have a window facing the outside. These shelters are, in certain cases, as the gentlewoman from Florida has said, going to be sited on mobile home parks; and the owners of those parks are going to be making money. It is a for-profit mobile home park. But I can tell my colleague that though it is going to turn a profit for the mobile home park operator, it is going to be a safe shelter in a storm for the people that live in those mobile homes, and this arcane argument is not going to sell with them.

Let me tell my colleagues something. This is an idea whose time has come. I have talked to at least 100 mobile home residents since this bill has received the endorsement of every major paper in Alabama, and they tell me about getting a warning that in 25 or 30 minutes a tornado is going to bear down on their home and they plot it there and they watch the TV as it bears down on them, as people say get in the basement, get inside, get in an interior hallway if you do not have a basement, and yet they have to sit there and listen to the warning and not heed that warning.

This is not my idea. This is the idea of a county that lost 12 people. It was their idea. They came to me. They went to the Federal Government. So did a community in Missouri. Both those communities were told they did not qualify.

Now, it will not be my decision and it will not be the decision of the gentlewoman from Florida as to whether this money will be spent. It will be the local community. There are no mandates; there are no restrictions. The local community, a city, a county, can go to a mobile home park and they can build a shelter, which may be beside or between two or three. In fact, both the gentlewoman from Florida and I would agree when we say mobile home park operators, sometimes we are talking about a widow who has seven trailers on an acre lot and who wants to build a shelter for 15 people there.

Now, the fatality that I will show my colleagues, the so-called mobile home park this little girl was, was a half acre lot with four trailers on it owned by a relative. We believe that the little girl, and her brother and father, the two which are dead right now, we believe they ought to have the same right as someone living in a $400,000 house to go to the government and get assistance for shelter. Anyone today can qualify for a safe room in their house. They can get $2,000 to reinforce a room. But mobile home residents cannot.

Tornadoes do not make distinctions between site-built homes and manufactured homes. Neither should we. And this is of the essence. It is of the essence because I lost 41 citizens to a tornado 3 years ago and I lost 12 this past fall and it is past time.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Speaker, I am disappointed that the gentleman from Alabama would suggest that we were trying to delay this. The majority has been in control of this Congress last year; this year. This could have been brought to our subcommittee and our committee at any time. No one is trying to delay this. The suggestion that the orderly process of subcommittee and committee is somehow a delay is nonsense.

Let us talk about why this bill is really up today. We ought to keep to an unavoidable minimum the times when people say things that are unlikely to be believed. We are not here because we expect a tornado tomorrow. If in fact this was important, we could have had the hearing last week, 2 weeks ago. This bill could have been on the floor today after a subcommittee and committee process.

We offered that to the gentleman from Alabama. Indeed, to his credit when I talked to him on Monday and said we just have a couple of questions about the bill, he said, let us pull it. But he was overruled by his leadership. Why? Because last night the Republican schedule called for the budget to be voted out, and today the Republican schedule calls for a vote on taxes. Now, we are not working very hard on anything that is not part of the President's agenda. Apparently, we are on the limited attention span approach. The people can only keep track of one or two things at a time, so let us only do one or two things at a time.

The problem is that when we finished this hard- working Congress' business yesterday, at about noon, maybe it was 1 o'clock, I should not exaggerate, Members would have left. There was nothing to keep them for the week. And the Republican leadership was afraid they would not have the quorum they needed to put through the budget last night and to put through the tax bill today. So that is why this bill is on the floor today and everybody knows that, despite what they say.

Of course, it is important for us to provide help, but there is another issue I want to raise. If it so important to provide help, as I believe it is to these people living in the mobile home parks, why are we doing it without adding a penny to the pot from which it comes? That is part of the problem the gentlewoman from Florida and I have. We are expanding more and more the purposes of CDBG while providing CDBG with less and less. The whole Community Development Block Grant money now, thanks to the other party, has less money in its authorization and appropriation than it had years ago.

I would love to do this, but I would like to do it with an expansion of the money so that protecting these people who ought to be protected does not come at the expense of other important purposes.

And then there is one substantive question. This bill does not just say cover manufactured housing, which is a very important resource for low-income people in order to be better protected than they are, it says that the entity getting the Federal funds can give them to a for-profit entity, who presumably could then own the shelter.

□ 1130

The gentleman from Alabama conjured up the favorite device here, the ubiquitous poor widow. I sometimes think that poor widows must own about 97 percent of America, given the frequency with which they are the justification for various grants of money to private owners.

If in fact we are talking about providing special assistance to lower income owners, let us put that in the bill. That is why you have subcommittees. That is why you have committees. That is why you legislate. But, as I read this bill, nothing would prevent a community from helping to build a shelter for a wealthy owner of second-home manufactured housing which could then be part of that property and sold. Maybe I am wrong, and maybe that is not the case. I do not know that because we have not had a chance to discuss it in the kind of forum we ought to have. That is the issue here.

For scheduling purposes, the Republican leadership took a bill that should not have been controversial, that has got a very laudable goal, as the gentleman from Alabama points out, and that could have been refined in subcommittee and committee.

I have to say one other thing that bothers me and the gentlewoman from Florida and the gentleman from New York. They would not do this to a banking bill. They would not do this to the securities industry. Community Development Block Grants is a disfavored program under this congressional regime. It is about poor people's needs, and poor people's needs are not often given that same consideration.

It is not an accident that the committee that used to be the Committee on Banking and Urban Affairs is now just the Committee on Financial Services. Not only did the title disappear but so did some of the concerns. We have real concerns about the ability of the CDBG program to meet all of its needs. When you continually add in new functions and do not give it any money but in fact reduce money, you cause stresses.

The goal of providing shelters for people in manufactured housing is wholly noncontroversial, and we would be glad to work on it. We would have been glad to work on it a month ago. This bill could have been brought up before that. We had a hearing in the subcommittee on the FHA. It was a very good hearing that the Chair called. I was glad that she did. But we could have used that time for this.

I should say, by the way, it does not occur to me that this decision was made anywhere but at the Republican leadership. I do not think we have an intracommittee problem here. We have a problem that the Republican leadership had a need to keep the Members here. They could not ground the planes and they could not force people to stay, so they put a bill on the floor. That is our method of house arrest. That is what we have got. It is a shame that this bill is being used for that purpose.

Mr. DIAZ-BALART. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, this is obviously not an issue simply for Alabama and Florida. I want to say that, believe it or not, we had tornadoes in southern California 2 years ago where the roofs came off of parks in one of my cities, Paramount, where there is any number of parks there where people have moved out of their homes and lived in a much smaller level than they did when they were in those homes. But their houses are now gone.

This can happen in any particular State in this Union. Rather than argue over subcommittee, full committee and all that, it seems to me we are big enough to solve it in this Chamber. Those are simply tools of the House on some things. This is very clear, the use of Community Development Block Grant funds for construction of tornado-safe shelters in manufactured home parks. That is what a lot of home parks are nowadays. I think a lot of us in this Chamber have fought for the rights of people in those parks.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank the gentleman from Florida for his kindness at the beginning of the debate in taking some time. We were surprised how fast this came up for a debate. He gave us some time to get over here and be prepared. We thank him very much.

They have heard our concerns. They are credible. We hope that they listened to them. We do not like to have our rights trampled upon.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

I would like to thank the gentleman from Ohio for his kindness and, quite frankly, all of our friends on the other side of the aisle who have brought forth concerns which we note. But, as I stated before, in the balancing of interests before the Congress and in fact when we are dealing with the most instantly devastating natural disaster conceivable, we have brought forth in a very rapid fashion legislation to the floor of this House with an open rule that will save lives.

So for that fundamental reason, this legislation, which is a local option legislation, which does not force local communities to do anything but does provide the option for local communities to take steps to save lives, we believe that it is important to bring it forth. We believe that it is important to bring it forth rapidly, and in rapid fashion we are dealing with the most dangerous, instantly devastating natural disaster, which is the tornado.

I thank the gentleman from Alabama (Mr. BACHUS) once again for his leadership on this issue.

I would urge all of my colleagues to support not only the underlying legislation,but the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. BASS). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DIAZ-BALART. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will reduce to 5 minutes the time for electronic voting on motions to suspend the rules on H.R. 1099 and H.R. 802 following the vote on House Resolution 93.

The vote was taken by electronic device, and there were—yeas 246, nays 169, not voting 17, as follows:

[Roll No. 57]

YEAS—246

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bereuter
Berry
Biggert
Bilirakis
Boehlert
Boehner
Bonilla
Bono
Boswell
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Cardin
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dicks
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Eshoo
Everett
Ferguson
Flake
Fletcher
Foley
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoeffel
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Manzullo
Matheson
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McKeon
McKinney
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Saxton
Schaffer
Schiff
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stearns
Strickland
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NAYS—169

Abercrombie
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bentsen
Berkley
Berman
Bishop

Blagojevich
Blumenauer
Bonior
Borski
Boucher
Boyd
Brady (PA)
Brown (OH)
Capps
Capuano
Carson (IN)
Carson (OK)
Clay
Clayton
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gutierrez
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Price (NC)
Rahall
Rangel
Reyes
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Slaughter
Smith (WA)
Solis
Spratt
Stark
Stenholm
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wynn

NOT VOTING—17

Ackerman
Becerra
Blunt
Brown (FL)
Cannon
Clement
Gordon
Johnson, E.B.
Jones (OH)
Moakley
Morella
Myrick
Portman
Rothman
Scarborough
Sisisky
Toomey

□ 1201

Ms. McCARTHY of Missouri, Ms. WOOLSEY, Mr. BALDACCI and Mr. HILLIARD changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BASS). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the time for electronic voting on motions to suspend the rules on H.R. 1099 and H.R. 802.

COAST GUARD PERSONNEL AND MARITIME SAFETY ACT OF 2001

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 1099.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. LoBIONDO) that the House suspend the rules and pass the bill, H.R. 1099, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 415, nays 0, not voting 17, as follows:

[Roll No. 58]

YEAS—415

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—17

Ackerman
Becerra
Brown (FL)
Cannon
Etheridge
Gordon
Horn
Istook
Johnson, E. B.
Jones (OH)
Moakley
Morella
Portman
Rothman
Scarborough
Sisisky
Toomey

□ 1212

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PUBLIC SAFETY OFFICER MEDAL OF VALOR ACT OF 2001

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 802, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 802, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 18, as follows:

[Roll No. 59]

YEAS—414

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—18

Ackerman
Becerra
Brown (FL)
Brown (SC)
Cannon
Ehlers
Gordon
Johnson, E.B.
Jones (OH)
McDermott
Moakley
Morella
Ney
Portman
Rothman
Scarborough
Sisisky
Toomey

☐ 1221

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF MEMBER TO THE JOINT ECONOMIC COMMITTEE

The SPEAKER pro tempore (Mr. BASS). Without objection, and pursuant to 15 U.S.C. 1024(a), the Chair announces the Speaker's appointment of the following Member of the House to the Joint Economic Committee:

Mr. SAXTON of New Jersey.

There was no objection.

APPOINTMENT OF MEMBERS TO THE HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER pro tempore. Without objection, and pursuant to section 5(b) of Public Law 93-191 (2 U.S.C 501(b)), the Chair announces the Speaker's appointment of the following Members of the House to the House Commission on Congressional Mailing Standards:

Mr. NEY, of Ohio, Chairman;
Mr. ADERHOLT of Alabama;
Mr. REYNOLDS of New York;
Mr. HOYER of Maryland;
Mr. FROST of Texas; and
Mr. THOMPSON of Mississippi.

There was no objection.

REAPPOINTMENT OF MEMBER TO THE BOARD OF TRUSTEES OF THE JOHN C. STENNIS CENTER FOR PUBLIC SERVICE TRAINING AND DEVELOPMENT

The SPEAKER pro tempore. Without objection, and pursuant to section 114(b) of the John C. Stennis Center for Public Service Training and Development Act (2 U.S.C. 1103), the Chair announces the Speaker's reappointment of the following Member on the part of the House to the Board of Trustees of the John C. Stennis Center for Public Service Training and Development for a term of six years:

Mr. CHARLES W. "CHIP" PICKERING of Laurel, Mississippi.

There was no objection.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, March 22, 2001.

Hon. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 114(b) of the John C. Stennis Center for Public Service Training and Development Act (2 U.S.C. 1103), I hereby appoint the following individual to the Board of Trustees for the John C. Stennis Center for Public Service Training and Development for a term of six years: Mr. John Lewis, GA.

Yours very truly,

RICHARD A. GEPHARDT.

REAPPOINTMENT AS MEMBER TO ADVISORY COMMITTEE ON THE RECORDS OF CONGRESS

The SPEAKER pro tempore. Without objection, and pursuant to 44 U.S.C. 2702, the Chair announces the Speaker's reappointment of the following Member on the part of the House to the Advisory Committee on the Records of Congress:

Mr. Timothy J. Johnson, Minnetonka, Minnesota.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 21, 2001.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of 44 U.S.C. 2702, I hereby reappoint as a member of the Advisory Committee on the Records of Congress the following person: Susan Palmer, Aurora, Illinois.

With best wishes, I am
Sincerely,
JEFF TRANDAHL,
Clerk.

TORNADO SHELTERS ACT

The SPEAKER pro tempore. Pursuant to House Resolution 93 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 247.

□ 1224

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 247) to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks, with Mr. MILLER of Florida in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentlewoman from New Jersey (Mrs. ROUKEMA) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as Chair of the subcommittee, I appreciate this opportunity to express my support for H.R. 247, the Tornado Shelters Act. It was introduced by the gentleman from Alabama (Mr. BACHUS), our colleague.

This legislation would permit the use of Community Development Block Grant funds to construct or enhance tornado shelters in manufactured housing communities or for the residents of manufactured housing.

Mr. Chairman, I will shortly turn the floor over to the gentleman from Alabama (Mr. BACHUS), our colleague, so that he may manage the bill, but, before I do, I want to make a few points.

I do not hail from an area of the country that frequently suffers outbreaks of tornados. While we have regular bouts of severe weather, especially during the summer months, we are far from "tornado alley", but we certainly appreciate and understand that this is a national problem.

As many of my colleagues know, however, the tornado season just started last week and will continue through June for many parts of the country.

I want to stress this, Mr. Chairman, this is truly a matter of life or death. We have heard over and over again some of the statistics about the numbers of people who have died year after year in tornados. In fact, already this year 10 people have died from tornados, and last year there were over 40 fatalities.

So we will continue going on, and I am sure the gentleman from Alabama (Mr. BACHUS) and others will document the need, but I want to point out that these are killer storms and repeat this issue is a matter of life or death.

As the gentleman from Alabama (Mr. BACHUS) says, in the face of the tornado threat, we can do two things. I like the way he said this. We can pray and prepare. Pray that it will not happen again, and prepare for the next line of twisters.

That is why we are here today. We are expediting the process of responsible congressional action. While the citizens can pray, our responsibility as their governmental officials must be to help all prepare.

Mr. Chairman, I understand that there are different questions of interpretation on whether the legislation is needed or not. Frankly, I do not understand why there are different interpretations. It seems to me that the common-sense legislation will explicitly clear any ambiguity in the law and permit the use of these funds to allow communities to build and/or improve tornado shelters.

Mr. Chairman, I strongly support this legislation and thank the gentleman from Alabama (Mr. BACHUS) for his leadership.

Mr. Chairman, as Chair of the subcommittee, I appreciate the opportunity to support H.R. 247—the "Tornado Shelters Act," introduced by our colleague, the gentleman from Alabama, Mr. BACHUS.

The legislation would permit the use of CDBG (Community Development Block Grant) funds to construct or enhance tornado shelters in manufactured housing communities or for residents of manufactured housing.

I will shortly turn over the floor to my colleague from Alabama, so that he may manage this bill, but before I do that, I wanted to make a few points.

Mr. Chairman, I do not hail from an area of the country that frequently suffers outbreaks of tornadoes. While we do have regular bouts of severe weather—especially in the summer months—we are far from "Tornado Alley."

As many of you may know, however, the tornado season started last week and will continue through June.

This is truly a matter of life or death.

In this calendar year 2001, already 10 people have died from tornadoes.

In 2000, there were slightly less than 898 tornadoes resulting in 40 fatalities.

In 1999, there were over 1,300 reported tornadoes resulting in 94 fatalities.

In Camilla, Georgia last year, for example, 12 people died and more than 125 manufactured homes were destroyed after a series of pre-season tornadoes covered a 10-mile path.

I am struck by the words of my colleague from Alabama, the site of far too many of these killer storms. Mr. BACHUS says that in the face of the tornado threat we can do two things—pray and prepare. Pray it won't happen again, and prepare for the next line of twisters.

That's why we are here today—expediting the process of responsible congressional action. While the citizens can pray, their government must help all to prepare. I understand that there are different questions of interpretation on whether this legislation is needed or not. This common-sense legislation will explicitly clarify and permit the use of these funds to allow communities to build or improve tornado shelters in manufactured housing communities.

Mr. Chairman, I ask unanimous consent that the gentleman from Alabama (Mr. BACHUS) be permitted to control the remainder of the time on this bill.

The CHAIRMAN. Without objection, the remaining time allocated to the gentlewoman from New Jersey (Mrs. ROUKEMA) will be controlled by the gentleman from Alabama (Mr. BACHUS).

There was no objection.

Mr. FRANK. Mr. Chairman, I yield 6 minutes to the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee on Financial Services, for the first time in the consideration of this bill.

Since there has been no committee deliberations, this is the first opportunity the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee on Financial Services, gets to deliberate on the bill.

Mr. LAFALCE. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. FRANK), the ranking minority member of the Subcommittee on Housing and Community Opportunity. The intent of the bill is quite laudable, to make it easier to use CDBG, that is Community Development Block Grant, funds to build tornado and storm shelters for the benefit of manufactured housing residents.

□ 1230

With a few perfecting amendments that we will be offering, the final bill may well become one that the Democrats can support.

However, I rise now to talk primarily about what we should be discussing today, and that is the severe housing and community development cuts proposed under President Bush's budget.

Since this bill deals with the CDBG program, we ought to be debating the fact that this administration's budget cuts $422 million from it compared to last year's CDBG bill. It is astounding that, at a time when the administration on a daily basis warns us that we may be heading into a recession, that they can propose to cut almost a half billion dollars in economic development funds.

It is astounding that, while it touts tax breaks tilted toward higher-income Americans, the administration wants to cut CDBG funding, which is targeted to families and communities which have participated the least in our economic recovery.

In justifying these cuts, the administration touts the fact that it is funding the formula grants at the same level as fiscal 2001 funding. The problem with that is that this level is insufficient. In fact, that level is $132 million lower than the level that was funded 7 years ago, which happened to be the last time Democrats controlled the Congress. When one factors in inflation, this amounts to an 18 percent real cut in community development monies in real terms under the Republican control of the Congress.

Now, of course the CDBG program is not the only part of the HUD budget which is, unfortunately, suffering severe cuts under this administration's budget. When one factors out the phantom increases in section 8 budget authority, that is the renewal of contracts, the renewal of contracts keeps things at a steady level; but whenever it is renewed, this administration calls the renewal an increase, even though it is the exact same dollar amount as the previous year and the year before that. So it is a phantom in increase.

When one factors that out, one finds that the administration budget actually cuts housing and community development programs by $1.3 billion compared to last year's approved level. When one factors in inflation, we find that the HUD budget blueprint cuts housing programs by some $2.2 billion, an 8 percent real spending decrease compared to last year.

But we are not talking about that today, because the Republicans do not want to. We are talking about something else, without hearings, without deliberation.

The cuts that I have talked about are confirmed by the specifics in their budget. The $422 million cut already cited in CDBG, an $859 million cut for public housing, a $200 million cut in the HOME affordable housing formula grant, elimination of the rural housing program, a $460 million reduction in section 8 reserves, from 2 months to 1, which will result in lowering utilization rates by low-income families of section 8 assistance, and higher FHA loan fees for home rehab and condo loans and for multifamily housing.

At a time when this administration is projecting budget surpluses, record budget surpluses, we should be reinvesting some of our budget surpluses in affordable housing. We should not be cutting funding.

At a time when Republicans in Congress are about to pass a $2 trillion tax cut predominantly tilted to our Nation's most affluent, we should not ignore the needs of our Nation's homeless as the Bush administration's budget blueprint does.

At a time when we have just begun to make progress over the last few years and assisting those of our Nation's families with worst-case housing needs, and there are over 5 million such families, this administration proposes to cut in half the number of annual incremental section 8 vouchers that we have funded over the last few years.

Should we be considering the bill before us today? After committee deliberation, of course. But we have not had that committee deliberation. But much more importantly, we ought to be considering this Congress' responsibility to those who need shelter; clothe the naked and make sure you find shelter for the homeless. We are defaulting on that moral, legal responsibility.

Mr. BACHUS. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Chairman, I thank the gentleman for yielding and for working so hard to bring this legislation to the floor.

Where I live in southwest Missouri, this is the beginning of the tornado season. We have, if you live in one, you know you live in it, a thing called a tornado alley which, for whatever reason, year after year seems to be the same path that kind of attracts the destruction, the disruption, the loss of property and, unfortunately, sometimes the loss of life that families have to suffer.

This is a great addition to the Community Development Block Grant program. It is a way that people who live in manufactured housing can have the same kind of access to funds that people that live in site-based housing or in low-income apartments can have right now.

It is such a good idea that it is amazing we have not done it before. I was reading an article in the Kansas City Star this morning; and my good friend, Sam Graves from northwest Missouri said, "Every once in a while something is brought to our attention that makes all the sense in the world, and you wonder why it has never been done before."

Well, we need to get this done. It is a great idea. Obviously, we are not going to hear many objections to this bill and objections to when we do it. Maybe we ought to go back to the Sam Graves' principle. The real question is not why the bill is on the floor today. The real question is, why has the bill not been on the floor before? Why have we not done it before? Why have we not provided this kind of protection to people that live in manufactured housing?

Really, there are two most dangerous places in the tornado: in one's house or trying to get away from one's house in a car. This provides a place to go and access to the funds to help provide more safety for people who live in these kinds of housing.

I urge my colleagues to vote for this bill today. I look forward to its passage.

Mr. FRANK. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I thank the gentleman from Massachusetts and my friend for this time.

Mr. Chairman, I rise in opposition to the process by which the Tornado Shelters Act has come before us today.

While I do have some concerns about the underlying legislation, my strongest concerns lie in the nature by which this legislation has made its way to the floor. It received no consideration in either the appropriate subcommittee or through the full committee of jurisdiction. It seems to have appeared on the floor, in my opinion, if only as a space filler to keep Members here in D.C.

The committee of jurisdiction, the Committee on Financial Services, of which I am a member, in a bipartisan manner should have had the opportunity to fully review this bill before bringing it to the floor.

This legislation, from the short notice that I have had to look at it, would take important funding from the Community Development Block Grant program, a program, to my understanding, that the President wants to slash by more than $400 million this year, and could provide funding to private enterprises or to enterprises that do not meet the income thresholds of the CDBG funding.

Tornado prevention is a good thing. But should Congress be providing funding to private groups, to groups who may not meet the regular criteria for CDBG funding? I do not think they should be.

I do not have an informed answer as of yet, and I have not had the time to fully vet this legislation, again, because the committee process was waived, as was the possibility of any review by the Democratic members of the Committee on Financial Services.

I have a good relationship with the gentleman from Ohio (Chairman OXLEY), and I understand that there was no evidence that he or the gentleman from Alabama (Chairman BACHUS), the author of this bill, was party to bringing this measure to the floor under these dubious circumstances.

But because of those circumstances, this bill should be pulled from full consideration and brought back for hearings and mark-up in the committee of jurisdiction. This could be a good bill, but this House has not yet had the chance to review it properly.

While we have a President who plans to slash CDBG funds as well as cut section 8 vouchers for low- and moderate-income Americans and eliminate the Drug Elimination Program which fights the scourge of drugs in our Nation's public housing, this body needs to have the chance to fully vet this bill, to ensure it is in the best interest of all Americans.

I hope my friends on the Republican side of the aisle will understand the discomfort of the minority at this legislation coming to the floor, and hope that we can work together to have a chance to review this bill in committee.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. CROWLEY. Yes, I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, the rules of the House do not permit us to address people who are not present on the floor, so I would just take this opportunity to express my best wishes to the absent chairman of the full committee. It is not usual for a committee, in my experience, to consider a bill in the complete absence of the chairman of the full committee. I hope all is well with him.

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I get to the merits of this legislation, I want to commend the Members who have spoken on the other side and who said we are not addressing the merits of this legislation. We are addressing the bill. But they have unknowingly let two rabbits out, and I am going to chase those rabbits for a minute.

The first rabbit is this rabbit of immaculate conception; that this bill was just beamed down to us from outer space, or that there was an immaculate conception, and sometime last week this bill took a form.

Mr. Chairman, nothing could be further from the truth. This legislation was introduced in January and referred to the Committee on Financial Services and referred to the Subcommittee on Housing and Community Opportunity. I requested a hearing on it. But that subcommittee has got important work on some complex issues and is having hearings. I do not set the agenda for the hearings before that committee. I know that one is not scheduled.

I really had no objection to the bill coming up now or, as I told the gentleman from Massachusetts (Mr. FRANK), 2 weeks from today would have suited me fine. I told him that. I will say this, the gentleman from New York (Mr. LAFALCE), the ranking member of the full committee, said, even if we get this bill out today, it will be September before the Senate takes the bill up. If that is the case, although I did tell the gentleman from Massachusetts (Mr. FRANK) I have no objection to it being 2 weeks from today, and I appreciate his kindness, we have always worked well together, but I will tell my colleagues this, if it gets over to the Senate in September, the local communities are not even going to have a shot at building some of these shelters for the next tornado season. I do not, quite frankly, want to get this bill over to the Senate late. I hope they take it up before September.

Now, another rabbit that has been loosed on this body is that there has been a cut in Community Development Block Grant funding. The overall funding, and only in Washington a $300 million increase is considered a cut. It went from $4.8 billion to $5.1 billion.

Now that, hopefully, we have chased those rabbits out, I would like to turn to the merits of the bill. People have said why? Why this bill? Is this bill an attempt to divert money from other needed programs that communities spend the money on? No.

□ 1245

I am going to change mikes, and I am going to tell my colleagues what this bill is about.

Mr. Chairman, this bill is about this little girl. She was a mobile home resident in my district. She was 6 years old when a tornado struck Tuscaloosa, Alabama. She survived. She was found some time later, in fact so much later that an Associated Press photographer was able to get his camera out and take this picture, so she laid on the ground for several hours. Her 16-month-old baby brother was not so fortunate. He died. Her mother survived and she will raise Whitney and her little sister, both of whom stayed in the hospital several days, but they will not have the help of Whitney's father who was also killed in this tornado.

This is what remains of their house. Today and until this legislation passes, this little girl and her mother or those in the small mobile home park, and I will call it a park, there are five mobile homes there, they will not have any access to community development block grant funds.

Now if she lived in a rental unit, if she lived in public housing, if she lived in a site-built home, she would qualify. But she has been discriminated against because she lives in a manufactured home. But as we sadly found out when this tornado struck Tuscaloosa, Alabama and seriously injured 75 of the citizens that the gentleman from Alabama (Mr. HILLIARD) and I represent, and the gentleman from Alabama is a cosponsor of this legislation, a Democrat, it has bipartisan support, Tuscaloosa County wanted to look at the option of using Community Development Block Grant money to build shelters. They were told that they didn't qualify. Subsequent to that, we have been told that on three occasions by the HUD project manager that recommends this and I will read what he says. He says that we need clarifying language, it is not clear, and they have not allowed this to be eligible.

One reason is these mobile home parks are built on private land. Someone said that, look, they are going to be able to build these things on private land. Well, this little girl lived on private land. She cannot help that. The county is not going to go out there and purchase a 25-by-25 square foot piece of property and locate a shelter. It is total madness that we as a government will allow someone in a permanent site-built home with a basement and an interior hall, that we will allow them money to build a safe room in that home yet, we will not allow this family to take advantage of that same fund to hide underground when these powerful tornadoes come.

Let me tell my colleagues, a lot of our citizens, they choose mobile homes. They choose manufactured homes. A lot of our senior citizens choose them. When we talk about mobile home parks or manufactured homes, we are talking about young families, with children, struggling to get along. In many cases we are talking about senior citizens and handicapped and disabled people, but they are good citizens and they deserve better.

I hope that they will not have to wait past this year for some equality out of this body. Now, I do not know why the regulations are the way that they are. I do not know why the bureaucrats, whether they have made a tangle of that. I do not know why, but I know that it is something that we need to address and it is something that we need to address today, and we need to do it overwhelmingly.

Mr. Chairman, I have lost too many people in my district, 32 on April 8, 1998; and then December 16, 2000, I lost 11. I had over 300 that received injuries bad enough to be hospitalized. Let me just say that those are bad injuries. I was hit by a tractor-trailer truck and broke my collarbone and have five fractured ribs and a fractured sternum as I stand up here before my colleagues, and I went to the hospital, but I did not stay overnight. I had 300 citizens that were hurt worse than that, and let me tell you, I have hurt the last month. So it is not just those who were killed, it is this little girl. She will live without a father, and she will live without a little brother.

I do not know whether my colleagues' communities will choose to use these monies for this worthy cause or another. There are no mandates in this bill, there is just fairness for mobile home residents.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume to simply say to the gentleman from Alabama, who began by saying that our complaints about the process were wrong because the bill had been introduced in January and referred to the committee, that the committee should then have had a hearing. The gentleman is a member of the committee. He should have asked for one. We could have had this out earlier. The Subcommittee on Housing and Community Opportunity has had one hearing. I think we could have found the time.

So the notion that because the bill was introduced in January, that that somehow justifies totally bypassing the process, seems to be wrong. And in fairness to the committee, it is not my impression the committee was pressed to have a hearing. Again, let us be clear. The only reason this bill is on the floor today is because it meets the needs of the majority's scheduling concerns so they could keep Members in town. It has nothing to do with anything else, and that is an improper way to go about things.

Mr. Chairman, I yield 4 minutes to the gentlewoman from Florida (Mrs. MEEK), one of the great defenders of the true purposes of the Community Development Block Grant program.

Mrs. MEEK of Florida. Mr. Chairman, I certainly have feelings for the gentleman from Alabama (Mr. BACHUS), who introduced this bill. I represent some of the same kinds of constituents that he represents, and each of my colleagues has similar kinds of constituents. But that is not what this bill is all about.

Number one, this bill is about the utilization of Community Development Block Grant funds to build shelters. That is what it is about. Now, each of us at some time in our life here in the Congress has a disaster or we have some problem that there is a sense of urgency about it. In my area it is a flood, or it may be a hurricane, but that does not mean that I can stretch outside the parameters of things that are already statutorily set to receive funds for those things when the funds were designed for people in similar straits.

So I do feel compassion for the gentleman from Alabama (Mr. BACHUS) and the constituents he is trying to help. But it does not change the fact that each of us has some of these urgent things we need to get taken care of. I need to get floods taken care of, I need to get hurricane problems taken care of, and they are emergencies, but I cannot come and take it out of the CDBG funds in the way that this gentleman has described it.

The gentleman wants to now allow private developers or private builders to build a shelter on private property. Remember this, they can buy the land, they can acquire it, they can buy it, and after that they can place it at the site of the manufactured homes.

Now, I came from the State legislature. We had a lot of problems with manufactured homes. There were certain guidelines that they could not reach and never would reach. But this bill is not about that. This bill is to say let us give them money to provide a shelter so that we can save some lives. I agree with that. What I do not agree with is why we are going to give Federal money to build shelters when that county could build them. If the county feels that is as much of an emergency as my good Republican colleague said, why could that county not use this as one of their priorities?

We know we have people who are living in manufactured homes; that they need better protection; who are in an area where there will be tornadoes, there will be floods. Why do we not use our general revenue funds? Why should we come to the Federal Government when the entire Nation needs this for low- and moderate-income people to provide homes.

In the face of that, the Republican administration has cut all of the funds for our Community Development Block Grant funds. What bothers me is that every time there is a need for funds, my Republican colleagues run to this little pile of funds and say, okay, we can take it from there. This year it is one thing, next week it will be another thing. We are constantly decimating those funds.

I say to my colleagues that the amendment of the gentleman from Alabama (Mr. BACHUS) is for a good cause. Had it gone to the committee, they could have pointed up some things. Number one, they should have said let us look for some more money, let us look for some more funds, let us not cut into funds that the President has already cut. We still have people who do not have houses, we still have homeless people, we still have poor people.

My colleague would be surprised. I could bring a litany of things to him, and he would feel very, very sorry for some of the fates of some of these people who are dismally located in slums and decimated areas, with flood water, sewage water, everything running into it. Is that an emergency that I should say come here quickly pass this bill? No, I should not do that. It is not the thing to do, and I do not think we should pass this amendment.

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume to recognize the cosponsors of this bill, and then I want to yield some time.

The gentleman from Missouri (Mr. BLUNT), who has already spoken on the bill, he was a cosponsor. The gentleman from Tennessee (Mr. CLEMENT), I want to commend him for pushing this bill and the letters he has written supporting it. The gentleman from Alabama (Mr. EVERETT), who lost two residents of manufactured housing in the last few weeks. The gentleman from Alabama (Mr. HILLIARD) and the gentleman from Oklahoma (Mr. ISTOOK). The gentleman from Oklahoma (Mr. ISTOOK), by the way, told me that the highest recorded wind ever in the United States was recorded during a tornado in Oklahoma in the past year or 2. The gentleman from Mississippi (Mr. PICKERING), who submitted a statement for the RECORD, and the gentleman from Alabama (Mr. RILEY). And, finally, the colleague who has been with me since the start on this legislation, who has been as strong a supporter as anyone, the gentleman from Alabama (Mr. CRAMER).

Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. CRAMER).

Mr. CRAMER. Mr. Chairman, I thank my colleague from Alabama, and I will not take that much time, but I wanted to commend him over the issue that he is bringing to the floor today.

It is hard to tell in Alabama where tornado alley is not. We have vulnerable citizens from north to south; all around us in the south and all around us in the country as well. I am not here to get myself involved in the procedural dispute here today, but I am here to say we need all the help that we can get for residents that live in manufactured housing and in the communities that consolidate that kind of housing as well.

The gentlewoman from Florida (Mrs. MEEK) is a tough act to follow, my colleague from South Florida there, but she knows as well as I do that we have vulnerable citizens that live in these communities.

Mr. Chairman, I do want to engage my colleague from Alabama in a dialogue here.

A number of our colleagues are confused about funding that is provided by this particular bill in this particular process. They are afraid that we cannot afford this or that it robs other valuable programs. This reflects on the CDBG program. Can the gentleman speak to the funding?

Mr. BACHUS. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Alabama.

Mr. BACHUS. I appreciate the question. This fund has got $5.1 billion in it, and that money, a large amount of that money, goes to the States and to the local governments; to the communities. Cities and counties is what most people would identify with. And those cities and counties make the decision over how to spend those funds.

I do not mandate that they spend a dime on this program. I simply make the available funding available for this category. It is already available for site-built homes, it is already available for rental property, it is already available for public housing. I simply expand it to manufactured housing.

Mr. CLEMENT. There is, then, a process that would be available on the local level that would review the cost, who is going to own this particular shelter, and have a safety net with regard to money; but the money comes from preexisting funds that we have already appropriated?

☐ 1300

Mr. BACHUS. It is funds that we appropriate every year for the communities to spend as they see fit. We actually restrict them to certain categories. I want this to be a category that they can spend money on. They may choose not to.

FEMA suggested that I put a restriction in here that it apply only in areas where an F-5 or F-4 tornado had hit. I felt like if it had not been an F-5 or F-4 tornado and the community was concerned about it and they wanted to spend it here as opposed to another program, they should be able to. The gentlewoman from Florida says we have got a lot of worthy programs there, but I submit to her that this is one of them. I submit to her that hurricane victims would qualify. These are storm shelters for high wind.

Mr. CRAMER. I applaud the gentleman's efforts and certainly want to join with him early to make sure we protect the citizens that live in this kind of housing. It is time that we do it.

Mr. BACHUS. Adding upon that, we can use this money to prevent beach erosion in New York State. I think we ought to be able to use it to stop deaths from tornadoes wherever they may strike.

Mr. CRAMER. I thank the gentleman.

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume.

I want to read something that the Birmingham News said about this bill. I want to emphasize this. The gentleman from Alabama had asked me about this.

This is what their editorial endorsing the bill says:

> All Bachus wants to do is give local governments the option of applying for Federal community block grants to build shelters in mobile home parks. There is no mandate and there is no cost for mobile home buyers. Indeed, the measure could make manufactured homes more attractive to those who wondered about safety during storms. The fact is, when deadly storms strike Alabama, people in mobile homes are likely to be victims. A 1999 Birmingham News analysis showed that more than 60 percent of the fatalities connected to the most recently occurring tornadoes were mobile home residents.

Maybe in the next 10 years that will not be the case. But they simply deserve the same protection we afford our other citizens. It is simply a matter of fairness.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. SHOWS).

Mr. SHOWS. Mr. Chairman, I thank my friend from Massachusetts for yielding me this time.

On February 24 of this year, a tornado devastated a 23-mile-long path through Mississippi and killed six people. Just last week we had another tornado that came through Tylertown, Mississippi, and killed one man who was driving along in his pickup truck. A tree fell on him. Thirty more people in my State were injured. One of these persons was a 10-year-old boy who was killed during his birthday sleepover party at a friend's house. By definition this was a small tornado, but, just like the large ones, it caused a lot of devastation. Mississippi has the horrible distinction of leading the country in average deaths due to tornadoes.

Were all of these people adequately prepared? No. Unfortunately, the answer to this question is 40 percent of all tornado-related fatalities occur in manufactured housing. Only 10 percent of the victims are permanent home residents. Residents of mobile homes are not able to seek the common shelter that many of us take for granted because they have no basement.

This bill creates no Federal mandate. It does not say "you must build these shelters", but it does provide communities the ability to seek funding not previously available to manufactured housing residents to construct these shelters. This is a vote that we should make with our hearts so that we may give the good people of this country the option to protect their children if and when tragedy may strike.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I always like to congratulate those who have seen the error of their ways, and the Republican Party is entitled to that on several counts in this bill.

In the first place, the gentleman from Alabama approached me. We talked privately and publicly. He said that they have this terrible need in Alabama, and the local communities cannot afford to do it. The local communities, given the nature of some of the jurisdictions, do not have the financial ability to do it, and here is this important lifesaving goal.

This is not a matter of interstate commerce. We are not talking about something that transcends State lines. We are talking about providing physical protection for residents of vulnerable structures in particular localities. It is a very local business. But because the local communities either do not want to or cannot easily raise the revenues, they come to whom? The Federal Government. This is a request that local communities be allowed to use Federal funds collected by Federal taxes for local purposes.

I am all for it. I welcome my Republican colleagues to the recognition of the point that in this one country of ours we have an obligation to help.

Some people used to believe in something they called States rights and States responsibilities. Some people used to argue against the Federal Government. Ronald Reagan, who was inaugurated the year I came to Congress, and those were not causally related, said, "The Federal Government is not the answer to our problems. It is the problem."

Today we have a Republican recognition that the Federal Government must be part of the answer to a problem, that absent Federal revenues, local communities cannot make it on their own. I think that is a very wise evolution on the part of my conservative friends. I congratulate them for it.

I will point out the gentlewoman from Florida knew this earlier. She did not have to be convinced.

Mrs. MEEK of Florida. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentlewoman from Florida.

Mrs. MEEK of Florida. This appears to me, the issue here, and the gentleman can clarify this, is not that anyone is against using CDBG funds to build a shelter in and around a manufactured home. In my estimation, CDBG's money should not be used to buy private land, acquire private land by a private owner and build a shelter.

Mr. FRANK. I would say to the gentlewoman it is not even acquiring the private land. What I understand in this bill, and this is the question I would have raised if we had had the possibility to do it during subcommittee and committee, the question would have been, the bill appears to say that public money, Federal money, given to the communities, can then by the communities in turn be given to a private owner to build a shelter on his or her private land which he or she would then own, with no provisions about recapturing anything. That does trouble me. That is what we would have addressed.

We would be all in favor of building the shelters. The question is, should you provide the public money, the Federal money, to local private owners so they can own it? Should you do that without some further restriction?

I want to get back to the other point about government. It illustrates a Republican dilemma. My Republican friends are against government in general. They are just in favor of everything government does. The government is a bad thing. The Federal Government is a bad thing. But Federal funds should go to local communities to build shelters.

Now, I agree with that. The problem is they cannot continuously denounce the whole and inflate the parts. It does not work. But this is what we have. We have a Republican proposal now to expand the uses of Federal funds so that local communities in dealing with local problems can have more Federal money. I am all for that. But let us not think this only applies when you have a particular problem in your own area.

There is another area where I want to talk about. I mentioned previously to our colleague, the gentleman from Texas, whose father, the gentleman from Texas, used to chair this committee back when we were allowed to refer to it as the Housing Committee in part. He was a great crusader to improve the safety of manufactured housing. Last year, we had a debate over improving the safety of manufactured housing. Frankly, years ago I thought some people were going to sue the distinguished gentleman from San Antonio, the former chairman of the Banking Committee, for defamation because he suggested that there was a particular danger with manufactured housing as it was then built with regard to storms, hurricanes and tornadoes.

What do we have now? A recognition on the part of my Republican friends that manufactured housing is particularly vulnerable to tornadoes. Once again, we have known that, and many of us have been trying to fight it.

Yes, the people who live in manufactured housing have been ill-treated. These are generally people of limited income, though not entirely. Many of them are retired people trying to live prudently on a reasonable retirement income.

They deserve much better treatment in a number of ways. They deserve better treatment here. They deserve better consumer protections. Many of them deserve at the State level better protection against owners who simply decide to throw them out and they have no protection. They deserve better treatment in getting mortgages, when in the past their homes were treated as if they were automobile loans rather than housing loans. There is a lot that should be done for them. That includes the shelters.

But there is this issue, as the gentlewoman from Florida raised, does it make sense to just give this money to the private owner in a relatively unrestricted way? We will address some of that with amendments.

There is one other issue where the Republicans, having learned something, deserve credit. I want to again give credit where credit is due. In 1993, then President Clinton proposed a countercyclical program to deal with what he believed then was a recession. It turns out the economy was doing better than he thought. But one of the things he proposed was an increase in spending through the Community Development Block Grant program. I urge Members and others to go back to the CONGRESSIONAL RECORD of those days and read the denunciation of the Community Development Block Grant program as a big slush fund, as pork-barrel spending. The very aspects of that program which the gentleman from Alabama has hailed today were the basis for an attack on that program in 1993. The argument from the Republicans was, oh, this is terrible, these communities will just do all kinds of things with it, unsupervised.

We now have a recognition of the value of the CDBG program. We have a recognition of the value of using Federal funds to do things that Thomas Jefferson might have thought were of local concern. The Republican Party has gone beyond Thomas Jefferson most of the time in terms of what the right function ought to be, but it is an incomplete lesson. They cannot continue to advocate increased Federal funding for particular programs and then consistently cut Federal programs elsewhere.

The gentleman from Alabama and his colleague, the other gentleman from Alabama, correctly pointed out local communities will have the choice. They will be able to build the tornado shelters. In many cases, that is a good choice. But at present they will be able to do that at the cost of doing something about housing or doing something about a playground in a low-income area or doing something about other things.

Why do we force them to give up the one to do the other? If this is a new thing they ought to be doing more of, maybe we ought to be increasing the funding for it.

In fact, Community Development Block Grants, unrestricted ones, have gone down. The gentleman referred to some increased overall amounts, but those increased overall amounts tended to be in terms of some very specific projects. Members differed about the value of those specific projects. But the specific projects were not available for local communities to deal with. As we add to the purposes, we are, I think, disserving ourselves if we do not also add to the money.

I want to again just return to the procedural point. The gentleman from Alabama again noted this bill was introduced in January, he said, and, therefore, we on the minority side should not be upset that it came to the floor in March. We do not set the hearing schedule. We do not set the markup schedule. If it was introduced in January, all the more reason to have done something about it.

By the way, it was introduced in January and substantially rewritten last week, probably after consultation with HUD. I think it is a good idea to consult with HUD. I think it is a good idea, having filed the bill, to talk to HUD about it, but should the committee not have something to say about it? This bill was, in fact, revised. That is a good thing. The bad thing is leaving the committee out of the revision process.

We will address some of these things in amendments, yes. I think we should be providing tornado shelters for people in manufactured housing. We should be enhancing their safety. We should be enhancing their ability to get mortgages on their homes. We should be increasing the consumer protections they have at both the State and the Federal level. I am for all those things, and with a couple of changes I would enthusiastically support this bill, but I hope that the next time we have something like this, instead of introducing it in January and waiting 2½ months and then bringing it to the floor without any committee process, we show people that we do care about their concerns and we care about their concerns enough to do it in the right way.

Mr. Chairman, I reserve the balance of my time.

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume. I believe that was an endorsement of this legislation.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BACHUS. I yield to the gentleman from Massachusetts.

Mr. FRANK. It is an endorsement of the legislation if the gentleman would address, and I have never objected to the legislation, if he addresses the issue that I have about giving public money through the communities to a private owner who then owns the structure and has unrestricted control of it. That is what concerns me.

□ 1315

Mr. BACHUS. Mr. Chairman, reclaiming my time, let me say this: the gentleman from Massachusetts talked about the whole philosophy of government, and let me tell you what the people of Tuscaloosa County would really like. They would really like to not send their money to Washington. Federal taxes are at a peacetime high. They would like to keep that money and put it in local government, or they would like to keep it in their own pockets and make their own decisions. But over the last 40 years we have raised their taxes and the taxes of all our citizens so high that they now have to come to Washington and a lot of their needs have to be met here because we take so much of their money.

They would rather not apply for community development block grants. They would rather their taxes be cut by that much, and just let them make the decisions at the city hall in Tuscaloosa or North Port, or the Tuscaloosa

County Commission. But, unfortunately, all that money comes up here, so it is parceled back.

Just to add insult to injury, not only do we take their money away from them; but then when we send it back, we tell them they cannot use it for what they wanted to use it for. Thus, this bill.

Mr. Chairman, I yield 2½ minutes to the gentleman from Alabama (Mr. RILEY).

Mr. RILEY. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, my grandfather told me one time, learn how to take yes for an answer. I would like to thank the gentleman from Massachusetts for the support of this bill. I think everything that the gentleman said, when you talk about allowing a community to have the opportunity to make a determination for what is best for their citizens, I think everyone in this Chamber would agree with it.

I want to compliment the gentleman from Alabama (Mr. BACHUS), because we do have a unique problem in Alabama. I had an opportunity with the Vice President a couple of years ago to go through Tuscaloosa County and also through Birmingham when an F–5 tornado came through. It was one of the most horrific things I have ever seen in my life.

When you have a great deal of the population living in clusters where there is absolutely no protection now, for us to make a determination that a local government should not be able to use these grants as they see fit to protect their citizens I think is an abomination of the process.

So I just want to congratulate the author of this bill, offer my support for it, and, again, congratulate and thank the gentleman from Massachusetts for his continued support.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume to say I guess this is apparently a temporary bill, because the gentleman from Alabama, the author of the bill, said that we needed this because Federal taxes were too high, although the rates are not higher than they were 20 years ago when Ronald Reagan reduced them. We put them part of the way back up.

But the Republican Party apparently is about to put taxes at what it thinks is the appropriate level. In fact, that is why we are doing this bill today. We are doing this bill today so they can corral enough Republicans to be here and stay in the Committee on Ways and Means and vote for another part of the tax cut. That is the reason it is on the floor today.

So the gentleman from Alabama said you need CDBG because Federal taxes are too high. So I assume that once they get their tax cut through at the level they have decided, if they are able to do it, that we will then see the demise of CDBG, because once we have cut taxes back to what the Republican Party thinks is the appropriate level, we will not need the CDBG program.

Many of us have long suspected that that was the plan. When we look at their approach to the Federal budget, it occurred to us that when you enact the level of tax reduction they are talking about, then many current Federal programs we will no longer be able to afford.

So I think what the gentleman has given us is the philosophical rationale, first come the tax cuts, then will come the elimination of programs such as CDBG.

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to wrap up by simply hitting two points. The first thing I wanted to make very clear, Mr. Chairman, is that H.R. 247 creates no new Federal mandates on local governments or on private industry, nor does it authorize the expenditure of one dime of taxpayer money. It merely permits local communities entirely at their option to tap into available Federal funds to build storm-safe shelters for residents of manufactured housing. That is all it does. Those are existing funds. It gives them the right to use that for what they want it for. It is their money; they paid the taxes. I want to give them this option.

I want to clarify something else, since I have been sponsoring this legislation. What have we done about tornadoes over the last 150 years? Interestingly enough, at one time we were an agrarian society; and 80 years ago, 100 years ago, most of us worked outside, many of us in the field. An old-timer recently told me after the Tuscaloosa tornado that his grandfather could predict these things. He could tell they were coming; he could read the sky, read the signs; and he could tell you when a tornado was coming 30 minutes before, and they would all go down in that shelter.

Well, we do not have that luxury today. We are inside, we are not outside in the field, we do not know how to read the weather, we do not know the signs like our grandfathers and great grandfathers did, but we have got something that they never dreamed of having. We have the technology of turning on our TV screen and seeing a street map with our street on that map and the television station telling us that in 30 minutes a tornado will be hitting our community, and telling us within 2 minutes of when it will arrive.

The next time, next year, not this year, it is too late for this year, but next year, when the citizens that the gentleman from Alabama (Mr. RILEY) and the gentleman from Alabama (Mr. CRAMER) and the gentleman from Alabama (Mr. HILLIARD) and I represent turn on that radio or they turn on that TV and they hear that in 30 minutes a tornado will be in the New Bethel community, or the Rock Creek community, like the one that hit Rock Creek, that they will be able to go down in a shelter near their mobile home or near their manufactured home, and they will have a chance to survive this tornado. When they do that, when that money is spent by that county or that city, it will be the people's money, money they sent to Washington, and they ought to ultimately decide how it is spent.

Mr. FRANK. Mr. Chairman, I yield the balance of my time to the gentleman from New York (Mr. LAFALCE), the ranking member of the full committee.

Mr. LAFALCE. Mr. Chairman, I would like to put the entire debate on this bill in some perspective. The gentleman from Alabama (Mr. BACHUS) has introduced a very good-faith effort to deal with a real problem. At every single Congress, at the beginning of the Congress, especially when you have a new administration, you run into a difficulty. You want the committee to work; and unfortunately, there is not that much legislation that has gone through the committee process, so you try to create filler legislation on the floor.

There is a difficulty, however. Very frequently the leadership will bring to the floor exclusively bills that have been principally sponsored by Members of their own party. They will not look at all the bills that have been principally sponsored by Members of the opposition party.

Secondly, sometimes they go as far as totally bypassing every single procedure that is required by the rules of the House, that is, subcommittee hearing and markup, full committee hearing and markup, et cetera. Sometimes they bypass that in cooperation and consultation with the minority; sometimes they just bypass the minority and have no prior consultation and concurrence.

That is what happened here. There was nothing. They needed filler, they went to a Republican chiefly sponsored bill and said we have to bring something to the floor, let us bring it up, and forget about the fact that there was no hearing, forget about the fact there was no markup, and forget about the fact that you did not discuss it with the Democrats; we will just bring it to the floor.

That is what we objected to, not all that strenuously. We had one motion to adjourn, and that was it, just to make the point. We were willing to go on. It was the Republicans that then called for the vote on the rule. Why? Because they wanted to delay, because they have got committee meetings going on right now, the Committee on Ways and Means, for example; and they wanted more filler. So they were the ones that engaged in the dilatory tactics on that.

With respect to this bill, this can be a very good bill, a bill we can support. I, for one though, have two, and, depending upon the disposition of those two, possibly three amendments. For example, a State or locality right now is required to use 70 percent of its CDBG funds for the support of activities that benefit persons of low and moderate income. That means that States and localities could use 30 percent for affluents, if they wanted to. Under this bill, the monies could be used for a for-profit owner of a manufactured housing development for higher-income individuals, or even in resort properties.

So I think we need to deal with that, and I have an amendment that I think should be accepted that deals with that, that says it should only be used in a neighborhood consisting predominantly of persons of low and moderate income.

Secondly, who are we going to help? Is it just going to be the individuals who live within this complex? Is it going to be exclusively for them, even though it should be a shelter for the public?

We could deal with that, and I have an amendment that would deal with that. It would say they may not be made available for use on an exclusive basis, but shall generally serve the residents of the local area.

If those two amendments are accepted, I would be able to support the bill. If they are not, I have a third amendment.

Mr. BACHUS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman from Alabama has 1½ minutes remaining.

Mr. BACHUS. Mr. Chairman, in closing, it was asked, who is this bill for? This bill was described as "filler." Well, let me again go back to who this bill is for.

This is, as I said, Whitney, and her little brother, Wesley, Crowder. It is too late for Wesley. He is dead. But it is not too late for Whitney. I will tell you, I do not think the people that live in my district that live in mobile homes consider this legislation as filler. In fact, I think they would take offense to the characterization of this legislation as filler. To them, it is a matter of life or death.

Now, there are questions raised about the bill. The bill was published in the CONGRESSIONAL RECORD on Monday. Several speakers have said they have not had a chance to read the bill. Well, here is the bill. It is one page long. They could read it in about 40 seconds.

Mr. CRENSHAW. Mr. Chairman, I rise in support of the Tornado Shelters Act, H.R. 247, which makes a modest change in the use of existing federal block grant money that will help localities all across the Nation build tornado shelters in manufactured housing communities.

Just last week, a tornado hit a small community in my district, Yulee, FL. Though the tornado was by all accounts a weak one, officially registering an F–0, it reminded all of us in northeast Florida just how vulnerable we are to these sort of natural disasters. This mild tornado shattered 91 double-paned classroom windows, pulled a portable classroom off its concrete block piers, and damaged roof vents and computers with rain and mud at the local elementary school. In addition, it tore a 12-by-12 foot section of roof from a local church.

In a nearby county, where an F–1 tornado hit a few hours earlier, similar property damage was done to vehicles, buildings, and homes, including mobile homes.

The people of Yulee were relatively fortunate—the damage was primarily to crops and property and no lives were lost. But, even that kind of damage can be devastating to the individuals affected. It takes a lot to rebuild your home and life after a disaster hits.

This bill merely remedies a quirk in the law. Community Development Block Grant money can now be used to construct storm shelters in low-to-moderate income housing communities and apartment buildings, but it cannot be used to build a shelter in a mobile home park. It makes no new appropriations and removes no current authority. It merely gives communities more flexibility in using existing funds.

Thus, I rise in support of this commonsense legislation and I urge my colleagues to support it.

The CHAIRMAN pro tempore. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1 is considered as an original bill for the purpose of amendment and is considered read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 247

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tornado Shelters Act".

SEC. 2. CDBG ELIGIBLE ACTIVITIES.

Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(1) in paragraph (22), by striking "and" at the end;

(2) in paragraph (23), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (23) the following new paragraph:

"(24) the construction or improvement of tornado- or storm-safe shelters for manufactured housing parks and residents of other manufactured housing, the acquisition of real property for sites for such shelters, and the provision of assistance (including loans and grants) to nonprofit or for-profit entities (including owners of such parks) for such construction, improvement, or acquisition; and".

The CHAIRMAN pro tempore. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

Are there any amendments to the bill?

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRANK:

In section 2, insert "(a) IN GENERAL.—" before "Section 105(a)".

At the end of section 2, add the following new subsection:

(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to any amounts otherwise made available for grants under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), there is authorized to be appropriated for assistance only for activities pursuant to section 105(a)(24) of such Act $50,000,000 for fiscal year 2002.

Mr. BACHUS. Mr. Chairman, I reserve a point of order.

The CHAIRMAN pro tempore. The gentleman from Alabama reserves a point of order.

Mr. FRANK. Mr. Chairman, I had consulted with the Parliamentarian.

Mr. Chairman, this is not a general increase in the authorization. This is an authorization of $50 million specifically for the purposes authorized in the bill. It is a grant of money specific to the particular bill.

The point is one we have already addressed. Many of us agree with the gentleman from Alabama that this is an important purpose. With the changes that the gentleman from New York talked about, we are very much in support of it. I agree and have worked long and hard to protect people who live in manufactured housing.

□ 1330

The problem is that absent this amendment and subsequent action, we would hope, by the Committee on Appropriations, communities will be faced with a choice. They can accommodate this particular authority to build the shelters only by reducing activities in which they are currently engaged. Indeed, this would set aside $50 million only for these activities so that this particular level of activity would be in some ways protected. It is a lifesaving activity. If we believe that there is a very broad activity, then it seems to me incumbent upon us to fund it fully and not put communities to the choice.

It is one thing when we are creating a brand new program; it is another when we are funding an already existing program. With existing programs in many areas, there tend to be existing funding patterns. So that if a new purpose is now allowed to them to take advantage of this new purpose, they may face the need to defund some other purpose, because their money has tended to be committed. That is not true in every area, but I do think in ongoing programs we are aware that there is very often a set of expectations that people have, such as these groups have been funded, et cetera.

I do not think we ought to say to the local communities, okay, you must, if you are going to take advantage of this, stop doing something you are now doing; I think instead we ought to say, here is additional money for that purpose, and that is what this amendment does. This amendment authorizes additional money for this important purpose. It would seem to me odd if we were to talk about how important this lifesaving function is and not be prepared to provide communities with the money to make sure that they were taking advantage of it without them having to make the kind of difficult choices that they would otherwise have to make.

I say this in particular because what many of us have found is, and again, I admire the gentleman's desire to protect people in manufactured housing; not coming from an area where tornadoes have been a problem, this particular aspect had not been one that is foremost in my mind, but I think they deserve protection; but what we found is that in some areas, people who live in manufactured housing are not fully respected in the political process. They are sometimes seen as a small minority, sometimes are seen as isolated within the community, and the danger here is that if we simply submit this into the regular Community Development Block Grant process, in communities where there is an ongoing set of claimants, the chances that the people who live in manufactured housing will be able to get the full benefit of this may not be great.

So the virtue of this amendment is that it makes sure that in those areas where there is vulnerable manufactured housing, there is a very high chance that the people will get the benefit of the program and they will not be put in a political conflict with other claimants in that community, and it addresses the issue raised by the gentlewoman from Florida who is not now with us and who has been a great champion of this; namely, making sure that as we increase the purposes for which CDBG is put, we do not dilute the pot. I would hope this is a case that will be a precedent that would say, as we add to the functions of CDBG, we should add to the money that is available to perform them.

Mr. BACHUS. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, I agree, and I withdraw my point of order to the amendment.

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman withdraws his point of order.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts (Mr. FRANK).

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments?

AMENDMENT NO. 2 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. TRAFICANT:

At the end of the bill, add the following new section:

SEC. 3. USE OF AMERICAN PRODUCTS.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available for the activities authorized under the amendment made by this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available for the activities authorized under the amendment made by this Act, the Secretary of Housing and Urban Development, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

Mr. TRAFICANT. Mr. Chairman, the last quarter trade deficit was $119 billion. Three months. That is about $40 billion a month.

I agree wholeheartedly with the amendment of the gentleman from Massachusetts (Mr. FRANK) and with the debate that has come from both the gentleman from Massachusetts and the gentleman from New York (Mr. LAFALCE). I think this is a good bill, and we should consider their concerns.

But one thing is for sure, and that is when we do have a disaster, I think everybody should try to at least purchase and price American goods and services before they purchase foreign-made goods. It is a very simple, straightforward amendment. I think the arguments that are being made from this side on this bill are noteworthy and should be taken into consideration.

Mr. Chairman, I ask for approval of my amendment.

Mr. BACHUS. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. BACHUS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule VIII, further proceedings on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT) will be postponed.

Are there further amendments?

AMENDMENT OFFERED BY MR. LA FALCE

Mr. LAFALCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAFALCE:

In the new paragraph (24) proposed to be inserted by section 2(3) of the bill, insert before "; and" the following: ", except that a shelter assisted with amounts made available pursuant to this paragraph shall be located in a neighborhood consisting predominantly of persons of low and moderate income".

Mr. LAFALCE. Mr. Chairman, this is a perfecting amendment to the bill designed to conform it to the purpose of CDBG.

Mr. Chairman, H.R. 247 allows for-profit entities to gain access to CDBG funds for the construction, improvement or acquisition of tornado or storm-safe shelters for manufactured housing. In general, one might assume that the residents of manufactured housing or of a manufactured housing park would be low- and moderate-income. However, that is not always the case, and H.R. 247 does not require this.

Now, allowing for-profit entities to use CDBG funds is not without precedent, although it is certainly not the norm. For example, we do allow for-profits to use CDBG funds to carry out economic development activity. However, we condition such use on targeting language; that is, they are only eligible to use funds if the activity benefits low- and moderate-income persons.

So my amendment would simply track this type of amendment for the new eligible use we would authorize by this bill simply requiring that the tornado or storm shelter be located in a neighborhood consisting predominantly of persons of low- and moderate-income.

Mr. Chairman, I urge its acceptance and adoption.

Mr. BACHUS. Mr. Chairman, I have no objection to the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. LAFALCE).

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there further amendments?

AMENDMENT OFFERED BY MR. LA FALCE

Mr. LAFALCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAFALCE:

In the new paragraph (24) proposed to be inserted by section 2(3) of the bill, insert before "; and" the following: ", except that a shelter assisted with amounts made available pursuant to this paragraph may not be made available exclusively for use of the residents of a particular manufactured housing park or of other manufactured housing, but shall generally serve the residents of the area in which it is located".

Mr. LAFALCE. Mr. Chairman, this is a perfecting amendment to the bill designed to conform it to the purpose of CDBG.

The primary bill, H.R. 247, allows for-profit entities to gain access to CDBG funds for the construction, improvement or acquisition of tornado or storm-safe shelters for manufactured housing. But, the way the bill is drafted, it would seem possible for the shelters to be used exclusively for the residents of the manufacturing housing development of the for-profit entity. It cannot and should not be the case that these for-profits can use these public funds just to serve their paying residents.

The facilities should be, if built with public monies, available to the general public. On a practical level, I do not see how we can demand less. If there is a tornado, it is unimaginable that individuals who find themselves in the approximate vicinity of the onset of a huge storm and have nowhere else to go should be turned away and put at physical risk. Certainly we should not be using public funds to sanction such an action.

So my amendment simply states that the shelters constructed under this bill may not be made available exclusively for the use of the residents of a particular manufactured housing park or of other manufactured housing, but shall generally serve the residents of the area in which it is located.

I would assume this change is unobjectionable; I would assume this amendment would be supported. If this amendment is supported, as the last one, I will support the bill and allow the bill to pass by voice vote, so if there is any recorded vote, it would have to be the members of the majority who are asking for it, perhaps for purposes of whipping their members on some bill coming up next week, not because we are desirous of it.

Mr. BACHUS. Mr. Chairman, I rise in support of the amendment.

As with the previous amendment, it is my understanding that only low-income and moderate-income families would qualify under the existing law, but to clarify it further and to clarify with this amendment the additional wording, I welcome that as the intent of the bill.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. LAFALCE).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. TRAFICANT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 396, noes 0, not voting 36, as follows:

[Roll No. 60]

AYES—396

Abercrombie
Aderholt
Akin
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Davis (CA)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—36

Ackerman
Armey
Becerra
Bentsen
Berman
Brown (FL)
Calvert
Cannon
Cox
Cunningham
Davis (FL)
Diaz-Balart
Fletcher
Gordon
Hall (OH)
Hastings (WA)
Johnson (CT)
Johnson, E.B.
Jones (OH)
McCollum
McDermott
Moakley
Morella
Payne
Portman
Rangel
Reyes
Rothman
Scarborough
Simpson
Sisisky
Smith (MI)
Tancredo
Toomey
Watts (OK)
Wolf

□ 1403

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Mr. SIMPSON. Mr. Chairman, I was unavoidably detained and missed rollcall vote No. 60, on the Traficant amendment. Had I been here, I would have voted "aye."

The CHAIRMAN pro tempore (Mr. LAHOOD). Are there any other amendments? If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. LAHOOD, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 247) to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks, pursuant to House Resolution 93, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BACHUS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8(c) of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the question of the Speaker's approval of the Journal, which will occur immediately after this vote.

The vote was taken by electronic device, and there were—ayes 401, noes 6, not voting 25, as follows:

[Roll No. 61]

AYES—401

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—6

Collins
Duncan
Flake
Paul
Shadegg
Stump

NOT VOTING—25

Ackerman
Becerra
Bentsen
Brown (FL)
Calvert
Cannon
Cunningham
Diaz-Balart
Fletcher
Gordon
Goss
Hastings (WA)
Hoeffel
Johnson, E.B.
Jones (OH)
Lantos
Moakley
Portman
Rothman
Scarborough
Simpson
Sisisky
Smith (MI)
Toomey
Watts (OK)

□ 1420

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. DIAZ-BALART. Mr. Speaker, I was absent on rollcall vote 61, final passage for H.R. 247. Had I been present, I would have voted "aye."

Mr. SIMPSON. Mr. Speaker, I was unavoidably detained and missed rollcall vote No. 61, on passage of H.R. 247. Had I been here, I would have voted "aye."

THE JOURNAL

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to clause 1, rule I, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

Pursuant to clause 1, rule I, the Journal stands approved.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 247, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 247, TORNADO SHELTERS ACT

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 247, the Clerk be authorized to correct section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MAKING IN ORDER ON TUESDAY, MARCH 27, 2001 IN THE COMMITTEE OF THE WHOLE DEBATE ON CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002

Mr. DREIER. Mr. Speaker, I ask unanimous consent that it be in order on Tuesday, March 27, 2001, for the Speaker, pursuant to clause 2(b) of rule XVIII, to declare the House resolved into the Committee of the Whole House on the State of the Union for a period of debate on the subject of the Concurrent Resolution on the Budget for Fiscal Year 2002; that such period of debate not exceed 3 hours; that 2 hours of such debate be confined to the congressional budget and be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget, and that 1 hour of such debate be on the subject of economic goals and policies and be equally divided and controlled by the gentleman from New Jersey (Mr. SAXTON) and the gentleman from California (Mr. STARK) or their designees; that after such period of debate, the Committee of the Whole rise without motion; and that no further consideration of the Concurrent Resolution on the Budget for Fiscal Year 2002 be in order except pursuant to a subsequent order of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Ms. SLAUGHTER. Mr. Speaker, reserving the right to object, although I do not intend to object, I would like to ask a question.

It is my understanding that the first hour of the 3 hours of general debate will begin at 5 p.m. on Tuesday. The remaining 2 hours will be resumed after the vote or votes that begin at 6 p.m. on Tuesday.

Mr. Speaker, I yield to the gentleman from California (Mr. DREIER) to confirm that this is the intent of the majority.

Mr. DREIER. Mr. Speaker, it sounds as if we coordinated things perfectly.

Ms. SLAUGHTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute.)

Ms. SLAUGHTER. Mr. Speaker, I have asked for this time to inquire about next week's schedule, and I wish to yield to the gentleman from Texas (Mr. ARMEY).

Mr. ARMEY. Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Tuesday, March 27 at 12:30 p.m. for morning hour and 2 p.m. for legislative business. The House will consider a number of business under suspension of the rules, a list of which will be distributed to Member's offices tomorrow. No recorded votes are expected before 6 p.m. on Tuesday.

Mr. Speaker, also on Tuesday the House is expected to consider the Omnibus Committee Funding Resolution beginning at 4 p.m. At 5 p.m., the House will begin 3 hours of general debate on the budget resolution. No budget-related votes are expected on Tuesday.

On Wednesday, March 28, and the balance of the week, the House will consider the following measures subject to the rules: The budget resolution for the fiscal year 2002; H.R. 6, the Marriage Tax Elimination Act of 2001.

Mr. Speaker, obviously next week will be a busy and productive week on the floor. In expectation of that busy week, I wish all of my colleagues a restful weekend and time at home with their family and their constituents.

Ms. SLAUGHTER. Mr. Speaker, if I may inquire of the gentleman, the tax bill is expected to be on the floor on Tuesday?

Mr. ARMEY. Mr. Speaker, if the gentlewoman will yield, the tax bill is expected on the floor on Thursday.

Ms. SLAUGHTER. On Thursday?

Mr. ARMEY. Right.

Ms. SLAUGHTER. Should Members expect to be here voting on Friday?

Mr. ARMEY. Mr. Speaker, we cannot say for certain now. This is a busy week with a lot of work, and as we get a measure of the week's progress, we will try to inform Members as early as possible about Friday; but for now we have no plans other than we will be working on Thursday and Friday.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman.

ADJOURNMENT TO MONDAY, MARCH 26, 2001

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 27, 2001

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, March 26, 2001, it adjourn to meet at 12:30 p.m. on Tuesday, March 27, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SENSE OF CONGRESS ON HAGUE CONVENTION ON CIVIL ASPECTS OF INTERNATIONAL CHILD ABDUCTION

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the concurrent resolution (H. Con. Res. 69) expressing the sense of the Congress on the Hague Convention on the Civil Aspects of International Child Abduction and urging all contracting states to the Convention to recommend the production of practice guides, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 69

Whereas 20 years ago, the Hague Convention on the Civil Aspects of International Child Abduction was a bold step forward to provide a uniform process for resolving international child abduction cases;

Whereas over the past 2 decades, the Convention has had increasingly important and positive effects and has grown in terms of the number of Contracting States and the level of interest of other nations;

Whereas there has been an increase of multinational marriages and a corresponding increase of international abductions of children by parents;

Whereas as travel becomes faster and easier, and as multinational marriages become more common, the Convention is more significant than ever;

Whereas on 2 occasions, the International Centre for Missing and Exploited Children and the National Center for Missing and Exploited Children have convened professionals and experts in international child abduction to examine their experiences with the Convention;

Whereas on both occasions, the participants affirmed their overwhelming commitment to the Convention, but were also unified in the conclusion that there are serious shortcomings in its implementation;

Whereas the shortcomings include—

(1) a lack of awareness by policy makers and the general public of the Convention and of the problem of international child abduction, making the successful resolution of cases more difficult;

(2) the fact that, in too many instances, the process for resolving an international child abduction is too slow;

(3) a lack of uniformity in the interpretation of the Convention from nation to nation;

(4) the fact that key exceptions provided in the Convention to ensure reason and common sense have in some cases ceased to be viewed as exceptions, have instead become the rule, and are frequently used as justifications for not returning abducted children;

(5) the increasing difficulty of enforcing access rights for parents under Article 21 of the Convention;

(6) the need of parents for significant personal financial resources to obtain legal representation and proceed under the Convention and, in many places, the lack of assistance for parents who do not have such resources;

(7) a serious lack of training, knowledge, and experience for judges in international child abduction cases, because there are too many courts hearing these cases and in most instances few such cases for each court; and

(8) in many instances, the lack of enforcement of court orders for the return of children; and

Whereas the International Centre for Missing and Exploited Children has promised to support an effort to produce practice guides to provide a framework for applying the Convention: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That—

(1) it is the sense of the Congress that—

(A) the original intent of the Hague Convention on the Civil Aspects of International Child Abduction—to provide a uniform process for resolving international child abduction cases—is more important than ever;

(B) practice guides should be developed for the Convention that build on recognized best practices under the Convention and provide a framework for applying the Convention;

(C) the Convention itself need not be modified;

(D) the practices identified and included in the practice guides should not be legally binding on Contracting States to the Convention and should be based on research and the advice of experts to help ensure the most effective process possible;

(E) the practice guides should be developed in 3 stages: comparative research and consultations, meetings of expert committees to develop drafts, and consideration of the drafts by a future Special Commission; and

(F) the Permanent Bureau of The Hague should organize the process of developing the practice guides; and

(2) the Congress urges all Contracting States to the Convention to adopt a resolution recommending that—

(A) the Permanent Bureau of The Hague produce and promote practice guides to assist in the implementation and operation of the Convention; and

(B) such a proposal to produce practice guides be adopted by the Fourth Special Commission at The Hague in March 2001.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. CHABOT) is recognized for 1 hour.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the distinguished chairman of the Committee on International Relations, the gentleman from Illinois (Mr. HYDE), for making it possible for the House to consider this resolution on the eve of the Fourth Special Commission on the Hague Convention on the Civil Aspects of International Child Abduction.

I want to commend the author of the resolution, the gentleman from Texas (Mr. LAMPSON), with whom I have worked very closely on this issue. He has been a real leader, working on behalf of stolen American children and their left-behind parents.

Mr. Speaker, I am proud to be a principal Republican cosponsor on this important bipartisan legislation, and I look forward to traveling to The Hague next week to present this resolution to the 60 member countries represented at the Commission.

H. Con. Res. 69 expresses the sense of the Congress on the Hague Convention on the civil aspects of international child abduction and urges all contracting states to the convention to recommend the production of practice guides.

The resolution stresses that providing a uniform process for resolving international child abduction cases is more important than ever, and urges that practice guides be developed for the convention that build on recognized best practices under the convention. Adoption of this resolution today, I believe, will send a strong message to representatives of those Hague Convention signatories who will be meeting over the next several days that the United States Government is serious about insisting that all contracting parties to the Hague Convention comply fully with both the letter and the spirit of their international obligations under the convention. By adopting the practice guides suggested in the resolution, Hague countries can create a better environment for the eventual safe return of abducted children to their custodial parent. The Hague Convention provides for a child that has been abducted to or retained in a country other than his or her country of habitual residence to be speedily returned to the country of habitual residence.

□ 1430

Sadly, the process has not always worked well. The State Department reports that there are at any given time more than 1,000 open cases of American children either abducted or wrongfully retained in a foreign country. Thousands more are thought to go unreported. The National Center for Missing and Exploited Children estimates that there are 165,000 parental kidnapping cases each year and that approximately 10 percent involve a parent who has taken a child abroad without permission.

Mr. Speaker, the production and promotion of practice guides as proposed in this thoughtful resolution can provide great assistance in the implementation and operation of The Hague Convention. Last year this House adopted a resolution that I authored with the gentleman from Texas (Mr. LAMPSON) that urged noncomplying countries to take the necessary measures to bring themselves into compliance with The Hague Convention. Let us take another step today to help these stolen children and their left-behind parents. Let us adopt this resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. LAMPSON). I also want to again thank him for his leadership in this very important area of the law.

Mr. LAMPSON. Mr. Speaker, I thank the gentleman from Ohio not only for his work on this, which was a yeoman's effort to bring up, but all the work that he has done on behalf of missing and exploited children. The Congressional Caucus is very proud to have him as one of its members; and many other Members, about 147 of us, have worked diligently to bring this issue to the absolute forefront of the American people. We are making progress.

As the gentleman said, he and I will be attending the Fourth Special Commission on The Hague Convention on Civil Aspects of International Child Abduction. It is imperative that we demonstrate a level of commitment by the United States House of Representatives on this issue. Should this resolution pass, the gentleman from Ohio and I will present it to the 60 member countries represented at The Hague and urge their delegations to support a best-practices guide.

This resolution urges that all contracting states to The Hague Convention adopt a resolution drafted by the International Centre for Missing and Exploited Children as well as the National Center for Missing and Exploited Children that would recommend that the Permanent Bureau of The Hague produce and promote practice guides to assist in the implementation and operation of the Convention.

As travel becomes faster and easier and as multinational marriages become more frequent, The Hague Convention is more significant today than ever before. The International Centre for Missing and Exploited Children and the National Center have convened professionals and experts in international child abduction to examine their experiences with The Hague Convention.

Participants in both of these forums affirmed their overwhelming commitment to the Convention but were also unified in the conclusion that there are serious shortcomings in its implementation, including the lack of awareness of the Convention and the problem of international child abduction by policymakers and the general public. In too many instances, the processes are too slow; there is a lack of uniformity from country to country; there is growing concern that key exceptions provided within the treaty to ensure reason and common sense have in some cases ceased to be viewed as exceptions and instead have become the rule; there is great concern about the growing difficulty involved with enforcing access rights for parents; and in many instances, even where courts order returns, the enforcement of those orders is lacking or nonexistent.

We do not believe that the treaty itself should be modified, but practice guides would build upon recognized best practices under the Convention and provide a framework for applying the Convention. The practices identified and included in the guides would not be legally binding upon signatory countries but would serve as guidance to countries based upon research and the advice of experts in order to help ensure the most effective process possible.

Mr. Speaker, I urge the Members of the House of Representatives to vote for H. Con. Res. 69.

I want to also recognize and thank so very much those Members who signed on to this resolution as a cosponsor when we needed them. I introduced the bill on Tuesday with the hope that my colleagues would recognize the importance of this statement and rush it to the floor by the end of the week. My colleagues stepped up to the plate.

I want to especially recognize those Members of Congress and staff who worked to move this along. After the gentleman from Ohio (Mr. CHABOT) obviously, it is the gentleman from Missouri (Mr. GEPHARDT), the gentleman from Texas (Mr. DELAY), the gentleman from California (Mr. LANTOS), the gentleman from Illinois (Mr. HYDE), the gentleman from Texas (Mr. ARMEY), Tom Mooney, David Abramowitz, Dan Turton, Tim Friedman, Kirk Boyle, Nisha Desai and Hillel Weinberg.

I know it was not easy, but I sincerely appreciate the efforts put forth by Members and staff on both sides of the aisle to bring this to the floor. It is indeed a nonpartisan issue and one that we can all embrace.

Mr. CHABOT. Mr. Speaker, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. CHABOT

Mr. CHABOT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. CHABOT:
>
> In the text after the resolving clause, in paragraph (1)(F) and paragraph (2)(A), insert "Conference on Private International Law" after "The Hague".

The SPEAKER pro tempore (Mr. FERGUSON). The question is on the amendment offered by the gentleman from Ohio (Mr. CHABOT).

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the concurrent resolution, as amended.

The concurrent resolution, as amended, was agreed to.

AMENDMENT TO THE PREAMBLE OFFERED BY MR. CHABOT

Mr. CHABOT. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

> Amendment to the preamble offered by Mr. CHABOT:
>
> In the preamble, at the end of paragraph (8) of the seventh clause, strike "and" and insert after such clause the following new clause:
>
> Whereas the Permanent Bureau of The Hague Conference on Private International Law has made significant contributions to the implementation of the Convention but recognizes that more needs to be done; and

The SPEAKER pro tempore. The question is on the amendment to the preamble offered by the gentleman from Ohio (Mr. CHABOT).

The amendment to the preamble was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ON THE ARMY'S DECISION REGARDING ISSUANCE OF BLACK BERETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, last week the Pentagon announced that an agreement had been reached regarding the Army Chief of Staff's decision to issue black berets for all Army personnel. After months of discord caused by what can only be called a gross error in judgment, it was decided that the Rangers would change from the honored black beret which they had been wearing since 1951 to a tan beret and the regular Army personnel would now wear the black beret.

Once again the Rangers, among the most elite soldiers that the Army has to offer, took a back seat to political correctness and social engineering within, and I quote, "the Army of one."

Mr. Speaker, I want to read for Members some of the letters that I have received from citizens regarding this issue.

This letter is from Mr. Harold Westerholm, a World War II Ranger from Oxford, North Carolina:

> The Rangers fought hard to gain the respect and to be bestowed the honor of wearing a black beret. Merely giving the ordinary soldier the privilege of wearing a black beret will not improve his morale. Morale is gained through respect, respect which is earned through deed.

Let me also quote a letter from Mr. James Roe:

> I strongly disagree with the United States Army ignoring the Made in America Act for the purchase of the black berets. It is unbelievable to me that you would allow our military to purchase the new headgear from China. North Carolina is a major textile-producing State, which has been devastated by low-cost Chinese imports. How did you let this happen? How can our brave men and women be forced to wear Chinese-manufactured berets?

My answer to Mr. Roe and to the millions of other Americans who have asked that question is that it happened because the Congress was not consulted or informed of the decision to bypass the Buy American Act. I spoke with a small business owner yesterday who would have gladly bid on the order for the berets if she had only been given the opportunity. What is more, she could have made the berets for almost $3 less than it is costing you and me and every taxpayer to import them from Communist China.

Also, I heard from retired Lieutenant Colonel William Luther. Colonel Luther wrote:

> Those who can act on this matter need to wake up and understand that what they are about to let happen will cost the Army and our country far more than money can ever buy.

Mr. Speaker, these are just a few of the letters that I have received on this issue, but these letters represent the feelings and sentiment of thousands who are sickened by this original decision and by the bogus resolution that the Rangers were forced to agree to. I am still greatly perplexed and extremely disappointed that this decision and the series of bad decisions that followed were allowed to stand. I hope that it is not too late for this Congress to intervene on behalf of the Rangers, small business owners and U.S. manufacturing companies before it is too late.

I along with many of my colleagues will not let this matter simply drop. We will continue to encourage the committees of jurisdiction to hold hearings so the American people can know the truth once and for all.

Mr. Speaker, I close by saying, God bless our men and women in uniform, and God bless America.

REGARDING THE BUDGET FOR DEFENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, it is quite familiar to me to stand here and address the subject of military budgets. For many years, under administrations of both parties, I have pointed out where we believe the House as a body and America as a Nation were failing to set appropriate priorities in the defense budget. Often, indeed far too often, I and other Members noted that we were trying to do too much with too little. In fact, last year I asked the Budget Committee to add $12 billion for the Department of Defense.

That is why I was glad to see both candidates for President advocate increases in the defense budget. It was good news. That is the right step, regardless of one's party. If we can keep our promises to the troops and maintain an effective defense, I do not care if the money comes from Democrats, Republicans or Martians.

That is why I have to say I am disappointed with the result. President Bush's defense budget for 2002 provides about $325 billion for national security activities, nearly $311 billion of that for the Department of Defense. That is a whole lot of money, to be sure. But then you have to take out the retiree health care provisions that the gentleman from Mississippi (Mr. TAYLOR), the gentleman from Hawaii (Mr. ABERCROMBIE) and I initiated and which were passed into law last year; and then you have to adjust for inflation. When you do that, guess what? The actual increase in the defense budget is $100 million from what President Clinton proposed. $100 million.

If any of us won that much in a lottery, we would be rich. But in the Department of Defense, what does $100 million do? $100 million is a pay increase for every soldier of $1.85 per pay period. Or it is one-forty-fifth of an aircraft carrier. Or it fixes the gymnasium at West Point. Or it runs the ballistic missile defense program for 6 days. Or it is 1½ F–15 fighters. You pick whichever you like, because for that money you get only one. A $100 million increase in the defense budget is not really too much to write home about. When the President during his campaign said that help is on the way, he must have meant spiritual help, because $1.85 does not help anybody very much.

But let us be fair. President Bush wants to increase pay by more than $1.85. On February 12, he told soldiers at Fort Stewart that he would increase pay by $400 million and add in other benefits for a total of $5.7 billion. And there is $100 million to pay for that.

□ 1445

Well, let us not forget the budget included a $2.6 billion increase in research and development. Not a bad idea, as such. But add that to the pay increase of $5.7 billion, and that is $8.3 billion; and you have to get that out of a $100 million stone.

I am just a country lawyer, but it seems to me if you increase spending by $8.3 billion, but have only $100 million more to do it, you have to cut something else to make the numbers work out. We do not know what is going to get cut yet. The department has not finished the first of a series of defense reviews. But what do the choices look like?

You could cut procurement, if you can find a way to keep planes designed in the 1960s and built in the 1970s in the air safely; and if you are willing to let the Navy slide below 300 ships; and if you are ready to stop the Army's acquisition of armored vehicles for its current dismounted infantry. I am not willing to do any of these things, and I hope the Pentagon is not either.

How about operations and maintenance costs? Well, if you are willing to train even less, and let your ammunition shortages grow, and cut flying hours more, and stop repairing the USS *Cole*, and live with the health care shortfalls, then you could cut operations and maintenance. I do not want to be the one to tell the troops that they are not going to get help to get them off food stamps, and I hope none of my colleagues would either.

Then you could cut military construction. You could, if you were ready to give up on repairing dilapidated military housing, and stop adding protection against terrorist strikes. You get the idea. There just are not any easy choices when you have only $100 million to pay a $8.3 billion bill.

That is before our tax cut. That is before increasing the budget for missile defense.

It seems to me that part of the solution would be to enact a supplemental spending bill that recognizes just how hard our troops have been working. It would at least help close the gap. But that, too, has been ruled off the table for now.

Mr. Speaker, I will admit, I was one of those who believed that whoever won the Presidency, the military would begin to get the relief it needs; and I know some of my Republican friends believed the same. I am sorry to say that it looks as if we were given false hope.

JUMP-STARTING VALUE-ADDED INITIATIVES FOR AGRICULTURE PRODUCERS

The SPEAKER pro tempore (Mr. FERGUSON). Under a previous order of the House, the gentleman from Montana (Mr. REHBERG) is recognized for 5 minutes.

Mr. REHBERG. Mr. Speaker, this week, March 18 through March 24, is National Agriculture Week. Agriculture is the number one industry in my State and last week I introduced, along with the gentleman from South Dakota (Mr. THUNE) and the gentlewoman from Missouri (Mrs. EMERSON), two pieces of legislation that I believe will be very important in ag country.

The past few years have brought widespread disasters and record low prices to the agriculture economy. These harsh conditions have prompted some farmers to call for a debate on current farm policy and others to demand a better safety net for producers. While a safety net is important to producers, especially in lean years, America's farmers and ranchers do not want to be dependent on the Federal Government for their livelihood. Consequently, the Federal Government must develop a long-term, market-oriented approach to Federal farm policy that will provide producers with the tools to help themselves, while at the same time bringing much-needed economic development to rural communities.

Stakeholders in American agriculture recognize that while short-term financial assistance is helpful, long-term planning and creative and innovative opportunities are necessary in order to stem the loss of small, family-owned farms and preserve small-town economies.

Encouraging agricultural producers to launch value-added enterprises will do just that by enabling farmers and ranchers to reach up the marketing chain and capture profits generated from processing their raw commodities.

While producers have great interest in pooling together to add value to their raw products, two primary barriers stand in their way: first, producers often do not have the technical expertise to launch extremely complex business ventures, like value-added enterprises. Producers are experts, but they are experts in their own fields. Farmers are often outside their arena when it comes to putting together complex processing plants.

Second, producers are currently cash strapped. Even if enough capital could be accumulated to initiate development of producer-owned, value-added processing, many of the consolidated players in the market could squeeze producer-owned entities out before they become profitable. Therefore, something needs to be done to level the playing field for these producers.

That is why, together with the gentleman from South Dakota (Mr. THUNE) and the gentlewoman from Missouri (Mrs. EMERSON), I have introduced two bills to help jump-start value-added initiatives for those producers who need more help to overcome the barriers they face.

The Value-Added Agriculture Development Act would grant $50 million to create agricultural innovation centers for 3 years on a demonstration basis. The ag innovation centers would provide desperately needed technical expertise, engineering, business, research and legal services to assist producers in forming producer-owned value-added endeavors.

The companion bill, the Value-Added Agriculture Investment Tax Credit Act, would create a tax credit program for farmers who invest in producer-owned value-added endeavors. This program would provide an incentive to invest in value-added production by assisting cash-strapped producers.

Specifically, the bill would make available a 50 percent tax credit for farmers who invest in a producer-owned value-added enterprise. Producers can apply the tax credit over 20 subsequent years or transfer the tax credit to allow for the cyclical nature of farm incomes.

For example, sugar beet growers in the Yellowstone Valley in Montana have the potential to purchase the Great Western sugar refinery. This legislation could provide much-needed tax relief for the grower, turning a “maybe” purchase into a “possible” purchase.

With our tax credit bill, each grower would claim as much as a $30,000 tax credit for his $60,000 investment towards the purchase of this plant. That may be enough assistance for the producers to remain in a business so important to Montana's economy.

I have always said that government does not create jobs, people do. Something government can do, however, is create an environment that gives incentives to entrepreneurs and enables businesses to flourish. That is what this package of legislation does: it provides American family farmers with the tools and incentives they desperately need to transform themselves from price-takers to price-makers. Because of this, the legislation has been endorsed by the Montana Farmers Union, Montana Wool Growers, Montana Farm Bureau, Safflower Growers Associations, R-CALF, Montana Stock Growers, Mountain States Beet Growers Association of Montana, and Montana Grain Growers.

Agriculture is Montana's number one industry, and what is good for agriculture is good for Montana. By developing value-added industries, we can bring some economic development to Montana and other rural States. That is good for our pocketbooks, our communities, and our way of life.

PUBLICATION OF THE RULES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT 107TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. HEFLEY) is recognized for 5 minutes.

Mr. HEFLEY. Mr. Speaker, enclosed, please find a copy of the Rules of the Committee on Standards of Official Conduct of the U.S. House of Representatives for the 107th Congress. The Committee on Standards of Official Conduct adopted these rules pursuant to House Rule XI, clause 2(a)(1) on March 14, 2001. We are submitting these rules to the CONGRESSIONAL RECORD for publication in compliance with House Rule XI, clause 2(a)(2).

RULES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Adopted March 14, 2001

FOREWORD

The Committee on Standards of Official Conduct is unique in the House of Representatives. Consistent with the duty to carry out its advisory and enforcement responsibilities in an impartial manner, the Committee is the only standing committee of the House of Representatives the membership of which is divided evenly by party. These rules are intended to provide a fair procedural framework for the conduct of the Committee's activities and to help insure that the Committee serves well the people of the United States, the House of Representatives, and the Members, officers, and employees of the House of Representatives.

PART I—GENERAL COMMITTEE RULES

Rule 1. General Provisions

(a) So far as applicable, these rules and the Rules of the House of Representatives shall be the rules of the Committee and any subcommittee. The Committee adopts these rules under the authority of clause 2(a)(1) of Rule XI of the Rules of the House of Representatives, 107th Congress.

(b) The rules of the Committee may be modified, amended, or repealed by a vote of a majority of the Committee.

(c) When the interests of justice so require, the Committee, by a majority vote of its members, may adopt any special procedures, not inconsistent with these rules, deemed necessary to resolve a particular matter before it. Copies of such special procedures shall be furnished to all parties in the matter.

Rule 2. Definitions

(a) “Committee” means the Committee on Standards of Official Conduct.

(b) “Complaint” means a written allegation of improper conduct against a Member, officer, or employee of the House of Representatives filed with the Committee with the intent to initiate an inquiry.

(c) “Inquiry” means an investigation by an investigative subcommittee into allegations against a Member, officer, or employee of the House of Representatives.

(d) “Investigative Subcommittee” means a subcommittee designated pursuant to Rule 8 to conduct an inquiry to determine if a Statement of Alleged Violation should be issued.

(e) “Statement of Alleged Violation” means a formal charging document filed by an investigative subcommittee with the Committee containing specific allegations against a Member, officer, or employee of the House of Representatives of a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct applicable to the performance of official duties or the discharge of official responsibilities.

(f) “Adjudicatory Subcommittee” means a subcommittee of the Committee comprised of those Committee members not on the investigative subcommittee, that holds an adjudicatory hearing and determines whether the counts in a Statement of Alleged Violation are proved by clear and convincing evidence.

(g) “Sanction Hearing” means a Committee hearing to determine what sanction, if any, to adopt or to recommend to the House of Representatives.

(h) “Respondent” means a Member, officer, or employee of the House of Representatives who is the subject of a complaint filed with the Committee or who is the subject of an inquiry or a Statement of Alleged Violation.

(i) “Office of Advice and Education” refers to the Office established by section 803(i) of the Ethics Reform Act of 1989. The Office handles inquiries; prepares written opinions in response to specific requests; develops general guidance; and organizes seminars, workshops, and briefings for the benefit of the House of Representatives.

Rule 3. Advisory Opinions and Waivers

(a) The Office of Advice and Education shall handle inquiries; prepare written opinions providing specific advice; develop general guidance; and organize seminars, workshops, and briefings for the benefit of the House of Representatives.

(b) Any Member, officer, or employee of the House of Representatives, may request a written opinion with respect to the propriety of any current or proposed conduct of such Member, officer, or employee.

(c) The Office of Advice and Education may provide information and guidance regarding laws, rules, regulations, and other standards of conduct applicable to Members, officers, and employees in the performance of their duties or the discharge of their responsibilities.

(d) In general, the Committee shall provide a written opinion to an individual only in response to a written request, and the written opinion shall address the conduct only of the inquiring individual, or of persons for whom the inquiring individual is responsible as employing authority.

(e) A written request for an opinion shall be addressed to the Chairman of the Committee and shall include a complete and accurate statement of the relevant facts. A request shall be signed by the requester or the requester's authorized representative or employing authority. A representative shall disclose to the Committee the identity of the principal on whose behalf advice is being sought.

(f) The Office of Advice and Education shall prepare for the Committee a response to each written request for an opinion from a Member, officer or employee. Each response shall discuss all applicable laws, rules, regulations, or other standards.

(g) Where a request is unclear or incomplete, the Office of Advice and Education may seek additional information from the requester.

(h) The Chairman and Ranking Minority Member are authorized to take action on behalf of the Committee on any proposed written opinion that they determine does not require consideration by the Committee. If the Chairman or Ranking Minority Member requests a written opinion, or seeks a waiver, extension, or approval pursuant to Rules 3(l), 4(c), 4(e), or 4(h), the next ranking member of the requester's party is authorized to act in lieu of the requester.

(i) The Committee shall keep confidential any request for advice from a Member, officer, or employee, as well as any response thereto.

(j) The Committee may take no adverse action in regard to any conduct that has been undertaken in reliance on a written opinion if the conduct conforms to the specific facts addressed in the opinion.

(k) Information provided to the Committee by a Member, officer, or employee seeking advice regarding prospective conduct may not be used as the basis for initiating an investigation under clause 3(a)(2) of Rule XI of the Rules of the House of Representatives, if such Member, officer, or employee acts in good faith in accordance with the written advice of the Committee.

(l) A written request for a waiver of clause 5 of House Rule XXV (the House gift rule), or for any other waiver or approval, shall be treated in all respects like any other request for a written opinion.

(m) A written request for a waiver of clause 5 of House Rule XXV (the House gift rule) shall specify the nature of the waiver being sought and the specific circumstances justifying the waiver.

(n) An employee seeking a waiver of time limits applicable to travel paid for by a private source shall include with the request evidence that the employing authority is aware of the request. In any other instance where proposed employee conduct may reflect on the performance of official duties, the Committee may require that the requester submit evidence that the employing authority knows of the conduct.

Rule 4. Financial Disclosure

(a) In matters relating to Title I of the Ethics in Government Act of 1978, the Committee shall coordinate with the Clerk of the House of Representatives, Legislative Resource Center, to assure that appropriate individuals are notified of their obligation to file Financial Disclosure Statements and that such individuals are provided in a timely fashion with filing instructions and forms developed by the Committee.

(b) The Committee shall coordinate with the Legislative Resource Center to assure that information that the Ethics in Government Act requires to be placed on the public record is made public.

(c) The Chairman and Ranking Minority Member are authorized to grant on behalf of the Committee requests for reasonable extensions of time for the filing of Financial Disclosure Statements. Any such request must be received by the Committee no later than the date on which the statement in question is due. A request received after such date may be granted by the Committee only in extraordinary circumstances. Such extensions for one individual in a calendar year shall not exceed a total of 90 days. No extension shall be granted authorizing a nonincumbent candidate to file a statement later than 30 days prior to a primary or general election in which the candidate is participating.

(d) An individual who takes legally sufficient action to withdraw as a candidate before the date on which that individual's Financial Disclosure Statement is due under the Ethics in Government Act shall not be required to file a Statement. An individual shall not be excused from filing a Financial Disclosure Statement when withdrawal as a candidate occurs after the date on which such Statement was due.

(e) Any individual who files a report required to be filed under title I of the Ethics in Government Act more than 30 days after the later of—

(1) the date such report is required to be filed, or

(2) if a filing extension is granted to such individual, the last day of the filing extension period, is required by such Act to pay a late filing fee of $200. The Chairman and Ranking Minority Member are authorized to approve requests that the fee be waived based on extraordinary circumstances.

(f) Any late report that is submitted without a required filing fee shall be deemed procedurally deficient and not properly filed.

(g) The Chairman and Ranking Minority Member are authorized to approve requests for waivers of the aggregation and reporting of gifts as provided by section 102(a)(2)(C) of the Ethics in Government Act. If such a request is approved, both the incoming request and the Committee response shall be forwarded to the Legislative Resource Center for placement on the public record.

(h) The Chairman and Ranking Minority Member are authorized to approve blind trusts as qualifying under section 102(f)(3) of the Ethics in Government Act. The correspondence relating to formal approval of a blind trust, the trust document, the list of assets transferred to the trust, and any other documents required by law to be made public, shall be forwarded to the Legislative Resource Center for such purpose.

(i) The Committee shall designate staff counsel who shall review Financial Disclosure Statements and, based upon information contained therein, indicate in a form and manner prescribed by the Committee whether the Statement appears substantially accurate and complete and the filer appears to be in compliance with applicable laws and rules.

(j) Each Financial Disclosure Statement shall be reviewed within 60 days after the date of filing.

(k) If the reviewing counsel believes that additional information is required because (1) the Statement appears not substantially accurate or complete, or (2) the filer may not be in compliance with applicable laws or rules, then the reporting individual shall be notified in writing of the additional information believed to be required, or of the law or rule with which the reporting individual does not appear to be in compliance. Such notice shall also state the time within which a response is to be submitted. Any such notice shall remain confidential.

(l) Within the time specified, including any extension granted in accordance with clause (c), a reporting individual who concurs with the Committee's notification that the Statement is not complete, or that other action is required, shall submit the necessary information or take appropriate action. Any amendment may be in the form of a revised Financial Disclosure Statement or an explanatory letter addressed to the Clerk of the House of Representatives.

(m) Any amendment shall be placed on the public record in the same manner as other Statements. The individual designated by the Committee to review the original Statement shall review any amendment thereto.

(n) Within the time specified, including any extension granted in accordance with clause (c), a reporting individual who does not agree with the Committee that the Statement is deficient or that other action is required, shall be provided an opportunity to respond orally or in writing. If the explanation is accepted, a copy of the response, if written, or a note summarizing an oral response, shall be retained in Committee files with the original report.

(o) The Committee shall be the final arbiter of whether any Statement requires clarification or amendment.

(p) If the Committee determines, by vote of a majority of its members, that there is reason to believe that an individual has willfully failed to file a Statement or has willfully falsified or willfully failed to file information required to be reported, then the Committee shall refer the name of the individual, together with the evidence supporting its finding, to the Attorney General pursuant to section 104(b) of the Ethics in Government Act. Such referral shall not preclude the Committee from initiating such other action as may be authorized by other provisions of law or the Rules of the House of Representatives.

Rule 5. Meetings

(a) The regular meeting day of the Committee shall be the second Wednesday of each month, except when the House of Representatives is not meeting on that day. When the Committee Chairman determines that there is sufficient reason, a meeting may be called on additional days. A regularly scheduled meeting need not be held when the Chairman determines there is no business to be considered.

(b) The Chairman shall establish the agenda for meetings of the Committee and the Ranking Minority Member may place additional items on the agenda.

(c) All meetings of the Committee or any subcommittee shall occur in executive session unless the Committee or subcommittee, by an affirmative vote of a majority of its members, opens the meeting or hearing to the public.

(d) Any hearing held by an adjudicatory subcommittee or any sanction hearing held by the Committee shall be open to the public unless the Committee or subcommittee, by an affirmative vote of a majority of its members, closes the hearing to the public.

(e) A subcommittee shall meet at the discretion of its Chairman.

(f) Insofar as practicable, notice for any Committee or subcommittee meeting shall be provided at least seven days in advance of the meeting. The Chairman of the Committee or subcommittee may waive such time period for good cause.

Rule 6. Committee Staff

(a) The staff is to be assembled and retained as a professional, nonpartisan staff.

(b) Each member of the staff shall be professional and demonstrably qualified for the position for which he is hired.

(c) The staff as a whole and each individual member of the staff shall perform all official duties in a nonpartisan manner.

(d) No member of the staff shall engage in any partisan political activity directly affecting any congressional or presidential election.

(e) No member of the staff or outside counsel may accept public speaking engagements or write for publication on any subject that is in any way related to his or her employment or duties with the Committee without specific prior approval from the Chairman and Ranking Minority Member.

(f) No member of the staff or outside counsel may make public, unless approved by an affirmative vote of a majority of the members of the Committee, any information, document, or other material that is confidential, derived from executive session, or classified and that is obtained during the course of employment with the Committee.

(g) All staff members shall be appointed by an affirmative vote of a majority of the members of the Committee. Such vote shall occur at the first meeting of the membership of the Committee during each Congress and as necessary during the Congress.

(h) Subject to the approval of the Committee on House Administration, the Committee may retain counsel not employed by the House of Representatives whenever the Committee determines, by an affirmative vote of a majority of the members of the Committee, that the retention of outside counsel is necessary and appropriate.

(i) If the Committee determines that it is necessary to retain staff members for the purpose of a particular investigation or other proceeding, then such staff shall be retained only for the duration of that particular investigation or proceeding.

(j) Outside counsel may be dismissed prior to the end of a contract between the Committee and such counsel only by a majority vote of the members of the Committee.

(k) In addition to any other staff provided for by law, rule, or other authority, with respect to the Committee, the Chairman and Ranking Minority Member each may appoint one individual as a shared staff member from his or her personal staff to perform service for the Committee. Such shared staff may assist the Chairman or Ranking Minority Member on any subcommittee on which he serves. Only paragraphs (c), (e), and (f) shall apply to shared staff.

Rule 7. Confidentiality Oaths

Before any Member or employee of the Committee may have access to information that is confidential under the rules of the Committee, the following oath (or affirmation) shall be executed in writing:

"I do solemnly swear (or affirm) that I will not disclose, to any person or entity outside the Committee on Standards of Official Conduct, any information received in the course of my service with the Committee, except as authorized by the Committee or in accordance with its rules."

Copies of the executed oath shall be provided to the Clerk of the House as part of the records of the House. Breaches of confidentiality shall be investigated by the Committee and appropriate action shall be taken.

Rule 8. Subcommittees—General Policy and Structure

(a) Upon an affirmative vote of a majority of its members to initiate an inquiry, the Chairman and Ranking Minority Member of the Committee shall designate four members (with equal representation from the majority and minority parties) to serve as an investigative subcommittee to undertake an inquiry. At the time of appointment, the Chairman shall designate one member of the subcommittee to serve as the chairman and the Ranking Minority Member shall designate one member of the subcommittee to serve as the ranking minority member of the investigative subcommittee or adjudicatory subcommittee. The Chairman and Ranking Minority Member of the Committee may serve as members of an investigative subcommittee, but may not serve as non-voting, ex-officio members.

(b) If an investigative subcommittee, by a majority vote of its members, adopts a Statement of Alleged Violation, members who did not serve on the investigative subcommittee are eligible for appointment to the adjudicatory subcommittee to hold an Adjudicatory Hearing under Committee Rule 24 on the violations alleged in the Statement.

(c) Notwithstanding any provision of paragraphs (a) or (b) of this Rule, or any other provision of these Rules, the Chairman and Ranking Minority Member of the Committee may consult with an investigative subcommittee either on their own initiative or on the initiative of the subcommittee, shall have access to information before a subcommittee with whom they so consult, and shall not thereby be precluded from serving as full, voting members of any adjudicatory subcommittee.

(d) The Committee may establish other noninvestigative and nonadjudicatory subcommittees and may assign to them such functions as it may deem appropriate. The membership of each subcommittee shall provide equal representation for the majority and minority parties.

(e) The Chairman may refer any bill, resolution, or other matter before the Committee to an appropriate subcommittee for consideration. Any such bill, resolution, or other matter may be discharged from the subcommittee to which it was referred by a majority vote of the Committee.

(f) Any member of the Committee may sit with any noninvestigative or nonadjudicatory subcommittee, but only regular members of such subcommittee may vote on any matter before that subcommittee.

Rule 9. Quorums and Member Disqualification

(a) The quorum for an investigative subcommittee to take testimony and to receive evidence shall be two members, unless otherwise authorized by the House of Representatives.

(b) The quorum for an adjudicatory subcommittee to take testimony, receive evidence, or conduct business shall consist of a majority plus one of the members of the adjudicatory subcommittee.

(c) Except as stated in clauses (a) and (b) of this rule, a quorum for the purpose of conducting business consists of a majority of the members of the Committee or subcommittee.

(d) A member of the Committee shall be ineligible to participate in any Committee or subcommittee proceeding in which he is the respondent.

(e) A member of the Committee may disqualify himself from participating in any investigation of the conduct of a Member, officer, or employee of the House of Representatives upon the submission in writing and under oath of an affidavit of disqualification stating that the member cannot render an impartial and unbiased decision. If the Committee approves and accepts such affidavit of disqualification, or if a member is disqualified pursuant to Rule 18(g) or Rule 24(a), the Chairman shall so notify the Speaker and ask the Speaker to designate a Member of the House of Representatives from the same political party as the disqualified member of the Committee to act as a member of the Committee in any Committee proceeding relating to such investigation.

Rule 10. Vote Requirements

(a) The following actions shall be taken only upon an affirmative vote of a majority of the members of the Committee or subcommittee, as appropriate:

(1) Issuing a subpoena.

(2) Adopting a full Committee motion to create an investigative subcommittee.

(3) Adoption of a Statement of Alleged Violation.

(4) Finding that a count in a Statement of Alleged Violation has been proved by clear and convincing evidence.

(5) Sending a letter of reproval.

(6) Adoption of a recommendation to the House of Representatives that a sanction be imposed.

(7) Adoption of a report relating to the conduct of a Member, officer, or employee.

(8) Issuance of an advisory opinion of general applicability establishing new policy.

(b) Except as stated in clause (a), action may be taken by the Committee or any subcommittee thereof by a simple majority, a quorum being present.

(c) No motion made to take any of the actions enumerated in clause (a) of this Rule may be entertained by the Chair unless a quorum of the Committee is present when such motion is made.

Rule 11. Communications by Committee Members and Staff

Committee members and staff shall not disclose any evidence relating to an investigation to any person or organization outside the Committee unless authorized by the Committee. The Chairman and Ranking Minority Member shall have access to such information that they request as necessary to conduct Committee business. Evidence in the possession of an investigative subcommittee shall not be disclosed to other Committee members except by a vote of the subcommittee.

Rule 12. Committee Records

(a) The Committee may establish procedures necessary to prevent the unauthorized disclosure of any testimony or other information received by the Committee or its staff.

(b) Members and staff of the Committee shall not disclose to any person or organization outside the Committee, unless authorized by the Committee, any information regarding the Committee's or a subcommittee's investigative, adjudicatory or other proceedings, including, but not limited to: (i) the fact of or nature of any complaints; (ii) executive session proceedings; (iii) information pertaining to or copies of any Committee or subcommittee report, study, or other document which purports to express the views, findings, conclusions, or recommendations of the Committee or subcommittee in connection with any of its activities or proceedings; or (iv) any other information or allegation respecting the conduct of a Member, officer, or employee.

(c) The Committee shall not disclose to any person or organization outside the Committee any information concerning the conduct of a respondent until it has transmitted a Statement of Alleged Violation to such respondent and the respondent has been given full opportunity to respond pursuant to Rule 23. The Statement of Alleged Violation and any written response thereto shall be made public at the first meeting or hearing on the matter that is open to the public after such opportunity has been provided. Any other materials in the possession of the Committee regarding such statement may be made public as authorized by the Committee to the extent consistent with the Rules of the House of Representatives.

(d) If no public hearing or meeting is held on the matter, the Statement of Alleged Violation and any written response thereto shall be included in the Committee's final report on the matter to the House of Representatives.

(e) All communications and all pleadings pursuant to these rules shall be filed with the Committee at the Committee's office or such other place as designated by the Committee.

(f) All records of the Committee which have been delivered to the Archivist of the United States shall be made available to the public in accordance with Rule VII of the Rules of the House of Representatives.

Rule 13. Broadcasts of Committee and Subcommittee Proceedings

(a) Television or radio coverage of a Committee or subcommittee hearing or meeting shall be without commercial sponsorship.

(b) No witness shall be required against his or her will to be photographed or otherwise to have a graphic reproduction of his or her image made at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any witness, all media microphones shall be turned off, all television and camera lenses shall be covered, and the making of a graphic reproduction at the hearing shall not be permitted. This paragraph supplements clause 2(k)(5) of Rule XI of the Rules of the House of Representatives relating to the protection of the rights of witnesses.

(c) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The Committee may allocate the positions of permitted television cameras among the television media in consultation with the Executive Committee of the Radio and Television Correspondents' Galleries.

(d) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee, or the visibility of that witness and that member to each other.

(e) Television cameras shall not be placed in positions that unnecessarily obstruct the coverage of the hearing or meeting by the other media.

PART II—INVESTIGATIVE AUTHORITY

Rule 14. House Resolution

Whenever the House of Representatives, by resolution, authorizes or directs the Committee to undertake an inquiry or investigation, the provisions of the resolution, in conjunction with these Rules, shall govern. To the extent the provisions of the resolution differ from these Rules, the resolution shall control.

Rule 15. Committee Authority to Investigate—General Policy

(a) Pursuant to clause 3(b)(2) of Rule XI of the Rules of the House of Representatives, the Committee may exercise its investigative authority when—

(1) information offered as a complaint by a Member of the House of Representatives is transmitted directly to the Committee;

(2) information offered as a complaint by an individual not a Member of the House is transmitted to the Committee, provided that a Member of the House certifies in writing that he or she believes the information is submitted in good faith and warrants the review and consideration of the Committee;

(3) the Committee, on its own initiative, establishes an investigative subcommittee;

(4) a Member, officer, or employee is convicted in a Federal, State, or local court of a felony; or

(5) the House of Representatives, by resolution, authorizes or directs the Committee to undertake an inquiry or investigation.

(b) The Committee also has investigatory authority over certain unauthorized disclosures of intelligence-related information, pursuant to House Rule X, clauses 11(g)(4) and (g)(5).

Rule 16. Complaints

(a) A complaint submitted to the Committee shall be in writing, dated, and properly verified (a document will be considered properly verified where a notary executes it with the language, "Signed and sworn to (or affirmed) before me on (date) by (the name of the person)" setting forth in simple, concise, and direct statements—

(1) the name and legal address of the party filing the complaint (hereinafter referred to as the "complainant");

(2) the name and position or title of the respondent;

(3) the nature of the alleged violation of the Code of Official Conduct or of other law, rule, regulation, or other standard of conduct applicable to the performance of duties or discharge of responsibilities; and

(4) the facts alleged to give rise to the violation. The complaint shall not contain innuendo, speculative assertions, or conclusory statements.

(b) Any documents in the possession of the complainant that relate to the allegations may be submitted with the complaint.

(c) Information offered as a complaint by a Member of the House of Representatives may be transmitted directly to the Committee.

(d) Information offered as a complaint by an individual not a Member of the House may be transmitted to the Committee, provided that a Member of the House certifies in writing that he or she believes the information is submitted in good faith and warrants the review and consideration of the Committee.

(e) A complaint must be accompanied by a certification, which may be unsworn, that the complainant has provided an exact copy of the filed complaint and all attachments to the respondent.

(f) The Committee may defer action on a complaint against a Member, officer, or employee of the House of Representatives when the complaint alleges conduct that the Committee has reason to believe is being reviewed by appropriate law enforcement or regulatory authorities, or when the Committee determines that it is appropriate for the conduct alleged in the complaint to be reviewed initially by law enforcement or regulatory authorities.

(g) A complaint may not be amended without leave of the Committee. Otherwise, any new allegations of improper conduct must be submitted in a new complaint that independently meets the procedural requirements of the Rules of the House of Representatives and the Committee's Rules.

(h) The Committee shall not accept, and shall return to the complainant, any complaint submitted within the 60 days prior to an election in which the subject of the complaint is a candidate.

(i) The Committee shall not consider a complaint, nor shall any investigation be undertaken by the Committee, of any alleged violation which occurred before the third previous Congress unless the Committee determines that the alleged violation is directly related to an alleged violation which occurred in a more recent Congress.

Rule 17. Duties of Committee Chairman and Ranking Minority Member

(a) Unless otherwise determined by a vote of the Committee, only the Chairman or Ranking Minority Member, after consultation with each other, may make public statements regarding matters before the Committee or any subcommittee.

(b) Whenever information offered as a complaint is submitted to the Committee, the Chairman and Ranking Minority Member shall have 14 calendar days or 5 legislative days, whichever occurs first, to determine whether the information meets the requirements of the Committee's rules for what constitutes a complaint.

(c) Whenever the Chairman and Ranking Minority Member jointly determine that information submitted to the Committee meets the requirements of the Committee's rules for what constitutes a complaint, they shall have 45 calendar days or 5 legislative days, whichever is later, after the date that the Chairman and Ranking Minority Member determine that information filed meets the requirements of the Committee's rules for what constitutes a complaint, unless the Committee by an affirmative vote of a majority of its members votes otherwise, to—

(1) recommend to the Committee that it dispose of the complaint, or any portion thereof, in any manner that does not require action by the House, which may include dismissal of the complaint or resolution of the complaint by a letter to the Member, officer, or employee of the House against whom the complaint is made;

(2) establish an investigative subcommittee; or

(3) request that the Committee extend the applicable 45-calendar day period when they determine more time is necessary in order to make a recommendation under paragraph (1).

(d) The Chairman and Ranking Minority Member may jointly gather additional information concerning alleged conduct which is the basis of a complaint or of information offered as a complaint until they have established an investigative subcommittee or the Chairman or Ranking Minority Member has placed on the agenda the issue of whether to establish an investigative subcommittee.

(e) If the Chairman and Ranking Minority Member jointly determine that information submitted to the Committee meets the requirements of the Committee rules for what constitutes a complaint, and the complaint is not disposed of within 45 calendar days or 5 legislative days, whichever is later, and no additional 45-day extension is made, then they shall establish an investigative subcommittee and forward the complaint, or any portion thereof, to that subcommittee for its consideration. If at any time during the time period either the Chairman or Ranking Minority Member places on the agenda the issue of whether to establish an investigative subcommittee, then an investigative subcommittee may be established only by an affirmative vote of a majority of the members of the Committee.

(f) Whenever the Chairman and Ranking Minority Member jointly determine that information submitted to the Committee does not meet the requirements for what constitutes a complaint set forth in the Committee rules, they may (1) return the information to the complainant with a statement that it fails to meet the requirements for what constitutes a complaint set forth in the Committee's rules; or (2) recommend to the Committee that it authorize the establishment of an investigative subcommittee.

Rule 18. Processing of Complaints

(a) If a complaint is in compliance with House and Committee Rules, a copy of the complaint and the Committee Rules shall be forwarded to the respondent within five days with notice that the complaint conforms to the applicable rules and will be placed on the Committee's agenda.

(b) The respondent may, within 30 days of the Committee's notification, provide to the Committee any information relevant to a complaint filed with the Committee. The respondent may submit a written statement in response to the complaint. Such a statement shall be signed by the respondent. If the statement is prepared by counsel for the respondent, the respondent shall sign a representation that he/she has reviewed the response and agrees with the factual assertions contained therein.

(c) The Committee staff may request information from the respondent or obtain additional information pertinent to the case from other sources prior to the establishment of an investigative subcommittee only when so directed by the Chairman and Ranking Minority Member.

(d) At the first meeting of the Committee following the procedures or actions specified in clauses (a) and (b), the Committee shall consider the complaint.

(e) The Committee, by a majority vote of its members, may create an investigative subcommittee. If an investigative subcommittee is established, the Chairman and Ranking Minority Member shall designate four members to serve as an investigative subcommittee in accordance with Rule 20.

(f) The respondent shall be notified in writing regarding the Committee's decision either to dismiss the complaint or to create an investigative subcommittee.

(g) The respondent shall be notified of the membership of the investigative subcommittee and shall have ten days after such notice is transmitted to object to the participation of any subcommittee member. Such objection shall be in writing and shall be on the grounds that the subcommittee member cannot render an impartial and unbiased decision. The subcommittee member against whom the objection is made shall be the sole judge of his or her disqualification.

Rule 19. Committee-Initiated Inquiry

(a) Notwithstanding the absence of a filed complaint, the Committee may consider any information in its possession indicating that a Member, officer, or employee may have committed a violation of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his or her duties or the discharge of his or her responsibilities. The Chairman and Ranking Minority Member may jointly gather additional information concerning such an alleged violation by a Member, officer, or employee unless and until an investigative subcommittee has been established.

(b) If the Committee votes to establish an investigative subcommittee, the Committee shall proceed in accordance with Rule 20.

(c) Any written request by a Member, officer, or employee of the House of Representatives that the Committee conduct an inquiry into such person's own conduct shall be processed in accordance with subsection (a) of this Rule.

(d) An inquiry shall not be undertaken regarding any alleged violation that occurred before the third previous Congress unless a majority of the Committee determines that the alleged violation is directly related to an alleged violation that occurred in a more recent Congress.

(e) An inquiry shall be undertaken by an investigative subcommittee with regard to any felony conviction of a Member, officer, or employee of the House of Representatives in a Federal, state, or local court. Notwithstanding this provision, an inquiry may be initiated at any time prior to sentencing.

Rule 20. Investigative Subcommittee

(a) In an inquiry undertaken by an investigative subcommittee—

(1) All proceedings, including the taking of testimony, shall be conducted in executive session and all testimony taken by deposition or things produced pursuant to subpoena or otherwise shall be deemed to have been taken or produced in executive session.

(2) The Chairman of the investigative subcommittee shall ask the respondent and all witnesses whether they intend to be represented by counsel. If so, the respondent or witnesses or their legal representatives shall provide written designation of counsel. A respondent or witness who is represented by counsel shall not be questioned in the absence of counsel unless an explicit waiver is obtained.

(3) The subcommittee shall provide the respondent an opportunity to present, orally or in writing, a statement, which must be under oath or affirmation, regarding the allegations and any other relevant questions arising out of the inquiry.

(4) The staff may interview witnesses, examine documents and other evidence, and request that submitted statements be under oath or affirmation and that documents be certified as to their authenticity and accuracy.

(5) The subcommittee, by a majority vote of its members, may require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other items as it deems necessary to the conduct of the inquiry. Unless the Committee otherwise provides, the subpoena power shall rest in the Chairman and Ranking Minority Member of the Committee and a subpoena shall be issued upon the request of the investigative subcommittee.

(6) The subcommittee shall require that testimony be given under oath or affirmation. The form of the oath or affirmation shall be: "Do you solemnly swear (or affirm) that the testimony you will give before this subcommittee in the matter now under consideration will be the truth, the whole truth, and nothing but the truth (so help you God)?" The oath or affirmation shall be administered by the Chairman or subcommittee member designated by the Chairman to administer oaths.

(b) During the inquiry, the procedure respecting the admissibility of evidence and rulings shall be as follows:

(1) Any relevant evidence shall be admissible unless the evidence is privileged under the precedents of the House of Representatives.

(2) The Chairman of the subcommittee or other presiding member at any investigative subcommittee proceeding shall rule upon any question of admissibility or pertinency of evidence, motion, procedure or any other matter, and may direct any witness to answer any question under penalty of contempt. A witness, witness' counsel, or a member of the subcommittee may appeal any evidentiary rulings to the members present at that proceeding. The majority vote of the members present at such proceeding on such appeal shall govern the question of admissibility, and no appeal shall lie to the Committee.

(3) Whenever a person is determined by a majority vote to be in contempt of the subcommittee, the matter may be referred to the Committee to determine whether to refer the matter to the House of Representatives for consideration.

(4) Committee counsel may, subject to subcommittee approval, enter into stipulations with the respondent and/or the respondent's counsel as to facts that are not in dispute.

(c) Upon an affirmative vote of a majority of the subcommittee members, and an affirmative vote of a majority of the full Committee, an investigative subcommittee may expand the scope of its investigation.

(d) Upon completion of the investigation, the staff shall draft for the investigative subcommittee a report that shall contain a comprehensive summary of the information received regarding the alleged violations.

(e) Upon completion of the inquiry, an investigative subcommittee, by a majority vote of its members, may adopt a Statement of Alleged Violation if it determines that there is substantial reason to believe that a violation of the Code of Official Conduct, or of a law, rule, regulation, or other standard of conduct applicable to the performance of official duties or the discharge of official responsibilities by a Member, officer, or employee of the House of Representatives has occurred. If more than one violation is alleged, such Statement shall be divided into separate counts. Each count shall relate to a separate violation, shall contain a plain and concise statement of the alleged facts of such violation, and shall include a reference to the provision of the Code of Official Conduct or law, rule, regulation or other applicable standard of conduct governing the performance of duties or discharge of responsibilities alleged to have been violated. A copy of such Statement shall be transmitted to the respondent and the respondent's counsel.

(f) If the investigative subcommittee does not adopt a Statement of Alleged Violation, it shall transmit to the Committee a report containing a summary of the information received in the inquiry, its conclusions and reasons therefore, and any appropriate recommendation.

Rule 21. Amendments of Statements of Alleged Violation

(a) An investigative subcommittee may, upon an affirmative vote of a majority of its members, amend its Statement of Alleged Violation anytime before the Statement of Alleged Violation is transmitted to the Committee; and

(b) If an investigative subcommittee amends its Statement of Alleged Violation, the respondent shall be notified in writing and shall have 30 calendar days from the date of that notification to file an answer to the amended Statement of Alleged Violation.

Rule 22. Committee Reporting Requirements

(a) Whenever an investigative subcommittee does not adopt a Statement of Alleged Violation and transmits a report to that effect to the Committee, the Committee may by an affirmative vote of a majority of its members transmit such report to the House of Representatives;

(b) Whenever an investigative subcommittee adopts a Statement of Alleged Violation but recommends that no further action be taken, it shall transmit a report to the Committee regarding the Statement of Alleged Violation; and

(c) Whenever an investigative subcommittee adopts a Statement of Alleged Violation, the respondent admits to the violations set forth in such Statement, the respondent waives his or her right to an adjudicatory hearing, and the respondent's waiver is approved by the Committee—

(1) the subcommittee shall prepare a report for transmittal to the Committee, a final draft of which shall be provided to the respondent not less than 15 calendar days before the subcommittee votes on whether to adopt the report;

(2) the respondent may submit views in writing regarding the final draft to the subcommittee within 7 calendar days of receipt of that draft;

(3) the subcommittee shall transmit a report to the Committee regarding the Statement of Alleged Violation together with any views submitted by the respondent pursuant to subparagraph (2), and the Committee shall make the report, together with the respondent's views, available to the public before the commencement of any sanction hearing; and

(4) the Committee shall by an affirmative vote of a majority of its members issue a report and transmit such report to the House of Representatives, together with the respondent's views previously submitted pursuant to subparagraph (2) and any additional views respondent may submit for attachment to the final report; and

(d) Members of the Committee shall have not less than 72 hours to review any report transmitted to the Committee by an investigative subcommittee before both the commencement of a sanction hearing and the Committee vote on whether to adopt the report.

Rule 23. Respondent's Answer

(a)(1) Within 30 days from the date of transmittal of a Statement of Alleged Violation, the respondent shall file with the investigative subcommittee an answer, in writing and under oath, signed by respondent and respondent's counsel. Failure to file an answer within the time prescribed shall be considered by the Committee as a denial of each count.

(2) The answer shall contain an admission to or denial of each count set forth in the Statement of Alleged Violation and may include negative, affirmative, or alternative defenses and any supporting evidence or other relevant information.

(b) The respondent may file a Motion for a Bill of Particulars within 10 days of the date of transmittal of the Statement of Alleged Violation. If a Motion for a Bill of Particulars is filed, the respondent shall not be required to file an answer until 20 days after the subcommittee has replied to such motion.

(c)(1) The respondent may file a Motion to Dismiss within 10 days of the date of transmittal of the Statement of Alleged Violation or, if a Motion for a Bill of Particulars has been filed, within 10 days of the date of the subcommittee's reply to the Motion for a Bill of Particulars. If a Motion to Dismiss is filed, the respondent shall not be required to file an answer until 20 days after the subcommittee has replied to the Motion to Dismiss, unless the respondent previously filed a Motion for a Bill of Particulars, in which case the respondent shall not be required to file an answer until 10 days after the subcommittee has replied to the Motion to Dismiss. The investigative subcommittee shall rule upon any motion to dismiss filed during the period between the establishment of the subcommittee and the subcommittee's transmittal of a report to the Committee pursuant to Rule 20 or Rule 22, and no appeal of the subcommittee's ruling shall lie to the Committee.

(2) A Motion to Dismiss may be made on the grounds that the Statement of Alleged Violation fails to state facts that constitute a violation of the Code of Official Conduct or other applicable law, rule, regulation, or standard of conduct, or on the grounds that the Committee lacks jurisdiction to consider the allegations contained in the Statement.

(d) Any motion filed with the subcommittee pursuant to this rule shall be accompanied by a Memorandum of Points and Authorities.

(e)(1) The Chairman of the investigative subcommittee, for good cause shown, may permit the respondent to file an answer or motion after the day prescribed above.

(2) If the ability of the respondent to present an adequate defense is not adversely affected and special circumstances so require, the Chairman of the investigative subcommittee may direct the respondent to file an answer or motion prior to the day prescribed above.

(f) If the day on which any answer, motion, reply, or other pleading must be filed falls on a Saturday, Sunday, or holiday, such filing shall be made on the first business day thereafter.

(g) As soon as practicable after an answer has been filed or the time for such filing has expired, the Statement of Alleged Violation and any answer, motion, reply, or other pleading connected therewith shall be transmitted by the Chairman of the investigative subcommittee to the Chairman and Ranking Minority Member of the Committee.

Rule 24. Adjudicatory Hearings

(a) If a Statement of Alleged Violation is transmitted to the Chairman and Ranking Minority Member pursuant to Rule 23, and no waiver pursuant to Rule 27(b) has occurred, the Chairman shall designate the members of the Committee who did not serve on the investigative subcommittee to serve on an adjudicatory subcommittee. The Chairman and Ranking Minority Member of the Committee shall be the Chairman and Ranking Minority Member of the adjudicatory subcommittee unless they served on the investigative subcommittee. The respondent shall be notified of the designation of the adjudicatory subcommittee and shall have ten days after such notice is transmitted to object to the participation of any subcommittee member. Such objection shall be in writing and shall be on the grounds that the member cannot render an impartial and unbiased decision. The member against whom the objection is made shall be the sole judge of his or her disqualification.

(b) A majority of the adjudicatory subcommittee membership plus one must be present at all times for the conduct of any business pursuant to this rule.

(c) The adjudicatory subcommittee shall hold a hearing to determine whether any counts in the Statement of Alleged Violation have been proved by clear and convincing evidence and shall make findings of fact, except where such violations have been admitted by respondent.

(d) At an adjudicatory hearing, the subcommittee may require, by subpoena or otherwise, the attendance and testimony of such witnesses and production of such books, records, correspondence, memoranda, papers, documents, and other items as it deems necessary. Depositions, interrogatories, and sworn statements taken under any investigative subcommittee direction may be accepted into the hearing record.

(e) The procedures set forth in clause 2 (g) and (k) of Rule XI of the Rules of the House of Representatives shall apply to adjudicatory hearings. All such hearings shall be open to the public unless the adjudicatory subcommittee, pursuant to such clause, determines that the hearings or any part thereof should be closed.

(f)(1) The adjudicatory subcommittee shall, in writing, notify the respondent that the respondent and his or her counsel have the right to inspect, review, copy, or photograph books, papers, documents, photographs, or other tangible objects that the adjudicatory subcommittee counsel intends to use as evidence against the respondent in an adjudicatory hearing. The respondent shall be given access to such evidence, and shall be provided the names of witnesses the subcommittee counsel intends to call, and a summary of their expected testimony, no less than 15 calendar days prior to any such hearing. Except in extraordinary circumstances, no evidence may be introduced or witness called in an adjudicatory hearing unless the respondent has been afforded a prior opportunity to review such evidence or has been provided the name of the witness.

(2) After a witness has testified on direct examination at an adjudicatory hearing, the Committee, at the request of the respondent, shall make available to the respondent any statement of the witness in the possession of the Committee which relates to the subject matter as to which the witness has testified.

(3) Any other testimony, statement, or documentary evidence in the possession of the Committee which is material to the respondent's defense shall, upon request, be made available to the respondent.

(g) No less than five days prior to the hearing, the respondent or counsel shall provide the adjudicatory subcommittee with the names of witnesses expected to be called, summaries of their expected testimony, and copies of any documents or other evidence proposed to be introduced.

(h) The respondent or counsel may apply to the subcommittee for the issuance of subpoenas for the appearance of witnesses or the production of evidence. The application shall be granted upon a showing by the respondent that the proposed testimony or evidence is relevant and not otherwise available to respondent. The application may be denied if not made at a reasonable time or if the testimony or evidence would be merely cumulative.

(i) During the hearing, the procedures regarding the admissibility of evidence and rulings shall be as follows:

(1) Any relevant evidence shall be admissible unless the evidence is privileged under the precedents of the House of Representatives.

(2) The Chairman of the subcommittee or other presiding member at an adjudicatory subcommittee hearing shall rule upon any question of admissibility or pertinency of evidence, motion, procedure, or any other matter, and may direct any witness to answer any question under penalty of contempt. A witness, witness's counsel, or a member of the subcommittee may appeal any evidentiary ruling to the members present at that proceeding. The majority vote of the members present at such proceeding on such an appeal shall govern the question of admissibility and no appeal shall lie to the Committee.

(3) Whenever a witness is deemed by a Chairman or other presiding member to be in contempt of the subcommittee, the matter may be referred to the Committee to determine whether to refer the matter to the House of Representatives for consideration.

(4) Committee counsel may, subject to subcommittee approval, enter into stipulations with the respondent and/or the respondent's counsel as to facts that are not in dispute.

(j) Unless otherwise provided, the order of an adjudicatory hearing shall be as follows:

(1) The Chairman of the subcommittee shall open the hearing by stating the adjudicatory subcommittee's authority to conduct the hearing and the purpose of the hearing.

(2) The Chairman shall then recognize Committee counsel and the respondent's counsel, in turn, for the purpose of giving opening statements.

(3) Testimony from witnesses and other pertinent evidence shall be received in the following order whenever possible:

(i) witnesses (deposition transcripts and affidavits obtained during the inquiry may be used in lieu of live witnesses if the witness is unavailable) and other evidence offered by the Committee counsel,

(ii) witnesses and other evidence offered by the respondent,

(iii) rebuttal witnesses, as permitted by the Chairman.

(4) Witnesses at a hearing shall be examined first by counsel calling such witness. The opposing counsel may then cross-examine the witness. Redirect examination and recross examination may be permitted at the Chairman's discretion. Subcommittee members may then question witnesses. Unless otherwise directed by the Chairman, such questions shall be conducted under the five-minute rule.

(k) A subpoena to a witness to appear at a hearing shall be served sufficiently in advance of that witness' scheduled appearance to allow the witness a reasonable period of time, as determined by the Chairman of the adjudicatory subcommittee, to prepare for the hearing and to employ counsel.

(l) Each witness appearing before the subcommittee shall be furnished a printed copy of the Committee rules, the pertinent provisions of the Rules of the House of Representatives applicable to the rights of witnesses, and a copy of the Statement of Alleged Violation.

(m) Testimony of all witnesses shall be taken under oath or affirmation. The form of the oath or affirmation shall be: "Do you solemnly swear (or affirm) that the testimony you will give before this subcommittee in the matter now under consideration will be the truth, the whole truth, and nothing but the truth (so help you God)?" The oath or affirmation shall be administered by the Chairman or Committee member designated by the Chairman to administer oaths.

(n) At an adjudicatory hearing, the burden of proof rests on Committee counsel to establish the facts alleged in the Statement of Alleged Violation by clear and convincing evidence. However, Committee counsel need not present any evidence regarding any count that is admitted by the respondent or any fact stipulated.

(o) As soon as practicable after all testimony and evidence have been presented, the subcommittee shall consider each count contained in the Statement of Alleged Violation and shall determine by a majority vote of its members whether each count has been proved. If a majority of the subcommittee does not vote that a count has been proved, a motion to reconsider that vote may be made only by a member who voted that the count was not proved. A count that is not proved shall be considered as dismissed by the subcommittee.

(p) The findings of the adjudicatory subcommittee shall be reported to the Committee.

Rule 25. Sanction Hearing and Consideration of Sanctions or Other Recommendations

(a) If no count in a Statement of Alleged Violation is proved, the Committee shall prepare a report to the House of Representatives, based upon the report of the adjudicatory subcommittee.

(b) If an adjudicatory subcommittee completes an adjudicatory hearing pursuant to Rule 24 and reports that any count of the Statement of Alleged Violation has been proved, a hearing before the Committee shall be held to receive oral and/or written submissions by counsel for the Committee and counsel for the respondent as to the sanction the Committee should recommend to the House of Representatives with respect to such violations. Testimony by witnesses shall not be heard except by written request and vote of a majority of the Committee.

(c) Upon completion of any proceeding held pursuant to clause (b), the Committee shall consider and vote on a motion to recommend to the House of Representatives that the House take disciplinary action. If a majority of the Committee does not vote in favor of the recommendation that the House of Representatives take action, a motion to reconsider that vote may be made only by a member who voted against the recommendation. The Committee may also, by majority vote, adopt a motion to issue a Letter of Reproval or take other appropriate Committee action.

(d) If the Committee determines a Letter of Reproval constitutes sufficient action, the Committee shall include any such letter as a part of its report to the House of Representatives.

(e) With respect to any proved counts against a Member of the House of Representatives, the Committee may recommend to the House one or more of the following sanctions:

(1) Expulsion from the House of Representatives.

(2) Censure.

(3) Reprimand.

(4) Fine.

(5) Denial or limitation of any right, power, privilege, or immunity of the Member if under the Constitution the House of Representatives may impose such denial or limitation.

(6) Any other sanction determined by the Committee to be appropriate.

(f) With respect to any proved counts against an officer or employee of the House of Representatives, the Committee may recommend to the House one or more of the following sanctions:

(1) Dismissal from employment.

(2) Reprimand.

(3) Fine.

(4) Any other sanction determined by the Committee to be appropriate.

(g) With respect to the sanctions that the Committee may recommend, reprimand is appropriate for serious violations, censure is appropriate for more serious violations, and expulsion of a Member or dismissal of an officer or employee is appropriate for the most serious violations. A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a personal financial benefit; and a recommendation of a denial or limitation of a right, power, privilege, or immunity of a Member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege, or immunity. This clause sets forth general guidelines and does not limit the authority of the Committee to recommend other sanctions.

(h) The Committee report shall contain an appropriate statement of the evidence supporting the Committee's findings and a statement of the Committee's reasons for the recommended sanction.

Rule 26. Disclosure of Exculpatory Information to Respondent

If the Committee, or any investigative or adjudicatory subcommittee at any time receives any exculpatory information respecting a Complaint or Statement of Alleged Violation concerning a Member, officer, or employee of the House of Representatives, it shall make such information known and available to the Member, officer, or employee as soon as practicable, but in no event later than the transmittal of evidence supporting a proposed Statement of Alleged Violation pursuant to Rule 27(c). If an investigative subcommittee does not adopt a Statement of Alleged Violation, it shall identify any exculpatory information in its possession at the conclusion of its inquiry and shall include such information, if any, in the subcommittee's final report to the Committee regarding its inquiry. For purposes of this rule, exculpatory evidence shall be any evidence or information that is substantially favorable to the respondent with respect to the allegations or charges before an investigative or adjudicatory subcommittee.

Rule 27. Rights of Respondents and Witnesses

(a) A respondent shall be informed of the right to be represented by counsel, to be provided at his or her own expense.

(b) A respondent may seek to waive any procedural rights or steps in the disciplinary process. A request for waiver must be in writing, signed by the respondent, and must detail what procedural steps the respondent seeks to waive. Any such request shall be subject to the acceptance of the Committee or subcommittee, as appropriate.

(c) Not less than 10 calendar days before a scheduled vote by an investigative subcommittee on a Statement of Alleged Violation, the subcommittee shall provide the respondent with a copy of the Statement of Alleged Violation it intends to adopt together with all evidence it intends to use to prove those charges which it intends to adopt, including documentary evidence, witness testimony, memoranda of witness interviews, and physical evidence, unless the subcommittee by an affirmative vote of a majority of its members decides to withhold certain evidence in order to protect a witness, but if such evidence is withheld, the subcommittee shall inform the respondent that evidence is being withheld and of the count to which such evidence relates.

(d) Neither the respondent nor his counsel shall, directly or indirectly, contact the subcommittee or any member thereof during the period of time set forth in paragraph (c) except for the sole purpose of settlement discussions where counsels for the respondent and the subcommittee are present.

(e) If, at any time after the issuance of a Statement of Alleged Violation, the Committee or any subcommittee thereof determines that it intends to use evidence not provided to a respondent under paragraph (c) to prove the charges contained in the Statement of Alleged Violation (or any amendment thereof), such evidence shall be made immediately available to the respondent, and it may be used in any further proceeding under the Committee's rules.

(f) Evidence provided pursuant to paragraph (c) or (e) shall be made available to the respondent and his or her counsel only after each agrees, in writing, that no document, information, or other materials obtained pursuant to that paragraph shall be made public until—

(1) such time as a Statement of Alleged Violation is made public by the Committee if the respondent has waived the adjudicatory hearing; or

(2) the commencement of an adjudicatory hearing if the respondent has not waived an adjudicatory hearing; but the failure of respondent and his counsel to so agree in writing, and therefore not receive the evidence, shall not preclude the issuance of a Statement of Alleged Violation at the end of the period referenced to in (c).

(g) A respondent shall receive written notice whenever—

(1) the Chairman and Ranking Minority Member determine that information the Committee has received constitutes a complaint;

(2) a complaint or allegation is transmitted to an investigative subcommittee;

(3) that subcommittee votes to authorize its first subpoena or to take testimony under oath, whichever occurs first; and

(4) the Committee votes to expand the scope of the inquiry of an investigative subcommittee.

(h) Whenever an investigative subcommittee adopts a Statement of Alleged Violation and a respondent enters into an agreement with that subcommittee to settle a complaint on which the Statement is based, that agreement, unless the respondent requests otherwise, shall be in writing and signed by the respondent and the respondent's counsel, the Chairman and Ranking Minority Member of the subcommittee, and the outside counsel, if any.

(i) Statements or information derived solely from a respondent or his counsel during any settlement discussions between the Committee or a subcommittee thereof and the respondent shall not be included in any report of the subcommittee or the Committee or otherwise publicly disclosed without the consent of the respondent;

(j) Whenever a motion to establish an investigative subcommittee does not prevail, the Committee shall promptly send a letter to the respondent informing him of such vote.

(k) Witnesses shall be afforded a reasonable period of time, as determined by the Committee or subcommittee, to prepare for an appearance before an investigative subcommittee or for an adjudicatory hearing and to obtain counsel.

(l) Except as otherwise specifically authorized by the Committee, no Committee member or staff member shall disclose to any person outside the Committee the name of any witness subpoenaed to testify or to produce evidence.

(m) Prior to their testimony, witnesses shall be furnished a printed copy of the Committee's Rules of Procedure and the provisions of the Rules of the House of Representatives applicable to the rights of witnesses.

(n) Witnesses may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights. The Chairman may punish breaches of order and decorum, and of professional responsibility on the part of counsel, by censure and exclusion from the hearings; and the Committee may cite the offender to the House of Representatives for contempt.

(o) Each witness subpoenaed to provide testimony or other evidence shall be provided such travel expenses as the Chairman considers appropriate. No compensation shall be authorized for attorney's fees or for a witness' lost earnings.

(p) With the approval of the Committee, a witness, upon request, may be provided with a transcript of his or her deposition or other testimony taken in executive session, or, with the approval of the Chairman and Ranking Minority Member, may be permitted to examine such transcript in the office of the Committee. Any such request shall be in writing and shall include a statement that the witness, and counsel, agree to maintain the confidentiality of all executive session proceedings covered by such transcript.

Rule 28. Frivolous Filings

If a complaint or information offered as a complaint is deemed frivolous by an affirmative vote of a majority of the members of the Committee, the Committee may take such action as it, by an affirmative vote of its members, deems appropriate in the circumstances.

Rule 29. Referrals to Federal or State Authorities

Referrals made under clause 3(a)(3) of Rule XI of the Rules of the House of Representatives may be made by an affirmative vote of two-thirds of the members of the Committee.

PROVIDING UNIVERSAL QUALITY EARLY CHILDHOOD EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I recently introduced H.R. 1118, a bill that establishes comprehensive early childhood education programs, early childhood education staff development programs, and model federal government early childhood education programs.

Today, more than 13 million children under the age of 6 are enrolled in some form of child care. Some children are placed in high quality programs. But all too often, parents have no alternative but to place their children in programs that function as nothing more than child storage.

Quality early childhood education matters. Study upon study prove that the quality of child care has a long-term effect on later scholastic achievement, For example, the National Research Council and the National Center for Early Development and Learning found that quality early childhood education helped children develop better language and literacy skills; and the RAND Corporation found that high quality programs have lasting benefits on school performance.

Besides preparing a child to do well in school, quality child care teaches children to get along with others, care about others, and become contributing members of society. Additional studies have shown that quality educational child care can greatly reduce the chance that children grow up to be violent.

Quality programs include a well-trained staff and a small staff-to-child ratio. The University of North Carolina conducted a Cost, Quality and Child Outcomes Study of various child care programs. Only 14 percent of all programs studied were of adequate quality.

For child care to have a lasting effect, children must be enrolled in high quality educational programs. H.R. 1118 ensures that funds will only go to programs that establish Early Childhood Education Councils that develop and prepare quality early childhood education plans each year. In addition, funds will be provided to train individuals employed in quality programs.

Child care costs are exorbitant. According to a 1998 report by the Children's Defense Fund, many parents spend more on yearly quality child care tuition than on public college tuition. In Honolulu, the average child care tuition is over $6,000 a year.

My bill provides financial assistance to public and private programs who prove they will provide quality early childhood education. A quarter of the funding is earmarked to those programs who serve young children from low-income families.

Children are guaranteed access to a publicly-funded education when they reach kindergarten-age. We should also guarantee access to quality early childhood education. The first few years of a child's life can shape the rest of their life. No parent should be forced to leave their child in a substandard program, where they are not being prepared for future achievement.

I urge all members to cosponsor this legislation.

THE 49TH ANNUAL NATIONAL PRAYER BREAKFAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. WAMP) is recognized for 5 minutes.

Mr. WAMP. Mr. Speaker, on behalf of the House and Senate Prayer Groups, it was an honor to chair the 49th Annual National Prayer Breakfast held on February 1, 2001.

This annual breakfast is a time when leaders and guests from around the world gather in respect and civility to celebrate our common denominator as children of God and to pray for unity, peace, and direction as we put our differences aside and come together as people. This is a special and unique opportunity for fellowship across ideological, ethnic, political, and religious divides.

Chairing the National Prayer Breakfast was one of the greatest privileges of my life. The thoughts and prayers shared at this year's breakfast were a blessing to those who heard them, and I believe they will be so to many more in the future. I am therefore including the program and transcript to be printed in the RECORD. The program and transcript follow:

NATIONAL PRAYER BREAKFAST, THURSDAY, FEBRUARY 1, 2001

(Chairman: Representative Zach Wamp)

Representative ZACH WAMP (R–TN). Good morning. You may be seated. You can see why I am so proud of the Chattanooga Singers, from my hometown, this morning. (Applause.)

I would like to call on Admiral Vernon Clark, the chief of staff of the United States Navy, for our opening prayer. Admiral.

Admiral VERNON CLARK (Navy Chief of Staff). Let us bow our heads in prayer.

Eternal Father, we come to You today with thanksgiving for Your creation, this land we love, the seas that we sail. And we thank You, Lord, for the abundance which blesses our nation, this land of prosperity and freedom. On this day, we are grateful for the strength that we have as one people from many faiths, many backgrounds, even many cultures, but still one nation, under God. We also thank You for the fellowship of those from beyond our shores who are gathered here with us today from other nations, with diverse faiths and backgrounds and cultures. We pray that this moment of sharing will strength all of us together in the cause of peace and justice.

We know that You are the bedrock of all that is good and lasting. And so, for all our many gifts and blessings, we praise You and we thank You. Almighty God, look upon us with favor as we gather together in prayer, as we bow our heads and raise our hearts to Thee.

We approach You, Lord, with humility and confidence, as You have taught us to do. But we are also mindful of Your Scripture which teaches us: We have not because we ask not. And so, we ask You, for all of our leaders, for guidance, guidance for all of us as we seek to serve. And we ask You for wisdom and we ask You for courage, the courage to preserve our country as a beacon of freedom, justice and opportunity.

And finally, we ask You to bless the sustenance that is placed before us this day. May it strengthen us in our faith, in our fellowship, and strengthen us in our service to You and to your creation.

It is in Your Holy Name that we pray. Amen.

Rep. WAMP. I realize that most of you have already had your breakfast, but if you will enjoy the fellowship at your table while we give the head table a brief opportunity to eat, we will be back with you at 8:20.

(Break for breakfast.)

Rep. WAMP. Good morning again. My name is Zack Wamp. I am from the great state of

Tennessee and I am the chairman of this year's National Prayer Breakfast. I want to welcome each one of you to what I consider the best day every year in Washington, D.C. The first Thursday of February for 49 years, we have hosted the National Prayer Breakfast, which has evolved into an international event today, when we have friends from 170 countries around the world. Each Thursday morning in the House of Representatives, I have the privilege of presiding over the weekly bipartisan Prayer Breakfast Group in the House, and every week, I begin that meeting by saying to my colleagues—usually there are 50 or 60 there, equally divided among Democrats and Republicans—"Welcome to the best hour of the week."

It is a time where we come together in respect and love and full appreciation of each other, and it is blessed and anointed, I believe we are there in the spiritual sense. Relationships are forged for life.

I think of one relationship that was forged about 35 years ago in the House. A young congressman from Texas, named George Herbert Walker Bush, a Republican, came to be friends with a young congressman from the state of Mississippi, General Sonny Montgomery. To this very day, they are best of friends, and it all started with that weekly commitment to meet in the fellowship of the Holy Spirit and come to know each other in a miraculous way. Great things happen and relationships are forged.

When you ask members of the House who are heading to retirement what their most special time in the House was, if they came to our prayer breakfast, ladies and gentlemen, they always say it is that special hour on Thursday morning when we come together in civility and love and the Spirit does the work.

I want to mention, as we welcome our foreign leaders here this morning as well, that our speaker of the House, Dennis Hastert, who sits in front of me here, is the most active member of our weekly prayer group of any speaker in its history. We thank you for your faithfulness, Mr. Speaker. (Applause.)

We have excellencies and heads of state and leaders from around the world. We have the top leadership from our executive branch, our legislative branch, our judicial branch here this morning. We are so grateful for each and every one of you. Secretary Powell, thank you, sir, for being here this morning. We have the president of the Republic of Congo. (Applause.) We have the president of Macedonia with us this morning. (Applause.) We have the president of Rwanda her this morning. (Applause.) The prime minister of the Slovak Republic is here with us this morning. (Applause.) I have been coming to these breakfasts long enough to know better than to try to pronounce their names. (Laughter.) So we are honored that you are here, and I am glad that that part of the program is behind me!

May I introduce our head table. I will start from your right, and my left. Congressman Eliot Engel and his wife, Pat. Please hold your applause until I finish across the table, please—with two exceptions. We also have the Reverend Fred Steelman, my pastor, and his wife, Becky, who is a school teacher. We have Carolyn and the Honorable Andrew Young. We have Mrs. Susan Baker, the spouse of Secretary James Baker. We have Senator Jon Kyl from Arizona. We have Elizabeth Edwards, the spouse of Senator John Edwards from North Carolina. This is where we waive that rule—a leader among leaders, the wife of the vice president of the United States, Mrs. Lynne Cheney. (Applause.) The Vice President of the United States of America, Dick Cheney. (Applause.) The Senator from the state of North Carolina, John Edwards. (Scattered applause.) Starting at this end—we will get back to the rule. (Laughter.) All the way on your left, Wintley Phipps, a Grammy-nominated vocalist, who will sing for us later today, and his wife, Linda. We have Congresswoman Lucille Roybal-Allard, who is on the program with her husband, Ed. You heard from Admiral Vernon Clark, the chief of staff of the United States Navy, and his wife, Connie. Our keynote speaker this morning: the Senator from the great state of Tennessee, Bill Frist and his wife, Karyn. And eagerly awaiting the arrival of THE first lady is my first lady, my awesome wife, Kim. And now you may applaud the entire head table. (Applause.)

We have a special treat this morning, because bringing greetings from the United States Senate prayer group is a pair of senators, a Democrat from North Carolina and a Republican from Arizona. They are co-chairmen of the Senate prayer group. Please welcome Senator John Kyl and Senator John Edwards. (Applause.)

Sen. John Kyl (R-AZ). Thank you, Zach.

Mr. Vice President, distinguished friends, in his letter to the Romans, the apostle Paul urged, "Be kindly affectioned one to another, with brotherly love."

Well, once a week, just as in the House of Representatives, as Zach mentioned, we join in the United States Senate, men and women of different religious faiths, for our weekly prayer breakfast. We set aside our differences. Christians and Jews, Democrats and Republicans, conservatives and liberals, we focus on things we have in common.

I believe the Senate is a more civil place because we are "kindly affectioned" to each other, in Paul's words.

Just as with our much smaller group of senators, by meeting here today in faith, we all enhance our appreciation of each other, of the meaning of our calling and of our faith. As St. Augustine wrote, faith opens a way for the understanding.

God bless you all, and welcome. (Applause.)

Sen. John Edwards (D-NC). We bring you greetings from the Senate and from the Senate Prayer Breakfast. While Jon Kyl and I are co-chairs of the Senate Prayer Breakfast, we are not in charge of the Senate Prayer Breakfast. The Lord is in charge of the Senate Prayer Breakfast. (Applause.)

Two years ago my friend Connie Mack, who is seated right down here, invited me to come to the prayer breakfast for the first time, when I was first elected to the Senate, and asked me to come and share my personal faith journey with the group. Well, I was nervous. It is a very personal thing, as you all know. My relationship with the Lord is very personal to me. So I came to the prayer breakfast. The other senators were extraordinarily kind to me. But as always seems to happen, there was a very familiar presence in that room. The Lord was present.

Every week we walk into that room as United States senators, no matter how contentious or how important the debate may be on the floor of the United States Senate, and we become what every person in this room is, which is a child of God and a member of His family.

It is an extraordinary blessing for us to be able to share on a weekly basis. I would urge those of you from around the country and around the world, if you have an opportunity, to form groups of faith, with people whom you can share with. You will find it to be a wonderful, rewarding, and extraordinary experience.

May the Lord bless you all. (Applause.)

Rep. Wamp. For those of you who may not be in elected office, you may think that people recognize us often. I have to tell you that even though I am in my seventh year in the House, many times I am at home at the mall or out to dinner with my family and somebody will walk up to me and they will look at me, and they will say, "Aren't you —?" And I will say, "Yes, yes." "Aren't you —?" and I know they are about to say it, and they will say, "I know, aren't you the weather man on Channel 12?" (Laughter.) So I am really watching to see which way the wind is blowing, whether there is a shower coming in so that I can be of assistance to my constituents, and that is a way to keep us close to the ground. (Laughter.)

A reading from the Scriptures this morning will be read by the congressman from New York, a great friend and a brother, a real gentleman, Eliot Engel. (Applause.)

Rep. Eliot Engel (D-NY). My colleague, Congressman Wamp, Mr. Vice President, ladies and gentlemen. We heard a lot of talk this morning, as well we should, about prayer and getting together and national healing. I want to say that after a hard-fought election, this is a time of healing and a time of bipartisanship for the country. I am honored to be able to read from the Scriptures this morning.

I read from Micah 4. There is a plaque in front of the United Nations in my home city of New York City with part of this, Micah 4. "In the days to come, the mount of the Lord's house shall stand firm above the mountains, and it shall tower above the hills. The people shall gaze on it with joy, and the many nations shall go and shall say, come, let us go up to the mount of the Lord, to the house of the God of Jacob, that he may instruct us in his ways and that we may walk in his paths. For instructions shall come forth from Zion, the word of the Lord from Jerusalem. Thus he will judge among the many peoples and arbitrate for the multitude of nations, however distant. And they shall beat their swords into plowshares and their spares into pruning hooks. Nations shall not take up sword against nation. They shall never again know war. But every man shall sit under his grape vine or fig tree with no one to disturb him, for it was the Lord of Hosts who spoke. Though all the peoples walk each in the names of its gods, we will walk in the name of the Lord our God forever and ever."

Thank you and God bless you all. (Applause.)

Rep. Wamp. To sing a wonderful song which I will speak to when it is complete, please welcome Wintley Phipps to sing "Heal Our Land." Wintley? (Applause.)

(Song is sung.) (Applause.)

Rep. Wamp. Isn't that a beautiful song? What if I told you that it was written and composed by United States Senator Orrin Hatch? (Applause.) (To Senator Hatch.) Stand! (Continuing applause.) He has written over 300 songs, and he gave Wintley the rights to sing that one, and I am so grateful that he did.

At this time, a Scripture will be read by the immediate past chairwoman of the Hispanic Caucus in the House, Congresswoman Lucille Roybal-Allard.

Rep. Lucille Roybal-Allard (D-CA). First of all, I would like to thank my friend and colleague Zach Wamp for asking me to participate in this very, very special breakfast. This truly is an honor to be here.

And I would like to welcome all of you to this national prayer of unity for a strong and effective leadership for our country, and for peace and prosperity for everyone throughout the world.

A reading from Matthew, chapter 22, verses 35 through 40. "Then one of them, which was a lawyer, asked him a question, tempting Him and saying, 'Master, which is the great commandment in the law?' Jesus said unto him, 'Thou shalt love the Lord thy God with all thy heart and with all thy soul and with all thy mind.' This is the first and great commandment, and the second is like unto it. 'Thou shalt love thy neighbor as thyself.' Of these two commandments hang all the law and the prophets."

Thank you. (Applause.)

Rep. WAMP. Ladies and gentlemen, he exudes confidence and strength. Please welcome the vice president of the United States, Dick Cheney. (Applause.)

Vice President RICHARD CHENEY. Thank you very much.

Congressman Wamp, Senator Edwards, friends from across America, and distinguished visitors to our country from all over the world: Lynne and I are honored to be with you all this morning. I have always counted myself fortunate to have been raised in a part of the country where the Almighty chose to do some of His finest work. Yellowstone, the Grand Tetons, the Big Horn Canyon, Devil's Tower. He made them. I did not say he named them. (Laughter.)

Such grand surroundings have a way of keeping us humble. They help you remember that the Earth and all of us are here by the design of an intelligent and gracious Creator, and each of us has a purpose that He has set and that we must seek. We seek that purpose through prayer, and we set aside this event each year to offer our prayers together.

We do so today at a very promising moment in our nation's history, yet the true importance of gatherings like this was best stated during one of our darkest hours by one of our greatest presidents. In his second inaugural address, Abraham Lincoln chose to give something of a sermon. Americans were living through a terrible war that divided the country and tested their faith. To many it seemed that their prayers had gone unanswered. Lincoln offered what was for him a point of fact: Although we may petition The Almighty on our own behalf, His judgments will be made according to his own purposes, and unwelcome consequences often result when we turn away from Him.

Then the good news. Echoing the Psalmist, Lincoln observed that the judgments of the Lord are true and righteous altogether. In perils of war, he had the sure knowledge that the hand of a just God moves in the affairs of mankind.

So it is even in more tranquil times. Every great and meaningful achievement in this life requires the active involvement of the One who placed us here for a reason, who knows our names and cares about what we do, and is ever deserving of our trust and our devotion.

Our aim as a country is always, as Lincoln put it, to be at peace among ourselves and with the people of all nations. It is a goal of high purpose, so high that we cannot hope to reach it alone.

So we come together on this day, people of many faiths, to speak with one voice, humbly asking the Creator for a measure of His grace as we carry out the duties given to us, gratefully counting His blessings on the land we cherish and the families we love, and asking that we shall see His will be done on Earth as it is in Heaven.

Thank you. (Applause.)

Rep. WAMP. One of the most important roles in civil government is the spouse of an elected leader, in any country of the world. One of the most influential spouses ever in Washington, D.C., is Mrs. Susan Baker, the wife of Secretary of States James Baker. She will bring a prayer for national leaders. Good morning, Susan. (Applause.)

SUSAN BAKER. O Lord, our God, we give thanks today for the people that You have called to leadership. In the spirit of Jesus, we ask a special blessing on each man and woman who has the responsibility for governing our cities, our states, and our countries.

May each one know that they are Your beloved child, so they will govern from abundance and not from need. May they treat the power of their position with reverence and not use it to exploit. May they see their role as that of a servant, rather than a master, of the people.

May their policies bring hope to the disadvantaged and the oppressed, and may they call for justice with a loud voice.

May they foster forgiveness and reconciliation, in order to bring healing. May they have the courage to champion truth and integrity, even when it is not politically correct.

May they seek You daily, Lord, so to rule with wisdom and love, that we, the people, may live peaceful and quiet lives that will bring honor to You, our God. Amen. (Applause.)

Rep. WAMP. Thank you, Susan.

Many of you know that the Reverend Billy Graham really wanted to be with us this morning once again, but he is unable to because of his health. I am told that out of 49 National Prayer Breakfast meetings, this is only the fourth that he has missed. He wanted to come and share a message with you this morning. But we will pray for him and send he and his family the very best. And our message this morning will be delivered by my fellow Tennessean, Senator Bill Frist.

When I called Senator Frist and I asked him if he would bring a message to us this morning, I told him it was no bad deal to be asked to stand in for the Reverend Billy Graham. (Laughter.) When I talked about Senator Orrin Hatch being such an extraordinary person outside of the Senate, there have been few people as extraordinary as our guest speaker this morning.

Senator Bill Frist is not just a physician, he is a world-renowned heart and lung transplant surgeon. He is an author, a scientist and a licensed commercial pilot who has actually flown medical mission teams around the world while serving in the United States Senate. He is very active in the Senate group. He is a dedicated father and husband.

Please welcome my fellow Tennessean, Senator Bill Frist. (Applause.)

Sen. BILL FRIST (R–TN). Mr. Vice President, Mrs. Cheney, friends. As Zach said, before coming to the United States Senate, I was blessed with the opportunity to transplant hearts. A typical night, the telephone rings 11:00, 12:00 at night. A faceless voice on the other end of the line says, "Dr. Frist, we've got a heart for you, blood type A, 140 pounds. It may be a match for Mr. John Majors."

Karyn, my wife, has heard this call weekly, if not twice a week, for the last 10 years before coming to the United States Senate, a telephone call from the National Organ Donor Transplant Registry. With that phone call, somebody's prayers were answered.

John was a 55-year-old man, a patient, a good friend with a fatal heart disease. Every day he woke up with a prayer; his prayer would be that he would make it through that day, or that someone would give a gift so that he would be able to make it through that week. And with that telephone call, that became such a custom in our house, a blessing, a regular occurrence, John's prayers had been answered, if the God-given vehicle of a transplant team and a medical facility and our health profession worked in carrying a procedure out.

Excited, the usual way I would get out of the bed, kiss Karyn goodnight, go tell my three boys, who are here with us today, goodbye. They would be sound asleep. Going to the hospital to deliver that news to John personally, news that he would wake up every day fearing that he would never hear.

An hour later, I would be on a chartered airplane flying that night to Chattanooga through the black night, going to a hospital I had never been to, to operate alongside surgeons I had never seen, who had flown elsewhere across the country. I was there to remove the heart from a 23-year-old woman who, unfortunately, had died tragically three hours before in an accident. From the airplane we would jump into a waiting ambulance, and with sirens whirling and blasting, we would go to the hospital. I would scrub, I would open the chest, I would look in and expose the heart. When you do this operation, even though you are around surgeons and medical personnel all the time, every bit of the attention there focuses right on the heart itself—powerful, inspiring, beating in perfect rhythm, pumping through thousands of miles in capillaries. That miracle of God is in each one of you right now.

I cross-clamp the aorta, infuse what is called cold cardioplegia into the aorta, and that heart which is beating dynamically, powerfully, stops. Completely motionless, still, quiet. That energy source of our physical being, which had not missed a beat in over 75 million contractions, stopped. The room is quiet. But that is when I have got to start moving, because within four hours we have got to take the heart out, get back on the airplane, get it back and start it again. If I do not carry that out under the eyes of the Lord who is guiding our steps along the way, that heart will never start again.

Within 10 minutes, I have taken that heart out, put it in the ice chest, put it on an airplane, back on that ambulance with lights flashing and sirens going, show up at the airport over in Chattanooga, airplane's engines ready to go, on the airplane, back in, land out at National Airport, take another ambulance to the hospital, walk into the operating room. It has been about two and a half hours, so we have about an hour and a half to get the heart going. Carefully take out John's old worn-out heart, and very respectfully take the new heart and place it in this waiting chest, sewing the blood vessels together.

Then the precious moment occurs. The wait for that heart to come alive again. All the music goes off. Everybody stops talking, because we have done our work. It is basically mechanical work, but we have done our work. We wait for that heart to come alive, and it is a very special, very precious moment. In every case, it scares me to death. I have done this operation hundreds of times. It strikes deep fear in my soul. What if this heart does not start, or I took too long, or the stitches were put too far apart, or somebody has got the wrong blood type?

Every time I reach this moment, I do what we all do when we recognize—even with these unbelievable things we do today—that there is somebody else watching over, that there is some other hand out there, and I say that prayer. The whole wait is only a couple of minutes. It seems like an eternity. We wait anxiously, but with a profound sense of humility, peering down at this flaccid heart, spotlighted by these bright lights. They are spotlighted right on that heart, waiting. Waiting for rebirth. Waiting to be reborn.

Now, is there a message to all of this? There are a lot of messages—and, as you can imagine, this is a very spiritual experience for me as I carry out, do what I am trained to do, am given the opportunity to do—but let me just talk about two real quickly.

One is giving, one person to another. A gift, as we all know, is that ultimate expression of love, and I would argue that organ donation is one of those ultimate gifts. It went very quickly, but who was that 23-year-old woman who died tragically several hours before, who gave so selflessly of herself so that another could live, somebody whom she would never see, somebody whom she had never known.

All of us try to find ways within our own power to give, and we think about it. But the question we must ask is, do we do it? Sometimes we just think about it and we just do not do it. Let me say, as an aside, that organ donation is a way to give something that costs you nothing. It costs no money. It costs nothing in terms of convenience or inconvenience; a gift greater than any—the gift of life. (Applause.)

Jesus said, in John 15, that there is no gift greater than this when he said, "Greater love than this no man hath than a man lay down his life for his friends."

But step back and think about the larger picture. He also told us to give purely, to give freely, to give it away out of love without reward for self. And in Matthew, "Do not do your acts of righteousness before men to be seen by them; when you give, do not announce it with trumpets; do not even let your left hand know what your right hand is doing, so that your giving may be in secret. Then your Father, who sees in secret, will reward you."

No gift, I would argue, is purer or more selfless than the gift of a heart or a kidney or a lung or blood. Neither the donor nor the family expects anything. They are not rewarded in any way. Yet the donor gives an ultimate and, indeed, a priceless gift—rewarded with something, I would argue, equally as priceless, a gift that transforms a moment of death into new life, that continues long after the physical presence of that donor or the recipient.

And not too dissimilar—the parallel is there—to what this Prayer Breakfast is all about, where we all come together, most of us do not know each other, but it is a little like the light of the Lord, that once shared with one another, radiates out from person to person, until all within reach are lit by that fire of love. We come together, we pray together for our leaders, for the burdens of great countries, for the burdens of great communities. We share, but we leave after this Prayer Breakfast, tomorrow, tonight, to light that light and share, to radiate across this globe.

Now, how many of you have ever signed an organ donor card? I do not want to embarrass anybody, but has anybody signed an organ donor card? Raise your hand. Not too bad. Probably one out of every three tables, that is one out of 30, and that is not bad, all in all.

The message is that each of us has the capacity to give—and I would say in lots of ways, but also in one of the most powerful ways, of ourselves, and we have probably even thought about it, but we have not acted. And let's think about the other gifts—this is the real message—of the compliment to your child or the compliment to your spouse. We may not have given that. The gift of encouragement to the troubled, the meal to the hungry. We have thought about it, but have we acted?

This story says something else about miracles. In our everyday lives we get up, we rush to work, we get the kids off to school, we work hard, we come home, we buy the groceries, and miracles really do seem like the stuff that childhood dreams are made of, they are the great miracles—the great stories of the Bible, the blind see and the lame walk and the dead rise. What my story, I hope, illustrates is that miracles are the manifestation of God in our everyday lives.

Yes, I was a transplant surgeon. Had the privilege, the blessing to see what I saw, what I just told you about. But it is our everyday lives. How can an inert piece of muscle, stored in an ice chest for four hours, separated entirely from the blood supply, taken across the country, suddenly explode back into life when placed in another person's body? Now, that is not routine to you, but it is routine to me. It occurs every single day in communities all across this country. I can tell you, physicians can describe it, but they can not explain it. I can tell you that scientists can define it, but they can not understand it. But God knows. And with God's help, we can give life and encourage miracles in other ways as well. I say "with God's help" because God really does guide us in those little and big ways, in those steps, often without us realizing it.

As a United States senator, as a physician, I have a lot of opportunity for public service, as so many people in this room do. But I would argue that where these miracles most often happen is through those secret acts of love; the love for each other that lights this room, and love to the Father.

Let's shift gears real quick. Imagine yourself flying in deepest Africa in a small plane loaded chock-full up to what is called gross weight, with medical supplies, flying at 400 feet above the tree tops, to go to a small, makeshift hospital in a war-torn part of Africa. We are flying low to avoid actually being seen by other aircraft, who indiscriminately and regularly bomb the villages below. We are on a medical mission trip with World Medical Mission—my good friend, Dr. Dick Furman—and Samaritan's Purse, which is a Christian relief organization run by my good friend Franklin Graham.

We land on a dirt strip, we drive five miles on a bumpy road. There is an old closed down hospital on the right, which has not been used in 12 years because there are land mines all around. There has been no health care in that area in the last 12 years. We finally arrive at a dilapidated old two-room school house that had been converted into a clinic.

As I think of this story, Proverbs 16:9 tells me, "In his heart, a man plans his course, but the Lord determines those steps." When I came to the United States Senate six years ago, I did not know that we had the Prayer Breakfast, that you heard about, every week. The Lord took me to that Prayer Breakfast. I came to the United States Senate to serve in my heart the United States of America in the same way but in some shape or form, ended up in Africa, in the Congo, and in Uganda on these medical mission trips.

Six weeks prior to our arrival on this first trip to the Sudan, Samaritan's Purse had courageously opened up a hospital, a little medical clinic where over two million people, as you know, have died in the war and four million people have been displaced. We performed surgery where no care, no care, no care had been delivered in over two decades. There were very few instruments and no electricity, and no running water. Patients would walk or be carried for days just because they knew that there was some medical care there.

But the real image that I want to share with you occurred in a small, one-room building that was about 100 yards away from the little medical clinic. It was used as a recovery room for the sick and the injured. It was there, to me, that the real evidence of God's power at work in our lives came alive. It was late, we were just finishing an operation, and to be honest with you, I was very, very tired. I remember vividly that we were operating under hand-held flashlights.

We were going to go back to the United States the next day, but then a call came from the recovery room 100 yards away. Somebody said that they wanted to see the American doctor. I was ready to go back to the United States. This was not a patient of mine, nobody I had operated on, but I went anyway.

I remember so vividly—dusk had settled in—going into this building, pulling the curtain aside, still dark, really could not see, but back in the corner could see this vague silhouette of a man in a bed. Could not see very much, but could see some big white bulky dressings on a right hand, on the stump of a left leg, big white bulky dressing peering out through this dark, dark room. Then I saw one other thing, and that one other thing was a huge smile, a luminous smile, a smile that really almost filled the room with light. As I looked away from the smile, I saw a little bible on the other side of the patient, on a little table on the other side, and I saw the interpreter who began to relay this story.

I asked him, "Why do you want to see the American doctor?"

He told me that two years ago his wife and two children had been murdered in the war.

"Yes," I nodded. That captivating smile, as he told this story of death in his family, grew even larger and more friendly, a smile of caring, a smile of love. Then he said, through the interpreter, "Eight days ago I lost part of my hand and my leg to a land mine."

"Yes," I nodded, listening, wondering to myself: How in the world could anyone who has lost so much to a war, that is so hard to understand, still smile? And yet his smile grew bigger and bigger as he told this story.

Finally, I asked, as any of you would, "Why? Why are you smiling? How in the world could you possibly have gone through this and be smiling and have that smile grow while I'm there?"

He said, "Number one, because you came to share with us in the spirit of Jesus of Nazareth, and second, because you are the American doctor."

I have just told you I transplant hearts and lungs, and people appreciate what our team does in the spirit of the Lord in transplantation. So I am used to people saying, "You're the doctor. Thank you for allowing me to be entered into a new life." But I had never, ever had someone come and say, "Thank you for being the American doctor."

I said, "What do you mean?"

As he lifted up his right arm—again, a big, old, white bulky bandage—and picked up his left stump and showed it to me, he said, "Everything—everything I've lost—meaning my family, my leg, my hand—will be worth the sacrifice if my people can someday have what you have in America: freedom and liberties, the freedom to be and to worship as we please."

Well, right then—and when Admiral Clark opens this prayer with the comment of the beacon that this country represents—it became clear to me that the freedoms and liberties which this nation have come to enjoy were obviously not bestowed by men; they have been endowed by our Creator. Our freedom is not based on anything that we in government really do but on the inalienable rights bestowed on us by God.

I have been back to the Sudan and have operated again. The hospital has grown. Unfortunately, the area still continues to be bombed. I never say that Dinka man again. He was from the Dinka tribe. But I will always carry with me that smile. When you hear Wintley's words and he talks about the healing, I think of that smile and those words.

A Week and a half ago, on the West Front on the United States Capitol, three miles from here, where we saw thousands of people—very similar to this—sitting out in front of us, and the Lincoln Memorial and the beautiful Washington Monument, again, that smile and those words came back to me as we observed the swearing-in and the peaceful transition to this administration, listening to President George W. Bush, who reminded us what a gift we had in freedom and liberties under God. He said: "Once a rock in a raging sea, it is now a seed upon the wind, taking root in many nations, an ideal we carry, but do not own; a trust we bear and pass along."

As we come together for this prayer breakfast today, and as we leave this room, as we leave this wonderful city, and many of us leave this country, while freedom did not begin in America, we have an obligation to pass it on.

Mr. President and Mrs. Bush, Mr. Vice President and Mrs. Cheney, may god continue to bless you and guide you now and all the days of your life, as we together, as a nation and as a world, pass it on.

Let me say one other thing—I almost forgot. What about old John in the operating Room? Remember when he was in the operating room, we had the spotlight on him? We had just said that prayer that a new heart would be infused with life. The room was silent. It was hushed and all eyes were aimed expectantly, focused on the motionless heart sitting in John's chest. Suddenly, that heart—very slowly, inert, not moving—began to quiver, and the quiver began to coarsen into a stronger ripple. The ripple began to synchronize into a beat. Then, bang! The heart jumped and took a strong and powerful heave and the bold rhythm of life once again was reborn.

Just another miracle, but it all started with a gift.

Thank you. God bless you all. (Applause).

Rep. WAMP. Ladies and gentlemen, it is a high honor and my greatest personal privilege to introduce the 43rd president of the United States of America, George W. Bush, and our first lady, Laura Bush. (Cheers, applause.)

President BUSH. Thank you. Thank you all very much for that warm welcome. Laura and I are honored to be here this morning. I did a pretty good job when it came to picking my wife, by the way. (Laughter).

President BUSH. She is going to be a fabulous first lady. (Applause.)

Mr. Vice President, it is good to see you and, of course, your wife, Lynne. I want to thank the members of my cabinet who are here. I appreciate you, Senator Frist, for your commitment and strong comments, and Zach, thanks for your introduction, and thank you both for organizing this important event. I want to thank the members of the House and the Senate who are here. I appreciate the number of foreign dignitaries who are here. It just goes to show that faith crosses every border and touches every heart in every nation.

Every president since the first one I can remember, Dwight Eisenhower, has taken part in this great tradition. It is a privilege for me to speak where they have spoken and to pray where they have prayed. All presidents of the United States have come to the National Prayer Breakfast, regardless of their religious views. No matter what our background in prayer, we share something universal—a desire to speak and listen to our Maker and to know His plan for our lives.

America's Constitution forbids a religious test for office, and that is the way it should be. An American president serves people of every faith and serves some of no faith at all. Yet I have found that my faith helps me in the service to people. Faith teaches humility. As Laura would say, I could use a dose occasionally. (Laughter.) The recognition that we are small in God's universe, yet precious in his sight has sustained me in moments of success and in moments of disappointment. Without it, I would be a different person and, without it, I would I would be here today.

There are many experiences of faith in this room, but most of us share a belief that we are loved and called to love; that our choices matter, now and forever; that there are purposes deeper than ambition and hopes greater than success. These beliefs shape our lives and help sustain the life of our nation. Men and women can be good without faith, but faith is a force of goodness. Men and women can be compassionate without faith, but faith often inspires compassion. Human beings can love without faith, but faith is a great teach of love.

Our country, from its beginnings, has recognized the contribution of faith. We do not impose any religion; we welcome all religions. We do not prescribe any prayer; we welcome all prayer. This is the tradition of our nation, and it will be the standard of my administration. (Applause.) We will respect every creed. We will honor the diversity of our country and the deep convictions of our people.

There is a good reason why many in our nation embrace the faith tradition. Throughout our history, people of faith have often been our nation's voice of conscience. The foes of slavery could appeal to the standard that all are created equal in the sight of our Lord. The civil rights movement had the same conviction on its side, that men and women bearing God's image should not be exploited and set aside and treated as insignificant.

The same impulse, over the years, has reformed prisons and mental institutions, hospitals, hospices and homeless shelters. The Reverend Martin Luther King, Jr., said this: "The church must be reminded that it is not the master or the servant of the state, but rather the conscience of the state." As in his case, that sometimes means defying the times, challenging old ways and old assumptions. This influence has made our nation more just and generous and decent, and our nation has need of that today.

Faith remains important to the compassion of our nation. Millions of Americans serve their neighbor because they love their God. Their lives are characterized by kindness and patience and service to others. They do for others what no government program can really ever do—they provide love for another human being. They provide hope, even when hope comes hard.

In my second week in office, we have set out to promote the work of community and faith-based charities. We want to encourage the inspired, to help the helper. Government cannot be replaced by charities, but it can welcome them as partners instead of resenting them as rivals. (Applause.)

My administration will put the federal government squarely on the side of America's armies of compassion. (Applause.) Our plan will not favor religious institutions over non-religious institutions. As president, I am interested in what is constitutional, and I am interested in what works. (Applause.) The days of discriminating against religious institutions simply because they are religious must come to an end. (Cheers, applause.)

Faith is also important to the civility of our country. It teaches us not merely to tolerate one another, but to respect one another; to show a regard for different views and the courtesy to listen. This is essential to democracy. It is also the proper way to treat human beings created in the divine image.

We will have our disagreements. Civility does not require us to abandon deeply-held beliefs. Civility does not demand casual creeds and colorless convictions. Americans have always believed that civility and firm resolve could live easily with one another. But civility does mean that our public debate ought to be free from bitterness and anger and rancor and ill-will. (Applause.)

We will have an obligation to make our case, not to demonize our opponents. (Applause.) As the book of James reminds us, "Fresh water and salt water cannot flow from the same spring." I am under no illusion that civility will triumph in this city all at once. (Laughter.) Old habits die hard. (Laughter.) And sometimes they never die at all. But I can only pledge to you this: that I will do my very best to promote civility and ask for the same in return. (Applause.)

These are some of the crucial contributions of faith to our nation—justice and compassion and a civil and generous society. I thank you all here for displaying these values and defending them here in America and across the world. You strengthen the ties of friendship and the ties of nation. And I deeply appreciate your work.

I believe in the power of prayer. It has been said I would rather stand against the cannons of the wicked than against the prayers of the righteous. The prayers of a friend are one of life's most gracious gifts. My family and I are blessed by the prayers of countless Americans. Over the last several months Laura and I have been touched by the number of people who come up and say, "We pray for you"—such comforting words. I hope Americans will continue to pray that everyone in my administration finds wisdom and always remembers the common good.

When President Harry Truman took office in 1945 he said this: "At this moment I have in my heart a prayer. I ask only to be a good and faithful servant of my Lord and my people." This has been the prayer of many presidents, and it is mine today. God bless. (Applause.)

Rep. WAMP. Thank you, Mr. President.

Our closing prayer will be given by a civil rights leader at home and abroad; former member of Congress; former mayor of Atlanta, Georgia; former ambassador to the United Nations. Please welcome the Honorable Andrew Young. (Applause.)

ANDREW YOUNG. Mr. President, for 49 years the people of the Congress of this city and our nation have gathered at this time to rally around God's elected, anointed, appointed leadership in hope and in prayer that somehow, through us, God's will will be done.

May we pray. Oh, Lord, Thou art our father. We are the clay, and Thou art the potter. We are all the work of Thy hand. Be not exceedingly angry, oh Lord, and remember our iniquity forever. Behold, consider—we are all Thy people. You have blessed us far beyond our deserving. You have shared with us the abundant life of this planet Earth. You have worked through our ancestors and forebears and brought to this continent some of the best of the ideas and the hopes and dreams of this planet.

Indeed, we are those to whom much has been given, and we realize that of us is much required. You have brought us as a nation through many dangerous toils and snares, and we have survived only through faith and your amazing grace.

As we embark on a new century, with new leadership, we give particular thanks, and we ask Thy particular blessing and mercy on George and Laura Bush. You have been working a long time on them, Father; you started back in the Senate with Old Man Prescott, and you came on through with George Herbert Walker Bush and Barbara, and blessed our nation with their leadership. And from their family, you have created a legacy of love, a legacy of mercy, a legacy of compassion, a legacy of peace, prosperity and justice. These we see not as their achievements so much as Your blessings.

We ask that as they embark upon the whirlwind which is our history, that You may strengthen them and guide them; surround them—the Cabinet, the Congress, the governors, the mayors, the ambassadors, the business leaders, all who are brought together in this creative time, which indeed is Your time—surround us with the guidance and love and strength of Your angels. Keep us always mindful of the presence of Your son.

Bow us daily on our knees together as we break bread and as we serve Thy holy name, to see to it that all of your children everywhere might share in the freedom, the blessing, the abundant life of grace and mercy that we so readily take for granted in these United States. Grant us wisdom, grant us courage for the living and serving of these days. In Jesus' name, amen.

(Applause.)

Rep. WAMP. Our closing song was not written by Senator Orrin Hatch, but it will be performed by Wintley Phipps. Welcome him back, please. Wintley. (Applause.)

(Song, "It Is Well With My Soul", is performed by Wintley Phipps.)

Rep. WAMP. I would ask the audience to please remain in place while President Bush and our first lady, and the Vice President and Mrs. Cheney leave the stage.

Thank you, Mr. President. (Applause.)

ADDRESSING MONETARY PROBLEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, the markets today are reeling. The financial markets are indeed in big trouble. This could mean a couple of things to all of us. First, it could mean economic hardship for many of our citizens. It also could mean that our budget figures will be completely changed here in the not-too-distant future, and we should be paying attention.

Some people claim that they are not quite sure why markets go up and all of a sudden crash; and others say if only Alan Greenspan would just print more money, inflate the currency faster, lower the interest rates, all would be well. But I do not think it is that simple.

It is very clear that we have these cycles and these booms coming from a monetary system that is pure fiat. Fiat money means that the money is created out of thin air, and the characteristic of a fiat monetary system is that you have overspeculation, you have stock market booms, you have stock market crashes, and you have a business cycle. This comes from the mismanagement of money, mainly because man, in his efforts to plan, to have economic central planning through monetary policy, is incapable of providing the information necessary that a free market is supposed to have.

Only a free market can tell us what interest rates should be or what the money supply should be. But we have become dependent on a Federal Reserve system that pretends to know all these things, and we have allowed Alan Greenspan to believe that he can regulate the entire economy as well as the stock market by the Open Market Committee.

Inflation is nothing more than the creation of new money out of thin air. Sometimes it raises prices in certain areas, and other times in other places. But the whole principle of fiat money is when you create new money, you devalue/lower the value of the dollar.

This is what is happening. Right now we are increasing the money supply as measured by MZM at the rate of 20 percent per year. This means that, ultimately, that dollar that we use to purchase goods and services will go down in value. And yet the only thing that we hear about is the cry to the Federal Reserve, just print more money, faster, because that will save us all. It will raise the stock market; it will make sure that the economy does not go down and go into a downturn.

This is not the case. Ultimately what we have to have is monetary reform, currency reform. We have to have a time when once again we have money that cannot be created out of thin air. We have to have money of value, something that governments and politicians cannot create out of thin air. Unless we address that, we are going to continue with these problems.

This can be very serious. Just in the last year there has been $4 trillion of value lost in the stock market. Of course, it was artificially high, and now it is going to be artificially low, and these sudden changes reflect the disequilibrium built into the system once we have a monetary system of this sort.

In 1996, the chairman of the Federal Reserve Board talked about the exuberance, the irrational exuberance in the stock market; and yet I think he knew, I certainly knew, and others knew, that there was irrational exuberance, because even at that time we were printing money like crazy. There was overspeculation.

If he had been seriously concerned about the exuberance getting out of control in 1996, he might have considered not inflating the currency quite so rapidly, not devaluing the money quite so rapidly. But what has he done since that time? The Federal Reserve has literally created $2.3 trillion of new money since 1996, further creating a bigger bubble, which eventually had to collapse, and that is what we are in the midst of. It can be tough. It is going to be tough for a lot of people. We can have this economic downturn, and this means jobs and a standard of living that will be threatened.

This type of a monetary system also encourages us to do things unwisely. When interest rates are lower than they are supposed to be, we borrow more money and we do not save as much money, so savings has a negative rate. Yet people are way in debt, business people are in debt, and then business people are actually encouraged to do things that are not wise. They overbuild; they build into the system overcapacity and mal-investment which eventually has to be cleansed out of the system.

So this mantra of saying all we need is more inflation will not work. Inflation caused the problem. The inflation of the monetary system is the problem. To believe that all we need is more inflation to solve the problem is a serious error. We need currency reform.

THE PRESIDENT'S EDUCATION INITIATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. SOUDER) is recognized for 5 minutes.

Mr. SOUDER. Mr. Speaker, today is a historic day. We have introduced in the House H.R. 1, the President's education initiative. I am not an initial cosponsor, but I am basically supportive of this legislation and am looking forward to continuing to work in tweaking it.

Let me raise a couple of points that were of special concern. First, I think that the President's goal of leaving no children behind is admirable, and he is trying to develop accountability standards to make sure we actually know that no child has been left behind.

Some of us on the conservative side of the spectrum have been concerned about how you hold someone accountable and how those testing standards are going to be implemented and whether this could lead to a monopoly test that would in effect become a national test.

We have worked for weeks to try to clarify this language, and I believe by having an alternative available to the States, in addition to their State test, which is to be primary, in addition to the protections that we have for home schools and private schools and public schools that do not receive, if there are any, Federal funds, public schools that do not receive Federal funds, they are not covered by this. We have tried to make sure that the tests cannot be released on any basis without parental approval, that the language is clear to parents, that it is posted.

We still have a few things we are continuing to work through, but there has been great progress in addressing many of the conservative concerns about a national test that we had under the previous administration.

□ 1500

A second area of discussion has been the safe and drug-free schools. I believe that this prevention program, the only prevention program oriented directly at school-age children, needs to preserve its separate funding stream. The President of the United States supports this, the United States Senate supports this, and I believe that the House should support this as well.

It is not a separate funding stream in this bill, although all of the changes that we had suggested and worked within drug-free schools to make it a more effective program are in this bill. We worked hard in the last session of Congress to try to improve that program. I believe we made great progress. I believe that an amendment that I and others will offer in the committee will address the funding stream question and probably pass very easily and, if not, it will be addressed in the appropriations bill, as it has been in the past.

Because we cannot talk about aid to Colombia and the Andean region that is line item and specific, it is not block granted. We cannot talk about antidrug efforts in the Justice Department that are not block granted but line-itemed and then say, with prevention and treatment we are going to block grant it with other programs. We need to have drug-free prevention programs in this country that are effective, and I think most Members of Congress, if not the overwhelming majority, quite possibly unanimously, would favor that position.

The third area is that the education bill is the first actual piece of legislation that also addresses the charitable-choice question. We worked this through committee last year in ESEA and it is in the 21st century. It is not a part of a school day, it has to deal with after-school programs. Those who want to get copies of this bill, in the language we can see language that we worked through that is tighter than the language on the welfare bill, tighter than the language on drug treatment, because in these programs, students do not have a choice, there is just one after-school program in their area.

So we have said that not only can government funds not be used to proselytize, but private funds cannot be used for proselytization either during the period that government funds are in it. Because when we have a choice and we can do to different programs, no government funds can ever be used for proselytization, but private funds could be. But when there is only one choice available to students, we have to be even more protective of religious liberty. I believe that we will see in the 21st century a model of how charitable choice can work in those areas which is slightly different than how it will work in other bills.

So today's H.R. 1 is historic because not only is it the first big step in President Bush's "Leave No Child Behind" in education, it is also the real first step of actual legislation introduced with specifics on charitable choice.

EDUCATION IN AMERICA TODAY MEANS A CRUSADE FOR OPPORTUNITY

The SPEAKER pro tempore (Mr. FERGUSON). Under the Speaker's announced policy of January 3, 2001, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, we might call today kind of opportunity day, since today is the day that the Republican majority introduced their bill on education reform that has been long awaited. The bill introduced by the Republican majority is the administration's bill. We have all waited for this great education initiative which responds to the fact that the American people have, over the last 5 years, consistently said that education is a priority; they would like to see government do more in the area of education. They would like to see every level of government, but they particularly would like to see the Federal Government, do more to help improve education. So the Republican bill was introduced today. I have not seen the details of the bill, but we, of course, have had for several weeks the outline that the administration issued very early this year. That outline talks about focusing on failing schools and targeting Federal resources so that most of the Federal resources go to the most disadvantaged students in these failing schools.

Now that was introduced formally as a bill today. At the same time, we introduced a 21st century higher education initiative today from the Democratic side of the aisle. The Democratic Caucus, under the leadership of the gentleman from Missouri (Mr. GEPHARDT) and the ranking member on the Committee on Education and the Workforce, the gentleman from California (Mr. MILLER), we have fashioned a bill which we call the 21st Century Higher Education Initiative. And that bill was discussed at great length today at a press conference.

We held a press conference today and we talked about the bill today, in particular, because today is the 2nd day of a very important conference being held here in the City of Washington, D.C., the National Association for Equal Opportunity, NAEO, which represents Historically Black Colleges and Universities, predominantly black colleges and universities, and is holding their annual conference this weekend. It will go on until this Friday.

Mr. Speaker, among the colleges represented by NAEO are 118 Historically Black Colleges and Universities, and those institutions have been the subject of some controversy over the last few weeks in that the Committee on Education and the Workforce where I serve as a member chose to place all minority colleges, both the three categories of Historically Black Colleges and Universities, Hispanic-serving institutions, and the tribally controlled colleges were all placed in a subcommittee away from the core of the higher education concerns. We have resolved that dispute. And I do not want to go into it in any great detail, but I think it is relevant, because as we focus today on the introduction of the administration's education reform bill and the introduction of the democratic initiative called the 21st Century Higher Education Initiative, it is important to place in perspective the role that those institutions can play. They can play a great role in education reform.

Historically Black Colleges and Universities are only a tiny part of the larger constellation of higher education institutions in America. There must be about 3,000, more than 3,000 overall higher education institutions in America, and the 118 Historically Black Colleges and Universities constitute a very tiny segment of that constellation. Even if we add the Hispanic-serving institutions which are defined as institutions which have at least 25 percent of their student body as Hispanics, and we have the tribally controlled colleges, which are the colleges which serve native Americans, we still have a relatively small number of institutions, minority-focused institutions in the larger constellation of higher education institutions.

Of course, most of the African Americans now in America are attending colleges that are not Historically Black

Colleges and Universities. Larger numbers are out there in the various State universities and the private colleges because discrimination, which is the reason the Historically Black Colleges and Universities were created, has greatly lessened. In fact, that kind of blatant discrimination which cut off opportunities completely from African-American students has ceased. That is not the problem anymore.

The reason these institutions are important and should continue to exist is because they do have a special mission. Whereas the mission before was to serve those that could get no decent service anywhere else, or those that needed particular kinds of nurturing, the purpose, the mission still remains. They do not need nurturing because they cannot get into other colleges and universities as a result of racial discrimination, no, that is not the problem; they need nurturing because large numbers of these students are poor. Large numbers of these students need opportunity. They have backgrounds that did not prepare them as well as they should have been prepared for other institutions, and they need the nurturing and the guidance and the counseling and the special focus of concern that they may receive in minority-serving institutions.

So the opportunity is where we should be focused now. We ought to look upon ourselves as being a society which is engaged in a crusade for opportunity, a crusade for opportunity. We have had a lot of debates and we will continue to have debates about race and the role that race plays in terms of opportunity and opening doors and allowing people to fully develop themselves. That debate will still go on. However, we could minimize that debate, or almost make it irrelevant, if we focus on opportunity and say, regardless of what one's race or color or creed, we want to maximize in this society the amount of opportunity that we have. We want to maximize opportunity for all individuals because it is good and in harmony with our Constitution and our Declaration of Independence. For the right to pursue happiness, the implication is that we will not only guarantee the right to pursue happiness, but we will encourage the conditions to pursue happiness, and one of the conditions of the pursuit of happiness is that one has to have the opportunity to develop and be able to, first of all, survive by earning a living, and secondly, to earn enough to be able to improve quality of life.

So if we rally under the flag of opportunity, then we will solve a lot of problems, avoid a lot of controversies, and we could carry this administration, this next 2 years of the 107th Congress, carry it forward nobly into a set of bipartisan activities that would do us all proud. It would be very uplifting for the entire country, it would certainly stoke the spirits of the Members of Congress if we could really tackle the education issue and come out of it with a bipartisan bill and bipartisan program that carries our Nation forward educationally. That would be highly desirable.

So the introduction of these two pieces of legislation related to education is a good jump-off point. We are more serious about it now. Let me just backtrack and say that whereas the administration introduced their bill today for education reform, we had already as Democrats introduced a bill earlier.

The gentleman from California (Mr. MILLER), the ranking Democrat on the Committee on Education and the Workforce, and the rest of the Democratic members on the committee, introduced a bill which would accomplish the same kind of education reform which the Republican majority bill introduced today is proposing to accomplish. Our bill, we should note, did not hesitate to make resources available. We are talking about $105 billion over a 5-year period in the legislation that the Democrats introduced, which is going to be one of those major differences between the administration's bill and the administration's approach and the Democratic minority's approach.

We must approach the opportunity ethic and the opportunity crusade that is needed to bring the country to the point where we want to bring it where every citizen can be educated, has a maximum opportunity to be educated, can make their own contribution to our society in an era of great global competitiveness; every citizen can carry their own weight; every citizen can help us maintain our leadership economically, militarily because they are educated and the requirements of this particular complex society are that one has a maximum number of educated people.

Mr. Speaker, nothing is more important no greater resource can any Nation have than to have an educated populace. But as we approach the provision of opportunity for all, we cannot leave out certain areas that are directly impacting upon that opportunity. It is not by accident that the education function, the jurisdiction for education programs is also coupled with the jurisdiction for all programs related to working families and the workplace and the acquisition of income. The Committee on Education and the Workforce used to be called, was called for a long time, most of the history of this Congress, the Education and Labor Committee. It was clearly understood that education and labor went together, were inseparable.

One of the things we must do in improving the workforce is to make certain that they all get a decent education. One of the ways we improve the lives of working families is to make certain that they are in a position to have their children educated without unnecessary strain. If families have to pay enormous tuitions, if they have to move about in search of good schools regardless of other kinds of factors that may exist in the economy, then they are saddled with great hardship that should not be.

So we must be concerned as we look at an approach which would maximize opportunity with the total set of conditions that are in our economy and society that government has an impact on. Government has a duty, government has the authority, government has the responsibility to create an atmosphere where the pursuit of happiness is a possibility.

□ 1515

They have the responsibility to create an atmosphere where the pursuit of happiness is a possibility, where the pursuit of an education is a possibility, where the ability of families and individuals in those families to take advantage of opportunities that are provided for education are increased.

This increase is greatly facilitated if the income of the families improve. The best way to help poor people, the best way to help poor families is to make sure the amount of money that they have is increased. There are a number of ways that have been proposed in terms of fighting poverty, but the best way to fight poverty is to get some more dollars into the hands of working families so that they can spend those dollars in a way to help them pursue happiness and to pursue opportunity.

We cannot have an education policy, we cannot go forward with the educational reform and totally ignore the conditions under which the large majority of the people we are targeting live and work.

President Bush is targeting his program to innercity communities, rural communities, places where there are disadvantaged children, places where there are failing schools. The correlation between poverty and disadvantaged children and failing is very clear. That correlation with poverty is very clear.

Failing, poverty and disadvantaged go together. We have recognized this for quite a while in our legislation. We have a Title I program, which is a primary program which serves poor students; and Title I is based upon a laser beam being focused on the poorest areas and attempting to provide Federal aid in the areas where the poorest students attend schools.

We are identifying those poor students with another Federal program, students who are eligible to receive free lunches. Free lunches are provided by the Department of Agriculture. It is under the auspices of the United States Department of Agriculture, a Federal program that has a longstanding history of success.

So we identify the worthy recipients of our education funds by those who qualify for the free lunch programs. Poverty and the need to provide opportunity enhanced by Federal dollars is closely correlated. There is no argument about this. Everybody concedes that there is a close correlation between poverty and lack of opportunity, poverty and disadvantaged status. So let us, as we address the education issue, look at the larger education workforce issues.

Look at the fact that we have not passed an increase in the minimum wage. The 106th Congress got close to it at one point, but we did not bring it to the floor. There was no increase in the minimum wage, even a minimum increase in the minimum wage. I do call it a minimum increase, because all we were proposing was a 50 cent increase in the minimum wage per year over a 2-year period. That would have brought the minimum wage up to 6.15 from the 5.15, and we did not do that. The minimum wage at this point is at the level of 5.15 per hour.

There are some other mechanisms that relate to the Fair Labor Standards Act and other responsibilities under the Department of Labor related to improving income which also have not been activated. Most people do not know or understand the regulations related to the H–2A program, H–2A temporary foreign agricultural worker program.

Mr. Speaker, the H–2A foreign agricultural worker program is a complicated program designed to stop illegal immigration into the country, exploitation of immigrants, and that has worked in many ways in terms of an orderly flow of immigrants into the country into the farm areas where large numbers of farm workers were needed.

One of the provisions in that legislation and one of the provisions presently existing in the law is a requirement that a survey be made of the prevailing wages in the area, something similar to Davis-Bacon for construction, across this country. But in order not to undercut farm laborers who already are in the country, citizens of the Nation who are working in the farm areas, farm workers who are not immigrants, in order not to undercut them, this law requires that there be a survey made of the area, and you reach some kind of level of identifying a prevailing wage for farm area workers.

All of the temporary foreign agricultural worker programs must then pay that wage. It varies from one area to another. But sometimes there is a considerable amount of substance between what the farm area workers are earning and what the imported immigrants are paid. But, by law, they must pay this wage that is established as a result of the survey.

We were deeply concerned with the fact that each year they issued the tables and they published the statistics and the determinations of what this wage rate should be and, as a result of that publication, the workers in those areas are eligible for, and should be paid, according to the new calculations, the new wage rates.

We were concerned that this is a routine matter, a ministerial function of the Department of Labor. It does not take much to get out a letter which says that the survey has been conducted, State-by-State. Here are the figures, and here is the table for this year.

Mr. Speaker, that has been done pretty routinely in the past, and we were shocked to find that it did not happen with this new administration.

We wrote to the Department of Labor Secretary, Secretary of Labor Elaine L. Chao, in February of this year, February 28, because usually very early in February these tables for the new wage rates are issued. They were not issued.

We wrote a letter to her, and I am going to read that letter and enter it into the RECORD, so that you will see what the problem is.

What are we talking about? We are talking about income for people at the very bottom of the scale, income for migrant farm workers. But more importantly are, or just as important as the income of these workers, is the standard that is upheld. You do not undercut the farmer workers who are already there.

Though farm workers who are already working, making very low wages, should not have their wages undercut by immigrant farmer workers who come in and are paid less are exploited. That is the reason why we insist that there be a survey made, an establishment of a prevailing wage. And once the prevailing wage is established, you must pay the immigrant workers at that level so you do not undercut the labor standards and the labor standard of living of the workers in that area.

So we wrote to Secretary Chao, "We are deeply concerned that the Department of Labor has not performed the simple annual clerical duty, as required under current regulation, to publish in the Federal Register the adverse effect wage rates applicable to farm workers and employers under the H–2A temporary foreign agriculture foreign worker program. Ordinarily, the wage rates are issued in early to mid-February; however, the wage rates have not been issued yet.

"Department of Labor's responsibility in issuing the wage rates is ministerial. The Department of Labor merely publishes the State-by-State results of the U.S. Department of Agriculture's regional surveys of the average hourly wage rates for field and livestock workers. This information has already been given to the Department of Labor."

They had the information that was empowered from the surveys.

Continuing to read in the letter to Secretary Elaine Chao dated February 28, "Failure to publish the new wage rates in the Federal Register apparently means that they will not take effect. Consequently, employers can pay farm workers last year's adverse effect wage rates, most of which are significantly lower than they would be if the new wage rates were published.

"Although many farm workers are affected by the H–2A program have not yet begun their seasons, in Florida, for example, there are ongoing seasons and there are H–2A companies operating at this time of the year. Florida's H–2A AEWR was $7.25 per hour for the year 2000."

This year it is supposed to be increased to $7.66 an hour, and it has not taken effect. They also give an example for Georgia.

Continuing in the letter to Elaine Chao, "The DOL, the Department of Labor, cites the moratorium on regulations as the reason for its failure to publish. This is absurd, since the DOL's act of publishing in the Federal Register the survey results" would be really of publishing the survey results which "already obtained from the USDA would not be a new regulation. The current regulation, issued in 1987, directs DOL to publish these wage rates in a timely manner and the failure to do so violates the regulation.

"We strongly urge you to take prompt action to publish the adverse effect wage rates under the H–2A program in order to carry out the Department's obligation to protect U.S. farm workers and foreign workers from being subjected to wage rates that undermine labor standards in American agriculture.

"Please let us know when we can expect DOL to carry out its obligations under the law."

This letter is signed by the gentleman from California (Mr. GEORGE MILLER), the gentleman from New York (Mr. OWENS) and the gentleman from California (Mr. BERMAN).

Mr. Speaker, I want to include for the RECORD the letter to Elaine Chao as aforementioned:

COMMITTEE ON EDUCATION AND THE WORKFORCE, HOUSE OF REPRESENTATIVES
Washington, DC, February 28, 2001.

Hon. ELAINE L. CHAO,
Secretary of Labor, Department of Labor, Washington, DC.

DEAR SECRETARY CHAO: We are deeply concerned that the Department of Labor (DOL) has not performed the simple annual clerical duty, as required under current regulation (20 CFR 655.107), to publish in the Federal Register the adverse effect wage rates applicable to farmworkers and employers under the H–2A temporary foreign agricultural worker program. Ordinarily, the wage rates are issued in early to mid-February; however, the wage rates have not been issued yet.

DOL's responsibility in issuing the wage rates is ministerial. The Department of Labor merely publishes the state-by-state results of the US Department of Agriculture's (USDA) regional surveys of the average hourly wage rates for field and livestock workers (combined). This information has already been given to DOL.

Failure to publish the new wage rates in the Federal Register apparently means that they will not take effect. Consequently, employers can pay farmworkers last year's adverse effect wage rates, most of which are significantly lower than they would be if the new wage rates were published.

Although many farmworkers affected by the H-2A program have not yet begun their seasons, in Florida for example, there are ongoing seasons and there are H-2A companies operating at this time of the year. Florida's H-2A AEWR was $7.25 per hour for the year 2000. The Florida AEWR is supposed to increase to $7.66 per hour for 2001. In Georgia, where most work has not started yet, the H-2A AEWR is supposed to increase by 11 cents per hour to $6.83. These changes may be small but they are extremely important to the farmworkers who earn these low wage rates.

The DOL cites the moratorium on regulations as the reason for its failure to publish. This is absurd, since the DOL's act of publishing in the Federal Register the survey results already obtained from the USDA would not be a new regulation. The current regulation, issued in 1987, directs DOL to publish these wage rates in a timely manner and the failure to do so violates the regulation.

We strongly urge you to take prompt action to publish the adverse effect wage rates under the H-2A program in order to carry out the Department's obligation to protect U.S. farm workers and foreign workers from being subjected to wage rates that undermine labor standards in American agriculture.

Please let us know when we can expect DOL to carry out its obligations under the law.

Sincerely,
George Miller.
Major Owens.
Howard L. Berman.

Mr. Speaker, the response from Secretary Chao came on March 16.

Dear Congressman Miller, thank you for your and your colleagues' letter expressing concerns regarding the Department's publication of the Adverse Effects Wage Rates as required under the 20 CFR 655.107. I share your concerns about U.S. farm workers and U.S. farmers.

Staff have provided me with an initial briefing on the issues surrounding the AEWR. As a result, I have learned that concerns have been raised about the fairness and accuracy of the methodology used to compute the AEWR. In keeping with the spirit of the memorandum from the Assistant to the President and Chief of Staff entitled, Regulatory Review Plan, the announcement of the 2001 AEWR is delayed for 60 days while I review the issues in preparation for a decision.

I have instructed staff to further investigate the concerns that have been raised about the methodology used to compute the rates to assist me in becoming more familiar with the issue. I will be pleased to advise you when final action has been taken.

I hope the information above is responsive to your concern. Sincerely, Secretary Elaine L. Chao.

Mr. Speaker, I include for the RECORD the response from Secretary Chao:

Secretary of Labor,
Washington, March 16, 2001.

Hon. George Miller,
House of Representatives,
Washington, DC.

Dear Congressman Miller: Thank you for your and your colleagues' letter expressing concerns regarding the Department's publication of the Adverse Effect Wage Rates (AEWR) as required under 20 CFR 655.107. I share your concerns about U.S. farm workers and U.S. farmers.

Staff have provided me with an initial briefing on the issues surrounding the AEWR. As a result, I have learned that concerns have been raised about the fairness and accuracy of the methodology used to compute the AEWR. In keeping with the spirit of the memorandum from the Assistant to the President and Chief of Staff entitled, "Regulatory Review Plan," the announcement of the 2001 AEWR is delayed for 60 days while I review the issues in preparation for a decision.

I have instructed staff to further investigate the concerns that have been raised about the methodology used to compute the rates to assist me in becoming more familiar with the issue. I will be pleased to advise you when final action has been taken.

I hope the information above is responsive to your concerns.

Sincerely,
Elaine L. Chao.

Mr. Speaker, I think that any high school student and sophomore can see one of the problems here are the regulations were supposed to be issued in early February. They were not issued; and, therefore, we wrote a letter to the Department of Labor Secretary. And now she is telling us in March that she is putting it on hold for 60 days in order to review it.

The reason given for reviewing that is that the President's staff has issued a statement that there should be no new regulations until they are reviewed. This is not a new regulation. This is a simple computation that was mandated by an old regulation. This is a simple matter of issuing a statement based on what the law already has dictated should be done so that workers out there earning minimum wages in the farm sector will not have to wait for 60 days from March 16.

She did not really say she has given herself a deadline. It is a vague 60 days. Mr. Speaker, March 16 is already 2 months late in issuing these standards, another 60 days, and it may go on to June, and a half year will go by.

What does a half year mean to a farm worker? In the case of New York, the regulations say that, instead of being paid 7.68 an hour, as they are now, the new prevailing wage rates show that they should be paid 8.17 an hour, close to 50 cents more for a 40-hour week. Fifty cents more means that you got $20 more in your pay. For a whole 6 months, a half year, that is 20 times all those weeks.

My colleagues might say that still is chicken feed, chump change, not much money, but for a worker who is earning $7 an hour, that is important money for his family. Why should we deprive them of 50 cents an hour because there is this kind of lethargy and laziness?

Mr. Speaker, I hope there is nothing more sinister than that in the Department of Labor. The Department of Labor ought to go ahead and issue the standards. The table is right here. It is already compiled. It is available for every State. California moves from $7.27 an hour to $7.56 an hour, Florida from $7.25 an hour to $7.60 an hour. On and on it goes, with increases I think being as high as 50 cents an hour that workers would be getting.

□ 1530

That is workers who are foreign workers coming in. It is also workers who already here would be paid at the same level. In fact, their payment at that level is already established. That is how one arrives at these figures.

So if one cares about opportunity, if one cares about education at the elementary, secondary school level, if one cares about education at the higher education level, then one of the first things one wants to do is make certain that families have decent incomes; that they are in a position to send their kids to school with a decent meal in their stomachs, and that they are able to support the atmosphere needed, stable homes for the youngsters when they return.

One cannot separate out the responsibility of the government to maintain in this complex society of ours some kind of justice with respect to wages and say that one cares about education and opportunity.

Opportunity has to come with a recognition that the basic problem in this Nation is poverty. The basic education problem is the poverty of the families. The correlation between poverty and failing schools, between poverty and failing students is overwhelming and clearly established.

I cite workers who are farm workers, but do not forget the fact I started by saying we refused to increase the minimum wage from $5.15 an hour to $6.15 over a 2-year period. So we are looking at families in America saying that, you know, you can wait. The dollar increase that we proposed 2 years ago, which would raise the salaries by now to $6.15 an hour are not in motion. Last year's Congress did not act on it. It is not on the agenda for this year.

So are we interested in enhancing opportunity for all in America? Forget about race, color, creed. Let us focus on a crusade for opportunity. Provide opportunity for everybody, and that way we solve a lot of different problems. In the provision of opportunity, do not overlook the conditions that working families live under and the fact that they have to have decent incomes.

In the area of migrant workers, for example, for my colleagues' information, there are an estimated 1.6 million migrant or seasonal farm workers working in the fields, the orchards, the greenhouses, the nurseries, and the ranches of America. But this does not include those who work in meat-packing plants and livestock assemblies.

One thing we could say is that we in Congress are examining requests for new programs to ensure that agricultural businesses remain in business. Traditionally, it has been the grains, soybeans and other capital-intensive crops that have relied on subsidies and government assistance.

We taxpayers have paid subsidies for some of these same crops these farm workers are gathering. The way we are doing it now helps to eliminate the subsidies necessary to be paid by the government.

The growers of fruits, vegetables, and other labor-intensive crop growers have not received subsidies. Produce growers have benefited from international trade agreements and Americans' greater interest in eating fruits and vegetables for health reasons. But fruit and vegetable growers more and more are asking for additional government assistance.

As we consider expanding assistance to agricultural businesses in the upcoming farm bill, we should look at how those employees in those businesses are doing. The evidence is that agriculture workers are not doing well. In fact, as the fruit and vegetable industry has expanded its imports dramatically, U.S. farm workers have gotten poorer.

The National Agricultural Workers Survey of the Department of Labor profiles characteristics of crop workers and their jobs. This is Report Number 8 in a series of publications based on the findings of the National Agricultural Worker Survey, a nationwide random survey on the demographic and employment characteristics of hired crop workers.

This report, like those before it, finds that several long-standing trends characterizing the farm-labor work force and the farm-labor market are continuing. It finds that farm-worker wages have stagnated, annual earnings remain below the poverty level, farm workers experience chronic underemployment, and that the farm work force increasingly consists of young single males who are recent immigrants.

Their findings of low wages, underemployment and low annual incomes of U.S. crop workers are indicative of a national oversupply of farm labor. Low annual income, in turn, most likely contributes to the instability that characterizes the agricultural labor market, as farm workers seek jobs paying higher wages and offering more hours of work.

Over the period of the 1990s, with a strong economy and greater, increasingly widespread prosperity, farm-worker wages have still lost ground relative to those workers in private, nonfarm jobs. Since 1989, the average nominal hourly wage of farm workers has risen by only 18 percent, about one-half of the 32 percent increase for non-agricultural farm workers.

Adjusted for inflation, the real hourly wage of farm workers has dropped from $6.89 to $6.18. If just for the fact that the cost of doing business in this society has gone up, farm workers are really going backwards in terms of their minimum wage.

Consequently, farm workers have lost 11 percent of their purchasing power over the last decade. For the past decade, the median income of individual farm workers has remained less than $7,500 per year while that of farm-worker families has remained less than $10,000 a year. A farm-worker family, four people have to live on $10,000 per year.

The majority of the farm workers had incomes below the poverty level in America. Despite the fact that the relative poverty of farm workers and their families has grown, their use of social services remains low; and for some programs, their use of social services has even declined.

In 1997, 1998, most farm workers, about 60 percent, held only one farm job per year. The majority had learned about their current job through informal means, such as through a friend, a relative or a workmate. On average, farm workers were employed in agriculture for less than half a year. Even in July, when demand for farm labor peaks in many parts of the country, just over half of the total farm-labor work force held agriculture jobs. On average, farm workers supplemented their agricultural earnings with 5 weeks of nonfarm employment.

The number of weeks this work force is employed each year in farm and nonfarm jobs in the U.S. has been declining.

In every way, these people on the very bottom of the labor wage scale, have been going backwards. I cite farm workers only as one example because they happen to fall under the purview of the committee where I serve as the ranking Democrat.

The Subcommittee on Workforce Protections is responsible for minimum wage. The minimum wage of all workers in America is established by the Fair Labor Standards Act. The Fair Labor Standards Act requires action by Congress, and Congress failed in the 106th Congress last year to raise the minimum wage by a measly $1 over 2 years.

We are now saying that we want to maximize the opportunity with education in our society. We want to really do something about the reform of elementary and secondary education.

How can we accomplish reform in elementary and secondary education? How can we improve opportunity in higher education when we are acting with contempt on the very basic issue of income for American families? One cannot separate out the issue of education from the issue of security and the nurturing of the family. All of it must go together.

I started before by saying that today is a great day, because today we introduced the President's education initiative in the form of a bill. We always had his outline before. Now we have a bill. The President has introduced his education initiative for elementary and secondary education.

At the same time, the Democrats introduced a bill called the 21st Century Higher Education Initiative, where we are moving to improve higher-education opportunities for minorities, the Historically Black Colleges and Universities, the tribally controlled colleges, and the Hispanic-serving institutions.

I think it is important that it all happened today. I wanted to take note of that here and say that, if there is anything, nothing would be more pleasing to both sides of the aisle than we should come out of this 107th Congress with a meaningful education-reform bill, an education-reform bill that really carries us forward beyond the rhetoric that has been going on for the last few years.

Everybody talks about education in the Congress, but very little has been done about it in the last few years. Everybody talks about education. The American people have listed education as being our number one priority for the last 5 years.

But we still have schools out there which are crumbling. We still need, according to the survey done by the National Education Association, we need $320 billion for repairs and modernization and the construction of new schools, new public schools. $320 billion is needed across the Nation for the modernization, construction, and repair of schools.

We have been talking about it now for the last 5 years, but the Federal Government did not appropriate a single penny for construction until the last session. In the last days of the last session in December, President Clinton was able to hold out and finally get an appropriation of $1.2 billion for school repairs, a mere $1.2 billion compared to the need that was established by the National Education Association, which says we need, over the next 10 years, about $320 billion. But at least the 1.2, it broke the barrier. We had never had, for the last 50 years, never had Federal legislation on school construction. We have broken the barrier. $1.2 billion is available.

Now the rumor is that the present administration that has come in refuses to spend the $1.2 billion on school repairs. We are going to have to fight about money that has already been appropriated by the last Congress before we move on to improve education in this Congress.

I hope that the rumor and the stated intentions of administration are not true as stated. They are refusing to spend money for school construction. No improvement of education can go forward.

I have seen the outline of the President's bill. They want to focus on schools that need help most, in the areas where we have the poorest population. There is a correlation there. In the inner-city communities and in the rural communities, we have the worst buildings, the worst physical facilities.

Most children and adults who live in suburban areas and go to modern up-to-date schools have no idea what I am talking about. They cannot envision a school which has a coal-burning furnace. Still in America, we have schools, certainly in New York City, we have schools that are still burning coal in their furnace.

What does it mean to burn coal in the school furnace? It means that there is inevitable pollution that is taking place day by day. The children are being subjected each day to unnecessary pollutants.

When I first bought a house years ago, I could not afford anything else, I bought a house that had a coal-burning furnace. The house, we put filters on; and we did everything possible to minimize the amount of coal dust that circulated in the house.

No matter what precautions one takes, if one has a coal-burning furnace in the building, the tiny particles of coal are going to seep through. If one has small children, they are going to be jeopardized because the lungs of small children are more susceptible. And certainly, please, do not have a child who already is disposed to asthma.

The asthma rate in New York City is very high. We can find the highest rates of asthma among children in the areas where we have schools that have coal-burning furnaces.

The correlation, again, is overwhelming. So it is hard for most people to visualize that we have schools that are still burning coal in their furnace.

I suppose it is also hard to visualize the fact that, in New York City, most of the school buildings are more than 50 years old. The life of a brick building at one time they said is about 50 years. All of our schools are more than 50 years old just about. Maybe about 15 percent are not that old; but the rest of them, more than 50 years old. Then about 25 percent of the schools are almost 100 years old. The buildings are almost 100 years old.

So if one is going to improve education, whether one follows the Republican majority plan or one follows the Democratic initiative that was introduced earlier in the year, either one requires that one does something about the physical condition of the schools.

□ 1545

How do we convince young people we really care about education if we are forcing them to attend school in a building that has a coal-burning furnace? We cannot convince children that we are interested in really improving education if we are forcing them to attend school in a school building that is so overcrowded because it has so many more pupils than it was built for.

We have some schools in my district built for 500 pupils and they now serve 1,100. They are serving 1,100 children in a building built for 500. More than twice the number of children that the building was built for. As a result, the lunchroom cannot hold all the youngsters, of course. They have to eat in three or four cycles. The first cycle in the school begins at 10 o'clock.

In other words, a certain group of children, one-third, are told that they have to eat lunch at 10 o'clock. Now, they have just had breakfast, but they have to eat lunch at 10 o'clock. The other group, the final third, will be eating late, after 1 o'clock. So they will be hungry. The first group is being forced to eat when they are not hungry.

Those kinds of conditions exist in too many of our schools, where they start eating lunch early because the cycle has to be completed for three or four different cycles because the building is too small, the cafeteria is too small. It was not built for those kinds of students.

We have situations where we have trailers, trailers in the school yards. And this is something that is not common to big city schools. All over the country one of the problems with rural schools is they have a lot of trailers out there too that were temporary. Trailers are temporary constructs. They are not built to last 20 years. One of my colleagues, the gentlewoman from California (Ms. SANCHEZ), says she went to visit her old junior high school that she had attended and the trailers that were there temporarily when she was in that junior high school were still there. And we know that across the country we have trailers in the schoolyards and they stay there forever.

Are we going to convince a student or the teachers that we are serious about improving education if we do nothing about these physical conditions that exist at present? If we do nothing about the fact that large numbers of schools do not have trained and certified teachers, are we going to be able to convince the youngsters or the teachers or parents that we seriously care about schools? So dollars are going to be necessary in order to fulfill the rhetoric and the plans and the vision statements that have been made about education.

We also have to recognize the complexities of the situation. Although the President is focusing and the administration bill focuses on elementary and secondary education, and we are not scheduled to revise the Higher Education Assistance Act until next year, we must move across all fronts at the same time. Higher education cannot be separated from elementary and secondary education if we want to improve the schools.

After we get past the very serious problem of physical infrastructure, the biggest problem that schools have now is qualified personnel, qualified teachers, teachers who are trained, educated properly. Teachers who are certified.

In some cases, we have certified teachers who are teaching subjects that they are not certified to teach. A few years ago, in central Brooklyn and other parts of New York serving mostly Hispanic and black students, they made a survey and they found that most of the teachers who were teaching math and science in the junior high schools had not majored in math and science in college. They were certified teachers, but they were certified in some other area.

Well, that is better than the situation that existed in a lot of elementary schools in one segment of my district. In New York City, the total city is divided up into 32 school districts. One of the school districts in my congressional district, district 23, year before last had a situation where one-half of their teachers were substitute teachers all year long. They were not certified, and they were not regular. So the students in that district were constantly being subjected to changing teachers every day. One-half of them were in that kind of situation.

Is it any wonder that there was a drop in the reading level scores in that district, or that for years that district has had the notoriety of being on the very bottom for the whole 32 school districts in the city? They have gone up in the last couple of years as a result of paying attention to this problem and many others. But the problem of certified teachers is a problem that we must tackle head on. We will have no improvement in education unless the teachers and administrators and principals are all well trained.

An initiative in higher education, colleges and universities, allows us to train teachers, to get those certified teachers into the classrooms, to improve the supply of teachers, and to be able to meet the number one requirement of education improvement. For that reason, I am proud of the fact that, along with my Democratic colleagues, we introduced an initiative today which relates to higher education, and we expect that to have an impact on education in general.

With great pleasure, I join my Democratic colleagues' today to introduce the 21st Century Higher Education Initiative. Since 1837, Historically Black Colleges and Universities have played a vital role in producing this Nation's most influential African-American leaders; people such as Martin Luther King, Jr., Thurgood Marshall, Oprah Winfrey, Barbara Jordan, and Langston Hughes, all graduates of Historically Black Colleges and Universities, and they have inspired a generation of young people of all races.

Today, the Historically Black Colleges and Universities, and other minority-serving institutions, are continuing to produce highly qualified students that fill key positions in the public and private sector. For instance, the Historically Black Colleges and Universities are now responsible for producing 28 percent of all bachelor's degrees and 15 percent of all master's degrees earned by African Americans. While these numbers are encouraging, more must be done to ensure that minority students are not locked out of the higher education debate.

The 21st Century Higher Education Initiative more than doubles funding for title III and title V and increases the maximum Pell Grant award from $3,750 to $7,000 over a 3-year-period. Increasing funding for title III and title V will close the funding gap between minority- and nonminority-serving institutions. Increasing the maximum Pell Grant award will make the burden of paying for college easier for poor minority students who cannot afford to attend college.

The 21st Century Education Initiative also includes dramatic increases for supplemental equal opportunity grants and Federal work study by increasing each program by $300 million over the next 3 years. Both programs play a critical role in the lives of students who are often the first person in their family to attend college.

Also included are increases for TRIO and GEAR-UP, which encourage minority students from underserved communities to attend college. TRIO and GEAR-UP have a long track record of preparing minority students for college through academic enrichment and mentorship activities.

The bill also includes funding to preserve buildings on the National Register of Historic Places by authorizing $60 million a year for facilities most in need of repair on the campuses of Historically Black Colleges and Universities.

In addition, the bill addresses the critical needs for qualified minority teachers by authorizing $30 million for a new program that will strengthen teacher preparation programs at minority-serving institutions. The 21st Century Higher Education Initiative also takes into account reports from the National Telecommunications & Information Administration and the Benton Foundation regarding the Digital Divide. The initiative would create a $250 million program based on proposals by Senator CLELAND and the gentleman from New York (Mr. TOWNS) that will provide equipment, wire campuses, and train students for careers in technology.

Providing increased funding for technology at HBCUs will ensure that young African-American students are given every opportunity to compete on a level playing field.

In closing, the Democratic party has sent a clear signal to Members of the House and the Senate, educating minority students from underserved communities is at the top of our agenda. We look forward to working with our colleagues from across the aisle and the administration in passing legislation that "leaves no child behind."

Increasing funding for HBCUs, HSIs, and TCCs will not only benefit the minority community but provide our Nation with experienced and talented young people who are prepared to compete in today's global workforce.

Let me conclude, Mr. Speaker, by suggesting that we bring it all together. Let us make this year of 2001 the first year of the 107th Congress, the first year of a new administration, a year where we achieve one outstanding, glowing, bipartisan accomplishment, and that is the improvement of education in America.

And as we improve education in America, let us also understand that a part of that requires that we improve opportunities for working families, starting with improving their wages and income.

Mr. Speaker, I include for the RECORD a chart of wages; a Comparison of H-2A Adverse Effect Wage Rates.

COMPARISON OF H-2A ADVERSE EFFECT WAGE RATES 1997-2000

State	1997	1998	1999	2000	2001[1]
Alabama	$5.92	$6.30	$6.30	$6.72	$6.83
Arizona	5.82	6.08	6.42	6.74	6.71
Arkansas	5.70	5.98	6.21	6.50	6.69
California	6.53	6.87	7.23	7.27	7.56
Colorado	6.09	6.39	6.73	7.04	7.43
Connecticut	6.71	6.84	7.18	7.68	8.17
Delaware	6.26	6.33	6.84	7.04	7.37
Florida	6.36	6.77	7.13	7.25	7.66
Georgia	5.92	6.30	6.30	6.72	6.83
Hawaii	8.62	8.83	8.97	9.38	9.05
Idaho	6.01	6.54	6.48	6.79	7.26
Illinois	6.66	7.18	7.53	7.62	8.09
Indiana	6.66	7.18	7.53	7.62	8.09
Iowa	6.22	6.86	7.17	7.76	7.84
Kansas	6.55	7.01	7.12	7.49	7.81
Kentucky	5.68	5.92	6.28	6.39	6.60
Louisiana	5.70	5.98	6.21	6.50	6.69
Maine	6.71	6.84	7.18	7.68	8.17
Maryland	6.26	6.33	6.84	7.04	7.37
Massachusetts	6.71	6.84	7.18	7.68	8.17
Michigan	6.56	6.85	7.34	7.65	8.07
Minnesota	6.56	6.85	7.34	7.65	8.07
Mississippi	5.70	5.98	6.21	6.50	6.69
Missouri	6.22	6.86	7.17	7.76	7.84
Montana	6.01	6.54	6.48	6.79	7.26
Nebraska	6.55	7.01	7.12	7.49	7.81
Nevada	6.09	6.39	6.73	7.04	7.43
New Hampshire	6.71	6.84	7.18	7.68	8.17
New Jersey	6.26	6.33	6.84	7.04	7.37
New Mexico	5.82	6.08	6.42	6.74	6.71
New York	6.71	6.84	7.18	7.68	8.17
North Carolina	5.79	6.16	6.54	6.98	7.06
North Dakota	6.55	7.01	7.12	7.49	7.81
Ohio	6.66	7.18	7.53	7.62	8.09
Oklahoma	5.48	5.92	6.25	6.49	6.98
Oregon	6.87	7.08	7.34	7.64	8.14
Pennsylvania	6.26	6.33	6.84	7.04	7.37
Rhode Island	6.71	6.84	7.18	7.68	8.17
South Carolina	5.92	6.30	6.30	6.72	6.83
South Dakota	6.55	7.01	7.12	7.49	7.81
Tennessee	5.68	5.92	6.28	6.39	6.60
Texas	5.48	5.92	6.25	6.49	6.98
Utah	6.09	6.39	6.73	7.04	7.43
Vermont	6.71	6.48	7.18	7.68	8.17
Virginia	5.79	6.16	6.54	6.98	7.06

COMPARISON OF H–2A ADVERSE EFFECT WAGE RATES 1997–2000—Continued

State	1997	1998	1999	2000	2001[1]
Washington	6.87	7.08	7.34	7.64	8.14
West Virginia	5.68	5.92	6.28	6.39	6.60
Wisconsin	6.56	6.85	7.34	7.65	8.07
Wyoming	6.01	6.54	6.48	6.79	7.26

[1] Not approved by the Department of Labor.

Mr. Speaker, I also include for the RECORD a statement labeled 21st Century Higher Education Press Conference dated March 22, 2001.

21ST CENTURY HIGHER EDUCATION INITIATIVE

It is with great pleasure that I join my Democratic Colleagues by introducing the "21st Century Higher Education Initiative." Since 1837, Historically Black Colleges and Universities have played a vital role in producing this nations most influential African-American leaders. People such as Martin Luther King, Jr., Thurgood Marshall, Oprah Winfrey, Barbara Jordan and Langston Hughes all graduates of HBCU's have inspired a generation of young people of all races. Today, HBCU's and other minority serving institutions continue to produce highly qualified students that fill key positions in the public and private sector. For instance, HBCU's are now responsible for producing 28 percent of all bachelor's degrees and 15 percent of all master's degrees earned by African-Americans.

While these numbers are encouraging, more must be done to ensure that minority students are not locked out of the higher education debate. The "21st Century Higher Education Initiative" more than doubles funding for Title III and Title V and increases the maximum Pell Grant award from $3,750 to $7,000 over three years. Increasing funding for Title III and V will close the funding gap between minority and non-minority serving institutions. Increasing the maximum Pell grant award will make the burden of paying for college easier for poor minority students who can't afford to attend college.

The 21st Century Education Initiative also includes dramatic increases for Supplemental Equal Opportunity Grants (SEOG) and Federal Work Study by increasing each program by $300 million over the next three years. Both programs play a critical role in lives of students who are often the first person in their family to attend college. Also included in the bill are increases for TRIO and GEAR-UP which encourage minority students from underserved communities to attend college. TRIO and GEAR-UP have a long track record of preparing minority students for college through academic enrichment and mentorship activities.

The bill also includes funding to preserve buildings on the National Register of Historic Places by authorizing $60 million a year for facilities most in need of repair. In addition, the bill addresses the critical need for qualified minority teachers by authorizing $30 million for a new program that will strengthen teacher preparation programs at minority serving institutions. The 21st Century Higher Education Initiative also takes in account reports from the National Telecommunications & Information Administration (NTIA) and the Benton Foundation regarding the Digital Divide. The initiative would create a $250 million program based on proposals by Senator Cleland and Congressman Towns that would provide equipment, wire campuses and train students for careers in technology. Providing increased funding for technology at HBCU's will ensure that young African-American students are given every opportunity to compete on a leveled playing field.

In closing, the Democratic party has sent a clear signal to members of the House and Senate, educating minority students from under-served communities is at the top of our agenda. We look forward to working with our colleagues from across the aisle and the Administration in passing legislation that "leaves no child behind." Increasing funding for HBCU's, HSI's and TCC's will not only benefit the minority community but provide our nation with experienced and talented young people who are prepared to compete in today's global workforce.

BREAST CANCER PRESCRIPTION DRUG FAIRNESS ACT

The SPEAKER pro tempore (Mr. FERGUSON). Under a previous order of the House, the gentleman from New York (Mr. GRUCCI) is recognized for 5 minutes.

Mr. GRUCCI. Mr. Speaker, I rise to discuss a serious health issue that potentially affects the lives of every woman on Long Island. Breast cancer is the most common form of cancer among women in the United States, and Long Island's breast cancer rates are the highest in the Nation, 20 percent higher than the national average. Today, many lack the coverage for prescription drugs and face severe financial problems in affording the medications they need to defeat this dreadful and horrible disease.

Being diagnosed with breast cancer is a devastating experience for a woman and her family. Yet breast cancer victims on Medicare and those without any coverage have a tough time or simply cannot afford the medications they need. The bipartisan Breast Cancer Prescription Drug Fairness Act that I along, with the gentlewoman from New York (Mrs. MCCARTHY), introduced would end that. H.R. 758 aims to make prescription drugs available to Medicare beneficiaries and seeks to allow those without medical coverage to buy into the system. Right now women on Medicare receive their breast cancer medication for $58 a month whereas women without coverage must pay $105 a month. In 1998, 18 percent of all New York women between the ages of 18 and 64 were uninsured. In 2001, approximately 2,200 New York women diagnosed with breast cancer would be uninsured. With 85 percent of breast cancer victims over the age of 55, this bill gives Medicare recipients the purchasing power to buy prescription drugs at a much lower price.

This bill is about saving women's lives. No one fighting breast cancer should have to choose between buying food or the medication that will save their lives. Until a cure for this horrible disease is discovered, we must do all that we can to give breast cancer victims every opportunity to beat this disease.

Mr. Speaker, I call upon my colleagues to join the gentlewoman from New York (Mrs. MCCARTHY) and myself as a cosponsor of the Breast Cancer Prescription Drug Fairness Act.

APPOINTMENT OF MEMBERS TO THE UNITED STATES GROUP OF THE NORTH ATLANTIC ASSEMBLY

The SPEAKER pro tempore. Without objection, and pursuant to 22 U.S.C. 1928a and clause 10 of rule I, the Chair announces the Speaker's appointment of the following Members of the House to the United States Group of the North Atlantic Assembly:

Mr. DEUTSCH of Florida,
Mr. BORSKI of Pennsylvania,
Mr. LANTOS of California, and
Mr. RUSH of Illinois.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ACKERMAN (at the request of Mr. GEPHARDT) for today on account of health reasons.

Ms. EDDIE BERNICE JOHNSON of Texas (at the request of Mr. GEPHARDT) for today on account of illness.

Mr. BECERRA (at the request of Mr. GEPHARDT) for today on account of personal business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SKELTON) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.
Ms. NORTON, for 5 minutes, today.
Mr. SKELTON, for 5 minutes, today.
Mr. LUTHER, for 5 minutes, today.
Mrs. MINK of Hawaii, for 5 minutes, today.
Mr. INSLEE, for 5 minutes, today.
Mr. FORD, for 5 minutes, today.

(The following Members (at the request of Mr. REHBERG) to revise and extend their remarks and include extraneous material:)

Mr. REHBERG, for 5 minutes, today.

Mr. HEFLEY, for 5 minutes, today.

Mr. WAMP, for 5 minutes, today.

Mrs. NORTHUP, for 5 minutes, today.

Mr. PAUL, for 5 minutes, today.

Mr. HYDE, for 5 minutes, today.

Mr. SOUDER, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. GRUCCI, for 5 minutes, today.

ADJOURNMENT

Mr. GRUCCI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 59 minutes p.m.), under its previous order, the House adjourned until Monday, March 26, 2001, at 2 p.m.

OATH FOR ACCESS TO CLASSIFIED INFORMATION

Under clause 13 of rule XXIII, the following Members executed the oath for access to classified information:

Neil Abercrombie, Aníbal Acevedo-Vilá, Gary L. Ackerman, Robert B. Aderholt, W. Todd Akin, Thomas H. Allen, Robert E. Andrews, Richard K. Armey, Joe Baca, Spencer Bachus, Brian Baird, Richard H. Baker, John Elias E. Baldacci, Tammy Baldwin, Cass Ballenger, James A. Barcia, Bob Barr, Roscoe G. Bartlett, Joe Barton, Charles F. Bass, Ken Bentsen, Doug Bereuter, Shelley Berkley, Howard L. Berman, Marion Berry, Judy Biggert, Michael Bilirakis, Rod R. Blagojevich, Earl Blumenauer, Roy Blunt, Sherwood L. Boehlert, John A. Boehner, Henry Bonilla, David E. Bonior, Mary Bono, Robert A. Borski, Leonard L. Boswell, Rick Boucher, Allen Boyd, Kevin Brady, Robert A. Brady, Corrine Brown, Sherrod Brown, Henry E. Brown, Jr., Ed Bryant, Richard Burr, Dan Burton, Steve Buyer, Sonny Callahan, Ken Calvert, Dave Camp, Chris Cannon, Eric Cantor, Shelley Moore Capito, Lois Capps, Michael E. Capuano, Benjamin L. Cardin, Brad Carson, Julia Carson, Michael N. Castle, Steve Chabot, Saxby Chambliss, Wm. Lacy Clay, Eva M. Clayton, Bob Clement, Howard Coble, Mac Collins, Larry Combest, Gary A. Condit, John Cooksey, Jerry F. Costello, Christopher Cox, William J. Coyne, Robert E. (Bud) Cramer, Jr., Philip M. Crane, Ander Crenshaw, Joseph Crowley, Barbara Cubin, John Abney Culberson, Elijah E. Cummings, Randy "Duke" Cunningham, Danny K. Davis, Jim Davis, Jo Ann Davis, Susan A. Davis, Thomas M. Davis, Nathan Deal, Peter A. DeFazio, Diana DeGette, William D. Delahunt, Rosa L. DeLauro, Tom DeLay, Jim DeMint, Peter Deutsch, Lincoln Diaz-Balart, Norman D. Dicks, John D. Dingell, Lloyd Doggett, Calvin M. Dooley, John T. Doolittle, Michael F. Doyle, David Dreier, John J. Duncan, Jr., Jennifer Dunn, Chet Edwards, Vernon J. Ehlers, Robert L. Ehrlich, Jr., Jo Ann Emerson, Eliot L. Engel, Phil English, Anna G. Eshoo, Bob Etheridge, Lane Evans, Terry Everett, Eni F.H. Faleomavaega, Sam Farr, Chaka Fattah, Mike Ferguson, Bob Filner, Jeff Flake, Ernie Fletcher, Mark Foley, Harold E. Ford, Jr., Vito Fossella, Barney Frank, Rodney P. Frelinghuysen, Martin Frost, Elton Gallegly, Greg Ganske, George W. Gekas, Richard A. Gephardt, Jim Gibbons, Wayne T. Gilchrest, Paul E. Gillmor, Benjamin A. Gilman, Charles A. Gonzalez, Virgil H. Goode, Jr., Bob Goodlatte, Bart Gordon, Porter J. Goss, Lindsey O. Graham, Kay Granger, Sam Graves, Gene Green, Mark Green, James C. Greenwood, Felix J. Grucci, Jr., Gil Gutknecht, Ralph M. Hall, Tony P. Hall, James V. Hansen, Jane Harman, Melissa A. Hart, J. Dennis Hastert, Alcee L. Hastings, Doc Hastings, Robin Hayes, J. D. Hayworth, Joel Hefley, Wally Herger, Baron P. Hill, Van Hilleary, Earl F. Hilliard, Maurice D. Hinchey, David L. Hobson, Joseph M. Hoeffel, Peter Hoekstra, Tim Holden, Rush D. Holt, Michael M. Honda, Darlene Hooley, Stephen Horn, John N. Hostettler, Amo Houghton, Steny H. Hoyer, Kenny C. Hulshof, Duncan Hunter, Asa Hutchinson, Henry J. Hyde, Jay Inslee, Johnny Isakson, Steve Israel, Darrell E. Issa, Ernest J. Istook, Jr., Jesse L. Jackson, Jr., Sheila Jackson-Lee, William J. Jefferson, William L. Jenkins, Christopher John, Eddie Bernice Johnson, Nancy L. Johnson, Sam Johnson, Timothy V. Johnson, Stephanie Tubbs Jones, Walter B. Jones, Paul E. Kanjorski, Marcy Kaptur, Ric Keller, Sue W. Kelly, Mark R. Kennedy, Patrick J. Kennedy, Brian D. Kerns, Dale E. Kildee, Carolyn C. Kilpatrick, Ron Kind, Peter T. King, Jack Kingston, Mark Steven Kirk, Gerald D. Kleczka, Joe Knollenberg, Jim Kolbe, Dennis J. Kucinich, John J. LaFalce, Ray LaHood, Nick Lampson, James R. Langevin, Tom Lantos, Steve Largent, Rick Larsen, John B. Larson, Tom Latham, Steven C. LaTourette, James A. Leach, Barbara Lee, Sander M. Levin, Jerry Lewis, John Lewis, Ron Lewis, John Linder, William O. Lipinski, Frank A. LoBiondo, Zoe Lofgren, Nita M. Lowey, Frank D. Lucas, Ken Lucas, Bill Luther, Carolyn B. Maloney, James H. Maloney, Donald A. Manzullo, Edward J. Markey, Frank Mascara, Jim Matheson, Robert T. Matsui, Carolyn McCarthy, Betty McCollum, Jim McCrery, John McHugh, Scott McInnis, Mike McIntyre, Howard P. McKeon, Cynthia A. McKinney, Michael R. McNulty, Martin T. Meehan, Carrie P. Meek, Gregory W. Meeks, Robert Menendez, John L. Mica, Juanita Millender-McDonald, Dan Miller, Gary G. Miller, Patsy T. Mink, John Joseph Moakley, Alan B. Mollohan, Dennis Moore, James P. Moran, Jerry Moran, Constance A. Morella, John P. Murtha, Sue Wilkins Myrick, Jerrold Nadler, Grace F. Napolitano, Richard E. Neal, George R. Nethercutt, Jr., Robert W. Ney, Anne M. Northup, Eleanor Holmes Norton, Charlie Norwood, Jim Nussle, James L. Oberstar, David R. Obey, John W. Olver, Solomon P. Ortiz, Tom Osborne, Doug Ose, C. L. Otter, Major R. Owens, Michael G. Oxley, Frank Pallone, Jr., Bill Pascrell, Jr., Ed Pastor, Ron Paul, Nancy Pelosi, Mike Pence, Collin C. Peterson, John E. Peterson, Thomas E. Petri, David D. Phelps, Charles W. Pickering, Joseph R. Pitts, Todd Russell Platts, Richard W. Pombo, Rob Portman, David E. Price, Deborah Pryce, Adam H. Putnam, Jack Quinn, George Radanovich, Nick J. Rahall, II, Jim Ramstad, Charles B. Rangel, Ralph Regula, Dennis R. Rehberg, Silvestre Reyes, Thomas M. Reynolds, Bob Riley, Lynn N. Rivers, Ciro D. Rodriguez, Tim Roemer, Harold Rogers, Mike Rogers, Dana Rohrabacher, Ileana Ros-Lehtinen, Mike Ross, Steven R. Rothman, Marge Roukema, Edward R. Royce, Bobby L. Rush, Paul Ryan, Jim Ryun, Martin Olav Sabo, Loretta Sanchez, Bernard Sanders, Max Sandlin, Tom Sawyer, Jim Saxton, Joe Scarborough, Bob Schaffer, Janice D. Schakowsky, Adam B. Schiff, Edward L. Schrock, Robert C. Scott, F. James Sensenbrenner, Jr., José E. Serrano, Pete Sessions, John B. Shadegg, E. Clay Shaw, Jr., Christopher Shays, Brad Sherman, Don Sherwood, John Shimkus, Ronnie Shows, Rob Simmons, Michael K. Simpson, Norman Sisisky, Joe Skeen, Ike Skelton, Louise McIntosh Slaughter, Adam Smith, Christopher H. Smith, Lamar S. Smith, Nick Smith, Vic Snyder, Mark E. Souder, Floyd Spence, John N. Spratt, Jr., Cliff Stearns, Charles W. Stenholm, Bob Stump, Bart Stupak, John E. Sununu, John E. Sweeney, Thomas G. Tancredo, John S. Tanner, Ellen O. Tauscher, W. J. (Billy) Tauzin, Charles H. Taylor, Gene Taylor, Lee Terry, William M. Thomas, Bennie G. Thompson, Mike Thompson, Mac Thornberry, John R. Thune, Karen L. Thurman, Todd Tiahrt, Patrick J. Tiberi, John F. Tierney, Patrick J. Toomey, James A. Traficant, Jr., Jim Turner, Mark Udall, Robert A. Underwood, Fred Upton, Nydia M. Velázquez, Peter J. Visclosky, David Vitter, Greg Walden, James T. Walsh, Zach Wamp, Maxine Waters, Wes Watkins, Melvin L. Watt, J.C. Watts, Jr., Henry A. Waxman, Anthony D. Weiner, Curt Weldon, Dave Weldon, Jerry Weller, Robert Wexler, Ed Whitfield, Roger F. Wicker, Heather Wilson, Frank R. Wolf, Lynn C. Woolsey, Albert Russell Wynn, C.W. Bill Young, Don Young.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1307. A letter from the Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule—Disclosure and Reporting of CRA-Related Agreements; Correction (RIN: 3064–AC33) received March 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1308. A letter from the Acting Assistant Secretary, Occupational Safety and Health Administration, Department of Labor, transmitting the Department's final rule—Notice of Initial Approval Determination; New Jersey Public Employee Only State Plan (RIN: 1218–AB98) received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

1309. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Chattanooga, Tennessee) [MM Docket No. 99–268; RM–9691] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1310. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Lexington, Kentucky) [MM Docket No. 00–118; RM–9757] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1311. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Sumter, South Carolina) [MM Docket No. 00–182; RM–9957] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1312. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—1998 Biennial Regulatory Review—Streamlining of Radio Technical Rules in Part 73 and 74 of the Commission's Rules [MM Docket No. 98-93] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1313. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (North English, Iowa) [MM Docket No. 00-222; RM-10002]; (Pendleton, South Carolina) [MM Docket No. 00-223; RM-10003]; (Hamilton, Texas) [MM Docket No. 00-224; RM-10004]; (Munday, Texas) [MM Docket No. 00-225; RM-10005] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1314. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Hornbrook, California)' [MM Docket No. 00-73; RM-9861] received March 15, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1315. A letter from the Deputy Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting the Commission's final rule—Federal-State Joint Board on Universal Service [CC Docket No. 96-45] Petition for Reconsideration filed by AT&T—received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1316. A letter from the Director, International Cooperation, Office of the Under Secretary of Defense, Department of Defense, transmitting Certification for the Memorandum of Agreement Between the Ministry of Defence of the Kingdom of Norway and the Department of Defense of the United States of America for Technology Demonstration and System Prototype Projects, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

1317. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

1318. A letter from the Acting Deputy Assistant Administrator, Bureau for Legislative and Public Affairs, Agency for International Development, transmitting a report on economic conditions in Egypt 1999 through 2000, pursuant to 22 U.S.C. 2346 nt.; to the Committee on International Relations.

1319. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the FY 2000 Annual Report on U.S. Government Assistance to and Cooperative Activities with the New Independent States of the Former Soviet Union; to the Committee on International Relations.

1320. A letter from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting the Department of Justice's prison impact assessment (PIA) annual report for 2000; to the Committee on the Judiciary.

1321. A letter from the Deputy Executive Secretary to the Department, Health Care Financing Administration, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Payment for Nursing and Allied Health Education: Delay of Effective Date [HCFA-1685-F2] (RIN: 0938-AE79) received March 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. BOEHNER (for himself, Mr. CASTLE, Mr. MCKEON, Mr. HASTERT, Mr. ARMEY, Mr. DELAY, Mr. WATTS of Oklahoma, Ms. PRYCE of Ohio, Mr. DREIER, Mr. PETRI, Mr. SCHAFFER, Mr. ISAKSON, Mr. BALLENGER, Mr. SAM JOHNSON of Texas, Mr. GREENWOOD, Mr. GRAHAM, Mr. NORWOOD, Mr. UPTON, Mr. HILLEARY, Mr. EHLERS, Mr. FLETCHER, Mr. DEMINT, Mrs. BIGGERT, Mr. TIBERI, Mr. KELLER, Mr. OSBORNE, Mr. CULBERSON, Mr. OXLEY, Mr. NUSSLE, Mr. WOLF, Mr. GEKAS, Mr. COMBEST, Mr. KOLBE, Mr. BAKER, Mr. WELDON of Pennsylvania, Mr. SHAYS, Mr. GILLMOR, Mr. GOSS, Mr. CAMP, Mr. CUNNINGHAM, Mr. HOBSON, Mr. BACHUS, Mr. CALVERT, Mr. COLLINS, Mr. DEAL of Georgia, Mr. DIAZ-BALART, Mr. HORN, Mr. KINGSTON, Mr. LINDER, Mr. MCINNIS, Mr. MILLER of Florida, Mr. ROYCE, Mr. PORTMAN, Mr. BARR of Georgia, Mr. BURR of North Carolina, Mr. CHAMBLISS, Mr. EHRLICH, Mr. LATOURETTE, Mr. RADANOVICH, Mr. COOKSEY, Mrs. NORTHUP, Mr. PETERSON of Pennsylvania, Mr. PICKERING, Mr. SHIMKUS, Mr. SUNUNU, Mr. FOSSELLA, Mrs. BONO, Mr. GREEN of Wisconsin, Mr. HAYES, Mr. GARY MILLER of California, Mr. OSE, Mr. SWEENEY, Mr. CRENSHAW, Ms. HART, Mr. ISSA, Mr. PUTNAM, and Mr. SCHROCK):

H.R. 1. A bill to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind; to the Committee on Education and the Workforce.

By Ms. BALDWIN (for herself, Mr. BARRETT, Mr. BLUMENAUER, Mr. FILNER, Mr. KIND, Mr. KUCINICH, Mr. LUTHER, Ms. MCKINNEY, Mr. OBERSTAR, Mr. OBEY, Mr. SANDERS, Mr. STARK, and Mr. WU):

H.R. 1160. A bill to terminate operation of the Extremely Low Frequency Communication System of the Navy; to the Committee on Armed Services.

By Mr. GILMAN:

H.R. 1161. A bill to authorize the American Friends of the Czech Republic to establish a memorial to honor Tomas G. Masaryk in the District of Columbia; to the Committee on Resources.

By Mr. GEORGE MILLER of California (for himself, Mr. GEPHARDT, Mr. OWENS, Mrs. MINK of Hawaii, Mr. HINOJOSA, Mr. CUMMINGS, Ms. SCHAKOWSKY, Mrs. JONES of Ohio, Ms. LEE, Mr. BONIOR, Mr. FROST, Mr. FARR of California, Mr. FRANK, Mr. ABERCROMBIE, Mr. FILNER, Mr. ETHERIDGE, Mr. STARK, Ms. MILLENDER-MCDONALD, Mr. BERMAN, Mr. EVANS, Mr. KUCINICH, Ms. KAPTUR, Mr. CLEMENT, Mr. UDALL of New Mexico, Ms. SOLIS, Mr. BROWN of Ohio, Ms. NORTON, Mr. PAYNE, Mr. CONYERS, Mr. SCOTT, Mr. BLAGOJEVICH, Mr. RODRIGUEZ, Mr. CROWLEY, Mr. REYES, Mr. MCINTYRE, Mr. KILDEE, Mr. THOMPSON of Mississippi, Ms. BROWN of Florida, Ms. ROYBAL-ALLARD, Ms. VELÁZQUEZ, Mr. ANDREWS, Mr. PASCRELL, Mrs. NAPOLITANO, Mr. KENNEDY of Rhode Island, Mr. BALDACCI, Ms. MCCOLLUM, Mr. ORTIZ, Mrs. MEEK of Florida, Ms. WATERS, Mrs. MCCARTHY of New York, Mr. HINCHEY, Mr. CLAY, Mr. HASTINGS of Florida, Mr. MCGOVERN, Ms. PELOSI, Mr. TOWNS, Mr. FORD, Mr. MCNULTY, Ms. RIVERS, Mr. ENGEL, Mr. CLYBURN, Mr. WU, Mrs. MALONEY of New York, Ms. MCCARTHY of Missouri, Ms. CARSON of Indiana, Mr. DICKS, Mr. MCDERMOTT, Mr. JOHN, Ms. DELAURO, Mr. SPRATT, Ms. WOOLSEY, Mr. UNDERWOOD, Mr. PALLONE, Mr. BLUMENAUER, Mrs. LOWEY, Mr. WATT of North Carolina, Mr. HONDA, Ms. HOOLEY of Oregon, Mr. HOEFFEL, Mr. MALONEY of Connecticut, Mrs. CHRISTENSEN, Mr. TIERNEY, Mr. ALLEN, Mr. DELAHUNT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BECERRA, Ms. SANCHEZ, Mr. KIND, Mrs. DAVIS of California, Mr. MEEKS of New York, Mr. DINGELL, Ms. MCKINNEY, Mr. MENENDEZ, Mr. ISRAEL, Mr. BACA, Mr. SANDLIN, Mr. ACEVEDO-VILA, Mr. FALEOMAVAEGA, Mr. MATSUI, Mr. NEAL of Massachusetts, Mr. CAPUANO, Mr. ROEMER, Mrs. CLAYTON, Mr. JEFFERSON, and Mr. DOOLEY of California):

H.R. 1162. A bill to increase the authorization of appropriations of programs under the Higher Education Act of 1965, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on Energy and Commerce, and Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. AKIN:

H.R. 1163. A bill to limit the use of Federal funds appropriated for conducting testing in elementary or secondary schools to testing that meets certain conditions, and for other purposes; to the Committee on Education and the Workforce.

By Mr. BACA:

H.R. 1164. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to dedicate certain funds for the purpose of reducing violence and hate crime against Native Americans and reducing incidents of crime on reservations, and for other purposes; to the Committee on the Judiciary.

By Mr. BARCIA (for himself, Ms. RIVERS, Mr. LARSON of Connecticut, Mr. UDALL of Colorado, Mr. LAMPSON, and Mr. WEINER):

H.R. 1165. A bill to provide for the establishment of an Election Voting Systems Standards Commission, and for other purposes; to the Committee on Science.

By Mr. BILIRAKIS:

H.R. 1166. A bill to modify the provision of law which provides a permanent appropriation for the compensation of Members of Congress, and for other purposes; to the Committee on Rules, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BROWN of Ohio (for himself, Mrs. Morella, Mr. Waxman, Mr. Ganske, Mr. Andrews, Ms. McKinney, Mr. Baca, Mr. Moran of Virginia, Mr. Rodriguez, Mrs. Tauscher, Mr. Olver, Mr. Kildee, Mrs. Capps, Mrs. Wilson, Mr. Carson of Oklahoma, Mr. Capuano, Mr. Green of Texas, Ms. Brown of Florida, Ms. Lofgren, Mr. Sandlin, Mr. Rangel, Ms. McCarthy of Missouri, Mr. Frost, and Mr. Reyes):

H.R. 1167. A bill to amend the Public Health Service Act with respect to making progress toward the goal of eliminating tuberculosis, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BROWN of Ohio (for himself, Mrs. Morella, Mr. Waxman, Mr. Andrews, Mr. Ganske, Ms. McKinney, Mr. Baca, Mr. Moran of Virginia, Mr. Rodriguez, Mrs. Tauscher, Mr. Olver, Mr. Kildee, Mrs. Capps, Mrs. Wilson, Mr. Carson of Oklahoma, Mr. Capuano, Mr. Frost, Mr. Udall of Colorado, Mr. Lewis of Georgia, Mr. Green of Texas, Ms. Brown of Florida, Ms. Lofgren, Mr. Sandlin, Mr. Rangel, Ms. McCarthy of Missouri, and Mr. Reyes):

H.R. 1168. A bill to amend the Foreign Assistance Act of 1961 to provide increased foreign assistance for tuberculosis prevention, treatment, and control; to the Committee on International Relations.

By Mr. BURTON of Indiana (for himself, Mr. Ehrlich, and Mr. Filner):

H.R. 1169. A bill to amend title 39, United States Code, with respect to "cooperative mailings"; to the Committee on Government Reform.

By Mr. CONYERS (for himself, Mr. Bonior, Mr. Frost, Mr. Dooley of California, Ms. Waters, Ms. Eddie Bernice Johnson of Texas, Mr. Reyes, Ms. Schakowsky, Mr. Berman, Mr. Scott, Mr. Watt of North Carolina, Ms. Lofgren, Ms. Jackson-Lee of Texas, Mr. Wexler, Ms. Baldwin, Mr. Rangel, Mr. Owens, Mr. Towns, Mr. Lewis of Georgia, Mr. Payne, Ms. Norton, Mr. Jefferson, Mrs. Clayton, Mr. Bishop, Ms. Brown of Florida, Mr. Clyburn, Mr. Fattah, Mr. Hastings of Florida, Mr. Hilliard, Ms. McKinney, Mrs. Meek of Florida, Mr. Rush, Mr. Wynn, Mr. Thompson of Mississippi, Mr. Jackson of Illinois, Ms. Millender-McDonald, Ms. Carson of Indiana, Mrs. Christensen, Mr. Cummings, Mr. Davis of Illinois, Mr. Ford, Ms. Kilpatrick, Ms. Lee, Mr. Meeks of New York, Mrs. Jones of Ohio, Mr. Clay, Mr. Stark, Mr. LaFalce, Mr. Kleczka, Ms. Slaughter, Ms. Pelosi, Mr. Andrews, Ms. DeLauro, Mr. Olver, Mr. Deutsch, Mr. Filner, Ms. Roybal-Allard, Ms. Velázquez, Mr. Blagojevich, Mr. Kucinich, Mrs. McCarthy of New York, Mr. McGovern, Ms. Sanchez, Mr. Rodriguez, Mr. Brady of Pennsylvania, Ms. Berkley, Mr. Capuano, Mr. Crowley, Mr. Gonzalez, Mr. Hoeffel, Mr. Holt, Mr. Udall of Colorado, Mr. Baca, and Ms. McCollum):

H.R. 1170. A bill to protect voting rights, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DEAL of Georgia:

H.R. 1171. A bill to amend the Communications Act of 1934 in order to require the Federal Communications Commission to fulfill the sufficient universal service support requirements for high cost areas, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SHAW (for himself, Mr. Lewis of Georgia, Mr. Watkins, Mr. Jefferson, Mr. Becerra, Mr. Neal of Massachusetts, Mr. Houghton, Mr. Blumenauer, Mr. Andrews, Mr. Sanders, Mrs. Jones of Ohio, Mr. Bentsen, Mr. Holden, Mr. Hinchey, Ms. McCollum, Mr. Engel, Mr. Mollohan, Mr. Greenwood, Mr. Maloney of Connecticut, Mr. Camp, Mr. Rush, Mr. Baldacci, Mr. Cantor, Mr. Hilliard, Mr. English, Mr. Frost, Ms. Kaptur, Mr. Stark, Mr. Levin, Mr. McDermott, Ms. Roybal-Allard, Mr. Matsui, Mr. Gutknecht, Mr. Pascrell, Mr. Coyne, Mr. Kucinich, Mr. McNulty, Mr. Tancredo, Ms. McKinney, Mr. Udall of Colorado, Mr. Cummings, Ms. Hart, Mr. Gephardt, Mrs. Johnson of Connecticut, Mr. Cardin, Mr. Doyle, Mrs. Thurman, Mr. McGovern, Mr. Abercrombie, Mr. Goodlatte, Mr. Kennedy of Rhode Island, Mr. Lewis of Kentucky, Mr. Ramstad, Mr. McCrery, and Mr. Foley):

H.R. 1172. A bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence; to the Committee on Ways and Means.

By Mr. DICKS:

H.R. 1173. A bill to make emergency supplemental appropriations for fiscal year 2001 for the Department of Defense, and the Coast Guard; to the Committee on Appropriations.

By Mr. DUNCAN:

H.R. 1174. A bill to direct the Secretary of the Interior to dispose of all public lands administered by the Bureau of Land Management that have been identified for disposal under the Federal land use planning process; to the Committee on Resources.

By Mr. FALEOMAVAEGA (for himself and Mr. McIntyre):

H.R. 1175. A bill to provide for administrative procedures to extend Federal recognition to certain Indian groups, and for other purposes; to the Committee on Resources.

By Mr. FORD:

H.R. 1176. A bill to amend the Fair Credit Reporting Act to protect consumers from the adverse consequences of incomplete and inaccurate consumer credit reports, and for other purposes; to the Committee on Financial Services.

By Mr. FRANK (for himself, Mr. Boehlert, Mr. Kleczka, Mr. Gilchrest, Mr. Neal of Massachusetts, Mr. Oberstar, Mr. Thompson of Mississippi, Ms. Brown of Florida, Mr. Hilliard, Mr. Abercrombie, Mr. McNulty, Mrs. Mink of Hawaii, Mr. Borski, Mr. Capuano, Mr. Kildee, Mr. McHugh, Mr. Frost, Mr. Filner, Mr. Doyle, Mr. Wexler, Mr. Lantos, Mr. McGovern, Mr. Brady of Pennsylvania, Mrs. Maloney of New York, Mr. Evans, Mr. Clay, Ms. Carson of Indiana, Mr. Payne, and Mr. Gordon):

H.R. 1177. A bill to amend title XVIII of the Social Security Act to limit the penalty for late enrollment under the Medicare Program to 10 percent and twice the period of no enrollment; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GIBBONS (for himself and Mr. Udall of New Mexico):

H.R. 1178. A bill to amend the Safe Drinking Water Act to provide grants to small public drinking water systems; to the Committee on Energy and Commerce.

By Mr. GREEN of Wisconsin (for himself, Mr. Petri, Mr. Baker, Mr. Johnson of Illinois, Mr. Weldon of Pennsylvania, Mr. Schaffer, Mr. Hostettler, Mr. Gilman, Mr. Istook, Mr. Burton of Indiana, Mr. Barton of Texas, Mr. Hilleary, Mr. Shows, Mr. McHugh, Ms. Hart, Mr. Sweeney, Mr. Pombo, Mr. Ryun of Kansas, Mr. Nethercutt, Mr. Terry, Mr. Hastings of Washington, Mr. Sensenbrenner, Mr. Weller, Mr. Skeen, Mr. Kennedy of Minnesota, and Mr. Pomeroy):

H.R. 1179. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income gain on the sale of a family farming business to a family member; to the Committee on Ways and Means.

By Ms. HOOLEY of Oregon (for herself, Mr. Kildee, Mr. Pallone, Mr. Udall of New Mexico, Ms. Lee, Mr. Frank, Mr. Towns, Mrs. Napolitano, Mr. Baca, Mr. Faleomavaega, Mr. Abercrombie, Mr. Blagojevich, Ms. Norton, Mr. McDermott, Mr. Pomeroy, Mr. Conyers, Mr. Honda, Mr. Filner, Ms. McCollum, and Ms. Carson of Indiana):

H.R. 1180. A bill to recruit and retain more qualified individuals to teach in Tribal Colleges or Universities; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut (for herself, Mr. LoBiondo, Mr. Rogers of Michigan, Mr. Tancredo, Mr. McHugh, Mr. Otter, Mr. McInnis, Mrs. Mink of Hawaii, and Mr. Paul):

H.R. 1181. A bill to amend the Internal Revenue Code of 1986 to provide incentives for private health coverage for the previously uninsured, and for other purposes; to the Committee on Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself, Mr. Matsui, Ms. Dunn, Mr. Lewis of Georgia, Mr. Green of Wisconsin, and Mr. McDermott):

H.R. 1182. A bill to amend the Internal Revenue Code of 1986 to expand the tip tax credit to employers of cosmetologists and to promote tax compliance in the cosmetology sector; to the Committee on Ways and Means.

By Mr. KINGSTON (for himself, Mr. Barr of Georgia, Mr. Bishop, Mr. Collins, Ms. McKinney, Mr. Lewis of Georgia, Mr. Isakson, Mr. Chambliss, Mr. Deal of Georgia, Mr. Norwood, and Mr. Linder):

H.R. 1183. A bill to designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building"; to the Committee on Government Reform.

By Mr. LEACH (for himself, Ms. Eddie Bernice Johnson of Texas, Mr. Watts of Oklahoma, Mr. LaFalce, Ms. McKinney, Mrs. Lowey, Mr. Hilliard, Mr. Filner, Mr. Abercrombie, Ms. Norton, Mr. Kleczka, Mr. Condit, Mr. Frost, Mr. Watt of North Carolina, Mr. McNulty, Ms. Schakowsky, Mr. Brown of Ohio, Mrs. Thurman, Mr. Smith of New Jersey, Ms. Baldwin, Mr. Cummings, Mr. McGovern, Mr. Portman, Mr. Kucinich, Mrs. Jo Ann Davis of Virginia, Mr. Rodriguez, Mr. Conyers, Mr. Buyer, Mr. Gonzalez, Mr. Clay, Mr. Lantos, Mr. Kildee, Mr. Holden, Mr. Maloney of Connecticut, Mr. Pascrell, Mrs. Jones of Ohio, Mr. Dooley of California, and Mr. Barrett):

H.R. 1184. A bill to require the Secretary of the Treasury to mint coins in commemoration of Dr. Martin Luther King, Jr; to the Committee on Financial Services.

By Ms. LEE (for herself, Ms. Schakowsky, Mr. Sanders, Mrs. Christensen, Mr. Davis of Illinois, Ms. Millender-McDonald, Ms. Jackson-Lee of Texas, Mrs. Jones of Ohio, and Ms. Kilpatrick):

H.R. 1185. A bill to prohibit through negotiation or otherwise the revocation or revision of any intellectual property or competition law or policy of a developing country, including any sub-Saharan African country, that regulates HIV/AIDS pharmaceuticals or medical technologies, and for other purposes; to the Committee on International Relations.

By Mr. LEWIS of Georgia (for himself, Mr. Leach, Mr. Oberstar, Ms. Woolsey, Ms. Lee, Ms. Rivers, Mr. Delahunt, Mr. George Miller of California, Ms. Norton, Mr. Hinchey, Mr. Payne, Ms. Pelosi, Mr. McGovern, Mr. Frank, Mr. Frost, Mr. Fattah, Mr. Hoeffel, Mr. Sanders, and Mr. Clay):

H.R. 1186. A bill to affirm the religious freedom of taxpayers who are conscientiously opposed to participation in war, to provide that the income, estate, or gift tax payments of such taxpayers be used for nonmilitary purposes, to create the Religious Freedom Peace Tax Fund to receive such tax payments, to improve revenue collection, and for other purposes; to the Committee on Ways and Means.

By Mrs. LOWEY (for herself, Mr. Shays, Mr. Lantos, Mr. Hyde, Ms. McKinney, Mr. Capuano, Mr. Berman, Ms. Baldwin, Mr. Doyle, Mr. Gallegly, Mr. Pallone, Mr. Thompson of Mississippi, Mr. Frank, Mr. Olver, Ms. Schakowsky, Mr. Levin, Mr. George Miller of California, Mrs. Kelly, Mrs. McCarthy of New York, Mr. Abercrombie, Mrs. Meek of Florida, Mr. Bonior, Mr. Costello, Mr. Blumenauer, Ms. Berkley, Mr. Filner, Mr. Stark, Mr. DeFazio, Mr. Luther, Ms. McCarthy of Missouri, Mr. Moran of Virginia, Ms. Rivers, Mr. Engel, Mr. Holt, Mr. Maloney of Connecticut, Mr. Gutierrez, Mr. Kildee, Mr. Meehan, Mr. Smith of Washington, Mrs. Maloney of New York, Mr. Neal of Massachusetts, Mr. Hastings of Florida, Mr. Smith of New Jersey, Mr. Towns, Mr. Nadler, Mr. Sanders, Mrs. Roukema, Mrs. Mink of Hawaii, Mr. Horn, Mr. Lewis of Georgia, Mr. Tierney, Mr. Kucinich, Ms. Roybal-Allard, Mr. Bentsen, Mr. Clay, Ms. DeLauro, Mr. Ackerman, Mr. Frelinghuysen, Mrs. Tauscher, Mr. Conyers, Ms. Woolsey, Mr. Udall of Colorado, Mr. Davis of Illinois, Mr. Rothman, and Ms. Slaughter):

H.R. 1187. A bill to end the use of steel-jawed leghold traps on animals in the United States; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, International Relations, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LUCAS of Kentucky:

H.R. 1188. A bill to encourage the use of technology in the classroom; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. McKINNEY:

H.R. 1189. A bill to provide that a State may use a proportional voting system for multiseat congressional districts, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MATHESON:

H.R. 1190. A bill to amend the Internal Revenue Code of 1986 to permit a husband and wife to file a combined return to which separate tax rates apply; to the Committee on Ways and Means.

By Mrs. MEEK of Florida (for herself, Mrs. Jones of Ohio, Mrs. Christensen, Mr. Costello, Mr. Thompson of Mississippi, Mr. Brady of Pennsylvania, Ms. Brown of Florida, Mr. Pallone, Ms. Millender-McDonald, Mr. Rangel, Ms. Waters, Mr. Conyers, Mr. Green of Texas, Mr. Stark, Ms. Norton, Mr. Hastings of Florida, Mr. Wynn, Mr. Clyburn, Mr. Nadler, Mr. Hinchey, Mr. Meeks of New York, Mr. Owens, Mrs. Mink of Hawaii, Mr. Barrett, Ms. Ros-Lehtinen, Mr. Cummings, Mr. Tierney, Mr. George Miller of California, Ms. Velázquez, Mr. Jackson of Illinois, Mr. Frost, Ms. DeGette, Mr. Clay, Ms. Kaptur, Mr. Sanders, Mr. Diaz-Balart, Mrs. Clayton, Ms. Kilpatrick, Mr. Serrano, Mrs. Thurman, Ms. Carson of Indiana, Mr. Towns, Mr. Kucinich, Mr. Davis of Illinois, Mr. Payne, Mr. Rush, Mr. Hilliard, Mr. Blagojevich, Mr. Kennedy of Rhode Island, Mr. Bishop, Mr. Deutsch, and Mr. Maloney of Connecticut):

H.R. 1191. A bill to amend title I of the Housing and Community Development Act of 1974 to ensure that communities receiving community development block grants use such funds to benefit low- and moderate-income families; to the Committee on Financial Services.

By Mr. GEORGE MILLER of California (for himself, Mr. Wicker, Mr. Kildee, Mr. Callahan, Ms. Woolsey, and Mr. Kingston):

H.R. 1192. A bill to improve the National Writing Project; to the Committee on Education and the Workforce.

By Ms. NORTON:

H.R. 1193. A bill to provide for full voting representation in the Congress for the citizens of the District of Columbia, to amend the Internal Revenue Code of 1986 to provide that individuals who are residents of the District of Columbia shall be exempt from Federal income taxation until such full voting representation takes effect, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RAMSTAD (for himself, Mr. Cummings, Mr. Frank, Mr. Hilliard, Mr. Hinchey, Mr. Lantos, Mr. Luther, Mr. McNulty, Mrs. Mink of Hawaii, Mrs. Morella, Mrs. Roukema, Mr. Upton, and Mr. Wolf):

H.R. 1194. A bill to amend the Employee Retirement Income Security Act of 1974, Public Health Service Act, and the Internal Revenue Code of 1986 to provide parity with respect to substance abuse treatment benefits under group health plans and health insurance coverage; to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RANGEL:

H.R. 1195. A bill to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 1196. A bill to amend the Internal Revenue Code of 1986 to allow State and local taxes to be deducted in computing the alternative minimum tax; to the Committee on Ways and Means.

By Mr. REYES:

H.R. 1197. A bill to amend the Ysleta del Sur Pueblo and Alabama and Coushatta Indian Tribes of Texas Restoration Act to decrease the requisite blood quantum required for membership in the Ysleta del Sur Pueblo tribe; to the Committee on Resources.

By Mr. ROHRABACHER (for himself, Mr. Honda, Mr. DeLay, Mr. Cunningham, Mr. Whitfield, Mr. Jefferson, Mrs. Wilson, Mr. Rogers of Michigan, Mr. Saxton, Mr. Shows, Mr. Riley, Mr. Doolittle, Mr. Bartlett of Maryland, Ms. Ros-Lehtinen, Mr. Hayes, Mr. Gibbons, Mr. Schaffer, Mrs. Kelly, Mr. Pence, Mrs. Capito, Mr. Rehberg, Mr. Bonior, Mr. Evans, Mr. Borski, Mr. Frost, Mr. Pickering, Mr. Foley, Mr. Cannon, Mr. DeMint, Mr. McCrery, and Mr. Walden of Oregon):

H.R. 1198. A bill to preserve certain actions in Federal court brought by members of the United States Armed Forces held as a prisoners of war by Japan during World War II against Japanese nationals seeking compensation for mistreatment or failure to pay wages in connection with labor performed in Japan to the benefit of the Japanese nationals, and for other purposes; to the Committee on the Judiciary, and in addition to the Committees on International Relations, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SABO:

H.R. 1199. A bill to authorize the President to award a gold medal on behalf of the Congress to former Senator Eugene McCarthy in recognition of his exemplary service and lifelong dedication to the Nation and to the people of the United States; to the Committee on Financial Services.

By Mr. McDERMOTT (for himself, Mr. CONYERS, Mr. SANDERS, Mr. HINCHEY, Mr. OLVER, Mr. FARR of California, Ms. BALDWIN, Mr. WAXMAN, Mr. STARK, Mr. GEORGE MILLER of California, Mr. BONIOR, Mr. FRANK, Mr. ENGEL, Mrs. CHRISTENSEN, Ms. SCHAKOWSKY, Mr. NADLER, Mr. WEINER, Mr. KUCINICH, Ms. MCKINNEY, Mr. BRADY of Pennsylvania, Ms. RIVERS, Mr. RANGEL, Mr. CLAY, and Mr. SERRANO):

H.R. 1200. A bill to provide for health care for every American and to control the cost and enhance the quality of the health care system; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Government Reform, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHIFF (for himself, Mr. PLATTS, Mr. DOOLEY of California, Mr. MORAN of Virginia, Mr. SMITH of Washington, Mr. CLEMENT, Mr. ETHERIDGE, Mr. LANTOS, Mr. FROST, Mr. WAXMAN, Ms. SANCHEZ, and Mr. MALONEY of Connecticut):

H.R. 1201. A bill to amend the Head Start Act to ensure that every child who is eligible to participate in a program under such Act has the tools to learn to read; to the Committee on Education and the Workforce.

By Mr. SHAW (for himself, Mrs. THURMAN, Ms. PRYCE of Ohio, Mrs. MYRICK, Mr. BENTSEN, Ms. ROS-LEHTINEN, Mrs. MALONEY of New York, Mr. MCGOVERN, Mr. DAVIS of Illinois, and Mr. PETERSON of Pennsylvania):

H.R. 1202. A bill to amend title XVIII of the Social Security Act to provide for coverage of annual screening pap smears and screening pelvic exams under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SIMPSON:

H.R. 1203. A bill to amend chapter 3 of title 28, United States Code, to divide the Ninth Judicial Circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

By Mr. SMITH of Washington:

H.R. 1204. A bill to encourage Members of Congress and the executive branch to be honest with the public about true on-budget circumstances, to exclude the Social Security trust funds and the Medicare hospital insurance trust fund from the annual Federal budget baseline, to prohibit Social Security and Medicare hospital insurance trust funds surpluses to be used as offsets for tax cuts or spending increases, and to exclude the Social Security trust funds and the Medicare hospital insurance trust fund from official budget surplus/deficit pronouncements; to the Committee on the Budget, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STEARNS (for himself and Mr. CRENSHAW):

H.R. 1205. A bill to direct the Secretary of Veterans Affairs to establish a national cemetery for veterans in the Jacksonville, Florida, metropolitan area; to the Committee on Veterans' Affairs.

By Mrs. MALONEY of New York (for herself, Mr. HORN, Mr. MENENDEZ, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ALLEN, Mr. ANDREWS, Mr. ACEVEDO-VILA, Mr. BACA, Mr. BAIRD, Mr. BALDACCI, Ms. BALDWIN, Mr. BARRETT, Mr. BECERRA, Mr. BENTSEN, Ms. BERKLEY, Mr. BERMAN, Mrs. BIGGERT, Mr. BISHOP, Mr. BLAGOJEVICH, Mr. BLUMENAUER, Mr. BOEHLERT, Mr. BONIOR, Mr. BOSWELL, Mr. BOUCHER, Mr. BRADY of Pennsylvania, Ms. BROWN of Florida, Mr. BROWN of Ohio, Mrs. CAPPS, Mr. CAPUANO, Mr. CARDIN, Mr. CARSON of Oklahoma, Mrs. CHRISTENSEN, Mr. CLAY, Mrs. CLAYTON, Mr. CLEMENT, Mr. CLYBURN, Mr. CONDIT, Mr. CONYERS, Mr. COYNE, Mr. CROWLEY, Mr. CUMMINGS, Mr. DAVIS of Illinois, Mrs. DAVIS of California, Mr. DEFAZIO, Ms. DEGETTE, Mr. DELAHUNT, Ms. DELAURO, Mr. DEUTSCH, Mr. DOOLEY of California, Mr. EDWARDS, Mr. ENGEL, Ms. ESHOO, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FATTAH, Mr. FARR of California, Mr. FILNER, Mr. FORD, Mr. FROST, Mr. FRANK, Mr. GILMAN, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. GREENWOOD, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HILLIARD, Mr. HINCHEY, Mr. HINOJOSA, Mr. HOEFFEL, Mr. HOLT, Mr. HONDA, Ms. HOOLEY of Oregon, Mr. HOYER, Mr. ISRAEL, Mr. JACKSON of Illinois, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JEFFERSON, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Ms. KILPATRICK, Mr. KIND, Mr. KUCINICH, Mr. LANGEVIN, Mr. LANTOS, Ms. LEE, Ms. JACKSON-LEE of Texas, Mr. LEVIN, Mr. LEWIS of Georgia, Ms. LOFGREN, Mrs. LOWEY, Mr. LUTHER, Ms. MCCARTHY of Missouri, Ms. MCCOLLUM, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MCNULTY, Mr. MALONEY of Connecticut, Mr. MARKEY, Mr. MATSUI, Mr. MEEHAN, Mrs. MEEK of Florida, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Mr. GEORGE MILLER of California, Mrs. MINK of Hawaii, Mr. MOORE, Mr. MORAN of Virginia, Mrs. MORELLA, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Mr. OLVER, Mr. ORTIZ, Mr. OWENS, Mr. PALLONE, Mr. PASCRELL, Mr. PASTOR, Mr. PAYNE, Ms. PELOSI, Mr. RAMSTAD, Mr. RANGEL, Mr. REYES, Ms. RIVERS, Mr. RODRIGUEZ, Mrs. ROUKEMA, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. SABO, Ms. SANCHEZ, Mr. SANDERS, Ms. SCHAKOWSKY, Mr. SERRANO, Mr. SHAYS, Mr. SHOWS, Mr. SHERMAN, Mr. SISISKY, Ms. SLAUGHTER, Ms. SOLIS, Mr. STARK, Mrs. TAUSCHER, Mr. TIERNEY, Mr. TURNER, Mr. THOMPSON of Mississippi, Mr. TOWNS, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Ms. VELÁZQUEZ, Ms. WATERS, Mr. WATT of North Carolina, Mr. WAXMAN, Mr. WEINER, Mr. WEXLER, Ms. WOOLSEY, Mr. WYNN, and Mr. WU):

H.J. Res. 40. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. SESSIONS (for himself, Mr. ADERHOLT, Mr. ANDREWS, Mr. ARMEY, Mr. BACHUS, Mr. BAKER, Mr. BALLENGER, Mr. BARCIA, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mrs. BIGGERT, Mr. BILIRAKIS, Mr. BLUNT, Mr. BOEHNER, Mr. BONILLA, Mrs. BONO, Mr. BRADY of Texas, Mr. BRYANT, Mr. BURR of North Carolina, Mr. BURTON of Indiana, Mr. CALLAHAN, Mr. CALVERT, Mr. CAMP, Mr. CANNON, Mr. CASTLE, Mr. CHAMBLISS, Mr. COMBEST, Mr. CONDIT, Mr. COOKSEY, Mr. COX, Mr. CRANE, Mrs. CUBIN, Mr. CULBERSON, Mr. DELAY, Mr. DEMINT, Mr. DOOLITTLE, Mr. DUNCAN, Ms. DUNN, Mr. EHLERS, Mrs. EMERSON, Mr. ENGLISH, Mr. EVERETT, Mr. FOLEY, Mr. FOSSELLA, Mr. FRELINGHUYSEN, Mr. GALLEGLY, Mr. GIBBONS, Mr. GILCHREST, Mr. GILMAN, Mr. GOODE, Mr. GOODLATTE, Ms. GRANGER, Mr. GREEN of Wisconsin, Mr. GREENWOOD, Mr. HALL of Texas, Mr. HANSEN, Mr. HASTERT, Mr. HASTINGS of Washington, Mr. HAYWORTH, Mr. HEFLEY, Mr. HILLEARY, Mr. HOEKSTRA, Mr. HORN, Mr. ISAKSON, Mr. ISTOOK, Mr. JENKINS, Mr. JOHN, Mr. SAM JOHNSON of Texas, Mr. JONES of North Carolina, Mrs. KELLY, Mr. KNOLLENBERG, Mr. LAHOOD, Mr. LARGENT, Mr. LATOURETTE, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. LUCAS of Kentucky, Mr. MALONEY of Connecticut, Mr. MANZULLO, Mr. MCINTYRE, Mr. MICA, Mr. MILLER of Florida, Mr. GARY MILLER of California, Mrs. MYRICK, Mr. NETHERCUTT, Mrs. NORTHUP, Mr. NORWOOD, Mr. OXLEY, Mr. PAUL, Mr. PETERSON of Pennsylvania, Mr. PICKERING, Mr. PITTS, Mr. POMBO, Mr. PORTMAN, Mr. QUINN, Mr. RADANOVICH, Mr. RAMSTAD, Mr. RILEY, Mr. ROHRABACHER, Mrs. ROUKEMA, Mr. ROYCE, Mr. RYAN of Wisconsin, Mr. RYUN of Kansas, Mr. SAXTON, Mr. SCARBOROUGH, Mr. SCHAFFER, Mr. SENSENBRENNER, Mr. SHADEGG, Mr. SHIMKUS, Mr. SHOWS, Mr. SIMPSON, Mr. SKEEN, Mr. SMITH of Texas, Mr. SMITH of Michigan, Mr. SOUDER, Mr. SPENCE, Mr. STEARNS, Mr. STUMP, Mr. SUNUNU, Mr. SWEENEY, Mr. TANCREDO, Mr. TAUZIN, Mr. TAYLOR of North Carolina, Mr. TERRY, Mr. THUNE, Mr. TOOMEY, Mr. TRAFICANT, Mr. WALDEN of Oregon, Mr. WAMP, Mr. WATTS of Oklahoma, Mr. WELDON of Pennsylvania, Mr. WELDON of Florida, Mr. WELLER, and Mr. YOUNG of Alaska):

H.J. Res. 41. A joint resolution proposing an amendment to the Constitution of the United States with respect to tax limitations; to the Committee on the Judiciary.

By Mr. BECERRA (for himself and Mr. ROYCE):

H. Con. Res. 77. Concurrent resolution expressing the sense of the Congress regarding the efforts of people of the United States of Korean ancestry to reunite with their family members in North Korea; to the Committee on International Relations.

By Mrs. CHRISTENSEN (for herself, Mrs. MEEK of Florida, Mr. PAYNE, Mr. CLYBURN, Mr. BISHOP, Ms. NORTON, Mr. Davis of Illinois, Mr. Towns, and Ms. Jackson-Lee of Texas):

H. Con. Res. 78. Concurrent resolution expressing the sense of the Congress that there should be established a National Minority Health Month; to the Committee on Energy and Commerce.

By Mr. HOYER (for himself, Mr. Moran of Virginia, Mr. Wolf, Mr. Wynn, Mrs. Morella, and Ms. Norton):

H. Con. Res. 79. Concurrent resolution authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby; to the Committee on Transportation and Infrastructure.

By Ms. KILPATRICK (for herself, Mr. Conyers, Mr. Dingell, Mr. Knollenberg, Mr. Levin, Mr. Bonior, Ms. Rivers, Mr. Stupak, Mr. Barcia, Mr. Hoekstra, Mr. Ehlers, Mr. Rogers of Michigan, Mr. Smith of Michigan, Mr. Camp, Mr. Upton, and Mr. Kildee):

H. Con. Res. 80. Concurrent resolution congratulating the city of Detroit and its residents on the occasion of the tricentennial of the city's founding; to the Committee on Government Reform.

By Mr. PASCRELL (for himself, Mr. King, Mr. Andrews, Mr. Smith of New Jersey, Ms. Kaptur, and Mr. Pallone):

H. Con. Res. 81. Concurrent resolution recognizing the historical significance of the Triangle Fire and honoring its victims on the occasion of the 90th anniversary of the tragic event; to the Committee on Education and the Workforce.

By Mr. PAYNE (for himself and Mr. Tancredo):

H. Con. Res. 82. Concurrent resolution regarding the human rights situation in the Republic of the Sudan, including the practice of chattel slavery and all other forms of booty and related practices; to the Committee on International Relations.

By Mr. ANDREWS:

H. Res. 98. A resolution requiring the House of Representatives to take any legislative action necessary to verify the ratification of the Equal Rights Amendment as part of the Constitution when the legislatures of an additional three States ratify the Equal Rights Amendment; to the Committee on the Judiciary.

By Mr. CROWLEY (for himself, Mr. Kirk, Mr. Lantos, Mr. Cantor, Mr. Sanders, Mr. Frost, Mr. Frank, Mr. Cardin, Mr. Weiner, Mr. Berman, Mr. Schiff, Mr. Levin, Mr. Ackerman, Mr. Israel, Mr. Rohrabacher, Mr. Maloney of Connecticut, Mr. LaTourette, Mr. Nadler, Mr. Waxman, Mr. Menendez, Mr. Saxton, Mr. Holt, Mr. LaHood, Ms. Berkley, Mr. Hoeffel, Mr. McNulty, Mr. Stark, Mr. Wexler, Mr. Sherman, Mr. Hastings of Florida, Mr. Strickland, Mr. Delahunt, Mr. Abercrombie, Mrs. McCarthy of New York, Mr. Hall of Texas, Mr. Davis of Florida, Mrs. Jones of Ohio, Mr. Brady of Pennsylvania, Mr. Doyle, Mr. Foley, and Mr. Grucci):

H. Res. 99. A resolution expressing the sense of the House of Representatives that Lebanon, Syria, and Iran should call upon Hezbollah to allow representatives of the International Committee of the Red Cross to visit four abducted Israelis, Adi Avitan, Binyamin Avraham, Omar Souad, and Elchanan Tannenbaum, presently held by Hezbollah forces in Lebanon; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Ms. ROYBAL-ALLARD introduced a bill (H.R. 1206) to provide for the liquidation or reliquidation of certain entries of garlic; which was referred to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. Carson of Oklahoma.

H.R. 21: Mr. Bartlett of Maryland, Mr. Duncan, Mr. Gillmor, Mr. Graham, Ms. Pryce of Ohio, and Mr. Shadegg.

H.R. 28: Mr. Kind and Mr. Doggett.

H.R. 31: Mr. Weldon of Pennsylvania, Mr. Barton of Texas, Mr. Souder, and Mr. Ganske.

H.R. 39: Mr. Green of Texas and Mrs. Northup.

H.R. 99: Mr. Ryun of Kansas, Mr. Wicker, and Mr. Schrock.

H.R. 133: Mr. Kucinich and Ms. Carson of Indiana.

H.R. 154: Mr. Rush and Mr. McGovern.

H.R. 162: Mr. Lantos, Mr. Maloney of Connecticut, Mr. Shows, Mr. Hilliard, Mr. Crowley, Mr. Udall of New Mexico, Mr. Allen, and Mr. Hall of Ohio.

H.R. 179: Mr. Owens and Ms. Brown of Florida.

H.R. 184: Mr. Clay.

H.R. 185: Mr. Kind.

H.R. 187: Mr. Lantos, Mr. Souder, and Mrs. Thurman.

H.R. 189: Mr. Callahan.

H.R. 199: Mr. Schaffer.

H.R. 218: Mrs. Jo Ann Davis of Virginia, Mr. Nethercutt, Mr. Hastings of Washington, and Mr. Holt, Mr. Doolittle.

H.R. 238: Ms. McKinney.

H.R. 281: Mr. Hinchey, Ms. Norton, Mr. Gonzalez, and Mr. McIntyre.

H.R. 294: Mrs. Clayton.

H.R. 303: Mr. Tierney, Mr. Andrews, Mr. Kucinich, and Mr. Owens

H.R. 325: Mrs. Christensen, Mr. Mollohan, and Mr. Latham.

H.R. 326: Mr. Hastings of Florida, Mr. Holden, Mr. McIntyre, Mr. Serrano, Mr. Matsui, and Mr. Allen.

H.R. 331: Mr. Ballenger.

H.R. 336: Mr. Dingell.

H.R. 357: Mr. Owens, Mr. Capuano, and Mr. Langevin.

H.R. 369: Mr. Bachus.

H.R. 374: Mr. Schaffer and Mr. Tancredo.

H.R. 396: Mr. Hutchinson, Mr. Blunt, Mr. Boyd, Mr. Wicker, and Mr. Bishop.

H.R. 400: Mr. Bachus, Mr. Gibbons, Mr. Shimkus, Mr. Johnson of Illinois, Mr. Kirk, Mr. Hyde, Mr. Weller, Mr. Watts of Oklahoma, Mr. Lipinski, Mr. Baker, Mr. Bass, Mr. Brady of Texas, Mr. Cooksey, Mr. Cunningham, Mr. DeMint, Mrs. Jo Ann Davis of Virginia, Mr. Callahan, Mr. Goodlatte, Mr. Portman, Ms. Hart, Mr. Cox, Mrs. Biggert, Mr. Goode, Mrs. Emerson, Mr. Ferguson, Mr. Green of Wisconsin, Mr. Bryant, Mr. Knollenberg, Mr. Bonilla, Mr. Doolittle, Mr. Hayes, Mr. Foley, Mr. Lewis of California, Mr. Linder, Mr. Lucas of Oklahoma, Mr. Hunter, Mr. Kerns, Mr. Pence, Mr. Lewis of Kentucky, Mr. Bereuter, Mr. Otter, Mr. Isakson, Mr. Radanovich, Mr. Ramstad, Mr. LaTourette, Mr. Reynolds, Mr. Putnam, Mr. Rohrabacher, Mrs. Roukema, Ms. Pryce of Ohio, Mr. Issa, Mr. LaHood, Mr. Osborne, Mr. Duncan, Mr. King, Mr. Shays, Mr. Oxley, Mr. Barr of Georgia, Mrs. Kelly, Mr. Diaz-Balart, Mrs. Northup, Mr. Ballenger, Mr. Cantor, Mr. Smith of Texas, Mr. Skeen, Mr. Tancredo, Mr. Stearns, Mr. Schrock, Mr. Vitter, Mr. Walsh, Mr. Taylor of North Carolina, Mr. Ehlers, Mr. Crane, Mr. Miller of Florida, Mr. Spence, Mr. DeLay, Mr. Armey, Mr. Quinn, Mr. Souder, Mr. Walden of Oregon, Mr. Weldon of Florida, Mr. Nussle, Mr. Saxton, Mr. Shadegg, Mr. Tauzin, Mr. Simmons, Mr. Toomey, Mr. Young of Florida, Mr. Young of Alaska, Mr. Herger, Mr. Ryan of Wisconsin; Mr. Graves, Mr. Dreier, Mr. Whitfield, Mr. Ehrlich, Mr. Boehner, Mr. Sherwood, Mr. Brown of South Carolina, Mr. Smith of New Jersey, Mr. Wicker, Mr. Thornberry, Mr. Rogers of Kentucky, Mr. McInnis, Mr. Riley, Mr. Cannon, Mr. Fletcher, Mr. Petri, Mr. Sessions, Mr. Camp, Mr. McHugh, Mr. Chambliss, Mr. Kennedy of Minnesota, Mr. Rogers of Michigan, Mr. Sam Johnson of Texas, Mr. Castle, Mr. Sununu, Mr. Gary Miller of California, Mr. Davis of Illinois, Mr. Tom Davis of Virginia, Mr. Hayworth, Mr. Wamp, Mr. Kingston, Mr. Gutknecht, Mr. Pitts, Mr. Ney, Mr. Smith of Michigan, Mr. Terry, Mr. Upton, Mrs. Myrick, Mr. Evans, Mr. Sweeney, Mr. Bilirakis, Mr. LoBiondo, Mr. Wolf, Mr. Fossella, Mr. Hastings of Washington, and Mr. Moran of Kansas.

H.R. 428: Mr. King, Mrs. Lowey, Mr. Sherman, Mr. Turner, Mr. Rahall, Mr. Souder, Mr. McDermott, Mr. Cummings, Mr. Moran of Virginia, Mr. Hoyer, Mr. Weldon of Pennsylvania, Mr. Mollohan, Mr. Sisisky, Mr. Davis of Florida, Mr. Flake, Mr. Smith of New Jersey, Mr. Pence, Mr. Ackerman, Mr. Hilliard, Mr. Fossella, Mr. McNulty, Mr. Isakson, Mr. Diaz-Balart, Mr. Blunt, Mr. Langevin, Mr. Gonzalez, Mr. Crane, Mr. Chambliss, Ms. Berkley, Mr. Bishop, Ms. Ros-Lehtinen, Mr. Hinchey, and Mr. Ryun of Kansas.

H.R. 457: Ms. Solis.

H.R. 459: Mr. Lewis of Georgia, Mrs. Lowey, and Ms. Brown of Florida.

H.R. 476: Mr. Peterson of Minnesota and Mr. Putnam.

H.R. 481: Ms. Pelosi, Ms. Schakowsky, and Mr. Gordon.

H.R. 499: Ms. Norton,, Mr. Frank, Ms. Carson of Indiana, and Ms. Brown of Florida.

H.R. 500: Mr. Stark, Mr. Clay, and Ms. Eshoo.

H.R. 510: Mr. Platts, Mr. Hilleary, Mr. Rehberg, and Mr. LaHood.

H.R. 512: Ms. McKinney, Ms. Brown of Florida, and Mr. McNulty.

H.R. 513: Mr. Holden, Ms. McKinney, Mr. Blagojevich, Ms. Brown of Florida, Mr. McNulty, and Mr. Nethercutt.

H.R. 516: Mr. Simmons, Mr. Wamp, Mr. Sandlin, and Mr. Bachus.

H.R. 525: Ms. McKinney.

H.R. 537: Mr. Bachus, Mr. Cramer, Mr. Cooksey, Mr. McHugh, and Mr. Barton of Texas.

H.R. 572: Mr. Filner and Ms. McKinney.

H.R. 579: Mr. Sandlin and Mr. Brady of Pennsylvania.

H.R. 585: Mr. Souder.

H.R. 589: Mr. Owens, Mr. Kildee, Mr. Hinojosa, Mr. George Miller of California, and Mr. Stark.

H.R. 595: Mrs. Kelly, Ms. DeLauro, Mr. Stark, Mr. Brady of Pennsylvania, Ms. Carson of Indiana, Mr. Sandlin, Mr. Deutsch, Mr. McGovern, Mr. Berman, Mr. Payne, Ms. Schakowsky, and Mr. Bonior.

H.R. 599: Mr. Frank, Ms. DeLauro, Mr. Shows, Mr. Stark, Mr. Lantos, Mr. Sandlin, and Mrs. Mink of Hawaii.

H.R. 602: Ms. McKinney, Mr. Owens, Mr. Crowley, and Mr. Lipinski.

H.R. 606: Mr. Meehan, Mr. Clay, Mrs. Davis of California, Mr. Payne, and Mr. Pallone.

H.R. 609: Mr. Langevin.

H.R. 612: Mr. Riley, Mr. Ackerman, and Mr. Cooksey.

H.R. 622: Mr. Goodlatte and Mr. Ose.

H.R. 632: Mr. Clyburn and Mr. LoBiondo.

H.R. 634: Mr. Wynn, Mr. Platts, Mr. Doolittle, Mr. Hilleary, Mr. Bryant, Mr. Burton of Indiana, Mr. Deal of Georgia, Mr. Gutknecht, Mr. Hoekstra, Mr. Norwood, Mr. Paul, and Mr. Thune.

H.R. 639: Mr. Grucci, Ms. Harman, Mr. Borski, Mr. Holt, Mr. Davis of Illinois, and Mr. Goodlatte.

H.R. 641: Mrs. Cubin, Mr. Crowley, Mr. Engel, Mr. Ackerman, Mr. Shimkus, Mr. Stump, Mr. LaHood, Mr. Herger, Mr. Gillmor, Mr. Gilman, Mr. Radanovich, Mr. Gilchrest, Mr. DeMint, Mr. Reynolds, Mr. Jenkins, Mr. Rogers of Michigan, Mr. Oxley, Mr. Horn, Mr. Burton of Indiana, Mr. Burr of North Carolina, and Mr. Diaz-Balart.

H.R. 648: Mr. Shimkus, Mr. Largent, and Mr. Pickering.

H.R. 659: Mr. Rodriguez, Mr. Terry, Mr. Moore, Mr. Blumenauer, and Mr. Platts.

H.R. 660: Mr. English, Mr. Fattah, and Ms. Slaughter.

H.R. 664: Mr. Meehan, Mr. Langevin, Mr. Goode, Mr. Stupak, Mr. Skelton, Mr. Inslee, Mr. Baca, Mr. Green of Texas, Ms. Woolsey, Mr. Dooley of California, Mr. Etheridge, Ms. Velaquez, Mr. Gilman, and Mr. Jackson of Illinois.

H.R. 677: Mr. Moore.

H.R. 704: Mr. Frank.

H.R. 716: Mr. Ehrlich, Mrs. Myrick, Mr. Walsh, Mr. Doolittle, Mr. LaHood, and Mr. Waxman.

H.R. 717: Mrs. Jo Ann Davis of Virginia, Mr. Larson of Connecticut, Mr. Burr of North Carolina, Ms. Carson of Indiana, Mr. Price of North Carolina, and Mr. Baldacci.

H.R. 718: Mr. Graham, Mr. Chabot, Mr. Flake, Mr. Issa, and Mr. Berman.

H.R. 726: Mr. George Miller of California.

H.R. 730: Mr. Sanders.

H.R. 737: Mr. Maloney of Connecticut, Mr. Israel, Mr. Upton, and Mr. Greenwood.

H.R. 752: Ms. McKinney.

H.R. 755: Mr. Kind, Mr. Filner, and Ms. Carson of Indiana.

H.R. 761: Mr. Cardin, Ms. Schakowsky, and Mr. Thompson of Mississippi.

H.R. 773: Mr. Rush.

H.R. 778: Mr. Ose.

H.R. 787: Mr. Cunningham.

H.R. 801: Mr. Putnam, Mr. Edwards, Ms. Solis, Mr. Honda, Mr. Doyle, Ms. Waters, Mr. Gonzalez, Mr. Owens, Ms. Berkley, Mr. Peterson of Minnesota, Mr. Shows, and Mr. Abercrombie.

H.R. 808: Mr. Sisisky, Mrs. Meek of Florida, Mr. Luther, Ms. Berkley, Mr. Turner, and Ms. McCollum.

H.R. 811: Ms. Berkley, Ms. Solis, Mr. Shows, Mr. Peterson of Minnesota, Mr. Owens, and Mr. Honda.

H.R. 812: Ms. McKinney.

H.R. 817: Mr. Burton of Indiana and Mr. McIntyre.

H.R. 822: Mr. Thompson of California and Mr. Gallegly.

H.R. 827: Mr. Kildee and Mr. Fossella.

H.R. 831: Mr. McNulty, Mr. Saxton, and Mr. Simmons.

H.R. 848: Mr. Gonzalez, Mr. Bonior, Mr. Tierney, Mr. Payne, Mr. Hinchey, Mr. LaTourette, Mr. Gordon, Mr. Baca, Mrs. Jones of Ohio, and Mr. Lipinski.

H.R. 862: Mr. Owens.

H.R. 875: Mr. Condit, Ms. Carson of Indiana, Ms. Solis, Mr. Farr of California, Mr. Lantos, Mr. Baca, Ms. Ros-Lehtinen, Mrs. Jones of Ohio, Ms. Kaptur, Mrs. Christensen, and Ms. Pelosi.

H.R. 877: Mrs. Capito, Mr. Tancredo, and Mr. Upton.

H.R. 910: Ms. Lee, Mrs. Mink of Hawaii, Mr. McGovern, Mr. Frost, Mr. Kildee, and Ms. Carson of Indiana.

H.R. 930: Mr. Moran of Kansas, Mr. Pitts, Mr. Vitter, Mr. Ryan of Wisconsin, Mrs. Myrick, Mr. Goode, Mr. Sam Johnson of Texas, and Mr. Largent.

H.R. 936: Mr. Luther and Mr. Owens.

H.R. 937: Mr. Otter.

H.R. 950: Mr. Rahall.

H.R. 951: Mr. Ramstad, Mr. Sabo, Mr. Isakson, Mr. Pickering, Mr. Boucher, Mr. Baldacci, Mr. Clyburn, Mrs. Roukema, and Mr. Oberstar.

H.R. 959: Mr. Ryan of Wisconsin, Mr. Green of Wisconsin, and Mr. Green of Texas.

H.R. 967: Ms. Pelosi, Mr. Frost, Mrs. Jones of Ohio, Ms. Slaughter, Mr. Wolf, Mrs. Emerson, Mr. Green of Texas, Mr. Gonzalez, Mr. Lantos, Ms. Carson of Indiana, Mr. Sandlin, and Mr. Tancredo.

H.R. 968: Mr. Sanders, Mr. Tiahrt, Mr. Evans, Mr. Doolittle, Mr. Graham, Mr. Fossella, Mrs. Myrick, and Mr. Allen.

H.R. 969: Mr. Wicker and Mr. Spence.

H.R. 981: Mr. LoBiondo.

H.R. 995: Mr. Udall of Colorado.

H.R. 996: Mr. Udall of Colorado.

H.R. 1004: Ms. McKinney, Mr. Davis of Illinois, and Mrs. Clayton.

H.R. 1005: Mr. McIntyre.

H.R. 1008: Mr. Issa, Mr. Cantor, Mr. Thune, Mr. Simpson, and Mr. Graham.

H.R. 1013: Mr. Isakson and Mr. Barr of Georgia.

H.R. 1015: Mr. Manzullo, Mr. Foley, Mr. Davis of Illinois, Mr. Simmons, and Mr. Brady of Texas.

H.R. 1016: Mr. LaTourette and Mr. Stupak.

H.R. 1019: Mr. Ose, Mr. Deal of Georgia, Mr. Weldon of Pennsylvania, and Mr. Putnam.

H.R. 1020: Mr. Foley, Mr. Borski, Mr. Udall of New Mexico, and Mr. Frost.

H.R. 1076: Mr. Berman, Mr. Honda, Mr. Baldacci, Mr. Meeks of New York, Ms. Baldwin, Mr. Allen, Mr. Green of Texas, Mr. Clay, Mr. Lantos, Mr. McIntyre, Ms. McKinney, Mr. Kucinich, Mr. Skelton, Mr. Baca, Mrs. Jones of Ohio, and Mr. Sandlin.

H.R. 1082: Mr. Kildee, Mr. Ramstad, and Mr. Gilchrest.

H.R. 1086: Mr. Kucinich.

H.R. 1087: Mr. Tancredo.

H.R. 1100: Mr. Ose and Mr. Stump.

H.R. 1110: Mr. Lantos, Mr. Souder, and Mr. Petri.

H.R. 1117: Mr. Clay, Ms. Solis, and Ms. Pryce of Ohio.

H.R. 1119: Mr. Kucinich and Ms. Carson of Indiana.

H.R. 1127: Mr. Schaffer and Mr. Lipinski.

H.R. 1143: Mr. Blagojevich, Ms. Schakowsky, Mr. Engel, Mr. Brown of Ohio, Ms. Lofgren, Mr. Kirk, Mr. Walsh, and Mr. Reyes.

H.J. Res. 13: Ms. McCarthy of Missouri, Mr. Gonzalez, Mr. Brown of Ohio, Mr. Farr of California, Ms. Carson of Indiana, and Mr. Brady of Pennsylvania.

H.J. Res. 38: Mr. Tancredo and Mr. Schaffer.

H. Con. Res. 23: Mr. Norwood and Mr. Schaffer.

H. Con. Res. 29: Mr. Schiff.

H. Con. Res. 33: Mr. Everett, Mr. Rahall, Mr. Norwood, Mr. Rohrabacher, Mr. Istook, Mr. Crenshaw, Mr. Hayworth, Mr. Burton of Indiana, Mr. Walden of Oregon, Mr. Oxley, Mr. Blunt, Mr. Wolf, Mr. Smith of Texas, Mr. Tancredo, Mr. Gary Miller of California, Mr. Chambliss, Mr. Baker, Mr. Barr of Georgia, Mr. Skeen, Mrs. Jo Ann Davis of Virginia, Mr. Radanovich, Mr. Platts, Mr. English, Ms. Hart, Mr. Smith of New Jersey, Mr. Goodlatte, Mr. Cramer, Mr. Pence, Mr. Bachus, Mr. Pitts, and Mr. Souder.

H. Con. Res. 36: Ms. Carson of Indiana, Mr. Gordon, Mr. Gutierrez, Mr. Price of North Carolina, Ms. Slaughter, Mr. Moore, Ms. Schakowsky, and Mr. Clement.

H. Con. Res. 42: Ms. McCollum.

H. Con. Res. 52: Mr. Evans and Mr. Bentsen.

H. Con. Res. 63: Mr. Schiff, Mr. Crowley, and Ms. Brown of Florida.

H. Con. Res. 64: Mr. Boswell.

H. Con. Res. 68: Mr. Norwood.

H. Con. Res. 69: Mr. McGovern, Mr. Sanders, Mr. McIntyre, Mr. Rothman, Mr. King, Mr. Cramer, Mr. Meehan, Mr. Crowley, Mr. Payne, Mr. Faleomavaega, Ms. Berkley, Mr. Berman, Mr. Sherman, Mr. Ackerman, Mr. Davis of Florida, Mr. Bereuter, Ms. Carson of Indiana, and Mr. Traficant.

H. Res. 16: Mr. Clyburn.

H. Res. 18: Mr. Allen, Mr. Udall of Colorado, Mr. Farr of California, Mr. Langevin, and Ms. McCarthy of Missouri.

H. Res. 27: Mr. Barcia and Mr. Stark.

H. Res. 73: Mr. Cunningham.

SENATE—*Thursday, March 22, 2001*

The Senate met at 9 a.m. and was called to order by the Honorable LINCOLN CHAFEE, a Senator from the State of Rhode Island.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, Very Rev. James L. Nadeau, S.T.L., Cathedral of the Immaculate Conception, Portland, ME.

PRAYER

The guest Chaplain, Very Rev. James L. Nadeau, offered the following prayer:

Gracious Father, Almighty Sovereign of our beloved Nation, and Lord of our lives, You have revealed Your glory to all the nations. But You have called this Nation in particular to be a sign of freedom and opportunity, a sign of righteousness and justice for all. Help us to be faithful to our destiny.

Let us pray. Almighty Lord, God of us all, assist, with Your spirit of counsel and fortitude, the women and men of this Senate. As they begin this session, they turn to You, Lord of all righteousness and justice. May You fill their hearts as they seek to preserve peace, promote national harmony, and continue to bring us the blessings of liberty and equality for all.

We make this prayer to You, who are Lord and God, forever and ever. Amen.

PLEDGE OF ALLEGIANCE

The Honorable LINCOLN CHAFEE led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 22, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable LINCOLN CHAFEE, a Senator from the State of Rhode Island, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. CHAFEE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I see on the Senate floor the distinguished Senator from Maine who wants to address the Senate. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Maine.

Ms. COLLINS. I thank the Senator from Kentucky for allowing me to proceed.

FATHER JAMES NADEAU

Ms. COLLINS. Mr. President, I am delighted that our opening prayer this morning was so eloquently delivered by my good friend, Father James L. Nadeau, the rector of the Cathedral of the Immaculate Conception in Portland, ME, and a native of my hometown of Caribou, ME.

Father Jim is an inspiring testament to the power of faith and education. My family takes special pride in Father Jim because of our close connections growing up in Northern Maine. Both our families attended the same church in Caribou, Holy Rosary, where my mother was the director of religious education. Father Jim and his brother have both become priests. So we take special pride.

Father Jim has a truly inspiring story. He was the first member of his family to graduate from college, and he credits this accomplishment to the academic preparation and support he received from the Upward Bound program at Bowdoin College.

I wish to quote from Father Jim's own words, which describe his family background:

> Growing up in a rural Franco-American background, I was expected to follow my ancestors who for over 250 years were farmers and woodsmen. . . . I recall my parents not even wanting me to think about college. They could not afford it; plus, no one had gone to college in my family. In fact, my mother and father only studied to 8th grade. My mother, the oldest girl of 15 children, had to stay home and take care of her brothers and sisters. My father, when just a teenager, began working on the farms and at a french fry processing plant.

For young Jim Nadeau, everything changed in his life when he first met the director of the Bowdoin College Upward Bound program in 1977. She encouraged him to go to college, and, indeed, after graduating from Caribou High School as valedictorian, he enrolled at Dartmouth College in the fall of 1979. With Pell grants and other financial aid making his education possible, he excelled in his studies.

After graduating from college, Father Jim studied at Gregorian University in Rome for 5 years where he received two graduate degrees in theology. Father Jim also worked with Mother Teresa of Calcutta in her Roman missions and was ordained a Roman Catholic priest in 1988. Father says that he truly can credit the Upward Bound program with changing his life.

We are, indeed, fortunate that the power of God and education transformed the life of young Jim Nadeau. He is an inspiration to us all and continues his important work today as rector of the Cathedral of the Immaculate Conception in Portland, ME. There he has guided many financially disadvantaged students and encouraged them to go to college.

I am delighted to have him with us today. It is a great honor and privilege to have this outstanding priest join us and offer to us his inspiring opening prayer.

I thank the Chair, and I thank my colleague.

Mr. DODD. If my colleague will yield for a minute, I had the pleasure of briefly meeting Father Jim Nadeau this morning downstairs. I welcome him to the Senate. I thank him for his beautiful prayer this morning. It is good to have a New Englander opening the Senate with us this morning.

I thank our distinguished colleague from Maine for extending the invitation and sharing with us an inspiring story about Father Nadeau's family and his contributions to the State of Maine and this country. We thank him immensely for all the wonderful work he has done. I thank my colleague from Maine.

Ms. COLLINS. I thank the Senator from Connecticut for his kind words.

Mr. McCONNELL. Mr. President, I associate myself with the observations of the Senator from Connecticut and congratulate the Senator from Maine for bringing this outstanding citizen of her State here this morning to open the Senate with a prayer. I wish him well in his endeavors.

SCHEDULE

Mr. McCONNELL. Mr. President, today the Senate will immediately resume consideration of the Hatch disclosure amendment to the campaign finance reform legislation. There will be up to 30 minutes of debate, with the vote to occur shortly after 9:30 a.m. Additional amendments will be offered throughout this day. It is hoped that some time on each amendment can be

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

yielded back to accommodate all Senators who intend to offer their amendments. Senators will be notified as votes are scheduled, and also as a reminder votes will occur during tomorrow's session.

Mr. President, I see Senator HATCH is present to discuss his amendment.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 27, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

Hatch amendment No. 136, to add a provision to require disclosure to shareholders and members regarding use of funds for political activities.

AMENDMENT NO. 136

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the Hatch amendment No. 136 on which there shall be 30 minutes of debate equally divided in the usual form.

The Senator from Utah.

Mr. HATCH. Mr. President, I hope we will not take the whole 30 minutes. I understand some of our colleagues need to make some special appointments. I will try to be brief.

I hope all of my colleagues will support this modest, straightforward amendment. We are here this week and next, debating so-called campaign finance reform. I do not understand how anyone can purport to favor any reform of our current system without being willing to offer the most basic right of fairness to the hard-working men and women of this country.

Let's be clear about what we are talking about. We are talking about letting workers who pay dues and fees to labor organizations be informed about what portions of the money they pay to unions are being spent on political activities. In my view, that is basic fairness.

Is there some big secret here? Is there some reason workers should not be told how their money is being spent?

The hypocrisy of the opposition is quite extraordinary. The underlying bill severely limits the ability of political parties to engage in the types of activities that this amendment simply asks unions to inform their members about. How can someone on the one hand argue for a restriction on these activities by parties and then secure a free pass and not even disclose the same information by others? This is simply remarkable.

Then we hear the argument that this simple disclosure requirement is too burdensome. Give me a break. During these weeks in March and April when hard-working Americans are hovering over their tax forms, how can anyone call this straight-forward disclosure requirement on the unions too onerous? What is going on?

Labor organizations collect dues and fees from American workers. Can anyone tell me they are not already keeping track of this money? If this disclosure amendment is too onerous, that suggests to me there might be an even bigger issue of accountability on how and where this money is being spent.

I trust my colleagues will remember these arguments about "onerous burdens" when we are trying to do regulatory reform.

The issue in this simple amendment is, do America's hard-working men and women have the right to know whether and how the dues and fees they pay are being used for political activities, or don't they? It is that simple. This ought to be the most basic of worker rights and protections.

I hope my colleagues cast their votes in favor of the right of American workers to know how their money is being spent.

Finally, let me emphasize, this amendment does not require the consent of employees. It simply requires disclosure. That is all, pure and simple, disclosure to the hard-working teachers, janitors, electricians, carpenters, and others on what the union leadership is actually spending these workers' hard earned money. It doesn't seem to me to be much of a burden or requirement. It seems to me if we are interested in having true campaign finance reform, this is one of the basic reforms.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. DODD. Mr. President, I ask unanimous consent I be allowed to proceed for about 3 minutes. If the Chair will advise me when 3 minutes expires.

Mr. MCCONNELL. I inquire how much time remains on this side.

The ACTING PRESIDENT pro tempore. Eleven and a half minutes.

Mr. DODD. Mr. President, yesterday the Senate appropriately rejected the original amendment requiring corporations and labor organizations to get prior consent from shareholders and their members in order to use their general treasury funds for political activities. That proposal was appropriately rejected rather overwhelmingly—69–31—in this body for reasons explained in a bipartisan fashion.

The Senator from Oklahoma, Mr. NICKLES, and Senator KENNEDY pointed out this was a cumbersome, almost unworkable proposal that would have literally placed businesses and unions in a very precarious position. We made the suggestion if the amendment was going to be seriously considered by this body, of which corporations and business would have vehemently opposed, it would have required them to engage and perform certain functions and duties that never before had been required of them.

There is no parity for a democratic organization such as a labor union, where Federal laws require the opening of books, the revealing of financial data information, the free election and secret balloting of officers, and a corporation where none of those union requirements pertain to a corporation management structure.

The same could be said in many ways about this amendment. While this amendment is simpler than the original amendment, the failure or the problems with this one are not much different. This is a tremendously cumbersome mandate that will make it very difficult for some of these businesses and corporations to comply. There are different levels of activities as well.

According to the Federal Election Commission, in the area of contributions since 1992, as a general matter, corporations have outspent labor unions in Federal elections by almost 16–1. So there has been a huge disparity in the amount of money contributed to candidates.

On the other hand, we have labor unions and labor organizations, and their members engage in grassroots political activities, and corporations historically do not.

This amendment is not balanced in its approach to corporations and labor organizations. All of a sudden, this amendment attempts to penalize organizations that are trying to get people to participate in the political life of the country. It says to them, we are going to start demanding this kind of minutia and disclosure of information. As a matter of fact, there is no parity in asking corporations to do the same kind of disclosure when they don't engage in the activities that require the disclosure at issue. This amendment is truly not a balanced request or approach.

Second, there are many other types of organizations that engage in political activities. While the Federal campaign law governs these organizations to a certain extent, this amendment completely excludes them. Membership Organizations, such as the National Rifle Association, the National Right to Life organizations, Sierra Clubs, and other groups are also subject to certain provisions of the FECA. This amendment does not address those organizations nor require them to disclose any detailed information regarding disbursements, contributions or expenditures with respect to their political activities.

This amendment is impermissible "selective application." It would only apply to one group of people, those involved in organized labor in the country.

I understand my friend from Utah doesn't like organized labor. He doesn't like labor unions or labor organizations. He disagrees. These are people who take positions on the Patients' Bill of Rights, prescription drug benefits, and minimum wage, and a whole host of issues involving child care. I have a long list of items that working families, through their leadership, support. My good friend from Utah has usually disagreed with them on these matters. However, you don't go out and discriminate against one organization that is engaged in encouraging people to participate in the political life of the country by attaching a set of obligations and burdens on them that has the effect of discouraging political participation. We ought to be encouraging more participation.

Finally, this amendment should be primarily opposed because it serves as a "poison pill" for the entire McCain-Feingold campaign finance reform legislation.

For those reasons and others my colleagues will identify, we strongly oppose this amendment. This destroys the McCain-Feingold bill.

I see my colleague from Wisconsin. I yield to him 3 minutes.

Mr. FEINGOLD. Mr. President, I will vote against the Hatch amendment and I urge all supporters of the McCain-Feingold bill to do the same. Once again, the effort of the Senator from Utah to treat unions and corporations equally sounds good but just doesn't work.

There is no doubt that increased disclosure of election spending is a laudable goal. The Buckley decision explicitly upheld the disclosure provisions in the Federal Election Campaign Act. Disclosure is aimed at increasing the information available to the voter. That is a good thing. No one questions the benefits of disclosure.

But disclosure requirements have to be clear and well drafted. They have to actually work. They can't be too burdensome or they will chill constitutionally protected speech. And they can't be one-sided, aimed at one player in the election system and not at others.

I am sorry to say that the provision offered by Senator HATCH fails all of these tests. First of all, his provision only applies to unions and those corporations that have shareholders. It doesn't cover businesses that don't have shareholders. It doesn't cover membership organizations such as the NRA, the Sierra Club, National Right to Life, or NARAL. Why should unions have to report to their members how much they are spending on get-out-the-vote drives, while all of these advocacy groups do not?

The disclosure requirements are also incredibly burdensome and confusing. A union is required to send a report to all of its members, and nonmember employees every year on the spending not only of the union itself but all international, national, State, and local affiliates. And this is not a one-way chain either. Nationals have to report everything that locals do, and locals have to report everything that nationals do. A corporation has to report on the activities of all of its subsidiaries.

Now remember, this amendment is not a requirement that these entities file a report once a year to the FEC. No, the reports have to be sent to every union member or corporate shareholder. A corporate PAC has to send a report every year to all of the shareholders of the corporation that is connected to the PAC. The content of the report is mostly going to be what the PAC has always reported to the FEC. What is the point of that?

Now as to what has to be reported, the amendment is vague, almost unintelligible. Direct activities such as contributions to candidates and political parties have to be reported. I understand what contributions are, but what else does the term "direct activities" contemplate? The amendment is silent on that. In the definition of "political activities," which is what the general disclosure requirement covers, the amendment includes the following language—"disbursements for television or radio broadcast time, print advertising, or polling for political activities." That is a circular definition. What broadcast expenditures have to be reported?

Certainly not commercials for products, but the amendment gives us no real guidance. Public communications that refer to and expressly advocate for or against candidates are covered, but corporations and unions are prohibited from making those kinds of communications, and PACs already disclose their spending to the FEC.

Finally, Mr. President, no matter how hard the Senator from Utah has tried to make this amendment seem evenhanded, there can be no doubt that the real purpose of this amendment is to try to get information from unions about their political spending. There is nothing inherently wrong with that, but any such disclosure requirements just have to be evenhanded. These are not, so I must oppose the amendment and ask my colleagues who support reform to join me in voting to table it.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, every public company with shareholders is mandated to send financial disclosures to every shareholder—every public company. This is not a burden, it is done so they know how their money is spent.

Labor union financial disclosures—you would think they were already giving disclosures to their members, but they are not at all. The labor union financial disclosures only go to the Department of Labor and not to a single union member. And for union members to get those disclosures, they have to show cause. That is how bad it is, and that is how one sided it is.

I have heard these arguments that the Hatch amendment does not go far enough.

Some are trying to avoid disclosure of corporate and union political expenditures to shareholders and union members on the grounds that the Hatch amendment doesn't make ideological groups, such as NRA, Sierra Club, and other nonprofit advocacy groups disclose their donors or expenditures.

In response to that, I first note that it is a clever ruse to try and change the argument from disclosing expenditures to disclosing donors.

As a constitutional matter, disclosure of expenditures is fundamentally different than disclosure of donors, supporters, or members. Disclosure of expenditures implicates no one's freedom of association. Senator HATCH understands that and this is why he limited his amendment to disclosure of expenditures only.

Moreover, the Hatch amendment limits disclosure of expenditures to only corporations and unions, and makes sure that such disclosure only goes to union members and shareholders, not the general public.

He does not apply disclosure of political expenditures to ideological groups such as the Sierra Club or the NRA because people who join or contribute to those groups know what those groups advocate. This is not always so with corporations and unions.

Moreover, Federal law mandates certain democratic procedures for the governance of public companies under the Securities and Exchange Act and the labor laws. Federal law does not mandate the internal governance of ideological groups. Under securities law and labor law Congress has set up a regime that imposed fiduciary duties on union and corporate leaders to members and shareholders and the Hatch amendment helps ensure those duties are fulfilled by shedding light on an area of corporate and union activity that supporters of McCain-Feingold are intent on keeping in the dark.

Thus, my amendment is merely seeking to improve the flow of information in federally regulated entities that Congress has already decided should function as democratic institutions. And we all know that transparency is good for any democracy. But supporters of McCain-Feingold are strangely opposed to more transparency and improved democracy in labor unions—that I think flies in the face of the rights of workers.

The argument that the requirements of my disclosure amendment are too vague—this is my favorite argument. Supporters of McCain-Feingold say that the descriptions in the Hatch amendment of activity that must be disclosed are too vague and thus unfair.

The Hatch amendment requires corporations and unions to disclose expenditures for "political activity" which is defined as:

Voter registration;

Voter identification or get-out-the-vote activity;

A public communication that refers to a clearly identified candidate for Federal office that expressly advocates support for or opposition to a candidate for Federal office; and

Disbursements for TV, radio, print ads, or polling for any of the above.

Now that doesn't seem that unclear to me, but it is too vague for supporters of McCain-Feingold. I find that fascinating.

It is fascinating because when I read McCain-Feingold, which they think is perfectly fine, I see that it requires State and local party committees to not only report, but to pay for entirely with hard money, the following in even numbered years: "generic campaign activity" which is defined as "an activity that promotes a political party and does not promote a candidate or non-federal candidate.

Although it is far from clear to me, it must be perfectly clear to supporters of McCain-Feingold what constitutes "an activity that promotes a political party" since they are not complaining about vagueness in the underlying bill.

Under S. 27, State parties must report and use hard money for

> A public communication that refers to a clearly identified candidate for federal office . . . that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office.

Again, I find it interesting that no one is complaining about how vague this provision is. It does not say how to figure out when an ad "promotes or supports" or attacks or opposes" a candidate. McCain-Feingold doesn't even say who is supposed to figure that out. But this is just fine. Only the Hatch amendment is too vague.

I think it is pretty clear what is going on here.

Let's be clear about what my amendment does. It requires unions and corporation to disclose their political expenditures. It does not require the disclosure of any contributors or the name of a single union member or shareholder. By focusing solely on disclosure of expenditures, the Hatch amendment avoids the constitutional infirmities of Snowe-Jeffords and other legislation that requires disclosure of donors to advocacy groups. Merely disclosing an organization's political expenditures implicates no one's free association rights.

Moreover, this amendment is narrowly tailored insofar as it requires disclosure of union political expenditures only to union members and fee payers and disclosure of corporate political expenditures only to corporate shareholders. So it is not even disclosure of expenditures to the general public.

It simply ensures that shareholders and union members will have clear, understandable information about how their agents—union officials and corporate executives—are using the money they entrust to them.

Under existing law, neither shareholders nor union members get such information. Why should they not have it, it is their money. Why can't they see how it is being spent.

Let's examine the arguments being used by proponents of McCain-Feingold against this amendment:

First, it is not fair because only unions engage in the types of political activity covered: Many have said only unions and no corporations do GOTV activity, voter identification, voter registration, leafletting, phone bank, volunteer recruitment and training, and myriad of other party building activities that would have to be disclosed under this legislation. Thus, they say the amendment is not balanced.

They are right that no corporation does these basic party building activities the way unions do them for Democrats.

Corporations give PAC contributions, which are already subject to limits and fully disclosed under existing law. They also give soft money contributions to political parties that are fully disclosed under existing law and will be eliminated under McCain-Feingold. Corporations also run some issues ads around election time, that will be banned for 60 days before a general election or 30 days before a primary, as will union issue ads.

So McCain-Feingold already pretty well takes care of what corporations do, but does not touch the key things that unions do for Democrats—the groundgame. On our side, no corporations do or ever will do the kind of GOTV, and other groundgame activities unions do for Democrats.

But all Democrats support banning party soft money, which is the only resource Republicans have to counter the massive groundgame unions do for Democrats. Without soft money, the Democrats ground game will go on thanks to their unions allies, but the Republican counter to the unions groundgame is eviscerated.

This amendment wouldn't stop or otherwise hinder the unions ground game, it would just bring it out into the light of day and disclose to union members who pay for it. But no, we can't do that, it's not fair to attach that to McCain-Feingold. That would not be fair and balanced. But disarming the GOP in the face of the union groundgame is fair to supporters of McCain-Feingold?

Second, disclosure under this amendment would discourage participation through GOTV activity and voter registration and other activities these entities do. This argument only makes sense if we assume that when union members or corporate shareholders learn about the political activities unions and corporations engage in that they will be outraged and rise up using the mechanisms of corporate and union democracy to oust the union and corporate officials using their money for GOTV and other political activities.

To this I can only say that if union members and corporate shareholders would react in this way, so what. They have a right to pass judgment on how their money is spent and if they disagree to ensure that it is used for purposes with which they agree. Why keep them in the dark about how much of their money is used for various kinds of political activity? If unions are the happy, democratic institutions Democrats claim, what do union leaders have to fear from sunlight?

The only other argument for saying that disclosure of expenditures would diminish such activity is that it is overly burdensome.

This argument has little merit. We just passed a law last year that requires even the puniest section 527 organization to disclose any "expenditure" for any purpose in excess of $200. No one claimed it was too great a burden for them. These groups are managing and they do not have nearly the resources of the AFL–CIO, Teamsters, NEA, and other unions.

Unions and corporation would just do what section 527 groups already do, and what political parties already do—hire an extra accountant and maybe a lawyer. That is not too much when you are the Teamsters and you take in over $300,000,000 a year.

If opponents of this amendment were truly concerned about voter turnout, voter education, and voter participation, they would rail against the fact that McCain-Feingold requires the national as well as State and local political parties to use 100 percent hard money, thereby eliminating most of the resources available to our parties for their GOTV, voter identification, voter registration, and other activities that increase participation and turnout.

How is mere disclosure of union and corporate political activity more damaging to voter participation and education than elimination of over one-third of the resources our parties have to do this?

Maybe gutting the parties isn't so bad because Democrats know that unions will carry the water for them on all of these groundgame activities while McCain-Feingold will ensure that the Republican Party cannot match the unions' effort.

This is a one-sided bill that basically is not fair, and it is certainly not fair to union men and women. These workers deserve to know for just what their union dues are being spent. All we are asking for is disclosure, something in this computer age they can do with ease if they want to, something in this computer age they ought to do because it is essential, something in this computer age they must do because it is not fair not to. To try to cloud the issue by saying we should disclose the donors—that is not the issue. The issue is expenditures, expenditures, expenditures; and the issue, the real issue, if we really want to do something about campaign finance reform, is disclosure, disclosure, disclosure. That is all I am asking for.

I reserve the remainder of time.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I am about to yield to my colleague from Michigan. We on this side, the opponents, have been talking about labor unions. I want to make a point as I read this amendment. People buy and sell stock with some regularity. You can buy one share of stock, as I read this amendment, for one day and technically be defined as a shareholder of a corporation, even if you held the stock for only 15 minutes. As this amendment is crafted, if there was then an internal communication by that corporation during that year of some political message, despite the fact that I may have held one stock for 15 minutes as a shareholder, that corporation is then required to send me all this disclosure information about that corporation's political activity.

That is incredible to me. It doesn't distinguish how long you are a shareholder, so a shareholder for 15 minutes, who bought and held the stock for 15 minutes and then sold the stock again, would be required to get this information.

We talk about the negative effect on organized labor. If you are a corporate shareholder and this amendment is adopted, you ought to shudder, in terms of the amount of information you will be getting.

But let me yield 3 minutes to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, this amendment is indeed onerous, cumbersome, and confusing. It not only chills first amendment association rights, it makes a mockery of those rights.

I want to use a few of the words from the amendment, words that were left out by my good friend from Utah who, by the way, is celebrating his birthday today. I think we all want to congratulate him. I heard it on the radio today. Senator HATCH, I won't disclose the age—except to say it is a few months older than I—and I would like to wish happy birthday to our good friend from Utah.

Let me take one example of the confusing words in this amendment which make it impossible, it seems to me, to be implemented: An expenditure which directly or indirectly—directly or indirectly—is made for an internal communication that relates to a political cause.

I cannot imagine how any corporation or union could conceivably keep track of the direct or indirect expenditure that relates to an internal communication that relates to a political cause. "Political cause" is not defined, by the way. We have the words "political activity" defined in ways which, for the most part, only apply to unions and not to corporations. But that is a different problem. That is the problem of the paper parity—an amendment which appears to apply to corporations. If it did, it would be totally impossible for a corporation to comply with, as our good friend from Connecticut just said. But it is really aimed at labor unions because the activities which are identified are mainly the political activities in which unions engage.

But the point is, these words are so extraordinarily vague. Imagine a union at every level trying to keep track of the indirect costs of an internal communication that relates to a political cause—whatever all of that means. This is a burdensome and onerous requirement. I think it is confusing, and it is cumbersome.

Again, it is devastating to a right which all of us—Democrats and Republicans—ought to protect, which is the right of free association.

I close by reminding our colleagues that this applies to members of labor unions who join that union, and not to nonmembers. This is intended to control the rights of voluntary association and its members. This is an intrusion, and a heavy interference in the rights of association. It places impossible burdens on an association to keep track of every single expenditure and every internal communication that could indirectly—I am using the words of the amendment—relate to a political cause.

None of those words are defined.

It is an onerous interference with the first amendment right of association.

Mr. McCONNELL. Mr. President, how much time is remaining?

The PRESIDING OFFICER (Mr. CRAPO). Five minutes.

Mr. McCONNELL. Mr. President, I commend the Senator from Utah for offering this amendment. This does not have anything to do with how the unions raise their money. We already voted down yesterday the opportunity for union members to get a refund of union dues spent on causes with which they don't agree.

So the AFL–CIO is essentially batting 1,000 so far.

All this is about is simple disclosure.

I remember last year when the section 527 bill came up. We did not hear anybody saying that it was a poison pill or that it was too burdensome. Why is all of a sudden a simple disclosure burdensome, as Senator HATCH pointed out. For a union member to find out how the money of his or her union is spent, he has to go over to the Department of Labor and establish just cause to be permitted to see how the funds have been spent.

Every corporation in America does more disclosure than that. They send out annual reports to shareholders. No union does that.

This is about as mild as it gets. All we are asking is for a simple disclosure to the public and to union members of how this money is spent.

It doesn't restrict their spending of the money. It doesn't in any way hamper their ability to raise the money. Simple disclosure is all the Hatch amendment is about, disclosure and sunlight.

What is there to hide? After all, this money comes from union members. Why are they not entitled, without having to buy a plane ticket and fly to the Department of Labor and convince some bureaucrat they have just cause to be permitted to see the records of how their union spent their money last year?

It seems to me that this is very basic and not very onerous.

It is interesting to listen to the opponents of this amendment try to think of arguments against it. About all they can come up with is it is burdensome.

It is also burdensome to have your dues taken and spent in ways that you are not entitled to find out unless you buy a plane ticket to come to the Department of Labor and sit down with some bureaucrat and establish just cause.

I do not know what the AFL–CIO is afraid of on this.

I assume the votes will not be there to approve this amendment because it is pretty clear that anything that has any impact whatsoever on organized labor—anything, any inconvenience, and now even simple disclosure and sunlight—is perceived as a poison pill. That is where we are in this debate.

I hope the Hatch amendment will be agreed to.

The reason paycheck protection didn't get more votes last night, of course, is because it also applied to corporations. And there are a number of Members on our side who didn't want to apply that to corporations.

This is plain. It is simple. It is understandable, and it is essential to a functioning democracy.

It seems to me that this is an opportunity for the Senate, if it is serious about disclosure, to give union members and the public an opportunity to understand how union dues are spent.

Mr. DODD. Mr. President, I will yield back time, but I wish to read what the amendment says: Itemize all spending, internal communications to members or shareholders, external communications to anyone else by any means of transmission for any purpose on any topic that relates to any Member of Congress or person who is a Federal candidate, any political party or any political cause total.

This is so broad that I can't imagine anyone, whether from a business perspective or labor perspective, would vote for this amendment. It is not appropriate to include such an over broad and vague amendment on a constitutionally sensitive campaign finance reform bill.

Mr. LEVIN. Just add the words "directly or indirectly."

Mr. DODD. That is right.

We urge rejection of this amendment. I am happy to yield back all of our time.

Mr. McCONNELL. Mr. President, this is an opportunity for members of unions to find out how their dues are being spent without buying a plane ticket, going to the Department of Labor, and trying to find out through that difficult process.

I yield my time.

The PRESIDING OFFICER. All time having been yielded, the question is on agreeing to the amendment.

Mr. McCAIN. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 60, nays 40, as follows:

[Rollcall Vote No. 44 Leg.]

YEAS—60

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Thompson
Torricelli
Wellstone
Wyden

NAYS—40

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Craig
Crapo
DeWine
Domenici
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Stevens
Thomas
Thurmond
Voinovich
Warner

The motion was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I want to take a minute to say that I think we all agree we are making very good progress. I also want to point out that we don't have any idea yet how many amendments remain. It is about time now in this process that we get an idea of how many remaining amendments there are.

The majority leader is trying to figure out whether we should stay in tomorrow, and even Saturday, in order to complete our work. I am not sure I can agree to us not remaining in session, unless we have some idea as to the number of remaining amendments and how we continue to address those.

Look, everybody knows the Senator from Alaska is going on a trip to Alaska next Thursday night and is intent on doing that. I don't want to interfere with that. I don't want us to go out early tomorrow, or at any time, until we have some idea as to how we can bring this to an end, hopefully, by next Thursday or Friday.

I hope Members will let Senators McCONNELL and DODD know of their amendments. That doesn't mean there won't be one or two additional amendments or additional second degrees. But we ought to know about how many amendments remain so we can have an idea as to how much time we need to use over the weekend.

I thank my friend from Mississippi for a very important amendment that will take advantage of the new technology we have, as far as increasing full disclosure and informing the American people.

Mr. DODD. If the Senator will yield, I want to underscore what the Senator from Arizona has said. We have considered, I think, eight amendments since we began on Tuesday. Now, we have taken a lot of time. Some of them have been lengthy debates. The amendment we are about to consider will be finished in about a half hour. It is a noncontroversial amendment, one that will add substantially to the bill. But we have about 30, at least, amendments on the Democratic side. While many amendments probably will not be offered, I don't know that yet.

I underscore what the Senator said, that we need to take advantage of this opportunity. Several Members have said, "I will do it next week." That crowd is beginning to grow for next week. If we only handle 8 or 10 amendments this week, I am not overly optimistic that we will be able to handle the numbers I see in 4 or 5 days next week. It will be important to pare the list down. I urge Members to do so.

With that, I thank my colleague from Mississippi for yielding. I support his amendment. There are several people who want to speak on it. Senator LANDRIEU from Louisiana would like to be heard as well on this amendment.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 137

(Purpose: To provide for increased disclosure)

Mr. COCHRAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 137:

On page 38, after line 3, add the following:

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

"(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.".

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) IN GENERAL.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all election-related reports.

(b) ELECTION-RELATED REPORT.—In this section, the term "election-related report" means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) COORDINATION WITH OTHER AGENCIES.—Any executive agency receiving an election-related report shall cooperate and coordinate with the Federal Election Commission to make such report available for posting on the site of the Federal Election Commission in a timely manner.

Mr. COCHRAN. Mr. President, I allowed the clerk to read the entire amendment so the Senate would be fully informed of the exact provisions of this amendment.

It does, purely and simply, what it says it does. It requires the filing of the posting by the Federal Election Commission of any filing made with the Commission on the Internet. In the case of filings made electronically, the posting will be done under the terms of this amendment within 24 hours. As far as other filings are concerned, those that may be filed without electronic dissemination through the Commission, or receipt in any other way, shall be posted within 48 hours.

We have discussed the amendment and the question of enforceability and compliance with the Federal Election Commission representatives. We have been assured that this can be managed, it can be administered by the Federal Election Commission.

It is also important to note there are a number of reports required under this act we are taking up now, an amendment to the 1971 act that would require filings by other than candidates for Federal office. At this time, most of the filings that are done are for candidates. I am hopeful that under the terms of this act we are considering now, the amendment to the Federal Election Campaign Act, we will have much more disclosure. I think, for example, the amendment we have already adopted, offered by the distinguished Senators from Maine and Vermont, Ms. SNOWE and Mr. JEFFORDS, will require more disclosure to be made about who is spending money to influence the outcome of Federal elections, and how that money is being spent.

These disclosures will be made under the McCain-Feingold bill. They will be subject to the posting provisions of this amendment.

It is my hope, too, that other Federal agencies which may receive election-related reports, as defined in section 502 of this amendment, will cooperate with the Federal Election Commission and make those reports available to the Federal Election Commission so it may post on a central Internet Web site all election-related reports relating to Federal election campaigns.

This will make it a lot simpler and easier for the general public. It will make it easier for candidates, anybody interested in Federal election campaigns, to go to one site and find there, through links maybe to other agencies or otherwise on this Internet site, all of the receipts, disbursements, and disclosures required by the Federal Election Campaign Act.

We hope this is a step toward fuller disclosure, disclosure that really does create greater access by the public to what is going on in Federal election campaigns. I am hopeful the Senate will agree to the amendment.

Mr. CRAIG. Will the Senator yield?

Mr. COCHRAN. Mr. President, I am happy to yield to my friend from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I am looking at section 502 of the Senator's amendment, subsection (B), in how he defines all election-related reports. I know the Senator's intent, and I applaud it. I think it would be absolutely desirable to have a central point, a repository totally transparent to the public.

The Senator's amendment says that all election-related reports are those required "to be filed under the Federal Election Campaign Act of 1971."

I am wondering if the Senator's intent is to require the reports of section 527 groups whose reports are already posted on the Internet separately. Those are a requirement of the IRS Code.

Also, does it require the FEC to put on the Internet what we call LM-2 forms filed with the Department of Labor, since all of these forms acknowledge labor PACs? In my mind, they fall under the all election-related reports. It just so happens there are others outside the 1971 law.

There is another, and this is one I find interesting. It is related to municipal securities dealers pursuant to what is known as the MSRB rule G-37, which I know absolutely nothing about, other than to say there is a requirement for filing under that law because Federal candidates sometimes can have bond-related responsibilities.

George W. Bush, as Governor of Texas, had bond-related responsibilities and probably had to do filings. Those are election-related filings, but because they are not under the 1971 law, they would not necessarily fall under the Senator's definition.

I know the intent of the Senator from Mississippi, and I applaud his intent. The question is, Is it as all inclusive as he intends it to be because the Senator has limited it to the 1971 law, and there are now other laws we have grown through over the last good number of years that indicate other election-related activities?

Mr. COCHRAN. Mr. President, I thank the Senator for his question and also for his comments to further explain the possible inclusiveness of paragraph (c) of section 502. This is not an absolute requirement of law under paragraph (c). It is an encouragement. It is almost like a sense-of-Congress resolution when we encourage the cooperation and coordination with the Federal Election Commission. We use the word "shall."

I do not know that in a contest in litigation this would be enforced by the courts, but we hope the spirit of it is conveyed by the use of the words "cooperate and coordinate with" the Federal Election Commission.

I do not want to create within the Federal Election Commission the idea that they are superimposed over all other Federal agencies and departments and can summons them or require of them transferring information and documents to the FEC for exhibition on this Internet site, but it is our hope that this language will encourage the cooperation and coordination of these other Federal agencies that might receive reports, such as the ones described by the Senator from Idaho, so the FEC can put all of these in one central location on a Web site. They can do this through linking to other agencies and departments on the Internet.

As the Senator knows, that is one way to deal with this, on the centralized Web site of the FEC to provide opportunities and cross-references to other agencies and identify documents that are election-related reports. That is our hope.

The wording of it might be a little awkward. I am happy for the Senator to suggest a better way to say it, but that is the intent.

Mr. CRAIG. Will the Senator yield for one last question?

Mr. COCHRAN. I am happy to yield to the distinguished Senator.

Mr. CRAIG. Mr. President, FEC reports are only filed with the FEC and the Secretary of the Senate. They are filed nowhere else in our Government. In subsection (c), the Senator talks about coordinating with other agencies:

> Any executive agency receiving an election-related report shall cooperate and coordinate with the Federal Election Commission. . . .

I sense a confusion there in how that gets supplied. You file with no one else but the FEC as a Federal candidate. The FEC files with no one else, and there is no relationship to these filings now of the kind I have mentioned—the bond brokerage issue with the broker having to file and the IRS-related issue. Those are all stand-alones, if you will, and also the Internet LM-2 form filed with the Department of Labor.

I want to agree with the Senator in creating a central repository.

Mr. COCHRAN. If the Senator will yield to me and let me ask for his reaction to this, can we put in the first section "included, but not limited to, election-related reports"? Paragraph (b) means any report, designation, or statement required to be filed with the Commission—included but not limited to. Let's put that in between "election-related report" and the word "means."

Mr. CRAIG. We are all concerned about clarity, and I was concerned——

Mr. COCHRAN. I would not want to limit it just to the Federal Election Campaign Act, but I did not want anybody to think we were giving the FEC the authority to require other agencies to file their reports with the FEC. We wanted to use "cooperate and coordinate."

Mr. CRAIG. But, of course, if the Senator is intent on creating a central repository with true transparency and these are other valuable reports—for example, the report filed with the Labor Department is labor unions and PACs and their filings which have valuable disclosure information in them.

I am not sure we want to be that vague. That is my frustration.

Mr. COCHRAN. I also do not want to presume to list every report that is an election-related report, hence the use of a general description of what we are talking about. We do want to include any and all reports that are required to be filed under the Federal Election Campaign Act of 1971 and the amendments to that.

We think the amendments are included in the words "Federal Election Campaign Act of 1971," including the amendments of 1974 and the one we are considering in the Senate today, which is an amendment to the 1971 act. We want to include all filings required by that law and all amendments to that law. That is understood.

We also want to include, by way of suggesting cooperation and coordination with other Federal agencies and departments, any other election-related reports, and the Senator has correctly identified several. Those all should be included, in my view, in the meaning and the intent of this amendment and should be so construed by any court of law or any administrative agency with responsibility for enforcing this amendment.

Mr. CRAIG. Will the Senator yield?

Mr. COCHRAN. I am happy to yield.

Mr. CRAIG. To our knowledge, there are only the three we have mentioned. Absolute clarity suggests you put those three in the text of your amendment and then say "and any additional" or others that may come along.

Obviously, if your amendment becomes the law and other reports are required that might be outside the scope of the 1971 law, you would identify them with your law and make them a requirement of that filing for purposes of Internet access.

Mr. COCHRAN. I thank the Senator. I think his suggestions have been helpful.

We have staff on the floor who have been working on the drafting of the amendment for several days and consulting with the FEC and representatives of the committee of jurisdiction.

Let me have a chance to address the concerns of the Senator with some suggested modification language and discuss this with him and the chairman and ranking member of the Rules Committee, which has jurisdiction over this subject.

Mr. CRAIG. I thank the Senator.

Ms. LANDRIEU. Will the Senator yield?

Mr. COCHRAN. I am happy for the Senator to be recognized in her own right and speak to the issues.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I come to the floor to support Senator COCHRAN in his amendment. I think it is an excellent amendment and goes a long way toward moving to a more full and complete disclosure.

I understand some of the questions that have been raised. But as I read this amendment, it is very good. We are doing this in Louisiana and perhaps other States, learning how to use this new technology in many good ways.

It helps our campaign finance system be more transparent. For instance, the Senator is correct; you can take a State such as Louisiana and simply make this requirement for our State agency to make all of these reports available over the Internet on one Web site so people don't have to search through a variety of Web sites.

I commend the Senator for his amendment. I support his amendment and urge the Senator, unless absolutely necessary, not to adjust the amendment. It is very clear. It simply takes the law and all the reports and urges the FEC to put them in one central site. It will make it easier for our constituents, easier for the news media, easier for us to follow those reports.

I will have an amendment later taking this a step further and requiring the FEC to develop standardized software which will make it much easier for everyone to file the required reports in a timely fashion. My amendment will take this a step further by requiring it to be almost instantaneously reported. Deposit a check in your bank account, and it will appear on the Internet. People can follow the flow of money.

There are many disagreements about limits and whether there should be caps or no caps, and should broadcasters have to give special rates or reasonable rates—since I voted for that amendment, "reasonable rates"—for political candidates.

Frankly, in my general discussions with Senator MCCAIN and Senator FEINGOLD and many people on both sides who support campaign finance reform, the one area on which we all agree is more disclosure. The one thing everybody says, opponents of McCain-Feingold as well as proponents, is that we should be coming forward more aggressively in our disclosure.

That is what the amendment of Senator COCHRAN does. I compliment him for that. I urge my colleagues to look favorably upon it. I thank him for the work he is doing in regard to campaign finance reform. I hope we don't change this amendment too much. It is quite simple and very good in its current form.

Later on today, I will propose my amendment that will make it a virtual reality check on all campaign contributions coming in from a variety of different sources and make it much easier for Members to be held accountable for moneys we are collecting and the votes we cast. The Cochran amendment is very good, and I hope we will adopt it.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. MURKOWSKI are located in today's RECORD under "Morning Business.")

Mr. MURKOWSKI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

Mr. DODD. Mr. President, I ask unanimous consent my colleague proceed as in morning business so the time will not come off consideration of the amendment.

Mr. CONRAD. Mr. President, I request I be permitted to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. I thank my colleague.

Mr. COCHRAN. I ask the distinguished Senator how much time he wishes to speak because we are working on an amendment we hope can be adopted pretty soon.

Mr. CONRAD. Maybe 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for approximately 5 minutes.

THE BUDGET

Mr. CONRAD. Mr. President, yesterday in my role as ranking member on the Senate Budget Committee, I met with Senator DOMENICI, the chairman of the Senate Budget Committee. He informed me he intended not to have a markup of the budget in the Budget Committee but to come directly to the floor of the Senate. This was pursuant to a request I had made that we proceed to schedule a markup in the committee. I told him I thought a decision not to have a markup in the Budget Committee would be a mistake.

We have never had a circumstance in which we have tried to bring a budget for the United States to the floor of the Senate without the Budget Committee, which has the primary responsibility, meeting first to hammer out an agreement. Senator DOMENICI, the chairman of the Budget Committee, told me he believes it will be impossible for us to reach an agreement. I don't know how anyone can be certain of that before we have tried.

I hope very much that he will—and I asked Senator DOMENICI yesterday to reconsider to give us a chance to debate and discuss the budget in the Budget Committee and to have votes.

That is how we make decisions.

I still hold some optimism that after discussion and debate we might find agreement. It might not be on precisely what the President has proposed. Someone recommended yesterday that we try to agree on a 1-year budget.

But we have a country that has some serious challenges. Anybody who has been watching the markets knows they continue to decline, and decline precipitously. While it is true that the best immediate response is monetary policy and the Federal Reserve Board lowering interest rates, that has now been done three times, and still the slide continues, and still we see warning signals about the economy. We see Japan in a perilous position. We have had a serious energy shock in this country. We see high levels of individual debt in America. We see very dramatic weakness in the financial markets.

I personally believe we have an obligation and a responsibility to try to respond as quickly as possible. I think that means, on the fiscal policy side, we fast-forward the parts of the President's proposed tax cut to try to provide some stimulus to this economy.

We can wait, and we can doddle and deliberate, or we can act. I hope very much that we take the opportunity to work in the Budget Committee to try to find common ground, to try to find a basis on which we can agree so we can get a swift response on the fiscal side to provide some confidence to the American people, to provide some confidence that their Government is responding to what is happening in their daily lives.

Some have said, well, if you agree on something that is other than precisely what the President has proposed, that will be seen as a defeat for the President. I don't think we need to be in that position. I think we can find perhaps an overall global agreement that would be seen as a win for the country, a win for the President, and a win for the Congress. Nobody is defeated, nobody is hurt, but that collectively we have worked together to do what is best for the country.

I really think we can do that, and at the end of the day it might be precisely what the President has proposed. But it may well enjoy his support. The fact is, circumstances have changed. He made a proposal during the campaign. I didn't agree with every part of it, but I respect him for doing it. The question now is, What do we do in light of what we face today? It does not need to be exactly what was proposed more than a year ago. Circumstances have changed. We have a requirement and a responsibility to respond to what is occurring.

I am again asking Senator DOMENICI to reconsider. I am asking colleagues on both sides to urge Senator DOMENICI to reconsider. The Members on the Budget Committee have been very diligent in their responsibilities. We had an outstanding set of hearings. We ought to debate and discuss a budget resolution for this country before it comes to the floor of the Senate. I think it really invites chaos to come out here with the Budget Committee for the first time ever failing to even meet and failing to even try. What kind of procedure is that?

I hope very much that Members of goodwill will get together in this Chamber and try to do what is best for the country and try to go through the kind of process we normally do to reach agreement. This idea that we predict failure before we have tried I think is a mistake. We ought to try debate and we ought to discuss and vote and provide some leadership so that we have a budget resolution out on the floor that has been carefully vetted by the Members who have the primary responsibility—the Senate Budget Committee.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, this has been cleared with the managers of the bill, Senators DODD and MCCONNELL.

I ask unanimous consent that the Senator from Wisconsin, Mr. FEINGOLD, be recognized for 5 minutes as if in morning business, and following that Senator HOLLINGS be recognized for 10 minutes as if in morning business, and the time not count against the amendment that has been filed by the Senator from Mississippi.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Thank you, Mr. President.

I am pleased that the distinguished ranking member of the Budget Committee is still on the floor because I rise at this point not to talk about campaign finance reform but to strongly agree with the comments he has made.

I am very pleased to be a member of the Budget Committee. It is something I wanted to have an opportunity to do when I came here because it was the issue on which I ran originally—and I believe the issue on which the Senator from North Dakota ran—getting this country's fiscal situation under control. That is actually the most important thing we can do. If you care passionately about campaign finance reform, nothing is more important than the appropriate and thoughtful budgeting of the people's resources. I am grateful for his extremely skilled leadership on our side in the Budget Committee.

I am pleased to join with the ranking member of the Budget Committee and my colleagues on the committee to talk about the need for the markup in our committee of the concurrent budget resolution.

I, too, was disappointed to hear our chairman indicate that he may not convene a markup. I believe his stated reason is that he does not want to conduct a markup unless he can be assured the resulting product will have the support of a majority of the committee.

I very much hope the chairman will reconsider his decision.

The principal work of a member of that committee and the reason we are so eager to be a part of that committee and, frankly, one of the best parts of being in the Senate for me has been the experience of going through the markup of a budget resolution. It is extremely interesting, and it is extremely important in terms of the priorities of our country. Forgoing a markup renders membership on that committee much less meaningful.

As many of my colleagues may know, the inability of the Budget Committee to muster a majority to report out a bill would not prevent the Senate from considering a budget resolution. The precedents of the Senate provide for just such gridlock.

Unfortunately, it appears that this very precedent will be used to circumvent the committee entirely, leaving the writing of the budget resolution to unelected staff.

While this might have little practical effect on just about any other bill where debate and amendment are much more open, debate on the budget resolution is severely constrained.

We are warning our few colleagues, including the Presiding Officer, that we are about to experience "vote-arama" where we vote on scores of amendments with just a few minutes' notice because of the inability to find time and to have time for people to actually fully debate amendments on the budget resolution.

Stringent germaneness standards severely restrict the ability of the body to amend the resolution, and those standards flow from the baseline resolution that comes to the Senate.

This makes the work of the Budget Committee on the resolution all the more important. The threshold for adopting an amendment can be a simple majority, or a supermajority, depending on the underlying structure of the concurrent resolution crafted by the Budget Committee.

The chairman has considerable say in the way the concurrent resolution is structured even with a committee markup. But others on the Budget Committee should have a say as well.

We are in an unusual posture with an evenly divided Senate and evenly divided committees. Perhaps we are the victims of some ancient curse, having to "legislate in interesting times."

But these "interesting times" are all the more reason to respect the rights of Members to participate fully in their respective committees.

I simply wanted to rise to strongly agree with the ranking member that we need to have a markup in the Budget Committee.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. I thank the Chair and my distinguished colleague from Arizona.

Mr. President, I just want to reemphasize the point made by the Senators from North Dakota and Wisconsin relative to a markup of the budget in the Budget Committee.

Yesterday morning, Marjorie Williams had an intriguing op-ed piece in the Washington Post emphasizing that the key watchword of the Bush administration is "transparency," "transparency." Apparently, at every turn, the emphasis has been: We're transparent. We're transparent. We're open.

This bemuses this particular Senator because the one thing they are absolutely nontransparent about is the budget. I have been trying, as a former chairman of the Budget Committee—and working here now for 25 years on this particular problem—to get the President's budget figures. We have had different people make some very interesting, amusing, and entertaining appearances on C-SPAN, but nobody has pointed out the actual outlays and the spending in the President's budget.

We are on a collision course. What will happen come April 1st, under the budget rule, the majority leader can propose and lay down a budget, and start debating. If that is the game plan, we are headed now on a course of a train wreck. That is not going to fly.

We do not have any idea of the figures. And to just vote willy-nilly as an exercise, to bypass all proceedings of the budget in the Budget Committee, just to get it to a conference, and then to mark up, for the first time, what the President wants, is really the process of arrogance.

It is disturbing how little confidence the market has in us—in the Congress and the President—at this particular time. They see the Congress headed in one direction, and the President running around, continuing in his campaign, talking about the budget. He is out selling his so-called tax cut and budget everywhere but in the Budget Committee. We do not know exactly what he wants for defense, education, housing, and transportation. These are all important items to be discussed.

At the beginning—weeks back—not having a real detailed budget, I thought we should take this year's budget—that we passed only in December—and just more or less have a budget freeze like you would have as a Governor. You would just take the President's budget and debate what cuts you had on there, and say, for any increases—the so-called pay-go rule—that you had to have offsets, and then hold up on the tax cuts until it became apparent whether it was going to be a soft or hard landing.

I have to say in the same breath, this is a hard enough landing for this Senator. And rather than hold up, I have amended my initiative to put in an immediate economic stimulus package in the Finance Committee. But my budget is in the Budget Committee. I have written the chairman and asked him to please let me know when we are going to have a markup so we can discuss my budget, the President's budget, and any and all budgets.

This is, as I say, the process of arrogance in which the debate and the consideration of the individual Senators and their opinions makes no difference in the committee. It is a ritual: Now that we have the bare majority, what we have to do is ram through—right now—what we want, irrespective of any debate or consideration. That is going to erode the confidence we have in the White House and the confidence the White House has in the Congress itself.

The market sees this. I think we really are eroding confidence. You are going to see more downturns in the economy, and everything else, until we quit running around and come back home and start working together on the nation's problems.

I see the distinguished President out talking about the Patients' Bill of Rights. That is not before the Congress right now. But we are out politicking on different campaign issues. But if we could show a willingness to work together, I think we would be much better off. I have not seen the likes of this in my years, and particularly with respect to the budget.

The budget process was instituted as a result of some 13 appropriations bills, and we did not have one look-see at the Government spending in its entirety. So we put in these particular rules so that we could facilitate a complete and comprehensive debate and treatment of the Government's financial needs.

Those rules are restrictions to help move it along—a mammoth Government budget of all departments—but they are being used to obscure any consideration rather than give comprehensive treatment and consideration.

So instead of knowing what the President intends on education, housing, crime or with respect to the Justice Department, we just operate in the dark, in a casual fashion, and use the limited rules of the budget process—not for a comprehensive treatment and consideration—but, on the contrary, to obscure any consideration, any treatment, any markup, any understanding. That is fundamentally bad Government.

I appreciate the distinguished leaders on the opposite side of the aisle giving me time to comment on this particular matter because I do have a budget. It is a good one. It really responds to our country's needs. But I have not been able to get a markup of my budget. We cannot consider the President's budget.

We are going to take up the budget, willy-nilly, under a limited time—with the leadership relinquishing back most of its time and saying: All right, you Democrats, we have the votes. This is what we are going to pass. Go ahead and put your amendments on, and your time will run out by Wednesday and we will start the "vote-a-rama" around the clock. And the more amendments there are, the longer we will stay. We will stay here Thursday, we will stay here Friday, we will stay here Saturday—and we will stay here Palm Sunday—and just continue to vote if that is what you all want to do, making it appear that there is obstructionism on this side of the aisle, wherein the truth is, we have not had a chance to consider anything and to find out the merit or demerit of the bill or the feelings of the other side on anything.

This is just bad congressional process legislating. I hope the chairman of the Budget Committee and the leadership on the other side of the aisle will say: All right, let's start Monday, meet in formal session and start marking up this budget.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALLARD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—Continued

AMENDMENT NO. 137, AS MODIFIED

Mr. COCHRAN. Mr. President, after consultation with the managers of the bill and their staffs, we have agreed to a modified amendment providing additional disclosure provisions to the bill. I ask unanimous consent to modify my amendment and send the modification to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

On page 38, after line 3, add the following:

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

"(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.".

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) In General.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all publicly available election-related reports and information.

(b) Election-Related Report.—In this section, the term "election-related report" means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) Coordination With Other Agencies.—Any federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.

Mr. COCHRAN. Mr. President, this simply clarifies the amendment with appropriate legal language. I hate to use that reference because these are lawyers writing these provisions and experienced staff members maybe who aren't lawyers who help them. It does improve the clarity of the language, and it does ensure that election-related reports, those provided for in the Federal Election Campaign Act of 1971 and amendments thereto, be provided as quickly and as completely on an Internet site as they can by the FEC.

We think this will improve the disclosure of important information to the public about who is financing election campaigns, how they are being financed, where the money is coming from that the candidates are spending, that are required to be filed under current reports and the additional requirements that will be in effect after this legislation is agreed to.

We believe this is an improvement. It supplements and complements the Snowe-Jeffords amendment which has already been adopted by the Senate. We are hopeful the Senate will be able to accept this amendment as modified.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I commend my friend and colleague from Mississippi. This is a good amendment. I appreciate the efforts of the staff who worked on this over the last half an hour or so.

What I thought we might do, for those who want to understand this better, the Senator from Mississippi and I, along with my colleague from Kentucky, will have a colloquy that we will write up providing more specificity on exactly what changes we made here and the rationale. Basically, this is a coordinating effort. We are saying that under existing law, where there are requirements of public disclosure, there ought to be a way to coordinate that information so that it is more transparent, more readily available for those who seek that information. It does not expand the requirements in law beyond those that already exist for public disclosure.

I thank my colleague from Mississippi and my colleague from Kentucky. I know of no reason that we need a recorded vote.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I, too, commend the Senator from Mississippi for his amendment and thank the various staffs who have been working on the clarifications. I am in support of the amendment and see no particular reason we should have a rollcall vote.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I thank Senator COCHRAN. He has worked long and hard. It is a chance for us to take advantage of new technology so that literally 100 million Americans will be able to receive this information in a timely and informative fashion. This is in keeping with what all of us are attempting to do with campaign finance reform; that is, increase disclosure. We are working on an additional amendment to help on the disclosure issue. I thank Senator COCHRAN for his involvement. I thank Senator DODD and Senator McCONNELL as well.

I yield the floor.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to the amendment, as modified.

Without objection, the amendment is agreed to.

The amendment (No. 137), as modified, was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Mr. President, I believe the next amendment will come from the other side.

Mr. DODD. Senator WYDEN and Senator COLLINS have an amendment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, today I rise in support of S. 27, the Bipartisan Campaign Finance Reform Act of 2001. I would like to take this opportunity to congratulate both Senators McCAIN and FEINGOLD on developing such an excellent bipartisan bill and also to Senators DODD and McCONNELL for bringing this bill to the Senate floor. I hope we can consider it expeditiously and pass it.

I absolutely support this legislation. Even if it is a disadvantage for incumbents, I believe, we, the Senate, should be more worried about protecting democracy than protecting ourselves. I want a Congress that is unbought and unbossed. Our current campaign finance system contributes now to a culture of cynicism. It hurts our institutions, it hurts our government, and it is an attack on the integrity of our political process.

When big business blocks agencies such as the Department of Labor from issuing important regulations on ergonomics, it adds to the culture of cynicism. I am not saying there is a quid pro quo, but what are the American people to think when some of the biggest campaign contributors were able to stop legislation that they oppose? Is it any wonder Americans don't trust their elected officials to act in the public interest; instead, they believe Congress is preoccupied with pandering to the special interest.

That's why I support the following principles for campaign finance reform, regardless of what bill is before the Senate: I want to stop the flood of unregulated and unreported money in campaigns. I want to eliminate the undue influence of special interests in elections. I want to encourage strong grassroots participation. I would like to return power to where it belongs —with the people. This is why I support the McCain-Feingold bill.

My support for this legislation is nothing new. During my entire political career, both in the House and the Senate, I have always supported campaign finance reform and other measures to open up our democratic process.

The McCain-Feingold bill does several things. It bans soft money raised by national parties and by candidates for Federal office. It ends issue ads, which are really attack ads under the guise of "issues." I want to close the loophole which allows groups to skirt the current election laws - and this bill does just that. Finally, it clarifies what election activities non-profits can do on behalf of our candidates for Federal office.

Why should we ban soft money? We hear "soft" money. Is it like a soft pretzel? What does "soft" mean? Is it soft currency? Really, it is a backdoor way to avoid the contribution limits that are now placed on candidates. Right now soft money is influencing our process almost as much as direct contributions to candidates do. Republicans and Democrats raised over $460 million in last year's soft money race or, soft money chase. Right now, Federal candidates spend so much time and so much attention raising money that we sometimes wonder if we have the time to do the work of our constituents. Candidates must constantly work to raise money.

Special interest groups that contribute large sums have an influence on the political process. Let's face it, those people with the golden Rolodex who can approach a candidate and say, "I'll be able to get 100 people in the room and raise $1,000 for you," have influence. Those who then say, "I'll get 10 people in the room and have 10,000 people give soft money," which is the unregulated but legal way of giving money to parties, funding the issue ads that are really attack ads, are also in high demand.

This is why we need to pass McCain-Feingold because I think it deals with these issues and deals with them in a constructive way.

Thirty years ago I decided to run for political office. I was a social worker who was strongly considering a doctorate in public health. I joined a wonderful group of people in Baltimore to fight a highway. The more we knocked on doors, the more we saw that the doors were closed to us. At that time, Baltimore was dominated by political machines. It was dominated by political bosses. Grassroots, nonprofit organizations couldn't break into that process. I was so tired of banging on doors I decided to open doors, and that's when I announced I was going to run for the Baltimore city council. The smart money was against me. How could a woman run in an ethnic blue-collar neighborhood, someone who had a strong record in civil rights and also had no personal money? While they were so busy laughing at me, I got to work. Because I had no money, I had no choice, I organized a group of volunteers and we went door-to-door, one hot summer in Baltimore, and I knocked on over 10,000 doors. By knocking on those doors with my volunteers, I rolled over the political machine and I beat those two political bosses.

That is how I got into politics. And because of how I started, I want the voices and votes of strong grassroots volunteers still to count. I want the small contributor to still count. I found ways to bring people into the process. Using not only door-to-door but techno door-to-door, using the Internet, chatrooms for discussions on issues, new forms of town halls. But we can't do that if every single day our focus is on raising big money, soft money, or any kind of money that we can get our hands on.

Does McCain-Feingold solve all the problems of this situation? No. Is it more than a downpayment on reform? You bet. What McCain-Feingold does is dry up the soft money and focus on getting real contributors. I hope we can even do more reform and innovative thinking, such as broadcast vouchers, for the small contributors. The more people we can bring in, the more people are participating in the process. The best cure for democracy is more democracy and more participation. That is why I am so strong about McCain-Feingold. We need to stop worrying about protecting incumbents and start worrying about protecting democracy.

Last year we spent $3 billion on election activities. The average Senate race now costs $6 million. That is compared to $1 million over 20 years ago. It seems like the cost of campaigns is going up more than health care costs. Just look at my own State of Maryland where advertising is big business. For me to go on TV in the Baltimore-Washington corridor, it is about $300,000 or $350,000 a week.

Let's look at what it takes to raise $6 million—the average cost of a Senate campaign. When you think about a 6-year term, that means you have to raise $1 million a year. You take 2 weeks off for religious holidays or vacation; that is $20,000 a week. That means a Senator has to think about raising $20,000 a week.

Can you really believe we can focus all the time we need to on our national security interests, raising 20 grand a week? Can you really devote all of your time to thinking about how we can solve the health care crisis? Can we really think about how we could end the trafficking in drugs when we are in the trafficking of fundraisers? It weakens our institution.

Let's look at it among ourselves. Why romanticize the old days of the Senate or talk about the club?

The club has a new look. There are 13 women in the Senate, people coming from a variety of backgrounds, some very wealthy and some who got here because of strong grassroots support, all bringing their passion to engage in public debate and fashion public policy. That is what we want to do. But where are we now? When we used to engage in conversation, the things that promote civility and creative thinking, now we are all dashing to either our own fundraisers or someone else's.

This is why I hope we pass McCain-Feingold. For all of you who do not like campaign finance reform, be worried, as I am, that the largest voting block in America now is the no-shows. The way we can deal with the cynicism is to be able to clean up our own act, do some of the election reforms on which Senators DODD and MCCONNELL are working. They are very able Senators. Let's continue to open up the process but don't think about opening up the process where we have to pursue open wallets. I would rather pursue open minds and keep knocking on those doors.

I urge my colleagues in the strongest way I can to pass McCain-Feingold. It will be one of the best things we can do for democracy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I am very pleased I was on the floor to hear the remarks of the Senator from Maryland. She has been incredibly helpful on this issue of campaign finance reform.

I had the honor last Friday, with Senator MCCAIN, to go to her State and visit Annapolis. The mere mention of her name in general produced a tremendous response, but in particular, when I shared with the audience how she has been with us every minute of the way for all these years on this issue, with such enthusiasm, there was a great response. I thank my colleague and appreciate so much the fact that she is helping us get the bill through.

Ms. MIKULSKI. I thank the Senator and I salute him and Senator MCCAIN.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 138

Mr. WYDEN. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. WYDEN] for himself, Ms. COLLINS, and Mr. BINGAMAN, proposes an amendment numbered 138.

Mr. WYDEN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide that the lowest unit rate for campaign advertising shall not be available for communications in which a candidate directly references an opponent of the candidate unless the candidate does so in person)

On page 37, between lines 14 and 15, insert the following:

SEC. . LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(3) CONTENT OF BROADCASTS.—

"(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

"(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

"(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

"(i) a clearly identifiable photographic or similar image of the candidate; and

"(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast.

"(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

"(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

"(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting "subject to paragraph (3)," before "during the forty-five days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the date of enactment of this Act.

Mr. WYDEN. Mr. President, I come to the floor this morning with Senator COLLINS of Maine to offer a bipartisan amendment that we believe will help slow the explosive growth of negative political commercials that are corroding the faith of individuals in the political process. I also thank my colleague from New Mexico, Senator BINGAMAN, and Congressman GREG WALDEN of Oregon on the House side, who has also been extremely interested in this issue over the years.

Negative commercials are clearly fueling citizens' cynicism about politics. Those negative commercials are depressing voter participation and, in my view, they are demeaning all who are involved in the political process.

The amendment I have prepared with Senator COLLINS is a straightforward one. In order to qualify for the advertising discounts that Federal law requires candidates for Federal office receive, those candidates would have to personally stand by any mention of an opponent in a radio or television advertisement.

We have asked the Congressional Research Service to do an analysis of our proposal. In their view, they believe it would be upheld as constitutional. I am of the view that they came to that conclusion because the fact is there is no constitutional right to a subsidized dirty political campaign. Everybody in this body knows and knows full well that when candidates mention their opponent in an advertisement, they are not spending those campaign funds to state that their opponent is the greatest thing since night baseball. They are going to be spending, in so many instances, advertising money where, in effect, the candidate would hide behind grainy photographs of the opponent, pictures that make that opponent look pretty much like a criminal, and often there is this bloodcurdling music that portrays the whole thing in such an ominous way that the children sort of run for another room.

What Senator COLLINS and I are seeking to do in this amendment is to make it tough for candidates to disown their negative political commercials. We say that candidates can say anything they want. We are not trampling on the first amendment. A candidate is free, totally free, completely unfettered, under our bipartisan proposal, to say anything about their opponent.

But what we say, however, is if you are going to mention your opponent, you have to own up to it. You cannot hide any longer.

The fact is, negative campaigning is done to obscure ownership. It is done to obscure who is actually going to be held personally accountable.

A number of analysts have looked at negative commercials over the years and the fact is, as they have noted, it is almost always done by advertising. It is almost impossible to do a negative exchange if you are in a debate because the candidate on the other side has an opportunity to answer. The sneak punches, the low blows, are easily delivered through TV and radio, especially radio.

As our colleagues know, a lot of the newspapers at home will do these ad watches. So very often it is possible to blow the whistle on a television commercial. But with respect to radio, that so often is completely under the radar so there is absolutely no accountability.

What Senator COLLINS and I seek to do is to make it clear that it is not going to be so easy to skulk around, to sneak around and engage in these negative ads and pretend they are not yours.

You can say anything you want about your opponent under our proposal, but there is not going to be a subsidized rate if you don't own up to it. It just doesn't seem right to me to say the car dealer or the local restaurant or the hardware store should have to pay a higher rate while you get a discounted rate for running a negative advertisement.

A lot of our colleagues want to speak on this. I believe we have an hour and a half for this debate. I am very appreciative that Senator COLLINS is on the floor. She has a long history of being involved in reform efforts.

I also thank Senator BINGAMAN who has had a great interest in this issue over the years. Senator DODD, Senator FEINGOLD, Senator MCCAIN, Senator LEVIN—all of them have worked with us on this proposal in recent days.

I see Senator DODD on the floor, and I commend him for the superb way in which he handled this debate. Nobody ever said this topic was going to be a walk in the park. He has handled it superbly, in my view.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I am delighted to join the Senator from Oregon in sponsoring this important legislation.

The premise of our amendment is clear. Candidates who run negative television and radio ads against their opponents should have to stand by their ads. That is the premise of our amendment.

The Wyden-Collins amendment would require the candidate to clearly identify himself or herself as the sponsor of the ad. No more stealth campaign negative ads.

There are many legitimate policy disputes between candidates and certainly an ad airing these differences is perfectly legitimate and, indeed, contributes to the political debate.

But when a candidate launches an ad that talks about his opponent—whether it is a high-minded discussion of policy differences or a vicious attack on an opponent's character—a candidate should be required to own up to its sponsorship.

The public should not have to guess or decipher as to who is the sponsor of the ad. The candidate's sponsorship should be absolutely clear. Our amendment would accomplish that goal by requiring a clearly identifiable picture of the candidate and statement of sponsorship for the TV ad. The statement would require the candidate to say that he or she has approved the broadcast.

Similarly, for radio, the candidate would have to identify himself, the office he is seeking, and state that he has approved the radio broadcast.

We recognize that our amendment tackles only part of the problem of the deluge of negative attack ads since so many of them are sponsored not just by candidates but by outside special interest groups. Nevertheless, the Wyden-Collins amendment is an important first step. It would help curb the abuse of self-negative ads sponsored by candidates, and it would strengthen the underlying McCain-Feingold bill.

I hope it will be approved. I urge my colleagues to support the amendment.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I commend both of my colleagues. Senator BYRD of West Virginia is also a cosponsor of this amendment.

Mr. WYDEN. Mr. President, if my colleague will yield, because we have gone through various versions, he has indicated that he is strongly in support of this effort and is still looking at some of the specifics.

The Senator is absolutely right. I think the Senator from West Virginia has made a real contribution because he has seen from a historical standpoint how there has been such an explosion of these negative commercials.

I want our colleagues to know that we are very appreciative of the input of the Senator from West Virginia in fighting these negative ads.

Mr. DODD. I thank my colleague for that clarification.

Let me emphasize again how much I appreciate his efforts and the efforts of the Senator from Maine and others who have been so involved in putting this amendment together.

At first blush you might say this ad is designed to probably help an incumbent because it is the incumbent's record that can be attacked. It is not a question of people disagreeing with our existing voting records. It is the personal attacks that so often are the most disturbing, not to the candidates themselves but the voters.

We have seen too often that the effect of negative ads isn't so much to do damage, although it does to the reputations of good people by distorting some minor difference and magnifying it beyond all sense of proportion, but the larger harm done is that it has a tendency to discourage people from voting.

There is ample data in various races around the country where there has been a deluge of negative campaigning that voter participation declines. People get disgusted by it. They do not necessarily blame one candidate or another when they see negative ads. It has the effect of saying: Politics is such a dirty business that I don't want anything to do with it. I am not going to encourage it, but I am not even going to vote.

That is my great concern and why I believe this amendment has such value. It is not to protect people who hold themselves out for public office from being criticized. We understand that occurs if you hold yourself up for public office. We have hundreds of votes, and there are many which divide us as to what is the proper course of action to take. Someone may stand up and say: I disagree with Senator DODD on how he stands on child care, or education issues. It is a perfectly legitimate activity in a campaign.

We need the debate so people can have a better clarification. The authors of this amendment, as I understand it, are in no way suggesting that healthy debate and criticism of candidates ought to be removed from politics. They are saying, if you are going to do that, those who are making the criticism need to let people know from where it is coming. They believe—and I think they are correct—that this will have the dual effect of people being less inclined to attack people on a personal level where their picture is going to be displayed; secondly, it will encourage more constructive criticism, which is perfectly legitimate and which we ought to invite in a good campaign.

The effect of that goes to the very heart of what this amendment is likely to do; that is, to encourage people to vote and participate.

I applaud both of my colleagues for this amendment because I think it will encourage more people in the final analysis to engage in the political life of our country.

I mentioned yesterday how we were applauding, in a sense, that we had done better than anticipated when 50 percent of the eligible voters in this country voted in the last Presidential election. We thought that was good news because it was better than what we had anticipated. What a sad commentary it is that 50 percent of the eligible Americans who have a right to choose who will be the President of the United States do not participate despite all of the ads and activities. I suspect that a significant percentage of that 50 percent stayed away not because they forgot, not because they were not interested in the decisions that the next President might make, but I think they didn't participate because they were so disgusted by what they saw on television, what they heard on radio, and what they saw being spent, which goes to the heart of what Senator FEINGOLD and Senator McCAIN are talking about and why we are debating campaign finance reform. To have that discussion and not include this element would be a mistake.

I, again, applaud my colleagues for adding this. Again, I can't say for certainty this will increase participation. But I think the American public will applaud this effort and politics will be the better for it, in my view. Maybe we will see more people voting in the next election because candidates will be more reluctant about saying some of these things they wouldn't dare say otherwise about themselves, and articulate it in a sense by requiring that a photograph be included in that ad. I think they will be a little more cautious about the things that have been said in campaigns in the past.

I applaud my colleagues' efforts. I am happy to yield to my colleague from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I commend and thank our friends from Oregon and Maine for their amendment.

The bill before us is aimed at trying to close a soft money loophole, which has fueled the kind of negative TV ads which do not do justice to our democracy.

The unlimited contributions which have come into campaigns, directly and indirectly, have been one of the major sources for the horrendous amount of negative attack ads which are inflicted upon our constituents in most of these elections.

The McCain-Feingold bill is trying to do something about closing that soft money loophole. If we are going to restore credibility to the electoral process, it is vitally important we close that soft money loophole. Hopefully, we will. Part of the answer, ultimately, is that we require candidates for office who take out ads, if they want the lowest unit rate which is provided for in this McCain-Feingold legislation, if they want to take advantage of that benefit which is conferred, that guarantee that is in the McCain-Feingold bill—they at least put their name and their face at the end of the ad they are funding.

To ask a candidate to do so is pretty fundamental for a benefit which is being conferred.

This is a very modest amendment. It is a very carefully crafted amendment. It is not aimed at intruding on the message that is in that commercial. It doesn't create a problem in terms of the message. It doesn't seek to control that message. It says, if you want that lowest rate provided for in this law that we are guaranteeing to you, then you must put your name and your face at the end of this ad for a few seconds so the people know who is paying for this ad; so that you can't have some name of some citizens group put at the end of the ad which masks or disguises who is paying for this ad. It is a very reasonable kind of requirement in exchange for that lowest unit rate.

I commend the sponsors of this amendment for the amendment. I want to say one other thing.

I only wish it were possible to extend this to the ads that are put on by outside groups—it is not possible constitutionally. I don't think we are able to do that. I wish we could because so many of the ads that are on television these days are not paid for by candidates but are paid for with soft money, and are paid for by outside groups in the form of so-called issue ads, which more often than not, about 98 percent of the time, indeed, are not issue ads at all but are ads that are clearly aimed at electing candidates and giving advantages to candidates or attacking candidates.

This will do some significant good, in my judgment, because it at least gets to the ads that are paid for by a candidate, or a candidate's committee.

My only regret is—and I can't figure out a constitutional way yet—we do not apply this same logic to the ads which are funded by outside groups that are intended to help candidates get elected or to defeat other candidates. But, again, we should be grateful for the good that can be accomplished while we seek to find ways to accomplish the same result relative to the so-called issue ads of the outside groups.

So I commend my good friends from Oregon and Maine and the other cosponsors.

Mr. President, I ask unanimous consent that I be added as a cosponsor.

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

Mr. DODD. Mr. President, I yield whatever time he may need to the Senator from Wisconsin, Mr. FEINGOLD.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I thank the Senator from Connecticut. And I especially thank the Senators from Oregon and Maine for offering this amendment. It is a pleasure to see this back because this is one of the original provisions and ideas we tried to put forth in the original McCain-Feingold bill many years ago. In the process of negotiating and trying to get votes, it was one of the casualties that came off the bill as we tried to simplify it. But that was not because it was not a good idea. It was always a good idea.

The Senator from Oregon has been diligent in mentioning this and arguing for this over the years. I am extremely pleased that we finally got the process where Senators, such as the Senator from Oregon, can offer his amendment. Finally—and it took us 5 years—here we are talking about one of the three things that I find constituents complain about in relation to campaigns.

First of all, they obviously say they are too expensive. We all know that is one of the reasons we are doing this bill. Secondly, they say the campaigns go on too long; you have to have ads all year, all the time. But the third thing they say to me—and I assume the Senator from Maine and the Senator from Oregon have had the same experience—is they are so negative.

Of course, I believe fundamentally in the free speech right of people to say something negative anytime they want. But what this amendment does is make sure there is some accountability for that. So I welcome it. It is bipartisan. It is offered by two of the strongest reformers in the entire Senate. The voters deserve the chance to see the candidates and know that the candidates sponsoring the ads support the content and the tone of the ad. So it is an excellent bipartisan amendment.

Just as we predicted, Senator MCCAIN and I offered a bill that not only is not a perfect bill, but it is a bill we hope will be improved and made better, more important, and more valuable by the amending process. This amendment does exactly that.

Mr. WYDEN. Will the Senator yield?

Mr. FEINGOLD. For a question.

Mr. WYDEN. I appreciate the Senator yielding. I will be very brief.

I say to the Senator, I thank him for all the years he has toiled in the vineyards on this issue. He and Senator MCCAIN have been out week after week for years. I was sworn in as Oregon's first new Senator in more than 30 years on February 6, 1996, around noon. The first official action I took, as Oregon's first new Senator in more than 30 years, was to be a cosponsor of the McCain-Feingold legislation.

I just want the record to note that this Senator knows we do not get to this kind of opportunity by osmosis. It does not happen by accident. It happens because we get two Senators such as the Senator from Wisconsin and the Senator from Arizona who, week after week, year after year, do so much to make this action possible.

I want the Senator to know how much I appreciate all his leadership.

Mr. FEINGOLD. I appreciate that, Mr. President. I thank the Senator from Oregon.

As I look at these two Senators—Senator COLLINS from Maine and Senator WYDEN from Oregon—there was a time when people were saying: You only have two Republicans on the bill. It was a critical moment in the history of this legislation when the Senator from Maine came on the bill. I remember when the Senator from Oregon came, and he made this his first piece of legislation he would cosponsor. It actually gave me a chance, for the first time in my life campaigning for this bill, to go to Portland, OR, a beautiful city.

If I could somehow get myself to Maine for the first time, I could go to the other Portland and we could have this be the Portland-to-Portland amendment which, of course, reflects the tremendous reform tradition of both States, Maine and Oregon, in which Wisconsin joins as well.

So, again, my thanks to both Senators.

I yield the floor.

Ms. COLLINS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I thank the Senator from Wisconsin for his very gracious comments. We would not be where we are today without his tenacity in pushing for true campaign finance reform.

I want to respond, also, to the comments made by the Senator from Connecticut and the Senator from Michigan and thank them for their support of the Wyden-Collins proposal. Senator DODD and Senator FEINGOLD also raised a very important point, and that is, the deluge of negative attack ads discourages people from voting and really turns off the American public. This is exacerbated by the fact that a lot of times it is not evident who is sponsoring these ads, who is behind these charges and allegations that are hurled particularly in the final days of the campaign.

I believe the Snowe-Jeffords amendment will help in that regard and that the amendment Senator WYDEN and I are sponsoring today will make very clear that when a candidate launches a negative ad attacking his opponent, that candidate will have to take responsibility for that ad.

It is important to note, however, that there is nothing wrong with a candidate running an ad that discusses policy differences. Indeed, that is valuable to the political discourse and debate. And, indeed, as Senator LEVIN pointed out, there is nothing in our amendment that prevents a candidate from running an irresponsible attack ad that perhaps is a vicious attack on an opponent's character. But if that is done—in either case—the candidate has to take responsibility for the ad.

Under our proposal, the candidate's picture would appear at the end of the ad and the candidate would have to have a statement saying he or she approved the ad in order to get the lowest broadcast rate. So we are not, in any way, attempting to regulate speech or attempting to impose our ideas of what constitutes an appropriate ad. Rather, all we are doing is saying that if a candidate runs an ad that talks about his opponent, he has to own up to that ad. He has to clearly state that he paid for the ad, that he is responsible for its content.

I think that would have the very beneficial effect of making candidates think twice before hurling accusations that perhaps are exaggerated or unfounded against an opponent. I believe it would help elevate the political debate and it would help curb some of the egregious negative ads that offend all of us.

So I thank the Senator from Michigan, the Senator from Connecticut, and the Senator from Wisconsin for their support of this proposal. In particular, I thank my colleague from Oregon for the opportunity to work with him to craft what I think is a reasonable proposal, a modest but important first step that will help improve the quality of our campaigns.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DODD. Mr. President, I suggest the absence of a quorum and ask unanimous consent the time be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, are we under controlled time at this point?

The PRESIDING OFFICER. The Senator from Kentucky and the Senator from Oregon control the time.

Mr. FEINGOLD. I yield myself 10 minutes on our side of the amendment.

The PRESIDING OFFICER. The Senator is recognized.

Mr. FEINGOLD. Mr. President, we have had a good debate on a number of amendments this week. It has been very pleasant to cover a lot of ground. We have made good progress on the bill. I hope we can finish work on this bill next week, as our agreement in February contemplated, and as the majority leader has said he wanted. Getting a final up-or-down vote on this legislation is what we set out to do, and it is what we will do once Senators have had a chance to offer amendments and improve the bill.

Sometimes when we spend a few hours on an amendment, we can get bogged down in the minutia. When I say "minutia," I don't mean any disrespect. This is very important. This is how the laws actually work. This is how campaigns will be conducted. So we have to go through this action. But I think sometimes when people observe us from afar, or on television, they wonder, what are we talking about? What is the big picture?

I want to take us back to why we are here in the first place. Why are we spending 2 weeks on this issue? What is this bill all about? We are here because we have a crisis of confidence in this country and in this Congress. We labor long and hard on legislation, and I am afraid the public doesn't trust us to do the right thing. For example, here is a headline in Business Week's February 26 issue: "Tougher Bankruptcy Laws—Compliments of MBNA?"

The article says:

> MBNA is about to hit pay dirt. New bankruptcy legislation is on a fast track. Judiciary panels in the House and Senate held perfunctory hearings, and a bill could be on the House and Senate floors as early as late February.

The implication is clear that it is widely assumed the credit card issuers called the shots on the substance of the bankruptcy bill we passed right before we started this debate on campaign finance reform.

Isn't it troubling that people are so quick to assume the worst about the work we do on this floor? That is why we are taking up this bill; we have to repair some of that public trust. Our reputation is on the line. We aren't going to get a pass from the American people on this one and, frankly, we don't deserve one. The appearance of corruption is rampant in our system and it touches virtually every issue that comes before us.

I know my friend from Oregon is familiar with this because we have talked about it. That is why I have called the bankroll on the floor 30 times in less than 2 years. I do it because I think it is important when we debate a bill to acknowledge that millions and millions of dollars are given in an attempt to influence what we do. That is why people give soft money. I don't think anyone would seriously try to dispute that.

I won't detail every bankroll here. It would actually take me all day. But let me review some of the issues they address to show how far reaching the problem really is. I have called the bankroll on mining on public lands, the gun show loophole, the defense industry's support of the Super Hornet and the F-22, the Y2K Liability Act, Passengers' Bill of Rights, MFN for China, PNTR for China, and, of course, the tobacco industry. I have talked about agricultural interests, lobbying on an Agriculture appropriations bill, railroad interests, and lobbying on a Transportation appropriations bill. I have talked about contributions surrounding the Financial Services Modernization Act, nuclear waste policy, the Arctic National Wildlife Refuge, and the ergonomics issue. I have also had the chance to call the bankroll on the Patients' Bill of Rights twice, the Africa trade bill twice, and the oil royalties amendment to the fiscal year 2000 Interior appropriations bill twice. I have called the bankroll on three tax bills, four separate times, and on our most recent legislation, the bankruptcy reform legislation.

People give soft money to influence the outcome of these issues. That is plain and simple. As long as we allow soft money to exist, we risk damaging our credibility when we make decisions about the issues the people elected us to make. They sent us here to wrestle with some very tough issues. They have vested us with the power to make decisions and to have a truly profound impact on their lives. That is a responsibility that every one of us takes seriously.

But, today, when we weigh the pros and cons of legislation, many people think we also weigh the size of the contributions we get from interests on both sides of the issue. When those contributions can be a million dollars, or even more, it seems obvious to most people that we will too often reward our biggest donors.

That is the assumption people make, and we let them make it. Every time we have had the chance to close the soft money loophole, this body has faltered. If we can't pass this bill, history will remember that this Senate faced a great test and we failed; that the people had accused us of corruption and, in our failure to pass a real reform bill, we actually confirmed their worst fear.

Fortunately, the bill before us today offers a different path. If we can support the modest reforms in this bill, we can show the public we understand that the current system does not do our democracy justice. This is just a modest bill. It is not sweeping. It is not comprehensive reform. It only seeks to address the biggest loopholes in our system.

The soft money ban is the centerpiece of this bill. Our legislation shuts down the soft money system, prohibiting all soft money contributions to the national political parties from corporations, labor unions, and wealthy individuals. State parties that are permitted under State law to accept these unregulated contributions would be prohibited from spending them on activities relating to federal elections, and federal candidates and officeholders fortunately and finally, would be prohibited from raising soft money under our bill. That is a very significant provision because the fact that we in the Congress, those who are elected to Congress, are doing the asking is what I believe and many people believe gives this system an air of extortion, as well as bribery.

McCain-Feingold-Cochran also addresses the issue ad loophole, which corporations and unions use to skirt the federal election law. This provision, originally crafted by Senator SNOWE and Senator JEFFORDS, treats corporations and unions fairly and equally. I want to be clear. Snowe-Jeffords does not prohibit any election ad, nor does it place limits on spending by outside organizations, but it will give the public crucial information about the election activities of independent groups, and it will prevent corporate and union treasury money from being spent to influence elections.

Senators SNOWE and JEFFORDS described this provision of their bill earlier in the week. As this debate proceeds, we may debate whether it should be strengthened or even removed from the bill altogether. I believe the Snowe-Jeffords provision is a fair compromise and the right balance. It fairly balances legitimate first amendment concerns with the goal of enforcing the law that prohibits unions and corporations from spending money in connection with Federal elections.

I am sure most of my colleagues are aware of the serious political crisis underway as we speak in the nation of India. Journalists posing as arms dealers shot videos with hidden cameras on which politicians and defense officials were seen accepting cash and favors in return for defense contracts. Those pictures have caused a huge scandal. The Indian defense minister has resigned, and we do not know yet how great the repercussions will be.

One thing that struck me as I read the news reports of these events was two of the people caught on tape were party leaders, including the leader of the ruling party, the BJP, Mr. Bangaru Laxman. Let me read from an AP story of March 16:

> Laxman denied that the journalists identified themselves to him as defense contractors or discussed weapons sales. He said they were presented as businessmen and that accepting money for the party is not illegal in India.

I am not going to say that what is happening in India is the same as the system we have in the United States, and I am certainly not going to comment on the guilt or innocence of any party leader or political official in that sovereign country. But the Government of India is hanging by a thread based on possibly corrupt payments of a few thousand dollars by people posing as defense contractors.

In our country, we have literally hundreds of millions of dollars flowing to our political parties from business and labor interests of all kinds. And our defense, like Mr. Laxman's is, "it's legal." We have a system of legalized bribery, a system of legalized extortion, in this country. But legal or not, like the videotaped payments in India, this system look awful. It may be legal, but it looks awful.

Our debate this week has shown time and time again that we have a strong majority in this body that wants to pass reform. We are ready to do it. I am eager to continue our work, and get the job done.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, Senator DODD is not here. How much time does the Senator request, 5 minutes?

Ms. COLLINS. I request not more than 5 minutes.

The PRESIDING OFFICER. The Senator from Maine.

AMENDMENT NO. 138, AS MODIFIED

Ms. COLLINS. Mr. President, I thank the Senator from Kentucky for pointing out to the Senator from Oregon and myself that in drafting this amendment we erred.

I ask unanimous consent to modify my amendment to correct the mistake, and I send the modification to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, reads as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. ___. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(3) CONTENT OF BROADCASTS.—

"(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

"(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

"(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

"(i) a clearly identifiable photographic or similar image of the candidate; and

"(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate's authorized committee paid for the broadcast.

"(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

"(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

"(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting "subject to paragraph (3)," before "during the forty-five days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the date of enactment of this Act.

Ms. COLLINS. Mr. President, I will briefly explain. The Senator from Kentucky pointed out that in drafting the amendment, we inadvertently deleted the requirement that there be a disclaimer that the ad is paid for by the candidate's authorized committee. We did not in any way intend to remove that disclaimer requirement.

The legislation I sent to the desk makes it clear that the candidate's ad has to include the statement that the ad was paid for by the candidate's authorized committee.

I thank the Senator from Kentucky for pointing out that error and allowing us to correct it.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I say to the Senator from Maine and the Senator from Oregon, we have had an opportunity to review the amendment and discuss it on the floor. As everyone knows, current law already requires certain things of the candidates, but this amendment is a useful addition that codifies and clarifies the law.

Consequently, I am happy to support it and see no particular need for a rollcall vote unless there is a desire to do so on the other side.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I yield to the Senator from Oregon 5 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 5 minutes.

Mr. WYDEN. I thank the Chair.

Mr. President, I will be brief. It has been interesting that on the floor of the Senate today no one has spoken in defense of negative ads. The very ads that the media consultants believe are most successful or most likely to win elections have not won a defense. I guess the media consultants in this country are going to have to go back to school if this proposal, as it makes its way down the gauntlet, becomes law, as the Senator from Maine and I hope to make possible.

The fact is that this is a stand-by-your-ad requirement. This is a proposal that makes it clear that to get that lowest unit rate, you have to be held personally accountable.

What the Senator from Maine did is useful. We believed we had made it clear in terms of linking it to the appropriate Federal election statute. What we just did makes it even more so.

I, too, thank the Senator from Kentucky. This is an area in which I have had a special interest since what I think was the harshest campaign in Oregon history in 1995 and 1996. My friend and colleague, Senator SMITH, and I believe that race was just completely out of hand. Neither of us could recognize the kinds of commercials that were being run by the end.

This is an opportunity to draw a line in the sand and to say the Senate wants to make it clear that we are not going to let candidates disown these corrosive, negative commercials. They are not going to be able to hide any longer if this becomes law.

I express my thanks again to the Senator from Maine.

There are a number of staff who have put in a huge number of hours: Jeff Gagne and Carole Grunberg of my staff, Michael Bopp with Senator COLLINS, Linda Gustitas with Senator LEVIN, Bob Schiff with Senator FEINGOLD, and Andrea LaRue with Senator DASCHLE. All of them contributed to this effort to make sure that in this country we are no longer subsidizing dirty campaigning. That is what happens today. We are subsidizing the local hardware store owner and the local restaurant owner is subsidizing dirty campaigns, and we are taking a step away from that.

With thanks to my colleague from Maine, with a pledge to the Senator from Kentucky to continue to work with him in this area, I express my thanks to him for taking this by voice vote.

I yield the floor.

Mr. MCCONNELL. I yield back the remainder of my time.

Mr. REID. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon, Mr. WYDEN, and the Senator from Maine, Ms. COLLINS, numbered 138, as modified.

The amendment (No. 138), as modified, was agreed to.

Mr. MCCONNELL. I move to reconsider the vote by which the amendment was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. The Senator from Kentucky and the Senator from Connecticut have graciously consented to allow the Senator from New Mexico until 1 o'clock for morning business for the introduction of legislation.

Mr. MCCONNELL. Let me say to all Members of the Senate, the next amendment will be on this side, offered by the assistant majority leader, Senator NICKLES. It will be laid down around 1 o'clock.

Mr. REID. I ask unanimous consent that the Senator from New Mexico be recognized.

The PRESIDING OFFICER. The Senator from New Mexico will be recognized for 20 minutes.

Mr. BINGAMAN. I thank my friend and colleague, Senator REID, from Nevada, and my friend and colleague from Kentucky, also, for their courtesy in allowing me to speak as in morning business.

THE PRESIDING OFFICER. The Senator from New Mexico is recognized.

(The remarks of Mr. BINGAMAN pertaining to the introduction of S. 596 and S. 597 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Before the Senator leaves the floor, I extend my congratulations to him for the work that he has put into this legislation. I have been involved with just a little tiny bit of it. He has spent as much time with me as he has with other Members making sure that everyone who had questions about this legislation had their questions answered.

I feel very comfortable with Senator BINGAMAN being the ranking member of this most important committee. We in Nevada believe that problems in California are just a little ways behind us. We are hopeful and confident this much needed legislation will move quickly out of his committee on to the floor so we have an opportunity to debate it.

So, again, I appreciate very much the work of my friend from New Mexico.

Mr. President, there is no one on the floor in relation to the bill. If Senator NICKLES comes to offer his amendment, Senator STABENOW has indicated she would be most happy to give up the floor. She needs 5 minutes to speak as in morning business. I certainly do not want to take advantage of anyone. I do not think I am. I ask unanimous consent that she be allowed to speak for 5 minutes, or until the assistant majority leader comes to the floor to offer his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. STABENOW. I thank the Chair and Senator REID. I echo Senator REID's comments of congratulations to Senator BINGAMAN for his excellent work in forging ahead a very visionary energy proposal covering so many important aspects for American families and businesses.

(The remarks of Ms. STABENOW are located in today's RECORD under "Morning Business.")

Ms. STABENOW. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 139

Mr. MCCONNELL. Mr. President, Senator NICKLES' amendment is next and he will be over in a while. In his absence, I send his amendment, on behalf of himself and Senator GREGG, to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. NICKLES, for himself and Mr. GREGG, proposes an amendment numbered 139.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike section 304)

Beginning on page 35, strike line 8 and all that follows through page 37, line 14.

Mr. MCCONNELL. Mr. President, the debate on this amendment will begin shortly. In the meantime, I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, I want to reserve time on this amendment because I don't know whether Senator NICKLES will want to use all of the time or not. I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent, after having checked with my friend from Kentucky, that the Senator from Washington be recognized for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington is recognized.

AMENDMENT NO. 138, AS MODIFIED

Ms. CANTWELL. Mr. President, I thank Senator WYDEN and Senator COLLINS for offering this amendment that I think truly improves the McCain-Feingold bill.

In the 2000 election, Seattle and Tacoma were the second and third largest markets for political advertising.

The Seattle Post Intelligencer noted earlier this week that campaign ads "rained down on—or bludgeoned, according to some—viewers throughout the late summer and fall. And this wasn't an intermittent, drip torture kind of rain that Seattle residents know so well. It was a deluge, a constant unavoidable torrent, stretching across three solid months."

With this constant torrent of negative advertising, it is no wonder that voting among 18 to 24 year olds has dropped from 50% to only 32%—a much steeper decline than overall turnout.

Part of the reason for this disaffection with voting and with politics is undoubtedly due to negative attack advertising.

This amendment makes candidates accountable for those ads.

By requiring a picture and a readable statement that the candidate approved the ad, it would certainly make candidates think twice before running negative ads.

By requiring candidates to take responsibility, the amendment also helps the viewer.

It lets the viewer know who is paying for those ads, not just text that they have to run up close to the screen to see.

It gives the viewer some of the information that they need as a voter to make a fully informed decision about the candidates.

Studies by the Annenberg Center for Communications have found that advertising that includes a personal appearance by the candidate is more accurate, less negative, and is received more positively by voters.

This amendment also only deals with ads paid for by candidates.

It does not address the problem of out of control issue ads.

But one of the things that will happen as a result of this amendment is that there will be a clear contrast created between ads sponsored by candidates and issue ads that are outside the candidates own control.

This amendment is a step in the right direction. I am pleased to support it and I thank my colleagues for offering it today.

I yield back the remainder of my time.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 139

Mr. McCONNELL. Mr. President, in the underlying bill it is suggested that there is a codification of the Beck decision. In fact, it is just the opposite. McCain-Feingold does not codify Beck; it eviscerates Beck. The so-called Beck codification in McCain-Feingold is a big win for big labor. It does two things the unions love: No. 1, it will let unions keep more of the fees nonunion members pay to unions, and, No. 2, it will make it much harder for those seeking a refund to get one because it takes away their existing right to pursue relief in Federal court and forces them into a burdensome, time-consuming, and hostile administrative process.

The Nickles amendment, of course, will simply take out the so-called Beck codification in the underlying McCain-Feingold bill and go back to the Supreme Court. In the Beck decision, the Supreme Court affirmed a fourth circuit opinion that objecting nonunion members required to pay agency fees as a condition of employment were entitled under section 8 of the National Labor Relations Act to receive a refund of the pro rata share of their fees expended on activities unrelated to the union's role as "exclusive bargaining representative," which consisted of "collective bargaining, contract administration, and grievance adjustment."

The Supreme Court affirmed the fourth circuit ruling that, as a matter of law, the fees unrelated to "collective bargaining, contract administration, and grievance adjustment" that the unions had to refund to objecting nonunion members, along with any accrued interest, included not only fees for political and lobbying activities but also union community service projects, union charitable donations, union organizing, supporting strikes by other unions, and administrative costs related to the above activities. All of those items were entitled to be refunded to agency shop nonunion members who requested such a refund.

In the original Beck case, the court found that 79 percent of the objecting nonunion member's fees had to be refunded because only 21 percent was used for activities related to collective bargaining, contract administration, and grievance adjustment.

The Beck provision in McCain-Feingold limits objecting nonunion members to getting their fees reduced only by the pro rata share of such fees spent on political and lobbying activities that the union deems "unrelated to collective bargaining."

According to the unions, all of their activities related to legislation at the State and Federal level, including health care, judicial and executive appointments, as well as most State ballot initiatives, are "related to collective bargaining." Thus, unions could continue to use nonmember dues for such activities under McCain-Feingold, which is great for them because they cannot use nonunion member fees for most of those things under existing law.

McCain-Feingold will also allow unions to keep and use the portion of an objecting nonmember's agency fees spent on other activities that the Beck court affirmed were unrelated to "collective bargaining, contract administration, and grievance adjustment," such as a union's charitable contributions and a union's support of a strike by another union.

Thus, McCain-Feingold's Beck provision is really bogus. Instead of codifying Beck, it eviscerates Beck by diminishing the scope of the refund the Supreme Court directed for objecting nonmembers required to pay agency fees as a condition of employment.

This is not the only way in which McCain-Feingold's bogus Beck provision is a big gift to big labor. Unions would also love it if we passed this bogus Beck provision because it would close the courthouse doors for nonunion members seeking relief from confiscation of their dues for purposes unrelated to collective bargaining, contract negotiation, and grievance adjustment.

It does this by stating that a union's failure to adhere to the bogus Beck provision "shall be an unfair labor practice" under the National Labor Relations Act. Unfair labor practice claims fall within the exclusive jurisdiction of the National Labor Relations Board.

A recent piece in Roll Call noted that:

> The National Labor Relations Board [has] for 13 years, under both Republican and Democratic administrations, displayed an intense bias against workers who assert their Beck Rights.

Make no mistake. Saying that nonunion members seeking to enforce their Beck rights can only pursue an unfair labor practices claim alters existing law. Under existing law, nonunion members can pursue an unfair labor practices claim or they can avoid the NLRB's time-consuming, hostile and burdensome administrative process by going directly to Federal court against a labor union.

If we enact the bogus Beck provision in McCain-Feingold nonunion workers will no longer be able to go directly to court and seek judicial enforcement of their rights as the plaintiff in the original Beck case did.

Instead, their only recourse would be to navigate a tedious, complex and hostile administrative process that, according to documents from the NLRB itself, regularly takes years.

Unions would love this because they know that giving nonunion members no alternative to this administrative process will greatly deter people's ability and willingness to seek refunds pursuant to Beck.

If we adopt McCain-Feingold's bogus-Beck provision, the other portions of Beck will not remain.

Advocates of McCain-Feingold are using a completely untrue and baseless argument to assuage people concerned about their big gift to big labor in the form of a bogus-Beck codification.

The argument is: Well, we just wanted to focus on the political part of Beck and, if we pass this, the rest of Beck will remain.

This is, of course, untrue because Beck was a decision in which the Supreme Court was interpreting a Federal statute, specifically section 8 of the National Labor Relations Act.

At the beginning of the Supreme Court's decision in Beck, Justice Brennan, the author of the decision, made clear it was statutory interpretation case, not a case about a constitutional right.

Quoting the decision:

> The statutory question presented in this case, then, is whether this financial core includes the obligation to support union activities beyond those germane to collective bargaining, contract administration, and grievance adjustment. We think it does not.

And at the end of the case, in stating the Court's holding, Justice Brennan again made clear that Beck was a statutory interpretation case. Again, quoting from the decision.

> We conclude that [section] 8(a)(3) [of the National Labor Relations Act] . . . authorizes the exaction of only those fees and dues necessary to performing the duties of an exclusive bargaining representative.

The significance of the indisputable fact that Beck was a case in which the Supreme Court interpreted a statute enacted by Congress rather than a portion of the Constitution is that any subsequent codification by Congress in light of the Court's interpretation will completely override the court interpretation.

Every lawyer knows that when a court interprets a statute and the legislature subsequently enacts a law clarifying what that statute means, as the bogus-Beck provision does, the court's interpretation is completely displaced by that statutory action.

Therefore, no serious person can give any weight to the assertion that somehow any part of the Supreme Court's interpretation of section 8 of the National Labor Relations Act in Beck will remain once we pass McCain-Feingold's big gift to big labor—the evisceration of Beck.

Senator NICKLES, as I indicated, will be over shortly to speak on this amendment. Even though he may demand a rollcall vote, we understand that the proponents of the underlying bill are prepared to accept or vote for this provision, and we are glad to hear that. We think restoring the Beck case to its original language is certainly appropriate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the manager of this bill, Senator DODD, is off the floor doing other Senate business. He told me before he left that he would not accept this amendment until there were negotiations. He has a statement he wishes to make, and there are others who wish to speak on this amendment.

In light of the fact that no one is here, I suggest the absence of a quorum and ask that the time be equally charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I will speak briefly on the pending amendment. I thank my friend and colleague, Senator MCCONNELL, for sending this amendment to the desk on behalf of myself and Senator GREGG.

The purpose of this amendment is to strike the language that is in the bill on page 35, section 304. Under the bill, it says "codification of the Beck decision." When I initially heard that Beck would be codified, I thought that was good. I support the Beck decision and would like to see it codified. When I read the language, I found out it did not codify the Beck decision. In fact, it rewrote the Beck decision, undermined it in many ways, and led me to the conclusion that we would be better off having no language rather than this language.

I very much appreciate the cooperation I have received from Senator MCCAIN and Senator FEINGOLD, who have agreed to drop this language, and as I also mentioned, Senator GREGG from New Hampshire, who has been working on this. Actually, we were both going to fight a big battle to strike this language. We thought that once people reviewed this language and contrasted it to the Beck decision, they would find out they are not the same and this wasn't actually a codification of the Beck decision in many different respects.

I am pleased. I think everybody will be on board for striking this language. I could go into the details regarding the difference in notification in Beck, because we think all employees, union and agency fee employees, should be notified. Under the pending language, it would only be those who are agency fee members who would be notified.

The Beck decision was very clear. The only instances in which a person would be compelled to contribute would be when they directly germane to collective bargaining, contract administration, and grievance adjustment. In other words, in those instances that are directly involved in negotiating contracts, solving enforcement of the contracts, and solving grievances, then a person would be compelled to contribute.

Under the language we had in the pending bill, it was much, much broader than that. Individuals could be compelled to pay in many instances determined by the union, and what might be regarded as unrelated to collective bargaining, they might define everything as related to collective bargaining and there would be no reimbursements for employees who went through the refund process.

Again, I think we are better off having no language in it than to have the language that is in section 304. The purpose of this amendment is to strike section 304, and I am pleased that our colleagues on both sides of the aisle have come to that conclusion.

I look forward to this section being removed from the bill, making, in my opinion, a significant improvement in the underlying legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Nevada.

Mr. REID. Mr. President, I suggest the absence of a quorum and ask time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the senior Senator from West Virginia, Mr. BYRD, be recognized to speak as if in morning business for up to 30 minutes, and that the time be equally charged to both sides on the underlying amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank the distinguished Democratic whip, Mr. REID, for his courtesy. He is always very courteous and attentive to the needs and wishes of his colleagues. I also thank the distinguished Senator from Kentucky, Mr. MCCONNELL, for his characteristic courtesy as well.

May I say I merely sought the floor because the Senate was in a quorum and had been in a quorum for quite a while; otherwise, I would not have come at this time.

Mr. President, I ask unanimous consent to speak out of order, if the time is being charged to both sides on the campaign finance legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BYRD are located in Today's RECORD under "Morning Business.")

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—Continued

Mr. LEVIN. Mr. President, I will be supporting the Nickles amendment because I think it is the wiser course to leave this issue at this time to the courts and to the NLRB.

I will say a few things about the Beck provision in the bill. I believe this is a different perspective than what we have heard from the Senator from Kentucky. However, we reached the same conclusion, that it is best to leave Beck to the courts and to the NLRB rather than to try to see if we can distill or characterize the Beck decision at this time.

Mr. President, it was said that the codification of Beck or the Beck provision in this bill is the opposite of a codification. But, Section 304 of McCain-Feingold goes to the heart of the Beck decision, that is, whether a nonunion member can opt out of paying dues for political activities. The Supreme Court says "yes" in Beck, and section 304 would make that right to opt out statutory law. That is the technical holding in Beck that a nonunion member in a bargaining unit can opt out. It is that holding which is at the heart of Beck which is also at the heart of the provision in section 304.

We don't believe section 304 would make it harder for nonunion members to exercise their Beck right; that, we believe, is not the case and we know it is not the intent.

The National Labor Relations Board has told unions how they can and should implement Beck. The NLRB said in the California Saw and Knife Works case, in 1995, the following: First, before a union can require a nonunion member to pay what is called an agency fee, which is similar to union dues for a union member, the union must tell the nonmember employee of his or her right to object to paying for activities "not germane to the union's duties as bargaining agent," and his or her right to "obtain a reduction in fees for such act."

The nonmember employee can then file an objection, and the union must then charge the nonmember objecting employee an agency fee reflecting only that portion of the agency fee that represents the cost of activities related to collective bargaining.

The NLRB also requires that the nonmember objecting employee must also be given an explanation of the calculation made by the union, an opportunity to challenge the calculation, and an independent arbiter to determine the challenge.

These requirements have been in force since 1995 and have been vigorously enforced.

The McCain-Feingold bill incorporates both the Beck decision and that NLRB decision. The McCain-Feingold bill, first, makes it an unfair labor practice for a union not to provide the "objection procedure" laid out in the bill for nonmember employees. The objection procedure in the bill includes the same elements required by the NLRB, including annual notice to nonunion employees about the objection procedure; the persons eligible to invoke the procedure; and how, when, and where an objection can be filed. The bill provides an opportunity to file an objection to paying for union expenses "supporting political activities unrelated to collective bargaining." One opportunity must include filing an objection by mail and, if an objection is filed, the reduction in the amount of the agency fee by an amount that "reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditure."

The union must also provide, as the NLRB decisions have required, an explanation of the calculations made by the union, including calculating the amount of union expenditures supporting political activities unrelated to collective bargaining.

That is the provision in the McCain-Feingold bill.

Separate from the provision in the McCain-Feingold bill, any union employee who doesn't want to pay for a union's political activity through his or her membership dues can terminate his or her membership with the union and, like an objecting nonunion employee, seek a reduction in the agency fee of that sum which represents the amount spent on political activity.

So I wanted to clarify the provision in this bill. But our conclusion on the amendment of Senator NICKLES is really the same. It is best to leave this determination of the rights of nonunion members, and the meaning and fleshing out of the Beck decision relative to those rights, to the courts and to the NLRB. It doesn't belong on this bill.

So we reach the same conclusion. We don't have the same analysis of the wording of the bill and the meaning and the completeness of it or the accuracy of it, obviously. We have differences on that. But the conclusion is the same. The intent of the bill was to incorporate Beck, but, I think we will be better served if in fact the bill, then, is silent on this subject and we leave it up to the NLRB and the courts to make that determination, as to the meaning and implementation steps for Beck.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I believe after discussions with Senator DODD we are ready to announce that there will be a vote at 3:30. I ask unanimous consent that the time between now and 3:30 be equally divided and that a vote occur on the Nickles amendment at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, let me yield 4 minutes to my colleague from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I also have no problem with the amendment proposed by the Senator from Oklahoma. I appreciate the opportunity to meet with him today. He made his case, and, in a spirit that I hope will continue to permeate this Chamber, we listened to what he had to say and agreed that perhaps the best course, as the Senator from Michigan suggested, is to delete this provision from the bill.

I also appreciate the fact the Senator from Oklahoma has indicated to me, at least in terms of his amendments on the bill, that this will conclude the so-called paycheck protection part of this debate on campaign finance reform. It is in recognition of the fact that the votes are not there to include a paycheck protection provision that would be directed only at labor or even ones that would include both labor and corporations. I appreciate that assurance from the Senator from Oklahoma because I know he feels very strongly about this. But this is the nature of the process. We do need to move on to other issues.

There really is no need to debate the question of whether section 304 does or does not codify the Beck decision. The only reason this language is in the bill is that the Senator from Kentucky and the majority leader in the past have insisted for years that campaign finance reform legislation was not complete without a provision to deal with the activity of organized labor.

Proponents of that view, of course, offered the so-called paycheck protection provision as their solution. In fact, I remember a few years ago when we reached an agreement to debate campaign finance reform, the majority leader introduced a base bill for that debate, and his entire bill was the paycheck protection provision that is not prevailing in this discussion today.

No changes to our current corrupt soft money system were proposed—just paycheck protection. Paycheck protection—or, as I like to call it, paycheck deception—has always been a poison pill for reform. It is an unfair and unnecessary attack on organized labor. But we were willing to include in the bill a provision that purported to reflect current law with respect to fees paid by nonunion members in lieu of dues. So we added section 304.

Even though this has been in the McCain-Feingold bill for 3½ years, we are told that from the point of view of those who favor paycheck protection, the current law is preferable to this section in our bill.

In light of that history, I have no problem with removing the provision because the issue really doesn't belong, and never really belonged, in the campaign finance legislation. The whole question of how labor unions collect and use dues money from their members is a matter of Federal labor law, really, not Federal election law.

I am pleased to support the amendment of the Senator from Oklahoma. I think and hope this will bring an end to the amendments we have seen for years and years that are aimed at interfering with the internal workings of labor unions and the relationship between a union and its membership.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I support the amendment. I think it is a good thing to happen. I think maybe we have taken way too much time on it since basically everybody is in agreement.

I point out to my colleagues again, we still have a lot of pending amendments. We would like to get through them. There are some of them that will not take a maximum of 3 hours. There are some we can complete in a relatively short period of time.

The worst of all worlds is for us to continue to make the steady progress we have been making but run out of time because there are various commitments next week that people have. So I hope we can not only move forward with the amending process—we have spent a heck of a lot of time in quorum calls, and also with, albeit important, speeches and comments that do not have anything to do with the bill, the legislation we are addressing.

Again, I urge my colleagues who have amendments, please let Senator MCCONNELL and Senator DODD know so we can try to set up an orderly process for completion of the legislation at the appropriate time next week.

I thank my colleagues.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wish to thank Senator MCCAIN and Senator FEINGOLD for their acceptance of this amendment. I think it is important to strike this language, that section 304 which purports to codify the Beck decision. I will just read a direct quote from the Beck decision. It says:

> The statutory question presented in this case, is whether this "financial core" includes the obligation to support union activities beyond those germane to collective

bargaining, contract administration, and grievance adjustment.

We think it does not. In other words, what Beck says is the only thing somebody would have to pay for—have their dues taken away from them without their consent—is to pay for negotiation for contract collective bargaining, contract administration, and grievance procedures, if someone has a grievance. That is the only thing. They were very clear what the language was. And the reason I and Senator GREGG—who, I might mention, is a key sponsor—objected was because this language went much further.

I didn't want people to misunderstand and say, well, we are codifying Beck, or we are clarifying and codifying Supreme Court decisions where basically we would be rewriting the Supreme Court decision. That is the reason I raised it. I very much appreciate the comments of our colleagues who have said that wasn't the intent and we can drop this language.

My colleague from Wisconsin asked me how many more paycheck amendments there would be. I wrote the paycheck protection amendment originally because a union person came to me and said: I don't want my money taken away from me and used for political purposes for which I totally disagree.

It happens to be that 40 percent of union members vote Republican who don't agree with some of the national agenda of their party. This individual from Claremore, OK, brought it to my attention. That is the reason I sponsored the amendment.

Yesterday there was an amendment proposed that had a paycheck protection provision, and, according to the media, it was completely unworkable. As Senator KENNEDY pointed out, dealing with corporations and shareholders is not the same thing. Being a shareholder is not the same thing as being a wage earner having money—maybe $25 a month—taken away from their paycheck. It is not the same thing, whether you buy shares of General Electric or Cisco, which may not have been a good idea the last few months. But, anyway, there is a difference in being a shareholder.

I didn't think that amendment was workable. Regretfully, I voted against it. I didn't want to, but I felt compelled to because I didn't think it was workable.

I am trying to look at bite-size improvements that can be made in this bill. I think removing this one section is an improvement in the bill, and I very much appreciate the cooperation of my colleagues to support this amendment. It is not my intention to offer any other paycheck-related amendments on this bill.

Mr. KENNEDY. Mr. President, my colleague, Senator NICKLES, has proposed that we remove Section 304 from McCain-Feingold. Senator NICKLES has further committed that this will be the last amendment he will offer on questions relating to union use of dues or fees for political purposes.

Section 304 of McCain-Feingold, entitled "Codification of Beck Decision," would require unions to establish procedures for workers to object to paying dues that would go toward political activity. Unions would be required to notify workers of their rights; to reduce the fees paid by any worker who makes an objection; and to provide an explanation of their calculations.

Some of my colleagues claim that Section 304 expands upon and does not, in fact, codify Beck. My colleague, Senator MCCONNELL, for example, asserts that McCain-Feingold goes beyond Beck by authorizing unions to charge objecting non-members for things that Beck clearly prohibited, such as community service projects, charitable donations, lobbying activities, and union organizing. Beck, however, did nothing of the sort.

The precise holding of Beck, and I quote, is that the National Labor Relations Act "authorizes the exaction of only those fees and dues necessary to 'performing the duties of an exclusive representative of the employees in dealing with the employer on labor-management issues.'" That is it. Consistent with standard practice under Supreme Court labor law holdings, Beck left development of all the details including which expenses are related to the "duties of an exclusive representative," or what procedures unions must develop to the National Labor Relations Board and the courts. It did not hold that a union's charitable contributions, organizing expenses and the like are not related to collective bargaining. Nor did it say that lobbying activities could not be related to collective bargaining. In fact, in a case called Lehnert v. Ferris Faculty Association, decided in 1991, the Supreme Court held precisely the opposite. It stated that, even under the strict first amendment standards that apply to Government employment, objectors may be charged for "lobbying activities relate[d] . . . to the ratification or implementation of" a collective bargaining agreement. My Republican colleagues cannot codify their view of what the law should be by saying that Beck made it the law. That is simply not what Beck did.

Some of my colleagues across the aisle also claim that there is a difference between the Beck holding—that unions may require only those dues necessary to support collective bargaining—and the McCain-Feingold formulation—that unions may not require dues for political activities unrelated to collective bargaining. This is a distinction without a difference.

The effects of Beck and McCain-Feingold are exactly the same. The NLRB and the courts will interpret the requirements of the law—and their results will be the same—whether Section 304 is included in the bill or not. Thus, the NLRB and the courts will determine whether payments made by a union are related to collective bargaining or not. If they are, all employees must pay for them. If they are not, then employees who object may opt out of paying for those costs. Beck sets this rule and McCain-Feingold codifies it.

For these reasons, I do not believe that the Nickles amendment is necessary. Beck will be the law with or without Section 304 of McCain-Feingold. And since the Beck decision, close to 13 years ago, every union has created a procedure to ensure that dues-paying workers can opt out of a union's political expenditures. These procedures universally involve notice to workers of the opt-out rights provided under Beck; establishment of a means for workers to notify the union of their decision to exercise these rights; an accounting by the union of its spending so that it can calculate the appropriate fee reduction; and the right of access to an impartial decisionmaker if the worker who opts out disagrees with the union's accounting or calculations.

So why was Section 304 included in McCain-Feingold in the first place? It was included only because my Republican colleagues wanted additional insurance that unions would obey the law. But as the scores of court cases and NLRB decisions addressing Beck issues attest, there are ample means under existing law to ensure that unions follow the dictates of the Beck decision. These means will exist with or without McCain-Feingold. Unions will conduct themselves in precisely the same way whether or not Section 304 of McCain-Feingold is enacted. Whether we choose McCain-Feingold as written or Senator NICKLES' amendment to McCain-Feingold is irrelevant.

So what will happen if we remove this provision? Absolutely nothing. Nothing, that is, unless some of my Republican colleagues use this action as an excuse to introduce yet more amendments that would prevent unions from representing the voices of working families in the political process. Senator NICKLES has committed that he will introduce no such amendments, and I thank him for that. As my friend Senator FEINGOLD has stated, we have amply debated—and resoundingly rejected—any such paycheck deception amendments, and we should not waste this body's time by endlessly debating, and rejecting, similar bills.

So let me be clear. If the Senate votes for the Nickles amendment today, it will not in any way change the law that governs union collection of dues for political purposes. Paycheck deception supporters may claim that the Nickles amendment shows that supporters of McCain-Feingold have abandoned dissenting workers or shown their unwillingness to enforce Beck rights. This is patently false.

If it is adopted, the Nickles amendment will show that we acknowledge as all in this body must that unions are already bound by the same rules that would govern them if Section 304 were enacted. My colleagues should not allow paycheck deception supporters to twist this basic understanding into an excuse for advancing their pro-business, anti-worker agenda.

Mr. GREGG. Mr. President, I rise today in support of this amendment to strike Section 304 of this bill, which pretends to codify the Beck decision. It does not.

This section must be stricken for the following reasons. First, it eliminates the ability of nonunion workers to pursue their claims in court. Under Section 304 of this bill, the courthouse doors will be closed for nonunion members seeking relief from confiscation of their dues for purposes unrelated to collective bargaining, contract negotiation, and grievance adjustment. In order to seek recourse through the National Labor Relations Board, nonmembers would be required to navigate a tedious, complex, and often hostile process that takes years.

Second, it will legislatively overrule almost 40 years of decisions of the U.S. Supreme Court by diminishing the scope of the refund the Supreme Court directed for objecting nonmembers required to pay agency fees. Section 304 limits nonmembers to a reduction in their agency fees equal only to the activities that a union decides are unrelated to collective bargaining. In this case, a union could decide that all of its activities dealing with legislation at the State and Federal level, as well as executive and judicial appointments or State ballot initiatives, are related to collective bargaining. Under Section 304, unions could use nonmember dues for these purposes, which is forbidden under current law.

Finally, Section 304 would provide nonmembers with far less protection and information than under procedural safeguards that unions have been required to adopt by the Federal courts. In this case, Section 304 requires unions to provide financial information about its expenditures only to employees who file an objection. The courts have held that all nonmembers, not just objectors, must be provided adequate disclosure of the basis for the agency fee that they are required to pay before they object—not after as under this bill. The courts have also held that adequate disclosure includes verification by an independent auditor, a requirement that S. 27 omits.

This section may have been drafted with the best of intentions. Nevertheless, I believe it would do more harm than good. Striking it and keeping the status quo would be more beneficial to American workers than this section as written. Section 304 is not a true codification of the Beck decision, and this amendment should be adopted overwhelmingly.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague and friend from Oklahoma.

As the Senator from Michigan pointed out, this may be not unlike the amendment yesterday where we are arriving at the same result with maybe a slightly different rationale for doing so but the end result produces the same answer, and this is probably better out of the bill than in the bill.

Despite the good intentions of Senator FEINGOLD and Senator MCCAIN, in their view and in mine, there needs to be some clarification or codification of what the Beck decision said. But rather than debate that, that is what is going on at the NLRB.

The Supreme Court decisions are not unlike where we craft legislation and then usually have boilerplate language that leaves to the respective agencies the right to make decisions pursuant to legislative intent. Many times they do that and we object to what they do; that it goes beyond what the congressional intent was. That is how Supreme Court decisions are written, and then it is up to the NLRB, in this particular case, to deal with the myriad questions that come to it as to whether or not something is in order under the Beck decision.

The Beck decision says: supporting political activities unrelated to collective bargaining. I think that is the language of the Beck decision.

All of these various requests come to them as to whether or not something falls within that particular sentence. There is a rich history since the adoption of the Beck decision made by the NLRB when such questions have come to them. That is where it belongs.

I think that is what my colleague from Wisconsin is saying and my colleague from Oklahoma is saying—in effect, that we are not really the best venue for making those decisions. We best leave it to those who deal with these matters every day rather than trying to legislate it.

I agree with the proposal of the Senator from Oklahoma to take this section out of the bill. But I wouldn't want to characterize this as being either bogus Beck or absolutely Beck. I think we have all come to the conclusion those decisions are best left to the NLRB.

Some might claim that McCain-Feingold is a bogus-Beck bill. It is not. McCain-Feingold codifies the Beck holding, which has been interpreted through scores of NLRB and court decisions. As Chief Judge Edwards of the District of Columbia Circuit has observed, this is appropriate, and precisely what the Beck court intended; in his words, "[i]t is hard to think of a task more suitable for an administrative agency that specializes in labor relations." *Thomas* v. *NLRB*, 213 F.3d 651, 675 (D.C. Cir. 2000). NLRB decisions implementing Beck have generally been upheld in the courts.

Beck held that objecting nonmembers have the right to object to the payment of a portion of their contractually required agency fees. McCain-Feingold says the same thing. Whether they implement Beck or McCain-Feingold, therefore, the NLRB and the courts will be free to reach the same results. Nothing in our vote on the Nickles amendment today should change their analysis.

I wouldn't want the RECORD to show what I hope will be overwhelming support for the amendment of the Senator from Oklahoma as anything but that.

Lastly, let me say to my friend from Oklahoma that I appreciate his statement that we have come to an end, I hope, of the so-called paycheck protection amendments. I think we have had good debates on them. The Senator from Oklahoma and I agreed yesterday—I think he was right—as well that we are getting much too complicated in some of these efforts dealing with shareholders, and we felt the same on the second Hatch amendment where someone owns a stock for 15 minutes, and all of a sudden they are going to be deluged with information about the campaign's activities with that particular company going beyond what we intend to achieve in legislation.

With that, unless there are others who want to be heard on this amendment, I am prepared to yield back the couple of minutes we have. We said 3:30 we would start the vote. We have one other amendment we are going to consider this afternoon by Senator LANDRIEU, if that is appropriate with my friend from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, it is appropriate, as the Senator from Kentucky just discussed, for Senator LANDRIEU to come next.

I am perfectly prepared to yield back the time on this side, and we will go to a vote.

Mr. DODD. Do we want a recorded vote on this?

Mr. NICKLES. A recorded vote.

Mr. MCCONNELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

All time is yielded, and the question is on agreeing to the Nickles amendment No. 139.

The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER (Mr. ALLEN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 45 Leg.]

YEAS—99

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—1

Kennedy

The amendment (No. 139) was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, the next amendment will be on the Democratic side, offered by Senator LANDRIEU. We are in the process of looking at it now. We think it may well be accepted. Shortly, Senator LANDRIEU will send that amendment to the desk and make her statement about it.

Let me say that after that, Senator SPECTER will be recognized to offer an amendment, and Senator DODD and I are talking about the possibility of Senator SPECTER being followed by Senator HELMS. I believe the majority leader would like for us to vote a couple more times tonight. Senators may expect additional votes.

Mr. DODD. Mr. President, the Senator from Kentucky has described appropriately and properly that Senator LANDRIEU has an amendment. It might only take 10 minutes to explain the amendment. We might even hope for a voice vote rather than having a recorded vote on that amendment. I can tentatively tell my colleague from Kentucky that with respect to the Specter amendment, there has been some discussion about having an hour's worth of debate on that.

Mr. McCONNELL. I have not yet spoken to Senator SPECTER about that. I will do that shortly.

Mr. DODD. There is an indication and perhaps a willingness to support that arrangement, along with the recommendation of having Senator HELMS propose an amendment and maybe debate it this evening and make it the first vote tomorrow. We are discussing it on this side. I am using the opportunity to let people know with what I am going to ask them to agree. It sounds like a good schedule to me. If Members have some objection, they ought to let us know. In the meantime, we can go to Senator LANDRIEU.

Ms. LANDRIEU. Mr. President, I really appreciate the leadership the Senator from Connecticut has brought to this issue. I thank him for providing time for me to offer this amendment.

AMENDMENT NO. 124

Ms. LANDRIEU. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Ms. LANDRIEU] proposes an amendment numbered 124.

The amendment reads as follows:

(Purpose: To amend the Federal Election Campaign Act of 1971 to provide for weekly reporting by candidates and for prompt disclosure of contributions, and to make software for filing reports in electronic form available)

On page 37, between lines 14 and 15, insert the following:

SEC. 365. ENHANCED REPORTING AND SOFTWARE FOR FILING REPORTS.

(a) ENHANCED REPORTING FOR CANDIDATES.—

(1) WEEKLY REPORTS.—Section 304(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)) is amended to read as follows:

"(2) PRINCIPAL CAMPAIGN COMMITTEES.—If the political committee is the principal campaign committee of a candidate for the House of Representatives or for the Senate, the treasurer shall file a report for each week of the election cycle that shall be filed not later than the 5th day after the last day of the week and shall be complete as of the last day of the week.".

(2) PROMPT DISCLOSURE OF CONTRIBUTIONS.—Section 304(a)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended—

(A) by striking "of $1,000 or more";

(B) by striking "after the 20th day, but more than 48 hours before any election" and inserting "during the election cycle"; and

(C) by striking "within 48 hours" and inserting "within 24 hours".

(b) SOFTWARE FOR FILING OF REPORTS.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12) SOFTWARE FOR FILING OF REPORTS.—

"(A) IN GENERAL.—The Commission shall—

"(i) develop software for use to file a designation, statement, or report in electronic form under this Act; and

"(ii) make a copy of the software available to each person required to file a designation, statement, or report in electronic form under this Act.

"(B) REQUIRED USE.—Any person that maintains or files a designation, statement, or report in electronic form under paragraph (11) or subsection (d) shall use software developed under subparagraph (A) for such maintenance or filing.".

(c) CONFORMING AMENDMENTS.—

(1) Section 304(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(C) The reports described in this subparagraph are as follows:

"(i) A pre-election report, which shall be filed no later than the 12th day before (or posted by registered or certified mail no later than the 15th day before) any election in which such candidate is seeking election, or nomination for election, and which shall be complete as of the 20th day before such election.

"(ii) A post-general election report, which shall be filed no later than the 30th day after any general election in which such candidate has sought election, and which shall be complete as of the 20th day after such general election.

"(iii) Additional quarterly reports, which shall be filed no later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter: except that the report for the quarter ending December 31 shall be filed no later than January 31 of the following calendar year.".

(2) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(A) in subsection (a)(3)(A)—

(i) in each of clauses (i) and (ii)—

(I) by striking "paragraph (2)(A)(i)" and inserting "subparagraph (C)(i)"; and

(II) by striking "paragraph (2)(A)(ii)" and inserting "subparagraph (C)(ii)"; and

(ii) in clause (ii), by striking "paragraph (2)(A)(iii)" and inserting "subparagraph (C)(iii)";

(B) in each of paragraphs (4)(B) and (5) of subsection (a), by striking "paragraph (2)(A)(i)" and inserting "paragraph (3)(C)(i)"; and

(C) in subsection (a)(4)(B), by striking "paragraph (2)(A)(ii)" and inserting "paragraph (3)(C)(ii)";

(D) in subsection (a)(8), by striking "paragraph (2)(A)(iii)" and inserting "paragraph (3)(C)(iii)";

(E) in subsection (a)(9), by striking "(2) or"; and

(F) in subsection (c)(2), by striking "subsection (a)(2)" and inserting "subsection (a)(3)(C)".

(3) Section 309(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(b)) is amended—

(A) by striking "304(a)(2)(A)(iii)" and inserting "304(a)(3)(C)(iii)"; and

(B) by striking "304(a)(2)(A)(i)" and inserting "304(a)(3)(C)(i)".

Ms. LANDRIEU. Mr. President, the Members are going to be discussing the details of this amendment because there seems to be some confusion with the text. I want to take a few minutes to explain it as staff is working on it, and we may need a little bit more time.

Generally, there is broad consensus, both on the Republican side and the Democratic side, that one of the best things we could do to improve our current system is to try to provide for greater disclosure. One of the great tools we now have for disclosure is the electronic medium, the electronic opportunity, the tools the Internet and new technologies have provided.

My amendment really embraces this new technology. It is quite a simple amendment. It requires the FEC to develop a standardized software package that any Federal candidate running for Federal office would be required to use in our reporting requirements. The report would basically go on line. Instead of waiting a quarter, or 6 months, or a year, or 48 hours, whatever the current waiting period is, a candidate or a political committee that is required to report would basically enter the data as if he were making deposits—which we all do—into a bank account. Those deposits would become transparent. The report is like a report in progress, and people would have access to what contributions were being made to the candidate—in this case—or to a committee, basically instantaneously.

That is the essence of my amendment. There is no new reporting requirement. It will hopefully not be onerous on us because the FEC will be required to come up with this new software. We will allow them the time to develop it because we don't want to rush the process. We want them to do it correctly. They would give us the software, and we would download it onto our computer, and as checks came in, as expenses were released by the campaign, it would be available instantaneously on the Internet.

That is the essence of my amendment. We are having a few problems with the drafting of the amendment.

That is what I offer as an improvement to our current system. We have reports that we must file. They are quarterly or annually or, sometimes when one is close to an election, daily. This would be instantaneous reporting with no new work required of the candidate or the committees using software that will be developed.

That is what I submit for consideration. I am hoping we can voice vote this amendment as soon as the technical difficulties are worked out.

I yield back the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, what is the pending business? I believe the pending business is the Landrieu amendment.

The PRESIDING OFFICER. The pending business is the Landrieu amendment.

Mr. DODD. Mr. President, I ask unanimous consent that the Landrieu amendment be temporarily laid aside. I say to my colleagues, there are efforts at crafting the language in such a way as to bring bipartisan support to this amendment. We think it is a very good proposal, and we are working on some of the specifics of it.

While we are doing that, we will go to the Specter amendment, which I think is the intention of the manager, the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. DODD. Mr. President, the Senator from Pennsylvania is unavoidably going to be absent from the floor for a few minutes, so I am going to suggest the absence of a quorum and we will proceed to the Specter amendment, I presume, in about 10 or 15 minutes. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 140

Mr. SPECTER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 140.

Mr. SPECTER. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication)

On page 7, line 24, after "and", insert the following: "which, when read as a whole, in the context of external events, is unmistakable, unambiguous and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

On page 15, line 20, insert the following:

"(iv) promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which, when read as a whole, and in the context of external events, is unmistakable, unambiguous and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

On page 2, after the matter preceding line 1, insert:

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) In the twenty-five years since the 1976 Supreme Court decision in Buckley v. Valeo, the number and frequency of advertisements increased dramatically which clearly advocate for or against a specific candidate for Federal office without magic words such as "vote for" or "vote against" as prescribed in the Buckley decision.

(2) The absence of the magic words from the Buckley decision has allowed these advertisements to be viewed as issue advertisements, despite their clear advocacy for or against the election of a specific candidate for Federal office.

(3) By avoiding the use of such terms as "vote for" and "vote against," special interest groups promote their views and issue positions in reference to particular elected officials without triggering the disclosure and source restrictions of the Federal Election Campaign Act.

(4) In 1996, an estimated $135 million was spent on such issue advertisements; the estimate for 1998 ranged from $275–$340 million; and, for the 2000 election the estimate for spending on such advertisements exceeded $340 million.

(5) If left unchecked, the explosive growth in the number and frequency of advertisements that are clearly intended to influence the outcome of Federal elections yet are masquerading as issue advocacy has the potential to undermine the integrity of the electoral process.

(6) The Supreme Court in Buckley reviewed the legislative history and purpose of the Federal Election Campaign Act and found that the authorized or requested standard of the Federal Election Campaign Act operated to treat all expenditures placed in cooperation with or with the consent of a candidate, an agent of the candidate, or an authorized committee of the candidate as contributions subject to the limitations set forth in the Act.

(7) During the 1996 Presidential primary campaign the Clinton Committee and the Dole Committee both spent millions of dollars in excess of the overall Presidential primary spending limit that applied to each of their campaigns, and in doing so, used millions of dollars in soft money contributions that could not legally be used directly to support a Presidential campaign.

(8) The Clinton and Dole Committees made these campaign expenditures through their respective national political party committees, using these party committees as conduits to run multi-million dollar television ad campaigns to support their candidacies.

(9) These television ad campaigns were in each case prepared, directed, and controlled by the Clinton and Dole campaigns.

(10) Former Clinton adviser Dick Morris said in his book about the 1996 elections that President Clinton worked over every script, watched each advertisement, and decided which advertisements would run where and when.

(11) Then-President Clinton told supporters at a Democratic National Committee luncheon on December 7, 1995, that, "We realized that we could run these ads through the Democratic Party, which meant that we could raise money in $20,000 and $50,000 blocks. So we didn't have to do it all in $1,000 and run down what I can spend, which is limited by law so that is what we've done."

(12) Among the advertisements coordinated between the Clinton campaign and the Democratic National Committee, yet paid for by the DNC as an issue ad, was one which contained the following:

[Announcer] "60,000 felons and fugitives tried to buy handguns but couldn't because President Clinton passed the Brady bill—five day waits, background checks. But Dole and Gingrich voted no. 100,000 new police—because President Clinton delivered. Dole and Gingrich? Vote no, want to repeal 'em. Strengthen school anti-drug programs. President Clinton did it. Dole and Gingrich? No again. Their old ways don't work. President Clinton's plan. The new way. Meeting our challenges, protecting our values."

(13) Another advertisement coordinated between the Clinton campaign and the DNC contained the following:

[Announcer] "America's values. Head start. Student loans. Toxic cleanup. Extra police. Protected in the budget agreement; the President stood firm. Dole, Gingrich's latest plan includes tax hikes on working families. Up to 18 million children face health care cuts. Medicare slashed $167 billion. Then Dole resigns, leaving behind gridlock he and Gingrich created. The President's plan: Politics must wait. Balance the budget, reform welfare, protect our values."

(14) Among the advertisements coordinated between the Dole campaign and the Republican National Committee, yet paid for by the RNC as an issue ad, was one which contained the following:

[Announcer] "Bill Clinton, he's really something. He's now trying to avoid a sexual harassment lawsuit claiming he is on active military duty. Active duty? Newspapers report that Mr. Clinton claims as commander-in-chief he is covered under the Soldiers and Sailors Relief Act of 1940, which grants automatic delays in lawsuits against military personnel until their active duty is over. Active duty? Bill Clinton, he's really something."

(15) Another advertisement coordinated between the Dole campaign and the RNC contained the following:

[Announcer] "Three years ago, Bill Clinton gave us the largest tax increase in history, including a 4 cent a gallon increase on gasoline. Bill Clinton said he felt bad about it."

[Clinton] "People in this room still get mad at me over the budget process because you think I raised your taxes too much. It might surprise you to know I think I raised them too much, too."

[Announcer] "OK, Mr. President, we are surprised. So now, surprise us again. Support Senator Dole's plan to repeal your gas tax. And learn that actions do speak louder than words."

(16) Clinton and Dole Committee agents raised the money used to pay for these so-called issue ads supporting their respective candidacies.

(17) These television advertising campaigns, run in the guise of being DNC and RNC issue ad campaigns, were in fact Clinton and Dole ad campaigns, and accordingly should have been subject to the contribution and spending limits that apply to Presidential campaigns.

(18) After reviewing spending in the 1996 Presidential election campaign, auditors for the Federal Election Commission recommended that the 1996 Clinton and Dole campaigns repay $7 million and $17.7 million, respectively, because the national political parties had closely coordinated their soft money issue ads with the respective presidential candidates and accordingly, the expenditures would be counted against the candidates' spending limits. The repayment recommendation for the Dole campaign was subsequently reduced to $6.1 million.

(19) On December 10, 1998, in a 6–0 vote, the Federal Election Commission rejected its auditors' recommendation that the Clinton and Dole campaigns repay the money.

(20) The pattern of close coordination between candidates' campaign committees and national party committees continued in the 2000 Presidential election .

(21) An advertisement financed by the RNC contained the following:

[Announcer] "Whose economic plan is best for you? Under George Bush's plan, a family earning under $35,000 a year pays no Federal income taxes—a 100 percent tax cut. Earn $35,000 to $50,000? A 55 percent tax cut. Tax relief for everyone. And Al Gore's plan: three times the new spending President Clinton proposed, so much it wipes out the entire surplus and.creates a deficit again. Al Gore's deficit spending plan threatens America's prosperity."

(22) Another advertisement financed by the RNC contained the following:

[Announcer] "Under Clinton-Gore, prescription drug prices have skyrocketed, and nothing's been done. George Bush has a plan: add a prescription drug benefit to Medicare."

[George Bush] "Every senior will have access to prescription drug benefits."

[Announcer] "And Al Gore? Gore opposed bipartisan reform. He's pushing a big government plan that lets Washington bureaucrats interfere with what your doctors prescribe. The Gore prescription plan: bureaucrats decide. Bush prescription plan: seniors choose."

(23) An advertisement paid for by the DNC contained the following:

[Announcer] "When the national minimum wage was raised to $5.15 an hour, Bush did nothing and kept the Texas minimum wage at $3.35. Six times the legislature tried to raise the minimum wage and Bush's inaction helped kill it. Now Bush says he'd allow states to set a minimum wage lower than the Federal standard. Al Gore's plan: Make sure our current prosperity enriches not just a few, but all families. Increase the minimum wage, invest in education, middle-class tax cuts and a secure retirement."

(24) Another advertisement paid for by the DNC contained the following:

[Announcer] "George W. Bush chose Dick Cheney to help lead the Republican party. What does Cheney's record say about their plans? Cheney was one of only eight members of Congress to oppose the Clean Water Act * * * one of the few to vote against Head Start.

He even voted against the School Lunch Program * * * against health insurance for people who lost their jobs. Cheney, an oil company CEO, said it was good for OPEC to cut production so oil and gasoline prices could rise. What are their plans for working families?"

(25) On January 21, 2000, the Supreme Court in Nixon v. Shrink Missouri Government PAC noted, "In speaking of 'improper influence' and 'opportunities for abuse' in addition to 'quid pro quo arrangements,' we recognized a concern to the broader threat from politicians too compliant with the wishes of large contributors."

(26) The details of corruption and the public perception of the appearance of corruption have been documented in a flood of books, including:

(A) Backroom Politics: How Your Local Politicians Work, Why Your Government Doesn't, and What You Can Do About It, by Bill and Nancy Boyarsky (1974);

(B) The Pressure Boys: The Inside Story of Lobbying in America, by Kenneth Crawford (1974);

(C) The American Way of Graft: A Study of Corruption in State and Local Government, How it Happens and What Can Be Done About it, by George Amick (1976);

(D) Politics and Money: The New road to Corruption, by Elizabeth Drew (1983);

(E) The Threat From Within: Unethical Politics and Politicians, by Michael Kroenwetter (1986);

(F) The Best Congress Money Can Buy, by Philip M. Stern (1988);

(G) Combating Fraud and Corruption in the Public Sector, by Peter Jones (1993);

(H) The Decline and Fall of the American Empire: Corruption, Decadence, and the American Dream, by Tony Bouza (1996);

(I) The Pursuit of Absolute Integrity: How Corruption Control Makes Government Ineffective, by Frank Anechiarico and James B. Jacobs (1996);

(J) The Political Racket: Deceit, Self-Interest, and Corruption in American Politics, by Martin L. Gross (1996).

(K) Below the Beltway: Money, Power, and Sex in Bill Clinton's Washington, by John L. Jackley (1996);

(L) End Legalized Bribery: An Ex-Congressman's Proposal to Clean Up Congress, by Cecil Heftel (1998);

(M) Year of the Rat: How Bill Clinton Compromised U.S. Security for Chinese Cash, by Edward Timperlake and William C. Triplett, II (1998);

(N) The Corruption of American Politics: What Went Wrong and Why, by Elizabeth Drew (1999);

(O) Corruption, Public Finances, and the Unofficial Economy, by Simon Johnson, Daniel Kaufmann, and Pablo Zoido-Lobatoon (1999); and

(P) Party Finance and Political Corruption, edited by Robert Williams (2000);

(27) The Washington Post reported on September 15, 2000 that a group of Texas trial lawyers with whom former Vice President Gore met in 1995, contributed thousands of dollars to the Democrats after President Clinton vetoed legislation that would have strictly limited the amount of damages juries can award to plaintiffs in civil lawsuits.

(28) According to an article in the March 26, 2001 edition of U.S. News and World Report, labor-related groups—which count on their Democratic allies for support on issues such as the minimum wage that are important to unions—spent more than $83.5 million in the 2000 elections, with 94 percent going to Democrats, prompting some labor figures to brag that without labor's money, the election would not have been nearly as close.

(29) A New York Times editorial from March 16, 2001, observed that "Business interests generously supported Republicans in the last election and are now reaping the rewards. President Bush and Republican Congressional leaders have moved to rescind new Labor Department ergonomics rules aimed at fostering a safer workplace, largely because business considered them too costly. Congress is also revising bankruptcy law in a way long sought by major financial institutions that gave Republicans $26 million in the last election cycle."

(30) A New York Times article, from March 13, 2001, noted that "A lobbying campaign led by credit card companies and banks that gave millions of dollars in political donations to members of Congress and contributed generously to President Bush's 2000

campaign is close to its long-sought goal of overhauling the nation's bankruptcy system."

(31) According to a Washington Post article from March 11, 2001, when congressional GOP leaders took control of the final writing of the bankruptcy bill, they consulted closely with representatives of the American Financial Services Association and the Coalition for Responsible Bankruptcy, which represented dozens of corporations and trade groups. The 442-page bill contained hundreds of provisions written or backed by lobbyists for financial industry giants.

(32) It has become common practice to reward big campaign donors with ambassadorships, with an informal policy dating back to the 1960s allocating about 30 percent of the nation's ambassadorships to non-career appointees. According to a Knight Rider article from November 13, 1997, former President Nixon once told his White House Chief of Staff that "Anybody who wants to be an ambassador must at leave give $250,000."

Mr. **SPECTER**. Mr. President, this amendment does two things. It sets forth findings which I believe are indispensable in order to have legislation which will pass review by the Supreme Court of the United States. In recent years, the Supreme Court has stricken a great deal of congressional legislation starting with Lopez in 1995, upsetting 60 years of solid precedents for Federal legislation under the Commerce Clause, and has invalidated on constitutional grounds, substantial legislation—the Disabilities Act, the provision of the Violence Against Women Act—on the basis that there is insufficient factual foundation. This amendment seeks to provide findings to pass constitutional muster. I shall deal with them in detail in this floor statement. Second, this amendment deals with the definition of what is an advocacy ad contrasted with an issue ad.

The provision in the pending legislation, McCain-Feingold, says it is the purpose of this provision to try to establish a test which will pass constitutional muster under the decision of the Supreme Court in Buckley v. Valeo. It may be that this definition is sufficient to pass constitutional muster. It is arguable.

It may be that this definition is not sufficient to pass constitutional muster. That is also arguable.

The Supreme Court of the United States in Buckley, in 1976, said this:

> In order to preserve the provision against invalidation on vagueness grounds, section 601(e)(1) must be construed to apply only to expenditures for communications that, in express terms, advocate the election or defeat of a clearly identified candidate for Federal office.

Then the Supreme Court drops a footnote which says:

> This construction would restrict the application of 608(e)(1) to communications containing express words of advocacy of election or defeat such as "vote for," "elect," "support," "cast your ballot for," "Smith for Congress," "vote against," "defeat," "reject."

On its face, it seems difficult to see how the language from McCain-Feingold, in and of itself, would satisfy the mandate articulated by the Supreme Court of having language such as "vote for, elect, support," et cetera, which is straightforward and unequivocal in expressing a view for the election of a candidate or the defeat of a candidate.

Constitutional interpretation is complicated because different members of the nine-person Supreme Court see the issues differently, and especially at different times. A great deal has happened in the electoral process, with hard money and soft money and so-called issue ads, so that it is possible that a court, looking at this language in a different era and in a different context, might say that it is constitutional.

From my view of the Constitution, it is hard to see that that would happen just on the face of the language which I have read.

There is one opinion in a court of appeals, ninth circuit. Of course, the courts of appeals are right under the Supreme Court. It is a case which has articulated a different definition. The case is the Furgatch case, and that case said that the ad is an advocacy ad if the "message is unmistakable, unambiguous, suggestive of only one plausible meaning."

This is a very complicated field and unless you have read the cases and/or followed this debate very closely, it is hard to put all the pieces in place to understand the statutory and constitutional structure. But the rule has been if you have an advocacy ad, then it can be regulated by legislation. But if you have an issue ad, it cannot be regulated by legislation. Even with some advocacy ads—according to the Supreme Court decision in F.E.C. v Massachusetts Citizens' For Life Committee—regulation doesn't pass constitutional muster because it is too much of an infringement on freedom of speech. The Court has set the ground rules to say that there must be corruption or the appearance of corruption which would warrant an infringement on first amendment rights of freedom of speech, And the Court has equated money with speech.

To my thinking, that is a far stretch. I agree with Justice Stevens that the conclusion that money is speech is unreasonable because it so elevates money and what money can do in the electoral process.

But, in any event, unless you have express advocacy under the Buckley decision, you cannot have any regulation at all.

The amendment which I am offering today would take the Furgatch language and add it as an additional definition of what constitutes an advocacy ad. This language builds upon and does not in any way change the provisions of McCain-Feingold. And we do not address any other issue in this amendment as to who is covered or what the circumstances are, so that we have all the controversy about individuals, corporations, labor unions, or whatever—McCain-Feingold is left untouched. All we are doing is adding to the definition of an electioneering message to provide a solid basis for Supreme Court review to conclude that this legislation would deal with advocacy ads.

The language in the amendment traces the language of Furgatch, and provides that there is an electioneering message which "promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against the candidate.)"

The language I just read is existing in McCain-Feingold. The additional language is "and which, when read as a whole, and in the context of external events"—that means what is happening in an election—"is unmistakable, unambiguous, and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

What does that mean in the context of what has happened in the Presidential elections of 1996 and the year 2000?

In 1996, the Democratic National Committee—I am going to come to Republican ads because this amendment is balanced between what Republicans have done and what Democrats have done in a way which is critical on all sides.

I start first with the President Clinton advertisements run by Democratic National Committee. The announcer comes on and says:

> 60,000 felons and fugitives tried to buy handguns but couldn't because President Clinton passed the Brady bill—five day waits, background checks. But Dole and Gingrich voted no. 100,000 new police—because President Clinton delivered. Dole and Gingrich? Vote no, want to repeal 'em. Strengthen school anti-drug programs. President Clinton did it. Dole and Gingrich? No again. Their old ways don't work. President Clinton's plan . . .

As that advertisement is being read, any person listening would say that is an ad which advocates the election of President Clinton and advocates the defeat of Robert Dole.

But under the interpretations of Buckley v. Valeo, because the magic words "vote for" or "vote against" are not used, that is deemed to be an issue ad and is not subject to the limitations of the Federal election campaign laws.

Then turning to one of the advertisements coordinated between Senator Dole and the Republican National Committee, the announcer comes on:

> "Three years ago, Bill Clinton gave us the largest tax increase in history, including a 4 cent a gallon increase on gasoline. Bill Clinton said he felt bad about it."
>
> [Clinton] "People in this room still get mad at me over the budget process because you think I raised your taxes too much. It

> might surprise you to know I think I raised them too much, too."
>
> [Announcer] "OK, Mr. President, we are surprised. So now, surprise us again. Support Senator Dole's plan to repeal your gas tax. And learn that actions do speak louder than words."

Obviously, anybody listening to that advertisement would say it advocates the election of Senator Dole and it advocates the defeat of President Clinton. But that is not the result.

The result under Buckley is that it is an issue ad, even though coordinated between the Clinton campaign and the Democratic National Committee; and then the other ad coordinated between Senator Dole's campaign and the Republican National Committee. They are issue ads and not subject to Federal regulation.

Then the same pattern emerges in the election in the year 2000. An advertisement paid for by the Democratic National Committee said the following:

> George W. Bush chose Dick Cheney to help lead the Republican party. What does Cheney's record say about their plans? Cheney was one of only eight members of Congress to oppose the Clean Water Act . . . one of the few to vote against Head Start. He even voted against the School Lunch Program . . . against health insurance for people who lost their jobs. Cheney, an oil company CEO, said it was good for OPEC to cut production so oil and gasoline prices could rise. What are their plans for working families?

Anybody listening to that television ad would say conclusively that the purpose of the ad was to defeat Mr. CHENEY, and to elect the Gore-Lieberman ticket. But, under the Supreme Court decision in Buckley, that is considered to be an issue ad and not subject to regulation.

How in the world can there be issue advocacy in advertisements which take up the Clean Water Act passed many years ago, or the Head Start Program, which is no longer in issue, or the school lunch program, or health insurance for people who lost their jobs? Those matters long since ceased to be issues. But, notwithstanding that, they are categorized as issue ads and not advocacy ads where the only purpose would be to advocate the defeat of DICK CHENEY for Vice President and the defeat of the Bush-Cheney ticket.

Under my amendment and the language of Furgatch, there would be no doubt that that message is "unmistakable, unambiguous, and suggestive of only one plausible meaning."

The ads of the Republican National Committee were similarly directed to defeat the Gore-Lieberman ticket.

This is an illustrative ad by the Republican National Committee.

> [Announcer] "Under Clinton-Gore, prescription drug prices have skyrocketed, and nothing's been done. George Bush has a plan: add a prescription drug benefit to Medicare."
>
> [George Bush] "Every senior will have access to prescription drug benefits."
>
> [Announcer] "And Al Gore? Gore opposed bipartisan reform. He's pushing a big government plan that lets Washington bureaucrats interfere with what your doctors prescribe. The Gore prescription plan: bureaucrats decide. Bush prescription plan: seniors choose."

Obviously, that is an ad which advocates the election of George Bush and advocates the defeat of Vice President Gore. But under the Buckley decision, that would be an issue ad and not subject to Federal regulation.

The findings set forth in my amendment recite the essential facts of how the candidates coordinated these advertisements with their parties.

Findings 7, 8, and 9, starting on page 2, line 29, recites:

> During the 1996 Presidential primary campaign the Clinton Committee and the Dole Committee both spent millions of dollars in excess of the overall Presidential primary spending limit that applied to each of their campaigns, and in doing so, used millions of dollars in soft money contributions that could not legally be used directly to support a Presidential campaign.
>
> The Clinton and Dole Committees made these campaign expenditures through their respective national political party committees, using these party committees as conduits to run multi-million dollar television ad campaigns to support their candidacies.
>
> These television ad campaigns were in each case prepared, directed, and controlled by the Clinton and Dole campaigns.

And finding 10, page 3, line 13:

> Former Clinton adviser Dick Morris said in his book about the 1996 elections that President Clinton worked over every script, watched each advertisement, and decided which advertisements would run where and when.

Finding 11, page 3, line 17:

> Then-President Clinton told supporters at a Democratic National Committee luncheon on December 7, 1995, that, "We realized that we could run these ads through the Democratic Party, which meant that we could raise money in $20,000 and $50,000 blocks. So we didn't have to do it all in $1,000 and run down what I can spend, which is limited by law so that is what we've done."

There is no doubt about the fact of coordination when it comes from the mouth of the Presidential candidate, President Clinton, running for reelection and from Dick Morris, his campaign manager.

Findings 18, 19, and 20, starting on page 5, line 9, recites:

> After reviewing spending in the 1996 Presidential election campaign, auditors for the Federal Election Commission recommended that the 1996 Clinton and Dole campaigns repay $7 million and $17.7 million, respectively, because the national political parties had closely coordinated their soft money issue ads with the respective presidential candidates and, accordingly, the expenditures would be counted against the candidates' spending limits. The repayment recommendation for the Dole campaign was subsequently reduced to $6.1 million.
>
> On December 10, 1998, on a 6-0 vote, the Federal Election Commission rejected its auditors' recommendation that the Clinton and Dole campaigns repay the money.
>
> The pattern of close coordination between candidates' campaign committees and national party committees continued in the 2000 Presidential election.

The Supreme Court of the United States, in Buckley v. Valeo, made a conclusive finding that such controlled or coordinated expenditures are treated as contributions rather than expenditures under the Act.

But notwithstanding that clear-cut statement of law, when the Federal Election Commission picked up the issue and had a decision to make, the Federal Election Commission said that there was not a violation of the Federal election law.

The findings go into some detail about the experience of the 25 years since the 1976 decision of Buckley v. Valeo on the number and frequency of advertisements which avoid being advocacy ads because they leave out the magic words.

We recite the finding that in 1996 there was an estimated $135 million spent on these so-called issue advertisements. The estimate for 1998 ranged from $275 to $340 million. And for the 2000 election, the estimate for spending on such advertisements exceeded $340 million.

In Buckley v. Valeo, the Supreme Court of the United States said that legislation affecting campaign contributions would be based on corruption or the appearance of corruption. Since the Buckley decision was decided, there have been many books written documenting the details of corruption and the public perception of the appearance of corruption. It is not a cottage industry; it is a major national industry.

Last year, the year 2000, a book was edited by Robert Williams entitled "Party Finance and Political Corruption."

In 1999, a book was published "Corruption, Public Finances, and the Unofficial Economy," by Johnson, Kaufmann and Zoido-Lobatoon.

In 1999, an incisive book entitled "The Corruption of American Politics: What Went Wrong and Why" was written by Elizabeth Drew, tracing the Governmental Affairs hearings in 1997.

In 1998, a book was written by Timperlake and Triplett entitled, "Year of the Rat: How Bill Clinton Compromised U.S. Security for Chinese Cash."

In 1998, a book was written by Cecil Heftel, entitled, "End Legalized Bribery: An Ex-Congressman's Proposal to Clean Up Congress."

The findings recite a great many books, including Philip Stern's 1988 book, trenchantly entitled, "The Best Congress Money Can Buy."

There is an unmistakable basis for this kind of legislation and the tightening of legislation that reaches these issue ads.

The reports on the appearance of corruption are as fresh as yesterday's newspaper. The New York Times reported on March 13—finding No. 30—

> A lobbying campaign led by credit card companies and banks that gave millions of

> dollars in political donations to members of Congress and contributed generously to President Bush's 2000 campaign is close to its long-sought goal of overhauling the nation's bankruptcy system.

On March 16, a New York Times editorial observed:

> Business interests generously supported Republicans in the last election and are now reaping the rewards.

On a bipartisan basis—the Washington Post, on September 15, 2000, criticized the Democrats, noting that—finding number 27, at page 8 of this amendment—

> A group of Texas trial lawyers with whom former Vice President Gore met in 1995, contributed thousands of dollars to the Democrats after President Clinton vetoed legislation that would have strictly limited the amount of damages juries can award to plaintiffs in civil lawsuits.

Finding 28, page 8, line 21:

> According to an article in the March 26, 2001 edition of U.S. News and World Report, labor-related groups—which count on their Democratic allies for support on issues such as the minimum wage that are important to unions—spent more than $83.5 million in the 2000 elections, with 94 percent going to Democrats, prompting some labor figures to brag that without labor's money, the election would not have been nearly as close.

Finding 32, page 9, line 19:

> It has become common practice to reward big campaign donors with ambassadorships, with an informal policy dating back to the 1960s allocating about 30 percent of the nation's ambassadorships to non-career appointees. According to a Knight Ridder article from November 13, 1997, former President Nixon once told his White House Chief of Staff that "Anybody who wants to be an ambassador must at least give $250,000."

That, in essence, sets forth findings which, in my legal opinion, warrant the legislation being considered today, although, candidly, it may be wise to add even more findings in the face of what the U.S. Supreme Court has done recently in invalidating congressional legislation on constitutional grounds, notwithstanding very strong findings, as I believe these findings are.

The essence of the legislation goes to a standard which would satisfy the U.S. Supreme Court, although, realistically, the language of McCain-Feingold and even the language of Furgatch does not come directly in line with what the Supreme Court said in Buckley when they talked about a "vote for" or "vote against." I believe that in the context of what has happened with money and elections, with the language of Furgatch supplementing the language of McCain-Feingold, this bill would definitely pass constitutional muster.

I refer to an extensively quoted bit of language from the opinion of Justice Robert Jackson in a case captioned United States v. Five Gambling Devices, decided in 1953, where Justice Jackson said the following at page 449 of volume 346 of U.S. Reports:

> This court does and should accord a strong presumption of constitutionality to Acts of Congress. This is not a mere polite gesture. It is a deference due to deliberate judgment by constitutional majorities of the two Houses of Congress that an Act is within their delegated power or is necessary and proper to execution of that power. The rational and practical force of the presumption is at its maximum only when it appears that the precise point in issue here has been considered by Congress and has been explicitly and deliberately resolved.

What we are doing in this bill is seeking to overturn the direct holding in Buckley v. Valeo which has required the magic words "vote for" or "vote against." But as Justice Jackson has noted and as constitutional doctrine has evolved, the court will give special consideration to what the Congress does in a specific context where it appears that "the precise point in issue has been considered by Congress and has been explicitly and deliberately resolved."

I submit that if you take the underlying language of McCain-Feingold on the definition of an electioneering communication and add to it the language of Furgatch, that Congress is coming to grips explicitly and deliberately with what the court has done and that, building upon the strong presumption which Justice Jackson notes is present, the strong presumption of constitutionality to Acts of Congress, and then looking to Buckley itself, which said their concern arose that there not be constitutional invalidity because of vagueness, I do not believe there is any realistic way it can be said that there is anything vague about a standard which is "unmistakable, unambiguous, and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

That certainly satisfies the court's requirement that the legislation not be vague. With this language, we will end the charade of having these extraordinary ads which, on their face and in the context of their substance, urge the election of a candidate and the defeat of another but, because of the absence of the magic Buckley words, are held to be issue ads and outside the purview of Federal control.

This language will end that charade, will end the trauma caused by soft money in enormous sums, and put some sense back into the campaign finance laws.

I inquire how much time is left of the 3 hours allocated to the sponsor of the amendment.

The PRESIDING OFFICER. The Senator has 54 minutes remaining.

Mr. SPECTER. I thank the Chair and yield the floor.

Mr. McCONNELL. Mr. President, I find myself in the curious position of opposing the amendment of the Senator from Pennsylvania but controlling the time on this side. How much time is left?

The PRESIDING OFFICER. The opponents have 90 minutes.

Mr. McCONNELL. Mr. President, I commend my friend from Pennsylvania for his understanding of the dilemma in which we find ourselves. The underlying bill, in the opinion of this Senator, will dramatically weaken the parties' ability to get their message out. By definition, this will only increase the power of third party groups who already outspend the parties by a factor of two to one.

I commend the Senator from Pennsylvania for his efforts to create a fair and balanced approach by restricting outside groups as well as parties. A year and a half or so ago, when this issue was last on the floor, the Senator from Pennsylvania cast, in my view, a very principled vote by joining me in opposition to cloture on McCain-Feingold at that time because McCain-Feingold at that particular year was only a party soft money ban. The Senator from Pennsylvania expressed his concern that by not passing anything that impacted outside groups, we would put the parties at a particular disadvantage. What he is doing today is entirely consistent with the vote he cast back in 1999 on a party soft money ban only.

The problem with the solution my friend from Pennsylvania proposed is that it can't be accomplished without violating the First Amendment. This is clear from case law. Senator SPECTER's amendment would allow the Government to regulate the speech of citizens groups far beyond the constitutionally permissible express advocacy by including speech which a person believes is candidate advocacy.

In the first place, this formulation seems fine. But the problem is that reasonable people can, and often do, disagree on a speaker's intent. When it comes to political speech—the core of the First Amendment—we can't tolerate such uncertainty.

Indeed, the Supreme Court, in Buckley versus Valeo, recognized this fact and therefore rejected a test for speech regulation that went beyond express advocacy. Specifically, in Buckley, it was noted that:

> Whether words intended and designed to fall short of invitation would miss that "mark," [and by that "mark", Mr. President, the court meant some form of candidate advocacy] is a question of both intent and of effect. No speaker, in such circumstances, safely could assume that anything he might say upon the general subject would not be understood by some as an invitation [to vote for or against a candidate]. In short, the supposedly clear-cut distinction between discussion, laudation, general advocacy, and solicitation puts the speaker in these circumstances wholly at the mercy of the varied understanding of his hearers and consequently of whatever influence may be drawn as to his intent and meaning. Such a distinction offers no security for free discussion. In these conditions it blankets with uncertainty whatever may be said. It compels the speaker to hedge and trim.

Mr. President, an illustration might be helpful. In 1996, the National Right to Life Committee ran an ad strongly criticizing President Clinton for vetoing Congress's ban on partial-birth abortion. Senator SPECTER might very reasonably conclude that this was a form of candidate opposition. Knowing the passion that Right to Life has on this issue, I, however, might just as reasonably conclude that these efforts were an ad by a citizens group to rally public and/or official opinion about an issue of the utmost concern to it in order to convince Congress to override the veto.

The reason why this very reasonable difference of opinion between my friend and me on this ad is so critical is that if I am the Government regulator, Right to Life gets to speak. But if my friend from Pennsylvania is the speech regulator, Right to Life doesn't get to speak. And because National Right to Life or the Sierra Club, or the ACLU or whomever, knows that speech, like beauty, is in the eye of the beholder, it will be chilled from speaking. This is a result that we don't want in a democracy. We don't want the "marketplace of ideas" to be bereft of commodities.

I commend my friend for his understanding of the dilemma and for his good intentions; but I strongly disagree with him, however, on the proposed solution.

The problem with relying on Furgatch, the case to which Senator SPECTER referred, besides the fact that it is at odds with about two dozen other cases, is that the Ninth Circuit in Furgatch failed to cite the Supreme Court's decision in Federal Election Commission v. Massachusetts Citizens For Life, which was decided a mere 3 weeks before Furgatch. In Massachusetts Citizens For Life, the Supreme Court squarely affirmed its express advocacy test from the Buckley case. It seems that a law clerk in Furgatch was asleep on the job, and we should not ignore Supreme Court precedent simply because of that. In fact, the Ninth Circuit cited the First Circuit's opinion in Massachusetts Citizens For Life, not the Supreme Court's opinion in that case.

Furthermore, the amendment of the Senator from Pennsylvania would allow the Government to regulate the speech of its citizens based on "external events." The Fourth Circuit not only ruled against the FEC when it tried to do this, but it actually awarded attorneys fees against the Federal Government for taking a legal position that was not "substantially justified," meaning that it did not have a good-faith basis in the law.

If this amendment, coupled with the underlying bill, passes, the Secretary of the Treasury better get out his checkbook.

I understand what the Senator from Pennsylvania is trying to do. He is frustrated that the parties will be reduced and influenced under the underlying bill and concerned that the outside groups will simply fill the vacuum. I understand that and share that concern. Unfortunately, there is simply no case law that will lead us to believe that such restrictions are likely to be upheld. Therefore, it is with considerable reluctance that I have to say I will oppose the amendment of the Senator from Pennsylvania.

How much time does the Senator from Tennessee wish to have?

Mr. THOMPSON. Ten minutes.

Mr. McCONNELL. I yield 10 minutes to the Senator from Tennessee.

Mr. THOMPSON. I thank my friend.

I want to make a couple comments, partly in the nature of inquiring of my friend from Pennsylvania to make sure I understand his remarks. We had an opportunity to talk briefly about this. I tried to listen to his explanation.

First of all, I commend him for his good lawyering in recognizing that findings of fact are certainly official in a situation such as this in helping to create a record. From my perusal, I think that is certainly well done. I do have a concern with regard to the other provision of the amendment.

Buckley pretty clearly established that we could only regulate express advocacy under certain conditions or in certain ways. Buckley set forth the so-called magic words. In other words, if you have words in there saying "vote for" or "vote against" somebody, that is an express ad, and you can require people to have contribution limits, or notice, or disclosure, and whatnot, with regard to those kinds of ads.

Clearly, time has proven that to be inadequate in many respects, and what Snowe-Jeffords does—and we will debate that later on—is it comes along and says, in addition to those magic words, we think that also, if within 60 days of an election —and you know an election is around the corner—you use the likeness of a candidate, that that also, in effect—and these are my words—is express advocacy. In other words, it applied its own bright-line test.

The Court in Buckley was concerned that people know what the rules of the game were before they started speaking and that they not inadvertently get caught up in something not of their own making which would penalize them in some way. They said you will certainly know if the rule is words such as "vote for" or "vote against." Anybody can understand that. Those are the rules. You know what you can and cannot do.

I think the same thing applies to Snowe-Jeffords. You certainly know if you are running an ad within so many days, and if you are running the likeness of someone. In either of those cases, I think you have a bright-line test. The average person can look at those situations and decide whether or not to put themselves in the middle of that or not.

My concern is the language that is used. I understand that what I would refer to as the unmistakable and unambiguous language of the current amendment would be in addition to the Snowe-Jeffords requirement. In other words, you would still have the likeness and 60-day requirement and, in addition to that, under this amendment, you would have this:

> . . .when read as a whole, and in the context of external events, is unmistakable, unambiguous and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate. . . .

And so forth. That is my understanding. I think that is done in addition to tightening up Snowe-Jeffords, perhaps, in some way, to lay an additional requirement on Snowe-Jeffords to make it even tighter in some ways.

That is a laudable goal, if it can be done. The only problem is that this language being used to do that in and of itself is pretty clearly unconstitutional, it seems to me. We have a vagueness problem because when you ask yourself, do you have the bright line that you had in Buckley, such as "vote for" or "vote against," or do you have the bright line, as in Snowe-Jeffords, such as you must use the likeness within 60 days, the answer must be no. The line here is unambiguous and suggestive of no other meaning.

I think the Senator from Pennsylvania and I could agree probably on just about any ad as to whether or not it fit this bill, but certainly it is not definite enough, it seems to me, so that there could be no reasonable disagreement as to whether something was really a campaign ad or not.

I sympathize with the effort, and I discussed this matter with my friend and we jointly discussed what might and might not be done about it.

As I understand the explanation, and as I look at it, it seems to me this misses the mark substantially in trying to apply some bright-line test so the Supreme Court might arguably or possibly uphold this as being, in effect, express advocacy and, therefore, subject to regulation.

Obviously, I am going to listen with great care to my friend from Pennsylvania, but those are my concerns.

I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the Senator from Tennessee for his analysis and observations and the question he raises. I respond by noting that where you have the likeness issue or requirement in Snowe-Jeffords, that does not deal with the Buckley requirement of the magic words "vote for" or "vote against," and the likeness factor of Snowe-Jeffords is very similar to the language of McCain-Feingold which has "refers to a clearly identified candidate for Federal office."

Buckley has said you have to do something more, and what you have to do is be more explicit on voting for or against.

Furgatch comes to grips with that issue on the language of its holding by the Ninth Circuit that it meets the Buckley test, although it does not use the magic words because it refers to a message being unmistakable, unambiguous, and suggestive of no plausible meaning.

The ads which I read saying Clinton was wonderful and Dole was terrible were viewed as being issue ads—you have a clearly identified candidate, which is McCain-Feingold, and you could have a likeness, which would satisfy Snowe-Jeffords, but that does not meet the Buckley test.

I argue as strenuously as I can that if the standard is "unmistakable, unambiguous, and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate," that comes to grips directly—directly—with the issue of vagueness.

Let's discuss it for a minute or two, I say to Senator THOMPSON. How can the Senator say there is anything vague about a standard which is unmistakable?

Mr. THOMPSON. May I respond to my friend? I think the difference here is the difference between something being unambiguous and something being called unambiguous.

In Buckley and in Snowe-Jeffords, standards are set out that one can look at and conclude they are ambiguous or unambiguous. I do not believe we can in a statute just say that it must be unambiguous. In the eyes of whom? In the eyes of a judge ultimately, I assume. That is like saying your behavior will be legal and you will be punished, in a criminal statute, behavior that is not legal. That begs the question. What behavior is allowed, and what behavior is disallowed? In this case, it seems to me under the Supreme Court you have to have a bright line in the statute itself. You have to have something that you can look at and conclude that it is unambiguous. You cannot just write in the statute that this is unambiguous or it must be unambiguous to pass muster in the eyes of a judge later. That is the distinction I make.

Mr. SPECTER. Mr. President, I disagree forcibly with my colleague from Tennessee. I do not think you have a bright line, you have a dull line. You have a definition which does not come to grips with what Buckley has said.

When the Senator from Tennessee makes an argument that it begs the question to say something is legal or not, that is a fact that turns on a great many considerations as to whether something is legal or not. It involves a judgment and inferences.

When you are talking about a factual matter, about "no plausible meaning other than an exhortation to vote for or against a specific candidate," I again direct a question to the Senator from Tennessee: In dealing with the standard of vagueness, how can you have language which is more definitive on its face?

Obviously, it is going to have to be applied. There is no question about that. I read at some length, if the Senator from Tennessee had an opportunity to listen to the Dole ads, the Clinton ads, the Bush ads, or the Gore ads—let me start with that question.

Mr. THOMPSON. And a good deal of them would come under Snowe-Jeffords, I believe, for starters.

Mr. SPECTER. Why would they come under Snowe-Jeffords?

Mr. THOMPSON. They mentioned the name of the candidate and came within 60 days of the election. Some of them can.

Let me get back, if I may, to the original issue. My question is, when the statute says that the words must be unambiguous, I ask: Unambiguous in whose eyes? Unambiguous to whom?

Mr. SPECTER. If I may respond, that is always going to be a matter of application, no matter what legal standard you have. However specific it is, it has to be applied.

When you refer, if I may direct this question to the Senator from Tennessee, to Snowe-Jeffords covering the Dole ads, the Clinton ads, the Gore ads, or the Bush ads, I think Snowe-Jeffords would cover the clearly identified candidate within a time limit, but it would not satisfy Buckley. Those are viewed as issue ads. They do not satisfy Buckley.

With Furgatch, you advance the definition very substantially. You advance the definition with as much precision as the English language can give you. If you want to stick in "vote for" or "vote against," OK, that is the language of Buckley.

My own legal judgment—and this is a legal issue which is susceptible to different interpretations; it is not like being unambiguous or susceptible to no other interpretation—my view is that the language of a specified candidate and a time limit and a likeness has not come to grips with the specificity that Buckley looks for. They want something which is not vague.

Perhaps the challenge is to come up with language which satisfies the Senator from Tennessee that it is not vague. I am open to suggestions, but I think we are not coming to grips with that clear-cut core issue on avoiding vagueness with what you have absent a definition such as Furgatch.

Mr. THOMPSON. If my friend would yield for a moment.

Mr. SPECTER. I do.

Mr. THOMPSON. I suppose my thinking is that the Snowe-Jeffords language is much closer to the bright line requirement than this language would be.

Mr. SPECTER. May I ask my friend from Tennessee what language he refers to specifically?

Mr. THOMPSON. The language requiring the likeness of candidate used within 60 days of an election. That is an objective standard.

The Supreme Court in Buckley didn't say you must have an ad that is unambiguously a campaign ad. They said in that case, words such as "vote for" or words such as "vote against." Anybody can look at that, even the Members of this body would have to all agree whether or not that was in a particular ad.

That is a bright line.

Now Snowe-Jeffords comes along and provides its own bright line. We will be debating that, as to whether or not it is sufficient, whether or not it complies with Buckley, or whether or not the Supreme Court might take a look at it again and say it was unconstitutional in light of other circumstances.

Again, one can objectively look at an ad and tell whether or not it has a likeness of a candidate. But you can't look at an ad and tell whether or not it is unambiguous unless you get to court.

Mr. SPECTER. If I may direct this question to my colleague from Tennessee, if the Clinton ads don't have the likeness but simply talk about Gore, then would that satisfy the Snowe-Jeffords test?

Mr. THOMPSON. I think it would—no, it would not. It requires the likeness, as I recall—or does it require both?

It says "refers to a clearly identified candidate."

The answer is yes. I was wrong.

Mr. SPECTER. If I may reclaim the floor for the argument, if it refers to a clearly identified candidate, it does not advance the issue beyond the face of McCain-Feingold, which has "refer to a clearly identified candidate for Federal office."

You have all of these ads which extol Clinton and defame Dole or vice versa, or extol Gore and defame Bush, which are held to be issue ads. But you have a clearly identified candidate.

So I ask my friend, the Senator from Tennessee, how does that meet the Buckley test, which was not met by these horrendous ads on both sides which, in any event, advocated the election of Clinton and the defeat of Dole? How does this language of Snowe-Jeffords, with a clearly identified candidate—which is the same as McCain-Feingold—advance to any extent the ads in the 1996 or 2000 election which were viewed as issue ads?

Mr. THOMPSON. If I may respond to my friend, I am not suggesting they advance those ads. What I am suggesting is in McCain-Feingold, in the Snowe-Jeffords provisions of McCain-Feingold, it requires clear reference to mention of a fact that would be undisputable; that is, whether or not a fellow's name, a person's name, is mentioned.

I believe that is closer to the Buckley standard, which says you have to have something objective. That is closer to the Buckley standard than language which says "in the context of external events, is unmistakable, unambiguous, and suggestive of no plausible meaning, other than an exhortation to vote."

Again, that begs the question. Here is something that is unambiguous. Here is something you call unambiguous. That is the difference to me.

Mr. SPECTER. If I may refocus to the Senator from Tennessee: Put aside the language of Furgatch, assume you are right about the language of Furgatch—and maybe we need some other language—how does Snowe-Jeffords or language of a clearly identified candidate for Federal office satisfy Buckley when the ads extolling Clinton and defaming Dole, where there was a clearly identified candidate and you were within the time-frame and they were issue ads—would Snowe-Jeffords cover the Clinton ads in 1996?

Mr. THOMPSON. I see what the Senator is getting at.

I think if this were passed and this were considered in the light of a similar ad, this would catch it. Yes, I do. Because they would be referring to a clearly identified candidate. If and when the Court considers the Snowe-Jeffords language, I think there is a reasonably good chance they will uphold it as constitutional. If that becomes the operative language, or some operative language, along with the language they had in Buckley—if all of that now is permissible and such an ad is run which mentions a clearly identified candidate, then it will be applicable at that time.

Mr. SPECTER. If I may further pinpoint the question, does the Senator say if Snowe-Jeffords had been in the Act, that the advertisement extolling Clinton and defaming Dole would have been held an advocacy ad in 1996?

Mr. THOMPSON. I think so.

Mr. SPECTER. Mr. President, that draws the issue.

My own view is that it is conclusive that Snowe-Jeffords would not satisfy Buckley, that we are looking for an avoidance of a vagueness standard, that simply having a clearly identified candidate for Federal office and a time parameter would not meet the requirement of Buckley which talks about "vote for" or "vote against," that in the long history of many cases since 1976, over a 25-year-period, the best language which has come forward is the Furgatch language. I believe that, on its face, it passes constitutional muster.

There are a lot of decisions by the courts throwing out legislation on the ground that the legislation is vague and, if legislation is vague, it doesn't satisfy requirements of due process of law. Many courts have struggled mightily for 25 years, and the only court which has come up with language is the Supreme Court of the United States. And as I say that, I know the Hornbook rule is you are supposed to not be able to tell anybody if the Supreme Court denies cert. But it is always mentioned the Supreme Court did not cert, and it is mentioned the Supreme Court does not cert because of the impossible inference, because if the Supreme Court did not like Furgatch, it would have taken cert.

I know there is a contrary doctrine that says the Supreme Court is so busy one cannot draw an inference, but I think in a practical sense you can. So in 25 years of litigation and a lot of cases, the best that has evolved is this language which I submit to my colleagues is not vague when it says "no plausible meaning other than an exhortation to vote for or against a specific candidate." That is not vague. But if we stand pat and pass this bill, there is a big risk of unconstitutionality. And if somebody has a way to eliminate vagueness more precisely, I am open.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I stand in support of the amendment of the Senator from Pennsylvania.

The PRESIDING OFFICER. Will the Senator from Delaware withhold? Who yields time to the Senator from Delaware?

Mr. BIDEN. I am on the side of the Senator from Pennsylvania.

Mr. SPECTER. How much time would the Senator from Delaware like?

Mr. BIDEN. How much time does the Senator have? If he only has a few minutes—

Mr. DODD. How much time does my colleague need?

Mr. BIDEN. Five minutes.

Mr. DODD. I am happy to yield.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. BIDEN. Mr. President, I am a supporter of McCain-Feingold, so I am not inclined to be supportive of anything that is going to make the effort that is underway less effective in controlling these kinds of ads. The distinguished Senator from Wisconsin indicated to me while the Senator from Pennsylvania was speaking—and I apologize; I did not catch the intervention of the Senator from Tennessee because I was not on the floor, so I may be being redundant, but it was indicated to me that at least some who support this legislation, McCain-Feingold, fear that if the standard being proposed by the Senator from Pennsylvania, which I support, is adopted, we will have inadvertently put in a two-test hurdle.

I see the distinguished Senator from Maine. Maybe she can be helpful—that it would require, not only that you reach the Snowe-Jeffords standard but that you then have to meet a second standard, thereby making it even more difficult to control the kinds of ads we are trying to get at here.

I wonder if the Senator from Maine or the Senator from Wisconsin—or anyone—could tell me why they think the Snowe-Jeffords standard would, in fact, capture the kinds of ads that the Senator from Pennsylvania has been speaking to, which do not mention the name by name, or they mention by name but do not advocate whether to vote for or against that candidate. Why would such ads be captured by the language of the Snowe-Jeffords amendment? Would anybody wish to respond to that for me?

Mr. THOMPSON. If I may, while the Senator from Maine has just arrived, my own view is that Snowe-Jeffords captures all that it can, constitutionally.

Mr. BIDEN. I ask the Senator, it would not capture an ad that said:

> This is the NRA. The distinguished Senator from Tennessee wishes to take away your shotgun. We think you have a right to keep your shotgun. I hope you will consider this when you vote.

It would not capture such an ad, would it?

Mr. THOMPSON. If they make specific reference to me as a candidate, and I am running and they do it within 60 days of the election, Snowe-Jeffords would capture that to the extent of requiring disclosure.

Mr. BIDEN. Even if they do not suggest whether to vote for or against that Senator?

Mr. THOMPSON. Yes. Yes.

Mr. BIDEN. So if a name is mentioned—it is the assertion of the sponsors and supporters of Snowe-Jeffords that if the name is mentioned in an ad, 60 days before election, by an advocacy group, that that would be subject to regulation under this legislation?

Mr. THOMPSON. Yes.

Mr. BIDEN. Can my colleague explain to me why is that?

Mr. THOMPSON. It is in the bill. It is in the statute. It reads that way.

Why I think it is constitutional is that the Supreme Court for some time now has said you can regulate express ads, express advocacy. What the Court did in Buckley is define express advocacy—words such as "vote for, vote against." And it said the reason we are setting this out, in effect, is because you need a bright line. A person needs to be able to tell whether or not they are going to run afoul of the statute.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. THOMPSON. That is what you get for asking me a question.

Mr. DODD. This is an important debate. I certainly yield 10 minutes or so, whatever.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. I will continue. Maybe the Senator moves on his time. It doesn't matter. Continue, if the Chair will allow it.

The PRESIDING OFFICER. The time is under the control of the Senator from Kentucky.

Mr. McCONNELL. How much time does the Senator from Delaware require? Five minutes?

Mr. BIDEN. I really don't know.

Mr. McCONNELL. I yield 5 minutes to the Senator from Delaware.

Mr. BIDEN. And I will yield to the Senator from Tennessee to continue his answer.

Let me back up. If I can say to my friend from Tennessee, the language in the McCain-Feingold bill on page 15 says:

> IN GENERAL.—The term "electioneering communication" means any broadcast, cable, or satellite communication which—[subsection] (i) refers to a clearly identified candidate for elective office[.]

Is the interpretation of those who put that language in that it must mention the candidate by name?

Mr. THOMPSON. I am going to defer to the Senator from Maine for that. I intruded on the time of the author of that provision enough on this. I will refer that question to her, if I may.

Ms. SNOWE. Thank you. I thank the Senator from Tennessee and I will be glad to respond to the Senator from Delaware.

In drafting this language, we attempted, obviously, to draw a very bright line, building upon the Buckley v Valeo decision back in 1976, that was issued by the Supreme Court.

At that time, the Supreme Court was obviously responding to the law that was on the books that was passed by Congress in 1974. And it used as examples the words, "vote for or against" as ways in which to define express advocacy.

Obviously that decision, nor their suggestions for examples, weren't limited and Congress since that time has not passed legislation with respect to campaign finance. So, therefore, there is nothing for the Supreme Court to react to.

So we looked at the various Court decisions and decided that the way in which we can carefully calibrate legislation that would allow for disclosure and would require disclosure—and banning advertisements by unions and corporations within that 60-day period before a general election, 30-day period before the primary—would be a way of avoiding any constitutional questions. And that bright line is referring to a clearly identified candidate for Federal office, that this communication is done 60 days before the general, 30 days before the primary.

Mr. BIDEN. If the Senator will yield, because I don't have much time, I understand how it comes in. What I don't understand, on whatever time I have remaining, and I thank the Senator for her response—I do not understand why that standard, A, would require redundancy, to have two standards to be met—if the language was added by the Senator from Pennsylvania which says—which when read as a whole in the context of external events is "unmistakably unambiguous and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

Granted three other circuits or four other circuits ruled differently than the ninth circuit, but it seems to me the most damaging decision—the most damaging thing that has happened to the electoral process has been Buckley. The single most damaging thing that has occurred in our effort to clean up the glut of money and the hemorrhaging of influence in the electoral process has been the Buckley decision.

Things were going relatively well until that decision occurred and then the dam broke.

So I just want to say I think it is more appropriate to err on the side of being more specific and more inclusive, so that everyone understands that if it says "vote against the Republican candidate" but doesn't mention the Republican candidate for the Senate, that in fact it is covered. If it says vote against the person who said the following but doesn't name the person who said the following—if those ways are used to get around what is now the attempt of having a prohibition on such activity and the hemorrhaging of money, it seems to me that is well captured by the ninth circuit language.

I would rather run the risk of seeing that happen because this is the most damaging thing I have seen happen.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I wonder if I can direct a question to the Senator from Wisconsin. We were discussing this issue.

Is it the intent of this amendment to make it easier to identify an advocacy ad, and to see to it that what has been seen as an issue ad, which clearly urges the election of a candidate and the defeat of an opponent, is classified as an advocacy ad?

I believe the language of Snowe-Jeffords would be consistent, and this language would supplement. But if there is any doubt, the thought occurs to me that we might turn to page 15 where we find electioneering communications. It is i.ii.iii put into the disjunctive "or", and pick up Furgatch, so that if you satisfy either standard you have an advocacy ad.

Mr. FEINGOLD. That clearly would be a very different amendment. That is why I engaged in the conversation with the Senator from Delaware.

The relative process of this amendment is we have been looking at this as clearly a conjunctive setup where you first have to meet the standards of Snowe-Jeffords, and then you would have to meet the standards of the Furgatch-like test.

There would be two obstacles to get over in order to be able to catch one of these ads, which we like to call "phony issue ads."

I would be happy to consider it. The theory will not be how we work if it said "or", but this clearly says "and".

The Senator from Tennessee expressed it absolutely correctly.

The result will be that it will actually end up perhaps inadvertently causing more of these phony issue ads to be unavailable for our desire to try to make them honest for what they are, which is electioneering ads.

Mr. SPECTER. I don't know if the Senator from Tennessee made that point.

Mr. FEINGOLD. I think the Senator from Tennessee would agree with that.

Mr. SPECTER. But in any event, Mr. President, I can modify the amendment—we haven't asked for the yeas and nays yet—to put in the "or", the disjunctive instead of "and", the conjunctive so that there is severability. And where one is decided to be inefficient to satisfy the vagueness standards of Buckley, the other might be sufficient—picking up on what the Senator from Delaware said, having the safeguard.

I am glad to yield to the Senator from Tennessee.

Mr. THOMPSON. Mr. President, I was wondering if we would not be really worse off in that situation because under the Senator's original amendment the language would be added to the Snowe-Jeffords language. So we would still have the Snowe-Jeffords clearly identified candidate language, which I think is going in the right direction. We would be adding that to that language.

Under the Senator's latest suggestion—if it was either/or—you might have a situation where you would not have the Snowe-Jeffords language but only the new language "unmistakable, unambiguous," et cetera, which we have been discussing.

If I am correct this is a constitutional problem in terms of vagueness, then we would be less likely to have that upheld than if it were coupled with what I believe is constitutionally permissible language under Snowe-Jeffords.

Mr. SPECTER. If I may respond, if you have an "or", and you have severability, then, if the Senator from Tennessee is correct, the statute would be upheld under the Snowe-Jeffords language.

If the Senator from Pennsylvania is correct, and either is possible, if Snowe-Jeffords were stricken as being insufficient under a Buckley case, but Furgatch and "or" was sufficient, and they are severable, and one was satisfactory to pass constitutional muster, we would be able to have the one which survived constitutional challenge.

Mr. THOMPSON. If my friend will yield for a question.

Mr. SPECTER. I do.

Mr. THOMPSON. Could it be severable at that level? When we are talking about severability, we are usually talking about provisions, or sections, and so forth. I don't have the answer to this. The Senator from Pennsylvania might have the answer to this. The answer may be yes. But I wonder whether or not within this very specific provision we could actually have a provision where that would be severed so that either/or language would come under the severability provision.

Mr. SPECTER. If I may respond, I believe that is exactly what severability means. That is when the Congress tries to figure out what the Court is going to do. It is pretty hard to do. We really can't tell. We just had an extensive debate as to whether Snowe-Jeffords language is constitutional, and whether Furgatch is constitutional. If we put both of them in, and we make a legislative record that we are looking for one or the other to be satisfactory, I believe that the language of severability means just that.

If you have a long statute, and the Court strikes down one part of it saying it is wrong, it leaves the rest of it. If the rest of it passes constitutional muster, then it is constitutional. The severability issue really turns on constitutional doctrine as to whether the legislation makes sense if it is severed. The Court will strike it down if by striking down a certain clause the rest of it doesn't carry out congressional intent.

Congress tries to avoid that by the severability clause. But putting in a severability clause isn't an absolute guarantee that the Court might not say it is non-severable, notwithstanding the severability clause, because a part was stricken leaving the rest of it as unintelligible, or insufficient, or not really meaningful.

But in this context if we say in this legislation we have Snowe-Jeffords, or Furgatch, and if one of them measures up, then the statute survives.

Mr. THOMPSON. Assuming for a moment that the Senator is correct—and he may be—is my colleague going in this direction?

Knowing that we are going to have a severability vote a little bit later on, knowing that as of this moment we don't know how that vote is going to turn out, would it be wise or appropriate to put this amendment off until after that vote?

Mr. SPECTER. I am willing to do that.

Ms. SNOWE. Will the Senator yield?

Mr. SPECTER. I do.

Ms. SNOWE. I appreciate what the Senator is trying to do with respect to the language. I hope we can defer in terms of the impact and what effect it would have on the overall language in Snowe-Jeffords. We are concerned about being substantially too broad and too overreaching. The concern that I have is it may have a chilling effect. The idea is that people are designing ads, and they need to know with some certainty without inviting the constitutional question that we have been discussing today as to whether or not that language would affect them as to whether or not they air those ads.

That is why we became cautious and prudent in the Senate language that we included and did not include the Furgatch for that reason because it invites ambiguity and vagueness as to whether or not these ads ultimately would be aired or whether somebody would be willing to air them because they are not sure how it would be viewed in terms of being unmistakable and unambiguous. That is the concern that I have.

In terms of severability, again, I would like to know whether or not, in the Senator's view, the Court would consider that idea of having layers of criteria, and if you do and say it is severable, in the meantime there may have been an impact or a deterrent to individuals or groups airing ads that are considered to be legitimate, but weren't certain because of the ambiguity of the language that you are seeking to insert in McCain-Feingold.

Mr. SPECTER. Let me respond very briefly.

The thrust of Buckley is to require that there be a strong statement for or against. You may have a sufficient standard when you have identified a candidate within a given period of time. Or you may not because that may not be sufficiently forceful to meet what Buckley is looking for as not being vague on "for or against," for somebody or against somebody.

Then you pick up an alternative standard, which Furgatch had, where the circuit court thought that was a sufficient statement: That you are for a candidate or against a candidate. Then I think you have both lines.

When the Senator from Tennessee suggests deferring the vote, I am agreeable to that. It may lend more weight to having severability adopted if it has been to some specific reason in the statute.

I yield to the Senator from Connecticut.

Mr. DODD. First of all, this has been a very valuable discussion. While I think initially there was some concern about the Senator's amendment, for the reasons articulated by the Senator from Tennessee, the Senator from Kentucky, the Senator from Maine, the Senator from Wisconsin, and others, the suggestion that the Senator from Pennsylvania has made is a valuable one. The debate has been valuable.

There are some very serious issues that need to be thought through. The Senator from Maine has raised a very worthwhile question. I would strongly suggest that we lay this aside until the severability debate occurs. I think the Senator from Delaware agrees with that as well.

In the meantime, we can see if we can work on some language as well. Some of us may have some additional suggestions with the findings of fact. I say to my colleague, I could talk about some of those. I appreciate the need for findings of fact, but there may be a way of doing this a little less graphically than he has in some instances. We can see if we can reach an agreement on this, pending the outcome of the severability debate. That is a very good suggestion.

But the Senator from Pennsylvania has made a very valuable contribution to this debate this afternoon.

Mr. SPECTER. I thank my friend from Connecticut.

Mr. President, I am prepared to accede to the suggestion made by the Senate from Tennessee.

Mr. McCONNELL. Will the Senator yield?

Mr. DODD. The Senator from North Carolina has an amendment.

Why don't you make that motion then, ask unanimous consent to lay it aside?

Mr. SPECTER. I ask unanimous consent that this amendment be laid aside until the vote has occurred on the severability amendment, and that at that time the motion recur for debate. Should we set a time limit at that time?

Mr. DODD. Why not just lay it aside.

The PRESIDING OFFICER. Is there objection?

Mr. FEINGOLD. Reserving the right to object, I am wondering if it would be more appropriate to simply withdraw the amendment and offer it again later.

Mr. SPECTER. I prefer to have it set aside. It has a certain status value. I will not object to any request to set it aside to offer other amendments.

Mr. FEINGOLD. That is satisfactory.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, this has been a very valuable debate, as others have suggested. It demonstrates the complexity of regulating issue advocacy. I thank everyone who participated in this very enlightening amendment.

AMENDMENT NO. 124

Now, we have Senator LANDRIEU on the floor with an amendment that has been cleared on both sides. And if she will call that amendment back up——

Mr. DODD. Might I inquire of my colleague, is there going to be a requirement for a recorded vote on this amendment?

Ms. LANDRIEU. No. I am prepared to have a voice vote.

Mr. DODD. We might be able to inform our colleagues——

Mr. MCCONNELL. If I may, Senator HELMS is here and prepared to offer an amendment. We would like to lock in Senator HELMS' vote. We can't say "no more votes tonight" unless we lock in Senator HELMS' vote. He is prepared to offer his amendment at the conclusion of the Landrieu amendment.

Mr. DODD. If I might make a unanimous consent request, I ask unanimous consent that when the Senate convenes at 9 a.m. tomorrow, there be up to 15 minutes of debate on the pending Helms amendment, equally divided in the usual form, with a vote on or in relation to the amendment to occur at the use or yielding back of that time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DODD. Then we can debate that amendment tonight. I understand there will be no further rollcall votes tonight; is that correct?

Ms. LANDRIEU addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Would I be in order to ask unanimous consent that for this amendment there be a voice vote tonight? Of course, I will abide by the wishes of the chairman and ranking member. I believe this amendment has been cleared.

Mr. MCCONNELL. My understanding is there is no requirement for a rollcall vote on this side. So if the Senator would call up her amendment, and tell us what it is, it is my understanding it will be cleared, and a voice vote would be appropriate.

Ms. LANDRIEU. I am resubmitting the amendment. The staff has been working on it. Basically, as I described earlier, this amendment would not require any additional recording, no additional work on behalf of the candidates. It would simply direct the FEC to come up with standards for software so that our recording would basically be done electronically, totally transparent and basically almost instantaneous.

There would be no changes of reports, no requirements for new reports, no requirements for new work, just basically instantaneous transparency.

I think both sides have argued—and I definitely agree—that full disclosure is one of the things we could do to improve it. That is what this amendment does.

I offer it at this time.

Mr. DODD. Is this a modification?

Ms. LANDRIEU. Yes.

Mr. DODD. It is a modification?

Ms. LANDRIEU. It is a modification of the original amendment. Senator MCCONNELL had some excellent points that were incorporated. We wanted to leave adequate time for the FEC to develop these new rules and procedures. There is no deadline basically. It does not mandate the FEC to develop the software, but it allows them, I say to the Senator, to develop the standards. Industry develops the software and then makes it available to us.

So for our constituents, for interested parties, and for journalists, our reporting will basically be as if you were accessing a Web site.

Mr. DODD. The Senator earlier temporarily laid aside the amendment. I think the Senator needs to ask unanimous consent to modify her amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. DODD. And that would be the amendment under consideration.

Ms. LANDRIEU. I thank the Senator.

AMENDMENT NO. 124, AS MODIFIED

Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The amendment is modified.

The amendment (No. 124), as modified, is as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. 305. SOFTWARE FOR FILING REPORTS AND PROMPT DISCLOSURE OF CONTRIBUTIONS.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12) SOFTWARE FOR FILING OF REPORTS.—

"(A) IN GENERAL.—The Commission shall—

"(i) promulgate standards to be used by vendors to develop software that—

"(I) permits candidates to easily record information concerning receipts and disbursements required to be reported under this Act at the time of the receipt or disbursement;

"(II) allows the information recorded under subclause (I) to be transmitted immediately to the Commission; and

"(III) allows the Commission to post the information on the Internet immediately upon receipt; and

"(ii) make a copy of software that meets the standards promulgated under clause (i) available to each person required to file a designation, statement, or report in electronic form under this Act.

"(B) ADDITIONAL INFORMATION.—To the extent feasible, the Commission shall require vendors to include in the software developed under the standards under subparagraph (A) the ability for any person to file any designation, statement, or report required under this Act to be filed in electronic form.

"(C) REQUIRED USE.—Notwithstanding any provision of this Act relating to times for filing reports, each candidate for Federal office (or that candidate's authorized committee) shall use software that meets the standards promulgated under this paragraph once such software is made available to such candidate.

"(D) REQUIRED POSTING.—The Commission shall, as soon as practicable, post on the Internet any information received under this paragraph.".

Mr. DODD. I commend our colleague from Louisiana. She worked very hard on this issue. I think it is very timely. I believe it is going to be of great assistance to Members as well as the expediting of the information that will contribute significantly to the McCain-Feingold bill. She has made a significant and worthwhile contribution to this process. I commend her for it.

Ms. LANDRIEU. I thank the Senator.

Mr. MCCONNELL. As I indicated, we have reviewed the amendment with the Senator from Louisiana. It has been approved by us. There is no need for a rollcall vote. We would be happy to have the amendment adopted on a voice vote.

The PRESIDING OFFICER. Do the Senators yield back their time?

Ms. LANDRIEU. I yield back whatever time I have remaining.

Mr. FEINGOLD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. I believe we are now ready for a vote.

The PRESIDING OFFICER. Has all time been yielded back?

Mr. DODD. The time is yielded back.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 124, as modified.

The amendment (No. 124), as modified, was agreed to.

Mr. MCCONNELL. I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, the Senator from North Carolina is here, and before yielding the floor so he may offer an amendment, I want to make a couple of observations about what he is trying to do, very briefly.

With regard to union members' rights, we have had a vote on getting the consent of members with regard to their dues and how it may be spent. That has been called a poison pill. That has been voted down. We have had a vote on consent.

We have had a vote on disclosure, trying to get the unions to disclose how they spend their money, the biggest player in American politics. There was an effort made on the floor of the Senate to get simple disclosure of how the money is spent. That was described as a poison pill. That went down.

The Senator from North Carolina is now, I am told, going to offer an amendment regarding notification. If union members are denied the right to consent, they are denied the opportunity to learn from disclosure, now the Senator from North Carolina is going to give the Senate an opportunity to see whether at least they can be notified when something is going to happen with their money.

Before he offers the amendment and takes the floor, I appreciate the good work of the Senator from North Carolina and I look forward to supporting his amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for me to make my remarks seated at my desk

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

AMENDMENT NO. 141

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

> The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 141.

Mr. HELMS. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To require labor organizations to provide notice to members concerning their rights with respect to the expenditure of funds for activities unrelated to collective bargaining)
>
> At the appropriate place, insert the following:
>
> **SEC. . DISCLOSURE OF EXPENDITURES BY LABOR ORGANIZATIONS.**
>
> Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended 'by adding at the end the following:
>
> "(i) NOTICE TO MEMBERS AND EMPLOYEES.—A labor organization shall, on an annual basis, provide (by mail) to each employee who, during the year involved, pays dues, initiation fees, assessments, or other payments as a condition of membership in the labor organization or as a condition of employment (as provided for in subsection (a)(3)), a notice that includes the following statement: 'You have the right to withhold the portion of your dues that is used for purposes unrelated to collective bargaining. The United States Supreme Court has ruled that labor organizations cannot force dues-paying or fees-paying non-members to pay for activities that are unrelated to collective bargaining. You have the right to resign from the labor organization and, after such resignation, to pay reduced dues or fees in accordance with the decision of the Supreme Court.' ".

Mr. HELMS. Mr. President, I certainly thank the distinguished Senator from Kentucky. He is doing a masterful job under rather difficult circumstances. I congratulate him.

Mr. President, a healthy and meaningful political system must rest upon two obvious democratic principles: (1) the political freedom guaranteed by the first amendment must be premised on the notion of voluntary participation and free association, and (2) the only constitutional restraint the federal government should place upon political discourse is full disclosure of donations to assure political accountability of and by candidates for contributions they receive.

The McCain-Feingold bill before the Senate, with all due respect to both Senators—and I admire both of them—fails to uphold either of those essential ideals.

In regards to the new restraints placed upon both candidates and their supporting interest groups, the able Senator from Kentucky, Mr. McCONNELL, and others are making the case that the McCain-Feingold bill fails to pass constitutional muster.

I certainly agree that the limitations on free speech in the McCain-Feingold bill are antithetical to any reasonable notion of political freedom, and further, they make mockery of our time-honored tradition of free political discourse. I add only that limitations on the opportunity for citizens to participate in political debates, especially during federal elections, serves only to enhance the power of the major news media, which consistently demonstrates their built-in bias against conservative candidates.

However, my purpose today is to focus the Senate's attention on, arguably, a more pernicious violation of democratic principles countenanced—and, in fact, in some ways, exacerbated, by the well-intentioned McCain-Feingold legislation before us. The problem I shall address is this: the unapologetic practice by labor unions in using dues taken from their members as a condition of employment and the use of those dues for political purposes without approval of those working people—indeed, without their knowledge.

In the context of campaign-finance reform debate, we've heard many times the words of Thomas Jefferson, who declared, "To compel a man to furnish contributions for the propagation of opinions which he disbelieves is sinful and tyrannical." But Mr. Jefferson's declaration cries out for repeated repetition, less we forget it has continued to happen year after year, election after election, as labor union bosses continue to spend the membership dues paid by union workers—spent on political causes bearing absolutely no relation to the collective bargaining process for which the union exists.

The amendment I propose makes certain that union members have full access to their rights regarding political spending by union bosses. This amendment will end the disgraceful attempt by the union bosses to hide the Supreme Court-guaranteed rights of union workers, making sure they have clear notice of their right to object to expenditures not related to collective bargaining.

The workers who are forced to pay the dues to get their jobs are entitled to this information, Mr. President. They are also entitled to know that national labor unions are pouring money into the political system at enormously unprecedented rates.

In fact, the unions have extensive involvement in political affairs. Testifying before the Senate Rules Committee, Laurence Gold, a representative of the AFL-CIO said this about union activities:

> Specifically, the AFL-CIO, its 68 national and international union affiliates, and their tens of thousands of local union affiliates engage in substantial legislative and issue advocacy at the federal, state and local levels on matters of particular concern to working families, such as Social Security, Medicare, education, labor standards, health care, retirement plans, workplace safety and health, trade, immigration, the right to organize, regulation of union governance and the role of unions and corporations in electoral politics.

That's a broad range of issues, Mr. President, and the union presumes to speak for its membership on each and every one.

But that's just the tip of the iceberg. Labor union activity in the realm of politics goes far beyond the advocacy mentioned by Mr. Gold. According to the Americans for Tax Reform, Big Labor has mobilized for an array of left-wing causes, including opposition to the balanced budget amendment, opposition to ending racial preferences, opposition to tax relief, and opposition to welfare reform. In fact, Mr. President, the Teamsters union spent almost $200,000 lobbying for a ballot initiative in the State of California to legalize marijuana.

It turned out, Mr. President, that one of the reasons that the Teamsters had given money in support of that particular ballot initiative was to further a money laundering scheme to pay for the re-election of Teamsters President Ron Carey.

And these examples don't begin to describe the daily activities that union bosses can engage in to further its political agenda. So-called "in-kind" contributions, including get-out-the-vote phone banks; communications with union members; assignment of workers to precincts; distribution of literature; and other unregulated union expenditures make up the vast majority of union political activity.

Small wonder, then, that many employees forced to pay union dues as a condition of employment are unhappy that they are forced to finance the political activities of the union.

These union workers who object to the blatant use of coerced dues being used for political speech were finally given a ray of hope in a series of Supreme Court decisions that began to clarify the constitutional and statutory problems with such a scheme.

The constitutional problem with using forced dues for political speech was addressed directly in 1977, when the Supreme Court decided Abood v. Detroit Board of Education. The Supreme Court held in this case that the first amendment guaranteed an individual "the freedom to associate for the purpose of advancing beliefs and ideas" as well as a corresponding right "to refrain from doing so, as he sees fit."

Mr. President, Abood is a landmark case debunking the notion that compelled political speech is consistent with constitutional rights. The Court had developed the right of freedom from coerced speech in a number of cases, the most prominent of which is Communications Workers of America v. Beck. In that case, a group of telephone workers petitioned to withhold the amount of their union dues that supported activities outside the collective bargaining context.

The Supreme Court decided in favor of the workers, holding that an employee who is compelled to join a union in order to get a job, under a union security clause, could lawfully withhold the portion of his or her dues supporting activities not germane to collective bargaining, contract administration or grievance adjustment. The Court also held that if unions ignored an employee's objection to the use of agency fees for such purposes, the union was in violation of its duty of fair representation.

Unfortunately, the Beck case applies only to employees who pay so-called "agency fees," and a worker hoping to exercise his constitutional right to free speech must first resign from a union to petition for the return of dues used for union activities unrelated to collective bargaining.

This places the worker in the unenviable position of having to decide whether retaining his political integrity is worth giving up any voice in the union decision-making process.

I deeply admire the courage of employees who seek to exercise their political freedom in the face of union hostility, and I believe they deserve honest, timely information about the rights guaranteed to them by the Supreme Court. But all too often, workers may be unaware that they even have such rights. Because, Mr. President, unions continue to hide the rights guaranteed by Beck despite clear direction from the NLRB that both agency-fee paying nonmembers and union members alike were entitled to notification.

What's worse, the NLRB often acts as a collaborator with union bosses, issuing a line of decisions making it easier for unions to hide Beck rights. In California Saw and Knife Works—the main administrative decision implementing the Beck case—the Board gave unions broad leeway to (1) bury notification of Beck rights in the back pages of monthly newsletters; (2) pool its expenses in such a way as to hide costs to local bargaining units; and (3) rely on internal auditors instead of independent examiners.

To understand how far the union is willing to go in order to hide union worker rights from its members, one has to look no farther than the case of Keith Thomas. v. Grand Lodge of International Association of Machinists and Aerospace Workers. Here's what happened in that case: In 1959, Congress passed the Labor-Management Reporting and Disclosure Act of 1959 LMRDA. At that time, the IAM notified its members of their rights under the new law.

And that's it. During the next forty years, the union bosses at the IAM never lifted another finger to provide notice of rights guaranteed by Congress under LMRDA. As the Court put it, "The union argues that Congress was only interested in informing 1959 union members of their LMRDA rights, but was perfectly willing to let ignorance reign for the next forty years." The Court rightly noted that such a proposition was absurd and went on to hold that this one-time notice was insufficient to guarantee worker rights.

So my amendment, Mr. President, proposes that what happened to Keith Thomas and his fellow union workers not be allowed to happen to any union member in regards to their rights under the Beck case. It simply provides that unions be required to provide annual notice, by mail, of the rights guaranteed to them by the Supreme Court.

Specifically, the notice states the following:

> You have the right to withhold the portion of your dues that is used for purposes unrelated to collective bargaining. The U.S. Supreme Court has ruled that labor organizations cannot force dues-paying or fees-paying non-members to pay for activities that are unrelated to collective bargaining. You have the right to resign from the labor organization and, after such resignation, to pay reduced dues or fees in accordance with the decision of the Supreme Court.

The Senate has already voted to deny workers financial information about the activities of the union. But even if the Senate is unwilling to provide reasonable disclosure of union expenditures, it can at least allow workers to know the rights guaranteed them by the Supreme Court.

Mr. President, I am absolutely convinced that adoption of this amendment is the only way to make sure that union members know the rights guaranteed by the Supreme Court. I hope the Senate will go on record as supporting full and fair access to information for American workers.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment, there is not a sufficient second.

Mr. HELMS. I understand. I will try again later.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Mexico.

(The remarks of Mr. DOMENICI are located in today's RECORD under "Morning Business.")

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 602 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LEAHY. Mr. President, many of us have advanced or supported campaign finance reform legislation for many years, but without having the votes to prevail or even to obtain a full debate. Successful legislation to reform campaign finance laws usually has had to follow on the heels of particular campaign finance scandals, such as the Watergate affair.

It is different this time. The reason that campaign finance reform has been given a prominent and early place on the Senate's calendar is that sufficient support has risen up from the grassroots to ensure that this debate takes place. Hundreds of thousands of Americans have signed petitions or called their representatives in Congress. Rallies have been mounted in cities and towns from coast to coast. And Senators MCCAIN and FEINGOLD have built enough political capital for this bill that, in a very real sense, on this issue they have become the public's messengers to the Congress.

I commend our Senate leaders, as well as Senators MCCAIN and FEINGOLD, for creating a framework for this debate that has contributed to its constructiveness. This is the kind of open debate that was usual when I joined the Senate 26 years ago but that has become rarer in recent years. The Senate tends to be at its best in open debate like this.

Washington has spent much of the first 3 months of this year fulfilling President Bush's perceived mandate to make the Nation safer for huge corporations. Let us count some of the ways. First, Congress rushed to make its first order of business the repeal of the Department of Labor's 10-year quest to refine and implement ergonomics regulations to make workplaces safer for the American people. Next Congress spent weeks on a bankruptcy bill that lobbyists had convinced us to skew so that it would further increase the record profits of credit card companies. And now, in rapid-fire succession, the White House is rolling back one environmental protection after another, affecting the very air we breathe and the water we drink.

At last, with this debate, we are finally tackling one of the true priorities of the American people: the mandate that Senator McCAIN earned with his extraordinary grassroots campaign to reform the way we finance our elections. We all owe Senators McCAIN and FEINGOLD a debt for their dedicated and persistent support of such an important and necessary improvement to our election process, and I am proud to be a cosponsor of their bill.

The main component of the McCain-Feingold bill is a giant step toward eliminating soft money from the electoral process. The raising and spending of soft money proliferated tremendously since we last amended the Federal Election Campaign Act in 1979. In 1984, both political parties raised $22 million in soft money. In the 2000 election cycle, they raised $463 million in soft money alone. The political parties raised more than 20 times as much in soft money last year than they did in 1984. The hundreds of millions of dollars that flow into campaigns without any accountability increase the likelihood that money will have a corrupting influence on our electoral system.

The American people are being bombarded with television advertisements, mailings and newspaper ads funded by soft money. Often, the amount of money being spent by candidates themselves is dwarfed by the amount of soft money spent by others in their own races.

The ban on soft money that the McCain-Feingold bill demands is an essential step to diminish the tremendous amount of money pouring into campaigns. Some opponents of the bill claim that banning soft money is unconstitutional. Senators McCAIN and FEINGOLD have taken extra measures to ensure that the provisions in this bill comply with the Supreme Court's 1976 decision in Buckley v. Valeo. The court ruled that the Constitution permits the Government to regulate the flow of money in politics to prevent corruption or the appearance of corruption.

Political service remains a worthy calling, but anyone who enters it these days encounters a campaign fundraising system that is debilitating and demeaning and distasteful. The fact that we so clearly have ineffective checks on the spiraling cost of campaigns and on the way campaigns are financed has tarnished our institutions of Government as well as the people we elect to those institutions.

It is important to bring our election process and Government back to the time when elected officials felt accountable to all of the people they represent, not disproportionately to the wealthy few. Our present system gives the wealthy a huge megaphone for expressing their views, while other Americans—the "financially inarticulate"—are left without an effective voice. That is why I have felt it important to take steps on my own to increase Vermonters trust in how I conduct my campaigns. Though not required by law I have disclosed every nickel in contributions I have ever received since I first ran for the Senate in 1974, and I used no political action committee money in my last two election campaigns. Passing the McCain-Feingold bill—without any amendments designed to weaken it or destroy it—is a fundamental step all of us can take to fix a system that is in dire need of repair. Vermonters and all Americans want to have faith in the campaign and election process. They want to believe that their Government is working in the public's interest, not on behalf of the special interests. Eliminating unregulated soft money will help to give elections and the Government back to the people.

I hope the Senate will not let this opportunity for reform slip away. I hope the Senate will approve this important and long-awaited bill and will refrain from adding any amendments that would jeopardize or kill this important effort.

UNANIMOUS CONSENT AGREEMENT—S.J. RES. 4

Mr. McCONNELL. Mr. President, pursuant to the agreement of February 7 with respect to S.J. Res. 4, I ask unanimous consent that the Senate proceed to the resolution on Monday, March 26, at 2 p.m. and the time between 2 p.m. and 6 p.m. be equally divided between Senators HOLLINGS and HATCH. I further ask unanimous consent that at 6 p.m. on Monday, the resolution be advanced to third reading and a vote occur on passage without any intervening action or debate, notwithstanding paragraph 4 of rule XII.

This is the Hollings constitutional amendment.

Mr. DODD. Reserving the right to object, this is on Monday?

Mr. McCONNELL. Right. It is my understanding this had been cleared. This is a vote on the Hollings constitutional amendment. The debate would occur from 2 to 6 on Monday.

Mr. DODD. With a vote at 6 p.m.

Mr. McCONNELL. At 6 p.m.

Mr. McCAIN. Is it also the understanding that there will be debate on the amendment starting at noon?

Mr. McCONNELL. Correct. There would probably be more than one vote at 6 o'clock. It would be a vote on the Hollings amendment and other votes—vote or votes, as well.

Mr. DODD. That is not part of the unanimous consent request.

Mr. McCONNELL. No. It is the intention of the managers to have more than one vote at 6 o'clock.

Mr. REID. Reserving the right to object, the Senator from Wisconsin had a question.

Mr. FEINGOLD. Mr. President, is the Hollings amendment being handled as an amendment to this legislation or as a separate piece of legislation?

Mr. McCONNELL. A separate piece of legislation.

Mr. FEINGOLD. I thank the Senator from Kentucky.

Mr. McCONNELL. An issue upon which the Senator from Wisconsin and I are in agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. GRAMM. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, with Senators permitted to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET COMMITTEE MARKUP OF BUDGET RESOLUTION

Mr. BYRD. Mr. President, I am a product of the West Virginia coal fields. I remember my heritage, and I am proud that it has served me well throughout my political career. I remember the legendary president of the United Mine Workers of America, John L. Lewis, who was a great student of Shakespeare, as I recall him in those days. And he once advised union coal miners of the adage:

when ye be an anvil,
lie very still,
when ye be a hammer,
strike with all thy will.

Mr. President, I am not an anvil—not an anvil—which explains, in part, why I joined the Senate Budget Committee this year. First, I am very concerned about Congress approving permanent tax cuts based on highly uncertain surplus estimates, which threaten to put us back in the deficit ditch. Second, I strenuously oppose the use of the reconciliation process—now, Mr. President, that is the way I have pronounced that word for years. I was called to order a little earlier today because I did not pronounce it "reconciliation," which is all right with me, just so it is understood what we are talking about—to ram a $2 trillion tax-cut package through the Senate. Such a misuse of the reconciliation process abuses the rights of every Senator to debate this significant legislation. That is an important thing. Third, in recent years, I have become increasingly concerned about the unrealistically low spending levels established by the annual budget resolutions for programs under the jurisdiction of the Appropriations Committee, on which I serve as the ranking member and which is chaired by the most able and distinguished Senator from Alaska, Mr. STEVENS, who recently won the award "Alaskan of the Century." And I would say at this point, I think he is the Alaskan of the Century. He deserves that award.

These unrealistically low funding levels in recent budget resolutions have forced the Appropriations Committee to resort to all manner of gimmicks and creative bookkeeping to ensure that we could adequately fund the 13 annual appropriations bills, despite not having sufficient resources to address the ongoing infrastructure needs of the Nation, much less begin to address the funding backlog in those funding needs in many critical areas.

So as a member of the Budget Committee, my hope was that this year I would be able to assist in crafting a budget resolution that would more accurately determine the spending levels that will be necessary to produce the FY 2002 appropriations bills. I wanted to actively participate in that committee in a markup of the budgetary blueprint that will guide the Nation's fiscal policy, not only for FY 2002, but for the next decade. This year's budget resolution will address not only the discretionary funding needs to which I have alluded, but also will involve efforts to allow for perhaps a massive tax cut of $2 trillion or more, over the next 10 years. That is a big—$2 trillion is just something that is beyond my comprehension, and probably that of most Members of this body.

I might say to the distinguished Senator who presently presides over the Senate that, much to his surprise, perhaps, it would take 32,000 years to count $1 trillion at the rate of $1 per second. At the rate of $1 per second, it would take 32,000 years to count $1 trillion. That is a little more money than we are used to counting in West Virginia. But when we talk about a $2 trillion tax cut, that means it would take 64,000 years to count $2 trillion at the rate of $1 per second. Perhaps that will give us some better idea of how much $1 trillion really is.

This year's budget proposal will also be based on flimsy 10-year surplus projections, that, I assure you, are not worth the paper on which they are written.

Marvel at how much confidence we put in projections of the surpluses over the next 10 years when we cannot really judge 24 hours ahead that the stock market is going to drop 436 points.

It was for these reasons, Mr. President, that I was pleased to see that the distinguished Chairman of the Senate Budget Committee, Senator DOMENICI, and his very capable ally on the Budget Committee, Senator CONRAD, scheduled a series of highly informative hearings in order to enable the 22 members of the committee to have the views of an outstanding group of experts before it was time for those committee members to vote on this year's budget resolution. Committee members did benefit by actively participating in those hearings and by interacting with a vast array of expert witnesses, who addressed such important subjects as: the Nation's infrastructure needs; the need for prescription drug benefits for Medicare recipients; the need to reform Social Security and Medicare, and other health care issues, education needs; national security needs, including the need for a national missile defense system; the problems of our Nation's farmers; and questions as to how much of the national debt can be retired over the coming decade. We had an opportunity to have the views of such experts as Federal Reserve Chairman Alan Greenspan on such questions as to whether a tax cut should be enacted, and if so, how large. We had the Deputy Director of the Congressional Budget Office, Mr. Barry Anderson, testify on the CBO's projections of surpluses and the likelihood that their 10-year projections would come to pass. I know, that I gained a greater understanding through these hearings in virtually all of the aforementioned areas of national policy. Not only did my increased knowledge come from these expert witnesses, but also from the very incisive questioning of the witnesses by virtually every member of the Senate Budget Committee.

Having heard these witnesses, Mr. President, and having had a chance to enter into a dialog with them regarding these great issues facing the Nation, I have become very concerned in recent weeks that the Budget Committee chairman might be entertaining the idea that there should be no committee markup of the budget resolution at all this year. I inquired of the very able chairman on two occasions during the committee's hearings as to whether the chairman intended to mark up the budget resolution.

I am concerned at the prospect that the Senate will take up this year's very important budget resolution without having the benefit of the committee's views in the form of its marked-up resolution and an accompanying Budget Committee report. It is because of this concern that I joined my Democratic colleagues on the committee in signing a letter to our able committee chairman respectfully requesting a markup of the budget resolution before the April 1st statutory deadline. As pointed out in the letter, circumventing a committee markup of the budget resolution is unprecedented and has never been done before in the history of the Senate Budget Committee, as far as I have been able to determine. It ought not to be done this year, of all years. If we do not intend to mark up a budget resolution, then I ask the Senate, why did we go through the process of hearing the expert witnesses? Was this hearing process merely intended to be a charade to enable the leadership of the Senate to act as though it had fulfilled its responsibilities, while knowing all along that there was no intention of allowing any member of the committee an opportunity to participate in a committee markup? If that be true, it didn't really matter, then, in the end, perhaps, what the witnesses said or what the questions of the Senators on the committee revealed.

Is none of this knowledge to be utilized during the forthcoming days of debate on the resolution? Why should we not have had a markup, a markup where Senators may offer their amendments to the chairman's recommendations and have those amendments debated and voted upon, either up or down?

Having been chairman of the Appropriations Committee in the Senate once upon a time, I know how that works. The chairman prepares, with his staff, the bill or resolution that is to be worked on by the committee, and that is what we call the chairman's mark, and, of course, it is always made available to the ranking member what the appropriations bill mark will be. Then laying it before the committee gives every member a chance to offer amendments thereto, have them voted up or down, and debate the bill.

Apparently, there is some fear that such a markup of a budget resolution would result in a deadlock, that a tie vote might occur on adoption of the budget resolution. That concern should not in any way prevent the Budget Committee from marking up a budget resolution. If such an event occurs, if the committee were to be deadlocked on reporting this year's budget resolution, there would still be no impediment to having the leadership call up the budget resolution. In other words, it is provided for that such a resolution can be called up on April 1 and, if it is not reported from the committee by April 1, the committee is automatically discharged of the resolution. So the Senate could be assured that even if there were a tie vote in committee, the resolution could still be called up by the majority leader.

The agreement that was entered into not so long ago by the majority leader and the Democratic leader and by the Senate as a whole provided that in the case of a tie vote in committee, the majority leader could proceed to call up the resolution. That is in accordance with the agreement, as I understood it, that we entered into earlier this year.

In other words, the leadership would still have the ability to call up the Republican chairman's budget resolution. But the American people, as well as other Members of the Senate and their staffs, will have an opportunity to watch and listen to the debate, if we had a committee markup. This would be healthy for the budget process. It would greatly enhance the knowledge of those who might participate in such a markup, as well as those who might observe it.

It does not bode well for the Senate or for this administration, for that matter, in my judgment, to begin this year's budget cycle on such a sour and unprecedented note. I repeat the request that we Democratic members of the committee have made in our earlier letter to the chairman of the Budget Committee, namely, that the committee convene at the earliest practicable time to mark up the fiscal year 2002 budget resolution, and that the committee meet its April 1 statutory deadline in doing so.

I feel I must also address another concern that I have regarding this year's budget process. After having been told several weeks ago by various administration officials that the President's detailed budget would be received by the Senate on April 3, in time for Senators to take into account the details behind the document entitled "A Blueprint for New Beginnings," we were advised just a few days ago—I believe on Monday of this week—that the Senate will not receive the detailed budget until April 9. It just so happens that April 9 falls on the Monday beginning a 2-week Easter recess, and also occurs 3 days after the Senate Republican leadership has expressed an intention of having completed Senate consideration of the budget resolution.

In other words, we have learned just this past Monday that Senators will have no opportunity, none, to consider the details of the Bush administration's fiscal year 2002 budget until after the Senate has finished consideration of the budget resolution.

This causes me grave concern, particularly as it relates to the levels of discretionary spending being proposed by the administration. We do not have the details of what the President intends to propose as spending levels for a myriad of Federal Government programs and activities that affect virtually every citizen of this Nation. In the document that we have received from the Bush administration entitled "A Blueprint for New Beginnings," we find that table S-4 on page 188 contains the following items under the heading "Offsets": Non-repetition of earmarked funding $-4.3 billion; non-repetition of one-time funding, $-4.1 billion; and Program decreases $-12.1 billion. The figures again, to repeat them, $-4.3 billion, $-4.1 billion, and $-12.1 billion, minuses in each case, respectively. And following these three cuts in discretionary spending for fiscal year 2002 is a footnote which states: "The final distribution of offsets has yet to be determined."

So, Mr. President, we have no idea as to what the specific reductions will be for $20 billion in spending cuts that are proposed on page 188 of the President's "blueprint" for this year's budget.

We do know that nondefense spending overall will have to be cut $5.9 billion below what the Congressional Budget Office says is necessary to maintain purchasing power for current service levels. We know the Agriculture Department will be cut by 8.6 percent. The Commerce Department will be cut by 16.6 percent. The Energy Department will be cut by 6.8 percent. The Justice Department will be cut by 8.8 percent. The Labor Department will be cut 7.4 percent. The Transportation Department will be cut by 15 percent.

What we do not know—and what we cannot know until the President submits his complete budget on April 9—is what specific programs the administration proposes to cut, and by how much, in order to accommodate the President's $2 trillion tax cut plan. So we are operating in the dark; really, that is what it amounts to. Why should Senators be asked to take up and adopt a budget resolution calling for a $2 trillion tax cut without knowing the specific spending cuts that would be required? Why should we buy a pig in a poke? Why should we engage in a riverboat gamble, just like we did with the Reagan-Bush tax cut of 1981, which put us in the deficit ditch for 17 years? We ought not make that same mistake again.

In recent weeks, I have seen Senators swept up in the political whirlwind, a vortex that has been blown in from Texas. Neither the Office of Management and Budget nor the Congressional Budget Office is able to accurately project surpluses at the end of the current fiscal year, let alone for 10 years. Yet the Senate will soon be considering a 10-year spending and tax cut plan. We are being asked to do so without the benefit of seeing the President's complete budget, or the benefit of having a committee markup. So I wonder if the inmates have not finally taken over the asylum.

Earlier, I commented on how the budget process has deteriorated in recent years because of unrealistically tight spending caps that forced the Appropriations Committee to resort to all manner of measures to pass the 13 appropriations bills. Sometimes I wonder how Senator TED STEVENS has been able to do it. The budget process has truly taken another turn for the worse. It is a massive charade when Budget Committee members are not even allowed to mark up this year's budget resolution, or to have the benefit of the details behind the President's budget blueprint before acting on this vitally important fiscal plan for the Nation.

The American people do not send us here to be anvils. They do not send us here to lie very still and simply accept whatever is put before us. The committee should be given the opportunity to hammer out an acceptable budget that will benefit all Americans. Such a budget could be hammered out upon the anvil of free and unlimited debate. I don't mind having a limitation, as far as that is concerned. I may be very opposed to such a radical tax cut, but I am not for killing it by filibuster. That would not be my desire at all. The committee members should be allowed to offer amendments and have those amendments be considered and voted upon. I studied for these hearings like a school boy preparing for an exam. I am new on the committee and I wanted to understand as much as I could about the budget and about the new President's proposals so that I could be a useful force—limited though I may be—at the committee markup. I have had my staff prepare amendments which I had hoped to offer. But, apparently, the hearings which many members so faithfully attended are going to amount to little more than a TV show with Senators on the committee serving as convenient props. Why have a Budget Committee at all if the committee is not going to be allowed to work its will on the budget resolution? Why ask questions? Why have testimony? Why take up the time of witnesses and members?

Especially when the new budget embodies such radical tax cuts and deep spending cuts, the committee should be able to work its will. That is all I am asking. So I hope the distinguished Budget Committee chairman will think about this more over the weekend and reconsider his earlier announced intentions. Especially when the budget sets fiscal policy for the next 10 years, the committee should be able to work its will. Especially when the American economy has lately been behaving like a roller-coaster ride at the State fair, the committee should be able to work its will.

The Budget Committee hearings must not be reduced to a "Gong Show" charade designed to make members feel good, but deny them any real vote. I hope the decision to avoid a markup will be revisited. I hope it will be revisited. The Senate deserves the full committee's judgment and nothing less.

Mr. President, I thank the distinguished Senator from Kentucky, Mr. MCCONNELL, and I thank the distinguished Democratic whip, Mr. REID, and all other Senators, for the opportunity to make these remarks. As I said earlier, I would not have come to the floor at this time were it not for the fact that I noted on the television screen that the Senate was in a prolonged quorum.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. MCCONNELL. Mr. President, I will soon suggest the absence of a quorum and ask that the time be charged equally to both sides. Before that, if all of the time is used on this amendment, what time would the vote occur?

The PRESIDING OFFICER. Approximately 4:35.

Mr. McCONNELL. I say to the Members of the Senate who may be listening, or staff members, it is our hope to vote well before that.

I suggest the absence of a quorum and ask unanimous consent that the time be charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Ms. STABENOW. Mr. President, I have just come from the Senate Budget Committee where we have concluded a series of hearings. We have now held 16 different hearings on all facets related to the budget, tax cuts, and domestic spending. I am very deeply concerned about the conclusion that has been reached at the end of these very important hearings.

I must rise today with deep regret that the Republican leadership, in fact, appears to be bypassing the important work of the Budget Committee in order to bring the budget resolution directly to the floor without debate about a budget resolution and without an opportunity for us to vote and to come together on a bipartisan budget resolution that reflects our values and priorities for the families that we represent in our States.

We have, in fact, been diligently at work. As a new Member of not only the Senate but the Senate Budget Committee, I have taken this work very seriously. We have been meeting, sometimes several days in a row, hearing from Chairman Greenspan, the Congressional Budget Office, the Office of Management and Budget, the Secretary of the Treasury, the Secretary of Health and Human Services, the Secretary of Education, and the Secretary of State.

We have held hearings on long-term budget projections and demographic trends and Medicare. I have been meeting with people throughout my great State of Michigan to talk about their values and priorities for the future, and how they would like to see us come together and fashion this budget.

Unfortunately, all of this work seems to be for naught because the Republican leadership wants to avoid committee debate on the budget resolution for the first time since Congress passed the Congressional Budget Act of 1974. When you think about it, this is at a time when we have seen our new President come forward to reach out his hand and talk about bipartisanship. Yet, once again, we are forced to come to the floor of the Senate and ask to be partners in this process and to truly move ahead in a bipartisan fashion.

It is not enough just to speak about bipartisanship, just as it is not enough to just speak about issues. Our constituents expect us to act. And we have a right to expect what will happen will fulfill the words that are being talked about on Capitol Hill.

Our committee should debate all of the critical issues before us: How we pay down the maximum public debt we can so we can put money in our constituents' pockets through lower interest rates, and put money in their pockets through a tax cut, and making sure we have an economic policy that means they have a job. There are several ways in which we need to put dollars back into the pockets of the people we represent.

We also need to debate Social Security and Medicare for the future, education, which drives this economy, research, technology and education, increased labor productivity, which drives the economy, as we have heard over and over again in the Budget Committee. We need to debate national defense and protecting the environment.

One issue that I think needs great debate is the issue of protecting the Medicare trust fund. We have found, during this budget process, that the President's budget does not protect the Medicare trust fund. The President's budget does not protect the Medicare trust fund. In fact, it takes it from a protected status and moves it over into a contingency fund to be used for spending.

We tried a week ago, through Senator CONRAD's legislation, to create a lockbox for Social Security and Medicare, and say—as the American public wants us to do—that we will keep our hands off Social Security and Medicare and protect it for the future.

In this budget, we go in the exact opposite direction. We not only don't protect it and strengthen it by adding dollars for the future, it is put over into spending which, in fact, could cause Medicare to become insolvent 15 years sooner, when we expect the strain of the baby boomers coming into the system and the fact that we are going to have a long-term liability on Medicare and Social Security.

The American people need to understand that if we don't protect the Medicare trust fund, there will be a severe strain when baby boomers begin to retire in 2012. This could mean benefit cuts or increases in taxes at that time. It is not necessary for us to be put in this kind of a situation.

I hope the Republican leadership will reconsider, as we asked the chairman of the committee to do today, and reach out to us to get a bipartisan budget and tax agreement. I was fortunate to be in the House of Representatives in 1997, when the President and the Congress, of different parties, worked together to balance the budget, make critical investments in education and in our future needs, and cut taxes. If we did it then, we can do it now. We have to do it together.

If we hold a markup in committee and work together, we can get the job done. If not, I fear we continue to go back to policies we have all denounced—the practice of partisanship, one side versus the other. Our committee has worked hard, our members have been there and involved in these hearings. I commend the Chair for holding such comprehensive hearings to be able to bring forward the issues that relate to this budget so we can put together the values and priorities of our country in the form of a budget for the future.

It is extremely unfortunate that we find ourselves in this position now, at the end of the road, when the budget hearings come to a conclusion, where we do not have the opportunity to work together to draw up that budget resolution and show, in fact, that we can work together on behalf of the families we represent.

I urge the Republican leadership to allow the Budget Committee to do our work and allow us to come together to protect Social Security and Medicare for the long haul, to provide a tax cut to make sure we are paying down the debt for the future for our children, and to make sure we have outlined the priorities for the country that are most important for our families.

BUDGET RESOLUTION

Mr. DOMENICI. Mr. President, a little earlier in the day, a very distinguished Senator from West Virginia and a very good friend—and I say that in all honesty—came to the floor and talked a little bit—more than a little bit—about the budget resolution and the current chairman of the Budget Committee. Not in negative terms. I happen to be that person. They were not negative at all.

There were a few things the distinguished Senator said that I seek to clarify. I did not do this without telling him. I sent him a copy of the budget schedule for the winter-spring of 1993 because one of the points the Senator from West Virginia made was we are moving ahead to bring a budget resolution up on April 1 or April 2.

I believe one of his major points was we do not yet have a detailed budget from the President of the United States, George W. Bush.

I will soon put this schedule in the RECORD, but here is what happened in 1993 when President Clinton was elected President. One of the big differences was they had 54 votes on that side, and we had 45 votes on our side. Understand, they could do what they wanted with the budget resolution with or without a President's budget. They could order reconciliation instructions to increase taxes with or without Republican support.

This Senator finds himself in a very different position. We have 11 Republicans and 11 Democrats, and they just happen to call me chairman, but I do not have any votes. I am one of the 11 Republicans and there are 11 Democrats.

The distinguished Senator said we were proceeding even without a detailed final budget from the new President of the United States. Here is the budget schedule for the winter-spring of 1993:

February 17, the President issues a preliminary budget overview called a "Vision of Change for America." We looked at that. It is very much like what George W. Bush sent us maybe a month ago. It was a very minor document when it comes to detailed budget documents.

On March 3, the CBO gave some preliminary estimates on that. Just look at this schedule: On February 17, the President sends us this vision, this document of a few pages, and by March 12, less than 1 month, the Senate Budget Committee, on partisan lines—namely, they had the majority, we had the minority—guess what. They reported out a budget resolution.

Then the House Budget Committee did that by March 15, less than a month.

Then on March 18, 1 month after the issuance of the "Vision of Change for America" proposal—and I call it a proposal—the conference report was filed on the 1994 budget resolution. The House agreed to the conference report, and on April 1 the Senate agreed to a conference report on the 1994 budget resolution.

Guess when the Senate in 1993 got the budget of the President of the United States. On April 8, 8 days after they had already approved everything, including a budget resolution.

I only state that because it was suggested that it was sort of untoward and maybe not the best thing for us to do the budget resolution before we have the President's final documents, the detailed documents.

President Bill Clinton asked his democratically controlled Congress that they approve a budget resolution before he sent them the budget, and they did. That is all right with me. I was a member of the opposition. I argued as much as I could against what I thought was not the right thing to do, but understand that by April 1 everything was finished in both Houses on a budget resolution aspect, following on with the President's plans, and the President had not yet put his budget together in detail.

We have as much detail today, I assure you, Mr. President, as the Senate and House Budget Committees had when they produced budget resolutions less than 1 month after the President issued his vision plan, a rather flimsy document, not much of a budget document, much like our President produced. We do not call that little vision document a budget; they are still working on it.

I want everyone to know it will not be untoward. It will be very much in accord with the way we have done things, to follow our Democratic brethren and do the very same thing. The President will not have his budget in detail. We will have a budget resolution. It is not a detailed budget either, if anybody thinks it is.

People say: You must know about every program in the Federal budget, as if in every budget document we deal with every program in the Federal Government. It will come as a shock, but we do not. We deal in large functions, large pieces of the budget, because that is all we have jurisdiction over. Nobody gave us jurisdiction over the details.

I sent this to Senator BYRD since he spoke about the chairman of the Budget Committee and wondered why we could do a budget resolution before we had a budget.

I repeat—they are pretty good role models on the other side of the aisle—that is what they did for their President. We are going to try very hard to do that for our President. The only difference is we do not have 54 votes that carry "R" after the name; we have 50. We are trying very hard to ask our Democratic friends—some of them—to help us do for our President what the Congress did for their President when he was first elected to the Presidency; that is, help us get a budget resolution out and not just wait around for a budget; do it quickly; do it as fast as we can.

I have a commitment from the leadership that we are going to take this budget resolution up as quickly as we can under the very rigorous schedule we now have. I know we are not going to get huge cooperation on the other side, although I hope a couple Senators will help us, because it still has to be filled in by the committees. We just want to lay the groundwork that President Bush deserves to get his budget considered in exactly the same way President Clinton did. The only thing he can hope for is that he have 54 votes as President Clinton had. Then he would get his plans adopted in both bodies in less than 1 month from the time he issued just his few pages of "here is what I want to do in the future." It wasn't a budget. It wasn't a budget by either President.

With this budget resolution, we want to do it as quickly as possible, April 1 or April 2, for 4 or 5 days.

In addition, we want a big piece of that budget to be economic recovery. That means we are going to propose, hopefully—I haven't worked it out with everybody yet—$60 billion of the 2001 surplus; there is a big surplus sitting there this year. That $60 billion will be allowed in a bill, in a composite bill, to give back to the taxpayers because it is surplus that we ought to return to them. I don't know what way to return it to them. That can be debated. I don't think there can be any debate with what we see in the American economy. Expediency is a rule. Economic recovery ought to be our first venture and our paramount venture going in.

We will propose a $60 billion surplus be given back to the American people in the most judicious and prudent way possible. And we pass the President's marginal tax cut along with it. We won't ask for all the rest of the taxes in that first round. People are worried about it being too big. This will be a package made up just of the marginal rates and the $60 billion this year.

It will send a signal, if we can get cooperation to do this. It will not only send a signal that we are responding to the economic conditions, whatever plant closures, whatever responses there are out there, and the marketplace.

The business executives are thinking, at least we can act quickly, and we have an economic recovery part of this plan which is pretty good. I say to any person who thinks the marginal rate reduction should not be part of whatever return of surplus we have for this year, they just ought to ask those who really know about what will send a positive signal to the American economy as nothing else. That is in addition to the refund, rebate, tax cut, whatever you want to call it, giving back $60 billion. If you reduce the marginal rates permanently and tell the American people it is done, they will say, for once they did something quickly, they did something right, and our hats are off to them. That will be their hats off to us.

If we can't do that and somebody thinks we can fix it all with a $60 billion return of surplus and put off the rest, you can't do that and have any big impact on this economy.

Let me repeat, if the only package is to return a portion of this year's 2001 surplus, you cannot have an impact on the American economy. It is not big enough, even though it is $60 billion. And you get no permanency built into the notion that the marginal rates for the American taxpayers—that means everybody's tax rate—should be reduced from the top brackets to the lowest brackets.

That is about the way things are today. I am very pleased the Republican leadership, at least as I read them, as I made this presentation to a group of Republican Senators—not everyone; some Senators were busy on the floor—I saw a willingness to move, to do something, to let the tax-writing committee quickly sit down and decide to do this. We will say you have free reign to do this in these particular dimensions I have just described.

I ask unanimous consent to have printed in the RECORD the budget schedule for winter/spring, 1993.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUDGET SCHEDULE—WINTER/SPRING 1993

February 17, 1993: President issues preliminary budget overview, A Vision of Change for America.

March 3, 1993: CBO issues Preliminary CBO Estimates of the Administration's Budgetary Proposals (5 pages of text, double-spaced, and 3 tables); includes minor revisions to January baseline, netting out to several billion dollars over six years, almost entirely for deposit insurance. (The baseline was next updated in The Economic and Budget Outlook issued in September 1993.)

March 12, 1993: Senate Budget Committee reports 1994 budget resolution.

March 15, 1993: House Budget Committee reports 1994 budget resolution.

March 16, 1993: CBO testifies before Ways and Means Committee.

Sometime after March 16: CBO issues An Analysis of the President's February Budgetary Proposals (about 60 pages), providing more detail on CBO's economic assumptions, reestimates, and baseline revisions. On page A-3, it notes that "the notion that the deficit will simply fade with time and continuing economic growth has largely been punctured."

March 18, 1993: House passes 1994 budget resolution.

March 25, 1993: Senate passes 1994 budget resolution.

March 31, 1993: Conference report filed on 1994 budget resolution; House agrees to conference report.

April 1, 1993: Senate agrees to conference report on 1994 budget resolution.

April 8, 1993: President issues detailed budget documents.

Mr. DOMENICI. If we can do it as quickly as this bill, but I don't think we can.

Wherever I said 54 Senators, my friend says it is 56. I just come from little old New Mexico. I thought it was 54. But in any event, they had good majority and proceeded with great dispatch. I will try to do that, although we only have 50/50. I will ask the American people, and I will have the President ask them, do you want to get this done or dillydally? Do you want to get both pieces done, give the public back $60 billion and cut the marginal rates, or wait around?

Wait around until when? I am not answering the question.

It is so obvious that a markup will do no good; as this Senator sees it, it will split every vote, 11–11. I am not willing to say we will do that before we put this package before the American people. I just don't think that is what we have to do.

So nobody will be confused, the other side of the aisle says the public ought to have a chance to participate in this committee deliberation. That is a wonderful thought. It is probably what all of us would like to think about our committees when they work, but I think the American people will get a real version of this when they get 5 days on the floor of the Senate. When you can offer all kinds of amendments, you can offer three budget resolutions if you like. We offer the President's as a starting point. If the other side would like to offer theirs, that is different; they can. If they amend the one we can produce, whenever it is, they can do that. It will be full, hour to hour, minute to minute, on TV. It is not assured that will occur with a markup in committee, but we will have it, full time, every moment we speak.

Having said that, we will put together this budget as quickly as we can. We will try to share it with all the Members and eventually, as soon as we can, we will share it with the other side of the aisle. But essentially, they will have ample time in the 5 days we debate this, 50 hours. Do you know how long that is? We won't get out of here before Easter. We might meet through the night one of those nights and we will get out of here before Easter.

CLIFF TARO

Mr. MURKOWSKI. Mr President, a few weeks ago I went home to Ketchikan, AK. It was the first time since I became a U.S. Senator, 20 years ago, that my good friend Cliff Taro was not there to meet me. He was an exceptional man and embodied the true Alaskan pioneer spirit. Earlier this year, Cliff died. I truly miss him.

Cliff first came to Alaska in 1943, as a Sergeant in the U.S. Army Transports Corps. He was stationed at Excursion Inlet near Juneau. This was a sub port to supply the war in the Aleutians, and was where Cliff received first hand experience and an interest in stevedoring, his future occupation. After 4 years in the Army, where he advanced to the rank of captain, he went to work for Everett Stevedoring in 1946. He married his wife Nan on August 21, 1949 in Bellingham, Washington and in 1952, Cliff, Nan and their two children, Jim and Debbie, moved to Ketchikan and started Southeast Stevedoring Corporation.

Cliff's accomplishments, interests and awards are abundant. He was a member of the Marine Section of the National Safety Council for more than 25 years, as well as serving on the Board of Governors of the National Maritime Safety Association. Cliff was a member of the Alaska State Chamber of Commerce for 40 years, served on its board of directors for seven years, and was both vice president and president of the Chamber. Additionally, he was a charter member of Alaska Nippon Kai, a Japanese trade arm of the Alaska Chamber of Commerce. He was a member of the Korean Business Council and co-founder and treasurer of Ketchikan's Save Our Community. Cliff represented Alaska on the Seattle Mayor's Maritime Advisory Committee and had been trustee and member of the Alaska Council on Economic Education.

Cliff was a member of Governor Keith Miller's Task Force to Washington, D.C. to successfully lobby for the Alaska Pipeline. He accepted an invitation by President Jimmy Carter and Governor Jay Hammond to participate in a seminar on Foreign Trade and Export Development. Cliff traveled, with me, and other members of the Alaska State Chamber of Commerce, Native leaders and State of Alaska officials to England, Scotland, the Orkney Islands and Norway to survey and observe the effect of off shore drilling on their communities and how this might similarly affect Alaskan communities.

Cliff served as the Southeast Finance Chairman for my reelection to the U.S. Senate. He was a life member of the Pioneers of Alaska, member of the B.P.O. Elks, American Legion, Theta Chi Fraternity, National Association of Independent Businessmen, National Association of Stevedores and a 45-year member of the Rotary Club as well as a Paul Harris Fellow.

In 1985, Cliff was awarded the Outstanding Alaskan Award by the Alaska State Chamber of Commerce. In 1989 he was awarded an Honorary degree of Doctor of Humanities from the University of Alaska Southeast. In January 1992 he was elected to the Alaska Business Hall of Fame. He was the 2000 Ketchikan Chamber of Commerce Citizen of the Year, and Nancy and I were proud to be able to present him and Nan with this tribute.

Cliff was a supporter of little league and could often be found at the ball park or Ketchikan High games cheering on his grandchildren.

Cliff's death followed the earlier passing of his wife Nan. Survivors include their son Jim, and their daughter and son-in-law Debbie and Bob Berto. He is also survived by four grandchildren: Jennie, Ethan, Brian, and Anna.

Cliff was my friend. He will be missed by all Alaskans.

WOMEN'S HISTORY MONTH

Mr. SARBANES. Mr. President, I rise today in recognition of Women's History Month. This time has been appropriately designated to reflect upon the important contributions and heroic sacrifices that women have made to our Nation and consider the challenges they continue to face. Throughout our history, women have been at the forefront of every important movement for a better and more just society, and they have been the foundation of our families.

In Maryland, we are proud to honor those women who have given so much to improve our lives. Their achievements illustrate their courage and tenacity in conquering overwhelming obstacles. They include Margaret Brent, who became America's first woman lawyer and landholder, and Harriet Tubman, who risked her own life to lead hundreds of slaves to freedom through the Underground Railroad. Dr. Helen Taussig, another great Marylander, developed the first successful medical procedure to save "blue babies" by repairing heart birth defects. Her efforts laid the groundwork for modern heart surgery. We are all indebted to Mary Elizabeth Garrett and Martha Carey Thomas who donated money to create Johns Hopkins Medical School on the condition that women be admitted. And jazz music would not be complete without the unforgettable voice of jazz singer Billie Holiday who also hailed from Baltimore City. Their accomplishments and talent provide inspiration not only to Marylanders, but to people all over the globe.

A woman who illustrates the commitment of the women of Maryland is my good friend and colleague from Maryland, Senator BARBARA MIKULSKI. Senator MIKULSKI, who has served longer than any other woman currently in the Senate, played a key role in establishing this month. In 1981, she cosponsored a resolution establishing National Women's History Week, a predecessor to Women's History Month. Today, I wish to honor her dedication and service to the people of Maryland and this Nation.

While we recognize famous women, it is important that we acknowledge the contributions of others who daily touch our lives. It is our favorite teacher who gave us the confidence and knowledge to know that we were capable of success. It is the single mother or grandmother who toiled at a low-paying job for years to guarantee that the next generation in her family received better education and career opportunities. It is the professional women who volunteer the little spare time they have to read to children or speak to student groups, inspiring young people to aim for goals beyond what they may have otherwise imagined. And the stay-at-home mothers who devote enormous time to chauffeur their children and others from activity to activity, knowing that these many hobbies stimulate a child's interest and desire to learn. These modern day heroines, giving of their time, knowledge, and expertise must not be taken for granted.

Women have made great strides in overcoming historic adversity and bias but they still face many obstacles. Unequal pay, poverty, inadequate access to healthcare and violent crime are among the challenges that continue to disproportionately affect women. Working women earn 74 cents to every dollar earned by men. What is more troubling is that the more education a woman has, the wider the wage gap. According to a recent Census Bureau report, the average American woman loses approximately $523,000 in wages and benefits over a lifetime because of wage inequality. Families with a female head of household have the highest poverty rate and comprise the majority of poor families.

Women continue to be under-represented in high-paying professions and lag significantly behind men in enrollment in science programs. Increasing the number of women in these fields begins with encouraging girls' interest and awareness in school.

As our population ages, we must also address the special challenges of older women. Women live an average of 6 years longer than men. Consequently, their reduced pay is even more detrimental given their increased life expectancy as they are forced to live on less money for a longer period of time. In addition, more women over age 65 tend to live alone at a time when illness and accidents due to decreased mobility are more likely. For these women, it is imperative that we guarantee that Social Security and Medicare remain solvent for future generations.

I believe we should use this month as an opportunity to reflect not only on the achievements and challenges of American women, but to recognize those of women internationally. We know that a variety of ills hinder the potential of women in many parts of the world—labor practices that oppress women and girls, the rapid spread of HIV and AIDS, and limited or nonexistent suffrage rights. We must broaden access to education, the political process, and reproductive health globally so that girls and women everywhere can maximize their options. To have a credible voice in the international arena, the United States must lead by example, showing that American women enjoy these rights fully.

While obstacles remain, women have achieved impressive progress. This good news includes a decline in the poverty rate for single women and an increase in those holding advanced degrees. Recent figures show women received approximately 45 percent of law and 42 percent of medical degrees awarded in this country. This is a dramatic improvement from a few decades ago and should continue as more and more women enter professional programs.

In my home State of Maryland, as in the Nation, women are a guiding force and a major presence in our national business sector. From 1987 to 1999, the number of women-owned firms in the United States grew by 103 percent. Women were responsible for 80 percent of the total enrollment growth at Maryland colleges and universities throughout the last two decades.

I am pleased to report that during my service in Congress, I have strongly supported efforts to address women's issues and correct gender discrimination and inequality. In the present session, I have cosponsored the Paycheck Fairness Act, which would provide more effective remedies to victims of wage discrimination on the basis of sex. Along with many of my colleagues, I have supported the Equity in Prescription Insurance and Contraceptive Coverage Act, which would prohibit health insurance plans from excluding or restricting benefits for FDA-approved prescription contraception if the plan covers other prescription drugs. In order to build a national repository of the contributions of women to our Nation's history, I cosponsored legislation to establish a National Museum of Women's History Advisory Committee. I am proud of these efforts and I will continue my commitment to bring fuller equality to all women.

Indeed, women have made great progress. I think it is appropriate to point out the accomplishments of women in history, but it is also important to educate present and future generations about gender discrimination so that we do not repeat past mistakes. We all look forward to a day when these conditions will be distant and unimaginable. We are closer to that day than we were yesterday, but we still have some distance to travel. I am confident that the women of America will lead this journey and continue to exemplify and advocate for those values and ideals which are at the heart of a decent, caring, and fair society.

NATIONAL SECURITY EDUCATION PROGRAM

Mr. COCHRAN. Mr. President, the National Security Education Program has released an Analysis of Federal Language Needs. This analysis will appear later this year as part of its annual report to Congress. It confirms the need to support foreign language instruction at the elementary and secondary education level.

It also is compelling evidence that the Senate should pass S. 541, the Foreign Language Acquisition and Proficiency Improvement Act, which will provide assistance to schools for foreign language instruction. I ask unanimous consent that the March, 2001, National Security Education Program Analysis of Federal Language Needs, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL SECURITY EDUCATION PROGRAM (NSEP) ANALYSIS OF FEDERAL LANGUAGE NEEDS

INTRODUCTION

There is little debate that the era of globalization has brought increasingly diverse and complex challenges to U.S. national security. With these challenges comes a rapidly increasing need for a workforce with skills that address these needs, including professional expertise accompanied by the ability to communicate and understand the languages and cultures of key world regions: Russia and the former Soviet Union, China, the Arab world, Iran, Korea, Central

Asia and key countries in Africa, Latin America and East Asia.

Some 80 federal agencies and offices involved in areas related to U.S. national security rely increasingly on human resources with high levels of language competency and international knowledge and experience. Finding these resources and, in particular, finding candidates for employment as professionals in the U.S. Government, has proven increasingly difficult, and many agencies now report shortfalls in hiring, deficits in readiness, and adverse impacts on operations. Some important documentation of these needs and shortfalls can be found in September 2000 testimony provided to the United States Senate Committee on Governmental Affairs, Subcommittee on International Security, Proliferation, and Federal Services, chaired by Senator Thad Cochran.

Since 1994, the National Security Education Program (NSEP) has funded outstanding U.S. students, both undergraduate and graduate students, to study those languages and cultures critical to U.S. national security and under-represented in U.S. study. NSEP award recipients make an important contribution to future U.S. national security by working in the federal government or in higher education.

NSEP SURVEY

The National Security Education Program (NSEP), as per its legislative mandate, conducts a yearly survey to identify those world regions, languages, and fields of study critical to U.S. national security and under-represented in U.S. study. The findings are used to better understand the current and projected needs of the federal government by emphasizing those same countries, languages, and fields of study in the annual application guidelines for the NSEP Undergraduate Scholarships, Graduate Fellowships, and Grants to U.S. Institutions of Higher Education.

Using as a baseline the current annual list of world regions, languages, and fields of study emphasized by the program, (see Attachment A) NSEP asks a broad range of Federal agencies and organizations with responsibilities in the national security arena to consider the next five to ten years in recommending additions and/or deletions to the existing list. These changes are reflected in annual guidelines for applications, released each fall.

NSEP, in its 2000–2001 survey, broadened the scope of the survey by first, increasing the number and types of agencies and/or offices queried, and second, by identifying the role that professional competency in critical languages plays in the capacity of the federal agencies to execute their missions. This type of information is of critical importance as we attempt to refine and modify existing and potentially new programs to respond to the demands of the 21st century. Questionnaires were mailed to 91 federal agencies and/or offices that deal with international issues. Forty-eight respondents from 46 agencies/offices sent their feedback to NSEP. Attachment B provides a list of agencies who responded to the 2000–2001 survey.

The purpose of this report is to provide results from this analysis and to contribute to our understanding of the increasing need for language and international expertise in the federal sector.

SURVEY RESPONSES

The responses to the 2000–2001 survey confirm the significant need for language expertise in the federal sector. In addition, respondents indicate that when language expertise is either required, or an important asset to an organization's missions and functions, the language must be at the advanced level. The responses show that the demand for advanced language skills exists across the board. Agencies from all functional areas—political/military, social and economic—vouch that professional proficiency in languages are imperative to the function of their missions.

The chart at Attachment C provides some additional insight concerning languages identified by federal organizations and the advanced levels of expertise associated with these requirements. Eleven languages (French, Spanish, Portuguese, German, Russian, Mandarin, Cantonese, Japanese, Korean, Urdu, and Arabic) were identified by at least four different federal organizations. An additional 19 languages were identified by at least two different federal organizations; 40 languages were identified by single organizations.

The following examples serve to provide some additional insights into federal needs:

The National Cryptologic School of the NSA stated that "language skills tied to any academic discipline is a plus", while the DIA stated that "all languages must be at the advanced level." The U.S. Secret Service indicated needs for bilingual capabilities for Special Agents assigned to certain permanent overseas posts. Special Agent personnel affected by this requirement attend a language immersion course and receive certification documenting their level of proficiency. In addition, the Service foresees a need to provide bilingual capability to those personnel tasked with providing training to foreign law enforcement officials and to those individuals who engage in the forensic analysis of evidence, including those responsible for the examination of computers used in criminal activity.

The International Broadcasting Bureau of the Broadcasting Board of Governors reported a unique need for professionals with language and area expertise. While in its management and daily operations language knowledge is not required, intermediate or advanced proficiency in a major regional language (such as Russian for Russia and the former Soviet Republics) is a tremendous advantage and sometimes necessary for marketing officers who place BBG programming in local markets, as well as for engineers who establish, manage, and maintain the Bureau's global transmission network.

The Centers for Disease Control of the Department of Health and Human Services works in more than 140 countries each year to address public health challenges. In addition, CDC has more than 100 assignees in 41 countries to provide long-term assistance on disease surveillance, disease eradication, HIV, infectious and chronic diseases, and other priority programs. Due to the nature of CDC's work, the agency may carry operations in countries where the US has no diplomatic relations to address critical health needs.

The National Aeronautics and Space Administration has strong needs for proficient language skills in Russian, Japanese and Spanish.

The Drug Enforcement Agency has 78 offices in 56 countries. Language training is provided to personnel posted to these offices by two contract language service companies. These employees receive one-on-one instruction for the training period required for the specific language. All employees must achieve a competency of Level 2 for both speaking and reading prior to completion of the training.

The Federal Bureau of Investigation has a critical need for translators proficient in the following languages: "Arabic, Farsi, Hindi, Pashto, Punjabi, Turkish, Urdu, Hebrew, Japanese, Korean, Chinese (all dialects) and Vietnamese. Applicants must pass a language proficiency test 3+ (Advanced/Native Speaker)."

The U.S. Customs Service enforces over 600 laws for 60 other agencies involved in international commerce and travel. "Knowledge of a foreign language is not a mandatory requirement for employment by the U.S. Customs Service. However, with over 300 Customs land, sea and air ports in the U.S., twenty-four Customs attaché and senior representative offices established at American embassies and consulates in strategic areas around the globe, and advisory teams in thirteen countries, possessing foreign language skills is highly desirable to accomplish our mission as U.S. Customs investigators, inspectors and other officers."

In 1999 the U.S. Coast Guard independently carried out an in-depth study to determine how to best meet the foreign language needs of its service. All cutters, stations, groups, air stations, districts and the Coast Guard Intelligence Service were tasked with reporting the number of incidents requiring foreign language skills. The selected comments from the study are highly instructive on the kind of repercussions that lack of language expertise has for the Coast Guard:

"Absence of effective communications influenced decision not to board";

"Lack of interpreter reduced quality of right of approach questions";

"Never determined nationality due to lack of interpreter";

"All Alaskan Patrol cutters should have Russian interpreter on board";

"Lack of interpreter made overall Fish Mission ineffective";

"Lack of interpreters in Chinese, Russian, Polish, Japanese and Korean curtail any intelligence gathering which is critical to success of mission";

"50% of crew bilingual, critical to mission success";

"Heavy workload for 2 Spanish speakers during two intense patrols; multiple daily interactions with immigrants";

"Delay due to sharing of Coast Guard and INS interpreters";

"Delay attributed to availability of interpreter being ashore and underway. Lack of Japanese interpreter resulted in no radio communications";

"Lone bi-lingual crewmember over tasked. Assistance of INS Asylum Pre-Screening—Officer critical to relay medical problems of migrant".

CONCLUSION

The NSEP analysis, while not intended as a comprehensive survey of language needs of the federal government, provides some valuable insights into the need for global skills in the federal sector and, more specifically, the need for professional competencies in languages critical to national security. Along with other ongoing efforts to codify the need for language expertise, these data serve to continue to build the case for a more proactive role for federal programs like NSEP.

The comments received in response to our survey, the interactions with officials from various agencies, and the congressional testimonies to the Senate Committee on Governmental Affairs reveal disjunctions between the existing demand for language expertise in the federal sector and the corresponding capacity to meet those needs.

ATTACHMENT A—NSEP AREAS OF EMPHASIS 1999–2000

World Regions

Africa

Angola
Dem. Rep. of the Congo
Rep. of the Congo
Eritrea
Ethiopia
Kenya
Liberia
Nigeria
Rwanda
Sierra Leone
South Africa
Morocco
Sudan
Tanzania
Uganda

Latin America

Argentina
Brazil
Chile
Colombia
Cuba
Guatemala
Mexico
Panama
Peru
Venezuela

East Asia and the Pacific

Burma
Cambodia
China
Indonesia
Japan
North Korea
South Korea
Malaysia
Philippines
Taiwan
Thailand
Vietnam

South Asia

Afghanistan
India
Pakistan

Europe

Albania
Armenia
Azerbaijan
Belarus
Bosnia & Herzegovina
Bulgaria
Croatia
Czech Republic
Georgia
Hungary
Kazakhstan
Macedonia
Moldova
Poland
Romania
Russia
Serbia & Montenegro
Slovakia
Slovenia
Tajikistan
Turkey
Ukraine
Uzbekistan

Near East

Algeria
Bahrain
Egypt
Iran
Iraq
Israel
Jordan
Kuwait
Lebanon
Libya
Oman
Qatar
Saudi Arabia
Syria
Tunisia
Unit.Arab.Emira.
Yemen

Languages

Albanian
Arabic (and dialects)
Armenian
Azeri
Belarusian
Burmese
Cantonese
Czech
Farsi
Georgian
Hebrew
Hindi
Hungarian
Indonesian
Japanese
Kazakh
Khmer
Korean
Kurdish
Lingala
Macedonian
Malay
Mandarin
Mongolian
Polish
Portuguese
Romanian
Russian
Serbo-Croatian
Sinhala
Swahili
Tagalog
Tajik
Tamil
Thai
Turkmen
Turkish
Uighur
Ukrainian
Urdu
Uzbek
Vietnamese

Fields of Study

Agricultural and Food Sciences

Applied Sciences and Engineering: Biology, Chemistry, Environmental Sciences, Mathematics, and Physics

Business and Economics

Computer and Information Science

Health and Biomedical Science

History

International Affairs

Law

Other Social Sciences: Anthropology, Psychology, Sociology, Political Science, and Policy Studies

ATTACHMENT B—FEDERAL ORGANIZATIONS RESPONDING TO NSEP NATIONAL SECURITY NEEDS ASSESSMENT, 2000–2001

Executive Office of the President

Office of the U.S. Trade Representative

National Intelligence Council

Department of Agriculture

Farm and Foreign Agricultural Services

Department of Commerce

International Trade Administration: U.S. Foreign Commercial Service

National Communications & Information Administration (NTIA): Office of International Affairs

Department of Defense

Defense Intelligence Agency

National Security Agency

Defense Threat Reduction Agency

National Imagery and Mapping Agency

Special Operations and Low-Intensity Conflict

Strategy and Threat Reduction

Department of the Navy: International Programs Office

Department of Energy

Deputy Administrator for Defense Nuclear Nonproliferation

Department of Health and Human Services:

Office of International and Refugee Health

Centers for Disease Control and Prevention

Food and Drug Administration

Department of Justice

Drug Enforcement Administration

INTERPOL

Federal Bureau of Investigation

Department of Labor

Office of International Economic Affairs.

Department of State

Bureau of Intelligence & Research

Office of the Legal Adviser

Under Secretary for Global Affairs: Bureau of Democracy, Human Rights and Labor; and Bureau of International Narcotics and Law Enforcement Affairs

Bureau of Consular Affairs

Foreign Service Institute

Department of Transportation

Office of Intelligence & Security

U.S. Coast Guard: Office of the Commandant; and Intelligence Coordination Center

Federal Aviation Administration: Asst Administrator for Policy Planning & Intl Affairs

Federal Highway Administration: Office of International Programs

Maritime Administration: Associate Administrator for Policy and Intl Trade

Department of the Treasury

U.S. Customs Service: Office of International Affairs

International Revenue Service: Office of the Commissioner, International

U.S. Secret Service

Department of Veterans Affairs

Assistant Secretary for Public & Intergovernmental Affairs: Intergovernmental & International Affairs

U.S. Agency for International Development

Bureau for Global Programs, Field Support & Research

Bureau for Latin America and the Caribbean

Broadcasting Board of Governors

International Broadcasting Bureau

Export-Import Bank of the U.S.

Policy Group

Federal Communications Commission

International Bureau

Federal Reserve System

International Finance Division

International Trade Commission

Office of Operations

National Aeronautics and Space Administration

Office of Human Resources and Education

Nuclear Regulatory Commission

Office of International Programs

U.S. Postal Service

International Business

ATTACHMENT C—LANGUAGE REQUIREMENTS AT ADVANCED LEVELS

Language—Number of Federal Organizations

Haitian-Cr—3
Farsi—3
Hindi—3
Vietnamese—3
Turkish—3
Romanian—3
Ukranian—3
Serbo-Croatian—3
Bulgarian—3
Arabic—4
Italian—3
Urdu—4
German—4
Korean—5
Japanese—6
Portuguese—7
French—9
Mandarin—9
Russian—12
Spanish—16

Additional Languages (at the Advanced Level) Identified by Federal Organizations

Afan Oromo
Amharic
Armenian
Azeri
Bangla
Belarus
Burmese
Czech
Danish
Dari
Dutch
Estonian
Finnish
Georgian
Greek
Hausa
Hebrew
Hongul
Hungarian
Ibo
Indonesian
Kazakh
Khmer
Kinyarwanda
Kirundi
Kurdish
Kyrgyz
Lao
Latvian
Lingala
Lithuanian
Malay
Mongul
Pashto
Polish
Punjabi
Sengalese
Shona
Sinhala
Slovenian
Swahili
Tagalog
Tajik
Tamil
Thai
Tibetan
Tigrigna
Turkish
Turkmen
Uzbek
Xhosa
Yoruba

COMMEMORATION OF GREEK INDEPENDENCE

Mr. REED. Mr. President, I rise today to recognize the 180th anniversary of Greek Independence. On March 25, 1821, ordinary Greek citizens with a conviction for freedom rose up against their oppressors. And, much like America's patriots, they struggled against overwhelming odds and won, bringing about their independence. For this reason, I was pleased to join my colleagues in cosponsoring and passing Senate Resolution 20 which designates March 25 as Greek Independence Day: A National Day of Celebration of Greek and American Democracy.

On this anniversary, Greeks and Greek-Americans can reflect on the struggle for independence and be proud. Their ancestors stood up and fought for their freedom, ending 400 years of rule by the Ottoman Empire. History is quick to forget the details and summarize the outcome. That is why remembering the sacrifices, the oppression, the battles, the poorly armed men standing outnumbered, and their victory are so important.

March 25th, however, is not just for those of Greek descent. It is a day for all who appreciate freedom and treasure democracy. Territorially, the nation of Greece is smaller than the state of Alabama. Yet, for such a small nation it has left a large mark on history and society. The Hellenes have produced many lasting societal advances and cultural contributions, art, science, philosophy, and architecture are just a few. In addition, they have had a rich and lasting impact upon politics. Democracy, the modern day pinnacle of government, was founded in Greece over two thousand years ago.

As citizens of a great democracy, we are proud to recognize the contributions of the Hellenic culture in our own nation. From the education of the Founding Fathers to the development of our Constitution, Greek ideas have shaped America. In my own state, the Greeks have been members of Rhode Island's communities for over 100 years. Originally starting as factory workers and fishermen, today's descendants of the first immigrants continue to advance both economically and professionally, contributing to our state with their hard work and active citizenship.

Therefore, on the day marking the 180th anniversary of the revolution for independence, I congratulate all Greeks and Greek-Americans and express my appreciation for their contributions and those of their ancestors.

AMERICA'S FIRST TOP SECRET HERO

Mr. DOMENICI. Mr. President, today I had the honor of presenting a personal letter to Mr. Hiroshi H. Miyamura at an event honoring Mr. Miyamura and commemorating the 50th Anniversary of the Korean War. Mr. Miyamura is a native New Mexican, a Medal of Honor recipient, and a true American hero.

In honor of Mr. Miyamura and in recognition of the events surrounding his contribution in the Korean War, I ask unanimous consent that a copy of my letter to him and a short historical sketch about Mr. Miyamura be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 21, 2001.

Mr. MIYAMURA: I would like to thank the Fairfax-Lee chapter of the Association of the U.S. Army for inviting me to celebrate today's guest of honor. I sincerely apologize for my absence at this event.

Recognizing the awesome deeds of our men during the Korean War during the 50th Anniversary of that conflict is a humbling task. And, today, we meet to recognize the heroism of one particular soldier, Mr. Hiroshi H. Miyamura. Mr. Miyamura's story is not only one of tremendous courage, his has an element of intrigue. Mr. Miyamura is also America's first secret hero.

Mr. Miyamura is a native New Mexican, and still resides there. He enlisted in the Army during World War II and served in a unique special Japanese-American regiment, but the war ended before he saw combat. He got out of the service after WWII and went back to Udall where he married his sweetheart, who had been in an American Internment Camp during the war.

One year after reenlisting in the Army Reserves, North Korea invaded South Korea. At this time, Corporal Miyamura was activated and assigned to the 3rd Infantry Division. For his actions on the night of April 24, 1951, Mr. Miyamura was awarded the Medal of Honor. However, his citation was classified top-secret and filed away in the Department of the Army's tightest security vault. On April 25, he was captured and held as a Prisoner of War (POW) for more than twenty-seven months.

When Sergeant Miyamura, who was promoted while in captivity, was finally released on August 20, 1953, in a POW exchange between the United Nations command and the Communists, he was greeted by Brigadier General Ralph Osborne and informed for the first time that he had been awarded the Medal of Honor. According to General Osborne, the citation had been held top-secret because "if the Reds knew what he had done to a good number of their soldiers just before he was taken prisoner, they might have taken revenge on this young man. He might not have come back." Sergeant Miyamura was presented the Medal of Honor by President Eisenhower on October 27, 1953.

Words will fail to appropriately encompass the gratitude and indebtedness Americans have to Mr. Miyamura and his compatriots. The freedom and prosperity we enjoy is a constant reminder of our Veterans' contribution. As a fellow New Mexican and admirer of the sacrifices you made for our great country, I personally thank you, Mr. Hiroshi H. Miyamura.

Sincerely yours,

PETE V. DOMENICI,
U.S. Senator.

[From Military History, Apr. 1996]

FOR MORE THAN TWO YEARS, HIROSHI MIYAMURA'S MEDAL OF HONOR WAS A TIGHTLY GUARDED SECRET

(By Edward Hymoff)

It was the beginning of a long, chilly April night in 1951. Red Chinese bugles howled and whistles shrieked for the umpteenth time. "They're comin' again," the slightly built corporal whispered to his machine-gun detail. Flares burst above the ridge, and an enemy mortar barrage again began to creep toward the American positions.

The ghostly light of falling flares played across the face of the machine-gun section's leader, accentuating the young soldier's Asian features. He could have been mistaken for the enemy, but for the uniform he wore and his New Mexican accent. Shells straddled the trench. The bugles and whistles grew louder as shadowy figures clambered up the steep, shell-pocked slope.

"Stay put," snapped the corporal. He yanked his bayonet from its scabbard and clamped it on his carbine. "Cover me," he ordered. He pulled himself from the trench, slithered a few feet on his belly and then sprang upright and charged the advancing enemy soldiers.

More than two years later, U.S. Army Sergeant Hiroshi H. Miyamura remembered that rainy night of April 24, 1951, as if it were yesterday. He had been the Company H, 7th Infantry Regiment, 3rd Infantry Division, corporal who had "charged" that night. Now, on August 20, 1953, Miyamura climbed down from a Soviet-built military truck with 19 fellow prisoners of war at a place called Panmunjom, which he had heard mentioned while in a Communist Chinese prison camp in North Korea. He and his repatriated POW buddies were hustled into military ambulances for a 15-minute drive to another unloading point, Freedom Village, where doctors, nurses and medics took over.

Pale and undernourished, the newly freed Americans shucked off their faded blue Chinese uniforms and showered. They were examined by doctors, dusted with DDT and issued oversize fatigues. Each former POW was then handed a large canteen cup filled with ice cream. If the doctors declared them physically and mentally up to it, they were interrogated by intelligence officers and then led out to meet the press.

As Sergeant Miyamura (who had been promoted while in captivity) was led to the microphones and news cameras, he was greeted by Brig. Gen. Ralph Osborne, the Freedom Village commander, who raised his hands for silence. "Gentlemen of the press," the general announced. "I want to take this occasion to welcome the greatest V.I.P., the most distinguished guest to pass through Freedom Village.

"Sergeant Miyamura, it is my pleasure to inform you that you have been awarded the Medal of Honor." Miyamura was visibly shaken. "What?" he gulped. "I've been awarded what medal?"

During the nearly 130 years that the Medal of Honor has been awarded for "conspicuous gallantry and intrepidity at the risk of life above and beyond the call of duty," none of the other recipients have learned about the honor quite the way that 27-year old Sergeant Miyamura did. Nineteen months before his release from captivity, a Medal of Honor citation dated December 21, 1951, had been filed away in the Department of the Army's tightest security vault. Classified "top-secret," it was finally removed from its Pentagon security vault at the start of Operation Big Switch, the exchange of POWs between the United Nations command and the Communists, and delivered to U.S. Eighth Army headquarters in Seoul shortly after the Korean armistice was signed in late July 1953.

General Osborne began reading aloud from the citation that had been handed to him less than a half-hour before. "On the night of 24 April, Company H was occupying a defensive position near Taejon-ni, Korea, when the enemy fanatically attacked, threatening to overrun the position. Corporal Miyamura, a machine-gun squad leader, aware of the danger to his men, unhesitatingly jumped from his shelter. . . ."

As the general continued reading, Sergeant Miyamura clearly recalled those events. A major Chinese offensive had cracked the U.N. line. The 3rd Division had been ordered to pull back. H Company withdrew under a heavy enemy mortar barrage followed by two separate battalion-size probes. Miyamura was positioned between a light and a heavy machine gun, directing their fire. Shortly before midnight, the Chinese again advanced up the slope. He called out to his gunners, "Short bursts, short bursts!" and switched his carbine to automatic fire, squeezing off short bursts. He also hurled grenades down the slope.

The attackers were finally stopped. Twenty minutes or a half-hour passed. Then, enemy mortar rounds again fell along the ridgeline. Flares popped overhead, and the bugle calls and whistles resumed, along with shrieks of "Kill! Kill! Kill dam 'mericans!"

Miyamura hurled more grenades and emptied his carbine. The shadowy figures moving up the slope toward his position dropped before his fire. Off to his right, the heavy machine gun blasted away. There was silence from the .30-caliber light-machine-gun position on his left. He clambered from his hole and crawled to his left flank. The light weapon and its crew were gone. Had they bugged out?

No. A runner must have instructed them to withdraw. But why hadn't the runner touched base with him? Crouching low, Miyamura dashed toward the heavy-machine-gun position but stumbled across a body and fell flat on his face. A flare popped overhead, and he dropped flat beside the body. It was one of H Company's runners. No wonder he hadn't gotten the message to withdraw.

Miyamura found two of the four GIs in the machine-gun position hit by shrapnel, and he dressed their wounds. Instructing them to cover him, he clamped his bayonet on his carbine and left the emplacement, sliding down the slope toward the enemy. Minutes later, there were agonizing cries in the darkness from the direction he had gone.

". . . Wielding his bayonet in close hand-to-hand combat, killing approximately 10 of the enemy," General Osborne continued. The Chinese soldiers had been cautiously moving up the slope when Miyamura suddenly appeared in their midst. Jabbing and slashing, he scattered one group and wheeled around, breaking up another group the same way. Miyamura then ran back up the slope and slid into the machine-gun position. He ordered the gunners and the two wounded riflemen to fall back; he would cover them. Suddenly he was alone and frightened. He leaned against the machine gun and waited. It didn't take long. Bugles and whistles sounded, and the "Kill! Kill!" chant of the enemy grew louder and closer.

". . . As another savage assault hit the line, he manned his machine gun and delivered withering fire until his ammunition was expended," the general went on. Miyamura broke up that attack, and when he ran out of ammunition he began hurling grenades in the enemy's direction. It was time for him to withdraw, but first he had to destroy the heavy machine gun. He placed a grenade, its pin pulled, against the gun's open breach, then ran into a nearby trench.

Loping down the trench, Miyamura turned a corner and slammed into an enemy soldier. Both recoiled, but Miyamura was faster; he shot the Chinese soldier wounding him. The Chinese soldier then lobbed a grenade in Miyamura's direction, but he kicked it back. It exploded, killing the enemy soldier and wounding Miyamura in the leg. ". . . He killed more than 50 of the enemy before his ammunition was depleted and he was severely wounded," the general continued reading.

Miyamura recalled the nightmarish events leading up to his capture. The eastern horizon was beginning to grow lighter, and the enemy soldiers were now pouring off the ridge he had evacuated. He spotted a friendly tank that had been staked out to cover the withdrawal, now preparing to pull out. Miyamura ran desperately toward it, only to stumble into American barbed wire. Sobbing in pain, he heard the tank rumble away.

"When last seen, he was fighting ferociously against an overwhelming number of enemy soldiers," the general continued. But that wasn't quite the way it happened, Miyamura remembered. He managed to free himself from the wire and dropped into a small shellhole, throbbing with pain from the barbed-wire punctures and from the grenade-fragment wound in his leg. Enemy troops swarmed down the back slope and walked by the hole in which he lay, ignoring what they thought was a dead GI. If he could last through the day playing dead, he might be able to make it back to his own lines when night fell. A lone enemy soldier stopped beside him and leveled a U.S. Army 45-caliber pistol at his head. "Get up," he ordered in English. "I know you're alive. We don't harm prisoners."

Four days later, a 3rd Division task force slashed its way back to the position Miyamura had evacuated. Miyamura was not among the dead GIs who lay there with more than 50 enemy dead, scattered on both slopes of his position.

Why was Miyamura's Medal of Honor citation classified top-secret? General Osborne explained: "If the Reds knew what he had done to a good number of their soldiers just before he was taken prisoner, they might have taken revenge on this young man. He might not have come back." Sergeant Hiroshi H. Miyamura, America's first secret hero, was formally presented his Medal of Honor by President Dwight D. Eisenhower in a White House ceremony on October 27, 1953.

Miyamura has since visited Washington several times as an invited guest at presidential inaugurations. A career as an auto mechanic and service station owner made it possible for him to send his three children to college. Miyamura is now retired in his hometown of Gallup, N.M., and "doing the many things that I now have time for." An avid freshwater fisherman, he spends much of his time trout fishing in the many lakes in the Southwest.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, March 21, 2001, the Federal debt stood at $5,731,169,100,580.51, five trillion, seven hundred thirty-one billion, one hundred sixty-nine million, one hundred thousand, five hundred eighty dollars and fifty-one cents.

One year ago, March 21, 2000, the Federal debt stood at $5,728,846,000,000, five trillion, seven hundred twenty-eight billion, eight hundred forty-six million.

Five years ago, March 21, 1996, the Federal debt stood at $5,062,251,000,000, five trillion, sixty-two billion, two hundred fifty-one million.

Ten years ago, March 21, 1991, the Federal debt stood at $3,446,260,000,000, three trillion, four hundred forty-six billion, two hundred sixty million.

Fifteen years ago, March 21, 1986, the Federal debt stood at $1,982,089,000,000, One trillion, nine hundred eighty-two billion, eighty-nine million, which reflects a debt increase of almost $4 trillion—$3,749,080,100,580.51, three trillion, seven hundred forty-nine billion, eighty million, one hundred thousand, five hundred eighty dollars and fifty-one cents, during the past 15 years.

ADDITIONAL STATEMENTS

NATIONAL AGRICULTURE WEEK

• Mr. DAYTON. Mr. President, this week, as our Nation celebrates National Agriculture Week, I can think of no better time for Congress to begin the important work of addressing the urgent needs of our Nation's family farmers, ranchers, and rural communities.

Through the hard work and innovation of our farmers and ranchers, we have long been the most bountiful Nation in the world. The average American farmer produces enough every year to feed and clothe 129 other people. Nowhere else do so few feed so many.

Although only about 2 percent of our people work on the farm, agriculture remains a pillar of our economy. Twenty-one million Americans are employed transporting, processing, and distributing agricultural commodities. In Minnesota, agriculture represents 17 percent of the State's economy and employs roughly 22 percent of the State's workers.

Our family farmers and ranchers contribute as much to our national character as to our economy. The hard work and determination of our farmers has been the foundation and source of strength for our Nation since its earliest days. As they have done for generations, American farmers continue to meet adversity with the faith, fortitude, and ingenuity.

But as we enter the 21st century, America's family farmers and ranchers face a number of challenges such as continuing low commodity prices, the increasing consolidation and concentration in the agricultural economy and Congress' failure to establish a strong safety net to help when good times go bad. I believe we, as a nation, should focus on ways to support and strengthen family farms and rural communities while ensuring a vibrant, competitive agricultural marketplace.

I urge Congress to take immediate action to reverse farm and trade policies that have led to several years of low prices and driven thousands of producers in Minnesota and across the country out of business. What better way to honor the hard-working family farmers and ranchers who allow our Nation to enjoy the safest, most diverse, and most affordable food supply in the world.•

TRIBUTE TO CAPTAIN GLEN O. WOODS, USN

• Mr. WARNER. Mr. President, I rise today to recognize an outstanding Naval Officer, Captain Glen Woods, as he completes 23 years of distinguished service. It is a privilege for me to honor his many outstanding achievements and commend him for his honorable and faithful service to the Senate, the Navy, and our great Nation.

Captain Woods graduated from the U.S. Naval Academy in 1978. Upon graduation, he entered flight training and earned his "Wings of Gold" as a Naval Aviator in February 1980. Assigned as a Maritime Patrol Aviator, Captain Woods has served in P-3 Orion squadrons in both the Pacific and Atlantic Fleets, compiling nearly 4000 flight hours. His most recent flying assignment was as the Executive Officer and Commanding Officer of the "Red Lancers" of Patrol Squadron TEN, home ported in Brunswick, ME.

From airfields located in Adak, Alaska, and Keflavik, Iceland, he has tracked submarines above the Arctic Circle. He has flown anti-submarine and anti-surface warfare missions supporting our carrier battle groups in the

Mediterranean Sea, Arabian Gulf, North Atlantic, Western Pacific and the Sea of Japan. His crews tracked maritime shipping in the South China Sea, Red Sea, Mediterranean Sea and throughout the Indian Ocean. Additionally, he has operated extensively with our NATO Allies, flying from bases in Scotland, Norway, Iceland, France, Spain, Portugal, and Italy.

Captain Woods also left his mark on a wide range of critical assignments ashore, serving as an instructor pilot, working on the staff of the Director of Naval Intelligence, and ending his distinguished career as the Deputy Director of the Navy's Liaison Office here in the Senate. His integrity, enthusiasm and foresight have earned him the admiration of me and my colleagues.

The Department of the Navy, the Congress, and the American people have been well served by this dedicated naval officer for over 23 years. Captain Glen Woods is a passionate advocate of the Sea Services and has been tireless in supporting the needs of the Sailors in the Fleet and their families. On behalf of my colleagues, I am honored to thank him for his service and to wish Captain Woods and his lovely wife Patti, "Fair winds and following seas."•

SALUTE TO THE 2001 NORTH DAKOTA CLASS B CHAMPION NORTH BORDER BOYS BASKETBALL TEAM

• Mr. DORGAN. Mr. President, I want to congratulate the North Border Eagles who were recently crowned state champions at the 2001 North Dakota Class B boys basketball tournament in Minot, ND. The Eagles beat number-one ranked Cando, ND 74–65 in the tournament's championship game to claim the state's top spot in Class B basketball. I congratulate Eagles Coach Dave Symington, his coaching staff and the players on their accomplishment. Members of the team include Jacob Anderson, Aaron Bonaime, Mike Brown, Nathan Carrier, Anthony Chaput, Matt Defoe, Dennis Delude, Warren Eagan, Kyle Rollness, Kevin Schaler, Travis Stegman, Chris Stremick, Chad Symington and Jason Tryan.

But I stand before the U.S. Senate not only to share with you the boxscore of the final game of the North Dakota Class B boys basketball season, but to tell you the remarkable story of how they got there. It's a story that many of you from rural States may recognize. Everyone, though, will be inspired by this story of teamwork and determination.

If you look on a North Dakota map, you won't find a community called North Border. That is because North Border is not one community, it is three different communities that have joined resources in education and athletics to compete against shrinking school enrollments.

North Border is a co-op of three small communities, Neche, Pembina and Walhalla, in the far northeastern corner of my state. The communities with populations of 434, 634 and 1,131 respectively are joined by rolling hills, County Road 55 and a common goal of maintaining a high quality of life for its residents while facing the realities of a population that is older and smaller.

The communities' high schools have a combined enrollment of less than 200. The schools formed the North Border co-op due to the low athlete numbers in boys basketball and other sports.

The schools agreed to rotate the location of practices and games to accommodate players and fans in all three communities. While the athletes had played together before in summer programs, the transition was challenging. The newly formed Eagles lost its second game of the season. It was against the Cando Cubs—the team the Eagles would eventually meet again in the state tournament. The Eagles soon began playing well together as a team and compiled a very impressive 23–2 record, including a victory in the regional finals over Fordville-Lankin avenging the Eagles' second loss of the season.

The team's birth into the state Class B boys basketball tournament was the first state tournament experience for either Walhalla or Neche, and the first time since 1955 that Pembina went to State. The Eagles received no beginner's breaks. All schools who made it to the tournament were strong teams and deserve praise for this accomplishment. The Eagles were paired against the defending state champion Fargo Oak Grove team in the first round. As they had all season, the Eagles relied on their defense and a strong balanced offense to move past Oak Grove and their second opponent, the Dickinson Trinity Titans, to advance to the championship game. Four players scored in double figures in the opening game and five players did the same in North Border's win over the Titans.

The two victories put the Eagles in the title game to face the team that gave the Eagles their first loss on the season a 28 point loss at home. Again, in a performance marked by team balance, four North Border players scored in double digits including a team high 21 points by junior guard/forward Dennis Delude to give the Eagles a victory over previously unbeaten Cando. Three Eagle players—senior Aaron Bonaime, junior Nathan Carrier and Delude—were named to the State Class B All-Tournament Team. The journey these three communities made to become state champions is truly remarkable and inspiring. Once again, congratulations to all those involved in the Eagles successful season and to all teams who made it to this year's tournament.•

VALLEY HAVEN SCHOOL

• Mr. SHELBY. Mr. President, I rise today to pay special tribute to the Valley Haven School, an important part of the Valley, AL community. Valley Haven is a school for infants, toddlers and adults who are mentally retarded or multi-handicapped. On May 5th, the school will hold it's 25th Annual Hike/Bike/Run for Valley Haven, a fund raiser which generates the crucial local funding which is vital to the school's survival.

Valley Haven School was started 41 years ago and has grown into a large, professionally staffed operation. With over 116 clients in ages ranging from 3 months to 70 years, you can see, that Valley Haven must meet significant financial standards each year to maintain viability. The school does this outside of local tax structures, so operating expenses and matching funds for grants must be raised primarily through the community at large. The Hike/Bike/Run for Valley Haven is the key fund raiser of the year which helps to bring the community together for this important cause. Among the events included in the occasion are a 5K, 8K, 10 or 22 mile run, 10 or 5 mile walk, 22, 11, or 5 mile bike, trike, and stroller event, and even a horse trail ride.

I take this opportunity to wish all those helping to organize the event and those planning to participate my best wishes in their efforts to support the school. Whether contributing time, physical effort, or financial resources, working to ensure educational opportunities for others is truly a worthy cause.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:18 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 496. An act to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes.

H.R. 1042. An act to prevent the elimination of certain reports.

H.R. 1098. An act to improve the recording and discharging of maritime liens and expand the American Merchant Marine Memorial Wall of Honor, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 43. Concurrent resolution authorizing the printing of a revised and updated version of the House document entitled "Black Americans in Congress, 1870-1989."

The message further announced that pursuant to section 2(a) of the National Cultural Center Act (20 U.S.C. 76h(a)), the Speaker appoints the following Members of the House of Representatives to the Board of Trustees of the John F. Kennedy Center for the Performing Arts: Mr. HASTERT of Illinois, Mr. KOLBE of Arizona, and Mr. GEPHARDT of Missouri.

At 5:33 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 247. An act to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks.

H.R. 802. An act to authorize the Public Safety Officer Medal of Valor, and for other purposes.

H.R. 1099. An act to make changes in laws governing Coast Guard personnel, increase marine safety, renew certain groups that advise the Coast Guard on safety issues, make miscellaneous improvements to Coast Guard operations and policies, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 69. A concurrent resolution expressing the sense of the Congress on the Hague Convention on the Civil Aspects of International Child Abduction and urging all Contracting States to the Convention to recommend the production of practice guides.

The message further announced that pursuant to 15 U.S.C. 1024(a), the Speaker appoints the following Member of the House of Representatives to the Joint Economic Committee: Mr. SAXTON of New Jersey.

The message also announced that pursuant to 44 U.S.C. 2702, the Speaker reappoints the following member on the part of the House of Representatives to the Advisory Committee on the Records of Congress: Mr. Timothy J. Johnson of Minnetonka, Minnesota.

The message further announced that pursuant to the provisions of 44 U.S.C. 2702, the Speaker reappoints as a member of the Advisory Committee on the Records of Congress the following person: Susan Palmer of Aurora, Illinois.

The message also announced that pursuant to section 114(b) of the John C. Stennis Center for Public Service Training and Development Act (2 U.S.C. 1103), the Speaker appoints the following Member of the House of Representatives to the Board of Trustees for the John C. Stennis Center for Public Service Training and Development for a term of 6 years: Mr. CHARLES W. "CHIP" PICKERING of Laurel, Mississippi.

The message further announced that pursuant to section 114(b) of the John C. Stennis Center for Public Service Training and Development Act (2 U.S.C. 1103), the Minority Leader appoints the following Member of the House of Representatives to the Board of Trustees for the John C. Stennis Center for Public Service Training and Development for a term of 6 years: Mr. LEWIS of Georgia.

The message also announced that pursuant to 22 U.S.C. 1928a and clause 10 of rule I, the Speaker appoints the following Members of the House of Representatives to the United States Group of the North Atlantic Assembly: Mr. DEUTSCH of Florida, Mr. BORSKI of Pennsylvania, Mr. LANTOS of California, and Mr. RUSH of Illinois.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 247. An act to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 496. An act to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 802. An act to authorize the Public Safety Officer Medal of Valor, and for other purposes; to the Committee on the Judiciary.

H.R. 1042. An act to prevent the elimination of certain reports; to the Committee on Governmental Affairs.

H.R. 1098. An act to improve the recording and discharging of maritime liens and expand the American Merchant Marine Memorial Wall of Honor, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 1099. An act to make changes in laws governing Coast Guard personnel, increase marine safety, renew certain groups that advise the Coast Guard on safety issues, make miscellaneous improvements to Coast Guard operations and policies, and for other purposes; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 43. Concurrent resolution authorizing the printing of a revised and updated version of the House document entitled "Black Americans in Congress, 1870-1989"; to the Committee on Rules and Administration.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1123. A communications from the Secretary of Veteran Affairs, transmitting, pursuant to law, the delay of a joint report on the implementation of law dealing with sharing health care cost with the Department of Defense; to the Committee on Veterans' Affairs.

EC-1124. A communication from the Director of Operations and Finance of the American Battle Monuments Commission, transmitting, pursuant to law, the report under the Freedom of Information Act for Fiscal Year 2000; to the Committee on the Judiciary.

EC-1125. A communication from the Deputy Director of the Congressional Budget Office, transmitting, pursuant to law, the Sequestration Preview Report for Fiscal Year 2002; referred jointly, pursuant to the order of August 4, 1997; to the Committees on the Budget; and Governmental Affairs.

EC-1126. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals dated March 19, 2001; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986; to the Committees on the Budget; Appropriations; and Foreign Relations.

EC-1127. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Luxembourg, France; to the Committee on Foreign Relations.

EC-1128. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed Manufacturing License Agreement with Greece; to the Committee on Foreign Relations.

EC-1129. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC-1130. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed Technical Assistance Agreement with Canada, Australia, and New Zealand; to the Committee on Foreign Relations.

EC–1131. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Spain; to the Committee on Foreign Relations.

EC–1132. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Germany; to the Committee on Foreign Relations.

EC–1133. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the export of defense articles or services under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–1134. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report with respect to the Fair Debt Collection Practices Act for 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–1135. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, the report on the National Defense Stockpile Annual Materials Plan (AMP) for Fiscal Year 2001; to the Committee on Armed Services.

EC–1136. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the annual report on compensation program adjustments, current salary range structure, and the performance-based merit pay matrix for 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1137. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Diflubenzuron; Pesticide Tolerance Technical Correction" (FRL6776–4) received on March 20, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–1138. A communication from the Director of the National Science Foundation, transmitting, pursuant to law, a report on Women, Minorities, and Persons With Disabilities in Science and Engineering for 2000; to the Committee on Health, Education, Labor, and Pensions.

EC–1139. A communication from the Acting Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the biennial report on Atlantic Bluefin tuna for 1999 through 2000; to the Committee on Commerce, Science, and Transportation.

EC–1140. A communication from the Deputy Chief of the Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Federal-State Joint Board on Universal Service; Petition for Reconsideration Filed by AT&T" ((CC Doc. 96–45)(FCC 01–85)) received on March 19, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1141. A communication from the Acting Assistant Secretary of Defense, Reserve Affairs, Department of Defense, transmitting, pursuant to law, the annual report on the STARBASE Program for Fiscal Year 2000; to the Committee on Armed Services.

EC–1142. A communication from the Acting Assistant Secretary of Defense, Reserve Affairs, Department of Defense, transmitting, pursuant to law, a report on the delay of the Angel Gate Academy Program Report; to the Committee on Armed Services.

EC–1143. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, a report on the improvement of professionalism in the acquisition workforce; to the Committee on Armed Services.

EC–1144. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, the report on the distribution of depot maintenance workloads for Fiscal Years 1999 and 2000; to the Committee on Armed Services.

EC–1145. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Applicable Federal Rates—April 2001" (Rev. Rul. 2001–17) received on March 13, 2001; to the Committee on Finance.

EC–1146. A communication from the Acting Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Convention on Cultural Property Implementation Act, a report concerning the imposition of import restrictions on categories of archaeological material from Italy and Nicaragua; to the Committee on Finance.

EC–1147. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Notice 2001–29, Form 7004-Research Credit Suspension Period" (OGI–110763–01) received on March 19, 2001; to the Committee on Finance.

EC–1148. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Foreign Repairs to American Vessels" (RIN1515–AC30) received on March 20, 2001; to the Committee on Finance.

EC–1149. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Primary Drinking Water Regulations; Arsenic and Clarifications to Compliance and New Source Contaminants Monitoring: Delay of Effective Date" (FRL6958–3) received on March 20, 2001; to the Committee on Environment and Public Works.

EC–1150. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants: Publicly Owned Treatment Works" (FRL6955–7) received on March 20, 2001; to the Committee on Environment and Public Works.

EC–1151. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Control of Air Pollution from New Motor Vehicles; Amendment to the Tier 2/Gasoline Sulfur Regulations" (FRL6768–1) received on March 21, 2001; to the Committee on Environment and Public Works.

EC–1152. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Project XL Site-Specific Rulemaking for Georgia-Pacific Corporations's Facility in Bid Island, Virginia" (FRL6767–8) received on March 21, 2001; to the Committee on Environment and Public Works.

EC–1153. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Standards of Performance for New Stationary Sources and Emission Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units" (FRL6939–9) received on March 21, 2001; to the Committee on Environment and Public Works.

EC–1154. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, a report relating to the inventory of non-inherently governmental functions for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1155. A communication from the Secretary of the Mississippi River Commission, Corps of Engineers, Department of the Army, transmitting, pursuant to law, the Commission's report under the Government in the Sunshine Act for calendar year 2000; to the Committee on Governmental Affairs.

EC–1156. A communication from the Acting Director of the United States Office of Personnel Management, transmitting, pursuant to law, a report on actions needed to correct the Consumer Price Index error in the Civil Service Retirement System and the Federal Employees Retirement System; to the Committee on Governmental Affairs.

EC–1157. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1158. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the Administration's report under the Government in the Sunshine Act for calendar year 2000; to the Committee on Governmental Affairs.

EC–1159. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on March 19, 2001; to the Committee on Governmental Affairs.

EC–1160. A communication from the Principal Deputy Under Secretary of Defense, Acquisition and Technology, Department of Defense, transmitting, pursuant to law, the delay of the annual report concerning commercial activities for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–1161. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of the list of General Accounting Office reports for January 2001; to the Committee on Governmental Affairs.

EC–1162. A communication from the Chairman of the Board of Directors, Tennessee Valley Authority, transmitting, pursuant to law, the Board's report under the Government in the Sunshine Act for calendar year 2000; to the Committee on Governmental Affairs.

EC–1163. A communication from the Chairman of the United States Merit Systems

Protection Board, transmitting, pursuant to law, the Board's report under the Government in the Sunshine Act for calendar year 2000; to the Committee on Governmental Affairs.

EC–1164. A communication from the Executive Director of the National Science Board, transmitting, pursuant to law, the Board's report under the Government in the Sunshine Act for calendar year 2000; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–3. A petition from a citizen from the State of Vermont entitled "Reaffirm America"; to the Committee on Finance.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. NICKLES:

S. 593. A bill to amend the Internal Revenue Code of 1986 to clarify that natural gas gathering lines are 7-year property for purposes of depreciation; to the Committee on Finance.

By Mr. NICKLES:

S. 594. A bill to amend the Internal Revenue Code of 1986 to simplify the excise tax on heavy truck tires; to the Committee on Finance.

By Mr. WELLSTONE (for himself, Mr. DASCHLE, and Mr. INOUYE):

S. 595. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to provide for nondiscriminatory coverage for substance abuse treatment services under private group and individual health coverage; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BINGAMAN (for himself, Mr. DASCHLE, Mr. AKAKA, Mr. BAUCUS, Mr. BREAUX, Ms. CANTWELL, Mr. DORGAN, Mr. LEAHY, Mr. REID, Mr. SCHUMER, Mr. KENNEDY, Mr. ROCKEFELLER, Mrs. MURRAY, and Mr. TORRICELLI):

S. 596. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the production and use of efficient energy sources, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. DASCHLE, Mr. AKAKA, Mr. BAUCUS, Mr. BREAUX, Ms. CANTWELL, Mr. DORGAN, Mr. LEAHY, Mr. REID, Mr. SCHUMER, Mr. KENNEDY, Mrs. MURRAY, Mr. ROCKEFELLER, and Mr. TORRICELLI):

S. 597. A bill to provide for a comprehensive and balanced national energy policy; to the Committee on Energy and Natural Resources.

By Mr. BREAUX (for himself, Mr. SPECTER, Mrs. LINCOLN, Mr. STEVENS, Ms. LANDRIEU, Mr. NELSON of Nebraska, Mr. CLELAND, Mr. MILLER, and Mr. JOHNSON):

S. 598. A bill to provide for the reissuance of a rule relating to ergonomics; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROBERTS (for himself, Mr. GRAMM, and Mr. HAGEL):

S. 599. A bill to amend the Omnibus Trade and Competitiveness Act of 1988 to establish permanent trade negotiating and trade agreement implementing authority; to the Committee on Finance.

By Mr. THOMPSON (for himself, Mr. LIEBERMAN, Ms. COLLINS, Mr. LEAHY, and Mr. JEFFORDS):

S. 600. A bill to amend the Federal Election Campaign Act of 1971 to enhance criminal penalties for election law violations, to clarify current provisions of law regarding donations from foreign nationals, and for other purposes; to the Committee on Rules and Administration.

By Mr. SHELBY:

S. 601. A bill to authorize the payment of interest on certain accounts at depository institutions, to increase flexibility in setting reserve requirements, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOMENICI:

S. 602. A bill to reform Federal election law; to the Committee on Rules and Administration.

By Mr. KENNEDY (for himself, Mr. SCHUMER, Mr. SARBANES, Ms. SNOWE, Mr. DODD, Mr. KERRY, Mr. FEINGOLD, Mr. LIEBERMAN, Mr. BIDEN, Ms. CANTWELL, Mrs. MURRAY, Mrs. FEINSTEIN, Mrs. CLINTON, Mr. CORZINE, Mr. DAYTON, Ms. MIKULSKI, and Mrs. BOXER):

S.J. Res. 10. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LIEBERMAN (for himself, Mr. LUGAR, Mr. GRAHAM, Mr. KYL, Mr. HELMS, Mr. ENSIGN, Mr. FEINGOLD, Mr. NELSON of Florida, Mr. TORRICELLI, Mr. SMITH of New Hampshire, Mr. SESSIONS, Mr. DEWINE, and Mr. SANTORUM):

S. Res. 62. A resolution expressing the sense of the Senate regarding the human rights situation in Cuba; to the Committee on Foreign Relations.

By Mr. CAMPBELL (for himself, Mr. HATCH, Mr. LEAHY, Mr. THURMOND, Mr. NICKLES, Mr. GREGG, Mr. HUTCHINSON, Mr. MILLER, Mrs. HUTCHISON, Mr. BIDEN, Mr. GRAMM, Mr. HELMS, Mr. BROWNBACK, Mr. COCHRAN, Mr. BINGAMAN, Mr. BOND, Mr. FRIST, Mr. INHOFE, Mr. ALLARD, Mr. DORGAN, Mr. EDWARDS, Mr. BYRD, Mr. REID, Mr. BAYH, Mr. AKAKA, Mr. DURBIN, Mr. DEWINE, Mr. THOMAS, Mr. CRAPO, Mr. DAYTON, Mr. SARBANES, Mr. KENNEDY, Mrs. BOXER, Mr. LEVIN, and Mr. VOINOVICH):

S. Res. 63. A resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 29

At the request of Mr. BOND, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. 29, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 117

At the request of Mr. FEINGOLD, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 117, a bill to prohibit products that contain dry ultra-filtered milk products or casein from being labeled as domestic natural cheese, and for other purposes.

S. 126

At the request of Mr. CLELAND, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 126, a bill to authorize the President to present a gold medal on behalf of Congress to former President Jimmy Carter and his wife Rosalynn Carter in recognition of their service to the Nation.

S. 152

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to eliminate the 60-month limit and increase the income limitation on the student loan interest deduction.

S. 170

At the request of Mr. REID, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 177

At the request of Mr. AKAKA, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 177, a bill to amend the provisions of title 19, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 206

At the request of Mr. SHELBY, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 206, a bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 2001, and for other purposes.

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 321

At the request of Mr. GRASSLEY, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from Missouri (Mrs. CARHAHAN) were added as cosponsors of S. 321, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 322

At the request of Mr. THOMAS, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 322, a bill to limit the acquisition by the United States of land located in a State in which 25 percent or more of the land in that State is owned by the United States.

S. 352

At the request of Mr. BINGAMAN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 352, a bill to increase the authorization of appropriations for low-income energy assistance, weatherization, and state energy conservation grant programs, to expand the use of energy savings performance contracts, and for other purposes.

S. 394

At the request of Mr. DOMENICI, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 394, a bill to make an urgent supplemental appropriation for fiscal year 2001 for the Department of Defense for the Defense Health Program.

S. 409

At the request of Mr. DURBIN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 409, a bill to amend title 38, United States Code, to clarify the standards for compensation for Persian Gulf veterans suffering from certain undiagnosed illnesses, and for other purposes.

S. 433

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 433, a bill to amend the Internal Revenue Code of 1986 to remove the limitation that certain survivor benefits can only be excluded with respect to individuals dying after December 31, 1996.

S. 472

At the request of Mr. DOMENICI, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 472, a bill to ensure that nuclear energy continues to contribute to the supply of electricity in the United States.

S. 515

At the request of Mr. DOMENICI, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 515, a bill to amend the Internal Revenue Code of 1986 to establish a permanent tax incentive for research and development, and for other purposes.

S. 543

At the request of Mr. WELLSTONE, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 549

At the request of Mr. CRAPO, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 549, a bill to ensure the availability of spectrum to amateur radio operators.

S. 567

At the request of Mr. SESSIONS, the names of the Senator from North Carolina (Mr. HELMS) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 567, a bill to amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners.

S. 581

At the request of Mr. FITZGERALD, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 581, a bill to amend title 10, United States Code, to authorize Army arsenals to undertake to fulfill orders or contracts for articles or services in advance of the receipt of payment under certain circumstances.

S. CON. RES. 11

At the request of Mrs. FEINSTEIN, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Maryland (Ms. MIKULSKI), the Senator from Hawaii (Mr. AKAKA), and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of S. Con. Res. 11, a concurrent resolution expressing the sense of Congress to fully use the powers of the Federal Government to enhance the science base required to more fully develop the field of health promotion and disease prevention, and to explore how strategies can be developed to integrate lifestyle improvement programs into national policy, our health care system, schools, workplaces, families and communities.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Con. Res. 14, a concurrent resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. CON. RES. 17

At the request of Mr. SARBANES, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. Con. Res. 17, a concurrent resolution expressing the sense of Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and the adjustments in the compensation of civilian employees of the United States.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from Alaska (Mr. STEVENS), the Senator from New Hampshire (Mr. SMITH), the Senator from Georgia (Mr. MILLER), the Senator from Nebraska (Mr. HAGEL), the Senator from West Virginia (Mr. BYRD), the Senator from Mississippi (Mr. COCHRAN), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from New Mexico (Mr. BINGAMAN), and the Senator from Nevada (Mr. REID) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as "National Airborne Day."

S. RES. 55

At the request of Mr. WELLSTONE, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. Res. 55, a resolution designating the third week of April as "National Shaken Baby Syndrome Awareness Week" for the year 2001 and all future years.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NICKLES:

S. 593. A bill to amend the Internal Revenue Code of 1986 to clarify that natural gas gathering lines are 7-year property for purposes of depreciation; to the Committee on Finance.

Mr. NICKLES. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATURAL GAS GATHERING LINES TREATED AS 7-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (C) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to classification of certain property) is amended by redesignating clause (ii) as clause (iii) and by inserting after clause (i) the following new clause:

"(ii) any natural gas gathering line, and".

(b) NATURAL GAS GATHERING LINE.—Subsection (i) of section 168 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(15) NATURAL GAS GATHERING LINE.—The term 'natural gas gathering line' means—

"(A) the pipe, equipment, and appurtenances determined to be a gathering line by the Federal Energy Regulatory Commission, or

"(B) the pipe, equipment, and appurtenances used to deliver natural gas from the wellhead to the point at which such gas first reaches—

"(i) a gas processing plant,

"(ii) an interconnection with a transmission pipeline certified by the Federal Energy Regulatory Commission as an interstate transmission pipeline,

"(iii) an interconnection with an intrastate transmission pipeline, or

"(iv) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service before, on, or after the date of the enactment of this Act.

By Mr. NICKLES:

S. 594. A bill to amend the Internal Revenue Code of 1986 to simplify the excise tax on heavy truck tires; to the Committee on Finance.

Mr. NICKLES. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SIMPLIFICATION OF EXCISE TAX ON HEAVY TRUCK TIRES.

(a) TAX BASED ON TIRE LOAD CAPACITY NOT ON WEIGHT.—Subsection (a) of section 4071 of the Internal Revenue Code of 1986 (relating to imposition of tax on tires) is amended to read as follows:

"(a) IMPOSITION AND RATE OF TAX.—There is hereby imposed on tires of the type used on highway vehicles, if wholly or in part made of rubber, sold by the manufacturer, producer, or importer a tax equal to 8 cents for each 10 pounds of the tire load capacity in excess of 3500 pounds.".

(b) TIRE LOAD CAPACITY.—Subsection (c) of section 4071 of the Internal Revenue Code of 1986 is amended to read as follows:

"(c) TIRE LOAD CAPACITY.—For purposes of this section, tire load capacity is the maximum load rating labeled on the tire pursuant to section 571.109 or 571.119 of title 49, Code of Federal Regulations. In the case of any tire that is marked for both single and dual loads, the higher of the 2 shall be used for purposes of this section.".

(c) TIRES TO WHICH TAX APPLIES.—Subsection (b) of section 4072 of the Internal Revenue Code of 1986 (defining tires of the type used on highway vehicles) is amended by striking "tires of the type" the second place it appears and all that follows and inserting "tires—

"(1) of the type used on—

"(A) motor vehicles which are highway vehicles, or

"(B) vehicles of the type used in connection with motor vehicles which are highway vehicles, and

"(2) marked for highway use pursuant to section 571.109 or 571.119 of title 49, Code of Federal Regulations.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1 of the first calendar year which begins more than 30 days after the date of the enactment of this Act.

By Mr. WELLSTONE (for himself, Mr. DASCHLE, and Mr. INOUYE):

S. 595. A bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to provide for nondiscriminatory coverage for substance abuse treatment services under private group and individual health coverage, to the Committee on Health, Education, Labor, and Pensions.

Mr. WELLSTONE. Mr. President, I rise today to introduce legislation that will ensure that private health insurance companies cover the costs for drug and alcohol addiction treatment services at the same level that they pay for treatment for other disease. The purpose of this bill is to end discrimination in insurance coverage for drug and alcohol addiction treatment. This bill, entitled Fairness in Treatment: The Drug and Alcohol Addiction Recovery Act of 2001, offers the necessary provisions to provide this assurance.

For too long, the problem of drug and alcohol addiction has been viewed as a moral issue, rather than as a disease. Too often, a cloak of secrecy has surrounded this problem, causing people who have this disease to feel ashamed and afraid to seek treatment for their symptoms for fear that they will be seen as admitting to a moral failure, or a weakness in character. We have all seen portrayals of alcoholics and addicts that are intended to be humorous or derogatory, and only reinforce the biases against people who have problems with drug and alcohol addiction. I cannot imagine this type of portrayal of someone who has another kind of chronic illness, a heart problem, or who happens to carry a gene that predisposes them to diabetes.

It has been shown that some forms of addiction have a genetic basis, and yet we still try to deny the serious medical nature of this disease. We think of those with this disease as somehow different from us. We forget that someone who has a problem with drugs or alcohol can look just like the person we see in the mirror, or the person who is sitting next to us at work or on the subway, or like someone in our own family. In fact, it is likely that most of us know someone who has experienced drug and alcohol addiction, within our families or our circle of friends or coworkers.

Alcoholism and drug addiction are painful, private struggles with staggering public costs. A study prepared by Brandeis University's Schneider Institute for Health Policy estimated that untreated addiction costs America $400 billion per year. This estimate includes costs for alcohol addiction treatment and prevention costs, as well as costs associated with related illnesses, reduced job productivity or lost earnings, and other costs to society such as crime and social welfare programs.

The medical effects of drug addiction are far-reaching. According to the Physician leadership on National Drug Policy, heavy drinking contributes to illness in each of the top three causes of death: heart disease, cancer, and stroke. A 1996 article in Scientific American estimated that excessive alcohol consumption causes more than 100,000 deaths in the U.S. each year. Of these deaths, 24 percent are due to drunken driving, resulting in untold suffering and tragic loss of life.

We know that addiction to alcohol and other drugs contribute to other problems as well. Addictive substances have the potential for destroying the person who is addicted, their family, and their other relationships. We know, for example, that fetal alcohol syndrome is the leading known cause of mental retardation. If the woman who was addicted to alcohol could receive proper treatment, fetal alcohol syndrome for her baby would be 100 percent preventable, and more than 12,000 infants born in the U.S. each year would not suffer from fetal alcohol syndrome, with its irreversible physical and mental damage.

We know too of the devastation caused by addiction when violence between people is one of the consequences. A 1998 SAMHSA report outlined the links between domestic violence and substance abuse. We know from clinical reports that 25–50 percent of men who commit acts of domestic violence also have substance abuse problems. The report recognized the link between the victim of abuse and use of alcohol and drugs, and recommended that after the woman's safety has been addressed, the next step would be to help with providing treatment for her addiction as a step toward independence and health, and toward the prevention of the consequences for the children who suffer the same abuse either directly, or indirectly by witnessing spousal violence.

People who have the disease of addiction can be found throughout our society. According to the 1997 National Household Survey on Drug Abuse published by SAMHSA, nearly 73 percent of all illegal drug users in the United States are employed. This number represents 6.7 million full-time workers and 1.6 million part-time workers. Although many of these workers could and should have insurance benefits that would cover treatment for this disease, they do not.

In addition to the health problems resulting from the failure to treat the illness, there are other serious consequences affecting the workplace, such as lost productivity, high employee turnover, low employee morale, mistakes, accidents, and increased worker's compensation insurance and health insurance premiums, all results of untreated addiction problems. Whether you are a corporate CEO or a small business owner, there are simple, effective steps that can be taken, including providing insurance coverage for this disease, ready access to treatment and workplace policies that support treatment, that can reduce these human and economic costs.

We know from the outstanding research conducted at NIH, through the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism, that treatment for drug and alcohol addiction can be effective. We know that treatment of addiction is as successful as treatment of other chronic diseases such as diabetes, hypertension, and asthma. We know that drug treatment reduces drug use by 40–60 percent. And we know that treatment results in other positive changes in behavior, such as fewer psychological symptoms and increased work productivity. According to American Airlines, 75–85 percent of employees who received alcohol and other drug treatment remained abstinent from drugs during their one year follow up.

We must do more to prevent this illness and to treat those who are addicted to drugs and alcohol. Over the past several years, the principle of parity in insurance coverage for alcohol and drug rehabilitation and treatment has received the strong support of the White House, the Office for National Drug Control Policy, Former Surgeon General C. Everett Koop, Former President and Mrs. Gerald Ford, the U.S. Conference of Mayors, Kaiser Permanente Health Plans and many leading figures in medicine, business, government, journalism and entertainment who have successfully fought the battle of addiction with the help of treatment. Hearings held in the 106th Congress by the Senate Appropriations Committee and the Committee on Labor, Education, Labor, and Pensions highlighted the recent major advances in scientific information about the disease; the biological causes of addiction; the effectiveness and low cost of treatment; and many painful, personal stories of people, including children, who have been denied treatment. Recent hearings in the Judiciary Committee have also emphasized a greater Federal role in funding treatment and prevention programs.

We know that the failure of insurance companies to provide treatment can sometimes have devastating results. In a 1999 story, the New York Times highlighted the tragic suicide of a young man who desperately sought inpatient treatment care for his drug addiction and fought for 8 months to have the plan authorize the treatment that was in fact included in as part of his benefits. The authorization came through, but too late. He had died 3 weeks earlier from a drug overdose. This kind of denial of care for addiction treatment is not at all unique. The 1998 Hay Group Report on Employer Health Care Dollars Spent on Substance Abuse showed that from 1988 through 1998 the value of substance abuse treatment benefits decreased by 74.5 percent, as compared to a 11.5 percent decrease for overall health care benefits.

Addiction to alcohol and drugs is a disease that affects the brain, the body, and the spirit. We must provide adequate opportunities for the treatment of addiction in order to help those who are suffering and to prevent the health and social problems that it causes. This legislation will take an important step in this direction by requiring that health insurance plans eliminate discrimination for addiction treatment. The costs for this are very low. A 1999 study by the Rand Corporation found that the cost to managed care health plans is now only about $5 per person per year for unlimited substance abuse treatment benefits to employees of big companies. A 1997 Milliman and Robertson study found that complete substance abuse treatment parity would increase per capita health insurance premiums by only one half of 1 percent, or less than $1 per member per month, without even considering any of the obvious savings, that will result from treatment. Several studies have shown that for every $1 spent on treatment, more than $7 is saved in other health care expenses, and that these savings are in addition to the financial and other benefits of increased productivity, as well as participation in family and community life. Providing treatment for addiction also saves millions of dollars in the criminal justice system. But for treatment to be effective and helpful throughout our society all systems of care, including private insurance plans, must share this responsibility.

This legislation does not mandate that health insurers offer substance addiction treatment benefits. What it does is prohibit discrimination by health plans who offer substance addiction treatment from placing unfair and life-threatening limitations on caps, access, or financial requirements for addiction treatment that are different from other medical and surgical services.

We must move forward now to vigorously address the serious and life-threatening problem of drug and alcohol addiction in our country. It is long past time that insurance companies do their fair share in bearing the responsibility for treating this disease.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 595

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fairness in Treatment: The Drug and Alcohol Addiction Recovery Act of 2001".

SEC. 2. PARITY IN SUBSTANCE ABUSE TREATMENT BENEFITS.

(a) GROUP HEALTH PLANS.—

(1) PUBLIC HEALTH SERVICE ACT AMENDMENTS.—

(A) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–4 et seq.) is amended by adding at the end the following:

"SEC. 2707. PARITY IN THE APPLICATION OF TREATMENT LIMITATIONS AND FINANCIAL REQUIREMENTS TO SUBSTANCE ABUSE TREATMENT BENEFITS.

"(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and substance abuse treatment benefits, the plan or coverage shall not impose treatment limitations or financial requirements on the substance abuse treatment benefits unless similar limitations or requirements are imposed for medical and surgical benefits.

"(b) CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any substance abuse treatment benefits; or

"(2) to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

"(3) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection:

"(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

"(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

"(C) PREDECESSORS.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

"(d) SEPARATE APPLICATION TO EACH OPTION OFFERED.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

"(e) DEFINITIONS.—For purposes of this section:

"(1) TREATMENT LIMITATION.—The term 'treatment limitation' means, with respect to benefits under a group health plan or health insurance coverage, any day or visit limits imposed on coverage of benefits under the plan or coverage during a period of time.

"(2) FINANCIAL REQUIREMENT.—The term 'financial requirement' means, with respect to benefits under a group health plan or health insurance coverage, any deductible, coinsurance, or cost-sharing or an annual or lifetime dollar limit imposed with respect to the benefits under the plan or coverage.

"(3) MEDICAL OR SURGICAL BENEFITS.—The term 'medical or surgical benefits' means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include substance abuse treatment benefits.

"(4) SUBSTANCE ABUSE TREATMENT BENEFITS.—The term 'substance abuse treatment benefits' means benefits with respect to substance abuse treatment services.

"(5) SUBSTANCE ABUSE TREATMENT SERVICES.—The term 'substance abuse services' means any of the following items and services provided for the treatment of substance abuse:

"(A) Inpatient treatment, including detoxification.

"(B) Non-hospital residential treatment.

"(C) Outpatient treatment, including screening and assessment, medication management, individual, group, and family counseling, and relapse prevention.

"(D) Prevention services, including health education and individual and group counseling to encourage the reduction of risk factors for substance abuse.

"(6) SUBSTANCE ABUSE.—The term 'substance abuse' includes chemical dependency.

"(f) NOTICE.—A group health plan under this part shall comply with the notice requirement under section 713(f) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of this section as if such section applied to such plan.".

(B) CONFORMING AMENDMENT.—Section 2723(c) of the Public Health Service Act (42 U.S.C. 300gg-23(c)) is amended by striking "section 2704" and inserting "sections 2704 and 2707".

(2) ERISA AMENDMENTS.—

(A) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following:

"SEC. 714. PARITY IN THE APPLICATION OF TREATMENT LIMITATIONS AND FINANCIAL REQUIREMENTS TO SUBSTANCE ABUSE TREATMENT BENEFITS.

"(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and substance abuse treatment benefits, the plan or coverage shall not impose treatment limitations or financial requirements on the substance abuse treatment benefits unless similar limitations or requirements are imposed for medical and surgical benefits.

"(b) CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any substance abuse treatment benefits; or

"(2) to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

"(3) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection:

"(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

"(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

"(C) PREDECESSORS.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

"(d) SEPARATE APPLICATION TO EACH OPTION OFFERED.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

"(e) DEFINITIONS.—For purposes of this section:

"(1) TREATMENT LIMITATION.—The term 'treatment limitation' means, with respect to benefits under a group health plan or health insurance coverage, any day or visit limits imposed on coverage of benefits under the plan or coverage during a period of time.

"(2) FINANCIAL REQUIREMENT.—The term 'financial requirement' means, with respect to benefits under a group health plan or health insurance coverage, any deductible, coinsurance, or cost-sharing or an annual or lifetime dollar limit imposed with respect to the benefits under the plan or coverage.

"(3) MEDICAL OR SURGICAL BENEFITS.—The term 'medical or surgical benefits' means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include substance abuse treatment benefits.

"(4) SUBSTANCE ABUSE TREATMENT BENEFITS.—The term 'substance abuse treatment benefits' means benefits with respect to substance abuse treatment services.

"(5) SUBSTANCE ABUSE TREATMENT SERVICES.—The term 'substance abuse services' means any of the following items and services provided for the treatment of substance abuse:

"(A) Inpatient treatment, including detoxification.

"(B) Non-hospital residential treatment.

"(C) Outpatient treatment, including screening and assessment, medication management, individual, group, and family counseling, and relapse prevention.

"(D) Prevention services, including health education and individual and group counseling to encourage the reduction of risk factors for substance abuse.

"(6) SUBSTANCE ABUSE.—The term 'substance abuse' includes chemical dependency.

"(f) NOTICE UNDER GROUP HEALTH PLAN.—The imposition of the requirements of this section shall be treated as a material modification in the terms of the plan described in section 102(a)(1), for purposes of assuring notice of such requirements under the plan; except that the summary description required to be provided under the last sentence of section 104(b)(1) with respect to such modification shall be provided by not later than 60 days after the first day of the first plan year in which such requirements apply.".

(B) CONFORMING AMENDMENTS.—

(i) Section 731(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191(c)) is amended by striking "section 711" and inserting "sections 711 and 714".

(ii) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711" and inserting "sections 711 and 714".

(iii) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 713 the following new item:

"Sec. 714. Parity in the application of treatment limitations and financial requirements to substance abuse treatment benefits.".

(3) INTERNAL REVENUE CODE AMENDMENTS.—

(A) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by inserting after section 9812, the following:

"SEC. 9813. PARITY IN THE APPLICATION OF TREATMENT LIMITATIONS AND FINANCIAL REQUIREMENTS TO SUBSTANCE ABUSE TREATMENT BENEFITS.

"(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and substance abuse treatment benefits, the plan or coverage shall not impose treatment limitations or financial requirements on the substance abuse treatment benefits unless similar limitations or requirements are imposed for medical and surgical benefits.

"(b) CONSTRUCTION.—Nothing in this section shall be construed—

"(1) as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any substance abuse treatment benefits; or

"(2) to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

"(c) SMALL EMPLOYER EXEMPTION.—

"(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of a small employer.

"(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

"(3) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection:

"(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

"(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

"(C) Predecessors.—Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

"(d) Separate Application to Each Option Offered.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

"(e) Definitions.—For purposes of this section:

"(1) Treatment limitation.—The term 'treatment limitation' means, with respect to benefits under a group health plan or health insurance coverage, any day or visit limits imposed on coverage of benefits under the plan or coverage during a period of time.

"(2) Financial requirement.—The term 'financial requirement' means, with respect to benefits under a group health plan or health insurance coverage, any deductible, coinsurance, or cost-sharing or an annual or lifetime dollar limit imposed with respect to the benefits under the plan or coverage.

"(3) Medical or surgical benefits.—The term 'medical or surgical benefits' means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include substance abuse treatment benefits.

"(4) Substance abuse treatment benefits.—The term 'substance abuse treatment benefits' means benefits with respect to substance abuse treatment services.

"(5) Substance abuse treatment services.—The term 'substance abuse services' means any of the following items and services provided for the treatment of substance abuse:

"(A) Inpatient treatment, including detoxification.

"(B) Non-hospital residential treatment.

"(C) Outpatient treatment, including screening and assessment, medication management, individual, group, and family counseling, and relapse prevention.

"(D) Prevention services, including health education and individual and group counseling to encourage the reduction of risk factors for substance abuse.

"(6) Substance abuse.—The term 'substance abuse' includes chemical dependency.".

(B) Conforming amendment.—The table of contents for chapter 100 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Parity in the application of treatment limitations and financial requirements to substance abuse treatment benefits.".

(b) Individual Health Insurance.—

(1) In general.—Part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–41 et seq.) is amended by inserting after section 2752 the following:

"SEC. 2753. PARITY IN THE APPLICATION OF TREATMENT LIMITATIONS AND FINANCIAL REQUIREMENTS TO SUBSTANCE ABUSE BENEFITS.

"(a) In General.—The provisions of section 2707 (other than subsection (e)) shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as it applies to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.

"(b) Notice.—A health insurance issuer under this part shall comply with the notice requirement under section 713(f) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) as if such section applied to such issuer and such issuer were a group health plan.".

(2) Conforming amendment.—Section 2762(b)(2) of the Public Health Service Act (42 U.S.C. 300gg–62(b)(2)) is amended by striking "section 2751" and inserting "sections 2751 and 2753".

(c) Effective Dates.—

(1) In general.—Subject to paragraph (3), the amendments made by subsection (a) shall apply with respect to group health plans for plan years beginning on or after January 1, 2002.

(2) Individual market.—The amendments made by subsection (b) shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after January 1, 2002.

(3) Collective bargaining agreements.—In the case of a group health plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of enactment of this Act, the amendments made subsection (a) shall not apply to plan years beginning before the later of—

(A) the date on which the last collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of enactment of this Act), or

(B) January 1, 2002.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by subsection (a) shall not be treated as a termination of such collective bargaining agreement.'

(d) Coordinated Regulations.—Section 104(1) of Health Insurance Portability and Accountability Act of 1996 is amended by striking "this subtitle (and the amendments made by this subtitle and section 401)" and inserting "the provisions of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, and the provisions of parts A and C of title XXVII of the Public Health Service Act, and chapter 1000 of the Internal Revenue Code of 1986".

SEC. 3. PREEMPTION.

Nothing in the amendments made by this Act shall be construed to preempt any provision of State law that provides protections to enrollees that are greater than the protections provided under such amendments.

By Mr. BINGAMAN (for himself, Mr. Daschle, Mr. Akaka, Mr. Baucus, Mr. Breaux, Ms. Cantwell, Mr. Dorgan, Mr. Leahy, Mr. Reid, Mr. Schumer, Mr. Kennedy, Mr. Rockefeller, Mrs. Murray, and Mr. Torricelli):

S. 596. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the production and use of efficient energy sources, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. Daschle, Mr. Akaka, Mr. Baucus, Mr. Breaux, Ms. Cantwell, Mr. Dorgan, Mr. Leahy, Mr. Reid, Mr. Schumer, Mr. Kennedy, Mrs. Murray, Mr. Rockefeller and Mr. Torricelli):

S. 597. A bill to provide for a comprehensive and balanced national energy policy; to the Committee on Energy and Natural Resources.

Mr. BINGAMAN. Mr. President, today, I, along with many of my colleagues in the Senate, members of the Democratic caucus, have introduced two bills: the Comprehensive and Balanced Energy Policy Act of 2001, and its companion measure, the Energy Security and Tax Incentive Act of 2001. I expect the first of those will be referred to the Committee on Energy and Natural Resources and the other will be referred to the Committee on Finance because it does contain tax provisions.

Mr. President, the Nation is facing important challenges to its energy future. For decades, we have been able to rely on the fact that our energy supplies were abundant, dependable, and affordable. Events in recent months have shaken the faith of many in that reliance. Volatile prices, high prices and outright failures of supply are reported in newspaper headlines almost daily.

Why are we seeing these problems emerge now? Energy prices remained relatively stable over the last decade due to increased productivity, lower energy use per dollar of GDP, and introduction of market competition. All of these factors acted to hold down prices, in spite of robust economic growth and increasing demand for energy. Before the introduction of competition into energy markets we had policies that required large excess capacity margins. We paid a lot for that excess capacity in the past, but we also benefitted from that buffer. It kept the system functioning as markets restructured with low prices and relatively minor bumps along the way. As the economic growth of recent years has used up that excess capacity in the fuels, power and natural gas sectors, the frictions and imperfections in those markets have become apparent. That is what we are seeing today.

Three weeks ago, when Senator Murkowski, Chairman of the Energy Committee on which I serve, introduced the Republican energy message bill, I gave an outline of what I thought should be included in comprehensive energy legislation for the Congress to put together a balanced and adequate response to the energy issues that confront the Nation.

At that time I said that I strongly believed that a package with equal emphasis on both supply and demand side measures developed with bipartisan support is the only way we can pass energy legislation this Congress.

The key word is balance. The bill introduced by my Republican colleague is strong on the supply side and I support many of its provisions but short on the demand side of the equation. Many provisions of the Republican package I support, as do a number of my Democratic colleagues.

However, after reviewing that bill overall, I believe it is appropriate to introduce a countermeasure, a measure that addresses our energy needs as I see it in a more balanced and comprehensive way. This will help our discussion for final legislation in this area and help focus in on what the priorities need to be as we move forward.

The first of the issues left out of the Republican bill for any real consideration was the issue of climate change. In 1992, the Senate ratified the Rio Treaty calling for a reduction in carbon dioxide emissions to 1990 levels by the year 2000. I know some in this body do not believe we should have acted to approve that treaty, but we did. Last year, instead of reaching those 1990 levels by the year 2000, we were 17 percent above those levels.

We and the rest of the world have recognized the vital importance of preventing the potential for catastrophic climate change, that our human activities are, in fact, threatening. We have made commitments, but we have not met those commitments. We need to do so, not as some isolated exercise undertaken without regard to the economy, but as an integral part of our energy policy for the 21st century.

In my view, we cannot separate climate change policy from energy policy. To do one is to inextricably affect the other. The policy bill I am introducing creates a bipartisan national commission on energy and climate change to be appointed by this President and to conduct a study of measures that could achieve stabilization of greenhouse gas emissions in this country at 1990 levels by the year 2010—and below 1990 levels by the year 2020.

The commission would then develop recommendations concerning measures appropriate for implementation, for legislation, and for administrative action to implement this goal.

There are some who believe we should be looking at even deeper cuts to our emissions than to return to 1990 levels by 2010. I have some sympathy for that perspective. But if we are to take a bipartisan approach to the task of integrating climate change policy with energy policy, it is more realistic to start with a point that the Senate is on record as agreeing to. Most Members who were here at the time the vote occurred in 1992 on the Rio Treaty believe that commitment to go to 1990 levels by the year 2000, although on a voluntary basis, was a good-faith and reasonable commitment.

I believe there should not be objection to reaching that same goal given an extra 10 years in which to achieve it. The answer to how we get to this point may help illuminate the issues of what more aggressive actions are needed to reduce greenhouse gas emissions. The bill I am introducing calls for a much more vigorous effort by the U.S. Government to get U.S. clean energy technology into developing countries that are expected to experience major increases in their greenhouse gas emissions over the next decade.

The United States cannot solve the greenhouse gas problem by itself, and we all know that. Other countries need to do their part. But since our particular strength in this country has been the development of technology, we should be making every effort to help those developing countries adopt the cleanest technologies in each energy area that we have to offer.

It makes good business sense, it makes good climate sense, and the appropriate Federal agencies should help facilitate the process.

Another missing element in the Republican bill is the area of how to site energy infrastructure. There has been a lot of talk about the problem, but not much action beyond finger-pointing in this area. I believe we need to recognize the wisdom of the old Pogo adage, "We have met the enemy and he is us." Even communities that are experiencing energy crunches are having trouble siting new energy infrastructure because of local sentiment against it. This is not principally a problem with environmental regulations, as some would suggest. It is NIMBY—"not in my backyard"—pure and simple.

If we are to effectively deal with this siting problem, we will need new tools and models. One that I think is particularly promising is regional cooperation, partly because most energy markets are regional. For example, as technologies for transmitting electricity have improved, electric utilities have come more and more to depend on the wholesale market for electricity supply. Those markets are increasingly regional in scope.

A similar picture can be painted for the natural gas market. In order to meet the challenges of these new market realities, we must change the regulatory institutions to reflect the structures of the market. The markets are regional. So we must think regionally.

We have seen regional bodies help site other important societal infrastructure, such as highways. But if a similar construct is to be helpful in the energy area, there will be a great need for technical assistance and for a regular forum where regional leaders and decision makers in Federal agencies can meet to discuss the real issues and problems. For that reason, the bill I am introducing has provisions that have the DOE meet these needs.

I realize that this is a small beginning, but I believe this is an important piece of this bill. I know that a number of States, particularly in the West and the Northeast, as well as other regions, are already engaged in varying degrees of cooperative effort to address the regionalization of energy markets. I look forward to working with the States, and with Federal agencies to develop a framework to support these efforts.

The bill that I am introducing requires a review of the adequacy of FERC transmission policies and its interpretation of market power. It calls for an investigation of the possibility using existing rights-of-way owned by Federal Power Marketing agencies for siting energy facilities.

As the electricity industry has changed, the structure for assuring the reliability of the power grid has come under fire. Many in the industry and the regulatory community believe that the old system of self-policing, voluntary compliance with rules generated by the suppliers will not continue to provide the reliability that we have come to expect.

Last year the Senate passed a bill that addressed this issue by creating a new entity to develop and enforce electric reliability rules. I have included that bill as part of this package, and the text is identical to what was included in the Republican bill I mentioned earlier.

This bill also contains a number of provisions intended to provide additional protection for electricity consumers. Among these are protections against such unfair trade practices as slamming and cramming; encouragement to the States to ensure universal and affordable service; a rural construction grant program; a comprehensive Indian energy program; greater transparency of information on the availability transmission and generating capacity; and a public benefits fund to help States with various energy efficiency, renewable energy and low income energy programs and to support investments in climate change mitigation.

Perhaps most importantly, this bill contains language to address the immediate crisis being experienced by California, both in terms of electricity and natural gas. We cannot ignore the problem of California, or simply sit back and give speeches heaping blame on their politicians and then think that we've done our job. The motto carved in stone over the desk of the Presiding Officer in this Chamber is "E Pluribus Unum," or, "Out of Many, One." A more colloquial version of that might be, "We're all in this together." The market in California for electricity and gas is broken in several respects. In the two hearings we have held before the Committee on Energy and Natural Resources, it is clear that the prices received by many generators are far above the cost of production. It is also clear that market signals are not getting through to consumers. The provisions of this bill, which I have inserted at the request of Senator FEINSTEIN, take on both of those issues. These provisions to help Californians deserve full and careful attention by the Senate, because this issue is worsening as we speak.

One of the best ways to protect against market volatility in energy is to diversify supply sources. I believe that much can be done to increase energy supplies from traditional resources, and the bills that I am introducing, taken together have a robust mix of tax and policy provisions to see that we continue to develop our domestic energy resources effectively. Of particular importance are countercyclical tax measures that kick in when prices fall to very low levels, so that new domestic production does not come to a standstill. If we can even out some of the boom-and-bust quality of our domestic oil and gas drilling, we will maintain both the production and the skilled labor force in oil and natural gas exploration and production that this country needs.

The bill that I am introducing does not open ANWR to oil and gas drilling. I find it ironic that, at the same time the President is seeking to open up ANWR a wildlife refuge, he is being importuned by his brother, the Governor of Florida, to put a large and promising tract in the deepwater Gulf of Mexico off limits to oil and gas leasing. The policy bill that I am introducing today mandates that the lease sale go forward on its current schedule.

Let me just make reference to that with this chart. This chart shows the area at issue. It is called the Sale 181 area. As you can see most of it is over 100 miles from Florida:

It is this area fully 100 miles from Florida we believe should be offered for development without hesitation. It is scheduled for December, and we do not believe it is good public policy for us to back away from developing resources in an area where we have a demonstrated history of safe and environmentally sensitive development. This area in the deepwater should be made available for leasing and exploration, and we believe it will be if this legislation becomes law.

Although the Democratic energy legislation does not open ANWR, it does take what I think is a meaningful step to make sure that the abundant natural gas in Alaska, which is produced around Prudhoe Bay, makes it to the lower 48 States where it is needed. The Democratic energy tax bill contains a tax incentive for any Alaskan gas that enters interstate commerce before January 1, 2009. This should be a significant inducement to producers to get the various proposals for pipelines between Alaska and the lower 48 sorted out, and to start building a pipeline to bring that gas to our markets as soon as possible.

In addition to traditional energy sources, both bills that I am introducing encourage alternative energy supplies. This bill gives a great deal of attention to renewable resources, such as wind, solar, geothermal, biomass, hydroelectric and other renewable generation options, as well as encouraging development and deployment of fuel cells, distributed generation and combined heating and power facilities. We require Federal energy facilities to set the example by meeting targets for percentages of their electricity supply to be derived from renewable resources. We also require that the rules for interconnection of electricity customers who self-generate, especially with renewable resources, be spelled out and made equitable. The bill would ease access to the transmission system for intermittent sources such as wind generators.

That is a brief summary of what the Democratic bill does on energy supply. But, as I mentioned in the beginning of my remarks, this bill balances its emphasis on supply with a strong emphasis on demand reduction and efficiency.

Increasing the efficient use of energy is the single most effective and least-cost energy policy for the short term and long term. Just yesterday, the Wall Street Journal ran an article titled "States Rediscover Energy Policies".

Mr. President, I ask unanimous consent, following my remarks, to have printed in the RECORD this article from yesterday's issue of the Wall Street Journal.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, the focus of the article is the fact that overall the last decade a number of States reduced their commitments to energy efficiency at a cost of 15,000 megawatts in power savings, and that now many States, through the National Association of State Energy Officials, are refocusing their attention on energy efficiency—the easiest and least cost source of energy.

Energy-efficient lighting, appliances, and buildings generate benefits in terms of energy savings, emission reductions and human health improvements. Improvements to installation practices for heating and cooling systems, including duct-work, could take considerable pressure off the power grid and natural gas supplies almost immediately.

We have included a number of provisions that will help bring the next generation of ultra efficient appliances into the marketplace sooner. We would also establish a new program to make grants to local school districts to improve energy efficiency of school buildings and expand the use of renewable energy. Research has shown that better lighting, heating and cooling systems improve students' performance. We are urging the Secretary of Energy to work with energy-intensive industries to negotiate voluntary agreements to improve their energy intensity.

This bill also takes on the issue of energy efficiency in vehicles. That is a controversial issue. A lot has been said on this floor about the undesirability of depending on foreign sources of oil. But most of that oil goes into transportation fuel uses. If we're really serious about energy policy, climate policy, and national energy security, then we need to address vehicle fuel efficiency.

Hardly a speech is given on the Senate floor that does not talk about how unfortunate it is that our dependence on foreign oil continues to grow. We need to recognize what the main cause of that increased dependence is that we are consuming more and more petroleum in the transportation sector of our economy.

The top line on this chart shows the amount of consumption of petroleum in the transportation sector. This is up to the year 2000. Then you can see what is expected in the next 20 years with this enormous increase in the amount of petroleum going into our transportation sector.

The debate on fuel efficiency has often been sidetracked into a discussion of specific proposals to change the corporate average fuel economy, or CAFE standards. Disagreements on CAFE have kept us from making progress on fuel efficiency in this country at a huge cost to consumers and our economy.

At the same time, U.S.-based automobile manufacturers have entered into voluntary agreements with European countries to significantly increase the fuel efficiency of vehicles sold in Europe. While I recognize that there may be differences between Europe and the U.S., the concept of requiring a negotiation to see what can be done to further fuel efficiency in this country sounds like a reasonable idea to me. We ought to let the Department of Transportation take the lead, and authorize as much flexibility as possible in how an agreement is structured and what mechanisms are used to ensure the development of a vibrant market for fuel-efficient vehicles. That is exactly what this bill does on fuel efficiency does. It keeps the focus on the ultimate goal—how much petroleum gets consumed by light-duty vehicles. It allows consumption to grow slightly over the next few years, but requires implementation of policies that would cap the increase in fuel use in the light vehicle sector by the year 2008 by no more than 5 percent above the level of use in 2000. The effect of this proposal is to increase fuel efficiency by more than just closing the light truck "loophole" in the CAFE standards, while at the same time ensuring the light trucks needed by farmers, ranchers and businesses are still available. The flexibility with respect to the mechanisms, but not the final result, will protect U.S. manufacturing jobs.

Let me show another chart that relates to this. The chart is entitled "Potential Oil Supply From Arctic National Wildlife Refuge versus the Oil Savings From Improved Vehicle Fuel Economy."

You can see the amount of oil supply anticipated from ANWR, according to the U.S. Geological Survey. It is this first column. If you double that, if you assume that estimate is wrong and double it, you get this volume.

Vehicle fuel economy by the year 2010 will yield a much greater savings to us in oil usage than we could possibly achieve by drilling in ANWR, and by the year 2020 there is absolutely no comparison, as I am sure this chart aptly demonstrates.

Beyond increases in vehicle fuel efficiency, this bill also seeks to relieve stress on our fuel system by studying how to move to regional or national fuel standards, so that there is more flexibility in the fuel delivery system to accommodate refinery shutdowns or pipeline problems. The bill would also require Federal fleet vehicles with alternative dual fuel capability to increase their use of the alternative fuel to 50 percent of the total use by 2003, and 75 percent by 2005. In addition, State highway agencies would be permitted to allow alternative fuel vehicles to use High Occupancy Vehicle lanes on highways, regardless of the number of passengers carried.

Along with the commitment to implementing available technologies must come a long-term commitment to development of new technologies. This bill would establish the framework for a comprehensive research, development and deployment program to reduce energy intensity by 1.9 percent per year through 2020, reduce total consumption by eight quadrillion Btu in 2020 and reduce total carbon dioxide emission from expected levels by 166 million tons per year by 2020.

This kind of commitment to a coordinated, comprehensive research and development program is essential if we are to meet the challenges that lie before us. One of the biggest disappointments of the new administration to date is its lack of attention to the importance of science and technology in general, and of energy R&D in particular. By all accounts, the new Bush administration is preparing to savage DOE energy technology programs, particularly in renewables and energy efficiency, in the detailed budget that it will be sending to the Congress in early April. I don't see how the administration can have a credible energy strategy at the same time that it is cutting energy R&D.

The bill that I am introducing recognizes that our energy future depends crucially on our ability to innovate to produce more energy, at lower cost, and to use the resulting energy more efficiently.

The Clinton administration—the previous administration— prepared a comprehensive plan for boosting energy research and development spending, but it could find very little support for that proposal in Congress. That was in 1997. We have taken that blueprint and we have updated it to reflect some of the past appropriations by the Congress. I believe that we have come up with a broad approach to boost research and development spending for energy efficiency and for every energy supply option that is on the table.

This bill also supports basic science that is related to energy that may lead to discoveries that could create entirely new energy technologies, such as happened when high-temperature superconductivity was discovered in the late 1980s. The Department of Energy's Office of Science has had a stagnant budget throughout the 1990s. We now see evidence that this lag negatively affected our productivity in basic areas such as chemistry, physics, and material sciences. The U.S. scientific productivity in these disciplines, which support both energy research and development as well as research and development in other high-tech areas, is markedly lower now than during the 1970s and 1980s. Many of us in Congress are talking about the need to double the budget for the National Institutes of Health. The administration is talking about that as well. I support doing that. But there is a similar national need to greatly increase our support for basic energy research and development. This effort to maintain research and development in this energy area is absolutely essential if Congress is going to do what needs to be done in this area.

Tax Policy. Along with the programs outlined above, we need to consider the use of tax incentives to encourage commercial activities that will meet the goals for increased efficiency and diversification of our energy supplies. To accomplish this we have included tax credits and incentives to accompany the policy programs that we have authorized, such as, stimulus for residential and commercial energy efficiency, renewable energy development, clean coal technology, and distributed generation. To complement these incentives and encourage further development of new traditional supplies we have also provided for tax incentives for heating fuels and storage and oil and gas production.

Mr. President, the lights went off again this week in California. We are all aware of that. Electricity bills throughout the West are causing businesses to shut down because they can't afford to operate. We are threatened with that in my own state of New Mexico. Citizens across the country have seen their gas bills double and in some cases triple the level they were a year ago. If you drive up to the gasoline pump you will see numbers that would have surprised and shocked you not too long ago. I think the citizens of this Nation know that the energy industries are in trouble, and that actually will mean trouble for them. We in Congress—we in Washington—need to respond.

This bill is an attempt to further the dialogue that has already begun in this Congress. Consider it as an outline. We need to hold hearings. We need to debate how best to respond. We need to develop a balanced response that takes advantage of all the options that are available to us. We can't supply our way out of this unfortunate circumstance. We can't just conserve our way out of it either. We must do both. I expect many changes in the content of this bill before we are finally finished. But this is a good beginning toward a comprehensive and balanced energy policy for the Nation.

Mr. President, I ask unanimous consent that the text of both bills be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Energy Security and Tax Incentive Policy Act of 2001".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—ENERGY-EFFICIENT PROPERTY USED IN BUSINESS

Sec. 101. Credit for energy-efficient property used in business.
Sec. 102. Energy Efficient Commercial Building Property Deduction.
Sec. 103. Credit for energy-efficient appliances.

TITLE II—RESIDENTIAL ENERGY SYSTEMS

Sec. 201. Business credit for construction of new energy-efficient home.
Sec. 202. Credit for energy efficiency improvements to existing homes.
Sec. 203. Credit for residential solar, wind, and fuel cell energy property.

TITLE III—ELECTRICITY FACILITIES AND PRODUCTION

Sec. 301. Incentive for Distributed Generation.
Sec. 302. Modifications to credit for electricity produced from renewable and waste resources.

Sec. 303. Treatment of facilities using bagasse to produce energy as solid waste disposal facilities eligible for tax-exempt financing.
Sec. 304. Depreciation of property used in the transmission of electricity.

TITLE IV—INCENTIVES FOR EARLY COMMERCIAL APPLICATIONS OF ADVANCED CLEAN COAL TECHNOLOGIES

Sec. 401. Credit for investment in qualifying advanced clean coal technology.
Sec. 402. Credit for production from qualifying advanced clean coal technology.
Sec. 403. Risk pool for qualifying advanced clean coal technology.

TITLE V—HEATING FUELS AND STORAGE

Sec. 501. Full expensing of propane storage facilities.
Sec. 502. Arbitrage rules not to apply to prepayments for natural gas and other commodities.
Sec. 503. Private loan financing test not to apply to prepayments for natural gas and other commodities.

TITLE VI—OIL AND GAS PRODUCTION AND PETROLEUM PRODUCTS

Sec. 601. Credit for production of re-refined lubricating oil.
Sec. 602. Oil and gas from marginal wells.
Sec. 603. Deduction for delay rental payments.
Sec. 604. Election to expense geological and geophysical expenditures.
Sec. 605. Gas pipelines treated as 7-year property.
Sec. 606. Crude oil and natural gas development credit.
Sec. 607. Credit for capture of coalmine methane gas.
Sec. 608. Allocation of alcohol fuels credit to patrons of a cooperative.
Sec. 609. Extension of credit for producing fuel from a nonconventional source.

TITLE I—ENERGY-EFFICIENT PROPERTY USED IN BUSINESS

SEC. 101. CREDIT FOR CERTAIN ENERGY-EFFICIENT PROPERTY USED IN BUSINESS.

(a) In General.—Subpart E of part IV of subchapter A of chapter 1 (relating to rules for computing investment credit) is amended by inserting after section 48 the following:

"SEC. 48A. ENERGY CREDIT.

"(a) In General.—For purposes of section 46, the energy credit for any taxable year is the energy percentage of the basis of each energy property placed in service during such taxable year.

"(b) Energy Percentage.—

"(1) In general.—The energy percentage is—

"(A) except as otherwise provided in this subparagraph, 10 percent,

"(B) in the case of energy property described in clauses (i), (iii), and (vi) of subsection (c)(1)(A), 20 percent,

"(C) in the case of energy property described in subsection (c)(1)(A)(v), 15 percent,

"(D) in the case of energy property described in subsection (c)(1)(A)(ii) relating to a high risk geothermal well, 20 percent, and

"(E) in the case of energy property described in subsection (c)(1)(A)(vii), 30 percent.

"(2) Coordination with rehabilitation.—The energy percentage shall not apply to that portion of the basis of any property which is attributable to qualified rehabilitation expenditures.

"(c) Energy Property Defined.—

"(1) In general.—For purposes of this subpart, the term 'energy property' means any property—

"(A) which is—

"(i) solar energy property,

"(ii) geothermal energy property,

"(iii) energy-efficient building property other than property described in clauses (iii)(I) and (v)(I) of subsection (d)(3)(A),

"(iv) combined heat and power system property,

"(v) low core loss distribution transformer property,

"(vi) qualified anaerobic digester property, or

"(vii) qualified wind energy systems equipment property,

"(B)(i) the construction, reconstruction, or erection of which is completed by the taxpayer, or

"(ii) which is acquired by the taxpayer if the original use of such property commences with the taxpayer,

"(C) which can reasonably be expected to remain in operation for at least 5 years,

"(D) with respect to which depreciation (or amortization in lieu of depreciation) is allowable, and

"(E) which meets the performance and quality standards (if any) which—

"(i) have been prescribed by the Secretary by regulations (after consultation with the Secretary of Energy), and

"(ii) are in effect at the time of the acquisition of the property.

"(2) Exceptions.—

"(A) Public utility property.—Such term shall not include any property which is public utility property (as defined in section 46(f)(5) as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990), except for property described in paragraph (1)(A)(iv).

"(B) Certain wind equipment.—Such term shall not include equipment described in paragraph (1)(A)(vii) which is taken into account for purposes of section 45 for the taxable year.

"(d) Definitions Relating to Types of Energy Property.—For purposes of this section—

"(1) Solar energy property.—

"(A) In general.—The term 'solar energy property' means equipment which uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat.

"(B) Swimming pools, etc. used as storage medium.—The term 'solar energy property' shall not include property with respect to which expenditures are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage.

"(C) Solar panels.—No solar panel or other property installed as a roof (or portion thereof) shall fail to be treated as solar energy property solely because it constitutes a structural component of the structure on which it is installed.

"(2) Geothermal energy property.—

"(A) In general.—The term 'geothermal energy property' means equipment used to produce, distribute, or use energy derived from a geothermal deposit (within the meaning of section 613(e)(2)), but only, in the case of electricity generated by geothermal power, up to (but not including) the electrical transmission stage.

"(B) High risk geothermal well.—The term 'high risk geothermal well' means a geothermal deposit (within the meaning of section 613(e)(2)) which requires high risk drilling techniques. Such deposit may not be located in a State or national park or in an area in which the relevant State park authority or the National Park Service determines the development of such a deposit will negatively impact on a State or national park.

"(3) Energy-efficient building property.—

"(A) In general.—The term 'energy-efficient building property' means—

"(i) a fuel cell which—

"(I) generates electricity using an electrochemical process,

"(II) has an electricity-only generation efficiency greater than 30 percent, and

"(III) has a minimum generating capacity of 2 kilowatts,

"(ii) an electric heat pump hot water heater which yields an energy factor of 1.7 or greater under test procedures prescribed by the Secretary of Energy,

"(iii)(I) an electric heat pump which has a heating system performance factor (HSPF) of at least 8.5 but less than 9 and a cooling seasonal energy efficiency ratio (SEER) of at least 13.5 but less than 15,

"(II) an electric heat pump which has a heating system performance factor (HSPF) of 9 or greater and a cooling seasonal energy efficiency ratio (SEER) of 15 or greater,

"(iv) a natural gas heat pump which has a coefficient of performance of not less than 1.25 for heating and not less than 0.70 for cooling,

"(v)(I) a central air conditioner which has a cooling seasonal energy efficiency ratio (SEER) of at least 13.5 but less than 15,

"(II) a central air conditioner which has a cooling seasonal energy efficiency ratio (SEER) of 15 or greater,

"(vi) an advanced natural gas water heater which—

"(I) increases steady state efficiency and reduces standby and vent losses, and

"(II) has an energy factor of at least 0.65,

"(vii) an advanced natural gas furnace which achieves a 90 percent AFUE and rated for seasonal electricity use of less than 300 kWh per year, and

"(viii) natural gas cooling equipment which meets all applicable standards of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and which—

"(I) has a coefficient of performance of not less than .60, or

"(II) uses desiccant technology and has an efficiency rating of not less than 50 percent.

"(B) Limitations.—The credit under subsection (a) for the taxable year may not exceed—

"(i) $500 in the case of property described in subparagraph (A) other than clauses (i), (iv), and (viii) thereof,

"(ii) $500 for each kilowatt of capacity in the case of any fuel cell described in subparagraph (A)(i),

"(iii) $1,000 in the case of any natural gas heat pump described in subparagraph (A)(iv), and

"(iv) $150 for each ton of capacity in the case of any natural gas cooling equipment described in subparagraph (A)(viii).

"(4) Combined heat and power system property.—

"(A) In general.—The term 'combined heat and power system property' means property—

"(i) comprising a system for the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with steam, heat, or other forms of useful energy,

"(ii) which has an electrical capacity of more than 50 kilowatts or a mechanical energy capacity of more than 67 horsepower or an equivalent combination of electrical and mechanical energy capacities,

"(iii) which produces—

"(I) at least 20 percent of its total useful energy in the form of thermal energy, and

"(II) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or a combination thereof), and

"(iv) the energy efficiency percentage of which exceeds—

"(I) 60 percent in the case of a system with an electrical capacity of less than 1 megawatt),

"(II) 65 percent in the case of a system with an electrical capacity of not less than 1 megawatt and not in excess of 50 megawatts), and

"(III) 70 percent in the case of a system with an electrical capacity in excess of 50 megawatts).

"(B) SPECIAL RULES.—

"(i) ENERGY EFFICIENCY PERCENTAGE.—For purposes of subparagraph (A)(iv), the energy efficiency percentage of a system is the fraction—

"(I) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and

"(II) the denominator of which is the lower heating value of the primary fuel source for the system.

"(ii) DETERMINATIONS MADE ON BTU BASIS.—The energy efficiency percentage and the percentages under subparagraph (A)(iii) shall be determined on a Btu basis.

"(iii) INPUT AND OUTPUT PROPERTY NOT INCLUDED.—The term 'combined heat and power system property' does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

"(iv) ACCOUNTING RULE FOR PUBLIC UTILITY PROPERTY.—If the combined heat and power system property is public utility property (as defined in section 46(f)(5) as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990), the taxpayer may only claim the credit under subsection (a)(1) if, with respect to such property, the taxpayer uses a normalization method of accounting.

"(5) LOW CORE LOSS DISTRIBUTION TRANSFORMER PROPERTY.—The term 'low core loss distribution transformer property' means a distribution transformer which has energy savings from a highly efficient core of at least 20 percent more than the average for power ratings reported by studies required under section 124 of the Energy Policy Act of 1992.

"(6) QUALIFIED ANAEROBIC DIGESTER PROPERTY.—The term 'qualified anaerobic digester property' means an anaerobic digester for manure or crop waste which achieves at least 65 percent efficiency measured in terms of the fraction of energy input converted to electricity and useful thermal energy.

"(7) QUALIFIED WIND ENERGY SYSTEMS EQUIPMENT PROPERTY.—The term 'qualified wind energy systems equipment property' means wind energy systems equipment with a turbine size of not more than 75 kilowatts rated capacity.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) SPECIAL RULE FOR PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING OR INDUSTRIAL DEVELOPMENT BONDS.—

"(A) REDUCTION OF BASIS.—For purposes of applying the energy percentage to any property, if such property is financed in whole or in part by—

"(i) subsidized energy financing, or

"(ii) the proceeds of a private activity bond (within the meaning of section 141) the interest on which is exempt from tax under section 103, the amount taken into account as the basis of such property shall not exceed the amount which (but for this subparagraph) would be so taken into account multiplied by the fraction determined under subparagraph (B).

"(B) DETERMINATION OF FRACTION.—For purposes of subparagraph (A), the fraction determined under this subparagraph is 1 reduced by a fraction—

"(i) the numerator of which is that portion of the basis of the property which is allocable to such financing or proceeds, and

"(ii) the denominator of which is the basis of the property.

"(C) SUBSIDIZED ENERGY FINANCING.—For purposes of subparagraph (A), the term 'subsidized energy financing' means financing provided under a Federal, State, or local program a principal purpose of which is to provide subsidized financing for projects designed to conserve or produce energy.

"(2) CERTAIN PROGRESS EXPENDITURE RULES MADE APPLICABLE.—Rules similar to the rules of subsections (c)(4) and (d) of section 46 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of this section.

"(f) APPLICATION OF SECTION.—

"(1) IN GENERAL.—Except as provided by paragraph (2), this section shall apply to property placed in service after December 31, 2001, and before January 1, 2009.

"(2) EXCEPTIONS.—

"(A) SOLAR ENERGY AND GEOTHERMAL ENERGY PROPERTY.—Paragraph (1) shall not apply to solar energy property or geothermal energy property.

"(B) CERTAIN ELECTRIC HEAT PUMPS AND CENTRAL AIR CONDITIONERS.—In the case of property which is described in subsection (d)(3)(A)(iii)(I) or (d)(3)(A)(v)(I), this section shall apply to property placed in service after December 31, 2001, and before January 1, 2006.".

(b) CONFORMING AMENDMENTS.—

(1) Section 48 is amended to read as follows:

"SEC. 48. REFORESTATION CREDIT.

"(a) IN GENERAL.—For purposes of section 46, the reforestation credit for any taxable year is 20 percent of the portion of the amortizable basis of any qualified timber property which was acquired during such taxable year and which is taken into account under section 194 (after the application of section 194(b)(1)).

"(b) DEFINITIONS.—For purposes of this subpart, the terms 'amortizable basis' and 'qualified timber property' have the respective meanings given to such terms by section 194.".

(2) Section 39(d) is amended by adding at the end the following:

"(10) NO CARRYBACK OF ENERGY CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the energy credit determined under section 48A may be carried back to a taxable year ending before January 1, 2002.".

(3) Section 280C is amended by adding at the end the following:

"(d) CREDIT FOR ENERGY PROPERTY EXPENSES.—

"(1) IN GENERAL.—No deduction shall be allowed for that portion of the expenses for energy property (as defined in section 48A(c)) otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 48A(a).

"(2) SIMILAR RULE WHERE TAXPAYER CAPITALIZES RATHER THAN DEDUCTS EXPENSES.—If—

"(A) the amount of the credit allowable for the taxable year under section 48A (determined without regard to section 38(c)), exceeds

"(B) the amount allowable as a deduction for the taxable year for expenses for energy property (determined without regard to paragraph (1)), the amount chargeable to capital account for the taxable year for such expenses shall be reduced by the amount of such excess.

"(3) CONTROLLED GROUPS.—Paragraph (3) of subsection (b) shall apply for purposes of this subsection.".

(4) Section 29(b)(3)(A)(i)(III) is amended by striking 'section 48(a)(4)(C)' and inserting 'section 48A(e)(1)(C)'.

(5) Section 50(a)(2)(E) is amended by striking 'section 48(a)(5)' and inserting 'section 48A(e)(2)'.

(6) Section 168(e)(3)(B) is amended—

(A) by striking clause (vi)(I) and inserting the following:

"(I) is described in paragraph (1) or (2) of section 48A(d) (or would be so described if 'solar and wind' were substituted for 'solar' in paragraph (1)(B)),", and

(B) in the last sentence by striking "section 48(a)(3)" and inserting "section 48A(c)(2)(A)".

(c) CLERICAL AMENDMENT.—The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 48 and inserting the following:

"Sec. 48. Reforestation credit.
"Sec. 48A. Energy credit.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 102. ENERGY-EFFICIENT COMMERCIAL BUILDING PROPERTY DEDUCTION.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding at the end the following:

"SEC. 199. ENERGY-EFFICIENT COMMERCIAL BUILDING PROPERTY.

"(a) IN GENERAL.—There shall be allowed as a deduction for the taxable year an amount equal to the energy-efficient commercial building property expenditures made by a taxpayer for the taxable year.

"(b) MAXIMUM AMOUNT OF DEDUCTION.—The amount of energy-efficient commercial building property expenditures taken into account under subsection (a) shall not exceed an amount equal to the product of—

"(1) $2.25, and

"(2) the square footage of the building with respect to which the expenditures are made.

"(c) YEAR DEDUCTION ALLOWED.—The deduction under subsection (a) shall be allowed in the taxable year in which the construction of the building is completed.

"(d) ENERGY-EFFICIENT COMMERCIAL BUILDING PROPERTY EXPENDITURES.—For purposes of this section—

"(1) IN GENERAL.—The term 'energy-efficient commercial building property expenditures' means an amount paid or incurred for energy-efficient commercial building property installed on or in connection with new construction or reconstruction of property—

"(A) for which depreciation is allowable under section 167,

"(B) which is located in the United States, and

"(C) the construction or erection of which is completed by the taxpayer.

Such property includes all residential rental property, including low-rise multifamily structures and single family housing property which is not within the scope of Standard 90.1–1999 (described in paragraph (3)).

"(2) LABOR COSTS INCLUDED.—Such term includes expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property.

"(3) ENERGY EXPENDITURES EXCLUDED.—Such term does not include any expenditures taken into account in determining any credit allowed under section 48A.

"(e) ENERGY-EFFICIENT COMMERCIAL BUILDING PROPERTY.—For purposes of subsection (d)—

"(1) IN GENERAL.—The term 'energy-efficient commercial building property' means any property which reduces total annual energy and power costs with respect to the lighting, heating, cooling, ventilation, and hot water supply systems of the building by 50 percent or more in comparison to a reference building which meets the requirements of Standard 90.1–1999 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America using methods of calculation under subparagraph (B) and certified by qualified professionals as provided under paragraph (6).

"(2) METHODS OF CALCULATION.—The Secretary, in consultation with the Secretary of Energy, shall promulgate regulations which describe in detail methods for calculating and verifying energy and power consumption and cost, taking into consideration the provisions of the 1998 California Nonresidential ACM Manual. These procedures shall meet the following requirements:

"(A) In calculating tradeoffs and energy performance, the regulations shall prescribe the costs per unit of energy and power, such as kilowatt hour, kilowatt, gallon of fuel oil, and cubic foot or Btu of natural gas, which may be dependent on time of usage.

"(B) The calculational methodology shall require that compliance be demonstrated for a whole building. If some systems of the building, such as lighting, are designed later than other systems of the building, the method shall provide that either—

"(i) the expenses taken into account under paragraph (1) shall not occur until the date designs for all energy-using systems of the building are completed, or

"(ii) the expenses taken into account under paragraph (1) shall be a fraction of such expenses based on the performance of less than all energy-using systems in accordance with subparagraph (C), and the energy performance of all systems and components not yet designed shall be assumed to comply minimally with the requirements of such Standard 90.1–1999.

"(C) The expenditures in connection with the design of subsystems in the building, such as the envelope, the heating, ventilation, air conditioning and water heating system, and the lighting system shall be allocated to the appropriate building subsystem based on system-specific energy cost savings targets in regulations promulgated by the Secretary of Energy which are equivalent, using the calculation methodology, to the whole building requirement of 50 percent savings.

"(D) The calculational methods under this paragraph need not comply fully with section 11 of such Standard 90.1–1999.

"(E) The calculational methods shall be fuel neutral, such that the same energy efficiency features shall qualify a building for the deduction under this section regardless of whether the heating source is a gas or oil furnace or an electric heat pump.

"(F) The calculational methods shall provide appropriate calculated energy savings for design methods and technologies not otherwise credited in either such Standard 90.1–1999 or in the 1998 California Nonresidential ACM Manual, including the following:

"(i) Natural ventilation.

"(ii) Evaporative cooling.

"(iii) Automatic lighting controls such as occupancy sensors, photocells, and timeclocks.

"(iv) Daylighting.

"(v) Designs utilizing semi-conditioned spaces which maintain adequate comfort conditions without air conditioning or without heating.

"(vi) Improved fan system efficiency, including reductions in static pressure.

"(vii) Advanced unloading mechanisms for mechanical cooling, such as multiple or variable speed compressors.

"(viii) The calculational methods may take into account the extent of commissioning in the building, and allow the taxpayer to take into account measured performance which exceeds typical performance.

"(3) COMPUTER SOFTWARE.—

"(A) IN GENERAL.—Any calculation under this subsection shall be prepared by qualified computer software.

"(B) QUALIFIED COMPUTER SOFTWARE.—For purposes of this paragraph, the term 'qualified computer software' means software—

"(i) for which the software designer has certified that the software meets all procedures and detailed methods for calculating energy and power consumption and costs as required by the Secretary,

"(ii) which provides such forms as required to be filed by the Secretary in connection with energy efficiency of property and the deduction allowed under this section, and

"(iii) which provides a notice form which summarizes the energy efficiency features of the building and its projected annual energy costs.

"(4) ALLOCATION OF DEDUCTION FOR PUBLIC PROPERTY.—In the case of energy-efficient commercial building property installed on or in public property, the Secretary shall promulgate a regulation to allow the allocation of the deduction to the person primarily responsible for designing the property in lieu of the public entity which is the owner of such property. Such person shall be treated as the taxpayer for purposes of this section.

"(5) NOTICE TO OWNER.—The qualified individual shall provide an explanation to the owner of the building regarding the energy efficiency features of the building and its projected annual energy costs as provided in the notice under paragraph (3)(B)(iii).

"(6) CERTIFICATION.—

"(A) IN GENERAL.—Except as provided in this paragraph, the Secretary, in consultation with the Secretary of Energy, shall establish requirements for certification and compliance procedures similar to the procedures under section 45F(d).

"(B) QUALIFIED INDIVIDUALS.—Individuals qualified to determine compliance shall be only those individuals who are recognized by an organization certified by the Secretary for such purposes.

"(C) PROFICIENCY OF QUALIFIED INDIVIDUALS.—The Secretary shall consult with nonprofit organizations and State agencies with expertise in energy efficiency calculations and inspections to develop proficiency tests and training programs to qualify individuals to determine compliance.

"(f) TERMINATION.—This section shall not apply with respect to any energy-efficient commercial building property expenditures in connection with property—

"(1) the plans for which are not certified under subsection (e)(6) on or before December 31, 2006, and

"(2) the construction of which is not completed on or before December 31, 2008.".

(b) CONFORMING AMENDMENTS.—Section 1016(a) is amended by striking "and" at the end of paragraph (26), by striking the period at the end of paragraph (27) and inserting ", and", and by inserting the following:

"(28) for amounts allowed as a deduction under section 199(a).".

(c) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end the following:

"Sec. 199. Energy-efficient commercial building property.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 103. CREDIT FOR ENERGY-EFFICIENT APPLIANCES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following:

"SEC. 45E. ENERGY-EFFICIENT APPLIANCE CREDIT.

"(a) GENERAL RULE.—For purposes of section 38, the energy-efficient appliance credit determined under this section for the taxable year is an amount equal to the applicable amount determined under subsection (b) with respect to qualified energy-efficient appliances produced by the taxpayer during the calendar year ending with or within the taxable year.

"(b) APPLICABLE AMOUNT.—For purposes of subsection (a), the applicable amount determined under this subsection with respect to a taxpayer is the sum of—

"(1) in the case of an energy-efficient clothes washer described in subsection (d)(2)(A) or an energy-efficient refrigerator described in subsection (d)(3)(B)(i), an amount equal to—

"(A) $50, multiplied by

"(B) the number of such washers and refrigerators produced by the taxpayer during such calendar year, and

"(2) in the case of an energy-efficient clothes washer described in subsection (d)(2)(B) or an energy-efficient refrigerator described in subsection (d)(3)(B)(ii), an amount equal to—

"(A) $100, multiplied by

"(B) the number of such washers and refrigerators produced by the taxpayer during such calendar year.

"(c) LIMITATION ON MAXIMUM CREDIT.—

"(1) IN GENERAL.—The maximum amount of credit allowed under subsection (a) with respect to a taxpayer for all taxable years shall be—

"(A) $30,000,000 with respect to the credit determined under subsection (b)(1), and

"(B) $30,000,000 with respect to the credit determined under subsection (b)(2).

"(2) LIMITATION BASED ON GROSS RECEIPTS.—The credit allowed under subsection (a) with respect to a taxpayer for the taxable year shall not exceed an amount equal to 2 percent of the average annual gross receipts of the taxpayer for the 3 taxable years preceding the taxable year in which the credit is determined.

"(3) GROSS RECEIPTS.—For purposes of this subsection, the rules of paragraphs (2) and (3) of section 448(c) shall apply.

"(d) QUALIFIED ENERGY-EFFICIENT APPLIANCE.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified energy-efficient appliance' means—

"(A) an energy-efficient clothes washer, or

"(B) an energy-efficient refrigerator.

"(2) ENERGY-EFFICIENT CLOTHES WASHER.—The term 'energy-efficient clothes washer' means a residential clothes washer, including a residential style coin operated washer, which is manufactured with—

"(A) a 1.26 Modified Energy Factor (referred to in this paragraph as 'MEF') (as determined by the Secretary of Energy), or

"(B) a 1.42 MEF (as determined by the Secretary of Energy) (1.5 MEF for calendar years beginning after 2004).

"(3) ENERGY-EFFICIENT REFRIGERATOR.—The term 'energy-efficient refrigerator' means an automatic defrost refrigerator-freezer which—

"(A) has an internal volume of at least 16.5 cubic feet, and

"(B) consumes—

"(i) 10 percent less kWh per year than the energy conservation standards promulgated by the Department of Energy for such refrigerator for 2001, or

"(ii) 15 percent less kWh per year than such energy conservation standards.

"(e) SPECIAL RULES.—

"(1) IN GENERAL.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.

"(2) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as one person for purposes of subsection (a).

"(f) VERIFICATION.—The taxpayer shall submit such information or certification as the Secretary, in consultation with the Secretary of Energy, determines necessary to claim the credit amount under subsection (a).

"(g) TERMINATION.—This section shall not apply—

"(1) with respect to energy-efficient refrigerators described in subsection (d)(3)(B)(i) produced in calendar years beginning after 2005, and

"(2) with respect to all other qualified energy-efficient appliances produced in calendar years beginning after 2007.".

(b) LIMITATION ON CARRYBACK.—Section 39(d) (relating to transition rules), as amended by section 101(b)(2), is amended by adding at the end the following:

"(11) NO CARRYBACK OF ENERGY-EFFICIENT APPLIANCE CREDIT BEFORE 2002.—No portion of the unused business credit for any taxable year which is attributable to the energy-efficient appliance credit determined under section 45E may be carried to a taxable year beginning before January 1, 2002.".

(c) DENIAL OF DOUBLE BENEFIT.—Section 280C (relating to certain expenses for which credits are allowable), as amended by section 102(b)(3), is amended by adding at the end the following:

"(e) CREDIT FOR ENERGY-EFFICIENT APPLIANCE EXPENSES.—No deduction shall be allowed for that portion of the expenses for qualified energy-efficient appliances (as defined in section 45E(d)) otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45E(a).".

(d) CONFORMING AMENDMENT.—Section 38(b) (relating to general business credit) is amended by striking "plus" at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting ", plus", and by adding at the end the following:

"(14) the energy-efficient appliance credit determined under section 45E(a).".

(e) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45D the following:

"Sec. 45E. Energy-efficient appliance credit.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—RESIDENTIAL ENERGY SYSTEMS

SEC. 201. CREDIT FOR CONSTRUCTION OF NEW ENERGY-EFFICIENT HOME.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits), as amended by section 103(a), is amended by inserting after section 45E the following:

"SEC. 45F. NEW ENERGY-EFFICIENT HOME CREDIT.

"(a) IN GENERAL.—For purposes of section 38, in the case of an eligible contractor, the credit determined under this section for the taxable year is an amount equal to the aggregate adjusted bases of all energy-efficient property installed in a qualified new energy-efficient home during construction of such home.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—

"(A) IN GENERAL.—The credit allowed by this section with respect to a dwelling shall not exceed—

"(i) in the case of a dwelling described in subsection (c)(3)(D)(i), $1,500, and

"(ii) in the case of a dwelling described in subsection (c)(3)(D)(ii), $2,500.

"(B) PRIOR CREDIT AMOUNTS ON SAME DWELLING TAKEN INTO ACCOUNT.—If a credit was allowed under subsection (a) with respect to a dwelling in 1 or more prior taxable years, the amount of the credit otherwise allowable for the taxable year with respect to that dwelling shall not exceed the amount under clause (i) or (ii) (as the case may be), reduced by the sum of the credits allowed under subsection (a) with respect to the dwelling for all prior taxable years.

"(2) COORDINATION WITH REHABILITATION AND ENERGY CREDITS.—For purposes of this section—

"(A) the basis of any property referred to in subsection (a) shall be reduced by that portion of the basis of any property which is attributable to qualified rehabilitation expenditures (as defined in section 47(c)(2)) or to the energy percentage of energy property (as determined under section 48A(a)), and

"(B) expenditures taken into account under either section 47 or 48A(a) shall not be taken into account under this section.

"(c) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE CONTRACTOR.—The term 'eligible contractor' means the person who constructed the new energy-efficient home, or in the case of a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (24 CFR 3280), the manufactured home producer of such home.

"(2) ENERGY-EFFICIENT PROPERTY.—The term 'energy-efficient property' means any energy-efficient building envelope component, and any energy-efficient heating or cooling equipment which can, individually or in combination with other components, meet the requirements of this section.

"(3) QUALIFIED NEW ENERGY-EFFICIENT HOME.—The term 'qualified new energy-efficient home' means a dwelling—

"(A) located in the United States,

"(B) the construction of which is substantially completed after December 31, 2000,

"(C) the original use of which is as a principal residence (within the meaning of section 121) which commences with the person who acquires such dwelling from the eligible contractor, and

"(D) which is certified to have a projected level of annual heating and cooling energy consumption, measured in terms of average annual energy cost to the homeowner which is at least—

"(i) 30 percent less than the annual level of heating and cooling energy consumption of a reference dwelling constructed in accordance with the standards of chapter 4 of the 2000 International Energy Conservation Code, or

"(ii) 50 percent less than such annual level of heating and cooling energy consumption.

"(4) CONSTRUCTION.—The term 'construction' includes reconstruction and rehabilitation.

"(5) ACQUIRE.—The term 'acquire' includes purchase and, in the case of reconstruction and rehabilitation, such term includes a binding written contract for such reconstruction or rehabilitation.

"(6) BUILDING ENVELOPE COMPONENT.—The term 'building envelope component' means—

"(A) insulation material or system which is specifically and primarily designed to reduce the heat loss or gain of a dwelling when installed in or on such dwelling, and

"(B) exterior windows (including skylights) and doors.

"(7) MANUFACTURED HOME INCLUDED.—The term 'dwelling' includes a manufactured home conforming to Federal Manufactured Home Construction and Safety Standards (24 CFR 3280).

"(d) CERTIFICATION.—

"(1) METHOD.—A certification described in subsection (c)(3)(D) shall be determined on the basis of 1 of the following methods:

"(A) A component-based method, using the applicable technical energy efficiency specifications or ratings (including product labeling requirements) for the energy-efficient building envelope component or energy-efficient heating or cooling equipment. The Secretary shall, in consultation with the Administrator of the Environmental Protection Agency, develop prescriptive component-based packages that are equivalent in energy performance to properties that qualify under subparagraph (B).

"(B) An energy performance-based method that calculates projected energy usage and cost reductions in the dwelling in relation to a reference dwelling—

"(i) heated by the same energy source and heating system type, and

"(ii) constructed in accordance with the standards of chapter 4 of the 2000 International Energy Conservation Code.

Computer software shall be used in support of an energy performance-based method certification under subparagraph (B). Such software shall meet procedures and methods for calculating energy and cost savings in regulations promulgated by the Secretary of Energy. Such regulations on the specifications for software and verification protocols shall be based on the 1998 California Residential Alternative Calculation Method Approval Manual.

“(2) Provider.—Such certification shall be provided by—

“(A) in the case of a method described in paragraph (1)(A), a local building regulatory authority, a utility, a manufactured home production inspection primary inspection agency (IPIA), or a home energy rating organization, or

“(B) in the case of a method described in paragraph (1)(B), an individual recognized by an organization designated by the Secretary for such purposes.

“(3) Form.—

“(A) In general.—Such certification shall be made in writing in a manner that specifies in readily verifiable fashion the energy-efficient building envelope components and energy-efficient heating or cooling equipment installed and their respective rated energy efficiency performance, and in the case of a method described in paragraph (1)(B), accompanied by written analysis documenting the proper application of a permissible energy performance calculation method to the specific circumstances of such dwelling.

“(B) Form provided to buyer.—A form documenting the energy-efficient building envelope components and energy-efficient heating or cooling equipment installed and their rated energy efficiency performance shall be provided to the buyer of the dwelling. The form shall include labeled R-value for insulation products, NFRC-labeled U-factor and Solar Heat Gain Coefficient for windows, skylights, and doors, labeled AFUE ratings for furnaces and boilers, labeled HSPF ratings for electric heat pumps, and labeled SEER ratings for air conditioners.

“(C) Ratings label affixed in dwelling.—A permanent label documenting the ratings in subparagraph (B) shall be affixed to the front of the electrical distribution panel of the dwelling, or shall be otherwise permanently displayed in a readily inspectable location in the dwelling.

“(4) Regulations.—

“(A) In general.—In prescribing regulations under this subsection for energy performance-based certification methods, the Secretary, after examining the requirements for energy consultants and home energy ratings providers specified by the Mortgage Industry National Accreditation Procedures for Home Energy Rating Systems, shall prescribe procedures for calculating annual energy usage and cost reductions for heating and cooling and for the reporting of the results. Such regulations shall—

“(i) provide that any calculation procedures be fuel neutral such that the same energy efficiency measures allow a home to qualify for the credit under this section regardless of whether the dwelling uses a gas or oil furnace or boiler or an electric heat pump, and

“(ii) require that any computer software allow for the printing of the Federal tax forms necessary for the credit under this section and for the printing of forms for disclosure to the homebuyer.

“(B) Providers.—For purposes of paragraph (2)(B), the Secretary shall establish requirements for the designation of individuals based on the requirements for energy consultants and home energy raters specified by the Mortgage Industry National Accreditation Procedures for Home Energy Rating Systems.

“(e) Basis Adjustment.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

“(f) Termination.—Subsection (a) shall apply to dwellings purchased during the period beginning on January 1, 2001, and ending on December 31, 2005.”.

(b) Credit Made Part of General Business Credit.—Subsection (b) of section 38 (relating to current year business credit), as amended by section 103(d), is amended by striking “plus” at the end of paragraph (13), by striking the period at the end of paragraph (14) and inserting “, plus”, and by adding at the end the following:

“(15) the new energy-efficient home credit determined under section 45F.”.

(c) Denial of Double Benefit.—Section 280C (relating to certain expenses for which credits are allowable), as amended by section 103(c), is amended by adding at the end the following:

“(f) New Energy-Efficient Home Expenses.—No deduction shall be allowed for that portion of expenses for a new energy-efficient home otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45F.”.

(d) Credit Allowed Against Regular and Minimum Tax.—

(1) In general.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) Special rules for new energy efficient home credit.—

“(A) In general.—In the case of the new energy efficient home credit—

“(i) this section and section 39 shall be applied separately with respect to the credit, and

“(ii) in applying paragraph (1) to the credit—

“(I) subparagraphs (A) and (B) thereof shall not apply, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the new energy efficient home credit).

“(B) New energy efficient home credit.—For purposes of this subsection, the term ‘new energy efficient home credit’ means the credit allowable under subsection (a) by reason of section 45F.”.

(2) Conforming amendment.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting “or the new energy efficient home credit” after “employment credit”.

(e) Limitation on Carryback.—Subsection (d) of section 39, as amended by section 103(b), is amended by adding at the end the following:

“(12) No carryback of new energy-efficient home credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 45F may be carried back to any taxable year ending before January 1, 2001.”.

(f) Deduction for Certain Unused Business Credits.—Subsection (c) of section 196 is amended by striking “and” at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting “, and”, and by adding after paragraph (8) the following:

“(9) the new energy-efficient home credit determined under section 45F.”.

(g) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 103(d), is amended by inserting after the item relating to section 45E the following:

“Sec. 45F. New energy-efficient home credit.”.

(h) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 2000.

SEC. 202. CREDIT FOR ENERGY EFFICIENCY IMPROVEMENTS TO EXISTING HOMES.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25A the following new section:

“SEC. 25B. ENERGY EFFICIENCY IMPROVEMENTS TO EXISTING HOMES.

“(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year.

“(b) Limitations.—

“(1) Maximum credit.—The credit allowed by this section with respect to a dwelling shall not exceed $2,000.

“(2) Prior credit amounts for taxpayer on same dwelling taken into account.—If a credit was allowed to the taxpayer under subsection (a) with respect to a dwelling in 1 or more prior taxable years, the amount of the credit otherwise allowable for the taxable year with respect to that dwelling shall not exceed the amount of $2,000 reduced by the sum of the credits allowed under subsection (a) to the taxpayer with respect to the dwelling for all prior taxable years.

“(c) Carryforward of Unused Credit.—If the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under subpart A of part IV of subchapter A (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

“(d) Qualified Energy Efficiency Improvements.—For purposes of this section, the term ‘qualified energy efficiency improvements’ means any energy efficient building envelope component which is certified to meet or exceed the prescriptive criteria for such component in the 2000 International Energy Conservation Code, or any combination of energy efficiency measures which achieves at least a 30 percent reduction in heating and cooling energy usage for the dwelling (as measured in terms of energy cost to the taxpayer), if—

“(1) such component or combinations of measures is installed in or on a dwelling—

“(A) located in the United States, and

“(B) owned and used by the taxpayer as the taxpayer’s principal residence (within the meaning of section 121),

“(2) the original use of such component or combination of measures commences with the taxpayer, and

“(3) such component or combination of measures reasonably can be expected to remain in use for at least 5 years.

“(e) Certification.—The certification described in subsection (d) shall be—

“(1) in the case of any component described in subsection (d), determined on the basis of applicable energy efficiency ratings (including product labeling requirements) for affected building envelope components, "(2) in the case of combinations of measures described in subsection (d), determined by the performance-based methods described in section 45F(d),

"(3) provided by a third party, such as a local building regulatory authority, a utility, a manufactured home production inspection primary inspection agency (IPIA), or a home energy rating organization, consistent with the requirements of section 45F(d)(2), and

"(4) made in writing on forms which specify in readily inspectable fashion the energy-efficient components and other measures and their respective efficiency ratings, and which shall include a permanent label affixed to the electrical distribution panel as described in section 45F(d)(3)(C).

"(f) Definitions and Special Rules.—

"(1) Dollar amounts in case of joint occupancy.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by 2 or more individuals the following shall apply:

"(A) The amount of the credit allowable under subsection (a) by reason of expenditures for the qualified energy efficiency improvements made during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as 1 taxpayer whose taxable year is such calendar year.

"(B) There shall be allowable with respect to such expenditures to each of such individuals, a credit under subsection (a) for the taxable year in which such calendar year ends in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(2) Tenant-stockholder in cooperative housing corporation.—In the case of an individual who is a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having paid his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of the cost of qualified energy efficiency improvements made by such corporation.

"(3) Condominiums.—

"(A) In general.—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having paid his proportionate share of the cost of qualified energy efficiency improvements made by such association.

"(B) Condominium management association.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(4) Building envelope component.—The term 'building envelope component' means—

"(A) insulation material or system which is specifically and primarily designed to reduce the heat loss or gain or a dwelling when installed in or on such dwelling, and

"(B) exterior windows (including skylights) and doors.

"(5) Manufactured homes included.—For purposes of this section, the term 'dwelling' includes a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (24 C.F.R. 3280).

"(g) Basis Adjustment.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(h) Termination.—Subsection (a) shall apply to qualified energy efficiency improvements installed during the period beginning on the date of the enactment of this section and ending on December 31, 2005.".

(b) Conforming Amendments.—

(1) Subsection (c) of section 23 is amended by inserting ", section 25B, and section 1400C" after "other than this section".

(2) Subparagraph (C) of section 25(e)(1) is amended by striking "section 23" and inserting "sections 23, 25B, and 1400C".

(3) Subsection (d) of section 1400C is amended by inserting "and section 25B" after "other than this section".

(4) Subsection (a) of section 1016, as amended by section 102(b), is amended by striking "and" at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting "; and", and by adding at the end the following:

"(29) to the extent provided in section 25B(f), in the case of amounts with respect to which a credit has been allowed under section 25B.".

(5) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25A the following new item:

"Sec. 25B. Energy efficiency improvements to existing homes.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending on or after the date of the enactment of this Act.

SEC. 203. CREDIT FOR RESIDENTIAL SOLAR, WIND, AND FUEL CELL ENERGY PROPERTY.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits), as amended by section 201(a), is amended by inserting after section 25B the following:

"SEC. 25C. RESIDENTIAL SOLAR, WIND, AND FUEL CELL ENERGY PROPERTY.

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 15 percent of the qualified photovoltaic property expenditures,

"(2) 15 percent of the qualified solar water heating property expenditures,

"(3) 30 percent of the qualified wind energy property expenditures, and

"(4) 20 percent for the qualified fuel cell property expenditures,

made by the taxpayer during the taxable year.

"(b) Limitations.—

"(1) Maximum credit.—The credit allowed under subsection (a)(2) shall not exceed $2,000 for each system of solar energy property.

"(2) Type of property.—No expenditure may be taken into account under this section unless such expenditure is made by the taxpayer for property installed on or in connection with a dwelling unit which is located in the United States and which is used as a residence.

"(3) Safety certifications.—No credit shall be allowed under this section for an item of property unless—

"(A) in the case of solar water heating property, such property is certified for performance and safety by the non-profit Solar Rating Certification Corporation or a comparable entity endorsed by the government of the State in which such property is installed, and

"(B) in the case of a photovoltaic, wind energy, or fuel cell property, such property meets appropriate fire and electric code requirements.

"(c) Definitions.—For purposes of this section—

"(1) Qualified solar water heating property expenditure.—The term 'qualified solar water heating property expenditure' means an expenditure for property which uses solar energy to heat water for use in a dwelling unit with respect to which a majority of the energy is derived from the sun.

"(2) Qualified photovoltaic property expenditure.—The term 'qualified photovoltaic property expenditure' means an expenditure for property which uses solar energy to generate electricity for use in a dwelling unit.

"(3) Solar panels.—No expenditure relating to a solar panel or other property installed as a roof (or portion thereof) shall fail to be treated as property described in paragraph (1) or (2) solely because it constitutes a structural component of the structure on which it is installed.

"(4) Qualified wind energy property expenditure.—The term 'qualified wind energy property expenditure' means an expenditure for property which uses wind energy to generate electricity for use in a dwelling unit.

"(5) Qualified fuel cell property expenditure.—The term 'qualified fuel cell property expenditure' means an expenditure for property which uses an electrochemical fuel cell system to generate electricity for use in a dwelling unit.

"(6) Labor costs.—Expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property described in paragraph (1), (2), (4), or (5) and for piping or wiring to interconnect such property to the dwelling unit shall be taken into account for purposes of this section.

"(7) Energy storage medium.—Expenditures which are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage shall not be taken into account for purposes of this section.

"(d) Special Rules.—For purposes of this section—

"(1) Dollar amounts in case of joint occupancy.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by 2 or more individuals the following shall apply:

"(A) The amount of the credit allowable under subsection (a) by reason of expenditures (as the case may be) made during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as 1 taxpayer whose taxable year is such calendar year.

"(B) There shall be allowable with respect to such expenditures to each of such individuals, a credit under subsection (a) for the taxable year in which such calendar year ends in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(2) Tenant-stockholder in cooperative housing corporation.—In the case of an individual who is a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

"(3) Condominiums.—

"(A) In general.—In the case of an individual who is a member of a condominium management association with respect to a condominium which such individual owns, such individual shall be treated as having made his proportionate share of any expenditures of such association.

"(B) Condominium management association.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(4) Joint ownership of items of solar or wind energy property.—

"(A) In general.—Any expenditure otherwise qualifying as an expenditure described in paragraph (1), (2), or (4) of subsection (c) shall not be treated as failing to so qualify merely because such expenditure was made with respect to 2 or more dwelling units.

"(B) Limits applied separately.—In the case of any expenditure described in subparagraph (A), the amount of the credit allowable under subsection (a) shall (subject to paragraph (1)) be computed separately with respect to the amount of the expenditure made for each dwelling unit.

"(5) Allocation in certain cases.—If less than 80 percent of the use of an item is for nonbusiness residential purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness residential purposes shall be taken into account. For purposes of this paragraph, use for a swimming pool shall be treated as use which is not for residential purposes.

"(6) When expenditure made; amount of expenditure.—

"(A) In general.—Except as provided in subparagraph (B), an expenditure with respect to an item shall be treated as made when the original installation of the item is completed.

"(B) Expenditures part of building construction.—In the case of an expenditure in connection with the construction or reconstruction of a structure, such expenditure shall be treated as made when the original use of the constructed or reconstructed structure by the taxpayer begins.

"(C) Amount.—The amount of any expenditure shall be the cost thereof.

"(7) Reduction of credit for grants, tax-exempt bonds, and subsidized energy financing.—The rules of section 29(b)(3) shall apply for purposes of this section.

"(e) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(f) Termination.—The credit allowed under this section shall not apply to taxable years beginning after December 31, 2011.".

(b) Conforming Amendments.—

(1) Subsection (a) of section 1016, as amended by section 201(b)(4), is amended by striking "and" at the end of paragraph (28), by striking the period at the end of paragraph (29) and inserting "; and", and by adding at the end the following:

"(30) to the extent provided in section 25C(e), in the case of amounts with respect to which a credit has been allowed under section 25C.".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1, as amended by section 201(b)(2), is amended by inserting after the item relating to section 25B the following:

"Sec. 25C. Residential solar, wind, and fuel cell energy property.".

(c) Effective Date.—The amendments made by this section shall apply to expenditures made after the date of the enactment of this Act, in taxable years ending after such date.

TITLE III—ELECTRICITY FACILITIES AND PRODUCTION

SEC. 301. INCENTIVE FOR DISTRIBUTED GENERATION.

(a) Depreciation of Distributed Power Property.—

(1) In general.—Subparagraph (C) of section 168(e)(3) (relating to 7-year property) is amended by redesignating clause (ii) as clause (iii) and by inserting after clause (i) the following:

"(ii) any distributed power property, and".

(2) 10-year class life.—The table contained in section 168(g)(3)(B) is amended by inserting after the item relating to subparagraph (C)(i) the following:

"(C)(ii) .... 10".

(b) Distributed Power Property.—Section 168(i) is amended by adding at the end the following:

"(15) Distributed power property.—The term 'distributed power property' means property—

"(A) which is used in the generation of electricity for primary use—

"(i) in nonresidential real or residential rental property used in the taxpayer's trade or business, or

"(ii) in the taxpayer's industrial manufacturing process or plant activity, with a rated total capacity in excess of 500 kilowatts,

"(B) which also may produce usable thermal energy or mechanical power for use in a heating or cooling application, as long as at least 40 percent of the total useful energy produced consists of—

"(i) with respect to assets described in subparagraph (A)(i), electrical power (whether sold or used by the taxpayer), or

"(ii) with respect to assets described in subparagraph (A)(ii), electrical power (whether sold or used by the taxpayer) and thermal or mechanical energy used in the taxpayer's industrial manufacturing process or plant activity,

"(C) which is not used to transport primary fuel to the generating facility or to distribute energy within or outside of the facility, and

"(D) where it is reasonably expected that not more than 50 percent of the produced electricity will be sold to, or used by, unrelated persons.

For purposes of subparagraph (B), energy output is determined on the basis of expected annual output levels, measured in British thermal units (Btu), using standard conversion factors established by the Secretary.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 302. MODIFICATIONS TO CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE AND WASTE PRODUCTS.

(a) Increase in Credit Rate.—

(1) In general.—Section 45(a)(1) is amended by striking "1.5 cents" and inserting "1.8 cents".

(2) Conforming amendments.—

(A) Section 45(b)(2) is amended by striking "1.5 cent" and inserting "1.8 cent".

(B) Section 45(d)(2)(B) is amended by inserting "(calendar year 2001 in the case of the 1.8 cent amount in subsection (a))" after "1992".

(b) Expansion of Qualified Resources.—

(1) In general.—Section 45(c)(1) (relating to qualified energy resources) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", and", and by adding at the end the following:

"(D) alternative resources.".

(2) Definition of alternative resources.—Section 45(c) (relating to definitions) is amended—

(A) by redesignating paragraph (3) as paragraph (5),

(B) by redesignating paragraph (4) as paragraph (3), and

(C) by inserting after paragraph (3), as redesignated by subparagraph (B), the following:

"(4) Alternative Resources.—

"(A) In general.—The term 'alternative resources' means—

"(i) solar,

"(ii) biomass (other than closed loop biomass),

"(iii) municipal solid waste,

"(iv) incremental hydropower,

"(v) geothermal,

"(vi) landfill gas, and

"(vii) steel cogeneration.

"(B) Biomass.—The term 'biomass' means any solid, nonhazardous, cellulosic waste material or any organic carbohydrate matter, which is segregated from other waste materials, and which is derived from—

"(i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

"(ii) waste pallets, crates, dunnage, untreated wood waste from construction or manufacturing activities, and landscape or right-of-way tree trimmings, but not including unsegregated municipal solid waste or post-consumer wastepaper, or

"(iii) any of the following agriculture sources: orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues, including any packaging and other materials which are nontoxic and biodegradable and are associated with the processing, feeding, selling, transporting, and disposal of such agricultural materials.

"(C) Municipal solid waste.—The term 'municipal solid waste' has the same meaning given the term 'solid waste' under section 2(27) of the Solid Waste Utilization Act (42 U.S.C. 6903).

"(D) Incremental hydropower.—The term 'incremental hydropower' means additional generating capacity achieved from—

"(i) increased efficiency, or

"(ii) additions of new capacity,

at a licensed non-Federal hydroelectric project originally placed in service before the date of the enactment of this paragraph.

"(E) Geothermal.—The term 'geothermal' means energy derived from a geothermal deposit (within the meaning of section 613(e)(2)), but only, in the case of electricity generated by geothermal power, up to (but not including) the electrical transmission stage.

"(F) LANDFILL GAS.—The term 'landfill gas' means gas generated from the decomposition of any household solid waste, commercial solid waste, and industrial solid waste disposed of in a municipal solid waste landfill unit (as such terms are defined in regulations promulgated under subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.).

"(G) STEEL COGENERATION.—The term 'steel cogeneration' means the production of electricity and steam (or other form of thermal energy) from any or all waste sources defined in paragraphs (2) and (3) and subparagraphs (B) and (C) of this paragraph within an operating facility which produces or integrates the production of coke, direct reduced iron ore, iron, or steel provided that the cogeneration meets any regulatory energy-efficiency standards established by the Secretary, and only to the extent that such energy is produced from—

"(i) gases or heat generated from the production of metallurgical coke,

"(ii) gases or heat generated from the production of direct reduced iron ore or iron, from blast furnace or direct ironmaking processes, or

"(iii) gases or heat generated from the manufacture of steel.".

(3) QUALIFIED FACILITY.—Section 45(c)(5) (defining qualified facility), as redesignated by paragraph 2(A), is amended by adding at the end the following:

"(D) ALTERNATIVE RESOURCES FACILITY.—

"(i) IN GENERAL.—Except as provided in clauses (ii), (iii), and (iv), in the case of a facility using alternative resources to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after the date of the enactment of this subparagraph.

"(ii) BIOMASS FACILITY.—In the case of a facility using biomass described in paragraph (4)(A)(ii) to produce electricity, the term 'qualified facility' means any facility of the taxpayer.

"(iii) GEOTHERMAL FACILITY.—In the case of a facility using geothermal to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after December 31, 1992.

"(iv) STEEL COGENERATION FACILITIES.—In the case of a facility using steel cogeneration to produce electricity, the term 'qualified facility' means any facility permitted to operate under the environmental requirements of the Clean Air Act Amendments of 1990 which is owned by the taxpayer and originally placed in service after the date of the enactment of this subparagraph. Such a facility may be treated as originally placed in service when such facility was last upgraded to increase efficiency or generation capability after such date.

"(v) SPECIAL RULES.—In the case of a qualified facility described in this subparagraph, the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this subparagraph.".

(4) GOVERNMENT-OWNED FACILITY.—Section 45(d)(6) (relating to credit eligibility in the case of government-owned facilities using poultry waste) is amended—

(A) by inserting "or alternative resources" after "poultry waste", and

(B) by inserting "OR ALTERNATIVE RESOURCES" after "POULTRY WASTE" in the heading thereof.

(5) QUALIFIED FACILITIES WITH CO-PRODUCTION.—Section 45(b) (relating to limitations and adjustments) is amended by adding at the end the following:

"(4) INCREASED CREDIT FOR CO-PRODUCTION FACILITIES.—

"(A) IN GENERAL.—In the case of a qualified facility described in subsection (c)(3)(D)(i) which has a co-production facility or a qualified facility described in subparagraph (A), (B), or (C) of subsection (c)(3) which adds a co-production facility after the date of the enactment of this paragraph, the amount in effect under subsection (a)(1) for an eligible taxable year of a taxpayer shall (after adjustment under paragraph (2) and before adjustment under paragraphs (1) and (3)) be increased by .25 cents.

"(B) CO-PRODUCTION FACILITY.—For purposes of subparagraph (A), the term 'co-production facility' means a facility which—

"(i) enables a qualified facility to produce heat, mechanical power, chemicals, liquid fuels, or minerals from qualified energy resources in addition to electricity, and

"(ii) produces such energy on a continuous basis.

"(C) ELIGIBLE TAXABLE YEAR.—For purposes of subparagraph (A), the term 'eligible taxable year' means any taxable year in which the amount of gross receipts attributable to the co-production facility of a qualified facility are at least 10 percent of the amount of gross receipts attributable to electricity produced by such facility.".

(6) QUALIFIED FACILITIES LOCATED WITHIN QUALIFIED INDIAN LANDS.—Section 45(b) (relating to limitations and adjustments), as amended by paragraph (5), is amended by adding at the end the following:

"(5) INCREASED CREDIT FOR QUALIFIED FACILITY LOCATED WITHIN QUALIFIED INDIAN LAND.—In the case of a qualified facility described in subsection (c)(3)(D) which—

"(A) is located within—

"(i) qualified Indian lands (as defined in section 7871(c)(3)), or

"(ii) lands which are held in trust by a Native Corporation (as defined in section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)) for Alaska Natives, and

"(B) is operated with the explicit written approval of the Indian tribal government or Native Corporation (as so defined) having jurisdiction over such lands,

the amount in effect under subsection (a)(1) for a taxable year shall (after adjustment under paragraphs (2) and (4) and before adjustment under paragraphs (1) and (3)) be increased by .25 cents.".

(7) ELECTRICITY PRODUCED FROM CERTAIN RESOURCES CO-FIRED IN COAL PLANTS.—Section 45(d) (relating to definitions and special rules) is amended by adding at the end the following:

"(8) SPECIAL RULE FOR ELECTRICITY PRODUCED FROM CERTAIN RESOURCES CO-FIRED IN COAL PLANTS.—In the case of electricity produced from biomass (including closed loop biomass), municipal solid waste, or animal waste, co-fired in a facility which produces electricity from coal—

"(A) subsection (a)(1) shall be applied by substituting '1 cent' for '1.8 cents',

"(B) such facility shall be considered a qualified facility for purposes of this section, and

"(C) the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this paragraph.".

(8) CONFORMING AMENDMENTS.—

(A) The heading for section 45 is amended by inserting "and waste energy" after "renewable".

(B) The item relating to section 45 in the table of sections subpart D of part IV of subchapter A of chapter 1 is amended by inserting "and waste energy" after "renewable".

(c) ADDITIONAL MODIFICATIONS OF RENEWABLE AND WASTE ENERGY RESOURCE CREDIT.—

(1) CREDITS FOR CERTAIN TAX EXEMPT ORGANIZATIONS AND GOVERNMENTAL UNITS.—Section 45(d) (relating to definitions and special rules), as amended by subsection (b)(7), is amended by adding at the end the following:

"(9) CREDITS FOR CERTAIN TAX EXEMPT ORGANIZATIONS AND GOVERNMENTAL UNITS.—

"(A) ALLOWANCE OF CREDIT.—Any credit which would be allowable under subsection (a) with respect to a qualified facility of an entity if such entity were not exempt from tax under this chapter shall be treated as a credit allowable under subpart C to such entity if such entity is—

"(i) an organization described in section 501(c)(12)(C) and exempt from tax under section 501(a),

"(ii) an organization described in section 1381(a)(2)(C), or

"(iii) an entity the income of which is excludable from gross income under section 115.

"(B) USE OF CREDIT.—

"(i) TRANSFER OF CREDIT.—An entity described in subparagraph (A) may assign, trade, sell, or otherwise transfer any credit allowable to such entity under subparagraph (A) to any taxpayer.

"(ii) USE OF CREDIT AS AN OFFSET.—Notwithstanding any other provision of law, in the case of an entity described in clause (i) or (ii) of subparagraph (A), any credit allowable to such entity under subparagraph (A) may be applied by such entity, without penalty, as a prepayment of any loan, debt, or other obligation the entity has incurred under subchapter I of chapter 31 of title 7 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.).

"(C) CREDIT NOT INCOME.—Neither a transfer under clause (i) or a use under clause (ii) of subparagraph (B) of any credit allowable under subparagraph (A) shall result in income for purposes of section 501(c)(12).

"(D) TRANSFER PROCEEDS TREATED AS ARISING FROM ESSENTIAL GOVERNMENT FUNCTION.—Any proceeds derived by an entity described in subparagraph (A)(iii) from the transfer of any credit under subparagraph (B)(i) shall be treated as arising from an essential government function.

"(E) CREDITS NOT REDUCED BY TAX-EXEMPT BONDS OR CERTAIN OTHER SUBSIDIES.—Subsection (b)(3) shall not apply to reduce any credit allowable under subparagraph (A) with respect to—

"(i) proceeds described in subparagraph (A)(ii) of such subsection, or

"(ii) any loan, debt, or other obligation incurred under subchapter I of chapter 31 of title 7 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.),

used to provide financing for any qualified facility.

"(F) TREATMENT OF UNRELATED PERSONS.—For purposes of this paragraph, sales among and between entities described in subparagraph (A) shall be treated as sales between unrelated parties.".

(2) COORDINATION WITH OTHER CREDITS.—Section 45(d), as amended by paragraph (1), is amended by adding at the end the following:

"(10) COORDINATION WITH OTHER CREDITS.—This section shall not apply to any qualified facility with respect to which a credit under any other section is allowed for the taxable year unless the taxpayer elects to waive the application of such credit to such facility.".

(3) Expansion to include animal waste.—Section 45 (relating to electricity produced from certain renewable resources), as amended by paragraphs (2) and (4) of subsection (b), is amended—

(A) by striking "poultry" each place it appears in subsection (c)(1)(C) and subsection (d)(6) and inserting "animal",

(B) by striking "poultry" in the heading of paragraph (6) of subsection (d) and inserting "animal",

(C) by striking paragraph (3) of subsection (c) and inserting the following:

"(3) Animal waste.—The term 'animal waste' means poultry manure and litter and other animal wastes, including—

"(A) wood shavings, straw, rice hulls, and other bedding material for the disposition of manure, and

"(B) byproducts, packaging, and other materials which are nontoxic and biodegradable and are associated with the processing, feeding, selling, transporting, and disposal of such animal wastes.", and

(D) by striking subparagraph (C) of subsection (c)(5) and inserting the following:

"(C) Animal waste facility.—

"(i) In general.—Except as provided in clause (ii), in the case of a facility using animal waste (other than poultry) to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after the date of the enactment of this clause.

"(ii) Poultry waste.—In the case of a facility using animal waste relating to poultry to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after December 31, 1999.".

(4) Treatment of qualified facilities not in compliance with pollution laws.—Section 45(c)(5) (relating to qualified facilities), as amended by paragraphs (2) and (3) of subsection (b), is amended by adding at the end the following:

"(E) Noncompliance with pollution laws.—For purposes of this paragraph, a facility which is not in compliance with the applicable State and Federal pollution prevention, control, and permit requirements for any period of time shall not be considered to be a qualified facility during such period.".

(5) Permanent extension of qualified facility dates.—Section 45(c)(5) (relating to qualified facility), as redesignated by subsection (b)(2), is amended by striking ", and before January 1, 2002" in subparagraphs (A) and (B).

(d) Effective Date.—The amendments made by this section shall apply to electricity and other energy produced after the date of the enactment of this Act.

SEC. 303. TREATMENT OF FACILITIES USING BAGASSE TO PRODUCE ENERGY AS SOLID WASTE DISPOSAL FACILITIES ELIGIBLE FOR TAX-EXEMPT FINANCING.

(a) In General.—Section 142 (relating to exempt facility bond) is amended by adding at the end the following:

"(k) Solid Waste Disposal Facilities.—For purposes of subsection (a)(6), the term 'solid waste disposal facilities' includes property located in Hawaii and used for the collection, storage, treatment, utilization, processing, or final disposal of bagasse in the manufacture of ethanol.".

(b) Effective Date.—The amendment made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 304. DEPRECIATION OF PROPERTY USED IN THE TRANSMISSION OF ELECTRICITY.

(a) Depreciation of Property Used in the Transmission of Electricity.—

(1) In general.—Subparagraph (C) of section 168(e)(3) (relating to 7-year property), as amended by section 301(a)(1), is amended by striking "and" at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following:

"(iii) any property used in the transmission of electricity, and".

(2) 10-year class life.—The table contained in section 168(g)(3)(B), as amended by section 301(a)(2), is amended by inserting after the item relating to subparagraph (C)(ii) the following:

"(C)(iii) .... 10".

(b) Definition of Property Used in the Transmission of Electricity.—Section 168(i), as amended by section 301(b), is amended by adding at the end the following:

"(16) Property used in the transmission of electricity.—The term 'property used in the transmission of electricity' means property used in the transmission of electricity for sale.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

TITLE IV—INCENTIVES FOR EARLY COMMERCIAL APPLICATIONS OF ADVANCED CLEAN COAL TECHNOLOGIES

SEC. 401. CREDIT FOR INVESTMENT IN QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

(a) Allowance of Qualifying Advanced Clean Coal Technology Facility Credit.—Section 46 (relating to amount of credit) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end the following:

"(4) the qualifying advanced clean coal technology facility credit.".

(b) Amount of Qualifying Advanced Clean Coal Technology Facility Credit.—Subpart E of part IV of subchapter A of chapter 1 (relating to rules for computing investment credit), as amended by section 101(a), is amended by inserting after section 48A the following:

"SEC. 48B. QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY FACILITY CREDIT.

"(a) In General.—For purposes of section 46, the qualifying advanced clean coal technology facility credit for any taxable year is an amount equal to 10 percent of the qualified investment in a qualifying advanced clean coal technology facility for such taxable year.

"(b) Qualifying Advanced Clean Coal Technology Facility.—

"(1) In general.—For purposes of subsection (a), the term 'qualifying advanced clean coal technology facility' means a facility of the taxpayer which—

"(A)(i)(I) replaces a conventional technology facility of the taxpayer and the original use of which commences with the taxpayer, or

"(II) is a retrofitted or repowered conventional technology facility, the retrofitting or repowering of which is completed by the taxpayer (but only with respect to that portion of the basis which is properly attributable to such retrofitting or repowering), or

"(ii) is acquired through purchase (as defined by section 179(d)(2)),

"(B) is depreciable under section 167,

"(C) has a useful life of not less than 4 years,

"(D) is located in the United States, and

"(E) uses qualifying advanced clean coal technology.

"(2) Special rule for sale-leasebacks.—For purposes of subparagraph (A) of paragraph (1), in the case of a facility which—

"(A) is originally placed in service by a person, and

"(B) is sold and leased back by such person, or is leased to such person, within 3 months after the date such facility was originally placed in service, for a period of not less than 12 years,

such facility shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback (or lease) referred to in subparagraph (B). The preceding sentence shall not apply to any property if the lessee and lessor of such property make an election under this sentence. Such an election, once made, may be revoked only with the consent of the Secretary.

"(3) Qualifying advanced clean coal technology.—For purposes of paragraph (1)—

"(A) In general.—The term 'qualifying advanced clean coal technology' means, with respect to clean coal technology—

"(i) multiple applications, with a combined capacity of not more than 2,000 megawatts, of advanced pulverized coal or atmospheric fluidized bed combustion technology—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2001 and 2011, and

"(III) with a design net heat rate of not more than 9,500 Btu per kilowatt hour when the design coal has a heat content of more than 8,000 Btu per pound, or a design net heat rate of not more than 9,900 Btu per kilowatt hour when the design coal has a heat content of 8,000 Btu per pound or less,

"(ii) multiple applications, with a combined capacity of not more than 1,000 megawatts, of pressurized fluidized bed combustion technology—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2001 and 2015, and

"(III) with a design net heat rate of not more than 8,400 Btu per kilowatt hour when the design coal has a heat content of more than 8,000 Btu per pound, or a design net heat rate of not more than 9,900 Btu per kilowatt hour when the design coal has a heat content of 8,000 Btu per pound or less,

"(iii) multiple applications, with a combined capacity of not more than 5,000 megawatts, of integrated gasification combined cycle technology, with or without fuel or chemical co-production—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2001 and 2015,

"(III) with a design net heat rate of not more than 8,550 Btu per kilowatt hour when the design coal has a heat content of more than 8,000 Btu per pound, or a design net heat rate of not more than 9,900 Btu per kilowatt hour when the design coal has a heat content of 8,000 Btu per pound or less, and

"(IV) with a net thermal efficiency on any fuel or chemical co-production of not less than 39 percent (higher heating value), and

"(iv) multiple applications, with a combined capacity of not more than 2,000 megawatts of technology for the production of electricity—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2001 and 2015, and

"(III) with a carbon emission rate which is not more than 85 percent of conventional technology.

"(B) EXCEPTIONS.—Such term shall not include clean coal technology projects receiving or scheduled to receive funding under the Clean Coal Technology Program of the Department of Energy.

"(C) CLEAN COAL TECHNOLOGY.—The term 'clean coal technology' means advanced technology which uses coal to produce 75 percent or more of its thermal output as electricity including advanced pulverized coal or atmospheric fluidized bed combustion, pressurized fluidized bed combustion, integrated gasification combined cycle with or without fuel or chemical co-production, and any other technology for the production of electricity which exceeds the performance of conventional technology.

"(D) CONVENTIONAL TECHNOLOGY.—The term 'conventional technology' means—

"(i) coal-fired combustion technology with a design net heat rate of not less than 9,500 Btu per kilowatt hour (HHV) and a carbon equivalents emission rate of not more than 0.54 pounds of carbon per kilowatt hour when the design coal has a heat content of more than 8,000 Btu per pound,

"(ii) coal-fired combustion technology with a design net heat rate of not less than 10,500 Btu per kilowatt hour (HHV) and a carbon equivalents emission rate of not more than 0.60 pounds of carbon per kilowatt hour when the design coal has a heat content of 8,000 Btu per pound or less, or

"(iii) natural gas-fired combustion technology with a design net heat rate of not less than 7,500 Btu per kilowatt hour (HHV) and a carbon equivalents emission rate of not more than 0.24 pounds of carbon per kilowatt hour.

"(E) DESIGN NET HEAT RATE.—The design net heat rate shall be based on the design annual heat input to and the design annual net electrical output from the qualifying advanced clean coal technology (determined without regard to such technology's co-generation of steam).

"(F) SELECTION CRITERIA.—Selection criteria for clean coal technology facilities—

"(i) shall be established by the Secretary of Energy as part of a competitive solicitation,

"(ii) shall include primary criteria of minimum design net heat rate, maximum design thermal efficiency, and lowest cost to the government, and

"(iii) shall include supplemental criteria as determined appropriate by the Secretary of Energy.

"(4) NONCOMPLIANCE WITH POLLUTION LAWS.—For purposes of this subsection, a facility which is not in compliance with the applicable State and Federal pollution prevention, control, and permit requirements for any period of time shall not be considered to be a qualifying advanced clean coal technology facility during such period.

"(c) QUALIFIED INVESTMENT.—For purposes of subsection (a), the term 'qualified investment' means, with respect to any taxable year, the basis of a qualifying advanced clean coal technology facility placed in service by the taxpayer during such taxable year.

"(d) QUALIFIED PROGRESS EXPENDITURES.—

"(1) INCREASE IN QUALIFIED INVESTMENT.—In the case of a taxpayer who has made an election under paragraph (5), the amount of the qualified investment of such taxpayer for the taxable year (determined under subsection (c) without regard to this section) shall be increased by an amount equal to the aggregate of each qualified progress expenditure for the taxable year with respect to progress expenditure property.

"(2) PROGRESS EXPENDITURE PROPERTY DEFINED.—For purposes of this subsection, the term 'progress expenditure property' means any property being constructed by or for the taxpayer and which it is reasonable to believe will qualify as a qualifying advanced clean coal technology facility which is being constructed by or for the taxpayer when it is placed in service.

"(3) QUALIFIED PROGRESS EXPENDITURES DEFINED.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) NONSELF-CONSTRUCTED PROPERTY.—In the case of nonself-constructed property, the term 'qualified progress expenditures' means the amount paid during the taxable year to another person for the construction of such property.

"(4) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) SELF-CONSTRUCTED PROPERTY.—The term 'self-constructed property' means property for which it is reasonable to believe that more than half of the construction expenditures will be made directly by the taxpayer.

"(B) NONSELF-CONSTRUCTED PROPERTY.—The term 'nonself-constructed property' means property which is not self-constructed property.

"(C) CONSTRUCTION, ETC.—The term 'construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) ONLY CONSTRUCTION OF QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY FACILITY TO BE TAKEN INTO ACCOUNT.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(5) ELECTION.—An election under this subsection may be made at such time and in such manner as the Secretary may by regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary.

"(e) CREDITS FOR CERTAIN TAX EXEMPT ORGANIZATIONS AND GOVERNMENTAL UNITS.—

"(1) ALLOWANCE OF CREDIT.—Any credit which would be allowable under subsection (a) with respect to a qualifying advanced clean coal technology facility of an entity if such entity were not exempt from tax under this chapter shall be treated as a credit allowable under subpart C to such entity if such entity is—

"(A) an organization described in section 501(c)(12)(C) and exempt from tax under section 501(a),

"(B) an organization described in section 1381(a)(2)(C),

"(C) an entity the income of which is excludable from gross income under section 115, or

"(D) the Tennessee Valley Authority.

"(2) USE OF CREDIT.—

"(A) TRANSFER OF CREDIT.—An entity described in subparagraph (A), (B), or (C) of paragraph (1) may assign, trade, sell, or otherwise transfer any credit allowable to such entity under paragraph (1) to any taxpayer.

"(B) USE OF CREDIT AS AN OFFSET.—Notwithstanding any other provision of law, in the case of an entity described in subparagraph (A) or (B) of paragraph (1), any credit allowable to such entity under paragraph (1) may be applied by such entity, without penalty, as a prepayment of any loan, debt, or other obligation the entity has incurred under subchapter I of chapter 31 of title 7 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.).

"(C) USE BY TVA.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, in the case of an entity described in paragraph (1)(D), any credit allowable under paragraph (1) to such entity may be applied as a credit against the payments required to be made in any fiscal year under section 15d(e) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831n-4(e)) as an annual return on the appropriations investment and an annual repayment sum.

"(ii) TREATMENT OF CREDITS.—The aggregate amount of credits described in paragraph (1) shall be treated in the same manner and to the same extent as if such credits were a payment in cash and shall be applied first against the annual return on the appropriations investment.

"(iii) CREDIT CARRYOVER.—With respect to any fiscal year, if the aggregate amount of credits described in paragraph (1) exceeds the aggregate amount of payment obligations described in clause (i), the excess amount shall remain available for application as credits against the amounts of such payment obligations in succeeding fiscal years in the same manner as described in this subparagraph.

"(3) CREDIT NOT INCOME.—Neither a transfer under subparagraph (A) or a use under subparagraph (B) of paragraph (2) of any credit allowable under paragraph (1) shall result in income for purposes of section 501(c)(12).

"(4) TRANSFER PROCEEDS TREATED AS ARISING FROM ESSENTIAL GOVERNMENT FUNCTION.—Any proceeds derived by an entity described in paragraph (1)(C) from the transfer of any credit under paragraph (2)(A) shall be treated as arising from an essential government function.

"(f) COORDINATION WITH OTHER CREDITS.—This section shall not apply to any property with respect to which the rehabilitation credit under section 47 or the energy credit under section 48A is allowed unless the taxpayer elects to waive the application of such credit to such property.

"(g) TERMINATION.—This section shall not apply with respect to any qualified investment made more than 10 years after the effective date of this section.".

(c) RECAPTURE.—Section 50(a) (relating to other special rules) is amended by adding at the end the following:

"(6) SPECIAL RULES RELATING TO QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY FACILITY.—For purposes of applying this subsection in the case of any credit allowable by reason of section 48B, the following shall apply:

"(A) GENERAL RULE.—In lieu of the amount of the increase in tax under paragraph (1), the increase in tax shall be an amount equal to the investment tax credit allowed under section 38 for all prior taxable years with respect to a qualifying advanced clean coal technology facility (as defined by section 48B(b)(1)) multiplied by a fraction whose numerator is the number of years remaining to fully depreciate under this title the qualifying advanced clean coal technology facility disposed of, and whose denominator is the total number of years over which such facility would otherwise have been subject to depreciation. For purposes of the preceding sentence, the year of disposition of the qualifying advanced clean coal technology facility property shall be treated as a year of remaining depreciation.

"(B) PROPERTY CEASES TO QUALIFY FOR PROGRESS EXPENDITURES.—Rules similar to the rules of paragraph (2) shall apply in the case of qualified progress expenditures for a qualifying advanced clean coal technology facility under section 48B, except that the amount of the increase in tax under subparagraph (A) of this paragraph shall be substituted in lieu of the amount described in such paragraph (2).

"(C) APPLICATION OF PARAGRAPH.—This paragraph shall be applied separately with respect to the credit allowed under section 38 regarding a qualifying advanced clean coal technology facility.".

(d) TRANSITIONAL RULE.—Section 39(d) of the Internal Revenue Code of 1986 (relating to transitional rules), as amended by section 201(e), is amended by adding at the end the following:

"(13) NO CARRYBACK OF SECTION 48B CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the qualifying advanced clean coal technology facility credit determined under section 48B may be carried back to a taxable year ending before January 1, 2002.".

(e) TECHNICAL AMENDMENTS.—

(1) Section 49(a)(1)(C) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following:

"(iv) the portion of the basis of any qualifying advanced clean coal technology facility attributable to any qualified investment (as defined by section 48B(c)).".

(2) Section 50(a)(4) is amended by striking "and (2)" and inserting "(2), and (6)".

(3) Section 50(c) is amended by adding at the end the following:

"(6) NONAPPLICATION.—Paragraphs (1) and (2) shall not apply to any advanced clean coal technology facility credit under section 48B.".

(4) The table of sections for subpart E of part IV of subchapter A of chapter 1, as amended by section 101(c), is amended by inserting after the item relating to section 48A the following:

"Sec. 48B. Qualifying advanced clean coal technology facility credit.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2001, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 402. CREDIT FOR PRODUCTION FROM QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

(a) CREDIT FOR PRODUCTION FROM QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits), as amended by section 201(a), is amended by adding at the end the following:

"SEC. 45G. CREDIT FOR PRODUCTION FROM QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

"(a) GENERAL RULE.—For purposes of section 38, the qualifying advanced clean coal technology production credit of any taxpayer for any taxable year is equal to—

"(1) the applicable amount of advanced clean coal technology production credit, multiplied by

"(2) the sum of—

"(A) the kilowatt hours of electricity, plus

"(B) each 3,413 Btu of fuels or chemicals,

produced by the taxpayer during such taxable year at a qualifying advanced clean coal technology facility during the 10-year period beginning on the date the facility was originally placed in service.

"(b) APPLICABLE AMOUNT.—For purposes of this section, the applicable amount of advanced clean coal technology production credit with respect to production from a qualifying advanced clean coal technology facility shall be determined as follows:

"(1) Where the design coal has a heat content of more than 8,000 Btu per pound:

"(A) In the case of a facility originally placed in service before 2008, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 8,400	$.0050	$.0030
More than 8,400 but not more than 8,550.	$.0010	$.0010
More than 8,550 but not more than 8,750.	$.0005	$.0005.

"(B) In the case of a facility originally placed in service after 2007 and before 2012, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 7,770	$.0090	$.0075
More than 7,770 but not more than 8,125.	$.0070	$.0050
More than 8,125 but not more than 8,350.	$.0060	$.0040.

"(C) In the case of a facility originally placed in service after 2011 and before 2015, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 7,380	$.0120	$.0090
More than 7,380 but not more than 7,720.	$.0095	$.0070.

"(2) Where the design coal has a heat content of not more than 8,000 Btu per pound:

"(A) In the case of a facility originally placed in service before 2008, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 8,500	$.0050	$.0030
More than 8,500 but not more than 8,650.	$.0010	$.0010
More than 8,650 but not more than 8,750.	$.0005	$.0005.

"(B) In the case of a facility originally placed in service after 2007 and before 2012, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 8,000	$.0090	$.0075
More than 8,000 but not more than 8,250.	$.0070	$.0050
More than 8,250 but not more than 8,400.	$.0060	$.0040.

"(C) In the case of a facility originally placed in service after 2011 and before 2015, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 7,800	$.0120	$.0090
More than 7,800 but not more than 7,950.	$.0095	$.0070.

"(3) Where the clean coal technology facility is producing fuel or chemicals:

"(A) In the case of a facility originally placed in service before 2008, if—

"The facility design net thermal efficiency (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not less than 40.6 percent	$.0050	$.0030
Less than 40.6 but not less than 40 percent.	$.0010	$.0010
Less than 40 but not less than 39 percent.	$.0005	$.0005.

"(B) In the case of a facility originally placed in service after 2007 and before 2012, if—

"The facility design net thermal efficiency (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not less than 43.9 percent	$.0090	$.0075
Less than 43.9 but not less than 42 percent.	$.0070	$.0050
Less than 42 but not less than 40.9 percent.	$.0060	$.0040.

"(C) In the case of a facility originally placed in service after 2011 and before 2015, if—

"The facility design net thermal efficiency (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not less than 44.2 percent	$.0120	$.0090
Less than 44.2 but not less than 43.6 percent.	$.0095	$.0070.

"(c) INFLATION ADJUSTMENT FACTOR.—For calendar years after 2001, each amount in paragraphs (1), (2), and (3) shall be adjusted by multiplying such amount by the inflation adjustment factor for the calendar year in which the amount is applied. If any amount as increased under the preceding sentence is not a multiple of 0.01 cent, such amount shall be rounded to the nearest multiple of 0.01 cent.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) IN GENERAL.—Any term used in this section which is also used in section 48B shall have the meaning given such term in section 48B.

"(2) APPLICABLE RULES.—The rules of paragraphs (3), (4), and (5) of section 45(d) and section 48B(e) shall apply.

"(3) INFLATION ADJUSTMENT FACTOR.—The term 'inflation adjustment factor' means, with respect to a calendar year, a fraction the numerator of which is the GDP implicit price deflator for the preceding calendar year and the denominator of which is the GDP implicit price deflator for the calendar year 2000.

"(4) GDP IMPLICIT PRICE DEFLATOR.—The term 'GDP implicit price deflator' means the most recent revision of the implicit price deflator for the gross domestic product as computed by the Department of Commerce before March 15 of the calendar year.".

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b), as amended by section 201(b), is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following:

"(16) the qualifying advanced clean coal technology production credit determined under section 45G(a).".

(c) TRANSITIONAL RULE.—Section 39(d) (relating to transitional rules), as amended by section 401(d), is amended by adding at the end the following:

"(14) NO CARRYBACK OF SECTION 45G CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the qualifying advanced clean coal technology production credit determined under section 45G may be carried back to a taxable year ending before the date of the enactment of section 45G.".

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 201(g), is amended by adding at the end the following:

"Sec. 45G. Credit for production from qualifying advanced clean coal technology.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to production after the date of the enactment of this Act.

SEC. 403. RISK POOL FOR QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

(a) ESTABLISHMENT.—The Secretary of the Treasury shall establish a financial risk pool which shall be available to any United States owner of a qualifying advanced clean coal technology which has qualified for an advanced clean coal technology production credit (as defined in section 45G of the Internal Revenue Code of 1986, as added by section 402) to offset for the first 3 years of the operation of such technology the costs (not to exceed 5 percent of the total cost of installation) for modifications resulting from the technology's failure to achieve its design performance.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

TITLE V—HEATING FUELS AND STORAGE.

SEC. 501. FULL EXPENSING OF HOME HEATING OIL AND PROPANE STORAGE FACILITIES.

(a) IN GENERAL.—Section 179(b) (relating to limitations) is amended by adding at the end the following:

"(5) FULL EXPENSING OF HOME HEATING OIL AND PROPANE STORAGE FACILITIES.—Paragraphs (1) and (2) shall not apply to section 179 property which is any storage facility (not including a building or its structural components) used in connection with the distribution of home heating oil or liquefied petroleum gas.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service on or after the date of the enactment of this Act.

SEC. 502. ARBITRAGE RULES NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS AND OTHER COMMODITIES.

(a) IN GENERAL.—Subsection (b) of section 148 (defining higher yielding investments) is amended by adding at the end the following:

"(4) INVESTMENT PROPERTY NOT TO INCLUDE CERTAIN PREPAYMENTS TO ENSURE COMMODITY SUPPLY.—The term 'investment property' shall not include a prepayment entered into for the purpose of obtaining a supply of a commodity reasonably expected to be used in a business of one or more utilities each of which is owned and operated by a State or local government, any political subdivision or instrumentality thereof, or any governmental unit acting for or on behalf of such a utility.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 503. PRIVATE LOAN FINANCING TEST NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS AND OTHER COMMODITIES.

(a) IN GENERAL.—Section 141(c)(2) (providing exceptions to the private loan financing test) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by adding at the end the following:

"(C) arises from a transaction described in section 148(b)(4).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

TITLE VI—OIL AND GAS PRODUCTION

SEC. 601. CREDIT FOR PRODUCTION OF RE-REFINED LUBRICATING OIL.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits), as amended by section 402(a), is amended by adding at the end the following:

"SEC. 45H. CREDIT FOR PRODUCING RE-REFINED LUBRICATING OIL.

"(a) GENERAL RULE.—For purposes of section 38, the re-refined lubricating oil production credit of any taxpayer for any taxable year is equal to $4.05 per barrel of qualified re-refined lubricating oil production which is attributable to the taxpayer (within the meaning of section 29(d)(3)).

"(b) QUALIFIED RE-REFINED LUBRICATING OIL PRODUCTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified re-refined lubricating oil production' means a base oil manufactured from at least 95 percent used oil and not more than 2 percent of previously unused oil by a re-refining process at a qualified facility which effectively removes physical and chemical impurities and spent and unspent additives to the extent that such base oil meets industry standards for engine oil as defined by the American Petroleum Institute document API 1509 as in effect on the date of the enactment of this section.

"(2) LIMITATION ON AMOUNT OF PRODUCTION WHICH MAY QUALIFY.—Re-refined lubricating oil produced during any taxable year shall not be treated as qualified re-refined lubricating oil production but only to the extent average daily production during the taxable year exceeds 7,000 barrels.

"(3) BARREL.—The term 'barrel' has the meaning given such term by section 613A(e)(4).

"(4) NONCOMPLIANCE WITH POLLUTION LAWS.—For purposes of paragraph (1), a facility which is not in compliance with the applicable State and Federal pollution prevention, control, and permit requirements for any period of time shall not be considered to be a qualified facility during such period.

(c) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, the dollar amount contained in subsection (a) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 29(d)(2)(B) by substituting '2000' for '1979').".

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b) (relating to current year business credit), as amended by section 402(b), is amended by striking 'plus' at the end of paragraph (15), by striking the period at the end of paragraph (16), and inserting ', plus', and by adding at the end the following:

"(17) the re-refined lubricating oil production credit determined under section 45H(a).".

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 402(d), is amended by adding at the end the following:

"Sec. 45H. Credit for producing re-refined lubricating oil.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to production after the date of the enactment of this Act.

SEC. 602. OIL AND GAS FROM MARGINAL WELLS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business credits), as amended by section 601(a), is amended by adding at the end the following:

"SEC. 45I. CREDIT FOR PRODUCING OIL AND GAS FROM MARGINAL WELLS.

"(a) GENERAL RULE.—For purposes of section 38, the marginal well production credit for any taxable year is an amount equal to the product of—

"(1) the credit amount, and

"(2) the qualified credit oil production and the qualified natural gas production which is attributable to the taxpayer.

"(b) CREDIT AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The credit amount is—

"(A) $3 per barrel of qualified crude oil production, and

"(B) 50 cents per 1,000 cubic feet of qualified natural gas production.

"(2) REDUCTION AS OIL AND GAS PRICES INCREASE.—

"(A) IN GENERAL.—The $3 and 50 cents amounts under paragraph (1) shall each be reduced (but not below zero) by an amount which bears the same ratio to such amount (determined without regard to this paragraph) as—

"(i) the excess (if any) of the applicable reference price over $14 ($1.56 for qualified natural gas production), bears to

"(ii) $3 ($0.33 for qualified natural gas production).

The applicable reference price for a taxable year is the reference price of the calendar year preceding the calendar year in which the taxable year begins.

"(B) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, each of the dollar amounts contained in subparagraph (A) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 43(b)(3)(B) by substituting '2000' for '1990').

"(C) Reference price.—For purposes of this paragraph, the term 'reference price' means, with respect to any calendar year—

"(i) in the case of qualified crude oil production, the reference price determined under section 29(d)(2)(C), and

"(ii) in the case of qualified natural gas production, the Secretary's estimate of the annual average wellhead price per 1,000 cubic feet for all domestic natural gas.

"(c) Qualified Crude Oil and Natural Gas Production.—For purposes of this section—

"(1) In general.—The terms 'qualified crude oil production' and 'qualified natural gas production' mean domestic crude oil or natural gas which is produced from a qualified marginal well.

"(2) Limitation on amount of production which may qualify.—

"(A) In general.—Crude oil or natural gas produced during any taxable year from any well shall not be treated or qualified crude oil production or qualified natural gas production to the extent production from the well during the taxable year exceeds 1,095 barrels or barrel equivalents.

"(B) Proportionate reductions.—

"(i) Short taxable years.—In the case of a short taxable year, the limitations under this paragraph shall be proportionately reduced to reflect the ratio which the number of days in such taxable year bears to 365.

"(ii) Wells not in production entire year.—In the case of a well which is not capable of production during each day of a taxable year, the limitations under this paragraph applicable to the well shall be proportionately reduced to reflect the ratio which the number of days of production bears to the total number of days in the taxable year.

"(3) Definitions.—

"(A) Qualified marginal well.—The term 'qualified marginal well' means a domestic well—

"(i) the production from which during the taxable year is treated as marginal production under section 613A(c)(6), or

"(ii) which, during the taxable year—

"(I) has average daily production of not more than 25 barrel equivalents, and

"(II) produces water at a rate not less than 95 percent of total well effluent.

"(B) Crude oil, etc.—The terms 'crude oil', 'natural gas', 'domestic', and 'barrel' have the meanings given such terms by section 613A(e).

"(C) Barrel equivalent.—The term 'barrel equivalent' means, with respect to natural gas, a conversation ratio of 6,000 cubic feet of natural gas to 1 barrel of crude oil.

"(d) Other Rules.—

"(1) Production attributable to the taxpayer.—In the case of a qualified marginal well in which there is more than one owner of operating interests in the well and the crude oil or natural gas production exceeds the limitation under subsection (c)(2), qualifying crude oil production or qualifying natural gas production attributable to the taxpayer shall be determined on the basis of the ratio which taxpayer's revenue interest in the production bears to the aggregate of the revenue interests of all operating interest owners in the production.

"(2) Operating interest required.—Any credit under this section may be claimed only on production which is attributable to the holder of an operating interest.

"(3) Production from nonconventional sources excluded.—In the case of production from a qualified marginal well which is eligible for the credit allowed under section 29 for the taxable year, no credit shall be allowable under this section unless the taxpayer elects not to claim the credit under section 29 with respect to the well.

"(4) Noncompliance with pollution laws.—For purposes of subsection (c)(3)(A), a marginal well which is not in compliance with the applicable State and Federal pollution prevention, control, and permit requirements for any period of time shall not be considered to be a qualified marginal well during such period.".

(b) Credit Treated as Business Credit.—Section 38(b), as amended by section 601(b), is amended by striking 'plus' at the end of paragraph (16), by striking the period at the end of paragraph (17) and inserting ", plus", and by adding at the end the following:

"(18) the marginal oil and gas well production credit determined under section 45I(a).".

(c) Credit Allowed Against Regular and Minimum Tax.—

(1) In general.—Subsection (c) of section 38 (relating to limitation based on amount of tax), as amended by section 201(d)(1), is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following:

"(4) Special rules for marginal oil and gas well production credit.—

"(A) In general.—In the case of the marginal oil and gas well production credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and

"(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the marginal oil and gas well production credit).

"(B) Marginal oil and gas well production credit.—For purposes of this subsection, the term 'marginal oil and gas well production credit' means the credit allowable under subsection (a) by reason of section 45I(a).".

(2) Conforming amendments.—Subclause (II) of section 38(c)(2)(A)(ii), as amended by section 201(d)(2), and subclause (II) of section 38(c)(3)(A)(ii), as added by section 201(d)(1), are each amended by inserting "or the marginal oil and gas well production credit" after "home credit".

(d) Carryback.—Subsection (a) of section 39 (relating to carryback and carryforward of unused credits generally) is amended by adding at the end the following:

"(3) 10-year carryback for marginal oil and gas well production credit.—In the case of the marginal oil and gas well production credit—

"(A) this section shall be applied separately from the business credit (other than the marginal oil and gas well production credit),

"(B) paragraph (1) shall be applied by substituting '10 taxable years' for '1 taxable years' in subparagraph (A) thereof, and

"(C) paragraph (2) shall be applied—

"(i) by substituting '31 taxable years' for '21 taxable years' in subparagraph (A) thereof, and

"(ii) by substituting '30 taxable years' for '20 taxable years' in subparagraph (A) thereof.".

(e) Coordination With Section 29.—Section 29(a) is amended by striking "There" and inserting "At the election of the taxpayer, there".

(f) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 601(c), is amended by adding at the end the following:

"Sec. 45I. Credit for producing oil and gas from marginal wells.".

(g) Effective Date.—The amendments made by this section shall apply to production in taxable years beginning after December 31, 2001.

SEC. 603. DEDUCTION FOR DELAY RENTAL PAYMENTS.

(a) In General.—Section 263 (relating to capital expenditures) is amended by adding at the end the following:

"(j) Delay Rental Payments for Domestic Oil and Gas Wells.—

"(1) In general.—Notwithstanding subsection (a), a taxpayer may elect to treat delay rental payments incurred in connection with the development of oil or gas within the United States (as defined in section 638) as payments which are not chargeable to capital account. Any payments so treated shall be allowed as a deduction in the taxable year in which paid or incurred.

"(2) Delay rental payments.—For purposes of paragraph (1), the term 'delay rental payment' means an amount paid for the privilege of deferring development of an oil or gas well under an oil or gas lease.".

(b) Conforming Amendment.—Section 263A(c)(3) is amended by inserting "263(j)," after '263(i),'.

(c) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001.

SEC. 604. ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.

(a) In General.—Section 263 (relating to capital expenditures), as amended by section 603(a), is amended by adding at the end the following:

"(k) Geological and Geophysical Expenditures for Domestic Oil and Gas Wells.—Notwithstanding subsection (a), a taxpayer may elect to treat geological and geophysical expenses incurred in connection with the exploration for, or development of, oil or gas within the United States (as defined in section 638) as expenses which are not chargeable to capital account. Any expenses so treated shall be allowed as a deduction in the taxable year in which paid or incurred.".

(b) Conforming Amendment.—Section 263A(c)(3), as amended by section 603(b), is amended by inserting "263(k)," after "263(j),".

(c) Effective Date.—The amendments made by this section shall apply to costs paid or incurred in taxable years beginning after December 31, 2001.

SEC. 605. GAS PIPELINES TREATED AS 7-YEAR PROPERTY.

(a) In General.—Subparagraph (C) of section 168(e)(3) (relating to classification of certain property), as amended by section 304(a)(1), is amended by striking "and" at the end of clause (iii), by redesignating clause (iv) as clause (v), and by inserting after clause (iii) the following:

"(iv) any gas pipeline, and".

(b) Gas Pipeline.—Subsection (i) of section 168, as amended by section 304(b), is amended by adding at the end the following:

"(17) Gas pipeline.—The term 'gas pipeline' means the pipe, storage facilities, equipment, distribution infrastructure, and appurtenances used to deliver natural gas."

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to property placed in

service on or after the date of the enactment of this Act.

(2) ACCOUNTING RULE FOR PUBLIC UTILITY PROPERTY.—If any gas pipeline is public utility property (as defined in section 46(f)(5) of the Internal Revenue Code of 1986, as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990), the amendments made by this section shall only apply to such property if, with respect to such property, the taxpayer uses a normalization method of accounting.

SEC. 606. CRUDE OIL AND NATURAL GAS DEVELOPMENT CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits), as amended by section 602(a), is amended by adding at the end the following:

"SEC. 45J. CRUDE OIL AND NATURAL GAS DEVELOPMENT CREDIT.

"(a) IN GENERAL.—For purposes of section 38, the crude oil and natural gas development credit determined under this section for any taxable year shall be an amount equal to the taxpayer's qualified investment for the taxable year.

"(b) REDUCTION AS OIL AND GAS PRICES INCREASE.—

"(1) IN GENERAL.—The amount which would (but for this subsection) be taken into account under subsection (a) for the taxable year shall be reduced (but not below zero) by an amount which bears the same ratio to such amount (determined without regard to this subsection) as—

"(A) the excess (if any) of the applicable reference price over $11, bears to

"(B) $3.

The applicable reference price for a taxable year is the reference price of the calendar year preceding the calendar year in which the taxable year begins.

"(2) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, each of the dollar amounts contained in paragraph (1) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 43(b)(3)(B) by substituting '2000' for '1990').

"(3) REFERENCE PRICE.—For purposes of this subsection, the term 'reference price' means, with respect to any calendar year, the reference price determined under section 29(d)(2)(C).

"(c) QUALIFIED INVESTMENT.—For purposes of this section, the term 'qualified investment' means amounts paid or incurred—

"(1) for the purpose of drilling and equipping crude oil and natural gas wells (including pollution control equipment used in connection with such wells), or

"(2) for the purpose of performing secondary or tertiary recovery techniques,

on properties located within the United States (as defined in section 638), but only to the extent that the expenditure is not taken into account for purposes of a credit under any other section.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION OF QUALIFIED INVESTMENT EXPENSES.—

"(A) CONTROLLED GROUPS; COMMON CONTROL.—In determining the amount of the credit under this section, all members of the same controlled group of corporations (within the meaning of section 52(a)) and all persons under common control (within the meaning of section 52(b)) shall be treated as a single taxpayer for purposes of this section.

"(B) APPORTIONMENT OF CREDIT.—The credit (if any) allowable by this section to members of any group (or to any person) described in subparagraph (A) shall be such member's or person's proportionate share of the qualified investment expenses giving rise to the credit determined under regulations prescribed by the Secretary.

"(2) PARTNERSHIPS, S CORPORATIONS, ESTATES AND TRUSTS.—

"(A) PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership, the credit shall be allocated among partners under regulations prescribed by the Secretary. A similar rule shall apply in the case of an S corporation and its shareholders.

"(B) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) ADJUSTMENTS FOR CERTAIN ACQUISITIONS AND DISPOSITIONS.—Under regulations prescribed by the Secretary, rules similar to the rules contained in section 41(f)(3) shall apply with respect to the acquisition or disposition of a taxpayer.

"(4) SHORT TAXABLE YEARS.—In the case of any short taxable year, qualified investment expenses shall be annualized in such circumstances and under such methods as the Secretary may prescribe by regulation.

"(5) DENIAL OF DOUBLE BENEFIT.—

"(A) DISALLOWANCE OF DEDUCTION.—Any deduction allowable under this chapter for any costs taken into account in computing the amount of the credit determined under subsection (a) shall be reduced by the amount of such credit attributable to such costs.

"(B) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is determined under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditures shall be reduced by the amount of the credit so allowed.".

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b), as amended by section 602(b), is amended by striking "plus" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting ", plus", and by adding at the end the following:

"(19) the crude oil and natural gas development credit determined under section 45J(a).".

(c) TRANSITIONAL RULE.—Section 39(d) (relating to transitional rules), as amended by section 402(c), is amended by adding at the end the following:

"(15) NO CARRYBACK OF SECTION 45J CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the crude oil and natural gas development credit determined under section 48J may be carried back to a taxable year ending before January 1, 2002.".

(d) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax), as amended by section 602(c)(1), is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following:

"(5) SPECIAL RULES FOR CRUDE OIL AND NATURAL GAS DEVELOPMENT CREDIT.—

"(A) IN GENERAL.—In the case of the crude oil and natural gas development credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and

"(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the crude oil and natural gas development credit).

"(B) CRUDE OIL AND NATURAL GAS DEVELOPMENT CREDIT.—For purposes of this subsection, the term 'crude oil and natural gas development credit' means the credit allowable under subsection (a) by reason of section 45J(a).".

(2) CONFORMING AMENDMENTS.—Subclause (II) of section 38(c)(2)(A)(ii) and subclause (II) of section 38(c)(3)(A)(ii), as amended by section 602(c)(2), and subclause (II) of section 38(c)(4)(A)(ii), as added by section 602(c)(1), are each amended by inserting "or the crude oil and natural gas development credit" after "well production credit".

(e) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 602(f), is amended by adding at the end the following:

"Sec. 45J. Crude oil and natural gas development credit.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred in taxable years beginning after December 31, 2001.

SEC. 607. CREDIT FOR CAPTURE OF COALMINE METHANE GAS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits), as amended by section 606(a), is amended by adding at the end the following:

"SEC. 45K. CAPTURE OF COALMINE METHANE GAS.

"(a) IN GENERAL.—For purposes of section 38, the coalmine methane gas capture credit of any taxpayer for any taxable year is $1.21 for 1,000,000 Btu of coalmine methane gas captured by the taxpayer and utilized as a fuel source or sold by or on behalf of the taxpayer to an unrelated person during such taxable year (within the meaning of section 45).

"(b) COALMINE METHANE GAS.—For purposes of this section, the term 'coalmine methane gas' means any methane gas which is being liberated, or would be liberated, during qualified coal mining operations or as a result of past qualified coal mining operations, or which is extracted up to 10 years in advance of qualified coal mining operations as part of specific plan to mine a coal deposit.

"(c) SPECIAL RULE FOR ADVANCED EXTRACTION.—In the case of coalmine methane gas which is captured in advance of qualified coal mining operations, the credit under subsection (a) shall be allowed only after the date the coal extraction occurs in the immediate area where the coalmine methane gas was removed.

"(d) NONCOMPLIANCE WITH POLLUTION LAWS.—For purposes of subsections (b) and (c), coal mining operations which are not in compliance with the applicable State and Federal pollution prevention, control, and permit requirements for any period of time shall not be considered to be qualified coal mining operations during such period.

"(e) APPLICATION OF RULES.—For purposes of this section, rules similar to the rules of paragraphs (3), (4), and (5) of section 45(d) shall apply.".

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b), as amended by section 606(b), is amended by striking "plus" at the end of paragraph (18), by striking the period at the end of paragraph (19) and inserting ", plus", and by adding at the end the following:

"(20) the coalmine methane gas capture credit determined under section 45K(a).".

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 606(c), is amended by adding at the end the following:

"Sec. 45K. Capture of coalmine methane gas.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to the capture of coalmine methane gas after the date of the enactment of this Act.

SEC. 608. ALLOCATION OF ALCOHOL FUELS CREDIT TO PATRONS OF A COOPERATIVE.

(a) IN GENERAL.—Section 40(d) (relating to alcohol used as fuel) is amended by adding at the end the following:

"(6) ALLOCATION OF SMALL ETHANOL PRODUCER CREDIT TO PATRONS OF COOPERATIVE.—

"(A) IN GENERAL.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization made on a timely filed return (including extensions) for such year, be apportioned pro rata among patrons of the organization on the basis of the quantity or value of business done with or for such patrons for the taxable year. Such an election, once made, shall be irrevocable for such taxable year.

"(B) TREATMENT OF ORGANIZATIONS AND PATRONS.—The amount of the credit apportioned to patrons pursuant to subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) for the taxable year of the organization, and

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron in which the patronage dividend for the taxable year referred to in subparagraph (A) is includible in gross income.

"(C) SPECIAL RULE FOR DECREASING CREDIT FOR TAXABLE YEAR.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the cooperative organization's return for such year, an amount equal to the excess of such reduction over the amount not apportioned to the patrons under subparagraph (A) for the taxable year shall be treated as an increase in tax imposed by this chapter on the organization. Any such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G of this part.".

(b) TECHNICAL AMENDMENT.—Section 1388 (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following:

"(k) CROSS REFERENCE.—For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(d)(6).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 609. EXTENSION OF CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.

(a) INCLUSION OF ALASKA NATURAL GAS.—Section 29(c)(1) (defining qualified fuels) is amended by striking "and" at the end of subparagraph (B)(ii), by striking the period at the end of subparagraph (C) and inserting ", and", and by adding at the end the following:

"(D) Alaska natural gas.".

(b) DEFINITION.—Section 29(c) is amended by adding at the end the following:

"(4) ALASKA NATURAL GAS.—The term 'Alaska natural gas' means gas produced in compliance with the applicable State and Federal pollution prevention, control, and permit requirements from the area generally known as the North Slope of Alaska (including the continental shelf thereof within the meaning of section 638(1)), determined without regard to the area of the Alaska National Wildlife Refuge (including the continental shelf thereof within the meaning of section 638(1)).".

(c) AMOUNT OF CREDIT.—

(1) IN GENERAL.—Section 29(a)(1) (relating to allowance of credit) is amended by inserting "($1.45 in the case of a qualified fuel described in subsection (c)(1)(D))" after "$3".

(2) CONFORMING AMENDMENTS.—

(A) Section 29(b)(2) is amended by striking "The $3 amount" and inserting "The $3 and $1.45 amounts".

(B) Section 29(d)(2)(B) is amended by inserting "(calendar year 2001 in the case of the $1.45 amount in subsection (a)(1))" after "1979".

(d) EXTENSION OF CREDIT.—Section 29(g) (relating to extension for certain facilities) is amended by adding at the end the following:

"(3) SPECIAL RULE FOR ALASKA NATURAL GAS WELLS.—In the case of a well for producing qualified fuel described in subsection (c)(1)(D)—

"(A) for purposes of subsection (f)(1)(A), such well shall be treated as being placed in service before January 1, 1993, if such well is placed in service before January 1, 2009, and

"(B) subsection (f)(2) shall be applied with respect to such well by substituting 'after December 31, 2001, and before January 1, 2009' for 'before January 1, 2003'.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2001.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive and Balanced Energy Policy Act of 2001."

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into five divisions as follows:

(1) Division A—National Energy Policy Planning and Coordination.

(2) Division B—Reliable and Diverse Power Generation and Transmission.

(3) Division C—Domestic Oil and Gas Production and Transportation.

(4) Division D—Diversifying Energy Demand and Improving Efficiency.

(5) Division E—Enhancing Research, Development, and Training.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

DIVISION A—NATIONAL ENERGY POLICY PLANNING AND COORDINATION

TITLE I—INTEGRATION OF ENERGY POLICY AND CLIMATE CHANGE POLICY

Subtitle A—National Commission on Energy and Climate Change

Sec. 101. National Commission on Energy and Climate Change.
Sec. 102. Duties of the Commission.
Sec. 103. Powers of the Commission.
Sec. 104. Commission personnel matters.
Sec. 105. Termination.
Sec. 106. Authorization of appropriations.
Sec. 107. Definition of Commission.

Subtitle B—International Clean Energy Technology Transfer

Sec. 111. International Clean Energy Technology Transfer.

TITLE II—REGIONAL COORDINATION ON ENERGY INFRASTRUCTURE

Sec. 201. Policy on regional coordination.
Sec. 202. Federal support for regional coordination.

TITLE III—REGULATORY REVIEWS AND STUDIES

Sec. 301. Regulatory reviews for new technologies and processes.
Sec. 302. Review of FERC policies on transmission and wholesale power markets.
Sec. 303. Study of policies to address volatility in domestic oil and gas investment.
Sec. 304. Power marketing administration rights-of-way study.
Sec. 305. Review of natural gas pipeline certification procedures.
Sec. 306. Streamlining fuel specifications.
Sec. 307. Study on financing for new technologies.
Sec. 308. Study on the use of the Strategic Petroleum Reserve.

DIVISION B—RELIABLE AND DIVERSE POWER GENERATION AND TRANSMISSION

TITLE IV—ELECTRIC ENERGY TRANSMISSION RELIABILITY

See. 401. Electric reliability organization and oversight.
Sec. 402. Application of antitrust laws.

TITLE V—IMPROVED ELECTRICITY CAPACITY AND ACCESS

Sec. 501. Universal and affordable service.
Sec. 502. Public benefits fund.
Sec. 503. Rural construction grants.
Sec. 504. Comprehensive Indian energy program.
Sec. 505. Environmental disclosure to consumers.
Sec. 506. Consumer protections.
Sec. 507. Wholesale electricity market data.
Sec. 508. Wholesale electric energy rates in the western energy market.
Sec. 509. Natural gas rate ceiling in California.
Sec. 510. Sale price in bundled natural gas transactions.

TITLE VI—RENEWABLES AND DISTRIBUTED GENERATION

Sec. 601. Assessment of available renewable energy resources.
Sec. 602. Federal purchase requirement.
Sec. 603. Interconnection standards.
Sec. 604. Net metering.
Sec. 605. Access to transmission by intermittent generators.

TITLE VII—HYDROELECTRIC RELICENSING

Sec. 701. Alternative conditions.
Sec. 702. Disposition of hydroelectric charges.
Sec. 703. Relicensing study.

TITLE VIII—COAL

Sec. 801. Definitions.

Subtitle A—National Coal-Based Technology Development and Applications Program

Sec. 811. Cost and performance goals.
Sec. 812. Study.
Sec. 813. Technology research and development programs.
Sec. 814. Authorization of appropriations.

Subtitle B—Power Plant Improvement Initiative
Sec. 821. Power plant improvement initiative program.
Sec. 822. Financial assistance.
Sec. 823. Funding.
TITLE IX—PRICE-ANDERSON ACT REAUTHORIZATION
Sec. 901. Short title.
Sec. 902. Indemnification authority.
Sec. 903. Maximum assessment.
Sec. 904. DOE liability limit.
Sec. 905. Incidents outside the United States.
Sec. 906. Reports.
Sec. 907. Inflation adjustment.
Sec. 908. Civil penalties.
Sec. 909. Effective date.
DIVISION C—DOMESTIC OIL AND GAS PRODUCTION AND TRANSPORTATION
TITLE X—OIL AND GAS PRODUCTION
Sec. 1001. Outer Continental Shelf Oil and Gas Lease Sale 181.
Sec. 1002. Federal onshore leasing programs for oil and gas.
Sec. 1003. Increasing production on State and private lands.
TITLE XI—PIPELINE SAFETY RESEARCH AND DEVELOPMENT
Sec. 1101. Pipeline integrity research and development.
Sec. 1102. Pipeline integrity technical advisory committee.
Sec. 1103. Authorization of appropriations.
DIVISION D—DIVERSIFYING ENERGY DEMAND AND IMPROVING EFFICIENCY
TITLE XII—VEHICLES
Sec. 1201. Vehicle fuel efficiency.
Sec. 1202. Increased use of alternative fuels by federal fleets.
Sec. 1203. Exception to HOV passenger requirements for alternative fuel vehicles.
TITLE XIII—FACILITIES
Sec. 1301. Federal energy bank.
Sec. 1302. Incentives for energy-efficient schools.
Sec. 1303. Voluntary commitments to reduce industrial energy intensity.
DIVISION E—ENHANCING RESEARCH, DEVELOPMENT, AND TRAINING
TITLE XIV—RESEARCH AND DEVELOPMENT PROGRAMS
Sec. 1401. Short title and findings.
Sec. 1402. Enhanced energy efficiency research and development.
Sec. 1403. Enhanced renewable energy research and development.
Sec. 1404. Enhanced fossil energy research and development.
Sec. 1405. Enhanced nuclear energy research and development.
Sec. 1406. Enhanced programs in fundamental energy science.
TITLE XV—MANAGEMENT OF DOE SCIENCE AND TECHNOLOGY PROGRAMS
Sec. 1501. Merit review.
Sec. 1502. Cost sharing.
Sec. 1503. Improved coordination and management of science and technology.
TITLE XVI—PERSONNEL AND TRAINING
Sec. 1601. Workforce trends and traineeship grants.
Sec. 1602. Training guidelines for electric energy industry personnel.

DIVISION A—NATIONAL ENERGY POLICY PLANNING AND COORDINATION

TITLE I—INTEGRATION OF ENERGY POLICY AND CLIMATE CHANGE POLICY

Subtitle A—National Commission on Energy and Climate Change

SEC. 101. NATIONAL COMMISSION ON ENERGY AND CLIMATE CHANGE.

(a) Establishment.—There is established a National Commission on Energy and Climate Change, which shall be an independent establishment within the executive branch.

(b) Members.—

(1) Appointment.—The Commission shall consist of 11 members who shall be appointed by the President not later than 30 days after the date of enactment of this title.

(2) Composition.—The members of the Commission shall be—

(A) eminent in the field of—

(i) energy production, distribution, or conservation,

(ii) energy science or technology,

(iii) environmental sciences,

(iv) global change sciences, or

(v) energy economics; and

(B) selected to reflect a fair balance among the points of view represented.

(3) Political affiliation.—No more than 6 members of the Commission may be members of the same political party as the President. Not less than half of the members of the minority party shall be appointed from among a list of 12 persons nominated by the Democratic Leader of the United States Senate and the Minority Leader of the United States House of Representatives.

(4) Chairperson.—The President shall designate a member of the Commission to serve as its chairperson.

(5) Term.—Members shall be appointed for the life of the Commission and may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.

(6) Vacancies.—Any vacancy in the Commission shall be filled in the same manner as the original appointment.

SEC. 102. DUTIES OF THE COMMISSION.

(a) Energy and Climate Change Study.—

(1) In general.—The Commission shall conduct a study of measures that—

(A) could achieve stabilization of greenhouse gas emissions in the United States—

(i) at the 1990 level by not later than 2010; and

(ii) below the 1990 level by not later than 2020;

(B) are consistent with the goals of an overall United States energy and environmental policy; and

(C) will lead to the long-term stabilization of greenhouse gas concentrations.

(2) Types of measures.—The measures to be studied under paragraph (1) shall include—

(A) a variety of cost-effective Federal and State policies, programs, standards, and incentives;

(B) a domestic or international system that integrates innovative, market-based solutions; and

(C) participation in other international institutions, or in the support of international activities, that are established to achieve economically and enviromnentally sound greenhouse gas stabilization solutions.

(b) Recommendations.—The Commission shall develop recommendations concerning—

(1) the measures described in subsection (a)(1) that the Commission determines to be appropriate for implementation, giving preference to cost-effective, voluntary, and technologically feasible measures that will—

(A) produce measurable net reductions in United States emissions that lead toward the stabilization described in subsection (a)(1)(A); and

(B) minimize any adverse impacts on the economy of the United States; and

(2) the text of legislation and administrative actions that would be necessary to effectuate the measures.

(c) Strategy.—

(1) In general.—Not later than one year after the date of enactment of this title, the Commission shall develop and submit to the Congress a United States greenhouse gas management strategy that contains—

(A) a detailed statement of the findings and conclusions of the Commission;

(B) the recommendations of the Commission for such legislative and administrative actions as the Commissions considers appropriate; and

(C) appropriate funding recommendations to carry out the recommendations under subparagraph (B).

(2) Required recommendations.—Recommendations under paragraph (1)(B) shall include specific recommendations concerning—

(A) the development of—

(i) advanced technologies for a full range of energy sources;

(ii) enhanced energy efficiency and conservation measures; and

(iii) alternative energy technologies and energy sources;

(B) economically and environmentally sound emission reduction strategies to stabilize atmospheric concentrations of greenhouse gases;

(C) such changes in institutional and technological systems as are necessary to adapt to climate change in the near term and the long term; and

(D) such review, modification, and enhancement of the scientific and economic research efforts of the United States, and improvements to the data resulting from such research, as are appropriate to improve the accuracy of predictions concerning climate change and economic costs and opportunities.

SEC. 103. POWERS OF THE COMMISSION.

(a) Hearings.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the duties of the Commission under this title.

(b) Information From Federal Agencies.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the duties of Commission under this title. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) Postal Services.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

SEC. 104. COMMISSION PERSONNEL MATTERS.

(a) Compensation of Members.—A member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(b) Travel Expenses.—A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

(c) STAFF.—

(1) APPOINTMENT.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The appointment and termination of the executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(B) MAXIMUM RATE OF PAY.—The rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon the request of the Chairperson of the Commission, the head of any Federal department or agency may detail employees to the Commission without reimbursement, and without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY OR INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services in accordance with section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of that title.

SEC. 105. TERMINATION.

The Commission shall terminate 90 days after the date on which the Commission submits the report under section 102(b).

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this section, which shall remain available until expended.

SEC. 107. DEFINITION OF COMMISSION.

For purposes of this title, the term "Commission" means the National Commission on Energy and Climate Change established by section 101(a).

Subtitle B—International Clean Energy Technology Transfer

SEC. 111. INTERNATIONAL CLEAN ENERGY TECHNOLOGY TRANSFER

(a) DEFINITIONS.—In this section:

(1) CLEAN ENERGY TECHNOLOGY.—The term "clean energy technology" means an energy supply or end-use technology that, over its lifecycle and compared to a similar technology already in commercial use in developing countries or countries in transition—

(A) emits substantially lower levels of pollutants or greenhouse gases; and

(B) generates substantially smaller or less toxic volumes of solid or liquid waste.

(2) INTERAGENCY WORKING GROUP.—The term "interagency working group" means the Interagency Working Group on Clean Energy Technology Transfer established under subsection (b).

(b) INTERAGENCY WORKING GROUP.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this section, the Secretary of Energy, the Secretary of Commerce, and the Administrator of the U.S. Agency for International Development shall jointly establish a Interagency Working Group on Clean Energy Technology Transfer. The interagency working group will focus on the transfer of clean energy technology to the developing countries and countries in transition that are expected to experience, over the next 20 years, the most significant growth in energy production and associated greenhouse gas emissions.

(2) MEMBERSHIP.—The interagency working group shall be jointly chaired by representatives appointed by the agency heads under paragraph (1) and shall also include representatives from the Department of State, the Department of Treasury, the Environmental Protection Agency, the Export-Import Bank, the Overseas Private Investment Corporation, the Trade and Development Agency, and other federal agencies as deemed appropriate by all three agency head under paragraph (1).

(3) DUTIES.—The interagency working group shall—

(A) analyze technology, policy, and market opportunities for international development, demonstration, and deployment of clean energy technology;

(B) investigate issues associated with building capacity to deploy clean energy technology in developing countries and countries in transition, including—

(i) energy-sector reform;

(ii) creation of open, transparent, and competitive markets for energy technologies;

(iii) availability of trained personnel to deploy and maintain the technology; and

(iv) demonstration and cost-buydown mechanisms to promote first adoption of the technology;

(C) consult with the private sector and other interested groups on the export and deployment of clean energy technology;

(D) monitor each agency's progress towards meeting goals in the 5-year strategic plan submitted to Congress pursuant to the Energy and Water Development Appropriations Act, 2001,

(E) make recommendations to heads of appropriate Federal agencies on ways to streamline federal programs and policies improve each agency's role in the international development, demonstration, and deployment of clean energy technology.

(c) FEDERAL SUPPORT FOR CLEAN ENERGY TECHNOLOGY TRANSFER.—Notwithstanding any other provision of law, each federal agency or government corporation carrying out an assistance program in support of the activities of United States persons in the environment or energy sector of a developing country or country in transition shall support, to the maximum extent practicable, the transfer of United States clean energy technology as part of that program.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the departments, agencies, and entities of the United States described in subsection (b) such sums as may be necessary to support the transfer of clean energy technology, consistent with the subsidy codes of the World Trade Organization, as part of assistance programs carried out by those departments, agencies, and entities in support of activities of United States persons in the energy sector of a developing country or country in transition.

TITLE II—REGIONAL COORDINATION ON ENERGY INFRASTRUCTURE

SEC. 201. POLICY ON REGIONAL COORDINATION.

(a) STATEMEENT OF POLICY.—It is the policy of the Federal Government to encourage States to coordinate, on a regional basis, State energy policies to provide reliable and affordable energy services to the public while minimizing the impact of providing energy services on communities and the environment.

(b) DEFINITION OF ENERGY SERVICES.—For purposes of this section, the term "energy services" means—

(1) the generation or transmission of electric energy,

(2) the transportation, storage, and distribution of crude oil, residual fuel oil, refined petroleum product, or natural gas, or

(3) the reduction in load through increased efficiency, conservation, or load control measures.

SEC. 202. FEDERAL SUPPORT FOR REGIONAL COORDINATION.

(a) TECHNICAL ASSISTANCE.—The Secretary of Energy may provide technical assistance to States and regional organizations formed by two or more States to assist them in coordinating their energy policies on a regional basis. Such technical assistance may include assistance in—

(1) assessing future supply availability and demand requirements,

(2) planning and siting additional energy infrastructure, including generating facilities, electric transmission facilities, pipelines, refineries, and distributed generation facilities to meet regional needs,

(3) identifying and resolving problems in distribution networks,

(4) developing plans to respond to surge demand or emergency needs, and

(5) developing energy efficiency, conservation, and load control programs.

(b) ANNUAL CONFERENCE ON REGIONAL ENERGY COORDINATION.—

(1) ANNUAL CONFERENCE.—The Secretary of Energy shall convene an annual conference to promote regional coordination on energy policy and infrastructure issues.

(2) PARTICIPATION.—The Secretary of Energy shall invite appropriate representatives of federal, state, and regional energy organizations, and other interested parties.

(3) FEDERAL AGENCY COOPERATION.—The Secretary of Energy shall consult and cooperate with the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the Chairman of the Federal Energy Regulatory Commission, the Administrator of the Environmental Protection Agency, and the Chairman of the Council on Environmental Quality in the planning and conduct of the conference.

(4) AGENDA.—The Secretary of Energy, in consultation with the officials identified in paragraph (3) and participants identified in paragraph (2), shall establish an agenda for each conference that promotes regional coordination on energy policy and infrastructure issues.

(5) RECOMMENDATIONS.—Not later than 60 days after the conclusion of each annual conference, the Secretary of Energy shall report to the President and the Congress recommendations arising out of the conference that may improve—

(A) regional coordination on energy policy and infrastructure issues, and

(B) federal support for regional coordination.

TITLE III—REGULATORY REVIEWS AND STUDIES

SEC. 301. REGULATORY REVIEWS FOR NEW TECHNOLOGIES AND PROCESSES

(a) REGULATORY REVIEWS.—Not later than one year after the date of enactment of this section and every five years thereafter, each

Federal agency shall review its regulations and standards to identify—

(1) existing regulations or standards that act as barriers to market entry for emerging energy technologies (including fuel cells, combined heat and power, distributed generation, and small-scale renewable energy), and

(2) actions the agency is taking or could take to—

(A) remove barriers to market entry for emerging energy technologies,

(B) increase energy efficiency, or

(C) encourage the use of new processes to meet energy and environmental goals.

(b) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this section, and every five years thereafter, the Director of the Office of Science and Technology Policy shall report to the Congress on the results of the agency reviews conducted under subsection (a).

(c) CONTENTS OF THE REPORT.—The report shall—

(1) identify all regulatory barriers to the development and commercialization of emerging energy technologies and processes,

(2) actions taken, or proposed to be taken, to remove such barriers, and

(3) recommendations for changes in laws or regulations that may be needed to—

(A) expedite the siting and development of energy production and distribution facilities,

(B) encourage the adoption of energy efficiency and process improvements, and

(C) reduce the environmental impacts of energy facilities through transparent and flexible compliance methods.

SEC. 302. REVIEW OF FERC POLICIES ON TRANSMISSION AND WHOLESALE POWER MARKETS.

(a) STUDY.—The Federal Energy Regulatory Commission shall reevaluate its regulatory policies on the transmission of electric energy and wholesale power rates.

(b) SCOPE OF STUDY.—The study shall—

(1) reevaluate the methods and models for determining market power, taking into account the experience in the Western power grid,

(2) reevaluate the adequacy and appropriateness of the Commission's definition of "market power" as applied to wholesale power markets and the transmission grid,

(3) analyze the impact of wholesale price volatility on power markets and the effect on the national interest in a reliable and affordable electricity system,

(4) reevaluate the Commission's policies on transmission, specifically identifying policy changes that may be needed to ensure adequate construction of transmission capacity and operating procedures to ensure the most efficient use of the transmission grid, and

(5) determine the adequacy of the Commission's voluntary approach to forming regional transmission organizations.

(c) REPORT.—The Commission shall report its findings to the Congress not later than 120 days after the date of the enactment of this section.

SEC. 303. STUDY OF POLICIES TO ADDRESS VOLATILITY IN DOMESTIC OIL AND GAS INVESTMENT.

(a) STUDY.—The Secretary of Energy, in close coordination with the Secretary of the Interior, the Secretary of Commerce, the Secretary of Treasury, and the Interstate Oil and Gas Compact Commission, shall evaluate the impact existing federal and state tax and royalty policies have on the development of domestic oil and gas resources.

(b) SCOPE OF STUDY.—The study under subsection (a) shall analyze—(1) the impact on development and drilling of different price scenarios for oil and natural gas;

(2) the impact of the Alternative Minimum Tax and fixed royalty rates on maintaining development drilling during periods of depressed prices;

(3) the effect of Federal and state tax and royalty policies on investment in different geological and developmental circumstances, including but not limited to deepwater environments, subsalt formations, well-depth environments, coalbed methane and other unconventional gas formations, and Arctic conditions; and

(4) compare those policies with tax and royalty regimes in other countries with similar geological, developmental and infrastructure conditions.

(b) Upon completion of the study under subsection (a), a report describing the findings and recommendations for policy changes shall be provided to the Congress and the Governors of the member states of the Interstate Oil and Gas Compact Commission. The recommendations should ensure that the public interest in receiving the economic benefits of tax and royalty revenues is balanced against the need for revised policies to—

(1) maintain adequate natural gas development drilling during periods of low world oil prices;

(2) ameliorate the boom-bust cycles negatively affecting the oil and gas service industry; and

(3) ensure a consistent level of domestic activity to encourage the education and retention of a technical workforce.

(c) The study under subsection (a) shall be completed not later than 240 days after the date of enactment of this section. The report required in (b) shall be transmitted to Congress not later than 60 days following the completion of the study.

SEC. 304. POWER MARKETING ADMINISTRATION RIGHTS-OF-WAY STUDY.

The Secretary of Energy shall conduct a study of the rights-of-way owned by the Federal power marketing agencies and the Tennessee Valley Authority to determine their location and whether they can be used by pipelines or other transmission services where new capacity is needed. Not later than one year after the date of enactment of this section, the Secretary shall transmit a report to Congress summarizing the results of the study.

SEC. 305. REVIEW OF NATURAL GAS PIPELINE CERTIFICATION PROCEDURES.

(a) FERC REVIEW.—The Federal Energy Regulatory Commission shall, in consultation with other appropriate Federal agencies, conduct a comprehensive review of policies, procedures, and regulations for the certification of natural gas pipelines to determine how to reduce the cost and time of obtaining a certificate. The Commission shall report its findings and any recommendations for legislation to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives not later than 6 months after the date of enactment of this section.

(b) INTERAGENCY REVIEW.—The Chairman of the Council on Environmental Quality, in coordination with the Federal Energy Regulatory Commission, shall establish an interagency task force to develop an interagency memorandum of understanding to expedite the environmental review and permitting of natural gas pipeline projects.

(c) MEMBERSHIP OF INTERAGENCY TASK FORCE.—The task force shall consist of—

(1) the Chairman of the Council on Environmental Quality, who shall serve as the Chairman of the interagency task force,

(2) the Chairman of the Federal Energy Regulatory Commission,

(3) the Director of the Bureau of Land Management,

(4) the Director of the U.S. Fish and Wildlife Service,

(5) the Commanding General, U.S. Army Corps of Engineers,

(6) the Chief of the Forest Service,

(7) the Administrator of the Environmental Protection Agency,

(8) the Chairman of the Advisory Council on Historic Preservation, and

(9) and the heads of such other agencies as the Chairman of the Council on Environmental Quality and the Chairman of the Federal Energy Regulatory Commission deem appropriate.

(d) MEMORANDUM OF UNDERSTANDING.—The agencies represented by the members of the interagency task force shall enter into the memorandum of understanding not later than one year after the date of the enactment of this section.

SEC. 306. STREAMLINING FUEL SPECIFICATIONS.

(a) REPORT.—Not later than nine months after the date of enactment of this title, the Administrator of the Environmental Protection Agency and the Secretary of Energy shall jointly report to the Congress on the technical and economic feasibility of developing national or regional vehicle fuel specifications for the contiguous United States that would—

(1) enhance flexibility in the distribution of fuels,

(2) reduce price volatility and costs to consumers and producers, and

(3) meet local, regional, and national air quality requirements and goals.

(b) RECOMMENDATIONS.—The report shall include recommendations for appropriate changes to existing laws and regulations.

(c) CONSULTATION.—The Administrator and the Secretary shall consult with the Governors of the several States, automobile manufacturers, vehicle fuel producers and distributors, and the public in the preparation of the report.

SEC. 307. STUDY OF FINANCING FOR NEW TECHNOLOGIES.

(a) INDEPENDENT ASSESSMENT.—The Secretary of Energy shall commission an independent assessment of innovative financing techniques to facilitate construction of new electricity supply technologies that might not otherwise be built in a competitive electricity market.

(b) CONDUCT OF THE ASSESSMENT.—The Secretary shall retain an independent contractor with proven expertise in financing large capital projects or in financial services consulting to conduct the assessment.

(c) CONTENT OF THE ASSESSMENT.—The assessment shall include a comprehensive examination of all available techniques to safeguard private investors against risks (including both market-based and government-imposed risks) that are beyond the control of the investors. Such techniques may include Federal loan guarantees, Federal price guarantees, special tax considerations, and direct Federal investment.

(d) REPORT.—The Secretary shall submit the results of the independent assessment to the Congress not later than 9 months after the date of enactment of this section.

SEC. 308. STUDY ON THE USE OF THE STRATEGIC PETROLEUM RESERVE.

(a) REPORT.—The Secretary of Energy shall report to the President and to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives, not later than 6 months after the date of enactment of this title, on whether section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241) should be amended to give the Secretary greater flexibility to drawdown and distribute the Reserve to mitigate price volatility or regional supply shortages.

(b) CONTENTS OF THE REPORT.—The Secretary shall include in the report—

(1) an assessment of how extreme market conditions in the past (including, in particular, the conditions between July 1990 and February 1991) may have been mitigated by more timely use of the Reserve, and

(2) specific recommendations for any changes in the existing law the Secretary determines to be necessary or desirable and a statement of the reasons for any such changes.

DIVISION B—DIVERSE AND RELIABLE POWER GENERATION AND TRANSMISSION

TITLE IV—ELECTRIC ENERGY TRANSMISSION RELIABILITY

SEC. 401. ELECTRIC RELIABILITY ORGANIZATION AND OVERSIGHT.

(a) IN GENERAL.—Part H of the Federal Power Act (16 U.S.C. 824-824m) is amended by adding at the end the following:

"SEC. 216. ELECTRIC RELIABILITY ORGANIZATION AND OVERSIGHT.

"(a) DEFINITIONS—As used in this section:

"(1) AFFILIATED REGIONAL RELIABILITY ENTITY.—The term 'affiliated regional reliability entity means an entity delegated authority under the provisions of subsection (h).

"(2) BULK POWER SYSTEM.—The term 'bulk power system' means all facilities and control systems necessary for operating an interconnected transmission grid (or any portion thereof, including high-voltage transmission lines; substations; control centers; communications; data, and operations planning facilities; and the output of generating units necessary to maintain transmission system reliability.

"(3) ELECTRIC RELIABILITY ORGANIZATION, OR ORGANIZATION.—The term 'Electric Reliability Organization' or 'Organization' means the organization approved by the Commission under subsection (d)(4).

"(4) ENTITY RULE.—The term 'entity rule' means a rule adopted by an affiliated regional reliability entity for a specific region and designed to implement or enforce one or more Organization Standards. An entity rule shall be approved by the organization and once approved, shall be treated as an Organization Standard.

"(5) INDUSTRY SECTOR.—The term 'industry sector' means a group of users of the bulk power system with substantially similar commercial interests, as determined by the Board of the Electric Reliability Organization.

"(6) INTERCONNECTION.—The term 'interconnection' means a geographic area in which the operation of bulk power system components is synchronized such that the failure of one or more of such components may adversely affect the ability of the operators of other components within the interconnection to maintain safe and reliable operation of the facilities within their control.

"(7) ORGANIZATION STANDARD.—The term 'Organization Standard' means a policy or standard duly adopted by the Electric Reliability Organization to provide for the reliable operation of a bulk power system.

"(8) PUBLIC INTEREST GROUP.—The term 'public interest group' means any nonprofit private or public organization that has an interest in the activities of the Electric Reliability Organization, including, but not limited to, ratepayer advocates, environmental groups, and State and local government organizations that regulate market participants and promulgate government policy.

"(9) VARIANCE.—The term 'variance' means an exception or variance from the requirements of an Organization Standard (including a proposal for an Organization Standard where there is no Organization Standard) that is adopted by an affiliated regional reliability entity and applicable to all or a part of the region for which the affiliated regional reliability entity is responsible. A variance shall be approved by the organization and once approved, shall be treated as an Organization Standard.

"(10) SYSTEM OPERATOR.—The term 'system operator' means any entity that operates or is responsible for the operation of a bulk power system, including but not limited to a control area operator, an independent system operator, a regional transmission organization, a transmission company, a transmission system operator, or a regional security coordinator.

"(11) USER OF THE BULK POWER SYSTEM.—The term 'user of the bulk power system' means any entity that sells, purchases, or transmits electric power over a bulk power system, or that owns, operates, or maintains facilities or control systems that are part of a bulk power system, or that is a system operator.

"(b) COMMISSION AUTHORITY.—

"(1) Within the United States, the Commission shall have jurisdiction over the Electric Reliability Organization, all affiliated regional reliability entities, all system operators, and all users of the bulk-power system, for purposes of approving and enforcing compliance with the requirements of this section.

"(2) The Commission may, by rule, define any other term used in this section, provided such definition is consistent with the definitions in, and the purpose and intent of, this Act.

"(3) Not later than 90 days after the date of enactment of this section, the Commission shall issue a proposed rule for implementing the requirements of this section. The Commission shall provide notice and opportunity for comment on the proposed rule. The Commission shall issue a final rule under this subsection within 180 days after the date of enactment of this section.

"(4) Nothing in this section shall be construed as limiting or impairing any authority of the Commission under any other provision of this Act, including its exclusive authority to determine rates, terms, and conditions of transmission services subject to its jurisdiction.

"(c) EXISTING RELIABILITY STANDARDS.—Following enactment of this section, and prior to the approval of an organization under subsection (d), any entity, including the North American Electric Reliability Council and its member regional reliability councils, may file any reliability standard, guidance, or practice that such entity would propose to be made mandatory and enforceable. The Commission, after allowing an opportunity to submit comments, may approve any such proposed mandatory standard, guidance, or practice, or any amendment thereto, if it finds that the standard, guidance, or practice, or amendment is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission may, without further proceeding or finding, grant its approval to any standard, guidance, or practice for which no substantive objections are filed in the comment period. Filed standards, guidances, or practices, including any amendments thereto, shall be mandatory and applicable according to their terms following approval by the Commission and shall remain in effect until—

"(1) withdrawn, disapproved, or superseded by an Organization Standard, issued or approved by the Electric Reliability Organization and made effective by the Commission under subsection (e); or

"(2) disapproved by the Commission if, upon complaint or upon its own motion and after notice and an opportunity for comment, the Commission finds the standard, guidance, or practice unjust, unreasonable, unduly discriminatory, or preferential or not in the public interest. Standards, guidances, or practices in effect pursuant to the provisions of this subsection shall be enforceable by the Commission.

"(d) ORGANIZATION APPROVAL.—

"(1) Following the issuance of a final Commission rule under subsection (b)(3), an entity may submit an application to the Commission for approval as the Electric Reliability Organization. The applicant shall specify in its application its governance and procedures, as well as its funding mechanism and initial funding requirements.

"(2) The Commission shall provide public notice of the application and afford interested parties an opportunity to comment.

"(3) The Commission shall approve the application if the Commission determines that the applicant—

"(A) has the ability to develop, implement, and enforce standards that provide for an adequate level of reliability of the bulk power system;

"(B) permits voluntary membership to any user of the bulk power system or public interest group;

"(C) assures fair representation of its members in the selection of its directors and fair management of its affairs, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of Organization Standards and the exercise of oversight of bulk power system reliability;

"(D) assures that no two industry sectors have the ability to control, and no one industry sector has the ability to veto, the Electric Reliability Organization's discharge of its responsibilities (including actions by committees recommending standards to the board or other board actions to implement and enforce standards);

"(E) provides for governance by a board wholly comprised of independent directors;

"(F) provides a funding mechanism and requirements that are just, reasonable, and not unduly discriminatory or preferential and are in the public interest, and which satisfy the requirements of subsection (*l*);

"(G) establishes procedures for development of Organization Standards that provide reasonable notice and opportunity for public comment, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of Organization Standards, and which standards development process has the following attributes—

"(i) openness;

"(ii) balance of interests; and

"(iii) due process, except that the procedures may include alternative procedures for emergencies;

"(H) establishes fair and impartial procedures for implementation and enforcement of Organization Standards, either directly or through delegation to an affiliated regional reliability entity, including the imposition of penalties, limitations on activities, functions, or operations, or other appropriate sanctions;

"(I) establishes procedures for notice and opportunity for public observation of all meetings, except that the procedures for public observation may include alternative procedures for emergencies or for the discussion of information the directors determine should take place in closed session, such as litigation, personnel actions, or commercially sensitive information;

"(J) provides for the consideration of recommendations of States and State commissions; and

"(K) addresses other matters that the Commission may deem necessary or appropriate to ensure that the procedures, governance, and funding of the Electric Reliability Organization are just, reasonable, not unduly discriminatory or preferential, and are in the public interest.

"(4) The Commission shall approve only one Electric Reliability Organization. If the Commission receives two or more timely applications that satisfy the requirements of this subsection, the Commission shall approve only the application it concludes will best implement the provisions of this section.

"(e) ESTABLISHMENT OF AND MODIFICATIONS TO ORGANIZATION STANDARDS.—

"(1) The Electric Reliability Organization shall file with the Commission any new or modified organization standards, including any variances or entity rules, and the Commission shall follow the procedures under paragraph (2) for review of that filing.

"(2) Submissions under paragraph (1) shall include—

"(A) a concise statement of the purpose of the proposal, and

"(B) a record of any proceedings conducted with respect to such proposal.

The Commission shall provide notice of the filing of such proposal and afford interested entities 30 days to submit comments. The Commission, after taking into consideration any submitted comments, shall approve or disapprove such proposal not later than 60 days after the deadline for the submission of comments, except that the Commission may extend the 60-day period for an additional 90 days for good cause, and except further that if the Commission does not act to approve or disapprove a proposal within the foregoing periods, the proposal shall go into effect subject to its terms, without prejudice to the authority of the Commission thereafter to modify the proposal in accordance with the standards and requirements of this section. Proposals approved by the Commission shall take effect according to their terms but not earlier than 30 days after the effective date of the Commission's order, except as provided in paragraph (3) of this subsection.

"(3)(A) In the exercise of its review responsibilities under this subsection, the Commission shall give due weight to the technical expertise of the Electric Reliability Organization with respect to the content of a new or modified organization standard, but shall not defer to the organization with respect to the effect of the standard on competition. The Commission shall approve a proposed new or modified organization standard if it determines the proposal to be just, reasonable, not unduly discriminatory or preferential, and in the public interest.

"(B) An existing or proposed organization standard which is disapproved in whole or in part by the Commission shall be remanded to the Electric Reliability Organization for further consideration.

"(C) The Commission, on its own motion or upon complaint, may direct the Electric Reliability Organization to develop an organization standard, including modification to an existing organization standard, addressing a specific matter by a date certain if the Commission considers such new or modified organization standard necessary or appropriate to further the purposes of this section. The Electric Reliability Organization shall file any such new or modified organization standard in accordance with this subsection.

"(D) An affiliated regional reliability entity may propose a variance or entity rule to the Electric Reliability Organization. The affiliated regional reliability entity may request that the Electric Reliability Organization expedite consideration of the proposal, and may file a notice of such request with the Commission, if expedited consideration is necessary to provide for bulk-power system reliability. If the Electric Reliability Organization fails to adopt the variance or entity rule, either in whole or in part, the affiliated regional reliability entity may request that the Commission review such action. If the Commission determines, after its review of such a request, that the action of the Electric Reliability Organization did not conform to the applicable standards and procedures approved by the Commission, or if the Commission determines that the variance or entity rule is just, reasonable, not unduly discriminatory or preferential, and in the public interest, and that the Electric Reliability Organization has unreasonably rejected the proposed variance or entity rule, then the Commission may remand the proposed variance or entity rule for further consideration by the Electric Reliability Organization or may direct the Electric Reliability Organization or the affiliated regional reliability entity to develop a variance or entity rule consistent with that requested by the affiliated regional reliability entity. Any such variance or entity rule proposed by an affiliated regional reliability entity shall be submitted to the Electric Reliability Organization for review and filing with the Commission in accordance with the procedures specified in this subsection.

"(E) Notwithstanding any other provision of this subsection, a proposed organization standard or amendment shall take effect according to its terms if the Electric Reliability Organization determines that an emergency exists requiring that such proposed organization standard or amendment take effect without notice or comment. The Electric Reliability Organization shall notify the Commission immediately following such determination and shall file such emergency organization standard or amendment with the Commission not later than 5 days following such determination and shall include in such filing an explanation of the need for such emergency standard. Subsequently, the Commission shall provide notice of the organization standard or amendment for comment, and shall follow the procedures set out in paragraphs (2) and (3) for review of the new or modified organization standard. Any such organization standard that has gone into effect shall remain in effect unless and until suspended or disapproved by the Commission. If the Commission determines at anytime that the emergency organization standard or amendment is not necessary, the Commission may suspend such emergency organization standard or amendment.

"(4) All users of the bulk power system shall comply with any organization standard that takes effect under this section.

"(f) COORDINATION WITH CANADA AND MEXICO.—The Electric Reliability Organization shall take all appropriate steps to gain recognition in Canada and Mexico. The United States shall use its best efforts to enter into international agreements with the appropriate governments of Canada and Mexico to provide for effective compliance with organization standards and to provide for the effectiveness of the Electric Reliability Organization in carrying out its mission and responsibilities. All actions taken by the Electric Reliability Organization, any affiliated regional entity, and the Commission shall be consistent with the provisions of such international agreements.

"(g) CHANGES IN PROCEDURES, GOVERNANCE, OR FUNDING.—

"(1) The Electric Reliability Organization shall file with the Commission any proposed change in its procedures, governance, or funding, or any changes in the affiliated regional reliability entity's procedures, governance, or funding relating to delegated functions, and shall include with the filing an explanation of the basis and purpose for the change.

"(2) A proposed procedural change may take effect 90 days after filing with the Commission if the change constitutes a statement of policy, practice, or interpretation with respect to the meaning or enforcement of an existing procedure. Otherwise, a proposed procedural change shall take effect only upon a finding by the Commission, after notice and opportunity for comments, that the change is just, reasonable, not unduly discriminatory or preferential, is in the public interest, and satisfies the requirements of subsection (d)(4).

"(3) A change in governance or funding shall not take effect unless the Commission finds that the change is just, reasonable, not unduly discriminatory or preferential, in the public interest, and satisfies the requirements of subsection (d)(4).

"(4) The Commission, upon complaint or upon its own motion, may require the Electric Reliability Organization to amend the procedures, governance, or funding if the Commission determines that the amendment is necessary to meet the requirements of this section. The Electric Reliability Organization shall file the amendment in accordance with paragraph (1) of this subsection.

"(h) DELEGATIONS OF AUTHORITY.—

"(1) The Electric Reliability Organization shall, upon request by an entity, enter into an agreement with such entity for the delegation of authority to implement and enforce compliance with organization standards in a specified geographic area if the organization finds that the entity requesting the delegation satisfies the requirements of subparagraphs (A), (B), (C), (D), (F), (J), and (K) of subsection (d)(4), and if the delegation promotes the effective and efficient implementation and administration of bulk power system reliability. The Electric Reliability Organization may enter into an agreement to delegate to the entity any other authority, except that the Electric Reliability Organization shall reserve the right to set and approve standards for bulk power system reliability.

"(2) The Electric Reliability Organization shall file with the Commission any agreement entered into under this subsection and any information the Commission requires with respect to the affiliated regional reliability entity to which authority is to be delegated. The Commission shall approve the agreement, following public notice and an opportunity for comment, if it finds that the agreement meets the requirements of paragraph (1), and is just, reasonable, not unduly discriminatory or preferential, and is in the public interest. A proposed delegation agreement with an affiliated regional reliability entity organized on an interconnection-wide basis shall be rebuttably presumed by the Commission to promote the effective and efficient implementation and administration of bulk power system reliability. No delegation by the Electric Reliability Organization shall be valid unless approved by the Commission.

"(3)(A) A delegation agreement entered into under this subsection shall specify the procedures for an affiliated regional reliability entity to propose entity rules or variances for review by the Electric Reliability Organization. With respect to any such proposal that would apply on an interconnection-wide basis, the Electric Reliability Organization shall presume such proposal valid if made by an interconnection-wide affiliated regional reliability entity unless the Electric Reliability Organization makes a written finding that the proposal—

"(i) was not developed in a fair and open process that provided an opportunity for all interested parties to participate;

"(ii) has a significant adverse impact on reliability or commerce in other interconnections;

"(iii) fails to provide a level of reliability of the bulk-power system within the interconnection such that it would constitute a serious and substantial threat to public health, safety, welfare, or national security; or

"(iv) creates a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.

"(B) With respect to any such proposal that would apply only to part of an interconnection, the Electric Reliability Organization shall find such proposal valid if the affiliated regional reliability entity or entities making the proposal demonstrate that it—

"(i) was developed in a fair and open process that provided an opportunity for all interested parties to participate;

"(ii) would not have an adverse impact on commerce that is not necessary for reliability;

"(iii) provides a level of bulk power system reliability adequate to protect public health, safety, welfare, and national security, and would not have a significant adverse impact on reliability; and

"(iv) in the case of a variance, is based on legitimate differences between regions or between subregions within the affiliated regional reliability entity's geographic area.

The Electric Reliability Organization shall approve or disapprove such proposal within 120 days, or the proposal shall be deemed approved. Following approval of any such proposal under this paragraph, the Electric Reliability Organization shall seek Commission approval pursuant to the procedures prescribed under subsection (e)(3). Affiliated regional reliability entities may not make requests for approval directly to the Commission except pursuant to subsection (e)(3)(D).

"(4) If an affiliated regional reliability entity requests, consistent with paragraph (1) of this subsection, that the Electric Reliability Organization delegate authority to it, but is unable within 180 days to reach agreement with the Electric Reliability Organization with respect to such requested delegation, such entity may seek relief from the Commission. If, following notice and opportunity for comment, the Commission determines that a delegation to the entity would meet the requirements of paragraph (1) above, and that the delegation would be just, reasonable, not unduly discriminatory or preferential, and in the public interest, and that the Electric Reliability Organization has unreasonably withheld such delegation, the Commission may, by order, direct the Electric Reliability Organization to make such delegation.

"(5)(A) The Commission may, upon its own motion or upon complaint, and with notice to the appropriate affiliated regional reliability entity or entities, direct the Electric Reliability Organization to propose a modification to an agreement entered into under this subsection if the Commission determines that—

"(i) the affiliated regional reliability entity no longer has the capacity to carry out effectively or efficiently its implementation or enforcement responsibilities under that agreement, has failed to meet its obligations under that agreement, or has violated any provision of this section;

"(ii) the rules, practices, or procedures of the affiliated regional reliability entity no longer provide for fair and impartial discharge of its implementation or enforcement responsibilities under the agreement;

"(iii) the geographic boundary of a transmission entity approved by the Commission is not wholly within the boundary of an affiliated regional reliability entity and such difference is inconsistent with the effective and efficient implementation and administration of bulk power system reliability; or

"(iv) the agreement is inconsistent with another delegation agreement as a result of actions taken under paragraph (4) of this subsection.

"(B) Following an order of the Commission issued under subparagraph (A), the Commission may suspend the affected agreement if the Electric Reliability Organization or the affiliated regional reliability entity does not propose an appropriate and timely modification. If the agreement is suspended, the Electric Reliability Organization shall assume the previously delegated responsibilities. The Commission shall allow the Electric Reliability Organization and the affiliated regional reliability entity an opportunity to appeal the suspension.

"(i) ORGANIZATION MEMBERSHIP.—Every system operator shall be required to be a member of the Electric Reliability Organization and shall be required also to be a member of any affiliated regional reliability entity operating under an agreement effective pursuant to subsection (h) applicable to the region in which the system operates or is responsible for the operation of bulk power system facilities.

"(j) INJUNCTIONS AND DISCIPLINARY ACTIONS.—

"(1) Consistent with the range of actions approved by the Commission under subsection (d)(4)(H), the Electric Reliability Organization may impose a penalty, limitation of activities, functions, operations, or other disciplinary action the Electric Reliability Organization finds appropriate against a user of the bulk power system if the Electric Reliability Organization, after notice and an opportunity for interested parties to be heard, issues a finding in writing that the user of the bulk-power system has violated an organization standard. The Electric Reliability Organization shall immediately notify the Commission of any disciplinary action imposed with respect to an act or failure to act of a user of the bulk-power system that affected or threatened to affect bulk power system facilities located in the United States, and the sanctioned party shall have the right to seek modification or rescission of such disciplinary action by the Commission. If the organization finds it necessary to prevent a serious threat to reliability, the organization may seek injunctive relief in a Federal court in the district in which the affected facilities are located.

"(2) A disciplinary action taken under paragraph (1) may take effect not earlier than the 30th day after the Electric Reliability Organization files with the Commission its written finding and record of proceedings before the Electric Reliability Organization and the Commission posts its written finding, unless the Commission, on its own motion or upon application by the user of the bulk power system which is the subject of the action, suspends the action. The action shall remain in effect or remain suspended unless and until the Commission, after notice and opportunity for hearing, affirms, sets aside, modifies, or reinstates the action, but the Commission shall conduct such hearing under procedures established to ensure expedited consideration of the action taken.

"(3) The Commission, on its own motion or on complaint, may order compliance with an organization standard and may impose a penalty, limitation of activities, functions, or operations, or take such other disciplinary action as the Commission finds appropriate, against a user of the bulk power system with respect to actions affecting or threatening to affect bulk power system facilities located in the United States if the Commission finds, after notice and opportunity for a hearing, that the user of the bulk power system has violated or threatens to violate an organization standard.

"(4) The Commission may take such action as is necessary against the Electric Reliability Organization or an affiliated regional reliability entity to assure compliance with an organization standard, or any Commission order affecting the Electric Reliability Organization or an affiliated regional reliability entity.

"(k) RELIABILITY REPORTS.—The Electric Reliability Organization shall conduct periodic assessments of the reliability and adequacy of the interconnected bulk power system in North America and shall report annually to the Secretary of Energy and the Commission its findings and recommendations for monitoring or improving system reliability and adequacy.

"(*l*) ASSESSMENT AND RECOVERY OF CERTAIN COSTS.—The reasonable costs of the Electric Reliability Organization, and the reasonable costs of each affiliated regional reliability entity that are related to implementation and enforcement of organization standards or other requirements contained in a delegation agreement approved under subsection (h), shall be assessed by the Electric Reliability Organization and each affiliated regional reliability entity, respectively, taking into account the relationship of costs to each region and based on an allocation that reflects an equitable sharing of the costs among all end users. The Commission shall provide by rule for the review of such costs and allocations, pursuant to the standards in this subsection and subsection (d)(4)(F).

"(m) SAVINGS PROVISIONS.—

"(1) The Electric Reliability Organization shall have authority to develop, implement and enforce compliance with standards for the reliable operation of only the bulk power system.

"(2) This section does not provide the Electric Reliability Organization or the Commission with the authority to set and enforce compliance with standards for adequacy or safety of electric facilities or services.

"(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as long as such action is not inconsistent with any Organization Standard.

"(4) Within 90 days of the application of the Electric Reliability Organization or other affected party, the Commission shall issue a final order determining whether a State action is inconsistent with an Organization Standard, after notice and opportunity for comment, taking into consideration any recommendations of the Electric Reliability Organization.

"(5) The Commission, after consultation with the Electric Reliability Organization, may stay the effectiveness of any State action, pending the Commission's issuance of a final order.

"(n) REGIONAL ADVISORY BODIES.—The Commission shall establish a regional advisory body on the petition of at least two-thirds of the States within a region that have more than one-half of their electric load served within the region. A regional advisory body shall be composed of one member from each participating State in the region, appointed by the Governor of each State, and may include representatives of agencies, States, and provinces outside the United States, upon execution of an international agreement or agreements described in subsection (f). A regional advisory body may provide advice to the electric reliability organization, an affiliated regional reliability entity, or the Commission regarding the governance of an existing or proposed affiliated regional reliability entity within the same region, whether an organization standard, entity rule, or variance proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest, and whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, in the public interest, and consistent with the requirements of subsection (l). The Commission may give deference to the advice of any such regional advisory body if that body is organized on an interconnection-wide basis.

"(o) COORDINATION WITH REGIONAL TRANSMISSION ORGANIZATIONS.—

"(1) Each regional transmission organization authorized by the Commission shall be responsible for maintaining the short-term reliability of the bulk power system that it operates, consistent with organization standards.

"(2) Except as provided in paragraph (5), in connection with a proceeding under subsection (e) to consider a proposed organization standard, each regional transmission organization authorized by the Commission shall report to the Commission, and notify the electric reliability organization and any applicable affiliated regional reliability entity, regarding whether the proposed organization standard hinders or conflicts with that regional transmission organization's ability to fulfill the requirements of any rule, regulation, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission. Where such hindrance or conflict is identified, the Commission shall address such hindrance or conflict, and the need for any changes to such rule, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission in its order under subsection (e) regarding the proposed standard. Where such hindrance or conflict is identified between a proposed organization standard and a provision of any rule, order, tariff, rate schedule or agreement accepted, approved or ordered by the Commission applicable to a regional transmission organization, nothing in this section shall require a change in the regional transmission organization's obligation to comply with such provision unless the Commission orders such a change and the change becomes effective. If the Commission finds that the tariff, rate schedule, or agreement needs to be changed, the regional transmission organization must expeditiously make a section 205 filing to reflect the change. If the Commission finds that the proposed organization standard needs to be changed, it shall remand the proposed organization standard to the electric reliability organization under subsection (e)(3)(B).

"(3) Except as provided in paragraph (5), to the extent hindrances and conflicts arise after approval of a reliability standard under subsection (c) or organization standard under subsection (e), each regional transmission organization authorized by the Commission shall report to the Commission, and notify the electric reliability organization and any applicable affiliated regional reliability entity, regarding any reliability standard approved under subsection (c) or organization standard that hinders or conflicts with that regional transmission organization's ability to fulfill the requirements of any rule, regulation, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission. The Commission shall seek to assure that such hindrances or conflicts are resolved promptly. Where a hindrance or conflict is identified between a reliability standard or an organization standard and a provision of any rule, order, tariff, rate schedule or agreement accepted, approved or ordered by the Commission applicable to a regional reliability organization, nothing in this section shall require a change in the regional transmission organization's obligation to comply with such provision unless the Commission orders such a change and the change becomes effective. If the Commission finds that the tariff, rate schedule or agreement needs to be changed, the regional transmission organization must expeditiously make a section 205 filing to reflect the change. If the Commission finds that an organization standard needs to be changed, it shall order the electric reliability organization to develop and submit a modified organization standard under subsection (e)(3)(C).

"(4) An affiliated regional reliability entity and a regional transmission organization operating in the same geographic area shall cooperate to avoid conflicts between implementation and enforcement of organization standards by the affiliated regional reliability entity and implementation and enforcement by the regional transmission organization of tariffs, rate schedules, and agreements accepted, approved or ordered by the Commission. In areas without an affiliated regional reliability entity, the electric reliability organization shall act as the affiliated regional reliability entity for purposes of this paragraph.

"(5) Until 6 months after approval of applicable subsection (h)(3) procedures, any reliability standard, guidance, or practice contained in Commission-accepted tariffs, rate schedules, or agreements in effect of any Commission-authorized independent system operator or regional transmission organization shall continue to apply unless the Commission accepts an amendment thereto by the applicable operator or organization, or upon complaint finds them to be unjust, unreasonable, unduly discriminatory or preferential, or not in the public interest. At the conclusion of such transition period, any such reliability standard, guidance, practice, or amendment thereto that the Commission determines is inconsistent with organization standards shall no longer apply.".

(b) ENFORCEMENT.—Sections 316 and 316A of the Federal Power Act are each amended by striking "or 214" each place it appears and inserting "214, or 216".

SEC. 402. APPLICATION OF ANTITRUST LAWS.

Notwithstanding any other provision of law, each of the following activities are rebuttably presumed to be in compliance with the antitrust laws of the United States:

(1) Activities undertaken by the Electric Reliability Organization under section 216 of the Federal Power Act or affiliated regional reliability entity operating under an agreement in effect under section 216(h) of such Act.

(2) Activities of a member of the Electric Reliability Organization or affiliated regional reliability entity in pursuit of organization objectives under section 216 of the Federal Power Act undertaken in good faith under the rules of the organization.

Primary jurisdiction, and immunities and other affirmative defenses, shall be available to the extent otherwise applicable.

TITLE V—IMPROVED ELECTRICITY CAPACITY AND ACCESS

SEC. 501. UNIVERSAL AND AFFORDABLE SERVICE.

It is the sense of the Congress that—

(1) every retail electric consumer should have access to electric energy at reasonable and affordable rates; and

(2) the States should ensure that retail electric competition does not result in the loss of service to rural, residential, or low-income consumers.

SEC. 502. PUBLIC BENEFITS FUND.

(a) DEFINITIONS.—For purposes of this section—

(1) the term "eligible public purpose program" means a State or tribal program that—

(A) assists low-income households in meeting their home energy needs;

(B) provides for the planning, construction, or improvement of facilities to generate, transmit, or distribute electricity to Indian tribes or rural and remote communities;

(C) provides for the development and implementation of measures to reduce the demand for electricity;

(D) provides for the development and implementation of a qualifying greenhouse gas mitigation project; or

(E) provides for—

(i) new or additional capacity, or improves the efficiency of existing capacity, from a wind, biomass, geothermal, solar thermal, photovoltaic, combined heat and power energy source, or

(ii) additional generating capacity achieved from increased efficiency at existing hydroelectric dams or additions of new capacity at existing hydroelectric dams;

(2) the term "fiscal agent" means the entity designated under subsection (c);

(3) the term "Fund" means the Public Benefits Fund established under subsection (b);

(4) the term "qualifying greenhouse gas mitigation project" means a project to reduce the emissions of greenhouse gases that is at least fifty percent cofunded by a power generator;

(5) the term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(6) the term "Secretary" means the Secretary of Energy; and

(7) the term "State" means each of the States and the District of Columbia.

(b) Public Benefits Fund.—There is established in the Treasury of the United States a separate fund, to be known as the Public Benefits Fund. The Fund shall consist of amounts collected by the fiscal agent under subsection (e). The fiscal agent may disburse amounts in the Fund, without further appropriation, in accordance with this section.

(c) Duties of the Fiscal Agent.—The Secretary shall appoint a fiscal agent shall collect and disburse the amounts in the Fund in accordance with this section.

(d) Duties of the Secretary.—The Secretary shall prescribe—

(1) rules for the equitable allocation of the Fund among States and Indian tribes based upon—

(A) the number of low-income households in such State or tribal jurisdiction; and

(B) the average annual cost of electricity used by households in such State or tribal jurisdiction;

(2) the criteria by which the fiscal agent determines whether a State or tribal government's program is an eligible public purpose program; and

(3) rules governing the award of funds for qualifying greenhouse gas mitigation projects that the Secretary determines are necessary to ensure such projects are cost-effective.

(e) Public Benefits Charge.—

(1) Amount of charge.—As a condition of existing or future interconnection with facilities of any transmitting utility, each owner of an electric generating facility whose nameplate capacity exceeds five megawatts shall pay the transmitting utility a public benefits charge equal to one mill per kilowatt-hour on electric energy generated by such electric generating facility.

(2) Affiliates.—Each owner of an electric generating facility subject to the charge under paragraph (1) shall pay the charge even if the generation facility and the transmitting facility are under common ownership or are otherwise affiliated.

(3) Imported electricity.—Each importer of electric energy from Canada or Mexico, as a condition of existing or future interconnection with facilities of any transmitting utility in the United States, shall pay this same charge for imported electric energy.

(4) Payment of the charge.—The transmitting utility shall pay the amounts collected to the fiscal agent at the close of each month, and the fiscal agent shall deposit the amounts into the Fund as offsetting collections.

(f) Disbursal From the Fund.—

(1) Block grants.—The fiscal agent shall disburse amounts in the Fund to participating States and tribal governments as a block grant to carry out eligible public purpose programs in accordance with this subsection and rules prescribed under subsection (d).

(2) Annual payments.—The fiscal agent shall disburse amounts for a calendar year from the Fund to a State or tribal government in twelve equal monthly payments beginning two months after the beginning of the calendar year.

(3) Eligible recipients.—The fiscal agent shall make distributions to the State or tribal government or to an entity designated by the State or tribal government to receive payments.

(4) Limitation on use of funds.—A State or tribal government may use amounts received only for the eligible public purpose programs the State or tribal government designated in its submission to the fiscal agent and the fiscal agent determined eligible.

(g) Report.—One year before the date of expiration of this section, the Secretary shall report to Congress whether a public benefits fund should continue to exist.

(h) Sunset.—This section expires at midnight on December 31, 2015.

SEC. 503. RURAL CONSTRUCTION GRANTS.

Section 313 of the Rural Electrification Act of 1936 (7 U.S.C. 940c) is amended by adding after subsection (b) the following:

"(c) Rural and Remote Communities Electrification Grants.—The Secretary of Agriculture, in consultation with the Secretary of Energy and the Secretary of the Interior, may provide grants to eligible borrowers under this Act for the purpose of increasing energy efficiency, siting or upgrading transmission and distribution lines, or providing or modernizing electric facilities for—

"(1) a unit of local government of a State or territory; or

"(2) an Indian tribe.

"(d) Grant Criteria.—The Secretary shall make grants based on a determination of cost-effectiveness and most effective use of the funds to achieve the stated purposes of this section.

"(e) Preference.—In making grants under this section, the Secretary shall give a preference to renewable energy facilities.

"(f) Definition.—For purposes of this section, the term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(g) Authorization.—There is authorized to be appropriated for purposes of subsection (c) $20,000,000 for each of the seven fiscal years following the date of enactment of this section.".

SEC. 504. COMPREHENSIVE INDIAN ENERGY PROGRAM.

(a) Establishment of Program.—Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501–3506) is amended by adding after section 2606 the following:

"SEC. 2607. COMPREHENSIVE INDIAN ENERGY PROGRAM.

"(a) Definitions.—For purposes of this section—

"(1) 'Director' means the Director of the Office of Indian Energy Policy and Programs established by section 217 of the Department of Energy Organization Act, and

"(2) 'Indian land' means—

"(A) any land within the limits of an Indian reservation, pueblo, or ranchera;

"(B) any land not within the limits of an Indian reservation, pueblo, or ranchera whose title on the date of enactment of this section was held—

"(i) in trust by the United States for the benefit of an Indian tribe,

"(ii) by an Indian tribe subject to restriction by the United States against alienation, or

"(iii) by a dependent Indian community; and

"(C) land conveyed to an Alaska Native Corporation under the Alaska Native Claims Settlement Act.

"(b) Indian Energy Education, Planning and Management Assistance.—(1) The Director shall establish progains within the Office of Indian Energy Policy and Programs to assist Indian tribes to meet their energy education, research and development, planning, and management needs.

"(2) The Director may make grants, on a competitive basis, to an Indian tribe for—

"(A) renewable, energy efficiency, and conservation programs;

"(B) studies and other activities supporting tribal acquisition of energy supplies, services, and facilities; and

"(C) planning, constructing, developing, operating, maintaining, and improving tribal electrical generation, transmission, and distribution facilities.

"(3) The Director may develop, in consultation with Indian tribes, a formula for making grants under this section. The formula may take into account the following—

"(A) total number of acres of Indian land owned by an Indian tribe;

"(B) total number of households on the tribe's Indian land;

"(C) total number of households on the Indian tribe's Indian land that have no electricity service or are underserved; and

"(D) financial or other assets available to the tribe from any source.

"(4) In making a grant under paragraph (2)(E), the Director shall give priority to an application received from an Indian tribe that is not served or is served inadequately by an electric utility, as that term is defined in section 3(4) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602(4)), or by a person, State agency, or any other non-federal entity that owns or operates a local distribution facility used for the sale of electric energy to an electric consumer.

"(5) There are authorized to be appropriated to the Department of Energy such sums as may be necessary to carry out the purposes of this section.

"(c) Application of Buy Indian Act.—(1) An agency or department of the United States Government may give, in the purchase and sale of electricity, oil, gas, coal, or other energy product or by-product produced, converted, or transferred on Indian lands, preference, under section 23 of the Act of June 25, 1910 (25 U.S.C. 47) (commonly known as the "Buy Indian Act"), to an energy and resource production enterprise, partnership, corporation, or other type of business organization majority or wholly owned and controlled by an Indian, a tribal government, or a business, enterprise, or operation of the American Indian Tribal Governments.

"(2) In implementing this subsection, an agency or department shall pay no more for energy production than the prevailing market price and shall obtain no less than existing market terms and conditions.

"(d) Effect on Other Laws.—This section does not—

"(1) limit the discretion vested in an Administrator of a Federal power marketing agency to market and allocate Federal power, or

"(2) alter Federal laws under which a Federal power marketing agency markets, allocates, or purchases power.".

(b) OFFICE OF INDIAN POLICY AND PROGRAMS.—Title II of the Department of Energy Organization Act is amended by adding at the end the following:

"OFFICE OF INDIAN ENERGY POLICY AND PROGRAMS.

"SEC. 217. (a) There is established within the Department an Office of Indian Energy Policy and Progams. This Office shall be headed by a Director, who shall be appointed by the Secretary and compensated at the rate equal to that of level IV of the Executive Schedule under section 5315 of Title 5, United States Code. The Director shall perform the duties assigned the Director under the Comprehensive Indian Energy Act and this section.

"(b) The Director shall provide, direct, foster, coordinate, and implement energy planning, education, management, conservation, and delivery programs of the Department that—

"(1) promote tribal energy efficiency and utilization;

"(2) modernize and develop, for the benefit of Indian tribes, tribal energy and economic infrastructure related to natural resource development and electrification;

"(3) preserve and promote tribal sovereignty and self determination related to energy matters and energy deregulation;

"(4) lower or stabilize energy costs; and

"(5) electrify tribal members' homes and tribal lands.

"(c) The Director shall carry out the duties assigned the Secretary under title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501 et seq.).".

(c) CONFORMING AMENDMENTS.—

(1) Section 2603(c) of the Energy Policy Act of 1992 (25 U.S.C. 3503(c)) is amended to read as follows:

"(c) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section."

(2) The Table of Contents of the Department of Energy Act is amended by inserting after the item relating to section 216 the following new item:

"217. Office of Indian Energy Policy and Programs."

(3) Section 5315 of title 5, United States Code, is amended by inserting "Director, Office of Indian Energy Policy and Programs, Department of Energy." after "Director, Office of Science, Department of Energy."

SEC. 505. ENVIRONMENTAL DISCLOSURE TO CONSUMERS.

(a) RETAIL SALES.—The Federal Trade Commission shall issue rules requiring each retail electric supplier to include with each monthly billing to retail electric consumers a statement of the known energy sources used to generate the electricity the supplier distributes, on an annual basis, stated in numbers of kilowatt-hours, both in percentages and in the form of a pie chart, of biomass power, coal-fired power, hydropower, natural gas-fired power, nuclear power, oil-fired power, wind power, geothermal power, solar thermal power, photovoltaic power, combined heat and power, and other sources of power, respectively.

(b) WHOLESALE SALES.—The Federal Trade Commission shall issue rules requiring any electric supplier that sells or makes an offer to sell electric energy at wholesale to provide the purchaser or offeree such known information about the energy source used to generate the electricity, on an annual basis, as the Commission may determine.

(c) CERTIFICATION PROGRAM.—The Secretary of Energy, in consultation with the Federal Trade Commission, shall develop a certification program for each retail electric supplier that sells electric energy, at least 50 percent of which, averaged over a year, is generated from renewable energy sources. For purposes of this subsection, the term "renewable energy source" means biomass, wind power, geothermal power, solar thermal power, or photovoltaic power.

SEC. 506. CONSUMER PROTECTIONS.

(a) INFORMATION DISCLOSURE.—The Federal Trade Commission shall issue rules requiring any retail electric supplier that sells or makes an offer to sell electric energy, or solicits retail electric consumers to purchase electric energy, to provide the retail electric consumers, in addition to the information required under section 505, a statement containing the following information:

(1) The nature of the service being offered, including information about interruptibility of service.

(2) The price of electric energy, including a description of any variable charges.

(3) A description of all other charges that are associated with the service being offered, including access charges, exit charges, backup service charges, stranded cost recovery charges, and customer service charges.

(4) Information concerning the product or price that the Federal Trade Commission determines is technologically and economically feasible to provide and is of assistance to retail electric consumers in making purchasing decisions.

(b) CONSUMER PRIVACY.—

(1) PROHIBITION.—The Federal Trade Commission shall issue rules prohibiting anyperson who obtains consumer information in connection with the sale or delivery of electric energy to a retail electric consumer from using, disclosing, or permitting access to such information unless the consumer to whom such information relates provides prior written approval.

(2) PERMITTED USE.—The rules issued under this subsection shall not prohibit any person from using, disclosing, or permitting access to consumer information referred to in paragraph (1) for any of the following purposes:

(A) To facilitate a retail electric consumer's change in selection of a retail electric supplier under procedures approved by the State or State commission.

(B) To initiate, render, bill, or collect for the sale or delivery of electric energy to retail electric consumers or for related services.

(C) To protect the rights or property of the person obtaining such information.

(D) To protect retail electric consumers from fraud, abuse, and unlawful subscription in the sale or delivery of electric energy to such consumers.

(E) For law enforcement purposes.

(F) For purposes of compliance with any Federal, State, or local law or regulation authorizing disclosure of information to a Federal, State, or local agency.

(3) AGGREGATE CONSUMER INFORMATION.—The rules issued under this subsection shall permit any person to use, disclose, and permit access to aggregate consumer information and shall require local distribution companies to make such information available to retail electric suppliers upon request and payment of a reasonable fee.

(4) DEFINITIONS.—As used in this section:

(1) The term "aggregate consumer information" means collective data that relates to a group or category of retail electric consumers, from which individual consumer identities and characteristics have been removed.

(2) The term "consumer information" means information that relates to the quantity, technical configuration, type, destination, or amount of use of electric energy delivered to any retail electric consumer.

(3) The term "State commission" has the meaning given such term in section 3(15) of the Federal Power Act (16 U.S.C. 796(15)).

(c) UNFAIR TRADE PRACTICES.—

(1) SLAMMING.—The Federal Trade Commission shall issue rules prohibiting the change of selection of a retail electric supplier except with the informed consent of the retail electric consumer.

(2) CRAMMING.—The Federal Trade Commission shall issue rules prohibiting the sale of goods and services to a retail electric consumer unless expressly authorized by law or the retail electric consumer.

(d) FEDERAL TRADE COMMISSION ENFORCEMENT.—Violation of a rule issued under this section shall be treated as a violation of a rule under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a). All functions and powers of the Federal Trade Commission under such Act are available to the Federal Trade Commission to enforce compliance with this section notwithstanding any jurisdictional limits in such Act.

(e) STATE AUTHORITY.—(1) This section does not preclude a State or State commission from prescribing and enforcing additional laws, rules, or procedures regarding the practices which are the subject of this section, so long as such laws, rules, or procedures are not inconsistent with the provisions of this section or with any rule prescribed by the Federal Trade Commission pursuant to it.

(2) The remedies provided by this section are in addition to any other remedies available by law.

(f) DEFINITIONS.—As used in this section—

(1) the term "retail electric consumer" means any person who purchases electric energy for ultimate consumption;

(2) the term "retail electric supplier" means any person who sells electric energy to a retail electric consumer for ultimate consumption; and

(3) the term "State commission" has the meaning given such term in section 3(15) of the Federal Power Act (16 U.S.C. 796(15)).

SEC. 507. WHOLESALE ELECTRICITY MARKET DATA.

Section 213 of the Federal Power Act (16 U.S.C. 824l) is amended by adding at the end the following:

"(c) WHOLESALE ELECTRICITY MARKET DATA.—

"(1) Not later than 180 days after the date of the enactment of this subsection, the Commission shall, by rule, establish an information system that gives persons who buy electric energy for resale, State regulatory authorities, and the public access to current information about—

"(A) the availability of electric energy generating capacity and known generating constraints, and

"(B) the availability of transmission capacity and known transmission constraints.

"(2) The rule shall require—

"(A) each electric utility and each Federal power marketing administration that owns, operates, or controls facilities used for the generation or transmission of electric energy sold or transmitted in interstate commerce to report, by unit, on a real-time basis—

"(i) the total number of megawatts (as a 60 second average) produced by each generating facility it owns, operates, or controls, and "(ii) the total number of megawatts of capacity at each facility it owns, operates, or controls that is not being used to generate electric power; and

"(B) each transmitting utility to report, on a real-time basis—

"(i) the total number of megawatts transmitted on each transmission facility it owns, operates, or controls, and

"(ii) the total number of megawatts scheduled and the current capacity or rating of each transmission facility it owns, operates, or controls.

"(3) The Commission may enter agreements with regional electric reliability councils to collect, retain, and make available to persons who buy electric energy for resale, state regulatory authorities, and the public the information required to be submitted by the rule.".

SEC. 508. WHOLESALE ELECTRIC ENERGY RATES IN THE WESTERN ENERGY MARKET.

(a) IMPOSITION OF WHOLESALE ELECTRIC ENERGY RATES.—Not later than 60 days after the date of enactment of this title, the Federal Energy Regulatory Commission shall impose just and reasonable load-differentiated demand rates or cost-of-service based rates on sales by electric utilities of electric energy at wholesale in the western energy market.

(b) LIMITATIONS.—

(1) IN GENERAL.—A load-differentiated demand rate or cost-of-service based rate shall not apply to a sale of electric energy at wholesale for delivery in a State that—

(A) prohibits electric utilities from passing through to retail consumers wholesale rates approved by the Commission; or

(B) imposes a price limit on the sale of electric energy at retail that—

(i) precludes an electric utility from recovering all of the costs incurred by the electric utility in purchasing electric energy; or

(ii) has precluded an electric utility (or any entity that is authorized to purchase electricity on behalf of an electric utility or a State) from making a payment when due to any entity within the western energy market from which the electric utility purchased electric energy, and the default has not been cured.

(2) NO ORDERS TO SELL WITHOUT GUARANTEE OF PAYMENT.—Notwithstanding section 302 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3362), section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)), or section 101 of the Defense Production Act of 1950 (50 U.S.C. App. 2071), neither the President, the Secretary of Energy, nor the Commission may issue an order that requires a seller of electric energy or natural gas to sell, on or after the date of enactment of this title, electric energy or natural gas to a purchaser in a State described in paragraph (1) unless there is a guarantee that, in the determination of the Commission, is sufficient to ensure that the seller will be paid—

(A) the full purchase price when due, as agreed upon by the buyer and seller; or

(B) if the buyer and seller are unable to agree upon a price—

(i) a fair and equitable price for natural gas as determined by the President under section 302 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3362), or

(ii) a just and reasonable price for electric energy as determined by the Secretary of Energy or the Commission, as appropriate, under section 202(c) of the Federal Power Act (16 U.S.C. 824a(c)).

(3) REQUIREMENT TO MEET IN-STATE DEMAND.—Notwithstanding any other provision of law, a State electric utility commission in the western energy market may prohibit an electric utility in the State from making any sale of electric energy to a purchaser in a State described in paragraph (1) at any time at which a State electric utility commission determines that the electric utility is not meeting the demand for electric energy in the service area of the electric utility.

(c) REPORT.—Not later than 120 days after the date of enactment of this title, the Secretary of Energy shall—

(1) conduct an investigation to determine whether any electric utility in a State described in subsection (d)(1) has been rendered uncreditworthy or has defaulted on any payment for electric energy as a result of a transfer of funds by the electric utility to a parent company or to an affiliate of the electric utility (except a payment made in accordance with a State deregulation statute); and

(2) submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the results of the investigation.

(d) DURATION.—A load-differentiated demand rate or cost-of-service based rate imposed under this section shall remain in effect until such time as the market for electric energy in the western energy market reflects just and reasonable rates, as determined by the Commission.

(e) AUTHORITY OF STATE REGULATORY AUTHORITIES.—This section does not diminish or have any other effect on the authority of a State regulatory authority (as defined in section 3 of the Federal Power Act (16 U.S.C. 796)) to regulate rates and charges for the sale of electric energy to consumers, including the authority to determine the manner in which wholesale rates shall be passed on to consumers (including the setting of tiered pricing, real-time pricing, and baseline rates).

(g) DEFINITIONS.—For purposes of this section—

(1) COMMISSION.—The term "Commission" means the Federal Energy Regulatory Commission.

(2) COST-OF-SERVICE BASED RATE.—The term "cost-of-service based rate" means a rate, charge, or classification for the sale of electric energy that is equal to—

(A) all the variable and fixed costs for producing the electric energy; and

(B) a reasonable return on invested capital.

(3) ELECTRIC UTILITY.—The term "electric utility" means any person, State agency (including any municipality), Federal agency (including the Tennessee Valley Authority or any Federal power marketing agency) that sells electric energy in interstate commerce.

(4) LOAD-DIFFERENTIATED DEMAND RATE.—The term "load-differentiated demand rate" means a rate, charge, or classification for the sale of electric energy that reflects differences in the demand for electric energy during various times of day, months, seasons, or other time periods.

(5) WESTERN ENERGY MARKET.—The term "western energy market" means the area covered by the Western Systems Coordinating Council of the North American Electric Reliability Council.

(i) REPEAL.—Effective March 1, 2003, this section is repealed, and any load-differentiated demand rate or cost-of-service based rate imposed under this section that is then in effect shall no longer be effective.

SEC. 509. NATURAL GAS RATE CEILING IN CALIFORNIA.

Section 284.8(i) of title 18, Code of Federal Regulations (relating to the waiver of the maximum rate ceiling on capacity release transactions on interstate natural gas pipelines) shall not apply to the transportation of natural gas into the State of California from outside the State, effective on the date of enactment of this section.

SEC. 510. SALE PRICE IN BUNDLED NATURAL GAS TRANSACTIONS.

(a) DISCLOSURE.—Not later than 60 days after the date of enactment of this section, the Federal Energy Regulatory Commission shall issue a rule under section 4 of the Natural Gas Act (15 U.S.C. 717c) requiring any person that sells natural gas subject to the jurisdiction of the Commission in a bundled transaction to file with the Commission, not later than the date specified by the Commission, a statement that discloses—

(1) the portion of the sale price that is attributable to the price paid by the seller for the natural gas; and

(2) the portion of the sale price that is attributable to the price paid for the transportation of the natural gas.

(b) DEFINITION OF BUNDLED TRANSACTION.—For purposes of this section, the term "bundled transaction" means a transaction for the sale of natural gas in which the sale price includes both the cost of the natural gas and the cost of transporting the natural gas.

TITLE VI—RENEWABLES AND DISTRIBUTED GENERATION

SEC. 601. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

(a) RESOURCE ASSESSMENT.—Not later than one year after the date of enactment of this title, and each year thereafter, the Secretary of Energy shall publish an assessment of all renewable energy resources available within the United States.

(b) CONTENTS OF REPORT.—The report published under subsection (a) shall contain—

(1) a detailed inventory describing the available amount and characteristics of solar, wind, biomass, geothermal, hydroelectric and other renewable energy sources, and

(2) such other information as the Secretary of Energy believes would be useful in developing such renewable energy resources, including descriptions of surrounding terrain, population and load centers, nearby energy infrastructure, location of energy and water resources, and available estimates of the costs needed to develop each resource.

SEC. 602. FEDERAL PURCHASE REQUIREMENT.

(a) REQUIREMENT.—The President shall ensure that, of the total amount of electric power the federal government purchases during any fiscal year—

(1) not less than 3 percent in fiscal years 2002 through 2004,

(2) not less than 5 percent in fiscal years 2005 through 2009, and

(3) not less than 7.5 percent in fiscal year 2010 and each fiscal year thereafter—shall be electric power generated by a renewable energy source.

(b) DEFINITION.—For purposes of this section, the term "renewable energy source" means—

(1) wind;

(2) biomass;

(3) a geothermal source;

(4) a solar thermal source;

(5) a photovoltaic source;

(6) fuel cells; or

(7) additional hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric dam.

SEC. 603. INTERCONNECTION STANDARDS.

Section 210 of the Federal Power Act (42 U.S.C. 824i) is amended by adding at the end the following:

"(f) Special Rule for Distributed Generation Facilities.—

"(1) Definition.—As used in this subsection, the term 'distributed generation facility' means an electric power generation facility that—

"(A) is designed to serve retail customers at or near the point of consumption; and

"(B) interconnects with local distribution facilities.

"(2) Interconnection.—A local distribution company shall interconnect a distributed generation facility with the local distribution facilities of such company if the distributed generation facility owner or operator complies with the final rule adopted under paragraph (3) and pays the costs directly related to such interconnection. Costs, terms, and conditions related to such interconnection shall be just, reasonable, and not unduly discriminatory.

"(3) Rules.—Within one year after the date of enactment of this subsection, the Commission shall adopt a final rule to establish safety, reliability, and power quality standards related to distributed generation facilities. For purposes of developing such standards, the Commission may classify distributed power generation facilities based on size and prescribe different requirements for different classes of facilities. The Commission shall establish an advisory committee composed of qualified experts to make recommendations to the Commission on the development of such standards.".

SEC. 604. NET METERING.

Title VI of the Public Utility Regulatory Policies Act of 1978 is amended by adding at the end the following:

"SEC. 605. NET METERING FOR RENEWABLE ENERGY AND FUEL CELLS.

"(a) Definitions.—For purposes of this section:

"(1) The term 'eligible on-site generating facility' means—

"(A) a facility on the site of a residential electric consumer with a maximum generating capacity of 100 kilowatts or less that is fueled by solar or wind energy; or

"(B) a facility on the site of a commercial electric consumer with a maximum generating capacity of 250 kilowatts or less that is fueled solely by a renewable energy resource.

"(2) The term 'renewable energy resource' means solar energy, wind energy, biomass, geothermal energy, or fuel cells.

"(3) The term 'net metering service' means service to an electric consumer under which electricity generated by that consumer from an eligible on-site generating facility and delivered to the distribution system through the same meter through which purchased electricity is received may be used to offset electricity provided by the retail electric supplier to the electric consumer during the applicable billing period so that an electric consumer is billed only for the net electricity consumed during the billing period.

"(b) Requirement To Provide Net Metering Service.—Each retail electric supplier shall make available upon request net metering service to any retail electric consumer that the supplier currently serves or solicits for service.

"(c) Rates and Charges.—

"(1) Identical charges.—A retail electric supplier—

"(A) shall charge the owner or operator of an on-site generating facility rates and charges that are identical to those that would be charged other retail electric customers of the electric company in the same rate class; and

"(B) shall not charge the owner or operator of an on-site generating facility any additional standby, capacity, interconnection, or other rate or charge.

"(2) Measurement.—A retail electric supplier that supplies electricity to the owner or operator of an on-site generating facility shall measure the quantity of electricity produced by the on-site facility and the quantity of electricity consumed by the owner or operator of an on-site generating facility during a billing period in accordance with normal metering practices.

"(3) Electricity supplied exceeding electricity generated.—If the quantity of electricity supplied by a retail electric supplier during a billing period exceeds the quantity of electricity generated by an on-site generating facility and fed back to the electric distribution system during the billing period, the supplier may bill the owner or operator for the net quantity of electricity supplied by the retail electric supplier, in accordance with normal metering practices.

"(4) Electricity generated exceeding electricity supplied.—If the quantity of electricity generated by an on-site generating facility during a billing period exceeds the quantity of electricity supplied by the retail electric supplier during the billing period—

"(A) the retail electric supplier may bill the owner or operator of the on-site generating facility for the appropriate charges for the billing period in accordance with paragraph (2); and

"(B) the owner or operator of the on-site generating facility shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

"(d) Safety and Performance Standards.—

"(1) An eligible on-site generating facility and net metering system used by a retail electric consumer shall meet all applicable safety, performance, reliability, and interconnection standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers, and Underwriters Laboratories.

"(2) The Commission, after consultation with State regulatory authorities and nonregulated local distribution systems and after notice and opportunity for comment, may adopt, by rule, additional control and testing requirements for on-site generating facilities and net metering systems that the Commission determines are necessary to protect public safety and system reliability."

SEC. 605. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

Part II of the Federal Power Act (16 U.S.C. 824–824m) is amended by adding at the end the following:

"SEC. 217. ACCESS TO TRANSMISSION BY INTERMITTENT GENERATORS.

"(a) In General.—The Commission shall ensure that all transmitting utilities provide transmission service to intermittent generators in a manner that does not penalize such generators, directly or indirectly, for characteristics that are—

"(1) inherent to intermittent energy resources; and

"(2) are beyond the control of such generators.

"(b) Policies.—The Commission shall ensure that the requirement in subsection (a) is met by adopting such policies as it deems appropriate which shall include, but not be limited to, the following:

"(1) Subject to the sole exception set forth in paragraph (2), the Commission shall ensure that the rates transmitting utilities charge intermittent generator customers for transmission services do not directly or indirectly penalize intermittent generator customers for scheduling deviations.

"(2) The Commission may exempt a transmitting utility from the requirement set forth in subsection (b) if the transmitting utility demonstrates that scheduling deviations by its intermittent generator customers are likely to have a substantial adverse impact on the reliability of the transmitting utility's system. For purposes of administering this exemption, there shall be a rebuttable presumption of no adverse impact where intermittent generators collectively constitute 20 percent or less of total generation interconnected with transmitting utility's system and using transmission services provided by transmitting utility.

"(3) The Commission shall ensure that to the extent any transmission charges recovering the transmitting utility's embedded costs are assessed to intermittent generators, they are assessed to such generators on the basis of kilowatt-hours generated rather than the intermittent generator's capacity.

"(4) The Commission shall require transmitting utilities to offer at least to intermittent generators, if not all transmission customers, access to nonfirm transmission service pursuant to long-term contracts of up to ten years duration under reasonable terms and conditions.

"(c) Definitions.—In this section:

"(1) Intermittent generator.—The term 'intermittent generator' means a person that generates electricity using wind or solar energy.

"(2) Nonfirm transmission service.—The term 'nonfirm transmission service' means transmission service provided on an 'as available' basis.

"(3) Scheduling deviation.—The term 'scheduling deviation' means delivery of more or less energy than has previously been forecast in a schedule submitted by an intermittent generator to a control area operator or transmitting utility.".

TITLE VII—HYDROELECTRIC RELICENSING

SEC. 701. ALTERNATIVE CONDITIONS.

(a) Alternative Mandatory Conditions.—Section 4 of the Federal Power Act (16 U.S.C. 797) is amended by adding at the end the following:

"(h)(1) Whenever any person applies for a license for any project works within any reservation of the United States under subsection (e), and the Secretary of the department under whose supervision such reservation falls shall deem a condition to such license to be necessary under the first proviso of such section, the license applicant may propose an alternative condition.

"(2) Notwithstanding the first proviso of subsection (e), the Secretary of the department under whose supervision the reservation falls shall accept the alternative condition proposed by the license applicant, and the Commission shall include in the license such alternative condition, if the Secretary of the appropriate department determines that the alternative condition—

"(A) provides equal or greater protection for the reservation than the condition deemed necessary by the Secretary;

"(B) is based on sound science; and

"(C) will either—

"(i) cost less to implement than the condition deemed necessary by the Secretary, or

"(ii) result in less loss of generating capacity than the condition deemed necessary by the Secretary.".

(b) ALTERNATIVE FISHWAYS.—Section 18 of the Federal Power Act (16 U.S.C. 811) is amended by—

(1) inserting "(a)" before the first sentence; and

(2) adding at the end the following:

"(b)(1) Whenever the Commission shall require a licensee to construct, maintain, or operate a fishway prescribed by the Secretary of the Interior or the Secretary of Commerce under this section, the licensee may propose an alternative.

"(2) Notwithstanding subsection (a), the Secretary of the Interior or the Secretary of Commerce, as appropriate, shall accept and prescribe, and the Commission shall require, the alternative proposed by the licensee, if the Secretary of the appropriate department determines that the alternative—

"(i) will result in equal or greater fish passage than the fishway initially prescribed by the Secretary;

"(ii) is based on sound science; and

"(iii) will either—

"(I) cost less to implement than the fishway initially prescribed by the Secretary, or

"(II) result in less loss of generating capacity than the fishway initially prescribed by the Secretary.".

SEC. 702. DISPOSITION OF HYDROELECTRIC CHARGES.

(a) ANNUAL CHARGES.—Section 10(e)(1) of the Federal Power Act (16 U.S.C. 803(e)(1) is amended—

(1) by striking "subject to annual appropriations Acts" in the first proviso; and

(2) by inserting after "(in addition to other funds appropriated for such purposes)" in the first proviso the following: "without further appropriation".

(b) OTHER CHARGES.—Section 17(a) of the Federal Power Act (16 U.S.C. 810(a)) is amended by striking "into the Treasury of the United States and credited to 'Miscellaneous receipts'" and inserting the following: "to the Secretary of the department under whose supervision the affected reservation falls, without further appropriation, to be used in accordance with subsection (c)".

(c) USE OF FUNDS.—Section 17 of the Federal Power Act (16 U.S.C. 810) is further amended by adding at the end the following:

"(c)(1) The Secretary receiving a distribution of 12½ per centum of the proceeds of charges under subsection (a) may use such proceeds solely for the protection of the water resources on—

"(A) the reservation on which the project for which the proceeds were paid is located; or

"(B) the reservation on which the headwaters of the waterway, on which the project for which the proceeds were paid, is located.

"(2) For purposes of this subsection, activities for the protection of water resources for which proceeds made available under this subsection may be used may only include the following:

"(A) promoting the recovery of threatened and endangered species;

"(B) road and trail assessments and plans, maintenance, obliteration, or closure;

"(C) wildlife and fish habitat management;

"(D) multiparty monitoring of water protection activities;

"(E) watershed analysis, including resource conditions and trend assessments;

"(F) erosion control and restoring hydrologic function to meadows, wetlands, and floodplains; and

"(G) job training associated with paragraph (3).

"(3) In order to provide employment and job training opportunities to residents of rural communities located within or near a reservation identified in paragraph (1), the Secretary may make grants or enter into cooperative agreements or contracts with-

"(A) a private, non-profit, or cooperative entity within the same county as the reservation;

"(B) businesses that employ 25 or less employees;

"(C) an entity that will hire or train residents of communities located within or near the reservation to perform the contract; or

"(D) the Youth Conservation Corps or related partnerships with State, local, or nonprofit youth groups."

SEC. 703. RELICENSING STUDY.

(a) IN GENERAL.—The Federal Energy Regulatory Commission shall, in consultation with the Secretary of Commerce, the Secretary of the Interior, and the Secretary of Agriculture, conduct a study of all new licensees issued for existing projects under section 15 since January 1, 1994.

(b) SCOPE.—The study shall analyze:

(1) the length of time the Commission has taken to issue each new license for an existing project;

(2) the additional cost to the licensee attributable to new license conditions;

(3) the change in generating capacity attributable to new license conditions;

(4) the environmental benefits achieved by new license conditions; and

(5) litigation arising from the issuance or failure to issue new licenses for existing projects under section 15 or the imposition or failure to impose new license conditions.

(c) DEFINITION.—As used in this section, the term "new license condition" means any condition imposed under-

(1) section 4(e) of the Federal Power Act (16 U.S.C. 797(e)),

(2) section 10(e) of the Federal Power Act (16 U.S.C. 803(e)),

(3) section 100) of the Federal Power Act (16 U.S.C. 8030)),

(4) section 18 of the Federal Power Act (16 U.S.C. 811), or

(5) section 401(d) of the Clean Water Act (33 U.S.C. 1341(d)).

(d) CONSULTATION.—The Commission shall give interested persons and licensees an opportunity to submit information and views in writing.

(e) REPORT.—The Commission shall report its findings to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Energy and Commerce of the House of Representatives not later than six months after the date of enactment of this section.

TITLE VIII—COAL

SEC. 801. DEFINITIONS.

In this title:

(1) COST AND PERFORMANCE GOALS.—The term "cost and performance goals" means the cost and performance goals established under section 811.

(2) SECRETARY.—The term "Secretary" means the Secretary of Energy.

Subtitle A—National Coal-Based Technology Development and Applications Program

SEC. 811. COST AND PERFORMANCE GOALS.

(a) IN GENERAL.—The Secretary shall perform an assessment that identifies costs and associated performance of technologies that would permit the continued cost-competitive use of coal for electricity generation, as chemical feedstocks, and as transportation fuel in the periods:

(1) 2007 through 2014;

(2) 2015 through 2019; and

(3) 2020 and each year thereafter.

(b) CONSULTATION.—In establishing the cost and performance goals, the Secretary shall consult with representatives of—

(1) the United States coal industry;

(2) State coal development agencies;

(3) the electric utility industry;

(4) railroads and other transportation industries;

(5) manufacturers of equipment using advanced coal technologies;

(6) organizations representing workers; and

(7) organizations formed to—

(A) further the goals of environmental protection;

(B) promote the use of coal; or

(C) promote the development and use of advanced coal technologies.

(c) TIMING.—The Secretary shall—

(1) not later than 120 days after the date of enactment of this title, issue a set of draft cost and performance goals for public comment; and

(2) not later than 180 days after the date of enactment of this title, after taking into consideration any public comments received, submit to Congress the final cost and performance goals.

SEC. 812. STUDY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this title, the Secretary, in cooperation with the Secretary of the Interior and the Administrator of the Environmental Protection Agency, shall conduct a study to—

(1) identify technologies capable of achieving the cost and performance goals;

(2) assess the costs that would be incurred by, and the period of time that would be required for, the development and demonstration of the cost and performance goals; and

(3) develop recommendations for technology development programs, which the Department of Energy could carry out in cooperation with industry, to develop and demonstrate the cost and performance goals.

(b) COOPERATION.—In carrying out this section, the Secretary shall give due weight to the expert advice of representatives of the entities described in section 811(b).

SEC. 813. TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a program of research on and development, demonstration, and commercial application of coal-based technologies under the statutory authorities available to him for carrying out research and development.

(b) CONDITIONS.—The research, development, demonstration, and commercial application programs identified in section 812(a) shall be designed to achieve the cost and performance goals.

(c) REPORT.—Not later than 18 months after the date of enactment of this title, the Secretary shall submit to the President and Congress a report containing—

(1) a description of the programs that, as of the date of the report, are in effect or are to be carried out by the Department of Energy to support technologies that are designed to achieve the cost and performance goals; and

(2) recommendations for additional authorities required to achieve the cost and performance goals.

SEC. 814. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this subtitle $100,000,000 for each of fiscal years 2002 through 2012, to remain available until expended.

(b) CONDITIONS OF AUTHORIZATION.—The authorization of appropriations under subsection (a)—

(1) shall be in addition to authorizations of appropriations in effect on the date of enactment of this title; and

(2) shall not be a cap on Department of Energy fossil energy research and development and clean coal technology appropriations.

Subtitle B—Power Plant Improvement Initiative

SEC. 821. POWER PLANT IMPROVEMENT INITIATIVE PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a power plant improvement initiative program that will demonstrate commercial applications of advanced coal-based technologies applicable to new or existing power plants, including co-production plants, which must advance the efficiency, environmental performance, and cost competitiveness well beyond that which is in operation or has been demonstrated on the date of enactment of this title.

(b) PLAN.—Not later than 120 days after the date of enactment of this title, the Secretary shall submit to Congress a plan to carry out subsection (a) that includes a description of—

(1) the program elements and management structure to be used;

(2) the technical milestones to be achieved with respect to each of the advanced coal-based technologies included in the plan; and

(3) the demonstration activities proposed to be conducted at new or existing coal-based electric generation units having at least 50 megawatts nameplate rating, including improvements to allow the units to achieve 1 or more of the following:

(A) An overall design efficiency improvement of not less than 3 percent as compared with the efficiency of the unit as operated on the date of enactment of this title and before any retrofit, repowering, replacement, or installation.

(B) A significant improvement in the environmental performance related to the control of sulfur dioxide, nitrogen oxide, and mercury in a manner that is different and well below the cost of technologies that are in operation or have been demonstrated on the date of enactment of this title.

(C) A means of recycling, reusing, or sequestering a significant portion of coal combustion wastes produced by coal-based generating units excluding practices that are commercially available at the date of enactment of this title.

SEC. 822. FINANCIAL ASSISTANCE.

(a) IN GENERAL.—Not later than 180 days after the date on which the Secretary submits to Congress the plan under section 821 (b), the Secretary shall solicit proposals for projects at new or existing facilities designed to achieve the levels of performance set forth in section 821(b)(3).

(b) PROJECT CRITERIA.—A solicitation under subsection (a) may include solicitation of a proposal for a project to demonstrate—

(1) the control of emissions of 1 or more pollutants; or

(2) the production of coal combustion byproducts that are capable of obtaining economic values significantly greater than byproducts produced on the date of enactment of this title.

(c) FINANCIAL ASSISTANCE.—The Secretary shall provide financial assistance to projects that—

(1) demonstrate overall cost reductions in the utilization of coal to generate useful forms of energy;

(2) improve the competitiveness of coal among various forms of energy in order to maintain a diversity of fuel choices in the United States to meet electricity generation requirements;

(3) achieve, in a cost-effective manner, 1 or more of the criteria described in the solicitation; and

(4) demonstrate technologies that are applicable to 25 percent of the electricity generating facilities that use coal as the primary feedstock on the date of enactment of this title.

(d) FEDERAL SHARE.—The Federal share cost of a project funded under this subtitle shall not exceed 50 percent.

SEC. 823. FUNDING.

To carry out this subtitle, the Secretary may use any unobligated funds available to the Secretary and any funds obligated to any project selected under the clean coal technology program that become unobligated.

TITLE IX—PRICE-ANDERSON ACT REAUTHORIZATION

SEC. 901. SHORT TITLE.

This title may be cited as the "Price- Anderson Amendments Act of 2001".

SEC. 902. INDEMNIFICATION AUTHORITY.

(a) INDEMNIFICATION OF NRC LICENSEES.—Section 170. c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by striking "August 1, 2002" each place it appears and inserting "August 1, 2012".

(b) INDEMNIFICATION OF DOE CONTRACTORS.—Section 170d.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A)) is amended by striking ", until August 1, 2002,".

(c) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking "August 1, 2002" each place it appears and inserting "August 1, 2012".

SEC. 903. MAXIMUM ASSESSMENT.

Section 170 b.(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(1)) is amended by striking "$10,000,000" and inserting "$20,000,000".

SEC. 904. DOE LIABILITY LIMIT.

(a) AGGREGATE LIABILITY LIMIT.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking subsection (2) and inserting the following:

"(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

"(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity, and

"(B) shall indemnify the persons indemnified against such claims above the amount of the financial protection required, in the amount of $10,000,000,000 (subject to adjustment for inflation under subsection t.), in the aggregate, for all persons indemnified in connection with such contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.".

(b) CONTRACT AMENDMENTS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking subsection (3) and inserting the following:

"(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person, shall be deemed to be amended, on the date of the enactment of the Price-Anderson Amendments Act of 1999, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection on such date.".

SEC. 905. INCIDENTS OUTSIDE THE UNITED STATES.

(a) AMOUNT OF INDEMNIFICATION.—Section 170 d.(5) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(5)) is amended by striking "$100,000,000" and inserting "$500,000,000".

(b) LIABILITY LIMIT.—Section 170e.(4) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(4)) is amended by striking "$100,000,000" and inserting "$500,000,000".

SEC. 906. REPORTS.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking "August 1, 1998" and inserting "August 1, 2008".

SEC. 907. INFLATION ADJUSTMENT.

Section 170 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—

(1) by renumbering paragraph (2) as paragraph (3); and

(2) by adding after paragraph (1) the following new paragraph:

"(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period following the date of the enactment of the Price-Anderson Amendments Act of 2001, in accordance with the aggregate percentage change in the Consumer Price Index since—

"(A) such date of enactment, in the case of the first adjustment under this subsection; or

"(B) the previous adjustment under this subsection.".

SEC. 908. CIVIL PENALTIES.

(a) REPEAL OF AUTOMATIC REMISSION.—Section 234A b.(2) of the Atomic Energy of 1954 (42 U.S.C. 2282a(b)(2)) is amended by striking the last sentence.

(b) LIMITATION FOR NONPROFIT INSTITUTIONS.—Section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a) is further amended by striking subsection d. and inserting the following:

"d. Notwithstanding subsection a., no contractor, subcontractor, or supplier considered to be nonprofit under the Internal Revenue Code of 1954 shall be subject to a civil penalty under this section in excess of the amount of any performance fee paid by the Secretary to such contractor, subcontractor, or supplier under the contract under which the violation or violations; occur.".

SEC. 909. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this title shall become effective on the date of the enactment of this title.

(b) INDEMNIFICATION PROVISIONS.—The amendments made by sections 703, 704, and 705 shall not apply to any nuclear incident occurring before the date of the enactment of this title.

(c) CIVIL PENALTY PROVISIONS.—The amendments made by section 708 to section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(b)(2)) shall not apply to any violation occurring under a contract entered into before the date of the enactment of this title.

DIVISION C—DOMESTIC OIL AND GAS PRODUCTION AND TRANSPORTATION

TITLE X—OIL AND GAS PRODUCTION

SEC. 1001. OUTER CONTINENTAL SHELF OIL AND GAS LEASE SALE 181.

(a) REQUIREMENT.—Subject to applicable laws and regulations, not later than December 31, 2001, the Secretary of the Interior shall proceed with the proposed Eastern Gulf of Mexico Outer Continental Shelf Oil and Gas Lease Sale 181.

(b) MODIFICATION.—In carrying out the sale under subsection (a), the Secretary of the Interior shall modify the lease area by excluding the 120 blocks in a narrow strip beginning 15 miles from the coast of Alabama. The Secretary shall include the 913 blocks in the area that is greater than 100 miles from the coast of Florida in Lease Sale 181.

SEC. 1002. FEDERAL ONSHORE LEASING PROGRAMS FOR OIL AND GAS.

Consistent with applicable law and regulations, there are authorized to be appropriated to the Secretary of the Interior and the Secretary of Agriculture such sums as may be necessary, including salary expenses to hire additional personnel, to ensure expeditious compliance with National Environmental Policy Act requirements applicable to oil and gas production on public lands and national forest system lands.

SEC. 1003. INCREASING PRODUCTION ON STATE AND PRIVATE LANDS.

(a) STUDY.—The Secretary of Energy, in close coordination with the Interstate Oil and Gas Compact Commission, shall conduct a study to evaluate the opportunities for increasing oil and natural gas production from State and privately controlled lands in the United States. The study shall take into account trends in land use and development that may affect oil and gas development, the various leasing practices and rules for development among the States, and differences in contract terms from State to State and among private landowners. The evaluation should also include an assessment of whether optimal recovery practices, including in-fill drilling, work-overs, and enhanced recovery operations, are being employed consistently to ensure the full development and conservation of the resources. The evaluation should determine what impediments may exist to ensuring optimal recovery practices and make recommendations as to how those impediments could be overcome. The study should also determine whether production rights or leases are controlled by parties no longer interested in fully recovering the resource, with inactivity for a period of time being considered as indicating a lack of interest.

(b) REPORT TO CONGRESS AND GOVERNORS.—Not later than 240 days after the date of enactment of this section, the Secretary shall provide a report to the Committee on Energy and Natural Resources in the Senate, and the Committee on Resources in the House of Representatives, summarizing the findings of the study carried out under subsection (a) and providing recommendations for policies or other actions that could help increase production on State and private lands. The Secretary shall also provide a copy of the report to the Governors of the Member States of the Interstate Oil and Compact Commission.

TITLE XI—PIPELINE SAFETY RESEARCH AND DEVELOPMENT

SEC. 1101. PIPELINE INTEGRITY RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary of Transportation, in coordination with the Secretary of Energy, shall develop and implement an accelerated cooperative program of research and development to ensure the integrity of natural gas and hazardous liquid pipelines. This research and development program shall include materials inspection techniques, risk assessment methodology, and information systems surety.

(b) PURPOSE.—The purpose of the cooperative research program shall be to promote research and development to—

(1) ensure long-term safety, reliability and service life for existing pipelines;

(2) expand capabilities of internal inspection devices to identify and accurately measure defects and anomalies;

(3) develop inspection techniques for pipelines that cannot accommodate the internal inspection devices available on the date of enactment;

(4) develop innovative techniques to measure the structural integrity of pipelines to prevent pipeline failures;

(5) develop improved materials and coatings for use in pipelines;

(6) improve the capability, reliability, and practicality of external leak detection devices;

(7) identify underground environments that might lead to shortened service life;

(8) enhance safety in pipeline siting and land use;

(9) minimize the environmental impact of pipelines;

(10) demonstrate technologies that improve pipeline safety, reliability, and integrity;

(11) provide risk assessment tools for optimizing risk mitigation strategies; and

(12) provide highly secure information systems for controlling the operation of pipelines.

(c) AREAS.—In carrying out this title, the Secretary of Transportation, in coordination with the Secretary of Energy, shall consider research and development on natural gas, crude oil, and petroleum product pipelines for—

(1) early crack, defect, and damage detection, including real-time damage monitoring;

(2) automated internal pipeline inspection sensor systems;

(3) land use guidance and set back management along pipeline rights-of-way for communities;

(4) internal corrosion control;

(5) corrosion-resistant coatings;

(6) improved cathodic protection;

(7) inspection techniques where internal inspection is not feasible, including measurement of structural integrity;

(8) external leak detection, including portable real-time video imaging technology, and the advancement of computerized control center leak detection systems utilizing real-time remote field data input;

(9) longer life, high strength, non-corrosive pipeline materials;

(10) assessing the remaining strength of existing pipes;

(11) risk and reliability analysis models, to be used to identify safety improvements that could be realized in the near term resulting from analysis of data obtained from a pipeline performance tracking initiative.

(12) identification, monitoring, and prevention of outside force damage, including satellite surveillance; and

(13) any other areas necessary to ensuring the public safety and protecting the environment.

(d) POINTS OF CONTACT.—

(1) DESIGNATION.—To coordinate and implement the research and development programs and activities authorized under this title—

(A) the Secretary of Transportation shall designate, as the point of contact for the Department of Transportation, an officer of the Department of Transportation who has been appointed by the President and confirmed by the Senate; and

(B) the Secretary of Energy shall designate, as the point of contact for the Department of Energy, an officer of the Department of Energy who has been appointed by the President and confirmed by the Senate.

(2) DUTIES.—(A) The point of contact for the Department of Transportation shall have the primary responsibility for coordinating and overseeing the implementation of the research, development, and demonstration program plan, as defined in subsections (e) and (f).

(B) The points of contact shall jointly assist in arranging cooperative agreements for research, development, and demonstration involving their respective Departments, national laboratories, universities, and industry research organizations.

(e) RESEARCH AND DEVELOPMENT PROGRAM PLAN.—Within 240 days after the date of enactment of this Act, the Secretary of Transportation, in coordination with the Secretary of Energy and the Pipeline Integrity Technical Advisory Committee, shall prepare and submit to the Congress a 5-year program plan to guide activities under this Act. In preparing the program plan, the Secretary of Transportation shall consult with appropriate representatives of the natural gas, crude oil, and petroleum product pipeline industries to select and prioritize appropriate project proposals. The Secretary may also seek the advice of utilities, manufacturers, institutions of higher learning, Federal agencies, the pipeline research institutions, national laboratories, State pipeline safety officials, environmental organizations, pipeline safety advocates, and professional and technical societies.

(f) IMPLEMENTATION.—The Secretary of Transportation shall have primary responsibility for ensuring the five-year plan provided for in subsection (e) is implemented as intended by this Act. In carrying out the research, development, and demonstration activities under this Act, the Secretary of Transportation and the Secretary of Energy may use, to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grants, joint ventures, other transactions, and any other form of agreement available to the Secretary consistent with the recommendations of the Advisory Committee.

(g) REPORTS TO CONGRESS.—The Secretary of Transportation shall report to the Congress annually as to the status and results to date of the implementation of the research and development program plan. The report shall include the activities of the Department of Transportation, the Department of Energy, the national laboratories, universities, and any other research organizations, including industry research organizations.

SEC. 1102. PIPELINE INTEGRITY TECHNICAL ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary of Transportation shall enter into appropriate arrangements with the National Academy of Sciences to establish and manage the Pipeline Integrity Technical Advisory Committee for the purpose of advising the Secretary of Transportation and the Secretary of Energy on the development and implementation of the five-year research, development, and demonstration program plan as defined in section 1101(e). The Advisory Committee shall have an ongoing role in evaluating the progress and results of the research, development, and demonstration carried out under this title.

(b) MEMBERSHIP.—The National Academy of Sciences shall appoint the members of the Pipeline Integrity Technical Advisory Committee after consultation with the Secretary of Transportation and the Secretary of Energy. Members appointed to the Advisory Committee should have the necessary qualifications to provide technical contributions to the purposes of the Advisory Committee.

SEC. 1103. AUTHORIZATION OF APPROPRIATIONS.

(a) There are authorized to be appropriated to the Secretary of Transportation for carrying out this title $3,000,000, which is to be derived from user fees (49 U.S.C. Sec. 60125), for each of the fiscal years 2002 through 2006.

(b) Of the amounts available in the Oil Spill Liability Trust Fund (26 U.S.C. Sec. 9509), $3,000,000 shall be transferred to the Secretary of Transportation to carry out programs for detection, prevention, and mitigation of oil spills authorized in this title for each of the fiscal years 2002 through 2006.

(c) There are authorized to be appropriated to the Secretary of Energy for carrying out this title such sums as may be necessary for each of the fiscal years 2002 through 2006.

DIVISION D—DIVERSIFYING ENERGY DEMAND AND IMPROVING EFFICIENCY

TITLE XII—VEHICLES

SEC. 1201. VEHICLE FUEL EFFICIENCY.

(a) Requirement.—The Secretary of Transportation, in consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall develop and implement mechanisms to increase fuel efficiency of light-duty vehicles to limit total demand for petroleum products by light-duty vehicles in the year 2008 and thereafter to no more than 105 percent of the consumption by such vehicles in the year 2000.

(b) Negotiations.—Upon completion of the study of the National Academy of Sciences on the effectiveness and impact of corporate average fuel economy standards, and taking into account its findings, the Secretary of Transportation, in coordination with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall negotiate with the manufacturers of automobiles sold in the United States enforceable mechanisms to increase vehicle efficiency or provide vehicle alternatives to meet the petroleum demand target in subsection (a) while ensuring consumers reliable and affordable transportation services.

(c) Rules.—Upon completion of the negotiations under subsection (b) and, in any event, not later than 18 months after the date of enactment of this section, the Secretary of Transportation shall establish, by rule—

(1) the enforceable mechanisms agreed to under subsection (b); or

(2) if enforceable mechanism cannot be agreed on under subsection (b), specific fuel economy regulations to meet the petroleum demand targets under subsection (a).

(c) Analyses and Reports to Congress.—The Department of Energy shall assist the Secretary of Transportation by carrying out analyses of recommended policies or combinations of policies to determine if the petroleum demand target in subsection (a) is likely to be met. Once enforceable mechanisms are adopted under subsection (b), the Secretary of Energy shall track progress towards meeting the petroleum demand target and shall report to Congress three years after the date of enactment of this section, and every two years thereafter until the year 2008, on the Secretary of Energy's determination as to whether the mechanisms are effectively meeting the petroleum demand target. If the Secretary of Energy determines that the mechanisms are not effectively meeting the target, then the Secretary shall recommend in the report to Congress on further policies that may be required to meet the target.

(d) Definitions.—In this section:

(1) Light-duty vehicles.—The term "light duty vehicles" includes passenger automobiles, in addition to all light trucks and sport utility vehicles marketed as passenger vehicles, regardless of weight.

(2) Mechanisms.—The term "mechanisms" includes stronger standards for corporate average fuel economy, alternatives to the current fuel economy standards such as combining cars and light trucks for the purpose of fuel economy regulation, specific fuel efficiency standards by vehicle class, tax incentives for highly efficient or alternative-fuel vehicles, updating and expanding the scope of the current gas guzzler tax program, and new programs to promote the purchase of high efficiency and alternative fuel vehicles or early retirement of inefficient vehicles.

SEC. 1202. INCREASED USE OF ALTERNATIVE FUELS BY FEDERAL FLEETS.

(a) Requirement To Use Alternative Fuels.—Section 400AA(a)(3)(E) of the Energy Policy and Conservation Act (42 U.S.C. 6374(a)(3)(E)) is amended to read as follows:

"Dual fueled vehicles acquired pursuant to this section shall be operated on alternative fuels. If the Secretary determines that all dual fueled vehicles acquired pursuant to this section cannot operate on alternative fuels at all times, he may waive the requirement in part, but only to the extent that:

"(i) not later than September 30, 2003, not less than 50 percent of the total annual volume of fuel used in such dual fueled vehicles shall be from alternative fuels; and

"(ii) not later than September 30, 2005, not less than 75 percent of the total annual volume of fuel used in such dual fueled vehicles shall be from alternative fuels.".

(b) Section 400AA(g)(4)(B) of the Energy Policy and Conservation Act (42 U.S.C. 6374(g)(4)(B)) is amended by adding, after the words, "solely on alternative fuel", ", including a three-wheeled enclosed electric vehicle having a vehicle identification number".

SEC. 1203. EXCEPTION TO HOV PASSENGER REQUIREMENTS FOR ALTERNATIVE FUEL VEHICLES.

Section 102(a)(1) of title 23, United States Code, is amended by inserting after "required' the following: "(unless, in the discretion of the State transportation department, the vehicle is being operated on, or is being fueled by, an alternative fuel (as defined in section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2)))".

TITLE XIII—FACILITIES

SEC. 1301. FEDERAL ENERGY BANK.

(a) Definitions.—In this section:

(1) Agency.—The term "agency" means—

(A) an Executive agency (as defined in section 105 of title 5, United States Code, except that the term also includes the United States Postal Service);

(B) Congress and any other entity in the legislative branch; and

(C) a court and any other entity in the judicial branch.

(2) Bank.—The term "Bank" means the Federal Energy Bank established by subsection (b).

(3) Energy efficiency project.—The term "energy efficiency project" means a project that assists an agency in meeting or exceeding the energy efficiency goals stated in—

(A) part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.);

(B) subtitle F of title I of the Energy Policy Act of 1992; and

(C) applicable Executive orders, including Executive Order Nos. 12759 and 12902.

(4) Secretary.—The term "Secretary" means the Secretary of Energy.

(5) Total utility payments.—The term "total utility payments" means payments made to supply electricity, natural gas, and any other form of energy to provide the heating, ventilation, and air conditioning, lighting, and other energy needs of an agency facility.

(b) Establishment of Bank.—

(1) In general.—There is established in the Treasury of the United States a trust fund to be known as the "Federal Energy Bank", consisting of—

(A) such amounts as are appropriated to the Bank under subsection (f);

(B) such amounts as are transferred to the Bank under paragraph (2);

(C) such amounts as are repaid to the Bank under subsection (c)(2)(D); and

(D) any interest earned on investment of amounts in the Bank under paragraph (3).

(2) Transfers to bank.—

(A) In general.—At the beginning of each of fiscal years 2002, 2003, and 2004, each agency shall transfer to the Secretary of the Treasury, for deposit in the Bank, an amount equal to 5 percent of the total utility payments paid by the agency in the preceding fiscal year.

(B) Utilities paid for as part of rental payments.—The Secretary shall by regulation establish a formula by which the appropriate portion of a rental payment that covers the cost of utilities shall be considered to be a utility payment for the purposes of subparagraph (A).

(3) Investment of funds.—The Secretary of the Treasury shall invest such portion of funds in the Bank as is not, in the Secretary's judgment, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

(c) Loans From the Bank.—

(1) In general.—The Secretary of the Treasury shall transfer from the Bank to the Secretary such amounts as are appropriated to carry out the loan program under paragraph (2).

(2) Loan program.—

(A) In general.—In accordance with subsection (d), the Secretary shall establish a program to loan amounts from the Bank to any agency that submits an application satisfactory to the Secretary in order to finance an energy efficiency project.

(B) Performance contracting funding.—To the extent practicable, an agency shall not submit a project for which performance contracting funding is available.

(C) Purposes of loan.—

(i) In general.—A loan under this section may be made to pay the costs of—

(I) an energy efficiency project; or

(II) development and administration of a performance contract.

(ii) Limitation.—An agency may use not more than 15 percent of the amount of a loan under clause (i)(I) to pay the costs of administration and proposal development (including data collection and energy surveys).

(D) Repayments.—

(i) In general.—An agency shall repay to the Bank the principal amount of the energy efficiency project loan plus interest at a rate determined by the President, in consultation with the Secretary and the Secretary of the Treasury.

(ii) Waiver.—The Secretary may waive the requirement of clause (i) if the Secretary determines that payment of interest by an agency is not required to sustain the needs of the Bank in making energy efficiency project loans.

(E) Agency energy budgets.—Until a loan is repaid, an agency budget submitted to Congress for a fiscal year shall not be reduced by the value of energy savings accrued as a result of the energy conservation measure implemented with funds from the Bank.

(F) AVAILABILITY OF FUNDS.—An agency shall not rescind or reprogram funds made available by this Act. Funds loaned to an agency shall be retained by the agency until expended, without regard to fiscal year limitation.

(d) SELECTION CRITERIA.—

(1) IN GENERAL.—The Secretary shall establish criteria for the selection of energy efficiency projects to be awarded loans in accordance with paragraph (2).

(2) SELECTION CRITERIA.—The Secretary may make loans only for energy efficiency projects that—

(A) are technically feasible;

(B) are determined to be cost-effective using life cycle cost methods established by the Secretary by regulation;

(C) include a measurement and management component to—

(i) commission energy savings for new Federal facilities; and

(ii) monitor and improve energy efficiency management at existing Federal facilities; and

(D) have a project payback period of 7 years or less.

(e) REPORTS AND AUDITS.—

(1) REPORTS TO THE SECRETARY.—Not later than 1 year after the installation of an energy efficiency project that has a total cost of more than $1,000,000, and each year thereafter, an agency shall submit to the Secretary a report that—

(A) states whether the project meets or fails to meet the energy savings projections for the project; and

(B) for each project that fails to meet the savings projections, states the reasons for the failure and describes proposed remedies.

(2) AUDITS.—The Secretary may audit any energy efficiency project financed with funding from the Bank to assess the project's performance.

(3) REPORTS TO CONGRESS.—At the end of each fiscal year, the Secretary shall submit to Congress a report on the operations of the Bank, including a statement of the total receipts into the Bank, and the total expenditures from the Bank to each agency.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 1302. INCENTIVES FOR ENERGY EFFICIENT SCHOOLS.

(a) ESTABLISHMENT.—There is established in the Department of Education the High Performance Schools Program (hereafter in this section referred to as the "Program").

(b) GRANTS.—The Secretary of Education may make grants to State educational agencies—

(1) to assist schools in achieving energy efficiency performance not less than 30 percent below the least efficient levels, as measured over the full fuel cycle, permitted under the 1998 International Energy Conservation Code as it is in effect for new construction and existing buildings;

(2) to administer the Program; and

(3) to promote participation in the Program.

(c) GRANTS TO ASSIST SCHOOL DISTRICTS.—Grants under subsection (b)(1) shall be used for schools that—

(1) have demonstrated a need for such grants in order to respond appropriately to increasing elementary and secondary school enrollments or to make major investments in renovation of school facilities;

(2) have demonstrated that the districts do not have adequate funds to respond appropriately to such enrollments or achieve such investments without assistance;

(3) have made a commitment to use the grant funds to develop high performance school buildings in accordance with a plan that the State educational agency, in consultation with the State energy office, has determined is feasible and appropriate to achieve the purposes for which the grant is made.

(d) GRANTS FOR ADMINSTRATION.—Grants under subsection (b)(2) shall be used to—

(A) evaluate compliance by schools with requirements of this section;

(B) distribute information and materials to clearly define and promote the development of high performance school buildings for both new and existing facilities;

(C) organize and conduct programs for school board members, school personnel, architects, engineers, and others to advance the concepts of high performance, school buildings;

(D) obtain technical services and assistance in planning and designing high performance school buildings; or

(E) collect and monitor data and information pertaining to the high performance school building projects.

(e) GRANTS TO PROMOTE PARTICIPATION.—Grants under subsection (b)(3) shall be used for promotional and marketing activities, including facilitating private and public financing, promoting the use of energy service companies, working with school administrations, students, and communities, and coordinating public benefit programs.

(f) SUPPLEMENTING GRANT FUNDS.—The State educational agency shall encourage qualifying schools to supplement funds awarded pursuant to this section with funds from other sources in the implementation of their plans.

(g) PURPOSES.—Except as provided in subsection (h), funds appropriated to carry out this section shall be allocated as follows:

(1) 70 percent shall be used to make grants under subsection (b)(1).

(2) 15 percent shall be used to make grants under subsection (b)(2).

(3) 15 percent shall be used to make grants under subsection (b)(3).

(h) OTHER FUNDS.—The Secretary of Education may retain an amount, not to exceed $300,000 per year, to assist State educational agencies designated in coordinating and implementing the Program. Such funds may be used to develop reference materials to further define the principles and criteria to achieve high performance school buildings.

(i) AUTHORIZATION OF APPROPRIATIONS.—For grants under subsection (b) there are authorized to be appropriated—

(1) $200,000,000 for fiscal year 2002,

(2) $210,000,000 for fiscal year 2003,

(3) $220,000,000 for fiscal year 2004,

(4) $230,000,000 for fiscal year 2005, and

(5) such sums as may be necessary for each of the subsequent 6 fiscal years.

(j) DEFINITIONS.—For purposes of this section:

(1) HIGH PERFORMANCE SCHOOL BUILDING.—The term "high performance school building" refers to a school building that, in its design, construction, operation, and maintenance, maximizes use of renewable energy, direct use of environmentally clean fossil fuels for supplementary space conditioning and water heating and energy conservation practices, represents the most cost-effective alternatives on a life-cycle basis considering energy price forecasts from the U. S. Energy Information Administration, uses affordable, environmentally preferable, durable materials, enhances indoor environmental quality, protects and conserves water, and optimizes site potential.

(2) RENEWABLE ENERGY.—The term "renewable energy" means energy produced by solar, wind, geothermal, hydropower, and biomass power.

(3) SCHOOL.—The term "school" means—

(A) an "elementary school" as that term is defined in section 14101(14) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14)),

(B) a "secondary school" as that term is defined in section 14101(25) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(25)), or

(C) an elementary of secondary Indian school funded by the Bureau of Indian Affairs.

(4) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the same meaning given such term in section 14101(28) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(28)).

SEC. 1303. VOLUNTARY COMMITMENTS TO REDUCE INDUSTRIAL ENERGY INTENSITY.

(a) VOLUNTARY AGREEMENTS.—The Secretary of Energy shall enter into voluntary agreements with one or more persons in industrial sectors that consume significant amounts of primary energy per unit of physical output to reduce the energy intensity of their production activities.

(b) GOAL.—Voluntary agreements under this section shall have a goal of reducing energy intensity by not less than 1 percent each year from 2002 through 2012.

(c) RECOGNITION.—The Secretary of Energy, in cooperation with other appropriate federal agencies, shall develop mechanisms to recognize and publicize the commitments made by participants in voluntary agreements under this section.

(d) DEFINITION.—In this section, the term "energy intensity" means the primary energy consumed per unit of physical output in an industrial process.

DIVISION E—ENHANCING RESEARCH, DEVELOPMENT, AND TRAINING

TITLE XIV—RESEARCH AND DEVELOPMENT PROGRAMS

SEC. 1401. SHORT TITLE AND FINDINGS.

(a) SHORT TITLE.—This title may be cited as "Energy Science and Technology Enhancement Act".

(b) FINDINGS.—

(1) A coherent strategy for ensuring a diverse national energy supply requires an energy research and development program that supports basic energy research and provides mechanisms to develop, demonstrate, and deploy new energy technologies in partnership with industry.

(2) Federal budget authority for energy research and development, measured in constant 1992 dollars, has declined roughly three-fourths from about $6 billion in 1980 to $1.5 billion in 2000.

(3) According to the Energy Information Administration, an aggressive national energy research, development, and technology deployment program can—

(A) result in United States energy intensity declines of 1.9 percent per year from 1999 to 2020;

(B) reduce United States energy consumption in 2020 by 8 quadrillion Btu from otherwise expected levels; and

(C) reduce carbon dioxide emissions from expected levels of 166 million metric tons in carbon equivalent in 2020.

(4) An aggressive national energy research, development, and technology deployment

program can also help maintain domestic United States production of energy. As one example, such a program could increase the success rates of finding and drilling for oil and natural gas, and thereby increase United States hydrocarbon reserves in 2020 by 14 percent over otherwise expected levels, and contributing to natural gas prices in 2020 that would be 20 percent lower than otherwise expected.

(5) An aggressive national energy research, development, and technology deployment program is needed if United States suppliers and manufacturers are to compete in future markets for advanced energy technologies. Vehicles based on advanced energy technologies in automotive applications could account, for example, for nearly 17 percent of all light-duty vehicle sales by 2020 displacing 203,000 oil barrels a day equivalent.

(6) To achieve these results across a broad range of sources of energy supply and energy end-uses, a comprehensive and balanced energy research, development, and technology deployment program must be supported by the Department of Energy.

SEC. 1402. ENHANCED ENERGY EFFICIENCY RESEARCH AND DEVELOPMENT.

(a) GOALS.—It is the sense of Congress that a balanced energy research, development, and deployment program to enhance energy efficiency should have the following goals:

(1) For energy efficiency in housing, the program develop technologies, housing components, designs and production methods that will, by 2010—

(A) reduce the time needed to move technologies to market by 50 percent,

(B) reduce the monthly cost of new housing by 20 percent,

(C) cut the environmental impact and energy use of new housing by 50 percent, and

(D) reduce energy use in 15 million existing homes by 30 percent, and

(E) improve durability and reduce maintenance costs by 50 percent.

(2) For industrial energy efficiency, the program should, in cooperation with the affected industries—

(A) develop a microturbine (40 to 300 kilowatt) that is more than 40 percent efficient by 2006,

(B) develop a microturbine that is more than 50 percent efficient by 2010,

(C) develop advanced materials for combustion systems that reduce emissions of nitrogen oxides by 30 to 50 percent while increasing efficiency 5 to 10 percent by 2007, and

(D) improve the energy intensity of the major energy-consuming industries by at least 25 percent by 2010.

(3) For transportation energy efficiency, the program should, in cooperation with affected industries—

(A) develop an 80-mile-per-gallon production prototype passenger automobile by 2004,

(B) develop a heavy truck (Classes 7 and 8) with ultra low emissions and the ability to use an alternative fuel that has an average fuel economy of—

(i) 10 miles per gallon by 2007, and

(ii) 13 miles per gallon by 2010,

(C) develop a production prototype of a passenger automobile with zero equivalent emissions that has an average fuel economy of 100 miles per gallon by 2010, and

(D) improve, by 2010, the average fuel economy of trucks—

(i) in Classes 1 and 2 by 300 percent, and

(ii) in Classes 3 through 6 by 200 percent.

(b) DEFINITION.—For purposes of subsection (a)(2), the term "major energy consuming industries" means—

(1) the forest product industry,

(2) the steel industry,

(3) the aluminum industry,

(4) the metal casting industry,

(5) the chemical industry,

(6) the petroleum refining industry, and

(7) the glass-making industry.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy for operating expenses and capital equipment for research, development, demonstration, and initial deployment assistance activities related to energy efficiency research and development including state and local grants and the federal energy management program—

(1) $879,000,000 for fiscal year 2002;

(2) $948,000,000 for fiscal year 2003;

(3) $1,024,000,000 for fiscal year 2004;

(4) $1,106,000,000 for fiscal year 2005; and

(5) $1,195,000,000 for fiscal year 2006.

(d) SPECIAL PROJECTS IN ENERGY-EFFICIENT TRANSMISSION.—From amounts authorized under this section, the Secretary of Energy shall make not more than 3 awards for projects demonstrating the use of advanced technology—

(1) to construct a bulk electricity transmission line of not less than 35 miles based on wire fabricated from superconducting materials; and

(2) to provide a 20 percent increase in the average efficiency in electricity transmission systems in rural and remote areas.

SEC. 1403. ENHANCED RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.

(a) GOALS.—It is the sense of Congress that a balanced energy research, development, and deployment program to enhance renewable energy should have the following goals.

(1) For wind power, the program should reduce the cost of wind electricity by 50 percent by 2006, so that wind power can be widely competitive with fossil-fuel-based electricity in a restructured electric industry, with concentration within the program on a variety of advanced wind turbine concepts and manufacturing technologies.

(2) For photovoltaics, the programs should pursue research and development that would lead to photovoltaic systems prices of $3,000 per kilowatt in 2003 and $1500 per kilowatt by 2006. Program activities should include assisting industry in developing manufacturing technologies, giving greater attention to balance of system issues, and expanding fundamental research on relevant advanced materials.

(3) For solar thermal electric systems the program should strengthen ongoing research and development combining high-efficiency and high-temperature receivers with advanced thermal storage and power cycles, with the goal of making solar-only power (including baseload solar power) widely competitive with fossil fuel power by 2015.

(4) For biomass-based power systems, the program should enable commercialization, within five years, integrated power-generating technologies that employ gas turbines and fuel cells integrated with biomass gasifiers. The program should embrace an interagency bioenergy framework to triple United States bioenergy use by 2010.

(5) For geothermal energy, the programs should continue work on hydrothermal systems, and reactivate research and development on advanced concepts, giving top priority to high-grade hot dry-rock geothermal energy. This technology offers the long-term potential, with advanced drilling and reservoir exploitation technology, of providing heat and baseload electricity in most areas of the United States.

(6) For biofuels, the program should accelerate research and development on advanced enzymatic hydrolysis technology for making ethanol from cellulosic feedstock, with the goal that between 2010 and 2015 ethanol produced from energy crops would be fully competitive in terms of price with gasoline as a neat fuel, in either internal combustion engine or fuel cell vehicles. The programs should coordinate this development with the biopower program so as to co-optimize the production of ethanol from the carbohydrate fractions of the biomass and electricity from the lighting using advanced biopower technology using a suite of integrated systems from gas turbines to fuel cells.

(7) For hydrogen-based energy systems, the program should support research and development on hydrogen-using and hydrogen-producing technologies. The programs should also coordinate hydrogen-using technology development with proton-exchange-membrane fuel-cell vehicle development activities under the enhanced energy efficiency program in section 1002.

(8) For hydropower, the program should provide a new generation of turbine technologies that are less damaging to fish and aquatic ecosystems. By deploying such technologies at existing dams and in new low-head, run-of-river applications, as much as an additional 50,000 MW could be possible by 2020.

(9) For electric energy and storage, the program should develop a high capacity superconducting transmission lines, generators, and develop distributed generating systems to accommodate multiple types of energy sources under a common interconnect standard.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy for operating expenses and capital equipment for research, development, demonstration, and initial deployment assistance activities related to solar and renewable resources technologies, under the Office of Energy Efficiency and Renewable Energy, as follows:

(1) $419,500,000 for fiscal year 2002;

(2) $468,000,000 for fiscal year 2003;

(3) $523,000,000 for fiscal year 2004;

(4) $583,000,000 for fiscal year 2005; and

(5) $652,000,000 for fiscal year 2006.

(d) SPECIAL PROJECTS IN RENEWABLE ENERGY.—From amounts authorized under this section, the Secretary of Energy shall make not more than 3 awards for projects demonstrating the use of advanced wind energy technology to assist in delivering electricity in rural and remote locations. The Secretary may provide financial assistance to rural electric cooperatives and other rural entities seeking to submit proposals for such projects.

SEC. 1404. ENHANCED FOSSIL ENERGY RESEARCH AND DEVELOPMENT.

(a) GOALS.—It is the sense of Congress that a balanced energy research, development, and deployment program to enhance renewable energy should have the following goals:

(1) For core fossil energy research and development, the program should achieve the goals outlined by the Department of Energy's Vision 21 program for fossil energy research. This research should aim towards increased efficiency of the combined cycle using high temperature fuel cells, advanced gasification technologies for coal and biomass to produce power and clean fuels. The program should include a carbon dioxide based sequestration program to help reduce global warming.

(2) For offshore oil and natural gas resources, the program should investigate and develop technologies to—

(A) extract methane hydrates in coastal waters of the United States, and

(B) develop natural gas and oil reserves in the ultra-deepwater of the Central and Western Gulf of Mexico. Research and development on ultra-deepwater resource recovery shall focus on improving the safety and efficiency of such recovery and of sub-sea production technology used for such recovery, while lowering costs.

(3) For transportation fuels, the program should support a comprehensive transportation fuels strategy to increase the price elasticity of oil supply and demand by focusing research on reducing the cost of producing transportation fuels from natural gas and indirect liquefaction of coal and biomass.

(b) Study.—The Secretary of Energy, in consultation with the Secretary of the Interior, the Administrator of the Environmental Protection Agency and affected industries (including electric utilities, electrical equipment manufacturers, and organizations representing electrical workers) should conduct a study to identify technologies and a research program that would permit the cost-competitive use of coal for electricity generation through 2020 while furthering national environmental goals.

(c) Authorization of Appropriations.—In addition to the amounts authorized under section 814 of this Act, there are authorized to be appropriated to the Secretary of Energy for operating expenses and capital equipment for research, development, demonstration, and initial deployment assistance activities related to fossil energy resources technologies, under the Office of Fossil Energy, including the clean coal technology demonstration program:

(1) $462,500,000 for fiscal year 2002;
(2) $485,000,000 for fiscal year 2003;
(3) $508,000,000 for fiscal year 2004;
(4) $532,000,000 for fiscal year 2005; and
(5) $558,000,000 for fiscal year 2006.

SEC. 1405. ENHANCED NUCLEAR ENERGY RESEARCH AND DEVELOPMENT.

(a) Goals.—It is the sense of Congress that a balanced energy research, development, and deployment program to enhance renewable energy should have the following goals:

(1) The program should support research related to existing United States nuclear power reactors to extend their lifetimes and increase their reliability while optimizing their current operations for greater efficiencies.

(2) The program should address examine advanced proliferation-resistant reactor designs, proliferation-resistant and high burnup nuclear fuels, minimization of generation of radioactive materials, improved nuclear waste management technologies, and improved instrumentation science.

(3) The program should attract new students and faculty to the nuclear sciences and nuclear engineering through a university-based fundamental research program for existing faculty and new junior faculty, a program to re-license existing training reactors at universities in conjunction with industry, and a program to complete the conversion of existing training reactors with proliferation resistant fuels that are low enriched and to adapt those reactors to new investigative uses.

(4) The program should maintain a national capability and infrastructure to produce medical isotopes and ensure a well trained cadre of nuclear medicine specialists in partnership with industry.

(5) The program should ensure that our nation has adequate capability for power future satellite and space missions.

(6) The programs should investigate the fundamental and applied sciences associated with high- and low-energy accelerators as a method to transmute nuclear waste, particularly wastes that may be difficult to dispose of by other methods.

(7) The program should maintain, where appropriate through a prioritization process, a balanced research infrastructure so that future research programs can utilize these facilities.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Energy for operating expenses and capital equipment for research, development, demonstration, and initial deployment assistance activities related to nuclear energy research and development:

(1) $433,000,000 for fiscal year 2002;
(2) $461,000,000 for fiscal year 2003;
(3) $491,000,000 for fiscal year 2004;
(4) $523,000,000 for fiscal year 2005; and
(5) $557,000,000 for fiscal year 2006.

SEC. 1406. ENHANCED PROGRAMS IN FUNDAMENTAL ENERGY SCIENCE.

(a) Findings.—The Congress finds the following:

(1) The Office of Science within the Department of Energy is the nation's single largest funding source for the basic physical sciences. These intellectual disciplines, which include physics, chemistry, and materials science, are crucial to the nation's future ability to develop energy technologies. The United States should be the world leader in these areas.

(2) Despite the importance of the physical sciences, the Office of Science budget has remained stagnant over the past decade.

(3) The stagnation in funding for the physical sciences through the Office of Science has been reflected in a decline in United States contributions to leading scientific journals, as the share of European and Asian submissions to these journals since 1990 has increased from 50 to 75 percent while the United States share has decreased to 25 percent.

(b) Goals.—It is the sense of Congress that the Department of Energy, through the Office of Science, should—

(1) develop a robust portfolio of fundamental energy research, including chemical sciences, physics, materials sciences, biological and environmental sciences, geosciences, engineering sciences, plasma sciences, mathematics, and advanced scientific computing;

(2) maintain, upgrade and expand the scientific user facilities maintained by the Office of Science and insure that they are an integral part of the Department's mission for exploring the frontiers of fundamental energy sciences;

(3) maintain a leading-edge research capability in the energy-related aspects of nanoscience and nanotechnology, advanced scientific computing and genome research; and

(4) ensure that its fundamental energy sciences programs, where appropriate, help inform the applied research and development programs of the Department.

(b) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Energy for operating expenses and capital equipment for fundamental energy research and development in the Office of Science—

(1) $3,716,000,000 for fiscal year 2002;
(2) $4,087,000,000 for fiscal year 2003;
(3) $4,496,000,000 for fiscal year 2004;
(4) $4,946,000,000 for fiscal year 2005; and
(5) $5,440,000,000 for fiscal year 2006.

TITLE XV—MANAGEMENT OF DOE SCIENCE AND TECHNOLOGY PROGRAMS

SEC. 1501. MERIT REVIEW.

Awards of funds authorized under title XIV shall be made only after independent review of the scientific and technical merit of the proposals therefor has been undertaken by the Department of Energy.

SEC. 1502. COST SHARING.

(a) Research and Development.—For research and development projects funded from appropriations authorized under sections 1402 through 1405, the Secretary of Energy shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Secretary may reduce or eliminate the non-Federal requirement under this paragraph if the Secretary determines that the research and development is of a basic or fundamental nature.

(b) Demonstration and Deployment.—For demonstration and deployment activities funded from appropriations authorized under sections 1402 through 1405, the Secretary of Energy shall require a commitment from non-Federal sources of at least 50 percent of the costs of the project directly and specifically related to any demonstration, deployment, or commercial application. The Secretary may reduce or eliminate the non-Federal requirement under this paragraph if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet one or more goals of this title.

(c) Calculation of Amount.—In calculating the amount of the non-Federal commitment under subsection (a) or (b), the Secretary shall include cash, personnel, services, equipment, and other resources.

SEC. 1503. IMPROVED COORDINATION AND MANAGEMENT OF SCIENCE AND TECHNOLOGY.

(a) National Energy Research and Development Advisory Boards.—

(1) Establishment.—The Secretary of Energy shall establish an advisory board to oversee Department of Energy research and development programs in each of the following areas—

(A) energy efficiency;
(B) renewable energy;
(C) fossil energy; and
(D) nuclear energy.

The Secretary may designate an existing advisory board within the Department to fulfill the responsibilities of an advisory board under this subsection, or may enter into appropriate arrangements with the National Academy of Sciences to establish such an advisory board.

(2) Utilization of existing committees.—The Secretary of Energy shall continue to use the scientific program advisory committees chartered under the Federal Advisory Committee Act by the Office of Science to oversee research and development programs under that Office.

(3) Membership.—Each advisory board under this subsection shall consist of experts drawn from industry, academia, federal laboratories, or other research institutions.

(4) Meetings and purposes.—Each advisory board under this subsection shall meet at least semi-annually to review and advise on the progress made by the respective research, development, and deployment program. The advisory board shall also review the adequacy and relevance of the goals established for each program by Congress and the President, and may otherwise advise on promising future directions in research and development that should be considered by each program.

(b) Effective Coordination of Department Programs.—Section 202(b) of the Department of Energy Organization Act (42 U.S.C. 7132(b)) is amended to read as follows:

"(b)(1) There shall be in the Department an Under Secretary for Science and Technology, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary shall be compensated at the rate provided for at level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(2) The Under Secretary for Science and Technology shall be appointed from among persons who—

"(A) have extensive background in scientific or engineering fields; and

"(B) are well qualified to manage the civilian research and development programs of the Department of Energy.

"(3) The Under Secretary for Science and Technology shall—

"(A) serve as the Science and Technology Advisor to the Secretary;

"(B) monitor the Department's research and development programs in order to advise the Secretary with respect to any undesirable duplication or gaps in such programs;

"(C) advise the Secretary with respect to the well-being and management of the multipurpose laboratories under the jurisdiction of the Department;

"(D) advise the Secretary with respect to education and training activities required for effective short- and long-term basic and applied research activities of the Department;

"(E) advise the Secretary with respect to grants and other forms of financial assistance required for effective short- and long-term basic and applied research activities of the Department; and

"(F) exercise authority and responsibility over the performance of functions under section 203(a)(2), as well as other civilian research and development authorities assigned to the Secretary by statute.

(c) Transfer of Responsibilities From Office of Science.—Section 209 of the Department of Energy Organization Act (41 U.S.C. 7139) is amended by—

(1) striking "(a)"; and

(2) striking subsection (b).

(d) Technical and Conforming Amendments.—

(1) Section 202 of the Department of Energy Organization Act (42 U.S.C. 7132) is further amended by adding the following at the end:

"(c) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall prescribe, consistent with this section. The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(d) There shall be in the Department a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate. The General Counsel shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.".

(2) Section 5314 of title 5, United States Code is amended by striking "Under Secretaries of Energy (2)" and inserting "Under Secretaries of Energy (3)".

TITLE XVI—PERSONNEL AND TRAINING

SEC. 1601. WORKFORCE TRENDS AND TRAINEESHIP GRANTS.

(a) Workforce Trends.—

(1) Monitoring.—The Secretary of Energy, acting through the Administrator of the Energy Information Administration, in consultation with the Secretary of Labor, shall monitor trends in the workforce of skilled technical personnel supporting energy technology industries, including renewable energy industries, companies developing and commercializing devices to increase energy efficiency, the oil and gas industry, nuclear power industry, the coal industry, and other industrial sectors as the Secretary of Energy may deem appropriate.

(2) Annual reports.—The Administrator of the Energy Information Administration shall include statistics on energy industry workforce trends in the annual reports of the Energy Information Administration.

(3) Special reports.—The Secretary shall report to the appropriate committees of Congress whenever the Secretary determines that significant shortfalls of technical personnel in one or more energy industry segments are forecast or have occurred.

(b) Traineeship Grants for Technically Skilled Personnel.—

(1) Grant programs.—The Secretary shall establish grant programs in the appropriate offices of the Department of Energy to enhance training of technically skilled personnel for which a shortfall is determined under subsection (a).

(2) Eligible institutions.—As determined by the Secretary of Energy to be appropriate to the particular workforce shortfall, the Secretary shall make grants under paragraph (1) to—

(A) an institution of higher education (within the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(B) a postsecondary educational institution providing vocational and technical education (within the meaning given those terms in section 3 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2302)); or

(C) appropriate agencies of State, local, or tribal governments.

SEC. 1602. TRAINING GUIDELINES FOR ELECTRIC ENERGY INDUSTRY PERSONNEL.

(a) Model Guidelines.—The Secretary of Energy shall, in cooperation with electric utilities and local distribution companies and recognized representatives of employees of those entities, develop model employee training guidelines to support electric supply system reliability and safety.

(b) Content of Guidelines.—The guidelines under this section shall include—

(1) requirements for worker training, competency, and certification, developed using criteria set forth by the Utility Industry Group recognized by the National Skill Standards Board; and

(2) consolidation of existing guidelines on the construction, operation, maintenance, and inspection of electric supply generation, transmission and distribution facilities such as those established by the National Electric Safety Code and other industry consensus standards.

Exhibit I

[From the Wall Street Journal, Mar. 21, 2001]

States Rediscover Energy Policies—Looming Power Crises Spur a Return to Strategies Fostering Conservation

(By Robert Gavin)

Energy policy is hot.

Again.

Spurred by sharply rising prices and California's electricity fiasco, states from coast to coast are dusting off decade-old energy plans and revisiting the policies that sprang from past crises. At least five governors have created task forces to recommend responses to the current crisis while energy legislation of all sorts is pending in nearly every state capital in the nation.

In the Northeast, where officials fear a hot summer could bring electricity shortages and soaring prices, the New England Governors' Conference has, after four years of dormancy, revived its power-planning arm to coordinate every policy among the six states. And at ground zero, California, lawmakers have filed more than 30 energy-related bills.

BACK TO THE FUTURE

The policies under consideration should be familiar to anyone who remembers the energy shocks of the 1970s and the high prices of the 1980s—old standbys like tax breaks for new power sources, such as windmills or solar cells; rebates for energy-efficient appliances and renovations; and just plain-old planning ahead. But this time, consumer and environmental activists say, state officials ought to do something different; actually follow the policies they adopt.

Today's situation might well be far less dire had states stuck with programs adopted in the wake of the earlier energy crises, particularly in energy efficiency. These programs—financed by small surcharges on utility bills, administered by utilities and overseen by state regulators—were key components of energy policies in nearly every state. But in the years leading up to the current crisis, spending on state energy-efficiency programs fell by nearly half nationwide—to $912.5 million in 1998 from $1.65 billion in 1993—at a cost of nearly 15,000 megawatts in power savings, according to the American Council for an Energy-Efficient Economy, a Washington, D.C., advocacy group.

California, by many estimates, would have 1,000 more megawatts of power available right now had it merely maintained energy-efficiency spending at 1993 levels, instead of allowing it to plunge by half. That's enough generating capacity to power about one million homes. In Washington State, where a drought is hampering hydroelectric generation and compounding the West's power shortage, steady investment in energy efficiency would have produced 300 megawatts in extra generating capacity (enough for about 300,000 households), according to the NW Energy Coalition, a Seattle-based group that advocates for conservation and alternative energy sources, like wind and solar power.

Energy-efficiency spending fell 73% in Washington between 1993 and 1998. Ironically, the decline coincided with the state's 1994 adoption of an energy strategy that stated its main focus was efficiency. "There's no question that had we maintained that commitment to conservation, we'd be several hundred megawatts better off," says David Danner, energy policy adviser to Washington Gov. Gary Locke.

The West, of course, isn't alone. Two-thirds of states allowed energy-efficiency spending to fall by 20% or more between 1993 and 1998, including Georgia, which saw a 97% reduction; Michigan, 93%; and Pennsylvania, 92%. More broadly, these declines reflect a trend that relegated state energy policies and programs to diminished roles. In 1989, the average state energy office had 44 employees and a budget of $22.5 million, according to the National Association of State Energy Officials, an Alexandria, Va.-based professional organization. A decade later, the average office had only 29 employees and a $14.5 million budget—a cut of about 35%. "There wasn't a whole lot of interest in energy," says Frank Bishop, executive director of the energy-officials group.

MARKET FORCES

This lack of interest emerged from cheap and apparently plentiful power supplies available in the mid-1990s, and a national movement toward energy deregulation. In the West, for example, wholesale electricity prices in 1995 plunged well below $20 per megawatt hour—compared with prices that today sometimes exceed $300 per megawatt hour—and energy efficiency didn't seem to pay.

Steve King, a spokesman for the Washington Utilities and Transportation Commission, says regulators there allowed utilities to dramatically reduce spending on energy efficiency during this period because such policies couldn't deliver power as cheaply as the market.

At the same time, political leaders across the nation were embracing the central tenet of deregulation: that the market, rather than centralized state energy policy, could determine the right mix of power production and energy conservation to ensure stable supplies and prices. Under pressure from utilities, which, in preparation for competition wanted to shed any costs that might contribute to higher rates, policy makers allowed energy-efficient programs to be scaled back. Under Massachusetts' 1997 deregulation law, for example, utility-administered efficiency programs are scheduled to be phased out by 2002. Lawmakers, however, now are expected to extend the program and a utility-bill surcharge of about 0.3% for at least another five years.

"What everybody wants to avoid is being the next California," John Shea, director of energy and environment at the New England Governors' Conference, says of the newfound interest in such policies.

ON AGAIN, OFF AGAIN

To be sure, some argue that the market works, and the recent resurgence in energy-efficiency spending is just a natural part of that. In New York, state regulators and government-owned utilities recently restored energy-efficiency spending to near its 1993 levels after allowing it to fall by some 60%. Paul DeCotis, director of energy analysis at the New York State Energy and Research Development Authority, says that maintaining big energy-efficiency funds when prices are low doesn't make sense. Unless utility bills are high enough to justify consumers' making the investment, rebates alone are unlikely to get people to buy energy-efficient products.

"One could argue that the responsible public policy will be to turn efficiency programs on and [then] off when they can no longer be economically justified," says Mr. DeCotis.

Still, many observers believe now that states are rediscovering energy efficiency, they will be sticking with it for the long haul. The reason: California, of course. "The severity of this problem is going to be a vivid memory for long years," says Ralph Cavanagh, energy-programs director for the Natural Resources Defense Council, a New York-based environmental advocacy group, "and the desire to never see this happen again is not going to fade anytime soon."

POWERED DOWN

Most states allowed reduced spending on energy-efficiency programs in recent years, when power was cheap. Here are the 10 states with the biggest declines:

State	1993 Spending (In thousands)	1998 Spending (In thousands)	Percent Change
West Virginia	$1,157	$0	−100
Nevada	5,515	4	−100
Virginia	9,477	192	−98
Georgia	42,015	1,248	−97
Michigan	55,707	3,901	−93
Indiana	28,502	2,051	−93
Pennsylvania	15,498	1,236	−92
Alabama	4,863	496	−90
Idaho	20,819	2,393	−89
Nebraska	530	71	−87
U.S.	1,651,032	912,525	−45

Source: American Council for an Energy-Efficient Economy

Mr. REID. Mr. President, I am generally pleased to be a cosponsor of this Democratic energy package. It is made up of two pieces: one on energy policy named the Comprehensive and Balanced Energy Policy Act of 2001 and the other on energy tax incentives called the Energy Security Tax and Policy Act of 2001.

Unlike the President's and the Republicans' energy package, these bills show that the Democrats are taking leadership in correcting complex short- and long-term deficiencies in our national energy policy. We choose to emphasize energy efficiency, renewables, security and reliability, and we recognize that our energy policy must be environmentally responsible.

Not everything in these bills is perfect. In fact, I have serious substantive and jurisdictional objections to an extension of the Price-Anderson Act, which provides a huge, hidden subsidy to the nuclear industry. And, I think we could do more to address climate change. But, this is a good place to start a serious and swift debate.

My State of Nevada will benefit greatly from these bills. My bill, S. 249, the Renewable Energy Development Incentives Act, has been largely incorporated in this package. It makes the wind, solar, geothermal and biomass electricity production tax credit permanent. There are also other important provisions that will encourage the development of infrastructure to meet the specific needs of renewable and distributed electricity generation.

Nevada is rich in renewable resources. Currently, a major wind farm is being built at the Nevada Test Site that will deliver 260 MW to meet the needs of 260,000 Nevadans. Nevada is sometimes known as the "Saudi Arabia of Geothermal," with a long-term potential of 2,500 to 3,700 MW, enough capacity to meet half the state's present energy needs. And, rough estimates suggest that the solar energy in a 100^2 mile area in Nevada could meet the annual electricity demand for the entire US.

The Democratic energy policy bill includes important provisions and incentives to improve reliability and the development of new transmission access. Nevada is inextricably linked to the Western grid and the California market, so we are really feeling the shockwaves of the crisis there. Nearly 50 percent of the power generated in Nevada is sent to California, leaving us in an unenviable importing situation. Plus, generation and transmission access in Nevada has not kept up with our phenomenal growth and could lead to supply shortfalls in the north this year and in the south next year.

Our bills are focused on avoiding supply problems like California's. We want to stimulate the development of cleaner energy sources that do not foul our air, land or water and encourage sources that are economically sustainable. We should and can avert the need to crack down further on future energy-related pollution as Congress was forced to do in the Clean Air Act Amendments of 1990 to protect the public's health and the environment.

That's why we are working in the Environment and Public Works Committee on a multi-pollutant bill to reduce electric utility emissions. Despite the President's flip-flop on a comprehensive bill covering carbon dioxide, we hope to develop a bipartisan bill that significantly reduces anticipated power plant emissions of sulfur dioxide, nitrogen oxides, mercury and carbon dioxide. We can do this in a sensible way that will provide long term certainty to power producers if they invest in the right kinds of generation capacity now. Then, we can all be assured of a stable electricity supply for the future and a cleaner environment.

We are taking a major step in addressing climate change in this policy bill. Science continues to show us that manmade sources of airborne carbon are causing the global warming that becomes clearer every day. Now, experts say that average temperatures could rise from 3–10 degrees over the next 100 years, causing extreme storms and droughts, ice cap melting, sea level rising, potentially dangerous public health crises, and billions, if not, trillions of dollars in economic damage.

The President needs to lead the nation and we need leadership today to address the challenge of climate change. We think he should establish a commission to propose an integrated way to achieve at least the reductions in greenhouse gas emissions that his father, President Bush, approved and accepted and that the Senate ratified as part of the United Nations Framework Convention on Climate Change. The nation needs a constructive proposal to meet that target as soon as possible, and the President has the administrative and technical resources to do this. Greenhouse gas concentrations are dangerously high and our international trading partners are wondering if the U.S. is going to abrogate its responsibility to be a good global citizen. The time for delay is over.

We have taken some important steps in this legislation to start addressing climate change—encouraging renewables and this new Presidential commission. But, we also have included a requirement that the efficiency of light-duty vehicles must increase significantly. The transportation sector is responsible for more than a third of U.S. greenhouse gas emissions. The national fleet has become increasingly less fuel efficient as manufacturers sell larger and larger sport utility vehicles that do not meet passenger car standards. As a result, carbon dioxide emissions and air pollution problems are increasing and our energy security is badly threatened.

In the energy tax bill, we also are taking a new and extraordinary precaution to ensure that the energy tax incentives that we provide will protect the environment. Those incentives will only be available when energy producers or investors are in full compliance with state and federal pollution prevention, control and permit requirements. This is good precedent and good tax policy.

For the most part, these bills are charting a new, more holistic direction. We have to consider all the facets of our energy decisions, especially their impact on the global climate. That's why I'm disappointed that this package includes a very short-sighted section extending the Price-Anderson Act, and thus continuing to limit the liability of the nuclear industry for catastrophic accidents. That section provides an unfair advantage to an industry that has yet to resolve serious long term public health, safety and waste issues.

Under the Price-Anderson Act, the owners of commercial nuclear power reactors and Department of Energy contractors have their liability capped far below the potential cost of a nuclear incident. This system amounts to what one economic analysis determined was a $130 billion subsidy for the nuclear power industry. This seems to be an unnecessary benefit for an industry that claims to be a perfectly safe alternative to other energy sources. But, I'm glad to note that Senators BINGAMAN and MURKOWSKI have agreed that the Environment Committee will be consulted on and will have sequential referral of any bills at all that affect the Price-Anderson Act.

In one sense, the President was right last week when he said that, ". . . the nation has got a real problem when it comes to energy." We do have a nearly unquenchable thirst for cheap power which verges on an unhealthy addiction. This thirst has fueled our economic growth, but it has also drastically affected our environmental quality and created a dependency that leaves us vulnerable to market manipulation, disruptions and fluctuations. Our package is designed to avoid making stupid choices in the rush to satisfy that thirst in the short term. We want and need a dependable and replenishable supply of energy that doesn't leave us always gasping for more.

I hope the President and his energy task force will work with us to move thoughtful legislation that provides a stable and environmentally sustainable energy policy.

By Mr. ROBERTS (for himself, Mr. GRAMM, and Mr. HAGEL):

S. 599. A bill to amend the Omnibus Trade and Competitiveness Act of 1988 to establish permanent trade negotiating and trade agreement implementing authority; to the Committee on Finance.

Mr. ROBERTS. Mr. President, I rise today to introduce legislation to establish permanent trade promotion authority, also known as Fast Track Trade Negotiating Authority. I am proud, to have Senators GRAMM and HAGEL on board in this effort to give the Executive and Legislative branches the capacity to claim new markets for American products and services.

As the chairman of the Senate Committee on Banking, Housing, and Urban Affairs, as well as a member of the Finance Committee's subcommittee on International Trade, Senator GRAMM is a leading proponent of opening markets worldwide. I believe he was the first to introduce fast track legislation in the 107th Congress and his January 22nd bill, S. 136, is the basis for the bill I introduce today.

As the chairman of the Foreign Relations Committee's Subcommittee on International Economic Policy, Export and Trade Promotion, Senator HAGEL is also a leader on trade issues and has consistently supported global economic engagement.

Our bill, the Permanent Trade Promotion Authority and Market Access Act of 2001, amends the Omnibus Trade and Competitiveness Act of 1988 to extend fast track trade negotiating authority indefinitely. As colleagues recall, fast track includes both trade agreement negotiating authority and congressional fast track procedures, specifically expedited consideration of an agreement followed by the approval or rejection without amendments. Fast track trade negotiating authority was last authorized by the Omnibus Trade and Competitiveness Act of 1988.

Since expiration of the 1988 bill in early 1994, the White House has not had authority to negotiate trade agreements under fast track procedures. The President has been effectively prohibited from executing an aggressive trade policy, negotiating agreements when and where opportunities arise.

In his '2001 Trade Policy Agenda', U.S. Trade Representative Robert B. Zoellick noted that "in the absence of this authority, other countries have been moving forward with trade agreements while America has stalled."

What does Ambassador Zoellick mean by "moving forward"? Let us review some statistics, compiled by the Business Roundtable, concerning recent international negotiating activity. Of the estimated 130 free trade agreements, FTAs, in force around the world today only two include the United States; only 11 percent of world exports are covered by U.S. FTAs, compared with 33 percent for European Union FTAs and customs agreements; while Western European nations have negotiated 909 bilateral investment treaties, BITs, the United States is party to only 43; 16 Western European countries have BITs with Brazil—the largest country in Latin America, 16 with China, the largest country in Asia, 10 with India, population nearly 1 billion, and 13 with Indonesia—population more than 200 million. The United States has not signed a single BIT with any of these nations. In our own hemisphere, the news is not much better. Mexico has FTAs with at least 28 countries; 25 of these agreements were concluded since 1994.

The statistics indicate that the U.S. is effectively choosing not to participate. While our competitors are carving out markets left and rights for their products and services, we seem satisfied to avoid the challenge of passing fast track trade negotiating authority and giving a President the capability to establish opportunities for American products.

Specifically, our farmers need fast track. The U.S. is the world's leading agricultural exporter. Exports represent about 25 percent of gross farm income and an estimated 30 percent of U.S. crop acreage is exported.

Considering fast track expired in 1994, it is not surprising annual U.S. agricultural exports are down from a record of $59.9 billion in 1996. Exports were $49.2 billion in 1999 and $50.9 billion in 2000. $53 billion in U.S. agricultural exports are predicted for 2001. Indeed, the Asian financial crisis caused a sizable fall in overall U.S. exports to Asia. Nonetheless, with fast track we could have established enough of a presence for our commodities in alternative markets to offset the impact of the crisis.

The bottom line on our legislation is that it permanently establishes fast track trade negotiating authority for this President and his successors. Roberts-Gramm-Hagel is indeed ambitious, but it is needed to prevent the U.S. from being left out of expanding world trade and all of the economic, political, and strategic opportunities therein.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 599

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Permanent Trade Promotion Authority and Market Access Act of 2001'.

SEC. 2. AMENDMENTS TO TRADE NEGOTIATING AUTHORITY.

(a) EXTENSION.—

(1) Section 1102 (a)(1)(A) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902 (a)(1)(A)) is amended by striking 'before June 1, 1993'.

(2) Section 1102 (b)(1) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902 (a)(1)) is amended by striking 'before June 1, 1993'.

(3) Section 1102 (c)(1) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2902 (c)(1)) is amended by striking 'before June 1, 1993, the' and inserting 'The'.

(b) CONFORMING AMENDMENT.—

(1) Section 1102 (a)(1) and (b)(1) of such Act are amended by striking 'purposes, policies, and objectives of this title' each place it appears and inserting 'policies and objectives of the United States'.

(2) Section 1102(a)(2)(A) of such Act are amended by striking 'August 23, 1998' each place it appears and inserting 'March 21, 2001'.

(3) Subsection (b)(2) and (c)(3)(A) of section 1102 of such Act are amended by striking 'applicable objectives described in section 1101 of this title' each place it appears and inserting 'policies and objectives of the United States'.

(4) Subsection (b)(2)(B) of section 1102 of such Act is amended by striking 'applicable purposes, policies, and objectives of this title' and inserting 'policies and objectives of the United States'.

(5) Subsection (a)(2)(B)(i) of section 1103 of such Act is amended by striking 'applicable purposes, policies, and objectives of this title' and inserting 'policies and objectives of the United States'.

(6) 1130(b)(1)(A) of such Act is amended by striking 'Before June 1, 1991.'

By Mr. THOMPSON (for himself, Mr. LIEBERMAN, Ms. COLLINS, Mr. LEAHY, and Mr. JEFFORDS):

S. 600. A bill to amend the Federal Campaign Act of 1971 to enhance criminal penalties for election law violations, to clarify current provisions of law regarding donations from foreign nationals, and for other purposes; to the Committee on Rules and Administration.

Mr. THOMPSON. Mr. President, today Senator LIEBERMAN and I are introducing a bill designed to clarify the existing criminal provisions of the Federal Election Campaign Act and strengthen their enforcement.

Sen. LIEBERMAN, myself, and the members of the Government Affairs Committee spent a year investigating some of the worst campaign finance abuses in our nation's history. Despite a number of obstacles, witnesses fleeing the country, people pleading the fifth amendment, entities failing to comply with subpoenas, our Committee uncovered numerous activities that were not only improper but illegal. But although we were able to demonstrate to the American people exactly what went on in the 1996 election, I was disappointed in the failure of the Justice Department to use that information to aggressively investigate and prosecute those that violated the law. After four years of investigation the many, wide-ranging abuses, only one person connected with the presidential election, Yogesh Gandhi, will spend any time in jail. The question we have to ask ourselves is "why?"

Unfortunately, the primary reason is that the Justice Department simply did not do its job. Leads were not pursued, subpoenas were not sought, suspects were ignored, agents were instructed not to ask questions about certain people, the law was misapplied, and no independent counsel was ever appointed to ensure a credible investigation. A hearing we held at the Governmental Affairs Committee provided just one example of how the Department ran its campaign finance probe. So impatient was the FBI with the Department's resistance to investigating Presidential friend and DNC fundraiser Charlie Trie that the Bureau's senior agent in Little Rock wrote an angry letter to FBI Director Freeh complaining about Department incompetence and stalling. The plea bargains that were entered into also raise concern.

However, we have also learned that, the federal election law itself also makes prosecution of violators more difficult than it should be. The bill that we are introducing today would ensure in the future that conscientious prosecutors can more effectively pursue those who violate existing law.

This bill accomplishes the following five goals: First, the bill makes knowing and willful violations of the Federal Elections Campaign Act, FECA, involving at least $25,000 in a year a felony. Currently, no violations of FECA are felonies. The law does not differentiate between the donor that accidentally writes a check in excess of the $1,000 limit and the fundraiser that launders $100,000 to a party or campaign. This bill will provide a deterrent and appropriate punishment for those who knowingly and willfully flaunt the campaign finance laws.

Second, the bill will extend the statute of limitations from three to five years. Outside of the Internal Revenue Code, virtually every violation of federal law has a statute of limitations of at least five years. This provision brings FECA into conformity with the rest of the law.

Third, the bill would require the Sentencing Commission to promulgate a guideline specifically for FECA violations. In addition, the bill provides specific factors for enhancement of sentences. Currently, without a specific guideline, judges are forced to turn to other guidelines, typically those intended to govern or set sentences for fraud. Unfortunately, because the donor makes the contribution with full knowledge of the scheme, the enhancement factors for fraud are basically useless. By providing judges with a specific election law sentencing guideline, they can impose appropriate sentences.

Fourth, the bill prohibits foreign soft money contributions. Prior to the 1996 campaign, I think we all thought foreign soft money contributions were illegal. Thereafter, the Justice Department interpreted "contribution" as used in FECA to have two different meanings depending on how the contribution is used, raising the possibility that foreign soft money did not fall within the scope of FECA's prohibition on foreign "contributions." Indeed, in two cases a Federal District Court Judge in D.C. ruled that foreign soft money was, in fact, legal. Subsequently, he was overruled by the Court of Appeals. However, in order to clarify the law, this bill would definitively prohibit foreign soft money contributions. Mr. President, last year the FEC wrote to Congress and asked for a clarification regarding the legality of foreign soft money. I believe we should provide that guidance.

Finally, this bill would prohibit conduit soft money contributions. Under current law, it is illegal to give $500 of hard money in the name of another, but it is perfectly legal to give $500,000 of soft money in another person's name. This bill would close that loophole and provide what I think we all can support—more, full disclosure.

Mr. President, I personally believe that we need to reform our campaign finance system. However, reform will mean nothing unless we do a much better job enforcing the law when it is violated. I believe this bill in the hands of prosecutors who are interested in enforcing the law will help ensure that in the future violators of the campaign finance laws will not walk away with a slap on the wrist.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN PENALTIES.

(a) IN GENERAL.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

"(A) Any person who knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

"(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

"(ii) aggregating $2,000 or more (but less than $25,000) during a calendar year shall be fined under such title, or imprisoned for not more than one year, or both.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the date of enactment of this Act.

SEC. 2. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 406(a) of the Federal Election Campaign Act of 1971 (2 U.S.C.

455(a)) is amended by striking "3" and inserting "5".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the date of enactment of this Act.

SEC. 3. SENTENCING GUIDELINES.

(a) IN GENERAL.—The United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, in accordance with paragraph (2), for penalties for violations of the Federal Election Campaign Act of 1971 and related election laws; and

(2) submit to Congress an explanation of any guidelines promulgated under paragraph (1) and any legislative or administrative recommendations regarding enforcement of the Federal Election Campaign Act of 1971 and related election laws.

(b) CONSIDERATIONS.—The Commission shall provide guidelines under subsection (a) taking into account the following considerations:

(1) Ensure that the sentencing guidelines and policy statements reflect the serious nature of such violations and the need for aggressive and appropriate law enforcement action to prevent such violations.

(2) Provide a sentencing enhancement for any person convicted of such violation if such violation involves—

(A) a contribution, donation, or expenditure from a foreign source;

(B) a large number of illegal transactions;

(C) a large aggregate amount of illegal contributions, donations, or expenditures;

(D) the receipt or disbursement of governmental funds; and

(E) an intent to achieve a benefit from the Government.

(3) Provide a sentencing enhancement for any violation by a person who is a candidate or a high-ranking campaign official for such candidate.

(4) Assure reasonable consistency with other relevant directives and guidelines of the Commission.

(5) Account for aggravating or mitigating circumstances that might justify exceptions, including circumstances for which the sentencing guidelines currently provide sentencing enhancements.

(6) Assure the guidelines adequately meet the purposes of sentencing under section 3553(a)(2) of title 18, United States Code.

(c) EFFECTIVE DATE; EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—

(1) EFFECTIVE DATE.—The United States Sentencing Commission shall promulgate guidelines under this section not later than the later of—

(A) 90 days after the date of enactment of this Act; or

(B) 90 days after the date on which at least a majority of the members of the Commission are appointed and holding office.

(2) EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—The Commission shall promulgate guidelines under this section in accordance with the procedures set forth in section 21(a) of the Sentencing Reform Act of 1987, as though the authority under such Act has not expired.

SEC. 4. PROHIBITION ON CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS.

(a) IN GENERAL.—Section 319(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(a)) is amended to read as follows:

"(a) PROHIBITIONS ON CONTRIBUTIONS AND DONATIONS.—

"(1) IN GENERAL.—Subject to paragraph (2), it shall be unlawful for—

"(A) a foreign national, or an entity that is a domestic subsidiary of a foreign national, to make, directly or through any other person, any contribution of money or other thing of value, or promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select a candidate for any political office or make any donation, or promise expressly or impliedly to make any such donation; or

"(B) any person to solicit, accept, or receive any such contribution or donation from a foreign national.

"(2) EXCEPTION.—Paragraph (1) shall not apply to an entity that is a domestic subsidiary of a foreign national if the entity can demonstrate through a reasonable accounting method that the entity has sufficient funds in the entity's account, other than funds given or loaned by the foreign national parent of the entity, from which the contribution or donation is made.".

(b) DEFINITION OF DONATION.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) DONATION.—

"(A) IN GENERAL.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).

"(B) FOREIGN NATIONAL.—In the case of a person which is a foreign national (as defined in section 319(b)), the term 'donation' includes a gift, subscription, loan, advance, or deposit of money or anything else of value made by such person to a State or local committee of a political party or a candidate for State or local office.".

(c) CONFORMING AMENDMENT.—Section 319 of Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking the heading and inserting "RESTRICTIONS ON FOREIGN NATIONALS".

SEC. 5. PROHIBITION ON DONATIONS IN NAME OF ANOTHER.

Section 320 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441f) is amended by inserting "or donation" after "contribution" each place it appears.

Mr. LIEBERMAN. Mr. President, I am pleased to join my colleague in offering this bill. Senator THOMPSON and I spent the better part of a year working on the Governmental Affairs Committee's investigation into fundraising improprieties in the 1996 federal election campaigns. That investigation sparked a lot of discussion about whether many things that happened in 1996 were illegal or just wrong—things like big soft money donations, attack ads run by tax-exempt organizations, fundraising in federal buildings and the like.

But one thing I never heard argument about is whether it was illegal to knowingly infuse foreign money into a political campaign or to use unwitting straw donors to hide the true source of money that was going to candidates or parties. I, for one, had no doubt that the people who did those things in 1996 would be prosecuted and appropriately punished.

Unfortunately, Mr. President, many of them were prosecuted, but I have grave doubts about whether they were appropriately punished. I know that there are many who blame the Justice Department for this, but when I first looked into it a couple of years ago, I was frankly surprised by what I learned—and that is that prosecutors just don't have the tools they need to effectively investigate, prosecute and punish people who egregiously violate our campaign finance laws. I think Charles LaBella, the former head of the Justice Department's Campaign Finance Task Force, put it best in a memo he wrote assessing the Department's campaign finance investigation. According to press reports, LaBella wrote that "The fact is that the so-called enforcement system is nothing more than a bad joke." Unfortunately, it's a bad joke that has real consequences for the integrity of our campaigns and our democracy.

Let me give you one example. Many people are understandably upset that Charlie Trie and John Huang didn't go to jail for what they did in '96. But the Federal Election Campaign Act, or FECA, doesn't authorize felony prosecutions. No matter how egregiously someone violates FECA, all they can be charged with is a misdemeanor. And people rarely go to jail for misdemeanors.

To get around FECA's limits, prosecutors often charge campaign finance abusers with other federal crimes that are felonies, which is what they did with Trie and Huang. But that still often doesn't solve the problem. That's because when it comes time for sentencing, judges have to turn to the Federal Sentencing Guidelines, which still often bring light sentences because there is no guideline on campaign finance violations.

The guidelines assign what's called a "base offense level" for each crime, and then they give a number of factors that, if present, tell the judge either to increase or decrease the offense level. The higher the offense level, the higher the sentence.

Because the Guidelines don't have a provision on campaign finance violations, judges have to look for the next closest offense, and they often end up using the fraud guideline. But that guideline doesn't take into account the factors that make campaign finance violations so harmful, and the factors that are there often aren't particularly relevant to campaign finance violations. For example, there is nothing in the guideline that makes judges distinguish between a campaign finance violation involving $2,000 and one involving $2,000,000. So, when judges calculate the offense level of a defendant who funneled millions of foreign dollars into a US campaign, they don't end up with a high offense level, meaning that the defendant doesn't get a lengthy sentence. The prosecutors know this and the defendants know this, and that must be one of the reasons why prosecutors accepted plea bargains from John Huang and Charlie Trie—because they knew they wouldn't do much better even if they won convictions at trial.

Our bill would solve these problems, by putting a felony provision into FECA and by directing the Sentencing Commission to promulgate a campaign finance guideline. If those two things happen, we will have greater confidence that those who violate the law will be appropriately punished.

I understand that some who have looked at our bill worry that it criminalizes participating in the political process. That is neither the intent nor the effect of our bill. Our bill would allow felony prosecutions only if, first, the defendant knowingly and willfully violated the law, and second, if the offense involved at least $25,000. So, it would not punish the donor who inadvertently goes over his contribution limits, nor would it go after the Party Committee clerk who makes a recordkeeping mistake. Instead, our bill aims at the opportunistic hustlers who come up with broad conspiracies to violate the election laws—usually for personal gain—by funneling foreign money into our campaigns or using large numbers of straw donors to hide their identity or make contributions they aren't allowed to make—the people everyone says should be going to jail.

There are three other provisions in our bill. The first would extend FECA's statute of limitations from three to five years to make it the same as virtually all other federal crimes. The second would make it clear that foreign soft money is as illegal as foreign hard money contributions. The third would make it clear that straw donations of soft money are as illegal as straw donations of hard money. All of them are important.

Mr. President, this bill is about something that we all should be able to agree upon, which is that actions that are already criminal and that we all agree are wrong should be punished. None of our bill's provisions should be controversial, and I hope that we can see them enacted into law, so that we can go into the next election cycle with confidence that prosecutors have the tools necessary to deter and to punish those who would violate our election laws.

Mr. LEAHY. Mr. President, I am pleased to join Senators THOMPSON and LIEBERMAN in cosponsoring this legislation to improve the Federal Election Campaign Act, known as FECA. This legislation would increase criminal penalties for knowing and willful campaign finance violations, direct the Sentencing Commission to promulgate guidelines for violations, and clarify parts of FECA. This legislation is important to ensure that we have an enforcement structure that would deter knowing violations of the laws now on the books.

Questions about the financing of the 1996 Federal elections have been the subject of multiple, expensive, overlapping, and repeated congressional hearings. In 1997, the Senate Committee on Governmental Affairs held 32 days of hearings, calling 70 witnesses, at a cost of $3.5 million to investigate campaign finance violations relating to the 1996 Federal elections. The House Committee on Government Reform and Oversight has been investigating campaign finance violations since June 1997, including over 45 days of hearings. The Senate Judiciary Committee held its own series of hearings in the 106th Congress on the 1996 campaign finance investigations. Needless to say, all of these committees have spent countless hours investigating, collecting and reviewing documents, and holding hearings on alleged campaign finance abuses in the 1996 campaign. This legislation is one of the most constructive products to come out of those investigations.

Indeed, in a report to then-Attorney General Reno, the former Chief of the Campaign Finance Task Force at the Department of Justice, Charles LaBella, recommended reforms in the campaign finance laws, including the increased penalties and clarifications to certain parts of the FECA embodied in this legislation.

This bill would authorize felony prosecutions of knowing and willful FECA violations involving improper contributions aggregating $25,000 or more during a calendar year. It would also increase the statute of limitations to 5 years, which is the standard statute of limitation for Federal offenses. In addition, the bill would direct the Sentencing Commission to promulgate guidelines. Finally, the bill would clarify that foreign nationals who are not permanent residents may not donate to a candidate or political party as well as make clear that the FECA's prohibition on conduit contributions applies to any type of donation.

I am glad to join in cosponsoring this legislation again, as I did in the last Congress, and urge its prompt passage.

To the extent that we are frustrated by campaign finance abuses, I believe passage of this legislation is a better use of this body's time than the open-ended fishing expedition into open and closed cases.

By Mr. SHELBY:

S. 601. A bill to authorize the payment of interest on certain accounts at depository institutions, to increase flexibility in setting reserve requirements, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SHELBY. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Checking Regulatory Relief Act of 2001".

SEC. 2. INTEREST-BEARING TRANSACTION ACCOUNTS AUTHORIZED FOR ALL BUSINESSES.

Section 2 of Public Law 93-100 (12 U.S.C. 1832) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

"(b) TRANSFERS.—Notwithstanding any other provision of law, any depository institution may, before September 1, 2002, permit the owner of any deposit or account on which interest or dividends are paid to make up to 24 transfers per month, for any purpose, to another account of the owner in the same institution. Nothing in this subsection shall be construed to prevent an account offered pursuant to this subsection from being considered a transaction account (as defined in section 19(b) of the Federal Reserve Act (12 U.S.C. 461(b)) for purposes of that Act.".

SEC. 3. SAVINGS AND DEMAND DEPOSIT ACCOUNTS AT DEPOSITORY INSTITUTIONS.

(a) NOW ACCOUNTS AUTHORIZED FOR ALL BUSINESSES.—Section 2 of Public Law 93-100 (12 U.S.C. 1832) is amended to read as follows:

"SEC. 2. WITHDRAWALS BY NEGOTIABLE OR TRANSFERABLE INSTRUMENTS FOR TRANSFERS TO THIRD PARTIES.

"Notwithstanding any other provision of law, any depository institution (as defined in section 3 of the Federal Deposit Insurance Act) may permit the owner of any deposit or account to make withdrawals from such deposit or account by negotiable or transferable instruments for the purpose of making payments to third parties. With respect to an escrow account maintained in connection with a loan, a lender or servicer shall pay interest on such account only if such payments are required by contract between the lender or servicer and the borrower, or a specific statutory provision of the law of the State in which the security property is located requires the lender or servicer to make such payments.".

(b) REPEAL OF PROHIBITIONS ON PAYMENT OF INTEREST ON DEMAND DEPOSITS.—

(1) FEDERAL RESERVE ACT.—Section 19(i) of the Federal Reserve Act (12 U.S.C. 371a) is amended to read as follows:

"(i) [Reserved].".

(2) HOME OWNERS' LOAN ACT.—Section 5(b)(1)(B) of the Home Owners' Loan Act (12 U.S.C. 1464(b)(1)(B)) is amended in the first sentence, by striking "savings association may not—" and all that follows through "(ii) permit any" and inserting "savings association may not permit any".

(3) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended to read as follows:

"(g) [Reserved].".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 1, 2002.

SEC. 4. INCREASED FEDERAL RESERVE BOARD FLEXIBILITY IN SETTING RESERVE REQUIREMENTS.

Section 19(b)(2) of the Federal Reserve Act (12 U.S.C. 461(b)(2)) is amended—

(1) in clause (i), by striking "the ratio of 3 per centum" and inserting "a ratio not greater than 3 percent"; and

(2) in clause (ii), by striking "and not less than 8 per centum".

By Mr. DOMENICI.

S. 602. A bill to reform Federal election law; to the Committee on Rules and Administration.

Mr. DOMENICI. Mr. President, I rise today to introduce my own version of campaign finance reform, the Common-Sense Federal Election Reform Act of 2001.

I am again introducing straightforward reform legislation to deal with six principal areas: (1) the super-wealthy candidate; (2) party soft money; (3) inadequate hard money limits; (4) increased disclosure for certain communications; (5) paycheck protection; and (6) unlawful fundraising activities.

This bill addresses the issues that I have raised over and over again on the floor of the Senate whenever we have debated campaign finance reform. As I've said before, the biggest problem with our elections is that they no longer belong to the voters.

My bill makes six fundamental changes to existing campaign finance laws. First, it helps solve the wealthy candidate problem. Over the past decade we have witnessed the growing tide of multi-millionaire candidates financing their campaigns and effectively shutting out other qualified candidates through the sheer power of their own wealth. Something must be done to stem this tide so that the electorate hears the voices of all the candidates and not just those with extraordinary personal wealth.

The teacher, police officer, military man or woman, and the like must have an equal chance to participate as candidates in our dynamic political process. Perhaps more importantly, if the current system is allowed to stand, the public will hear only the views of the super-wealthy. Elections will become, even more than today, nothing more than a choice between two Wall Street financiers or two corporate magnates. My bill helps ensure that a candidate prevails on the strength of his ideas not the size of his personal bank account.

The bill tackles the problem without offending the First Amendment. Indeed, there are no limits on the wealthy candidate's right to spend his or her own money on his or her campaign. Rather, the bill simply levels the playing field by increasing the outdated individual contribution limits for the opponent of the self-financing candidate.

Let me explain in very general terms how it works. In New Mexico, if the wealthy candidate spends personal funds on his or her campaign in excess of approximately $400,000, the opponent could raise contributions from individuals at three times the current limit or $3,000 per election. If the wealthy candidate exceeded $800,000 in personal expenditures, the opponent could raise individual contributions at six times the current limit or $6,000. Finally, where the millionaire candidate spends in excess of $2,000,000 of personal funds, the party coordinated expenditure limits are eliminated for the opponent candidate.

This does not violate a wealthy candidate's constitutional right to use personal funds on his or her own campaign. It merely enables the non-wealthy candidate to participate in the process so that the public hears the opinions of all the qualified candidates regardless of their personal fortune.

Another important aspect of this provision states that a candidate who incurs personal loans in connection with his or her campaign cannot repay himself or herself in excess of $250,000 with contributions received after the election. It creates a perception of impropriety for a candidate, who once elected, uses the prestige of office to raise contributions to repay personal debt incurred during the campaign.

In addition to the wealthy candidate problem, the bill addresses the soft money issue. It caps soft money contributions at $50,000 per individual during each election cycle. I have long felt that Congress should limit soft money to reduce the perception that extraordinary wealthy people can buy influence through substantial, unregulated contributions to the political parties.

Third, my bill modestly increases the regulated or "hard" money individual contribution limits that are now 25 years old. For example, under this legislation, individuals can contribute $5,000 to a candidate rather than the current $1,000 limit. These increases are long overdue. Campaigns are very expensive and it takes too much of a candidate's time to raise the necessary money at the outdated $1,000 limits. This bill will permit candidates to spend more time presenting their views to the public and less time attending fund raisers. Certainly, no one can argue that in today's world $5,000 is enough to buy influence.

Fourth, my bill increases disclosure requirements for certain communications. The legislation calls for the disclosure of certain information by anyone who spends more than $25,000 or more on radio or television advertising that mentions a federal candidate by name or likeness. I have long felt that disclosure is the best way to pursue campaign finance reform. Disclosure is the best policy because it does not infringe the constitutional rights of individuals and groups to engage in political speech.

Fifth, the bill deals with the use of union dues for political activities. Mr. President, I can think of no other campaign activity that is more un-American than the mandatory, compulsory taking of union dues for political purposes. The essence of democracy is that political speech must be voluntary. For many union workers, that is not the case. Indeed, unions are made up of forty percent Republicans, and yet nearly all the union money that is spent on political activity goes to the Democratic party. My bill requires the unions to get the prior, written permission of all members before using their dues for political purposes.

Finally, my bill addresses illegal fundraising activities. It clarifies that soft money is a "contribution" under federal election laws. Thus, it makes absolutely clear that government officials cannot use federal property to raise any campaign funds, including soft money. The bill also provides increased criminal penalties for violations of the foreign national provisions and for contributions made in the name of another.

My record is clear. Today, for at least the fourth time, I am introducing a comprehensive campaign finance bill so that my constituents in New Mexico know where I stand on campaign finance reform.

By Mr. KENNEDY (for himself, Mr. SCHUMER, Mr. SARBANES, Ms. SNOWE, Mr. DODD, Mr. KERRY, Mr. FIENGOLD, Mr. LIEBERMAN, Mr. BIDEN, Ms. CANTWELL, Mrs. MURRAY, Mrs. FEINSTEIN, Mrs. CLINTON, Mr. CORZINE, Mr. DAYTON, Ms. MIKULSKI, and Mrs. BOXER):

S.J. Res. 10. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men; to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, today, Senators SCHUMER, SARBANES, SNOWE, DODD, KERRY, FEINGOLD, LIEBERMAN, BIDEN, CANTWELL, MURRAY, FEINSTEIN, CLINTON, CORZINE, DAYTON, MIKULSKI, BOXER and I are reintroducing the Equal Rights Amendment to the Constitution. In doing so, we reaffirm our strong commitment to the ERA and full equality for women in our society.

Enactment and ratification of the ERA is essential to ensure that the law reflects our country's commitment to equality by guaranteeing equal rights for women. Existing statutory prohibitions against sex discrimination have failed to guarantee basic educational and employment opportunities for women that are equal to those available to men. The need for a constitutional guarantee of equal rights continues to be compelling.

In the absence of the ERA, too little progress has been made on women's rights, especially in the area of economic opportunity. An unconscionable gap between the earnings of men and women persists in the workforce. Today, women continue to earn only 72 cents for each dollar earned by men.

Taking home less than 3/4 of a paycheck for a full days work is still a common experience for far too many women.

Sex discrimination continues to permeate many areas of the economy. While women with college degrees have made significant advances in many professional and managerial occupations in recent years, more than half of working women remain clustered in a narrow range of traditionally female, traditionally low-paying occupations. And female-headed households continue to dominate the bottom rungs of the economic ladder. When a family with children is headed by a woman, the likelihood is high that the family is living in poverty. In 1999, 41.9 percent of all families headed by single mothers lived below the poverty line.

Plainly, much remains to be done to secure equal opportunity for women. Enactment of the Equal Rights Amendment alone will not undo generations of economic injustice, but it will encourage women in all parts of the country in their efforts to obtain fairness under the nation's laws.

We know from the ratification experience of the 1970's and early 1980's that the road to adoption of the ERA will not be easy. But the extraordinary importance of the effort requires us to persevere. We should approve the ERA in this Congress, and begin the ratification process anew. The ERA must take its rightful place in America's founding document.

I ask unanimous consent that the text of our joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 10

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

"SECTION 2. Congress shall have the power to enforce this article by appropriate legislation.

"SECTION 3. This article shall take effect two years after the date of ratification.".

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 62—EXPRESSING THE SENSE OF THE SENATE REGARDING THE HUMAN RIGHTS SITUATION IN CUBA

Mr. LIEBERMAN (for himself, Mr. LUGAR, Mr. GRAHAM, Mr. KYL, Mr. HELMS, Mr. ENSIGN, Mr. FEINGOLD, Mr. NELSON of Florida, Mr. TORRICELLI, Mr. SMITH of New Hampshire, Mr. SESSIONS, Mr. DEWINE, and Mr. SANTORUM) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 62

Whereas, according to the Department of State and international human rights organizations, the Cuban government continues to commit widespread and well-documented human rights violations against the Cuban people and to detain hundreds more as political prisoners;

Whereas the Castro regime systematically violates all of the fundamental civil and political rights of the Cuban people, denying freedoms of speech, press, assembly, movement, religion, and association, the right to change their government, and the right to due process and fair trials;

Whereas, in law and in practice, the Cuban government restricts the freedom of religion of the Cuban people and engages in efforts to control and monitor religious institutions through surveillance, infiltration, evictions, restrictions on access to computer and communication equipment, and harassment of religious professionals and lay persons;

Whereas the totalitarian regime of Fidel Castro actively suppresses all peaceful opposition and dissent by the Cuban people using undercover agents, informers, rapid response brigades, Committees for the Defense of the Revolution, surveillance, phone tapping, intimidation, defamation, arbitrary detention, house arrest, arbitrary searches, evictions, travel restrictions, politically motivated dismissals from employment, and forced exile;

Whereas, workers' rights are effectively denied by a system in which foreign investors are forced to contract labor from the Cuban government and to pay the regime in hard currency knowing that the regime will pay less than 5 percent of these wages in local currency to the workers themselves;

Whereas these abuses by the Cuban government violate internationally accepted norms of conduct;

Whereas the Senate is mindful of the admonishment of President Ernesto Zedillo of Mexico during the last Ibero-American Summit in Havana, Cuba, that "[t]here can be no sovereign nations without free men and women. Men and women who can freely exercise their essential freedoms: freedom of thought and opinion, freedom of participation, freedom of dissent, freedom of decision.";

Whereas President Vaclav Havel, an essential figure in the Czech Republic's transition to democracy, has counseled that "[w]e thus know that by voicing open criticism of undemocratic conditions in Cuba, we encourage all the brave Cubans who endure persecution and years of prison for their loyalty to the ideals of freedom and human dignity";

Whereas former President Lech Walesa, leader of the Polish solidarity movement, has urged the world to "mobilize its resources, just as was done in support of Polish Solidarnosc and the Polish workers, to express their support for Cuban workers and to monitor labor rights" in Cuba;

Whereas efforts to document, expose, and address human rights abuses in Cuba are complicated by the fact that the Cuban government continues to deny international human rights and humanitarian monitors access to the country;

Whereas Pax Christi further reports (September 2000) that these efforts are complicated because "a conspiracy of silence has fallen over Cuba" in which diplomats and entrepreneurs refuse even to discuss labor rights and other human rights issues in Cuba, some "for fear of endangering the relations with the Cuban government", and businessmen investing in Cuba "openly declare that the theme of human rights was not of their concern";

Whereas the annual meeting of the United Nations Commission on Human Rights in Geneva provides an excellent forum to spotlight human rights and expressing international support for improved human rights performance in Cuba and elsewhere;

Whereas the goal of United States policy in Cuba is to promote a peaceful transition to democracy through an active policy of assisting the peaceful forces of change on the island;

Whereas the United States may provide assistance through appropriate nongovernmental organizations to help individuals and organizations to promote nonviolent democratic change and promote respect for human rights in Cuba; and

Whereas the President is authorized to engage in democracy-building efforts in Cuba, including the provision of (1) publications and other informational materials on transitions to democracy, human rights, and market economies to independent groups in Cuba; (2) humanitarian assistance to victims of political repression and their families; (3) support for democratic and human rights groups in Cuba; and (4) support for visits and permanent deployment of democratic and international human rights monitors in Cuba: Now, therefore, be it

Resolved, That (a) the Senate condemns the repressive and totalitarian actions of the Cuban government against the Cuban people.

(b) It is the sense of the Senate that—

(1) the President should establish an action-oriented policy of directly assisting the Cuban people and independent organizations to strengthen the forces of change and to improve human rights in Cuba;

(2) such policy should be modeled on the bipartisan United States support for the Polish Solidarity (Solidarnosc) movement under former President Ronald Reagan and involving United States trade unions; and

(3) the President should make all efforts necessary at the meeting of the United Nations Human Rights Commission in Geneva in 2001 to obtain the passage by the Commission of a resolution condemning the Cuban government for its human rights abuses, and to secure the appointment of a Special Rapporteur for Cuba.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. LIEBERMAN. Mr. President, the resolution I am privileged to introduce today condemns the human rights practices in Cuba, urges assistance to non-governmental organizations that are working to achieve greater freedom and respect for human rights in Cuba, and supports a strong United Nations resolution against Cuba at the UN Human Rights Commission session that begins this week in Geneva. The UN Commission's annual meeting is an ideal opportunity to focus the spotlight of world opinion on the appalling human rights conditions in Cuba and to underscore our support for those who continue to champion the cause of freedom for the Cuban people.

The repressive situation in Cuba is not new. Indeed, the United States has been closely watching events in Cuba for more than 40 years and trying to find ways to foster democratic changes; changes that have since swept through the rest of our hemisphere and around the world. My distinguished colleagues in Congress and various administrations over the years have not always agreed on how best to help the Cuban people achieve the fundamental rights we enjoy here in America. But we overwhelmingly agree on what is the root of the problem in Cuba: Fidel Castro.

As we well know, his totalitarian regime has systematically repressed the fundamental rights of the Cuban people and denied them the most basic of freedoms. This oppression has not eased with time but has in fact become worse, as is documented in disturbing detail in the State Department's recently issued Country Reports on Human Rights Practices for 2000.

In early 1998, Pope John Paul II visited Cuba, a remarkable historic event that raised a glimmer of hope that perhaps the Castro regime would relax some of its repressive practices, particularly with regard to religious organizations of all types, including the Catholic Church to which great numbers of Cubans are faithful. In that same year, the UN Human Rights Commission did not renew the mandate of its Special Rapporteur on Cuba, with the understanding that the Cuban government would improve human rights practices if it were not under formal sanction by the United Nations.

But, I am sorry to say that, according to the State Department's report, human rights practices in Cuba have actually become worse. Despite the Pope's visit, Castro's government continues to clamp down on religious groups, requiring them to register, but then not registering them, so that they must meet illegally. It refuses to issue required permits to religious groups to build places of worship, but harasses groups that resort to meeting in private homes. It limits access by churches to the media and printing facilities. It withholds visas to priests and nuns. It conducts surveillance, infiltration and harassment of religious professionals and lay persons. And when the UN Human Rights Commission passed a new resolution expressing concern over this situation in April 1999, the Cuban government responded by organizing a protest march of about 200,000 people in Havana. Such marches are not voluntary; attendance of workers and school children is taken and workers have been threatened with imprisonment for not showing up.

As hard as it is to imagine, the Cuban government's repression of human rights activists is even more severe than that experienced by religious groups. Not a single human rights organization is recognized by the government. Under Cuban law, any unauthorized assembly of more than three persons can be punished by imprisonment and, predictably, no public meeting has ever been approved for a human rights organization. Human rights advocates and independent journalists are routinely arrested, detained and subjected to interrogation, threats, degrading treatment and unsanitary conditions. Even more disturbing is that the Cuban Constitution, rather than being the foundation for the rule of law and freedoms, actually provides the justification for this repression. It contains sweeping provisions that allow the denial of what few civil liberties even exist in Cuba for anyone who actively "opposes socialism" or appears "dangerous." As a result, the police arrest people at will or subject them to therapy or re-education. The Constitution is simply a sham, a license to oppress.

The penalties for opposition to these intolerable conditions are severe. Criticism is considered "enemy propaganda" and can result in up to 14 years imprisonment. According to the State Department report, this "enemy propaganda" includes the Universal Declaration of Human Rights, international reports on human rights violations, and foreign newspapers and magazines. In late 1999, Amnesty International reported that approximately 200 persons were arrested around the anniversary of the Universal Declaration of Human Rights to prevent them from commemorating that event. Human rights activists described the escalation of arbitrary arrests and detention as the worst in a decade. They estimate there are currently between 300 and 400 political prisoners in Cuba.

This massive oppression sounds archaic, a relic of another time, the stuff of a Cold War world that has been relegated to the history books. But it is not history in Cuba. It is the harsh reality of everyday life. Cuba remains a world of informers, block committees that report on their neighbors and coworkers, infiltrators in groups that the government thinks might be subversive. Cuba is a place where teachers write evaluations of their students' "ideological character" and that of their parents, evaluations that follow the children throughout their schooling and determine their future education and careers. Cuba is a nation where the government monitors phone calls, controls and limits Internet access, and restricts the ability to purchase fax machines and photocopiers. Recently, two Czech citizens, one a member of Parliament and the other a student activist, were arrested in Cuba for the "crime" of meeting with dissidents and bringing them pencils and a computer.

The resolution my colleagues and I are introducing today condemns these repressive and indefensible policies of the Castro regime. It calls for the United States to implement a policy supporting the non-governmental organizations in Cuba that are working toward a more open society, respect for human rights and greater political, economic and religious freedom for the Cuban people. Our support should be modeled on the assistance that we gave to the former Communist nations of eastern Europe, such as Poland in the 1980's, where the U.S. funded non-governmental institutions like the Solidarity trade union movement that were working tirelessly for democracy and a free economy. This resolution also calls for active U.S. support for a strong United Nations resolution on Cuba at the current session of the UN High Commission for Human Rights to demonstrate broad international condemnation of Cuba's human rights record. America must stand as a light on this bleak horizon. I urge my colleagues to lend their voices in support of this resolution and for the promotion of basic human rights and dignity for the Cuban people.

I ask unanimous consent that the Introduction to the State Department's report on human rights in Cuba to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CUBA—COUNTRY REPORTS ON HUMAN RIGHTS PRACTICES FOR 2000

[Released by the Bureau of Democracy, Human Rights, and Labor, U.S. Department of State, February 2001]

Cuba is a totalitarian state controlled by President Fidel Castro, who is Chief of State, Head of Government, First Secretary of the Communist Party, and commander-in-chief of the armed forces. President Castro exercises control over all aspects of life through the Communist Party and its affiliated mass organizations, the government bureaucracy, and the state security apparatus. The Communist Party is the only legal political entity, and President Castro personally chooses the membership of the Politburo, the select group that heads the party. There are no contested elections for the 601-member National Assembly of People's Power, ANPP, which meets twice a year for a few days to rubber stamp decisions and policies already decided by the Government. The Party controls all government positions, including judicial offices. The judiciary is completely subordinate to the Government and to the Communist Party.

The Ministry of Interior is the principal organ of state security and totalitarian control. Officers of the Revolutionary Armed Forces, FAR, which are led by President Castro's brother, Raul, have been assigned to the majority of key positions in the Ministry of Interior in recent years. In addition to the routine law enforcement functions of regulating migration and controlling the Border Guard and the regular police forces, the Interior Ministry's Department of State Security investigates and actively suppresses opposition and dissent. It maintains a pervasive system of vigilance through undercover agents, informers, the rapid response brigades, and the Committees for the Defense of the Revolution, CDR's. The Government traditionally uses the CDR's to mobilize citizens against dissenters, impose ideological conformity, and root out "counterrevolutionary" behavior. During the early 1990's, economic problems reduced the Government's ability to reward participation in the CDR's and hence the willingness of citizens to participate in them, thereby lessening the CDR's effectiveness. Other mass organizations also inject government and Communist Party control into citizens' daily activities at home, work, and school. Members of the security forces committed serious human rights abuses.

The Government continued to control all significant means of production and remained the predominant employer, despite permitting some carefully controlled foreign investment in joint ventures with it. Foreign companies are required to contract workers only through Cuban state agencies, which receive hard currency payments for the workers' labor but in turn pay the workers a fraction of this, usually 5 percent in local currency. In 1998 the Government retracted some of the changes that had led to the rise of legal nongovernmental business activity when it further tightened restrictions on the self-employed sector by reducing the number of categories allowed and by imposing relatively high taxes on self-employed persons. In September the Minister of Labor and Social Security publicly stated that more stringent laws should be promulgated to govern self-employment. He suggested that the Ministry of Interior, the National Tax Office, and the Ministry of Finance act in a coordinated fashion in order to reduce "the illegal activities" of the many self-employed. According to government officials, the number of self-employed persons as of September was 156,000, a decrease from the 166,000 reported in 1999.

According to official figures, the economy grew 5.6 percent during the year. Despite this, overall economic output remains below the levels prior to the drop of at least 35 percent in gross domestic product that occurred in the early 1990's due to the inefficiencies of the centrally controlled economic system; the loss of billions of dollars of annual Soviet bloc trade and Soviet subsidies; the ongoing deterioration of plants, equipment, and the transportation system; and the continued poor performance of the important sugar sector. The 1999-2000 sugar harvest, just over 4 million tons, was marginally better than the 1998-99 harvest. The 1997-98 harvest was considered the worst in more than 50 years. For the tenth straight year, the Government continued its austerity measures known as the "special period in peacetime." Agricultural markets, legalized in 1994, provide consumers wider access to meat and produce, although at prices beyond the reach of most citizens living on peso-only incomes or pensions. Given these conditions, the flow of hundreds of millions of dollars in remittances from the exile community significantly helps those who receive dollars to survive. Tourism remained a key source of revenue for the Government. The system of so-called tourist apartheid continued, with foreign visitors who pay in hard currency receiving preference over citizens for food, consumer products, and medical services. Most citizens remain barred from tourist hotels, beaches, and resorts.

The Government's human rights record remained poor. It continued to violate systematically the fundamental civil and political rights of its citizens. Citizens do not have the right to change their government peacefully. There were unconfirmed reports of extrajudicial killings by the police, and reports that prisoners died in jail due to lack of medical care. Members of the security forces and prison officials continued to beat and otherwise abuse detainees and prisoners. The Government failed to prosecute or sanction adequately members of the security forces and prison guards who committed abuses. Prison conditions remained harsh. The authorities continued routinely to harass, threaten, arbitrarily arrest, detain, imprison, and defame human rights advocates and members of independent professional associations, including journalists, economists, doctors, and lawyers, often with the goal of coercing them into leaving the country. The Government used internal and external exile against such persons, and it offered political prisoners the choice of exile or continued imprisonment. The Government denied political dissidents and human rights advocates due process and subjected them to unfair trials. The Government infringed on citizens' privacy rights. The Government denied citizens the freedoms of speech, press, assembly, and association. It limited the distribution of foreign publications and news, reserving them for selected party faithful, and maintained strict censorship of news and information to the public. The Government restricts some religious activities but permits others. Before and after the January 1998 visit of Pope John Paul II, the Government permitted some public processions on feast days, and reinstated Christmas as an official holiday; however, it has not responded to the papal appeal that the Church be allowed to play a greater role in society. During the year, the Government allowed two new priests to enter the country, as professors in a seminary, and another two to replace two priests whose visas were not renewed. However, the applications of many priests and religious workers remained pending, and some visas were issued for periods of only 3 to 6 months. The Government kept tight restrictions on freedom of movement, including foreign travel. The Government was sharply and publicly antagonistic to all criticism of its human rights practices and discouraged foreign contacts with human rights activists. Violence against women, especially domestic violence, and child prostitution are problems. Racial discrimination occurs. The Government severely restricted worker rights, including the right to form independent unions. The Government prohibits forced and bonded labor by children; however, it requires children to do farm work without compensation during their summer vacation.

Mr. LUGAR. Mr. President, I rise to join Senator LIEBERMAN and other Members of the Senate as an original sponsor of a bipartisan resolution critical of human rights practices in Cuba. The resolution we are introducing today urges the President to develop initiatives to assist the Cuban people and independent organizations in Cuba in their struggle for change, human rights and democracy. Our resolution cites U.S. support for Solidarity in Poland in the 1980s as a model to emulate. The resolution also urges the United States to take an active role in approving a resolution condemning Cuba at the United Nations Human Rights Commission in Geneva that is underway as we speak.

The recent arbitrary arrest of two Czech citizens, a legislator and a student, by Cuban authorities in Cuba reminds us of the extent to which the government will go to squash expressions of freedom and opposition to the regime. The two Czech citizens understand the arbitrary nature of their arrest because they have been victims of suppression in their own personal struggle for freedom and democracy in their own country a few years ago.

As Human Rights Watch noted, Cuba has "a highly effective machinery of repression," Journalists, writers, intellectuals, and anyone else who disagrees or dares to challenge the regime risk harassment, imprisonment or other harsh treatment. Human rights repression in Cuba is one of the most serious impediments to improved relations with the United States.

The goal of our resolution is to encourage a peaceful transition to democracy through transparent initiatives that will support human rights groups in Cuba, make available materials and relevant literature on human rights, and provide humanitarian assistance to nongovernmental organizations on the island.

My criticism of human rights practices in Cuba is consistent with my criticism of our unilateral economic sanctions against Cuba. There is no inherent incompatibility between these two critiques. A pro-engagement policy can be a pro-human rights policy in much the same way it was in our policy towards central and eastern European countries during the cold war.

I believe that programs, such as those of the National Endowment for Democracy and its core institutes, can help promote democracy and political freedoms in Cuba and are likely to be more successful in promoting change than economic coercion. Contacts and interactions through trade, travel, tourism, student exchanges, and other forms of engagement will, in my view, yield more positive results in changing Cuba and improving Cuban human rights practices than isolation and punitive sanctions. This may not be true in all cases where we have differences with other countries, but I believe it has merit with respect to Cuba.

I hope my colleagues in the Senate will join Senator LIEBERMAN and the other sponsors in supporting this resolution and that some day Cuba will join Poland, Hungary, the Czech Republic, and other states around the world in making the transformation from tyranny to freedom and democracy.

Mr. KYL. Mr. President, as Americans, we sometimes take for granted the fundamental rights for which our forefathers fought and on which this great nation was founded. We must not forget, however, that there are places in the world where people are denied these basic freedoms. Sadly, even with the collapse of the Soviet Empire and the spread of freedom and democracy in Eastern Europe and the Baltics, there are countries that still do not have freedom of press, assembly, movement, religion or association; where people do not have the right to peacefully change their government; and where individuals do not have the right to due process.

Cuba is one such country, a nation that, despite our efforts over the past 40 years, remains subject to the dictatorial rule of Fidel Castro. Castro retains power over the Cuban people through force, fear, and deprivation. A 1999 Human Rights Watch Report, Cuba's Repressive Machinery: Human Rights Forty Years After the Revolution, summarized the deplorable situation in that country, stating,

> Over the past forty years, Cuba has developed a highly effective machinery of repression. The denial of basic civil and political rights is written into Cuban law. In the name of legality, armed security forces, aided by state-controlled mass organizations, silence dissent with heavy prison terms, threats of prosecution, harassment, or exile. Cuba uses these tools to restrict severely the exercise of fundamental human rights of expression, association, and assembly. The conditions in Cuba's prisons are inhuman; and political prisoners suffer additional degrading treatment and torture. In recent years, Cuba has added new repressive laws and continued prosecuting nonviolent dissidents while shrugging off international appeals for reform and placating visiting dignitaries with occasional releases of political prisoners.

Clearly, it is time to explore a different approach to dealing with Cuba. It is important that, as the era of Fidel Castro's rule comes to a close, we work to establish a long-term relationship with the Cuban people.

During the 1980's President Reagan was a champion for human rights in the Soviet Union and Eastern Europe, standing up for freedom, democracy, and civil society. He passionately spoke of American values and God-given rights, and more importantly, backed his words with action. In his 1982 "Evil Empire" speech before the British House of Commons, President Reagan stated:

> While we must be cautious about forcing the pace of change, we must not hesitate to declare our ultimate objectives and to take concrete actions to move toward them. We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few but the inalienable and universal right of all human beings.

Poland is but one example of the success of this firm stance. Pope John Paul II, after he visited Cuba in 1998, said, "I wish for our brothers and sisters on that beautiful island that the fruits of this pilgrimage will be similar to the fruits of that pilgrimage in Poland."

Senator LIEBERMAN has introduced a resolution calling upon the United States to offer assistance to Cuban people and independent organizations, modeled after President Reagan's support for the Polish Solidarity Movement. Though our debate on the embargo is sure to continue during this Congress, Senator LIEBERMAN's resolution outlines the basic problem on which we can all agree. Fidel Castro's human rights record is deplorable, and the situation continues to deteriorate. Furthermore, this resolution proposes a solution that supports the strengthening of civil society in Cuba, offering hope to the people there who are struggling to emerge from beneath the shell of communism. It also calls upon the U.S. delegation to this year's meeting of the U.N. Human Rights Commission to actively support the passage of a resolution condemning Cuba for its human rights violations.

As we continue to enjoy the fruits of liberty, we have an obligation, as Americans, to take a stand against Castro's regime and assist the Cuban people in a peaceful transition to democracy. We have an opportunity, beginning with the passage of this resolution, to reach out to the Cuban people through the wall of repression that Castro has built around his small island, so that they may some day taste the freedom and justice that we have been afforded not by chance, but by the hard work and perseverence of those who believed that life should not be any other way. With our help, the Cuban people can further their progress down the road to democracy.

Mr. HELMS. Mr. President, democracy and the rule of law are the norm in the Western Hemisphere, but the Cuban people remain denied the blessings of freedom. And the violations of their rights by Fidel Castro's regime are widespread, well-documented, and impact upon every aspect of their lives.

Policymakers in Washington may wrangle over the details of how United States policy in Cuba should be implemented, but we can all agree that the Cuban people need and deserve our support to bring about change in their country.

It is important to underscore that the Cuban people aren't passively waiting for change. They are taking peaceful action every day trying to advance the cause of freedom and democracy. This often costs them their physical freedom, their jobs, their families—even their homeland.

Despite these endeavors, Castro remains as intransigent and repressive as ever. Since January, he has stepped up efforts to beat down Cubans who dare to hope for liberation by jailing and harassing those who speak out.

Not content to simply control the Cuban people, Castro has also intensified his harassment of foreigners who provide moral or material support to pro-democracy dissidents.

Swedes, Czechs, Lithuanians, Mexicans, and Americans have been detained by Castro's police in recent months for meeting with or giving money, printed material, and other help to Cuban dissidents.

Mr. President, foreign governments have been maligned for "licking the Yankee boot" because they support passage of a U.N. Commission on Human Rights resolution condemning the human rights record in Castro's Cuba.

Foreign officials have been not-so-cordially invited to cancel visits to Cuba because they had dared to suggest that there is room for improvement in Cuba's human rights record.

Therefore, Castro is essentially criminalizing contact with the Cuban people and trying bully democratic countries into abandoning their principles—and thereby abandoning the Cuban people.

We won't be bullied—and our allies in Europe and Latin America must not let themselves be bullied either.

It is against this back-drop that I am joining Senator LIEBERMAN and a distinguished, bipartisan group of my colleagues today in introducing a resolution regarding the human rights situation in Cuba, a resolution that is designed to give momentum to efforts to pass a U.N. Human Rights Commission resolution on Cuba when it convenes in Geneva this month.

It is also designed to give momentum to a more pro-active and creative U.S. policy of working with the Cuban dissident community modeled on President Reagan's successful efforts to help Poland's Solidarity Movement work for change during the cold war.

Most importantly, it is a message to remind the Cuban people that the United States stands solidly with them in their peaceful struggle for freedom. I am confident that other Senators will want to join Senator LIEBERMAN in supporting this important resolution.

SENATE RESOLUTION 63—COMMEMORATING AND ACKNOWLEDGING THE DEDICATION AND SACRIFICE MADE BY THE MEN AND WOMEN WHO HAVE LOST THEIR LIVES WHILE SERVING AS LAW ENFORCEMENT OFFICERS

Mr. CAMPBELL (for himself, Mr. HATCH, Mr. LEAHY, Mr. THURMOND, Mr. NICKLES, Mr. GREGG, Mr. HUTCHINSON, Mr. MILLER, Mrs. HUTCHISON, Mr. BIDEN, Mr. GRAMM, Mr. HELMS, Mr. BROWNBACK, Mr. COCHRAN, Mr. BINGAMAN, Mr. BOND, Mr. FRIST, Mr. INHOFE, Mr. ALLARD, Mr. DORGAN, Mr. EDWARDS, Mr. BYRD, Mr. REID, Mr. BAYH, Mr. AKAKA, Mr. DURBIN, Mr. DEWINE, Mr. THOMAS, Mr. CRAPO, Mr. DAYTON, Mr. SARBANES, Mr. KENNEDY, Mrs. BOXER, Mr. LEVIN, and Mr. VOINOVICH) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 63

Whereas the well-being of all citizens of the United States is preserved and enhanced as a direct result of the vigilance and dedication of law enforcement personnel;

Whereas more than 700,000 men and women, at great risk to their personal safety, presently serve their fellow citizens as guardians of peace;

Whereas peace officers are on the front line in preserving the right of the children of the United States to receive an education in a crime-free environment, a right that is all too often threatened by the insidious fear caused by violence in schools;

Whereas 150 peace officers lost their lives in the line of duty in 2000, and a total of nearly 15,000 men and women serving as peace officers have now made that supreme sacrifice;

Whereas every year, 1 in 9 peace officers is assaulted, 1 in 25 peace officers is injured, and 1 in 4,400 peace officers is killed in the line of duty; and

Whereas, on May 15, 2001, more than 15,000 peace officers are expected to gather in the Nation's Capital to join with the families of their recently fallen comrades to honor those comrades and all others who went before them: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes May 15, 2001, as Peace Officers Memorial Day, in honor of Federal, State, and local officers killed or disabled in the line of duty; and

(2) calls upon the people of the United States to observe this day with appropriate ceremonies and respect.

Mr. CAMPBELL. Mr. President, today I am joined by the Chairman and Ranking Member of the Senate Judiciary Committee, Senators HATCH and LEAHY, along with 34 other Senators in introducing this resolution to keep alive in the memory of all Americans the sacrifice and commitment of those law enforcement officers who lost their lives serving their communities. Specifically, this resolution would designate May 15, 2001, as National Peace Officers Memorial Day.

As a former deputy sheriff, I know first-hand the risks which law enforcement officers face everyday on the front lines protecting our communities. Currently, more than 700,000 men and women who serve this nation as our guardians of law and order do so at a great risk. Every year, about 1 in 9 officers is assaulted, 1 in 25 officers is injured, and 1 in 4,400 officers is killed in the line of duty. There are few communities in this country that have not been impacted by the words: "officer down."

In 2000, approximately 150 federal, state and local law enforcement officers have given their lives in the line of duty. This represents more than a 10 percent rise in police fatalities over the previous year. And, nearly 15,000 men and women have made the supreme sacrifice.

The Chairman of the National Law Enforcement Officers Memorial Fund, Craig W. Floyd, reminds us, "Despite improved equipment and better training, law enforcement remains the deadliest profession in America. On average, one officer is killed somewhere in America every 57 hours. At the very least, we must ensure that those officers, and their families, are never forgotten."

On May 15, 2001, more than 15,000 peace officers are expected to gather in our Nation's Capital to join with the families of their fallen comrades who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities. In doing so, these heroes have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens. This resolution is a fitting tribute for this special and solemn occasion.

I urge my colleagues to join us in supporting passage of this important resolution.

Mr. HUTCHINSON. Mr. President, I am proud to rise today as an original cosponsor of Senator CAMPBELL's resolution designating May 15, 2001, as Peace Officers Memorial Day. I commend Senator CAMPBELL for his efforts to honor these brave men and women, and thank all of our Nation's law enforcement officials and their families for the daily sacrifices they make as they work to enforce our Nation's laws and ensure the safety of all American citizens.

According to the Federal Bureau of Investigation, 107 law enforcement officers lost their lives in the line of duty in 1999. Forty-two of these officers were killed feloniously and 65 died accidentally. An additional 55,026 officers were assaulted in the line of duty.

From 1990 to 1999, 28 Arkansas law enforcement officers lost their lives in the line of duty. Eleven of these officers were feloniously killed and 16 died accidentally. During the year 2000, Patrol Officer Lewis D. Jones, Jr. of the Forrest City Police Department and Captain Thomas Allen Craig of the Arkansas State Police lost their lives, and in the current year, Trooper Herbert J. Smith of the Arkansas State Police was killed in a car accident while rushing to assist a sick child.

Accordingly, I offer my condolences to the families and friends of Patrol Officer Jones, Captain Craig, Trooper Smith, and all of the other law enforcement officials who have died in the line of duty. I am deeply appreciative of their sacrifices and am sorry for their loss.

AMENDMENTS SUBMITTED AND PROPOSED

SA 137. Mr. COCHRAN proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

SA 138. Mr. WYDEN (for himself, Ms. COLLINS, Mr. BINGAMAN, and Mr. LEVIN) proposed an amendment to the bill S. 27, supra.

SA 139. Mr. MCCONNELL (for Mr. NICKLES (for himself and Mr. GREGG)) proposed an amendment to the bill S. 27, supra.

SA 140. Mr. SPECTER proposed an amendment to the bill S. 27, supra.

SA 141. Mr. HELMS proposed an amendment to the bill S. 27, supra.

SA 142. Mr. GRAMM proposed an amendment to the bill S. 143, to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes.

SA 143. Mr. GRAMM (for himself, Mr. THOMPSON, Mr. COCHRAN, Mr. VOINOVICH, and Mr. SCHUMER) proposed an amendment to the bill S. 143, supra.

TEXT OF AMENDMENTS

SA 137. Mr. COCHRAN proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 38, after line 3, add the following:

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

"(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.".

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) IN GENERAL.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all election-related reports.

(b) ELECTION-RELATED REPORT.—In this section, the term "election-related report" means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) COORDINATION WITH OTHER AGENCIES.—Any executive agency receiving an election-related report shall cooperate and coordinate with the Federal Election Commission to make such report available for posting on the site of the Federal Election Commission in a timely manner.

SA 138. Mr. WYDEN (for himself, Ms. COLLINS, Mr. BINGAMAN, and Mr. LEVIN) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert the following:

SEC. . LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(3) CONTENT OF BROADCASTS.—

"(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

"(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

"(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

"(i) a clearly identifiable photographic or similar image of the candidate; and

"(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast.

"(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

"(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

"(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting "subject to paragraph (3)," before "during the forty-five days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the date of enactment of this Act.

SA 139. Mr. McCONNELL (for Mr. NICKLES (for himself and Mr. GREGG)) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

Beginning on page 35, strike line 8 and all that follows through page 37, line 14.

Mr. WELLSTONE. Mr. President, I do not oppose this amendment, but, as several of my colleagues have noted, it is for reasons far different than the sponsors of this amendment have put forward.

This amendment deletes Section 304 of the campaign finance reform bill. That section does two things. First, it affirms the obligation that Beck places on unions to afford non-members who pay fees under a union security clause the opportunity to object to paying for activities unrelated to collective bargaining, contract administration, or grievance adjustment. Second it clarifies the so-called "objection procedures" required. These are obligations placed on unions under current law. Keeping the provisions in the bill or taking them out will not change unions' lawful obligations to non-members.

Indeed, my understanding is that provisions such as Section 304 have been inserted in campaign finance reform measures for quite some time largely because some of my colleagues wanted assurance that unions would obey the law. The fact is that Beck has been the law for almost 13 years. Since Beck became law every union has created procedures to ensure the necessary opt-out procedures. This demonstrates to me that the provision is unnecessary—and has been for some time.

I do, however, want to take issue with the Senator from Kentucky's statement to the effect that Section 304 as currently drafted "eviscerates" Beck. The Beck Court did not reach the conclusions my colleague suggests. What the Court concluded was that unions were not permitted "over the objections of dues-paying nonmember employees, to expend funds so collected on activities unrelated to collective bargaining, contract administration, or grievance adjustment . . ." Hence it created the obligation on the part of the unions to offer opportunities to object and objection procedures that, as noted, are the subject of Section 304.

In sum, since Beck is the current law, and Section 304 does not change that fact, I have no objections to removing it from the bill.

SA 140. Mr. SPECTER proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 7, line 24, after "and", insert the following: "which, when read as a whole, in the context of external events, is unmistakable, unambiguous and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

On page 15, line 20, insert the following:

"(iv) promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which, when read as a whole, and in the context of external events, is unmistakable, unambiguous and suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate."

On page 2, after the matter preceding line 1, insert:

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) In the twenty-five years since the 1976 Supreme Court decision in Buckley v. Valeo, the number and frequency of advertisements increased dramatically which clearly advocate for or against a specific candidate for Federal office without magic words such as "vote for" or "vote against" as prescribed in the Buckley decision.

(2) The absence of the magic words from the Buckley decision has allowed these advertisements to be viewed as issue advertisements, despite their clear advocacy for or against the election of a specific candidate for Federal office.

(3) By avoiding the use of such terms as "vote for" and "vote against," special interest groups promote their views and issue positions in reference to particular elected officials without triggering the disclosure and source restrictions of the Federal Election Campaign Act.

(4) In 1996, an estimated $135 million was spent on such issue advertisements; the estimate for 1998 ranged from $275–$340 million; and, for the 2000 election the estimate for spending on such advertisements exceeded $340 million.

(5) If left unchecked, the explosive growth in the number and frequency of advertisements that are clearly intended to influence the outcome of Federal elections yet are masquerading as issue advocacy has the potential to undermine the integrity of the electoral process.

(6) The Supreme Court in Buckley reviewed the legislative history and purpose of the Federal Election Campaign Act and found that the authorized or requested standard of the Federal Election Campaign Act operated to treat all expenditures placed in cooperation with or with the consent of a candidate, an agent of the candidate, or an authorized committee of the candidate as contributions subject to the limitations set forth in the Act.

(7) During the 1996 Presidential primary campaign the Clinton Committee and the Dole Committee both spent millions of dollars in excess of the overall Presidential primary spending limit that applied to each of their campaigns, and in doing so, used millions of dollars in soft money contributions that could not legally be used directly to support a Presidential campaign.

(8) The Clinton and Dole Committees made these campaign expenditures through their respective national political party committees, using these party committees as conduits to run multi-million dollar television ad campaigns to support their candidacies.

(9) These television ad campaigns were in each case prepared, directed, and controlled by the Clinton and Dole campaigns.

(10) Former Clinton adviser Dick Morris said in his book about the 1996 elections that president Clinton worked over every script, watched each advertisement, and decided which advertisements would run where and when.

(11) Then-President Clinton told supporters at a Democratic National Committee luncheon on December 7, 1995, that, "We realized that we could run these ads through the Democratic Party, which meant that we could raise money in $20,000 and $50,000 blocks. So we didn't have to do it all in $1,000 and run down what I can spend, which is limited by law so that is what we've done."

(12) Among the advertisements coordinated between the Clinton campaign and the Democratic National Committee, yet paid for by the DNC as an issue ad, was one which contained the following: [Announcer] "60,000 felons and fugitives tried to buy handguns that couldn't because President Clinton passed the Brady bill—five day waits, background checks. But Dole and Gingrich voted no. 100,000 new police—because President Clinton delivered. Dole and Gingrich? Vote no, want to repeal 'em. Strengthen school anti-drug programs. President Clinton did it. Dole and Gingrich? No again. Their old ways

don't work. President Clinton's plan. The new way. Meeting our challenges, protecting our values."

(13) Another advertisement coordinated between the Clinton campaign and the DNC contained the following: [Announcer] "America's values. Head start. Student loans. Toxic cleanup. Extra police. Protected in the budget agreement; the President stood firm. Dole, Gringrich's latest plan includes tax hikes on working families. Up to 18 million children face health care cuts. Medicare slashed $167 billion. Then Dole resigns, leaving behind gridlock he and Gringrich created. The President's plan: Politics must wait. Balance the budget, reform welfare, protect our values."

(14) Among the advertisements coordinated between the Dole campaign and the Republican National Committee, yet paid for by the RNC as an issue ad, was one which contained the following:

[Announcer] "Bill Clinton, he's really something. He's now trying to avoid a sexual harassment lawsuit claiming he is on active military duty. Active duty? Newspapers report that Mr. Clinton claims as commander-in-chief he is covered under the Soldiers and Sailors Relief Act of 1940, which grants automatic delays in lawsuits against military personnel until their active duty is over. Active duty? Bill Clinton, he's really something."

(15) Another advertisement coordinated between the Dole campaign and the RNC contained the following:

[Announcer] "Three years ago, Bill Clinton gave us the largest tax increase in history, including a 4 cent a gallon increase on gasoline. Bill Clinton said he felt bad about it."

[Clinton] "People in this room still get mad at me over the budget process because you think I raised your taxes too much. It might surprise you to know I think I raised them too much, too."

[Announcer] "OK, Mr. President, we are surprised. So now, surprise us again. Support Senator Dole's plan to repeal your gas tax. And learn that actions do speak louder than words."

(16) Clinton and Dole Committee agents raised the money used to pay for these so-called issue ads supporting their respective candidacies.

(17) These television advertising campaigns, run in the guise of being DNC and RNC issue ad campaigns, were in fact Clinton and Dole ad campaigns, and accordingly should have been subject to the contribution and spending limits that apply to Presidential campaigns.

(18) After reviewing spending in the 1996 Presidential election campaign, auditors for the Federal Election Commission recommended that the 1996 Clinton and Dole campaigns repay $7 million and $17.7 million, respectively, because the national political parties had closely coordinated their soft money issue ads with the respective presidential candidates and accordingly, the expenditures would be counted against the candidates' spending limits. The repayment recommendation for the Dole campaign was subsequently reduced to $6.1 million.

(19) On December 10, 1998, in a 6-0 vote, the Federal Election Commission rejected its auditors' recommendation that the Clinton and Dole campaigns repay the money.

(20) The pattern of close coordination between candidates' campaign committees and national party committees continued in the 2000 Presidential election.

(21) An advertisement financed by the RNC contained the following:

[Announcer] "Whose economic plan is best for you? Under George Bush's plan, a family earnings under $35,000 a year pays no Federal income taxes—a 100 percent tax cut. Earn $35,000 to $50,000? A 55 percent ax cut. Tax relief for everyone. And Al Gore's plan: three times the new spending President Clinton proposed, so much it wipes out the entire surplus and creates a deficit again. Al Gore's deficit spending plan threatens America's prosperity."

(22) Another advertisement financed by the NRC contained the following:

[Announcer] "Under Clinton-Gore, prescription drug prices have skyrocketed, and nothing's been done. George Bush has a plan: add a prescription drug benefit to Medicare."

[George Bush] "Every senior will have access to prescription drug benefits."

[Announcer] "And Al Gore? Gore opposed bipartisan reform. He's pushing a big government plan that lets Washington bureaucrats interfere with what your doctors prescribe. The Gore prescription plan: bureaucrats decide. Bush prescription plan: seniors choose."

(23) An advertisement paid for by the DNC contained the following:

[Announcer] "When the national minimum wage was raised to $5.15 an hour, Bush did nothing and kept the Texas minimum wage at $3.35. Six times the legislature tried to raise the minimum wage and Bush's inaction helped kill it. Now Bush says he'd allow states to set a minimum wage lower than the Federal standard. Al Gore's plan: Make sure our current prosperity enriches not just a few, but all families. Increase the minimum wage, invest in education, middle-class tax cuts and a secure retirement."

(24) Another advertisement paid for by the DNC contained the following:

[Announcer] "George W. Bush chose Dick Cheney to help lead the Republican party. What does Cheney's record say about their plans? Cheney was one of only eight members of Congress to oppose the Clean Water Act . . . one of the few to vote against Head Start.

He even voted against the School Lunch Program . . . against health insurance for people who lost their jobs. Cheney, an oil company CEO, said it was good for OPEC to cut production so oil and gasoline prices could rise. What are their plans for working families?"

(25) On January 21, 2000, the Supreme Court in Nixon v. Shrink Missouri Government PAC noted, "In speaking of 'improper influence' and 'opportunities for abuse' in addition to 'quid pro quo arrangements,' we recognized a concern to the broader threat from politicians too compliant with the wishes of large contributors."

(26) The details of corruption and the public perception of the appearance of corruption have been documented in a flood of books, including:

(A) Backroom Politics: How Your Local Politicians Work, Why Your Government Doesn't, and What You Can Do About It, by Bill and Nancy Boyarsky (1974);

(B) The Pressure Boys: The Inside Story of Lobbying in America, by Kenneth Crawford (1974);

(C) The American Way of Graft: A Study of Corruption in State and Local Government, How it Happens and What Can Be Done About it, by George Amick (1976);

(D) Politics and Money: The New road to Corruption, by Elizabeth Drew (1983);

(E) The Threat From Within: Unethical Politics and Politicians, by Michael Kroenwetter (1986);

(F) The Best Congress Money Can Buy, by Philip M. Stern (1988);

(G) Combating Fraud and Corruption in the Public Sector, by Peter Jones (1993);

(H) The Decline and Fall of the American Empire: Corruption, Decadence, and the American Dream, by Tony Bouza (1996);

(I) The Pursuit of Absolute Integrity: How Corruption Control Makes Government Ineffective, by Frank Anechiarico and James B. Jacobs (1996);

(J) The Political Racket: Deceit, Self-Interest, and Corruption in American Politics, by Martin L. Gross (1996).

(K) Below the Beltway: Money, Power, and Sex in Bill Clinton's Washington, by John L. Jackley (1996);

(L) End Legalized Bribery: An Ex-Congressman's Proposal to Clean Up Congress, by Cecil Heftel (1998);

(M) Year of the Rat: How Bill Clinton Compromised U.S. Security for Chinese Cash, by Edward Timperlake and William C. Triplett, II (1998);

(N) The Corruption of American Politics: What Went Wrong and Why, by Elizabeth Drew (1999);

(O) Corruption, Public Finances, and the Unofficial Economy, by Simon Johnson, Daniel Kaufmann, and Pablo Zoido-Lobatoon (1999); and

(P) Party Finance and Political Corruption, edited by Robert Williams (2000);

(27) The Washington Post reported on September 15, 2000 that a group of Texas trial lawyers with whom former Vice President Gore met in 1995, contributed thousands of dollars to the Democrats after President Clinton vetoed legislation that would have strictly limited the amount of damages juries can award to plaintiffs in civil lawsuits.

(28) According to an article in the March 26, 2001 edition of U.S. News and World Report, labor-related groups—which count on their Democratic allies for support on issues such as the minimum wage that are important to unions—spent more than $83.5 million in the 2000 elections, with 94 percent going to Democrats, prompting some labor figures to brag that without labor's money, the election would not have been nearly as close.

(29) A New York Times editorial from March 16, 2001, observed that "Business interests generously supported Republicans in the last election and are now reaping the rewards. President Bush and Republican Congressional leaders have moved to rescind new Labor Department ergonomics rules aimed at fostering a safer workplace, largely because business considered them too costly. Congress is also revising bankruptcy law in a way long sought by major financial institutions that gave Republicans $26 million in the last election cycle."

(30) A New York Times article, from March 13, 2001, noted that "A lobbying campaign led by credit card companies and banks that gave millions of dollars in political donations to members of Congress and contributed generously to President Bush's 2000 campaign is close to its long-sought goal of overhauling the nation's bankruptcy system."

(31) According to a Washington Post article from March 11, 2001, when congressional GOP leaders took control of the final writing of the bankruptcy bill, they consulted closely with representatives of the American Financial Services Association and the Coalition for Responsible Bankruptcy, which represented dozens of corporations and trade groups. The 442-page bill contained hundreds of provisions written or backed by lobbyists for financial industry giants.

(32) It has become common practice to reward big campaign donors with ambassadorships, with an informal policy dating back to the 1960s allocating about 30 percent of the nation's ambassadorships to non-career appointees. According to a Knight Rider article from November 13, 1997, former President Nixon once told his White House Chief of Staff that "Anybody who wants to be an ambassador must at leave give $250,000."

SA 141. Mr. HELMS proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

At the appropriate place, insert the following:

SEC. . DISCLOSURE OF EXPENDITURES BY LABOR ORGANIZATIONS.

Section 8 of the National Labor Relations Act (29 U.S.C. 158), is amended by adding at the end the following:

"(i) Notice to Members and Employees.—A labor organization shall, on an annual basis, provide (by mail) to each employee who, during the year involved, pays dues, initiation fees, assessments, or other payments as a condition of membership in the labor organization or as a condition of employment (as provided for in subsection (a)(3)), a notice that includes the following statement: 'You have the right to withhold the portion of your dues that is used for purposes unrelated to collective bargaining. The United States Supreme Court has ruled that labor organizations cannot force dues-paying or fees-paying non-members to pay for activities that are unrelated to collective bargaining. You have the right to resign from the labor organization and, after such resignation, to pay reduced dues or fees in accordance with the decision of the Supreme Court.' ".

SA 142. Mr. GRAMM proposed an amendment to the bill S. 143, to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes; as follows:

Insert the following new section 8 at the end of the bill:

"SEC. 8. STUDY OF THE EFFECT OF FEE REDUCTIONS.

"(a) Study.—The Office of Economic Analysis of the Securities and Exchange Commission (hereinafter referred to as the "Office") shall conduct a study of the extent to which the benefits of reductions in fees effected as a result of this Act are passed on to investors.

"(b) Factors for Consideration.—In conducting the study under subsection (a), the Office shall—

"(1) consider all of the various elements of the securities industry directly and indirectly benefiting from the fee reductions, including purchasers and sellers of securities, members of national securities exchanges, issuers, broker-dealers, underwriters, participants in investment companies, retirement programs, and others;

"(2) evaluate the impact on different types of investors, such as individual equity holders, individual investment company shareholders, businesses, and other types of investors;

"(3) include in the interpretation of the term "investor" shareholders of entities subject to the fee reductions; and

"(4) consider the economic benefits to investors flowing from the fee reductions to include such factors as market efficiency, expansion of investment opportunities, and enhanced liquidity and capital formation.

"(c) Report to Congress.—Not later than 2 years after the date of enactment of this Act, the Securities and Exchange Commission shall submit to the Congress the report prepared by the Office on the results of the study conducted under subsection (a)." .

SA 143. Mr. GRAMM (for himself, Mr. Thompson, Mr. Cochran, Mr. Voinovich, and Mr. Schumer) proposed an amendment to the bill S. 143, to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes; as follows:

On page 41, line 8, strike all through page 44, line 16, and insert the following:

SEC. 6. COMPARABILITY PROVISIONS.

(a) Commission Demonstration Project.—Subpart C of part III of title 5, United States Code, is amended by adding at the end the following:

"CHAPTER 48—AGENCY PERSONNEL DEMONSTRATION PROJECT

"Sec.
"4801. Nonapplicability of chapter 47.
"4802. Securities and Exchange Commission.

"§ 4801. Nonapplicability of chapter 47.

"Chapter 47 shall not apply to this chapter.

"§ 4802. Securities and Exchange Commission

"(a) In this section, the term 'Commission' means the Securities and Exchange Commission.

"(b) The Commission may appoint and fix the compensation of such officers, attorneys, economists, examiners, and other employees as may be necessary for carrying out its functions under the securities laws as defined under section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

"(c) Rates of basic pay for all employees of the Commission may be set and adjusted by the Commission without regard to the provisions of chapter 51 or subchapter III of chapter 53.

"(d) The Commission may provide additional compensation and benefits to employees of the Commission if the same type of compensation or benefits are then being provided by any agency referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees, the Commission shall consult with, and seek to maintain comparability with, the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).

"(e) The Commission shall consult with the Office of Personnel Management in the implementation of this section.

"(f) This section shall be administered consistent with merit system principles.".

(b) Employees Represented by Labor Organizations.—To the extent that any employee of the Securities and Exchange Commission is represented by a labor organization with exclusive recognition in accordance with chapter 71 of title 5, United States Code, no reduction in base pay of such employee shall be made by reason of enactment of this section (including the amendments made by this section).

(c) Implementation Plan and Report.—

(1) Implementation plan.—

(A) In general.—The Securities and Exchange Commission shall develop a plan to implement section 4802 of title 5, United States Code, as added by this section.

(B) Inclusion in annual performance plan and report.—The Securities and Exchange Commission shall include—

(i) the plan developed under this paragraph in the annual program performance plan submitted under section 1115 of title 31, United States Code; and

(ii) the effects of implementing the plan developed under this paragraph in the annual program performance report submitted under section 1116 of title 31, United States Code.

(2) Implementation report.—

(A) In general.—Before implementing the plan developed under paragraph (1), the Securities and Exchange Commission shall submit a report to the Committee on Governmental Affairs and the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Government Reform and the Committee on Financial Services of the House of Representatives, and the Office of Personnel Management on the details of the plan.

(B) Content.—The report under this paragraph shall include—

(i) evidence and supporting documentation justifying the plan; and

(ii) budgeting projections on costs and benefits resulting from the plan.

(d) Technical and Conforming Amendments.—

(1) Amendments to title 5, United States Code.—

(A) The table of chapters for part III of title 5, United States Code, is amended by adding at the end of subpart C the following:

"48. Agency Personnel Demonstration Project .... 4801.".

(B) Section 3132(a)(1) of title 5, United States Code, is amended—

(i) in subparagraph (C), by striking "or" after the semicolon;

(ii) in subparagraph (D), by inserting "or" after the semicolon; and

(iii) by adding at the end the following:

"(E) the Securities and Exchange Commission;".

(C) Section 5373(a) of title 5, United States Code, is amended—

(i) in paragraph (2), by striking "or" after the semicolon;

(ii) in paragraph (3), by striking the period and inserting "; or"; and

(iii) by adding at the end the following:

"(4) section 4802.".

(2) Amendment to Securities and Exchange Act of 1934.—Section 4(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) Appointment and compensation.—The Commission shall appoint and compensate officers, attorneys, economists, examiners, and other employees in accordance with section 4802 of title 5, United States Code.

"(2) Reporting of information.—In establishing and adjusting schedules of compensation and benefits for officers, attorneys, economists, examiners, and other employees of the Commission under applicable provisions of law, the Commission shall inform the heads of the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) and Congress of such compensation and benefits and shall seek to maintain comparability with such agencies regarding compensation and benefits.".

(3) AMENDMENT TO FIRREA OF 1989.—Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended by striking "the Thrift Depositor Protection Oversight Board of the Resolution Trust Corporation".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, March 22, 2001. The purpose of this hearing will be to review the oversight of the Food Safety and Inspection Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 22, 2001, at 9:30 a.m., in open and closed session to receive testimony from the Unified Commanders on their military strategy and operational requirements, in review of the defense authorization request for fiscal year 2002 and the future years' defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 22, 2001, to conduct a markup of S. 149, the Export Administration Act of 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 22, 2001, to hear testimony on Prescription Drugs and Medicare.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 22, 2001, at 10:30 a.m., to hold a member's briefing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, March 22, 2001, at 2 p.m., in room 485 of the Russell Senate Office Building to conduct a hearing to discuss the goals and priorities of the Member Tribes of the National Congress of the American Indians for the 107th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to hold a joint hearing with the House Committee on Veterans' Affairs to receive the legislative presentations of AMVETS, American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, and the National Association of State Directors of Veterans Affairs. The hearing will be held on Thursday, March 22, 2001, at 10 a.m., in room 345 of the Cannon House Office Building.

The PRESIDING OFFICER. Without objection; it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 22, 2001, at 2 p.m., to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 22, at 2:30 p.m., to conduct an oversight hearing. The subcommittee will review the National Park Service's implementation of management policies and procedures to comply with the provisions of title IV of the National Parks Omnibus Management Act of 1998.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Governmental Affairs Committee Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia be authorized to meet on Thursday, March 22, at 10 a.m., for a hearing entitled, "An Assessment of the D.C. Metropolitan Police Department's Year 2000 Achievements."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC HEALTH

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Public Health, be authorized to meet for a hearing on "Strengthening the Safety Net: Increasing Access to Essential Health Care Services" during the session of the Senate on Thursday, March 22, 2001, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPETITIVE MARKET SUPERVISION ACT OF 2001

Mr. GRAMM. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 20, S. 143.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 143) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Competitive Market Supervision Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Reduction in registration fee rates; elimination of general revenue component.
Sec. 3. Reduction in merger and tender fee rates; reclassification as offsetting collections.
Sec. 4. Reduction in transaction fees; elimination of general revenue component.
Sec. 5. Adjustments to fee rates.
Sec. 6. Comparability provisions.
Sec. 7. Effective date.

SEC. 2. REDUCTION IN REGISTRATION FEE RATES; ELIMINATION OF GENERAL REVENUE COMPONENT.

(a) SECURITIES ACT OF 1933.—Section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) FEE PAYMENT REQUIRED.—At the time of filing a registration statement, the applicant shall pay to the Commission a fee that shall be equal to the amount determined under the rate established by paragraph (3). The Commission shall publish in the Federal Register notices of the fee rate applicable under this section for each fiscal year.";

(2) by striking paragraph (3);

(3) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively;

(4) in paragraph (3), as redesignated—

(A) by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the rate determined under this paragraph is a rate equal to the following amount per $1,000,000 of the maximum aggregate price at which the securities are proposed to be offered:

"(i) $67 for each of fiscal years 2002 through 2006.

"(ii) $33 for fiscal year 2007 and each fiscal year thereafter."; and

(B) in subparagraph (B), by striking "this paragraph (4)" and inserting "this paragraph"; and

(5) by striking paragraph (4), as redesignated, and inserting the following:

"(4) PRO RATA APPLICATION OF RATE.—The rate required by this subsection shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

(b) TRUST INDENTURE ACT OF 1939.—Section 307(b) of the Trust Indenture Act of 1939 (15 U.S.C. 77ggg(b)) is amended by striking ", but, in the case of" and all that follows through the end of the subsection and inserting a period.

SEC. 3. REDUCTION IN MERGER AND TENDER FEE RATES; RECLASSIFICATION AS OFFSETTING COLLECTIONS.

(a) SECTION 13.—Section 13(e)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e)(3)) is amended to read as follows:

"(3) FEES.—

"(A) IN GENERAL.—At the time of the filing of any statement that the Commission may require by rule pursuant to paragraph (1), the person making the filing shall pay to the Commission a fee equal to—

"(i) $67 for each $1,000,000 of the value of the securities proposed to be purchased, for each of fiscal years 2002 through 2006; and

"(ii) $33 for each $1,000,000 of the value of securities proposed to be purchased, for fiscal year 2007 and each fiscal year thereafter.

"(B) REDUCTION.—The fee required by this paragraph shall be reduced with respect to securities in an amount equal to any fee paid with respect to any securities issued in connection with the proposed transaction under section 6(b) of the Securities Act of 1933, or the fee paid under that section shall be reduced in an amount equal to the fee paid to the Commission in connection with such transaction under this paragraph.

"(C) LIMITATION; DEPOSIT OF FEES.—

"(i) LIMITATION.—Except as provided in subparagraph (D), no amounts shall be collected pursuant to this paragraph for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(ii) DEPOSIT OF FEES.—Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(D) LAPSE OF APPROPRIATIONS.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

"(E) PRO RATA APPLICATION OF RATE.—The rate required by this paragraph shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

(b) SECTION 14.—

(1) PRELIMINARY PROXY SOLICITATIONS.—Section 14(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)(1)) is amended—

(A) in subparagraph (A), by striking "Commission the following fees" and all that follows through the end of the subparagraph and inserting "Commission—

"(i) for preliminary proxy solicitation material involving an acquisition, merger, or consolidation, if there is a proposed payment of each or transfer of securities or property to shareholders, a fee equal to—

"(I) $67 for each $1,000,000 of such proposed payment, or of the value of such securities or other property proposed to be transferred, for each of fiscal years 2002 through 2006; and

"(II) $33 for each $1,000,000 of such proposed payment, or of the value of such securities or other property proposed to be transferred, for fiscal year 2007 and each fiscal year thereafter; and

"(ii) for preliminary proxy solicitation material involving a proposed sale or other disposition of substantially all of the assets of a company, a fee equal to—

"(I) $67 for each $1,000,000 of the cash or of the value of any securities or other property proposed to be received upon such sale or disposition, for each of fiscal years 2002 through 2006; and

"(II) $33 for each $1,000,000 of the cash or of the value of any securities or other property proposed to be received upon such sale or disposition, for fiscal year 2007 and each fiscal year thereafter.";

(B) in subparagraph (B), by inserting "REDUCTION.—" before "The fee"; and

(C) by adding at the end the following:

"(C) LIMITATION; DEPOSIT OF FEES.—

"(i) LIMITATION.—Except as provided in subparagraph (D), no amounts shall be collected pursuant to this paragraph for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(ii) DEPOSIT OF FEES.—Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(D) LAPSE OF APPROPRIATIONS.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

"(E) PRO RATA APPLICATION OF RATE.—The rate required by this paragraph shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

(2) OTHER FILINGS.—Section 14(g)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)(3)) is amended—

(A) by striking "At the time" and inserting the following: "OTHER FILINGS.—

"(A) FEE RATE.—At the time";

(B) by striking "the Commission a fee of" and all that follows through "The fee" and inserting the following: "the Commission a fee equal to—

"(i) $67 for each $1,000,000 of the aggregate amount of cash or of the value of securities or other property proposed to be offered, for each of fiscal years 2002 through 2006; and

"(ii) $33 for each $1,000,000 of the aggregate amount of cash or of the value of securities or other property proposed to be offered, for fiscal year 2007 and each fiscal year thereafter.

"(B) REDUCTION.—The fee required under subparagraph (A)"; and

(C) by adding at the end the following:

"(C) LIMITATION; DEPOSIT OF FEES.—

"(i) LIMITATION.—Except as provided in subparagraph (D), no amounts shall be collected pursuant to this paragraph for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(ii) DEPOSIT OF FEES.—Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(D) LAPSE OF APPROPRIATIONS.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

"(E) PRO RATA APPLICATION OF RATE.—The rate required by this paragraph shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

SEC. 4. REDUCTION IN TRANSACTION FEES; ELIMINATION OF GENERAL REVENUE COMPONENT.

Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended—

(1) by striking subsections (b) through (d) and inserting the following:

"(b) TRANSACTION FEES.—

"(1) IN GENERAL.—Each national securities exchange and national securities association shall pay to the Commission a fee at a rate equal to the transaction offsetting collection rate described in paragraph (2) of the aggregate dollar amount of sales of securities (other than bonds, debentures, other evidences of indebtedness, and security futures products)—

"(A) transacted on such national securities exchange; and

"(B) transacted by or through any member of such association otherwise than on a national securities exchange of securities that are—

"(i) registered on such an exchange; or

"(ii) subject to prompt last sale reporting pursuant to the rules of the Commission or a registered national securities association.

"(2) FEE RATE.—

"(A) TRANSACTION OFFSETTING COLLECTION RATE.—For purposes of this subsection, the 'transaction offsetting collection rate' for a fiscal year—

"(i) is the uniform rate required to reach the transaction fee cap for that fiscal year; and

"(ii) shall become effective on the later of the beginning of that fiscal year or 30 days after the date of enactment of appropriations legislation setting such rate.

"(B) TRANSACTION FEE CAP.—Subject to subparagraph (C), for purposes of this paragraph, the 'transaction fee cap' shall be equal to—

"(i) $915,000,000 for fiscal year 2002;

"(ii) $1,115,000,000 for fiscal year 2003;

"(iii) $1,340,000,000 for fiscal year 2004;

"(iv) $1,665,000,000 for fiscal year 2005;

"(v) $2,010,000,000 for fiscal year 2006;

"(vi) $1,015,000,000 for fiscal year 2007;

"(vii) $1,035,000,000 for fiscal year 2008;

"(viii) $1,225,000,000 for fiscal year 2009;

"(ix) $1,430,000,000 for fiscal year 2010; and

"(x) $1,665,000,000 for fiscal year 2011 and each fiscal year thereafter.

"(C) REDUCTION.—The amounts specified in clauses (i) through (x) of subparagraph (B) shall be reduced by the amount of assessments estimated to be collected by the Commission for the subject fiscal year pursuant to subsection (e).

"(c) LIMITATION; DEPOSIT OF FEES AND ASSESSMENTS.—

"(1) LIMITATION.—Except as provided in subsection (d), no amount may be collected pursuant to subsection (b) or (e) for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(2) Deposit of fees and assessments.—Fees and assessments collected during any fiscal year pursuant to this section shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(d) Lapse of Appropriations.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall, until such a regular appropriation is enacted—

"(1) continue to collect fees (as offsetting collections) under subsection (b) at the rate in effect during the preceding fiscal year (prior to adjustments, if any, under subsections (b) and (c) of section 5 of the Competitive Market Supervision Act of 2001); and

"(2) continue to collect assessments (as offsetting collections) under subsection (e) at the assessment rate in effect during the preceding fiscal year.";

(2) in subsection (e), by striking "Assessments collected" and all that follows through the period; and

(3) in subsection (f), by striking "(f)" and all that follows through "paid—" and inserting the following:

"(f) Dates for Payment of Fees and Assessments.—The fees and assessments required by subsections (b) and (e) shall be paid—".

SEC. 5. ADJUSTMENTS TO FEE RATES.

(a) Estimates of Collections.—

(1) Fee projections.—The Securities and Exchange Commission (hereafter in this Act referred to as the "Commission") shall, 1 month after submission of its initial report under subsection (e)(1) and on a monthly basis thereafter, project the aggregate amount of fees and assessments from all sources likely to be collected by the Commission during the current fiscal year.

(2) Submission of information.—Each national securities exchange and national securities association shall file with the Commission, not later than 10 days after the end of each month—

(A) an estimate of the fee and the assessment required to be paid pursuant to section 31 of the Securities Exchange Act of 1934 by such national securities exchange or national securities association for transactions and sales occurring during that month; and

(B) such other information and documents as the Commission may require, as necessary or appropriate to project the aggregate amount of fees and assessments pursuant to paragraph (1).

(b) Floor for Total Fee and Assessment Collections.—If, at any time after the end of the first half of the fiscal year, the Commission projects under subsection (a) that the aggregate amount of fees and assessments collected by the Commission will, during that fiscal year, fall below an amount equal to the floor for total fee and assessment collections, the Commission may, by order, subject to subsection (e) of this section, increase the fee rate established under section 31(b)(2) of the Securities Exchange Act of 1934, to the extent necessary to bring estimated collections to an amount equal to the floor for total fee collections. Such increase shall apply only to transactions and sales occurring on or after the effective date specified in such order through August 31 of that fiscal year. Such increase shall not affect the obligation of each national securities exchange and national securities association to pay to the Commission the fee required by section 31(b) of the Securities Exchange Act of 1934, at the fee rate in effect prior to the effective date of such order for transactions and sales occurring prior to the effective date of such order. In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code.

(c) Cap on Total Fee and Assessment Collections.—If, at any time after the end of the first half of the fiscal year, the Commission projects under subsection (a) that the aggregate amount of fees and assessments collected by the Commission will exceed the cap on total fee and assessment collections by more than 10 percent during any fiscal year, the Commission shall, by order, subject to subsection (e), decrease the fee rate established under paragraph (2) of section 31(b) of the Securities Exchange Act of 1934, or suspend collection of fees under that section 31(b), to the extent necessary to bring estimated collections to an amount that is not more than 110 percent of the cap on total fee collections. Such decrease or suspension shall apply only to transactions and sales occurring on or after the effective date specified in such order through August 31 of that fiscal year. Such decrease or suspension shall not affect the obligation of each national securities exchange and national securities association to pay to the Commission the fee required by section 31(b) of the Securities Exchange Act of 1934, at the fee rate in effect prior to the effective date of such order for transactions and sales occurring prior to the effective date of such order. In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code.

(d) Definitions.—For purposes of this section—

(1) the term "floor for total fee and assessment collections" means the greater of—

(A) the total amount appropriated to the Commission for fiscal year 2002 (adjusted annually, based on the annual percentage change, if any, in the Consumer Price Index for all urban consumers, as published by the Department of Labor); or

(B) the amount authorized for the Commission pursuant to section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk), if applicable; and

(2) the term "cap on total fee collections" means—

(A) for fiscal years 2002 through 2011, the baseline amount for aggregate offsetting collections for such fiscal year under section 6(b) of the Securities Act of 1933 and section 31 of the Securities Exchange Act of 1934, as projected for such fiscal year by the Congressional Budget Office pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 in its most recently published report of its baseline projection before the date of enactment of this Act; and

(B) for fiscal years 2012 and thereafter, the amount authorized for the Commission pursuant to section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk).

(e) Reports to Congress; Judicial Review; Notice.—

(1) Initial report.—Not later than 90 days after the date of enactment of this Act, the Commission shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives to explain the methodology used by the Commission to make projections under subsection (a). Not later than 30 days after the beginning of each fiscal year, the Commission may report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on revisions to the methodology used by the Commission to make projections under subsection (a) for such fiscal year and subsequent fiscal years.

(2) Judicial review; reports of intent to act.—The determinations made and the actions taken by the Commission under this subsection shall not be subject to judicial review. Not later than 45 days before taking action under subsection (b) or (c), the Commission shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on its intent to take such action.

(3) Notice.—Not later than 30 days before taking action under subsection (b) or (c), the Commission shall notify each national securities exchange and national securities association of its intent to take such action.

SEC. 6. COMPARABILITY PROVISIONS.

(a) Securities and Exchange Commission Employees.—

(1) In general.—Section 4(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(b)) is amended—

(A) by striking paragraphs (1) and (2) and inserting the following:

"(1) Appointment and compensation.—

"(A) In general.—The Commission may appoint and fix the compensation of such officers, attorneys, economists, examiners, and other employees as may be necessary for carrying out its functions under this Act.

"(B) Rates of pay.—Rates of basic pay for all employees of the Commission may be set and adjusted by the Commission without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

"(C) Comparability.—The Commission may provide additional compensation and benefits to employees of the Commission if the same type of compensation or benefits are then being provided by any agency referred to under section 1206(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees, the Commission shall consult with, and seek to maintain comparability with, the agencies referred to under section 1206(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b)."; and

(B) by redesignating paragraph (3) as paragraph (2).

(2) Employees represented by labor organizations.—To the extent that any employee of the Commission is represented by a labor organization with exclusive recognition in accordance with chapter 71 of title 5, United States Code, no reduction in base pay of such employee shall be made by reason of enactment of this subsection.

(b) Reporting on Information by the Commission.—Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended—

(1) by inserting "(a) In General.—" before "The Federal Deposit";

(2) by striking "the Thrift Depositor Protection Oversight Board of the Resolution Trust Corporation"; and

(3) by adding at the end the following:

"(b) In establishing and adjusting schedules of compensation and benefits for employees of the Securities and Exchange Commission under applicable provisions of law, the Commission shall inform the heads of the agencies referred to under subsection (a) and Congress of such compensation and benefits and shall seek to maintain comparability with such agencies regarding compensation and benefits.".

(c) TECHNICAL AMENDMENTS.—

(1) Section 3132(a)(1) of title 5, United States Code, is amended—

(A) in subparagraph (C), by striking "or" after the semicolon;

(B) in subparagraph (D), by inserting "or" after the semicolon; and

(C) by adding at the end the following:

"(E) the Securities and Exchange Commission.".

(2) Section 5373(a) of title 5, United States Code, is amended—

(A) in paragraph (2), by striking "or" after the semicolon;

(B) in paragraph (3), by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(4) section 4(b) of the Securities Exchange Act of 1934.".

SEC. 7. EFFECTIVE DATE.

(a) IN GENERAL.—Subject to subsection (b), this Act and the amendments made by this Act shall become effective on October 1, 2001.

(b) EXCEPTIONS.—The authorities provided by section 13(e)(3)(D), section 14(g)(1)(D), section 14(g)(3)(D), and section 31(d) of the Securities Exchange Act of 1934, as so designated by this Act, shall not apply until October 1, 2002.

AMENDMENTS NOS. 142 AND 143, EN BLOC

Mr. GRAMM. I have two amendments at the desk and I ask they be considered en bloc.

The PRESIDING OFFICER. The clerk will report the amendments, en bloc.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes amendments Nos. 142 and 143, en bloc.

The amendments are as follows:

AMENDMENT NO. 142

(Purpose: To require a study to be conducted by the Securities and Exchange Commission for the purpose of determining the extent to which reductions in fees are passed on to investors)

Insert the following new section 8 at the end of the bill:

"SEC. 8. STUDY OF THE EFFECT OF FEE REDUCTIONS.

"(a) STUDY.—The Office of Economic Analysis of the Securities and Exchange Commission (hereinafter referred to as the "Office") shall conduct a study of the extent to which the benefits of reductions in fees effected as a result of this Act are passed on to investors.

"(b) FACTORS FOR CONSIDERATION.—In conducting the study under subsection (a), the Office shall—

"(1) consider all of the various elements of the securities industry directly and indirectly benefiting from the fee reductions, including purchasers and sellers of securities, members of national securities exchanges, issuers, broker-dealers, underwriters, participants in investment companies, retirement programs, and others;

"(2) evaluate the impact on different types of investors, such as individual equity holders, individual investment company shareholders, businesses, and other types of investors;

"(3) include in the interpretation of the term "investor" shareholders of entities subject to the fee reductions; and

"(4) consider the economic benefits to investors flowing from the fee reductions to include such factors as market efficiency, expansion of investment opportunities, and enhanced liquidity and capital formation.

"(c) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Securities and Exchange Commission shall submit to the Congress the report prepared by the Office on the results of the study conducted under subjection (a).".

AMENDMENT NO. 143

(Purpose: To provide for a demonstration project under title 5, United States Code, relating to compensation of employees of the Securities and Exchange Commission, and for other purposes)

On page 41, line 8, strike all through page 44, line 16, and insert the following:

SEC. 6. COMPARABILITY PROVISIONS.

(a) COMMISSION DEMONSTRATION PROJECT.—Subpart C of part III of title 5, United States Code, is amended by adding at the end the following:

"CHAPTER 48—AGENCY PERSONNEL DEMONSTRATION PROJECT

"Sec.
"4801. Nonapplicability of chapter 47.
"4802. Securities and Exchange Commission.

"§ 4801. Nonapplicability of chapter 47.

"Chapter 47 shall not apply to this chapter.

"§ 4802. Securities and Exchange Commission

"(a) In this section, the term 'Commission' means the Securities and Exchange Commission.

"(b) The Commission may appoint and fix the compensation of such officers, attorneys, economists, examiners, and other employees as may be necessary for carrying out its functions under the securities laws as defined under section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

"(c) Rates of basic pay for all employees of the Commission may be set and adjusted by the Commission without regard to the provisions of chapter 51 or subchapter III of chapter 53.

"(d) The Commission may provide additional compensation and benefits to employees of the Commission if the same type of compensation or benefits are then being provided by any agency referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees, the Commission shall consult with, and seek to maintain comparability with, the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).

"(e) The Commission shall consult with the Office of Personnel Management in the implementation of this section.

"(f) This section shall be administered consistent with merit system principles.".

(b) EMPLOYEES REPRESENTED BY LABOR ORGANIZATIONS.—To the extent that any employee of the Securities and Exchange Commission is represented by a labor organization with exclusive recognition in accordance with chapter 71 of title 5, United States Code, no reduction in base pay of such employee shall be made by reason of enactment of this section (including the amendments made by this section).

(c) IMPLEMENTATION PLAN AND REPORT.—

(1) IMPLEMENTATION PLAN.—

(A) IN GENERAL.—The Securities and Exchange Commission shall develop a plan to implement section 4802 of title 5, United States Code, as added by this section.

(B) INCLUSION IN ANNUAL PERFORMANCE PLAN AND REPORT.—The Securities and Exchange Commission shall include—

(i) the plan developed under this paragraph in the annual program performance plan submitted under section 1115 of title 31, United States Code; and

(ii) the effects of implementing the plan developed under this paragraph in the annual program performance report submitted under section 1116 of title 31, United States Code.

(2) IMPLEMENTATION REPORT.—

(A) IN GENERAL.—Before implementing the plan developed under paragraph (1), the Securities and Exchange Commission shall submit a report to the Committee on Governmental Affairs and the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Government Reform and the Committee on Financial Services of the House of Representatives, and the Office of Personnel Management on the details of the plan.

(B) CONTENT.—The report under this paragraph shall include—

(i) evidence and supporting documentation justifying the plan; and

(ii) budgeting projections on costs and benefits resulting from the plan.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—

(A) The table of chapters for part III of title 5, United States Code, is amended by adding at the end of subpart C the following:

"48. Agency Personnel Demonstration Project .... 4801.".

(B) Section 3132(a)(1) of title 5, United States Code, is amended—

(i) in subparagraph (C), by striking "or" after the semicolon;

(ii) in subparagraph (D), by inserting "or" after the semicolon; and

(iii) by adding at the end the following:

"(E) the Securities and Exchange Commission;".

(C) Section 5373(a) of title 5, United States Code, is amended—

(i) in paragraph (2), by striking "or" after the semicolon;

(ii) in paragraph (3), by striking the period and inserting "; or"; and

(iii) by adding at the end the following:

"(4) section 4802.".

(2) AMENDMENT TO SECURITIES AND EXCHANGE ACT OF 1934.—Section 4(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) APPOINTMENT AND COMPENSATION.—The Commission shall appoint and compensate officers, attorneys, economists, examiners, and other employees in accordance with section 4802 of title 5, United States Code.

"(2) REPORTING OF INFORMATION.—In establishing and adjusting schedules of compensation and benefits for officers, attorneys, economists, examiners, and other employees of the Commission under applicable provisions of law, the Commission shall inform the heads of the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) and Congress of such compensation and benefits and shall seek to maintain comparability with such agencies regarding compensation and benefits.".

(3) AMENDMENT TO FIRREA OF 1989.—Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended by striking "the Thrift Depositor Protection Oversight Board of the Resolution Trust Corporation".

Mr. GRAMM. I ask unanimous consent that the amendments, en bloc, be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 142 and 143) were agreed to.

CONVENTIONAL USER FEES

Mr. GRASSLEY. I engage in a colloquy with the distinguished chairman of the Committee on Banking, Housing, and Urban Affairs, Senator GRAMM.

Tonight, the Senate will pass S. 143, the Competitive Market Supervision Act of 2001. This bill, which has been approved by the Banking Committee, reduces the schedule of Securities and Exchange Commission fees in a manner that properly conforms the structure of these fees to conventional user fees. If enacted, this bill ensures that these fees will be conventional user fees, not taxes, not generate general revenue, and therefore matters within the jurisdiction of the Banking Committee.

Mr. GRAMM. The distinguished Chairman of the Committee on Finance is correct.

Mr. AKAKA. Mr. President, I too wish to express my appreciation to Senator GRAMM and Senator SARBANES for their willingness to work with the Committee on Governmental Affairs to provide a new compensation system for employees at the Securities and Exchange Commission. I also wish to thank Senator THOMPSON, the chairman of the Governmental Affairs Committee for his interest in this matter.

The Federal Government has a serious problem in attracting, motivating, and retaining its workforce, and the Committee on Governmental Affairs is no stranger to working with the Office of Personnel Management and Federal agencies in this regard. The Gramm/Thompson amendment will provide the SEC the flexibility it needs in personnel matters but also will ensure that basic employee statutory protections such as leave, health insurance and non-discrimination still apply.

Mr. THOMPSON. Mr. President, I thank the Chairman of the Banking Committee, Senator GRAMM, and the Ranking Member, Senator SARBANES, for their kind assistance in working with me and the other members of the Committee on Governmental Affairs, in crafting a fair and balanced solution to the current workforce needs of the Securities and Exchange Commission (SEC). Senators GRAMM, VOINOVICH, COCHRAN, and I have drafted an amendment which permits the SEC to establish a new compensation system for its employees. This new system is to be patterned on the pay and compensation systems established for other federal banking agencies under section 1206 (a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

Agencies in trouble often come to the Governmental Affairs Committee seeking flexibility because they can't get their job done under the current civil service system. Like most federal agencies, the Securities and Exchange Commission has difficulty finding, hiring, and retaining the people with the right skills to do the jobs they need done. In these situations, I often ask, if flexibility is good for one agency, why shouldn't we grant such flexibility governmentwide.

Clearly, flexibility is right for the Securities and Exchange Commission. At a very minimum, however, this legislation requires the SEC to plan strategically for the adoption of these flexibilities and report to us on the success of their implementation. We require that the SEC include its plans for these flexibilities in its annual performance plans and reports, required under the Government Performance and Results Act.

The Results Act requires agencies to adopt performance management principles—drafting a strategic plan, setting annual goals, and reporting to Congress on the extent to which they are meeting their goals. I applaud the fact that the SEC has embraced performance management in the past. I am sure they will agree that this is an excellent mechanism with which the SEC can report on its progress in addressing its workforce problems.

Guidance set forth by the Office of Management and Budget requires that agencies include their human resource strategies in their annual performance plans. Specifically, this guidance requires that agencies include in their performance plan the specific workforce they need to meet their goals. This legislation will allow the SEC to take the lead in integrating workforce planning with their performance plan and report to Congress on the extent to which the flexibilities they were granted allowed them to better meet their goals.

Again, I thank Chairman GRAMM and Ranking Member SARBANES for their cooperation and support on this important amendment. We've crafted something that may prove of enormous benefit to the Government as a whole, especially with respect to the workforce challenges that lie ahead.

Mr. GRAMM. I ask unanimous consent the committee substitute, as amended, be agreed to; the bill, as amended, be read the third time and passed; and the motion to reconsider be laid upon the table and any statements related to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment, in the nature of a substitute, as amended, was agreed to.

The bill (S. 143), as amended, was read the third time and passed, as follows:

S. 143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as tne "Competitive Market Supervision Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Reduction in registration fee rates; elimination of general revenue component.
Sec. 3. Reduction in merger and tender fee rates; reclassification as offsetting collections.
Sec. 4. Reduction in transaction fees; elimination of general revenue component.
Sec. 5. Adjustments to fee rates.
Sec. 6. Comparability provisions.
Sec. 7. Study of the effect of fee reductions.
Sec. 8. Effective date.

SEC. 2. REDUCTION IN REGISTRATION FEE RATES; ELIMINATION OF GENERAL REVENUE COMPONENT.

(a) SECURITIES ACT OF 1933.—Section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) FEE PAYMENT REQUIRED.—At the time of filing a registration statement, the applicant shall pay to the Commission a fee that shall be equal to the amount determined under the rate established by paragraph (3). The Commission shall publish in the Federal Register notices of the fee rate applicable under this section for each fiscal year.";

(2) by striking paragraph (3);

(3) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively;

(4) in paragraph (3), as redesignated—

(A) by striking subparagraph (A) and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the rate determined under this paragraph is a rate equal to the following amount per $1,000,000 of the maximum aggregate price at which the securities are proposed to be offered:

"(i) $67 for each of fiscal years 2002 through 2006.

"(ii) $33 for fiscal year 2007 and each fiscal year thereafter."; and

(B) in subparagraph (B), by striking "this paragraph (4)" and inserting "this paragraph"; and

(5) by striking paragraph (4), as redesignated, and inserting the following:

"(4) PRO RATA APPLICATION OF RATE.—The rate required by this subsection shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

(b) TRUST INDENTURE ACT OF 1939.—Section 307(b) of the Trust Indenture Act of 1939 (15 U.S.C. 77ggg(b)) is amended by striking ", but, in the case of" and all that follows through the end of the subsection and inserting a period.

SEC. 3. REDUCTION IN MERGER AND TENDER FEE RATES; RECLASSIFICATION AS OFFSETTING COLLECTIONS.

(a) SECTION 13.—Section 13(e)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(e)(3)) is amended to read as follows:

"(3) FEES.—

"(A) IN GENERAL.—At the time of the filing of any statement that the Commission may require by rule pursuant to paragraph (1), the person making the filing shall pay to the Commission a fee equal to—

"(i) $67 for each $1,000,000 of the value of the securities proposed to be purchased, for each of fiscal years 2002 through 2006; and

"(ii) $33 for each $1,000,000 of the value of securities proposed to be purchased, for fiscal year 2007 and each fiscal year thereafter.

"(B) Reduction.—The fee required by this paragraph shall be reduced with respect to securities in an amount equal to any fee paid with respect to any securities issued in connection with the proposed transaction under section 6(b) of the Securities Act of 1933, or the fee paid under that section shall be reduced in an amount equal to the fee paid to the Commission in connection with such transaction under this paragraph.

"(C) Limitation; deposit of fees.—

"(i) Limitation.—Except as provided in subparagraph (D), no amounts shall be collected pursuant to this paragraph for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(ii) Deposit of fees.—Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(D) Lapse of appropriations.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

"(E) Pro rata application of rate.—The rate required by this paragraph shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

(b) Section 14.—

(1) Preliminary proxy solicitations.—Section 14(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)(1)) is amended—

(A) in subparagraph (A), by striking "Commission the following fees" and all that follows through the end of the subparagraph and inserting "Commission—

"(i) for preliminary proxy solicitation material involving an acquisition, merger, or consolidation, if there is a proposed payment of each or transfer of securities or property to shareholders, a fee equal to—

"(I) $67 for each $1,000,000 of such proposed payment, or of the value of such securities or other property proposed to be transferred, for each of fiscal years 2002 through 2006; and

"(II) $33 for each $1,000,000 of such proposed payment, or of the value of such securities or other property proposed to be transferred, for fiscal year 2007 and each fiscal year thereafter; and

"(ii) for preliminary proxy solicitation material involving a proposed sale or other disposition of substantially all of the assets of a company, a fee equal to—

"(I) $67 for each $1,000,000 of the cash or of the value of any securities or other property proposed to be received upon such sale or disposition, for each of fiscal years 2002 through 2006; and

"(II) $33 for each $1,000,000 of the cash or of the value of any securities or other property proposed to be received upon such sale or disposition, for fiscal year 2007 and each fiscal year thereafter.";

(B) in subparagraph (B), by inserting "Reduction.—" before "The fee"; and

(C) by adding at the end the following:

"(C) Limitation; deposit of fees.—

"(i) Limitation.—Except as provided in subparagraph (D), no amounts shall be collected pursuant to this paragraph for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(ii) Deposit of fees.—Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(D) Lapse of appropriations.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

"(E) Pro rata application of rate.—The rate required by this paragraph shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

(2) Other filings.—Section 14(g)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(g)(3)) is amended—

(A) by striking "At the time" and inserting the following: "Other filings.—

"(A) Fee rate.—At the time";

(B) by striking "the Commission a fee of" and all that follows through "The fee" and inserting the following: "the Commission a fee equal to—

"(i) $67 for each $1,000,000 of the aggregate amount of cash or of the value of securities or other property proposed to be offered, for each of fiscal years 2002 through 2006; and

"(ii) $33 for each $1,000,000 of the aggregate amount of cash or of the value of securities or other property proposed to be offered, for fiscal year 2007 and each fiscal year thereafter.

"(B) Reduction.—The fee required under subparagraph (A)"; and

(C) by adding at the end the following:

"(C) Limitation; deposit of fees.—

"(i) Limitation.—Except as provided in subparagraph (D), no amounts shall be collected pursuant to this paragraph for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(ii) Deposit of fees.—Fees collected during any fiscal year pursuant to this paragraph shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(D) Lapse of appropriations.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall continue to collect fees (as offsetting collections) under this paragraph at the rate in effect during the preceding fiscal year, until such a regular appropriation is enacted.

"(E) Pro rata application of rate.—The rate required by this paragraph shall be applied pro rata to amounts and balances equal to or less than $1,000,000.".

SEC. 4. REDUCTION IN TRANSACTION FEES; ELIMINATION OF GENERAL REVENUE COMPONENT.

Section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) is amended—

(1) by striking subsections (b) through (d) and inserting the following:

"(b) Transaction Fees.—

"(1) In general.—Each national securities exchange and national securities association shall pay to the Commission a fee at a rate equal to the transaction offsetting collection rate described in paragraph (2) of the aggregate dollar amount of sales of securities (other than bonds, debentures, other evidences of indebtedness, and security futures products)—

"(A) transacted on such national securities exchange; and

"(B) transacted by or through any member of such association otherwise than on a national securities exchange of securities that are—

"(i) registered on such an exchange; or

"(ii) subject to prompt last sale reporting pursuant to the rules of the Commission or a registered national securities association.

"(2) Fee rate.—

"(A) Transaction offsetting collection rate.—For purposes of this subsection, the 'transaction offsetting collection rate' for a fiscal year—

"(i) is the uniform rate required to reach the transaction fee cap for that fiscal year; and

"(ii) shall become effective on the later of the beginning of that fiscal year or 30 days after the date of enactment of appropriations legislation setting such rate.

"(B) Transaction fee cap.—Subject to subparagraph (C), for purposes of this paragraph, the 'transaction fee cap' shall be equal to—

"(i) $915,000,000 for fiscal year 2002;

"(ii) $1,115,000,000 for fiscal year 2003;

"(iii) $1,340,000,000 for fiscal year 2004;

"(iv) $1,665,000,000 for fiscal year 2005;

"(v) $2,010,000,000 for fiscal year 2006;

"(vi) $1,015,000,000 for fiscal year 2007;

"(vii) $1,035,000,000 for fiscal year 2008;

"(viii) $1,225,000,000 for fiscal year 2009;

"(ix) $1,430,000,000 for fiscal year 2010; and

"(x) $1,665,000,000 for fiscal year 2011 and each fiscal year thereafter.

"(C) Reduction.—The amounts specified in clauses (i) through (x) of subparagraph (B) shall be reduced by the amount of assessments estimated to be collected by the Commission for the subject fiscal year pursuant to subsection (e).

"(c) Limitation; Deposit of Fees and Assessments.—

"(1) Limitation.—Except as provided in subsection (d), no amount may be collected pursuant to subsection (b) or (e) for any fiscal year, except to the extent provided in advance in appropriations Acts.

"(2) Deposit of fees and assessments.—Fees and assessments collected during any fiscal year pursuant to this section shall be deposited and credited as offsetting collections in accordance with appropriations Acts.

"(d) Lapse of Appropriations.—If, on the first day of a fiscal year, a regular appropriation to the Commission has not been enacted for that fiscal year, the Commission shall, until such a regular appropriation is enacted—

"(1) continue to collect fees (as offsetting collections) under subsection (b) at the rate in effect during the preceding fiscal year (prior to adjustments, if any, under subsections (b) and (c) of section 5 of the Competitive Market Supervision Act of 2001); and

"(2) continue to collect assessments (as offsetting collections) under subsection (e) at the assessment rate in effect during the preceding fiscal year.";

(2) in subsection (e), by striking "Assessments collected" and all that follows through the period; and

(3) in subsection (f), by striking "(f)" and all that follows through "paid—" and inserting the following:

"(f) Dates for Payment of Fees and Assessments.—The fees and assessments required by subsections (b) and (e) shall be paid—".

SEC. 5. ADJUSTMENTS TO FEE RATES.

(a) Estimates of Collections.—

(1) Fee projections.—The Securities and Exchange Commission (hereafter in this Act

referred to as the "Commission") shall, 1 month after submission of its initial report under subsection (e)(1) and on a monthly basis thereafter, project the aggregate amount of fees and assessments from all sources likely to be collected by the Commission during the current fiscal year.

(2) SUBMISSION OF INFORMATION.—Each national securities exchange and national securities association shall file with the Commission, not later than 10 days after the end of each month—

(A) an estimate of the fee and the assessment required to be paid pursuant to section 31 of the Securities Exchange Act of 1934 by such national securities exchange or national securities association for transactions and sales occurring during that month; and

(B) such other information and documents as the Commission may require, as necessary or appropriate to project the aggregate amount of fees and assessments pursuant to paragraph (1).

(b) FLOOR FOR TOTAL FEE AND ASSESSMENT COLLECTIONS.—If, at any time after the end of the first half of the fiscal year, the Commission projects under subsection (a) that the aggregate amount of fees and assessments collected by the Commission will, during that fiscal year, fall below an amount equal to the floor for total fee and assessment collections, the Commission may, by order, subject to subsection (e) of this section, increase the fee rate established under section 31(b)(2) of the Securities Exchange Act of 1934, to the extent necessary to bring estimated collections to an amount equal to the floor for total fee collections. Such increase shall apply only to transactions and sales occurring on or after the effective date specified in such order through August 31 of that fiscal year. Such increase shall not affect the obligation of each national securities exchange and national securities association to pay to the Commission the fee required by section 31(b) of the Securities Exchange Act of 1934, at the fee rate in effect prior to the effective date of such order for transactions and sales occurring prior to the effective date of such order. In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code.

(c) CAP ON TOTAL FEE AND ASSESSMENT COLLECTIONS.—If, at any time after the end of the first half of the fiscal year, the Commission projects under subsection (a) that the aggregate amount of fees and assessments collected by the Commission will exceed the cap on total fee and assessment collections by more than 10 percent during any fiscal year, the Commission shall, by order, subject to subsection (e), decrease the fee rate established under paragraph (2) of section 31(b) of the Securities Exchange Act of 1934, or suspend collection of fees under that section 31(b), to the extent necessary to bring estimated collections to an amount that is not more than 110 percent of the cap on total fee collections. Such decrease or suspension shall apply only to transactions and sales occurring on or after the effective date specified in such order through August 31 of that fiscal year. Such decrease or suspension shall not affect the obligation of each national securities exchange and national securities association to pay to the Commission the fee required by section 31(b) of the Securities Exchange Act of 1934, at the fee rate in effect prior to the effective date of such order for transactions and sales occurring prior to the effective date of such order. In exercising its authority under this subsection, the Commission shall not be required to comply with the provisions of section 553 of title 5, United States Code.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "floor for total fee and assessment collections" means the greater of—

(A) the total amount appropriated to the Commission for fiscal year 2002 (adjusted annually, based on the annual percentage change, if any, in the Consumer Price Index for all urban consumers, as published by the Department of Labor); or

(B) the amount authorized for the Commission pursuant to section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk), if applicable; and

(2) the term "cap on total fee collections" means—

(A) for fiscal years 2002 through 2011, the baseline amount for aggregate offsetting collections for such fiscal year under section 6(b) of the Securities Act of 1933 and section 31 of the Securities Exchange Act of 1934, as projected for such fiscal year by the Congressional Budget Office pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 in its most recently published report of its baseline projection before the date of enactment of this Act; and

(B) for fiscal years 2012 and thereafter, the amount authorized for the Commission pursuant to section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk).

(e) REPORTS TO CONGRESS; JUDICIAL REVIEW; NOTICE.—

(1) INITIAL REPORT.—Not later than 90 days after the date of enactment of this Act, the Commission shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives to explain the methodology used by the Commission to make projections under subsection (a). Not later than 30 days after the beginning of each fiscal year, the Commission may report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on revisions to the methodology used by the Commission to make projections under subsection (a) for such fiscal year and subsequent fiscal years.

(2) JUDICIAL REVIEW; REPORTS OF INTENT TO ACT.—The determinations made and the actions taken by the Commission under this subsection shall not be subject to judicial review. Not later than 45 days before taking action under subsection (b) or (c), the Commission shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on its intent to take such action.

(3) NOTICE.—Not later than 30 days before taking action under subsection (b) or (c), the Commission shall notify each national securities exchange and national securities association of its intent to take such action.

SEC. 6. COMPARABILITY PROVISIONS.

(a) COMMISSION DEMONSTRATION PROJECT.—Subpart C of part III of title 5, United States Code, is amended by adding at the end the following:

"CHAPTER 48—AGENCY PERSONNEL DEMONSTRATION PROJECT

"Sec.

"4801. Nonapplicability of chapter 47.

"4802. Securities and Exchange Commission.

"§4801. Nonapplicability of chapter 47.

"Chapter 47 shall not apply to this chapter.

"§4802. Securities and Exchange Commission

"(a) In this section, the term 'Commission' means the Securities and Exchange Commission.

"(b) The Commission may appoint and fix the compensation of such officers, attorneys, economists, examiners, and other employees as may be necessary for carrying out its functions under the securities laws as defined under section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c).

"(c) Rates of basic pay for all employees of the Commission may be set and adjusted by the Commission without regard to the provisions of chapter 51 or subchapter III of chapter 53.

"(d) The Commission may provide additional compensation and benefits to employees of the Commission if the same type of compensation or benefits are then being provided by any agency referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees, the Commission shall consult with, and seek to maintain comparability with, the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b).

"(e) The Commission shall consult with the Office of Personnel Management in the implementation of this section.

"(f) This section shall be administered consistent with merit system principles.".

(b) EMPLOYEES REPRESENTED BY LABOR ORGANIZATIONS.—To the extent that any employee of the Securities and Exchange Commission is represented by a labor organization with exclusive recognition in accordance with chapter 71 of title 5, United States Code, no reduction in base pay of such employee shall be made by reason of enactment of this section (including the amendments made by this section).

(c) IMPLEMENTATION PLAN AND REPORT.—

(1) IMPLEMENTATION PLAN.—

(A) IN GENERAL.—The Securities and Exchange Commission shall develop a plan to implement section 4802 of title 5, United States Code, as added by this section.

(B) INCLUSION IN ANNUAL PERFORMANCE PLAN AND REPORT.—The Securities and Exchange Commission shall include—

(i) the plan developed under this paragraph in the annual program performance plan submitted under section 1115 of title 31, United States Code; and

(ii) the effects of implementing the plan developed under this paragraph in the annual program performance report submitted under section 1116 of title 31, United States Code.

(2) IMPLEMENTATION REPORT.—

(A) IN GENERAL.—Before implementing the plan developed under paragraph (1), the Securities and Exchange Commission shall submit a report to the Committee on Governmental Affairs and the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Government Reform and the Committee on Financial Services of the House of Representatives, and the Office of Personnel Management on the details of the plan.

(B) CONTENT.—The report under this paragraph shall include—

(i) evidence and supporting documentation justifying the plan; and

(ii) budgeting projections on costs and benefits resulting from the plan.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—

(A) The table of chapters for part III of title 5, United States Code, is amended by adding at the end of subpart C the following:

"48. Agency Personnel Demonstration Project .... 4801.".

(B) Section 3132(a)(1) of title 5, United States Code, is amended—

(i) in subparagraph (C), by striking "or" after the semicolon;

(ii) in subparagraph (D), by inserting "or" after the semicolon; and

(iii) by adding at the end the following:

"(E) the Securities and Exchange Commission;".

(C) Section 5373(a) of title 5, United States Code, is amended—

(i) in paragraph (2), by striking "or" after the semicolon;

(ii) in paragraph (3), by striking the period and inserting "; or"; and

(iii) by adding at the end the following:

"(4) section 4802.".

(2) AMENDMENT TO SECURITIES AND EXCHANGE ACT OF 1934.—Section 4(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(b)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) APPOINTMENT AND COMPENSATION.—The Commission shall appoint and compensate officers, attorneys, economists, examiners, and other employees in accordance with section 4802 of title 5, United States Code.

"(2) REPORTING OF INFORMATION.—In establishing and adjusting schedules of compensation and benefits for officers, attorneys, economists, examiners, and other employees of the Commission under applicable provisions of law, the Commission shall inform the heads of the agencies referred to under section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) and Congress of such compensation and benefits and shall seek to maintain comparability with such agencies regarding compensation and benefits.".

(3) AMENDMENT TO FIRREA OF 1989.—Section 1206 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b) is amended by striking "the Thrift Depositor Protection Oversight Board of the Resolution Trust Corporation".

SEC. 7. STUDY OF THE EFFECT OF FEE REDUCTIONS.

(a) STUDY.—The Office of Economic Analysis of the Securities and Exchange Commission (hereinafter referred to as the "Office") shall conduct a study of the extent to which the benefits of reductions in fees effected as a result of this Act are passed on to investors.

(b) FACTORS FOR CONSIDERATION.—In conducting the study under subsection (a), the Office shall—

(1) consider all of the various elements of the securities industry directly and indirectly benefitting from the fee reductions, including purchasers and sellers of securities, members of national securities exchanges, issuers, broker-dealers, underwriters, participants in investment companies, retirement programs, and others;

(2) evaluate the impact on different types of investors, such as individual equity holders, individual investment company shareholders, businesses, and other types of investors;

(3) include in the interpretation of the term "investor" shareholders of entities subject to the fee reductions; and

(4) consider the economic benefits to investors flowing from the fee reductions to include such factors as market efficiency, expansion of investment opportunities, and enhanced liquidity and capital formation.

(c) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Securities and Exchange Commission shall submit to the Congress the report prepared by the Office on the results of the study conducted under subsection (a).

SEC. 8. EFFECTIVE DATE.

(a) IN GENERAL.—Subject to subsection (b), this Act and the amendments made by this Act shall become effective on October 1, 2001.

(b) EXCEPTIONS.—The authorities provided by section 13(e)(3)(D), section 14(g)(1)(D), section 14(g)(3)(D), and section 31(d) of the Securities Exchange Act of 1934, as so designated by this Act, shall not apply until October 1, 2002.

NATIONAL SAFE PLACE WEEK

Mr. GRAMM. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 25, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The senior assistant bill clerk read as follows:

A resolution (S. Res. 25) designating the week beginning March 18, 2001, as "National Safe Place Week."

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRAMM. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 25) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 25

Whereas today's youth are vital to the preservation of our country and will be the future bearers of the bright torch of democracy;

Whereas youth need a safe haven from various negative influences such as child abuse, substance abuse and crime, and they need to have resources readily available to assist them when faced with circumstances that compromise their safety;

Whereas the United States needs increased numbers of community volunteers acting as positive influences on the Nation's youth;

Whereas the Safe Place program is committed to protecting our Nation's most valuable asset, our youth, by offering short term "safe places" at neighborhood locations where trained volunteers are available to counsel and advise youth seeking assistance and guidance;

Whereas Safe Place combines the efforts of the private sector and non-profit organizations uniting to reach youth in the early stages of crisis;

Whereas Safe Place provides a direct means to assist programs in meeting performance standards relative to outreach/community relations, as set forth in the Federal Runaway and Homeless Youth Act guidelines;

Whereas the Safe Place placard displayed at businesses within communities stands as a beacon of safety and refuge to at-risk youth;

Whereas over 500 communities in 32 States and more than 9,000 locations have established Safe Place programs;

Whereas over 47,000 young people have gone to Safe Place locations to get help when faced with crisis situations;

Whereas through the efforts of Safe Place coordinators across the country each year more than one-half million students learn that Safe Place is a resource if abusive or neglectful situations exist; and

Whereas increased awareness of the program's existence will encourage communities to establish Safe Places for the Nation's youth throughout the country: Now, therefore, be it

Resolved, That the Senate—

(1) proclaims the week of March 18 through March 24, 2001 as "National Safe Place Week" and

(2) requests that the President issue a proclamation calling upon the people of the United States and interested groups to promote awareness of and volunteer involvement in the Safe Place programs, and to observe the week with appropriate ceremonies and activities.

Mr. CRAIG. Mr. President, children are our most valuable resource. Youth are the future of this Nation and a resource that needs to be both valued and protected. Sadly, however, as my colleagues know, this precious resource is being threatened every day.

I come to the Senate floor today to talk about a tremendous initiative that has been reaching out to youth since 1983. Project Safe Place is a program that was developed to assist youth and families in crisis. It creates a network of private businesses who are trained to refer youth in need to the local service providers who can help them. Those businesses display a Safe Place sign so that young people know this is a place where they can go to receive help.

The goal of National Safe Place Week is to recognize those individuals who work to make Project Safe Place a reality. From trained volunteers to seasoned professionals, thousands of dedicated individuals are working together within their local communities and across the nation to serve young people, under a well-known symbol of safety for in-crisis youth.

Project Safe Place is a simple program to implement in any local community, and it works. Young people are much more likely to ask for help in a location that is familiar and nonthreatening to them. By creating a network of Safe Places across the nation, all youth would have access, through this nonthreatening resource, to needed help, counseling, or a safe place to stay. However, while the program has already been established in 32 States, there are still too many communities without this valuable youth resources.

If your State does not already have a Safe Place organization, please consider facilitating this worthwhile resource. To create more Project Safe Place sites in Idaho, the staff in three of my state offices have gone through the training to make them all Safe Place sites, and now have the skills and ability to assist troubled youth.

I am delighted that the U.S. Senate has passed Senate Resolution 25, designating the week of March 18–24, 2001 as National Safe Place Week. This action recognizes the importance of Project Safe Place and the work of the National Project Safe Place organization. Most important, in passing this resolution, the Senate is applauding the tireless efforts of the thousands of dedicated volunteers across the nation for their many contributions to the youth of our nation through Project Safe Place.

Mr. GRAMM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR FRIDAY, MARCH 23, 2001

Mr. GRAMM. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 8:45 a.m. on Friday, March 23. I further ask unanimous consent that on Friday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin the pending Helms amendment and there be 15 minutes for closing remarks, as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRAMM. For the information of all Senators, the Senate will conduct a rollcall vote at 9 a.m. on Friday. Other amendments are expected to be offered during Friday's session.

On Monday at 2 p.m., the Senate will consider Senator HOLLINGS constitutional amendment relating to elections. There will be debate throughout the day, with a vote scheduled to occur at 6 p.m. Further votes can be expected to occur following that vote at 6 p.m. on Monday.

ADJOURNMENT UNTIL 8:45 A.M. TOMORROW

Mr. GRAMM. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:41 p.m., adjourned until Friday, March 23, 2001, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate March 22, 2001:

DEPARTMENT OF THE TREASURY

FARYAR SHIRZAD, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE, VICE TROY HAMILTON CRIBB, RESIGNED.

DEPARTMENT OF COMMERCE

MICHELE A. DAVIS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE MICHELLE ANDREWS SMITH, RESIGNED.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

ANDREW S. NATSIOS, OF MASSACHUSETTS, TO BE ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE J. BRADY ANDERSON, RESIGNED.

DEPARTMENT OF JUSTICE

LARRY D. THOMPSON, OF GEORGIA, TO BE DEPUTY ATTORNEY GENERAL, VICE ERIC H. HOLDER, JR.

DEPARTMENT OF VETERANS AFFAIRS

TIM S. MCCLAIN, OF CALIFORNIA, TO BE GENERAL COUNSEL, DEPARTMENT OF VETERANS AFFAIRS, VICE LEIGH A. BRADLEY, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS TO APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral

REAR ADM. (LH) DAVID R. NICHOLSON, 0216
REAR ADM. (LH) RONALD F. SILVA, 1219

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 271:

To be lieutenant commander

BENES Z ALDANA, 8566
DANIEL J ALLMAN, 6441
JAMES E ANDREWS, 1057
ANTHONY T BAGINSKI, 4073
ROBERT E BAILEY, JR., 8197
CHARLES B BARBEE, 0837
CHRISTOPHER A BARTZ, 3258
DAVID E BECK, 9830
DAVID C BILLBURG, 1907
TRELLIS M BIVINS, 4207
SUSAN J BLOOD, 2926
ELIZABETH D BLOW, 8759
CHRISTOPER E BOEHM, 8343
JAMES BORDERS JR., 0589
FRANCIS T BOROSS JR., 6953
JON J BOWEN, 0451
ROBERT J BOWEN, 8836
JAMES M. BOYER, 0097
CRAIG S BREITUNG, 6328
JEFFREY M BROCKUS, 7731
APRIL A BROWN, 5407
GREGORY A BURG, 7284
MATTHEW C CALLAN, 8047
JOSEPH S CALNAN, 7145
MARK A CAMACHO, 0873
NICHOLAS D CARON, 3933
JEFFREY T CARTER, 0031
RIZAL M CASTILLO, 3150
TIMOTHY S CASTLE, 4587
GERALD M CHARLTON JR., 3731
JOSEPH A CHOP, 4909
PETER J CLEMENS, 9389
TODD M COGGESHALL, 5726
SHERRY A COMAR, 1641
BENJAMIN A COOPER, 1881
JONATHAN E COPLEY, 6121
RICHARD S CRAIG, 5668
DAVID H CRONK, 7100
TIMOTHY M CUMMINS, 2814
MARK T CUNNINGHAM, 5577
ANTHONY C CURRY, 1211
CHRISTOPHER L DAY, 7931
BRUCE N DECKER, 4990
RONALD R DEWITT JR., 5013
CHARLES A DIORIO, 5872
DAVID K DIXON, 0910
JEFFREY F DIXON, 0868
MARK P DORAN, 9124
JEFFREY D DOW, 4075
BRADY C DOWNS, 4647
DAVID A DRAKE, 2691
MICHAEL J DREIER, 1196
DARREN A DRURY, 3956
KEVIN P DUNN, 8665
JAMES L DUVAL, 3090
DAVID W EDWARDS, 0789
JAMES E ELLIOTT, 9826
ERIC S ENSIGN, 7299
BRAD J ERVIN, 6112
MARK J FEDOR, 5119
LEE S FIELDS, 8789
DAVID M FLAHERTY, 1411
DAVID S FLURIE, 8329
PAUL A FLYNN, 1268
ERIC J FORD, 5292
JOHN R FRANCIC, 8319
DANIEL J FRANK, 2531
JOHN R FREDA, 0872
THEODORE B GANGSEI, 6325
DUANE P GATES, 3570
MICHAEL L GATLIN, 5987
KEVIN P GAVIN, 1038
CHARLES E GEHINSCOTT, 4027
PAUL E GERECKE, 3886
TIMOTHY J GILBRIDE, 6752
SHANNON N GILREATH, 3969
JOSEPH J GLEASON, 8005
THOMAS J GLYNN, 9429
LYNN A GOLDHAMMER, 3206
CARLA J GRANTHAM, 9399
PAUL A GUMMEL, 1838
TODD C HALL, 5481
DUSTIN E HAMACHER, 4391
RICHARD C HAMBLET, 8143
MARK E HAMMOND, 0674
ROBERT T HANNAH, 2249
LONNIE P HARRISON, 3014
CHARLES A HATFIELD III, 0399
DIANE J HAUSER, 8190
RICHARD R HAYES, 5497
MICHAEL R HEISLER, 1514
ERIC G HELM, 6894
JOHN R HELTON JR., 8332
STEVEN B HENDERSHOT, 3637
GARY D HENDERSON, 9779
ROGERS W HENDERSON, 2619
ROBERT T HENDRICKSON JR., 3191
GLENN C HERNANDEZ, 0215
CHRISTOPHER M HOLLINSHEAD, 3553
RONALD S HORN, 0939
RICHARD E HORNER, 8109
GREGORY A HOWARD, 2123
ROBERT E IDDINS, 7249
JOSE L JIMENEZ, 9004
PEDRO L JIMENEZ, 3809
JEFFREY W JOHNSON, 5884
DANIEL C JOHNSON, 1210
MARK A JONES, 3433
KEVIN A JONES, 4625
DIANE R KALINA, 7287
KEVIN M KEAST, 2018
BRENDA K KERR, 4272
KRISTINE M KIERNAN, 1087
NATHAN E KNAPP, 8392
PATRICK A KNOWLES, 8960
SUZANNE E LANDRY, 5018
WILLIAM J LANE, 4582
JOHN H LANG, 2972
MARA M LANGEVIN, 1886
MICHAEL A LEATHE, 4966
SCOTT BILEMASTERS, 2251
BRIAN R LINCOLN, 4536
BRIAN M LISKO, 0704
KEVIN W LOPEZ, 0472
MARCUS X LOPEZ, 7706
CHRISTIAN R LUND, 2356
KURT A LUTZOW, 8464
KEVIN C LYONS, 8708
ERIN D MACDONALD, 7785
THOMAS I MACDONALD, 1024
THOMAS S MACDONALD, 4954
LILLIAN M MAIZER, 2025
EDWARD J MAROHN, 5157
JAMES M MATHIEU, 8740
JOHN W MAUGER, 8930
TIMOTHY A MAYER, 2622
PHILLIP S MCCARTY.M 5940
DAVID G MCCLELLAN, 1301
ROBERT S MCCLURE, 5039
MAURY M MCFADDEN, 5427
JESS W MCGINNIS, 2108
DARRAN J MCLENON, 0894
KEITH P MCTIGUE, 1667
NELSON MEDINA, 7545
TIMOTHY E MEYERS, 6446
DANIEL J MOLTHEN, 0841
DAVID W MOONEY, 0332
CHRISTOPHER P MOORADIAN, 0864
NATHAN A MOORE, 9481
DAVID C MORTON, 1198
CHRISTOPHER C MOSS, 8055
ANDREW D MYERS, 5314
MICHAEL C NEININGER, 8554
RANDALL K NELSON, 9538
RICHARD K NELSON 9617
THERESA M NEUMANN, 9449
JOHN P NOLAN, 0074
RONALD W NORTHRUP, 9926
THOMAS A NORTON, 3551
TODD J OFFUTT, 2727
RANDAL S OGRYDZIAK, 4631
THERESA A PALMER, 3765
BRIGID M PAVILONIS, 0876
ROBERT PEARCE JR., 3786

STEVEN T PEARSON, 0355
FRANK E PEDRAS JR., 0471
DAVID W PIERCE, 8336
DANIEL J PIKE, 6865
KELLY M POST, 6845
JAMES B PRUETT, 3933
RICHARD M PRUITT, 0289
DAVID E PUGH, 5124
ROBERT E PURINGTON, 3223
ANDREW M RAIHA, 3504
KEITH C RALEY, 5553
MICHAEL W RAYMOND, 4846
JOEL L REBHOLZ, 9667
PAUL E RENDON, 2411
DAWN C RICHARDS, 0506
FREDERICK C RIEDLIN, 8519
JONATHON N RIFFE, 8060
MELISSA L RIVERA, 2494
JAMES B ROBERSON III, 3460
CHRISTOPHER J ROBINSO, 0741
DANIEL C ROCCO, 7128
BRIAN W ROCHE, 1900
LANCE A ROCKS, 6300
JOSE L RODRIGUEZ, 9988
SCOTT M ROGERS, 3312
MICHAEL T RORSTAD, 0667
MATTHEW P ROTHER, 2797
TIMOTHY J SCHANG, 2685
DANIEL J SCHIFSKY, 7324
HARRY M SCHMIDT, 1134
PATRICK H SCHMIDT, 8142
DOUGLAS M SCHOFIELD, 2329
DANIEL SCHRODER, 7710
DAVID B SCOTT, 5204
PATTI S SEEMAN, 1102
RICKY M SHARPE, 7582
THOMAS H SHERMAN III, 3626
MICHAEL A SHIRK, 3799
KENNETH A SMITH, 1164
WILLIAM G SMITH, 9414
MIKEAL S STAIER, 9904
DREW K STEADMAN, 5381
JAMES Q. STEVENS III, 8899
JAMES A. STEWART, 0304
EDWARD M. STPIERRE, 4660
DAVID W. STRONG, 9334
TODD R. STYRWOLD, 3652
STEVEN A. SUTTON, 1409
THOMAS S. SWANBERG, 3432
WILLIAM B. SWEARS, 6176
STEVEN C. TESCHENDORF, 7197
PHILLIP R. THORNE, 9464
TIMOTHY A. TOBIASZ, 4747
GARY L. TOMASULO, 1656
CARLOS A. TORRES, 8975
JONATHAN W. TOTTE, 9715
MICHAEL T. TRIMPERT, 6673
ANDREW E. TUCCI, 0262
RALPH J. TUMBARELLO, 1277
OZIEL VELA, 0622
TRACY J. WANNAMAKER, 6235
MARK D. WARD, 4386
TIMOTHY J. WENDT, 2790
BENJAMIN B. WHITE, 4786
ROBB C. WILCOX, 1558
GERARD A. WILLIAMS, 5511
KARL R. WILLIS, 9354
DEAN E. WILLIS, 8631
MARK A. WILLIS, 0635
GREGORY D. WISENER, 0438
CHRISTOPHER J. WOODLEY, 3187
MARSHALL E. WRIGHT, 8335

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. WILLIAM P. ARD, 9315
COL. ROSANNE BAILEY, 5417
COL. BRADLEY S. BAKER, 8811
COL. CHARLES C. BALDWIN, 2219
COL. MARK G. BEESLEY, 0692
COL. TED F. BOWLDS, 8694
COL. JOHN T. BRENNAN, 1908
COL. ROGER W. BURG, 0024
COL. PATRICK A. BURNS, 9945
COL. KURT A. CICHOWSKI, 2191
COL. MARIA I. CRIBBS, 1906
COL. ANDREW S. DICHTER, 7838
COL. JAN D. EAKLE, 6186
COL. DAVID M. EDGINGTON, 5942
COL. SILVANUS T. GILBERT III, 9317
COL. STEPHEN M. GOLDFEIN, 0317
COL. DAVID S. GRAY, 6354
COL. CHARLES B. GREEN, 6223
COL. WENDELL L. GRIFFIN, 7494
COL. RONALD J. HAECKEL, 5442
COL. IRVING L. HALTER JR., 3411
COL. RICHARD S. HASSAN, 8751
COL. WILLIAM L. HOLLAND, 4785
COL. GILMARY M. HOSTAGE III, 6091
COL. JAMES P. HUNT, 1379
COL. JOHN C. KOZIOL, 4047
COL. DAVID R. LEFFORGE, 3407
COL. THOMAS J. LOFTUS, 1717
COL. WILLIAM T. LORD, 1920
COL. ARTHUR B. MORRILL, III, 9005
COL. LARRY D. NEW, 2557
COL. LEONARD E. PATTERSON, 4994
COL. MICHAEL F. PLANERT, 4078
COL. JEFFREY A. REMINGTON, 2881
COL. EDWARD A. RICE JR., 4597
COL. DAVID J. SCOTT, 6307
COL. WINFIELD W. SCOTT III, 5508
COL. MARK D. SHACKELFORD, 8403
COL. GLENN F. SPEARS, 2012
COL. DAVID L. STRINGER, 5498
COL. HENRY L. TAYLOR, 3446
COL. RICHARD E. WEBBER, 3908
COL. ROY M. WORDEN, 4884
COL. RONALD D. YAGGI, 2965

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. RONALD S. COLEMAN, 3216
COL. JAMES F. FLOCK, 6021
COL. KENNETH J. GLUECK JR., 6343
COL. DENNIS J. HEJLIK, 3767
COL. CARL B. JENSEN, 5079
COL. ROBERT B. NELLER, 0298
COL. JOHN M. PAXTON JR., 0190
COL. EDWARD G. USHER III, 6626

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. MALCOLM I. FAGES, 4038

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATE IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

GREGORY O. ALLEN, 2238
ANDREA M. ANDERSON, 1940
JACK L. ANDERSON, 1766
RUTH M. ANDERSON, 7690
M. LORETTA BAILEY, 7937
HARRY J. BATEY, 0185
RALPH A. BAUER, 3922
ELIZABETH L. BOWERSKLAINE, 9776
TYWANA F. C. BOWMAN, 1463
DAVID F. BRASH, 9138
DONALD L. BROWN, 5095
CHRISTOPHER F. BURNE, 2139
TERESA A CAMPBELL, 5291
LEELLEN COACHER, 4631
JAMES P COUNSMAN, 3927
STUART R COWLES, 6933
PAUL M DANKOVICH, 1609
MORRIS D DAVIS, 7490
ALLAN L DETERT, 2021
NORBERT J DIAZ, 3552
STEPHEN R DISTASIO JR., 1556
TERRENCE H FARRELL, 0669
BLAKE W FOLDEN, 2050
RICHARD L FORTNER, 4453
WILLIAM GAMPEL, 2752
GREGORY GIRARD, 1854
ROGER S GOETZ, 2454
WILLIE A GUNN, 5888
CONSTANCE D HICKMAN, 5664
BARBARA A HOSTETLER, 5005
JOHN A KENNEY, 6151
BERNARD J KERR JR., 3028
BEVERLY B KNOTT, 3205
STACY L LANHAMLAHERA, 6616
MARGARET R MCCORD, 3668
BRENDA J MCELENEY, 2645
CLIFFORD J MCKINSTRY, 4178
JAMES E MOODY, 8558
ROBERTA MORO, 0489
SALLY J PETTY, 6819
GREGORY B PORTER, 6194
ROBERT J RENNIE, 2388
RAYMOND E RISSLING, 7111
CHARLES R ROUNTREE, 6642
MARK R RUPPERT, 9648
MARC M SAGER, 7015
DAWN E B SCHOLZ, 9956
SCOTT W SINGER, 8889
NORMAN B SPECTOR, 0434
HOLLY M STONE, 7090
JO ANN STRINGFIELD, 0224
KEIKO L TORGERSEN, 1021
CAROL L VERMILLION, 3254
EDWRD Y WALKER III, 3476
WAYNE WISNIEWSKI, 9189

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

JAMES R. GUSIE, 7156
MICHAEL P. JENSEN, 2892
DENNIS J. SANDBOTHE, 1643

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY IN THE JUDGE ADVOCATE GENERAL'S CORPS UNDER TITLE 10, U.S.C., SECTION 624 AND 3064:

To be colonel

MICHAEL CHILD, 6511 JA
LELAND GALLUP, 8542 JA

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

WALTER T. ELLINGSON, 8033
RICHARD B. HARRIS, 2839
KAREN F. HUBBARD, 9531
KENNETH L. JORGENSEN, 9060
MICHAEL J. KANTARIS, 0688

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVAL RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be captain

MANUAL E.R. ALSINA, 8078
VINCENT S. SHEN, 2897

EXTENSIONS OF REMARKS

KAZAKHSTAN SHOULD RELEASE OPPOSITION POLITICAL PRISONERS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. ROS-LEHTINEN. Mr. Speaker, on March 7, I chaired a hearing of the International Relations Committee's Subcommittee on International Operations and Human Rights on the Department of State's annual report on human rights for the year 2000. In the section on Kazakhstan, the report states that "the Government's human rights record remained poor" and that "serious problems remain".

The report discusses one specific situation that concerns me greatly. In the section on "Arbitrary Arrest, Detention, or Exile", the report points out that two security agents who had served as bodyguards to Akezhan Kazhegeldin, the exiled leader of the main opposition party and a former Prime Minister, were sentenced a year ago to 3½ years in gulag-style prison where they are vulnerable to mistreatment by both prison officials and fellow inmates. Their names are Pyotr Afanasenko and Satzhan Ibrayev.

As stated in the Department of State's report—referring to the Organization for Security and Cooperation in Europe (OSCE) and to international and domestic observers, their arrest was politically motivated. As a member of the OSCE, Kazakhstan should reverse what the OSCE has said were convictions for political reasons and imprisonments under conditions that violate the Criminal Code of Kazakhstan.

If, as it claims, the Government of Kazakhstan is truly paying more attention to human rights, then these two political prisoners, whose very lives are in danger, should be released. In the meantime, they should be removed from the general prison population and placed in a separate facility as provided under the Criminal Corrections Code of Kazakhstan. I call upon the government of Kazakhstan to do just that.

THE RETIREMENT OF SHELLY LIVINGSTON

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. LANTOS. Mr. Speaker, I would like to take the opportunity to make note of the retirement of long-time House International Relations Committee staff member, Shelly Livingston.

Shelly started with the Committee in 1974 and in 1980 assumed the job of Budget/Financial Administrator, in which she developed the committee's budget requests and generally oversaw all aspects of the committee's finances. No matter how busy or pressured Shelly was, often working under tight deadlines, she always found the time to respond to the innumerable questions and requests of Members and staff with competence and good humor.

There is no question that Shelly will be greatly missed by her many friends on the committee staff and throughout the Hill. On their behalf I want to thank Shelly for her professionalism, discretion, and kindness throughout her years with us.

I hope Shelly will carry our affection with her as she begins her retirement. I have no doubt she will add to her many accomplishments as she pursues her interests in the years to come.

TRIBUTE TO THE FORT WORTH AREA HABITAT FOR HUMANITY

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. FROST. Mr. Speaker, I would like to recognize and congratulate the remarkable Fort Worth Area Habitat for Humanity for its efforts in transforming a neglected neighborhood into an area people are proud to call home.

The Fort Worth Area Habitat for Humanity should be honored for building 27 modest wood-framed homes in the 45-block area last year and a total of 100 homes over the last nine years. This has provided the opportunity for renters to become first-time homebuyers who may not have the opportunity to do so otherwise. This group will also be recognized as a standout affiliate at the National Habitual Conference this April in Florida.

I would also like to acknowledge Rev. Howard Caver of the World Missionary Baptist Church. His 70-member congregation raised funding for the group and put forth manpower in building the first half-dozen houses. The partnership between the World Missionary Baptist Church and the Fort Worth Area Habitat for Humanity has been very successful and has provided the community a great service.

The Fort Worth Area Habitat for Humanity efforts and accomplishments does not stop at 100 houses. They plan to build 30 more houses this year. This is not an easy task, with finding available land and selecting families to live in the houses are among the group's toughest obstacles. However, the group expects this to be their best year yet and I have no doubt it will be.

Once again, I am very proud to see the honorable work being accomplished in my district. The Fort Worth Area Habitat for Humanity has made so much progress in such a short amount of time and is continuing to contribute countless charitable hours. Thank you for everything you've done for the district, your work is appreciated.

SCRAPPING MINING RULES WOULD BE A SERIOUS MISTAKE

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. UDALL of Colorado. Mr. Speaker, there is an old saying that experience is what enables you to recognize a mistake when you make it again.

If that's true, then the Bush Administration may be demonstrating its experience by repeating—for at least the third time—the serious mistake of lessening the protection of the environment.

The first mistake was to break a promise that the Administration would work to reduce emissions of carbon dioxide. The second was to move to weaken the protection of drinking water from the risk of arsenic. And now it looks like there will be a third mistake, this time to weaken the regulation of mining on the public lands.

Yesterday, the Bureau of Land Management (BLM) announced that it will act to suspend recently-adopted regulations to limit adverse effects of mining on these lands, which are the property of all the American people. The announcement indicated that BLM would take public comments for 45 days, and then decide whether to replace these new regulations with prior regulations first adopted two decades ago.

I understand why the new administration might want to review these new rules—but I hope that it will not make the mistake of simply trying to turn back the clock.

I seriously doubt that there is a need for further delay in implementing rules that were years in the making and on which the mining industry and the public have had ample opportunity to be heard.

And, as an editorial in today's Denver Post noted, if the Bush Administration overturns these rules, it would be "committing the very mistake for which it eviscerated the Clinton regime: running roughshod over legitimate concerns of Western communities and putting the federal treasury at risk."

In Colorado, we understand the importance of mining—but we are also very aware of the damage that unregulated or careless mining can bring. From the 19th century's mineral rushes we have inherited a rich lore of history—and miles of poisoned streams and scarred slopes.

And the dangers remain, even though the modem mining industry is more regulated and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

much more responsible. So, the Bush Administration should proceed with caution, and avoid repeating the past mistakes of overly-lax safeguards against those dangers.

For the information of our colleagues, Mr. Speaker, I am attaching the Denver Post's editorial on this subject:

MINING MISTAKE REDUX

MAR. 22, 2001.—The Bush administration wants to toss out important rules about mining on public lands, thereby committing the very mistake for which it eviscerated the Clinton regime: running roughshod over legitimate concerns of Western communities and putting the federal treasury at risk.

A decade ago, during the reign of George H.W. Bush, the U.S. Bureau of Land Management tried to revamp environmental rules and financial accountability standards for hard-rock mines operating on public property. But the effort got sidelined while Congress debated major changes to the underlying federal statute. After the congressional push fizzled in 1997, then-U.S. Interior Secretary Bruce Babbitt started a formal process to modernize the mining rules.

The old regulations were written in 1980, just before technological changes revolutionized the modern mining business. The old rules simply didn't reflect the new realities—to leave them in place would be akin to regulating jet airliners based on the concept of horse-drawn wagons.

The tough administrative process took four years, generated 550 pages of public comments and survived several congressional attempts to scuttle the effort. So while the rules took effect just before President Clinton left office, they'd been in the works for years and had been thoroughly and publicly discussed.

Despite the hyperbolic complaints leveled by partisan critics, the new regulations won't prevent mining on public lands. Instead, they just fixed glaring problems.

For decades, the BLM said it couldn't block any mining operation on public land, even if the mine would cause social or environmental harm. Near Yarnell, Ariz., for instance, a proposed mine would have opened within 500 feet of the town. People would have had to evacuate their homes during blasting, and would have suffered from mine dust, noise and other problems. Yet under the 1980 rules, BLM couldn't either stop it or do anything to help.

Moreover, the old rules left taxpayers liable for cleaning up environmental messes. The poster child for all mining fiascoes is Summitville in southwestern Colorado, where in the early 1990s poisons from a bankrupt mine devastated the Rio Grande's high altitude headwaters. But other states have suffered, too, Nevada alone has 36 bankrupt mine sites—all recent, modern operations—where taxpayers have been left footing the environmental clean up bill. By contrast, the Clinton-era rules require mines to put up adequate bonds, so if the companies go bankrupt, taxpayers aren't stuck with the tab.

Yet the Bush administration's announcement Tuesday indicates that the BLM may retreat to the old way of doing business. It's hypocritical for the Bush team to pretend it can provide more thought and public input on the matter in just a 45-day comment period than the issue received during four years of intense administrative and congressional debate.

TRIBUTE TO STATE COMMANDER RONALD L. AMEND

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. BARCIA. I wish today, Mr. Speaker, to pay tribute to State Commander Ronald L. Amend, for his many years of devoted service to his country in the United States Air Force and as a leader of the Veterans of Foreign Wars, Department of Michigan.

As a life member of VFW Post 7486 in Fairgrove, Michigan, Ron has worked on behalf of veterans and their families since he first joined the organization after tours of duty with the Air Force in Vietnam and assignment at Fairchild Air Force Base near Spokane, Washington. His focused attention to duty and lead-by-example approach has provided greatly needed assistance to veterans throughout the state and helped to ensure that their sacrifices on and off the field of battle are honored by all citizens.

Ron has always given a full measure of his time and talents in all his undertakings. He has earned a reputation for turning difficult missions into successful endeavors wherever he has gone. As an Air Force enlisted man, as a veterans' advocate, as a father and husband, as a 29-year employee of Delphi Saginaw Steering Systems and as a long-time resident of Reese, Michigan, Ron has used his great skills to benefit others. While he has earned many awards and decorations during his military service and with the Veterans of Foreign Wars organization, Ron has always done his job without seeking glory or personal gain. His work stands as a model for all citizens now and in the future.

Indeed, Ron's colleagues in the Veterans of Foreign Wars have long been aware of his significant contributions. He has held many positions with the organization, including Post Commander and becoming an All-American District Commander.

Like many success stories, Ron's many achievements have been the product of his own hard work coupled with the loving support of his wife of 27 years, Sandi, and his children, Ross and Kari. Ron is quick to recognize that he could never have accomplished all that he has done without their help.

I ask my colleagues to join me in expressing gratitude to State Commander Ronald L. Amend for his outstanding service and wish him continued success in safeguarding the future and attending to the needs of fellow veterans everywhere.

CELEBRATING GREEK INDEPENDENCE DAY

SPEECH OF

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. McINTYRE. Mr. Speaker, I rise today to honor the nation of Greece and recognize Americans of Greek descent in celebration of Greek Independence Day. Their spirit and determination throughout history has been an inspiration to us all.

Throughout nearly four hundred years of Ottoman oppression, the Greeks maintained a unique cultural heritage. Toward the end of the Turkish occupation, this rich heritage instilled a new sense of nationalism in the Greek people. The ancient Greek ideal of freedom influenced them as well, and on March 25, 1821, they began a revolution that would eventually result in their liberty. This new independence was a victory not only for the Greeks but also for democracy.

The history and culture of the Greeks have had a profound influence on the United States. The democratic values of the ancient Greeks encouraged our own revolution and inspired the development of our government. More recently, Greece has been a dependable ally, providing its support and friendship. In addition, Greek Americans continually benefit this nation, blessing us with their strong work ethic and distinctive culture.

My fellow colleagues, please join me in congratulating Greece and its people on one hundred eighty years of independence.

VETERANS NATIONAL CEMETERY IN NORTH FLORIDA

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. STEARNS. Mr. Speaker, Florida's veterans population is the largest in the nation second only to California.

When I introduced legislation in the 104th to designate 1,500 acres of Cecil Field for a veterans cemetery, the veteran populations of the Florida and Georgia counties was 314,180. Today, that number is 451,127. The Florida Department of Veterans Affairs and the Georgia Department of Veterans Affairs provided this information. That represents a sizeable increase in the number of veterans living in this area. So, in just five or six years we have about 137,000 more veterans living in this region.

These statistics bear out the fact that there is a definite need for an additional cemetery to serve the northeast section of Florida and southern Georgia.

The nearest "open" VA cemetery serving the northeast Florida and southern Georgia veteran community catchment area is located in Bushnell, Florida, which is a three-hour drive from Jacksonville. An existing national cemetery in St. Augustine is full. The next closest in proximity is to be found in Marietta, Georgia just north of Atlanta.

I hope my colleagues, especially my fellow Floridians, will join me and Representative ANDER CRENSHAW in our efforts to get a national cemetery in the Jacksonville metropolitan area.

PRINTING REVISED UPDATED VERSION OF "BLACK AMERICANS IN CONGRESS, 1870–1989"

SPEECH OF

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 21, 2001

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in strong support of H. Con. Res. 43. This legislation would support the authorization and printing of a revised and updated version of the House document "Black Americans in Congress."

This document delivers an abundance of information on the accomplishments of African Americans who served as members of Congress from 1870–1989 as well as updates the current status of African Americans in Congress. It highlights African American involvement in politics during historic periods such as the Reconstruction Era and the fight for civil rights during the Civil Rights Movement.

"Black Americans in Congress" is important because it explains how over the past 12 years there have been African American members of Congress who have compelling stories that should be told. There are African American members of Congress that are lawyers, doctors, teachers, librarians and farmers, all of whom have very distinguished backgrounds whose lives are worth noting and should be embraced by the U.S. House of Representatives.

I support the revision of this document because it is a dynamic tool in building a path of knowledge respecting the struggles, victories and losses of black politicians throughout America's history. This resolution will continue to document African American representation in Washington and will assist African Americans in becoming more informed about and more active in national politics.

Mr. Speaker, I urge that the House document, "Black Americans in Congress" be revised so that the history and insight of the political process and the roles that black elected officials have played will have a permanent place in America's political memory and future.

IN RECOGNITION OF THE WINNERS OF THE ELENA MEDEROS AWARD AND THE OUTSTANDING ACHIEVEMENT AWARD

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize Judge Lilia A. Muñoz, Claudia L. Moreno, and Julia Valdivia, winners of the Elena Mederos Award, and Sandy Acosta, winner of the Outstanding Achievement Award. On March 25, 2001, the National Association of Cuban-American Women will honor these outstanding women for their great contributions to the Hispanic Community.

Sponsored by the National Association of Cuban-American Women, the Elena Mederos Award was instituted in memory of Dr. Elena Mederos (1900–81), who is considered the most prominent Cuban woman of the Twentieth Century.

Born in Cuba, Judge Lilia L. Muñoz is currently the Chief Municipal Court Judge in Union City, New Jersey, and has made history in becoming the first Hispanic woman to serve in that capacity. She was also the first Hispanic President of the Hudson County Bar Association. Judge Muñoz served as the municipal prosecutor for the Town of West New York from 1997 to 2000, and also served there as the prosecutor for the Alcohol Beverage Control Board. She currently serves on the Character Committee for the Board of Bar Examiners and as a Trustee for the Hudson County Legal Services Corporation.

Professor Claudia L. Moreno is a resident of Weehawken, New Jersey. She is currently an Assistant Professor at Columbia University School of Social Work. Professor Moreno serves as a Grant Reviewer for the Administration for Children, Youth and Families under the United States Department of Health and Human Services, Discretionary Grants Program. She is also a consultant with the Parent's Support Group of the New Center For Outreach and Services for the Autism Community.

Born in Cuba, Julia Valdivia earned a Master's Degree in Education from the University of La Havana. In 1974, Union City hired Ms. Valdivia to perform outreach to the growing Hispanic community. While serving the Hispanic community, she focused on immigrants new to Hudson County and provided them with essential information regarding housing, employment, education, and business opportunities. She has served the last four Mayors of Union City, and has become one of the most powerful community activists in the city. Ms. Valdivia helped found the Alliance Civic Association, which helps Hispanic community leaders attain public office. In this past election, she was the only Hispanic in the State of New Jersey selected to be a delegate to the Electoral College.

Ms. Acosta is completing a Master's Degree in International Affairs concentrating on International Politics at American University. In 1998, she earned a Bachelor's Degree in International Relations from Florida International University. She currently serves as the assistant to the Executive Director of the Lawyers Committee for Human Rights in Washington, D.C. Ms. Acosta has served as an intern with Senator BOB GRAHAM and at Freedom House and the Center for a Free Cuba.

Today, I ask my colleagues to join me in recognizing these four outstanding women for their great contributions to the Hispanic Community.

A TRIBUTE TO AACI

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. LOFGREN. Mr. Speaker, I rise to congratulate Asian Americans for Community Involvement (AACI), which is celebrating 28 years of service to the people of Santa Clara County. Asian Americans for Community Involvement is the largest nonprofit advocacy, education, health and human service organization committed to the welfare of Asian Pacific Islander Americans in Santa Clara County.

The 28th Anniversary Celebration Banquet will help the organization celebrate its years of service to the Asian Pacific Islander community. The Community Star Award will be presented to selected individuals whose dedication and hard work have enhanced the quality of life for Asian Americans. The proceeds from the banquet will allow Asian Americans for Community Involvement to continue their community, health and human service projects in the Asian Pacific Islander communities in Santa Clara County.

Asian Americans for Community Involvement provides an ever-growing number of services for people who have come to rely on this organization for help. Among the health and social services AACI provides are mental health services, substance abuse prevention and treatment and employment training, and programs to combat child abuse, domestic violence, HIV/AIDS, and youth gang involvement.

I am grateful to Asian Americans for Community Involvement for the organization's dedicated service in Santa Clara County, and wish to congratulate each of the 2001 AACI Community Star recipients.

IN HONOR OF STEPHEN C. LEONOUDAKIS

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. PELOSI. Mr. Speaker, I rise to express the gratitude of the residents of San Francisco for the outstanding service of Stephen C. Leonoudakis as he retires from the Golden Gate Bridge, Highway, and Transportation District Board of Directors. In every debate of the past 38 years involving the Golden Gate Bridge and transportation between Marin and San Francisco Counties, Steve has been an unfailing advocate for public transit and safety. We owe him an enormous debt of thanks for his visionary leadership and tireless service.

Since his appointment to the Golden Gate Bridge and Highway District in 1962, Steve's continuous tenure on the Board has made him the second-longest serving Director in the District's history. He served as the President of the Board of Directors from 1973–1974.

When Steve joined the Bridge District, traffic on the Bridge had reached unmanageable levels. Unattractive traffic control arches were being designed to deal with the increase in vehicles, additional bridges between San Francisco and Marin Counties were being considered, and adding a second deck to the Bridge was proposed.

Steve offered a competing vision of what the Bridge District should be. Instead of moving cars, Steve was concerned with moving people. Because of his leadership, the law creating the District was amended to give the District the authority to develop a public transit system for the Golden Gate Corridor. Steve has since shepherded a comprehensive plan to decrease pressure on the Bridge that has included the revival of ferry service, a dramatic expansion of bus service, and may one day include rail service along the Corridor.

Steve has been remarkably successful. The bus and ferry system has held bridge traffic to manageable levels without altering the breathtaking beauty of the Golden Gate Bridge on the San Francisco Bay. We will be further grateful for his plan long after his retirement when the rail right-of-ways he fought to purchase are needed to build a rail system for future transit relief along the Golden Gate Corridor. In recognition of these efforts, the American Public Transit Association presented him with its Local Distinguished Service Award in 1996.

Steve has also worked consistently to increase the safety of the Bridge. During the 1970's and 1980's, he was a leader in the maintenance program that significantly upgraded portions of the Bridge including the rivets, suspender ropes, deck, and sidewalk. In the 1990's, he helped oversee the campaign to seismic retrofit the Bridge including finding the funding for this enormous project.

Steve has given his boundless energy and talent to serving the people of the San Francisco Bay Area. He has provided far-sighted leadership and dedicated service in an area where it was greatly needed. It is my honor to thank Steve on behalf of all the people who benefit daily from his vision. I wish him and his wife Rosemary all the best.

AFRICAN AMERICAN VETERANS OF WORLD WAR II

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mrs. McCARTHY of New York. Mr. Speaker, I rise in support of the Town of Hempstead's special ceremony honoring African American World War II veterans for their dedicated commitment and service to the country.

Throughout our nation's history, our armed forces have gone off to battle and served bravely and effectively in every situation we have asked. As of late, we have done much to recognize the accomplishments of the generation that fought the Second World War, and rightly so. But we should not forget the special role that African Americans played in that conflict. The road to preserving democracy was paved by a legacy of racism. For this reason, I want to take this opportunity to pay tribute to the 1.2 million African-Americans who served in World War II, and in many cases died for their country.

We cannot expect future generations to understand fully what those who came before saw, experienced and felt in battle, but we can make sure that our children know enough to say, "Thank you." Fighting against tyranny and participating in the liberation of Europe, they risked their lives to defend freedom, even though they did not enjoy those same freedoms at home. In the process, they forever changed the face of America's armed forces and society.

We owe them a debt of gratitude. As a precursor to the civil rights movement of the 1950's and 60's they resisted America's centuries old hypocrisy about race. If it was not for their belief in the future, surely we would not have had President Truman's Executive Order desegregating the armed forces. If it was not for sacrifices, surely there would not have been the U.S. Supreme Court ruling that racial segregation in public schools is unconstitutional. And surely, if it was not for their faith, I fear we would not have the 1965 Voting Rights Act ensuring the right of everyone to participate in our democracy. For all of this, we thank them. With bravery and determination they led a struggle for racial equality that doomed segregation and changed America forever.

IN TRIBUTE TO THE SUCCESS OF THE BASKETBALL TEAM OF JOHNSON C. SMITH UNIVERSITY

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mrs. CLAYTON. Mr. Speaker, I rise to praise the outstanding basketball season of my alma mater, Johnson C. Smith University. Their season ended last night with a near miss in the quarter final found of the NCAA Division 2 Tournament in California. Earlier this month, our team won the Central Intercollegiate Athletic Association (CIAA) Tournament in Raleigh, NC, and one week later, won the South Atlantic Regional Championship which gave them a shot at the NCAA Division 2 crown.

Johnson C. Smith University is a small liberal arts school in Charlotte, NC. It was founded in 1867 with support from the Presbyterian Church. This season marks the best basketball record in the school's history, and its first CIAA championship. I join other proud Smith alumni, proud North Carolinians, and sports enthusiasts everywhere to commend the team and the school for a job well done.

INTRODUCING LEGISLATION TO AWARD THE CONGRESSIONAL GOLD MEDAL TO FORMER SENATOR EUGENE McCARTHY

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. SABO. Mr. Speaker, today, I am introducing legislation to authorize the President to award a gold medal on behalf of the Congress to former Senator Eugene Joseph McCarthy in recognition of his exemplary service and lifelong dedication to the nation and its people.

Mr. Speaker, Senator McCarthy has a distinguished record of public service to the American people. As a member of the United States Senate and House of Representatives, as a candidate for the Democratic presidential nomination, and as a private citizen, Senator McCarthy made lasting contributions to the nation's welfare.

During his ten years of service in the House of Representatives, Eugene McCarthy dedicated himself to improving the lives of his fellow Americans by forming the Democratic Study Group, devoted to advancing the interests of working Americans. Eugene McCarthy also served honorably as a United States Senator while he fought to advance the causes of peace and democracy in the United States and abroad.

Through his efforts to shape legislation, Eugene McCarthy has exemplified the highest standards of public service. His dedication to the principles of honesty and fairness are evident in his efforts to pass civil rights legislation, increase the minimum wage, shape a just tax policy, reform government institutions, and promote a peaceful foreign policy.

Senator McCarthy waged a principled campaign for the Democratic presidential nomination in 1968. His stand against the Vietnam War inspired young people to believe they could make a difference in public life.

Since leaving the United States Senate, Eugene McCarthy has dedicated himself to sharing his ideas and knowledge by writing books and poetry and by speaking to audiences throughout the United States and around the world. Eugene McCarthy epitomizes the most deeply held and cherished values of our nation.

Mr. Speaker, Senator McCarthy is an esteemed fellow Minnesotan and friend. I invite my colleagues to join me in honoring former Senator Eugene Joseph McCarthy for his unique contributions to our nation.

CELEBRATING GREEK INDEPENDENCE DAY

SPEECH OF

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Ms. ROS-LEHTINEN. Madam Speaker, I am pleased to join my Colleagues and the Congressional Caucus on Hellenic Issues this evening in celebrating the 180th anniversary of Greece's independence.

March 25, 2001 marks the beginning of the revolution that freed the Greek people from the Ottomans. After almost 400 years of slavery under the oppressive Ottoman Empire—during which time the Greek people did not enjoy any civil rights, including the right to an education or to worship in their religion—the people of Greece took up arms and risked their lives to successfully fight for their freedom. This date also marks the creation of modern Greece.

That is why commemorating Greek Independence Day is so important and why I am proud to join our Greek brothers and sisters in celebrating this great milestone. As someone who fled communism, I am fully aware of how precious our freedom is and what a joyous occasion this is to the Greek-American community and to freedom lovers everywhere.

The Greek influence is inherent in our own democratic form of government. As Thomas

Jefferson has stated, ". . . to the ancient Greeks . . . we are all indebted for the light which led ourselves [American colonists] out of Gothic darkness." This quote illustrates how much Greek democratic ideals helped forge our own government, including the right of self-governance, independence, and freedom.

But we need not only look behind us to appreciate the gifts Greece has given us. In recent history, Greece has also been a great friend of the United States. For example, according to research conducted by the The National Coordinated Effort of Hellenes, Greece is only one of three nations in the world, beyond the British Empire, that has been allied with the United States in every major international conflict in this century.

Today, in the United States, Greek-Americans are one of the most successful nationalities. According to data obtained by the U.S. Census, children of the first Greeks who became United States citizens ranked first in median educational attainment among the American ethnic nationalities. Greeks and Greek-Americans in this country have made many invaluable contributions to society in the areas of medicine, fine arts, sports, and education. It is only fitting that we also recognize these individuals who are the product of an independent Greek society.

I am proud to know many Greek and Greek-American individuals and am honored to celebrate Greek Independence Day. I ask my Colleagues to join me in paying tribute to such a special celebration.

CONGRATULATIONS TO MANSFIELD LADY TIGERS, REPEATING STATE CHAMPIONS

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. FROST. Mr. Speaker, I would again like to recognize and congratulate the remarkable Mansfield Lady Tigers basketball team, for repeating for the 3rd consecutive year Texas Division 5–A girls basketball champions.

I have just returned from my District in North Texas and I can report that Lady Tiger fever is running high, and talk of a 4-peat is already in the air. All of Mansfield and its surrounding communities have been energized by the Lady Tigers exciting drive to a third straight state title. Last week, the Lady Tigers were also honored with a #1 national ranking.

The Lady Tigers provided us with thrills all season, but their run through the playoffs was especially exciting. The fact that is amazing is 4,000 residents took off work to watch the team win another state championship in Austin shows the strong commitment of the Mansfield community to their Tigers.

Once again congratulations to Coach Morrow and all of the Mansfield Lady Tiger players and coaches on their tremendous achievement. Savor this victory, you deserve it after a tremendous season. We can't wait to watch you next year.

IN MEMORY OF CHARLES J. TRAYLOR

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. UDALL of Colorado. Mr. Speaker, I rise today to honor the memory of Charles Traylor, a longtime leader of our state and a man whose compassion for others was as big and open as Colorado's sky.

"Charlie", as he was known by most, was an excellent writer whose wit often graced the editorial pages of the Grand Junction Daily Sentinel. He was a strong spokesman for improving public education and a champion of opportunity for the less advantaged in our society. As a highly respected lawyer, Charlie understood the power of education in elevating a person's life. He worked hard to carry this message into the lives of others. Often, you could find him at school district meetings or working to improve Mesa State College.

Charlie was known throughout Colorado as a "damn good lawyer." Over the years, he was ready to take on the hard fights for people who didn't have a lot of money—and he often won. He won admiration for his selfless commitment to helping Coloradans who needed a hand up. He will be missed.

A recent article in the Daily Sentinel illustrates Charlie's accomplishments and character, which left a lasting impression on Colorado. For the benefit of our colleagues, I am attaching a copy of that column, for inclusion in the RECORD.

[From the Daily Sentinel, February 6, 2001]

LEGENDARY GJ LAWYER TRAYLOR DIES AT AGE 85

(By Gary Harmon)

GRAND JUNCTION, CO—To have known Charlie Traylor was to have generated a story, one that would always have a point in the telling.

Today, though, someone else at the Aspinall Foundation will have to tell Mr. Traylor's tales as a committee interviews scholarship candidates. Members of the Mesa County Bar Association won't have the opportunity to hear Mr. Traylor spin out his recollections of the law practice in the mid-20th century and what they mean in the new millennium.

Mr. Traylor—advocate, political adviser, sage and raconteur—died Sunday. He was 85.

There are to be no services. But there are recollections aplenty.

The Aspinall Foundation Scholarship Committee, which is unusual in conducting personal interviews with applicants—who must aspire to public service—will meet despite the death of the man that banker Pat Gormley described as the "patron saint" of the foundation founded in 1968.

"We're going to go ahead and hold it because that's what we think he would have wanted," Gormley said.

What Mr. Traylor wanted, he rarely left to doubt.

A lifelong Democrat, Mr. Traylor once was tempted to switch party registration for the limited purpose of voting to oust a certain Republican officeholder, then switch back a day later, recalled Jim Robb, a Grand Junction lawyer, federal magistrate, and occasional political foe as a Republican and a consistent admirer of Mr. Traylor.

His response to that suggestion after a day of thinking about it, Robb said, was this: "He walked into work from his house and if someone were to hit him on that day, he would show up at the Pearly Gates and would have to answer that he was registered as a Republican and he wouldn't have gotten in.

"So he decided not to do that."

Mr. Traylor, though, was more than a political partisan, even if his home was known to Bobby and Teddy Kennedy during the 1960 election campaign, Robb said. Mr. Traylor greeted John Kennedy on a visit to Grand Junction.

"I think I would describe him as a legendary lawyer in western Colorado," Robb said. "Our religions were different, our politics were different. We had so many differences and yet I felt very, very close to Charlie Traylor. I think he brought out friendship in anyone he met."

U.S. Rep. Scott McInnis, R-Colo., said that Mr. Traylor "gave immeasurably to his community, state and nation. Western Colorado is undoubtedly a better place because of Charlie's life of service. He will be greatly missed, but not soon forgotten."

Mr. Traylor knew how to work as an outsider from an early age, said Tom Harshman, a former law partner. Mr. Traylor, a Roman Catholic, was elected student body president at Ole Miss in strong, Baptist country when religion was an issue. "He used to say Catholics in Mississippi were as welcome as dogs in a cathedral," Harshman said. "He was quite a phenomenon."

He frequently joked that he graduated from college with more money than he had to begin with because he started a business delivering sandwiches to the dorms, Harshman said.

Mr. Traylor knew how to get what he wanted, Gormley said, remembering the time he was recruited to be treasurer for the campaigns of U.S. Rep. Wayne N. Aspinall, the Palisade lawyer who chaired the House Interior Committee. Mr. Traylor was Aspinall's longtime campaign manager.

Mr. Traylor didn't approach Gormley directly. "He asked my father and my father told me that's a good job."

A gift of being able to condense issues into a few words, Gormley said, made Mr. Traylor a strong trial attorney.

When Mr. Traylor moved to Grand Junction in 1946, he took on the duties of bailing out the prostitutes who were hired by madams who kept his firm on retainer.

When Harshman joined the firm in 1965, his job was to assist Mr. Traylor at trial and that first year was a doozy: five murder trials. Mr. Traylor got four of his defendants off and one guilty on a lesser charge. "He was an excellent lawyer," said Terry Farina, a former Mesa County district attorney. "He was shrewd and he had the common touch."

He didn't try only murder cases. Mr. Traylor was one of the first attorneys to recover damages for widows whose husbands had died of radiation-related diseases contracted in the uranium mines that dotted the Southwest.

In the meantime, Mr. Traylor and his wife, Helen, raised seven children and he was active in trial lawyers groups.

"He was always trying to stretch the paradigm," said another former law partner, Dick Arnold. "I don't think he realized he had this knack for being creative."

Mr. Traylor retired from his law firm, Traylor, Tompkins, Black and Gaty, on Jan. 12, his 85th birthday. Four days later he suffered a stroke and was set to begin a rehabilitation regimen.

"I was thinking positive," said Bill Cleary, a Traylor friend from 1961. "He told me it was pretty tough, this rehab. I was looking forward to his regaining a certain mobility."

Mr. Traylor, in fact, was to have been on the county bar association program on Jan. 22 to recall the old days, Farina said.

Mr. Traylor, though, never completely retired.

"He was so robust," Farina said. "I recently gave him a book about a lawyer-turned-journalist who goes back to Natchez and I thought Charlie would like it.

"After two weeks, he and Helen both had read it and liked it and he returned it to me with a critique of the fictionalized trial. He just had that kind of mind."

Even to the end, Mr. Traylor kept a few surprises.

It wasn't until Robb visited him in his office as Mr. Traylor was moving out that Robb realized he and Mr. Traylor were fraternity brothers.

And Mr. Traylor, effusive as he was, rarely discussed his experiences in World War II, said Harshman. As commander of a heavy-weapons company, he earned a Bronze Star and liberated Gunkirchen, a camp holding Jewish and Polish prisoners.

Mr. Traylor's public passion, though, was education. He frequently attended meetings of the School District 51 board and pressed for several programs, including MESA, which promoted math and science for minorities and women, and a committee promoting partnership between District 51 and Mesa State College.

"Charlie Traylor was one of a kind," said Marilyn Conner, assistant superintendent and a Traylor acquaintance for 15 years. "I believe he was as intelligent and as insightful and as gentlemanly a person as you would run across."

Mr. Traylor also was a supporter of Mesa State, regularly attending plays at the college, Robb recalled.

"We're going to take a walk along the river and think about him," Robb said of his wife, Maggie, who directed many of those plays.

"This is going to take some getting used to," Cleary said. "He was bigger than life and that always leaves a vacancy. He was a man of stature. He could be admired by a great many people."

INTRODUCTION OF THE ELECTION VOTING STANDARDS ACT OF 2001

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. BARCIA. Mr. Speaker, today, I am introducing the Election Voting Standards Act of 2001. Representatives LYNN RIVERS, JOHN LARSON, NICK LAMPSON, MARK UDAL and ANTHONY WEINER join me in sponsoring this legislation.

I am not going to re-hash the flaws in voting equipment that were so publicly exposed in the last election. Our goal with this legislation is to offer a method to improve the accuracy, integrity, and security of voting products and systems used in Federal elections.

This legislation establishes a Commission led by the National Institute of Standards and Technology (NIST) to develop performance-based standards for all voting equipment and systems. These voluntary performance-based standards would be technology neutral, but would set a minimum level of performance that all voting equipment should meet. The Commission would also establish corollary testing and certification criteria to determine the conformance of voting products and systems to the performance-based standards. Finally the legislation establishes a National Election Systems Standards Laboratory. This independent lab would perform research in areas such as human factors in the design and application of voting systems and remote access voting systems that would utilize the Internet.

When election technologies in the 1960's and 1970's began to use computers, we didn't initiate an effort to consider the implications of computer use for national policy in the administration of Federal elections. Although the use of computer-based voting equipment and systems has increased dramatically, there is no single entity that identifies important technical problems in Federal election administration, let alone providing the means to develop solutions to those problems. This deficiency inhibits the conduct of necessary scientific, engineering and technical standards research, prevents the orderly development of alternatives for policy selection, and provides no center for dissemination of technical standards for computer security, integrity, and accuracy to local officials charged with the conduct of registration and voting. This simple lack of Federal oversight puts at risk the reliability and credibility of national elections. This bill can remedy the situation.

I believe that the National Institute of Standards and Technology (NIST) can play a role in filling the existing gap. NIST has a 100-year history of developing standards for Federal agencies and works closely with industry in the development of measurement standards. In addition, NIST has long been active in the area of voting technologies. In 1975, NIST in conjunction with the General Accounting Office issued a report entitled Effective Use of Computing Technology in Vote Tallying. The report recommended improvements in the procedures used to design and develop computer programs used for vote-tallying, the extensive use of audit trails and other internal control techniques, and additional documentation to verify the results of elections. The report concluded, "Coordinated and systematic research on election equipment and systems, independent of any immediate return on investment, is needed." Again in 1988, NIST issued another report entitled, Accuracy, Integrity, and Security in Computerized Vote-Tallying, which again made a number of recommendations to improve computer based voting systems. Among the recommendations was that the use of pre-scored punch card voting systems be eliminated. Unfortunately, the recommendations of both these reports were largely ignored.

Given NIST's track record in developing standards in concert with outside groups and their expertise in computerized voting systems, I believe that NIST is uniquely positioned to develop the required performance-based standards, and an independent certification process.

I want to make it clear that these standards would be voluntary. This legislation does not mandate that local authorities that are responsible for elections use equipment that meets these performance-based standards. However, we hope that local authorities would use these standards as an objective measure of the accuracy, integrity, and security of their voting equipment and systems. I believe that with this system of standards and certification procedures that the public would be assured that voting systems are fair and accurate.

This legislation represents a first-step in addressing this issue and it is an important first step. I look forward to working with my colleagues in Congress, the Administration and outside groups to improve this bill. I believe that we all have the same goal, to improve the accuracy, integrity and security of our voting systems.

SALUTING THE COUGARS

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. McINTYRE. Mr. Speaker, I rise today to honor the East Bladen High School men's basketball team for their extraordinary accomplishment this month. Their spirit and determination throughout their 25–3 season has been an inspiration to us all.

On Friday, March 9, the Cougars defeated Lexington High School 75–65 to win the North Carolina state 2–A men's basketball title for the second time in school history. This is truly an amazing achievement for Coach Alvin Thompson, his coaching staff and the entire Cougar team. This marked the third consecutive year that a team from the Waccamaw Conference has won North Carolina's 2–A championship and brought the trophy home to southeastern North Carolina.

Throughout the year, the Cougars have represented the students and faculty of East Bladen High School well by sticking together and demonstrating good sportsmanship. Coach Thompson has instilled in his players the ethic of dedication, sacrifice, and teamwork in the pursuit of excellence, and he instilled in the rest of us a renewed appreciation of what it means to win with dignity and integrity.

A loyal following of students, teachers, coaches, administrators, friends, and fans supported the Cougars. Their support made this a family affair and one that united the entire community.

My fellow colleagues, please join me in saluting this fantastic group of players and their coaches, parents and classmates who made this East Bladen basketball season one to remember. Great job, Cougars!

The 2000–2001 East Bladen High School Cougars (listed alphabetically): Michael Andrews; Travis Andrews; Eric Brown; Sakrid Dent; Aking Elting; James Freeman; William Graham; Colliek Hayes; Marvin McKiver; T.C. McKoy; Matthew McKoy; Rodrick McMillian; James McRae; Cozell Monroe; Jay Raynor; Antoine Peterson; Ritchie Priest; and Wesley Sasser.

TELECOMMUNICATIONS CONSUMER ENHANCEMENT ACT OF 2001

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 22, 2001

Mr. STEARNS. Mr. Speaker, I would like to submit for the RECORD a number of concerns that I have been made aware of by the Florida Public Service Commission regarding H.R. 496. In the past week my staff and I have been in contact with the bill's sponsor, Representative BARBARA CUBIN, in assembling answers to the Florida PSC's concerns. For the record I would like to summarize the Florida PSC's concerns and the answers we have received from Representative CUBIN'S office.

As a result of these proposed diminished reporting requirements, how would regulated and deregulated services be differentiated to avoid cross subsidization of telecommunications offerings and non-regulated services?

H.R. 496 would do nothing to change the FCC's or state commissions ability to differentiate regulated and non-regulated services.

H.R. 496 would leave intact the FCC's cost allocation rules. It would only eliminate the separate requirement to file voluminous CAM and ARMIS reports originally designed for the largest carriers.

How will there be assurance that purported savings from reporting responsibilities will actually be applied toward the provision of advanced services in rural areas, as highlighted in the bill?

Virtually all 2 percent carriers only serve areas defined under the Act as "rural". Their network investment will necessarily be in rural areas.

Rate of return regulation, by its nature, will ensure either reinvestment in rural network infrastructure or reduced rates for customers. Virtually all 2 percent carriers are rate of return carriers.

Many of the benefits of the bill are intangible. It would primarily give carriers added flexibility to respond more quickly and effectively to customer demand and competitive opportunities.

To attempt to tie specific savings directly to specific investments would significantly increase bureaucratic red tape rather than decrease it and would ultimately slow investment in rural areas.

What restriction in this bill will prevent regional bell operating companies and other large holding companies from qualifying as a 2 percent carrier?

New language added by the Energy and Commerce Committee necessarily excludes larger companies from the definition of "two percent carrier". The definition now includes an operating company which, together with all affiliated carriers, "controls . . . fewer than two percent of the nation's subscriber lines. . . ."

The new language was adopted from a recent FCC order that definitively construed the same definition in Section 251(f)(2) of the 1996 Act.

If a company such as Cincinnati Bell is considered a 2 percent carrier, then what assurance is there that this bill is truly targeted toward rural areas and not certain urban areas such as Cincinnati, Ohio?

Apart from Cincinnati, the RBOCs and Sprint serve the remaining 99 of the 100 largest metropolitan statistical areas in the country. The remainder of two percent companies serve rural areas and second- and third-tier towns (e.g. Rock Hill, South Carolina; Roseville, California; Dalton, Georgia).

How does self-certification of competitive entry by a "single facility based competitor serving a single customer" truly promote effective competition, or would this "one-customer" standard in reality inhibit true development of competition?

H.R. 496 requires significantly more than "one customer" for competitive entry. It requires, either expressly or by necessary implication:

Existence of an enforceable interconnection agreement between the incumbent and competitor (including any necessary state arbitration procedures).

Provision or procurement of switching facilities.

Actual provision of service (implying billing, customer service, maintenance and other systems that are fully operational).

Any competitive carrier that has made the investment necessary to meet all these conditions would necessarily be positioned to pose a competitive threat throughout the ILEC's service territory.

Any concerns regarding the competition standard in H.R. 496 should be mitigated by the fact that Section 286(a) only allows downward pricing flexibility. Regardless of the trigger, customers would benefit from lowered prices and increased competition.

The standards set in 286(d) mirror the standards set by the FCC for competitive entry in the SBC/Ameritech merger, which required a small number of actual customers to establish competitive entry by SBC.

If "any new service" not currently being provisioned by a 2 percent carrier is subsequently offered, would this bill preempt a State from oversight of this offering and why should it be exclusively considered interstate in nature?

H.R. 496 would not alter state jurisdiction over new services. H.R. 496 would only affect the FCC's cumbersome approval process for new interstate services. Historically, states have had jurisdiction over intrastate services but not interstate services.

To date, no party except the Florida PSC has suggested enlarging the scope of the bill to include new intrastate services.

Would the ability of 2 percent carriers to opt in or choose to opt out of the National Exchange Carrier Association (NECA) pool, in Section 284 of the bill, undermine this mechanism and promote "gaming" of this process by certain carriers?

New language added by the Energy and Commerce Committee restricts 2 percent carriers' ability to move in and out of the pool. This language provides an additional level of assurance that no company could game this process.

The majority of 2 percent carriers will continue to rely on the NECA pool. It is not in their interest to undermine a mechanism that serves their and their customers' needs.

Is this legislation premature in light of the FCC's current consideration of the proposal by the Multi-Association Group (MAG) which also purports to help promote the deployment of broadband services to rural areas? Also, isn't it premature in light of the FCC's docket on streamlining of reporting requirements for mid-sized carriers?

H.R. 496 and the MAG plan address significantly different sets of issues. H.R. 496 is primarily designed to clear away a handful of outmoded regulatory burdens that are ill-suited for 2 percent carriers. The MAG plan proposes an entirely new system of incentive regulation and would also significantly alter existing access charges. Since they are complementary initiatives, it is unnecessary to delay one pending consideration of the other.

The FCC docket on streamlining reporting requirements, while constructive, will in all likelihood perpetuate a number of the same burdens that exist today. The FCC has been debating accounting reform without taking any final action at least since 1999 when it was responding to the ITTA forbearance petition.

ADMINISTRATION'S ENVIRONMENTAL POLICY IS JUST PLAIN WRONG

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to express my disgust over the Bush Administration's unwillingness to take the necessary steps to curb the effects of global warming and protect our natural resources. When our environment needs us most, it is sad that the President is abandoning our lakes and rivers, while siding with those who pollute our air.

The Administration's recent shift in environmental policy contradicts its earlier promises and commitments to the American people and at the same time, undermines previous policy statements made by the Environmental Protection Agency. This Administration has made it clear that protecting the environment is not one of its priorities.

This shift in policy, however, is not just another broken campaign pledge and promise to the citizens of South Florida and the rest of the American people. On the contrary, it is a clear example that the President's position on the environment is just plain wrong. Scientists and elected officials on both sides of the aisle agree that the key to ending global warming begins with reducing the amount of carbon dioxide emissions in the air we breathe. Even more, according to a recent survey, this common sense approach toward ending global warming is supported by 80 percent of the American public.

Mr. Speaker, the people of South Florida know a great deal about the importance of taking care of the environment. It was no more than six months ago that I stood on this floor with many of my colleagues fighting for protection of Florida's most sacred ecosystem, the Everglades. Thankfully, after nearly a decade of planning and fighting, we reached an agreement that ensures the Everglades will be around for all Americans to enjoy for generations to come.

Today, I am once again coming to the floor to fight for the protection of our country's greatest treasures. The current Bush Administration plan to conduct exploratory drilling for oil in Alaska's Arctic National Wildlife Refuge is not only an action that will destroy the last remaining parcel of untouched Arctic coastline, it is also just bad energy policy. It is widely accepted that roughly 3.2 billion barrels of economically recoverable oil can be found under the ANWR. Those 3.2 billion barrels, however, represent a mere six-month supply of oil for the United States, hardly enough to build an effective energy policy around.

What worries me, Mr. Speaker, is not the exploration into a new energy policy. Clearly our country needs to look into new ways of creating energy. I support looking into new possibilities for creating energy. But I do not support the exploration of new energy opportunities at the cost of the environment. If we begin drilling in the ANWR today, who is to say that we will not begin off-shore drilling in South Florida tomorrow? I assure you, Mr. Speaker, that the people of Florida have no desire to see off-shore oil rigs popping up in the Atlantic Ocean or Gulf of Mexico anytime soon. We saw the dangers involved in such practices when an off-shore oil rig in Brazil collapsed just this week spilling oil for miles into the Atlantic.

In the past two weeks, President Bush reaffirmed to the American public that he is not serious about leading an environmentally conscious Administration. Mr. Speaker, I am not suggesting that President Bush become a devout environmentalist. After all, you do not have to be an environmentalist to care about the environment. So far though, this Administration has yet to take any steps to show that it recognizes the basic needs of our environment. In a time that the environment has taken center stage as a national concern, the people of America demand and deserve more from this Administration.

IN RECOGNITION OF THE NATIONAL COALITION OF 100 BLACK WOMEN

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize the 20th Anniversary of the National Coalition of 100 Black Women, Inc, New Jersey Chapter (NCBW–NJ).

Founded in 1971, NCBW is a non-profit, volunteer organization dedicated to community service, leadership development, and the enhancement of career opportunities for African-American women. NCBW is dedicated to the empowerment of African-American women by increasing their access to and participation in America's economic and political arenas. In addition, NCBW addresses the challenges African-American families face today, and promotes African-American culture.

The Coalition did not become the National Coalition until 1981, a decade after the first group of women met in New York City. Today, NCBW includes more than 7,000 members from 62 chapters representing 23 states and the District of Columbia.

The 20th Anniversary of NCBW celebrates and commemorates the great progress that African-American women have made in the United States over the past 30 years. This progress was made possible through the hard work, dedication, and compassion of the founding members of NCBW, as well as many others, who understood and continue to recognize the adversity that minority women face each and every day on the road to realizing economic and political empowerment.

I'd like to acknowledge and thank the following individuals for their important contributions to NCBW–NJ:—the late Wynona Lipman; Barbara L. James; Bettye Ingram; the Honorable Janet E. Haynes; Dolores Buchanan; Lynn M. Stradford; Karen Lee Stradford; Carol A. Collins; Cherre E. Ogden; Karyn Stewart; Gessie Barnes; Brenda J. Murphy, Henrietta D. Ward, Marion Rhim Fowler; Katherine Daugherty Brown; Natalie Cole; Jeri Warrick Crisman; Redenia C. Gilliam-Mosee; Coretta Scott King; Constance Woodruff; and Larrie West Stalks.

Today, I ask my colleagues to join me in recognizing the National Coalition of 100 Black Women—New Jersey for all it has done to empower African-American women.

IN HONOR OF GINA PENNESTRI

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. PELOSI. Ms. Speaker, I rise to pay tribute to the late Gina Pennestri, a fighter without equal who recently passed away in San Francisco. Gina was known and loved in San Francisco for her sharp mind and soft heart. She was forceful, dedicated, and absolutely committed to the constituents and elected officials she served.

Gina was always fighting for a cause. After her graduation from George Washington University, she worked to secure the right to vote for the residents of Washington, D.C. Soon after, she joined the War effort as Chief of Employee Relations for all civilian employees stationed from England to North Africa during World War II. She then helped coordinate the Berlin Airlift, working to ensure that humanitarian assistance was delivered to those who needed it.

By 1951, Gina had settled in San Francisco and started a family. Raising her son, Marc, Gina became involved with political issues and in the community. She fought a planned highway through Golden Gate Park, she worked in the conservation movement to protect areas from development, and she volunteered in public schools and libraries to help educate San Francisco's children. Along with many San Franciscans, she joined the civil rights movement and opposed the Vietnam War.

In 1967, she became an aide to then-Assemblyman, and current State Senate President Pro Tempore, John Burton. She soon rose to be the Chief of Staff of his San Francisco office and remained in the position when Mr. Burton was elected to the U.S. House of Representatives in 1974. When Mr. Burton retired from the U.S. House, Gina worked on the campaign for his successor, BARBARA BOXER, and then became her chief of staff. When Congresswoman BOXER became Senator BOXER, she again turned to Gina to run her San Francisco office.

In her career with State Senator Burton and Senator BOXER, Gina became widely respected for her ability, her tenacity, and her fidelity to her principles. Utterly dedicated to helping those in need, she was a fearsome opponent and a trusted friend. She will be greatly missed by those who knew her and by everyone for whom she fought.

My thoughts and prayers are with her son and daughter-in-law, Marc and Nancy Zimmerman, and her grandchildren, Laura and Daniel, to whom she was devoted.

FEDERAL LANDS IMPROVEMENT ACT

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. DUNCAN. Mr. Speaker, the Bureau of Land Management (BLM) has 264 million acres that it manages for the federal government. None of this land is national park or national forest land. The BLM has identified three million acres that it would like to sell, because it is not environmentally significant, surrounded by private land, difficult to manage, or isolated.

Today, I have introduced the Federal Lands Improvement Act which will allow the sale of this land, with proceeds to go; one-third to the counties where the land is located for schools and other needs; one-third to the national debt; and one-third back to the BLM for environmental restoration projects on its remaining land.

As I have already stated, this bill would not sell any national parks or wilderness areas. It only proposed to sell lands that have already been identified for disposal by the BLM.

Currently, the federal government owns 30 percent of all the land in the United States. This is roughly 650 million acres. In comparison, the State of Tennessee is only 26 million acres total.

It only makes sense that the federal government consolidate its holdings so that it can better manage those areas which are truly environmentally sensitive.

I hope my Colleagues will join me by cosponsoring this legislation so that we can take a step forward in protecting our federal lands.

RECOGNIZING BLACK HISTORY MONTH HONOREES

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. LAMPSON. Mr. Speaker, I rise today to honor local citizens from the 9th District of Texas who were chosen during Black History Month for their work. While the dedication of African-American leaders is well-known throughout the United States, local citizens, right here in the Southeast Gulf Coast region, are just as important to ensuring equal rights for all Texans. Last month I asked members of the communities in the 9th District to nominate individuals for my "Unsung Heroes" award that gives special recognition to those unsung heroes, willing workers, and individuals who are so much a part of our nation's rich history. Recipients were chosen because they embodied a giving and sharing spirit, and had made a contribution to our nation.

These individuals have not only talked the talk, but they have walked the walk. They have worked long and hard for equal rights in their churches, schools, and in their communities. While their efforts may not make the headlines every day, their pioneering struggle for equality and justice is nevertheless vital to our entire region. This region of Southeast Texas is not successful in spite of our diversity; we are successful because of it.

Please join me in recognizing and congratulating these community leaders for their support of bringing justice and equality to Southeast Texas. It is leaders like these men and women that continue to be a source of pride not only during Black History Month, but all year long. The winners of this years "Unsung Heroes" award are:

Mrs. Ursula Arceneaux, John R. Bolt, Joanne Broussard, Octavia Brown-Reed, Arthur Charles III, Dalton Domingue, John T. Dooley, Tudy Duriso, Jacqueline Duriso, Willie Mae Elmore, Dr. Anthony Gambrah, Mrs. Doris Jean Gill, Ms. Lillie T. Green, Charles Hall, Rachel Hebert, Miss Dorothy M. Ingram, Beverly Jackson-Brown, Chester Johnson, Mrs. Priscilla Jones, Barbara Pernell Joseph, Marilyn Keedy-Wall, Emerson A. Kincade, Mrs. Beverly King, Sandra LaDay, Igalious Mills, Rev. Brenda Payne, L.G. Slider, Jr., Rev. Oveal Walker III, Ella Walker, Gethrel Hall Williams, and Norris Batiste Jr.

Mr. Speaker, the recipients of the "Unsung Heroes" award are dedicated and hardworking individuals who have done so much for their neighbors and for this nation as a whole. Today, I stand to recognize their spirit and to say that I am honored to be their Representative.

HONORING THE LIFE OF EMMETT O. HUTTO

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. GREEN of Texas. Mr. Speaker, it is with great honor and profound sadness that I rise to pay tribute to the life of Emmett O. Hutto of Baytown, Texas. After living a remarkably accomplished life that spanned 82 years, Mr. Hutto passed away on March 14, 2001. He was born in Bertram, Texas on August 29, 1918 to Elbert and Clara Hutto.

Mr. Hutto graduated from Robert E. Lee High School and then attended Lee College and the University of Texas before joining the Army Air Force during World War II. As a bomber pilot, he flew 38 missions over Nazi targets in North Africa and Europe. Mr. Hutto was awarded the Distinguished Flying Cross, the air medal, and an oak leaf cluster, along with a citation for bravery in action.

Emmett Hutto had many interests. He was a successful businessman, having owned and operated a restaurant, a hotel and a real estate business. He was also active in city politics, serving on the Baytown City Council from 1975 to 1978 and then serving as Mayor of Baytown, Texas. He was a longtime member of the Baytown Boat Club. And he was a registered diving instructor, having taken up scuba diving in his sixties. In fact the Professional Association of Diving Instructors awarded him the title of "Eldest Active Divemaster in the World."

Mr. Hutto was preceded in death by his parents, Mr. and Mrs. E.R. Hutto; his wife, Awline Hix Hutto; and his brother, Leon Hutto, who was shot down in the South Pacific during World War II. He Is survived by his wife, Betty Bailey Hutto; sons, Dr. Rodney Hutto and his wife, Norma Jean; Dr. Richard Hutto and his wife; Diane; Dr. Dean Hutto and his wife, Gena; daughter, Cynda Brooke Hutto; brother Orvel and his wife, Ruth; six grandchildren and four great-grandchildren.

It has been said that the ultimate measure of a person's life is the extent to which they made the world a better place. If this is the measure of worth in life, Emmett Hutto's family and friends can attest to the success of the life he led.

Mr. Speaker, I ask all the Members of the House to join me in paying tribute to the life of Emmett Hutto. He touched our lives and our hearts, and he will be greatly missed.

IN SUPPORT OF TAX RELIEF

HON. GEORGE R. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. NETHERCUTT. Mr. Speaker, I rise to express my support for enactment of the extensive tax package put forth by President George W. Bush to reduce the tax burden on all Americans.

I agree with the President's statement in his address to a joint session of Congress on February 27, 2001, that the "American people have been overcharged." There was a $236 billion tax surplus during fiscal year 2000 and we expect a tax surplus of $268 billion this year. If the people continue to be taxed at the same amount, the government will accrue a $5.4 trillion surplus over a ten year period. This is not the government's money, but money each American taxpayer could use to pay for increases in energy costs, their children's college expenses, reducing credit card debt or save for retirement. Why should the government sit on a large tax surplus while each individual interested in investment could be receiving a maximal return? Taxpayers are due for a tax refund in order to resuscitate a slowing economy and keep it strong.

President Bush has proposed a bold and fair tax relief plan that will reduce the inequities of the current tax code and help ensure that America remains prosperous. His six key components-replacing the current tax rates with a simplified rate structure, doubling the child tax credit to $1,000 per child, reducing the marriage penalty by reinstating the 10 percent deduction for two-earner couples, eliminating the death tax, expanding the charitable deduction to nonitemizers and making the Research and Experimentation tax credit permanent-touch the lives of all. In concert, these changes will enable all taxpayers to retain more of their own money and they will support our American economy.

Many of these measures have already been introduced by members of Congress. The passage of H.R. 3 is a positive first step in achieving a simpler tax structure by immediately reducing the marginal rates from 15 percent to 12 percent with President Bush's reduction of all brackets by 2006. It also helps families by repealing the mandatory reductions in the additional (three or more children) child tax credit and the earned income credit for taxpayers subject to the alternative minimum tax. These are positive steps for immediately helping those who need it most.

Some have expressed concern about the equity of President Bush's tax proposal and criticize it by comparing the amounts of money people in each tax bracket will "receive" if it passes. Under President Bush's plan, lower income individuals would actually receive a greater percentage of tax relief in relation to their current personal tax burden once all tax credits are considered. For instance, the marginal federal income tax rate would fall by over 40 percent for low-income families with two children and nearly 50 percent for families with one child.

Contrary to some charges, single filers falling in the 15 percent tax bracket after the tax cut will also receive a tax cut. They will have their first $6000 taxed at 10 percent rather than 15 percent, or if they have a dependent, the first $10,000 would be taxed at this lower rate. In the case of couples filing jointly, the first $12,000 would be taxed at this lower rate. If no other tax credits are claimed, someone filing as an individual without dependents would expect a $300 tax break per year. This can range anywhere from 7 to 12 percent less in total taxes.

One argument made against these tax proposals is that they reduce our capacity to pay down the national debt. I agree strongly that paying down the national debt must be a priority. Both the President and I believe that we can both pay down the debt and have tax relief. In fact, the President's plan places debt elimination before tax cuts in his budget outline submitted to Congress on February 28, because retiring the debt can enhance the viability of his tax cut. The charge that those who favor a tax cut oppose debt reduction is wrong. The President's plan will accelerate debt retirement payments to record rates by proposing to eliminate $2 trillion in public debt over the next 10 years. Actually, the President's budget pays down the debt so aggressively that it effectively cannot pay off all the debt when it would be possible to do so in 2007. The remaining $1 trillion in public debt, which is composed of savings and special bonds, cannot be retired until after 2011 when it becomes due. Even after the President's tax cut and spending priorities, the government is still projected to have $1.3 trillion in excess cash balances in 2011.

Budget projections these past several years have been overly conservative. $850 billion of unexpected tax revenue was collected, and combined with debt service savings, revenue intake underestimates contributed to about a $1 trillion surplus. The Congressional Budget Office and the Administration continue to use conservative estimates in order to accommodate slower growth. Theoretical projections are a necessary part of the budgetary process and policy making each year. Consideration of the future of Social Security, Medicare and debt reduction are all based on theoretical projections. There are inherent uncertainties in making 10 year budget projections; however, the President's Budget creates a $1 trillion reserve over the same amount of time. This can be used to aid in Medicare and Social Security modernization. In all, the tax cut will only amount to one quarter of the projected surplus, leaving room for program maintenance, growth and unexpected situations. I am proud that Congress has made protecting Social Security its highest priority with the passage of H.R. 2, the Social Security and Medicare Lock-Box Act. Now, 100 percent of the Social Security surplus cannot be touched for other government spending. President Bush has pledged to keep the promises that America has made to its senior citizens by signing this bill.

We must eliminate the death tax—a major reason for the dissolution of family-owned small businesses, farms and ranches upon the death of the owner. Originally enacted as a temporary tax to raise funds for national security emergencies, this tax first helped create our Navy in 1797 and fund the Civil and Spanish-American wars. In 1916, the tax was made permanent. Once the current $650,000 threshold is met, the tax consumes up to 55 percent of the remaining estate. This money will have already been taxed first as income, then possibly as capital gains or property. The impact on Eastern Washington farmers and ranchers is particularly severe. In order to be viable, even the smallest farm operation must have about $500,000 tied up in equipment. If the farmer owns the land, the value is at least $1.5 million. On paper, this farmer is worth $2 million or more. This makes it difficult for the farmer to pass his property and business on to his family after death. The same is true for small businesses, where the owner's children are not the only ones affected. Those who lose their jobs when the business is partitioned and sold face even more dire circumstances. I support the legislation that would phase-out the death tax over ten years. Defeated only by President Clinton's veto during the last Congress, I hope it can pass this year.

This tax package is right for our country. It meets our needs and obligations for the future while helping all of Americans who pay taxes. It is becoming more and more evident that we need to do something to strengthen the economy. Tax relief is needed now.

TRIBUTE TO JUDGE J.W. SUMMERS

HON. JIM TURNER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. TURNER. Mr. Speaker, I rise in memory of Judge J.W. Summers, a leader in the Texas judicial system and a fine man who dedicated his life to public service.

Judge Summers had something that many in this chamber undoubtably envy—an unblemished political career, in which he never suffered a defeat in his various races for public office. But it wasn't his winning streak that made him stand out, but rather it was his reputation for integrity and impartiality in the administration of justice that earned him the respect and admiration of all of us who knew him.

Judge Summers was destined for leadership from his early years, when he graduated from Rusk High School as an Eagle Scout and valedictorian of his class. Judge Summers served bravely in the Navy during World War II, and graduated with honors from a great institution of higher learning—the University of Texas in Austin.

But Judge Summers didn't stay in Austin—he came back to his roots in Rusk. After several years of private practice, he served as city attorney, county attorney, and county judge of Cherokee County for eight years.

Judge Summers will be remembered for his many successes as County Judge of Cherokee County. Every year of his administration, Judge Summers won a top financial rating for the county. He payed off remaining debt on the county courthouse, oversaw the construction of the Cherokee County Agricultural Annex Building, and secured the development of many State Farm-to-Market roads, as well as the US Highway 69 stretch from Rusk to Jacksonville.

From 1957 to 1978 he served as District Judge for the Second Judicial District. After 21 years in the job, he continued his service as Chief Justice of the Court of Appeals for the 12th Supreme Judicial District of Texas, a position he held until 1989.

Judge Summers and his wife Inez were active members of their community, participating in the First United Methodist Church in Rusk, where each served as chairman of the Administrative Council. Judge Summers was also president of the Kiwanis Club and a member of Euclid Lodge Number 45. Judge Summers passed away on November 26, 2000.

Our prayers are with Mrs. Summers, the couples' children, grandchildren, and great-grandchildren, and their friends and family members who will share their grief—and their memories—in this time of sadness.

TRIBAL COLLEGE AND UNIVERSITY LOAN FORGIVENESS ACT

HON. DARLENE HOOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. HOOLEY of Oregon. Mr. Speaker, one of the reasons I am here today as a member of Congress is that I was inspired by some excellent professors as a college student.

These professors taught me new ways of looking at the world, and kindled an excitement about learning that still burns today. Where all of my professors helped me acquire knowledge common to liberal arts students of my era, these select few not only taught me, but also ignited my passion for public service.

This nation is blessed with many excellent professors, but one sector of higher education has a harder time than others attracting the best and the brightest. This sector is the tribal college and university system.

The average salary for teachers at tribal colleges and universities is approximately $25,000—one-half that of the salary of a teacher at a state college or university.

A sad consequence of these low salaries is that tribal colleges and universities are a training ground for new teachers to get their feet wet; they make short stops before moving on to better paying jobs at other colleges and universities. As a result, the students suffer from both a lack of good teachers and good curriculum.

The Tribal College and University Loan Forgiveness Act gives tribal colleges and universities a tool to attract and keep excellent teachers despite the salary gap.

By providing loan forgiveness, tribal colleges and universities can bring something additional to the negotiation table. Teachers who commit to working in a tribal college or university that have Direct, Perkins, or Guaranteed Loans that are not in default, are eligible for loan forgiveness for up to five years. Total loan forgiveness will be provided for up to $15,000 in the aggregate of the loans the student currently has.

Tribal colleges and universities, teachers, and students will all benefit from this bill. Furthermore, the Native American communities who send their tribal members to these institutions also benefit.

Tribal colleges and universities not only prepare students for jobs both on and off the reservations, but they also offer programs to the local communities such as adult education, local economic development, and remedial and high school equivalency programs.

The passage of this bill, with bipartisan support, will help these institutions continue their work of not only educating, but bringing out the very best of tribal students and communities.

RECOGNIZING THE IMPORTANCE OF COMBATTING TUBERCULOSIS

SPEECH OF

HON. RICHARD BURR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. BURR of North Carolina. Mr. Speaker, I thank my good friend from Texas, Mr. REYES, for introducing this important resolution.

Dr. David Heymann of the World Health Organization once described tuberculosis as "a disease once thought to be under control, which has returned with a vengeance to kill 1.5 million people a year."

TB was once the leading cause of death in the United States. In the 1940s, scientists discovered drugs that would treat TB, and infection rates began to decline. Since that time, however, infection rates both in the U.S. and abroad have increased dramatically. Today, one third of the world's population has a latent TB infection. These increases have not gone unnoticed by international organizations. In fact, in 1993, the World Health Organization declared tuberculosis a global emergency.

These increases in infection rates are due to a number of causes. Increases in HIV/AIDS infection rates are accelerating the spread of TB. In addition, poorly supervised or incomplete treatment threatens to make TB incurable as multidrug resistant TB cases rise.

This problem is particularly serious in underdeveloped countries. A total of 22 countries are home to 80 percent of TB cases. Tuberculosis is particularly prevalent in India, Southeast Asia, Sub-Saharan Africa, Russia, and parts of Latin America. The problem with TB poses a long term threat to global health. It is estimated that, if efforts to fight TB are not strengthened, 3 5 million people will die of the disease in the next 20 years.

H. Res. 67 addresses many of these problems. The bill recognizes the importance of combating TB on a worldwide basis and acknowledges the severe impact that TB has on minority populations in the US. By passing the rosolution, we are recognizing the importance of substantially increasing US investment in international TB control. The bill also emphasizes the importance of efforts to eliminate TB in our own nation.

It is my hope that by passing this resoluticin, Congress will make a commitment to fighting TB both on the national and global level.

CELEBRATING GREEK INDEPENDENCE DAY

SPEECH OF

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. BLAGOJEVICH. Madam Speaker, I rise to recognize the 180th anniversary of Greek Independence. Almost two centuries ago this month, the Greeks rose up against the Ottoman Empire to establish a modern Greek state. Greeks and Greek Americans everywhere can look back proudly on the accomplishments of their people over the last 180 years. But Americans also owe a large debt to Greece for its friendship and democratic traditions. All Americans should take time on this anniversary to reflect on the shared values, traditions and history of the United States and the Hellenic Republic.

When our founding fathers in this country sought inspiration for our democracy, they looked back to the republics of ancient Greece. The Greeks, likewise, looked to the United States for inspiration and support as they sought to establish their own independent nation. Since that time, many Greeks came to the United States in search of freedom and opportunity—so many, that for a time in the early twentieth century, one out of every four young Greek men came to the United States. Their contributions have been felt in the Arts, the Sciences, and government.

Greece itself has also been a true friend of the United States. From Greece's valiant resistance of Nazi Germany in World War Two, to her efforts supporting the world community in the Gulf War, Greece has stood beside the United States. This cooperation is based not just on shared interests, but on the stronger bond of shared values. And when these values have been threatened, the Greek nation has stepped forward to defend these values, even when it means risking the lives of her sons and daughters.

I mention this because the United States should not take this commitment lightly. Just as we here in America hesitate before we send our troops in harm's way, so do other democracies. Yet, over the last century, Greece has stood by the United States. The United States needs to stand by Greece.

As a mature democracy, Greece is our strongest ally in a region in turmoil. "While relations have improved between Greece and Turkey, real issues remain between these two historic antagonists. Cyprus, the Aegean Islands, and the treatment of minorities in Turkey are all issues that demand resolution. This administration must compel the Turkish government to negotiate in good faith on these contentious issues. I call upon President Bush to maintain the commitment to Greece embraced by his predecessors, and insist that Turkey demonstrate that it will work to build a new relationship with Greece.

THE HISTORIC HOMEOWNERSHIP ASSISTANCE ACT

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. SHAW. Mr. Speaker, all across America, in the small towns and great cities of this country, our heritage as a nation—the physical evidence of our past—is at risk. In virtually every corner of this land, homes in which grandparents and parents grew up, communities and neighborhoods that nurtured vibrant families, schools that were good places to learn and churches and synagogues that were filled on days of prayer, have suffered the ravages of abandonment and decay.

In the decade from 1980 to 1990, Chicago lost 41,000 housing units through abandonment, Philadelphia 10,000, and St. Louis 7,000. The story in our older small communities has been the same, and the trend continues. It is important to understand that it is not just the buildings we are losing. It is the sense of our past, the vitality of our communities and the shared values of those precious places.

We need not stand hopelessly by as passive witnesses to the loss of these irreplaceable historic resources. We can act, and to that end I am introducing today with a bipartisan group of my colleagues the Historic Homeownership Assistance Act.

This legislation is almost identical to legislation introduced in the 106th Congress as H.R. 1172, which enjoyed the broad bipartisan support of 225 cosponsors. It is patterned after the existing Historic Rehabilitation Investment Tax Credit. That legislation has been enormously successful in stimulating private investment in the rehabilitation of buildings of historic importance all across the country. Through its use we have been able to save and re-use a rich and diverse array of historic buildings and landmarks such as Union Station in Washington, DC.; the Fox Paper Mills, a mixed-used project that was once derelict in Appleton, WI; and the Rosa True School, an eight-unit low/moderate income rental project in a historic building in Portland, Maine. In my own State of Florida, since 1974, the existing Historic Rehabilitation Investment Tax Credit has resulted in over 325 rehabilitation projects, leveraging more than $238 million in private investment. These projects range from the restoration of art deco hotels in historic Miami Beach, bringing economic rebirth to this once decaying area, to the development of multifamily housing in the Springfield Historic District in Jacksonville.

The legislation that I am introducing today builds on the familiar structure of the existing tax credit but with a different focus. It is designed to empower the one major constituency that has been barred from using the existing credit—homeowners. Only those persons who rehabilitate or purchase a newly rehabilitated home and occupy it as their principal residence would be entitled to the credit that this legislation would create. There would be no passive losses, no tax shelters, and no syndications under this bill.

Like the existing investment credit, the bill would provide a credit to homeowners equal to 20 percent of the qualified rehabilitation expenditures made on an eligible building that is used as a principal residence by the owner. Eligible buildings would be those that are listed on the National Register of Historic Register Historic Districts or in nationally certified state or local historic districts or are individually listed on a nationally certified state or local register. As is the case with the existing credit, the rehabilitation work would have to be performed in compliance with the Secretary of the Interior's standards for rehabilitation, although the bill would clarify the directive that the standards be interpreted in a manner that takes into consideration economic and technical feasibility.

The bill also makes provision for lower-income home buyers who may not have sufficient federal income tax liability to use a tax credit. It would permit such persons to receive a historic rehabilitation mortgage credit certificate which they can use with their bank to obtain a lower interest rate on their mortgage. The legislation also permits home buyers in distressed areas to use the certificate to lower their down payment.

The credit would be available for condominiums and co-ops, as well as single-family buildings. If a building were to be rehabilitated by a developer for sale to a homeowner, the credit would pass through to the homeowner. Since one purpose of the bill is to provide incentives for middle-income and more affluent families to return to older towns and cities, the bill does not discriminate among taxpayers on the basis of income. It does, however, impose a cap of $40,000 on the amount of credit which may be taken for a principal residence.

The Historic Homeownership Assistance Act will make ownership of a rehabilitated older home more affordable for homeowners of modest incomes. It will encourage more affluent families to claim a stake in older towns and neighborhoods. It affords fiscally stressed cities and towns a way to put abandoned buildings back on the tax roles, while strengthening their income and sales tax bases. It offers developers, realtors, and homebuilders a new realm of economic opportunity in revitalizing decaying buildings.

Mr. Speaker, this bill is no panacea. Although its goals are great, its reach will be modest. But it can make a difference, and an important difference. In communities large and small all across this nation, the American dream of owning one's home is a powerful force. This bill can help it come true for those who are prepared to make a personal commitment to join in the rescue of our priceless heritage. By their actions they can help to revitalize decaying resources of historic importance, create jobs and stimulate economic development, and restore to our older towns and cities a lost sense of purpose and community.

I urge all Members of the House to review and support this important legislation, and I look forward to working with the Ways and Means Committee to enact this bill.

PRESERVING THE CULTURE OF THE VIRGIN ISLANDS

HON. DONNA M. CHRISTENSEN

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mrs. CHRISTENSEN. Mr. Speaker, I rise on this occasion to commend an outstanding group of Virgin Islanders—Helen George-Newton, Ava Stagger, Carol Stagger, Kenneth "Cisco" Francis and Renaldo Chinnery, who, as residents of New York, recognized the need to preserve and promote the culture of the Virgin Islands. In March of 1991, they officially established the Virgin Islands Freshwater Yankees, which was later incorporated as the Virgin Islands Freshwater Association, Inc.

The Association has grown to 75 dedicated members, who contribute to their Virgin Islands community through educational scholarships, supplying equipment to the health facilities on all three islands, helping our senior citizens and underprivileged children, and providing supplies during natural disasters or other emergencies occurring in the territory.

Although this organization is involved in many serious endeavors, they also find time to have fun and always take part in the annual carnival activities on St. Thomas, St. Croix and St. John.

They also serve as an oasis for Virgin Islanders on the mainland by sponsoring yearly social events.

Their support and guidance has greatly assisted other Virgin Islands associations throughout the United States to continue to preserve the values that are the roots of their heritage in the cities which they have adopted as their second home.

For the past ten years, in commemoration of the day that the Virgin Islands were transferred from the Danish government to the United States, "Virgin Islands Transfer Day", this organization has honored outstanding citizens of Virgin Island descent in the area of sports, politics, education, health and community involvement. This year, the organization and all of its past honorees will be recognized at the Tenth Anniversary Transfer Day Dinner Dance to be held in New York City on March 31, 2001.

Mr. Speaker, and colleagues, please join me in recognizing and applauding The Virgin Islands Freshwater Association, Inc. as an outstanding model for community involvement and cultural preservation.

RECOGNITION OF 2001 INTEL SCIENCE TALENT SEARCH FINALISTS, ALAN MARK DUNN AND WILLIAM ABRAHAM PASTOR, OF MONTGOMERY COUNTY, MARYLAND

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mrs. MORELLA. Mr. Speaker, I rise today in recognition of Alan Mark Dunn of Potomac and William Abraham Pastor of Rockville. These young men were finalists in the 2001 Intel Science Talent Search. The Intel Science Talent Search is America's oldest pre-college competition. Beginning in 1942 it was first sponsored by the Westinghouse Foundation. This competition provides an arena in which students are rewarded and recognized for their scientific endeavors.

Alan and William both traveled down a long road to become finalists. First, a team of approximately 100 evaluators, who are experts in their field are assembled to evaluate over 1600 entries. The initial evaluators then recommend approximately 500 entries to the Intel Science Talent Search board of judges. These judges then narrow the field to 300 semi-finalists. The board of judges then has the challenging task of selecting the 40 finalists.

The 40 finalists come to Washington, DC to attend the five-day Science Talent Institute. During these five days students meet with the board of judges to discuss various aspects of their projects. At the end of the Institute a black-tie gala is held in which the top-prize winners are announced.

Alan, who attends Montgomery Blair High School, won fourth place in this competition. He received a $25,000 scholarship. He competed in the computer sciences by studying ways to optimize five encryption algorithms. His project is entitled "Optimization of Advanced Encryption Standard Candidate Algorithms for the Macintosh G4.". The algorithms in his research are being considered for the federal government's Advanced Encryption Standard, which will replace the aging Data Encryption Standard. Alan, who hopes to study computer science or engineering in college, is also involved in many other activities. He is a member of the math and robotics club, plays guitar, takes karate and is an activist in a grass-roots superhighway campaign.

William, who also attends Montgomery Blair High School, was awarded a $5,000 scholarship and a mobile computer as a finalist. He competed in the biochemistry division. His project studied the formation of fibrils, which are the primary component of the deposits found in the brain of Alzheimer patients. Beta-amyloid proteins combine to form long sheets which stack on top of each other to produce fibrils. He used a combination of experiment and computer modeling to understand and predict the orientation and stacking of beta-amyloid sheets in the fibrils. William, who earned a perfect score of his SATs is very active as president of the Democrats Club and the captain of the It's Academic team. He is also a stream monitor for the Audubon Society and led his school's International Knowledge Master Open team to first place in world competition.

I am extremely proud to count these young men among my constituents. Their hard work and interest in the sciences is an example to their peers. I join with their parents, teachers and friends in congratulating them on their outstanding efforts and awards.

PERSONAL EXPLANATION

HON. RIC KELLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. KELLER. Mr. Speaker, yesterday I had the distinguished honor to welcome the President of the United States to my district of Orlando, Florida.

Together, we attended an event with 4,000 doctors from the American College of Cardiology at the Orange County Convention Center. At this gathering, we discussed the importance of passing a meaningful Patients Bill of Rights which will put doctors and their patients in charge of their medical decisions.

Unfortunately, because I was in Orlando, Florida with the President, I missed Roll Call votes 53, 54, and 55. If I had been present, I would have voted "yea" for all three missed votes.

FEDERAL RECOGNITION PROCEDURES FOR CERTAIN INDIAN GROUPS

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce a bill to provide improved administrative procedures for the Federal recognition to certain Indian groups.

Mr. Speaker, I have been working on this issue now for several Congresses. In 1994, the House passed similar legislation but that effort died in the Senate. Last year, the Senate came closer to passing legislation to address this problem than did the House. In an effort to bring the two houses of Congress together, I am introducing a companion bill to S. 504, which was introduced by Senator CAMPBELL on March 9, 2001.

Despite the joint efforts of many Senators and Members of Congress over a period of years, we are still faced with an expensive, unfair process through which Indian groups seeking federal recognition must go. I wish to help address the historical wrongs that the two hundred unrecognized tribes in this nation have faced. This bill streamlines the existing procedures for extending federal recognition to Indian tribes, removes the bureaucratic maze of the Bureau of Indian Affairs, and also provides due process, equity and fairness to the whole problem of Indian recognition.

Mr. Speaker, a broad coalition of unrecognized Indian tribes has advocated reform for years for several reasons. First, the BIA's budget limitations over the years have, in fact, created a certain bias against recognizing new Indian tribes. Second, the process has always been too expensive, costing some tribes well over $500,000, and most of these tribes just do not have this kind of money to spend. I need not remind my colleagues of the fact that Native American Indians today have the worst statistics in the nation when it comes to education, economic activity and social development. Indeed, Mr. Speaker, the recognition process for the First Americans has been an embarrassment to our government and certainly to the people of America. If only the American people can ever feel and realize the pain and suffering that the Native Americans have long endured, there would probably be another American revolution.

Mr. Speaker, the process to provide federal recognition to Native American tribes simply takes too long. I acknowledge the recent reaffirmation of a federal trust relationship for the King Salmon Tribe (Alaska), the Shoonaq' Tribe of Kodiak (Alaska), and the Lower Lake Rancheria (California), and the recognition of Chinook Indian Tribe/Chinook Nation of Washington. This is a step in the right direction, but recognition for the Chinooks took 22 years, and the other three tribes were somehow "overlooked" by the BIA for a number of years. I thank former Assistant Secretary Kevin Gover for acknowledging this "egregious oversight", and then correcting it. Regrettably, even at the current rate of recognition, it will take the Bureau of Indian Affairs many decades to resolve questions on all tribes which have expressed an intent to be recognized.

Mr. Speaker, the current process does not provide petitioners with due process—in particular, the opportunity to cross examine witnesses and on-the-record hearings. The same experts who conduct research on a petitioner's case are also the "judge and jury" in the process!

In 1996, in the case of *Greene* v. *Babbitt*, 943 F. Supp. 1278 (W.Dist. Wash), the federal court found that the current procedures for recognition were "marred by both lengthy delays and a pattern of serious procedural due process violations. The decision to recognize the Samish tribe took over twenty-five years, and the Department has twice disregarded the procedures mandated by the APA, the Constitution, and this Court," (p. 1288). Among other statements contained in Judge Thomas Zilly's opinion were: "The Samish people's quest for federal recognition as an Indian tribe has a protracted and tortuous history . . . made more difficult by excessive delays and governmental misconduct." (p. 1281) And again at pp. 1288–1289, "Under these limited circumstances, where the agency has repeatedly demonstrated a complete lack of regard for the substantive and procedural rights of the petitioning party, and the agency's decision maker has failed to maintain her role as an impartial and disinterested adjudicator . . ." Sadly, the Samish's administrative and legal conflict—much of which was at public expense—could have been avoided were it not for a 30-year-old clerical error of the Bureau of Indian Affairs which inadvertently left the Samish Tribe's name off the list of recognized tribes in Washington.

With a record like this, it is little wonder that many tribes have lost faith in the Government's recognition procedures. Former President Clinton acknowledged the problem. In a 1996 letter to the Chinook Tribe of Washington, the President wrote, "I agree that the current federal acknowledgment process must be improved." He said that some progress has been made, "but much more must be done."

Mr. Speaker, the legislation I am introducing today addresses most the above concerns by establishing an independent three member commission which considers petitions for recognition. This legislation will provide tribes with the opportunity for public, trial-type hearings and sets strict time limits for action on pending petitions. Previous bills I have introduced on this issue were an attempt to streamline and make more objective the federal recognition criteria by aligning them with the legal standards in place prior to 1978, as laid out by the father of Indian Law, Felix S. Cohen in 1942.

Because some have expressed concern that prior bills would open the door for more tribes to conduct gambling operations on new reservations, the bill I introduce today will codify the existing criteria used for recognition rather than change to revised criteria under which some have said would make it easier for groups to qualify.

Underlying this bill is the issue of Indian gaming. While I cannot say that no new gambling operations will result from this bill, I do believe that this bill will have only a minimal impact in the area. I would like to remind my colleagues that:

(1) unlike state-sponsored gaming operations, Indian gaming is highly regulated by the Indian Gaming Regulatory Act;

(2) before gaming can be conducted, the tribes must reach an agreement with the state in which the gaming would be conducted;

(3) under IGRA (the Indian Gaming and Regulatory Act) gaming can only be conducted on land held in trust by the federal government;

(4) gaming can only be conducted at a level the state permits on non-Indian land; and

(4) any gaming profits can only be used for tribal development, such as water & sewer systems, schools, and housing.

The point I want to make is even if an Indian group wanted to obtain recognition to start a gambling operation, they couldn't do it just for that purpose. For a group to obtain federal recognition, it would still have to prove its origins, cultural heritage, existence of governmental structure, and everything else currently required.

Should that burden be overcome, a tribe would need a reservation or land held in trust by the federal government. This bill makes no effort to provide land to any group being recognized.

If the land issue is overcome, under the Indian Gaming Regulatory Act, a tribe cannot conduct gaming operations unless it has an agreement to do so with the state government. A prior Congress put this into the law in an effort to balance the rights of the states to control gambling activity within its borders, and the rights of sovereign tribal nations to conduct activities on their land. The difficulty in obtaining gaming compacts with states made the national news not long ago because of the almost absolute veto power the states have under current law. The U.S. Supreme Court affirmed this reading of the law in *Seminole Tribe of Florida* v. *Florida*, 517 U.S. 44 (1996).

I want to emphasize this point—this is not a gambling bill, this is a bill to create a fair, objective process by which Indian groups can be evaluated for possible federal recognition.

Mr. Speaker, this bill is not perfect in every form, but it is the result of many hours of consultation and years of work. I have sought to work with many parties to come up with sound, careful changes which recognize the historical struggles the unrecognized tribes have gone through, yet at the same time recognizes the hard work the Bureau of Indian Affairs has done lately in making positive changes through regulations to address these problems.

In conclusion Mr. Speaker, I hope we can take final action on the issue of Indian recognition early in this century by addressing at least some of the wrongs of the past two centuries.

FLAG ISSUE

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. LEWIS of Georgia. I submit the following article for the RECORD.

(By Roy E. Barnes, Governor, to Georgia House of Representatives)

Forty years ago, faced with court orders to integrate and with demonstrations by Georgians who wanted the University of Georgia and the state's public schools closed instead, the people who stood in our places did the right thing.

The schools stayed open.

And Governor Ernest Vandiver told the General Assembly that, unless Georgia faced up to the issue and moved on, it would "devour progress—consuming all in its path—pitting friend against friend demoralizing all that is good—stifling the economic growth of the state."

We have a great deal to be proud of as Georgians—our history, our heritage, our state's great natural beauty—but nothing should make us prouder than the way Georgia has led the South by focusing on the things that unite us instead of dwelling on those that divide us.

While the government of Arkansas used the armed forces of the state to prevent nine black students from enrolling at Little Rock's Central High School, while the Governor of Alabama stood defiantly in a schoolhouse door, Georgia quietly concentrated on growing our economy, on the goals that bring us together rather than those that can tear us apart.

And, in the process, Georgia established itself as the leader of the New South.

Forty years ago, Birmingham was about the same size as Atlanta, and Alabama's population and economy were almost as big as ours.

Georgia moved ahead because its leaders looked ahead.

Anyone who doesn't realize that's why Georgia has become the fastest growing state east of the Rocky Mountains does not understand economic development.

I am a Southerner.

My wife is named May-REE.

I like collard greens with fried streak-o-lean, catfish—tails and all, fried green tomatoes, cat head biscuits and red eye gravy.

My heart swells with pride when I see a football game on a crisp fall Saturday.

I still cry when I hear Amazing Grace.

My great grandfather was captured at Vicksburg fighting for the Confederacy, and I still visit his grave in the foothills of Gilmer County.

I am proud of him.

But I am also proud that we have come so far that my children find it hard to believe that we ever had segregated schools or separate water fountains labeled "white" and "colored."

And I am proud that these changes came about because unity prevailed over division.

Today, that same effort and energy of unity must be exercised again.

The Confederate Battle Flag occupies two-thirds of our current state flag.

Some argue that it is a symbol of segregation, defiance, and white supremacy. Others that it is a testament to a brave and valiant people who were willing to die to defend their homes and hearth.

I am not here to settle this argument—because no one can—but I am here because it is time to end it.

To end it before it divides us into warring camps, before it reverses four decades of economic growth and progress, before it deprives Georgia of its place of leadership—in other words before it does irreparable harm to the future we want to leave for our children.

As Governor Vandiver said four decades ago this month: "That is too big a price to pay for inaction.

"The time has come when we must act—act in Georgia's interest—act in the future interest of Georgia's youth."

And, as Denmark Groover—Governor Marvin Griffin's floor leader and the man who assured adoption of the current flag in 1956 told the Rules Committee this morning: "This is the most divisive issue in the political spectrum, and it must be put to rest."

Denmark Groover is right. It is time to put this issue to rest and to do so in the spirit of compromise.

This morning the House Rules Committee passed out a bill to make Georgia's flag represent Georgia's history—all of Georgia's history.

Both personally and on behalf of the people of Georgia, I want to thank Calvin Smyre, Larry Walker, Tyrone Brooks, and Austin Scott for their work to bring the people of Georgia together.

The Walker Rules Committee substitute takes the original Georgia flag—the Great Seal of Georgia set against a background of blue—and adds a banner showing all of Georgia's other flags. It has the National Flag of the Confederacy and the Confederate Battle Flag, as

The bill also has a provision preserving Confederate monuments and says our current state flag should be displayed in events marking Georgia's role in the Confederacy.

To those who say they cannot accept this because the Confederate flag is still in the banner, you are wrong. The Confederacy is a part of Georgia's history.

To those who say they are opposed to this because it changes the current flag, you are wrong also. The Confederacy is part of our history, but it is not two-thirds of our history.

It is time to honor my great grandfather and the Georgians of his time by reclaiming the flag they fought under from controversy and division.

The Walker Rules Committee substitute preserves and protects our heritage, but it does not say that, as Southerners and as Georgians, the Confederacy is our sole reason to exist as a people.

Defeating this compromise will confirm the worst that has been said about us and, in the process, dishonor a brave people.

Adopt this flag and our people will be united as one rather than divided by race and hatred.

Adopt this flag and we will honor our ancestors without giving aide to those who would abuse their legacy.

Georgia has prospered because we have refused to be divided.

We have worked together, and the nation and the world have taken notice.

We are where we are today, the envy of other states, because decades ago our leaders accepted change while others defied it.

In the long run, it has paid us handsome dividends.

Today, the eyes of the nation and the world are on us again to see whether Georgia is still a leader or whether we will slip into the morass of past recriminations.

I have heard all the reasons not to change the flag and adopt this compromise: "it will hurt me politically"; "this is how we can become a majority"; "this is our wedge issue"; "this is the way we use race to win."

Using race to win leaves ashes in the mouths of the victors.

If there is anything we should have learned from our history, it is that using racial bigotry for political advantage always backfires. Sometimes in the short run, sometimes in the long run. Often both.

And if you allow yourself to be dragged along in its raging current—even if only briefly—you will live the rest of your life regretting your mistake.

I know.

Seventeen years ago this General Assembly debated whether to make the birthday of Martin Luther King, Jr. a state holiday.

Many of the arguments I heard then I hear again today.

"What will they want next?"

"You know you can't satisfy them."

The argument that gave the most political cover was "Martin Luther King was a great man, but we already have enough holidays, and we don't need any more."

I was a young state senator, and my calls and constituents, for whatever reason, were against the King Holiday. I knew it was the right thing to do, but I was so worried about my political future that I did what many legislators do: when the vote came up, I had important business elsewhere.

I knew instantly I'd made a mistake. So when the bill came back to the Senate for agreement, I voted for it.

I was immediately besieged by constituents; so on final agreement, I voted against it.

There is not a day that goes by that I do not regret that vote.

Fortunately, there were enough leaders in this General Assembly then with the wisdom and the fortitude that I lacked as a young legislator.

Don't make my mistake.

Each of you knows the right thing to do.

You know it in your heart.

You know it in your mind.

You know it in your conscience.

And, in the end, that is all that matters.

When the dust settles and controversy fades, will history record you as just another politician or as a person of conscience?

Make no mistake, just as with me and a vote almost 20 years ago, history will make a judgment.

Robert E. Lee once said "it is good that war is terrible, otherwise men would grow fond of it."

This is not an issue upon which we should have war.

Our people do not need to bleed the color of red Georgia clay.

This is an issue that demands cool heads and moderate positions.

Preserving our past, but also preserving our future.

And not allowing the hope of partisan advantage to prohibit the healing of our people.

Like most of you, I am a mixture of old and new, of respect and honor for the past, and of hope for the future.

The children of tomorrow look to us today for leadership.

If we show them the courage of our convictions, they will one day honor us as we honor the true leaders of decades past.

Do your duty—because that is what God requires of all of us.

CELEBRATING DETROIT'S TRICENTENNIAL

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. KILPATRICK. Mr. Speaker, it is time to celebrate the City of Detroit. This year Detroit turns 300 years young, and we are presently in the midst of a year long celebration commemorating the City's founding. As a Detroiter, I am proud of the contributions our City has made to the State of Mchigan and the Nation.

Detroit is the oldest major city in the Mdwest. It began as a small French community along the Detroit River when Antione de la Mothe Cadillac founded a garrison and fur trading post on the site in 1701.

Over the last three centuries, Detroit has played a pivotal part in our Nation's development. It was a key staging area during the French and Indian War, and one of the key areas which inspired early Americans to move westward.

In the 19th Century, the City was a vocal center of antislavery sentiment. It played an important role on the road to freedom for tens of thousands of African-American slaves who sought refuge in Canada by means of the Underground Railroad.

Detroit is best known perhaps for the industrial center that put the Nation on wheels. Because of entrepreneurs of the likes of Henry Ford, automobiles were made affordable to people of average incomes. Automotive transportation was no longer a privilege of the wealthy. With the invention of the Model T, many working Americans found it within their means to purchase an automobile.

With its growth as an industrial center, Detroit also played a central role in the development of the modern-day labor movement. I am proud that Detroit is home of the United Automobile Workers Union, the UAW, and many other building, service and industrial trades unions, including the International Brotherhood of Teamsters.

Although Detroit's association with the automobile industry earned it the nickname of

"Motown," it was Barry Gordy who made the "Motown Sound" come alive and made Detroit a major entertainment capital in the United States. People are still "Dancin'in the Streets" in Detroit and throughout the country to sounds of The Supremes, The Temptations, The Four Tops, Smokey Robinson and the Miracles, the Jackson Five and many more Motown Artists. Detroit is also home to the Queen of Soul, Ms. Aretha Franklin. Now, how's that for a little "R-E-S-P-E-C-T."

Mr. Speaker, there are many more wonderful things about my City, and they are listed in legislation that I, Mr. CONYERS and the entire Michigan Congressional Delegation are introducing today commemorating and congratulating the City of Detroit on the occasion of its tricentennial. I am also gratified to note that similar legislation will be introduced in the Other Body.

In offering this legislation, I am pleased that it has the support of the entire Michigan Congressional Delegation. I thank my Michigan colleagues for their support, and I urge my colleagues in the House to support the passage of this resolution.

TO AUTHORIZE THE AMERICAN FRIENDS OF THE CZECH REPUBLIC TO ESTABLISH A MEMORIAL IN HONOR OF TOMAS GARRIGUE MASARYK, THE FIRST PRESIDENT OF THE CZECH REPUBLIC, H.R. 1161

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. GILMAN. Mr. Speaker, I rise today to introduce a bill that will authorize the American Friends of the Czech Republic to establish a memorial in our nation's capital to honor Tomas Garrigue Masaryk, the first president of Czechoslovakia. This bill celebrates his life's achievements and his quest for democracy, peace, freedom, and humanity. The statue of Mr. Masaryk will immortalize a good friend of the United States and a pioneer for world democracy. Tomas Masaryk exemplifies the democratic ideal best expressed by his words, "Not with violence but with love, not with sword but with plough, not with blood but with work, not with death but with life-that is the answer of Czech genusis, the meaning of our history and the heritage of our ancestors."

Mr. Speaker, Tomas Garrigue Masaryk, the first president of Czechoslovakia, stands out in history as the best embodiment of the close ties between the United States and Czechoslovakia. He knew America from personal first-hand experience from repeated trips as a philosopher, scholar and teacher, spread over four decades. He taught at major universities in the United States, and he married a young woman from Brooklyn, NY, Charlotte Garrigue, and carried her name as his own. For four decades he saw America progress from pioneer beginnings to the role of a world leader. Masaryk's relationship with Amenca is best illustrated by is writing, speeches, interviews, articles and letters found in our national archieves—notably the Library of Congress Masarky's relationships with Secretary of State Lancing, Colonel House and most notably President Woodrow Wilson, led to the recognition by the United States of a free Czechoslovakia in 1918. For six months Masarky traveled throughout the United States writing the Joint Declaration of Independence from Austria that was signed in Philadelphia and issued in Washington on October 18, 1918, where he was declared the President of Czechnoslovakia.

Today, Masaryk stands as a symbol of the politics of morality and the purpose of a true nation state. A steadfast disciple of Wilson, Lincoln and Jefferson it is befitting that he be honored as a world leader and friend of the United States by a monument to his work.

Mr. Speaker, I want to point out that Tomas Masaryk was among the few Czech intellectuals who vigorously attacked the ritual murder trial of a Jew, Leopold Hilsnor in 1899, and resulted in the release from prison of Mr. Hilsnor in 1916. Under his presidency the overwhelming majority of Czechoslovakian Jews preferred to stay in Czechoslovakia because they felt secure in the new state under his humanitarian and liberal regime. The American Jewish Committee singled out President Masaryk in its report on Czech-Israeli Relations hailing him as a man "who supported openly the Zionist idea and became the first president of a state who ever visited the pre-war Palestine. Streets and squares in Israel are named after him as well as a kibbutz."

My legislation authorizes that a memorial sculpture to Tomas Masaryk be established in a park, just steps away from the location of the former Hotel Powhatten, on Pennsylvania Ave, N.W. where President Masaryk at one time resided and met with officials of the Woodrow Wilson Administration. It is a fitting site to remember this champion of democracy.

Mr. Speaker, I want to bring to the attention of my colleagues that this bill will not cost the taxpayer nor the U.S. government any monies but, rather, all expenses for the memorial will be borne by the American Friends of the Czech Republic.

I want to express my appreciation to Milton Cerny, President of the American Friends of the Czech Republic, his distinguished Directors, Advisors and Sponsoring Organization for the support of this legislation. Accordingly, I urge my colleagues to cosponsor this bill, and pass the legislation during this session of Congress. Please join with me in paying tribute and homage to Tomas Masaryk, an outstanding champion of democracy.

A BILL To authorize the American Friends of the Czech Republic to establish a memorial to honor Tomas G. Masaryk in the District of Columbia.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO ESTABLISH MEMORIAL.

(a) IN GENERAL.—The American Friends of the Czech Republic is authorized to establish a memorial to honor Tomas G. Masaryk on the Federal land in the District of Columbia described in subsection (b).

(b) LOCATION OF MEMORIAL.—The Federal land referred to in subsection (a) is the triangle of land in the District of Columbia that is bordered by 19th Street, NW., H Street, NW., and Pennsylvania Avenue, NW., and designated as plot number 30 in area II on the map numbered 869/86501 and dated May 1, 1986, and which is located across H Street, NW., from the International Bank for Reconstruction and Development.

(c) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Commemorative Works Act (40 U.S.C. 1001 et seq.).

(d) LIMITATION ON PAYMENT OF EXPENSES.—The United States Government shall not pay any expense for the establishment of the memorial.

TRIBUTE TO SHELLY LIVINGSTON

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. HYDE. Mr. Speaker, Today I bring attention to a valuable member of my International Relations Committee staff, Shelly Livingston, who is retiring tomorrow. Shelly has worked on the Committee for over 25 years, serving under six chairmen. When Shelly started with the Committee in 1974, Thomas "Doc" Morgan was Chairman. Clem Zablocki, Dante Fascell, Lee Hamilton, and BEN GILMAN were fortunate to have Shelly work for them. In her capacity as our fiscal and budget administrator, she has been invaluable in her knowledge of the House rules, and the complexities of everything from personnel procedures and health care options to payroll and travel vouchers.

Actually, Shelly started her career here on Capitol Hill right out of college in 1973 working as a Capitol tour guide—one of the "red coats" as she likes to refer to her former position.

She has served as treasurer for the U.S.-Mexico Interparliamentary Group for over 20 years, and many members know her from having traveled with her.

Without Shelly's hard work and dedication, we would not have our state-of-the-art audio visual main committee hearing room. Shelly spent many long hours ensuring that this major renovation project ran smoothly.

Shelly has been indispensable in putting together the bi-annual committee budget since 1980. She has a keen mind for numbers, and has been able to work in a bipartisan manner with all members and staff. Her expertise and institutional memory will be missed.

Shelly is a die-hard Texan, who is going to retire tomorrow and spend the next couple of years travelling around the world. We thank her for her service and dedication to this institution, and I know I speak for many on both sides of the aisle when I say we will miss her witty humor and loyal friendship.

We wish her well, and know that with her great love for the arts, she will be doing interesting work in the future.

CELEBRATING GREEK INDEPENDENCE DAY

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. CAPUANO. Mr. Speaker, I am honored to pay tribute once again to the citizens of Greece on the occasion of their 180th anniversary of independence on Sunday, March 25th. Coincidentally, March 25th also marks the important religious holiday of the Feast of the Annunciation celebrated by most Greek-Americans. The history and culture of people of Greek heritage has impacted the lives of countless people throughout the world, and it is important that we recognize their contributions to mankind and the principles of democracy.

After suffering more than 400 years of oppression under the Ottoman Empire, the people of Greece commenced a revolt on March 25th 1821. Many dedicated, patriotic Greeks lost their lives in the struggle which lasted over 7 years. Ultimately, the freedom the Greeks fought so hard for was courageously achieved, and the Hellenic Republic, commonly know as Greece, was born.

Historically, Greece has been a dedicated United States ally. A fierce supporter during World War II, Greek soldiers fought beside Americans to preserve democracy and independence. For almost half a century, Greece has stood beside the United States as an active and important member to NATO. It has consistently proved to be a valuable player in preserving security in the Mediterranean.

Greece has influenced our society in many ways. Greece is the birthplace of democracy, the foundation of American principles. No doubt, without Greece's influence, the United States would be a completely different country today.

I am all too familiar with the positive contributions that are continually being made by Greek-Americans around the country. I am particularly proud of the fact that nearly 7,000 people in the Eighth Congressional District of Massachusetts are of Greek descent. Throughout the neighborhoods in Boston, Watertown, Cambridge, Chelsea, Belmont, and my hometown of Somerville, Greek-Americans are one of the most active groups in politics and community service. The Hellenic Cultural Center, the Greek Orthodox Church and other Greek-American organizations in the district are working to improve education, healthcare, and the environment.

As the Greeks celebrate their day of independence, I hope all Americans will take a moment to reflect on the valuable contributions that both Greeks and Greek-Americans have bestowed on our own country. This is the least we can do for a people who gave us the democratic concept of civilization and have continued to impact our communities and daily lives.

INTRODUCTION OF LEGISLATION TO EXTEND AND IMPROVE THE NATIONAL WRITING PROJECT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. GEORGE MILLER of California. Mr. Speaker, I am pleased today to join my colleagues Mr. WICKER, Mr. KILDEE, Mr. CALLAHAN, Ms. WOOLSEY, and Mr. KINGSTON in introducing legislation to extend and improve the National Writing Project.

The knowledge and skill of a child's teacher is the single most important factor in the quality of his or her education. The National Writing Project is a nationwide program that works to improve students' writing abilities by improving the teaching of writing in the nation's schools.

The National Writing Project serves a remarkable number of teachers and students on an exceptionally small budget.

Last year, the National Writing Project trained 212,724 teachers and administrators nationwide through 167 writing project sites in 49 states, Washington, DC and Puerto Rico. It has served over two million teachers and administrators over the last 25 years.

For every federal dollar it receives, the National Writing Project raises about $7.00 in matching grants. This makes the National Writing Project one of the most cost-effective educational programs in the country.

Furthermore, a national staff of only two people administers the National Writing Project. The use of limited federal funds to leverage large private investments is the most efficient way to use the budgeted funds available for the greatest possible return.

The National Writing Project works. For example, in Chicago, students of National Writing Project teachers have shown significantly higher gains on the Illinois Goals Assessment Program writing tests when compared to student performance citywide. In an urban Sacramento, California high school, student performance on local writing assessments rose from lowest to highest in the district after an influx of National Writing Project teachers to the school, and college enrollment among this school's senior class rose 400 percent.

The National Writing Project has received similarly impressive results all across this country. In fact, the National Writing Project has received glowing reviews from the Carnegie Corporation of New York, the National Council of Teacher Education, the Council for Basic Education, and independent evaluators.

The National Writing Project is efficient, cost-effective and successful. I look forward to working with my colleagues in enacting this important legislation.

21ST CENTURY HIGHER EDUCATION INITIATIVE

America's Historically Black Colleges and Universities, Hispanic-Serving Institutions, and Tribally Controlled Colleges have provided millions of Americans from all backgrounds with rich and enduring higher education opportunities. They have developed innovative academic strategies, supported cutting edge research, and launched the careers of millions of today's leaders including scientists, doctors, teachers, lawyers, artists, entrepreneurs, and community and religious leaders.

Today, these institutions face new challenges as they help prepare a new generation of Americans for the 21st century. To ensure that all Americans have access to high quality education, we must ensure that all students have the financial assistance and support to start and stay in college. And we must ensure that all higher education institutions have the resources to perform vital research, succeed and prosper.

The "21st Century Higher Education Initiative" will substantially expand college opportunity through student aid and early intervention efforts; double resources to strengthen the infrastructure of minority-serving institutions; and harness the strengths of minority-serving institutions to prepare teachers and the high-tech workforce of tomorrow. It will:

Help Make College Affordable for All Americans. Since the passage of the GI Bill of Rights, the federal government has been a key partner to states and colleges to give all students access to higher education. Millions of Americans from low and middle-income families have attended college because of federal financial aid. Despite record levels of college enrollment, however, students from poor families who graduate from high school attend college at half the rate students from affluent families. Among low-income students, minority students earn bachelor's degrees at a substantially lower rate than white students. This disparity of opportunity is unacceptable. To help remedy it, the Initiative would:

Restore the purchasing power of Pell grants. The maximum Pell grant would increase from $3,750 to $7,000 over three years. Pell grants provide critical access to higher education, and are particularly important for minority students: About 45% of African-American and Hispanic students at four-year colleges depend on Pell grants, compared to 23% of all students. The purchasing power of the maximum Pell grant has eroded from 84% of the cost of a public university in 1976 to 39% today; a $7,000 grant would restore its purchasing power.

Increase the Supplemental Equal Opportunity Grants by over $300 million over three years. The SEOG program provides critical grant assistance to low-income students whose need is not fully met by Pell grants. The initiative would authorize $1 billion for SEOG.

Increase Federal Work-Study by $300 million over three years. This critical program leverages private-sector resources to allow students to earn money for college while learning responsibility and work skills. By connecting students with their campus communities, work-study has been shown to encourage students to continue their education.

Promote High School Completion as a Gateway to College. Too many young Americans drop out of college while they are still in middle or high school. Only 62 percent of Hispanics in their late twenties have a high school diploma, compared to 88 percent of all Americans.

The U.S. Department of Education has found that the intensity of high school curriculum is the single strongest predictor of college success. And one-third of college freshmen need remedial classes; these students are 60 percent less likely to complete college. The Act would:

Implement sustainable dropout prevention strategies at high schools, based on similar legislation introduced by Senator Bingaman. This $250 million effort will include strengthening professional development and curriculum, planning and research, remedial education, reducing class sizes, and counseling for at-risk students.

Double funding for the TRIO and GEAR UP programs over three years (to $1.5 billion and $690 million, respectively) that intervene in the lives of low-income children and are proven to encourage academic success and college attendance for disadvantaged children. Increased funding would allow TRIO to serve 10 percent of eligible students.

Encourage universal access to Advanced Placement classes. AP classes allow high school students to challenge themselves in a demanding class and earn college credit. The Initiative would set a national goal of AP classes in every high school within three years. It would also expand the existing AP Incentive program to pay test fees for low-income students, help schools invest in AP curriculum and teacher training, and use new distance learning technologies to expand AP opportunities.

Strengthen college remedial programs through a new $10 million demonstration program to help more students and adult high-school drop-outs receive remediation and eventually earn their college degree through partnerships between four-year colleges, community colleges, and high schools.

Build Bridges among Colleges and Universities. Minority-serving institutions offer a critical route to higher education for many minority students because of their low cost, location, and supportive environments. However, too many students at minority-serving community colleges fail to pursue a four-year degree, while many students at minority-serving four-year colleges have limited opportunities to seek advanced degrees. The Act would:

Expand opportunities for community college students to transfer to four-year colleges and universities. This new $40 million initiative would support partnerships of minority serving two-year colleges and four-year colleges and universities. The partnerships would create new transfer opportunities by developing articulation agreements, bridging differences in costs between two-year and four-year colleges, and providing counseling, mentoring, and support services to help community college students earn B.A. and B.S. degrees.

Create new opportunities for minority-college students to earn advanced degrees. The new $40 million Dual Degrees initiative would increase opportunities for students to earn advanced degrees, including M.A.'s and Ph.D.'s, in fields in which they are underrepresented. Students would spend three years at a minority-serving institution and two years at a partner institution, such as a major research university, and earn a B.A. from their home institution and a B.A. or M.A. from the partner institution. Federal resources would establish articulation agreements and provide scholarships to students to bridge cost differences between minority-serving institutions and partner institutions. This initiative is based upon the Dual Degrees Engineering Program, operated by a consortia of colleges and universities and based in Atlanta, Georgia.

Double Resources and Build Infrastructure for Developing Institutions. In recognition of their unique importance in expanding higher education opportunities for an under-served population, the Initiative would double funding for minority-serving institutions under Titles III and V of the Higher Education over three years. In contrast, President Bush has called for only a 30 percent increase over five years. Specifically, under the Initiative:

Historically black colleges and universities would increase to $370 million;

Historically black graduate institutions would increase to $90 million;

Hispanic-serving institutions funding would increase to $140 million, and a new initiative would provide $90 million to improve post-baccalaureate education opportunities for Hispanic and low-income students;

Strengthening institutions would increase to $150 million;

Tribally controlled colleges and universities would increase to $45 million; and

Alaska Native and Native Hawaiian-serving institutions would increase to $20 million.

Preserve Historic Landmarks. One hundred and three historically black colleges have over 700 properties listed on the National Register of Historic Places, but these facilities require $755 million in repairs. To preserve these national treasures and enable historically black colleges to face the challenges of the 21st century, the Initiative would authorize $60 million a year to preserve the most dilapidated historic facilities.

Recruit Minority Teachers. Our nation needs 2 million new teachers over the next 10 years to meet rising enrollments and replace retiring teachers. Minorities are an untapped resource in meeting this challenge: only 13 percent of teachers are minorities. The Initiative includes $30 million for new Collaborative Centers of Excellence in Preparation to strengthen teacher preparation programs at minority-serving colleges, increase the use of technology in those programs, and help students meet teacher certification requirements. It includes a new $20 million demonstration program on effective teacher recruitment and preparation practices, including mentoring, student loan forgiveness, and assistance in receiving teacher certification. It establishes Byrd teachers scholarships for students planning to enter the teaching profession. Finally, it includes a provision-based on legislation by Sen. Tom Daschle and Rep. Darlene Hooley to provide up to $15,000 in student loan forgiveness to teachers at tribal colleges.

Prepare the 21st Century Workforce. Studies show that minority-serving institutions face a serious "digital divide" in providing student Internet access, high-speed connectivity and sufficient infrastructure. The Initiative would create a $250 million initiative-based on proposals by Representatives Edolphus Towns and Senator Max Cleland to wire campuses, acquire equipment, and train educators and students in the use of technology. The Initiative would also increase funding for the Minority Science and Engineering Improvement Program five-fold to $40 million.

INTRODUCTION OF H.R. 1—THE NO CHILD LEFT BEHIND ACT OF 2001

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. BOEHNER. Mr. Speaker, I am pleased to introduce President George W. Bush's education plan, the No Child Left Behind Act of 2001. This legislation, a comprehensive reauthorization of the federal Elementary and Secondary Education Act (ESEA) of 1965, reflects President Bush's efforts to close the achievement gap between disadvantaged students and their peers and to work with States to push America's schools to be the best in the world.

No Child Left Behind will refocus federal efforts to close the achievement gap by giving States and local schools greater flexibility in the use of Federal education dollars in exchange for greater accountability for results. The bill also includes a school choice "safety valve" for students trapped in chronically failing schools that fail to improve after three consecutive years of emergency aid.

In short: H.R. 1 will give students a chance, parents a choice, and schools a charge to be the best in the world.

Despite almost a decade of uninterrupted prosperity in the 1990s, nearly 70 percent of inner city and rural fourth-graders cannot read at a basic level, and low-income students lag behind their counterparts by an average of 20 percentile points on national assessment tests. The academic achievement gap between rich and poor, Anglo and minority remains wide, and in some cases is growing wider. Washington has spent more than $80 billion since 1990, and nearly $130 billion since 1965, in a well-intentioned but unsuccessful effort to close the gap.

The hard lesson of the past is that money alone cannot be the vehicle for change in our schools. If our goal truly is to leave no child behind, there must be accountability for results.

It is a tremendous honor to introduce the No Child Left Behind Act on behalf of President Bush. We look forward to working with members of all parties in the coming weeks to ensure that every American child has the opportunity to learn.

WOMEN'S HEALTH

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mrs. JONES of Ohio. Mr. Speaker, today I stand in celebration of female health care professionals who are charged with the responsibility of caring for the young, the elderly, the sick and even maintaining the wellness of the hale and hearty.

I stand today to salute the women who were not always recognized with a title, the women with healing skills who were for many years only known as mother, or sister, or daughter. For many generations there have been women with a special understanding of biology and illnesses who served as the healthcare providers of their communities. Mr. Speaker I would like to honor the female pioneers in the medical profession who trailblazed the way for women today to be called Nurse and Doctor.

The first African-American woman to be called Doctor in the state of Ohio was Dr. Emma Ann Reynolds. In her career, Dr. Reynolds was faced with the odds of treating communities with inferior health care facilities and limited access to materials. Nevertheless, she dreamed of improving health services for persons of African-American descent.

Due to the laws and standards of the time, she was denied admission to many nursing and medical schools because of her race. Emma graduated from Wilberforce University in Greene County, Ohio and taught public school for seven years before her potential came to the attention of the prominent African-American surgeon, Dr. Daniel Hale Williams, in 1891. Dr. Williams was inspired to establish Provident Hospital in Chicago, Illinois, an interracial institution which included medical care for the community in South Chicago, as well as a School of Nursing for men and women of all races. Emma graduated eighteen months later with a nursing degree.

Yet, her goals propelled her even higher. Emma became the first woman and the first African-American to graduate with a M.D. from Northwestern University School of Medicine in 1895.

Dr. Emma Ann Reynolds practiced medicine in Texas and Louisiana before returning home to care for her ailing parents and community in Chillicothe, Ohio in 1902.

Some of the hardships and experiences of America's pioneers have not changed. Today African-American healthcare professionals are four times more likely to practice in socio-economically deprived areas that already have an alarming shortage of physicians and adequate medical facilities.

They will toil in communities with disproportional numbers of people suffering from HIV and AIDS, heart disease, high blood pressure, diabetes, and mental illness.

They will treat the sick and infirm who are not insured but cannot be left to suffer.

We must remember the names and honor the dedication it requires to nurture communities of people with a scarcity of resources.

Dr. Emma Ann Reynolds' legacy survives in the female nurses and doctors who practice medicine in hospitals and poor communities across the country.

Her legacy lives on in Provident Hospital which still serves the South Chicago area.

In celebration of the thousands of women who are nurses and doctors, who have benefited from the trail blazed by our health care pioneers, I say thank you for your work.

A VISIONARY MISSOURI EDUCATOR

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. BLUNT. Mr. Speaker, I rise today in memory and tribute to Dr. M. Graham Clark who called the School of the Ozarks his home for the past six decades. Dr. Clark passed away on March 15, at age 92 at his residence on the campus.

Dr. Clark led a life dedicated to the glory of God, and committed to the principles of hard work and educational excellence as he worked to expand and lead a free faith-based education to literally thousands of students who have attended the school in the Missouri Ozarks.

Dr. Clark arrived at the School of the Ozarks in 1946. Under his leadership the high school was transformed first to a junior college and later into a four year institution of higher learning that is nationally recognized for its emphasis on character development, academic excellence and student work. Those who attend the School of the Ozarks—now named the College of the Ozarks—are offered a unique opportunity. In exchange for a world class college degree, students work for their tuition. They work daily as the college's maintenance, janitorial, secretarial and grounds keeping staff, security guards and food service personnel. This concept, which has won the school an international reputation as "Hard Work U", opened the doors of higher education to many who would never have dreamed they could achieve a college degree.

Dr. Clark was a tireless campaigner and promoter for the College of the Ozarks in persuading donors to support the school located at Point Lookout, Missouri. His determination and leadership transformed the School of the Ozarks into a national model that has drawn students from all over the world for a classic education steeped in faith, work and service. College of the Ozarks is a unique blend of old fashion respect, daily application of the "Golden Rule", and modern technology mixed together with a strong emphasis on the work ethic.

The legacy of Dr. M. Graham Clark will touch the lives of many people for generations to come because of the institution he nurtured and guided. Through the School of the Ozarks, he shaped the lives and faith of countless scholars, business people, government officials and ministers across America who continue to mold and shape the lives of the people in their own communities.

Dr. Clark was known for his strength of character, great wisdom and insight. His legacy of leadership is reflected in the lives of thousands and is shared by Dr. Jerry Davis as he and the College of the Ozarks continue in the business of changing lives.

IN MEMORY OF LT. COL. EDWARD FRANK FIORA, JR.

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. SKELTON. Mr. Speaker, it is with deep sadness that I inform the House of Representatives of the passing of my good friend Lt. Col. Ed Fiora, a resident of Lexington, Missouri. He was 68.

Ed, a son of the late Edward Frank Fiora, Sr. and Mary Laura Fiora, was born in Lexington, Missouri, on December 9, 1932. He married Clara E. Sander on June 18, 1954.

Ed was an officer in the United States Army for over 22 years and was truly a soldier's soldier. He served two tours of duty in Vietnam and was highly decorated. His military awards include: the Bronze Star, with four oakleaf clusters, the first oakleaf cluster being for valor, the Air medal, the Meritorious Service medal, the Army Commendation medal, the Combat Infantrymen badge, the National Defense Service medal and the Vietnam Campaign medal. Ed was a civic leader and model citizen. He was a member of the Immaculate Conception Catholic Church, the Lexington Elks Club, the Lexington Lions Club, the Veterans of Foreign Wars and the American Legion.

Mr. Speaker, Ed Fiora will be greatly missed by all who knew him. I know the Members of the House will join in extending heartfelt condolences to his family: his wife Clara "Betsy"; his son and daughter-in-law Major and Mrs. Edward L. Fiora; his sister Florine Frerking; and his grandchildren.

INTRODUCTION OF LEGISLATION TO CLARIFY THE COOPERATIVE MAIL RULE FOR NON-PROFIT MAILERS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. BURTON of Indiana. Mr. Speaker, today I am introducing legislation to clarify the Cooperative Mail Rule that the United States Postal Service uses to limit the commercial use of non-profit mail.

Mr. Speaker, as you know, non-profit organizations provide many valuable services to citizens across the country. Nonprofit organizations are key in providing education and information about a variety of issues ranging from public health to participation in civic affairs. Nonprofit organizations are able to provide such services often by raising money through voluntary contributions rather than tax dollars.

Nonprofit organizations must rely on commercial entities to provide goods and services, and such goods and services cost money. Often, new or less-well funded nonprofit organizations must obtain these goods and services based on a contingency arrangement with a commercial business. The Postal Service has in recent years interpreted a postal regulation known as the Cooperative Mail Rule to disallow reduced rates for nonprofits based solely on their business relationships with commercial entities, even when the nonprofit's mail contains no commercial matter. This interpretation is inconsistent with the original intent of Congress in creating nonprofit rates.

The Cooperative Mailing Rule was originally designed to prevent commercial parties that do not have a nonprofit postal permit from entering into cooperative arrangements with nonprofit permit holders to mail commercial matter at the reduced nonprofit rates. In 1993, at the request of the Postal Service, Congress incorporated the Cooperative Mailing Rule into the United States Code to prohibit those types of cooperative arrangements.

The legislation I am introducing today allows qualified nonprofit organizations to mail at reduced rates regardless of whether they employ commercial companies to help them prepare and mail their letters or engage in other commercial arrangements. The mail must still relate to the respective nonprofit permit holders themselves and not promote or advertise products or services on behalf of a commercial entity. This will rectify the Postal Service's recent misapplication of the Cooperative Mailing Rule.

I urge my colleagues to cosponsor this legislation.

TUNISIA 45TH ANNIVERSARY OF INDEPENDENCE

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. RAHALL. Mr. Speaker, I rise today to congratulate the people and government of Tunisia on the anniversary of the country's forty-fifth year of independence on March 20, 2001.

Our two countries have maintained a steadfast alliance since signing the Treaty of Peace in 1797. Whether securing Mediterranean shipping lines, fending off Nazi aggression in North Africa as part of the Allied defensive, or standing by us during the Cold War, Tunisia has always shown us her loyalty.

Today, Tunisia stands as an example to developing countries and the promise of North Africa. It has quickly progressed from a country that receives aid to a nation of growing financial influence through its efforts to privatize state owned companies, lifting of price controls and reducing tariffs, reforming the banking and financial sectors, and development of trade in order to create an aggressive free market economy. Today, over sixty percent of the population of Tunisians can be counted in the middle class. We congratulate the country on its progressive social and health programs and most extraordinarily for its leadership in the region as a supporter of women's legal rights.

Tunisia has also become a moderating force in the Middle East peace process, taking an active role within the international community in fighting terrorism, while maintaining internal stability in the face of external chaos.

I am pleased with the increasingly strong ties between the United States and Tunisia, and join the American people in congratulating the people of Tunisia on this historic occasion. I encourage my colleagues to do the same.

RECOGNIZING TWO GREAT AMERICANS

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. KINGSTON. Mr. Speaker, it is indeed an honor to be here before you to recognize Rabbi Avigdor Slatus and Rebbitzen Rochel Slatus today. They are truly a special couple who have touched the lives of so many people throughout my district. This weekend, these people of God will be celebrating with their Synagogue, the Congregation Bnai Brith Jacob, upon their 20th anniversary of distinguished leadership in the city of Savannah. As a result, I felt compelled to make it known throughout the nation what the people of Savannah already know, Rabbi and Rebbitzen Slatus are great Americans and even greater servants of God.

Rabbi Avigdor Slatus has inspired our community to a new level of Torah appreciation through various classes, shiurim, and lectures. In depth shiurim in Gemarah, Chumash, Halacha as well as beginners programs for those who have never experienced authentic Torah education. Rabbi Slatus has been actively involved in helping to build a day school for all Jewish children in the city of Savannah, and now has an enrollment of approximately 170 children. The Rabbi has also introduced a Kollel to Savannah which presents Torah classes on a variety of topics and issues for the entire community.

Rochel Slatus learned the importance of seniors growing up in the nursing home facility her parents owned in Chicago, Illinois. As a first generation American and a daughter of Holocaust survivors, she is keenly aware of the plight of her people and has been a distinguished companion in her husband's efforts to elevate spirituality and growth within the Savannah Jewish community. She has weekly adult education classes and has taught kindergarten in the Rambam day school for many years. Currently, she devotes much of her time to the senior citizens who live at Buckingham South, the retirement home she started next door to the synagogue. The Rebbitzen is among the first to arrive there every morning and is always the last to leave. Every night she tucks each person in before she goes home and many on her staff have told me that she is their personal hero.

Both the Rabbi and Rebbitzen have devoted their lives to our community and spreading the Word of God to whomever their paths may cross. It is this devotion that they share that compelled me to speak about them today. I am honored to know them and call them friends, but I am also honored to thank them on behalf of my district for their twenty years of service. I hope and pray to God they are able to do so for many more years to come.

SYMPHONY GUILD OF CHARLOTTE, NORTH CAROLINA

HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mrs. MYRICK. Mr. Speaker, I rise in honor of the 50th anniversary of The Symphony Guild of Charlotte, North Carolina.

The Symphony Guild of Charlotte is dedicated to youth music education through its many projects which offer young people throughout the Charlotte Metropolitan Area varied opportunities to experience classical music. The Guild has supported the Charlotte Symphony Youth Orchestra and the Junior Youth Orchestra and has solely underwritten the Summer Resident Music Camp for over 30 years, sponsored the Young Artists Competition for over 20 years, and the Youth Festival for 14 years.

The Summer Resident Music Camp, the Youth Festival, and the Symphony Guild ASID Showhouse have received national recognition by the American Symphony Orchestra League and serve as models for other nonprofit organizations throughout the Nation.

The Guild has also been recognized locally for its long, continuous commitment to the cultural fabric of the Charlotte community with the prestigious Spirit Award from Royal and SunAlliance and the Mint Museum.

For these reasons, I am honored to recognize the Symphony Guild of Charlotte for its achievements and help them in celebrating 50 years of support for symphonic music.

TRIBUTE TO THE RONALD McDONALD HOUSE CHARITIES

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. BONILLA. Mr. Speaker, I rise to commend Ronald McDonald House Charities for their contributions to the health and well being of Hispanic communities around this nation and the world. I would also like to recognize the CEO of the foundation, Ken Barun. Mr. Barun recently received a leadership award from the National Hispanic Medical Association. This award is but the latest of many accolades granted to this outstanding organization. Just last spring, the Ronald McDonald House Charities were recognized by the Hispanic Scholarship Fund as "one of the top ten corporate citizens . . . for the Hispanic community."

The Ronald McDonald House Charities address a variety of health care needs. Ronald McDonald Care Mobiles provide free medical, dental, and remedial care; as well as medical referrals and health education programs. The Changing the Face of the World program funds reconstructive surgery for children in developing countries with facial deformities. In addition, the Hand-in-Hand Saving Sight Program provides eye care to children around the world and the Kinship Center serves the needs of adoptive and foster families throughout predominantly Hispanic communities.

The generous and innovative programs of the Ronald McDonald House Charities also aid communities in furthering the education of their students. The Hispanic Scholarship Program provides financial assistance to promising Hispanic American college-bound students. To date, it has supported more than 6,000 students. In addition, the National Latino Children's Institute promotes policies and programs that value Latino youth and help build healthy Hispanic communities.

Whether it is providing quality, innovative health care to Hispanic families or encouraging students to pursue educational goals, Ronald McDonald House Charities are making a difference in Hispanic communities around the nation and world. I am pleased to commend Ronald McDonald House Charities and Mr. Barun on their many accomplishments.

RECOGNIZING THE ACHIEVEMENTS OF HISTORICALLY BLACK COLLEGES AND UNIVERSITIES: LINCOLN UNIVERSITY, JEFFERSON CITY HARRIS-STOWE STATE COLLEGE, ST. LOUIS

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today in strong support of the 21st Century Higher Education Initiative, which seeks to strengthen America's minority-serving institutions. This measure helps make college affordable, doubles vital resources, preserves historic landmarks, recruits minority teachers, and helps to prepare the 21st century workforce for global competition. These colleges and universities are critical to recognizing our national goal of having Americans of every ethnicity and race represented in all levels of society.

In my state of Missouri, we have two excellent historically black higher education institutions, Harris-Stowe State College in St. Louis, and Lincoln University in Jefferson City. Harris-Stowe State College was founded as a result of a merger between two teaching schools in 1857, and soon became the first public teacher education institution west of the Mississippi River. Harris-Stowe State College has been a leader in teacher education, and continues this vital mission today.

Lincoln University was founded in 1866 by the enlisted men and officers of the Civil War's 62nd and 65th Colored Infantries with a purpose to educate freed slaves, and in more recent years the university has expanded to include a broad curriculum across several academic disciplines. While the student bodies of these institutions remain predominantly African American, the composite is now multi ethnic. I salute the commitment of Harris-Stowe State College and Lincoln University, as well as all minority serving institutions, to enriching the fabric of American society through its graduates.

Mr. Speaker, I urge my colleagues to join me in full support of the 21st Century Higher Education Initiative and I urge my colleagues to embrace this important measure. This legislation is an important tool that will help all minority serving institutions flourish and continue to provide America with top quality minds. As we raise successive generations to move into the global economy, we must provide avenues for everyone to succeed, and, in turn, strengthen our nation.

INTRODUCTION OF THE NO TAXATION WITHOUT REPRESENTATION ACT OF 2001

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. NORTON. Mr. Speaker, today, I introduce the No Taxation Without Representation Act in the House as my good friend and colleague Senator Joe Lieberman introduces the bill in the Senate. We are simultaneously introducing the No Taxation Without Representation Act in the Senate and the House to make the point that we intend to travel both roads at once. In America, there are no House citizens and Senate citizens. The Framers were clear that American citizens are entitled to representation in both houses. Whether you are a fourth generation Washingtonian, as I am, or a newly naturalized American from El Salvador, as many of my constituents are, you are entitled to full representation in the House and Senate.

This bill takes a fresh approach to the denial of voting rights to almost 600,000 residents of the District. We are asking Congress to erase the shameful double inequality borne by no Americans except those who live in our capital: inequality with Americans whose federal taxpaying status automatically affords them voting representation, and inequality with Americans in the four territories who, like the District, have no vote but in return are relieved of federal income taxes.

In keeping with the nation's founding principles, our bill puts the full question to the Congress: first and foremost, that D.C. residents insist upon full and equal voting representation, but the bill also poses the corollary principle emblazoned in our history by the American Revolution itself: that there should be no taxation without representation. We put the same demand to the Congress that the founders of our nation put to King George, "Give us our vote, or give us our taxes." Confronted with the alternative: D.C.'s $2 billion in federal income taxes or voting representation for its citizens, we believe that Congress ultimately will choose the vote over the money. In a democracy, Congress will understand that it must be where its constituents already are. According to polls, most Americans believe the citizens of our capital already enjoy congressional voting rights. When informed otherwise, almost 75% of American say that Congress should give those rights to us now.

In framing the issue as we do for the first time today, we mean to make "taxation without representation" more than a slogan—and a lot more than a cliche. This bill expresses the new energy for D.C. voting rights that has become palpable in the District. The revived determination of residents was fueled by the landmark D.C. voting rights cases, where the Supreme Court directed D.C. residents to the Congress for relief. To the Congress they have come in the largest numbers for D.C. voting rights in 25 years, first for a hanging-from-the-rafters town meeting and then for the month-long campaign to get back the vote in the Committee of the Whole we first won in 1993. Today, we are back again with a new voting rights bill and support from one of the great leaders of our country. We will keep coming back until the American principle of one person, one vote lives in the capital as it does in the rest of the country. We may not be there yet, but we will get there as Joe Lieberman recruits sponsors in the Senate and I gather colleagues in the House. We will get there as Congress comes to recognize that already a sizeable majority of Americans support our rights and are the wind at our backs.

TRIBUTE TO BETTE MURPHY, OUTGOING PRESIDENT OF UAW LOCAL 148 RETIREE CHAPTER

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. HORN. Mr. Speaker, I rise today to pay tribute to Ms. Bette Murphy, who retired as President of the United Aerospace Workers Local 148 Retiree Chapter. Bette Murphy retired after an illustrious 58-year career as a union activist and community leader.

Bette Murphy began her career at Douglas Aircraft Company in Long Beach in November, 1942, during the Second World War as one of the original "Rosie the Riveters." During the war, Bette Murphy and the Douglas workforce helped produce nearly 3,000 B–17 aircraft.

In 1943, Bette risked her job to help her fellow workers achieve a better workplace by encouraging them to join the local UAW. She demanded equal rights and equal protection for the workers which led to their first union contract in 1944.

Bette Murphy carried the torch for female workers of her time. She became the first woman to make $1 an hour, to be elected "Leadman in Shop," to be an assistant Foreman in the Shop, to oversee "War Boards," and to be the first female manufacturing engineer. Bette Murphy worked at Douglas Aircraft Company, which later became McDonnell-Douglas, until she retired in 1979 due to a disability.

Needless to say, Bette Murphy fought her disability and served on numerous boards and committees and traveled as a union delegate to many conventions and events. She also served on the bargaining committee where she was elected as an officer six times. She worked hard at helping aircraft workers get the best contracts.

In 1988 Bette Murphy became the President of the UAW Local 148 Retiree Chapter. And for the last 13 years she served the members of the Chapter with all the dedication and steady leadership that helped her accomplish so much for so many people during her long career as a union activist and community leader.

So best wishes to Bette Murphy, in appreciation of her bravery and contribution to the war effort, for her leadership on behalf of so many working people, and for her dedication as President of the UAW Local 148 Retiree Chapter. She truly made a difference in our community and for those who had the privilege to work alongside her.

LETTER TO PRESIDENT BUSH CONCERNING U.S.-TAIWAN RELATIONS

HON. ROBERT WEXLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. WEXLER. Mr. Speaker, I would like to submit this letter for the RECORD.

MARCH 22, 2001.

Hon. GEORGE W. BUSH,
President, the United States of America, the White House, 1600 Pennsylvania Avenue, NW, Washington, DC.

DEAR MR. PRESIDENT: It is my understanding that you are meeting with Chinese Vice Premier Qian Qichen and other top Chinese officials at the White House today. I would respectfully suggest that during these meetings, it is imperative that you send a clear message to the government of China that the United States will continue to strengthen our nation's longstanding relationship and commitment to the safety and well-being of the people and government of Taiwan.

As you know, deeply strained relations between China and Taiwan greatly threaten stability and U.S. interests in East Asia. The United States should support the continuation of cross-strait dialogue with the government of China which I believe will help reduce tensions in the region. I was heartened by the bold decision of Taiwan President Chen Shui-bian to open shipping, transportation, and communication links between two offshore islands, Quemoy and Matsu and mainland China. The Chinese government has signaled that it will support this decision by Taiwan. This confidence building measure is important to a successful cross-strait dialogue, because it signals that the Chinese government, albeit reluctantly, is willing to compromise.

Unfortunately other recent statements released by the Chinese government are contrary to the message of peaceful dialogue and potential cooperation in the Taiwan Strait. For example, a white paper issued by China on October 16, 2000, titled "China's National Defense 2000," stated that "if Taiwan continues to refuse to negotiate on reunification with China, the Chinese government will have no choice but to adopt all drastic measures possible, including the use of force, of force, to safeguard China's sovereignty . . . " China's failure to renounce the use of military force against Taiwan if prolonged negotiations to reunify the two entities are not successful is unacceptable and should be condemned by the United States and the inter-national community.

Taiwan should not be bullied into accepting China's "one country, two systems" formulation. As you are aware, the 1979 U.S. Taiwan Relations Act (TRA) reads: "It is the policy of the United States to consider any effort to determine the future of Taiwan by other than peaceful means of grave concern to the United States." As you discuss cross strait relations with Vice Premier Qian Qichen, I urge you to reject any formulation that presupposes the final results of any negotiations between Taipei and Beijing and is not in accordance with the will of the Taiwanese people.

As you know, the United States has a long history of providing Taiwan with weapons and equipment to enhance its defensive capabilities. In a 1997 trip to Taiwan, according to news reports, you expressed a commitment to the U.S. sale of defensive arms to Taiwan. I hope you keep that commitment and urge you to bolster Taiwan's self-defense capabilities which have not kept up quantitatively or qualitatively with the growing military might of China. Taiwan urgently needs defensive equipment to counterbalance the threat of hundred of missiles deployed along the coast of China across the Taiwan Strait.

The significant gap between China and Taiwan was acknowledged in a recent report to Congress by the U.S. Pacific Command, Department of Defense, which states "The United States takes its obligation to assist Taiwan in maintaining a self-defense capability very seriously . . . not only because it is mandated by U.S. law in the Taiwan Relations Act but also because it is in our own national interest. As long as Taiwan has a capable defense, the environment will be more conducive to peaceful dialogue, and thus the whole region will be more stable."

In the context of strengthening relations with Taiwan, I believe that the new Administration should advocate Taiwan's inclusion in international organizations, including the World Health Organization, World Trade Organization, and the International Monetary Fund. It is unconscionable that twenty-three million people living in Taiwan do not have access to the medical resources of the WHO. At a minimum, Taiwan should be allowed to participate in the activities of the WHO as an observer.

Mr. President, during your campaign you spoke positively about our nation's strong relationship and commitment to Taiwan. It would be a mistake for the United States to engage China at the expense of our relationship with Taiwan. I believe that this important bi-lateral relationship should be strengthened as it has been over the past several decades with a common commitment to the ideals of freedom and democracy that we as Americans hold sacrosanct.

I look forward to working with you to promote U.S. interests in Asia by further strengthening our relationship with a free, democratic, and prosperous Taiwan.

ROBERT WEXLER.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. WOOLSEY. Mr. Speaker, due to an event I was hosting with Leader GEPHARDT, yesterday. I missed roll call vote #53. Had I been present, I would have voted YEA.

THE INAUGURAL TOUR OF THE SCHOONER SULTANA—1768 SCHOOLSHIP OF THE CHESAPEAKE

HON. WAYNE T. GILCHREST

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. GILCHREST. Mr. Speaker, I rise today to pay tribute to the people of Chestertown, Maryland, who will celebrate the launch of the Schooner Sultana on its inaugural tour on Saturday, March 24, 2001.

Built by the people of Chestertown, Maryland, with thousands of volunteer hours, the Schooner Sultana is a reproduction of an 18th Century sailing ship used by the British to enforce the tea taxes against American colonists. The new Sultana's mission is to celebrate and preserve the character and environment of the Chesapeake Bay through education, instilling an appreciation for our history and culture and the irreplaceable natural ecology of the Bay and its watershed.

With its home in the smallest county in the State, with the smallest population, Kent County continues to preserve the colonial legacy of Maryland—and the Schooner Sultana represents its proud heritage. Generations of students, as they sail on the decks of the Sultana, will learn to become good stewards of the Bay and treasure the resources with which we have all been blessed.

Mr. Speaker, I congratulate all the people of Chestertown, Maryland, and those across our state who helped make the Sultana a reality and wish them Godspeed on this momentous occasion.

50TH ANNIVERSARY OF THE SURFACE CREEK REPUBLICAN WOMEN'S CLUB

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to honor a group of women who, for 50 years have been supporting the conservative concept of government, while educating their members on the importance of being an informed voter.

In November of 1951, some 51 charter members formed the Surface Creek Republican Women in Delta, Colorado. At the time they were considered the "last frontier" in Western Colorado. The original members were inspired by Republican women who secured the women's right to vote. During election years, candidates running for state, county and local officials speak to the club. They also spend time working on fundraisers for activities and to support campaign efforts.

Surface Creek Republican Women, since the organization's inception have supported the U.S. Constitution by always staying in touch with their elected officials in Congress. The Surface Creek Republican Women's Platform has always been to "Join our State and National Party in their commitment to equal opportunity for all human beings without discrimination on the basis of race, creed, color or sex." They also believe that the proper role of Government is to protect equal rights—not provide equal rights. They have received many awards for the efforts of its members and many have held positions with the Colorado Federation of Republican Women as well as positions through out the state.

Mr. Speaker, the Surface Creek Republican Women's club continues to be a prominent influence in the community. They have helped numerous candidates, informing Coloradoans about issues and candidates for the last five decades. This group of women is very patriotic and has done a lot for the citizens of western Colorado. That is why I would like to take a moment and wish them a happy 50th anniversary and good luck in the future.

HONORING THE LATE DR. LEO LEONARDI

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. McINNIS. Mr. Speaker, I want to pause for a moment and have this body pay respect to a pillar of the Salida, Colorado community. Dr. Leo Leonardi was killed in a plane crash in Illinois on March 10. He was on his way to see patients after he flew his wife to Oklahoma to be with her ill father. He was 77 years old. For more than 50 years, Dr. Leonardi dedicated his life to serving his patients and his community. To many he was more than a doctor, he was a beloved member of the family.

In front of 800 people, Dr. Leonardi's daughter, Michelle said that the MD meant "My Daddy" . . . Being his daughter has always meant sharing him with the community."

During Dr. Leonardi's 52 years of service, he delivered more than 3,000 babies, and tended to the medical needs of three generations of many Chaffee County families. He played a crucial role at Salida's hospital, where he served as a director on the governing board, holding a seat for 30 years. He provided some of the down payment on the Denver and Rio Grande Hospital to keep the facility in the community. He played a key role in establishing Columbine Manor, Salida's only nursing home. Dr. Leonardi provided money to St. Joseph Credit Union so it could start lending funds to customers. He served on the school district board, and was a member of the Salida Elks Lodge 808 for 51 years. "I can't believe this. I dearly loved that man. He was our family doctor since we came to town," said Elsie Curtis, a resident of Columbine Manor.

"He was a wonderful doctor, but he could also give you hell when he wanted to."

"I entered with Dr. Leonardi in 1953," said Dr. William Mehos. "It was obviously a good relationship. Not many doctors stay together 48 years. Not only were we partners we were best friends. My wife and I will miss him very much."

Mr. Speaker, this is a sad time for the community of Salida, Colorado. Dr. Leonardi was a member of everyone's family. He is one of the few doctors that still makes house calls. In 1998 he celebrated 50 years in medicine. With his passing, a great man has left us. One of the thousand points of light has gone out, but his memory lives on in those who knew him.

TRIBUTE TO HARLAN STEINLE, VICE PRESIDENT—FORT LEWIS COLLEGE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor Harlan Steinle of Durango, Colorado and wish him good luck in future years. Harlan will retire on July 1, 2001 after 32 years at Fort Lewis College, where he serves as the vice president of admissions.

Harlan spent four years as a student at Fort Lewis College, before moving to New Mexico, to teach and coach at Gallup High School. He then went on to Northern Arizona University to get his masters and then to the University of Oregon to earn his Doctorate. Then in 1974, Harlan went back to Fort Lewis College where he has spent the last 28 years.

Colleagues say Harlan was key in boosting enrollment numbers. "It's going to be a real loss," said Sherri Rochford, the colleges dean of alumni and development. "He has probably one of the best networks with high school counselors in the state, which he has used to build the reputation of FLC. You just don't build something like that overnight. It takes a while to cultivate."

Under Harlan's tenure at FLC, the schools enrollment doubled from 2,000 to 4,000. "I don't think FLC would have had the student enrollment growth it has enjoyed in the 28 years he has been here," Deborah Uroda, FLC's director of marketing and publications said.

During his time at FLC, Harlan has been active in several groups, including the Colorado Council for High School and College Relations where the 54 year old Harlan was inducted into the first Hall of Fame in 1992. He is part of the National Association of College Admission Counselors, and the Rocky Mountain Association of College Administrative Counseling as its treasurer. "The length of time and the success Harlan has had working with a number of FLC presidents exemplifies that he has been a long term, successful employee," Don Ricedorff, said.

Mr. Speaker, Harlan Steinle has done a lot in his lifetime for Fort Lewis College, and deserves the thanks and praise of this body.

THE RIGHTEOUS OF SWITZERLAND, HEROES OF THE HOLOCAUST

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. LANTOS. Mr. Speaker, over the years, much attention and praise has been rightfully lavished upon the "Righteous Gentiles" of the countries which were occupied by the Nazis during World War II, who risked their lives to save their Jewish countrymen. Monuments have been erected around the world in their honor, and their stories have been repeated for younger generations to learn from the actions of these honorable people. From the Avenue of the Righteous in Israel's Yad Vashem, to the cinematic jewel Schindler's List, the brave men and women who stood up to the Nazi's persecution of the Jewish people rightly deserve all the accolades they have received.

Mr. Speaker, because I believe that all tales of the righteous men and women who risked much to save the lives of their Jewish countrymen deserve to be told, I would like to call attention to an excellent piece of research by Swiss businessman, Meir Wagner, that was recently published. In his book, The Righteous of Switzerland: Heroes of the Holocaust, Mr. Wagner shares with his readers more than forty tales of heroism and strong moral fortitude that took place during one of the world's darkest periods of history. His book tells the little-known stories of brave Swiss citizens who saved thousands of Jewish lives during World War Two. These Swiss gentiles risked opposition, hardship, danger and death in aiding their fellow countrymen, a sharp contrast to the official neutrality that their government pursued.

Mr. Speaker, I want to applaud Meir Wagner for the diligent effort he put forth in researching this important book. It required him to comb painstakingly through years of archival material and to conduct numerous interviews with participants and observers. While this was an arduous task, it allowed Mr. Wagner to weave a rich tale by drawing directly from the testimonials of both those saved, as well as eyewitnesses to the events.

Mr. Speaker, this book, The Righteous of Switzerland: Heroes of the Holocaust shares with us the diplomats, Red Cross delegates, clergymen, nuns, and others of Switzerland whose examples of courage and bravery were moral beacons at a time of unparalleled darkness. I urge my colleagues to read this outstanding book.

TRIBUTE TO JOHN W. ANTHONY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this time to pause a moment in remembrance of a great man, and a great friend. John W. Anthony passed away on March 9, at the age of 81. John has been associated with one type of ranch or another since the time of his birth. For 30 years John owned a ranch in West Creek, Colorado. Then in 1950, his family purchased a ranch on Divide Creek near Rifle, Colorado.

John belonged to the Manitou Park Grange and the Divide Creek Grange. He also took time to be involved with the Masonic Lodge and took an active part in the Teller Co., Growers Organization. He was also a member of the Cattleman's Association on the Western Slope of Colorado.

After he retired from ranching, John enjoyed helping the area sheep men in protecting their sheep from predators and joined the Colorado Trappers Association.

John is survived by his wife, Emma Jean, their four children, Jean Ann, Kenneth, Susan, and Mike, 10 grandchildren, and four great-grand children, and a sister Mary Jane Hunter.

Mr. Speaker, Western Colorado has lost a great husband, father, grand father, friend and neighbor. That is why I would like this body to take a moment and recognize John W. Anthony.

ADDRESS OF SECRETARY OF STATE COLIN L. POWELL TO THE AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Mr. LANTOS. Mr. Speaker, on Monday of this week, Secretary of State Colin L. Powell addressed the annual meeting of the American Israel Public Affairs Committee (AIPAC) here in Washington. His remarks were outstanding. He set forth the Bush Administration's views and policy on America's relations with our strategic ally Israel and on the search for peace in that troubled and difficult region of the world.

Secretary Powell brings great depth of knowledge and understanding of our nations foreign and security policy. Our country is indeed well served to have a person of such broad international experience and distinction having the principal responsibility for the conduct of American foreign policy.

Mr. Speaker, Secretary Powell's address to the AIPAC conference are of such importance that I request they be placed in the RECORD. I urge all of my colleagues in the House to read and carefully consider his excellent and thoughtful remarks.

REMARKS AT THE AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE

Secretary Colin L. Powell

Thank you very much, ladies and gentlemen. Thank you very much, ladies and gentlemen, and thank you, Tim, for that very kind introduction. It's a great pleasure to be back here to speak to AIPAC. Amazing that it has been ten years. And it is especially charming to be introduced as the son of an immigrant to the United States who entered the shmata business. I haven't heard that in a long time.

There are many people here who don't know what that means, but I do. For those of you who were here ten years ago, you remember that there was a lot of speculation at that time that I was absolutely fluent in Yiddish. I did nothing to dispel the speculation. And when I was walking offstage to confirm it, I said, "Well, yes, I do understand a bissel."

But I am pleased to be here this morning, and especially to see so many friends in the room. AIPAC has a long and commendable record of promoting the unique relationship that exists between the United States and Israel. Both countries are better for your efforts, and so I thank and congratulate you for all you have done over the years.

We meet today in a world that is much different than that world of ten years ago, a world that is changing still more every day before our eyes. Ours is a world no longer defined by competition between two rival theological superpower blocs, the red and the blue side of the map; no longer engaged in a competition that had the potential to destroy humankind in a matter of minutes.

Instead, today we find ourselves involved in complex relationships that defy easy, Cold War red-and-blue characterizations of being either friend or foe. And making matters even more complicated is the reality that there are new powerful phenomena that affect the way we interact with each other. Ideas and dollars and drugs and terrorists cross national boundaries at the speed of light with impunity as a result of the information and technology revolutions. Old concepts of borders and political definitions are being shaken by the information and technology revolutions. And all of this presents the United States with an array of new opportunities, but also new and difficult challenges.

The Bush Administration is only two months old, so taking stock of how we are going to deal with this new world is a bit premature. Still, some central aspects of our foreign policy are emerging. As President Bush highlighted in his address to Congress on February 27th, we are committed to doing everything we can to promote freedom and open markets around the world. That is what reshaping this world, the possibility of open markets and freedom reaching into the darkest corners of the world. We are also committed to gaining trade promotion authority from the Congress so that we can expand the horizons and dimensions of world commerce for the benefit of all peoples of the world.

And we are committed to creating a new strategic framework, one defined by lower levels of nuclear weapons and a greater role for missile defense. This is time to change the nuclear equation of mutual assured destruction to a more sensible strategic arrangement.

Little of this can happen if we work alone. President Bush has made it clear that a hallmark of our foreign policy will be the need to consult and work closely with friends and allies. Such collaboration, for example, is at the core of our policy with respect to Iraq. Tim touched on it a moment ago. Iraq is still a challenge which is receiving early attention from the Bush Administration.

Our goal is to strengthen the international coalition that for a decade has helped to keep the peace in this important part of the world. And during my recent trip to the region, I discussed with friends across the region how best to continue to prevent the Iraqi regime from acquiring or developing weapons of mass destruction or the means to reconstitute its military forces.

As a result of those consultations, we are now exploring ways to strengthen the arms control elements of the UN sanctions, while addressing the legitimate humanitarian needs of the Iraqi people. And we believe this can be done and must be done to protect the children and the people of the region from these terrible weapons. We will have more to say about Iraq following the completion of our policy review, and after further discussions with our key partners.

The same holds true for our policy towards Iran. We are studying Iran in considerable depth within the new team. Even now, however, it is apparent that certain aspects of Iranian Government behavior—the support for terrorism, repression of the rights of the Iranian people, especially those of Jewish descent, unfairly charged and harshly imprisoned—are of deep concern. This is of deep concern to the United States and to the American people, and we will not turn aside and ignore this kind of behavior.

We are also concerned about Iranian efforts to develop weapons of mass destruction and to increase its conventional military strength. Indeed, I have gone so far as to raise with senior Russian officials the role that Russia is playing in these dangerous and destabilizing efforts. We will not overlook what Russia is doing to cause this sort of problem.

At the same time, we are aware of the intellectual and political foment taking place within Iran. Things are happening, things are changing, and we will continue to watch these developments closely and hopefully.

Clearly there is a great deal going on around the world that merits our attention, from the Persian Gulf to North Korea, and from Macedonia to the Democratic Republic of the Congo. But my focus this morning will be on the Middle East and, in particular, on Israel and on the search for peace. And let me begin with Israel.

As Governor George W. Bush said to your conference a year ago, America and Israel have a special friendship. Ladies and gentlemen, I am here today to reaffirm this friendship. It involves every aspect of life.

From the realms of politics and economics to those of security and culture, this relationship is strong. This relationship between fellow democracies is and will remain rock solid. It is an unconditional bond that is both deep and wide, one based on history, on interests, on values, and on principle. We are dedicated to preserving this special relationship with Israel and the Israeli people. We recognize that Israel lives in a very dangerous neighborhood. So we will work, we will look for ways to strengthen and expand our valuable strategic cooperation with Israel so that we can help preserve Israel's qualitative military edge.

Our collaboration in missile defense is one prominent area that comes to mind in this regard. The simple fact of the matter is we believe that a secure Israel within international recognized borders remains a cornerstone of the United States foreign policy. There is no substitute. For me, this is not just policy; it is also personal. I have traveled to Israel on many occasions, as a young general working for the Secretary of Defense, as National Security Advisor to President Reagan, as Chairman of the Joint Chiefs of Staff for President Bush, and just a few weeks ago as Secretary of State for the latest President Bush.

No matter in what capacity I visited, my reaction was always the same. Israel is a country blessed with men and women of extraordinary talent and vision and courage. From the moment of my first visit, I committed myself to doing all that I could do to make sure that the people of Israel would always have the support they needed from me and from the United States so that they could live in safety.

We meet here this morning ten years after the liberation of Kuwait, and almost ten years since the 1991 Madrid Conference that for the first time brought Israel and all of her immediate neighbors face to face. As then-President George Bush said, "They had come to Madrid on a mission of hope to begin work on the just, lasting and comprehensive settlement to the conflict in the Middle East, to seek peace for a part of the world that in the long memory of man has known far too much hatred, anguish and war."

Since Madrid, we have seen some remarkable achievements. Like many of you, I was there on the South Lawn of the White House in September of 1993 to witness the signing of the Declaration of Principles that laid the foundation for subsequent Israeli-Palestinian agreements, that provided most of the Palestinian people with meaningful control over their own fate, and most Israelis with greater security. I will never forget the famous handshake in that moment of high hope.

Just over a year later, in October 1994, we saw the signing of the Israeli-Jordan peace treaty that ended the state of conflict between these two neighbors and resulted in the opening of embassies. More recently, in May of last year, there was complete withdrawal of Israeli forces from Lebanon under UN Security Council 425.

These momentous developments were bracketed by two important events: the repeal nearly a decade ago of the odious Zionism as Racism Resolution in the United Nations General Assembly. And in May 2000 Israel's joining the Western Europe and Others group, the first time Israel has gained representation in the UN regional grouping.

Unfortunately, as we all know too well, these and other achievements are neither permanent nor sufficient. What has been done can all too easily be undone. This Administration inherited the Middle East situation in which the prospects for peace have dimmed dramatically under a seemingly endless cycle of violence, and an almost breakdown of the trust, mutual confidence and hope that had been built up in recent years. Bullets and bombs have replaced words. Incitement and hurtful rhetoric have replaced quiet efforts to enhance mutual understanding. Negotiations are in abeyance.

It is not my intention to spend time here today theorizing as to how we arrived at this point, or suggesting what could or should have been done by one or another party at any particular junction. What is clear, though, is that the impact on Israelis of failed negotiations at Camp David and the ensuing violence has been nothing less than tragic. Hundreds have been injured, scores have been killed. And for every one of these losses a family grieves. For every one of these losses, a dream is destroyed. The sense of personal security is far weaker. The economy has suffered significantly.

The impact has also been tragic for Palestinians. Thousands have been injured. Hundreds have died. And for every one of these losses, a family grieves. For every one of these losses, a dream is destroyed. The Palestinian economy is in shambles, with unemployment skyrocketing and growth absent. Internal and external closures have disrupted normal movement.

The net result of all of this is that Israelis have come to question whether a peaceful arrangement with the Palestinians is possible, and Palestinians have come to question whether peaceful coexistence with Israel is compatible with their own political aspirations.

We must not allow these questions to come to be answered in the negative. We cannot allow the dream of peace to perish. It would be a tragedy for the region.

I have no magic formula. I cannot snap my fingers and make the current situation go away or turn it around. What I can do, however, is to present some basic ideas that will guide the approach of the United States under the Bush Administration as we approach the Middle East and the Israeli-Palestinian dispute in the future—a few ideas that we believe can contribute to the prospects for peace.

First and foremost, the violence must stop. Violence is corrosive of everything the parties in the region hope to achieve. Violence saps the psychological well-being of every child, parent and grandparent. Violence makes every life insecure. Violence provokes armed reaction, not compromises. Leaders have the responsibility to denounce violence, strip it of legitimacy, stop it. Violence is a dead end.

Second, the status quo is costly and, if allowed to drift, will only lead to greater tragedy. Neither Israelis nor Palestinians are served by the current situation. Both sides require a dialogue that will lead to mutually acceptable political, economic and security arrangements—be they transitional or permanent, partial or whole.

Third, the parties themselves hold the keys to their own futures. Peace will only be at hand when leaders have the courage and the vision to make difficult decisions and defend them to their own publics. Unilateral actions sure to provoke the other side should be avoided. Turning to the United States or other outside parties to pressure one or another party, or to impose a settlement, is not the answer. Debating and passing new UN resolutions is unlikely to make a contribution. In the end, there is no substitute for the give and take of direct negotiations. Peace is a cooperative endeavor. At the end of the day, Israelis and Palestinians will either be partners or antagonists.

Fourth, both parties have a stake in the restoration of normal economic life. They need to work to rebuild the level of trust and confidence that had existed. Israelis and Palestinians must each take steps to build confidence with the other to provide one another with evidence that their respective leaders can then point to in order to justify their own compromises.

And fifth, the United States stands ready to assist, not insist. (Applause.) Again, only the parties themselves can determine the pace and scope and content of any negotiations. Each party knows full well what the other values most dearly. Each party knows full well what the other fears most deeply. Progress will only come as statements and behavior come to reflect this knowledge.

Here, history has two useful things to teach us: Israelis and Palestinians have the ability to make peace; and peace arrived at voluntarily by the parties themselves is likely to prove more robust and able to withstand the inevitable pressures and setbacks than a peace widely viewed as developed by others—or worse yet, imposed.

The United States will stay involved. We have no intention of ignoring our responsibilities or the role we have played in the past. The truth is, we could not turn our backs on this part of the world even if we wanted to. Vital US interests are at stake. The United States has a vital interest in the security of Israel. We also have vital economic and strategic interests at stake in the region. And Americans care, care deeply, about the human toll that is the result of violence. We understand full well that these interests and concerns will be served best by a peace that both Israelis and Palestinians can embrace.

For these reasons, the United States will not be silent. We will speak out if we hear words or see actions that contribute to confrontation or detract from the promise of negotiations. We will not strive for some arbitrary measure of even-handedness when responsibility is not evenly shared.

Other states of the region and beyond have a role to play in stabilizing the environment for Israelis and Palestinians. These other states should be voices of moderation, counseling pragmatism and realism, and providing support for acts of statesmanship. It is also important that they match words with deeds. I note, for example, that no Arab state now maintains a resident ambassador in Israel. This is most unfortunate.

My emphasis today on Israel and the Palestinians does not signal a lack of interest in other potential areas for diplomacy. On the contrary, the United States continues to support a comprehensive peace in the Middle East, one based on UN Security Council resolutions 242 and 338, and the formula of land for peace. We very much hope that Israel and Syria and Israel and Lebanon will find a mutually acceptable means to resume talks on each of these two tracks.

In the meantime, we strongly urge and have strongly urged all the parties in the tense areas touching Israel, Lebanon and Syria to exercise maximum restraint and avoid any provocative and destabilizing activities. The Israeli decision to withdrawal from southern Lebanon creates a major opportunity for stability that should not be squandered.

This week, President Bush and I, along with other senior members of this Administration, will have the opportunity to sit down with the new Prime Minister of Israel. I have known Prime Minister Sharon for many years. I look forward to resuming the conversation that began during my recent trip while Mr. Sharon was still the Prime Minister-elect. He now has a government in place, and President Bush will want to hear his views on reinforcing our bilateral relations, on his intentions with respect to peace negotiations, and on regional issues of mutual importance.

In the weeks ahead, several of the most prominent leaders of the Arab world, including President Mubarak of Egypt and King Abdullah of Jordan, will also be visiting Washington. Here again, we look forward to having the benefit of the perspectives of these good friends of the United States.

The United States has no monopoly in wisdom. We are open, indeed anxious, to hear the views of others, to hear the views of all, to take into account the aspirations of all, the needs of all, and to determine what it is we can all do together to promote the prospects for peace in the region.

The need to reverse recent momentum could not be more apparent. It is difficult to speak of the contemporary Middle East and not speak of tragedy. Here we stand, at the dawn of the 21st century, and here with the potential to bring more peace and prosperity and freedom to more people than have ever enjoyed such fruits of life in the history of the world. The Middle East stands out, but hardly in a way to be envied. Too much of today's Middle East is mired in old disputes, too many resources are being devoted to the instruments of war, too many lives are being cut short.

I look forward to the day when the children of this region—all the children of this region—can grow up to be full participants in their own societies and enjoy the fruits of globalization. This can only happen when parents and schools teach peace and not hatred when people are able to focus on the quality of their lives, a Middle East where normal people lead normal lives, where all the peoples of the region can share in the blessings of the blessed land that they occupy.

Ladies and gentlemen, I try not to make a habit of quoting myself, but I will break this rule today for two reasons: first, I prefer not to end these remarks on so sober a note; and second, some words are worth repeating, wherein the repetition may communicate not only an idea, but the reality that the idea has endured.

With this in mind, I want to go back ten years to March 19th, 1991, when I last had the opportunity to address this distinguished organization. At that time, I said the following: "We have stood with Israel since the day of its founding; we have stood with Israel throughout its history; we have demonstrated again and again that our roots are intertwined, as they are with all nations who share our beliefs in openness and democracy. So let there be no question about our commitment to Israel; let there be no question that America will stand by Israel today; and let there be no question that America will stand by Israel in the future."

Today I am proud to say these words remain true. Today I am proud to stand in front of you, not as Chairman of the Joint Chiefs of Staff of the Armed Forces of the United States, but as the Secretary of State of the United States of America. The Secretary of State has been given the privilege to helping President Bush formulate and execute his foreign policy, and we will have no greater priority than to work with Israel, to work with the Palestinians, to work with all the others in the region to bring peace, a peace that surpasses all understanding of peace that the region needs.

I'm a former person of war, now I will pursue peace for all the peoples of the region. Shalom.

TRIBUTE TO THE WOMEN'S FUND OF SILICON VALLEY

HON. ZOE LOFGREN

OF CALIFORNIA

HON. MIKE HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 22, 2001

Ms. LOFGREN. Mr. Speaker, I with my colleague from California, Mr. HONDA, wish to congratulate the Women's Fund of Silicon Valley, on the occasion of the 2001 Annual Women of Achievement Awards. The Women's Fund of Silicon Valley is a non-profit organization that has recognized, honored and supported the work of women and girls since 1972.

The Women's Fund presents annual awards to women of achievement in 14 categories: arts, communications, community service, business, education, elected public service, entrepreneurship, labor, professional, public service, science and technology, small business, sports and volunteerism.

The Women's Fund has provided scholarships for training and education to help women and girls achieve their goals. The Women's Fund also generously contributes to local non-profit organizations that serve women and girls.

The Women's Fund of Silicon Valley has worked on behalf of women and girls in California for almost twenty years. We are grateful to the organization and its members for making it possible for women and girls to achieve their dreams.

SENATE—*Friday, March 23, 2001*

The Senate met at 8:45 a.m. and was called to order by the Honorable CRAIG THOMAS, a Senator from the State of Wyoming.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, on this twenty-third day of March, we gratefully remember that it was on this day in 1775 that Patrick Henry delivered his famous, "give me liberty or give me death" speech. Thank You for patriots like Henry who not only fought for political freedom but also for religious freedom for all people. We are deeply moved by what Patrick Henry championed in Article 16 of the Virginia Bill of Rights: that ". . . all men are equally entitled to the free exercise of religion and to practice . . . forbearance, love, and charity towards each other."

Father, may the many different ways we worship You result in righteousness in our character and in our leadership. May Your righteousness make us right with You, keep us right with each other, and distinguish our Nation for righteousness. Help us face and solve any problems in our society that deny people their freedom. So help us, Almighty God, for we do believe that righteousness exalts a Nation! Amen.

PLEDGE OF ALLEGIANCE

The Honorable CHRIS DODD, a Senator from the State of Connecticut, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 23, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CRAIG THOMAS, a Senator from the State of Wyoming, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. THOMAS thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Acting Majority Leader is recognized.

SCHEDULE

Mr. MCCONNELL. Mr. President, today the Senate will immediately resume the consideration of the Helms campaign finance reform legislation with up to 15 minutes of debate with a vote to occur at approximately 9 a.m.

Additional amendments will be offered throughout the day.

Senators who have amendments are encouraged to come to the floor during today's session to ensure consideration of their amendment.

As a reminder, the Senate will consider the Hollings joint resolution regarding a constitutional amendment on Monday. A vote on that joint resolution will occur beginning at 6 p.m. Additional votes may occur Monday evening as well.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now resume consideration of S. 27, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

Specter amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

Helms amendment No. 141, to require labor organizations to provide notice to members concerning their rights with respect to the expenditure of funds for activities unrelated to collective bargaining.

AMENDMENT NO. 141, AS MODIFIED

Mr. MCCONNELL. Mr. President, Senator HELMS desires to modify his amendment. I send that modification to the desk.

The ACTING PRESIDENT pro tempore. The amendment is so modified.

The amendment (No. 141), as modified, is as follows:

At the appropriate place, insert the following:

SEC. . DISCLOSURE OF EXPENDITURES BY LABOR ORGANIZATIONS.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following:

"(i) NOTICE TO MEMBERS AND EMPLOYEES.—A labor organization shall, on an annual basis, provide (by mail) to each employee who, during the year involved, pays dues, initiation fees, assessments, or other payments as a condition of membership in the labor organization or as a condition of employment (as provided for in subsection (a)(3)), a notice that includes the following statement: 'The United States Supreme Court has ruled that labor organizations cannot force fees-paying non-members to pay for activities that are unrelated to collective bargaining contract administration and grievance adjustment. You have the right to resign from the labor organization and, after such resignation, to pay reduced dues or fees in accordance with the decision of the Supreme Court.' ".

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will begin consideration of the Helms amendment, and there are 16 minutes of debate to be equally divided in the usual form.

Who yields time?

Mr. MCCONNELL. Mr. President, Senator HELMS is not able to be here at this moment.

With regard to labor unions in America, let me say, on behalf of his amendment, we have had amendments that would guarantee that union members had an opportunity to consent to their money being used on causes to which they might object. That was voted down. We have had amendments on disclosure so that union members and the public could learn how union money is being spent. That has been voted down.

Senator HELMS is now offering a very basic right to members, and that is notification. He hopes that if consent is a poison pill, and disclosure is a poison pill, maybe notification will not be. That is at the heart of the Helms amendment.

I certainly would urge all Members to support this very important amendment that provides basic fairness to members of organized labor.

Mr. President, I yield the floor.

Mr. DODD. Mr. President, will the Chair notify me when I have used 3 minutes?

The ACTING PRESIDENT pro tempore. The Chair will do so.

Mr. DODD. Mr. President, I obviously did not object to the Member's desire to modify the amendment. That is the courtesy we extend to each other in the Senate. I point out that this amendment was poorly drafted. There were actual misstatements of current law included in the amendment.

The modified amendment requires there be written notice. With all due respect to my friend from North Carolina, to begin with, this is an unnecessary amendment. Secondly, it is a type

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

of union bashing again. This is the same process we have been through. Yesterday we voted 99–0 on Senator NICKLES' amendment to strike the Beck language from this bill. We believed that the Senate should not be legislating like this on a decision the Supreme Court has left to the NLRB to interpret and decide.

Under the Beck holding, there is a requirement of notice. This amendment attempts to specify the content of the notice, the means on a portion of the notice required under that decision. The courts have said that it is the purview of the National Labor Relations Board, through case law, to spell out what constitutes that notice.

With the amendment we adopted yesterday 99–0, we said: Look, even though we have different opinions about what Beck holds, we should not try to include Beck in the McCain-Feingold campaign finance reform bill itself. Congress should defer to the NLRB with respect to Beck. Now, here we go again. We are going right back, almost with the next amendment, saying we are going to take portions of the Beck decision and tell you what Beck means. That, it seems to me, contradicts the exact vote we cast yesterday. I am somewhat surprised about this because I thought maybe we were going to put these amendments aside, particularly after having gone through any number of amendments that were designed to attack organized labor and unions and their involvement.

But with that said, I must note that there are other political rights that union members have. I do not hear my colleagues suggesting that those rights ought to be enumerated and notice given about them. For example, you have a right to join with other union members to register members, their families, or other employees. Why not send written notice of that right to union members?

You have the right to join with other union members and encourage and assist other members to vote. That is a right. Why not include written notice of that?

There is a long list of rights that union members have that could be included. You have a right, on your own nonworking time, to volunteer to assist other candidates. I could go down a long list of union member's political rights that we do not require under law that there be a written notice. As a result, this amendment is targeted and pointed in a way that is unfair.

Under Federal law, you have the right to organize a union in your workplace, to join a union. Under Federal law, you cannot be disciplined, discharged, or suffer any adverse action by an employer to join or assist a union.

The ACTING PRESIDENT pro tempore. The Senator has used 3 minutes.

Mr. DODD. Mr. President, I ask for 1 additional minute.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DODD. Under Federal law, you have the right to join or assist a union. Under Federal law, you have a protected right, together with any other employees, to present any views, requests, or demands to your employer about wages, benefits, and the like. Why not require that these be given written notice?

My point is this—this amendment is adversely selective in its approach. It is picking out one part of the Beck decision, and saying to the NLRB: You have no right to decide in this area. Congress is going to specifically tell the NLRB how to do it. As I said, yesterday we voted 99–0 to strike the Beck language from this bill. We are coming right back in again today and asking this body to re-inject itself into the Beck decision.

The Beck decision requires notice. The NLRB already has rich case law on what constitutes notice and how to make sure members receive legally sufficient notice. For us to specify, as the Helms amendment does, would be a return to exactly what we are trying to avoid by the vote we cast yesterday.

For those reasons, I urge rejection of this amendment.

Several Senators addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. McCONNELL. Obviously, unions have every incentive to inform workers of their right to organize and their rights to get them to join unions. That is to their advantage. They do not have an incentive to notify members of their opportunity to get their own money back. That is precisely what the Helms amendment is about: to require notification to individual union members of their rights to receive a refund.

It seems to me it is quite simple. It looks to me as if the opponents of this amendment think it is perfectly all right for unions to notify employees about the opportunities to organize but not the opportunities to receive any refunds they are due under Federal law.

So it is quite simple. I certainly urge adoption of the Helms amendment.

I yield the floor.

Mr. DODD. Mr. President, I yield 2 minutes to my friend from Wisconsin.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I will vote against this amendment. I, too, thought we had finished with the antilabor amendments yesterday when we agreed to remove the codification of the Beck provision from the bill. The debate on this campaign finance reform bill is not the proper forum to address labor law issues.

I think these kinds of amendments have, at this point, become distractions. Sooner or later, those who oppose this bill are going to have to quit trying to change the subject and face up to the real issue, the corrupt soft money system that they have defended by standing in the way of reform.

Sooner or later, we are going to get to the point where people realize a majority of this body wants to pass this reform, a majority of the House wants this reform, and most importantly, the American people want this reform.

This amendment requires a notice to be posted in every workplace telling union members that they have a right to quit their union. That is not balanced and is not evenhanded. So what is next? I guess we should require all companies to send a notice to their shareholders letting each and every one of them know they have a right to sell their shares if they do not like the political spending of the corporations. That is the logical implication of this.

I think it is fitting that our last vote of this week will be to table this amendment. If we learned nothing else this week—actually, I think we have learned a lot, but if we learned nothing else, we now know for sure the Senate is not going to add antiunion amendments to this bill. And it is not going to do that not because it wants to protect labor but because it wants to protect reform.

I thank my colleagues, especially on the Republican side of the aisle where the pressure to take a shot at labor is intense, for standing firm against these distracting and irrelevant amendments and moving us ever closer to passing the McCain-Feingold bill.

Mr. McCONNELL. Mr. President, here is an example of the need to ensure union members know of their rights. In 1959, Congress enacted the Labor Management Reporting and Disclosure Act, LMRDA, to "protect the rights and interests of union members against abuses by unions and their officials." The act gave union members various substantive rights that were considered so crucial to ensuring that unions were "democratically governed and responsive to the will of their membership" that they were labeled the "Bill of Rights of Members of Labor Organizations."

Of course, Congress realized that the protections provided in the Bill of Rights of Members of Labor Organizations were meaningless if union members did not know of their existence. Therefore, in section 105 of the LMRDA, Congress mandated that "[e]very labor organization shall inform its members concerning the provisions of this chapter."

Unfortunately, as demonstrated by the United States Fourth Circuit Court of Appeals' recent decision in Thomas versus The Grand Lodge of the International Association of Machinists, No. 99-1621 (January 27, 2000), labor unions have frustrated the will of Congress for over 40 years and sought to prevent their members from learning of the rights Congress gave them. Unions have done this by simply disregarding Congress' direct command to notify "[e]very labor organization shall inform its members concerning the Bill of Rights of Members of Labor Organizations in the LMRDA.

Unions take the meritless position, the Machinists Union asserted in the Thomas, that their one-time publication of the Bill of Rights of Members of Labor Organizations in the LMRDA to their membership in 1959 satisfied their obligation under section 105.

The Court of Appeals rejected this argument, as any sane person would, because it ran "counter to the clear text of [section 105]", which, according to the Court clearly states Congress' intent "that each individual [union member] soon after obtaining membership be informed about the provisions of the [Bill of Rights of Members of Labor Organizations.]" Unions have been flouting the law in this manner since 1959, so there is a need to not only ensure that workers know their rights, but real need to make unions obey laws that have been on the books since 1959 that require them to provide certain notices to workers. Does my colleague support unions disregarding their obligations under the LMRDA?

Mr. President, I repeat, if this amendment is voted down, it is further evidence during this debate that no amendments will be adopted that in any way adversely impact organized labor. All of those amendments have been described as a poison pill. It is pretty clear, as we move along, that anything that provides any kind of discomfort for the largest special interest in America will not be included in this bill.

Mr. President, I yield the floor.

Mr. DODD. I yield 30 seconds to the Senator from Michigan.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. LEVIN. I thank my friend from Connecticut.

Mr. President, yesterday we decided we were going to leave the Beck interpretation and implementation to the courts. That is exactly where that is right now. This whole issue of what is related to collective bargaining is being litigated now in the courts. This amendment goes in the opposite direction.

In the Nickles amendment yesterday, we said, let's be silent on the definitions that are involved in Beck. This now puts in a partial definition, as the Senator from Connecticut pointed out, in only parts which are aimed at reducing participation and free association. That is not what we should be doing. We should keep our eye on eliminating the soft money.

Mr. DODD. I yield 30 seconds to the Senator from Arizona.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. McCAIN. Mr. President, I point out, I did have a meeting with the leader of the AFL–CIO in which he expressed his dissatisfaction with several portions of this legislation.

I believe it should also be reiterated that taking out the Beck language was something that was agreed to on both sides.

Mr. President, I am going to make a motion to table this amendment at the appropriate time.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Connecticut has 30 seconds. The Senator from Kentucky has 5 minutes.

Mr. McCONNELL. I yield back our time.

Mr. DODD. I yield back our time.

Mr. McCAIN. Mr. President, I move to table the amendment and ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion to table the Helms amendment No. 141, as modified.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from California (Mrs. BOXER), the Senator from Delaware (Mr. CARPER), the Senator from Illinois (Mr. DURBIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Georgia (Mr. MILLER), and the Senator from Washington (Mrs. MURRAY) are necessarily absent.

I further announce that, if present and voting, the Senator from California (Mrs. BOXER) would vote "aye."

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 40, as follows:

[Rollcall Vote No. 46 Leg.]

YEAS—53

Akaka
Baucus
Bayh
Biden
Bingaman
Breaux
Byrd
Cantwell
Carnahan
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
DeWine
Dodd
Dorgan
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kerry
Kohl
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Snowe
Specter
Stabenow
Torricelli
Wellstone
Wyden

NAYS—40

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Craig
Crapo
Domenici
Ensign
Enzi
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—7

Boxer
Carper
Durbin
Kennedy
Landrieu
Miller
Murray

The motion was agreed to.

Mr. SCHUMER. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. LOTT. Mr. President, we have agreed that this was the last vote of the day. If I may have the attention of the managers, I believe there is an understanding that we will do a couple more amendments today.

Mr. McCONNELL. Will the Senator yield?

Mr. LOTT. I yield to Senator McCONNELL.

Mr. McCONNELL. I believe on this side we have an amendment from Senator HUTCHISON of Texas and Senator FITZGERALD of Illinois to be laid down this morning and dealt with Monday, and I believe one on the Democratic side as well.

Mr. DODD. If the Senator will yield, we are hopeful Senator WELLSTONE will have an amendment. I do not think he will offer it today but maybe first thing on Monday about noon. It should not take much time. We can have that and then go to the Hollings proposal at 2 o'clock, I believe, on which we will have 4 hours; is that correct?

Mr. LOTT. Under the agreement, I believe it is actually five, but we have worked out that we will shorten that time and it will only be 4 hours.

Mr. DODD. With the debates ahead of time and some votes ready, we should have business to do when Members come back on Monday.

Mr. LOTT. I remind all the Senators that we can expect one or two, maybe even more votes, as many as four around 6 o'clock on Monday. As always, Senator DASCHLE and I will try to accommodate as many Senators as is possible, but we have to make some progress on this legislation. We are trying to accommodate everybody by having debate and then stacking those votes on Monday. As my colleagues know, we have not been stacking votes, but we need to do that in order to make progress and have those votes late Monday afternoon.

Also, while we have had a free-flowing debate and vote on amendments and some people like the way this is progressing, at some point we need to identify how many amendments are out there, how many are pending. I understand Senators are now coming up with some new ideas for amendments they may want to offer.

The whole idea has been from the beginning that while we will have full debate and amendments offered, at some point next week—hopefully by Thursday night—we will get to a conclusion of this consideration. We cannot do that if we do not know what amendments are out there and if we do not begin to make more progress in terms of the amount of time we spend on amendments. We do not have to spend the full 3 hours or 4 hours on amendments. If my colleagues need to, fine, but I hope the managers of the legislation and those who have been working on it—Senator McCAIN, Senator FEINGOLD, Senator McCONNELL, and Senator DODD—will receive the cooperation of Senators so we will know what we can expect next week. If you look at the stacked votes on Monday and look at the next 3 days—we have been doing two or three amendments a day, perhaps as many as three now—that would mean we could only do nine or ten more amendments. I hope Members will think in those terms to get to a point where we get a fair conclusion.

Mr. McCAIN. Will the majority leader yield?

Mr. LOTT. I am happy to yield.

Mr. McCAIN. I thank the majority leader. I understand the necessity, because of the weekend, that there may be two or three stacked votes on Monday. But the original agreement was we wouldn't stack any votes. So it will be my intention to object for the rest of the week after these stacked votes. These are too critical to wait over the weekend and let them sit out there to then have everybody come running in to vote on them.

I thank Senators DODD and McCONNELL. We have had an excellent debate and a ventilation of this issue which has been educational not only to Members but to the country.

I also emphasize we need to get this done. I understand the urgency of moving to the budget the week after next, but we need to get this issue completed. I hope all Members understand that. We are committed to staying on this until we get a final vote either up or down on the bill.

I thank the majority leader for all his help. This has been a debate that I can personally say I have enjoyed and I think other Members have as well.

Mr. LOTT. Mr. President, it is obvious we are probably going to have to go late Tuesday, Wednesday, and Thursday night to get this accomplished. We have difficulty when we have Senators say: I have an amendment, but I don't want to offer it Thursday night or Friday or Monday, but I am available Tuesday—as is everybody else. I hope Senators, if they are serious, will take advantage of prime time on Friday morning or Monday night at 8 o'clock, which is, I believe, about 5 o'clock in California. It would be a very good time to offer a serious amendment.

I yield to Senator DASCHLE.

Mr. DASCHLE. At times in the past when we have had debates of this kind—and this has been a very productive and good debate this week—we have sought unanimous consent for a finite list, and it would be something we might want to contemplate doing maybe no later than Monday evening so we can work down a list and try to find ways in which to manage the remaining amendments.

Most Members on this side would be prepared to work with the leadership to find a way to do that. That may be something we want to contemplate over the weekend.

Mr. LOTT. Mr. President, I know the managers are trying to identify those amendments. I talked to Senator McCAIN and Senator McCONNELL about getting that list identified clearly by Tuesday; certainly to get that done it would have to be in on Monday.

We do have pending before the country the need for action on our budget for the year, on tax relief that could be beneficial to all Americans and the economy. We have the education legislation reported out of the Health Committee ready to go as soon as we come back from the Easter recess, and we have an energy problem in this country that needs some attention, too. We have a lot of very serious work we need to do on behalf of the American people.

I hope we can complete this bill by the end of next week, and I expect that to be the case.

Mr. McCONNELL. Will the Senator yield?

Mr. LOTT. I yield to the Senator.

Mr. McCONNELL. I say to the distinguished majority leader, it shouldn't be a problem coming up with a list of amendments by sometime Monday.

I think it was George Orwell in the novel "Animal Farm," who said all pigs were equal but some pigs were more equal than others. All amendments are equal, but I think we have a sense of the really important amendments and those will be dealt with in the early part of the week. I think we will have a clearer sense of where we are.

I also want to agree with Senator McCAIN. This has been a superb debate, enlightening for all the Members. A lot of Members, and hopefully members of the press, have learned a little bit more about a very complex issue which we have had out here in a freewheeling fashion for the last week. We understand the need to get to a conclusion and will work toward that on Monday.

Mr. DODD. Will the Senator yield?

Mr. LOTT. I yield.

Mr. DODD. I think there has literally only been half an hour or an hour of quorum calls all week. The Members have engaged in the debate. This is like the preparation of bacon and eggs. The Members are deeply committed to this issue in some ways, and we are spending the time on it.

I hope next week we can complete this. We have had wonderful debate and good amendments, by the way. We have improved this bill. I think both Senator McCAIN and Senator FEINGOLD would agree there have been improvements to the legislation as a result of the amendment process.

I know the other issues are tremendously important and all of us care about them. This issue goes to the heart of all of those questions, as well. This will be an important debate.

I thank my colleague from Kentucky and the Members who have been on the floor during the week. They have contributed to the debate substantially.

Mr. LOTT. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. I thank the Presiding Officer. I wanted to ask the distinguished majority leader if I might make some comments, few in number, with respect to the subject of the forthcoming action on the budget that had been mentioned. My leader on the Budget Committee is not here at the moment but I simply want to say on behalf of myself and other Members of the Budget Committee, particularly those on my side, we do really need to have a good debate on the budget.

I will probably have a few additional comments later today, but for now let me just remind the Senate that according to reports, the Budget Committee will not report out a budget resolution. This will be the first time, I am told, in the history of this Budget Act that the Senate will not have the benefit of a markup in the Budget Committee. I am not saying at this point to criticize anybody, but this is something new. I am a new member of the Budget Committee so I am learning some things as we go along.

I do have to make that point. The people of this country are going to be denied, as Senators will be denied, the opportunity to listen to and to engage in debate in the Budget Committee, with amendments being offered and acted upon in that committee before a budget resolution is sent to the floor. It probably won't be reported from committee, a resolution, but according to the law, it is due to be reported by April 1, April 1 being a Sunday, and we understand it is due to be reported, due to be put on the calendar without debate, without amendments in the committee, by April 2.

Now, the second wrinkle in this horn is the Senate has not yet received the budget from the administration. We have received kind of a blue outline which, like the apostle Paul said, enables us to see through a glass darkly. We don't have a budget. That is not something that is unheard of, as I will say later today, and which was also emphasized yesterday by the distinguished Senator from New Mexico, Mr. DOMENICI, the very able chairman of the Budget Committee.

I do have a few things, after I read the RECORD, that I want to say in that regard. I only want to say, Mr. Leader, whatever we can do to help the Senate to be able to examine this budget resolution when it is called up, have ample time to do it, and I want us to be able to act with some idea of what the administration is going to have in its budget.

We had earlier understood that the budget would be up here on April 3. Now we are told it will be up here on April 9 which is, I believe, the first Monday or Tuesday in the recess. So we will get the budget in the recess. But by then, according to the schedule that we understand will be followed, the budget resolution will be called up in the Senate and acted upon.

I will make a few additional remarks on this subject after I read the RECORD because my distinguished and beloved friend, PETE DOMENICI, chairman of the Budget Committee, made some comments yesterday, and I have no fault with that at all, but I do want to read those comments.

Please understand we are being confronted very soon with a matter which is going to be very controversial, thorny, and heatedly debated at times, which is all right. But the Senate needs to be put on notice. The people need to be put on notice that this is coming. Coming events cast their shadows before them.

This is an event that is casting its shadow. Unfortunately, we are not going to have an opportunity in the Budget Committee to make our wishes known.

The distinguished Senator from Michigan is on the floor. She is on that committee—a very able new member. I am a new member—not so able, but a new member. But she is a very able new member and she will join with me in calling attention to this. Not much is being said about this right now, but it is out there, it is coming, and it is probably the most important subject that this Senate will discuss this year. It involves a huge tax cut.

I was glad to see in the newspaper this morning that the distinguished chairman of the Budget Committee, Mr. DOMENICI, is thinking of having—I don't know how accurate this is, how accurate the story is, but he is thinking in terms of having a rebate, which I think might be a very good approach. But he is also thinking of still having a 10-year approach. I haven't heard him say that. We will certainly be listening with great interest to what he has to say on this point.

I thank both leaders for allowing me to take these few minutes because I don't think the time has been ill spent by my calling to the attention what lies ahead.

In closing, let me thank Mr. McCAIN for his objections to stacked votes. That may be a thing we ought to do, not just with reference to this particular bill that is before the Senate, but we perhaps ought to object to stacked votes. I know how it would inconvenience Senators, but the people did not send me to this Senate for my convenience. I am here to serve them. And it is not in the best interests of the people that we stack votes, and for the very reasons that Mr. McCAIN said.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Ms. STABENOW. Mr. President, if I might just comment for a moment to support the distinguished Senator's comments. Senator BYRD may be in fact a new member of the Budget Committee. He is certainly a person we look to for wise counsel on important subjects such as the budget. I have learned a tremendous amount from him as a member of the Budget Committee. I would add to his comments. I am, in fact, a new Member of the Senate as well as to the Budget Committee, but I have sat through our 16 hearings, had the opportunity to listen to each Secretary, each area of the budget, listening to the views on the President's budget, and at the end of this process when I assumed as a new member I would have the opportunity to put forward the wishes of the people of Michigan—our values, our priorities in the form of a budget—we were told yesterday we, in fact, would not even debate a budget resolution for the first time since 1974 when the Budget Act was put together.

I share Senator BYRD's tremendous concerns. I cannot imagine anything more fundamental than this body debating the future of the country through the budget. I strongly support and urge that the leadership on the other side decide to allow us to do our job on the Budget Committee and come forward with, hopefully, what would be a bipartisan document that would allow us to proceed and work together to do the country's business.

Mr. BYRD. Mr. President, if the distinguished Senator will yield?

Ms. STABENOW. I am happy to yield to the distinguished Senator.

Mr. BYRD. I just want to compliment the Senator from Michigan for the exemplary service she has rendered on the Budget Committee, and I thank her for her comments today.

I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McCONNELL. The Senator from Texas has an amendment to offer, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

AMENDMENT NO. 111

Mrs. HUTCHISON. Mr. President, I ask that amendment No. 111 be reported.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON] proposes an amendment numbered 111.

Mrs. HUTCHISON. I ask unanimous consent the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to exempt State and local political committees from duplicative notification and reporting requirements made applicable to political organizations by Public Law 106–230)

On page 37, between lines 14 and 15, insert the following:

SEC. 305. EXEMPTION FOR STATE AND LOCAL POLITICAL COMMITTEES FROM NOTIFICATION AND REPORTING REQUIREMENTS IMPOSED BY PUBLIC LAW 106–230.

(a) EXEMPTION FROM NOTIFICATION REQUIREMENTS.—Paragraph (5) of section 527(i) of the Internal Revenue Code of 1986 (relating to organizations must notify Secretary that they are section 527 organizations) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by adding at the end the following new subparagraph:

"(C) which—

"(i) engages in exempt function activity solely in the attempt to influence the selection, nomination, election, or appointment of any individual to any State or local public office or office in a State or local political organization, and

"(ii) is subject to State or local contribution and expenditure reporting requirements relating to selections, nominations, elections, and appointments to such offices, and reports under such requirements are publicly available.".

(b) EXEMPTION FROM REPORTING REQUIREMENTS.—Paragraph (5) of section 527(j) of such Code (relating to required disclosures of expenditures and contributions) is amended by striking "or" at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting ", or", and by adding at the end the following new subparagraph:

"(F) to any organization which—

"(i) engages in exempt function activity solely in the attempt to influence the selection, nomination, election, or appointment of any individual to any State or local public office or office in a State or local political organization, and

"(ii) is subject to State or local contribution and expenditure reporting requirements relating to selections, nominations, elections, and appointments to such offices, and reports under such requirements are publicly available.".

(c) EXEMPTION FROM REQUIREMENTS FOR ANNUAL RETURN BASED ON GROSS RECEIPTS.—

Paragraph (6) of section 6012(a) of such Code is amended by striking "section)" and inserting "section and an organization described in section 527(i)(5)(C)".

(d) EFFECTIVE DATE.—Notwithstanding section 402, the amendments made by this section shall take effect as if included in the amendments made by Public Law 106–230.

Mrs. HUTCHISON. Mr. President, this is a technical amendment to a bill that was passed last year by the Senate to correct a problem, and it has corrected part of a problem, but it has caused a problem for our State and local candidates all over the country.

By way of background, this was a bill that was passed in an effort to close a loophole where some stealth PAC organizations that were making contributions and doing advertising did not have to disclose to whom they were contributing or who was contributing to them. In fact, it is called a 527 organization. Almost all political organizations—party committees, candidate committees—are section 527 organizations.

As a 527, they enjoy Federal tax-exempt status and thus do not pay taxes on contributions. While most 527 organizations also file with the Federal Election Commission because they are engaged in express advocacy activities, there are a few organizations, so-called stealth PACs, that did not have to file with the FEC because they are engaged solely in issue advocacy and not in candidate advocacy. These groups generally have been sham organizations.

So in an attempt to close the loophole so that the groups' donors would have to be disclosed, we passed a law last summer requiring all 527 organizations to file notification of their status with the IRS and to disclose certain expenditures and contributions.

The reason these groups must file with the IRS as opposed to the FEC is the new disclosure requirements are imposed as a condition of their tax-exempt status. Thus, those groups that choose not to file with the IRS could lose their tax-exempt status.

While this law was intended to target stealth PACs, it has had the unintended consequence of imposing burdensome and duplicative reporting requirements on State and local campaign committees that are not involved in Federal election activities. State legislators across the country have been furious about these new requirements because, of course, they are taking in contributions, as a candidate would, and they do not want to have to file with the IRS as well as the FEC and their State and local requirements.

So the amendment I have introduced is an attempt to fix this, what I think is an inequity that was not intended, by simply saying that if a candidate committee, or any committee, is subject to State or local contribution and expenditure reporting requirements relating to selections, nominations, elections, and appointments to such office, and they report under those requirements, and those reports are public, they would not also have to file with the IRS.

It is a simple amendment. It is a technical correction. I think it will help all of our State and local candidates not to have this burdensome duplication. All of their contributions are reported. Their expenditures are reported. There are State laws governing it.

I know this wasn't intended by Congress when we passed this amendment to section 527 of the Internal Revenue Code.

I hope we can fix this so these State and local candidates will not be subject to losing their ability to run their campaign—hopefully without the burdensome overregulation. Many of them don't even have the capability to hire people to make these kinds of extra disclosures, which are not necessary because they are already public.

The bottom line is if someone already publicly discloses their contributions and their expenditures under a law of the State, they should not be required to also file with the IRS.

That is the summation of the amendment. I wouldn't think there would be an objection to it by either side. I think there wouldn't be an objection by either House of Congress.

I submit for the RECORD a letter from the National Conference of State Legislators, which is a bipartisan organization, asking that this be fixed and stating that it has become an unreasonable burden, one that certainly does not in any way help public disclosure but, in fact, is just a duplication of public disclosure that is already required.

Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE OF
STATE LEGISLATURES,
March 21, 2001.

MS. MELISSA MEULLER,
Ways and Means Counsel, Office of Representative Lloyd Doggett, Cannon House Office Building, Washington, DC.

DEAR MELISSA: I wanted to respond to our phone conversation of several weeks ago wherein you asked me to provide you with more information as to how the new Section 527 law (P.L. 106–230) adversely impacts state legislators, paying specific attention to the new tax code requirements.

P.L. 106–230 requires political organizations to provide notice of status to the IRS by July 31, 2000, unless an exception applies. The only exception available to a state legislative campaign is Sec. 527(i)(5)(B) ("reasonably anticipates that it will not have gross receipts of $25,000 or more for any taxable year"). Given the size of Texas House districts, the cost of running a campaign will almost always be more than $25,000. Failure to file the notice of status results in a penalty in the form of a tax liability. If the political organization fails to file the notice of status by the due date, the organization must include contributions received after June 30, 2000, in taxable income.

The following represents an example of how the new law plays out in Texas:

A Texas House member heard about P.L. 106–230 in July 2000, but did not file the notice of status because he didn't think it applied to his campaign. In his opinion, he doesn't have an "organization," just family and friends who help out. Political contributions to his campaign are deposited in a non-interest-bearing checking account. He was not able to reach anyone at the IRS who could tell him with certainty whether he was required to obtain an EIN and file the notice of status.

He held a fundraiser in November 2000 and raised $42,000 in political contributions. In January 2001, he learned that P.L. 106–230 did apply to his situation. He filed the 1120–POL tax return on March 15, 2001. Following the form's instructions, he included $42,000 in total income and deducted a total of $2,000. The "penalty" for his failure to file the notice of status is $14,000! If he had filed the notice of status before the due date, his tax liability would be $0.

Beginning March 2002, he must file Form 1120–POL if his campaign receives $25,000 in contributions, even though his campaign has no taxable income. In other words, he is required to file Form 1120–POL with all zeros. He must also file Form 990–EZ, the annual information return. According to the IRS, the estimated average time needed to complete Form 990–EZ is more than 51 hours! That includes recordkeeping, learning about the law and the form, and preparing the form.

Under Ch. 254, Tex. Elec. Code, candidates and officeholders are required to file reports at least semiannually with the Texas Ethics Commission, itemizing contributions, pledges, loans, expenditures, and providing certain other information. The threshold for itemization is $50. *See* 254.031, Tex. Elec. Code. Most candidates and officeholders are also required to file these reports electronically.

The purpose of P.L. 106–230 is to ensure full disclosure of political contributions and expenditures. Form 1120–POL does not provide the public with any additional information on contributions and expenditures. Moreover, Form 990–EZ provides only aggregated information. If the public wants detailed information on a Texas House member's contributions and expenditures, the public must still go to the Texas Ethics Commission reports.

I hope you find this information helpful. As I had stated to you in our conversation, the draft legislation proposed by Representative Doggett does not address the concerns of state legislators with P.L. 106–230. I urge you to suggest reworking Representative Doggett's proposed legislation to exempt state legislators from the burdensome and duplicative requirements of P.L. 106–230. Please do not hesitate to contact me if you have any further questions. I may be reached at 202–624–3566, or by e-mail at Susan.Frederick@ncsl.org.

Sincerely,
SUSAN PARNAS FREDERICK,
Committee Director,
NCSL Law and Justice.

Mrs. HUTCHISON. Mr. President, I made the argument. I hope the amendment will be accepted. I understand we will need to clear it through the Finance Committee and make sure they are also not opposed to it.

But I believe if anyone looks at the technical nature of this amendment, they will support it. It would take a terrible burden away from our State legislators and local candidates for mayor or city council.

I certainly hope we can do that in an expedited way.

I yield the floor. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE BUDGET

Mrs. HUTCHISON. Mr. President, I wanted to speak for a few moments as if in morning business to talk about the budget and what the distinguished Senator from New Mexico is proposing.

I was privileged to be in a briefing to learn what the committee is looking at. It was discussed earlier on the floor that the bill is going to come straight out of committee.

I am pleased that is going to happen because I would like to have just as much say in the budget as would any Member of the Senate. We will have 30 or 50 hours of debate. We will have plenty of time to discuss our priorities. But with this evenly divided Senate, more and more, all of us are going to have the opportunity on the floor to have our input rather than not have it come to the floor and bog down the process.

I am very pleased with what we are hearing. I am very pleased that we are bringing the budget up on an expedited basis because I think we need to move swiftly. Our country is looking at an economic downturn. Many people think it is a recession. I hope it isn't. But, nevertheless, I think action is needed. I think action on behalf of the American people is warranted at this time.

I think setting the budget and determining what our priority expenditures are going to be and looking at giving tax relief to American workers at this time is even more important than it was when we first introduced the idea because many of us believe that having this huge budget surplus sitting in Washington, DC, is certainly not good economic policy and it isn't good fiscal policy.

It is time for us to make sure the money that is sitting in Washington, DC, in excess of what is needed for the running of our Government be put back in the pocketbooks of the people of this country.

I am very pleased we are working on an expedited basis. I am pleased we are going to take up a budget. I am pleased Senator DOMENICI, the leader of the Budget Committee, is pushing right now, right this minute, for an immediate tax relief plan—something that people will see is going to come. They will know for sure that is going to come, and that it will come, hopefully, on an expedited basis.

I am very proud the Budget Committee is moving forward in this fashion. I am so proud of our leadership. I hope we can work with the other side of the aisle so all of us will have equal input in the 30 to 50 hours of debate that we have on the budget resolution so we can establish our priorities; so we can preserve Medicare; so we can have real Medicare reform to include prescription drugs; so we can have the new added expenditures that we know we are going to need to upgrade the quality of life for those serving in our military; and so we can increase spending on public education to make sure every child has a quality public education, which is the foundation for democracy.

I think we will have those added expenditures and we will have tax relief for the American people.

If we can take up this budget resolution a week from Monday, we will do it on an expedited basis.

I am proud of Senator DOMENICI and the leadership of the Budget Committee. I am proud of our leadership and their working with our President to make sure we have tax relief for hard-working Americans.

Thank you, Mr. President.

I yield the floor.

CAMPAIGN REFORM ACT OF 2001—Continued

AMENDMENT NO. 111

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. McCAIN. Mr. President, I rise to discuss this amendment which I am sorry to oppose.

I appreciate the involvement of the Senator from Texas in this issue and on this particular aspect of it because it was the first major breakthrough we were able to make in the area of campaign finance reform requiring full disclosure of 527 activities.

Now that full disclosure has been obtained, we find some fascinating things have gone on in the name of campaign activities, such as buying trucks, giving people very generous salaries, renting office space—very interesting things.

Basically, as I read this amendment, it does not require the State and local political committees to notify and report the requirements imposed in 527.

As I understand the comments of the Senator from Texas, I guess somehow it gives them burdensome paperwork that would be difficult for them to achieve in the case of 527s.

They are making these reports, and all they have to do is make a copy and send it to Washington. So for a 527, it seems to me, it would not be that hard to use a copying machine. In fact, you might want to even go down to Kinko's and get one there.

But more importantly, this is a reversal of full disclosure. Everybody, no matter which side they are on in this debate, says an integral and vital part of the problem is full disclosure. This is obviously a reversal thereof.

Also, staff informs me that this entire bill would be blue-slipped if this amendment were made part of it because it touches the Tax Code. Changes in the Tax Code originate in the House of Representatives and it would have to come out of the Ways and Means Committee.

So I will be opposing this amendment. I appreciate the involvement of the Senator from Texas. But to exempt people from making a copy of their financial disbursements in their campaign activities and sending it on to Washington, where, if Senator COCHRAN'S amendment is going to be agreed to as part of this bill, it would be posted on the Internet and all would be able to see it, is obviously not something that I would really very much favor. I would want Americans to know all this information.

I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I respond to the Senator from Arizona by saying, first of all, I hope he will work with me to try to have the purpose of my amendment added to this bill. If there is a specific problem, I would like to work with the Senator because I do not think the amendment we had last year, that affected the 527 organizations, was intended to affect State and local candidates who do not participate, in any way, in Federal elections.

I think it is very clear from the amendment. If it isn't clear, I will certainly try to make it clear in the amendment that it would only apply to a State and local candidate who had reporting requirements and whose reporting requirements were covered under State law. Copying the report and sending it to the IRS is, unfortunately, not what happens when you pass a Federal law that affects State and local candidates.

What happens is, you have a form that the IRS approves, which may not be the same as is required in some States. So it is a burdensome, added requirement. Furthermore, it isn't necessary because nothing that they do is participating in the Federal campaigns.

The second issue is an important one. It is not my purpose to blue-slip the bill or kill the bill. In fact, if the bill were to be blue-slipped, I would withdraw the amendment. I do not think it is subject to being blue-slipped.

In fact, the original amendment last year was offered to the Defense authorization bill. It was brought up at the time that this was a revenue measure and, therefore, was unconstitutional to be put on the Defense bill. In fact, we voted on that point of order, and it was determined that this is not a revenue measure.

Senator McCAIN, along with many of the other cosponsors of the bill today—Senator McCAIN and Senator FEINGOLD—agreed that this was not a revenue measure. In fact, Mr. McCAIN argued on the floor at the time:

> This amendment in no way raises any revenue, nor does it change in any way the amount of revenue collected by the Treasury pursuant to the Tax Code. It is simply a clarification in what information must be disclosed by entities seeking to claim status under section 527 of the Tax Code.

So I believe it certainly would not be considered a revenue measure and therefore would not be subject to a blue slip that would kill the bill.

It is not my intention, with this amendment, to harm the bill itself. It is, though, my intention to try to alleviate this burdensome requirement for State and local candidates who would have to have another layer of reporting.

I hope the Senator will work with me to make this acceptable to him because I do not think it will in any way damage the bill and certainly will not damage the reporting that is open to the public because State law would cover all of these candidates in their vote disbursements and contribution reporting requirements.

Thank you, Mr. President.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I say to the Senator from Texas, I thank her for this effort. We do want to work with her. I would like to put my staff to work with hers. And there are several other Senators' staffs who have also been working on this issue. I think we might be able to get something done.

I will make a couple points. One, these organizations do get a Federal tax benefit even though they are only involved in State and local races. That is something we have to address. The other point is, as the Senator from Texas did point out, I argued strenuously that our legislation, which was put on the Defense bill, would not be blue-slipped by the House and should not have been. And I still believe that. I agree with the Senator from Texas that this should not be blue-slipped either.

But after we passed the bill, and they went to conference, the House was insistent upon their position that it would be blue-slipped. So it was withdrawn from the Defense bill because of that adamant position the other body assumed.

I have been discussing this matter with our staffs, and I think there is a way to work it out. I agree with the Senator from Texas, we should not put additional burdens on especially a majority of these relatively small organizations that are engaging in State and local campaigns. So I rather believe we can probably get something worked out and get it modified so it is acceptable to both the Senator from Texas as well as all Senators.

I thank the Senator from Texas. We are going to work on it. I thank her for her engagement on this very important issue.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I respond by saying, I do appreciate that Senator McCAIN will work with us. Even though certainly a State and local candidate does not pay taxes on the contributions he or she receives, nevertheless, this should not be a report to the IRS when the reporting is covered—a point with which I think the Senator from Arizona agrees.

Secondly, I will say right now that I would like to work with the key people in the House and the key people in the Senate to assure—before we put this amendment on the bill, or the amendment as we can work it out—that it will not be blue-slipped because if this is going to be a game that will be played by someone who is not for the bill, I will not be a part of it.

My views on the bill might differ—and do differ—with the Senator from Arizona, and I will vote my conscience on the bill. But I am not playing a game here to try to kill the bill with a blue slip on an amendment. So I will have it cleared before we make a final determination because that is not my purpose.

My purpose is to give the relief that I think we probably all agree should be given. I think the House and Senate will unanimously want to do it.

We will clear the blue slip issue to everyone's satisfaction before that would go on the bill.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, my colleague from Arizona has described the hesitations that those of us have about this amendment. They are mere hesitations, not opposition. It is a desire to ensure that what the Senator from Texas is trying to achieve, will in effect, be accomplished by the result and nothing more.

Certainly my colleague from Texas can appreciate that unintended consequences of our good intentions sometimes can have effects beyond our imagination.

Mrs. HUTCHISON. I think that is what happened with the original 527 act. That does happen.

Mr. DODD. Hopefully, we can narrow that.

My colleague from Kentucky may want to be heard on this, but I recommend the Senator withdraw the amendment. Obviously, as soon as she is ready to bring it back up for debate, we will accommodate her. If she wants to bring back the amendment as crafted or whatever her version will be, that will certainly be allowable. It would be a good way for us to proceed. I recommend that, if she is so inclined, and we can all work together to try to achieve the result she desires.

Mrs. HUTCHISON. Mr. President, I am happy to withdraw the amendment. I did want to propose it and have the debate. I thought it would actually be acceptable. I think it will be in the end. I am happy to work with the House to assure that there will be no blue slip problem. I think, on the merits, this is not a blue slip issue.

Mr. McCONNELL. Will the Senator yield?

Mrs. HUTCHISON. I am happy to yield.

Mr. McCONNELL. I missed part of the debate. Is the Senator saying she is going to withdraw the amendment?

Mrs. HUTCHISON. I was requested to withdraw the amendment so that we might move forward.

Mr. McCONNELL. I suggest, if it is going to be continued to be considered in the course of this debate, it might be better to simply lay it aside. That keeps it in order. If it is certain that it will not be dealt with in the context of this debate, then withdrawal will be appropriate. I missed the earlier discussion:

Mr. DODD. I say to my colleague, the problem is that if you lay an amendment aside, it takes unanimous consent to continue to lay it aside for other matters to be brought up. Someone could object to that and provoke a delay in the consideration of the bill. We should probably go with withdrawal, with the commitment to the Senator that we will bring it back up.

Mr. McCONNELL. Mr. President, we have had a great deal of comity during the course of this debate. The biggest problem Senator DODD and I are going to have is accommodating amendments that Members haven't come over to offer. My concern is, the amendment of the Senator from Texas, having done what we asked her to do, which is come over and lay down her amendment, by withdrawing it, goes back into the herd that may or may not get dealt with at the end. By simply setting it aside, she is in line. It gives an opportunity for discussions to continue with the Senator from Arizona and others who, I gather, think there might be some way to work this out. She is still in line rather than sort of getting sent back to the back of the bus. That is my advice to the Senator from Texas.

Mr. DODD. I appreciate that. The problem is, we can't control what 98 other Senators want to do.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. McCAIN. Will the Senator yield for a question?

Mrs. HUTCHISON. I am happy to yield.

Mr. McCAIN. Mr. President, with the staff of the Senator from Texas and our staff, if we work it out, which I am 90 percent sure we will, then there is going to be no debate. We will bring it up and accept it. I don't think it will be too big a problem getting back in the queue on an amendment that is going to be basically accepted. If not, then it is going to be brought up, and we will have the full 3 hours of debate. I suggest the Senator from Texas go ahead and withdraw it. Then we can bring it up after we have an agreement. We can have it done in 30 seconds, since we have already debated the underlying issue.

Mrs. HUTCHISON. If I could make a parliamentary inquiry, if I withdraw the amendment—I don't know if there has been a unanimous consent that has limited amendments—I just want to make sure I don't lose any ability to consider the amendment. I don't want to be in line and cause one person to hold the bill up. Again, I am not in the game. I am just trying to have this amendment be agreed to. I think it will be.

Mr. McCONNELL. If the Senator will yield, we are in the process of working on a list of amendments which will probably be completed by sometime Monday. Your amendment will certainly be on the list. What we don't know, given the limited amount of time remaining between now and Thursday night, is whether that guarantees its consideration.

The Senator from Arizona is correct; if Senators work it out, there will be no problem. If they don't work it out, I don't want the Senator from Texas to think it is a certainty that we are going to be able to handle all these amendments before we get to final passage.

Mr. McCAIN. If the Senator will yield, I wish to make it clear, if we are not done by Thursday night, it will be done on Friday; if it is not done on Friday, we will be on it Saturday; if we are not done on Saturday, Sunday; if not Sunday, Monday. We will make time for the amendment of the Senator from Texas. We will not leave this legislation as long as I have the ability to keep us on it. If I don't, then all amendments will go, and so it won't matter whether the amendment came up or not.

AMENDMENT NO. 111, WITHDRAWN

Mrs. HUTCHISON. Mr. President, based on the assertions of the Senator from Arizona, the Senator from Connecticut and what the Senator from Kentucky has said, that we will be drawing up a list of amendments early next week, I will withdraw the amendment and rely on the good faith of everyone to work on this amendment to try to relieve the inequity without getting into the bill itself or damaging the bill itself.

The PRESIDING OFFICER. Is there objection to the Senator's request to withdraw the amendment? Without objection, the amendment is withdrawn.

Mr. McCONNELL. I thank the Senator from Texas. I hope she and the Senator from Arizona can work this out to their mutual satisfaction so we can accommodate what I think is a very good idea.

Mr. DODD. May I make a parliamentary inquiry. Is not the pending business the Specter amendment?

The PRESIDING OFFICER. The Senator is correct. The Specter amendment was set aside by unanimous consent.

Mr. DODD. Any motion to bring up an amendment requires unanimous consent to lay that amendment aside, is that not correct?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Kentucky.

Mr. McCONNELL. I believe the Senator from Illinois is here, and he would like to offer an amendment. Building on the conversation Senator DODD just had with the Chair, I say to the Senator from Illinois, the Specter amendment is the pending amendment. I ask unanimous consent that the Specter amendment be temporarily set aside in order to give the Senator from Illinois an opportunity to send his amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

AMENDMENT NO. 144

Mr. FITZGERALD. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Illinois [Mr. Fitzgerald] proposes an amendment numbered 144.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER: Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide that limits on contributions to candidates be applied on an election cycle rather than election basis)

On page 37, between lines 14 and 15, insert:

SEC. . CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.

(a) INDIVIDUAL LIMITS.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

"(A) to any candidate and the candidate's authorized political committee during the election cycle with respect to any Federal office which, in the aggregate, exceeds $2,000;".

(b) MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2)(A) of such Act (2 U.S.C. 441a(a)(2)(A)) is amended to read as follows:

"(A) to any candidate and the candidate's authorized political committees during the election cycle with respect to any Federal office which, in the aggregate, exceed $10,000;".

(c) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 101, is amended by adding at the end the following:

"(25) ELECTION CYCLE.—The term 'election cycle' means, with respect to a candidate, the period beginning on the day after the date of the previous general election for the specific office or seat that the candidate is seeking and ending on the date of the general election for that office or seat."

(d) SPECIAL RULES.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following:

"(9) For purposes of this subsection—

"(A) if there are more than 2 elections in an election cycle for a specific Federal office, the limitations under paragraphs (1)(A) and (2)(A) shall be increased by $1,000 and $5,000, respectively, for the number of elections in excess of 2; and

"(B) if a candidate for President or Vice President is prohibited from receiving contribution with respect to the general election by reason of receiving funds under the Internal Revenue Code of 1986, the limitations under paragraphs (1)(A) and (2)(A) shall be decreased by $1,000 and $5,000."

(e) CONFORMING AMENDMENTS.—

(1) The second sentence of 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended to read as follows: "For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for the office and no election is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held."

(2) Paragraph (6) of section 315(a) of such Act (2 U.S.C. 441a(a)(6)) is amended to read as follows:

"(6) For purposes of paragraph (9), all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

Mr. FITZGERALD. Mr. President, I have an amendment to S. 27 that was actually proposed by my own campaign treasurer and, after I started to look into it, I found out that the FEC had, in fact, made this very same recommendation to President Clinton last year and this year to President Bush.

This is an amendment that will simplify the existing Federal election code limits and simplify the bookkeeping and recordkeeping requirements of the act without changing any of its substance.

Right now there is a contribution limit of $1,000 per primary and per general election. Any individual can give up to $1,000 for the primary that a candidate is in and another $1,000 for the general election. It is permissible under current law for candidates to actually ask their contributors to give them $2,000 right now, as long as they designate that $1,000 is for the primary and $1,000 is for the general election. And this system has been in place since the act first came into existence in the early 1970s. The problem with the way the act is written is that if a contributor fails to designate which election their contribution is for, and that contributor has already given $1,000, and they give another $1,000, if they do not designate that that contribution is for the succeeding election—say he already gave $1,000 for the primary, and he fails to designate that his additional $1,000 contribution is for the general election, then the candidate must refund that $1,000, unless he gets the contributor to fill out a form saying for which election he or she designates the contribution.

This causes a lot of bookkeeping headaches for your treasurer. I am sure if you check with your own treasurer, Mr. President, he or she would love this amendment. In fact, the treasurers of all 100 Senators would immediately see the wisdom in my amendment.

My amendment would change that per election limit of $1,000 to a per cycle limit of $2,000. So, in other words, you would collect $2,000 from a contributor and not worry about whether the contributor has designated $1,000 for the primary and $1,000 for the general election.

Mr. President, the FEC, in their recommendation to the President—I am going to read what they said about this. They recommended that we change this. It simply would save them a lot of time and staff resources, and it would also save our own campaigns a lot of time and bookkeeping headaches that are simply necessitated by the way the act is phrased. Instead of having a per cycle contribution limit, we have a per election limit, and we have to keep sending these redesignation forms to our contributors.

The FEC, in their letter to the President in March of this year, this month, wrote:

> The Commission recommends that limits on contributions to candidates be placed on an election cycle basis, rather than current per election basis.

Their explanation for their recommendation was as follows:

> The contribution limitations affecting contributions to candidates are structured on a "per election" basis, thus necessitating dual bookkeeping or the adoption of some other method to distinguish between primary or general election contributions. The Commission has had to adopt several rules to clarify which contributions are attributable to which election and to assure that contributions are reported for the proper election. Many enforcement cases have been generated where contributors' donations are excessive vis-a-vis a particular election, but not vis-a-vis the $2,000 total that could have been contributed for the cycle. Often, this is due to donors' failure to fully document which election was intended. Sometimes the apparent "excessives" for a particular election turn out to be simple reporting errors where the wrong box was checked on the reporting form. Yet, substantial resources must be devoted to examination of each transaction to determine which election is applicable. Further, several enforcement cases have been generated based on the use of general election contributions for primary election expenses or vice versa.
>
> Most of these complications would be eliminated with adoption of a "per cycle" contribution limit. Thus, multicandidate committees could give up to $10,000 and all other persons could give up to $2,000 to an authorized committee at any point during the election cycle. The Commission and committees could get out of the business of determining whether contributions are properly attributable to a particular election, and the difficulty of assuring that particular contributions are used for a particular election could be eliminated.
>
> Moreover, public law number 106-58 (the fiscal year 2000 appropriations bill) amended the Federal Election Campaign Act to require authorized candidate committees to report on a campaign-to-date basis, rather than on a calendar year basis, as of the reporting period beginning January 1, 2001. Placing the limits on contributions to candidates on an election cycle basis would complement this change and streamline candidate reporting.
>
> It would be advisable to clarify that if a candidate participates in more than two elections (e.g., in a post-primary runoff as well as a primary in a general), the campaign cycle limit would be $3,000. In addition, because Presidential candidates might opt to take public funding for the general election, but not the primary, and thereby be precluded from accepting general election contributions, $1,000/$5,000 "per election" contribution limits should be retained for Presidential candidates.
>
> A campaign cycle contribution limit would allow contributors to give more than $1,000 toward a particular primary or general election, but this would be balanced by the tendency of campaigns to plan their fundraising and manage their resources so as not to be left without fundraising capability at a crucial time. Moreover, adoption of this recommendation would eliminate the current requirement that candidates who lose the primary election refund or redesignate any contributions made for the general election after the primary is over.

Mr. President, we have drafted an amendment to implement this recommendation of the Federal Election Commission. The FEC general counsel's office, I have been told, is OK with the amendment as drafted. I will continue to be in touch with them over the weekend and over the next few days to see if we need to make any technical modifications at all to implement their intentions.

The bottom line is that this amendment does not change at all the substance of the Federal election laws. It simply makes life a whole lot easier for candidates, especially for their financial departments, and in particular their campaign treasurers. This whole business of sending people letters and asking them to designate whether their contribution is for the primary or the general and if they don't return that designation, you have to refund their contribution—all of that, which is necessitated by the inadequate wording of the current law as it stands—is something we could avoid. It serves no public policy purpose that I can identify or that the FEC can identify.

This would simplify things for candidates, their campaigns, and for the FEC. Presumably, it would free up some of the FEC's staff to focus on more serious matters that could violate the spirit of the election laws.

Mr. President, on that basis, I thank you for this opportunity to introduce my amendment. I have shared it with both the Republican and Democratic sides. I would like to have unanimous support for this amendment. I can assure any Senator who votes against this amendment that their campaign treasurers will not be happy with them. This will make their lives easier. With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. McCAIN. Mr. President, may I have 5 minutes.

Mr. DODD. I yield 5 minutes to my colleague from Arizona.

Mr. McCAIN. Mr. President, I thank Senator FITZGERALD. I wonder if the title of this is the "Fitzgerald Campaign Treasurers Protection Act."

Mr. FITZGERALD. That should be the name of this amendment.

Mr. McCAIN. Or "The Treasurers Relief Act."

Mr. FITZGERALD. Yes. The treasurers will love this amendment, and it would cut down on postage expenses and a whole lot of headaches. I urge its unanimous adoption.

Mr. McCAIN. First, I thank Senator FITZGERALD because I also have heard from people who have to keep track of this paperwork. It is voluminous. It is difficult. It is not only an expenditure of money to make sure that all of these reports are correct, but it is an enormous expenditure of time as well.

It seems to me Senator FITZGERALD has an excellent idea. If I understood Senator FITZGERALD, there may be some technical corrections that could be added to the amendment as a result of recommendations by the FEC in order to make sure this is in keeping with the intent of the amendment, I ask my friend.

Mr. FITZGERALD. Yes, we have been in contact with the general counsel's office of the FEC. They just had the last few minutes for review. They have told me they are OK with the amendment, but I want to give them more time and have them scrub it over the weekend to make sure.

In my own mind, I do have a couple questions on which I want to be satisfied. In particular, I have questions about how our amendment affects the requirement that you have to segregate money you have taken in the primary and general. I want to talk to the FEC about that and see whether my amendment fully comports with their intentions. I want an opportunity to make a technical correction later if it is required.

Mr. McCAIN. Reclaiming my time, with the agreement of the managers, I want to approve of this legislation pending technical corrections that could be made which would not, obviously, change it but would be merely technical in nature to make sure the intent of the legislation is in keeping with the fact the FEC is the expert on this matter.

I thank the Senator from Illinois. I strongly support this amendment.

I point out, it may be helpful as we conduct this debate over "hard money" because some people say you can contribute $1,000 a year; well, that really means $2,000 a cycle and the aggregates which are $20,000—what are they?

What we are talking about is how much can you contribute to an election, which is every 2 years. It is valuable for us to have this information. I wish we were talking in those terms now. It would be clearer to people as to exactly how much hard money could be given in the proposals I am sure inevitably we are going to engage in as to raising of hard money.

We would have a clear indication what that means to a candidate in an election. I mention to my friend from Kentucky, we also ought to take into consideration as we debate this issue of hard money—and I see my friend from New York on the floor, too—how much it costs when we are spending this money; how much it costs for a minute of prime time on New York City television on "Monday Night Football," how much it costs for a 30-second commercial on "Friends." We all know in order to legitimize a candidacy, you need to be on television.

I am going to try to inject this in this debate as we go forward, as to how much money candidates are able to spend. It is an important part; that we not only consider how much they can raise but how much it costs to run a campaign nowadays.

I thank my friend from Illinois. I strongly support the amendment. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Connecticut.

Mr. DODD. Mr. President, I, too, commend our colleague from Illinois. Last evening, a very diligent member of his staff caught me about 9 o'clock with this proposal. I read it going back to my office. It looked to me like a good idea then and it sounds like a good idea this morning. The suggestion that the Senator from Arizona has made and that the Senator from Illinois, in fact, has endorsed—that we take a day or so to run the trap, so to speak, on this to make sure there are not any unintended problems with this—is a wise suggestion. I endorse that.

My colleague from Kentucky can clarify this, but this may be the last amendment we consider so it could actually be the pending business when we come back in session.

This is a very sound idea. I know of a case that is related to these kind of circumstances. This goes back now more than 10 or 15 years ago, where a candidate held a series of fundraising events. The events were $100 events or $200 events. An individual actually contributed through these five or six events, without keeping a good track of how much he had actually contributed to the particular candidate. He exceeded the dollar amount by, I think, $50 or $75.

At any rate, the candidate then refunded the excessive portion of the contributions over $1,000 limit. It might have been the individual had contributed $1,200 or $1,050. Whatever the number was, it was relatively minor. The candidate was then fined by the FEC because he accepted excessive contributions. Notwithstanding the fact that the excessive portion had been timely refunded, the fact that the candidate accepted the contributions in excess of the "per election" $1,000 limit triggered a fine.

The candidate was informed by the FEC that if he had gotten a hold of the contributor and said, Didn't you mean the extra $50 was supposed to go to the primary election, or, Didn't you intend for your wife to contribute the $50, there would have been no fine in connection with the overage. The affirmative act of refunding the excessive portion of the contribution had no relevancy in terms of the allegation.

This amendment goes to part of that situation, and it is in everyone's interest, including the FEC, candidate and the contributor, to allow for a more efficient and effective method of streamlining this process than lending oneself to the possibility of an added bookkeeping problem.

It seems to me like a very sound and commonsense amendment. I am hopeful the FEC will agree with that. We will take a look at that over the weekend and keep the Senator and his staff informed as we ask these questions. Maybe we can do it together, with the staffs, so they can be fully informed as to the FEC's response to this.

I am very confident this amendment, or some technical modification of it, can be unanimously adopted. I hope it can be unanimously adopted by the Chamber.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I commend the Senator from Illinois for his excellent amendment. We look forward to its adoption on Monday. I am unaware of any additional amendments to be laid down on our side. Does the Senator from Connecticut have any on his side?

Mr. DODD. I have no additional amendments. My friend and colleague from New York has requested 5 minutes to speak, not on an amendment but on the bill.

Mr. McCONNELL. I suggest I put us into morning business.

I ask unanimous consent that there be a period for the transaction of morning business——

Mr. SCHUMER. Will the Senator yield? I ask I be given 5 minutes at the beginning of morning business because I have to catch a plane. Otherwise, I will speak on this bill and ask for 5 minutes now, if that is OK with my colleague from West Virginia as well. He has been patiently waiting. Whichever way you want to do it is OK with me.

Mr. DODD. I yield 5 minutes to my colleague from New York.

Mr. SCHUMER. Mr. President, I thank the Senator for yielding.

I wish to alert my colleagues to another potential problem we face with this legislation as it evolves. I think the debate has been excellent. I compliment both the Senator from Kentucky and the Senator from Connecticut for a great job in handling this well, as well as Senator McCAIN and Senator FEINGOLD for the job they have done in moving this forward. Those of us who advocate reform are very heartened by what has happened this week. It seems that no killer amendments have been adopted. Lots of changes have been made—good changes but no killer amendments.

Next week, of course, we know we face two known challenges and now there is a third one to which I want to alert my colleagues. The first, of course, is severability. We know that is coming. The second is the Hagel amendment. We know that is coming. The third relates to where this debate has evolved.

Right now it seems the consensus around eliminating soft money is congealing, but, in exchange, people say we should raise the hard money limits, raise the limits an individual can give from $1,000 per election, per cycle, to $2,000 or $3,000—there were proposals from the Senator from California and the Senator from Tennessee respectively on that—but also to raise the aggregate limits, the $20,000 that somebody can give to a party, the $25,000 of hard money that can be given.

I alert my colleagues to a potential problem, particularly if we raise these limits and do nothing else; and that is, what is the so-called 441(a)(d) money. That is money, of course, that the Federal parties are allowed to give to different candidates.

Right now it is limited. It is limited based on the population and the voting population of the State. For instance, in my State of New York, I think the limit is about $1.7 million and the party can give $1.7 million. It is probably considerably less in Connecticut or West Virginia or Arizona. It is larger in California.

The exact number is 2 cents multiplied by the voting agency population of the State.

What has happened, my colleagues, is this: There is a case that has already been argued before the United States Supreme Court. It is called FEC v. the Colorado Republican Federal Campaign Committee. I happen to be an amicus on this case, as are many of my colleagues, including Senator FEINGOLD, among others. In the case, it has been argued that the limits on the 441(a)(d) money should be entirely lifted, that a party can give unlimited money to a Senate or a House candidate.

That, in my judgment, in itself, could obliterate the whole intent of McCain-Feingold, and it would be exacerbated dramatically if we raised the limits—not so much the $1,000 going to $2,000 but the aggregate limits: Take the proposal of my friend from Tennessee; that would triple the limits, I believe. That means every year if a person gives $60,000 to a party, that party, if it so wishes, can give the $60,000 back to that person's State directly to the Senate campaign.

We may call that hard money, but that money is as soft a hard money as there ever was because the difference between hard money and soft money, particularly now with recent Supreme Court decisions that have eliminated limits on party soft money, are now gone. So $60,000, to me, is as soft as money gets. You can call it hard because under the old law it is hard, but it is soft.

If we don't do something to reinstitute in whatever way possible the 441(a)(d) limits, and particularly, if we raise the aggregate hard money limits—not the $1,000 but the aggregate limits—we will have tremendous trouble and we may find that the whole reform we have sought today is for naught. If you can't give the money directly to a candidate or you can give the money not to the party in one way, and can give it this other way under 441(a)(d) with no limit, we have real trouble.

I say to my colleagues, with the help of Senators MCCAIN and FEINGOLD we are working on a proposal to see if we can deal with this issue.

Mr. DODD. I would like to engage in this discussion. My colleague is making a very good point.

Only here could we be sitting around saying that a total contribution amount of $25,000 per person annually is too low. If you take a husband and wife jointly that total amount becomes $50,000 annually, with the potential of each individual to cap his or her annual limit at $25,000 each. The most modest suggestion in other proposals, other than what is in S. 27, is to virtually double that annual amount. We are now talking about a family giving $100,000 in contributions. People are now suggesting that amount is too low. I find that stunning. What percentage of the American public are in a position to donate $100,000 to candidates a year? Or even under the current law at $25,000 annually for individuals—not that many individuals can afford to participate at that financial level. That amount exceeds the average income of a family of this country.

We start talking about campaigns and moaning as politicians that we can't live in a situation where people are limited to giving us $25,000 a year. I find it stunning this is even a part of this debate. We should be focused on eliminating soft money, and yet here we are about to drive a Mack truck through the hard money, as if people understand the distinction between soft and hard money. Money is money. I want to underscore the point my colleague is making.

Mr. SCHUMER. I thank my friend from Connecticut who made the point extremely well.

You can call this hard if you want, but it is as soft as soft money can be. Even in this Colorado case, most of the people who have watched the case have said the Supreme Court, given the past, will get rid of these limits, and then money just cascades in. There are no limits whatever.

I think if the 441(a)(d) limits are eliminated and we raise the hard money aggregate limits, there are a lot of candidates who will not bother to raise the $1,000 and $2,000 because they can do it in these big chunks. We ought to be very careful about this.

As I mentioned, I am trying to craft language that deals with this problem, but the Senator from Connecticut makes an excellent point. Until we have that kind of language in place, to even think of raising hard money aggregate limits would be a serious mistake.

Mr. DODD. Will the Senator yield?

Mr. SCHUMER. I am happy to yield.

Mr. DODD. I made a miscalculation, I apologize. I underestimated their generosity. I said $100,000, if you again combined a husband and wife, each with a $100,000 annual contribution cap. The new joint annual limit becomes $200,000. I forgot the limit is per calendar year here, but an election cycle means two years, so we are talking $200,000 per election cycle for a couple. I apologize to the Americans who want to contribute $200,000. I was depriving them of an initial $100,000. An election cycle is a 2-year time period.

Mr. SCHUMER. I guess that would mean for us that could be $600,000—yes, $600,000 because we run every 6 years. To get behind a Presidential candidate early on, it could be $400,000.

This is absurdity. This is a mockery of what we are trying to do. I hope we will be able, together, to fix this.

Mr. DODD. I thank my friend from New York. For purposes of edification, I know many of my colleagues and staffs are familiar with this, but perhaps other people may be interested in this discussion. Today, of course, we have limitations. Under current law, a candidate can receive $1,000 per election, or $1,000 for the election and $1,000 for the primary, so $2,000 is what most people do. That is per election, per individual. You then can contribute to PACs if you so desire, $5,000 per calendar year, and if you do it as a couple, of course, it is $5,000 for the individual, and $10,000 to the PAC. You can give $5,000 per calendar year to the State and local parties, you can give $20,000 a calendar year to the national parties with aggregate limits per calendar year of $25,000.

That is what current law is. Every suggestion, including the underlying bill, raises that. S. 27 raises the aggregate amount. Senator HAGEL, our friend from Nebraska, raises it to $75,000 per calendar year. Senator THOMPSON of Tennessee raised it to $75,000 and Senator FEINSTEIN has it to $50,000 per calendar year.

It is important for people to know it is per calendar year per individual. Normally, in the real world in politics, with a husband and wife, they each write checks, so take each of those numbers and double them. All Members know this. I am not stating something that is bizarre to my colleagues. That is how you do this. You ask the husband and wife, so you get double those amounts.

So we are talking, in one of the more modest proposals, Senator FEINSTEIN, that is $100,000 per calendar year, over 2 years it is doubling.

As I said a moment ago, only in this world could we be talking about the hardships being imposed on us as candidates by limiting people to $100,000 to $200,000 in hard money contributions to our election or reelection efforts.

The underlying purpose of McCain-Feingold is to try and reduce the amount of money in politics. Their focus is on soft money. I applaud that. I support that.

What Senator FEINGOLD said the other day is worth repeating: We need to stop assuming that there is a guarantee, almost by natural law, an assumption of exponential growth in the cost of campaigns; that that is nothing we can do anything about.

I reject that idea. I realize there will be increases in costs, but as I mentioned the other day, a statewide campaign from a few hundred thousand dollars to multimillion dollars average cost of Senator races in this country, does not have to be a self-fulfilling prophecy.

What Senator MCCAIN and Senator FEINGOLD are attempting to do, as are those of us who support what they are trying to do, is see if we can't slow this down, put some brakes on before this just becomes an absurdity where only a tiny fraction of Americans could only hope to seek a seat in the Senate or the House of Representatives.

Back in the founding days of this country, we had limitations on those who could hold public office. Only white males who owned property in the 13 original colonies could hold public office. We have eliminated all of those conditions, thank God, years ago. De jure, there are no limitations on who can sit in this body except by age and citizenship, and some other problems you can't have had—you can't be a felon and run. But aside from that, we don't put on limitations. But what has happened de facto, if not de jure, is we have created a barrier for most Americans to ever think about having a seat in the House or Senate because, de facto, the cost of getting here is prohibitive. Either you have to have the money yourself, or you have to have access to the kind of dollars that would allow you to be a candidate in a statewide Senate race in the year 2001.

What Senator McCAIN and Senator FEINGOLD and those of us who are supporting them are trying to do is see if we can't change this assumption, this assumption that there is nothing or very little we can do about this, and we are just going to continue to raise the amount of money we can raise from individuals and groups and go to political action committees, to national parties, and State parties. Instead, we say: Enough is enough; 25 years of this exponential growth—we ought to be able to do something to slow this down. And that is what we are trying to do.

S. 27 allows for increases. McCain-Feingold allows for doubling contributions, in a few instances, one being a calendar year from $5,000 to $10,000. We have the same amount as currently permitted going to national parties, and we have an aggregate limit increasing from $25,000 to $30,000 per year.

How many people in this country can write a check for $30,000 for Federal officeholders? And I am told that is too low. Too low? Too low?—$30,000 a calendar year, to write checks for politicians, is too low?

You would be laughed out of my State, the most affluent State on a per capita basis, if you stood and said this is too little. And that is, in effect, what we are saying. I don't think it is too little. We would do ourselves, this institution, and the political process a world of good by adopting the McCain-Feingold approach and living with it and learning how to live with the spirit, as well as the law, of S. 27.

The adoption of the Torricelli amendment the other day, which I think could save millions of dollars for candidates by insisting that these television stations not charge in excess of the lowest unit rate charge, will contribute significantly to our slowing down the rising cost of campaigns. And some of the other provisions that have been introduced to allow for a more expeditious and efficient way of reporting will help as well.

Before we close out the debate on this subject, I wanted to say after the first week of debate, this has been one of the more enlightening debates I have been a part of in the time I have been in the Senate. We have had very few quorum calls. We have had terrific participation by Members concerned about this issue in the form of offering their ideas and thoughts by amendment. It has been one of the better moments in the Senate in the last number of years, in my view. So I commend my colleagues for that.

I hope next week will be as enlightening and as helpful as we move forward. The hope is the ultimate adoption of the McCain-Feingold legislation—as is, with some of the improvements I know my colleagues will be offering.

I prefer we come along next week having made the positive changes we have made over this past week and ending up doing what some of these proposals suggest since the ideas are coming from both sides of the isle. But anybody who stands up and suggests to me that the reality—don't try to play games by what you write—this $50,000 per person per calendar year—cannot expect to smuggle the $50,000 through as the reality. The reality is it generally is per individual and spouse, which means as a practical matter, it is usually $100,000 per family. As a result, in an election cycle of 2-years, it is $200,000. If someone thinks they are going to smuggle that past this Member as a modest request, they have another consideration to make.

It is outrageous, excessive—there is nothing modest about it. It is what contributes to the feeling that so many Americans have about the political process in this country today. I look forward to the coming debate next week. It could get testy if we think these numbers are going to fly through without significant debate. Some of us Members think there are already ample limitations on contributions for individuals and ample room for people to make significant contributions in the political process.

Senator WELLSTONE made the point last week that it is less than one-half of 1 percent of the American public who make contributions of $1,000. Mr. President, 99 percent of the American public cannot even think about that level of contribution. I know for a fact most candidates will not bother with that 99 percent of the American public and ask for their financial help.

If you can get the $1,000, $2,000 and $3,000 contributions, then that is the pond you are going to fish in. You are not going to go out and raise money in $50 and $20 and $100 contributions from average citizens.

I think there is something terribly dangerous about excluding average people from financially participating in the political life of America. That is what we are doing. That is the reality of it. There is not a single candidate who will bother with these people except to create some political event but not as a fundraiser. You will not be raising money from average Americans. You will be going after the big-dollar givers, and there are only a handful in this country who can make those contributions. The idea that we have to double and triple the size of that contribution limit is shameful.

I look forward to the debate next week. Hopefully the majority of my colleagues will reject those unnecessary increases in hard money individual contributions.

With that, I yield the floor. I did not see my friend from West Virginia behind me. Mr. President, I yield the floor.

MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent the Senate now proceed in morning business.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

The Senator from West Virginia.

NO BUDGET MARKUP

Mr. BYRD. Mr. President, yesterday the Senate Budget Committee held its last hearing on the President's budget plan prior to the Senate consideration of the budget resolution. As a new member of the Budget Committee, I would like to take a moment to commend Chairman DOMENICI and ranking member CONRAD for a series of thought-provoking hearings on the future challenges facing our Social Security and Medicare programs, on our efforts to improve the education of our children, and to address our Nation's infrastructure deficit and national security needs.

During the hearing yesterday, I inquired of—we often say "our good friend," my good friend Senator DOMENICI. When I say "my good friend," I mean just that; my good friend, Senator DOMENICI—about the prospects for the Budget Committee marking up the budget resolution prior to the April 1 reporting deadline contained in the Budget Act.

Let me say at the beginning of my remarks, again, I am a new member of the Budget Committee. Of course I was around 27 years ago when we created the Budget Committee, and I took a very considerable interest in the preparation of the Budget Act in 1974. I spent a great deal of time on it. So although I come as a new member of the committee, I am not wholly unaware of the fact that I have been around as long as the committee has and perhaps a little longer—longer than the Act itself.

One thing I try to remember is not to take myself too seriously. Sometimes it is pretty hard to avoid taking one's self too seriously. I try studiously to avoid that.

But I do take seriously the work of that committee. We have a great chairman. Senator DOMENICI is a very diligent Senator.

The Bible says: "Seest thou a man diligent in his business? He shall stand before kings."

Senator DOMENICI is diligent in his business. I have no doubt that he has stood before kings in his tenure as a Senator.

I admire him on top of all these things. I think he is a congenial person. I like him. It doesn't make any difference how this situation comes out—what the outcome of the budget action may or may not be. It isn't going to intervene in my admiration and my affection for Senator DOMENICI, the Senator from New Mexico. We happen on this question to be a little bit at loggerheads with respect to our viewpoints. But who am I to say I am all right and he is all wrong?

I say the same thing with regard to my leader on this side, Mr. CONRAD. He is the ranking member of the Budget Committee. I am not. I am just one of the new members. But my interest comes from elsewhere than just the fact that I am a new member on that committee.

I am not trying to rock the boat, or get out in front of the committee. I am here because I am a U.S. Senator. I love the Senate. I have been in the Senate more than half of my life. I respect its rules. I love its traditions, its folklore, its history. But I am exceedingly concerned about the way we are doing things in the Senate in these times.

I am only here for a little while, as we all are. But while I am here, I want to uphold the traditions and the rules of the Senate, because men who were far greater than I am wrote this Constitution. On July 16, 1787, they reached a compromise, which is often referred to in high school as "The Great Compromise." It was out of that Great Compromise that this institution, the Senate, came into being. It was that compromise of July 16, 1787, that made possible my coming here as one of the two Senators who represent the State of West Virginia. It wasn't West Virginia when those forebears wrote this Constitution that I hold in my hand. It wasn't a State of the Union at that time. My State, which I love and share in that love along with Senator JAY ROCKEFELLER, was borne out of the crucible of the Civil War. It became a State, and is the only State to have been born during the great war between the States.

But because those forebears, whose names were signed to this Constitution, arrived at that Great Compromise, we have this Senate. Otherwise, the Presiding Officer would not be here as a Senator from the State of Rhode Island. All the people who work here and our wonderful staff wouldn't be here. This ornate Chamber probably would not be here. There wouldn't be two Houses in the legislative branch.

So once in a while we have to stop and think about these things.

How did I come to be here? What do I mean by "be here"? What is this institution? Why do we have a Senate? Why not just have a House of Representatives?

The answers to those questions go back into the centuries.

Why do we have a legislative branch? Is ours a Republic? Is ours a democracy? What is the difference?

Look at Hamilton's essay denominated No. 10 among the Federalist Papers. Look at No. 10. Look at No. 14 and one will get a clear understanding of the difference between a pure democracy and a Republic. Ours is a Republic.

What does that mean? That means that the people across the land participate in their government through elected representatives.

Think of that. In a pure democracy, the people of my hometown of Sophia could very well have a pure democracy. There are only about 1,183 people in that town. They could all meet. They could make their own laws. They could execute their own laws. They could have a pure democracy.

But this is a nation spread from sea to shining sea with 280 million people. They could not all gather in one place at one time and act for themselves. So they elect us. We are the directly elected representatives of the people.

The President of the United States is not directly elected by the people. He is directly elected by the electors which are chosen in each State by the people. But we Senators represent and speak for the people. And every 2 years, or every 6 years, whichever it may be, Members of the other body and Members of this body have to go home and stand for reelection.

So we represent the people. I represent, along with my colleague, JAY ROCKEFELLER, 1.8 million people. But our votes—our votes—West Virginia's votes in this Senate are as important and are the very equal of the votes of the Senators from the great State of California. If it were a country by itself, California would probably be about No. 7 or No. 8 among all the countries of the world—a great State, a huge State, with a tremendous population that would dwarf the size of the population of my own mountain State of West Virginia.

But because of this Constitution, this Senate is a forum of the States, and West Virginia has just as much voice as does California, or New York, or Texas, or Florida, or Illinois, or Pennsylvania—States whose populations greatly outnumber that of West Virginia. So this institution is the forum of the States. At the same time, it is made up of Members who are elected by, and who represent, the people of the United States.

Now this is a long way of saying these things which are not new to any of the people who are listening. But once in a while we need to be reminded.

Why do I take the floor today to talk about the budget? And what does all this that I have said got to do with the budget? What does it have to do with what we are doing in the Budget Committee? That is the problem. We do not pause and remember why we are here, and whom we represent here. We represent the people. We represent the States.

I am not the ranking member of this Budget Committee. I am not the chairman of it. But I am a member of it. I did not seek to become a member until this year. All these years since the act has been on the law books of this country, I never sought to be on the Budget Committee. But I saw that the Budget Committee, more and more and more, was becoming the major wheel in the constitutional system of this country—more and more things are being decided in that committee—and, as one who helped to write the legislation, I must say that it was not intended to become that. The Budget Committee was not intended to have all the power it has today. It never was intended to be used as it is being used today.

So I have become increasingly concerned about the fact that the Budget Committee of the Senate—this is no reflection on its members or anything of that nature, it is just a fact that what that Budget Committee does this year, will have a major impact on the work of all the other committees, and on the work of the Senate throughout this year.

So that brings me now to what I want to say today.

I was disappointed to learn that Senator DOMENICI was not planning to have a committee markup. Now, he and I had discussed this privately on a couple of occasions. But apparently he reached that decision and so indicated during the last session the committee had, which was yesterday. He indicated that, given the 11–11 split on the committee, it would not be productive—in his way of looking at things—to go through the markup process. And following the hearing yesterday, I came down to the floor to express my disappointment that the chairman was not planning a markup, and—no reflection on him, nothing personal in what I say—I spoke on the floor. He indicated to me, by written note earlier yesterday, that he would be responding to what I had to say.

And everything is just fine between the chairman and myself. I have to remember that I am 83 years of age. I do not have a long life ahead of me, and one of these days I have to meet someone who is much more powerful than Senator DOMENICI or Senator LOTT or President Bush or anybody else. I will have to give an accounting for my work here, for my stewardship in this life. So I want to be able to leave this Senate with the good will of every Senator. I hope I have that. I am sure I do as far as Senator DOMENICI is concerned.

So he notified me that he would be speaking. Last evening I had to go somewhere. I do not often accept invitations to dinner. I like to have dinner with my wife, to whom I have been married almost 64 years, and with my little dog Billy when I can do so, so I do not accept many invitations.

One could spend all of his or her time in this town as a Senator by running here and there and thither and yonder and thither and letting the work on his desk pile up. But I found out a long time ago that there was not much to be had, not much that was important that went on at these cocktail parties, and so on, around this town. I could speak quite at length on that subject, but I will try to avoid getting off on to that, except to say that I could not come up at that point to the floor and participate or listen to Senator DOMENICI and all he had to say.

Therefore, this morning I said to Senator DOMENICI: I haven't seen the RECORD yet. I want to see what is in the RECORD. I understand you made a fine talk, and I heard just a little bit of it, but I couldn't come up. So I may have something to say today after I look at the RECORD.

So he said: That's fine.

And here I am.

We had many excellent, knowledgeable witnesses at our hearings, and our members engaged in spirited, incisive, and deep, probing questioning. When the Senate takes up the budget resolution, I believe the Senate should have the benefit of the committee's views.

Now, the Senate, in 1816, began to formulate the major committees. They have not always been around. There were committees in the very first week of the Senate's meetings. There were temporary committees, ad hoc committees, whatever, appointed to deal with this or that or something else. But in 1816, the major committees really began to take shape. Among those early committees, of course, were the committees that dealt with foreign affairs and the finances of the Government. It was not until 1867 that the Appropriations Committee came into being as a separate committee. The work of the Appropriations Committee was done by the Finance Committee. And in 1867, if I am not mistaken, the Appropriations Committee came into being.

By virtue of my seniority on that committee, I, at length—after 30 years, I believe it was, on the committee—I became, lo and behold, the chairman. So I take these things pretty seriously, having been chairman of the Appropriations Committee. And knowing what impact the Budget Committee of the Senate is having and what some of its decisions are having on the operations of the Senate, I decided I wanted to be on that committee. So again I say, here I am.

I also believe that when the Senate takes up the budget resolution, it should have the benefit of the committee's views.

Why do we have committees? They are the little legislatures, you might say, in the institution here. The members of the committees have a very special understanding of the work over which the respective committee or committees have jurisdiction. The views of those committee members are very important. In many instances, I have been guided by my decisions on matters, on votes and so on, by what the members of the committee having jurisdiction over the subject had to say. They are the specialists. They give their time, their talents, dealing with that particular subject matter, whatever it may be.

Members of the Senate need to know what the views are of the members of the committee with respect to the legislation before the Senate.

As I say, I am not saying something that is teaching anybody anything, but it may be that some of our people out there who are watching through those electronic goggles up by the Presiding Officer's desk, it may be that what I am saying will mean a little something to those people, that they will have a better understanding of what we are talking about. They need to be informed. Woodrow Wilson said the informing function of the legislative branch is as important as the legislative function. We need to be informed.

It is more difficult to keep informed on subject matters of today than it was when I came to the Congress 49 years ago this year. There are a lot more things about which to be informed. We didn't have a lot of the laws on the books then that we have today. We didn't have as many agencies in Government then as we have today. We didn't have the Interstate Highway System that we have today. We didn't have the Appalachian Regional Commission or the Appalachian regional highways then that we have today. We didn't have the Clean Air Act; we have it today. We didn't have the Clean Water Act then, but we have it today. We have much more today to be informed about than we had in those days. That is why I am concerned about what is happening with respect to the budget which will be coming up in the Congress shortly.

That is a long way around to tell you, but you need to know that these are important matters that affect you, you the people, we the people. It is the impact on you. It isn't that I am a new member of the Budget Committee and I ought to have all this information and I am quibbling over this and quibbling over that. No, I am not quibbling at all. This is serious business. It is your business.

I believe the public would greatly benefit by having a markup in the committee. Having been the appropriations chairman, let me say what a markup is. The chairman, with his staff, develops, based on the budget the President sends up to the Congress, based on the hearings that have been conducted in the Appropriations Committee, and draws up an appropriations bill. It may be different from the appropriations bill that came over from the House of Representatives. Not by the Constitution but by custom, appropriations bills generally originate in the House of Representatives, unlike tax bills, which, according to the Constitution, must originate in the House of Representatives.

So I, as chairman, and my staff director, Mr. English, who has been the staff director on the Democratic side for a good many years, and others, sit down and look at this bill and say, this is it. Then I always made it a point to call Senator Hatfield, who then was a Member of the Senate from Oregon, who was the ranking member at that time. We said: This is the plan. We have this amount of money allocated, and here is the way it will be allocated.

That is the markup. Then the whole committee sits down and looks at that. Republicans and Democrats alike sit down together and look at this bill. That is called marking up the bill. We may change it. The whole committee may not like an item. We may have to strike it, or they may want to add an item. In any event, that is the legislative process 101, as it pertains to appropriations.

Yesterday I expressed my dismay also that the administration has delayed from April 3 to April 9 the delivery date for details of the President's budget. The Senate is being asked to consider a $2 trillion tax cut that is estimated to consume 80 percent of the non-Social Security, non-Medicare surplus over the next 10 years. Yet the details on over $20 billion of program cuts for just one fiscal year apparently will not be available to the Senate when it is scheduled to debate the budget resolution on the week of April 2.

Last evening Senator DOMENICI sent me a letter, as I say, and came down to the floor to respond to my concerns. I thank him for responding quickly, but I am disappointed by his message. In his remarks he noted that in 1993, the first year of the Clinton administration, the details of the President's budget were sent to the Congress on April 8 and the Democratic leadership completed the budget resolution for President Clinton's budget prior to delivery of those details.

Senator DOMENICI said that the schedule for consideration of the budget resolution this year is in accord with the schedule in 1993 and that the schedule for consideration of the budget resolution of 1993 should serve as a role model for how to proceed this year.

Mr. President, Senator DOMENICI is absolutely correct in his description of the facts, but he missed my point. As I say, I have alerted Senator DOMENICI's office to the fact that I am going to say these things. I am not going to say anything to hurt his feelings or anything like that. He has been around here; he is a pro. He understands. He missed my point.

We have a 50/50 Senate. The Republican leaders should not be setting up a process that rams the President's budget through the Senate. We should be debating the budget, and we should be trying to reach an agreement on a budget. I don't mean we should displace the business before the Senate right now to do that. But this thing is coming; it is a train that is coming right down the track. That Senate process should start in the Senate Budget Committee with a markup.

As I say, I am not taking myself all that seriously as somebody trying to tell the Budget Committee how to do its work. That is not it. I am not looking at that. That is not it. I am concerned that the impact this process will have on the Senate, on its membership—the final outcome of this budget action—and on the country is a far-reaching impact.

As Senator DOMENICI pointed out in his remarks last night, in 1993 the Senate Budget Committee had a markup—get that—the Senate Budget Committee had a markup on March 11 and debated and approved the budget resolution, which was filed on March 12. The markup was held in 1993, just as there has been a markup in every other year since the Budget Committee was established. Yet apparently the distinguished chairman, Senator DOMENICI, does not want to have a markup this year. He has very plainly, forthrightly, and honestly said so. He doesn't make any bones about it, and I admire him for that.

In his remarks last evening, the chairman mentioned the first Clinton budget document, entitled "A Vision of Change For America." Here it is—"A Vision of Change For America." It is dated February 17, 1993. This morning, after briefly reviewing that document, I find that several sections have applications to the issues we face today. That 1993 document noted—lend me your ears, friends, "Romans"; lend me your ears. Here is what the 1993 document said:

> For more than a decade, the Federal Government has been living well beyond its means—spending more than it takes in, and borrowing the difference. The annual deficits have been huge.
>
> Deficit reduction is not an end in itself. It is a means to the end of higher productivity, rising living standards and the creation of high wage jobs. In short, it is about securing a better economic future for ourselves and, even more importantly, our children. Huge structural deficits are harmful for a simple reason: when the economy is not in recession, each dollar the Federal Government borrows to finance consumption spending absorbs private savings that would otherwise be used to increase productive capacity. Large, sustained budget deficits mean that we must either reduce our investment at home or borrow the money overseas.

This 1993 document went on to say:

> The drain on our savings has caused anemic domestic investment, especially in comparison with most advanced industrial countries. It has retarded growth in productivity and living standards. Meanwhile, borrowing from the rest of the world to maintain investment at even today's depressed levels has increased interest payments to foreign leaders. In effect, we have signed over some of the fruits of today's productivity—enhancing investments to the children of Europe and Japan, rather than preserving them for our own [children].

"A Vision of Change For America" laid out a plan for addressing the deficits that were created by the excessive tax cuts of 1981. It was a 5-year plan, not a 10-year plan, and it put us on a course to eliminate the colossal deficits of the 1980s and early 1990s. Page 115 of that document included the following:

> The plan promises rising standards of living, productivity and national savings. It stimulates growth and provides insurance that the current slow recovery will be lasting and strong.

There are not many predictions one can believe in around here, but that was one we all saw come to fruition.

Continuing my quotation:

> It invests in education, training and health of our people. It encourages the private sector to modernize and acquire the tools and technology to compete in the global economy. And it confronts our deficit head on.

That is what this book said in 1993.

> It confronts our deficits head on, with a serious, fair plan to bring it under control and generate economic growth.

So that plan worked. It worked. Instead of the colossal deficits which confronted the Senate at that time, today we have—according to the projections which may or may not come true—colossal surpluses. How many on the Republican side voted for that plan? Zero. Not a single vote in either body—not one. Not one. My good friend from New Mexico says that ought to be a role model—that budget—that budget plan, as outlined in the book titled "A Vision of Change For America." Not one. Not one. Not one voted for that.

The first question that was ever asked, I believe, in the history of mankind was, Where art thou? God walked in the Garden of Eden, when the shades of the day were falling and when the cool of the evening was on the forehead of Paradise. God walked in the garden. He was looking for Adam and Eve. He said: Adam, where art thou? That was the first question: Adam, where art thou?

In thinking about the votes that were cast on the plan, that marvelous plan which my good friend, Mr. DOMENICI, called to our attention on yesterday and which he said was a role model, one could have rightly asked from this side of the aisle: Where art thou? Where art thou? Not one of our friends over here on my right who belong to a great political party, the Republican Party—by the way, I get lots of votes from Republicans in West Virginia. I am proud of them. But not one, not one answered: Here am I. Not one.

That was the role model, Mr. DOMENICI said. They did not follow that role model when it came to votes on that occasion.

That is why I take the time of the Senate to review these passages, because we are being asked to take up a budget resolution on April 2 without the benefit of a Budget Committee markup and without the benefit of a detailed budget from the President.

As has been pointed out, this will not be the first occasion when we did not have a detailed description of the President's budget, but there are significant differences in that time and our time.

We are also told by the Republican leaders that the core of the President's budget, a $2 trillion tax cut, may be brought to the floor as a reconciliation bill for which debate is limited to, at most, 20 hours. Now get that. They say that these moneys are the people's money. They are your money. We are talking about a $2 trillion tax cut. That is the President's proposal, as I have read about it in the press—a $2 trillion tax cut. That is a lot of money. We are not used to counting money in sums of that size down in West Virginia.

How much is $1 trillion? Have you ever stopped to think? We talk about it as though it were just a few dollars. I have three $1 bills in my hands.

By the way, when I married my wife 64 years ago, on the next day after we married, I gave her my pocketbook. I had been working as a meat cutter in a coal company store. My salary was $70 a month—$70 a month. She was a coal miner's daughter, and I grew up in a coal miner's home. We never had anything as far as refrigerators or vacuum cleaners. As a matter of fact, some of those inventions did not come along very much in advance of the year we married.

I said to my wife: Here's my wallet. We were walking down the railroad tracks. That is the only place we had. We did not have any fine streets, shaded avenues, boulevards beautiful in their makeup. We had to walk down the railroad tracks.

I gave her my pocketbook, and I said—now this was 64 years ago. I gave her my pocketbook. I said: You keep the money. I will work and make it—I won't make much, but whatever I make, you will have. When I want a dollar or two, I will come to you and ask for it. And I have done that for 64 years.

This morning she said: Do you need any money?

I said: No, I have $3.75, and I am taking my lunch so I don't have to go down to the Senators' dining room and spend 30 or 40 minutes waiting on somebody to help me with food and then have to spend $8, $10, or $12 to pay for it. I just take my little lunch, and there is my $3 I have for the day. You can ask her; she will verify everything I have said.

Why do I say that? We are talking about $2 trillion. How long would it take you to count $1 trillion at the rate of $1 per second? How long would it take you to count $1 trillion at the rate of $1 per second? Thirty-two thousand years. A trillion means a little more if I look at it in that way.

What I am saying is that we are told by the Republican leaders that the core of the President's budget, a $2 trillion tax cut—that is your money, and they say we ought to give it back. But it is also your debt, it is also your schools that are falling down; the windows are broken, the plumbing out of shape; it is your schools; those crowded classrooms out there are your classrooms. It is your children. It is your parents who need health care, who need a prescription drug plan. Yes, it is your money, but in our scheme of things, we are elected by you to be the stewards of your money.

It is your highways on which you travel. It is the safety of your highways that you have to depend upon when your wives take the children to the doctor or to the child care center, or you have to go to the hospital, or you have to go to the store, or you go to church, or you have to drive to work. It is your safety on your highways for which we are responsible. You cannot build the highways yourself. West Virginia cannot build a national system of highways, but the Federal system is what the people were talking about—those framers—when they wrote this Constitution—the Federal system.

It is your money. It is a $2 trillion tax cut. What a whale of an amount of money. It may be brought to the floor, we hear, as a reconciliation bill for which debate is limited to, at most, 20 hours—20 hours of debate, that is all. Yet it is your money. It is this budget with its colossal $2 trillion tax cut that may return us to the deficit ditch that the 1993 plan helped us to claw our way out of after 12 years of huge deficits; that 1993 plan which my friend, the Senator from New Mexico, referred to yesterday as a model. That is the plan that helped us to scratch and crawl and dig our way out of that deficit ditch. It is a role model. Where were you? Where art thou? Where were you? the people might ask. The 1993 plan.

Last week, all of the Democratic members of the Budget Committee wrote to Senator DOMENICI and urged him to schedule a markup.

I joined with my colleagues and urged Chairman DOMENICI not to take the unprecedented step of failing to mark up a budget resolution. If we don't mark it up, it will send a dangerous message to the Senate about the prospects for working on a bipartisan basis in this evenly divided body.

President Bush, upon several occasions during the campaign, talked about the bickering, the infighting, the bitter partisanship that was occurring in Washington. He said he wanted to stop it. He wanted to end it. He wanted to do something about it. He is right. And the people want to end it. That is why they sent 50 of us to sit on this side and 50 to sit on that side in this Senate. That is the only time that has ever happened—50–50. It has happened 37–37 upon an occasion, several decades ago, but never 50–50, which is a tie vote here.

If there is ever a time when we ought to have partisanship, it isn't now. We need to work in a bipartisan manner. The President wants that. I have great respect for this President. I was inspired by his inaugural address. He didn't bow and scrape to the special interest groups. He referred to the Scriptures. Thank God we have a President who referred to the Scriptures, in his inaugural speech. He talked about Good Samaritans in that speech.

I will be very much opposed to his $1.6 trillion tax cut, which will amount to over $2 trillion. I will be very opposed to that tax cut. I may vote for a tax cut, but it won't be that one. That is not to say I am disrespectful of him. I just think he is wrong. On other occasions I may think he is right about a matter, but this, I think, is a colossal mistake.

I think we are foolish, foolish, to talk of a $2 trillion tax cut based on projections of surpluses 10 years away, 9 years away, 8 years, whatever, which may never—and probably won't—materialize.

That is taking a very important step, and it is going to impact on you, the people. So why shouldn't we have a debate? Why shouldn't we have a markup in this bill? We may report out a better measure than even the chairman has in mind.

Why have we seen fit in our constitutional system to have committees? Why? If we are going to have committees, why don't we have markups on bills and let Republicans and Democrats hammer it out, hammer out the measure on the anvil of free debate? Why does any chairman want to say to the committee, I am not going to have a markup, period?

Some people might think that is dictatorial, tyrannical, autocratic, arbitrary. We have had great hearings. We have had witnesses who have traveled here from all points of the compass. They have answered our questions. We have had splendid hearings—you people have attended the hearings—but we are not going to have a markup in this committee.

Why? Because we are operating on a 50/50 basis. It is even-stephen in this committee. If I had a majority of one or two in the committee, yes, we would have a markup then, but we don't have a majority. The people have decided that. We don't have a majority. So whatever you say, I will listen, but we are not having a markup. Might as well not have meetings. A committee chairman may as well just say: We are not going to have any meetings. We will have a meeting in committee when I decide to and we won't have a meeting in committee when I decide we won't.

That is the way it used to be. Do you believe that? It used to be that way in considerable measure.

When I came to the House of Representatives 49 years ago, committee chairmen could simply bottle up legislation in their committees and not even have a meeting. I can remember a Member of the House whom I respected a great deal and admired; he was a former judge in the 16th District of Virginia. His name was Howard Smith. He represented the Eighth Congressional District of Virginia.

Let me say: You know what, you know what. Howard Smith, this former judge, was chairman of the Rules Committee in the House. I have the book here, Congressional Directory, 1953, March. When matters came to his committee, he just would go on back down to the farm and tend to his farming and leave the legislation bottled up in his committee.

I remember reading about it in the papers. The chairman didn't have a meeting. Where was he? He was down on his farm. So the chairmen sometimes just bottled up things in their committees.

In effect, that is what is happening here. Markup of the Budget Resolution is being "bottled up." Our cries and pleas and prayers are going to be of no avail because we are not going to have a markup in that committee. Well, why did I attend most of the hearings?

So it is in a different form but it is the same old thing as when those chairmen used to say, we will have a hearing or we may not have a hearing, or we won't even have a meeting, and the whole session passed and there would be no meeting of the committee on many important matters. That is the way it used to be.

So what happened? This is not National History Month but I am just repeating a little bit of history today. We have heard that history repeats itself. That is what we see in front of us. History is repeating itself.

Here is what happened in the writing of the rules around here—I am not sure I ever read much concerning the House rules. I was there 6 years, but I didn't get so much embedded in the study of them. The rules today won't allow chairmen to do that.

Let me read, as an example, from rule XXVI of the Standing Rules of the Senate. Here it is. I used to know the rules much better than I know them now.

Rule 26, section 10(B)—I haven't read this lately. This is a different print. This is 1999. That was the last century, 1999. So I haven't read this one. But this is what I think is pertinent to our discussion. "It shall be the duty." 10(B).

> It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the Senate, any measure approved by his committee and to take or cause to be taken necessary steps to bring the matter to a vote. In any event, the report of any committee upon a measure which has been approved by a committee shall be filed within seven calendar days.

And so on and so on. I don't think that is the pertinent part.

I will ask the Parliamentarian to give me a copy of the rules and the pertinent provision which I am talking about; 26, paragraph 3. Here it is. Each standing committee—aha, here it is.

> Each standing committee (except the Committee on Appropriations) shall fix regular weekly, biweekly, or monthly meeting days for the transaction of business before the committee and additional meetings may be called by the chairman as he may deem necessary. If at least three members of any such committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and the hour of that special meeting. The committee shall meet on that day and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour. If the chairman of any such committee is not present at any regular, additional, or special meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

That provision applies to the Budget as to any other committee except the Appropriations Committee. So in the rules there is provision for members of a committee, if the majority of the members so wish, to insist upon and to require and to have a meeting of the committee.

Now, there are two problems with this provision. One is that you have to have a majority. We have a 50/50 breakdown. In other words, in the committee we have 11–11. I haven't tested the waters to see if someone on the Republican side—with, I assume a majority, probably unanimous group of Senators on my side—would join to insist that we have a meeting of that committee, the Budget Committee, to mark up the bill. It might very well be that we would get a majority. That is the first problem.

The second problem is as big or bigger. Once the committee meets at the request and insistence of a majority of the committee, if the chairman is not there, the ranking member—which means of the same party—would act as chairman. So far, so good. But the real fly in the ointment would come in the fact that that chairman can call the meeting to order and put the committee out immediately. He has fulfilled his—the request of the majority of the committee. In other words, he doesn't have to sit there and have a long hearing or meeting. He can just call it to order and adjourn.

So why do I call that to the attention of the Senate? Not as a possible—not to indicate that there is a possible avenue which would constitute a threat to the chairman. I do not do that at all. But just to remind Senators that it is there.

When George Mallory, that great Britisher, was asked why he wanted to climb Mount Everest, he said "because it's there." So, today, I have taken the time to point out to my colleagues, some of whom may have not read this in quite a while, myself included—that it is there.

Why is it there? It is there because it needed to be there. Why did it need to be there? Because there were some chairmen in the Congress, both Houses, who just refused to have their committees meet. And if the civil rights bills or whatever were introduced, they went to the committee. That was the burying ground. They never came out of that door.

So Congress said, and the people said, and the press said: We have had enough. We are going to require—we are going to put something in here by which a majority of the committee can be sure that that committee does meet. As I say, the chairman may gavel it in and gavel it out, but he has to do this before the people. Used to be these things did not have to be out in the sunlight, but you have to be in the sunshine now, so the people say. So if he wants to gavel the committee in and gavel it out, OK, he can do that. He is elected for 2 years. Probably—it is unlikely he will be expelled from the body for doing that, but there comes a time when he does have to stand before the bar of the people. If he wants to be high-handed, heavyhanded, or whatever, the people will make a judgment.

So that is why we have in the rules a way to force a committee chairman to meet. We are not talking about that here, for Chairman DOMENICI; he is very excellent about having hearings and so on. But there is just a certain remnant of the evil that existed when chairmen could bottle up matters in their committees, not even have meetings.

We have been having meetings, but we face a very serious matter of having soon to be confronted with a budget resolution which will not have been marked up in the committee, and which will have only details which will have only been provided by the chairman.

I come to a close now just to say again that all I say is meant to be within the spirit of goodwill, but also to indicate my concern about what is happening in this Senate and the way it is happening.

I thank the Chair and all Senators who have been waiting.

Let me thank, again, my own chairman, the ranking member of the Budget Committee, for the excellent work he has done in that committee.

I made it clear at the beginning, may I say to my ranking member, that I am not here posing as top man on my committee. I couldn't be, and I wouldn't want to be. The ranking member has done a very good job.

But as a member of that committee, and as one who has been around here now for 49 years in this institution, I am afraid something is going on that gets to the root of this institution and will hamper the representation of the people by virtue of the fact that our hands, figuratively speaking, are going to be tied, and that we are, to an extent, being gagged to the point where it is going to be done the chairman's way. The way it is going to be done, he has been very forthright about and very frank about. It is just going to come to the Senate without the benefit of amendment. That in my opinion is not for the Senate or for the good of the Nation. So, I respectfully ask my chairman, Senator DOMENICI, let us follow your own advice, let us use the 1993 Reconciliation Act as a role model and have a markup.

I thank all Senators for listening. I yield the floor.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I thank the senior Senator from West Virginia for making us aware of the situation which we are coming into. I speak as a committee chairman who is deeply concerned about the process and how we are going to be meaningful in our participation to handle some of the very serious issues of this country. I thank him very much for his help.

Mr. BYRD. Mr. President, if the Senator will yield, I thank him, not for what he said but I thank him for being a Senator who is independent in his thinking, who has the courage of his own convictions, and who is unafraid to state them. I thank him for his service not only to his State and the people who sent him here but also on behalf of the Senators from other States who respect that kind of integrity.

Mr. JEFFORDS. I thank the Senator.

SNOWE-JEFFORDS PROVISIONS

Mr. JEFFORDS. Mr. President, I rise today to more fully discuss the Snowe-Jeffords provisions of the Bipartisan Campaign Reform Act. Accountability and transparency are two of the most important principles in a democracy. The Snowe-Jeffords provisions will strengthen our campaign finance laws and democracy by ensuring the financial sponsors of sham issue ads are accountable to the voters through increased disclosure.

I am concerned that the intent and effect of these provisions have been distorted by some of those who oppose campaign finance reform. I am here today to set the record straight.

I have been proud to work with my good friend the senior Senator from Maine to develop these provisions that our citizens demand and that abide by the First Amendment. Senator SNOWE has shown great leadership and dedication in developing a legislative solution that will fully and fairly address the proliferation of these sham issue ads.

Let me begin with a discussion of what the Snowe-Jeffords provisions would do. First, they require disclosure of certain information if an individual spends more than 10,000 dollars in a year on electioneering communications which are run in the 30 days before a primary, or 60 days before a general election. Second, Snowe-Jeffords prohibits the direct or indirect use of union or corporate treasury monies to fund electioneering communications run during these time periods. For my colleagues and those watching on C-SPAN, an electioneering communication is any broadcast, cable, or satellite communication which references a clearly identified federal candidate within the time period explained above.

Now let me explain what the Snowe-Jeffords provisions will not do:

The Snowe-Jeffords provisions will not prohibit groups like the National Right to Life Committee or the Sierra Club from disseminating electioneering communications;

It will not prohibit such groups from accepting corporate or labor funds;

It will not require such groups to create a PAC or another separate entity;

It will not bar or require disclosure of communications by print media, direct mail, or other non-broadcast media;

It will not require the invasive disclosure of all donors, and

Finally, it will not affect the ability of any organization to urge grassroots contacts with lawmakers on upcoming votes.

The last point bears repeating. The Snowe-Jeffords provisions do not stop the ability of any organization to urge their members and the public through grassroots communications to contact their lawmakers on upcoming issues or votes. That is one of the biggest distortions of the Snowe-Jeffords provisions. Any organization can, and should be able to, use their grassroots communications to urge citizens to contact their lawmakers. Under the Snowe-Jeffords provisions any organization still can undertake this most important task.

My colleagues may wonder what led Senator SNOWE and I to work so hard for the inclusion of these provisions in the McCain-Feingold campaign finance reform bill. Since the 1996 election cycle we have both seen, and experienced first hand, the explosion in the amount of money spent on these so-called issue ads. From the 135–150 million dollars spent in 1996, spending on these so-called issue ads has ballooned to over 500 million dollars during the last election cycle.

It is not the increase in the amount spent on these so-called issue ads alone that concerns us. Studies have shown that in the final two months of an election, 95 percent of television issue ads mentioned a candidate, 94 percent made a case for or against a candidate, and finally 84 percent of these ads had an attack component. Does anyone think these statistics are just a coincidence? An overwhelming majority of the public recognizes this problem. They see an ad identifying, 90 percent, or showing a candidate, 83 percent, or an ad being shown in the last few weeks before an election, 66 percent, as ads that are trying to influence their vote for or against a particular candidate.

Some of my colleagues are of the opinion that this increase in money spent on sham issue ads is fine. They believe that more money in the system will better inform the electorate about the candidates. Unfortunately, these sham issue ads are corrupting our election system and are not better informing the voters about the candidates.

The public can differentiate between electioneering communications and other types of communications done to purely inform the public on an issue. A recent study done by the Brigham Young University Center for the Study of Elections and Democracy shows this, and the effect these ads are having on the public.

As you can plainly see from this chart, I have beside me the public views electioneering communications as trying to persuade them to vote against a candidate. These ads—80 percent—evoke as strong of a reaction in the viewing public as the party advertisements—81 percent—and are even stronger than the candidate's own ads—67 percent. This chart also shows that the public knows when it is viewing a pure issue ad as compared to the other types of ads tested. Seventy percent of the public recognizes that.

This next chart, chart No. 2, also demonstrates how the public views these ads, again showing what is the real purpose behind these electioneering communications. Here, like the first chart, you can see that the public is able to differentiate between ads run to help or hurt a candidate versus a pure issue ad meant to inform the public. What is interesting, or frightening, about this chart is that the electioneering communications generate a higher response from the viewing public—86 percent—than even the candidate—82 percent—or party ads—84 percent.

My third chart shows the degree to which the public felt an ad was intended to influence their vote, with 1 being not at all and 7 being clearly intended to influence their vote.

This chart again shows that the public is able to differentiate between the communications they receive. Like before, there is a stark difference in public perception between those ads which are seen as trying to influence a vote, election issue ads, party ads, and candidate ads, versus those seen as portraying a purely informational purpose, pure issue ads. The chart also shows that the public views the intent of these electioneering communications to be to influence their vote as strongly as a party ad—6.3 to 6.3; about even—and even more strongly—6.3 to 5.8—than the candidate's own advertisement. The chart also shows the stark difference in the public's mind between the intent of electioneering communications—6.3—and pure issue ads—3.7.

While the public correctly perceives that electioneering communications are meant to influence their vote, the public is confused about the origin of these communications. As this chart shows, chart No. 4, an overwhelming majority—75 percent—of the public believe that these communications are being paid for by the party or the candidate themselves. The voters deserve to know who is trying to influence their vote, and the Snowe-Jeffords provisions will give them that information.

My final chart, chart No. 5, shows that the public craves the information that the Snowe-Jeffords provisions would provide them. Eighty percent of the public believes that it is important or very important that they know who pays for or sponsors a political ad.

I ask our opponents, do they not believe that the public deserves to know who is trying to influence their vote? The public both wants and deserves that information, and Senator SNOWE and I provide it to them with our provisions.

I think this is an incredibly important part of the bill. I strongly urge all of my patriots to study the Snowe-Jeffords provisions to make sure they fully understand that all we are requiring is disclosure. We want to make sure people know from where the information to influence them is coming.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I ask unanimous consent to proceed in morning business.

The PRESIDING OFFICER. We are in morning business.

Mr. DORGAN. I ask unanimous consent to proceed for as much time as I may consume in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMY OF OUR COUNTRY

Mr. DORGAN. Mr. President, I have listened with some interest today to some of the discussion on the floor of the Senate, first about campaign finance reform, and then to Senator Byrd, and others.

I come to the floor to talk about the economic circumstances this country finds itself in for the moment. I want to visit about a number of issues that relate to our economy.

Mr. President, I came across one of my favorite books last evening while going through a pile of old books that had been stacked for some long while. The book is written by a man named Fulghum. Most people in this country have read this book or seen the book. It is entitled "All I Really Need to Know I Learned in Kindergarten." It is a wonderful little book.

In "All I Really Need to Know I Learned in Kindergarten," he describes: "Put things back where you got them." "Don't hurt others." "Play fair." "Clean up your own mess." "Don't hit people." "Wash your hands." "Flush."

There is a whole list of things you learned in kindergarten that represent enduring truths throughout life.

I started thinking about this in the context of the grappling that we do in this country with our economy. We forget the most basic of things—almost kindergarten-like lessons—about our economy so very quickly.

Let me describe just a few of them.

We have been blessed, of course, with a long period of economic expansion, a period in which we have seen almost unprecedented economic growth: new jobs, better income, and more opportunity for most American families. The stock market began to increase in value and rolled to increasing new heights. People felt good about the stock market. They invested in the Dow Jones, in the Nasdaq, and would see their net worth increase daily or weekly or monthly.

We saw college dropouts who were still fighting their acne problems, and hadn't yet learned to shave, making million-dollar deals in technology companies, and then selling them and starting new technology companies. It was a go-go economy with remarkable and almost unimaginable new things that were happening. We had higher economic growth and lower inflation.

Of course, the one constant in all of this was a Federal Reserve Board. The Federal Reserve Board sat down behind its thick doors, and in its concrete building, and continued to ring its hands and fret about inflation, despite the fact that inflation was receding rather than increasing.

So that is what kind of economy we had. It has been quite an economy.

Then about 10 months ago, the Federal Reserve Board, and its chairman, Alan Greenspan, decided they once again would increase interest rates—then 50 basis points—because our economy was growing too rapidly. They had great fear that an economy that was growing too much would produce inflationary pressures.

What they did not understand—and have not understood for some long while—is the workers in this country are more productive. Productivity was on the march, on the increase. You can have lower unemployment and higher economic growth if you have higher productivity.

But, nonetheless, 10 months ago, the Federal Reserve Board took its last step to increase interest rates because they felt America was growing too fast. It was the last, I believe, in six steps over about a year to substantially increase interest rates and slow down the American economy.

At about the same time, we began the see some energy problems in this country—price spikes in natural gas, propane, and home heating fuel. We began to see the dislocation of energy restructuring, especially electricity restructuring in California. And now we see—in recent days—rolling blackouts in the State of California. So we have significant energy problems.

Part of that resulted from the euphoria of having the price of oil drop to $10 a barrel, which resulted in very few people deciding they wanted to look for additional oil and natural gas, and the drying up of new drilling rigs. Therefore, because the price of oil dropped so low, and we had so few new people looking for oil and natural gas, we now find a dislocation—increased demand for natural gas especially and oil, and reduced supply.

Now we have new exploration because oil went to well over $30 a barrel at one point, and we have new people looking for oil and natural gas. I suspect 8 months, 12 months, 2 years from now we will have new supplies on line, and we will have some additional balance. But with a Federal Reserve Board determined to slow down the economy with high interest rates, and a significant energy problem that has visited this country and provided great injury, and still does today for many Americans who fought through a bitterly cold first 2 months of the winter and discovered their natural gas prices to heat their homes had been jacked up, in some cases double and triple, it has been a tough time.

At the same time, the bubble began to burst on the stock market. The Nasdaq began falling. The Dow began falling. The economy began to slow down. We had, and still have, a form of liquidity crisis. We have good businesses that are building out to try to provide competition in communications and other areas that can't find the kind of capital they need to continue doing that business. This serious liquidity crisis accompanies the slowdown and the bursted bubble on the stock market.

At the same time we have a trade deficit that is growing very dramatically. This trade deficit is the highest in history of anywhere on Earth. Personal debt continues to go up in this country. As I indicated, economic growth is slowing.

Amidst all of this, we have, it seems to me, probably just forgotten some of the fundamentals. Going back to "All I Really Need To Know I Learned In Kindergarten," some of the fundamentals we should never have forgotten. Mr. Greenspan should never have forgotten that increased productivity allows less unemployment. Increased productivity allows higher growth. Don't be afraid of the American workers being more productive and earning more money and being employed at a higher rate if their productivity is up. All we really need to know, we should have learned in the primer course on that subject. Yet the Federal Reserve Board consistently has insisted that is an equation that doesn't work. They have forgotten the fundamentals.

In our market for securities and investors, we have forgotten the fundamentals. This is not the first time. You can go back to bubbles of speculation throughout history. One of the most interesting ones for me was to read about the bubble of speculation in "Tulipmania" four or five centuries ago in which there was a time when they paid $25,000 for a tulip bulb because tulip bulbs became the subject of massive speculation. We have had a lot of speculation bubbles in recent centuries. This was just the last.

Is it surprising that it doesn't work out when you purchase stock that is selling for 200 times its earnings or when you purchase the stock at a wildly inflated price of a company that has never made a profit and doesn't look as if it is going to make a profit? Is it surprising that that doesn't work out at some point? I don't think so. Yet many of us, probably all of us, temporarily forgot those lessons when the Nasdaq and the markets continued to go up and up.

Will Rogers once said his dad gave him some advice. He said his daddy said that he should buy stock, then hold it until it goes up, and then sell it. And if it doesn't go up, don't buy it. At least that is what he said his dad said. He said that doesn't work out so well.

The lesson from all of this that we probably should have learned long ago is that some of these prices were never justifiable; that is, with respect to the market.

What about energy? Perhaps we should understand with respect to this energy crisis that it is not enough just to applaud when the price of a barrel of oil goes to $10 because there will be a consequence later. It is not enough when you find yourself short of energy to just go find new energy because that is only part of the solution.

Opening up ANWR, as some of my colleagues suggest we should do, and as I oppose, is not a substitute for an energy policy. I don't believe we ought to open ANWR. But some say: Let's just address this energy policy by simply finding new supplies. Well, let's find new supplies. Let's incentivize the finding of new supplies of oil and natural gas, and let's use clean coal technology to produce our coal in an environmentally friendly way.

Let's also do other things. Let's understand that conservation is very important. If you are sitting in a 6,000 pound gas hog and complaining about the price of gas, we have to be concerned about the issue of conservation in this country as well. We need to produce new energy. We need to conserve more, both with appliances and vehicles and other ways. Additionally, we need to incentivize new sources of renewable energy: wind energy, biomass, ethanol, and more. I know the oil industry doesn't like it, but that is precisely why I do. When the oil industry believes it is in its self-interest to impede the development of other sources of energy, I say that is exactly why we ought to develop other sources of energy. Yes, we need the oil industry. We need natural gas. But we also ought to develop wind power. The new generation of wind turbines are very effective and efficient. Wind, biomass, ethanol, all can contribute to this country's energy supply, and we ought to understand that.

Again, all we need to do is to make sensible decisions. The sensible decision is not to just rely on additional production. That won't solve America's energy problem. We introduced a piece of legislation yesterday—Senator BINGAMAN, myself, and others on the Energy Committee, along with my colleague Senator DASCHLE, the Democratic leader—which is a comprehensive energy policy. It moves us in the right direction in a range of areas, one that is thoughtful and will lead this country out of the dilemma that currently exists with the imbalance between supply and demand for energy. Our economy cannot survive, progress and succeed the way we want it to unless we have assured supplies of energy.

I talked about the stock market. I talked about the economy. Energy is also a very important element of these issues. We have to respond to them, and we have to deal with them.

At the same time we are confronting the other issues, we are confronting the challenge of international trade. I mention the challenge of international trade only because, while all of the other elements of our fiscal policy seemed to have improved dramatically over the most recent 8 years, the one area that continued to decline was trade. By decline, I mean our trade deficit continued to grow year after year. We have the highest deficit in human history. It is not rocket science to fix this. Again, all we really need to know we learned in kindergarten. Everyone needs to play fair. Our current merchandise trade deficit is a huge problem at over $440 billion just this last year. The problem is that when we have trading partners, whether it is Europe, China, Japan, Mexico, or Canada, we say to them, we will open our markets to you, but in exchange, you must open your markets to us. We have never had the nerve or the will to do that.

Let me give some examples of what we have done in trade. We just negotiated a deal with China. We said to China, after a long phase-in, we will give you this deal. You have a huge surplus with us or we have a huge deficit with you, and after a phase-in, we will give you this deal. You have roughly 1.2 billion people who are looking for new products. However we negotiated a deal that when we sell American vehicles to China, they can impose a 25-percent tariff. But if the Chinese sell automobiles to the United States, we will impose a 2.5-percent tariff. In other words, we will make a deal with you. You can charge a tariff that is 10 times higher than the United States on automobiles. That is with a country with which we already have a huge deficit, an over $80 billion last year. I scratch my head and look at that and think, on whose side were our trade negotiators? They certainly weren't for America. At least, they forgot for whom they were negotiating. That is one example here are a few others.

The average agricultural tariff in the United States is 12 percent. The global average is 26 percent. The average tariff in the European Union is 30 percent. We have a long series of trade agreements, and big disputes, with the European Union. How is it that our trade negotiators let our European counterparts take advantage of our farmers?

The average Japanese tariff is 58 percent. Every pound of T-bone steak that goes to Tokyo has right now a nearly 40-percent tariff on it. That is after the beef agreement with Japan—unforgivable. Japan has a $70 billion trade surplus with the United States but they won't cut a deal for our ranchers.

After our beef agreement, almost every pound of beef going into Japan has a huge tariff on it. Yet this country seems to lack the will, the strength, or the nerve to do much about it.

Every time we get involved in a trade negotiation, we lose in a very short period of time and agree to trade concessions that continue to ratchet up the trade deficit. I hear all my colleagues say: These trade agreements are really important so we can sell around the world. Yes, they are important. Every time we have a new trade agreement, we have a higher trade deficit. Does that add up?

We have a trade agreement with Mexico. We had a surplus; we turned it into a deficit. We have a trade agreement with Canada. We had a deficit; we nearly doubled it. We have a trade agreement with China. We didn't have a vote on that, but we just had a bilateral agreement with China.

I will make a wager with my colleagues that in a year and a half, when we evaluate our relationship with China, our deficit will have increased and we will be getting fewer agricultural products into China. Incidentally, after the trade agreement with China, in December, a load of barley was shipped to China from the U.S. and it is still waiting to enter. China stopped the shipment and apparently isn't going to let it get in. And China will give no reason for it. It is reasonable to ask: Who is looking after our interests?

You could put on a blindfold and listen and you could not tell the difference between George Bush, Bill Clinton, George W. Bush, Ronald Reagan, or Richard Nixon. It is all the same mantra on trade: This country is ill served by the trade agreements we have had. I support expanded trade and expanded opportunity for American products abroad. That is not what is happening in these trade agreements.

Now we come to a backdrop of an economy with energy issues and issues with respect to the market, trade, and other things I have discussed, and we have a new President who wants to cut taxes. In his campaign for the Presidency, when he was campaigning against Mr. Forbes in the primaries, he said he wanted to cut taxes by $1.3 trillion over 10 years. That was nearly 2 years ago that he made that announcement. That $1.3 trillion is scored by those who know it all works out that we will offer $2 trillion in real costs. So we have a President who, a couple years ago, said he wants a very large tax cut, and that there are surpluses as far as the eye can see. He and virtually all others from all political parties say they expect surpluses every year for the next 10 years, so the American people ought to receive some of those surpluses back in the form of tax relief.

I agree. I think it is time for a tax cut for a number of reasons. No. 1, I think our economy is weaker than most people believe. We are headed toward some pretty troublesome circumstances. Our fiscal policy ought to be stimulative. It is time for a tax cut that will help stimulate this economy and help provide additional economic growth.

But I do not believe we ought to lock in a tax cut for 10 years that is so large that it could pose a danger of putting us right back into very large, significant budget deficits once again. It took well over a decade to get out of that problem. This country should not want to be back in the same set of circumstances.

First of all, I don't think anyone here really believes that we know what is going to happen 2 years, 5 years, or 10 years from now. Nobody believes that we know there will be surpluses. We have never had surpluses for 10 straight years. We have never had those surpluses. Nobody knows what is going to happen 6 months from now in the economy. Yet we have people here who are prepared to say we are going to lock in a very large tax cut in a way that will put us in jeopardy of going back into Federal budget deficits 2 years, 5 years, or 10 years from now. I don't think that is wise. We should only lock in a tax cut for the first 2 years, and do the right kind of tax cut so that it is fair to everybody and in a way that stimulates our economy.

The first 2-year phase—make that portion of it permanent. Make the first phase stimulative, and at the end of 2 years, if we still have surpluses and the economic outlook is good, do a second phase. That is a much more conservative and a much more thoughtful way to address these issues.

I hope as we have these discussions in the budget debate, and in the subsequent tax debate that will come following that, we will be able to think through exactly what kind of projections we have for the future and exactly what we think is going to happen and, as a result of that, what kind of tax cuts we should enact.

There are a number of priorities for this country. Tax cuts are one at this point, especially because, A, we have a surplus and, B, we have an economy that is weakening. There are other priorities as well, one of which is to pay down the Federal debt. If you run it up in tough times, pay it down during better times. To those who say we are paying down the debt, I say when the budget document gets here, we will go to the page number I say and look at gross debt. It is going to increase, not decrease. Tell me why you think we are paying it down. Gross debt will increase, not decrease. That is why a significant part of the surplus that exists, in my judgment, should go to reducing the Federal debt.

Second, there are other things for us to do. Yes, a tax cut is a priority. So, too, is paying down the Federal debt. But there are other things we should do. We need to improve our schools in this country. That is something that is important to our future. We need to try to be helpful to senior citizens—to all Americans, but especially senior citizens—to pay the cost of prescription drugs. We ought to do that in the Medicare program and in a way that is affordable and effective.

So those are the other needs and priorities that we ought to consider. Finally, let me say that without disparaging any of the economic thinkers, either in the administration, or in Congress, or the Federal Reserve Board, no one knows what is happening in the future. We are all united by that profound lack of understanding. No one knows what the future holds for this economy. The most important element, by far, for this economy is the confidence of the American people. There are some who think we are so sophisticated that the control room on a ship of state has all kinds of gauges and knobs and dials and levers, and if you just go down there and adjust them all right, pull the right lever, adjust the right knob, move the right gauge, whether it is M–1B or tax cuts or spending or any number of devices, somehow the ship of state will sail forward at maximum speed. That is not the case at all. That has very little to do with the speed at which this ship moves forward.

What has everything to do with it is the confidence of the American people. This economy rests on the confidence of the American people. If the people aren't confident, the economy is going to contract and there isn't anything anybody can do much about it. People make judgments about their future, about buying a house, buying a car, buying other things—making decisions about their life that affect the economy. They make decisions based on their view of what will happen in the future. If they are optimistic, they decide one thing. They may buy a new home, a second car, or a vacation home. They may make a decision to buy new clothing. That confidence creates a wave of improvement in any economy. That economy rests on a mattress of consumer confidence, and it always has.

When people are not confident about the future, they delay decisions, postpone decisions, or simply decide they will not make purchases. So they behave differently and they create a contraction in the economy. That is the important thing for all of us to understand. This is all about confidence, about the American people's perception about the future and their confidence in the future.

I want to talk for a few more moments about this tax cut. When we do a tax cut, as I indicated, it ought to be stimulative and fair. Let me talk about this issue of "the top 1 percent" because there has been so much discussion about that. I open my mail and people write to me, and some support this and some support that; it is all over the mark. As some journalists write, some of my colleagues call it "class warfare" and so on.

Let me describe the 1-percent issue. The top 1 percent have done very well, far better than anybody else in the country. That is good for them. When you add up the individual income taxes and the payroll taxes paid by the American individual taxpayers, it is about a trillion dollars in individual income taxes and about $650 billion in payroll taxes. The top 1 percent bear about 21 percent of that burden. President Bush, in his proposal, says he would like to give the top 1 percent about 43 percent of the proposed tax cut. I think that is unfair. When I raise that and somebody says that is class warfare, I say it is not about class warfare; it is about class favoritism. Why have a tax policy that plays favorites, that says: you pay 21 percent of the total taxes, but you ought to get 43 percent of the tax cut? That is about class favoritism. What I say is, let's take care of the 99 percent first, look at their burden; let's look at what they have done, and their struggles. Then we should evaluate what kind of a fair tax cut can be helpful to working families, which can reflect their tax burden—yes, including the payroll tax because three quarters of the American people pay a higher payroll tax than they do in income taxes. That is very important to understand. That is where we get these differences in numbers.

I hear people get on the floor and say these are fuzzy numbers and you are jockeying around these numbers. Look, there is only one set of truths, only one. We know what the tax burden is the American people bear, and we know what the proposals are to relieve that burden—and there will be more, I am sure. The proposals that say the payroll taxes people pay don't count are proposals that shortchange working families who pay a significant amount of payroll taxes and are told when it comes to handing part of the surplus back to them, their tax burden didn't count.

That is not fair. It is not class warfare to describe that as unfair. It is class favoritism to decide the top 1 percent should get nearly double what they would normally deserve if we had a proportional tax cut related to their tax burden.

I know there are differences in how we see the economy that probably relate to our attitudes about this. There are people in this Chamber who firmly believe the economy works based on this so-called trickle down theory. That is the notion that there are some people who run this country who know about allocation of capital, and they are the ones who make the country go; they are the ones who run the big businesses and they hire the people, and if you give them something to work with, it all trickles down to the bottom, and everybody is better off.

I had an old farmer write me a letter some years ago. He said: I've been reading about this trickle down stuff for 20 years, and I ain't even damp yet.

The old trickle down does not always trickle down.

Others believe there is a percolate-up theory of economics: The engine works best when everybody has a little something with which to work, when American families have something with which to work. After all, you can have the best business in the world, but if nobody has the income to buy your product, your business "ain't" going to do very well.

Hubert Humphrey used to talk about the trickle down theory. It is an old story everybody has heard, I am sure. He said: It's sort of like when you give a horse some hay and hope later the sparrows will have something to eat. It is kind of a description of believing that somehow everybody will get something ultimately.

As we look at this tax issue, which I think is going to be one of the significant issues in Congress this year, we ought to be pretty hardheaded on two fronts: One, how do we do this in a way that helps this economy because this economy is in tougher shape than some know; and No. 2, how do we provide a tax cut that reflects the understanding we now have a surplus and ought to give some of it back in a way that also saves some for debt reduction, but in a way when we give it back it is fair to all the families in this country, it is fair to everybody.

There is an old song by Ray Charles that has a lyric:

> Them that gets is them that's got, and I ain't got nothing lately.

That is an apt discussion, it seems to me, of the way some people look at tax cuts. When they are proposed, they say: Gee, let's take a look at the top; they pay a lot of income tax. We will give them a large tax cut and the rest we will try to figure out. But we will trickle down, and somehow if we give enough at the top, it will trickle down and everybody will be better off.

It seems to me when we talk about taxes, we need to talk about the total tax burden people face, which is income taxes and payroll taxes, and give a tax cut that reflects the burden for working families. That is not the case in the proposal that has come from the President.

I think it is very unwise not to be somewhat conservative, and I am, frankly, surprised that those who call themselves the most conservative Members of Congress are often saying: Look, we are not conservative on this; what we want to do is provide a very large tax cut, and we are going to do that on surpluses that do not yet exist, but surpluses we expect we will have in 6 years, 7 years, 8 years, 9 years, 10 years.

That is not very prudent, in my judgment. It was an awful struggle to get rid of these Federal budget deficits, but they are gone. The last thing we want to do is get put right back into the deficit ditch.

We have a lot of interests and a lot of opinions about all of these things. I come from a farm State, and the Presiding Officer is from a farm State. I mentioned other things we want to do: provide a tax cut, pay down the debt, and reach other priorities that are necessary, such as improving our schools. I did not mention one that is most important to me, and that is doing what is necessary to preserve a network of family farmers in this country.

Again, there is a difference of opinion about that. Some say if farmers are worth saving, let the market system save them. If the market system does not provide a price that saves family farmers, tough luck. So what, America will get its food. Food comes from a shelf, and it comes from inside a package. Farmers are like the little old diner: They are kind of a nostalgic thing, like the little old diner left behind when the interstate came through. It is fun to look back and see that vacant diner and think of what was, but we have an interstate now, we don't need to stop there.

That is how some feel. It is total nonsense. Farmers produce more than grain. They produce a community, they produce a culture, they produce something so valuable for this country, and yet we are losing on this score.

We have a farm program that does not work. We have family farmers struggling to hang on by their fingertips because commodity prices have collapsed. Our farmers put a couple hundred bushels of grain in the truck and drive to the elevator and the elevator operator says: This grain you produced doesn't have much value. Almost half the world is hungry, and probably a quarter of the world is on a diet. We have instability in places of hunger, and our farmers are told: Your food does not have value.

What a strange set of priorities. If there is any one thing this country can do to promote a better world and promote more stability in the world it is take that which we produce in such abundance—food—and move it to parts of the world where it is needed for survival. What a wonderful thing for us to do and do it in a way that gives those who produce it a decent return.

We are able to do that with arms. It is interesting, we are the largest arms merchant in the world. The United States is the largest arms merchant in the world. We sell more weapons of war than any other country. If we can do that with armaments, we ought to be able to do that with food.

Most of us in this Chamber have been to refugee camps and places in the world where people are dying. I held a young girl who reached out of her bed. I was the only one she had. I was only going to be there a minute or two. She was dying of hunger, malnutrition. I can go anywhere in the world and see this. It is happening every day.

My late friend Harry Chapin, who was killed in 1981, used to say the reason people dying from hunger is not a front-page story is because the winds of hunger blow every minute, every hour, every day; 45,000 people; 45,000 people a day, most of them children. It is not a headline because it happens all the time, and we produce food in such wonderful quantity and are told it has no value. We can do a lot better than that.

I did not mean to speak at length—I will do so later—about agricultural policy, but in terms of our priorities as a country, as we think through all of these issues—taxes, trade, reducing the debt, and other priorities—and talk about prescription drugs and Medicare, about improving our schools and a farm policy that works for family farmers—all of these things represent values. It is about values: Who are we, what are we doing here, and what kind of future do we want?

In conclusion, when I talk about the economy, some say the economy is what it is and what it will be; the market system establishes the economy. The market system is a wonderful allocator of goods and services, but it is not perfect. In some cases it is perverted. It needs a referee, a certain structure. It needs rules and guidelines.

My thoughts are, our economy is what we decide we want to make it. If we want to make an economy in which family farmers can make a decent living, then that is the economy we can have. Europe has it. Good for them. I am not criticizing them. Good for them. This economy is what we make it. The tax policy is what we make it.

We need to think our way through this. I do not intend to be partisan. We have a new President. I like him. I want to work with him, but I say to him: You have given us a plan—that is good—but it is not the only plan. It is not the only idea. What we ought to do is get the best of what everyone has to offer. When people write to me and say support the President, I say this is not about the President, it is not about me; it is about this country's future: What are the best ideas to ensure this country's economic future? What are the best ideas we can get from Republicans and Democrats to ensure economic growth and opportunity for all Americans?

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, let me first thank the clerks who have been kind enough to notify me I might come over at this time. I am most appreciative of that courtesy. I will try to keep my remarks short. I recognize it is Friday afternoon and Members are anxious to be on their way.

THE ENERGY BILL

Mr. MURKOWSKI. The purpose of addressing my colleagues today is to talk a little bit about the energy bill. As most Members know, a bipartisan bill was introduced by Senator BREAUX and myself some time ago. It was a very comprehensive energy bill. It covered all aspects of renewables, alternatives, conservation, and also went into what we think is very important, and that is the issue of supply because what we have in this country—and it is certainly evident in California and moving out to New York and other areas—is we have increased consumption. In other words, we increased demand but we have not increased the supply.

This particular bill attempts to not only, in the sense of renewables, encourage alternatives and conservation, but it addresses how we can go back to our conventional sources of energy and try to do a more efficient job of ensuring that they, too, continue to contribute to our needs.

That sounds simplistic in one sense, but in another it should be recognized we have not been able to build a new coal-fired plant in the United States since the mid-1990s. It is not that we do not have the coal or the method of transporting the coal; it is simply a matter of permitting and the difficulties associated with meeting air quality and the costs associated with the particular type of construction required to meet the new emission standards.

We have not built a new nuclear plant in this country in over 25 years. Nobody in their right mind would even approach the subject because of, first, permitting, but probably even more pertinent is the difficulty of what we do with the high level radioactive wastes. We have been working out in Nevada for the last decade building a repository that is still 6 to 8 years away, even though it is basically complete today. The permitting is taking that long. It is at Yucca Mountain. We have expended over $7 billion.

My point is simple. As we address our conventional sources, we find we have eliminated them for one reason or another simply because we have not had the conviction to overcome the objections by some groups that do not want to see nuclear and they do not want to see coal. It is pretty hard to identify what their contribution is to the recognition that we are short of supply.

You can go on into hydro, which is renewable, but nevertheless there are those who propose to take down hydro dams in our rivers. Out west, if you take down the dams, you close the rivers to navigation. Then where do you put the tonnage that goes on the rivers? You put it on the highways.

We have also seen a tremendous increase in natural gas consumption because that is the one area that our electric producing entities can permit. Nevertheless, we have seen gas prices go from $2.16 per thousand cubic feet last year to somewhere in the area of $5.40 or $8.40 or whatever—it has doubled; it has tripled. The realization now is we are pulling down our recoverable gas reserves faster than we are finding new ones.

I am not suggesting we don't have more gas in this country, but we have pretty much identified natural gas as the preferred fuel. Now we are finding ourselves faced with higher prices associated with that.

I have kept oil for the last provision in our dependence because I think it reflects on a little different portion of energy. America moves on oil. We do not move necessarily on natural gas. Our industry depends on natural gas, our power generating on natural gas, our homes by natural gas, but you don't fly out of Washington, DC, on hot air. You fly out on kerosene in your jet airplane, your bus, your ship. Unfortunately, we have little relief in sight from the standpoint of our dependence being replaced by any other technology.

We talk about fuel cells; we talk about wind, solar panels. We have expended about $6 billion over the last 5 years developing alternative energy. While that development has made some progress, the unfortunate part is it still only reflects about 4 percent of our overall general mix in energy sources.

What we have attempted to do in our bill, Senator BREAUX and myself, is to concentrate to a large degree on increasing the supply by using technology to develop more efficiently, more effectively, with smaller footprints.

We have also had a bill that has been introduced. I would classify this at least initially as a partisan bill introduced by my good friend Senator BINGAMAN, with whom I share responsibility on Energy, as chairman of the committee—he is the ranking member—and Senator DASCHLE. They introduced a partisan bill. The rationale behind many of our initiatives is similar. In the area of tax initiatives, they are nearly identical. Both have marginal wells, energy efficiency, renewable, accelerating depreciation, infrastructure, other nontax provisions, electric reliability, and Price Anderson issues that address liability on nuclear plants, and alternative fuels.

However, there are some significant differences. I would like to point those out at this time.

There is very little in this bill about existing older coal-fired plants that generate a significant portion of the energy in this country in the form of electricity.

There is nothing substantial for nuclear. I have indicated that nuclear energy provides about 20 percent of the power in this Nation. It is clean. It has no emissions.

As a consequence, more and more utilities are looking at American nuclear. But clearly we have to address the waste issue.

There is no expedited procedure in the Democratic bill for hydro relicensing, which we think is a necessity, because in the interest of safety and efficiency hydro dams need to be relicensed in an expeditious manner.

Lastly, they have not included opening up ANWR—that small sliver of Alaska that we believe has the potential to decrease, if you will, substantially our dependence on imported oil. It will not replace it. I want to make sure everybody recognizes that. It is not the answer to California's energy problem. It never was and never will be. But it certainly is the answer to California's dependence on oil because all the oil that is produced in Alaska is consumed in California, or the State of Washington. Oregon has no refineries. So a portion of the oil from Washington's and California's refineries go to Oregon.

My point is a simple one. As Alaska's oil production declines, California, Washington, and Oregon will continue to need oil.

The question is, Where are they going to get the oil? They are going to bring it in from overseas in foreign vessels, maybe from the rain forests of Colombia or other areas where there is no environmental consideration given for the development of the field, or compatibility of the environment, or compatibility of the landmass where they develop oil, or for the technology that we mandate in developing our own oil fields.

My point is, you might not like oil fields. Prudhoe Bay is the best in the world, bar none. The combination of the environmental oversight by the Federal Government and the EPA and the State of Alaska is second to none. Any spill of an ounce or more has to be reported. Any foreign substance—even throwing out coffee from a cup—requires reporting. That may sound outlandish, but that is the rule. That is the law, and that is the enforcement.

As we look at the decline in production from Alaska and recognize where it is going, and factoring in the reality that our oil under the Jones Act, which mandates that the carriage of goods between two American ports must be in U.S. flag vessels that are crewed by union members, that are in ships built in U.S. yards, which provides jobs for Americans as opposed to foreign ships that are coming in that aren't built to U.S. standards and don't have the same requirements of Coast Guard inspections, and so forth.

There is a significant issue for Washington, Oregon, and California.

The merits of opening ANWR speak for themselves. Can you do it safely? Clearly we can. We have the experience. Is the area at risk? Well, those who are opposed to it would have you believe that ANWR is at risk. But they do not point out the reality that ANWR is the size of the State of South Carolina. It is roughly 19 million acres. In that 19 million acres, we have set aside 8.5 million acres in the wilderness in perpetuity and another 9 million acres has been set aside in the refuge, leaving up at the top for Congress and only Congress to determine what is the so-called 1002 area consisting of 1.5 million acres.

That is what is at risk—1.5 million acres out of 19 million acres. And industry says if oil is found there in the range that it believes exist—somewhere between 5.6 billion barrels and 16 billion barrels—the footprint would be about 1,000, or 2,000 acres.

That is about half the size of the Dulles International Airport, to give you some idea of the magnitude.

Is that permissible? We think it is. Do we have the technology? We think we do.

If the oil is there in that abundance—10 million barrels a day—it would equal Prudhoe Bay. Prudhoe Bay has produced for 27 years about 20 to 25 percent of the total crude oil produced in the United States. Now it is beginning to decline. It has, nevertheless, exceeded its production prediction which was 10 billion barrels. It has produced over 13 billion barrels.

My point is that ANWR and that particular field that is believed to be there would be the largest oil field found in the world in the last 40 years. Some people say it is only a 6-month supply. That is assuming all the rest of the oil production stops. It is a ridiculous argument. It is similar to us saying that Alaska is going to withhold development of ANWR, and therefore you are not going to have a 6-month supply of oil. It is a ridiculous argument. It needs to be tossed aside. It is amazing that the media believes it is going to take 10 years to develop. It is not going to be 10 years. We can develop that in 3 years. We already have an 800-mile pipeline. It utilizes half the capacity. We need an extension of about 26 miles of pipeline, which takes us from the field on State land on the edge of ANWR, and we can begin to produce oil.

The difficulty I have with the Democratic bill is ANWR is not in it. I think as we look at trying to find relief, we have to look at home, and we have to recognize that we can do it safely. I have already indicated prominent justification for that.

The other issue is what is going on with the economy. The economy in this country is in the dumps. How much of it is the cost, if you will, of increased energy? Look at Fortune 500 fourth-quarter earnings. They all indicate that they were substantially affected by the increased costs of energy. It affected their bottom line. It affected their employment. It affected their inventory.

Again, it is an economic factor, and it is a significant one as we look at the contribution that this could make in our own economy. It is a significant creator of jobs.

There are virtually thousands and thousands of jobs associated with opening up this oil field. We don't make pipe in Alaska. We don't make valves. We don't have the welders. It is estimated that about 750,000 jobs are associated with this effort.

I want to make sure everybody understands the significance of what it means to the economy.

Finally, the national security interests of this country: when do we compromise our national security? At what point do we become so dependent on oil imports that we compromise that?

I was asked that question. I said, well, remember in 1973 and 1974 when we had the oil embargo. We had gas lines around the block. People were indignant, and they were blaming government. We said we will never approach 50-percent dependence.

So we created the Strategic Petroleum Reserve with a 90-day supply. We never reached that goal. We reached about a 56-day supply. When we pulled our oil out under the previous administration—about 30 million barrels—we suddenly found that we didn't have the refining capacity to refine the oil. We had to replace what we were importing by opening SPR.

My point is we have restrictions in our energy situation. And it is not limited to supply. It is partially limited to the capacity we have because we haven't built a new refinery in this country in 25 years. We shut down nearly 100 in the last decade.

Here we find ourselves in a situation where we fought a war in 1991. We lost 147 lives. We had 437 Americans wounded. How quickly we forget. Who was that war against? It was against Iraq and Saddam Hussein. We are now importing nearly 700,000 barrels a day from Iraq. Yet we have flown 234,000 individual sorties over Iraq enforcing the no-fly zone. We have been very fortunate. We have not lost any men or women. But they are shot at, believe me. It is a very dangerous situation.

So here we become dependent, if you will, in a few years, to a degree, on oil from an aggressor, a tyrant. It is kind of interesting to proceed a little further with this evaluation of our national security interests. Because, as we look to Saddam Hussein, what we do is we take his oil, we refine it, put it in our airplanes and go bomb him. Maybe it is not that simple, but I think there is justification for at least that kind of a premise being rationalized.

What does he do with the money he gets? He pays his Republican Guards to keep him alive. And then he develops a missile capability, a delivery capability, a significant biological capability. And at whom does he aim it? At one of our closest allies, Israel. I don't know what that does to your digestion, Mr. President, but it bothers mine.

Is it in our country's national security interest to continue to depend more and more on imported oil? I do not think so. We can reduce that dramatically. Currently we are 56-percent dependent on imported oil. If Congress authorized the opening of ANWR tomorrow, we would send a signal to OPEC that we mean business about reducing our dependence. That would send a strong signal. I think they would increase production and the price would drop.

However, we cannot seem to come to grips with this problem because of the environmental opposition based on emotion, not sound science, based on membership, pressure on members, the realization that the environmental community needs a cause, the realization the environmental community will not address its responsibility to increase supply, if you will.

Why is that increase necessary? We are simply using more energy as we know and learn how to conserve more. We are an electronic society. We move on e-mails. We move on computers. We are expanding. The requirements associated with our structural society—including air-conditioning—suggest we are going to continue to use more.

They say we can conserve our way out. We can no more conserve our way out than we can drill our way out. We need all the sources of energy. We need the technology. And a significant portion, as far as oil is concerned, is ANWR.

So that is why, as we look at the four issues—safety, yes, it can be done safely; the effect on the economy; the national security; and, most of all, the attitude of the people in Alaska—75 percent support it. We have Native people, Eskimos who are here in Washington, calling on Members saying: Hey, this is a personal issue. We live there. We live in the village of Kaktovik, which is in ANWR. We have a school there. We have a radar site there. There are 227 people who live there. We have a right to life and disposition on our own land and a right of expression.

So when the environmentalists say, it is an untouched Serengeti, they are misleading the public. Most of ANWR is untouched and will always remain untouched. But this little segment where the people live is the area where the oil would be drilled.

So we are disappointed with the Democratic bill because it does not include ANWR.

I have a couple more things to say, and then I will try to wind this up.

In the Democratic bill, in our opinion, there are extremely broad research and development authorizations on the issue of climate change provisions which might be dealt with better in a separate entity. We are all concerned about global warming and concerned about climate change. But the idea of drifting towards a Kyoto accord, I think most Members have indicated by that vote last year of 98–0 that the proposal before the Senate was simply unacceptable. The reason is, it would allow the developing nations to catch up with the developed nations instead of the developed nations using our technology to assist the developing nations in reducing their emissions.

Finally, the Democratic proposal has an inconsistency in one sense. It does not address, as I have indicated, looking for oil at home; namely, ANWR, even though the residents of my State support it, but it does propose lease sale 181 in the gulf right off Florida. The Democratic proposal states that we should take the lead in meeting the energy needs using indigenous resources.

What I am saying is the Democratic proposal opposes ANWR, which the State of Alaska clearly supports, but wants to force lease sale 181, which Florida opposes—the Governor of Florida and the people of Florida—which is a bit of an inconsistency. Perhaps there will be an explanation on it.

They want to shut ANWR permanently, but, by the same token, they want to accelerate the export of Alaskan natural gas. That is kind of an interesting comparison because there is a difference of how we propose to develop Alaska's gas. They propose a section 29 tax incentive for production of natural gas from Alaska.

It is interesting to reflect on what section 29 means. Section 29 is designed as an incentive for development of unconventional sources of energy, not conventional sources.

What am I talking about? For example, overlaying Prudhoe Bay, we have what we call the West Sack Field. It is larger than Prudhoe Bay, but the oil is immersed in the sands, and the sands are in permafrost, and the technology of recovery is simply not in existence. The oil is there.

So in our bill we have a proposed subsidy for developing that technology. We have, in our bill, under section 9, an incentive for developing biomass technology, coalbed methane technology. But surprisingly enough—and I do not mean to kick a gift horse in the mouth or the teeth or the behind or wherever —they propose this section 29 in Alaska's potential natural gas development.

Under our proposal, the Alaska natural gas project would not be available for any type of section 29 subsidy. There is a reason for that. In our case, the gas has been found. We found 36 trillion cubic feet of gas associated with oil development in Prudhoe Bay. The geologists will not even get a recognition for finding a gas well. The emphasis was on an oil well.

So we found this gas. We discovered it. Furthermore, we have produced it. We produced it by pulling it out and reinjecting it into the oil wells to get greater recovery. So the gas is still there. But to suggest that Exxon, British Petroleum, and Phillips are looking for an incentive—a tax incentive under section 29—I do not mean to speak out of school, but we are just amazed they would include a subsidy to big oil for a project that is already proven, already found. The technology is available. All we need is the transportation to get it out.

So, once again, we see Members of Congress trying to determine what is in the best interests of Alaska without talking to Alaskans or understanding our point of view or giving us the courtesy.

Finally, for the record, we have had long debates on this issue of whether or not we could open ANWR safely. We have had long debates on the issue of our national security interests, of the numbers of lives we have lost over oil.

I remember Mark Hatfield, a very senior Member of this body, from the State of Oregon, saying: I would vote for ANWR any day in the world if it meant not sending another American soldier overseas to fight a war in a foreign country over oil.

Well, the final word—and this is from Representative RALPH HALL, a Democrat from Texas, who said Tuesday in a speech before the U.S. Chamber of Commerce—and I quote:

> I would drill in a cemetery if it kept my grandkids out of body bags.

Mr. President, I yield the floor.

RESTORING A NATIONAL COMMITMENT TO MISSILE DEFENSE

Mr. INHOFE. Mr. President, in his recent address to Congress, President George W. Bush made it clear that, unlike his immediate predecessor, he strongly endorses the deployment of an effective missile defense system capable of protecting the United States, its allies and its forward deployed forces from the growing threat of missile attack. As someone who has long viewed the deployment of missile defense as an urgent national priority, I look forward to working with President Bush to achieve this vital national security goal for America.

March 23 marks the 18th anniversary of President Ronald Reagan's historic speech announcing his determination to see America build a defense against ballistic missiles. It is gratifying to know that Reagan's vision remains alive today. As Reagan said in 1983:

> What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack, that we could intercept and destroy strategic ballistic missiles before they reached our own soil or that of our allies?
>
> I know this is a formidable technical task, one that may not be accomplished before the end of this century. . . . It will take years, probably decades of effort on many fronts. There will be failures and setbacks, just as there will be successes and breakthroughs . . . as we pursue a program to begin to achieve our ultimate goal of eliminating the threat posed by strategic nuclear missiles.

Now, 18 years later, at the dawn of the new century, a renewed Presidential focus on missile defense is appropriate and necessary. The threat posed by ballistic missiles and weapons of mass destruction is very real and growing. And as we have seen over time, the technology to begin to meet this threat is available, if we will make the effort to aggressively develop it. Today, President Bush promises to do just that.

Unfortunately, the Clinton administration squandered most of the last 8 years, failing to build a proper foundation for the kind of robust missile defense development and deployment which the growing threat demands. Wedded to the outdated 1972 ABM Treaty, to the superstitions of arms control and to greatly reduced defense budgets, Clinton was consistently hostile to the deployment of effective missile defense. Here is a quick year-by-year review of some of the highlights of the Clinton administration's dismal record on missile defense.

1993: cut $2.5 billion from the Bush missile defense budget request for fiscal year 1994; halted all cooperation with Russia on a joint global missile defense program; terminated the Reagan-Bush Strategic Defense Initiative program; downgraded National Missile Defense to a research and development program only; cut 5-year missile defense funding by 54 percent from $39 billion to $18 billion; reaffirmed commitment to ABM Treaty, saying any defense must be "treaty-compliant."

1994: State Department official called the ABM treaty "sacred text," saying "arms control has more to offer our national security than do more weapons systems. We look first to arms control and second . . . to defenses;" declared Theater High Altitude Area Defense (THAAD) non-treaty compliant; placed self-imposed limits on THAAD testing to keep it "treaty-compliant."

1995: Placed self-imposed limits on Navy Upper Tier system to keep it "treaty compliant;" politicized National Intelligence Estimate (NIE) to downplay growing missile threat; vetoed Defense Authorization bill requiring missile defense deployment by 2003.

1996: Cut funding and slowed development of THAAD and Navy Theater-Wide systems, in defiance of the law—the Defense Authorization bill—requiring accelerated development; announced fraudulent "3-plus-3" program for national missile defense: three years to develop, plus three years to deploy. (Later changed to "5 plus 3," then "7 plus 3," then dropped the "plus 3"); reaffirmed ABM Treaty as the "cornerstone of strategic stability;" opposed and helped kill legislation calling for NMD deployment by 2003.

1997: signed ABM Treaty agreements with Russia which, if ratified by the Senate, would: (1) reaffirm the validity of the ABM Treaty banning effective national missile defense; (2) sharply limit the effectiveness of theater defense systems; and (3) ban space-based missile defenses.

Clinton never submitted these for ratification, knowing they would fail to get the needed 67 votes for ratification.

1998: opposed and helped kill legislation calling for NMD deployment "as soon as technologically possible;" disputed the Rumsfeld Commission's assessment of the growing missile threat, arguing that there was no need to accelerate missile defense deployment; on August 24, Joint Chiefs Chairman Henry Shelton wrote to me affirming his assurance that U.S. intelligence would detect at least three years' warning of any new rogue state ICBM threat; on August 31, one week later, North Korea surprised U.S. intelligence by testing a three-stage Taepo-Dong I missile with intercontinental range, demonstrating critical staging technology and rudimentary ICBM capability.

1999: delayed by at least two years the Space Based Infrared System (SBIRS) satellites designed to detect and track missile launches necessary to coordinate with any effective national missile defense system; emasculated the Missile Defense Act of 1999—passed by veto-proof majorities in both houses—calling for deployment "as soon as technologically possible." In signing the bill into law, Clinton outrageously interpreted it to mean that no deployment decision had been made and that therefore he would make no change in his go-slow missile defense policy.

2000: cut funding for the Airborne Laser (ABL) program by 52 percent over 5-year period, but the cuts were later reversed by Congress; allowed Russia to veto U.S. missile defense plans by making NMD dependent on Russia's agreement to modify the ABM Treaty, but Russia would never agree; postponed the administration's long-awaited NMD deployment decision from June to September and then decided to defer any decision indefinitely to the next administration, insuring that the entire eight years of the Clinton presidency would pass without a commitment to deploy national missile defense.

The net result of this abysmal record is that America continues to remain completely vulnerable to missile attack, despite growing threats. In the 8 years of the Clinton administration, there was never a commitment to deploy national missile defense. Instead, there was a misguided ideological dedication to preserving the ABM Treaty, whose very purpose was to prohibit effective missile defense. In essence, the Clinton vision was exactly opposite of the Reagan vision.

Today, the threat grows. Proliferation of missile and weapons technology around the world proceeds at an accelerated pace. Under Clinton, weapons inspectors were kicked out of Iraq; Russia greatly increased its military assistance to China; China was caught stealing U.S. nuclear secrets; U.S. companies were given a green light to help improve the accuracy and reliability of China's nuclear missiles; China transferred missile and weapons technology to North Korea, Iran, Iraq and others; China threatened to absorb Taiwan; and China threatened to attack the United States with nuclear missiles.

The Rumsfeld Commission determined that new ICBM threats could emerge in the future "with little or no warning." The Cox Commission determined that Clinton covered up or presided over some of the most serious security breaches in U.S. history, affecting critical national secrets about virtually every weapon in our nuclear arsenal and numerous military-related high technologies.

The case for missile defense is more compelling today than it has ever been. With a new President determined to set a new course, or rather to set us back to the course first articulated by President Reagan, there is reason for hope and optimism.

I urge President Bush to move quickly in forging a national commitment to the deployment of a robust global missile defense system capable of defending all 50 States, our allies and our forward deployed troops around the world. We should appropriate the necessary budgets. We should exploit all options and technologies. We should seriously consider an initial deployment at sea, using our proven Aegis ships and complementing it with important ground and spaced based systems.

In consultation with our allies, and while maintaining our nuclear deterrent, we should break free of the constraints of the outdated ABM Treaty and begin to fashion a security regime based, as Reagan said, on our ability "to save lives rather to avenge them." This is the legacy America deserves, consistent with Reagan's vision of courage, morality and security—a vision I know is shared by President George W. Bush.

SCORECARD OF HATRED

Mr. LEVIN. Mr. President, in just the last few weeks, two California high schools a few miles apart, suffered the same terrible fate when troubled students opened fire on both classmates and teachers. These remind of us of the many acts of gun violence committed by young people in American schools since the attack at Columbine High School almost 2 years ago. In last week's Time magazine, an article called "Scorecard of Hatred," lists in detail the many varied plans of copycat attacks since Columbine, including those planned by teenagers who, thankfully, failed in their attempts. Each of the more than 20 different attempts by young people to "pull a Columbine," the phrase that some teenagers now use to describe these acts of violence, is disturbing in its own right. As a whole, these acts are beginning to become an epidemic.

I often wonder why these acts of school violence are so uniquely American. The warning signs most commonly associated with teens who engage in school shootings—disturbing patterns of behavior, depression, increased fascination with violence, sometimes inappropriate living conditions—are no doubt experienced by teens in other countries. Yet, even though the gun shots at Columbine were witnessed by teens across the world, teens in other countries are not routinely committing terrible acts of school violence.

Last May, on the 1-year anniversary of the Columbine shootings, there was one act of copycat violence in Ottawa in the province of Ontario, Canada. According to an article in the Ottawa Citizen, a 15-year-old boy, who was teased mercilessly by his classmates, became obsessed with the Columbine school massacre and the violent perpetrators of the tragic event. He posted pictures of the young men in his lockers and began counting down the days until the anniversary. But when the moment came, and the young boy in Canada attempted to carry out his copycat crime, instead of brandishing an arsenal of firearms, he brandished a kitchen knife. Instead of 15 dead and countless more injured, 5 people were stabbed, none with any life-threatening injuries.

In Littleton, CO and Ottawa, Canada, the circumstances were similar, but the outcomes were substantially different. It seems that the one crucial difference in this and other such incidences is not religion or music, entertainment, or peer influence, it is access to guns. In most of these school shootings in the United States, our young people have relatively easy access to guns. Here are some of the examples used in the Time magazine article: two 8th graders in California were found with a military-sniper rifle, a handgun, and 1500 rounds of ammunition; a 15-year-old in Georgia gained access his stepfather's rifle; a 7th grader from Oklahoma took his father's semiautomatic handgun; a 6-year-old in Michigan discovered a semiautomatic handgun; a 17-year-old in California amassed an arsenal of 15 guns as well as knives and ammunition; a 13-year-old in Florida picked up a semiautomatic handgun.

Mr. President, the lists goes on and on. We must do something to limit our youth's easy access to guns and end the epidemic of gun violence in our Nation's schools and community places.

Mr. President, I ask unanimous consent to print in the RECORD the Time magazine article, Scorecard of Hatred.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Time magazine, Mar. 19, 2001]

SCORECARD OF HATRED

(By Amanda Bowen)

MAY 13, 1999—FOILED

Port Huron, Mich.

Their plan, police said, was to outdo Columbine perpetrators Eric Harris and Dylan Klebold by arming themselves, forcing the principal of Holland Woods Middle School to call an assembly and then killing teachers, classmates and themselves. Jedaiah (David) Zinzo and Justin Schnepp, both 14, made a list of 154 targets, stole a building plan from the school custodian's office and plotted to use one gun to steal more. Classmates caught wind of the plot and reported it to the assistant principal. Zinzo and Schnepp were sentenced to four years' probation.

MAY 19, 1999—FOILED

Anaheim, Calif.

When police searched the homes of two eighth-graders at South Junior High, they found two bombs, bombmaking materials, a military-surplus rifle, a Ruger Blackhawk .45-cal. handgun, 1,500 rounds of ammunition and Nazi paraphernalia. They were tipped off by a student who heard that the boys, whose names were not released, were threatening to blow up the school.

MAY 20, 1999

Conyers, Ga.

Thomas Solomon Jr., 15, aimed low with his stepfather's .22 rifle and wounded six fellow students at Heritage High School.

Warning Signs.—Solomon told classmates he would "blow up this classroom" and had no reason to live. He was being treated for depression and was teased by a popular sports player whom Solomon believed was the object of his girlfriend's affections.

AUG. 24, 1999—FOILED

Northeast Florida

Two teenagers were charged with conspiracy to commit second-degree murder after a teacher saw drawings, one of which depicted a bloody knife, a shotgun and an assault weapon. The teens allegedly described themselves as Satan worshippers and claimed they were planning to leave a deadlier trail than the one at Columbine. Charges were dropped for lack of evidence, and the boys were released from house arrest.

OCT. 28, 1999—FOILED

Cleveland, Ohio

Adam Gruber, 14, and John Borowski, Benjamin Balducci and Andy Napier, all 15, were white students planning a rampage at their mostly black school. It was to end, one of the boys' friends said, in a suicidal shoot-out with police, with one survivor to "bask in the glory." Officials were tipped off to the plot by another student's mother.

OCT. 24, 2000

Glendale, Ariz.

Sean Botkin dressed in camouflage, went to his old school, entered a math class and with a 9-mm handgun held hostage 32 former classmates and a teacher, police say. After an hour, the 14-year-old was persuaded to surrender.

WARNING SIGNS.—Botkin said in a television interview last month that he was picked on, hated school, had a troubled family life and couldn't recall ever being truly happy. "Using a gun would get the attention more than just walking into school and saying, 'I need help' or something," he said.

JAN. 10, 2001

Oxnard, Calif.

Richard Lopez, 17, had a history of mental illness, and police apparently believe he "had his mind made up to be killed by a police officer" when he marched onto the grounds of his old school, Hueneme High, took a girl hostage and held a gun to her head. Within five minutes of SWAT officers' arriving, he was shot dead. Lopez's sister said her brother had wanted to commit suicide, but his Catholic faith forbade it.

WARNING SIGNS.—Family members said Lopez had been in and out of juvenile facilities and attempted suicide three times. "He needed help, and I cried out for it," his grandmother said.

JAN. 29, 2001—FOILED

Cupertino, Calif.

The Columbine gunmen were "the only thing that's real," according to De Anza College sophomore Al Joseph DeGuzman, 19. He allegedly planned to attack the school with guns and explosive devices. The day before, however, he apparently photographed himself with his arsenal and took the film for developing. The drugstore clerk alerted police.

FEB. 5, 2001—FOILED

Hoyt, Kans.

Police were alerted to Richard B. Bradley Jr., 18, Jason L. Moss, 17, and James R. Lopez, 16, by an anonymous hot-line tip. A search of their homes revealed bombmaking material, school floor plans, a rifle, ammunition and white supremacist drawings, police said. They also reportedly found three black trench coats similar to those worn by the Columbine gunmen.

FEB. 7, 2001—FOILED

Fort Collins, Colo.

Just 66 miles from Littleton, Chad Meiniger, 15, and Alexander Vukodinovich and Scott Parent, both 14, were allegedly hatching an elaborate plan to "redo Columbine." Police were tipped off by two female classmates of the boys, who said they had overheard them plotting. Officers say they found a weapons cache, ammunition and sketches of the school.

NOV. 19, 1999

Deming, N.M.

Victor Cordova Jr., 12, fired one shot into the lobby of Deming Middle School and hit Araceli Tena, 13, in the back of the head. She died the next day.

WARNING SIGNS.—Cordova reportedly boasted the day before the shooting that he would "make history blasting this school," but no adults were told. Since losing his mother to cancer, Cordova was reportedly suicidal.

DEC. 6, 1999

Fort Gibson, Okla.

Seventh-grader Seth Trickey was a religious, straight-A student. But then, police say, he came to school, stood under a tree, pulled out his father's 9-mm semiautomatic handgun and fired at least 15 rounds into a group of classmates. Four were wounded.

WARNING SIGNS.—A juvenile court heard that Trickey was receiving psychological counseling and was deeply influenced by the Columbine shootings. Psychologists said he was obsessed by the military, in particular General George S. Patton, and the shootings may have been Trickey's way of proving he could hold his own in battle.

FEB. 29, 2000

Mount Morris Township, Mich.

A six-year-old boy, whose identity has not been released, left the crack house where he lived and went to school at Theo J. Buell Elementary. He called out to fellow first-grader Kayla Rolland, left, "I don't like you!" "So?" she said. The boy swung around and shot her with the loaded .32 semiautomatic handgun he had taken from home. Kayla died soon afterward.

WARNING SIGNS.—The boy was reportedly made to stay after school nearly every day for violent behavior, attacking other children and cursing. His hellish home life—mother a drug addict, father in prison—had been the subject of complaints to police, but there was no response. On the day of the shooting, another student reported the boy was carrying a knife. It was confiscated, but he was not searched for other weapons.

MAY 18, 2000—FOILED

Millbrae, Calif.

A 17-year-old senior at Mills High school, whose name has not been released, was arrested after another student reported being threatened with a gun. Police said they found an arsenal of 15 guns and rifles, knives and ammunition at the boy's home, all apparently belonging to his father. In the eight months before his arrest, the boy had allegedly threatened seven other friends with guns and bragged he was going to "do a Columbine" at school. The victims said they were too scared to report the threats.

MAY 26, 2000

Lake Worth, Fla.

Nathaniel Brazill, 13, was sent home for throwing water balloons. Police say he returned with a .25-cal. semiautomatic handgun, went into an English class and shot and killed teacher Barry Grunow, 35.

WARNING SIGNS.—Brazill had apparently shown others the gun and talked about hit lists. In his bedroom, police say they found a letter he had written saying, "I think I might commit suicide."

FEB. 11, 2001—FOILED

Palm Harbor, Fla.

Scott McClain, a 14-year-old eighth-grader, reportedly wrote a detailed e-mail to at least one friend describing his plans to make a bomb and possibly target a specific teacher at Palm Harbor Middle School. The friend's mother alerted sheriff's deputies, who said they found a partly assembled bomb in McClain's bedroom that would have had a "kill radius" of 15 ft.

FEB. 14, 2001—FOILED

Elmira, N.Y.

Jeremy Getman, an 18-year-old senior, passed a disturbing note to a friend, who alerted authorities. A police officer found Getman in Southside High School's cafeteria, reportedly with a .22-cal. Ruger semiautomatic and a duffel bag containing 18 bombs and a sawed-off shotgun. An additional eight bombs were allegedly found in his home.

MARCH 5, 2001

Santee, Calif.

Charles Andrew Williams, 15, allegedly opened fire from a bathroom at Santana High, killing two and wounding 13.

WARNING SIGNS.—Williams was bullied, a pot smoker, trying to fit in. He told at least a dozen people, including one adult that there would be a shoot-out. When he later said he was joking, they believed him.

MARCH 7, 2001

Williamsport, Pa.

Elizabeth Catherine Bush, 14, was threatened and teased mercilessly at her old school in Jersey Shore and transferred last spring to Bishop Neumann, a small Roman Catholic school. There she allegedly took her father's revolver into the cafeteria and shot Kimberly Marchese in the shoulder.

WARNING SIGNS.—Bush was reportedly still being teased and was depressed. As she fired the gun, she allegedly said, "No one thought I would go through with this." It is unclear whether she had told anyone of her intentions.

MARCH 7, 2001—FOILED

Twentynine Palms, Calif.

Cori Aragon, left, with her mother, was one of 16 students at Monument High School in the Mojave Desert to discover that their names were allegedly on the hit list of two 17-year-old boys arrested on suspicion of conspiracy to commit murder and civil rights violations. Tipped off by a female student who overheard the boys' plans, police said they found a rifle in one home, the list in the other. The boys' names were not released. This was the most serious case to follow the Santee shootings. But 14 other California children were either arrested or under observation for making threats. Around the U.S., dozens more copycat threats were reported.

OFFERING OF AMENDMENTS TO SENATE RULES

Mr. McCONNELL. Mr. President, pursuant to the Senate Rules, I am giving notice that I plan to offer amendments to the Senate rules that would (a) require Senators to report allegations of corruption to the Select Committee on Ethics, and (b) make the Senate rules applicable to an individual after he or she is officially and legally certified as the winner of the Senate election in his or her state.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, March 22, 2001, the Federal debt stood at $5,732,049,780,656.46, Five trillion, seven hundred thirty-two billion, forty-nine million, seven hundred eighty thousand, six hundred fifty-six dollars and forty-six cents.

One year ago, March 22, 2000, the Federal debt stood at $5,727,734,000,000, Five trillion, seven hundred twenty-seven billion, seven hundred thirty-four million.

Five years ago, March 22, 1996, the Federal debt stood at $5,062,405,000,000, Five trillion, sixty-two billion, four hundred five million.

Ten years ago, March 22, 1991, the Federal debt stood at $3,449,090,000,000, Three trillion, four hundred forty-nine billion, ninety million.

Twenty-five years ago, March 22, 1976, the Federal debt stood at $599,264,000,000, Five hundred ninety-nine billion, two hundred sixty-four million, which reflects a debt increase of more than $5 trillion—$5,132,785,780,656.46, Five trillion, one hundred thirty-two billion, seven hundred eighty-five million, seven hundred eighty thousand, six hundred fifty-six dollars and forty-six cents, during the past 25 years.

ADDITIONAL STATEMENTS

SCHOOL VIOLENCE

● Mr. HUTCHINSON. Mr. President, tomorrow, March 24, is the third anniversary of the tragic episode of school violence which occurred at Westside Middle School in Jonesboro, AR. I want the families and friends of Natalie Brooks, Paige Ann Herring, Stephanie Johnson, Brittheny Varner, and Shannon Wright to know that I will never forget their terrible loss and that my heart continues to ache for and with them. They are, and will continue to be, in my thoughts and prayers as I proceed with my efforts to make our schools the safe havens of learning that they should and must be.●

HONORING GODFREY "BUDGE" SPERLING

● Mr. LIEBERMAN. I rise today to congratulate Godfrey "Budge" Sperling, a man who has spent the last 35 years satisfying the appetites of reporters hungry for both a good meal and a good story. On more than 3,100 mornings, Budge has invited members of the Washington press corps to join him for breakfast and conversation with political news makers. He has hosted everyone from Members of Congress to presidential nominees to sitting presidents, as well as luminaries such as the Dalai Lama. Along the way, the Sperling Breakfasts have become more than an informal gathering of journalists and news makers, they have become a prominent part of Washington's political culture. In fact, they have become a brand name.

Today, I would like to take a few moments to pay tribute to this institution by sharing with my colleagues a little bit about its founder. Budge Sperling was born in Long Beach, California, in 1915, but grew up in Urbana, Illinois. In 1937 he graduated from the University of Illinois with a degree in Journalism. He continued his studies at the University of Oklahoma, receiving a law degree in 1940.

In 1946, after serving for five years in the United States Air Force during World War II, Budge joined the staff of the Christian Science Monitor, working his way through a variety of national bureaus until he and his breakfast became a brand name. Throughout a career that has spanned over 50 years, Budge has served as Chief of the Monitor's Midwest Bureau, New York Bureau, and Washington Bureau. He currently serves as the Monitor's Senior Washington Columnist.

The Sperling breakfasts began, ironically, over lunch. On February 8, 1966, Budge decided to invite some of his colleagues to join him for a midday meal at the National Press Club with Charles H. Percy, the eventual senator from Illinois, whom he had met on the campaign trail. After the successful meeting, Budge was urged by his fellow reporters to host another gathering. Budge invited New York Mayor John Lindsay, but was unable to book a room at the National Press Club for lunch. He decided to have the meeting over breakfast instead, and a tradition was born.

Since that time, the Sperling Breakfast, or "Breakfast with Godfrey," as it has been known, has served as the source of many news stories. One of the most well-known breakfasts occurred when Budge invited Senator Robert F. Kennedy to speak the day after the New Hampshire primary in 1968. While Kennedy was addressing the assembled reporters, news of the Tet offensive in Vietnam broke and Kennedy, who had repeatedly denied presidential aspirations, struggled visibly to reconcile this new information with his denials. As Budge recently recalled that morning he said, "we felt we'd seen history in the making."

This is only one example of the many memorable breakfasts Budge has hosted. And while not every one of the thousands of breakfasts has resulted in headlines the following day, one thing is certain: Budge has his finger on the pulse of who and what are making news in Washington.

At the beginning of each and every Sperling Breakfast, Budge begins by announcing. "The only ground rule here is that we're on the record." With that one rule in mind, I am pleased to stand here today and state in the RECORD my congratulations and appreciation to Godfrey "Budge" Sperling for all he has done to help inform the American people about their government.●

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

By Mr. HELMS for the Committeee on Foreign Relations.

Marc Isaiah Grossman, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Under Secretary of State (Political Affairs).

Richard Lee Armitage, of Virginia, to be Deputy Secretary of State.

(The above nominations were reported with the recommendation that they be confirmed subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LIEBERMAN (for himself and Mr. FEINGOLD):

S. 603. A bill to provide for full voting representation in the Congress for the citizens of the District of Columbia to amend the Internal Revenue Code of 1986 to provide that individuals who are residents of the District of Columbia shall be exempt from Federal income taxation until such full voting representation takes effect, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN (for himself, Mr. KENNEDY, and Mr. WARNER):

S. 604. A bill to amend title III of the Elementary and Secondary Education Act of 1965 to provide for digital education partnerships; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. HUTCHISON:

S. 605. A bill to amend the Internal Revenue Code of 1986 to encourage a strong community-based banking system; to the Committee on Finance.

By Mr. CRAPO (for himself, Mr. ALLARD, and Mr. CRAIG):

S. 606. A bill to provide additional authority to the Office of Ombudsman of the Environmental Protection Agency; to the Committee on Environment and Public Works.

By Mr. ALLARD (for himself and Mr. GRAMM):

S. 607. A bill to amend the National Housing Act to require partial rebates of FHA mortgage insurance premiums to certain mortgagors upon payment of their FHA-insured mortgages; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BUNNING (for himself and Mr. MCCONNELL):

S. 608. A bill to amend the Tennessee Valley Authority Act of 1933 to provide for greater ownership of electric power generation assets by municipal and rural electric cooperative utilities that provide retail electric service in the Tennessee Valley region, and for other purposes, to the Committee on Energy and Natural Resources.

ADDITIONAL COSPONSORS

S. 136

At the request of Mr. GRAMM, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 136, a bill to amend the Omnibus Trade and Competitiveness Act of 1988 to extend trade negotiating and trade agreement implementing authority.

S. 145

At the request of Mr. THURMOND, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 145, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age, and for other purposes.

S. 225

At the request of Mr. WARNER, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 225, a bill to amend the Internal Revenue Code of 1986 to provide incentives to public elementary and secondary school teachers by providing a tax credit for teaching expenses, professional development expenses, and student education loans.

S. 258

At the request of Ms. SNOWE, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 277

At the request of Mr. KENNEDY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 277, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

S. 291

At the request of Mr. THOMPSON, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 291, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for State and local sales taxes in lieu of State and local income taxes and to allow the State and local income tax deduction against the alternative minimum tax.

S. 413

At the request of Mr. DODD, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 413, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 549

At the request of Mr. CRAPO, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 549, a bill to ensure the availability of spectrum to amateur radio operators.

S. 596

At the request of Mr. BINGAMAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 596, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the production and use of efficient energy sources, and for other purposes.

S. 597

At the request of Mr. BINGAMAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 597, a bill to provide for a comprehensive and balanced national energy policy.

S. CON. RES. 17

At the request of Mr. SARBANES, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. Con. Res. 17, a concurrent resolution expressing the sense of Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and the adjustments in the compensation of civilian employees of the United States.

S. RES. 63

At the request of Mr. CAMPBELL, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. Res. 63, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LIEBERMAN (for himself and Mr. FEINGOLD):

S. 603. A bill to provide for full voting representation in the Congress for the citizens of the District of Columbia to amend the Internal Revenue Code of 1986 to provide that individuals who are residents of the District of Columbia shall be exempt from Federal income taxation until such full voting representation takes effect, and for other purposes; to the Committee on Finance.

Mr. LIEBERMAN. Mr. President, I rise today to join with my colleague Senator RUSS FEINGOLD and with my longtime friend Congresswoman ELEANOR HOLMES NORTON in the House of Representatives, in sending the message that, as the United States Supreme Court has said, "No right is more precious in a free country than that of having a voice in the election of those who make the laws under which, as good citizens, we must live." Here we are, in the year 2001—225 years after the birth of our nation—and the residents of the District of Columbia, despite paying their full freight of federal taxes, are still deprived of this fundamental right. The bill we introduce today, the "No Taxation Without Representation Act of 2001," drawing on the famous cry of the Boston Tea Party, is a reminder that full representation is a building block of the covenant of our democracy, a birthright of every American citizen.

The voting problems in the 2000 Presidential election make the symbolism of this bill even more powerful. Not since the civil rights struggle of the early 1960's have we been so keenly aware of the importance of a vote. All taxpaying citizens of the United States, except the residents of Washington, D.C., can vote for representatives to advocate for and protect the interests of their constituents in both the House and Senate. As American citizens, we do not regard this opportunity as a privilege; we regard it as a right. Many Americans are not aware and, I believe, would be shocked to know that the residents of the District of Columbia have no such right. Although they regularly elect "shadow" Senators and a "shadow" Representative, these people are not recognized as members of Congress. The sole voice in Congress for D.C. is Delegate ELEANOR HOLMES NORTON in the House of Representatives.

Now I have known Congresswoman NORTON for many years, and I know her to be able and persistent. The residents of Washington, D.C. are lucky to have such a strong and talented advocate on their side. But as a delegate, she has the right to vote only in committee; she does not have the right to vote on the congressional floor. So unlike every other American, Washingtonians have no congressional representatives to call who can vote for or against pending legislation that may become the law of the land, their land.

Ever since the American Revolution, the power to tax and the right to vote have been inextricably linked. D.C. residents pay federal taxes, but have no vote in Congress. I am introducing this bill today in order to condemn this unfair situation. If enacted, this bill would exempt D.C. residents from paying federal income tax so long as they are not fully represented on Capitol Hill. There is a rationale for such an exemption from tax. Residents of United States territories such as Puerto Rico, Guam, and the United States Virgin Islands which, like D.C., have delegate representation in Congress are not required to pay any federal income tax. But let me be clear. My goal in sponsoring this legislation is not to provide a windfall to the people of Washington, D.C. Allowing the residents of D.C. to live tax-free will not solve this problem. This bill is a matter of principle, not tax policy. And the principle is the right to full enfranchisement.

As our nation's capital, Washington, D.C. belongs to each and every American. We should all take pride in this beautiful city and show its citizens the respect they deserve. That is why I have long supported legislation providing much-needed financial and political empowerment for D.C. I was an original cosponsor of the D.C. Economic Recovery Act of 1997, which would have offered tax incentives for people to live and invest in here in D.C. We succeeded in getting two provisions of that bill enacted, a tax credit for first-time home-buyers and elimination of capital gains tax for economic development investments in D.C. I was also an original cosponsor of legislation to grant D.C. statehood both times it was introduced. And it is because I still believe that the people of Washington, D.C. deserve full participation in our democracy that I am sponsoring the No Taxation Without Representation Act of 2001 today.

My hope is that by introducing this bill, we can bring national attention to the injustice that the residents of Washington, D.C. have for too long endured. I hope it will help rally the necessary support here in Congress to grant D.C. full congressional voting rights. All American citizens deserve the right to elect representatives to speak and to vote on their behalf in Congress. It is time that the American citizens living within the borders of Washington, D.C. are given their due. I urge my colleagues to join me in supporting this legislation, and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "No Taxation Without Representation Act of 2001".

SEC. 2. FINDINGS.

Congress finds as follows:

(1) The residents of the District of Columbia are the only Americans who pay Federal income taxes but are denied voting representation in the House of Representatives and the Senate.

(2) The principle of one person, one vote requires that residents who have met every element of American citizenship should have every benefit of American citizenship, including voting representation in the House and the Senate.

(3) The residents of the District of Columbia are twice denied equal representation, because they do not have voting representation as other taxpaying Americans do and are nevertheless required to pay Federal income taxes unlike the Americans who live in the territories.

(4) Despite the denial of voting representation, Americans in the Nation's capital are second among the residents of all States in per capita income taxes paid to the Federal Government.

(5) Unequal voting representation in our representative democracy is inconsistent with the founding principles of the Nation and the strongly held principles of the American people today.

SEC. 3. REPRESENTATION IN CONGRESS FOR DISTRICT OF COLUMBIA.

Notwithstanding any other provision of law, the community of American citizens who are residents of the District constituting the seat of government of the United States shall have full voting representation in the Congress.

SEC. 4. EXEMPTION FROM TAX FOR INDIVIDUALS WHO ARE RESIDENTS OF THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 138 the following new section:

"SEC. 138A. RESIDENTS OF THE DISTRICT OF COLUMBIA.

"(a) EXEMPTION FOR RESIDENTS DURING YEARS WITHOUT FULL VOTING REPRESENTATION IN CONGRESS.—This section shall apply with respect to any taxable year during which residents of the District of Columbia are not represented in the House of Representatives and Senate by individuals who are elected by the voters of the District and who have the same voting rights in the House of Representatives and Senate as Members who represent States.

"(b) RESIDENTS FOR ENTIRE TAXABLE YEAR.—An individual who is a bona fide resident of the District of Columbia during the entire taxable year shall be exempt from taxation under this chapter for such taxable year.

"(c) TAXABLE YEAR OF CHANGE OF RESIDENCE FROM DISTRICT OF COLUMBIA.—

"(1) IN GENERAL.—In the case of an individual who has been a bona fide resident of the District of Columbia for a period of at least 2 years before the date on which such individual changes his residence from the District of Columbia, income which is attributable to that part of such period of District of Columbia residence before such date shall not be included in gross income and shall be exempt from taxation under this chapter.

"(2) DEDUCTIONS, ETC. ALLOCABLE TO EXCLUDED AMOUNTS NOT ALLOWABLE.—An individual shall not be allowed—

"(A) as a deduction from gross income any deductions (other than the deduction under section 151, relating to personal exemptions), or

"(B) any credit,

properly allocable or chargeable against amounts excluded from gross income under this subsection.

"(d) DETERMINATION OF RESIDENCY.—

"(1) IN GENERAL.—For purposes of this section, the determination of whether an individual is a bona fide resident of the District of Columbia shall be made under regulations prescribed by the Secretary.

"(2) INDIVIDUALS REGISTERED TO VOTE IN OTHER JURISDICTIONS.—No individual may be treated as a bona fide resident of the District of Columbia for purposes of this section with respect to a taxable year if at any time during the year the individual is registered to vote in any other jurisdiction.".

(b) NO WAGE WITHHOLDING.—Paragraph (8) of section 3401(a) of such Code is amended by adding at the end the following new subparagraph:

"(E) for services for an employer performed by an employee if it is reasonable to believe that during the entire calendar year the employee will be a bona fide resident of the District of Columbia unless section 138A is not in effect throughout such calendar year; or".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 138 the following new item:

"Sec. 138A. Residents of the District of Columbia."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

(2) WITHHOLDING.—The amendment made by subsection (b) shall apply to remuneration paid after the date of the enactment of this Act.

By Mr. COCHRAN (for himself, Mr. KENNEDY, and Mr. WARNER):

S. 604. A bill to amend title III or the Elementary and Secondary Education Act of 1965 to provide for digital education partnerships; to the Committee on Health, Education, Labor, and Pensions.

Mr. COCHRAN. Mr. President, today I am proud to introduce the Ready To Learn, Ready To Teach Act. I am pleased to be joined by my colleagues, Senators KENNEDY and WARNER.

In 1992, Senator KENNEDY and I introduced the Ready To Learn Television Act. The premise was to utilize the time children spend watching television to prepare them for the first year of school. Data told us that nearly every preschool child in America was watching up to 30 hours of television per week. While there were some educational television shows, there was not a consistent effort to provide truly meaningful programming.

Ready to Learn was signed by President Bush in October, 1992. The new law supported the coordination of existing Public Broadcasting shows like Sesame Street and Mister Rogers' Neighborhood. By 1994, more local public television stations began airing a consistent block of preschool educational programs and PBS began developing supplemental materials to help parents prepare their children for school.

Today, new research from the University of Alabama and the University of Kansas tells us that Ready to Learn is having a positive impact on children and their parents. The University of Alabama study found that Ready to Learn families read books together more often and for longer periods than non participants. And—this is a fact that surprises many—Ready to Learn children watch 40 percent less television and are more likely to choose educational programs when they do watch.

Using the best research tested information available, Ready To Learn supports the development of educational, commercial-free television shows for young children. Between the Lions, is the first television series to offer educationally valid reading instruction which has been endorsed by the professional organizations that represent librarians, teachers and school principals. Its partners also include: the Center for the Book at the Library of Congress; the National Center for Family Literacy; the National Coalition for Literacy and the Home Instruction Program for Preschool Youngsters. This broad-based support is unprecedented for a children's television show. It is well deserved affirmation of the Ready to Learn mission.

A recent study from the University of Kansas showed that children who watched Between the Lions a few hours per week, increased their knowledge of letter-sound correspondence by 64 percent compared to a 25 percent increase by those who did not watch it. Continuing research suggests that classroom, teacher led use of the video and online resources will be beneficial to kindergarten and first grade students and is desired by teachers.

Thirty seven million children have played to, sung with, and learned from Ready To Learn Television shows. The parents and other care givers of more than 6 million children have participated in the local workshops and other services provided by 133 public broadcasting stations.

In my state, the Mississippi Educational Television Network Ready to Learn director, Cassandra Washington Love, has received high praise for the effective assistance she provides to families. One grandfather said, "It made my grandchildren happy to know that they could get free books. My wife and I were also happy because we were not able to buy them any books. Thanks to that TV station."

The second element of the Ready To Learn, Ready To Teach Act concerns teacher professional development. MATHLINE is a proven professional development model for teachers of mathematics. In 1994, Congress authorized the "Telecommunications Demonstration Project for Mathematics," which has supported a project called MATHLINE.

MATHLINE is a blend of technology and teacher "best practices." MATHLINE demonstrations established some of the first internet-like online communications between teachers. The flexibility of video tape allows MATHLINE participants to adjust training schedules and cut out the expense and time of travel.

This bill graduates MATHLINE to TeacherLine, a more comprehensive professional development tool for teachers of preschool through twelfth grade. TeacherLine will also support state of the art, digitally produced content for classroom use.

Digital broadcasting will dramatically increase the services local public broadcasting stations can offer schools. One of the most exciting is the ability to broadcast multiple video channels and data information simultaneously. This will make possible for instructional materials to be distributed on full time, continuous channels, on demand, when teachers and students need it.

In my opinion we should reauthorize the programs that are successful models and lead to educational improvement.

The Ready To Learn, Ready To Teach Act takes the best of educational technology programming; improves those proven to work, and places renewed confidence in one of education's most trusted and successful partners.

I hope Senators will support this important education legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ready to Learn, Ready to Teach Act of 2001".

SEC. 2. REVISION OF PART C OF TITLE III.

Part C of title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6921 et seq.) is amended to read as follows:

"PART C—READY-TO-LEARN DIGITAL TELEVISION

"SEC. 3301. FINDINGS.

"Congress makes the following findings:

"(1) In 1994, Congress and the Department collaborated to make a long-term, meaningful and public investment in the principle that high quality preschool television programming will help children be ready to learn by the time the children entered first grade.

"(2) The Ready to Learn Television Program through the Public Broadcasting Service (PBS) and local public television stations has proven to be an extremely cost-effective national response to improving early childhood cognitive development and helping parents, caregivers, and professional child care providers learn how to use television as a means to help children learn and develop social skills and values.

"(3) Independent research shows that parents who participate in Ready to Learn workshops are more selective of the programs that they choose for their children, limit the number of hours of television viewing of their children, and use the television programs as a catalyst for learning.

"(4) The Ready to Learn (RTL) Television Program is supporting and creating commercial-free broadcast programs for young children that are of the highest possible educational quality.

"(5) Through the Nation's 350 local public television stations, these programs and other programming elements reach tens of millions of children, their parents, and caregivers without regard to their economic circumstances, location, or access to cable. Public television is a partner with Federal policy to make television an instrument of preschool children's education and early development.

"(6) The Ready to Learn Television Program supports thousands of local workshops organized and run by local public television stations, child care service providers, Head Start Centers, Even Start family literacy centers and schools. These workshops have trained 630,587 parents and professionals who, in turn, serve and support over 6,312,000 children across the Nation.

"(7) The Ready to Learn Television Program has published and distributed a periodic magazine entitled 'PBS Families' that contains developmentally appropriate material to strengthen reading skills and enhance family literacy.

"(8) Ready to Learn Television stations also have distributed millions of age-appropriate books in their communities. Each station receives a minimum of 300 books each month for free local distribution. Some stations are now distributing more than 1,000 books per month. Nationwide, more than 653,494 books have been distributed in low-income and disadvantaged neighborhoods free of charge.

"(9) Demand for Ready To Learn Television Program outreach and training has increased from 10 Public Broadcasting Service stations to 133 stations in 5 years. This growth has put a strain on available resources resulting in an inability to meet the demand for the service and to reach all the children who would benefit from the service.

"(10) Federal policy played a crucial role in the evolution of analog television by funding the television program entitled 'Sesame Street' in the 1960's. Federal policy should continue to play an equally crucial role for children in the digital television age.

"SEC. 3302. READY-TO-LEARN.

"(a) IN GENERAL.—The Secretary is authorized to award grants to eligible entities described in section 3303(b) to develop, produce, and distribute educational and instructional video programming for preschool and elementary school children and their parents in order to facilitate the achievement of the National Education Goals.

"(b) AVAILABILITY.—In making such grants, the Secretary shall ensure that eligible entities make programming widely available, with support materials as appropriate, to young children, their parents, child care workers, and Head Start providers to increase the effective use of such programming.

"SEC. 3303. EDUCATIONAL PROGRAMMING.

"(a) AWARDS.—The Secretary shall award grants under section 3302 to eligible entities to—

"(1) facilitate the development directly, or through contracts with producers of children and family educational television programming, of—

"(A) educational programming for preschool and elementary school children; and

"(B) accompanying support materials and services that promote the effective use of such programming;

"(2) facilitate the development of programming and digital content especially designed for nationwide distribution over public television stations' digital broadcasting channels and the Internet, containing Ready to Learn-based children's programming and resources for parents and caregivers; and

"(3) enable eligible entities to contract with entities (such as public telecommunications entities) so that programs developed under this section are disseminated and distributed—

(A) to the widest possible audience appropriate to be served by the programming; and

(B) by the most appropriate distribution technologies.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (a), an entity shall be—

"(1) a public telecommunications entity that is able to demonstrate a capacity for the development and national distribution of educational and instructional television programming of high quality for preschool and elementary school children;

"(2) able to demonstrate a capacity to contract with the producers of children's television programming for the purpose of developing educational television programming of high quality for preschool and elementary school children; and

"(3) able to demonstrate a capacity to localize programming and materials to meet specific State and local needs and provide educational outreach at the local level.

"(c) CULTURAL EXPERIENCES.—Programming developed under this section shall reflect the recognition of rural/urban cultural and ethnic diversity of the Nation's children and the needs of both boys and girls in preparing young children for success in school.

"SEC. 3304. DUTIES OF SECRETARY.

"The Secretary is authorized—

"(1) to award grants to eligible entities described in section 3303(b), local public television stations, or such public television stations that are part of a consortium with 1 or more State educational agencies, local educational agencies, local schools, institutions of higher education, or community-based organizations of demonstrated effectiveness, for the purpose of—

"(A) addressing the learning needs of young children in limited English proficient households, and developing appropriate educational and television programming to foster the school readiness of such children;

"(B) developing programming and support materials to increase family literacy skills among parents to assist parents in teaching their children and utilizing educational television programming to promote school readiness; and

"(C) identifying, supporting, and enhancing the effective use and outreach of innovative programs that promote school readiness;

"(D) developing and disseminating education and training materials, including—

"(i) interactive programs and programs adaptable to distance learning technologies that are designed to enhance knowledge of children's social and cognitive skill development and positive adult-child interactions;

"(ii) teacher training and professional development to ensure qualified caregivers; and

"(iii) support materials to promote the effective use of materials developed under subparagraph (B) among parents, Head Start providers, in-home and center-based daycare providers, early childhood development personnel, elementary school teachers, public libraries, and after-school program personnel caring for preschool and elementary school children; and

"(E) distributing books to low-income individuals to leverage high-quality television programming;

"(2) to establish within the Department a clearinghouse to compile and provide information, referrals, and model program materials and programming obtained or developed under this part to parents, child care providers, and other appropriate individuals or entities to assist such individuals and entities in accessing programs and projects under this part; and

"(3) to coordinate activities assisted under this part with the Secretary of Health and Human Services in order to—

"(A) maximize the utilization of quality educational programming by preschool and elementary school children, and make such programming widely available to federally funded programs serving such populations; and

"(B) provide information to recipients of funds under Federal programs that have major training components for early childhood development, including programs under the Head Start Act and Even Start, and State training activities funded under the Child Care Development Block Grant Act of 1990, regarding the availability and utilization of materials developed under paragraph (1)(D) to enhance parent and child care provider skills in early childhood development and education.

"SEC. 3305. APPLICATIONS.

"Each entity desiring a grant under section 3302 or 3304 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"SEC. 3306. REPORTS AND EVALUATION.

"(a) ANNUAL REPORT TO SECRETARY.—An eligible entity receiving funds under section 3302 shall prepare and submit to the Secretary an annual report which contains such information as the Secretary may require. At a minimum, the report shall describe the program activities undertaken with funds received under section 3302, including—

"(1) the programming that has been developed directly or indirectly by the eligible entity, and the target population of the programs developed;

"(2) the support materials that have been developed to accompany the programming, and the method by which such materials are distributed to consumers and users of the programming;

"(3) the means by which programming developed under this section has been distributed, including the distance learning technologies that have been utilized to make programming available and the geographic distribution achieved through such technologies; and

"(4) the initiatives undertaken by the eligible entity to develop public-private partnerships to secure non-Federal support for the development, distribution, and broadcast of educational and instructional programming.

“(b) Report to Congress.—The Secretary shall prepare and submit to the relevant committees of Congress a biannual report which includes—

“(1) a summary of activities assisted under section 3303(a); and

“(2) a description of the training materials made available under section 3304(1)(D), the manner in which outreach has been conducted to inform parents and child care providers of the availability of such materials, and the manner in which such materials have been distributed in accordance with such section.

“SEC. 3307. ADMINISTRATIVE COSTS.

“With respect to the implementation of section 3303, eligible entities receiving a grant from the Secretary may use not more than 5 percent of the amounts received under such section for the normal and customary expenses of administering the grant.

“SEC. 3308. DEFINITION.

“For the purposes of this part, the term ‘distance learning’ means the transmission of educational or instructional programming to geographically dispersed individuals and groups via telecommunications.

“SEC. 3309. AUTHORIZATION OF APPROPRIATIONS.

“(a) In General.—There are authorized to be appropriated to carry out this part, $50,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years.

“(b) Funding Rule.—Not less than 60 percent of the amounts appropriated under subsection (a) for each fiscal year shall be used to carry out section 3303.”.

SEC. 3. REVISION OF PART D OF TITLE III.

Part D of title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6951 et seq.) is amended to read as follows:

“PART D—THE TEACHERLINE PROGRAM

“SEC. 3401. FINDINGS.

“Congress makes the following findings:

“(1) Since 1995, the Telecommunications Demonstration Project for Mathematics (as established under this part pursuant to the Improving America’s Schools Act of 1994) (in this section referred to as ‘MATHLINE’) has allowed the Public Broadcasting Service to pioneer and refine a new model of teacher professional development for kindergarten through grade 12 teachers. MATHLINE uses video modeling of standards-based lessons, combined with professionally facilitated online learning communities of teachers, to help mathematics teachers from elementary school through secondary school adopt and implement standards-based practices in their classrooms. This approach allows teachers to update their skills on their own schedules through video, while providing online interaction with peers and master teachers to reinforce that learning. This integrated, self-paced approach breaks down the isolation of classroom teaching while making standards-based best practices available to all participants.

“(2) MATHLINE was developed specifically to disseminate the first national voluntary standards for teaching and learning as developed by the National Council of Teachers of Mathematics (NCTM). During 3 years of actual deployment, more than 5,800 teachers have participated for at least a full year in the demonstration. These teachers, in turn, have taught more than 1,500,000 students cumulatively.

“(3) Independent evaluations indicate that teaching improves and students benefit as a result of the MATHLINE program.

“(4) The MATHLINE program is ready to be expanded to reach many more teachers in more subject areas under the broader title of Teacherline. The Teacherline Program will link the digitized public broadcasting infrastructure with education networks by working with the program’s digital membership, and Federal and State agencies, to expand and build upon the successful MATHLINE model and take advantage of greatly expanded access to the Internet and technology in schools, including digital television. Tens of thousands of teachers will have access to the Teacherline Program to advance their teaching skills and their ability to integrate technology into teaching and learning. The Teacherline Program also will leverage the Public Broadcasting Service’s historic relationships with higher education to improve preservice teacher training.

“(5) The congressionally appointed Web-based Education Commission recently issued a comprehensive report on Internet learning that called for powerful new Internet resources, especially broadband access, to be made widely and equitably available and affordable for all learners.

“(6) The Web-based Education Commission also called for continuous and relevant training and support for educators and administrators at all levels.

“(7) The National Research Council recently issued a report entitled ‘Adding It Up: Helping Children Learn Mathematics’ that concluded that professional development in mathematics needs to be sustained over years in order to be effective.

“(8) Furthermore, the Glenn Commission, appointed by the Secretary of Education to consider ways of improving preparation and professional growth for mathematics and science teachers concluded that teacher training ‘depends upon sustained, high-quality professional development’. The Commission recommended the establishment of an ongoing system to improve the quality of mathematics and science teaching in grades K–12.

“(9) Over the past several years tremendous progress has been made in wiring classrooms, equipping the classrooms with multimedia computers, and connecting the classrooms to the Internet.

“(10) There is a great need for aggregating high quality, curriculum-based digital content for teachers and students to easily access and use in order to meet State and local standards for student performance.

“(11) The congressionally appointed Web-based Education Commission called for the development of high quality public-private online educational content that meets the highest standards of educational excellence.

“(12) Most local public television stations and State networks provide high-quality video programs, and teacher professional development, as a part of their mission to serve local schools. Programs distributed by public broadcast stations are used by more classroom teachers than any other because of their high quality and relevance to the curriculum.

“(13) Digital broadcasting can dramatically increase and improve the types of services public broadcasting stations can offer kindergarten through grade 12 schools.

“(14) Digital broadcasting can contribute to the improvement of schools and student performance as follows:

“(A) Broadcast of multiple video channels and data information simultaneously.

“(B) Data can be transmitted along with the video content enabling students to interact, access additional information, communicate with featured experts, and contribute their own knowledge to the subject.

“(C) Both the video and data can be stored on servers and made available on demand to teachers and students.

“(15) Interactive digital education content will be an important component of Federal support for States in setting high standards and increasing student performance.

“SEC. 3402. PROJECT AUTHORIZED.

“(a) The Secretary is authorized to make grants to a nonprofit telecommunications entity, or partnership of such entities, for the purpose of carrying out a national telecommunications-based program to improve teaching in core curriculum areas. The program shall be designed to assist elementary school and secondary school teachers in preparing all students for achieving State and local content standards in core curriculum areas.

“(b) The Secretary is also authorized to award grants to eligible entities described in section 3404(b) to develop, produce, and distribute innovative educational and instructional video programming that is designed for use by kindergarten through grade 12 schools and based on State and local standards. In making the grants, the Secretary shall ensure that eligible entities enter into multiyear content development collaborative arrangements with State educational agencies, local educational agencies, institutions of higher education, businesses, or other agencies and organizations.

“SEC. 3403. APPLICATION REQUIRED.

“(a) Each nonprofit telecommunications entity, or partnership of such entities, desiring a grant under section 3402(a) shall submit an application to the Secretary. Each such application shall—

“(1) demonstrate that the applicant will use the public broadcasting infrastructure and school digital networks, where available, to deliver video and data in an integrated service to train teachers in the use of standards-based curricula materials and learning technologies;

“(2) ensure that the project for which assistance is sought will be conducted in cooperation with appropriate State educational agencies, local educational agencies, national, State or local nonprofit public telecommunications entities, and national education professional associations that have developed content standards in the subject areas;

“(3) ensure that a significant portion of the benefits available for elementary schools and secondary schools from the project for which assistance is sought will be available to schools of local educational agencies which have a high percentage of children counted for the purpose of part A of title I; and

“(4) contain such additional assurances as the Secretary may reasonably require.

“(b) In approving applications under section 3402(a), the Secretary shall ensure that the program authorized by section 3402(a) is conducted at elementary school and secondary school sites across the Nation.

“(c) Each eligible entity desiring a grant under section 3402(b) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

“SEC. 3404. REPORTS AND EVALUATION.

“An eligible entity receiving funds under section 3402(a) shall prepare and submit to the Secretary an annual report which contains such information as the Secretary may require. At a minimum, the report shall described the program activities undertaken with funds received under section 3402(a), including—

"(1) the core curriculum areas for which program activities have been undertaken and the number of teachers using the program in each core curriculum area; and

"(2) the States in which teachers using the program are located.

"SEC. 3405. EDUCATIONAL PROGRAMMING.

"(a) AWARDS.—The Secretary shall award grants under section 3402(b) to eligible entities to—

"(1) facilitate the development of educational programming that shall—

"(A) include student assessment tools to give feedback on student performance;

"(B) include built-in teacher utilization and support components to ensure that teachers understand and can easily use the content of the programming with group instruction or for individual student use;

"(C) be created for, or adaptable to, State and local content standards; and

"(D) be capable of distribution through digital broadcasting and school digital networks.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under section 3402(b), an entity shall be a local public telecommunications entity as defined by section 397(12) of the Communications Act of 1934 that is able to demonstrate a capacity for the development and distribution of educational and instructional television programming of high quality.

"(c) COMPETITIVE BASIS.—Grants under section 3402(b) shall be awarded on a competitive basis as determined by the Secretary.

"(d) DURATION.—Each grant under section 3402(b) shall be awarded for a period of 3 years in order to allow time for the creation of a substantial body of significant content.

"SEC. 3406. MATCHING REQUIREMENT.

"Each eligible entity desiring a grant under section 3402(b) shall contribute to the activities assisted under section 3402(b) non-Federal matching funds equal to not less than 100 percent of the amount of the grant. Matching funds may include funds provided for the transition to digital broadcasting, as well as in-kind contributions.

"SEC. 3407. ADMINISTRATIVE COSTS.

"With respect to the implementation of section 3402(b), entities receiving a grant from the Secretary may use not more than 5 percent of the amounts received under the grant for the normal and customary expenses of administering the grant.

"SEC. 3408. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $45,000,000 for the fiscal year 2002, and such sums as may be necessary for each of the 5 succeeding fiscal years. However, for any fiscal year in which appropriations for section 3402 exceeds the amount appropriated under such section for the preceding fiscal year, the Secretary shall only award the amount of such excess minus at least $500,000 to applicants under section 3402(b).".

Mr. KENNEDY. Mr. President, it is a privilege to join Senator COCHRAN in sponsoring the Ready to Learn, Ready to Teach Act of 2001. I commend him for his leadership in improving early learning opportunities for children and families, so that more children come to school ready to learn.

In the early 1990s, Dr. Ernest Boyer, the distinguished former leader of the Carnegie Foundation, gave compelling testimony to the Senate Labor Committee about the appallingly high number of children who enter school without the skills to prepare them for learning. Their lack of preparation presented enormous obstacles to their ability to learn effectively in school, and seriously impaired their long-term achievement.

In response, Congress enacted the Ready to Learn program in 1992, and 2 years later its promise was so great that we extended it for five years. Because of the Department of Education and the Corporation for Public Broadcasting, the Ready to Learn initiative became an innovative and effective program. By linking the power of television to the world of books, many more children have been enabled to become good readers much more quickly.

Many children who enter school without the necessary basic skills are soon placed in a remedial program, which is costly for school systems. It is even more costly, however, for the students who face a bleaker future.

Today, by the time they enter school, the average child will have watched 4,000 hours of television. That is roughly the equivalent of 4 years of school.

For far too many youngsters, this is wasted time—time consuming "empty calories" for the brain. Instead, that time could be spent reading, writing, and learning. Through Ready to Learn television programming, children can obtain substantial educational benefits that turn TV time into learning time.

As a result of Ready to Learn television, millions of children and families have access to high-quality television produced by public television stations across the country. Tens of thousands of parents and child-care providers have learned how to be better role models, to reinforce learning, and to be more active participants in children's learning from programs funded through Ready to Learn.

For many low-income families, the workshops, books, and television shows funded through this program are a vital factor in preparing children to read. These programs help parents and child-care providers teach children the basics, preparing them to enter school ready to learn and ready to succeed.

Ready to Learn provides 6.5 hours of non-violent educational programming a day. These hours include some of the best programs available to children, including Arthur, Barney & Friends, Mister Rogers' Neighborhood, The Puzzle Place, Reading Rainbow, and Sesame Street.

A recent study by the University of Alabama found that Ready to Learn works. Parents who participate in Ready to Learn workshops are more critical consumers of television and their children are more active viewers. Children watch 40 percent less television overall, and they watch more education-oriented programming. These parents did more hands-on activities and read more minutes with their children than non-attendees. They read less for entertainment and more for education. They took their children to libraries and bookstores more than non-attendees.

Ready to Learn extends beyond the television screen. Thousands of workshops are offered by local television stations, almost always in conjunction with local child-care training agencies or early childhood development professionals. These workshops have trained more than 320,000 parents and professionals who serve and support over 4 million children across the country.

Ready to Learn has published and distributed millions of copies of PBS magazine, a quarterly which contains developmentally appropriate games and activities around Ready to Learn programming, parenting advice, news, and other information.

In partnership with PBS and other programs, each station receives a minimum of 200 books each month for free local distribution. More than 300,000 books are distributed each year. Twelve of the 15 television programs named "best for classroom use" by teachers are PBS programs according to a 1997 study by the Corporation for Public Television.

In addition, Ready to Learn stations have won 57 Emmys for their children's programming.

Many of the innovations under Ready to Learn have come from local stations. WGBH in Boston is one of the nation's leaders in public broadcasting. It created the Reading Rainbow, and Where in the World is Carmen San Diego, which are leaders in educational programming across the country.

Last year, WGBH hosted 34 Ready to Learn workshops in Massachusetts. 1,100 parents and 265 child-care providers and teachers attended. These parents and providers in turn worked with 3,400 children, who are now better prepared to succeed in their schools.

WGBY of Springfield is the mainstay of literacy services for Western Massachusetts. This station trained 250 home day-care providers, who serve 2,500 children. A video lending library makes PBS materials available to teachers to use in their classroom.

Workshop participants receive training on using children's programs as the starting point for educational activities. Participants receive free books. For some, these are the only books they have ever owned. They receive the PBS Families magazine, in English or Spanish, and they also receive the broadcasting schedules. Each of these resources builds on the learning that begins with viewing the PBS programs.

Through partnerships with the Massachusetts Office of Child Care Services and community-based organizations such as Head Start, Even Start, and the Reach Out & Read Program at Boston Medical Center, Ready to Learn trainers are reaching many low-income families with media and literacy information.

In Worcester, the Clark Street Developmental Learning School offers a family literacy program that uses Reading Rainbow or Arthur in every session with families. In addition, the school has now expanded its efforts to create an adult literacy center in the school. Many of the parents involved in the Ready to Learn project now attend the adult education program there.

Similar successes are happening across the nation. Since 1994, the sponsors of Ready to Learn workshops have given away 1.5 million books. Their program has grown from 10 television stations in 1994 to 130 television stations today. They have conducted over 8,500 workshops reaching 186,000 parents and 146,000 child care providers, who have in turn affected the lives of over four million children.

The Ready to Learn, Ready to Teach Act of 2001 that we are introducing today will continue this high-quality children's television programming. Equally important, it will take this valuable service into the next century through digital television, a powerful resource for delivering additional information through television programs.

The Ready to Learn, Ready to Teach Act will also increase the authorization of funds for Ready to Learn programs from $30 million to $50 million a year, enabling these programs to reach even more families and children with these needed services.

The Act also authorizes $20 million for high-quality teacher professional development. Building on the success of the MathLine program, the bill will expand the program to include materials for helping teachers to teach to high state standards in core subject areas.

Participating stations make the teachers workshops available through districts, schools, and even on the teachers' own television sets. In this way, at their own pace, and in their own time, teachers can review the materials, observe other teachers at work, and reflect on their own practices. They can consider ways to improve their teaching, and make adjustments to their own practices. Teachers will also receive essential help in integrating technology into their teaching.

Teachers themselves are very supportive of the contribution that television can make to their classrooms. Eighty-eight percent of teachers surveyed in 1997 by the Corporation for Public Broadcasting said that quality television used in the classroom helped them be more creative, 92 percent said that it helped them be more effective in the classroom.

Again, I commend Senator COCHRAN for his leadership, and I urge my colleagues to join us in support of this important legislation, so that many more children can come to school ready to learn.

By Mr. CRAPO (for himself, Mr. ALLARD, and Mr. CRAIG):

S. 606. A bill to provide additional authority to the Office of Ombudsman of the Environmental Protection Agency; to the Committee on Environment and Public Works.

Mr. CRAPO. Mr. President, I rise today to introduce the Ombudsman Reauthorization Act of 2001 in partnership with the Senator from Colorado, Senator ALLARD, and my colleague from Idaho, Senator CRAIG.

We all expect our federal agencies to operate professionally, efficiently, and with the interests of the American people at the forefront. To help ensure this commitment, several officials are charged with the responsibility of internally auditing and monitoring the operations and expenses of agency and department programs. These individuals are sometimes known as "watchdogs" for their role in alerting the public and Congress to questionable activities.

Within the Environmental Protection Agency's, EPA, Office of Solid Waste and Emergency Response, OSWER, this duty is held by the Ombudsman. The Ombudsman is ultimately responsible for responding to public inquiries into the activities of OSWER and investigating those matters that warrant closer scrutiny.

Originally established in 1984, the Ombudsman provides the public and Congress with an added measure of confidence that controversial waste control and emergency response actions by the EPA are being properly overseen and investigated where appropriate. Communities in Idaho, for their part, have twice welcomed the Ombudsman and his staff to our state to look into questionable decisions made by the EPA under the Superfund statute. In both cases, the Ombudsman has made extraordinary efforts to keep the public informed on the issues and a part of the investigations. Each time, the people of Idaho have shown collective relief that someone of the Ombudsman's stature and expertise has become involved in cleanup decisions in our state. In both cases, the Ombudsman has demonstrated an ability to understand the will of the community and, despite strong agency resistance, to point out policy decisions for cleanups that were not justified or in the public interest.

In 1988, the standing authority of the Ombudsman expired, leaving the office and investigations in a precarious position. In essence, while the Ombudsman endured as an "at will" employee of the EPA, the Office's independence and authority have continuously been eroded by the agency. Today, the Ombudsman must get approval for new investigation and budgetary needs from the very people he and his staff must monitor. With these restrictions on the Ombudsman's functions, the public has become increasingly alarmed by the loss of a true internal watch-dog of EPA activities.

The Ombudsman Reauthorization Act of 2001 would help restore public confidence. First and foremost, it would reestablish the statutory recognition of the Office of Ombudsman within the OSWER function of the EPA. Second, it would clarify the operational guidelines and authorities of the Ombudsman to collect information on matters requested by the public and investigate questionable agency activities. Finally, the measure would create a separate budget authority, free from the possible influence of those that may be subject to investigations.

This legislation is a careful balance between the need to restore public confidence in the independence of the Ombudsman and the need to ensure discretion and accountability in investigations conducted by the Ombudsman. I invite the Administration to engage us in an effort to recreate the Ombudsman in the model originally envisioned by Congress in the 1980s when the office was established. Our work together will help ensure the American people that EPA OSWER programs are chosen based on merits, functioning well, and are conducted in the interests of the public health and the environment.

I would like to take a moment to congratulate my colleague, Senator ALLARD, for his partnership in this effort. His leadership on this issue has helped raise public and congressional attention when few others recognized the importance of this cause. I salute him for his diligence in advancing this debate, and I have welcomed the opportunity to work with him on this legislation.

Mr. ALLARD. Mr. President, I rise today to say a few words about an issue of government accountability and public safety. Today, my colleague from Idaho, Senator CRAPO and I are introducing the Ombudsman Reauthorization Act of 2001. The bill's goal is to reauthorize the Ombudsman's Office within the Environmental Protection Agency's Office of Solid Waste and Emergency Response, (OSWER).

I'd like to keep my remarks brief, but I want to share my reasoning and interest in this issue. Last year, I introduced similar legislation because of an ongoing battle between the citizens of a Denver neighborhood and the EPA concerning the Shattuck Superfund site. Only through the work of the Ombudsman's office, did the truth finally become known.

The story surrounding the Shattuck site in the Overland Park neighborhood in southwest Denver and what the EPA did to this community will have a lasting impact not only on the residents of the Overland Park neighborhood, but on each and every one of us who looks to the EPA to be the guardian of our nation's environmental health and safety. In 1997, after several years of EPA stonewalling, the residents of Overland Park in Denver brought their concerns about a Superfund site in their neighborhood and their frustrations with the EPA to my attention. I learned that the neighborhood had run into a wall of bureaucracy that was unresponsive to the very public it is charged with protecting and I requested the Ombudsman's intervention. In early 1999, the Ombudsman's office began an investigation and quickly determined that the claims made by residents were not only meritorious, but the EPA officials had engaged in an effort to keep documents and decisions hidden from the public thereby placing their health in danger.

The Shattuck saga has been a frustrating and often disheartening experience for all involved. It is an example of what can happen when a government entity goes unchecked. For the residents of Denver, the Office of Ombudsman afforded the only opportunity to reveal the truth, and for the health and safety of the public to be given proper priority. In fact, the Ombudsman was so successful at uncovering the facts surrounding Shattuck, his investigation has resulted in EPA officials restructuring the office so that its actions may be restricted, and its independence compromised.

Without the Ombudsman's investigation on Shattuck, the residents of Overland Park would have never learned the truth about the decisions made which had direct impact on their personal health. The Ombudsman's investigation brought integrity back into the process. Without the Ombudsman's work, a trusted federal agency would have been able to successfully hide the truth from the very people it is charged to protect. The Shattuck issue is a decade long example of why citizens' trust in their government has waned. Our bill will preserve the only mechanism within the EPA that the public can trust to protect their health and safety.

I am not alone in my concerns and the Shattuck case is not unique. Many of my fellow Senators and Representatives have experienced similar battles with the EPA over the years in their states.

After I introduced legislation last year, Senator CRAPO joined me in my legislative endeavors and has been a great asset. In experiencing a similar superfund problem in his home state of Idaho, Senator CRAPO knows firsthand the need for this independent and trustworthy office. As a member of the Environment and Public Works Committee, his assistance is greatly appreciated by me, and by all those who believe that their government should be there to serve the needs of the people. With Senator CRAPO'S assistance, the committee held a hearing on my bill last year which helped to bring many of these concerns to light and push the issue forward. We have worked together in the first months of this Congress to craft this new bill, which I believe takes great strides in properly defining the role, powers, duties and responsibilities of a federal ombudsman. The bill guarantees the much needed independence of the office without creating another unaccountable government entity.

Let me make it clear that my main priority in introducing this bill, is to keep the EPA OSWER Ombudsman Office independent and open for business. I believe that in the future, my colleagues may find themselves in a similar situation and I want to make sure that they have every assurance that the public's safety is protected, that its voice is heard, that its questions are answered and that its concerns are addressed.

I look forward to working with new EPA Administrator Whitman to address these concerns and I'm sure she will agree with me on the need for government accountability and public confidence.

I would ask all my colleagues to take a close look at this bill and join Senator CRAPO and me in passing it.

By Mr. ALLARD (for himself and Mr. GRAMM):

S. 607. A bill to amend the National Housing Act to require partial rebates of FHA mortgage insurance premiums to certain mortgagors upon payment of their FHA-insured mortgages; to the Committee on Banking, Housing, and Urban Affairs.

Mr. ALLARD. Mr. President, I rise today to introduce legislation to direct the Secretary of Housing and Urban Development to reinstate distributive shares for excess amounts in the Federal Housing Administration, FHA, insurance fund.

FHA provides an important program for first time, low- and moderate-income, and minority homeowners. These families should not be overcharged on FHA premiums. Premiums in excess of an amount necessary to maintain an actuarially sound reserve ratio in the FHA Mutual Mortgage Insurance, MMI, Fund can only be characterized as a tax on homeownership.

On the other hand, Congress, in conjunction with the Department of Housing and Urban Development, must ensure that FHA stays healthy, so that it can continue to function as an important source of homeownership. The Congress has previously determined that a capital reserve ratio of 2 percent of the MMI fund's amortized insurance-in-force is necessary to ensure the safety and soundness of the MMI fund. However, it has never been clear how the Congress arrived at that number.

Last year, the accounting firm of Deloitte & Touche found that the capital adequacy ratio of the fund was 3.66 percent, far in excess of the Congressionally mandated goal of 2 percent. While it is important for Congress to know the capital adequacy ratio, it is just as important to understand the implications of the ratio and whether a 2 percent reserve is sufficient.

In order to get a better handle on this issue I requested that the General Accounting Office look into the matter, and earlier this week I held a hearing of the Subcommittee on Housing and Transportation to examine their findings. GAO's report finds that the current reserve is adequate to withstand all but the most serious economic scenarios. However, GAO also sounds a note of caution. Economic conditions can quickly change, thus changing the value of the fund and the level of reserve.

I believe that the most prudent court of action is for the Congress to increase the reserve requirement to either 2.5 percent or 3 percent of the insurance in force, and then direct the Department to reinstate distributive shares whenever the reserve fund becomes excessive. Therefore, I am reintroducing legislation that would require partial rebates of FHA mortgage insurance premiums to certain mortgagors upon repayment of their FHA insured mortgages. My legislation takes the cautious approach of providing rebates only when the reserve ratio is in excess of 3 percent, or 150 percent of the reserve level currently mandated by Congress. If the reserve ratio drops below 3 percent, distributive shares would be suspended. Of course this rebate would be based on sound actuarial and accounting practice since a major reason for the strength in the fund is that fact that we have experienced a near perfect economy in recent years.

The FHA single family mortgage program was designed to operate as a mutual insurance program where homeowners were granted rebates in excess of premiums required to maintain actuarial soundness. This rebate program was suspended at the direction of Congress in 1990 when the MMI fund was in the red—with the intent that the payment of distributive shares or rebates would resume when the Fund was again financially sound. With a sufficient capital reserve ratio, it is time to resume rebates and return the MMI program to its prior status as a mutual insurance fund.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeowners Rebate Act of 2001".

SEC. 2. PAYMENT OF DISTRIBUTIVE SHARES FROM MUTUAL MORTGAGE INSURANCE FUND RESERVES.

(a) IN GENERAL.—Section 205(c) of the National Housing Act (12 U.S.C. 1711(c)) is amended to read as follows:

"(c) DISTRIBUTION OF RESERVES.—Upon termination of an insurance obligation of the Mutual Mortgage Insurance Fund by payment of the mortgage insured thereunder, if the Secretary determines (in accordance with subsection (e)) that there is a surplus for distribution under this section to mortgagors, the Participating Reserve Account shall be subject to distribution as follows:

"(1) REQUIRED DISTRIBUTION.—In the case of a mortgage paid after November 5, 1990, and insured for 7 years or more before such termination, the Secretary shall distribute to the mortgagor a share of such Account in such manner and amount as the Secretary shall determine to be equitable and in accordance with sound actuarial and accounting practice, subject to paragraphs (3) and (4).

"(2) DISCRETIONARY DISTRIBUTION.—In the case of a mortgage not described in paragraph (1), the Secretary is authorized to distribute to the mortgagor a share of such Account in such manner and amount as the Secretary shall determine to be equitable and in accordance with sound actuarial and accounting practice, subject to paragraphs (3) and (4).

"(3) LIMITATION ON AMOUNT.—In no event shall the amount any such distributable share exceed the aggregate scheduled annual premiums of the mortgagor to the year of termination of the insurance.

"(4) APPLICATION REQUIREMENT.—The Secretary shall not distribute any share to an eligible mortgagor under this subsection beginning on the date which is 6 years after the date that the Secretary first transmitted written notification of eligibility to the last known address of the mortgagor, unless the mortgagor has applied in accordance with procedures prescribed by the Secretary for payment of the share within 6-year period. The Secretary shall transfer from the Participating Reserve Account to the General Surplus Account any amounts that, pursuant to the preceding sentence, are no longer eligible for distribution.".

(b) DETERMINATION OF SURPLUS.—Section 205(e) of the National Housing Act (12 U.S.C. 1711(e)) is amended by adding at the end the following: "Notwithstanding any other provision of this section, if, at the time of such a determination, the capital ratio (as defined in subsection (f)) for the Fund is 3.0 percent or greater, the Secretary shall determine that there is a surplus for distribution under this section to mortgagors.".

(c) RETROACTIVE PAYMENTS.—

(1) TIMING.—Not later than 3 months after the date of enactment of this Act, the Secretary of Housing and Urban Development shall determine the amount of each distributable share for each mortgage described in paragraph (2) to be paid and shall make payment of such share.

(2) MORTGAGES COVERED.—A mortgage described in this paragraph is a mortgage for which—

(A) the insurance obligation of the Mutual Mortgage Insurance Fund was terminated by payment of the mortgage before the date of enactment of this Act;

(B) a distributable share is required to be paid to the mortgagor under section 205(c)(1) of the National Housing Act (12 U.S.C. 1711(c)(1)), as amended by subsection (a) of this section; and

(C) no distributable share was paid pursuant to section 205(c) of the National Housing Act upon termination of the insurance obligation of such Fund.

AMENDMENTS SUBMITTED AND PROPOSED

SA 144. Mr. FITZGERALD proposed an amendment to the bill S. 27, toamend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

TEXT OF AMENDMENTS

SA 144. Mr. FITZGERALD proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 37, between lines 14 and 15, insert:

SEC.   . CONTRIBUTION LIMITS APPLIED ON ELECTION CYCLE BASIS.

(a) INDIVIDUAL LIMITS.—Section 315(a)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(A)) is amended to read as follows:

"(A) to any candidate and the candidate's authorized political committee during the election cycle with respect to any Federal office which, in the aggregate, exceeds **$2,000**;".

(b) MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2)(A) of such Act (2 U.S.C. 441a(a)(2)(A)) is amended to read as follows:

"(A) to any candidate and the candidate's authorized political committees during the election cycle with respect to any Federal office which, in the aggregate, exceed **$10,000**;".

(c) ELECTION CYCLE DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 101, is amended by adding at the end the following:

"(25) ELECTION CYCLE.—The term 'election cycle' means, with respect to a candidate, the period beginning on the day after the date of the previous general election for the specific office or seat that the candidate is seeking and ending on the date of the general election for that office or seat."

(d) SPECIAL RULES.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following:

"(9) For purposes of this subsection—

"(A) if there are more than 2 elections in an election cycle for a specific Federal office, the limitations under paragraphs (1)(A) and (2)(A) shall be increased by **$1,000** and **$5,000**, respectively, for the number of elections in excess of 2; and

"(B) if a candidate for President or Vice President is prohibited from receiving contribution with respect to the general election by reason of receiving funds under the Internal Revenue Code of 1986, the limitations under paragraphs (1)(A) and (2)(A) shall be decreased by **$1,000** and **$5,000**."

(e) CONFORMING AMENDMENTS.—

(1) The second sentence of 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended to read as follows: "For purposes of this paragraph, if any contribution is made to a candidate for Federal office during a calendar year in the election cycle for the office and no election is held during that calendar year, the contribution shall be treated as made in the first succeeding calendar year in the cycle in which an election for the office is held."

(2) Paragraph (6) of section 315(a) of such Act (2 U.S.C. 441a(a)(6)) is amended to read as follows:

"(6) For purposes of paragraph (9), all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

PRIVILEGE OF THE FLOOR

Mr. DORGAN. Mr. President, I ask unanimous consent that Mark Peters, a legislative fellow in my office, be granted floor privileges during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. DEWINE. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations reported by the Foreign Relations Committee today: Executive Calendar Nos. 21 and 22, Marc Grossman and Richard Armitage.

I further ask unanimous consent that the nominations be confirmed en bloc, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's actions, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed as follows:

DEPARTMENT OF STATE

Marc Isaiah Grossman, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Under Secretary of State.

Richard Lee Armitage, of Virginia, to be Deputy Secretary of State.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

COMPLIANCE WITH THE HAGUE CONVENTION ON INTERNATIONAL CHILD ABDUCTION

Mr. DEWINE. Mr. President, I come to the floor of the Senate this afternoon to urge Senate passage of House-Senate Concurrent Resolution No. 69. The resolution will be in front of us shortly, either later this afternoon or next week. I thank my friend and my colleague from the State of Ohio, Congressman STEVE CHABOT, as well as Representative NICK LAMPSON from the State of Texas, for introducing and gaining approval of this resolution in the House of Representatives.

It is unfortunate, however, that we need to be here today taking up this resolution. It is unfortunate because that fact acknowledges that we have made little progress in getting the return of American children who have been abducted and taken abroad, usually by a parent.

This resolution addresses the serious issue of international child abduction and the importance of The Hague Special Review Commission on International Child Abduction which formally began its work yesterday and will continue meeting until March 28.

This commission is raising the importance and the necessity of compliance with The Hague Convention on the International Aspects of Child Abduction. The Hague convention is in place to facilitate the return of internationally abducted children to their countries of "habitual residence" for custody determination. This means, according to the Hague convention many countries have signed, when there is a dispute about the custody of a child, the child's place of "habitual residence" is the country where that determination should be made.

Sadly, it has been clear for some time that all countries that have signed the convention do not take their obligation seriously. Certain countries in particular—allies of ours such as Germany, Austria, Sweden—have performed especially poorly in returning children and allowing family visitation options.

What are we talking about? What is the situation that brings about this international parental kidnapping? Usually it is a case such as this: An American citizen falls in love, marries someone from another country, they decide to live in the United States, and a child is born. Then one day the spouse who is the American citizen, the spouse who was one of the two parties to this union, wakes up and finds the other spouse gone and the child gone. That mother, that father, takes that child back to where that mother or dad came from originally, and now the parent in the United States is looking for their child.

This is a human tragedy, a tragedy that is repeated in this country many times every year.

As many of my colleagues know, this is not the first time I have come to the Senate floor to talk about this issue and to raise the tragic problem of international child abduction. In fact, exactly 1 year ago today, I came to the Senate floor to discuss this issue. I came to the floor and a year ago introduced a similar resolution urging compliance with the Hague convention. While the House and the Senate both passed that resolution, regrettably I have to be back here again this afternoon because, tragically, we have seen very little, if any, progress in gaining signatory compliance and ultimately in getting our children back.

Specifically, the resolution before us today identifies key problems with the current Hague convention. What are these problems?

No. 1, a lack of awareness about international parental kidnappings among policymakers and the general public in the signatory nations. This is just not an issue that people really understand, and it is not an issue to which the governments of the signatory countries are paying any attention.

No. 2, a lack of awareness and training of judges who hear these cases, who hear these international abduction cases, training that would enable them to interpret and rule on these cases fairly and would enable them to appreciate the importance of these cases.

No. 3, different interpretations of the Hague convention by signatory nations. We see that all the time. There is no uniformity or consistency.

No. 4, one of the problems with the Hague convention is the failed enforcement of parental access rights and a lack of enforcement of court orders for the return of children.

Finally, we see a narrow exception to the requirement of returning children, which prevents them from being returned if they are perceived to be, upon return—and this is the language that is in the Hague convention—in grave risk of being exposed to psychologically damaging or physically harmful situations.

Instead of being the exception, this loophole has really become the rule. It has become standard procedure and is frequently used as a justification for not returning children at all. Basically, all the court has to do is to make a determination that if the child were returned to his or her parent in the country where the child was originally brought up, if the court finds that this would place the child in grave risk of being exposed to a psychologically damaging or physically harmful situation, the court does not have to abide by The Hague convention. There is nothing wrong with the intent, but it is abundantly clear that this language is being used as a loophole, particularly in the area of finding a grave risk of psychological damage being done. These are some of the problems.

Additionally, our resolution calls on this special session of The Hague that is now meeting to determine practice guidelines, practice guidelines that would build on expert opinions and research-based practices in handling international child custody disputes and kidnappings.

Why do we need these guidelines? We need these guidelines because currently set standards are not in place telling signatory nations what to do when a court rules that a child should be returned. By implementing these guidelines, we would be telling nations that they could no longer hide behind the vagueness of The Hague convention articles anymore. They would not be able to use a lack of guidelines as a reason to keep children from a parent and from their homeland.

The reality is, we cannot understate nor can we ignore the importance of getting these children returned to their homes in the United States. Sadly, our previous administration, the Clinton administration, did not put these children at the top of its priority list. As a result, the number of international abductions has continued to increase.

In 1997, 280 abducted American children were living in foreign countries. That is the official number. I happen to believe, based upon anecdotal evidence, based upon conversations I have had with my colleagues and with other individuals, that the number in 1997 was much higher than that.

The official number is 280 in 1997 who were abducted children who were living in foreign countries. In 1998, that number increased to 398. And in 1999, the official number was 441. Last year, it was a staggering 775.

Quite candidly, our inability to resolve these cases has been due to, in part at least, our Government's lack of attention to this issue.

According to the State Department, each year the United States sends an estimated 90 percent of kidnapped children back to foreign countries. In other words, this country, the United States, that has signed The Hague convention, complies in 90 percent of the cases. We make determinations in our courts that in 90 percent of the cases these children should in fact be returned to the place they were resident when they were abducted and taken from these countries. So the United States is in compliance. We are following The Hague convention.

As the lawyers would say, we come to this issue with clean hands. The sad fact is, though, that even though we do it 90 percent of the time, and even though we are in compliance with the Hague, the rate of return of American children by other nations belonging to the Hague convention is much lower. A State Department report singles out several countries for their noncompliance with the accord, including Mauritius, Austria, Honduras, Mexico, and Sweden.

Notably absent from this report, however, was Germany, which, as I have already mentioned, has also established a disturbing pattern of noncompliance. Because of Germany's noncompliance record, an American/German working group on child custody issues has been established to help encourage Germany to return abducted children. However, essentially no progress has been made regarding open cases—either in the return of children to the United States or in allowing left-behind parents adequate visits with their children in Germany. To that end, we must not allow Germany—or any other signatory nation—to ignore their convention obligations and turn blindly against the parents who have suffered unbelievable heartache due to the loss of their children.

What we have to remember when a parent abducts a child is that each abduction involves the destruction of a family. Yes, it is unfair for the mother or father who is left behind, but much more importantly, it is unfair for that child. A good illustration of this is what happened to Tom Sylvester of Cincinnati, OH. I have talked to Mr. Sylvester about his case, about his child. I have seen the desperation on his face. Tom is the father of a little girl named Carina, whom he has seen for a total of only about 18 days since his ex-wife abducted her from Michigan, where they lived, in 1995. The ex-wife took this little girl to Austria. The day after the kidnapping, Mr. Sylvester filed a complaint with the State Department and started legal proceedings under the Hague convention.

An Austrian court heard his complaint, and the court ordered the return of Carina to Mr. Sylvester. However, this court order was never enforced, and Carina's mother took the child into hiding. Eventually, though, when Carina's mother surfaced with the child, the Austrian courts reversed their decision on returning her to the father, finding that she "resettled into her new environment"—a decision clearly contrary to the terms of the Hague convention.

Sadly, Mr. Sylvester is still waiting to get his little girl back.

The bottom line is this, Mr. President: We must make the return of America's children a top priority with our State Department, a top priority with our Justice Department. Governance and policymaking are clearly about setting priorities. It is my hope that the new leadership in our State Department and the new leadership in the Justice Department will make that issue a top priority and will start trying to get these kids back.

I raised this issue with Attorney General Ashcroft during his Senate confirmation hearings, and I have written to the Secretary of State as well about the urgency of this issue. Today, I again say to our Justice Department and to our State Department: We must begin to prioritize these cases. Yes, it is important to worry about trade issues. Yes, there are many other issues on the desks of the State Department and our embassies. But what could be more important than a child? If we can say that foreign trade is important, we should also say that our children are important as well.

It is a question of setting priorities, and we must begin to prioritize these cases, and our State Department and our Justice Department must do this. No excuses should be accepted by the parents of these children, nor by the Senate, nor by the House of Representatives, nor by the American people. This must be a priority. These kids must be a priority.

As a parent and a grandparent, I cannot begin to imagine the nightmare so many American parents face when their children are kidnapped by a current or former spouse and taken abroad. It is hard to imagine. But, tragically, this is a very real and daily nightmare for hundreds of parents right here in this country. That is why the resolution we have introduced is critical to encouraging the safe return of children to the United States. It gives us an opportunity to help make a positive difference in the lives of children and their families.

In the end, if we are to succeed in bringing parentally abducted children back to their homes in the United States, the Federal Government must take an active role in their return. Ultimately, our Government has an obligation to these parents, but much more importantly, to these children. We must place our children first. They must become our priority.

I urge my colleagues to join in support and passage of this very important resolution.

THE HAGUE CONVENTION ON INTERNATIONAL CHILD ABDUCTION

Mr. DEWINE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. No. 69, which is now at the desk.

The PRESIDING OFFICER. The clerk will state the concurrent resolution by title.

The legislative clerk read as follows:

> A concurrent resolution (H. Con. Res. 69) expressing the sense of the Congress that the Hague Convention on the Civil Aspects of International Child Abduction and urging all Contracting States to the Convention to recommend the production of practice guides.

There being no objection, the Senate proceeded to the consideration of the resolution.

Mr. DEWINE. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 69) was agreed to.

ORDERS FOR MONDAY, MARCH 26, 2001

Mr. DEWINE. Mr. President, on behalf of the majority leader, I now ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m. on Monday, March 26. I further ask that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then proceed to a period for morning business not to extend beyond 12 noon, with Senators permitted to speak therein for up to 10 minutes, with the following exceptions: Senator BYRD, or his designee, controlling the time between 10 a.m. and 11 a.m., and Senator THOMAS, or his designee, controlling time between 11 a.m. and 12 noon.

Mr. President, I also ask unanimous consent that at 12 noon the Senate resume consideration of S. 27 and that Senator WELLSTONE be recognized for an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DEWINE. Mr. President, on behalf of the majority leader, for the information of all Senators, the Senate will resume consideration of the campaign finance reform bill at noon this coming Monday. Senator WELLSTONE will be recognized to offer an amendment during Monday's session. Debate on S.J. Res. 4, the Hollings constitutional amendment, will begin at 2 p.m. by previous consent. Debate will continue on that issue until 6 p.m., with a vote scheduled on passage of S.J. Res. 4 at 6 p.m.

Any votes ordered with respect to amendments to the campaign finance legislation will be stacked to follow the 6 p.m. vote. Therefore, several votes will occur in a stacked sequence beginning at 6 p.m. on Monday.

ADJOURNMENT UNTIL MONDAY, MARCH 26, 2001, AT 10 A.M.

Mr. DEWINE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 1:59 p.m., adjourned until Monday, March 26, 2001, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 23, 2001:

DEPARTMENT OF STATE

MARC ISAIAH GROSSMAN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AN UNDER SECRETARY OF STATE (POLITICAL AFFAIRS).

RICHARD LEE ARMITAGE, OF VIRGINIA, TO BE DEPUTY SECRETARY OF STATE.

The Above Nominations Were Approved Subject To The Nominee's Commitment To Respond To Requests To

Appear and Testify Before Any Duly Constituted Committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, March 26, 2001*

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mrs. BIGGERT).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

> WASHINGTON, DC,
> *March 26, 2001.*
>
> I hereby appoint the Honorable JUDY BIGGERT to act as Speaker pro tempore on this day.
>
> J. DENNIS HASTERT,
> *Speaker of the House of Representatives.*

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, breathe forth upon us the same Spirit that moved Your servant Isaias.

Overwhelmed by Your holiness in our midst we pray for the Members of the 107th Congress and the diverse people of this Nation.

Give us humility and contrition that we may both repent for our sins as individuals and as a Nation. At the same time may we do our very best to set things right.

Make us aware of our misdeeds that we may remove them from Your sight. May our manipulation cease doing evil and causing sadness. Restore hope, for our soul-searching impels us to do good. Make justice our aim both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California (Mr. FILNER) come forward and lead the House in the Pledge of Allegiance.

Mr. FILNER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

> H. Con. Res. 69. Concurrent resolution expressing the sense of the Congress on the Hague Convention on the Civil Aspects of International Child Abduction and urging all Contracting States to the Convention to recommend the production of practice guides.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CALIFORNIA HAS BURNED WHILE FEDERAL GOVERNMENT HAS FIDDLED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

Mr. FILNER. Madam Speaker, for 10 months California has burned while the Federal Government has fiddled, and the fire is spreading.

For 10 months California and the entire western United States has faced an economic disaster, while the Federal Government has refused to lift a finger to help, and that disaster is spreading. Every business, every resident, every school, every local government has been robbed, virtually at gunpoint, while the Federal Government has looked the other way.

Madam Speaker, I am talking about the electricity crisis that is in California and spreading soon throughout the Nation. We face an economic threat that makes the current downturn in the stock market pale by comparison. If we do not act soon, every American will be forced to pay for this crime. Madam Speaker, many of my colleagues have joined me in calling upon the Federal Energy Regulatory Commission to comply with its mandate, to fulfill its mission to ensure that rates are just and reasonable; yet we continue to pay exorbitant, yes, criminal rates for electricity and natural gas.

Madam Speaker, I, along with many of my colleagues, have asked the President and the Secretary of the Department of Energy to act, and what we have been told is that the markets will work. We have asked the U.S. Department of Justice to enforce our laws, and we have not received a response. We have been told that the energy crisis is simply a matter of supply and demand; yet if one looks at the facts, that is not an adequate explanation. Last summer in the year 2000, demand rose by less than 5 percent over the previous year; yet prices doubled, tripled and then went 50 times what they had been. Demand is less than a third of last summer, and yet prices reach up to 50 times the then-price.

Last week in San Diego and the rest of California, we experienced rolling blackouts. Was this due to high demand? No. One-third of our production was simply off-line; 33 percent of our power-producing plants went out of operation.

It is becoming clearer and clearer to everyone that we are being robbed. This is a clear example of the abuse of market power, of criminal antitrust violations; and it is occurring not just in electricity, Madam Speaker, but in natural gas also. The front page of my hometown newspaper today says: "Market for Natural Gas Was Rigged, Firm Bought Control of Pipeline to Manipulate the Price, the Federal Energy Commission Was Told." Last November this commission declared that the electric rates being charged in San Diego and California by this energy cartel were unjust and unreasonable, and therefore illegal; but the commission refused to act. They basically said rob the State blind, and boy did the cartel do it.

The FERC has issued some findings of market manipulation, but the prices are criminal that we are paying today. Madam Speaker, we in California, like those in Oregon and Washington and the rest of the West, we are being bled dry by this energy cartel. California is paying $2 million an hour for electricity, $45 million to $50 million a day, sometimes $80 million, over $1.5 billion per month. This cannot keep up if our economy is going to survive.

What we have is a situation in which a mere handful of private companies control the market and use that power to artificially drive up the prices. This is market manipulation. This is a violation of antitrust laws; and yes, this is criminal behavior.

Madam Speaker, I say we in California know we need more capacity and more generation, and we are doing that. We need more conservation, and we are doing that. The Governor of California has taken steps in these areas to do the maximum that can be done, but still the prices that we are paying today, and will pay in the future, unless FERC acts, are criminal.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I have a bill, H.R. 268, which would direct the Federal Energy Regulatory Commission to set cost-based rates for electricity in this situation where the rates are illegal and provides for the refunds to the consumers and to the utilities of California the $20 billion that they have stolen from our State in just the last 10 months.

Madam Speaker, many seem to think that this is only a California problem. Many people say California brought it on themselves, let them dig themselves out. But the reality is this is everybody's problem. That is why the vast majority of Western governors have urged that cost-based rates be imposed by FERC. This disaster is affecting the entire Western region already, and it is going to spread quickly. According to the New York Times, State agencies from New England, the Midwest and the Mid-Atlantic have filed complaints about the high prices with FERC. The Energy Secretary of this Nation warned that New York may face similar problems next summer. This is a national problem. We had better act now.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FILNER) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

ADJOURNMENT

Mr. FILNER. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 10 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, March 27, 2001, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1322. A letter from the Principal Deputy Under Secretary, Department of Defense, transmitting a letter in response to Senate Report 106–292; to the Committee on Armed Services.

1323. A letter from the Acting Assistant Secretary, Department of Defense, transmitting a letter in response to the reporting requirement of the National Defense Authorization Act for FY 2001, which is anticipated to be completed by April 2001; to the Committee on Armed Services.

1324. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule—Consumer Protections for Depository Institution Sales of Insurance; Change in Effective Date [Docket No. 2000–97] (RIN: 1550–AB34) received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1325. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule—Federal Savings Association Bylaws; Integrity of Directors [No. 2001–15] (RIN: 1550–AB39) received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1326. A letter from the Federal Register Liaison Officer, Office of Thrift Supervision, Department of the Treasury, transmitting the Department's final rule—Liquidity [No. 2001–13] (RIN: 1550–AB42) received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

1327. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Medical Devices; Reclassification of the Shoulder Joint Metal/Polymer/Metal Nonconstrained or Semi-Constrained Porous-Coated Uncemented Prosthesis [Docket No. 97P–0354] received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1328. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Clinical Chemistry and Clinical Toxicology Devices; Classification of B-Type Natriuretic Peptide Test System [Docket No. 00P–1675] received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1329. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Irradiation in the Production, Processing, and Handling of Food [Docket No. 00F–0789] received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1330. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Ferroalloys Production: Ferromanganese and Silicomanganese [FRL–6955–8] (RIN: 2060–AF29) received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1331. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans and Part 70 Operating Permits Program; State of Missouri [MO 112–1112a; FRL–6956–9] received March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1332. A letter from the Acting Administrator and CEO, Bonneville Power Administration, transmitting the 2000 Annual Report of the Bonneville Power Administration, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

1333. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Analysis of the 1st Quarter Cash Collections Against the Revised FY 2001 Revenue Estimate"; to the Committee on Government Reform.

1334. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Final Rule To Remove the Aleutian Canada Goose From the Federal List of Endangered and Threatened Wildlife (RIN: 1018–AF42) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1335. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species; Commercial Shark Management Measures [Docket No. 010112015–1015–01; I.D. 120500A] (RIN: 0648–AO85) received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1336. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in the West Yakutat District of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 031301A] received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1337. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock by Vessels Catching Pollock for Processing by the Mothership Component in the Bering Sea and Aleutian Islands Management Area [Docket No. 010112013–1013–01; I.D. 030801B] received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1338. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 610 of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 031301B] received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1339. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Financial Assistance for Research and Development Projects to Strengthen and Develop the U.S. Fishing Industry [Docket No. 960223046–1049–06; I.D. 011801D] (RIN: 0648–ZA09) received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

1340. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Documentation Of Nonimmigrants Under The Immigration And Nationality Act, As Amended: Aliens Ineligible To Transit Without Visas (TWOV)—received March 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

1341. A letter from the Marshal of the Court, Supreme Court of the United States, transmitting the annual report on the cost of the protective function provided by the Supreme Court Police to Justices, official guests and employees of the court; to the Committee on the Judiciary.

1342. A letter from the Chief Counsel, St. Lawrence Seaway Development Corporation, Department of Transportation, transmitting the Department's final rule—Seaway Regulations And Rules Tariff Of Tolls [Docket No. SLSDC 2001–8785] (RIN: 2135–AA12) received

March 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1343. A letter from the Deputy Executive Secretary to the Department, HCFS, Department of Health and Human Services, transmitting the Department's final rule—Interim Final Rules for Nondiscrimination in Health Coverage in the Group Market (RIN: 0938–AI08) received March 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

1344. A letter from the Deputy Executive Secretary to the Department, HCFA, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Expanded Coverage for Outpatient Diabetes Self-Management Training and Diabetes Outcome Measurements [HCFA–3002–CN] (RIN: 0938–AI96) received March 20, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

1345. A letter from the Chairman, Federal Election Commission, transmitting 32 recommendations for legislative action, pursuant to 2 U.S.C. 438(a)(9); jointly to the Committees on House Administration, the Judiciary, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Filed on March 23, 2001]

Mr. NEY: Committee on House Administration. House Resolution 84. Resolution providing for the expenses of certain committees of the House of Representatives in the One Hundred Seventh Congress; with an amendment (Rept. 107–25). Referred to the House Calendar.

Mr. NUSSLE: Committee on the Budget. House Concurrent Resolution 83. Resolution establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011 (Rept. 107–26). Referred to the Committee on the Whole House on the State of the Union.

[Submitted March 26, 2001]

Mr. SMITH of New Jersey: Committee on Veterans' Affairs. H.R. 801. A bill to amend title 38, United States Code, to improve programs of educational assistance, to expand programs of transition assistance and outreach to departing servicemembers, veterans, and dependents, to increase burial benefits, to provide for family coverage under Servicemembers' Group Life Insurance, and for other purposes; with an amendment (Rept. 107–27). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of New Jersey: Committee on Veterans' Affairs. H.R. 811. A bill to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers; with an amendment (Rept. 107–28). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BARTLETT of Maryland:

H.R. 1207. A bill to remove the Medicare Federal Hospital Insurance Trust Fund from the budget of the United States Government and to remove Social Security and Medicare from budget pronouncements; to the Committee on the Budget, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FOLEY (for himself, Mr. HOUGHTON, and Mr. COLLINS):

H.R. 1208. A bill to amend the Internal Revenue Code of 1986 to allow individuals a refund of up to 5 percent of the income tax otherwise payable for taxable year 2000; to the Committee on Ways and Means.

By Mr. GEKAS (for himself and Ms. JACKSON-LEE of Texas):

H.R. 1209. A bill to amend the Immigration and Nationality Act to determine whether an alien is a child, for purposes of classification as an immediate relative, based on the age of the alien on the date the classification petition with respect to the alien is filed, and for other purposes; to the Committee on the Judiciary.

By Mr. SMITH of Washington (for himself and Mr. ALLEN):

H.R. 1210. A bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the estate tax deduction for family-owned business interests; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XII,

6. The SPEAKER presented a memorial of the Senate of the State of Nevada, relative to Resolution 6 memorializing the United States Congress and the President of the United States of the disapproval if Yucca Mountain is recommended as the site for a repository for spent nuclear fuel and high-level radioactive waste; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. ENGEL and Mr. GRUCCI.

H.R. 31: Mr. HOSTETTLER and Mr. BAKER.

H.R. 39: Mr. SANDLIN, Mr. CARSON of Oklahoma, Mr. ORTIZ, and Mr. REYES.

H.R. 246: Mr. HEFLEY.

H.R. 250: Mr. MATSUI, Mr. TURNER, Mr. GRAVES, Ms. VELAZQUEZ, Ms. BERKLEY, Mr. WEINER, Mr. MCINTYRE, Mrs. MALONEY of New York, Mr. HILLIARD, and Mr. HOLT.

H.R. 342: Mr. HOLT.

H.R. 527: Mr. HOBSON, Mr. MCHUGH, Mr. SAM JOHNSON of Texas, Mr. BASS, Mr. BURR of North Carolina, Mr. FROST, and Mr. GREEN of Texas.

H.R. 548: Mr. REHBERG, Mr. FROST, and Mr. MOORE.

H.R. 602: Mr. GREENWOOD, Mr. CARSON of Oklahoma, Ms. JACKSON-LEE of Texas, Mr. WYNN, Mr. BROWN of Ohio, Mr. ANDREWS, Mr. KENNEDY of Rhode Island, Mr. HOYER, Mr. BERRY, Mr. LEWIS of Georgia, Mr. GONZALEZ, Mr. HINOJOSA, Mr. PASTOR, Mr. GUTIERREZ, Ms. BROWN of Florida, Mr. WICKER, and Mr. BACA.

H.R. 606: Mr. SMITH of New Jersey and Mr. BLAGOJEVICH.

H.R. 608: Mrs. MINK of Hawaii.

H.R. 612: Mr. ACEVEDO-VILA, Mrs. THURMAN, and Ms. LEE.

H.R. 704: Mr. FARR of California.

H.R. 737: Mr. GILCHREST.

H.R. 744: Mr. ISAKSON.

H.R. 801: Mr. UDALL of New Mexico, Mrs. MCCARTHY of New York.

H.R. 811: Mr. UDALL of New Mexico, Mrs. DAVIS of Virginia, Mr. BERRY, and Mrs. MCCARTHY of New York.

H.R. 869: Mr. NETHERCUTT, Mr. TERRY, Mr. WYNN, Mr. SKEEN, Mr. BLAGOJEVICH, Mr. OTTER, Mr. GILCHREST, Ms. PRYCE of Ohio, Mrs. JOHNSON of Connecticut, and Mr. GREENWOOD.

H.R. 871: Mr. SOUDER.

H.R. 951: Mr. SHOWS, Mr. BOSWELL, Mr. ACEVEDO-VILA, Ms. RIVERS, Mr. PETERSON of Minnesota, Mr. CANTOR, and Mr. BRADY of Pennsylvania.

H.R. 993: Mr. BOUCHER and Mr. BAKER.

H. Res. 13: Mr. NEY.

H. Res. 23: Ms. CARSON of Indiana and Mr. BARRETT.

SENATE—*Monday, March 26, 2001*

The Senate met at 10 a.m. and was called to order by the Honorable SUSAN M. COLLINS, a Senator from the State of Maine.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Loving Father, You have taught us that the opposite of love is not hatred but indifference. Forgive us for indifference to the needs of the people around us. Here in the Senate, where debate over issues is the order of the day, it is a temptation to think of those with whom we disagree as adversaries, sometimes as political enemies. The very people who may need our prayers sometimes are neglected in our intercessory prayers because of their position on our cherished proposals. Often we become so intent on defeating political enemies that we forget they are fellow Americans, sisters and brothers in Your family, people You have placed on our agenda to affirm and encourage.

So may debate be to expose truth, creative compromise to maximize solutions, and caring relationships to enable an ambience of mutual support. Help each Senator, officer of the Senate, and Senate staff adopt the motto: "I may not agree with you, but I really care about you." Amen.

PLEDGE OF ALLEGIANCE

The Honorable SUSAN M. COLLINS led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 26, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SUSAN M. COLLINS, a Senator from the State of Maine, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Ms. COLLINS thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each, with the following exceptions: The Senator from West Virginia, Mr. BYRD, or his designee, from 10 a.m. to 11 a.m.; the Senator from Wyoming, Mr. THOMAS, or his designee, from 11 a.m. to 12 noon.

Who yields time?

Mr. BYRD. Madam President, I yield such time as he may consume to the distinguished Senator from North Dakota, Mr. CONRAD.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

FORMULATION OF THE BUDGET

Mr. CONRAD. Madam President, I thank my outstanding colleague from West Virginia, Senator BYRD.

I rise today to discuss a matter of great importance to this body and I believe to the country that has to do with the formulation of a budget for the United States for the coming year.

Last week, the chairman of the Senate Budget Committee told me he does not intend to hold a markup in the Budget Committee to craft a budget resolution for this year.

All of the Democrats on the Budget Committee have written the chairman asking him to hold a markup. Today I again publicly ask the chairman of the Senate Budget Committee to allow the Budget Committee to do its work. Never in our history have we failed to have the Budget Committee write a budget resolution for the country—never. There is no reason not to try this year.

I understand we have an unusual circumstance because the Budget Committee is divided equally between Democrats and Republicans. That has never happened before either. I do not think any of us can know what would happen if we met as a committee, if we debated, deliberated, and voted; it is amazing what can happen when we listen to each other.

I just had the experience of the staff of the Senate Budget Committee, the staff of the chairman, totally misrepresenting the plan I have proposed—totally misrepresenting it. It is clear to me they are not doing that on purpose because I know they are people of good will and they are honest people. I know that. I know they are not misrepresenting it willfully. They are misrepresenting it because they do not understand it. They are misrepresenting it because we have not had a full chance to hear each other. That is why we have committees. That is why we have held hearing after hearing on the questions of how should we craft a budget for the country for the coming year. That is precisely what the Budget Committee has done.

The result is there is no group of Senators that has spent more time analyzing what the budget should be. There is no group of Senators that has more fully considered the question of the revenue base, the question of what the spending ought to look like going forward, what we ought to do in terms of paying down national debt.

I think it would be a profound mistake for us to miss the chance to have the Budget Committee do what it was designed to do, which is to make the work of the larger body easier because of the concentration of effort of the members of the committee on the responsibility they have.

As I sat last week and heard my colleagues on the other side taking my budget proposal and completely misrepresenting it, I realized even more clearly why it is essential that we have a markup in the Budget Committee because that is one place where 22 Senators can sit across the table from each other and debate, discuss, explain, and vote.

If we just come out here on the floor, it is going to be chaos. Trying to write a budget for the United States out here on the floor of the Senate will be utterly chaotic. It is not the responsible thing to do.

The chairman says we are deadlocked. How do we know? We have never tried. We have never debated, discussed, or voted. That is the role of a committee. I do not think anybody can say where it would end.

Last week our colleagues were saying that my plan has more debt reduction in it than there is debt available to be retired. That is just not the case. The plan I have offered saves every penny of the Social Security surplus for Social Security. It saves every penny of the Medicare surplus for Medicare. That is a principle I think most people would endorse. We ought not raid the trust funds.

Then with what is left, my plan takes a third for a tax cut—$900 billion—

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

takes a third for high-priority domestic needs, such as improving education, providing a prescription drug benefit, strengthening national defense, dealing with the agricultural crisis, and then with the final third, it starts to address our long-term problem with the retirement of the baby boom generation by dealing with our long-term debt, the debt that is going to face us when the baby boomers start to retire and the requirements and the liabilities of Social Security and Medicare escalate dramatically.

What my friends on the other side of the aisle have done is to take the money we have set aside for Social Security and Medicare and say that since that money is not needed immediately, all of that will go for paying down the publicly held debt. And that is the case. That is exactly how the President's plan works with respect to the $2 trillion of publicly held debt he wants to pay down. He is getting that money from the Social Security trust fund because that money is not needed right now. So all of that money is available to pay down the publicly held debt.

That is the way my plan functions in part as well, although I set aside all of the Social Security trust fund and all of the Medicare trust fund. The President sets aside just part of the Social Security trust fund and none of the Medicare trust fund. The total for paydown of the publicly held debt under my plan is $2.9 trillion.

We just had testimony from the man who managed the very successful debt buydown program under the Clinton administration, Mr. Gary Gensler, that there is that much debt available to pay off. And in fact, it is very clear there is that amount of debt to pay off because just in terms of debt that is maturing in this next 10-year period, there is $2.6 trillion. The President's people have said they can only pay off $2 trillion. It is just not true. I don't know a nicer way to say it. It is just not true. There is $2.6 trillion that matures during this 10-year period alone. Clearly, you can pay all that. We have done a detailed cashflow analysis, saving all the Social Security trust fund, all the Medicare trust fund.

People have said, well, you have a cash buildup problem in the Federal coffers if you reserve all of the money for Social Security and Medicare. It is just not true. We have done a detailed year-by-year cashflow analysis, and it shows very clearly there is absolutely no cash buildup problem until the year 2010. And who knows, there may not be a cash buildup problem then because we are all operating off a 10-year forecast—a 10-year forecast—that the forecasting agencies say themselves there is only a 10-percent chance it will come true. That is the forecasting agencies, the people who made the projection, saying to us: We want to alert you; there is only a 10-percent chance this projection is going to come true; there is a 45-percent chance there will be more money; there is a 45-percent chance there will be less money.

How would you bet, based on what has happened in the last 6 weeks with the national economy? Do you think that forecast which was made 8 weeks ago is going to be on the high side or the low side? I know where I would be betting. I certainly would not be betting the farm that that number is going to come true.

That is unwise. There is not a company in America that would decide to make 10-year commitments of all its nontrust fund money—all of it—based on a forecast, a forecast that has only a 10-percent chance of coming true. It is just not wise. It is not prudent. It is certainly not conservative.

After my plan sets aside all of the Social Security surplus and all of the Medicare surplus, as I said, it then divides the rest in equal thirds—a third for a tax cut, a third for high-priority domestic needs, and a third for our long-term debt. That is where the confusion has come from with the other side. They think anything that has to do with debt must be the publicly held debt. Thus, they are taking the money I have set aside for Social Security and Medicare, which will go to paying down publicly held debt because that money is not needed for the other purpose at the present time, and adding it to the $900 billion we have set aside in our plan to deal with long-term debt. They have assumed that means we are trying to pay off $3.8 trillion of publicly held debt.

It is just not the case. It is not what the plan does, not what the plan says, and obviously we know there is only $3.4 trillion of publicly held debt that is currently on the books of the United States. We are not trying to pay off debt we do not have; we are trying to pay off debt we do have. We do have $3.4 trillion of debt today, publicly held debt. That is not the only debt we have because in addition to that, we have the gross debt. The gross debt of the United States as we sit here today is $5.6 trillion. And at the end of this 10-year period, if we follow the President's plan, it will be $7.1 trillion. Gross debt is going up as the publicly held debt comes down.

How can that be? That can be because what is happening here is a transfer. As the publicly held debt gets paid down, it is getting paid down under the President's plan and any other plan by the surpluses of the Social Security trust fund. And guess what happens. That money from the Social Security trust fund—under the President's plan, $2 trillion of it—is being used to pay down publicly held debt. So the Social Security trust fund has money in surplus at the present time. Part of that money is being used to pay down the publicly held debt. Guess what happens. The general fund of the United States that is receiving that money to pay down debt now has an IOU to the Social Security trust fund for the same amount. It is similar to taking one credit card and paying off your other credit cards and thinking you are debt free. We are not debt free. The gross debt of the United States is growing.

What my plan intends to do is not only address that short-term debt, the publicly held debt, and pay that down, but also to address our long-term debt crisis that is going to get much worse—not because of projections, not because of the forecasts, but because of what we all know is true: The baby boomers have been born, they are living, and they are going to retire. That process starts right beyond this 10-year period when we are all talking about these big surpluses. If we really honestly account for things, if we do it the way any company accounts for things, we do not have a surplus.

All this talk about surpluses. Well, I hate to rain on the parade, but there really is no surplus. If we were really being straight in the accounting systems, we would find we do not have a surplus because we have these long-term liabilities that we do not account for in the Federal system, and they are real; they are here to stay. We can just kind of forget about them and wish them away or put them off until tomorrow, but the hard reality is they are there, and they are growing. During this period when we are all talking about surpluses and we are all talking about paying down the debt, the gross debt of the United States is actually growing—$5.6 trillion today. It is going to be $7.1 trillion at the end of this 10-year period. Those are not KENT CONRAD's numbers; those are the numbers that are right in the President's book he sent us, the budget blueprint. It says very clearly that gross national debt is growing.

The distinction between this publicly held debt and gross debt is the following: The publicly held debt is held outside government hands. The economists argue that is where you should pay attention because it is that debt of government which is competition with other debt. That is debt that is in the public marketplace. That is debt that has to be financed by somebody. That is the debt that is in competition with other, private sector players who are seeking to finance what they do—whether it is build a building, build an Internet highway, or build new housing. That is why economists say: Pay attention to the publicly held debt.

It is also true that this other debt, the gross debt of the United States, has exactly the same legal claim on our government as the publicly held debt. Just because the Social Security Administration holds the bonds and says, Federal Government, you have to pay us back, that is no different than a German bondholder, holding that bond, saying, we want to be paid back. Both of them constitute legal claims against this government. Both of them require our attention. So far the President only talks about the publicly held debt. He says he is paying off as much of it as can be done. We disagree on that point. We think we can pay off much more of the publicly held debt than he asserts. We think the hearing before the Budget Committee last week demonstrated that quite clearly, that there is more publicly held debt to be paid off than the President asserts.

The much larger point is the President is not addressing this long-term debt, this gross debt that is growing every day. He is doing nothing in terms of setting aside money to deal with that long-term debt.

That is why the plan I have proposed uses 70 percent of these projected surpluses—70 percent—for debt, both short term and long term. The President's proposal reserves about 35 percent of these projected surpluses for debt. The plan that I have proposed on behalf of Democrats pays down about twice as much debt as the President's plan. He has a much bigger tax cut; we have a much smaller tax cut. Our tax cut is about half as big as his because we are paying down twice as much debt. That is the biggest difference.

There are also some differences in spending, although they are more modest differences than the difference between what we are doing on the debt and what he is doing with respect to tax cuts. The big difference is, we are more aggressive at paying down debt; he is more aggressive with the tax cut. He says it is the people's money. He is exactly right; it is the people's money, but it is also the people's debt. Don't make a mistake about this. We are the ones who are going to have to pay this debt. It is the people's Social Security and it is the people's Medicare and it is the people's defense.

This is not a question of the government versus the people—not at all. The truth is, this is the people's money. I don't think any of us ever forget that. This is the people's money. It is also the people's debt. And that debt will come due just as certainly as we are standing on this floor today. If we have failed to be responsible about getting ready for when that debt comes due, all of us who are here now who make the fateful decisions are going to be held to account. It will be our names in the book of history as to what was done at the critical time in our Nation's economic future. It is our responsibility to be good stewards of the people's money.

I end by urging the chairman of the Senate Budget Committee to have a markup in the committee to establish a budget for the country for the coming year. We have that responsibility. The suggestion that we are deadlocked before we even start misses the point. We are often deadlocked before we debate and discuss and vote. That is why we have debate, discussion, and votes—to break deadlocks.

I hope very much that the Budget Committee will meet its responsibility and attempt to write a budget resolution. That is our obligation. I hope we will meet it.

I thank the Chair.

Mr. BYRD. Will the Senator yield?

Mr. CONRAD. I am happy to yield.

Mr. BYRD. I congratulate the Senator on his very illuminating remarks. I heard his talk about the gross debt, which really doesn't get mentioned very often as far as I can tell, and his discussion about the publicly held debt. I think this is very useful knowledge.

This is the people's money, as we hear. I take it that the interest we pay on the debt is also the people's money, am I correct?

Mr. CONRAD. The Senator is exactly correct. And of course that money we are using to pay interest on this debt can't be used for any other purpose. It can't be used for a tax cut; it can't be used to build a road; it can't be used to build a bridge; it can't be used to build a school; it can't be used to pay a teacher. It is money down a rathole, but it has to be paid.

Mr. BYRD. It can't be used to buy even a pencil.

How much money are we talking about in interest on the debt? We are talking about the people's money. The interest that is being paid on the debt is the people's money, as well. That comes out of the pockets of the taxpayers.

Does the Senator have information at his fingertips as to the amount of the people's money we pay in interest on the debt annually?

Mr. CONRAD. The gross interest that we are paying a year would be over $300 billion. If you think about that, that is a stunning amount of money. The gross interest is over $300 billion.

Perhaps one of the staff people has the budget book in front of them and can tell us a precise number.

While we are waiting for that—the point is very clear. Although you owe $5.6 trillion, which is the gross debt of the United States, interest on the publicly held debt is what gets all of the attention. The press and our colleagues and our President have all focused on the publicly held debt. That is $3.4 trillion as we sit here today—$3.4 trillion. But that is the debt the Federal Government owes people who are outside the government. That is what we owe to bondholders. That is what we owe to kids who have a savings bond. That is what we owe to people who buy Treasury bills. That is what we owe to people who are holding instruments in other countries, who have loaned money to the United States. That is the publicly held debt, $3.4 trillion.

But the gross debt includes the debt of the general fund to trust funds, money we have borrowed over time to trust funds to use for other purposes. We have borrowed hundreds of billions of dollars from the Social Security trust fund. We are paying interest on that, too. That is part of the gross debt, and that has to be paid just as certainly as this publicly held debt. It has the same legal position as the publicly held debt and it, of course, is much larger. As I said, that is $5.6 trillion of gross debt that the Nation has today.

Mr. BYRD. Madam President, will the Senator yield further?

Mr. CONRAD. I am happy to yield.

Mr. BYRD. What is the rate of interest that the people are paying on the debt? I know it varies. Generally speaking, is there a figure we can use?

Mr. CONRAD. Generally speaking, we are paying between 5 percent and 6 percent on the debt of the United States.

Mr. BYRD. Is that the people's money?

Mr. CONRAD. That is the people's money, the people's money that we are paying to service the people's debt.

Again, I wish to be very clear. I agree with the President absolutely when he says it is the people's money—absolutely that is true. It also happens to be the people's debt. It also happens to be the people's Social Security and the people's national defense and the people's education.

The thing that worries me the most—I have been reading David Stockman's book, "The Triumph Of Politics." I hope every Member of this body will read that book before we vote on the budget. It goes back to 1981 when we had a massive tax cut, massive increase in spending for defense, and we put this country in a deficit ditch from which it took us 17 years to get out. We exploded the national debt, quadrupled the national debt.

That could happen again. Back in the 1980s we had time to recover. This time there is no time to recover because this time the baby boomers start to retire in 11 years. Back in the 1980s we had 17 years to get well. It took tax increases, it took spending cuts, it took tremendous political will to change the fiscal course of the country, to get us back on track. But, make no mistake, this time there is no time to get well because the baby boomers start to retire in 11 years. If we get it wrong this time, that debt will eat our country alive.

I wish every Member could have heard the briefing we got from the Comptroller General of the United States, who warned us, who alerted us to where we are headed with debt. Yes, we have a surplus now. That surplus is temporary, and we are headed for big debt. We can either dig the hole deeper before we start filling it in—which is a very attractive thing to do because that means we all get to vote for a massive tax cut. I am advocating a tax cut, about half as big as the President's. But I think we all should be alert to what we are facing.

Mr. BYRD. Madam President, will the distinguished Senator yield further?

Mr. CONRAD. Yes.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. How much of this money, the people's money—the people of the United States—how much of that money that is being paid for interest on the debt is going into the pockets of foreign holders of these securities? What percent?

Mr. CONRAD. I do not recall the exact percentage that foreign debt holders have. It is interesting; I looked at those numbers last week, but as I am getting older, my mind retains things less well. Although I look young, I am aging rapidly.

Mr. BYRD. Is it not sufficient to say that a considerable amount of this money, which the Senator and I would probably agree is something like 40 percent—40 percent of these securities are held by foreign countries——

Mr. CONRAD. The Japanese and Germans and the Belgians—the Belgians have a lot of this debt.

Mr. BYRD. The Japanese are foremost; Great Britain is second.

Mr. CONRAD. Yes.

Mr. BYRD. I believe China is fourth or fifth or sixth; China.

This is the people's money, isn't it, that we are talking about? The Senator is trying to reduce that interest on the debt by reducing the debt. We are talking about the people's money. He is trying to save the people the people's money.

And a lot of it is going overseas. The interest that is paid on the debt, 40 percent of it, is not of securities held by Americans but by peoples overseas. Is that what we are saying?

Mr. CONRAD. That is exactly, in part, what we are saying. This debt is real. It is there. It is growing. We are paying interest on it.

One of the things we learned in the 1980s is it really works to reduce deficits and reduce debt. Alan Greenspan alerted us to this and Secretary Rubin alerted us to this, by saying: Look, when you are paying down debt instead of building debt, you take pressure off of interest rates because it means the Federal Government is borrowing less money. When we borrow less money, that means there are fewer people in there competing for the funds to loan. That means interest rates are lower. That means the economy is stronger. That means our competitive position in the world is better. That means we have stronger economic growth.

In fact, I remember Secretary Bentsen saying for every 1 percent we are able to reduce interest rates, that lifted the economy by over $100 billion because of the debt burden taken off the economy.

That is a bigger assistance to the American economy and American taxpayers than any tax cut we are contemplating around here.

Mr. BYRD. That is a real tax cut, isn't it? The equivalent of a real tax cut?

Mr. CONRAD. It is a real tax cut. It is a real cut in costs for Americans. It is a real lift to the economy. It is something that puts us in a much stronger competitive position. It puts us in a much stronger position when the baby boomers start to collect on their Medicare and Social Security because the country is then in a stronger financial position to deal with those liabilities.

Mr. BYRD. And that is a tax cut that is across the board, isn't it? It is across the board; it benefits everybody.

Mr. CONRAD. It benefits every taxpayer.

Mr. BYRD. Madam President, will the distinguished Senator yield further for a question?

Mr. CONRAD. I am happy to yield.

Mr. BYRD. Our time is short. We are about to use all of our hour. Let me ask the distinguished ranking member of the Budget Committee this question. First of all, I assume the Budget chairman's mark will include budget instructions. When does the ranking member expect to receive from the distinguished Budget Committee chairman information concerning the resolution that the chairman intends to send to the Senate without its being marked up by the Budget Committee?

Mr. CONRAD. The chairman of the committee has not told me that. After I asked him last week to reconsider the decision not to hold up a markup, he told me he would give me a final answer today. I still retain some hope that he will permit a markup in the committee.

Mr. BYRD. Yes. I hope so also.

I ask the distinguished ranking member of the Budget Committee, inasmuch as the budget resolution will contain instructions, the distinguished ranking member asked this Senator to move to strike those instructions; am I correct?

Mr. CONRAD. That is correct.

Mr. BYRD. If the resolution were marked up in committee, I assume the same motion would be available there.

Mr. CONRAD. It would. It would require a simple majority in the committee. When we get out here on the floor, as the Senator well knows, we have a different situation.

Mr. BYRD. I believe that the motion to strike even on the floor would require only a majority vote.

Mr. CONRAD. That is correct; on a motion to strike. As the Senator knows, we may face a series of different parliamentary circumstances both in the committee and on the floor, and the test, based on the parliamentary circumstance we face, may be different in the committee rather than on the floor. On the motion to strike, the Senator is correct.

Mr. BYRD. Let me ask this question: The committee is required to report the Budget Committee resolution no later than April 1, which will fall on a Sunday. So it would be April 2. Does the Senator contemplate that on April 2 it is the plan, as having been announced I think by the majority leader, that the Senate would proceed to the consideration of that budget resolution on that day or does the ranking member contemplate that the committee chairman might give us an extra day by not reporting the matter to the Senate, or at least by helping us to get consent to delay that for a day so we can study the resolution?

Mr. CONRAD. First of all, I am still retaining some hope that the chairman of the committee will go to markup in the committee. I really believe that is the right thing to do. Failing that, the Senator is exactly right. The Budget Committee is discharged on April 1, so we could have a budget resolution on the floor on April 2.

I hope that in the spirit of comity and bipartisanship we are permitted some time to review what the Budget Committee chairman will offer before we are expected to debate it and discuss it on the floor of the Senate, amend it, and vote on it—we would have an opportunity to review it.

Mr. BYRD. If the plan of the majority in the Senate is to complete action on the budget resolution by the end of next week, that would mean, would it not, that the Senate would have completed action on the budget prior to the submission of the budget by the President to the Senate, which I understand now is going to be on April 9, the first day of the 2-week Easter break?

If that is the case, what are the disadvantages to Members of the Senate as they act on a Budget Committee resolution without any knowledge other than what we have seen in this blueprint, which I hold here in my hand, of the President's—this is the outline, "A Blueprint For New Beginnings"—outline of his budget?

We don't have any idea, of course, what the President is going to recommend in filling out this bare skeleton outline, what kind of a position—I realize it was 1993 when the Senate acted on a budget resolution prior to the submission of the budget by the President. That was a far different situation. What are some of the differences between the situation then and the situation now?

Let me preface that question by saying that last week the very distinguished chairman of the Budget Committee, for whom I have a very high regard, came to the floor and, in response to a statement I made on the floor, indicated that the budget resolution in 1993 was reported to the Senate and was acted upon by the Senate before the President of the United States had submitted his budget to the Senate.

That is one of the things about which I and others have been complaining. That is what is going to happen now.

The schedule, as I understand it, is that we are going to be acting on the budget resolution. It will be reported from the committee without a markup in committee, and, after the 50 hours have run their course, the Senate will act on the Budget Committee resolution. I complained about that.

The distinguished Senator from North Dakota pointed to the fact that the Senate had acted on the budget resolution in 1993 prior to the submission to the Senate and to the House of the President's budget. But there were very important differences. One was that in 1993 the Budget Committee marked up its resolution in committee before that resolution was sent to the floor. That is a very important difference.

The distinguished chairman of the committee, Mr. DOMENICI, said last week that we should consider the 1993 action on the budget resolution, prior to the submission to Congress by the President of his budget, to be a role model.

But I add, if that is going to be the role model, we should also have a markup prior to the committee reporting that budget resolution to the Senate, because the Budget Committee reported the resolution in 1993 to the Senate, did it not? If that process is going to be the role model, why not include that? I think it should be included.

What does the ranking member have to say about that, and what are some of other differences that confronted the Senate at that time with what we are going to be facing here?

Mr. CONRAD. The Senator may recall, I was here in 1993, as was the Senator from West Virginia. The Senator from West Virginia, as always, was in a critical role in the Appropriations Committee. I was serving on the Budget Committee.

There are a series of differences from 1993. First of all, the budget outline we had from that President was far more detailed than the budget outline we have from this President.

Mr. BYRD. That is correct.

Mr. CONRAD. We had a good deal of detail from that administration with respect to their recommendations to us on how much money we should spend on various items—what the tax base of the Federal Government should be; what we should be doing with respect to the deficits.

There was really a rather detailed outline that is, frankly, missing from what we have been sent so far this year.

When you think about it, it is really a very odd circumstance. Not only did we have a full markup in the Budget Committee at that time, so that when it got to the full Senate they had guidance, they had a blueprint for the administration that had substantial detail, and they had full detail from the Senate Budget Committee.

What they are proposing this year is little detail from the President and no help from the Senate Budget Committee: Let's just put the budget of the United States out here. It is going to be chaotic because you don't have substantial guidance from the President; you have none from the Senate Budget Committee. There is going to be a free-for-all out here.

When they say 1993 should be a role model for what we should do now, there is no comparison. There is no "there" there.

Mr. BYRD. Madam President, will the Senator yield?

Mr. CONRAD. I am happy to yield.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. This is a 10-year plan that we are being told will be encompassed in the budget resolution of this year. Was that a 10-year plan in 1993?

Mr. CONRAD. No. That was a 5-year plan. That was a 5-year plan; this is a 10-year plan. And, of course, that means the whole basis for the plan is even more uncertain.

Now, I tell you, I used to have to project the revenue for my State. That was one of my jobs. I had to do it for 30 months—30 months. That was very difficult to do. The truth is, nobody can foretell 10 years into the future. There isn't a soul who knows what is going to happen—what we are going to face in terms of international conflict, what we are going to face in terms of natural disaster, what we are going to face in terms of a health threat, what we are going to face in terms of what this human genome research is going to mean to medical costs. There isn't a soul who can tell us today what we are going to face in terms of international threats, in terms of requirements for our military.

There isn't a soul who knows, with any certainty, what is going to happen for 10 years. Yet we have people who are betting the entire farm—I am from North Dakota. That is a phrase we use. We talk about betting the farm. You don't bet the farm in a cavalier way. And that is what is happening. We are betting the farm on a 10-year forecast that the forecasting agency itself says has only a 10-percent chance of coming true.

Mr. BYRD. Madam President, will the Senator yield further?

Mr. CONRAD. Yes.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. The Senate will be contemplating, in the consideration of the budget resolution this year, a massive tax cut. As one who had an important role in writing the Budget Reform Act of 1974, I had no inkling—young men dream dreams and old men have visions—I never had any dream or a vision at that point that we would ever use the Budget Committee resolution, that process, for increasing or for cutting taxes.

The idea was to bring about a resolution that would contemplate income and outgo in such a way that we would balance the budgets. We would have control over spending, control over outgo, and manage the income and the outgo in such a way that we would balance the budget. We never contemplated using that process—which is a beartrap because of its limitations on time for debate and on amendments—we never contemplated it would be used in the manner that it is being used and has been used more recently. The idea was to manage our affairs in such a way that we would keep our budgets balanced. We would balance the budgets.

That is not the case. The budget resolution, the budget process is going to be used now to bring about a huge tax cut. That is not going to balance the budget. That was not contemplated when we wrote that law. But is that not another major difference between the actions that were taken in 1993 with reference to the budget resolution and the actions that are being contemplated now?

Mr. CONRAD. Well, the Senator is quite right. What is being contemplated now is to use this special process that avoids the rules of the Senate called reconciliation. The reconciliation process was designed to reduce deficits. That is the whole purpose it was put in place. That was back in the time when we had massive red ink, running huge deficits, again, because of what happened in the 1980s, which I am very much fearful we could repeat this year. So a special provision was put in place back at the time that the Senator has addressed, a special procedure that avoided the rules of the Senate, that circumvented the rules of the Senate; and it was designed for one reason, which was to reduce deficits. And now it is being used to expand debt. It is standing the whole purpose for reconciliation on its head.

I conclude by saying we are talking about coming to the floor to do a budget resolution before we ever receive the President's budget. This is the point the Senator from West Virginia was making. We have received an outline from the President. It does not have much detail in it—a lot of pages but not much detail about where the money is supposed to go. We have not yet received the President's budget. Yet we are talking about the Senate passing the budget resolution for the year before ever seeing the President's budget.

It makes no sense at all. It makes no sense. It seems to me we should spend that week—instead of debating a budget when we have never seen the President's recommendations—to provide for a stimulus package so that we are dealing with the immediate weakness in the economy and then come back to this longer term plan that the President proposes after we have seen the President's budget.

Mr. BYRD. Madam President, will the Senator yield to me, finally?

Mr. CONRAD. Yes.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. BYRD. Would the Senator take the few remaining minutes under my control and sum up the points that have been made here this morning as to the differences between what the Senate was confronted with in 1993 and what we are being confronted with today anent the budget resolution and the budget process? There are several items. Will the Senator sum them up?

Madam President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 2 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. CONRAD. Madam President, I would be happy to try to sum up by saying, first of all, the chairman of the Senate Budget Committee told us last week he does not intend to mark up the budget in the Budget Committee. We urge him to reconsider. We urge him to have a public markup in which there is debate, discussion, and votes so that the Budget Committee meets its obligation and responsibility.

No. 2, when talking about 1993—because some have said, well, this is what happened in 1993; that we did not have the budget from the President before we wrote a budget resolution on the floor of the Senate—the differences are quite clear. In 1993, the Senate Budget Committee marked up fully a budget. No. 2, we had a good deal more detail from the President in 1993 in terms of functional totals, in terms of what each of the areas should get or what kind of cuts they could expect.

We do not have that this time. So now, in 2001, we do not have the Budget Committee doing a markup. At least that is what the chairman so far has said. We hope he will reconsider. We do not have the level of detail we had in 1993. So what is about to happen is really quite remarkable. We are going to have the Senate write a budget resolution without ever seeing the President's budget and without the Budget Committee ever doing its job to write a budget and to mark it up.

I thank the Chair and yield the floor.

Mr. BYRD. I thank the distinguished ranking member of the Senate Budget Committee. I assume that consumes all of the time on this side.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator's time has expired. Under the previous order, the Senator from Wyoming, Mr. THOMAS, or his designee is recognized for 1 hour.

SCHEDULE

Mr. THOMAS. Mr. President, today the Senate will be in a period of morning business until 12 noon. Following morning business, the Senate will resume consideration of the campaign finance reform bill, with Senator WELLSTONE to be recognized to offer an amendment. At 2 p.m. the Senate will begin consideration of S.J. Res. 4, a constitutional amendment regarding election contributions and expenditures. Debate will continue for up to 4 hours, with the vote scheduled at 6 p.m. Any votes ordered in relation to the amendments to the campaign finance reform bill will be stacked to follow the 6 p.m. vote this evening.

I thank the Chair.

LEGISLATIVE ISSUES

Mr. THOMAS. Mr. President, we have been consumed over the last week, and will be for the remainder of this week, with campaign finance reform, an issue that has been about for some time and has been stressed by a number of Members of the Senate. I have indicated before that, certainly, it is an important issue. However, it is time we complete that issue, as there are many others that probably are of more importance to most people than that of campaign finance reform. Nevertheless, that is the commitment.

It has been an interesting debate. It will continue to be an interesting debate. I am hopeful we will come up with some kind of a proposition when it is over and not have wasted the entire 2 weeks discussing the various aspects of it.

This evening we will hear the introduction of the Hagel proposal, of which I am an original cosponsor. It is an important issue to be debated, one that deals with campaign finance reform more clearly than does the floor bill, which is the McCain-Feingold approach. One has to make a decision as to whether or not they want the Federal Government to be managing elections or whether, under the Constitution, elections should be comprised primarily of freedom of speech and an opportunity for people to participate. In terms of elections, it would be wrong if we found ourselves in a position of seeking to limit the opportunities for people to express themselves.

The Hagel bill, which he will discuss in great detail, deals with the most important aspect of campaign finance reform; that is, disclosure. Whenever dollars are given to a candidate for the purpose of election, they are disclosed, disclosed immediately so voters can then determine for themselves whether they think that is a legitimate expenditure or not.

The bill also provides for an increase in the level of hard money that goes to candidates. That was set in law in the 1970s. It has not been changed since that time. Obviously, the amount of money represented in the 1970s through inflation is not nearly as expansive as it is today. It changes that. It also puts a limit on soft money.

I am hopeful that when the bill comes forward we will be able to discuss an alternative which I believe is a more reasonable alternative than the one that has been discussed. Then we can move on to some items of dire importance: Obviously, taxes—giving people an opportunity to keep more of their own money. When we find American taxpayers paying more today than they have ever paid in history as a percentage of gross national product, paying more now than they did in World War II, that doesn't seem appropriate. Where should the money go? It should go back to the people who have paid it in.

We will also be discussing the economy, an issue that needs to be talked about immediately. We will be talking about the opportunity of tax relief to assist in strengthening the economy. I am sure we will be talking more clearly about the idea of putting some money back into the economy more immediately, some $60 billion that is in surplus of this year's needs for the budget and could be placed back into the economy in some method or other.

Those are topics that need to be debated.

We say education is an issue that means more to people than any other individual subject. We ought to be talking about that. We ought to be talking about the Elementary and Secondary Education Act. We ought to be debating whether or not Federal dollars for education ought to be designated in terms of where they go by the Federal Government, or should they be sent to local and State governments to decide for themselves where their needs are.

I am from Wyoming. Certainly, the needs in Chugwater, WY, are different from those in Pittsburgh, PA. We ought to have the opportunity and the flexibility to send those dollars there.

Certainly, we need to be discussing preserving Social Security as we have in the past, making sure those dollars are there. We need to be talking about paying down the debt, which we have an opportunity to do now. We ought to be discussing doing something with health care to provide more availability for people all over the country.

There are many topics we ought to be debating, and hopefully we will be able to move to those. One of them, of course, is energy and the environment. We now find ourselves in a position of facing great difficulty with energy, made more visible and accentuated by the problems existing in California.

The California problems are not necessarily typical of energy concerns throughout the country. Indeed, many of them have been brought on by some unusual efforts in terms of electric reregulation in which California chose to put limits on the cost of retail electricity but not wholesale. We can imagine that that is not a workable situation, and it has caused many problems, not only in California but throughout the West as well.

We will be talking about energy, and we should be. Often when we discuss energy, we also have to talk about the environment, although the environment is an issue that we need to be concerned with all of the time, in my judgment. One of the reasons energy and the environment are of particular importance to me and to others in the West is the fact that the Federal Government is a principal owner of lands in the western United States.

I brought this visual display to show what Federal land ownership is in each State. Most people are surprised by the percentage. In my State of Wyoming, nearly half of the land belongs to the Federal Government. Some States, of course, are even higher than that. In Alaska, almost 68 percent of the land is owned by the Federal Government. In Nevada, almost 85 percent is owned by the Federal Government.

So the kinds of regulations that are put into place, the kinds of issues that arise in terms of the environment and the usage of public lands, become very important to us. That, of course, is not the only aspect of the environment, but it is one that is very important and, frankly, quite difficult.

The point I want to make is, as we go about a number of the problems that we have before us, and a number of the opportunities to solve them, unfortunately, we find ourselves with environmental groups and many Members of the Senate making the case, let's either protect the environment or ruin it by using it. I suggest to you that those are not the only two alternatives. You can access the lands; you can use the lands as multiple-use lands, yet continue to protect the environment.

In Wyoming we think we have done that pretty well. We have had mining, oil production, hunting, fishing, and we have had access to the lands for more than 100 years now. We are pretty proud of the environment we have there. So this idea that is often out here that you have to choose between the opportunity to have multiple use and the opportunity to protect the environment is wrong.

Certainly, protecting the resources is a high priority for most everyone. I happen to be chairman of the parks subcommittee. Certainly, regarding our national parks, the basic, No. 1 issue is to protect the resource and, 2, to let the owners, the American people, enjoy those resources. That is really the purpose of having a park.

We find ourselves, from time to time, in conflict with that, in that protecting the resources, to some people, means we should not let anybody have access to enjoy those resources. One of the issues is to allow access. We have seen a great deal about that lately.

One of the things that prompts me to visit about it this morning is, Members of this Senate have been, in the last few days, getting up and saying this administration is anti-environment because they have changed some of the regulations that were put in place in the last administration. Well, I think it was a legitimate, reasonable thing for a new administration to do, to look at those literally hundreds of regulations that were put in the day before the administration left, to see if indeed they are reasonable and consistent with the efforts of the new administration. I think that is not unusual at all.

We also now have the issue of energy. Of course, much of the energy comes from land. Whether it be coal, oil, natural gas, hydro or water, it comes from various uses of the land. I think we find ourselves now with a real issue as to what is the best way to preserve the environment and to be able to meet the needs of domestic energy production. That is kind of where we are.

The complaints about this administration are not valid. I think they are totally political, and we ought to really examine them in terms of where they are. One of the reasons we are having problems, of course, is that we have let ourselves, over the last year, go along without an energy policy, without a decision on a national level on what we want to do with respect to energy—what kinds of energy we want to promote. But more importantly, do we want to let ourselves get into the position of becoming totally dependent on foreign imports—in this case, OPEC? That is basically what we have allowed ourselves to do.

The prediction is that we will have 60-percent dependency on foreign oil within the next couple of years. We are now 55- or 56-percent dependent. When OPEC decides, as they recently did, to reduce production, we find ourselves going to the gas pump with higher prices or, even worse, finding ourselves without the kind of energy we need to continue to have the economy that we have now and want to have in the future.

So I think one of the things that is happening that is very helpful is that this administration, with the leadership of the President, has assigned Vice President DICK CHENEY to a work group to define where we need to be in terms of energy and in terms of the economy in the future. They are due to have a report in about 6 weeks or a month from now which will put us in the position of having a national policy on energy for the first time in many years. Hopefully, that will give us some direction as to how we can resolve that.

There are lots of alternatives, of course, in energy policy. We need to talk about the diversity of energy—not all natural gas. We also have coal, our largest resource. In the budget, we have some opportunities to research some more in coal, to make it a cleaner fuel so it is a fuel for stationary electric production. We can use something in hydro, one of the renewables that in the last administration there were efforts made to reduce, to tear down some of the dams that are there that provide those kinds of resources. So there are a lot of things that can be done.

We are talking more about the opportunity for nuclear power, which is one of the cleanest opportunities for electric generation, of course. First of all, we need to find a place to store nuclear waste. We have been fighting over that for a number of years. We need to finally make a determination. Despite the fact that we have spent billions of dollars already at the Yucca Mountain storage site in Nevada, we haven't resolved that completely. There is an opportunity for renewables—sun and wind. We can do more with that. We need research to make those things more economical and more well placed.

Also, of course, one of the things we need to do is look at ourselves in terms of conservation and areas where we can do a better job of using energy so that we can reduce demand, as demand continues to go up—in the case of California, very sharply—and production does not go up. You know you have a wreck coming when that sort of thing happens.

So we are looking forward to that kind of an opportunity.

Beyond that, of course, I suggest that all of us are in the position of wanting to protect the environment. Obviously, we want to protect our lands. We are very pleased with the lands. We have talked for a number of months now in Wyoming about what we want our State to look like in 15, 20 years. We called it Vision 20/20, which is an opportunity to get an idea where we want to go.

One of the things we want to have, of course, is open space. That has been a very vital part of the West and of Wyoming. We also want to have fish and wildlife—again, a vital part of what we want to do. In order to do that, we have to protect the environment. We are prepared to do that, and, at the same time, we want to be able to produce many of the things that need to be done to provide power and energy for this country.

We have recently heard—I am sorry to hear this—accusations that this administration is turning around some of the useful things that have been done over the last 8 years. I am here to tell you that not all those things have been based on facts. Not all of them have been based on research. This idea that the administration is a "charm offensive" turned into a "harm offensive" is a ridiculous statement to make. It doesn't have any basis in fact at all.

Talking about CO_2, for example, CO_2 was included in regulations put out just as this administration went out. CO_2 is not included and identified as a pollutant. Do we want to work at doing something? Of course, we do. CO_2 also has a lot to do with the ability to generate electricity. In the Agriculture Committee we are looking for tradeoffs, where you can use timber, grasslands to absorb CO_2, and some of the things we can do there. But to suggest that is a terrific environmental problem is simply not supported by facts.

The same thing is basically true of arsenic. The new Administrator of the EPA delayed the recommendations that were put in on arsenic. Why? Because there wasn't sufficient study, there weren't sufficient scientific bases. Furthermore, under the original plan, there were another 2 years to establish that level. She has assured that there will be a level. But this one was not scientifically put into place in terms of water projects for communities throughout the country.

This idea that it is setting back 8 years of progress is ridiculous. We ought to be working together to find a way for our communities to have a good water supply and at the same time be affordable. I think we can do that.

Another one of our friends said George Bush has declared war on the environment. That is a ridiculous idea. No one is declaring war on the environment. The environment is something all of us want to protect. The question is how do we do that and at the same time let people enjoy the resources.

We have had an interesting debate about the roadless areas in the Federal lands of the West. The Forest Service put out a regulation on roadless areas. I happened to attend some of the meetings. They called for local meetings. Not even the local Forest Service people knew what they were talking about.

We have national forest plans. New plans are developed every 10 years. The Forest Service goes through a very complex system of setting up a forest plan designed to deal with forests differently because they are, indeed, different. This was an idea that came from the Department of Agriculture deciding that all forests should be dealt with in the same way.

It does not work. It does not work that way. Do we want roads everywhere? Of course not, and there is no need to have them everywhere. But we do have to have some if people are going to have access. The environmentalists claim it is just the timber people. I heard from a lot of folks, including disabled veterans, who said: How are we going to enjoy these public lands if we don't have access to them? I agree with them. Limit the roads? Of course. Roadless does not seem to work.

In Yellowstone Park, the people have an opportunity to see Yellowstone Park in the wintertime and they can see it with snow machines. The park did not manage them at all. They sat and watched it for years, and all of a sudden, they decided the parks cannot have this happen and wanted to discontinue allowing snow machines. We have suggested, rather than that, to take a look at those snow machines. Get EPA to do their job and set some standards for emissions and noise and then the park can say: Look, if you want to come to the park, you have to have a machine that meets these standards. It can be done, and the manufacturers say they can do it. It is a good idea. People can have access.

Instead, this past administration said: We are tired of it; we are going to do away with it, without even making an effort. If there are too many there, manage them. They are talking now about west Yellowstone where too many of them pile up at the gate, and the park ranger is getting a sore throat, or something. We should not do that. There is a way to manage them.

Agencies seem to have a hard time figuring out how to manage it. When there is a problem, everybody else manages it and changes it. We can do that. Access is something that I think is important.

All I am suggesting and hoping is that this administration will seek some reasonable approaches to the things that need to be done.

The Clean Water Act—do we like clean water? Of course, everybody likes clean water. This EPA last year came up with the clean water action plan that had about 100 different proposals in it, some of which were not authorized under the law, and sought to put those into place. This administration is taking another look at them and, indeed, they should. We can find ways to have clean water and allow the lands to be used.

Those are the kinds of changes this administration is seeking to make that are being called "a war on the environment."

I do not think we can come to reasonable decisions in this body if Members take far-end positions such as if you are for the environment, you cannot be for using it. That is what we find ourselves faced with. That is not a workable answer. I am hopeful we can move toward finding solutions that are, indeed, useful and at the same time, of course, protect the environment.

Getting back to carbon monoxide, this was largely a product of the Kyoto agreement sometime back, signed by the United States as a treaty and brought to this body. We unanimously decided not to consider it. Now we find complaints because CO_2 changes have been made and it was not even considered as part of the Kyoto agreement. Do we want to have clean air? Of course.

These are some issues we need to look at in a balanced way, with good science and not just political decisions. We can consider ways to preserve those resources and at the same time utilize them.

These are the issues which we ought to be talking about. I am distressed, frankly, when I hear on this floor statements such as "going from charm to harm"; "going to destroy the environment"; "declared war on the environment." That is not a fair presentation. It is not a logical presentation. I hope we can, indeed, look at some responsible answers rather than looking for a political issue for the next election.

Mr. President, I will shortly be joined by the Senator from Alaska. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VIOLENCE IN SCHOOLS

Mr. THOMAS. Mr. President, I will address an issue that I ran into last weekend at home regarding some of the tragedies that have happened and continue to happen in high schools. We had a threat in one of our schools. Fortunately, it was dealt with before anything tragic happened as in Columbine and some of the other schools.

One of the judges indicated he thought it would be useful, and I tend to agree with him, if we could find a way to get one of the agencies—perhaps the FBI or Education, including someone in psychiatry and others—to try to come up with a plan that schools can put into effect to try to avoid the problem of terrorism, shootings and guns and, more importantly perhaps, describe a better system. It seems in many cases the young people who sought to carry out these deeds had indicated they were going to do that prior thereto. I believe his view was not all communities and not all schools are prepared to deal with those threats.

Perhaps it would be useful if, indeed, we had some assistance putting together a combination of educators, law enforcement, psychologists and a program that could be put into place in a school to try to avoid tragedies of violence; and also, when there was some evidence of it, in this case even a note written of people this student intended to deal with; and then if it does happen, what you do when those things occur. I imagine there are techniques which could be applied, more professional techniques than most schools are capable of on their own.

I suggest, perhaps some Federal agencies, there could be some kind of meeting of the involved people to come up with what they think are the most useful techniques for dealing with this kind of violence in communities and high schools and in detecting it and doing something about it, in dealing with it, if it does happen, and to provide that kind of leadership to communities and to the very school districts throughout the country that would be interested in that type of assistance.

I don't think it is particularly a legislative question, but to encourage the administration and, as I said, particularly the Department of Education, or perhaps the law enforcement department, to try to come up with some things that could be used by communities so we can avoid, whenever possible, the kinds of things that have happened around the country, and I suppose will continue to be a threat. I think it will be worthwhile.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ENERGY CRISIS

Mr. MURKOWSKI. Mr. President, over the last several days I have had an opportunity to respond to inquiries regarding the energy crisis in this country and specifically the bill Senator BREAUX and I introduced. It covers many of the questions surrounding the adequacy of energy in this country.

We have attempted to focus, first, on the reality that we are in an energy crisis. I wonder when the media and some of the people in this country are going to figure out the reality of this. The issue is not about oil. It is not about ANWR. We have a 303-page bill, and it seems as though everybody wants to focus in on one segment, and that segment calls for increasing our supply of oil from ANWR in my State of Alaska.

It is not just about oil. It is about a terrible energy shortage in this country. It is about our national security. It is about our economy. And it is, indeed, about the recognition that if we do not take some immediate action, this crisis is going to get worse.

I am amused at some of my colleagues. It seems to be focusing in, somewhat, on a partisan basis. To suggest somehow the crisis is being overblown by our President, that by drawing attention, we are compounding the problem, befuddles me. The reality is that what we have seen, over an extended period of time, at least the last 8 years or thereabouts, is a failure to recognize our demand has been increasing and our supply has been relatively stagnant.

To some extent, we have seen that in the crisis in California. We saw an experiment in deregulation fail. We saw an effort to cap, if you will, the price of retail power in California. The results of that effort are associated with the bankruptcy, for all practical purposes, of California's two main utilities as a consequence of the inability to pass on the true cost of that high-priced power that came from outside the State of California, that California absolutely had to have to meet its demand. Those costs, unfortunately, were not able to be passed on to the consumer.

Now we see the utilities basically bankrupt. We see situations where the State is stepping in and guaranteeing the price of power. I wonder if there is any difference between the California consumer ratepayer and taxpayer. They are all the same. But the burden is being shifted now to the taxpayer as the State takes an increasingly dependent role in ensuring that California generates power and has enough power coming in. When we talk about talking down the economy, I wonder if we are not being a little unrealistic.

If we look at what happened in reporting fourth quarter earnings of the Fortune 500, we find that many of these reports have the notation that increased energy costs is one of the reasons for the projections not being what they anticipated.

We also have what we call the phenomena of NIMB—not in my backyard. In other words, we want power-generating capacity but we don't want it in our backyard. Where are you going to put it?

It reminds me very much of the situation with regard to nuclear energy. Nuclear energy in this country provides about 20 percent of the power generated in our electric grid. Yet nobody wants to take the nuclear waste. We have expended $6 billion to $7 billion out in Nevada at a place called Yucca Mountain, which was designed to be a permanent repository for our high-level waste. The State doesn't want it. The delegation doesn't want it.

Are there other alternatives? The answer is yes. What are they? Technology.

It is kind of interesting to look at the French. Nearly 30 years ago at the time of the Yom Kippur War in the Mideast, in 1973, the French decided they wouldn't be held hostage again by the Mideast on the price of oil. They embarked on technology. Today they are 85-percent dependent on nuclear energy. What do they do with the high-level waste? They reprocess it, recover it and put it back in the reactors. It is plutonium. They vitrify the rest of the waste, which has a lesser lifetime. As a consequence, they don't have a proliferation problem and the criticism that we have in this country over nuclear energy. But, again, the NIMB philosophy is there—not in my backyard.

From where are these energy sources going to come? Are you going to have a powerplant in your county in your neighborhood? That isn't the question exactly. But in some cases it is the question.

Some suggest we can simply get there by increasing the CAFE standards and increase automobile mileage. We have that capability now. You can buy cars that get 56 miles per gallon, if the American public wants it. They are out there. Some people buy them, and we commend them for that. But is it government's role to dictate what kind of car you are going to have to buy?

Some people talk about the merits of climate change. There is some concern over Kyoto and the recognition that we are producing more emissions. But are we going to solve the Kyoto problem by allowing the developing nations to catch up or, indeed, are we going to have to use our technology to encourage the reduction of emissions?

Let me conclude my remarks this morning with a little bit on the realization that we have become about 56-percent dependent on imported oil. This is an issue that affects my State. We have been supplying this Nation with about 25 percent of the oil produced in this country for the last decade. One of the issues that is of great concern in the development of oil from Alaska—particularly the area of ANWR—is whether we can do it safely. Of course. We have had 30 years of experience in the Arctic.

Another question is: What effect will it have on the economy? What effect will it have on national security?

About one-half of our balance-of-payment deficit is the cost of imported oil. That is a pretty significant outflow of our national product in the sense of purchasing that oil.

The national security interests: At what time and at what point do you become more dependent on imported oil, and at what point do you sacrifice the national security of this country?

We fought a war in 1991. We lost 147 lives. There is a colleague over in the House who made the statement the other day that he would rather see us drill in cemeteries than to see his grandson come back from a conflict in the Mideast in a body bag. We already did once. How many times are we going to do it as we become more and more dependent? It affects the national security and it affects the economy.

As far as the attitude of those in my State, a significant majority—over three-quarters of Alaskans—support opening up ANWR.

Why do you want to open an area on land in a refuge? Let's put it in perspective. This refuge is the size of the State of South Carolina. This refuge contains 8.5 million acres of a wilderness that is dedicated in perpetuity and will not be touched. There are 19 million acres in the refuge that are off limits, leaving 1.5 million acres, a little sliver up at the top. That little sliver consists of 1.5 million acres out of 19 million acres. People say that is the Serengeti of the north. That is an untouched area.

First of all, they have never been there, unlike the occupant of the chair who has been there. And I appreciate his wisdom and diligence in making the trip up there.

There is a small village there with 147 people. They live in Kaktovik with a school, a couple of little stores, a radar site, and there is a runway.

What do the people think about it? They want it. They want the alternative ability to have a lifestyle that provides jobs, educational opportunities, personal services, health care, and so forth.

It is amazing to me to kind of watch and participate in this effort to communicate because the environmental community is spending a great deal of money portraying this area in 2½ to 3 months every summer. They are not portraying it in its 10-month winter period. They are not portraying it accurately relative to the people who live there.

They suggest it is going to take 10 years to develop the area. That is absolutely incorrect. They don't point out the reality that we have the infrastructure of an 800-mile pipeline already there, and that we have moved over towards the ANWR line to the Badami field, which is approximately 25 miles away from the edge of ANWR. If Congress were to authorize this area, it would take roughly 3½ years to have oil flowing.

Some people say it is only a 6-month supply. Tests estimate that there is a range of between 5.6 billion to 16 billion barrels. At an average of 10 billion barrels of production, it would be the largest field found in 40 years in the world.

That will give you some idea of the magnitude. It would be larger than Prudhoe Bay, which has been producing for the last 27 years 25 percent of the total crude oil produced in this country.

Let's keep the argument in perspective. It is a significant potential. It can reduce dramatically our dependence on imported oil from Saddam Hussein and others. It can have a very positive effect upon our economy.

Some Members have threatened to filibuster this. I am amazed that anyone would threaten a filibuster on an issue such as this. It is like fiddling while Rome burns.

Those who suggest that fail to recognize the reality that we have an energy problem in this country, and we have a broad energy bill that we think covers all aspects of energy development as well as new technology.

I urge my colleagues to go back and reexamine the potential.

First of all, let's recognize we have the problem. We are going to have to do something about it. We are not going to drill our way out of it. It is going to take a combination of a number of efforts to utilize existing energy sources. But opening ANWR is significantly a major role, if you will, in reducing our dependency on imported oil.

I remind my colleagues of one other point, and that is, a good deal of the west coast of the United States is dependent on Alaskan oil. That is where our oil goes. If oil does not come from Alaska, oil is going to come in to the west coast from some place else.

Oftentimes people say, developing Alaskan oil has nothing to do with the California energy crisis because they do not use oil to generate electricity. That certainly is true. I agree.

But what I would add is, California is dependent on Alaskan oil for its transportation, its ships, its airplanes. As a consequence, if the oil does not come from Alaska, it is going to come from someplace else. It is going to come from a rain forest in Colombia where there is no environmental oversight. It is going to come in ships that are owned by foreign trading corporations that do not have Coast Guard inspections and the assurance of the highest quality of scientific applications to ensure the risk of transporting the oil is kept at a minimum.

I urge my colleagues to reflect a little bit on the reality that this is an energy crisis. We are not going to drill our way out of it. We are going to have to use all of our resources, all of our energy technology, and a balanced approach, which is what we have in our energy bill, to confront this energy crisis.

Mr. President, I thank you for your time and attention.

EXTENSION OF MORNING BUSINESS

Mr. MURKOWSKI. Mr. President, on behalf of the leadership, I ask unanimous consent that this period of morning business be extended until 12:30 p.m. today, with the time equally divided in the usual form.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIP TO ANWR

Mr. MURKOWSKI. Mr. President, I rise to extend an invitation to all Members of the Senate to take advantage of an opportunity this weekend relative to a trip to my State of Alaska to visit the Arctic National Wildlife Refuge.

If Members are free, I would appreciate their contacting my office at 224-6665. We do have room to accommodate more Members. We anticipate leaving Thursday at the completion of business and flying up to Anchorage. We will be in the accompaniment of the new Secretary of the Interior, Gale Norton, and we will be having breakfast in Anchorage Friday morning, then flying on down to Valdez where we will see the terminus of the 800-mile pipeline. Valdez is the largest oil port in North America, one of the largest in the world. We will see the containment vessels, the technology that is used to ensure that if there is an accident of any kind, the capacity for cleanup is immediately there.

We will also have an opportunity to go across from the terminal to the community of Valdez. We will be able to monitor the Coast Guard station that basically controls the flow of tanker traffic in and out of the port of Valdez. Then we will fly on to Fairbanks where we will overnight and have an opportunity to attend a dinner hosted by some of the people of Fairbanks, including Doyon, which is one of the Native regional corporations. At that time, we will have an opportunity to hear firsthand the attitudes of the people in interior Alaska.

Fairbanks is my home. The 800-mile pipeline goes through Fairbanks. As a consequence, there will be an opportunity to visit the largest museum in our State which contains all the material from public lands that have been generated over an extended period of time. It is an extraordinary collection. It is regarded as one of the finest collections outside of the Smithsonian.

The next morning, we will fly up to Prudhoe Bay. We will visit Deadhorse. We will see the old technology. Then we will go over to the village of Kaktovik in ANWR. We will be in ANWR, and we will be able to meet with the Eskimo people and see physically what is there. We will be able to fly over ANWR, and then we will go back to a new field near what they call Alpine and be hosted by a group of Eskimos at Nuiqsut where they are going to have a little bit of a potlatch for us. Then that evening, we will be in Barrow overnight. Barrow is the northernmost point of the world.

Many of you, if you have any questions about a trip such as that, might contact Senator HELMS. Senator and

Mrs. HELMS made this trip a couple years with us. They could be firsthand advocates. What it does is give every Member an opportunity to view objectively the issue of whether or not it is in the national interest to open ANWR, whether we can do it safely, whether indeed it makes, as it does in my opinion and those of many other Alaskans, a significant contribution to the national security interests of this Nation and makes a significant contribution to the economy. They will have an opportunity to hear from Alaskans themselves their attitude on whether or not this can be opened safely.

One of the things that bothers me about this issue is, I continually have to account for my knowledge of the issue as an Alaskan. Yet my opponents, who have never been there and don't have any intention of going, never seem to have to account for their ignorance or lack of knowledge—if I may put it a little more kindly—on the issue.

So this is a rare opportunity, Mr. President. I again encourage Members to think about it. Spouses are welcome to accompany Members. We in Alaska are certainly willing to do our part. This development would take place on land as opposed to offshore. It is much safer to do it on land. It seems to me that as we look at the high price of energy, there is a recognition that we can have some relief, at least from dependence on imported oil, which affects our transportation costs; that it is significant.

Some Members obviously don't notice much of an increase in their bills because maybe somebody else pays the bills. A lot of people in my State of Alaska, including fishermen—and, for that matter, fishermen on the east coast, in Massachusetts and other States—are affected by the high price of fuel for their vessels. They are all affected by the high cost of energy. So I don't think we should rely on the NIMBY theory—not in my back yard.

I was doing some figuring the other day as a consequence of a little address we did on "Face The Nation" this weekend, where we had a debate with one of my friends from Massachusetts. I am told there is enough oil in ANWR to fuel the State of Massachusetts for 125 years. ANWR happens to be about four times the size of the State of Massachusetts.

In any event, I am not picking on Massachusetts this morning. I am extending an invitation to Members that this weekend would be an ideal opportunity for you to see and evaluate for yourselves, and not necessarily take the word of America's environmental community, which has seen fit to use this issue as a major factor in generating membership and dollars. I think they have not really related to the recognition of the technical advancements we have made in producing energy in this country, in recognition that we can do it safely.

Mr. President, I will be leaving this Thursday night and returning Sunday evening. I encourage all Members to consider this invitation. This is an invitation from Senator STEVENS and myself.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired. Morning business is closed.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—Resumed

The PRESIDING OFFICER. Under the previous order, the clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 27) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

Pending:

Specter amendment No. 140, to provide findings regarding the current state of campaign finance laws and to clarify the definition of electioneering communication.

Fitzgerald amendment No. 144, to provide that limits on contributions to candidates be applied on an election cycle rather than election basis.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota, Mr. WELLSTONE, is recognized.

AMENDMENT NO. 145

Mr. WELLSTONE. Mr. President, I call up amendment No. 145 and ask that it be reported.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 145.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To apply the prohibition on electioneering communications to targeted communications of certain tax-exempt organizations)

On page 21, between lines 9 and 10, insert the following:

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

"(6) SPECIAL RULES FOR TARGETED COMMUNICATIONS.—

"(A) EXCEPTION DOES NOT APPLY.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

"(B) TARGETED COMMUNICATION.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(d)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service whose audience consists primarily of residents of the State for which the clearly identified candidate is seeking office.".

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. I thank the Chair.

Mr. President, first, I thank my colleague from Massachusetts for his remarks and in particular for his focus on the importance of what some call clean money, clean elections, others call public financing, partial or full public financing.

Before I talk about this amendment, I want to give it some context with the argument I made on the floor of the Senate last week.

I am bitterly disappointed my amendment was not adopted. That amendment was an effort to say that our States should have the option of applying a voluntary system of partial or full public financing to our races. A couple of Senators said to me during the vote that they did not want their State legislatures deciding "how to finance my campaigns." They are not our campaigns. These campaigns belong to the people of the country. I do believe, until we move to some system of public financing or move in that direction with some reforms, we are going to continue to have a system that is wired for incumbents. Sometimes I think the debate is as much between ins and outs as it is between Democrats and Republicans.

I want to put the defeat of that amendment in the context of some of the reform amendments being defeated and other amendments which I think significantly weaken this legislation, at least if one's interest is in reform and in trying to get some of the big money out of politics and bring some of the people back in.

The acceptance last week of the so-called millionaire's amendment, where we tried to fix the problem of people who have wealth and their own economic resources and spending it on their own campaigns with basically another abuse, which is to take the limits off how much money people can contribute—I fear this week we are going to take the lid off individual campaign contributions as some have suggested, going from $1,000 to $3,000 or $2,000 to $6,000 a year.

The point is, again, one-quarter of 1 percent of the people in the country contribute $200 or more and one-ninth of the voting age population in the country contribute $1,000 a year or more. How last week's support of the so-called millionaire's amendment can be considered a reform—it probably will be challenged constitutionally as well.

The point is, I do not know how bringing more money into politics, and more big money in politics, and having Senators—Democrats and Republicans—running for office more dependent on the top 1 percent of the population represents a reform.

If the Hagel proposal passes, I think that is a huge step backward. If part of the Hagel proposal passes and we raise the limits on individual contributions, then we have created a situation where I have no doubt incumbents will have a better chance of going after those big bucks.

Frankly, I think some of us probably will not be too successful, and, in any case, why in the world would you want a system more dependent upon the top 1 percent of the population who can make those contributions?

I worry about a piece of legislation that has moved in this direction. There were some good victories. I always will give credit to colleagues for their good work, and I certainly give full credit to Senator McCAIN and Senator FEINGOLD for their good work. But I am in profound disagreement, first of all, with defeat of the amendment last week which would have allowed people at the State level to organize—grass roots politics at the State level. I am especially worried about creating loopholes in this bill or moving toward taking off the cap when it comes to the raising of hard money. Again, I do not believe it is much of a reform.

I have heard some argue it is a fact that since 1974 there has been inflation and $1,000 is not worth $1,000. It is also a fact that one-quarter of 1 percent of the people in the country contribute over $200. It is a fact that one-ninth of the people contribute over $1,000. It is a fact that most people do not have that kind of money and cannot make those kinds of contributions.

Eighty percent of the money in the 2000 elections was hard money. That is PAC money included. If we take the limit off individual contributions and raise those limits in the direction some of my colleagues are talking about, we are moving toward politics yet even more reliant on big money.

What in the world will we have accomplished if, in fact, we are ultimately going to have the same amount of money spent but in a different way, which now gives me the opportunity to talk about the amendment I offer today, which will plug a loophole in this bill. It has to do with the treatment of sham ads. The purpose of this amendment is simple: It is to ensure that the sham issue ads run by interest groups fall under the same rules and prohibition that the McCain-Feingold legislation rightly imposes on corporations and union shame ads.

I make this appeal to my colleagues: This was in the Shays-Meehan bill. This was in the original McCain-Feingold bill. I know people have had to negotiate and make different political compromises, but from the point of view of policy, what good will it do if we have a prohibition of raising soft money on political parties and a prohibition when it comes to unions and corporations, but then other interest groups and organizations will be able to, using soft money, put ads on television? The money will just shift.

My argument is twofold: No. 1, I do not think it is fair to labor and corporations to say there is a prohibition on raising soft money for these sham issue ads and then not applying that standard to every other kind of group or organization, whether they are left, right, or center.

No. 2, I think we are going to have a proliferation of new stealth groups and organizations, all operating within this loophole, so that soft money will shift from the parties to these sham ads. There is this huge loophole and all those ads will go into the TV ads.

I say to my colleagues, I would rather point my finger at an opponent or another political party and say, look, your ads are not fair. I might say they are scummy or poisonous. Instead, we will have a proliferation of these stealth sham ads. This is a huge loophole in this bill.

In the original McCain-Feingold, the same rules and prohibitions that apply to corporations and unions apply to all the other interest groups. That is the way it should be. It is not fair to corporations and unions. We know it is a loophole. We know we will be back in a couple years dealing with this problem, and there will be plenty of lawyers who will figure out how to create the organizations and put the money into the sham issue ads.

Mr. McCONNELL. Will the Senator yield?

Mr. WELLSTONE. I am happy to yield.

Mr. McCONNELL. The Senator from Minnesota is entirely correct; that is exactly what will happen.

I wonder if he would be willing to modify his amendment to eliminate the exception for the media. The media are specifically exempt from all of these bills. If we are going to be pure, I say to my friend from Minnesota, why eliminate the media in the last 60 days if we are going to try to get true balance across the entire board?

Mr. WELLSTONE. If I could ask my colleague, I am trying to understand.

Mr. McCONNELL. Just a question.

Mr. WELLSTONE. I understand it is just a question. We may be focusing in on different issues. I am focusing on one problem; you may be focusing on what you consider to be another problem.

I don't identify the media with the sham issue ads. Whether I agree or disagree, it seems to me, the media are there to inform people. So the answer is no, I wouldn't want to include the media.

Mr. McCONNELL. Obviously, the Senator gets better treatment on the editorial pages than the Senator from Kentucky, particularly in proximity to an election. I have noticed that in the last 60 days of an election.

Mr. WELLSTONE. I appreciate that.

Mr. McCONNELL. I thank the Senator.

Mr. WELLSTONE. I understand my colleague's point. I guess I say with a twinkle in my eye to the Senator from Kentucky, I think people in the country and certainly everybody in this Chamber should be very worried about just this loophole in the shifting of soft money to these sham ads. That is what we should worry about.

I see a whole bunch of interest groups and organizations that will do it. I see a whole bunch of new ones that will be created that are going to do it unless we go back to the original standard that was in the original bill, and that is basically in the Shays-Meehan bill coming out of the House. I don't think I would include the media or journalist broadly defined, whether I agree or disagree with their particular editorials.

Now, the soft money and issue ad provisions of McCain-Feingold restrict sham issue ads run by parties, corporations, and labor unions—that is important—but not by other groups. Limiting the ban in such a way seems to invite—this is what I am trying to say—a shift in spending to private groups in future elections, suggesting in the future years, even if this bill passes, that Congress is going to be predestined to revisit sham issue ad regulation to close yet another loophole in Federal election law.

I say as a matter of policy, why not do it now. And I continue to make this argument.

I argue this loophole is already pretty wide. The Campaign Finance Institute Task Force on Disclosure estimated that perhaps over $100 million was spent by independent groups trying to influence Federal elections with sham ads during the 2000 cycle. I don't think this comes as any surprise to the Presiding Officer or any of my colleagues. Many colleagues have seen such ads run during their own election.

The Brennan Center for Justice and the University of Wisconsin found these ads are overwhelmingly negative. Here is something I was not as aware as I should have been—again, I think many know what I am talking about; many have been the target of these negative ads; in some cases, some have perhaps been the beneficiaries of the negative ads against their opponent if that is what you like—the Brennan Center for Justice found specifically that more than 70 percent of these sham electioneering ads sponsored by groups are attack ads that denigrate a candidate's image or character as opposed to 20 percent, the good news, of the candidate-sponsored ads.

The point is, if you are concerned about poison politics, leave this loophole open, let these interest groups run these sham ads. Overwhelmingly they are negative, they can be vicious, they are poison politics.

The study concluded:

> . . . candidates and the American public can expect a wave of television advertising in the last 60 days of an election, casting aspersions on a candidate's integrity, health, or intentions.

Why in the world do we want to keep this loophole? Why do we want to pass a piece of legislation where the soft money is going to all shift away from the parties to these sham issue ads which are so overwhelmingly negative, which so overwhelmingly epitomize poison politics?

These groups are accountable to virtually no one, to nobody. And frankly, they do the dirty work for too many people in politics. I would like to do away with poison politics.

Make no mistake about it, every Senator—I am not talking about ads, I say to the Presiding Officer, that are legitimately trying to influence policy debates—rather, this amendment only targets those ads that we all know are trying to skew elections but until now have been able to skirt the law. I am not talking about legitimate policy ads. I am not talking about ads that run on any issue. I am talking about the ads that end up bashing the candidate or whoever is running. They don't say just vote against them. I am talking about sham issue ads. Any group, any organization, any individual can finance any kind of ad they want. I am just applying the standard of this bill to where there is a huge loophole.

Title II of McCain-Feingold consists of several sections known as the Snowe-Jeffords provision, named after similar legislation first proposed by my two colleagues from Maine and Vermont. This provision is an excellent first step toward curbing sham issue ads in that it prohibits such ads from being paid for with corporate or union treasury money.

Under the bill as currently written, broadcast ads that mention a Federal candidate that are made within 60 days of a general election, or within 30 days of a primary, and are transmitted to an audience that includes the electorate of the candidate, are defined as "electioneering communications." That is a pretty tight test.

Now the value of this difference, in addition, has been discussed previously in this debate, so I will not spend a lot of time on its merits now. Suffice it to say this amendment has been carefully crafted, and I believe it is fully constitutional.

First, because it is totally unambiguous. It is perfectly obvious on the face whether an ad falls under this definition. This means there will be no "chilling" effect on protected speech, a concern raised by the Supreme Court in the Buckley decision because a group would be uncertain if an issue ad they intended to run would be covered or not. In other words, this is a bright-line test.

Second, the test is not overly broad. A comprehensive study conducted by the Brennan Center of ads run during the 1998 election found that only two genuine issue ads out of the hundreds run would have been inappropriately defined as a sham ad. You want to have a tight test, you want to have a high standard, that is what we do.

Snowe-Jeffords forces disclosure of all ads that fall under this definition, but under this bill, only corporations and unions may not spend funds from their treasury or soft money for this purpose. If a corporation or union wishes to run electioneering communications, they must use a PAC with contributions regulated by Federal law to do so. The point is, they have to do it with hard money. The point is, every other group and organization, pick and choose—it can be the NRA, it can be the Christian right, it can be the Sierra Club, it can be other organizations on the left, other organizations on the right, organizations representing every other kind of interest imaginable—they can continue to use soft money and pour it into these sham ads.

Why are we not applying this prohibition to them? Why are we creating this huge loophole? Do we want to pass a piece of legislation which is just like Jell-O? Push here, no, it doesn't go do parties and now it all goes into the sham issue ads.

We will not be doing right for people in the country if we pass a bill that does not get, really, very much big money out of politics but just changes the way it is spent. Maybe it will even be less accountable.

Here is the exemption in this bill for certain organizations: 501(c)(4) groups and 527 groups—this exemption means that Sierra Club, National Rifle Association, Club for Growth, or Republicans for Clean Air would be able to run whatever ads they want using soft money to finance them. They would, for the first time, have to disclose how much they are spending, but there is no bar to such groups running sham ads under this bill.

Fine. They can disclose how much they are spending. Three weeks before election, they pour in an unlimited amount of money with poison politics attacking Republicans, I say to the Chair, or Democrats, or independents. Why do we want to have this loophole?

I want to see this soft money prohibition and this big money out. I do not want to see us have this loophole in this piece of legislation which may mean that we passed a piece of legislation that has shifted all of this big money in the worst possible direction. I think this is a mistake. Already these interest groups are spending over $100 million on sham ads to influence our elections. Over 70 percent of them are bitterly personally negative.

So these groups already play a major role in our elections, and I predict, if we do not close this loophole now with this amendment, we will be back here in 2 years or 4 years, or I hope and pray people do not—maybe it will not be for another 20 or 30 years—trying to do what I am trying to do today. The reason will be that the center of power—please listen to this—in Federal elections will move much closer to these unaccountable groups because they will be able to pump millions and millions of dollars in soft money into these sham ads. That is where this money is going to go.

We will see what the other arguments on the floor are. I can anticipate some of them, and I will continue to make mine brief. But I say to the Presiding Officer, I do not know how many votes this amendment will get. I really do not know. But I will tell you this. My wife's family are from Appalachia—Harlan County, and Letcher County in Kentucky—the Isons. They talk about poor cities. When I am 80 years old, I at least am going to be able to tell my grandchildren—I am sorry, I have grandchildren now—my great grandchildren, great, great, great grandchildren, I hope and pray—that I laid down this amendment, I tried to close this loophole, I tried to do something that for sure would get more of the big money out of politics.

I do not know what the vote will be, but I know I am here, and I know I have to be a reformer, and I know I have to make this bill better. I have to lay down this marker just as I tried to do last week in an amendment that should have passed. I cannot believe that colleagues, authors of this bill, did not support it. I cannot believe that during the vote I had people telling me: I don't want my State legislature or people in my State telling me how to finance my campaign—as if it were our campaign. I could not believe it.

I say to the Presiding Officer, I could not believe Republicans, who always argue for States rights, voted against the proposition that every State ought to decide whether or not they wanted on a voluntary basis to apply some system of voluntary or partial public financing. Talk about encouraging grassroots politics. People in the country say: We can get at it in Arizona. They already have. You have clean money, clean elections. We can get at it in Minnesota, in Nevada. We don't know if we can ever be effective in D.C. toward public financing, but we can do it right here, we don't have to take expensive air trips to D.C. And it is defeated. Now I am trying to plug this loophole, and tomorrow or the next day we are heading towards raising spending limits.

Let me be clear, this amendment does not say any special interest group cannot run an ad. A lot of interests are special. That is fine. They are special to the people they represent, and sometimes they are special to the public interest, depending on your point of view. It only says these groups and organizations need to comply with the same rules as unions and corporations. Groups covered by my amendment can set up PACs, they can solicit contributions, and they can run all the ads they want. All this amendment says is they cannot use their regular treasury money. They can't use the soft money contributions to run these ads.

This is an amendment about fairness. It is an amendment about leveling the playing field.

I know some of my colleagues may come to the floor and oppose this amendment because, while they believe as a matter of policy this amendment is the right thing to do, they fear the Court may find that covering these special interest groups under the Snowe-Jeffords electioneering communication provision is unconstitutional. And, in all honesty, this is probably a question upon which reasonable reformers can disagree. But it is a debate worth having. I think this provision can withstand constitutional scrutiny, but it is probably not a slam-dunk.

Still, in a moment I want to talk about why I think the courts will uphold this amendment. But before I do—this has to be in the summary of this amendment tomorrow, before people vote—I want to make one important point. I have drafted this amendment to be fully severable. I have drafted this amendment to be fully severable. In other words, no one can suggest that even if the courts find this amendment unconstitutional, it would drag down the rest of this bill or even jeopardize the other provisions of Snowe-Jeffords.

This creates a totally new section under title II of this bill. Under the worst case scenario, if the Supreme Court rules that groups covered by my amendment cannot be constitutionally barred from using treasury funds for these sham issue ads, then the rest of the legislation will be completely unaffected. The rest of the legislation will be completely unaffected. And we are going to have a debate on severability anyway.

This is what gets to me. Colleagues will come out here—they did it on the amendment to allow States to light a candle and move forward on public financing—and they will say: Oh, no, if you get a majority vote for your amendment, then it could bring down the bill. The argument is the majority of Senators vote for the amendment and then later on the same majority of the Senators who vote for the amendment say they are going to vote against the bill because they just voted for an amendment? Come on. I am just getting frustrated out here. Let's vote for these amendments on the basis of whether they are good policy and whether or not they represent reform.

I want to talk about this bill from the point of view of the constitutional arguments. I do it with a little bit of trepidation. I am not a lawyer, but I can certainly marshal some evidence for my point of view.

A February 20, 1998, a letter signed by 20 constitutional scholars, including a former legislative director of the ACLU, which analyzed the Snowe-Jeffords provision on electioneering argued that, even though the provision was written to exempt certain organizations, the organizations that I don't want to exempt from the ban on electioneering communication, such omission was not constitutionally necessary. And the scholars noted:

> The careful crafting of the Snowe-Jeffords Amendment stands in stark contrast to the clumsy and sweeping prohibition that Congress originally drafted in FECA. Unlike the FECA definition of electioneering, the Snowe-Jeffords Amendment would withstand constitutional challenge without having to resort to the device of narrowing the statute with magic words. Congress could, if it wished, apply the basic rules that currently govern electioneering to all spending that falls within this more realistic definition of electioneering. Congress could, for example, declare that only individuals and PACs (and the most grassroots of nonprofit organizations) could engage in electioneering that falls within this broadened definition. It could impose fundraising restrictions, prohibiting individuals from pooling large contributions toward such electioneering.

I argue colleagues can vote for this amendment in good conscience, but let me take a few moments to address in some detail and try to preempt some of the contentions we are likely to hear on the other side.

The main argument that I think colleagues will hear advanced against the constitutionality of this amendment is based upon a 1986 Supreme Court case called the Federal Election Commission v. Massachusetts Citizens for Life. In that case, a 5-4 decision, the Court found a flier produced by the group that urged voters to vote "pro-life" and mentioned candidates could be paid for using the group's regular treasury funds. But I think the five reasons why the Court would find this amendment, which is different constitutionally, is:

First, it is important to note tonight at the onset that this amendment—and indeed the Snowe-Jeffords motion already in the bill—only covers broadcast communications. It does not cover print communications such as the one issue in the Massachusetts Citizens for Life. Indeed, the group argued that the flier should have been protected as a news editorial. Snowe-Jeffords specifically exempts editorial communications.

Second, the Court based its decision in part on the logic that the regulation of election-related communication was overly burden to small grassroots organizations.

Under our amendment—and under Snowe-Jeffords the group would have to raise $10,000 on broadcast ads that mention a candidate 60 days before the election before their provision would kick in.

Third, the Federal law that the Court objected to was extremely broad. And the Court specifically cited that fact as one of the reasons it reached its decision, saying "regulation that would produce such a result demands far more precision than [current law] provides."

This amendment, which is patterned after the Snowe-Jeffords amendment, has that provision.

Finally, and most importantly of all about this Court decision, the Court actually argued that the election communications of nonprofit corporations, such as the one covered in this amendment, could be regulated once it reached a certain level. In fact, this is what the Court said:

> Should MCFL's independent spending become so extensive that the organization's major purpose may be regarded as campaign activity, the corporation would be classified as a political committee. As such, it would automatically be subject to the obligations and restrictions applicable to those groups whose primary objective is to influence political campaigns.

Since this decision, these groups have operated outside the law with impunity.

Take, for example, the organization Republicans for Clean Air. Despite its innocuous name, this was an organization created for the sole purpose of promoting the candidacy of George W. Bush during the last Republican primary election. That is another example, again with an unlimited amount of advertising soft money. And we now have a loophole in this bill that will enable them to do it again.

If you are going to say corporations and unions can't do this 60 days before an election—they can't finance these sham issue ads for soft money—it should apply to all of these groups and organizations.

If you do not, it is not only unfair to unions and corporations, you are going to have a proliferation of these organizations. Republicans for Clean Air, Democrats for Clean Air, People Who Do Not Like Any Party For Clean Air, Liberals For Clean Air, Conservatives For Clean Air, Citizens For Dirty Air—I don't know what it will be. Another example is the Club For Growth. This was an outfit that ran attack ads against moderate Republican congressional candidates in the primary.

Both groups, which would be covered by my amendment, are not covered by this bill. But they could clearly be banned from running these sham issue ads from their treasury funds under the Massachusetts Citizens for Life decision. It is that simple.

By the way, this is amazing. In the 1986 decision, the Court concluded:

> The FEC maintains the inapplicability of current law to MCFL to open the door to massive, undisclosed spending by similar entities . . . We see no such danger.

In all due respect to this Supreme Court, it is clear that the FEC had it exactly right and the Supreme Court had it exactly wrong. If we have seen money to the tune of $100 million this last election, it was these sham issue ads.

I am going to say it won more time. I don't know whether this amendment will pass. I do not know whether it will get one vote. But I tell you this: I am going to be able to say later on that I at least tried to get this reform amendment passed. This is a huge loophole. In the Shays-Meehan bill, they plugged the loophole. In the original Feingold bill, they plugged the loophole.

I will say it again. How can you say to corporations and to labor that they can't run these sham issue ads in the 60-day period before elections and the 30-day period before primaries but at the same time not apply that prohibition to every other group and organization, whatever cause they represent?

And, No. 2, don't you realize that what everybody is going to do is set up another one of these groups and organizations? Then you will have a proliferation of influence groups and organizations. And individuals with all of this wealth and organizations that want to make these huge soft money contributions will make their soft money contributions to these sham issue ads run by all of these groups and organizations, which under this loophole can operate with impunity.

We are going to take soft money out of parties and we are going to put it into the sham issue ads. Frankly, I don't want my colleague from Kentucky to count me as an ally. If I am going to be the subject of these kinds of poisonous ads, I would rather point my finger at the Republicans. Or if I were a Republican, I would rather point my finger at the Democrats. Or I would rather point my finger at the opposing candidates. I wouldn't want to be put in a position of not knowing exactly who these different groups and organizations were with all of this soft money pouring into these poisonous ads in the last 3 weeks before the election. That is the loophole that we have.

I am not telling you that some of these groups and organizations, right, left, and center, are going to necessarily like this. But I am telling you, if you want to be consistent, that we have to support this amendment. If we don't want a huge loophole that is going to create maybe just as much soft money in politics as now, you have to support this amendment.

If you want to try to get as much of the big money out of politics as possible, you have to support this amendment. If you hate bitter, personal, poison politics, you have to support this amendment. Because, before the Presiding Officer came in, I was saying that the Brennan Center said that 70 percent of the money spent by these sham ads by these groups and organizations is personal, negative, and going after people's character. I am glad to say that only about 20 percent of the candidates' ads do that.

The Campaign Finance Institute at George Washington University in a February 2001 report found this to be the case. This is the quote.

> These undisclosed interest group communications are a major force in U.S. politics, not little oddities, or blips on a screen.

Maybe when the Supreme Court issued its ruling in 1986 it was a blip on the screen. But today we are talking about tens of millions of dollars that go into these sham issue ads. These groups and organizations have become major players in our election. But the law doesn't hold them accountable.

One more time: I think Senators are aware of this. Some of you have been candidates in which these special interest groups have come in and carpet bombed your State with these sham issue ads. Maybe they were run against you. Maybe they were run against your opponent. In some recent elections there have been more special interest group ads run than by the candidates of a party.

May I make clear what is going on? We have to plug this loophole. If you just have the prohibition on the soft money to the party, and then you apply it to the sham issue ads by labor and corporations, and you don't apply it to any other group or organization—the 501(c)(4) groups and the 527 groups; the National Rifle Association, the Sierra Club, the Club for Growth, Republicans for Clean Air, and the list goes on and on—all you are doing is, No. 1, being patently unfair, by any standards of fairness, to corporations and labor, and, No. 2, you are inviting all of the soft money to go to these other groups and organizations. There will be a proliferation of them. We will have sham issue ads. There will be carpet bombing in all of our States and carpetbagging. Who knows where these ads come from?

Even if all my other arguments on constitutionality fall—and I think they are pretty sound—I think there is an excellent reason to believe that the Court today would look at this issue in a completely different way than it did in 1986.

As I said before my colleague came in, I have written a separate provision. This is a separate section of the bill. Even if this section were declared unconstitutional, I have written it so that it is severable, so it would not apply to Snowe-Jeffords or the rest of the bill. It does not put the rest of the bill in jeopardy at all.

I think it is on constitutional ground, but it does not put the bill in jeopardy. We are going to have a vote on the whole issue of severability anyway. So no one can come out here and say, if this amendment is adopted, it will jeopardize the constitutionality of the bill.

As I said before, I am getting tired of this other argument, which is that if a majority of the Members vote for the amendment, then this will bring the bill down. How does that happen—a majority of the Members vote for the amendment, and then a majority of the Members turn around and vote against the bill because of the amendment that the majority of the people just voted for? I do not think there is anything wrong with trying to strengthen legislation.

I hope my colleagues will vote for this amendment.

I want to shout it from the mountaintop, I want to be on record, I think it would be a major mistake not to close this loophole. If we do not close this loophole, we are going to see millions of dollars of soft money flow to these special interest groups, we are going to see more and more of these sham issue ads with their shrill, bitter attacks. I think people in the country, and people in Minnesota, are going to wonder, why didn't we fix this problem when we had a chance.

I think this amendment adds significantly to this bill. It makes it a better bill. It is better for politics. It is better for public policy. It is better for all of us. And most important of all, it is better for the people in this country and it is better for the people in Minnesota.

Mr. President, I reserve the remainder of my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent the quorum call I will initiate be charged equally against both sides.

I suggest the absence of a quorum.

Mr. WELLSTONE. Mr. President, before we go to a quorum call, I would like to say one thing. I think it comes with being 5 foot 5½. I won't say that we not go into a quorum call, but if people oppose this amendment, they should come out and debate it, really. If they oppose this amendment, they should come out here and debate it.

Mr. President, if we go into a quorum call equally divided, how much time do we have? Are we moving on to the Hollings amendment?

The PRESIDING OFFICER. The Senator from Minnesota has 48 minutes; the Senator from Kentucky has 90 minutes.

Mr. WELLSTONE. We move on to the Hollings amendment at what time?

Mr. REID. Will the Senator yield?

It is my understanding we move to the Hollings constitutional amendment at 2 o'clock. That being the case, there are 45 minutes remaining. It is my understanding that the Senator has used about 45 minutes. Is that true?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Approximately. So half of the next 45 minutes would be charged to the Senator.

Mr. WELLSTONE. OK. I say to my colleague, I will reserve that. I hope at some point in time before the vote tomorrow I will have an opportunity to respond to whatever criticism there might be of this amendment. I have done a lot of work getting ready for this amendment. I am ready for the debate. I am not talking about my colleague from Nevada, but I think the Senators who oppose this——

Mr. REID. Will the Senator yield?

Mr. WELLSTONE. Yes.

Mr. REID. I, of course, supported the Senator from Minnesota in his other amendment.

Mr. WELLSTONE. I thank my colleague.

Mr. REID. I believed that the amendment the Senator offered last week did nothing other than to allow States to do what they believe is appropriate. That was not adopted. I was disappointed it was not adopted because I think there is so much talk that goes on in this body about States rights, and there was no better example than that that I have seen in this body in a long time in talking about States rights. If a State did not want to do as indicated in the Senator's amendment, then they would not have to do it.

So I appreciate very much the work the Senator has put on that amendment, and this amendment.

Mr. WELLSTONE. I thank the Senator.

If I may, before we go into a quorum call, I will take just a couple minutes.

I repeat one more time what I said about the whole question of constitutionality. On the whole question of the Snowe-Jeffords provision, of any other provision, there could be a challenge. This amendment uses the same sham issue test, ad test, as the Snowe-Jeffords language in the bill. I think it is constitutional. But if bulletproof constitutionality is the standard, then I do not know why we adopted the Domenici millionaire's amendment because I think that most definitely subjects this bill to a constitutional challenge—arguing that millionaires have the same first amendment rights as the rest of us.

Most important of all, this amendment is fully severable. If the Court does strike it down, it is a separate provision; the rest of the bill will be unaffected. We are also going to have a separate vote on the whole question of severability. I certainly plan on voting for severability.

So I want to make it clear, I hope Senators will vote on this on the merits of the proposal. Don't get the soft money out of this place—parties—and let it shift to these sham ads. Don't have a prohibition that applies to corporations and unions and none of these other groups and organizations. It is not fair to them, and there will be a proliferation of these groups and organizations. The soft money will flow to them; and we are going to have these sham ads which are destructive and personal and bitter, and that is going to become American politics.

This amendment plugs that loophole. Vote up or down on the basis of whether you think it is good public policy. Come out here, someone, and tell me why it is not good public policy.

Well, I suggest the absence of a quorum, and the time will be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, this is a book. I don't agree with all of its analyses. It has a catchy title and was written by Jim Hightower. The title is, "If The Gods Had Meant Us To Vote, They'd Have Given Us Candidates."

The reason I mention this book is there is this one graphic that is interesting: The percentage of the American people who donate money to national political candidates. Ninety-six percent of the American people donate zero dollars. The percentage who donate up to $200 is 4 percent. The percentage who donate $200 to $1,000 is .09 percent. And the percentage who donate $1,000 to $10,000 is .05 percent. The percentage who donate from $10,000 to $100,000—and he points out in his book that you need a magnifying glass for this one—is .002 percent.

The percentage who donated $100,000 or more—you need a Hubble telescope, he says, for this one—is .0001 percent.

I use this graph from my friend Jim Hightower's book for two reasons. First of all, I have an amendment that tries to make sure a lot of this big money doesn't get—it is like Jell-O, you push it here, it shifts. It shifts from the party into the sham issue ads, not to the corporation, not to labor, but to every other group and organization. There will be a proliferation of it. This amendment plugs that loophole.

The Shays-Meehan bill basically has the same approach. This was originally part of the Feingold-McCain bill. I made it clear this provision is 100-percent severable. This is a separate provision. In any case, we will have a debate on severability. I have made it clear it is hard to make the argument that when a majority vote, you can't make the argument that to vote for this reform would bring the bill down.

I think we voted for other reforms that have a better chance of bringing down the bill. But it doesn't make sense. You say the majority voted for this amendment; now they are going to vote against the bill that has this amendment.

The other point I want to make is with this graph, what we are doing here is voting down reform amendments, such as the amendment last week that would have allowed States to light a candle and move forward with some voluntary system of partial or public financing, or maybe vote down this amendment, which would be a terrible mistake.

We are going to revisit this. This is going to be the loophole, I promise you. Let's do the job now, while we can. At the same time, they want to raise the hard money limits. Now we are supposed to feel better that we have gotten rid of a lot of soft money. That is what is significant about this effort by Senators McCAIN and FEINGOLD. That is a significance that cannot be denied. But the problem is, it may shift to the sham issue ad. The other problem is, since 80 percent of the money spent in 2000 was hard money, PAC money included, you are going to raise the hard money limits.

It is crystal clear what people are talking about with one another. Why are we going to do that? Why are we going to bring yet more big money into politics and make people running for office more dependent on the top 1 percent of the population? How did that get to be a reform? And then I hear Senators say, well, the point is, if you go from 1 to 3 or 2 to 6, we will have to spend only one-third of the time.

Permit me to be skeptical. Everybody will be involved in this obscene money chase. They will be just chasing $3,000 contributions and $6,000 contributions. Somehow, people in Minnesota are going to be more reassured that we are putting more emphasis on the people who can afford to make $3,000 or $6,000, or maybe it will go from 1 to 2, or 2 to 4, and we are doing something that gives people more confidence in a political process that is more dependent upon the people who have the big bucks.

I raise this because I want to know why I am not having a debate on my amendment. I would like to know why Senators don't come out here and speak against this amendment. I don't mind people disagreeing or having other points of view. That is what it is about. But I would be interested in the opponents coming out here and opposing this amendment. Don't just wait until the last 5 minutes and get up and say we oppose the amendment, or we oppose it because there has been an agreement to oppose the amendment, because it will bring down the bill, or because it is not constitutional. I am trying to deal with arguments, but maybe there are arguments I don't know about.

This is very similar to what passed in the House. Well, it is my nature to like everybody and have a twinkle in my eye, so it looks as if in the world's greatest deliberative body, that there is not going to be a lot of deliberation or debate on this. I will have other amendments. This is a reform amendment, and this is the right thing to do.

I yield the floor and reserve the balance of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I will momentarily yield back all the time in opposition to this amendment.

Therefore, I ask unanimous consent that the vote on this amendment occur in a stacked sequence at 6 p.m. with 15 minutes to be equally divided between Senators WELLSTONE and FEINGOLD.

Mr. REID. Mr. President, reserving the right to object. I want to make clear that my understanding is that we will vote on the constitutional amendment of Senator HOLLINGS, and after that vote there will be 15 minutes of debate?

Mr. McCONNELL. Yes, and then a second vote.

Mr. REID. No objection, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, consistent with the agreement, I yield back the balance of the time in opposition.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, if someone else has business involving this amendment, I will be happy to yield the floor. However, in the meantime I will take the opportunity to speak on the constitutional amendment to be offered at 2 o'clock by my friend, the junior Senator from the State of South Carolina, Mr. HOLLINGS.

I have been involved in debating this issue of campaign finance reform for many years. In fact, when I first came to the Senate I could not believe I'd ever be involved in another election like the one I went through in 1986. But I have been through two since then. And in each campaign, the money problem got more magnified and worse. So I am happy that we are having this debate. I am happy we are having the debate, and I extend my appreciation to Senators McCAIN and FEINGOLD for giving us this opportunity. I also applaud and congratulate the two leaders, Senators LOTT and DASCHLE, for setting up a procedure where we can have this free-wheeling debate. I think it has been very good. It has been great for the Senate. I think this best represents what this institution is all about.

Underlying this debate is the threshold question: Are we able to withstand legal challenges to whatever we wind up doing here, or is this just a waste of time because the bill will be struck down by the courts as unconstitutional, as an infringement on rights guaranteed by the first amendment? I think the bill is constitutional, but I have been surprised by the courts before and I can't say with certainty that is the case.

Some say it is constitutional, some say it is not constitutional. We have heard from renowned legal experts from all over the country, in letters and in newspaper opinion columns, and in testimony they have given to Committees of Congress. There are mixed opinions as to whether or not this legislation is going to be upheld as constitutional.

With my legal background, I personally think there is a sufficient foundation for this bill to withstand the parameters of our Constitution. I think it certainly should be considered constitutional. But many of my colleagues in this Chamber have been prosecutors, attorneys, who have served in various capacities, including teaching the law, and they have some disagreement as to whether or not this bill is constitutional.

So it is fair to say that there is a lot of disagreement as to whether or not what we are doing is going to be upheld as constitutional. Members of the Senate Judiciary Committee have, on various occasions, disagreed. I believe it is, but many others disagree.

I repeat, we have heard many lawyers and experts analyze not only what we are doing with this bill, but what the Supreme Court said in their decision in the Buckley v. Valeo case. And after all the experts have weighed in, what we are left with is that we really don't know right now.

Because of this uncertainty, I signed on a long time ago to Senator HOLLINGS' effort to amend the Constitution, to overrule Buckley v. Valeo.

In effect, this constitutional amendment will allow us in the Congress of the United States to set financial limits and do other things to improve the election process in our country. Constitutionally, until we do that, I do not know how far we can go in regulating campaign finance money. I do not know how far we can go in regulating issue ads, even the ones that are deceptive or misleading. I do not know how far we can go in regulating how corporations or unions spend their money in political campaigns.

In spite of my positive feeling about this underlying legislation, there is an uncertainty hanging over this debate like a cloud. Some Members will not vote for certain amendments because of the constitutional uncertainty. Other Members want to insert amendments they believe to be unconstitutional. They do it for other reasons; that is, they want to kill this bill.

This week we will debate the question of severability, whether the bill as a whole stands or falls if any one of the provisions is struck down by the courts. When we take this issue up, the issue of constitutionality moves front and center to this debate.

Every one of my colleagues who has questioned the constitutionality of any portion of this bill should support the Hollings-Specter bipartisan constitutional amendment because that amendment will clarify once and for all the power of this body, the Congress of the United States, to regulate campaign finance in this country.

In simple terms, the amendment says the Congress shall have the power to set reasonable limits on campaign contributions and expenditures and that Congress shall have the power to enforce this provision through appropriate legislation. In other words, it gives this body the power to do something about reforming our broken campaign finance system in a way that is unambiguous and free from doubt. The amendment does not require that any of the current reform bills be enacted. It does not matter whether one supports McCain-Feingold, the Hagel bill, or any other approach, or whether one is opposed to reform entirely. Even if the amendment is enacted, one can still vote against specific reform legislation.

Even those who are opposed to any kind of reform should support this amendment because it at least makes clear what we can and cannot do with campaign finance reform. It allows us to do what we were sent here to do: Debate the issue, whatever it might be, consider alternatives to whatever that issue might be, and vote our beliefs, what our constituents believe, in a way that is final, binding, and free from doubt or ambiguity.

I recognize that amending the Constitution is not something to be taken lightly. Our Constitution is rightfully the envy of the world for it establishes firm and lasting rules for our Federal Government and our State governments and gives the people rights that cannot be taken away. We have been studied by historians and scholars, we have been analyzed as a country, and everyone agrees the reason we have had our lasting legacy of freedom is because of our Constitution.

We cannot change it on a whim, that is for sure, and we cannot change it in the heat of battle or in a passing moment of passion, but in order to be lasting, while still remaining just, it must be flexible to change with changing times. That is what the Constitution is all about. We should, in general, only amend it in response to a national crisis that cannot be resolved any other way.

I believe we are attempting to resolve this campaign crisis. I say to the Presiding Officer and all those within the sound of my voice that we do have a crisis. When you have a State the size of the State of Nevada, and in 1998 two candidates, equally financed, spent over $20 million in the State of Nevada—that is a crisis.

I repeat, Mr. President, what I have said on this floor before. My friend and colleague, the other Senator from the State of Nevada, and I were involved in a bitterly contested race in 1998, a race in which we both spent about 4 million of hard dollars, campaign dollars. We spent $8 million between us. Then our State parties spent another $6 million each, or $12 million between them, on issue ads. That is $20 million total. These State party issue ads were all negative against my opponent and all negative against me. I do not think they did anything to better the body politic. They certainly did nothing to better people's feelings about who I think were two good people running for office.

That was not the end of it. Then we had independent expenditures coming in: the National Rifle Association, the League of Conservation Voters. They would have ads running against me; people who believed in me would have ads running against my opponent. I have no idea how much money these outside groups spent, but probably another $2 million to $3 million.

The State of Nevada at that time had less than 2 million people. That is too much. Something is wrong with the system. If there were ever a national crisis, something pressing on a national scope, it is this. Two-thirds of all voters do not even bother going to the polls. These people should be voting.

My wife and I have a home in Nevada. We also have a home here in Washington. We moved from a home where we raised our children to a smaller place, a condo. Somebody doing some work there boasted to my wife that he did not vote. It was his way of protesting. Protesting what? I guess the system that he thinks does not meet his expectations. I met the man. He is a very nice man. It is too bad, but I think a lot of these negative ads have turned off people like him.

There is a national crisis. We should resolve it by amending our Constitution. Make no mistake, we are experiencing, I repeat, a national crisis, a crisis of confidence. The American people have lost trust in their government. Two thirds of the voters do not bother going to the polls. We need to do something about this.

The American people have lost trust in us. That is too bad. People on that side of the aisle, 50 Republicans, and where I stand, 50 Democrats—these are good people on both sides of the aisle, people who you can trust on a handshake; we do not need a written contract, we do not even need a handshake. All we need is someone saying what they are going to do, because they are good and trustworthy people.

What is going on in the campaign process is hurting us, hurting the body politic, hurting our country, hurting the State of Nevada. Because the public does not see us as trustworthy. We need to do something about it.

I appreciate the Senator from South Carolina, who has spent a lifetime doing things that are right. In South Carolina, he recognized the evils of segregation a long time ago and as a young Governor spoke out against it. He realized the imbalance of segregated schools, and he participated in the Brown v. Board of Education brief writing. FRITZ HOLLINGS from South Carolina is a fine man. I could go on for a long period of time about what a fine man he is and what he has done to better the State of South Carolina and our country. He is an example of why people should feel good about their Government because, even though there are not many people who have the experience and the background of FRITZ HOLLINGS, there are good people in this body.

I admire Senator HOLLINGS for offering this constitutional amendment. He has mounted this effort on a number of occasions. He hasn't gotten a two-thirds vote—that is too bad—and I do not think he will get two-thirds votes this afternoon, and that is a shame.

When Americans do not trust their elected officials, when they do not think they have their best interests at heart, that is a crisis. When average Americans think they are shut out of the system because they cannot afford to make campaign contributions—that is a crisis.

I used to have fundraising events where I raised money $5, $10, $20 an effort. People would give money in small amounts, and it would add up. When I was elected Lieutenant Governor in the State of Nevada in 1970, I had as much money as anybody running for Lieutenant Governor; I won; I spent $75,000. That was slightly different from 1998 spending—over $10 million.

We need to do something. Average Americans should believe they can participate in the system. That is why I admire my friend from Minnesota, who offered an amendment that says in the State of Minnesota, in the States of Nevada, Arizona, New Mexico, South Carolina, if the State wants to implement some type of matching funds system or do something else in the political process as far as money is concerned, let them do it; it should be up to them. Unfortunately, we voted that down.

We need a constitutional amendment. I believe the system is broken. I know Senators McCAIN and FEINGOLD are doing the best they can to fix it. I support them in their efforts. If we pass the bill the way it is, and it still has a lot of problems, then there are things we will have to come back and fix. But if we don't take care of McCain-Feingold here, we will not be able to come back and debate it for another few Congresses, years from now.

No matter what we do in McCain-Feingold, we need to make sure the Buckley case is overturned so we can fix the many parts of the system that are simply broken. We need to pass the amendment that will be offered this afternoon. It is the first step in being able to even talk about reform.

I remind my colleagues of an important point. Let's do our duty and send the amendment on to the States. It takes two-thirds of the States to ratify an amendment to the Constitution. Let's at least give them a chance to decide. Give Senator HOLLINGS what he needs; that is, a two-thirds vote out of this body.

The American people believe we are taking advantage of a broken and corrupt system to keep ourselves in power. In my personal opinion, the "millionaire" amendment that passed last week was just that; it was more legislation to take care of us. In my opinion, the "millionaire" amendment was a guise to help incumbents.

For example, under the amendment that passed last week, if I decide to run for reelection in 2004, say I start to campaign with $3 million in the bank, money donated by ordinary people. As I indicated, since we don't go out and raise money at $20 a whack anymore, we have to raise hundreds and thousands of dollars, and with soft money it is tens of thousands of dollars. Say I have hard money in the bank amounting to $3 million and soft money is no longer allowed. That would be a miracle, but say that is the case. Under the amendment that passed, some poor guy or woman who runs against me—I don't mean "poor" in the sense of not having anything—say they mortgage their home, and take a loan out someplace, and spend their own money. I would be able to increase my fundraising limits because they mortgaged their home. This is what the millionaire amendment does. It has nothing to do with millionaires. It has everything to do with protecting us. It is an incumbent advantage measure in this underlying bill. I believe that was not the right way to go.

I hope the efforts of my friend from South Carolina bear fruit. I believe what he is doing is the right thing to do. In the court's 5-4 decision in Buckley v. Valeo; five justices voted for, four against it. We have to pass a law, as we do many times, to correct what five members of the Supreme Court have done. They are the Supreme Court, and they, in effect, invite us to change what we don't like about what they have done. I accept that invitation.

I invite my colleagues to change the Constitution and overturn Buckley v. Valeo, so we can do what this country needs us to do. So that we can look at what happens with the campaign finance system and be able to fix a little bit here, fix a little bit there, and not have to go through this unwieldy procedure of debating whether it is constitutional, unconstitutional, a first amendment problem, or not a first amendment problem.

I think we should do something to restore the confidence of the people, to let them become more involved in the process. I think passing this amendment is a step in the right direction.

I have spoken for 25 minutes. I say to my friend from South Carolina, extolling the virtues of this constitutional amendment. I have not only extolled the virtues of the constitutional amendment but I have extolled your virtues.

Mr. HOLLINGS. You have gone too far now.

I thank the distinguished Senator, but the Senator from Nevada has gone a little far. I want him to be believed about this constitutional amendment.

Mr. REID. I hope I am believed about this. The Senator is doing the right thing. We have a constitutional crisis in this country created by Buckley v. Valeo, and we should change it. We should not have to go through this process we have been working through all last week and this week: Is this constitutional? Is that provision constitutional? Are we violating the first amendment?

I think this constitutional amendment should get a two-thirds vote. If people don't like McCain-Feingold, they still should vote yes. If they like it, they still should vote yes. I am a proud sponsor of the Senator's amendment. I can't express publicly enough how much I admire and appreciate the work of the Senator on this issue.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague from Nevada. He is more than gracious to me personally. It is reciprocated because there is no one I admire more in the Senate. I have watched him over the years. He is so conscientious. And what is wrong this minute: We really are not conscientious about our duties and responsibilities in the Senate.

I will mention the no-no word, "corruption," and I do so very sincerely because the system has become corrupted.

Now the distinguished Presiding Officer never had a part in this, but I can say the rest of the Members have, except the newcomers. That is the best way to put it.

Welcome to the $7 million club. That is the average cost of the last campaign in order to become a Senator. Unless you have $7 million by the time of the next election, you are not going to be able to keep the job. Therein is the corruption. Our effort, our determination, our endeavor, is to keep the job rather than doing the job. That is why we don't have anybody here but us chickens. This Chamber is intentionally empty. Why? Because we are all out trying to get that $7 million in order to continue to serve. Mr. President, that's nearly $1.2 million a year, each year, for 6 years. That's more than $3,000 every day including Sundays and Christmas Day. I am a little behind this morning because I have not collected $3,000. In fact, I am behind this past week because I didn't get my $22,000. And others believe they are behind. So the whole system now of considering the people's problems and their business is corrupted.

I was here back in 1966 and early on in the war in Vietnam. It amused me the other day when they said we finally had some debate going on in the Senate.

The reason we have a debate is because this is the first subject we know anything about. All the rest of it is canned speeches that the staff gives you, and you come out and you talk about Kosovo, you talk about the defense budget, or you talk about the environment, and you read scientific statements and everything—but we know about money. Oh boy, do we know.

It is 2 o'clock.

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Committee on the Judiciary is discharged from further consideration of S.J. Res. 4, which the clerk will report.

The senior assistant bill clerk read as follows:

A joint resolution (S.J. Res. 4) proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

The PRESIDING OFFICER. Under the previous order, there will now be 4 hours of debate equally divided between the Senator from South Carolina, Mr. HOLLINGS, and the Senator from Utah, Mr. HATCH.

The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I ask unanimous consent S.J. Res. 4 be printed in the RECORD at this particular point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES 4

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within 7 years after the date of final passage of this joint resolution:

"ARTICLE—

"SECTION 1. Congress shall have power to set reasonable limits on the amount of contributions that may be accepted by, and the amount of expenditures that may be made by, in support of, or in opposition to, a candidate for nomination for election to, or for election to, Federal office.

"SECTION 2. A State shall have power to set reasonable limits on the amount of contributions that may be accepted by, and the amount of expenditures that may be made by, in support of, or in opposition to, a candidate for nomination for election to, or for election to, State or local office.

"SECTION 3. Congress shall have power to implement and enforce this article by appropriate legislation.".

Mr. HOLLINGS. Mr. President, as I was saying, we know about money. In fact, I had the small business appropriations subcommittee and I do not know 100 better small businessmen than the 100 Senators. You have to collect millions just in $1,000 increments. You wouldn't incorporate at $1,000-a-share of stock—you wouldn't get anywhere. You would have to work much longer than this, of course. But we do it.

Back in 1966, Senator Mansfield said we would start voting at 9 o'clock on Monday morning. I will never forget it. Then votes would ensue, and debates would ensue, and we would work until generally around 6 o'clock on Friday. It was a full workweek.

I see my colleague from Kentucky is back down on the floor I want to talk about corruption because that is the sensitivity he has, that there is nothing corrupted—ha-ha.

Monday is gone. And Fridays are gone. And Tuesday mornings are gone. And Wednesday evenings you have a window, and Thursday evening you have a window, and Wednesday at lunch you have a window, and Thursday at lunch you have a window—all for at least 20 to 25 percent of your time to collect money. Lunches, meetings with different groups downtown—I am part of it. I know. I struggle. I am from a Republican State, so I had to travel all around raising money during my last campaign. I am confident that people are ready and willing to vote for me. I have talked to them. But the contributions, incidentally, are listed in the newspaper and some people don't want to see their contributions appear, because when they go to the club on Saturday night, someone asks them, "Why did you give to that Democrat?"

I mean, heavens above.

So I travel the country, up to Minnesota, everywhere and anywhere I can, to collect money. That takes my time on weekends, weekdays, any nights that I can. So I am part of the corruption I am trying to cure.

Mind you me, they do not have any idea of stopping this corruption. They thoroughly enjoy it because they know the one way to really play the campaign finance game for keeps and not for play, not for fun, is to pass a constitutional amendment.

The constitutional amendment which was just printed in the RECORD does not endorse, it does not support, it does not oppose any bill or any initiative. It merely gives authority to the U.S. Congress to limit or regulate expenditures and contributions in Federal elections. And the state and municipal officials, as well as the state governors, have asked for a similar provision. So we have that provision in there for State elections as well.

We all know, out in the hinterland, beyond the beltway, what a corruptive influence this has been. It takes all the time in the world to collect that $3,000 a day, every day, including Saturday and Sunday. We have gotten to the point that we have to collect more than a church on Sunday. It is a pitiful situation. But they know this is unconstitutional. It is unconstitutional, McCain-Feingold.

It might be appropriate at this point to say the unanimous consent agreement was supposedly at the termination or the disposition of McCain-Feingold, because I did not want to interfere with the initiative of the Senator from Arizona and the Senator from Wisconsin in McCain-Feingold. I voted for it, I guess, about five times. I will vote for it again because it may be constitutional—you can't tell with this Supreme Court. They found that the States always regulate their own elections, except when it came to Florida and the Presidency. And the very crowd in the minority, always talking about the States having control, became the majority and took over the election. Given this reversal of opinion, you never can tell if the Court would change their opinion about Buckley v. Valeo. I will vote for the severability also.

I hope part of it is sustained by the Court. But we know good and well that they enjoy the wonderful charade and farce that has been going on in the Senate last week and this week, and particularly in the media. They don't have any idea of exposing this. If you can find in a newspaper that a constitutional amendment is to come up on Monday and be debated all day Monday, I will give the good government award to that particular newspaper. It is not even printed, they couldn't care less, because they know this thing should continue on, up, up, and away, millions upon millions, in order to hold a job, get elected.

So, as to its unconstitutionality, let me refer, first, to my friend, the Senator from Kentucky. I do not like to mention him when he is not present on the floor, but I will again, when he comes to the floor. S.J. Res. 166, in 1987, by Senator MCCONNELL of Kentucky, of a constitutional amendment. He says:

> The Congress may enact laws regulating the amounts of expenditures a candidate may make from personal funds or the personal funds of the candidate's immediate family, or may incur with personal loans, and Congress may enact laws regulating the amounts of independent expenditures by any person other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for Federal office.

The Senator from Kentucky and I appeared, and we testified before the Subcommittee on the Constitution of the Judiciary Committee in the Senate back at that time. And I quote Senator MCCONNELL:

> I would not have any problem with amending the Constitution with regard to the millionaire's problem.

(Mr. AKAKA assumed the chair.)

The reason I emphasize that is because every time I have mentioned this since that time, I had Senator MCCONNELL worried about buying the office. But he found out that is the best and easiest way for that crowd to do it. He has sort of left me. He pontificates about the idea and how it is just horrible having a constitutional amendment to amend freedom of speech.

Let me see exactly what he said at the particular time just by way of emphasis. He said on June 19, 1987, at page (S16817) of the CONGRESSIONAL RECORD, U.S. Senate:

> I believe that this resolution, unlike most constitutional amendments, would zip through this body and zip through the State legislatures.

He didn't complain at that time about the time it took. But he says:

> These are constitutional problems demanding constitutional answers. This Congress should not hesitate, nor do I believe it would hesitate, to directly address these imbalances of the campaign finance laws. I offer this constitutional amendment in the sincere hope that the Senate will begin to turn its attention to the real abuses in campaign finances, millionaire loopholes, independent expenditures, political action committee contributions, and soft money, and develop simple, straightforward solutions rather than strangle the election process with overall spending limits and a larger political bureaucracy.

The distinguished leader in opposition to McCain-Feingold, I used to stand with him because he was against soft money. He was against buying the office. But there you are.

Of course, he reiterated on the floor the other day that we had reached the nub of the problem. He recognizes it still as a constitutional question.

We go right to the long, hard task in March of trying to bring people to their senses once Buckley v. Valeo amended the first amendment. There isn't any question. They equated money with speech when Justice Stevens in the Nixon case said money is property. It was Kennedy who said that by the bifurcation and separating the contributions from the actual expenditures we had developed a new form of speech. Having money as speech is out of the whole cloth.

I don't go out and ask one dollar for one vote. It is one man-one vote; or one person-one vote. But under Buckley v. Valeo, it is one dollar-one vote.

By limiting the amount given but not the amount expended, they have taken away the freedom of speech of the Presiding Officer, and this particular Senator, because we don't have those millions to spend on elections such as we see being done this day and age. No questions are asked. The trend is more, more, and more.

There was an article in the newspaper last week on how the Democratic Party was looking for millionaire candidates so we don't have to raise the money. If we can find a bunch of millionaire candidates, it would be wonderful. We would be in the majority. But that is very enticing but very corruptive for the simple reason that Buckley v. Valeo took away our freedom of speech.

This constitutional amendment will reenact the freedom of speech for all Americans. What will happen is, of course, you can pass anything you want, I emphasize once more. This is not in support of McCain-Feingold, or in opposition to McCain-Feingold, or in support or opposition to any particular initiative that the Senate may take or the Congress may take.

But it frees us up—"Free at last," so to speak—in order to enact what we desire to enact with respect to campaign financing.

I refer to the article "Democracy or Plutocracy? The Case for a Constitutional Amendment to Overturn Buckley v. Valeo," by Jonathan Bingham.

Mr. President, former Congressman Bingham wrote about it with distinction. But there is a more recent article from the James Madison Center for Free Speech, and an analysis of McCain-Feingold by James Bopp, general counsel for the James Madison Center for Free Speech. It can be found at: www.jamesmadisoncenter.org.

Mr. President, an article entitled "Court Challenge Likely if McCain-Feingold Bill Passes" from the Washington Post of March 19 of this year by Charles Lane also points out the unconstitutionality of McCain-Feingold.

I ask unanimous consent it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Court Challenge Likely if McCain-Feingold Bill Passes

FOES CITE FREE-SPEECH ISSUES AS DEBATE ON CAMPAIGN FINANCE REFORM BEGINS

(By Charles Lane)

The debate over campaign finance reform that begins today in the Senate is just the start of a long journey that likely will end in the courtroom.

As even supporters of the bill sponsored by Sens. John McCain (R–Ariz.) and Russell Feingold (D–Wis.) concede, the measure poses fundamental free-speech questions and faces an inevitable court challenge by opponents if it becomes law. The questions are serious enough that they will probably have to be resolved by the Supreme Court.

"Everyone recognizes that there are constitutional issues in McCain-Feingold, and everyone assumes it will end up at the Supreme Court if it passes and is signed," said Lawrence Noble, a former general counsel of the Federal Election Commission who is executive director of the pro-reform Center for Responsive Politics.

The most vulnerable provision in the McCain-Feingold legislation is a section that bars unions and corporations from buying "issue advertising" on television and radio that mentions federal candidates during a specified period before elections. The same section also would subject other interest groups that buy ads to new funding disclosure rules.

McCain-Feingold's supporters say that under the law, the ads are a sham—that they are not intended merely to inform citizens about issues but rather to influence the outcome of elections. The provision in the reform law, they say, is necessary to close a loophole through which vast de facto campaign contributions pass unregulated each election year.

But the loophole exists largely because the Supreme Court has said issue ads are a form of political expression that must be left untouched by federal regulation. Opponents of the bill say that means the issue-ad provision would be overturned in the courts.

"It has no chance of being upheld," said James Bopp, general counsel of the James Madison Center for Free Speech, who has successfully challenged similar state issue-ad laws in lower courts.

Supporters of the McCain-Feingold bill say the provision was carefully written to take into account the court's key precedent in campaign finance matters, the 1976 case Buckley v. Valeo.

The court ruled in that case that the Constitution permits the government to regulate the flow of money in politics to prevent actual or apparent corruption. But such regulations must be subjected to "strict scrutiny" by the court to ensure that they do not unduly impede the free expression of the political ideas that money pays for.

Applying that balancing test to a 1974 campaign reform law, the court upheld limits on contributions as well as disclosure requirements. But it struck down limitations on political communications "relative" to federal elections. The court concluded that part of the statute was so vague it could stifle too much political speech.

Since Buckley, only limits on "express advocacy"—political communications that specifically tell voters to cast their ballots for or against a candidate—have been upheld. So parties, unions, corporations and interest groups have been able to buy issue ads freely, as long as they don't urge a vote for a particular candidate.

But McCain-Feingold's issue-ad provision is based on the view that the court would accept an alternative to the "express advocacy" standard as long as it isn't as vague as the one the justices struck down in the Buckley case.

The bill seeks to provide such an alternative by creating a new category, "electioneering communications," defined as broadcast ads that refer to clearly identified candidates and appear within 30 days of a primary or 60 days of a general election.

Having redefined issue ads in a way that captures their true nature as campaign-related communications, McCain-Feingold backers say, Congress could subject those who pay for the ads to spending and disclosure regulations without running afoul of Buckley.

Under the bill, unions and corporations would be barred from spending their own funds on such ads. Interest groups would be allowed to air them but would have to use individual contributions to pay for them and disclose where the money came from.

"There will be questions about issue ads," McCain said in an interview, "but I also believe . . . Supreme Court justices . . . do read newspapers and watch TV. And it would be hard to argue from a logical standpoint that the sham ads are not intended to affect the election or nonelection of candidates."

But McCain-Feingold opponents say the justices won't buy this proposed revision of the "express advocacy" standard, which has survived repeated challenges in lower federal courts. No matter how McCain-Feingold defines the new regulations, they argue, the court would see it as curtailing a certain amount of political expression that has heretofore enjoyed constitutional protection.

"To the extent the bill would . . . make illegal or burdensome the funding of speech that has been protected up till now, it is vulnerable to challenge," said Joel Gora, a professor at Brooklyn Law School who represented the plaintiffs in Buckley and is working with the American Civil Liberties Union to defeat McCain-Feingold.

Gora said that under McCain-Feingold, a group that opposed that law but had no position on whether McCain should be a senator would be subject to regulations if it wanted to run an ad attacking the bill in Arizona within 60 days of a Senate election involving McCain.

The only alternative to the McCain-Feingold bill, a reform proposal by Sen. Chuck Hagel (R–Neb.), does not include restrictions on issue ads by corporations and unions, and would not raise the same kinds of constitutional questions.

The best-known provision of McCain-Feingold, a ban on "soft money," is a relatively open constitutional issue because there is little in case law to suggest how a majority of the court might view it.

Under the law, wealthy individuals, unions and corporations may give unlimited amounts of money to political parties for ostensibly general purposes such as educating voters about the issues and getting them to the polls on Election Day. This is in contrast to "hard money"—donations to specific candidates that are subject to limits and disclosure requirements.

Reformers argue, however, that soft money has evolved into a de facto campaign contribution because so much of it is used to finance issue advertising targeted at specific elections. They say it should be easy to persuade the court to uphold a ban, just as it upheld contribution limits in Buckley.

"The court will respect Congress's judgment that money is fungible and that soft money is really working on a national election," said Alan Morrison of the Public Citizen Litigation Group.

In a case decided last year, Nixon v. Shrink Missouri Government PAC, the court, by a vote of 6 to 3, reaffirmed Buckley's holding that contribution limits may be imposed to combat political corruption or the appearance of corruption.

The six-member majority included the court's four liberal members and two conservatives, Chief Justice William H. Rehnquist and Justice Sandra Day O'Connor. The opinion by Justice David H. Souter cited "the broader threat from politicians too compliant with the wishes of large contributors."

Two justices, Stephen G. Breyer and Ruth Bader Ginsburg, said in a concurring opinion that a soft money limitation might well be constitutional under Buckley.

However, Justice Clarence Thomas, joined by Justice Antonin Scalia, published a dissenting opinion indicating that even existing campaign finance regulations suppressed too much speech and that Buckley should be overruled on that basis.

McCain-Feingold opponents say they would challenge the soft money ban as an attack on free association and a threat to the two-party system. Quite simply, they argue, soft money is not a sham. It is used not only for issue ads but also for general "party-building" activities and cannot be eliminated without crippling the parties.

As evidence of recent sympathy on the court for the special role of parties in American politics, they cite a 1996 case in which the court held that the government could not limit the spending of hard money by a political party on behalf of a candidate as long as the spending was "independent" of the candidate's campaign.

In reaching this conclusion, the court observed that it was "not aware of any special dangers of corruption associated with political parties" that would have warranted a different conclusion.

"If the court continues to view parties as they did in [that case] and other cases, I don't see how the soft money ban can survive," Bopp said. "There is no compelling government interest that would support the gut-ripping of political parties."

Mr. HOLLINGS. Mr. President, I harken to the memory of working with my distinguished colleague from Kentucky when he and I were on the same side. I also worked with the former counsel to the President, Lloyd Cutler, also the former Senator from Kansas, Mrs. Nancy Kassebaum, and others on the committee on the constitutional system. They appeared and testified about the need for a constitutional amendment.

On every amendment, starting with the Domenici amendment last week, they are going to raise a constitutional question.

There it is. Everybody likes to adhere to the Constitution because they respond to the very solemn scare tactics of my friend from Kentucky.

The reason I described it as scare tactics—let me quote from last week, March 19 on page S2440 of the CONGRESSIONAL RECORD, I quote Senator MCCONNELL:

> You have to go right to the core of the problem. The junior Senator from South Carolina, Mr. Fritz Hollings, will offer that

amendment at some point as he has periodically over the years. He deserves a lot of credit for understanding the nub of the problem. The nub of the problem is you can't do most of these things as long as the First Amendment remains as it is.

So Senator Hollings, at some point, I think under the consent agreement, will probably at the end of the debate offer a constitutional amendment . . . to regulate, restrict, and even prohibit any expenditures "by, in support of, or in opposition to a candidate for public office." It would carve and etch out of the First Amendment, for the first time since the founding of our country and the passage of the Bill of Rights, giving to the government at the Federal and State level the ability to control political speech in this country. It is worth noting that would also apply to the media.

Now you see the scare tactics. Wait a minute. After 230 years of history, and all of sudden we are going to monkey around, we are going to tamper with, and we are going to amend the first amendment for the first time since the founding of our country and the passage of the Bill of Rights—we are going to amend the first amendment.

I note the Senator from Kentucky is a brilliant individual. He knows better. But he knows the art of defamation and debate. If he can scare those who have not paid attention to the debate last week and this week, and those who will not pay attention, then he'll prevail. There is nobody here but us chickens for the simple reason that they said last week I had to go on Monday. I had other engagements already because I am like all the other Senators, I have things to do. I can plan ahead, knowing that I can get out and raise money on Monday. Then they said, if you can't get back on Monday, you just stay here on Friday. I also, like all the other Senators—we voted at 9 o'clock and, boy, we broke out of that door. If you stood there at those double doors after that vote at 9:15 to 9:30, you would have been run over because we had to go. We have to collect that $3,000 that Friday, that $22,000 that week, that $7 million over the 6-year period. And so it is that he knows and I know they are not hearing this.

We all do revere the Constitution. And we all revere the first amendment. But the distinguished Senator from Kentucky, watching those Oscars last night, he ought to get an Oscar for this one. Here it is:

> . . . I think under the consent agreement, will probably at the end of the debate offer a constitutional amendment so the Federal and all 50 State governments can have the unfettered latitude to regulate, restrict, and even prohibit any expenditures "by, in support of, or in opposition to a candidate for public office." It would carve and etch out of the First Amendment, for the first time since the founding of our country and the passage of the Bill of Rights, giving to the government at the Federal and State level the ability to control political speech in this country.

Now, Mr. President, not so. He gets the Oscar because those who not listening heard that last week, when I couldn't get the floor and award him that particular Oscar. Because he knows from the debate of 1907 of the Tillman Act, under President Teddy Roosevelt, where the Federal Government controls the speech of corporations. And then in 1947, Harry Truman, in the Taft-Hartley Act, that is another one of "the first time since the founding of our country and the passage of the Bill of Rights." That was the second time that I know of back in 1947 under Taft-Hartley.

Poor Harry did it. They want to give him awards now. Everybody is trying to mimic Teddy Roosevelt over there on the Republican side. But they forget that "for the first time" Teddy did it back in 1907. We know about the shouting of fire in the theater, the clear and present danger ruling; that is another time that the first amendment was amended. We know, with respect to the prohibition against fighting words, that is another time that the first amendment was amended.

Congress, since I have been here, gave the authority, in the Pacifica case that finally was determined. But we passed the enactment to tell the FCC to regulate obscenity over the airwaves. That deals with the first amendment. There were those seven dirty words in the Pacifica case.

So it is that we have, about seven or eight times since the founding of our country "etched out of the First Amendment." We took an exception with respect to slander. I cannot slander you; you cannot slander me. That is defamation. That is another time. There is false and deceptive advertising. Has the distinguished Senator never heard of the Federal Trade Commission? That is under the authority of the Federal Trade Commission: false and deceptive advertising. We regulate or amend, as he would say, carving and etching out, for the first time in our history since the founding of the Republic, an amendment to the first amendment.

We all go to classified briefings, particularly up on the fourth floor in the Capitol. That is another restriction we have on the first amendment.

Of course, we can go right on down to the 24th amendment—well, the Hatch Act. I do not want to leave that out. We amended it in 1993. But you still can't run for these partisan political offices. You can't solicit contributions or receive contributions. You can't politic on a Federal facility. We would be forbidden under the Hatch Act to campaign in this Federal facility, except for us. All we do is campaign here. We have to take care of ourselves here. We understand what the game is. Nobody is here. But I am here. And we have a constitutional amendment.

And then, of course, the 24th amendment, the poll tax. Isn't that a wonderful thing? They said: Look, there should be no financial burden on the right to vote. Now, with Buckley v. Valeo there is a financial burden with respect to campaigning.

The distinguished senior Senator from my State says at the end of next year he is not going to run for reelection. They have already, in a sense, crowned a Republican nominee according to my local news. Everybody has come out for him. Two or three Democrats have been up to see me. Each time I said: Now, wait a minute. You have to get $7 million. You have to be prepared. Because I can tell you, here and now, I spent $5.5 million myself in 1998, and this will be 4 years hence by 2002. So you have to get that $7 million. It has all but prohibited the poor from campaigning. It has all but prohibited the middle class from campaigning, or at least in relation to the Senate.

I can tell you right now, we ought to have an amendment restoring every mother's son's right. I can see Russell Long standing right here at this desk. He put in the checkoff system so every mother's son could run for President. So we had to check off on the income tax to bill up the money. With respect to Buckley v. Valeo, let's amend that particular amendment to the first amendment; namely, the restriction they put on political speech of the poor and middle class in America.

I have already had to discourage—I didn't mean to do it but you need to be realistic—and I am confident I have discouraged three candidates from running because unless and until they can get up in the political polls, our Democratic Senatorial Campaign Committee cannot afford to give them any financial assistance. So they have to prove themselves. And in order to prove themselves in this game, you have to have money.

Finally, of course, as I have already referred to, I would like to ask consent to have printed in the RECORD S.J. Res. 166 from the distinguished Senator from Kentucky. How could he stand in the well and say, "It would carve and etch out of the First Amendment, for the first time since the founding of our country and the passage of the Bill of Rights" wherein he, in S. Res. 166, tried that himself in 1987? I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 166

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

ARTICLE—

"SECTION 1. The Congress may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and Congress may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for Federal office.

"SECTION 2. The several States may enact laws regulating the amounts of expenditures a candidate may make from his personal funds or the personal funds of his immediate family or may incur with personal loans, and such States may enact laws regulating the amounts of independent expenditures by any person, other than by a political committee of a political party, which can be made to expressly advocate the election or defeat of a clearly identified candidate for State and local offices.".

Mr. HOLLINGS. Mr. President, there we are: Five of the last six amendments have dealt with just that, with elections. Certainly, the Hollings-Specter amendment—and I want to note at this time the wonderful support of the distinguished Senator. He not only cosponsored it, he has been at the hearings and on the floor. He has given it warm support.

We have other cosponsors. I thank them also: Mr. REID of Nevada; Mr. BIDEN of Delaware; Mr. MILLER of Georgia, and several others; Mr. CLELAND; also the distinguished former majority leader, the Senator from West Virginia, Mr. BYRD, has been a stalwart with respect to the Constitution. The Senator from West Virginia understands better than any that this particular initiative is certainly as important as the poll tax, the 24th amendment. It is certainly as important as the 27th amendment, Senatorial pay. Come on. Here we have corrupted the entire process. We can't get any work done. We can't get regular Americans to run for public office. We can't give the people the time they deserve working at the job of being a U.S. Senator because we have to work at the job of staying a U.S. Senator. It certainly is just as important as Senatorial pay with respect to its significance and importance.

The last five or six amendments dealt with elections. This would be the 25th amendment and would be immediately, I am led to believe, ratified by the several States.

I have touched on the corruption. There are other points we want to make for the RECORD.

I yield the floor, retain the balance of my time, and grant our distinguished friend from West Virginia such time as he may consume.

Mr. BYRD. Mr. President, I thank the very distinguished Senator from South Carolina, Mr. HOLLINGS, for yielding to me. I thank him for being the author and chief sponsor of this amendment. I thank him for his steadfast and clear-sighted approach to a very serious and growing problem facing our Republic. I thank him for allowing me to join him in cosponsoring this amendment.

Ralph Waldo Emerson, in an oration delivered on August 31, 1867, said:

> This time, like all times, is a very good one, if we but know what to do with it.

As the Senate considers the proposed constitutional amendment offered by our distinguished colleague from South Carolina, Mr. HOLLINGS, it is my fervent hope that each of us will take heed of Emerson's apt words. We have the opportunity to take an important step in the direction of restoring the people's faith and in our ability to rise above partisanship and really do something about our present sorry system of financing Federal campaigns.

If 55 years ago, when I started out in politics, we had had the current system of funding campaigns, somebody else would be standing at this desk. It wouldn't be I. I came from the very bottom of the ladder. There were no lower rungs in my ladder. There weren't any bottom rungs in my ladder. I came out of a coal camp. What did I have?

If I might, for a moment, tinker with grammar, "I didn't have nothing," as they would say. "I ain't got nothing." All I had was myself and my belief in our system. I believed in a system, then, in which a person who didn't have anything, a person who was poor, a person who came from lowly beginnings but who could pay his filing fee, could run for office.

I graduated from high school in 1934 in the midst of the Depression. I married 64 years ago the month after next. I married a coal miner's daughter. We didn't have anything. We only had two rooms in which to live in the coal company house. I started out making $50 a month. When I married I was making the huge sum of $70 a month. All I had was a high school education. I didn't have a college education. That was all I had.

The man who raised me, my uncle, was not a banker. He was not a big politician. He was not a former judge. He was not a former officeholder. He was a coal miner, a lowly coal miner. He was honest.

What did I have? Who was I to run for office? Who was I to offer myself to the people with just a high school education. That was all. That coal miner was the only dad I ever knew so I felt good about being his son. I didn't have anything. There I was, a coal miner's son, starting to find my way up the ladder of a political career.

Could I do it today? I would go to Senator HOLLINGS and say: I would like to run for the House of Delegates in West Virginia. I would like to run for the House of Representatives in Washington. What advice do you have for me? He would say to me today, as he said to others: Who are you? What is your background? That is not so important. But have you got any money? How much money are you willing to spend on this? I would have been out, if it had depended upon money. I would have been out at the beginning. I would never have gotten to first base.

The current system is rotten, it is putrid, it stinks. The people of this country ought really to know what this system is giving to them and what it is taking from them. This system corrupts political discourse. It makes us slaves, makes us beholden to the almighty dollar rather than be the servants of the people we all aspire to serve.

Unfortunately, the Supreme Court has given this kind of campaign system first amendment protection.

In Buckley v. Valeo, the Court made it extraordinarily difficult for the public to have what it wants: reasonable regulations of campaign expenditures which do not either directly or indirectly limit the ideas that may be expressed in the public realm. I submit that such regulations will actually broaden the public debate on a number of issues by freeing it from the narrow confines dictated by special interest money.

We may be able to fool ourselves, but the time is long past for all of us to stop trying to fool the American people. They are more than aware that both political parties—both political parties—abuse the current system and that both political parties fear to change that system. Each party wants to preserve its advantages under the system, but the insidious system of campaign fundraising will eventually undermine the very foundation of this Republic.

What I am saying is, that this system of funding our political campaigns is going to undermine the Republic. For our own sakes and for the sake of the people, we must find a way to stop this political minuet. We must come to grips with the fact that the campaign finance system in its current form is simply, simply, simply unworthy of preservation.

I have spoken on this floor many times before about the exponential increase in campaign expenditures since I first ran for the Senate in 1958. Jennings Randolph and I ran for the Senate in 1958. There was a situation in West Virginia in which the late Senator M.M. Neely died and left 2 years of his Senate tenure open, which meant we had two Senate seats in West Virginia to fill in the same election. Senator Randolph ran for the 2-year term, I ran for the 6-year term, and we decided to team up and run together. There were several other Democrats running for both seats. But we teamed up and we ran that campaign—two Senators—for $50,000. That is all we had, $50,000. We didn't have television in those days. Oh, there were a few black and white sets around. But we didn't have these expensive campaign consultants. We didn't know anything about these kinds of negative campaigns. We just went around from courthouse to courthouse and spoke in the courthouse yards. I played my fiddle—drew a good crowd. But we didn't have these expensive campaigns. Otherwise, we could not have run.

I was running against an incumbent Republican Senator, Senator Chapman Revercomb. We could not have done it. That was in 1958. We had $50,000, two Senators.

I recently heard one of the richest men in America say that political access is "undervalued" in the campaign finance market. Campaign contributions will continue to increase until a "market valuation" is achieved, thus causing the cost of a reasonably effective campaign to continue to skyrocket. We haven't hit the top yet, by any means. It already costs tens of millions of dollars to run an effective campaign for the Senate in many States.

What do we tell a poor kid from the hollows?' What do we tell a poor kid from the coal camps? Forget it. Yet, that person may have the capacity and the drive to be a good Senator. A campaign for the Senate will be beyond his or her personal means and beyond the means of friends and associates.

We must act to put the Senate, the House of Representatives, and the Presidency within the reach of anyone with the brains, with the spirit, with the spine, and with the desire to go for it. And the proposed constitutional amendment before us today is a necessary step on the way to accomplishing that goal. Yes, it amends the First Amendment.

One of the great ironies of the current campaign financing system is that it puts more distance between candidates and the people they hope to represent. Campaigns of today are technologically sophisticated. They rely increasingly on mass media. The whole point of current campaigns has become raising enough money to pay to more people, more times, over the airwaves.

There is no argument that there is an efficiency consideration here. People's lives today are complicated. They have to run from pillar to post, to work, to school, to the grocery store, to the dry cleaner, cook dinner, put the kids to bed, and so on and on and on, over and over again. Families do not have the time or the inclination to attend community functions as they used to years ago. Even if they did, there is this crazy "boob tube" in the home. I don't listen to it a great deal. I long ago learned that is almost a complete waste of time to listen. I so listen every Saturday night to that British show, "Keeping Up Appearances." I recommend that anybody and everybody watch that show. You won't hear any profanity in it, you won't see any violence in it, and it is not a story about sex. So, listen to "Keeping Up Appearances" on Channel 26 and Channel 22, public television.

May I say to my friend from South Carolina and my equally good friend from Connecticut, I have been in Washington 49 years. I have been to one movie, and I did not stay through that one. Yul Brynner was playing in it. It bored me to death, and I left about halfway through. But I have seen some good movies on Channel 26, Channel 22—public television. I like Masterpiece Theater. It gives us some good, clean, wholesome movies to watch. Otherwise, do not waste your time watching TV.

I have had some recent campaign events in some of West Virginia's communities where people still come out to hear candidates, but in our Nation today, such events are the exception, not the rule. So to influence voters, we pay high-priced consultants, and many times, I say to my friend from South Carolina, we probably know a good bit more about politicking and what needs to be seen and said than they do, but they sure know how to spend your money; they sure know how to take your money. These TV people just rack it up.

I must say that TV is the greatest medium that was ever invented, I suppose. At least it will hold its own with the printed media. But I think it is helping to ruin these political campaigns.

To influence voters, we pay high-priced consultants to produce slick, high-priced ads and to buy high-priced television and radio time to air them. Our opponents do the same, which leads our expensive consultants to encourage us to tape more ads—tape more ads—and buy more advertising time. It is a vicious circle that requires candidates to spend more and more time raising money and less and less time listening to the people and working for the people, once they are elected, whom they wish to represent.

I have been majority leader in this Senate, and I have been minority leader, and I can tell Senators that this money chase is a real headache for the leaders in this Senate. It used to be, when I was the leader, I was continually being importuned by colleagues—Senators on my side of the aisle—to not have votes on this afternoon, not have votes on tomorrow, not have votes on Fridays, not have votes on Mondays, not have votes on Tuesdays until after the weekly conference luncheon.

When I first came to the Senate, we did not have weekly Democratic conferences. Mostly, the Republicans had conferences, but we did not necessarily have a conference every week. It was after I became leader that we started to have regular conferences every week. It was I, as the leader, who had the first so-called retreat with our Democratic colleagues. We went over to Canaan Valley in West Virginia, and we also went up to Shepherdstown on another occasion.

We did not have any retreats prior to my being leader. We did not have all these campaign financing problems. We did not have to raise so much money for campaigns until, for the most part, I was leader for the second time in the 100th Congress.

It was in the 100th Congress that I offered a cloture motion eight times—eight times—to try to have the Senate act on campaign financing legislation—eight times. That is the highest number of cloture motions ever offered by a leader in this Senate on any matter; eight times, and I failed eight times. I was never able to get more than a half dozen members of the Republican Party to vote for cloture on campaign financing legislation.

The result of the campaign financing system we now have is that today there are fewer rallies, there is less knocking on doors, less face-to-face time with the voters, less handshaking by the candidate. No wonder the people think we are out of touch. We do not see the people.

For the most part, we go to those meetings that are held by special interest groups. They are good people to see—I am not saying that. We do not generally see the general run of people. Those old-time rallies and meetings do not occur so much anymore. Through the creative use of film and audiotape, we have made ourselves intangible.

While I am very reluctant to amend the Constitution, I am not opposed to amendments in all circumstances. The Constitution contains a provision, as we all know, for amendments, and it is there for a purpose. Whereas, as in Buckley v. Valeo, the Supreme Court creates a significant obstacle to democratic self-government, it is certainly appropriate for us to approve a constitutional amendment. Otherwise, I regard the prospects as slim for comprehensive reform legislation that would both free the Congress from the iron grip of the special interests and put Federal office within the reach of every able and willing American.

By equating campaign expenditures with free speech, the Supreme Court has made it all but impossible for us to control the ever-spiraling money chase. Under current constitutional jurisprudence, any legislation intended to control the cancerous effects of money in politics may necessarily be complicated and convoluted. The complications we are forced to resort to, in turn, may create new opportunities for abuse.

Some argue that money will find a way to control the process, regardless of what we do. I respond that a simple and straightforward limit on campaign expenditures is much more difficult to circumvent than the maze of regulations to which we have had to resort. I wonder, too, whether these opponents of campaign finance reform are willing to permit money to buy anything on the grounds that it is difficult to control.

Even without a constitutional amendment, we can, of course, tinker around the edges, but we cannot enact comprehensive legislation that will get to the heart of the problem. I wish we could. But the fact is we cannot get the kind of legislation we really need unless we first adopt an amendment to the Constitution. I have come to that conclusion.

We see it every year. The money chase gets tighter, takes more and more money, and the love of money is the root of all evil. We learned that at our mother's knee and from the Bible. The love of money is the root of all evil. Just look at what it has done in politics, and one will see what it has meant.

Our campaign financing system clouds our judgments. Fear of losing advantage is what has driven both parties to be reluctant to enact meaningful expenditure reform.

I understand this is the system we are in. As long as this is the system, if I am running, I do what the system allows me, and I do what the system requires. I try to raise money. It is the most demeaning thing I as a Senator have to experience. Demeaning. I don't like going around asking for money. I abhor it. That is the way it is.

The fixation with maintaining advantage is blinding us to the dangers to our credibility. Credibility is a precious commodity. More important to a politician than—yes, more important—than money. When we lose our credibility, no amount of money will enable us to buy it back.

People out there who are watching: Do you know what campaign financing does to your interests as we, the legislators, pass laws, vote on amendments? Do you, the people, know that you, not organized, do not wield the influence, man for man and woman for woman, that is wielded by the special interest groups? This is not to say that they don't have the best interests of the country in mind. They have the best interests of the country in mind as they see those best interests. We are beholden, we in this body, and in the other body, and at the White House, are beholden to the people who help us to win by giving us contributions. You people who are not organized come in second.

When we lose our credibility, no amount of money will enable us to buy it back. Already, many of our citizens don't vote. They don't think their vote counts. They don't feel we are influenced by their votes, so they don't vote. Let us fear the further erosion of our Republic.

I am sorry that it has come to this. I am sorry that it has come to the point that, if we are going to deal with this Frankenstein monster that is in our midst—this campaign financing system—we have to amend the Constitution of the United States. I am sorry for that.

They say, well, this is the first time, this will be the first occasion in which we would amend the first amendment to the Constitution. What is worse? What is worse? Keeping the first amendment intact or saving our country, saving our Republic, from its eventual complete destruction because the people in whom the power and the sovereignty resides are no longer the main focus of the attention of legislators and Presidents?

I think to continue down this road is to destroy this Republic and the things for which that flag stands. If there is only one way to save it, and that is to amend the first amendment to the Constitution, then let's amend it.

It is sad. To one who started out in politics with nothing —I didn't have, as I say, a father who could lift me up, who could go to the banks in the city and say, this is my son, help him; who could go to the civic clubs and say, invite my son to speak, help him; who could look to the lawyers in the community and say, I'm a lawyer, I'm a judge, I want you to help my son—I didn't have that kind of father to lift me up and help me in politics. I could hardly put two nickels together.

Now what do we see? We see a situation in which that coal miner's son could never come to the Senate. No coal miner's son could ever lift himself up by the ladder that has no rungs at the bottom and come to the Senate. That could not be one of his or her dreams.

I compliment the distinguished Senator from South Carolina who is a leader in this effort. This is a good time, as Ralph Waldo Emerson said, if only we know what to do with it. Let us not squander an opportunity to begin to fix this thoroughly rotten campaign finance system once and for all. Let us not continue to disappointment the American people.

Yes, I am ready to amend the first amendment to the Constitution. What good is it if we have a first amendment to the Constitution if we destroy the Republic in the meantime? I see this flawed campaign financing system as a real dagger at the heart of our constitutional Republic. What good is a Constitution without a Republic?

As I see it, take your choice: Keep the first amendment, unamended, or continue down this path of destruction of the Republic and everything it stands for.

Let us take a stand and support this proposed amendment to the Constitution.

In Atlanta, there is a monument to the memory of the late Benjamin Hill. Inscribed on that monument are these words:

> Who saves his country saves himself, saves all things, and all things saved do bless him. Who lets his country die, lets all things die, dies himself ignobly, and all things, dying, curse him.

I say to Senators, let us save our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I hope everyone had an opportunity to hear that and those who did not have an opportunity to see the speech of the distinguished Senator from West Virginia in the CONGRESSIONAL RECORD. He talks from a 50-year or more experience here in the Senate, and, assiduous as he is to protect the Constitution, to go with this particular amendment means that we are in the extreme, that it is absolutely necessary.

I feel the same way. I don't like to amend the Constitution. But I take the position that it was the Court itself, in Buckley v. Valeo, that amended the Constitution with this distorted bifurcation, equating money with speech and then controlling some but not other moneys. As a result, we end with this duplicitous situation of the money chase.

Let me yield, before I have some other comments, to our distinguished floor leader, Senator DODD.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I hope as well Members who are not here will read the remarks of our colleague from West Virginia. It is about as concise and thorough a description of the current status of affairs as anything you are going to hear or have heard over the last week or so as we have discussed campaign finance reform or, I suspect, that you are going to hear for the remainder of this week or into next week, if we have to take additional time to debate the McCain-Feingold legislation.

There is not a great deal I could add to it. He captures my thoughts, my sentiments, far more eloquently than anything I have ever said about the subject matter, and I have spoken on it on numerous occasions. His language is graphic in a couple of instances, but it is appropriate language to describe the current state of affairs, the current circumstances in which we find ourselves in this beloved Nation of ours.

There is nothing more fundamental. I know there are other subject matters this body wants to address, issues of budget and taxes and education, environment, health care. They are all very important subject matters. They certainly have a more contemporaneous appeal than the subject of campaign finance reform. Certainly every poll that is done in the country indicates that this subject matter ranks near the bottom of issues about which the public cares.

I think I understand why, at least in part. In part, it is because people have become so disgusted with it and have little hope things are going to change and are just so accepting, unfortunately, of the present state of circumstances with no likelihood it is going to change.

While I think these other subject matters have value and importance, in my view nothing we will debate or discuss in the coming Congress or coming Congresses will exceed in value or importance the subject matter which we will decide later today, and during the remainder of the week if the Hollings proposal is rejected, as I suspect it will be based on earlier votes we have had. I say that with a deep sense of regret because he is addressing the issue in a way that, unfortunately, it can only be addressed.

I am very respectful of the U.S. Supreme Court. As someone who is a graduate of law school, an attorney, licensed in my State, I was trained to revere the Supreme Court of the United States and respect all of its decisions. But the decision in Buckley v. Valeo, reached more than a quarter of a century ago, that equates money with speech, could not be more flawed, in my view. That is to suggest that the microphone which I am using here today is equal to speech, or that the sound system in here is equal to speech, or some other form of currency that may exist is equal to speech. Nothing could be further from the truth. Justice Stevens had it right: Money is property, just as this microphone is property, just as the sound systems are property. It is not speech, it is merely a vehicle by which we enhance the volume of our voice.

A columnist and reporter in my State of Connecticut got it right. Only in American politics would we equate free speech with the present set of circumstances. It is an oxymoron, she said. There is nothing free about it. Speech only belongs, in American politics, to those who can afford to buy it. It is not speech at all. But because the Court arrived at that decision, we have found ourselves, over the last quarter of a century, grappling with how we can regulate to some degree this excessive—to put it mildly—explosion in the cost of running for public office. Not just the Senate; in the House of Representatives and local offices in our respective States, the cost has risen dramatically.

I fear, as the Senator from West Virginia has so eloquently stated, if we do not do something meaningful about this, that we do put our democracy in peril. That is not an exaggeration. That is not hyperbole. When we have reached the situation in this country where the maximum contribution you can give is $1,000—in effect, $2,000—and we are about to raise that to possibly $3,000 or $6,000, for a couple to $12,000—and an annual calendar year level of contributions by individuals to $75,000 or a couple to $150,000, and we are told that is barely enough to finance the campaign system in this country, that we are going to have to index it so we can have incremental increases as the cost-of-living goes up—I always thought cost-of-living adjustments were done for the poor, people on Social Security, people who could not make ends meet, buy groceries, pay the rent, clothe themselves, so we built in a cost-of-living adjustment to assist those people. A cost-of-living adjustment for less than 1 percent of the American public who can afford to write a $1,000 check to finance a Federal office—they need a cost-of-living adjustment so they can buy more influence? That is incredible to me, that we would even entertain such a thought as part of the campaign finance reform mechanisms.

I served for 2 years as the general chairman of the Democratic Party, a position I was proud to hold. I did not seek it. I was asked to do it. I filled a similar role to that held by the former majority leader of the Senate, Bob Dole, former colleague Paul Laxalt, and others over the years who had been asked to fill those roles, particularly during a national campaign. I got to see firsthand what could happen when the money chase gets out of hand. It got out of hand in both parties.

My great fear is that if we don't learn these lessons, if we don't understand how disgusted the American public is and how narrow the pool of likely candidates for public office is becoming, and how that jeopardizes the institutions which we are responsible for preserving for future generations to be able to inherit and sit at these desks and chairs, and debate the issues of their day, that we are naive at best and border on corruption at its worst. It is getting to that.

Two-hundred years ago in order to seek public office you had to be a white male who owned property. We changed the laws in this country. It is no longer the case. But we have established a de facto set of barriers that are almost as pernicious. That barrier has become money; unless you have wealth or access to it or are willing to make compromises, a coal miner's son or daughter, as the Senator from West Virginia said, or anyone else of modest means, for that matter, is going to be de facto excluded from seeking public office.

I noted this morning in the New York Times a story by John Cushman, entitled "After Silent Spring Industry Put Spin on All It Brewed." The subject matter of the article concerns the chemical industry and how it is particularly involved in this. But I suspect they are not unique, and that this happens across the board.

It is interesting to read one paragraph. I ask unanimous consent that the entire article be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER 'SILENT SPRING' INDUSTRY PUT SPIN ON ALL IT BREWED

(By John H. Cushman Jr.)

WASHINGTON, MARCH 25.—The year was 1963, the publication of Rachel Carson's "Silent Spring" had just opened the modern environmental movement, and the chemical industry reckoned it had a public relations emergency on its hands.

Already that year, the industry's trade association had spent $75,000 scraped together for a "crash program" to counter the book's environmental message. It needed an additional $66,000 to expand the public relations campaign. Several companies quickly pledged more money to challenge the book's arguments, according to the association's internal documents.

That chain of events would be repeated time and again, at ever increasing expense, as the industry's lobbying arm in Washington, now known as the American Chemistry Council, confronted the environmental age in the corridors of power and in the arena of public opinion.

Now the industry's practices over the decades are facing unusual and unwanted exposure, as its documents, turned up by trial lawyers in lawsuits against the industry, are being published by environmental advocates on the Web and explored in a PBS documentary on Monday. Many of the documents were disclosed in 1998 in a series of articles in The Houston Chronicle, but until now they have not received much wider attention.

The adverse publicity is nothing new for the chemical industry.

"I seem, perhaps like Halley's comet, to float periodically into the orbit of your board," an industry lobbyist, Glen Perry, said to the chemical group's board in 1966, "generally with my hand outstretched in a plea for financial support of efforts to avert, or avoid the consequences of, some frightful catastrophe. Like Rachel Carson."

Or Bhopal. Or Love Canal. Or state ballot initiatives unfriendly to the industry, or legislation tightening regulations on toxic wastes. Or even the industry's growing perception that no matter how much money it spent on public relations—amounts that grew from a few thousand dollars a year to a few million a year as the decades passed—it was losing its war for public opinion.

The industry used many weapons in its campaigns to influence state and federal laws; public relations was just one of them.

Giving money to candidates, of course, played an important role in the industry's strategy, according to a 1980 document discussing "political muscle, how much we've got, and how we can get more."

Spending by political action committees helped its lobbyists gain access to members of Congress, the document said. "But over the long term, the more important function of the PAC's is to upgrade the Congress," it said.

Just as important, said a 1984 document, were carefully orchestrated "grass roots efforts" like the industry's establishment of a pressure group with the benign name Citizens for Effective Environmental Action Now.

The industry spent more than $150,000 that year to make 25,000 phone calls and send

42,000 pieces of direct mail. Adopting new computer technology for the first time, the group documented more than 7,000 calls and telegrams to seven important Democrats on the House Ways and Means Committee, which was drafting the Superfund legislation governing toxic waste dumps.

"Grass roots delivered three congressmen who were ready to take action during committee writing of legislation," the document said. But the "industry lobby was unable to respond quickly to their offer of help," the industry association's assessment noted. "We must be prepared to provide the congressmen with a simple action plan and legislative language."

But Congress was responding to broader public concerns, and for decades the industry was painfully conscious of how hard it was to sway public opinion.

"The Public Relations Committee realizes that public fear of chemicals is a disease which will never be completely eradicated," a committee member, Cleveland Lane, reported in 1964. "It may lie dormant or appear from time to time as a minor rash, but it can flare up at any time as a major and debilitating fever for our industry as a result of a few, or even one instance, such as the Mississippi fish kill, or the publication by some highly readable alarmist, or as an issue seized upon by some politician in need of building a crusading image."

At the same time, Mr. Lane acknowledged that only deeds, not words, could salvage the industry's reputation—a credo that industry lobbyists repeat to this day.

"No public relations operation, no matter how effective, can cover up acts of carelessness or neglect which do harm to the citizens," said Mr. Lane, who worked for Goodrich-Gulf Chemicals Inc. "As long as we produce products or conduct operations which can cause health hazards, public discomfort or property damage, we must do all we can to prevent these situations."

In recent years, the industry has increasingly tailored its publicity campaigns to emphasize its efforts to follow strict safety standards, set forth in a voluntary effort it calls Responsible Care. The effort is intended to control the risks of chemical pollution and help convince a skeptical public that the industry is made up of good corporate citizens.

Among those not convinced of the industry's good faith is Bill Moyers, whose documentary for PBS focuses on the dangers of exposure to vinyl chloride, the subject of litigation by a chemical industry worker's widow that uncovered the documents. The report relies heavily on them to assert that the companies and their trade association covered up the dangers of the chemical, used for making plastic products.

Even before the documentary was broadcast, the industry group charged Mr. Moyers last week with "journalistic malpractice" for not including interviews with its spokesmen or allowing them to preview the program. Instead, Mr. Moyers has invited them to react to his documentary in a half-hour discussion to be broadcast immediately afterward.

"I consider myself in good company to be attacked by the industry that tried to smear Rachel Carson," Mr. Moyers said on Friday.

The Environmental Working Group, an advocacy organization in Washington, plans to publish on its Web site on Tuesday tens of thousands of pages of internal industry documents produced in lawsuits. The group plans to expand the Web site, www.ewg.org, into a wide-ranging archive of industry documents.

The documents cover not just vinyl chloride and public relations crusades but every facet of the industry association's work, from lobbying on taxes and price controls to transportation safety and the growing array of laws and regulations that have taken effect since the 1960's.

In 1979, the industry began a multi-million-dollar advertising effort to counter "growing evidence that the public image of the chemical industry is unfavorable, and this has negative results on sales and profits," one document explained.

Then in 1984, disaster struck with the explosion of a chemical plant in Bhopal, India, which killed and injured thousands of people.

The industry found in surveys later that "we are perceived as the No. 1 environmental risk to society," an industry association official told the group's board in 1986.

Despite continued spending to improve its image, little had changed by 1990, association officials fond.

"There is a rising tide of environmental awareness in the country," a document reported that year. "Favorable public opinion about the industry continues to decline." In a decade, the percentage of the public that considered the industry under-regulated grew to 74 percent from 56 percent.

So as the environmental groups, with membership expanding by hundreds of thousands of people a year, laid plans for a 20th celebration of Earth Day, in 1990, the industry worked to make its voice heard, too.

For the first time, it began to advertise its Responsible Care program, setting aside a $5 million, five-year budget to make its approach known to the public. "The public must see an entire industry on the move," one document said.

"The term 'public relations' is morally bankrupt," a memorandum cautioned, "and yet, done properly, is exactly what is needed to make Responsible Care work."

And in interviews last week, the group's lobbyists said that Responsible Care was steadily improving the industry's environmental performance—and that its latest polling suggested this approach now seemed to be winning over the public.

"The evolution of an industry is a journey," said Charles W. Van Vlack, the American Chemistry Council's chief operating officer. "It is a fascinating evolution in terms of attitude and in terms of performance. We went through the process of the public coming to terms with our industry before most, if not all, other industries. It was in our face—we had to deal with it."

Mr. DODD. As is my colleague from West Virginia, I am most reluctant to amend the Constitution. I have resisted almost every single effort except this one during my 20 years as a Member of the Senate. I cherish and carry with me every day a copy of the Constitution given to me by the Senator from West Virginia, my seatmate. In fact, it is inscribed by him to me. I cherish it.

To illustrate the point, I will bring it out of my pocket. I carry it every day—Senator BYRD carries his with him as well—to remind me of the important role we fill here as Members of this body, and how we should cherish and protect that document. But I know of no other means by which we can effectuate a fundamental change in these laws.

I think we have made some decent progress on the McCain-Feingold legislation. I am a supporter of it because it is the only means by which we are going to be able to bring some possible discipline to the process. It will slow down the exponential growth of the cost of these campaigns.

But the real answer is what the Senator from South Carolina has offered. That is the real answer. It is the only answer.

Someday we may adopt this, if the situation continues to run out of hand. The Senator from South Carolina, myself and the Senator from West Virginia may no longer be Members of this body. I am sorry to say that, but that may be the case.

Others may look back to this debate and the debate we had in 1997, or other debates over the years, in which the Senator from South Carolina has raised this proposal on the issue of campaign finance reform that came to the floor of the Senate, and rue that we did not in earlier times take the steps that the Senator has suggested as a way of providing us with a more simple and clear-cut manner by which to regulate the condition of our Federal elections.

As the Senator from South Carolina has pointed out, we have now run Presidential elections for 25 years with public financing. No less a conservative than Ronald Reagan accepted public money, as had George Bush. As a condition of accepting Federal dollars, of course, they were limited in the amount they could spend.

Public financing has even less of a chance of being adopted by this Congress than the proposal offered by the Senator from South Carolina. I am sorry that is the case as well—not because I particularly like the idea of public financing. But in the absence of that, and given the Buckley v. Valeo decision, it is very difficult for us to craft legislation that is going to survive constitutional scrutiny in light of the Buckley v. Valeo decision, hence the value of the importance of the amendment offered by the Senator from South Carolina.

I noted this morning that William Safire had a column called "Working Its Will," in which he endorses the McCain-Feingold approach, as I read it. But I was struck by the story told at the outset of the column, which I will share with my colleague. He said:

> The story is told of the corrupt Albany judge who called opposing trial lawyers into his chambers.
>
> "You offered me a $5,000 campaign contribution to throw this case to the plaintiff," said the fair-minded judge, "and defendant's lawyer here just offered me $10,000 to find for his client. Now how about plaintiff giving me $5,000 more, evening things up—and we try the case on the merits?"

It almost seems like that is what happened here. Money talks, but money is not speech. That is the essence of the offense and defense of campaign finance reform.

William Safire goes on in this column.

Mr. President, I ask unanimous consent that column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Washington Post]

Working Its Will

(By William Safire)

The story is told of the corrupt Albany judge who called opposing trial lawyers into his chambers.

"You offered me a $5,000 campaign contribution to throw this case to the plaintiff," said the fair-minded judge, "and defendant's lawyer here just offered me $10,000 to find for his client. Now how about plaintiff giving me $5,000 more, evening things up—and we try the case on the merits?"

Whether the bidding war that is now American politics will continue in this fashion is to be decided in the Senate this week. Every senator knows the subject cold and need not rely on staff expertise or party discipline for guidance. Rarely do voters see such a revealing free-for-all.

Money talks, but money is not speech. That, in essence, is the offense and defense of campaign finance reformers.

That heavy political contributions influence officeholders is beyond dispute. Money for "access" rarely qualifies as prosecutable bribery, but the biggest givers are usually the biggest receivers. The pros know that a quo has a way of following a quid and the public is not stupid.

The purchase of a pardon by Marc Rich haunts the Senate this week. The stain spreads; now we learn that the fugitive billionaire, with $250,000 to the Anti-Defamation League, induced its national director to lobby President Bill Clinton for forgiveness and thereby bring glee to the hearts of anti-Semites. (Abe Foxman should resign to demonstrate that ethical blindness has consequences.)

But the hurdle that Senators John McCain and Russell Feingold must jump is this: does the restriction of money in campaigns deny anyone freedom of speech?

Of course it does. But we abridge free speech all the time, in protecting copyright, in ensuring defendants' rights to fair trials, in guarding privacy, in forbidding malicious defamation and incitement to riot. Because no single one of our rights is absolute, we restrain one when it treads too heavily on another.

That's why our courts have held repeatedly in the past century that the Constitution permits restrictions on political contributions. Just as antitrust laws encouraged competition in business, anti-contribution laws have enhanced competition in politics. Freedom of speech is diminished when one voice who can afford to buy the time and space is allowed to drown out the other side.

Washington opponents of campaign finance reform offer less lofty arguments, too.

1. "Holding down the number of paid political spots will increase the power of the media at the expense of the political parties." And what do my ideological soulmates fine so terrible about that? The wheezing liberal voices of the Bosnywash corridor are as often as not clobbered by the intellectual firepower of conservative columnists, Wall Street Journal editorialists and good-looking talking heads. Wake up and smell the right-wing cappuccino, fellas.

2. "If we close the soft-money loop-hole, money will soon find another way to reach politicians." Fine; that will provide a campaign platform for the next generation's great white hat. The tree of liberty must constantly be refreshed by the figurative blood of tyrannous fund-raisers, as Jefferson almost said.

3. "If this goo-goo abomination passes with all its amendments, and any one item is struck down by the courts, then the whole thing must go up in smoke." Do Republicans really want to hold that unseverability gun to the head of the Rehnquist court? Why, if you're so hot for freedom of speech, tempt the high court to weaken the First Amendment by letting a questionable part of an all-or-nothing law through?

Tomorrow the Senators seeking to keep in place the Clinton-McAuliffe fund-raising abuses that so polluted the 90's will offer the Hagel substitute for the McCain-Feingold bill. It's sabotage, plain and simple, "limiting" soft-money gifts to a half-million-dollars per fat-cat family per election cycle.

Senators, fresh from offending billionaire candidates and from thumbing the eye of the powerful broadcasters' lobby, should cherry-pick a few items from the Hagel substitute, up the hard-money limit to $2,500 and take their chances on a sore-loser filibuster by voting down the all-or-nothing trick.

If that's the will the Senate works, I think President Bush would tut-tut and sign McCain-Feingold. That's because I'm an optimist and believe in the two-party system.

Mr. DODD. Mr. President, there is a column that addresses a situation in my own State of Connecticut but also talks about the subject matter of campaign financing across the country, written by Michele Jacklin of the Hartford Courant.

I ask unanimous consent that her column be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Courant, March 25, 2001]

Campaign Finance Bill Levels Playing Field

(By Michele Jacklin)

Warren Buffett, the third richest person in America and someone who could buy any politician he wants, weighed in on the campaign finance reform debate last Sunday.

Characterizing the existing fund-raising system as "a shakedown of sorts," Buffett said politicians offer a product for sale "and the product is access and influence."

"It's not buying votes, but it's getting in the door. And the people with the most money are going to get in the door the most frequently," Buffett said on ABC's "This Week."

Mind you, Buffett is so rich he could walk through any door unimpeded. But the chairman of Berkshire Hathaway and a growing number of people in all walks of life have come to realize that the pay-to-play system is unfair. Thanks to outdated laws and wrong-headed judicial decisions, this nation has become a plutocracy in which only the voices of the wealthy are heard above the din.

The word "voices" is especially crucial in the debate about campaign finance reform that is raging in Washington and in Hartford. The U.S. Supreme Court has held that campaign spending is speech and cannot be constrained under the First Amendment. But do you think the nine jurists on the court, most of whom are millionaires themselves, intended that the voices of the rich should be louder and stronger than the voices of the less privileged?

To be sure, President Bush and a majority of Republican officeholders think so. They oppose congressional efforts to ban the use of unregulated, unlimited "soft money" in federal campaigns. Just the other day, with Democratic help, the Senate approved an amendment to the McCain-Feingold bill that would allow federal candidates to raise substantially larger amounts of money from individuals when they run against wealthy candidates who bankroll their own candidacies.

As a result, the National Voting Rights Institute switched from supporting the soft-money legislation to opposing it, saying: "For the vast majority of Americans who cannot afford to make a $1,000 contribution, the amended McCain-Feingold bill now makes matters worse."

And Doris Haddock, a 91-year-old woman who walked across America to raise awareness of the issue, said of the amendment: "It creates a fairer fight between the rich and the super-rich, but it still leaves out the man on the street. What's the point of a level playing field when the field is on the moon?"

Here in Connecticut, Democratic legislators are wrestling with ways to not only make the playing field a little more even—at least in terms of statewide races—but to keep it on planet Earth.

You'll hear two major complaints about the public financing bill passed Wednesday by the Government Administration and Elections Committee. First, that taxpayers shouldn't be forced to pay for political campaigns and second, that the legislation isn't perfect.

The first objection is absurd. In fact, taxpayers wouldn't be forced to do anything; they would be able to choose whether to contribute $5 via checkoff on their state income tax forms. Also, an individual's taxes pay for many things that he or she might not like. I don't want my federal taxes used to build Osprey tilt-wing aircraft, whose only purpose I can figure is to kill American military personnel. Guess what? Tough noogies.

As for it not being a perfect bill, OK. It's not. Sen. Andrew W. Roraback of Goshen, using some contorted logic, urged his colleagues to vote for Gov. John G. Rowland's alternative plan "in the belief that doing something is better than doing nothing."

But if Rowland's minimalist—and constitutionally suspect—plan (which was rejected by the elections panel) is better than nothing, why not take the next step and rid the system, to as great an extent as possible, of special-interest money? But Roraback and his fellow Republicans, with the exception of freshman Rep. Diana S. Urban of North Stonington, opposed the public financing bill.

Under the proposal, candidates for governor and other statewide offices would be eligible for public financing if they first raised a set amount of money (90 percent of it from Connecticut residents) to establish their legitimacy and voluntarily agreed to spending limits. Candidates would be prohibited from accepting money from political committees.

The bill is a huge improvement over last year's version, which Rowland vetoed, in that it applies to the entire campaign cycle, not just to the months following the parties' nominating conventions.

But there is an imperfect part. The bill doesn't go far enough in limiting the influence of special interests in legislative campaigns. The financing plan is modeled on one

> used in Nebraska: A candidate would voluntarily agree to spending limits. If his or her opponent violated those limits, the candidate would be eligible for some public money. PACs and lobbyists would face restrictions on what they could give.
>
> Rep. Alex Knopp of Norwalk, the chief architect of the bill, acknowledged its flaws, but said there wouldn't be enough state money, at least not right away, to offer public financing to everyone.
>
> Should the bill reach his desk, Rowland will probably strike it down again. In the name of free speech, special interests will be allowed to continue to unduly influence our elected leaders.
>
> Make no mistake, those who hide behind the shield of free speech have turned it into an oxymoron. In the context of American politics, speech isn't free. It belongs only to those who can afford it.

Mr. DODD. Mr. President, she makes the point, and I will quote her. I should give her credit for this. She says:

> Make no mistake, those who hide behind the shield of free speech have turned it into an oxymoron. In the context of American politics, speech isn't free. It belongs only to those who can afford it.

That says it about as well and as concisely as anything I have seen in print.

We will vote on this matter later today. We had 33 votes or thereabouts the last time, and I am hopeful we may get a few more of those who will want to join us in what I consider to be a noble cause.

I thank my colleague from South Carolina for his efforts. As he has pointed out on numerous occasions, there are other examples where we limit speech. Speech is not a right without its limitations. And there are countless examples of where, in fact, we limit speech because of circumstances that we have discerned to be more valuable and more important than unfettered speech.

Certainly, in my view, nothing can be more serious than the debate about campaign finance reform and trying to put the brakes on slowing down the money chase, trying to make seeking public office more available to more people, people with good ideas and creativity and imagination and energy who serve in public life but who, because of the rising costs of these campaigns, will be excluded from that possibility.

The Senator from South Carolina has come up with the only workable solution that I can think of at this juncture. In the absence of it being adopted, of course, I will continue to support McCain-Feingold because I know of no other way in the absence of that than trying to do something about it.

A better way of dealing with this is to adopt the amendment being offered by the Senator from South Carolina. I am pleased to be a supporter of it. I thank him for doing so.

I regret there are not more Members here to engage in this debate today. I realize it is Monday. As the Senator from West Virginia said, people are probably out holding fundraisers all across the country. As one of our colleagues pointed out the other day, you have to raise $100,000 a week now to compete effectively in one of the largest States in this country. In my State, one of the smallest States in the country, you have to raise over $1,000 a day, every day; in fact, more than that in order to compete in a contested matter in the small State of Connecticut. I have watched a statewide race go from $400,000 in the mid-1970s to $5, $6, $7 million today in Connecticut.

That is obscene. There is no other way to describe it. It is obscene. And anyone who has looked at it agrees. The idea, as some have said, that the problem is not that there is too much money in politics but that there is too little really just runs smack into what most Americans, the overwhelming majority of Americans, believe. They understand it. I think we know that they understand it.

I think it is regrettable that we are not going to do something more about it, particularly the idea that is being suggested this afternoon by the Senator from South Carolina.

With that, Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Again, the distinguished Senator from Connecticut passionately speaks common sense. It is the most moving speech I have heard with respect to this particular initiative. I wish everyone could have been here to hear that. I hope they look at his remarks in the RECORD so they can understand just exactly what is behind this particular initiative.

Mr. President, Senator SPECTER and I have a constitutional amendment which states that Congress is hereby authorized to regulate or control expenditures in Federal elections. Senator SPECTER and I have been here before to argue for this same amendment and we are pleased to have this opportunity again, this time with the support of Senators BYRD, CLELAND, MILLER, BIDEN and REID. But Mr. President, this is perhaps the most timely debate for this Constitutional Amendment because critics here in this body and commentators have spent much time discussing the constitutionality of McCain-Feingold and the various proposed amendments to this bill.

I want to state clearly, here at the outset, that this amendment does not frustrate, oppose, support, or endorse any particular plan of reform. Rather, it is the first step toward meaningful reform, regardless of the approach. To that end, I hoped to debate this at the conclusion of McCain-Feingold so that it could not be used as a sword against that measure.

We had our first fit of conscience when we passed the 1974 Federal Election Campaign Act. This act came about due to the untoward activity in the 1967 and 1971 Presidential races. I want to remind everyone that this was a deliberate, bipartisan effort. It set spending limits on campaigns, limited candidates' personal spending, limited expenditures by independent persons or groups for or against candidates, set voluntary spending limits as a condition for receiving public funding, set disclosure requirements for campaign spending and receipts, set limits on contributions for individuals and political committees, and created the Federal Election Commission. This was a comprehensive proposal, with each part complementing the other.

However, the Supreme Court supplanted this regime with its views on campaign finance in the now infamous decision, Buckley v. Valeo. The resulting system put a premium on fund raising and encouraged covert money donations. Don't take my word for it, look at Justice Kennedy's dissenting opinion in the recent Court decision, Nixon v. Shrink Missouri Government PAC:

> The plain fact is that the compromise the Court invented in Buckley set the stage for a new kind of speech to enter the political system. It is covert speech. The Court has forced a substantial amount of political speech underground, as contributors and candidates devise even more elaborate methods of avoiding contribution limits, limits which take no account of rising campaign costs. The preferred method has been to conceal the real purpose of the speech. Soft money may be contributed to political parties in unlimited amounts . . . Issue advocacy, like soft money, is unrestricted . . . while straightforward speech in the form of financial contributions paid to a candidate, speech subject to full disclosure and prompt evaluation by the public, is not. The current system would be unfortunate, and suspect under the First Amendment, had it evolved from a deliberate legislative choice; but its unhappy origins are in our earlier decree in Buckley, which by accepting half of what Congress did (limiting contributions) but rejecting the other (limiting expenditures) created a misshapen system, one which distorts the meaning of speech.

Forgive me for the length of the above quote, but I feel Justice Kennedy hit the nail on the head. Now, we must excise this cancer from our political system. But it is an exercise in futility to address any particular campaign reform plan without first enacting a constitutional amendment because Buckley is still the law of the land.

One critical flaw in the Buckley decision is that the Court equated money with speech. Justice Stevens, however, correctly noted in his concurring opinion in Nixon v. Shrink Missouri Government PAC, "Money is property; it is not speech." Justice Stevens explains that while the Constitution protects an individual's decision about how to use his or her property, "[t]hese property rights, however, are not entitled to the same protection as the right to say what one pleases." An individual's right to get up on a stump and speak on behalf of or in opposition to a candidate is markedly different from "speaking" with money. Justice Kennedy, also in Shrink, observes that there is a difference between inspiring volunteers through speech and hiring volunteers with money. The first activity deserves the utmost protection. Unfortunately, those are minority views of the Court.

For the sake of argument, assume money is speech as my colleague from Kentucky asserts. At the start of the debate we heard the Senator from Kentucky provide me the compliment of saying that "I understand the nub of the issue." Of course after that fleeting moment he argues why we should not accept this measure. Of course there was a time when he saw the value of this approach. In 1987, my colleague offered a constitutional amendment to restrict the amount of money wealthy individuals could spend on their election. The important point is not that he once advocated that position, but rather, it recognizes that speech is not completely unfettered when there are significant interests that require its limitation. The following are a few examples of where speech is limited: If it creates a clear and present danger of imminent lawless action; if it constitutes fighting words; if it is obscene; [The Supreme Court ruled in 1978 in FCC v. Pacifica that the Federal Communications Commission could limit what they considered offensive language on the airwaves]; if it constitutes defamation; if it amounts to false and deceptive advertisement.

Let me also point out a couple of speech restrictions perhaps more closely related to the current debate. The Hatch Act limits federal employee involvement in campaigns. Admittedly, the "Hatch Act Amendments of 1993" removed most of the restrictions on voluntary, free-time activities by federal employees; however the following are a sample of the restrictions that still apply:

Federal employees are generally restricted from soliciting, accepting or receiving political contributions from any person; they may not run for office in most partisan elections; they are generally prohibited from engaging in partisan campaign activity on federal property, on official duty time, while wearing a uniform or insignia identifying them as federal officials or employees, or while using a government vehicle.

Finally, as Justice Breyer, in Nixon v. Shrink, notes "The Constitution often permits restrictions on speech of some form in order to prevent a few from drowning out the many—in Congress, for example, where constitutionally protected debate, Art. I, §6, is limited to provide every Member an equal opportunity to express his or her views. Or in elections, where the Constitution tolerates numerous restrictions on ballot access, limiting the political rights of some so as to make effective the political rights of the entire electorate." This is an important point Mr. President. I have long maintained that it is ill-advised to allow one who possesses more money to drown out the speech of another with less money. Essentially what we are saying now is if you have money, speak, if you don't, you have the right to keep your mouth shut. It is from this line of arguments that I really draw my conclusion that I am the one promoting speech.

So there is precedent for limiting speech where there are equally important interests at stake. Our campaign system is of sufficient importance and has sufficient problems to warrant limited restrictions. Just consider the affect of the cost of running for office. The exorbitant costs of campaigns today are a real hurdle, preventing many people from throwing their hat into the arena. The average amount spent on a campaign for the United States Senate in the year 2000 was approximately $7 million. Can you imagine that. That means you have to raise on average $22,000 each week for the six years you are in the Senate in order to get ready for your next election. Or stated another way, you have to raise over $3000.00 per day. Yes that's per day. Saturday and Sunday, you need to raise $3000.00. Something is wrong when you have to raise more on Sunday than your church.

Sadly this has really become a money chase. Rampant fund raising threatens the very fabric of democracy because it causes people to lose faith in the political system. They see their candidates motivated by contributions and not by important issues in their community. It often seems to the voting public that its voice is being drowned out by the hum of cash registers. That of course was not always the case. When I first ran for office, much of my campaign work was accomplished through volunteers. It was more enjoyable to campaign because you could really focus on the individual citizen rather than on raising money. You can't afford to go door to door anymore.

By extension, while politicians are out courting money they are obviously not in Washington addressing the concerns of their constituents. There is no doubt that our current campaign finance system has bred absenteeism in the Senate chamber. We no longer arrive to work at 9 o'clock in the morning on Monday and struggle to close shop by 5 o'clock in the afternoon on Friday like we once did. Now on Monday and on Tuesday morning, there is no real floor debate because so many people are out raising money. On Wednesdays and Thursdays, we request time windows so that we can do more fund raising. And then as soon as Friday rolls around, we bolt from the starting blocks for another leg in the money race. If curing this sickly system isn't in the governmental interest, then I don't know what is.

We realize these problems and are now faced with the present dilemma of deciding how to reform this broken system under the misguided framework laid out in Buckley. The Senator from Arizona and the Senator from Wisconsin are to be commended. They are dedicated and have successfully drawn attention to this issue. But their critics assert the same two arguments: 1. their proposal does not go far enough, or 2. their proposal goes too far and runs afoul to the Constitution. This will be the case with any serious proposal because of Buckley.

The unconstitutionality of the Snowe-Jeffords portion of the McCain-Feingold bill which addresses issue advocacy has been talked about, and written about. Recently, Charles Lane wrote an article for the Washington Post titled, "Court Challenge Likely if McCain-Feingold Bill Passes." The reason for this is that in Buckley, the Supreme Court held that campaign finance limitations apply only to express communications, such as "vote for," "elect," "support," "cast your ballot for," and "Smith for Congress," that advocate the election or defeat of a clearly identified candidate for federal office in express terms. If express words such as these are not present, then it is issue advocacy and cannot be regulated. The circuit courts, following the Buckley precedent, have drawn a bright line by requiring these express words and rejecting intermediate tests to determine whether something constitutes express advocacy or issue advocacy. Maine Right to Life Committee v. FEC, Oct. 6, 1997, the First Circuit affirmed the district court's opinion that the "reasonable person" standard in its definition of "express advocacy" infringed upon issue advocacy, an area protected by the First Amendment. The Fourth Circuit reached a similar conclusion in *FEC* v. *Christian Action Network*, 92 F.3d 1178, 4th Cir. 1997. The Second Circuit, in Vermont Right to Life Committee v. Sorrell, determined state campaign regulations were unconstitutional because they regulated express and implicit advocacy. It is evident that when the government seeks to regulate anything more than express or explicit advocacy, which is what they try to do in McCain-Feingold, the courts strike it down.

Mr. President, the soft money ban of McCain-Feingold also faces constitutional challenges. The Supreme Court made it clear in Buckley that any restriction on First Amendment rights must be narrowly tailored to further a substantial governmental interest such as the prevention of corruption or the appearance of corruption. In Federal

Election Commission v. Colorado Republican Federal Campaign Committee, Colorado I., the Court raised doubts about the risk of corruption between parties and candidates. On remand to the district court, Colorado II, the court examined whether section 441a(d) of the FECA may constitutionally impose coordinated expenditure limits upon parties. The lower court found that "contributor-to-party-to-candidate pressure" is an "unlikely avenue of corruption" and that party pressure over candidates does not result in corruption. The court reasoned that political parties serve to promote political ideas and by deciding whether or not to support a candidate that subscribes to these ideas does not equal corrupting influence. This case was again appealed to the Tenth Circuit. In its May 5, 2000 decision, the circuit court affirmed the district court and echoed its reasoning. Allow me to read the following quotes from the circuit court's decision:

"Political parties today represent a broad-based coalition of interests, and there is nothing pernicious about this coalition shaping the views of its candidates:"

"However, the premise of this theory, namely that, political parties can corrupt the electoral system by influencing their candidates' positions, gravely misunderstands the role of political parties in our democracy," and finally;

"The opportunity for corruption or its appearance of corruption is greatest when the political spending is motivated by economic gain. As discussed below, political parties are diverse entities, one step removed from the candidate, and they exist for noneconomic reasons."

Based on these cases, the ban on soft money is unconstitutional as well. James Bopp is general counsel to the James Madison Center for Free Speech and served as counsel in more than 60 election-related cases, including the Maine Right to Life v. FEC and the Vermont Right to Life v. FEC cases mentioned earlier. Mr. Bopp is certainly an expert in this area. That is why I found his analysis of McCain-Feingold particularly persuasive. According to Bopp:

> Because McCain-Feingold 2001 prohibits the raising of "soft money" by national political parties, they have no such money available for issue advocacy, legislative, and organizational activities. It treats political parties as if they were federal-candidate election machines . . . Yet these restrictions fail constitutional muster. Political parties enjoy the same unfettered right to issue advocacy as other entities, which is especially appropriate because advancing a broad range of issues is their raison d'etre. "Reforms" banning political parties from receiving and spending so-called "soft money" cannot be justified as preventing corruption, since the Supreme Court has already held that interest insufficient for restricting issue advocacy in Buckley.

According to Bopp, if there is not the threat of corruption or the appearance of corruption when we speak of political parties, then you can't restrict how they raise their money. Thus, the soft money regulations in McCain-Feingold are also likely to be found unconstitutional.

In light of the above, a constitutional amendment is a necessary first step to real reform. Until we do this we are merely trying to patch a leaky dam with Band-Aids. Certainly, amending the constitution is not something we should do lightly. But, campaign finance goes right to the heart of our democracy. That is likely the reason that of the nine most recent amendments, seven relate to our electoral process: The 19th amendment gave women the right to vote; the 20th set the beginning of Presidential and Congressional terms and provided for succession of the President and Vice President, (i.e., this amendment established procedure to replace the President or Vice President elect upon their death or incapacitation); the 22nd amendment provided Presidential term limits; the 23rd amendment provided the D.C. electoral votes in Presidential elections; the 24th amendment eliminated the Poll tax; the 25th amendment established the procedure for Presidential succession whether by death or incapacitation; the 26th amendment changed the voting age to 18.

Surprisingly, the average length of time it took for passage of Amendments 20-26 was a little over 17 months. What's even more compelling is the fact that the 24th amendment already recognizes the influence of money on the freedom of political speech. It says that it is unconstitutional to place a financial burden on voters in order for them to voice their political opinions at the polls. In other words, it gives us "one man, one vote." The poorest of the poor can cancel out the richest of the rich. This is the same spirit that's driving campaign finance reform today.

Mr. President, it isn't that the people do not trust us. I think they are bored with us. When you talk about campaigns and everything else like that, today's model is, you hire a consultant, and he gets the poll, and you get seven or eight hot-button items or issues, and you counsel: Do not take too strong a position pro or con—for or against—but, on the contrary, say you are concerned: "I'm troubled." Everybody who comes to this blooming place is troubled, and they are concerned. But I can't find them taking a position on anything. And that goes for Republicans and for Democrats—all the candidates.

So unless you get a unique individual, such as the Senator from Arizona, Mr. McCAIN, who had no poll, obviously, to get around to this campaign finance—and certainly it was not boring. He kept them on fire, and kept them going, and kept them interested—and keeps them interested. That is why we are having this debate. But the truth of the matter is that politics has been taken out of campaigning.

Let me emphasize what the Senator from West Virginia was talking about regarding campaigns. No. 1, we used to have nothing but volunteers. I ran for the State house of representatives for $100 back in 1948—over 50 years ago. There were 24 candidates. I led the ticket. But I worked, and I saw people. I talked and listened to people. There weren't fundraisers to go to.

Now, in contrast, there are only fundraisers to go to. In fact, on the recent campaign, I was going around not just thanking but talking to old friends, and many said: Why are you coming around now? You have already won a wonderful race by a good majority. Why are you coming around now?

I said: I didn't get to see you. I didn't get to talk to you. I could only go to fundraisers.

Mind you me, if you have run, as I have, for the legislature, for Lieutenant Governor, Governor, and the U.S. Senate—I have been elected seven times—at the country store at the crossroads outside of Honea Path on the way into Anderson, they want to know why I didn't come by. So I go by that shift at a mill in Edmund, SC. If I don't get to that 3 o'clock shift, I have "Potomac fever," I have forgotten about the people.

So I know what it is to campaign without money. It is much better than this money chase and the TV squibs about how I am against crime, how I am for education. That crowd over there, they come out for education. They did their best to abolish the Department under President Reagan, under President Bush, under President Clinton. They had the Contract in the mid-1990s, a few years ago, and wanted to abolish the Department of Education. But that is canned now. They are all for education. They are not for it, but they have to identify with it because the company consultants have said so. That is what is going on.

So the people really are bored with all the campaigning because there is nothing to it. You can't get them to take a stand other than they are just for this or that popular thing. They finally found out it was unpopular to try to veto, but they tried for 20 years to abolish the Department of Education. I can tell you because I was here and helped defend it over those 20 years.

But the people have been taken out of the campaign themselves. That is all you have, time to go on the money chase. Obviously, those making the contributions have already made up their mind or they wouldn't have come to the event in the first instance. And you wouldn't have gone to the event except for the money involved.

So there it is. I think that at this particular time, other than citing a dozen variations of the first amendment—or you might say amendments to that first amendment—I think it ought to be emphasized just exactly what has occurred in the words of Justice Kennedy in the Nixon v. Shrink Missouri case. I quote from him:

> The plain fact is that the compromise the Court invented in Buckley set the stage for a new kind of speech to enter the political system. It is covert speech. The Court has forced a substantial amount of political speech underground, as contributors and candidates devise even more elaborate methods of avoiding contribution limits, limits which take no account of rising campaign costs. The preferred method has been to conceal the real purpose of the speech. Soft money may be contributed to political parties in unlimited amounts. . . . Issue advocacy, like soft money, is unrestricted . . . while straightforward speech in the form of financial contributions paid to a candidate, speech subject to full disclosure and prompt evaluation by the public is not. The current system would be unfortunate, and suspect under the First Amendment, had it evolved from a deliberate legislative choice; but its unhappy origins are in our earlier decree in Buckley, which by accepting half of what Congress did (limiting contributions) but rejecting the other (limiting expenditures) created a misshapen system, one which distorts the meaning of speech.

Let me add my comment: And distorts the freedom of speech.

The constitutional amendment will give the opportunity to the U.S. Congress to restore that freedom of speech to all Americans.

We have used over three-quarters of our time, Mr. President, and I have some speakers coming who want to speak when they arrive here at 5 o'clock. So let me suggest the absence of a quorum. I would like to speak to the distinguished leader on the other side to see if I could charge it to him, or certainly not just run the time out in a quorum call and then have 2 hours and no chance to respond. But I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I ask unanimous consent to speak as in morning business for about 10 minutes or less and that the time be counted against the opponents of the legislation. I am told, talking to staff, that is not objectionable.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DODD are located in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I suggest the absence of a quorum.

Mr. HOLLINGS. Mr. President, before we have the quorum, the Senator from Pennsylvania is the principal cosponsor. We have 20 minutes remaining. We have some other speakers coming. I will try to borrow some time from Senator McCONNELL when he regains the floor. I ask unanimous consent that the quorum call then be charged to both sides.

Mr. SPECTER. Mr. President, I have just arrived from Pennsylvania. I am going to take about 3 minutes to prepare a statement. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, again, I join my distinguished colleague from South Carolina, Senator HOLLINGS, in offering a constitutional amendment which, simply stated, would allow the Federal Government, through its Congress, signed by the President, or overriding the Presidential veto, and the State legislatures, in due form according to State law, to enact legislation to limit expenditures and contributions on campaign matters.

In so doing, I would not in any way suggest changing the language of the first amendment, which I consider sacrosanct and have personal reverence for. But in moving for a constitutional amendment on this issue to overturn Buckley v. Valeo, there is no reference here to changing any language of the first amendment, but only to changing the interpretation of the Supreme Court of the United States in Buckley v. Valeo. That decision was extraordinarily complicated. The main portion, which I hold in my hand, runs 145 pages. That is not considering the dissents which were brought. Chief Justice Burger concurred in part and dissented in part, and Justice White concurred in part and dissented in part. Justice Marshall dissented in part. Justice Rehnquist concurred in part and dissented in part. By the time you finish reading the opinion in Buckley v. Valeo, what you find is a constitutional quagmire—a constitutional quagmire which, in the past 25 years, has led to extraordinary litigation and some of the most absurd results in constitutional history.

For example, the controversy has arisen as to what is an advocacy ad and what is an issue ad. The Supreme Court of the United States, in one small paragraph in this lengthy opinion, said that in order to uphold the statute so that it would not be considered vague and therefore violative of the due process clause of the fifth amendment, unconstitutional on grounds of vagueness, that the statute would require specific language, such as "vote for" or "vote against," "support," or "defeat." That has brought about the dichotomy on what is an advocacy ad, which the Supreme Court designed as "vote for," or "vote against," et cetera, or what is an issue ad.

Look at what has happened. In the 1996 campaign, President Clinton put on the following ad, which was deemed to be an issue ad, not an advocacy ad. What I am about to read to you has been interpreted to be just on issues and not urging the election of President Clinton or the defeat of Senator Dole. This is the ad:

> America's values: Head Start, student loans, toxic cleanup, extra police, protected in the budget agreement. The President stood firm. Dole-Gingrich's latest plan includes tax hikes on working families, up to 18 million children facing health care cuts, Medicare slashed $167 billion. Then Dole resigns, leaving behind him the gridlock he and Gingrich created. The President's plan: Politics must wait. Balance the budget. Reform welfare. Protect our values.

It would be hard to conceive an advertisement which was any more emphatic to reelect President Clinton and to defeat Senator Dole. But the exact same pattern was followed by the other side, the Republican National Committee. Listen to the following ad:

> Three years ago, Bill Clinton gave us the largest tax increase in history, including a four-cents-a-gallon increase on gasoline. Bill Clinton said he felt bad about it.

Then there is a videotape of Clinton saying, "People in this room still get mad at me over the budget process because you think I raised your taxes too much. It might surprise you to know that I think I raised them too much." Then President Clinton's face fades out and the announcer comes back on and says, "OK, Mr. President, we are surprised. So now surprise us again. Support Senator Dole's plan to repeal your gasoline tax and learn that actions do speak louder than words." Now how that ad could possibly be interpreted as dealing only with issues and not with the advocacy of Senator Dole's election and the defeat of President Clinton's bid for reelection—I don't like the expression "boggles the mind," but it boggles the mind. But that is the consequence of Buckley v. Valeo.

And, then, referring to a single ad in the election for the year 2000 Presidential—this is a brief statement because of limited time. We could go into many advertisements that are the same, advocating the election of one candidate and the defeat of the other, but because of Buckley v. Valeo are held to be issue ads. This is an unusual one, even in the context of issue ads. This is in the election for the year 2000. This is an advertisement paid for by the Democratic National Committee:

> George W. Bush chose Dick Cheney to help lead the Republican Party. What does Cheney's record say about their plans? Cheney

was only one of eight Members of Congress to oppose the Clean Water Act, one of few to vote against Head Start, and he voted against the school lunch program and against health insurance for people who lost their jobs. Cheney, an oil company CEO, said it was good for OPEC to cut production of oil and gas so prices can rise. What are their plans for working families?

It is obvious that the language just read urges defeat of the candidate, Vice President CHENEY. But how ludicrous is it to say that this could remotely be considered an issue ad when it takes up the Clean Water Act? There has been no debate about the Clean Water Act. It could not possibly be an issue on the American political scene. It talks about the Head Start Program, which has been accepted in America for more than a decade—hardly a matter that relates to an issue—or the school lunch program. Again, it is absolutely ludicrous to say that those matters relate to issue advertisements.

All of this has happened because of the progeny of Buckley v. Valeo. The decision in Buckley is inordinately complicated. As I say, there are 145 pages in the main text before coming to the dissents and concurrences by Chief Justice Burger, Justice White, Justice Marshall, and Justice Rehnquist. And then within the doctrines of their concurring and dissenting opinions, Mr. Justice White concurred in part and dissented in part. This is the start of his opinion:

> I concur in the Court's answers to certified questions 1, 2, 3(b), 3(c), 3(e), 3(f), 3(h), 6, 7, 7(a), 7(b), 7(c), 7(d), 8, 8(a), 8(b), 8(c), 8(d), 8(f).
>
> I dissent from the answers to certify questions 3(a), 3(d), 4(a), and I also join in part three of the court's opinion adding much of parts 1/B II and IV.

It takes a complicated crossword puzzle analysis to go through the opinions and to figure out who agrees with what and who dissents from what and what is the conclusion. If there ever was a constitutional quagmire, this is it.

Regrettably, Justice Stevens did not participate in the decision in Buckley v. Valeo. Justice Stevens has since participated in the decisions on the issue and has articulated the view that the Supreme Court was wrong in Buckley in equating money and speech.

It seems to me to be a non sequitur on its face, to be diplomatic and not to call it absurd, ridiculous, or preposterous, that money equals speech. Yet in a society which comprises democratic rule, one person one vote, where do you end up with the ability of people to spend unlimited sums of money to carry their political point of view? Freedom of speech means that someone can advocate, state, articulate, argue, but it hardly means, in my opinion, that somebody should be weightier in speech because his bank account is weightier. I come to this issue with a little bit of a personal bias, if I may state briefly my own personal experience with Buckley v. Valeo.

In January of 1976, when Buckley v. Valeo was decided, I was in a primary contest with Congressman John Heinz for the Republican nomination for the U.S. Senate. In late January 1976, the Supreme Court of the United States said that Congressman Heinz could spend millions, which he did, and that my brother, Morton Specter—he could not have met the highest financing, but he could have done quite well—was limited to $1,000. I petitioned for leave to intervene in Buckley v. Valeo and to file a brief in Buckley v. Valeo. So I am no Johnny-come-lately to this issue.

When Senator HOLLINGS said to me years ago: ARLEN, why don't we take on Buckley v. Valeo, I understood FRITZ, barely, and we have been fighting this constitutional amendment for years. Senator HOLLINGS, if he were understood totally, would have carried the day a long time ago when he ran for President in 1984. I am pretty sure I have the year right. When the campaign was over, Senator HOLLINGS approached me in the steam room one day and said: My Presidential campaign went nowhere. Everybody thought FRITZ HOLLINGS was a German moving company. FRITZ HOLLINGS.

We have been at this for a long time, and we have not gotten very far. We have not gotten very far because there is a coalition of people who articulate the sanctity of freedom of speech, and there are the people who would like to keep the current finance system in effect to benefit those who can raise the most money or those who have the most money.

While I do not like to repeat myself, it is worth repeating that I would not dream of changing the language of the first amendment, but I would actively argue that because a majority of Supreme Court Justices have interpreted the first amendment as they have in Buckley v. Valeo, their interpretations are not sacrosanct. There are many, many, many Supreme Court decisions which are 5-4. One vote decides some of the most important questions touching the lives of Americans every day. Those are interpretations of the Constitution. They are not holy writ. They do not come from Mount Olympus. They do not come from Mount Sinai. While their opinions may be better than mine, they are not better than Senator HOLLINGS, a very distinguished lawyer and constitutional scholar.

I think we have standing to say: Let's take another look at Buckley v. Valeo. Let's see where it leaves us.

We have had very extended debate during the course of the past week, and now we are starting the second week on campaign finance reform. Continually the issue is raised: What you are proposing is unconstitutional. No matter what it is, which side, the argument is raised that it is unconstitutional.

On Thursday afternoon we had an extensive debate with the Senator from Kentucky, Mr. MCCONNELL, the Senator from Delaware, Mr. BIDEN, the Senator from Tennessee, Mr. THOMPSON, and I, and we were pontificating—I was pontificating; they were giving legal arguments—about what was constitutional and what was not constitutional; what is a bright line to satisfy Buckley v. Valeo. We could all be right or we could all be wrong because the reality is you cannot figure out what Buckley v. Valeo means.

There have been a plethora of decisions I have gone through preparing for these discussions, and this is only a small part of it. It is beyond peradventure a constitutional quagmire.

The Supreme Court of the United States has said the obvious in Buckley, that there is the authority to regulate speech where you have corruption or the appearance of corruption. The appearance of corruption is rank in America today.

We passed a bankruptcy bill the week before last. I thought it was a good bill, and I voted for it. I voted for it because there are many people who are avoiding their debts who can afford to pay their debts. The bankruptcy law has sufficient flexibility so the bankruptcy judge can schedule payments that somebody can afford.

The Senate took a shellacking in the media because of contributions and what was characterized as the appearance of corruption, that Senators votes were bought.

A series of books are cited in the amendment which I offered last week: "The Best Congress Money Can Buy," "Party Finance and Political Corruption." I ask unanimous consent that this list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(A) Backroom Politics: How Your Local Politicians Work, Why Your Government Doesn't, and What You Can Do About It, by Bill and Nancy Boyarsky (1974);

(B) The Pressure Boys: The Inside Story of Lobbying in America, by Kenneth Crawford (1974);

(C) The American Way of Graft: A Study of Corruption in State and Local Government, How it Happens and What Can Be Done About it, by George Amick (1976);

(D) Politics and Money: The New Road to Corruption, by Elizabeth Drew (1983);

(E) The Threat From Within: Unethical Politics and Politicians, by Michael Kroenwetter (1986);

(F) The Best Congress Money Can Buy, by Philip M. Stern (1988);

(G) Combating Fraud and Corruption in the Public Sector, by Peter Jones (1993);

(H) The Decline and Fall of the American Empire: Corruption, Decadence, and the American Dream, by Tony Bouza (1996);

(I) The Pursuit of Absolute Integrity: How Corruption Control Makes Government Ineffective, by Frank Anechiarico and James B. Jacobs (1996);

(J) The Political Racket: Deceit, Self-Interest, and Corruption in American Politics, by Martin L. Gross (1996).

(K) Below the Beltway: Money, Power, and Sex in Bill Clinton's Washington, by John L. Jackley (1996);

(L) End Legalized Bribery: An Ex-Congressman's Proposal to Clean Up Congress, by Cecil Heftel (1998);

(M) Year of the Rat: How Bill Clinton Compromised U.S. Security for Chinese Cash, by Edward Timperlake and William C. Triplett, II (1998);

(N) The Corruption of American Politics: What Went Wrong and Why, by Elizabeth Drew (1999);

(O) Corruption, Public Finances, and the Unofficial Economy, by Simon Johnson, Daniel Kaufmann, and Pablo Zoido-Lobatoon (1999); and

(P) Party Finance and Political Corruption, edited by Robert Williams (2000).

Mr. SPECTER. There is no doubt that the public is concerned about the appearance of corruption. It is my hope that there will be a close look at this issue by those who are interested in campaign finance reform. If someone is not interested in campaign finance reform, then I can understand a vote against this constitutional amendment.

Let's not clear the underbrush of Buckley v. Valeo if someone does not want to have campaign finance reform, but if someone wants to have campaign finance reform—and there are many people who oppose this constitutional amendment on the ground that it is a change of the first amendment—they are simply wrong.

There is no change in the first amendment. There is a change in a majority of the nine people on the Supreme Court who have interpreted the first amendment.

I thank the Chair. I thank my distinguished colleague from South Carolina, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky.

Mr. MCCONNELL. Madam President, the proposal of the Senator from South Carolina to eviscerate the first amendment is as refreshing as it is frightful.

It is a blunt instrument, this proposed amendment to the Constitution. It consists of a simple paragraph repeated twice so that the State governments, as well as Congress, would be empowered to restrict the heretofore sacrosanct, all contributions and spending "by, in support of, or in opposition to candidates for public office." The whole political ballgame: citizen groups, individuals, parties and the candidates.

Unlike the McCain-Feingold, the Hollings constitutional amendment does not include a special exemption for the news and entertainment media.

And unlike the McCain-Feingold debate, the casual observer will not be confused by the campaign finance vocabulary. "Issue advocacy," "express advocacy," "electioneering," "soft money," "hard money"—these terms of art in the McCain-Feingold debate are absent from the Hollings constitutional amendment, which reads simply: "by, in support of, or in opposition to."

Plain English. These eight words in the Hollings constitutional amendment sum up the reformers' agenda for the past quarter-century as they have sought to root out of American political life any speech or activity which could conceivably affect an election or be of value to a politician.

Except the media's speech, of course. McCain-Feingold takes care of them with a special exemption on page 15 of their bill to foreclose prosecution of their "electioneering" in newspapers, on radio and television.

The Hollings amendment reaches right in and rips the heart right out of the First Amendment.

No pretense. No artifice. No question about it. If you believe that the government—federal and state—ought to be omnipotent in their power to restrict all contributions and spending "by, in support of, or in opposition to" candidates for public office . . . then the Hollings amendment is for you.

If you believe that the United States Supreme Court should be taken out of the campaign finance equation, then the Hollings constitutional amendment is for you.

If the Hollings amendment had been in place twenty-five years ago, there would have been no Buckley v. Valeo decision. Congress would have gotten its way in the 1970s: independent expenditures would be capped at $1,000. Any issue advocacy that FEC bureaucrats deem capable of influencing an election would be capped at $1,000.

Citizen groups would have to disclose to the government their donor lists. Sierra Club members who live in small towns out west where environmentalists are not universally revered—and whose need for anonymity has been cited by Sierra Club officials as the reason they keep donor names secret—would have their names publicly listed on a government database, probably the Internet.

All of us politicians' campaigns would be constrained by mandatory spending limits. There would be no "millionaire's loophole" because millionaires would be under the spending limits, too.

There would be no taxpayer financing. It would not be necessary, because spending limits would not have to be voluntary.

That's why the American Civil Liberties Union counsel, Joel Gora, who was part of the legal team in the Buckley case has labeled the Hollings constitutional amendment: a "recipe for repression."

The media—news and entertainment divisions—ought to take note. There is no exemption for them in the Hollings constitutional amendment. No media "loophole." Under the Hollings constitutional amendment, the federal and stage governments could regulate, restrict, even prohibit, the media's own issue advocacy, independent expenditures and contributions. Just so long as the restrictions were deemed "reasonable."

I commend the Senator from South Carolina for offering this amendment, insofar as he lays out on the table just what the stakes are in the campaign finance debate.

To do what the reformers say they want to do—limit "special interest" influence—requires limiting the United States Constitution which gives "special interest"—that is, all Americans—the freedom to speak, the freedom to associate with others in a cause, and the freedom to petition the government for a redress of grievances.

You have to gut the first amendment. You have to throw out on the trash heap that freedom which the U.S. Supreme Court said six decades ago, is "the matrix, the indispensable condition of nearly every other form of freedom."

If you believe McCain-Feingold is constitutional, as its advocates claim it is, then you do not need the Hollings constitutional amendment. In fact, Senator FEINGOLD is against the constitutional amendment.

If you vote for the Hollings constitutional amendment, then you have affirmed what so many of us in and outside of the Senate have been saying: that to do what McCain Feingold's proponents want to do—restrict all spending by, in support of and in opposition to candidates, then you need to get rid of the first amendment. That is the core of the problem.

If you really want to reduce special interest influence on American politics, you need to get rid of the first amendment.

Fortunately, Madam President, this amendment, which Senator HOLLINGS has certainly persevered in offering over the years, continues to lose support. The first time I was involved in this debate back in 1988, it actually passed—bearing in mind it requires 67, a majority, for this amendment—52–42. That rough majority persisted in a second vote in 1988 and then a sense of the Senate vote in 1993.

Then in 1995 the support for it dropped from 52 down to 45 and in 1997 from 45 down to 38, and last year, March 28, 2000, this proposal was defeated 67–33. Only 33 Senators a year ago believed it was appropriate to amend the Constitution for the first time in history to give the Government this kind of power.

One of the reasons this constitutional amendment is growing in unpopularity is that it has a lot of opponents. Common Cause is opposed to it. I ask unanimous consent two letters from Common Cause on the subject be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMON CAUSE,
Washington, DC, March 12, 1997.

DEAR SENATOR: The Senate is expected to vote later this week on a proposed constitutional amendment to provide Congress with the ability to impose mandatory limits on campaign spending, thus overriding a portion of the Supreme Court's 1976 decision in Buckley v. Valeo.

Common Cause opposes the constitutional amendment because it will serve as a diversionary tactic that could prevent Congress from passing campaign finance reform this year. We believe that a constitutional amendment is not necessary in order to achieve meaningful and comprehensive reform.

Under existing Supreme Court doctrine, Congress has significant scope to enact tough and effective campaign finance reform consistent with the Court's interpretation of the First Amendment in Buckley.

The McCain-Feingold bill, S.25, provides for significant reform within the framework of the Buckley decision. The legislation would:

Ban soft money;

Provide reduced postage rates and free or reduced cost television time as incentives for congressional candidates to agree to restrain their spending;

Close loopholes related to independent expenditures and campaign ads that masquerade as "issue advocacy";

Reduce the influence of special-interest political action committee (PAC) money;

Strengthen disclosure and enforcement.

A recent letter to Senators McCain and Feingold from constitutional scholar Burt Neuborne, the Legal Director of the Brennan Center for Justice and a past National Legal Director of the ACLU, sets forth the case that the McCain-Feingold bill is constitutional, Professor Neuborne finds that the key provisions of the bill are within the Court's existing interpretation of the First Amendment, and he thus demonstrates that a constitutional amendment is not necessary to enact reform.

Professor Neuborne concludes that the voluntary spending limits in the McCain-Feingold bill are consistent with the Supreme Court's ruling in *Buckley*. He further concludes that "Congress possesses clear power to close the soft money loophole by restricting the source and size of contributions to political parties. . . ." He also concludes that efforts to close loopholes relating to independent expenditures and so-called "issue ads" are also within Congress existing authority.

It is, therefore, not necessary to amend the Constitution in order to enact meaningful campaign finance reform. Congress has the power, consistent with the First Amendment, to enact comprehensive reform by statute.

A constitutional amendment for campaign finance reform should not be used as a way to delay reform legislation. Typically, amending the Constitution takes years. After both Houses of Congress adopt an amendment by a two-thirds vote, it has to be approved by three-quarters of the state legislatures. Even then, the Congress would still have to take up enacting legislation. This is a lengthy and arduous process.

Congress needs to act now to address the growing scandal in the campaign finance system. Congress can act now—and consitutionally—to adopt major reforms. Congress need not and should not start a reform process that will take years to complete by pursing campaign finance reform through a constitutional amendment. Instead, the Senate should focus its efforts on enacting S.25, comprehensive bipartisan legislation that represents real reform. It is balanced, fair, and should be enacted this year to ensure meaningful reform of the way congressional elections are financed.

Sincerely,

ANN MCBRIDE,
President.

COMMON CAUSE,
Washington, DC, March 23, 1988.

DEAR SENATOR: The Senate is expected to consider shortly S.J. Res. 21, a proposed amendment to the Constitution to give Congress the power to enact mandatory limits on expenditures in campaigns. Common Cause urges you not to support S.J. Res. 21.

The fundamental problems caused by the massive growth in spending for congressional elections and by special interest PAC giving demand effective and expeditious solution. The Senate recently came within a handful of votes of achieving this goal. For the first time since the Watergate period, a majority of Senators went on record in support of comprehensive campaign finance reform legislation, including a system of spending limits for Senate races. It took an obstructionist filibuster by a minority of Senators to block the bill from going forward.

The Senate now stands within striking distance of enacting comprehensive legislation to deal with the urgent problems that confront the congressional campaign finance system. The Senate should not walk from or delay effort. But that is what will happen if the Senate chooses to pursue a constitutional amendment, an inherently lengthy and time-consuming process.

S.J. Res. 21, the proposed constitutional amendment, would not establish expenditure limits in campaigns; it would only empower the Congress to do so. Thus even if two-thirds of the Senate and the House should pass S.J. Res. 21 and three-quarters of the states were to ratify the amendment, it would then still be necessary for the Senate and the House to pass legislation to establish spending limits in congressional campaigns.

Yet it is this very issue of whether there should be spending limits in congressional campaigns that has been at the heart of the recent legislative battle in the Senate. Opponents of S. 2, the Senatorial Election Campaign Act, made very clear that their principal objection was the establishment of any spending limits in campaigns.

So even assuming a constitutional amendment were to be ratified, after years of delay the Senate would find itself right back where it is today—in a battle over whether there should be spending limits in congressional campaigns. In the interim, it is almost certain that nothing would have been done to deal with the scandalous congressional campaign finance system.

There are other serious questions that need to be considered and addressed by anyone who is presently considering supporting S.J. Res. 21.

For example, what are the implications if S.J. Res. 21 takes away from the federal courts any ability to determine that particular expenditure limits enacted by Congress discriminate against our otherwise violate the constitutional rights of challengers?

What are the implications, if any, of narrowing by constitutional amendment the First Amendment rights of individuals as interpreted by the Supreme Court?

We believe that campaign finance reform legislation must continue to be a top priority for the Senate as it has been in the 100th Congress. If legislation is not passed this year, it should be scheduled for early action in the Senate and the House in 1989.

In conclusion, Common Cause strongly urges the Senate to face up to its institutional responsibilities to reform the disgraceful congressional campaign finance system. The Senate should enact comprehensive legislation to establish a system of campaign spending limits and aggregate PAC limits, instead of pursuing a constitutional amendment that will delay solving this fundamental problem for years and then still leave Congress faced with the need to pass legislation to limit campaign spending.

Sincerely,

FRED WERTHEIMER,
President.

Mr. MCCONNELL. The Washington Post is against it, and I ask unanimous consent their editorial opposing it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 6, 1988]

CAMPAIGN SPINACH

Sen. Ernest Hollings was not an admirer of S. 2, the sturdy bill his fellow Democrats tried to pass to limit congressional campaign spending by setting up a system of partial public finance. He agreed to vote for cloture, to break a Republican filibuster, only after Majority Leader Robert Byrd agreed to bring up a Hollings constitutional amendment if cloture failed. Mr. Byrd, having lost on S. 2, is now about to do that.

Right now Congress can't just limit spending and be done with it; the Supreme Court says such legislation would violate the First Amendment. Limits can only be imposed indirectly—for example, as a condition for receipt of public campaign funds. The Hollings amendment would cut through this thick spinach by authorizing Congress to impose limits straightaway. The limits are enticing, but the constitutional amendment is a bad idea. It would be an exception to the free speech clause, and once that clause is breached for one purpose, who is to say how many others may follow? As the American Civil Liberties Union observed in opposing the measure, about the last thing the country needs is "a second First Amendment."

The free speech issue arises in almost any effort to regulate campaigns, the fundamental area of free expression on which all others depend. There has long been the feeling in and out of Congress—which we emphatically share—that congressional campaign spending is out of hand. Congress tried in one of the Watergate reforms to limit both the giving and the spending of campaign funds. The Supreme Court in its Buckley v. Valeo decision in 1976 drew a rather strained distinction between these two sides of the campaign ledger. In a decision that let it keep a foot in both camps—civil liberties and reform—it said Congress could limit giving but not spending (except in the context of a system of public finance). In the first case the court found that "the governmental interest in preventing corruption and the appearance of corruption" outweighed the free speech considerations, while in the second case it did not.

Mr. Hollings would simplify the matter, but at considerable cost. His amendment said, in a recent formulation: "The Congress may enact laws regulating the amounts of contributions and expenditures intended to affect elections to federal offices." But that's much too vague, and so are rival amendments that have been proposed. Ask yourself what expenditures of a certain kind in an election year are not "intended to affect" the outcome? At a certain point in the process, just about any public utterance is.

Nor would the Hollings amendment be a political solution to the problem. Congress would still have to vote the limits, and that is what the Senate balked at this time around.

As Buckley v. Valeo demonstrates, this is a messy area of law. The competing values are important; they require a balancing act. The Hollings amendment, in trying instead to brush the problem aside, is less a solution than a dangerous show. The Senate should vote it down.

Mr. McCONNELL. No surprisingly, George Will is opposed to it, and I ask unanimous consent two editorials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 13, 1997]

GOVERNMENT GAG

(By George F. Will)

"To promote the fair and effective functioning of the democratic process, Congress, with respect to elections for federal office, and States, for all other elections, including initiatives and referenda, may adopt reasonable regulations of funds expended, including contributions, to influence the outcome of elections, provided that such regulations do not impair the right of the public to a full and free discussion of all issues and do not prevent any candidate for elected office from amassing the resources necessary for effective advocacy.

"Such governments may reasonably define which expenditures are deemed to be for the purpose of influencing elections, so long as such definition does not interfere with the right of the people fully to debate issues.

"No regulation adopted under this authority may regulate the content of any expression of opinion or communication."—Proposed amendment to the Constitution

Like the imperturbable Sir Francis Drake, who did not allow the Spanish Armada's arrival off England to interrupt a game of bowling, supposed friends of the First Amendment are showing notable sang-froid in the face of ominous developments. Freedom of speech is today under more serious attack than at any time in at least the last 199 years—since enactment of the Alien and Sedition Acts. Actually, today's threat, launched in the name of political hygiene, is graver than that posed by those acts, for three reasons.

First, the 1798 acts, by which Federalists attempted to suppress criticism of the government they then controlled, were bound to perish with fluctuations in the balance of partisan forces. Today's attack on free speech advances under a bland bipartisan banner of cleanliness.

Second, the 1798 acts restricted certain categories of political speech and activities, defined, albeit quite broadly, by content and objectives. Today's enemies of the First Amendment aim to abridge the right of free political speech generally. It is not any particular content but the quantity of political speech they find objectionable,

Third, the 1798 acts had expiration dates and were allowed to expire. However, if today's speech-restrictors put in place their structure of restriction (see above), its anticonstitutional premise and program probably will be permanent.

Its premise is that Americans engage in too much communication of political advocacy, and that government—that is, incumbents in elective offices—should be trusted to decide and enforce the correct amount. This attempt to put the exercise of the most elemental civil right under government regulation is the most frontal assault ever mounted on the most fundamental principle of the nation's Founders.

The principle is that limited government must be limited especially severely concerning regulation of the rights most essential to an open society. Thus the First Amendment says "Congress shall make no law . . . abridging the freedom of speech," not "Congress may abridge the freedom of speech with such laws as Congress considers reasonable."

The text of the proposed amendment comes from Rep. Richard Gephardt, House minority leader, who has the courage of his alarming convictions when he says: "What we have is two important values in conflict: freedom of speech and our desire for healthy campaigns in a healthy democracy. You can't have both."

However, he also says: "I know this is a serious step to amend the First Amendment. . . . But . . . this is not an effort to diminish free speech." Nonsense. Otherwise Gephardt would not acknowledge that the First Amendment is an impediment.

The reformers' problem is the Supreme Court, which has affirmed the obvious: Restrictions on the means of making speech heard, including spending for the dissemination of political advocacy, are restrictions on speech. It would be absurd to say, for example: "Congress shall make no law abridging the right to place one's views before the public in advertisements or on billboards but Congress can abridge—reasonably, of course—the right to spend for such things.

Insincerity oozes from the text of the proposed amendment. When Congress, emancipated from the First Amendment's restrictions, weaves its web of restraints on political communication, it will do so to promote its understanding of what is the "fair" and "effective" functioning of democracy, and "effective" advocacy. Yet all this regulation will be consistent with "the right of the people fully to debate issues," and with "full and free discussion of all issues"—as the political class chooses to define "full" and "free" and the "issues."

In 1588 England was saved not just by Drake but by luck—the "Protestant wind" that dispersed the Armada. Perhaps today the strangely silent friends of freedom—why are not editorial pages erupting against the proposed vandalism against the Bill of Rights?—are counting on some similar intervention to forestall today's "reformers," who aim not just to water the wine of freedom but to regulate the consumption of free speech.

[From the Washington Post, Apr. 2, 2000]

IMPROVING THE BILL OF RIGHTS

(By George F. Will)

Last week Washington was a sight to behold. Two sights, actually, both involving hardy perennials. The city was a riot of cherry blossoms. And senators were again attacking the First Amendment.

Thirty-three senators—30 Democrats and three Republicans—voted to amend the First Amendment to vitiate its core function, which is to prevent government regulation of political communication. The media generally ignored this: Evidently assaults on the First Amendment are now too routine to be newsworthy. Besides, most of the media favor what last week's attack was intended to facilitate, the empowerment of government to regulate political advocacy by every individual and group except the media.

The attempt to improve Mr. Madison's Bill of Rights came from Fritz Hollings, the South Carolina Democrat, who proposed amending the First Amendment to say Congress or any state "shall have power to set reasonable limits on the amount of contributions that may be accepted, and the amount of expenditures that may be made by, in support of, or in opposition to, a candidate for nomination for election to, or for election to, federal office."

So, this license for politicians to set limits on communication about politicians requires that the limits be, in the judgment of the politicians, "reasonable." Are you reassured? Hollings, whose candor is as refreshing as his amendment is ominous, says, correctly, that unless the First Amendment is hollowed out as he proposes, the McCain-Feingold speech-regulation bill is unconstitutional.

Fuss Feingold, the Wisconsin Democrat who is John McCain's co-perpetrator, voted against Hollings in order to avoid affirming that McCain-Feingold is unconstitutional. McCain voted with Hollings.

The standard rationale for regulating the giving and spending that is indispensable for political communication is to avoid "corruption" or the appearance thereof. Hollings, who has been a senator for 33 years, offered a novel notion of corruption. He said the Senate under Montana's Mike Mansfield (who was majority leader 1961–76) used to work five days a week. But now, says Hollings, because of the imperatives of fund-raising, "Mondays and Fridays are gone" and "we start on the half day on Tuesdays," and there are more and longer recesses. All of which, says Hollings, constitutes corruption.

Well. The 94th Congress (1975–76), Mansfield's last as leader, was in session 320 days and passed 1,038 bills. The 105th Congress (1997–98) was in session 296 days and passed 586 bills. The fact that 22 years after Mansfield's departure there was a 7.5 percent reduction in the length of the session but a 43.5 percent reduction in legislative output is interesting. But it is peculiar to think that passing 586 bills in two years—almost two bills every day in session—is insufficient. Is the decline in output deplorable, let alone a form of corruption, and hence a reason for erecting a speech-rationing regime?

The Framers of the First Amendment were not concerned with preventing government from abridging their freedom to speak about crops and cockfighting, or with protecting the expressive activity of topless dancers, which of late has found some shelter under the First Amendment. Rather, the Framers cherished unabridged freedom of political communication. Last week's 33 votes in favor of letting government slip Mr. Madison's leash and regulate political talk were 34 fewer than the required two-thirds, and five fewer than Holling's amendment got in 1997. Still, every time at least one-third of the Senate stands up against Mr. Madison, it is, you might think, newsworthy.

Last week's campaign reform follies included a proposal so bizarre it could have come only from a normal person in jest, or from Al Gore in earnest. He proposes to finance all congressional and Senate races from an "endowment" funded with $7.1 billion (the .1 is an exquisite Gore flourish) in tax deductible contributions from individuals and corporations.

An unintended consequence of Gore's brainstorm would be to produce, in congressional races across the country, spectacles like that in the Reform Party today—federal money up for grabs, and the likes of Pat Buchanan rushing to grab it. But would money flow into the endowment?

With the scary serenity of a liberal orbiting reality, Gore says: "The views of the donor will have absolutely no influence on the views of the recipient." Indeed, but the views of particular recipients also would be unknown to particular donors because all money pour into and out of one pool. So what would be the motive to contribute?

Still, Gore has dreamt up a new entitlement (for politicians) to be administered by a new bureaucracy—a good day's work for Gore.

Mr. McCONNELL. The ACLU, of course, is opposed to it. I ask their letter in opposition be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN CIVIL LIBERTIES UNION,
Washington, DC, March 24, 2000.

DEAR SENATOR: The American Civil Liberties Union strongly opposes S.J. Res. 6, the proposed constitutional amendment that permits Congress and the states to enact laws regulating federal campaign expenditures and contributions.

Whatever one's position may be on campaign finance reform and how best to achieve it, a constitutional amendment of the kind here proposed is not the solution. Amending the First Amendment for the first time in our history in the way that S.J. Res. 6 proposes would challenge all pre-existing First Amendment jurisprudence and would give to Congress and the states unprecedented, sweeping and undefined authority to restrict speech protected by the First Amendment since 1791.

Because it is vague and over-broad, S.J. Res. 6 would give Congress a virtual "blank check" to enact any legislation that may abridge a vast array of free speech and free association rights that we now enjoy. In addition, this measure should be opposed because it provides no guarantee that Congress or the states will have the political will, after the amendment's adoption, to enact legislation that will correct the problems in our current electoral system. This amendment misleads the American people because it tells them that only if they sacrifice their First Amendment rights, will Congress correct the problems in our system. Not only is this too high a price to demand in the name of reform, it is unwise to promise the American people such an unlikely outcome.

Rather than assuring that the electoral processes will be improved, a constitutional amendment merely places new state and federal campaign finance law beyond the reach of First Amendment jurisprudence. All Congress and the states would have to demonstrate is that its laws were "reasonable." "Reasonable" laws do not necessarily solve the problems of those who are harmed by or locked out of the electoral process on the basis of their third party status, lack of wealth or non-incumbency. The First Amendment properly prevents the government from being arbitrary when making these distinctions, but S.J. Res. 6 would enable the Congress to set limitations on expenditures and contributions notwithstanding current constitutional understandings.

Once S.J. Res. 6 is adopted, Congress and local governments could easily further distort the political process in numerous ways. Congress and state governments could pass new laws that operate to the detriment of dark horse and third party candidates. For example, with the intention of creating a "level playing field" Congress could establish equal contribution and expenditure limits that would ultimately operate to the benefit of incumbents who generally have higher name recognition, greater access to their party apparatus and more funds than their opponents. Thus, rather than assure fair and free elections, the proposal would enable those in power to perpetuate their own power and incumbency advantage to the disadvantage of those who would challenge the status quo.

S.J. Res. 6 would also give Congress and every state legislature the power, heretofore denied by the First Amendment, to regulate the most protected function of the press—editorializing. Print outlets such as newspapers and magazines, broadcasters, Internet publishers and cable operators would be vulnerable to severe regulation of editorial content by the government. A candidate-centered editorial, as well as op-ed articles or commentary printed at the publisher's expense are most certainly expenditures in support of or in opposition to particular political candidates. The amendment, as its words make apparent, would authorize Congress to set reasonable limits on the expenditures by the media during campaigns, when not strictly reporting the news. Such a result would be intolerable in a society that cherishes the free press.

Even if the Congress exempted the press from the amendment, what rational basis would it use to distinguish between certain kinds of speech? For example, why would it be justified for Congress to allow a newspaper publisher to run unlimited editorials on behalf of a candidate, but to make it unlawful for a wealthy individual to purchase a unlimited number of billboards for the same candidate? Likewise, why would it be permissible for a major weekly newsmagazine to run an unlimited number of editorials opposing a candidate, but impermissible for the candidate or his supporters to raise or spend enough money to purchase advertisements in the same publication? At what point is a journal or magazine that is published by an advocacy group different from a major daily newspaper, when it comes to the endorsement of candidates for federal office? Should one type of media outlet be given broader free expression privileges than the other? Should national media outlets have to abide for fifty different state and local standards for expenditures? These are questions that Congress has not adequately addressed or answered.

Moreover, the proposed amendment appears to reach not only expenditures by candidates or their agents but also the truly independent expenditures by individual citizens and groups—the very speech that the First Amendment was designed to protect.

If Congress or the states want to change our campaign finance system, then it need not throw out the First Amendment in order to do so. Congress can adopt meaningful federal campaign finance reform measures without abrogating the First Amendment and without contravening the Supreme Court's decision in Buckley v. Valeo. Some of these reform measures include:

Public financing for all legally qualified candidates—financing that serves as a floor, not a ceiling for campaign expenditures;

Extending the franking privilege to all legally qualified candidates;

Providing assistance to candidates for broadcasting advertising;

Improving the resources for the FEC so that it can provide timely disclosure of contributions and expenditures;

Providing resources for candidate travel.

Rather than argue for these proposals, many members of Congress continue to propose unconstitutional measures, such as the McCain/Feingold bill that are limit-driven methods of campaign finance reform that place campaign regulation on a collision course with the First Amendment. Before Senators vote to eliminate certain First Amendment rights, the ACLU urges the Congress to consider other legislative options, and to give these alternatives its considered review through the hearing and mark-up processes.

The ACLU urges Senators to oppose S.J. Res. 6. As Joel Gora, Professor of Law of the Brooklyn Law School recently stated, "This constitutional amendment is a recipe for repression."

Sincerely,

LAURA W. MURPHY.

Mr. McCONNELL. The Cato Institute is opposed. I ask unanimous consent its letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE CATO INSTITUTE,
Washington, DC, March 24, 2000.

Hon. MITCH McCONNELL,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR CHAIRMAN McCONNELL: Your office has invited my brief thoughts on S.J. Res. 6, offered by Senator Hollings for himself and Senators Specter, McCain, and Bryan, which proposes an amendment to the Constitution of the United States that would grant power to the Congress and the States "to set reasonable limits on the amount of contributions that may be accepted by, and the amount of expenditures that may be made by, in support of, or in opposition to, a candidate for nomination for election to, or for election to," any federal, state, or local office.

It is my understanding that on Monday next, Senator Hollings is planning to offer this resolution as an amendment to the flag-burning amendment now before the Senate. For my thoughts on the proposed flag-burning amendment, please see the testimony I have given on the issue, as posted at the website of the American Civil Liberties Union, and the op-ed I wrote for the Washington Post, copies of which are attached.

Regarding the proposed campaign finance amendment, I am heartened to learn that those who want to "reform" our campaign finance law are admitting that a constitutional amendment is necessary. But that very admission speaks volumes about the present unconstitutionality of most of the proposals now in the air. It is not for nothing that the Founders of this nation provided explicitly for unrestrained freedom of political expression and association—which includes, the Court has said, the right to make political contributions and expenditures. They realized that governments and government officials tend to serve their own interests, for which the natural antidote is unfettered political opposition—in speech and in the electoral process.

In the name of countering that tendency this amendment would restrict its antidote. It is a ruse—an unvarnished, transparent effort to restrict our political freedom and, by implication, the further freedoms that freedom ensures. That it is dressed in the gossamer clothing of "reform" only compounds the evil—even as it exposes its true character. If the true aim of this amendment is incumbency protection, then let those who propose it come clean. Otherwise, they must be challenged to show why the experience of previous "reforms" will not be repeated in this case too. Given the evidence, that will not be an enviable task.

Fortunately, candor is still possible in this nation. This is an occasion for it. I urge you to resist this amendment with the forces that candor commands.

Yours truly,

ROGER PILON.

Mr. McCONNELL. Other countries tried to do what the distinguished Senator from South Carolina seeks to do, other countries unfettered by the first amendment. They don't have the problem we have in trying to restrict the speech of their citizens. A quick glance around the world makes clear that more government control of speech in the places where it is allowed is not the answer.

The first amendment distinguishes us from the rest of the world. The first amendment allows the citizens—not the government; the citizens, not the government—to control speech. Consequently, much of the rest of the world has restricted political speech far more than we have in the United States. Reformers abroad, as those at home, seek to reduce cynicism about the government and increase voter participation. With no first amendment in these other countries to get in the way, the reformers have been able to enact sweeping reforms.

Let me share with my colleagues some of the other countries' experience. Canada, our neighbor to the north, has passed many of the types of regulations supported by those supporting McCain-Feingold. Canada has adopted the following regulations of political speech: A spending limit that all national candidates must abide by to be eligible to receive taxpayer matching funds. Candidates can spend $2 per voter for the first 15,000 votes they get, and $1 per voter for all the votes up to 25,000, and 50 cents per voter beyond 25,000 voters.

There are spending limits on parties that restrict parties to spending a product of a multiple used to account for the cost of living times the number of registered voters in each electoral district in which the party has a candidate running for office. It comes out now to about $1 a voter.

The Canadian Government requires that radio and television stations provide all parties with a specified amount of free time during the month prior to the election. The Government also provides subsidies to defray the cost of political publishing and gives tax credits to individuals and corporations which donate to candidates and/or parties.

The most recent political science studies of Canada demonstrate, despite all of this regulation of political speech by candidates and parties, the number of Canadians who believe the Government doesn't care what people such as I think has grown from roughly 45 percent to approximately 67 percent. Confidence in the national legislature has declined from 49 percent to 21 percent, and the number of Canadians satisfied with their system of government has declined from 51 percent to 34 percent.

If you think the Canadians have gotten a handle on speech, let me tell you about the Japanese. In order to try to squeeze all that opinion out of politics, the Japanese Government limits the number of days you can campaign, the number of speeches you can give, the types of places you can speak, the number of handbills and bumper stickers you can print, and even the number of megaphones you can buy. They allow each candidate to have one megaphone. So I think we can pretty safely say that over in Japan, unfettered buying, anything like the first amendment, they have squeezed all that money right out of politics.

What has been the result? The number of Japanese citizens who have "no confidence in legislators" has risen to 70 percent and voter turnout has continued to decline.

Let's take a look at another country that has passed these kinds of sweeping restraints on citizens' speech—France. In France, they have government funding of candidates, government funding of parties, free radio and television time, reimbursement for printing posters and for campaign-related transportation. They ban contributions to candidates by any entity except parties and political action committees. Individual contributions to parties are limited, and there are strict expenditure limits set for each electoral district and frequent candidate auditing.

Despite these regulations, the latest political science studies in France indicate that the French people's confidence in their government and political institutions has continued to decline and voter turnout has continued to decline.

Let's take a look at Sweden. Sweden has imposed the following regulations on political speech. In Sweden, there is no fundraising or spending at all for individual candidates. Citizens merely vote for parties which assign seats on the proportion of the votes they receive. The government subsidizes print ads by parties. Despite the fact that Sweden has no fundraising or spending for individual candidates since these requirements have been in force, the number of Swedes disagreeing with the statement that "parties are only interested in people's votes, not in their opinions" has declined from 51 percent to 28 percent. The number of people expressing confidence in the Swedish Parliament has declined from 51 percent to 19 percent.

So my point is this: There are some countries that are unfettered, unburdened, if you will, by the free speech requirements of the first amendment, and they have gone right at the heart of this problem in a way that would warm the heart of the most aggressive reformer. They have squeezed all this money and all this speech right out of the system. All it has done is driven the cynicism up and the turnout down.

Even if all of these restrictions had been a good idea someplace in the world, they clearly are not a good idea here. I hope the trend on the Hollings constitutional amendment will continue. It is a downward trend. Last March only 33 Members of the Senate supported this constitutional amendment, and I hope that will be the high-water mark.

I believe Senator HATCH is here. He is controlling the time on this issue. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Utah is recognized.

Mr. HATCH. Madam President, I rise this afternoon to address, as I have in prior years, the Constitutional Amendment to limit campaign contributions and expenditures that my colleague from South Carolina has once again brought to the Senate floor.

Two election cycles have come and gone since this amendment was first debated in this chamber. And, unfortunately, these last two elections have shown that money remains as big—or an even bigger—part of our campaigns as it was when this Amendment was first introduced.

I know that most in this body deplore the role of money in the electoral process. And, Mr. President, I believe that the debate in this chamber over the last week has plainly shown that each of us would vote in favor of a solution that would, in a fair, even-handed, and constitutional way, reduce the role of money in campaigns.

But as I noted in the debate over this same amendment in 1997, there is a right way of reforming our system of campaign finance. And, there are wrong ways.

While I certainly sympathize with the sentiments that have motivated my colleagues to introduce this proposal, I submit that circumscribing the First Amendment of our Constitution is simply the wrong way to address campaign finance reform. I also think the McCain-Feingold bill in fringes upon the First Amendment, and that is what the distinguished Senator from South Carolina is trying to resolve with his amendment, which would be the only way, it seems to me, of resolving this matter in a way that ultimately the people who are supporting the McCain-Feingold bill would like to do.

The proposal we are debating today would amend the Constitution to allow Congress and the States to set any "reasonable" limits on (1) campaign contributions made to a candidate and

(2) expenditures in support or opposition to a candidate made by the candidate or on behalf of the candidate.

Why do I oppose this amendment?

For the first time in the history of this Republic this amendment would put an express limitation on one of the bulwark protections that has defined and strengthened this great nation for over two centuries—the First Amendment of the United States Constitution.

And perversely, we would not be seeking to limit this important safeguard of our liberty in order to eliminate speech that is on the margin of the First Amendment protection.

We would not be seeking to eliminate speech that deeply offends the majority of our citizens, such as the so-called speech involved in the desecration of our national symbols.

We would not be seeking to eliminate speech that malevolently capitalizes on the unhealthy historical divisions within our society, such as racially motivated "hate speech."

We would not be seeking to eliminate speech that insidiously corrupts the morals of our children, such as pornography.

No. Ironically, the first category of speech singled out for regulation by this proposal is the category of speech that is universally recognized as being at the core of the First Amendment protection: the right to engage in unfettered debate about political issues.

What the supporters of today's proposal often fail to emphasize is that the money involved in electoral campaigns does not end up in the pockets of the candidates. And it is not thrown into some black hole.

The money spent by campaigns, or by third parties in an effort to influence campaigns, is directed toward one simple aim: to express a particular message.

Money may be spent by a candidate to take out a newspaper advertisement setting forth his or her positions on the issues.

Money may be spent by an interest group on a television advertisement to publicize the voting record of an incumbent.

Money may be spent by a concerned individual to fund a study on how certain legislation would affect similarly situated people. In each case, the goal is the same: to educate and/or influence the electorate with respect to political issues.

Supporters of today's proposal believe that there is too much of this political debate. As a result, supporters of this proposal would curtail the First Amendment to allow Congress and the state legislatures to place limits on the amount of political debate that will be allowed in connection with an election.

If this amendment passes, will a person still be allowed to say, "Vote against Senator X"? Yes, they will.

Will that person be able to print a handbill that says "Vote against Senator X"? Only if the government decides that such an expenditure is "reasonable."

Will that person be able to take out an advertisement in a local newspaper that says, "Vote against Senator X"? Only if the Government decides that such an expenditure is reasonable.

How is Congress to decide whether such expenditures are reasonable? The proposal we are debating today is silent on that subject. I would note, however, that Senator X would be one of the lawmakers responsible for deciding whether, and under what circumstances, such expenditures would be allowed.

In effect, today's proposal would allow Congress and the state legislatures to censor speech for just about any reason, as long as they could establish that their censorship was "reasonable." The free speech rights of all Americans would be subject to the vagaries and passions of fleeting majorities. If there was anything our Founding Fathers really were concerned about and alarmed about, that is a pure majoritarian type of rule in the country.

The Hollings Amendment would change the very nature of our constitutional democratic form of government. By limiting robust political debate, the amendment would tilt the scales sharply in favor of incumbents, who benefit from limitations on debate because of their higher name recognition and their ability to direct governmental benefits to their home districts. Such advantages would only be magnified by permitting incumbents to decide what type of political speech is "reasonable" in connection with the efforts by challengers to unseat them.

I would like to take a couple of minutes to explain in greater depth what the dangers of this Constitutional amendment are:

Let me start with the importance of the first amendment to free elections.

The very purpose of the First Amendment's free speech clause is to ensure that the people's elected officials effectively and genuinely represent the public. The Founders of our country certainly understood the link between free elections and liberty. Representative government—with the consent of the people registered in periodic elections—was—to these leaders of our new nation—the primary protection of natural or fundamental rights. As Thomas Jefferson put it in the Declaration of Independence, to secure rights "Governments are instituted among Men" and must derive "their just Powers from the Consent of the Governed."

The nexus between free elections and free speech was equally understood. As Jefferson said:

> Were it left to me to decide whether we should have a government without newspapers, or newspapers without government, I should not hesitate a moment to prefer the latter.

[Letter from Thomas Jefferson to Edward Carrington (January 16, 1787), reprinted in 5 The Founder's Constitution 122 (P. Kurland & R. Lerner ed., 1987)].

Without free speech, there can be no government based on consent because such consent can never be truly informed. Obviously, we would have no democracy at all if the government were allowed to silence people's voices during an election. It is especially important to our democracy that we protect a person's right to speak freely during an electoral campaign—because it is through elections that the fundamental issues of our democracy are most thoroughly debated, and it is through our elections that the leaders of our democracy are put in place to carry out the people's will.

No. 2, the amendment will overturn the Buckley case.

The Supreme Court of the United States recognized this fundamental principle of democracy in the 1976 case of Buckley v. Valeo. In that case, the Court held:

> Discussion of public issues and debate on the qualifications of candidates are integral to the operation of the system of government established by our Constitution. The First Amendment affords the broadest protection to such political expression in order to assure the unfettered interchange of ideas. . . [Buckley v. Valeo, 424 U.S. at 14].

Moreover, the Court in Buckley recognized that free speech is meaningless unless it is effective. During a campaign, not only does a person have the right to speak out on candidates and issues, a person also has the right to speak out in a manner that will be heard. The right to speak would have little meaning if the government could place crippling controls on the means by which a person was permitted to communicate his message. For instance, the right to speak would have little meaning if a person was required to speak in an empty room with no one listening.

And in today's society, the right to speak would have little meaning if a person were required to forego television, radio, and other forms of mass media, and was instead forced to go door to door to impart his message solely by word of mouth. Accordingly, the Supreme Court in Buckley v. Valeo, and in a string of subsequent cases, has consistently ruled that campaign contributions and expenditures are constitutionally protected forms of speech, and that regulation of campaign contributions and expenditures must be restrained by the prohibitions of the First Amendment.

The Buckley Court made a distinction between campaign contributions and campaign expenditures. The Court found that the free speech concerns inherent in campaign contributions are less than in campaign expenditures because contributions convey only a generalized expression of support. But expenditures are another matter. These are given higher First Amendment protection because they are direct expressions of speech.

In the words of the Buckley Court:

> A restriction on the amount of money a person or group can spend necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating in today's mass society requires the expenditure of money. [424 U.S. at 19–20].

The Hollings Amendment's allowance of restrictions on expenditures by Congress and state legislatures would impose direct and substantial restraints on the quantity of political speech. It would permit significant limitations on both individuals and groups from spending money to disseminate their own ideas as to which candidate should be supported and what cause is just. The Supreme Court noted that such restrictions on expenditures, even if "neutral as to the ideas expressed, limit political expression at the core of our electoral process and of the First Amendment freedoms." [Buckley at 39].

Indeed, under the Hollings proposal, even candidates could be restricted from engaging in protected First Amendment expression. Justice Brandeis observed, in Whitney v. California, [274 U.S. 357, 375 (1927)], that in our republic, "public discussion is a political duty," and that duty will be circumscribed where a candidate is prevented from spending his or her own money to spread the electoral message. That a candidate has a First Amendment right to engage in public issues and advocate particular positions was considered by the Buckley Court to be of:

> particular importance . . . candidates [must] have the unfettered opportunity to make their views known so that the electorate may intelligently evaluate the candidates' personal qualities and their positions on vital public issues before choosing among them on election day. 424 U.S. at 53.

Campaign finance reform should not be at the expense of free speech. This amendment—in trying to reduce the costs of political campaigns—could cost us so much more. It could cost us our heritage of political liberty.

Groups as diverse as the ACLU and the Heritage Foundation have united in their opposition to this constitutional amendment. The ACLU calls the amendment a "recipe for repression" and the Heritage Foundation characterizes it as an abridgement of our "fundamental liberty."

Mr. President, there are some who may believe that the First Amendment is inconsistent with campaign finance reform. I strongly disagree.

In fact, just the opposite is true. It is impossible to have healthy campaigns in a healthy democracy without freedom of speech as it is currently protected by our First Amendment. That is why I oppose the Hollings Amendment.

No. 3, the amendment will blur the distinction between express and issue advocacy.

This proposed constitutional amendment is so broad that it would also blur the distinction between express advocacy and issue advocacy.

The Supreme Court in Buckley held that any campaign finance limitations apply only to "communications that in express terms advocate the election or defeat of a clearly identified candidate for federal office." [Buckley, 424 U.S. at 44]. Communications without these electoral advocacy terms have subsequently been classified by courts as "issue advocacy" entitled to full First Amendment strict scrutiny protection.

This constitutional amendment is drafted in such a manner that pure issue advocacy will be swept up in regulation. In fact, the Amendment is so broad that it would allow regulation of political speech, even if such speech doesn't refer to a particular candidate. If a statement implies that a candidate is for or against an issue, that speech could fall under expenditure limits authorized by this provision.

This is a compete reversal of the "bright line" test established by the Supreme Court that protects issue advocacy from regulation unless it uses words that expressly advocate the election or defeat of a clearly identified candidate. It is also a complete reversal of the view now encompassed in law that government has no real interest in restricting the free flow of speech and ideas.

Now, supporters of this constitutional amendment may tell us that they are all for ending the distinction imposed by Buckley between express advocacy and issue advocacy and that it is in practice unworkable. Well, they are in part right. Sometimes it is a hard line to draw. But this "bright line" test does have the great benefit that if error exists, it falls on the side of free speech.

Look, nothing in this world is perfect, particularly in the world of campaigns and politics. So if we err, if we make mistakes, doesn't make sense to create a system where the mistake results in the over-protection of a fundamental constitutional right?

If we believe that the distinction between issue and express advocacy is unworkable, then the solution is to protect both under the strictest of safeguards. Each, in my view, should have the highest First Amendment protection—and I believe that this is the direction that the Supreme Court will eventually take.

I believe the adoption of this constitutional amendment is wrong.

Amending the Constitution should not be done lightly. And amending the First Amendment should only be done for the most compelling, exigent reasons. These reasons are not present.

If S.J. Res. 4 were ratified, pre-existing first amendment jurisprudence would be overturned and Congress and the States would have unprecedented, sweeping and undefined authority to restrict speech currently protected by the first amendment.

This constitutional amendment places State and Federal campaign finance law beyond the reach of first amendment jurisprudence. All that Congress and the States would have to demonstrate to the Court is that their laws restricting political speech were "reasonable." No longer would Congress have to demonstrate a "compelling interest" in order to infringe on our citizens first amendment liberties.

If S.J. Res. 4 is adopted, Congress and State legislatures could easily distort the political process. Indeed, the ACLU, not an institution that I always agree with, in reflecting on a nearly identical proposed constitutional amendment in 1997, noted that incumbents could pass laws virtually guaranteeing their reelection. I quote:

> Congress and state governments could pass new laws that operate to the detriment of dark-horse and third party candidates. For example, with the intention of creating a "level playing field" Congress could establish equal contribution and expenditure limits that would ultimately operate to the benefit of incumbents who generally have a higher name recognition than their opponents, and who are often able to do more with less funding. Thus, rather than assure fair and free elections, the proposal would enable those in power to perpetuate their own power and incumbency advantage to the disadvantage of those who would challenge the status quo.

Moreover, ratification of this constitutional amendment could very well destroy the freedom of the press. Let me quote the ACLU again:

> [The Amendment] would also give Congress and every state legislature the power, heretofore denied by the First Amendment, to regulate the most protected function of the press—editorializing. Print outlets such as newspapers and magazines, broadcasters, Internet publishers and cable operators would be vulnerable to severe regulation of editorial content by the government. A candidate-centered editorial, as well as op-ed articles or commentary printed at the publisher's expense are most certainly expenditures in support of or in opposition to particular political candidates. The amendment, as its words make apparent, would authorize Congress to set reasonable limits on the expenditures by the media during campaigns, when not strictly reporting the news. Such a result would be intolerable in a society that cherishes the free press.

Let me point out again that the proposed amendment appears to reach not only expenditures by candidates but also independent expenditures by individual citizens and groups. These independent expenditures are the very type of speech that the first amendment was designed to protect.

Madam President, I am sure the authors of this amendment are very sincere and that they mean well by the amendment. I have no doubt about that. I know my colleague from South Carolina, and he is a good man and a fine Senator. I think he probably believes that no Congress of the United States would go beyond certain reasonable limits and neither would any State legislature.

But what guarantees do we have, should this amendment pass, that a bunch of radicals would not be able to take control of the House and Senate or respective State legislatures? And if they do, how are we going to be assured that the Supreme Court will set things right if this amendment passes and becomes part of the Constitution?

I would hope that people elected to the Congress would never act inappropriately. I would hope that people elected to State legislatures would never act inappropriately or that they would not act so as to take away basic fundamental rights of people. But if this amendment passes, there is no guarantee that we will not someday have that type of radicalness that will take over in some States first and then ultimately perhaps even in the Congress.

There is a wide disparity of beliefs sometimes between the far left and the far right over what are fundamental rights. I have to tell you, if either of them really got control, under this amendment it could be a real mess.

Plus, this amendment basically, it seems to me, makes it very difficult for those who are challenging incumbents to be able to make a challenge that really the first amendment anticipates they should be permitted to make.

I have talked long enough. For reasons I have set forth this afternoon, it is my view that adoption and ratification of this amendment would fundamentally change our constitutional Republic. The censorship power of government would inalterably be enlarged. Free speech and free elections would be endangered. As sincerely brought as this amendment is, I still believe it is a very dangerous amendment in the overall scope of things. Perhaps if we had 100 people exactly like the distinguished Senator from South Carolina, this amendment would work just as well as could be. But I do not think we can always rely on that. I am concerned about that. Plus, I do not think that you should take away rights that really are speech rights when it comes to elections.

In contrast, of course, I am the author of the constitutional amendment to permit Congress to ban the physical desecration of our flag. A number of times this Congress has passed legislation, with overwhelming support, to stop that, but each time it has been declared unconstitutional.

Frankly, I do not believe that urinating on our flag or desecrating our flag by somebody defecating on it or by burning it, that that is what you would call speech, but that is what the Supreme Court has said. In that case, we do need a constitutional amendment.

Unlike the Hollings amendment, the flag amendment would not affect the first amendment.

Some have suggested that my opposition to the Hollings amendment is inconsistent with my strong support for the flag protection amendment. Nothing could be further from the truth:

Unlike the Hollings amendment, the flag protection amendment simply restores the first amendment to what it meant before two recent 5-to-4 Supreme Court decisions. Before the 1989 Texas v. Johnson case and the 1990 United States v. Eichman decision, the U.S. Supreme Court and numerous state supreme courts had upheld laws punishing flag desecration as compatible with both the letter and the spirit of the first amendment. Such laws had been on the books for most of this country's 200-year history.

The flag protection amendment respects the difference between pure political speech and physical acts. It is extremely narrow, allowing Congress only the power "to prohibit the physical desecration of the flag of the United States." Any law passed pursuant to the amendment could extend no further than a ban on acts of physical desecration, and would not affect anyone's ability to participate in the political process.

Unlike political contributions, the physical ruination of a flag adds nothing to political discourse. Whether good or bad, the reality of modern American politics is that money is essential to advocacy. Broadcasting a message—whether in print, on television or radio, or even over the Internet—costs money. A constitutional amendment prohibiting political donations would undeniably restrict people's ability to convince others of their point of view. But lighting fire to the flag is different. It is not an essential part of any message. In fact, often the audience for such demonstrations does not understand what policy or idea that motivated the burner to burn. The flag protection amendment leaves untouched everyone's right to articulate—and advocate publicly for—their point of view.

In sum, passage of the flag amendment would overturn two Supreme Court decisions: Johnson and Eichman. It would leave the Constitution exactly intact as it was understood prior to 1989. It would do nothing else. In contrast, the Hollings amendment would be a radical alteration of Americans' fundamental right to participate in the democratic process.

Let me end with this. The McCain-Feingold bill is defective inasmuch as it does provide a means whereby you can limit the free speech rights of people with regard to soft money. I do think probably the Supreme Court would uphold the Hagel approach to it, although I question whether even a cap on soft money to the tune of $60,000 per individual would be upheld by the Supreme Court; but it could be.

Probably my friend from South Carolina feels the same way, that without a constitutional amendment change, it is just a matter of time until McCain-Feingold will be overturned. I believe it will be overturned, should it pass in its current form. And one reason it will be overturned is because of the limitation of real speech rights.

Frankly, Buckley v. Valeo, I don't think is wrong. With that, I hope my colleagues will vote against this amendment, as well intentioned as it is.

I yield the floor.

Mr. SESSIONS addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATCH. I yield whatever time the Senator needs.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. SESSIONS. Madam President, I thank the distinguished chairman of the Judiciary Committee. Once again, he has gone right to the heart of the matter. I hope the people were listening to his comments at the conclusion of his remarks in which he summed up, very succinctly, the issues with which we are wrestling.

Yes, we wish money were not such a significant part of being able to get out your message in America. I do not have any personal wealth I can put into getting out my message, but it is a way to get out that message. As Senator HATCH said, this deals with real speech.

This proposed constitutional amendment is breathtaking in its reach. It flat out says that Congress and State legislatures—incumbent politicians—can pass laws that would limit their opposition's right to raise money and to speak out during an election cycle. That is what we are talking about. That is what McCain-Feingold does without proposing a constitutional amendment.

What Senator HOLLINGS has wrestled with over the years is a constitutional amendment that he believes would allow the Congress constitutionally to be able to restrict the right of people to come together to assemble, to print out press beliefs that they have, or to project them and amplify them over radio and television. They say this is not an infringement on the most historic freedom, the cornerstone of American freedoms: the right to speak out.

I think this, if passed, would be a colossal blunder of historic proportions. I think this proposed amendment, if passed, would reflect the greatest constitutionally proposed threat to liberty and freedom that I have known in my lifetime, maybe since the founding of this country, of speech and the press and assembly.

We should not do this. If we say this Congress can stop the current constitutional right of free Americans to come together, raise money, and buy and amplify their speech on radio or TV, Internet, and so forth, to advocate their views, we will have made a major move away from freedom in this country.

Senator HATCH said in his remarks that without a doubt the censorship power of the Government will have been enlarged. I remain stunned, really, that persons whom I admire as champions of liberty, such as the distinguished Senator from South Carolina, can miss this. Maybe I am missing it. I don't know. I can't see that I am missing it. I don't think I am missing it. Maybe I am. I don't think this is an itty-bitty issue. I think it is a historic and defining issue.

I am wondering: Where are our liberal friends? Where is the free speech crowd? What about our law school deans and professors, are they reading this? The ACLU has picked it up. They call it a recipe for repression. They see it for what it is. I respect them for that. They generally can be fully counted on in free speech issues. They believe depiction of child pornography is free speech and should be protected. I don't know that that is speech.

I know the Founding Fathers fundamentally wanted to protect political speech. This amendment sets up a construction that would allow the constraint of political speech during an election of all times.

I didn't want to be too involved in all this debate. I try not to get involved in everything that goes on on the floor. This is an issue in which I am interested, but I have spoken once already on a particular issue. I just want to be on record, I want it recorded on this floor for my constituents and my children, that I was standing here and being counted on this one. I want it on the record that this Senator will not support a constitutional amendment to restrict the right of people to assemble, raise money, and speak out during an election cycle. That is just fundamental to what America is about. It is important. I believe it is an issue on which I have an obligation to speak.

It has been suggested, that this is not an amendment to the first amendment. Well, I suggest it is an amendment to the first amendment. They say: Well, it is going to be amendment No. 20 something; it is not going to be written right up there on the first amendment. You are not going to strike out any words in the first amendment. Well, it is going to be in the Constitution. It is going to be given equal play with the first amendment. And since it passed subsequent to it, it will be defined by the courts that if it is in any way contrary to the first amendment, then the Hollings amendment will be given precedence because it was designed to modify the problems that have arisen which courts have concluded that certain campaign finance laws people are so determined to pass infringe on the first amendment.

That is what Buckley says. Buckley was based on the first amendment. That is why the Court ruled the way they did. They didn't conjure it out of thin air.

It is not just the Buckley case that would be reversed. There are a plethora of cases, Buckley progeny, that have upheld Buckley and gone further than Buckley. All of them would be undermined or overruled by this law if it were to become a part of our Constitution.

They say that rich people have more rights because they can afford to buy time and they have special interests. Let's be frank about it; everybody has a special interest. That is what we all are. As human beings, we have interests; we have beliefs. We want to see those made law. Whether it is dealing with low taxes, or abortion, or gun ownership, or redistribution of wealth, or the military, or drug laws, or health care, or education, we all have beliefs for which we want to fight. Everything is a special interest of a sort.

I note in passing that some elite groups, some wealthy entities, apparently will not be covered—at least it is said they will not be, although the ACLU thinks they might. I suggest that some of those groups, such as NBC, CBS, ABC, Fox, New York Times, Washington Post, the Los Angeles Times, all the Gannett chain, all the big newspaper chains, they can go on and run full-page ads day after day, full-page editorials slamming the Senator from Alabama and saying he is a terrible person. Apparently, if your money wasn't consistent with the way the Congress says, a group of people couldn't go into that newspaper and buy a full-page ad to respond to their full-page editorial.

Throughout the history of this country, newspapers have gone off on tangents for one thing or another they steadily believed in, biased their news articles, editorialized every day on things in which they believed. It has been protected by the first amendment. These wealthy groups of elite intellectuals and power interests have a right to propagate, I suppose, right up to election day. Surely, under this proposed amendment, they wouldn't say they couldn't do that, their newspaper couldn't run an editorial on the day of the election to say who to vote for, but they apparently are saying that another corporation, no less noble or no less venal than the New York Times, can't publish an editorial or buy an ad in the newspaper to rebut that article.

This freedom to speak out is particularly valuable in times of persecution or oppression and discrimination against an unpopular minority. Is not the ability of a minority group that might be subjected to oppression sometime in the future—isn't their ability to defend themselves, to get their message out, undermined if they can't assemble and raise money and speak out against a candidate they believe threatens their very existence?

I have mentioned that when I ran for office, my opponent was a skilled trial lawyer. One of my lawyer friends said: JEFF, I think you threaten our business. You don't believe in lawsuits like we do.

I said: Well, I guess I don't.

They spent over $1 million raising money to beat up on me. What is wrong with that? They thought I threatened the way they wanted to do business as lawyers. They thought changes on tort reform that I might favor threatened their business, and they wanted to defend themselves. Apparently, under this rule, they could be constricted substantially in their ability to complain during an election cycle about a politician who threatens them. That is just a group. That didn't deal with actual repression, but it could be a matter in the future of actual repression.

We ought not to pass a constitutional amendment that would limit the rights of persons in the future to defend themselves against actual oppression. It constrains not only the ability to raise money but the expenditures of money. It says the legislature and the Congress can pass reasonable laws that would control expenditures "in support of or in opposition to a candidate." That is a serious matter, saying independent, free Americans cannot come together and assemble and speak out during an election in opposition to or in favor of a candidate. That is really a change. It does affect the first amendment because the first amendment has constrained Congress from doing that, and that is why this amendment has been placed here, to allow Congress to do that very thing.

I know the Senator from Utah, Mr. HATCH, the Judiciary Committee chairman, mentioned the flag burning amendment. We have Members of this body who believe the physical act of burning a flag or desecrating a flag is speech. They object to any amendment that would protect the flag. I will just say that I think Chief Justice Rehnquist is right that if it is speech to burn or desecrate a flag, it is at best a grunt or a roar.

But the amendment before us today and, in fact, in large part the McCain-Feingold bill is a bill that goes to the heart of political speech. And when do they want to control it? During the election cycle. That is when they want to control it. Oh, it is all right to have violent, pornographic videos and images. They say that is speech and it must be defended to the death. But you can't have a group of people get together in this country and propose that the Senator from Alabama is dead wrong and ought to be thrown out of office. If Richard Nixon proposed a law and Congress passed the law, when we were having protests during the Vietnam war, when I was in college and law school and all these professors, the great constitutional scholars that they were—I wonder what they would have said if Nixon had proposed an amendment that would keep people from raising money and speaking out. I think they would have been upset. I wonder where they are today.

I was shocked that, in 1997, 38 Senators in this body voted for this amendment. Last year, I was pleased to note that the number had dropped to 33. I hope that number will continue to fall.

Madam President, freedom is scary. It allows things to get a bit out of control, when people are free to just go and say what they want to. And you can't quite manage it as we in Congress like to manage things, because we want to have it just right so there will be no spoilage, and we don't want any corruption here or any unfair threat to us. We just want to control this thing. But we are a nation of freedom, of liberty, of independence, free to speak out and say what we want, especially in an election cycle.

But over the long haul of our Nation, this free debate, this challenging of everybody's positions and issues, and debate has been healthy for us. It strengthens us as a nation. We must not turn back the clock by adopting an amendment, or some of the language in McCain-Feingold, that I believe likewise constrains freedom unjustifiably.

So the censorship power of our Government would be greatly enlarged if this amendment were to pass. It would allow the constriction of debate on the core issues of America, political, philosophical issues of intellectual power and breadth that affect the future of our country. That debate would be restricted significantly.

I think it would be wrong to pass the Hollings constitutional amendment. As written, McCain-Feingold, without this amendment, has a slim chance of being sustained. I think it will have to be either defeated or amended.

I thank the Chair for the time and yield the floor.

Mr. HATCH. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. FITZGERALD). There are 55 minutes under the control of the Senator from Utah, 24 seconds for the Senator from South Carolina.

Mr. HATCH. Senator BIDEN would like to speak in favor of the amendment. As a courtesy, I am certainly going to yield some time to the Senator. Senator REED, who also wants to speak in favor. I will yield him 5 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. HATCH. I ask unanimous consent that following that, Senator FEINGOLD be given the floor and I will give him 5 minutes as well.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I would like to begin today by praising my distinguished colleague from South Carolina for the leadership and determination that he has brought to this debate.

I would also like to apologize to him. Apologize that he has to come to this floor yet again to cut through all the rhetoric, and high-minded talk, to get to the single most important fact in this debate. And that is, nothing will change in our campaign finance system until we have the Constitutional ability to limit spending in congressional campaigns.

And the only way that we can do that other than through voluntary limits is by standing with Senator HOLLINGS to pass this Constitutional amendment.

We've been down this road many times, Mr. President. As the Senator from South Carolina will tell you, he and I have stood on this floor urging the Senate to take this first fundamental step by passing his amendment. We have recited fact after fact to illustrate how the spending in last election cycle was far worse than the previous cycle. And each time that we stand here, the story get's worse and worse.

The truth is, unless we adopt Senator HOLLINGS' amendment and pass the McCain-Feingold bill, we will back here in 2 years—reciting a new round of statistics to illustrate how bad the system got in 2002.

Mr. President, our system is spiraling out of control. And it will continue this spiral, unabated, until we pass needed reforms. But nothing can fundamentally change the way in which our process works until we have the ability under the law to limit the amount of money that is spent on campaigns.

Twenty-five years ago, the Supreme Court ruled that spending money was the same thing as speech. The Court said that writing a check for a candidate was speech, but writing a check to a candidate is not speech.

The Supreme Court made a supremely bad and, I believe, supremely wrong decision. By saying that Congress shall make no law abridging the freedom to write a check, the Court is saying that Congress cannot take the responsible step of limiting how much money politicians can spend in trying to get elected. We have to start putting limits on spending, Mr. President, because money is beginning to overtake the system.

In the twenty-five years since the Supreme Court's ruling, the general cost of living has tripled, but the total spending on Congressional campaigns has gone up eightfold. Think about it: eight times!

For the winning candidates, the average House race went from $87,000 to $816,000 in 2000. And here on the Senate side, winners spent an average of $609,000 in 1976, but last year that average shot up to $7 million.

And the Federal Election Commission estimates that last year more than $1.8 billion dollars in federally regulated money was spent on federal campaigns alone, and that doesn't even count the huge amount of soft money that was used in an attempt to influence federal elections.

Yes, these numbers are staggering. But even more so, is the thought that they will continue to rise unless something is done. And I belive that the single most important thing that we can do from a purely practical sense is to amend the Constitution and give us the right to limit the amount of money that candidates are able to spend.

I don't approach this lightly, Mr. President. Amending our Constitution is not a trivial matter. We have seldom done it in our history, and we have only done so when it was truly needed. Reluctantly, I have reached the conclusion that it is needed, now. For if we do not take this opportunity to seize control of our system, we will be right back here merely debating the problem, instead of solving it. And when we return 2, 4, maybe 6 years from now, the problem will be even worse than it is today, and as a result, much harder to solve.

Mr. President, the sooner we take action, the sooner we will be able to restore the public's faith in our democracy. I urge all of my colleagues to stand with the distinguished Senator from South Carolina and adopt this Constitutional amendment as a first, and fundamental, step toward reclaiming our political system for the American people.

Mr. President, let's get something straight here. The first amendment is not absolute. No amendment is absolute. When there is a Government interest, in this case of curbing corruption, there is a Government rationale to be able to deal with what the Court refers to as speech. I think Justice Stevens got it right in a case decided 24 years after Buckley v. Valeo, I say to my friend from Alabama. He said money is not speech, money is property. Money is property. We are talking about speech.

All the folks sitting up here in the gallery are in fact interested in free speech. But it does not go unnoticed that their ability to speak freely and be listened to depends upon how much money they have. You can be as free-speaking as you want. You can stand in a corner or in a park with a megaphone and go on and on about what you think should be done. You can seek free press. But you are unable to go into the Philadelphia media market and pay $30,000 for a 30-second ad to say my good friend from Alabama is a chicken thief or is a war hero. You are not able to do that. That takes money. Money talks. Money talks. Money is property. Money is not speech, money is property.

The fact of the matter is, in this context, if you look at my friend from Alabama, and others, the Court, in the progeny of Buckley, has allowed us to regulate campaign contributions under certain circumstances. So this notion that it is absolute is absolutely inaccurate. I will not go into further detail because of the time constraints here.

Let me say again that I thank my friend from South Carolina because, when all is said and done, this is the only deal in town. It is fascinating. If you look at what happened here, we can pass the McCain-Feingold bill—and I am for it—but I promise you, we are going to be back here in a year or two, or three, on a simple proposition. The simple proposition is that the cost of campaigning has gone up eightfold in the same time that we have been in a system where the cost of inflation has gone up significantly less than that. Since 25 years ago, at the time of the Supreme Court ruling, the general cost of living has tripled, the cost of running a campaign has gone up eightfold. Now, for a winning candidate, the average of a House race 25 years ago was $87,000. This time around, it is $816,000, average.

Let me tell you, if you have a lot of money, you can speak a lot louder, your voice is heard more. If you don't have a lot of money, you are not heard. I didn't think that is what the founders had in mind when they talked about speech. They didn't sit down and say, by the way, landowners with a lot of money should be able to be heard more than the guy who is the shoemaker in the village, or the village cobbler. They didn't say that. Money is property. Money is property. It is not speech.

On the Senate side, let's take a look at what happened. When I ran in 1972—and I won't even go back that far—I spent $286,000 in the election. The Senate race in Delaware combined cost over $13 million—not my race; I am not up until this time.

Let's get something else straight. One of the reasons our friends aren't so crazy about this amendment is all of us who hold public office now are in pretty good shape without this amendment.

It is not merely what the other guy can do to you. You sit there and say: That interest does not like me, so they will spend a lot of money. If you are popular enough in your home State, guess what. They are worried what you will do to them.

I am not going to have any trouble raising money as long as I stay relatively popular. Right now I am relatively popular. Guess what. I would hate to be getting starting now to try to run in Delaware. I do not know how they do it. How do they do it? How do they raise a minimum of 2 million bucks or probably, if it is a race, $5 million, in a little State with only 400,000 registered voters? Heck, we could go out and pay everybody. We could go out and give them all a bonus, increase their standard of living if we took that $13 million and spread it among 400,000 voters.

This is getting obscene. What is going to control? What is the deal here? I know this amendment is not going to pass this time, but I want to be on the side of right on this one, like I have from the very beginning when my friend from South Carolina proposed this. If, in fact, the average cost of a Senate election—catch this—in 1976, the average cost of a State election was $609,000. Do you know what it was this last cycle? Seven million dollars. Did you hear what I said? Seven million dollars. Give me a break—free speech, whoa.

You better have won the genetic pool, as the distinguished financier from the great State of Nebraska says. You better have won the genetic pool and inherited a whole lot of money, or you better have an awful lot of very rich friends, people with a lot of money, otherwise how do you get in the game? How could I possibly—maybe this is a good reason not to have the amendment—but how could I as a 29-year-old guy, coming from a family with no money—I am the first U.S. Senator I ever knew in effect—how could I have gotten elected? How could I do it now? I have been here now for 28 years. Obviously, the people of Delaware do not think I have done a real bad job. How could I have gotten here if, in fact, I had to go out and raise $2 million, $3 million, $4 million, $5 million, or $9 million? I will tell you what happens.

You engage in an incredible exercise of rationalization. You go out there and say: I am going to stick to my principles. I will give a specific example.

When I ran the first time, at the very end—and my friend from South Carolina knows because he headed up the campaign committee and he is more responsible for my being here than anyone in the Senate because he helped me. We narrowed the race down to a percentage point with 10, 11 days to go. My brother Jim, 24 years old, was raising my money and said: JOE—we had no TV ads—the radio station called and the ads come off the air on Friday—this is 10 days before the election and my ads were working. You need $20,000. We have no money.

He set up a meeting with a bunch of good people, decent, honorable men my age, maybe a little older, very wealthy people in my State who were, like me, opposed to the war in Vietnam, pro-environmental movement, and thought women's rights should be expanded. They were basically Republicans, but they were moderate Republicans.

I drove out to a place called Greenville, DE. I walked in to this investment banking operation in a beautiful area, one of the wealthiest areas in America. My friend knows it well. I sat down with six or eight fine men. They offered me a drink. I sat there and had a Coke. We talked about my position on promoting the rights of women, the equal rights amendment because they were for it. I talked about the environmental questions. I talked about the war in Vietnam, et cetera. Then one guy said: JOE, what is your position on capital gains? No one here will remember except my friend from South Carolina, but at that time it was a big issue in the 1972 campaign. Nixon either wanted to eliminate it or drastically reduce it, I cannot remember.

Guess what. I knew all I had to say was: You know, gentlemen, I really think we should have a cut in capital gains. But because I was young enough and stupid enough not to think, I immediately said: No, I oppose a cut in the capital gains tax.

No one said anything except: JOE, lots of luck in your senior year. Good talking to you. So long.

I will never forget riding down the pike with my brother Jim. My brother turned to me and said: I hope you really feel strongly about capital gains because you just blew an election.

I truly believed—and only someone who has run for office can really understand this—I truly believed everything I had worked for I had just blown by telling the truth. I almost wanted to turn the car around and go back.

I think of myself as a principled man, but I started to rationalize. I started to say: Isn't it better for me to get elected with 95 percent of my values intact, a guy who will fight to stop the war, promote the rights of women, fight for civil rights, a guy who will blah, blah, blah? Capital gains is not that big a deal.

That is how insidious this process is. No one buys us. No one goes out and pays and says: If you do this, I will pay you. But it is insidious. It is insidious, and the only people who have a lot of money to be involved in campaigns, whether they are people I support such as labor unions or big business are people who have an interest.

I ask unanimous consent to proceed for 2 more minutes. My friend is not here.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I conclude by pointing out the following: Last year, we spent $1.8 billion—$1.8 billion—on the elections. You tell me, take soft money, hard money, no money, up money, down money, any money—if you take it out, you take a piece of it out and you do not limit the amount we can spend, I promise you—I will bet my career—2 years from now, we are going to be standing here, and I am going to say: We just spent $1.9 billion, and the average cost of an election has gone to $7.1 million.

Average people have no shot of getting in the deal. They have no shot of getting in the deal.

Money is property. Money is not speech. I cannot believe the Founders sat there and said: You know, if I win the genetic pool, I am entitled to have a greater influence in my country and in the electoral process than if I am not in that genetic pool; I was born into land wealth or mercantile wealth. I cannot believe they believed that. I cannot believe that was the case.

I conclude by saying we have the ability under a controlling government interest to deal with corruption in our electoral process. I defy anyone to look me straight in the eye and say they believe all this additional money in the electoral process is not polluting and corrupting the process. It puts honorable young women and men in the Republican and Democratic Parties who are getting into the process in the position of shaving their views very nicely before they get there. No one is going to pay them off, but they are not stupid. I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Under the previous order, the Senator from Rhode Island is recognized for 5 minutes.

Mr. REED. I thank the Chair. Mr. President, I thank the Senator from Utah for graciously yielding me this time.

I rise in strong support of the Hollings amendment. Senator HOLLINGS recognizes that in the early seventies, in the wake of Watergate, this Congress passed what they thought was a comprehensive system of campaign finance reform. The two principal pillars of that reform were a limit on contributions by individuals to candidates and a limit on expenditures in the campaign by candidates. Just before the system even started, the Supreme Court struck down a major pillar in that structure, and this system has collapsed and has been falling apart since then.

The evidence is clear. Every election we see a huge explosion in spending because there are no limits on campaign expenditures. For candidates, it is almost akin to the nuclear arms race: You can never have enough money. You can never have enough because your opponent might get a little more, and unless we stop this race for dollars, we will not have true campaign finance reform in this country. We will not have a system of campaign finance reform.

Every time we pass legislation—and I commend wholeheartedly Senator MCCAIN and Senator FEINGOLD for their effort, and their effort is important, but we need this amendment to ensure we can create a system of campaign finance reform that will truly work.

As I said, and my colleague pointed out, there has been a huge explosion in spending. What has this done? Again, as Senator BIDEN pointed out, it certainly has put out of reach for so many Americans the idea of actually running for public office, at not just the Federal level but all levels.

It has done something else, something insidious: Questioning, in the minds of the American public, the legitimacy of what we do and for whom we do it. The idea of our Government is that we are servants of the people. Yet in the minds of so many Americans they see us as servants of special interests.

I was particularly struck by a poll taken by Princeton Survey Research Associates immediately after the election in 1996. Special interest groups in politics were rated a major threat to the future of this country. It was second only to international terrorism. In the minds of so many Americans, special interest politics is just as threatening to the future of this country as international terrorism.

We have to do something. We have to, I believe, support Senator HOLLINGS in this amendment. He recognized that until we have the ability to truly create a system of campaign finance, we will always have this escalation of spending, this escalation of continued distrust by the American public of their political system.

The Court, in Buckley v. Valeo, made the presumption or the assumption that speech equals money or money equals speech. Frankly, that is not always the strain of constitutional theory that the Court has presented. For example, in 1966, in Harper v. Virginia Board of Elections, the Court struck down a poll tax of $1.50 in Virginia, declaring, "Voter qualifications have no relation to wealth. . . ."

Later, in 1972, in Bullock v. Carter, they struck down candidate filing fees ranging from $150 to $8,900 for local office in Texas because the theory was that one should not have to pay to be a candidate, one should not have to have his or her test of qualification, even to vote or to run, based upon money.

The reality today is that to be a candidate, you have to have money. We spend a great deal of time trying to get that money.

The Court in Buckley v. Valeo erred dramatically. I do not think—and I am shared in this view by my colleague from Delaware—that money equals speech. In fact, I am a bit confused on constitutional theory why a contribution to a candidate can be limited, even though I might be making that my form of speech, yet we cannot limit the overall spending of a candidate in an election.

The Court in Buckley v. Valeo was wrong. The only way we get out is to pass the Hollings amendment and give them a way clear so they will, under the Constitution, recognize that not only should we but we can craft a comprehensive system of campaign finance reform.

This view is not particularly radical. In the 25 years since Buckley, more and more people have come to the conclusion that it was wrongly decided and that, in fact, we can and should impose limits on expenditures. Constitutional scholars, public officials at every level, State attorneys general, secretaries of state, all have suggested we can and should put a limit on expenditures. The States have acted. They have created legislatively a limit on expenditures. It was challenged in court, but for the first time a judge looked seriously at the record, a district court judge, and conditioned that perhaps there was a justification for this limit but, being a district court judge bound by the opinion in Buckley v. Valeo, struck down the provision.

Similar provisions are being litigated and have been litigated in Ohio, and they are being litigated today in the context of an Albuquerque, NM, city ordinance which provides for a limit.

We can give our colleagues and the Court the benefit of this amendment. We can give them the rationale to go ahead and do what I think should be done, to be able to limit expenditures so that every candidate has the right to spend a certain amount, but the spending will not overwhelm the true test of a race, which is the quality of their ideas and positions.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for 5 minutes.

Mr. FEINGOLD. Mr. President, I know we are not debating the bankruptcy bill when I am in agreement with the Senator from Utah and the Senator from Alabama. We clearly moved not only to campaign finance reform but today to a very worthy discussion about the advisability of adopting an amendment to the U.S. Constitution concerning campaign financing.

I oppose Senate Joint Resolution 4, but I do so with some reluctance, given the tremendous respect I have for the Senator from South Carolina. I appreciate the sincerity in which he offers this resolution. But more importantly, he has been passionate on the issue of campaign finance reform for a very long time—long before I came to this body—and I have always looked up to him on this issue.

I understand the frustration and realities he is looking at that lead him to propose a constitutional amendment, and I know both the Senator from South Carolina and the Senator from Pennsylvania, who also supports this resolution, are strong supporters of campaign finance reform. I thank them for that, and I thank them specifically for their help on this bill, and I appreciate the comments of the Senator from South Carolina, who, of course, is concerned about what the U.S. Supreme Court will do with the McCain-Feingold bill if they get it but who at least left open the possibility that they may look upon it favorably.

There are just two reasons I am uncomfortable voting for this constitutional amendment. The first has to do with my belief that it does actually amend the Bill of Rights for the first time in our Nation's history. I understand the arguments that this is such a serious problem it is justified. When I first came to the Senate, I actually voted for the Hollings amendment the first time. Then in 1994, a group of Congressmen and Senators were elected in what was known as the Contract With America Congress, and they proposed so many amendments to the U.S. Constitution, it made your head spin. In fact, a lot of them were going to amend the Bill of Rights.

I disagree with the distinguished chairman of the Judiciary Committee who says the flag amendment does not amend the first amendment but this does. Both of them do. Both would be the first changes to our fundamental doctrine of the Bill of Rights in our Nation's history. I am uncomfortable with this approach. I understand how people get to the point where they don't believe we can ever deal with the problems of our campaign financing system and they want to do it. My belief is that it is better not to tamper with the Bill of Rights and to solve the problem legislatively.

That leads to my second point. I am more optimistic, more sanguine about the possibility that we will prevail; that McCain-Feingold, if it gets to the U.S. Supreme Court, will be held constitutional. In fact, I can't really believe anyone on the floor is seriously arguing anymore that the most important provision of the McCain-Feingold bill, the ban on party soft money, will be held unconstitutional. It is not credible.

In the Missouri Shrink PAC case in January of 2000, the Court ruled 6-3 that even a $1,000 contribution in Missouri today is a sufficient figure to justify the possibility of the appearance of corruption. Surely a $100,000, $200,000, $500,000, or $1 million contribution would be regarded the same by that very strong, 6-3 majority in that Court.

I believe, although certainly our bill doesn't solve a lot of the problems that have been discussed today, at least regarding the abuse of soft money in our society, that the U.S. Supreme Court—this U.S. Supreme Court—would see it our way. I believe this bill can solve some of the problems that have been identified in the system. For those reasons, I will oppose this constitutional amendment. I do not think we need to amend the Constitution in order to have effective campaign finance reform.

Our colleague Senator HOLLINGS has been calling for meaningful campaign finance reform but perhaps longer than any other Member of the Senate. I disagree with this particular approach. But I want to pay tribute to his sincerity and commitment to reform.

This resolution was a constitutional amendment is a serious proposal, not casually offered, and not offered in hopes of sabotaging our bill, as some amendments have been. But I must oppose it.

Back in 1993, Senator HOLLINGS offered a sense-of-the-Senate amendment to take up a constitutional amendment similar to the one before us today. After a short debate, I voted with the Senator from South Carolina on that day. I did so because I believed that other than balancing the Federal budget, there was no more fundamental issue facing our country than the need to reform our campaign finance laws.

And I was frustrated at that time with the failure of the Congress to pass meaningful campaign finance reform.

But I immediately realized, even as I was walking back to my office after voting, that I had made a mistake. I started rethinking right away whether I really wanted the Senate to consider amending the first amendment.

Later, I was privileged to join the Senate Judiciary Committee, and then the 104th Congress became a teeming petri dish of proposed amendments to the Constitution. On the Judiciary Committee, I had a good seat to witness first hand the radical surgery that some wanted to perform on the basic governing document of our country, the U.S. Constitution.

It started with a balanced budget constitutional amendment, and soon a term limits constitutional amendment, a flag desecration amendment, a school prayer amendment, a super majority tax increase amendment, and a victims rights amendment, and on it went. In all, over 100 constitutional amendments were introduced in the 104th Congress. This casual proliferation of amendments has tapered off somewhat, but persists to this day.

As I saw Members of Congress suggest that all sorts of social, economic, and political problems, great and small, be solved with a simple constitutional amendment, I chose to oppose this serious and earnestly considered constitutional amendment from Senator HOLLINGS, along with others that have casually and sometimes recklessly threatened to undermine our most treasured founding principles.

The Constitution of this country was not a rough draft. We have sometimes lately been treating it as such, and Senator HOLLINGS' worthy effort appears in that context, so I believe we should oppose it, lest we encourage less serious efforts.

Even if we were to adopt this constitutional amendment, and the states were to ratify it, which we all know is not going to happen, it will not deliver effective campaign finance reform. It would empower the Congress to set mandatory spending limits on congressional candidates that were struck down in the landmark Buckley v. Valeo decision.

And if this constitutional amendment were to pass the Congress and be ratified by the States, would campaign finance reformers have the necessary 51 votes—or more likely the necessary 60 votes—to pass legislation that includes mandatory spending limits?

Probably not—let's remember that it took us years to get to 60 votes on the McCain-Feingold bill.

But this week we have before us a bipartisan campaign finance proposal that has been meticulously drafted within the guidelines established by the Supreme Court. We are confident that the McCain-Feingold bill is constitutional and will be upheld by the courts.

Our original proposal, unlike the law that was considered in Buckely v. Valeo, included voluntary spending limits, but the centerpiece of our bill is a ban on soft money, the unlimited contributions from corporations, unions and wealthy individuals to the political parties. There is near unanimity among constitutional scholars that the Constitution allows us to ban soft money. The Supreme Court's decision in the Shrink Missouri case makes it abundantly clear that the Court will uphold a soft money ban. We don't need to amend the Constitution to do what needs to be done.

Until this year, the desire of a majority of Senators to bring a campaign finance reform bill to a final vote has been frustrated by a filibuster. So the notion that this constitutional amendment will pave the way for legislation that includes mandatory spending limits simply ignores the reality of the opposition that campaign finance reformers would face here in the Senate if they tried to enact those limits.

This proposed constitutional amendment would change the scope of the first amendment. I find nothing more sacred and treasured in our Nation's history than the first amendment. It is the bedrock of the Bill of Rights. It has as its underpinning the notion that every citizen has a fundamental right to disagree with his or her government. I want to leave the first amendment undisturbed.

Nothing in this constitutional amendment before the Senate today would prevent the sort of abuses we have witnessed in recent elections Allegations of illegality and improprieties, accusations of abuse, and charges of selling access to high-ranking Government officials would continue no matter what the outcome of the vote on this constitutional amendment. Only the enactment of legislation that bans soft money contributions will make a meaningful difference.

The Senate will have another opportunity to address this issue. We have had many debates on campaign finance reform, and if we pass the McCain-Feingold bill, the general issue of campaign finance will reappear from time to time. But, today, in March 2001, the way to address the campaign finance problem is to pass constitutional legislation, not a constitutional amendment. We are poised to give the people real reform this year, not seven or more years from now.

I urge the Members of the Senate to vote against the resolution for a constitutional amendment of the Senator from South Carolina. It is not necessary to amend the Constitution to accomplish campaign finance reform. I greatly admire the sincerity and commitment of the Senator from South Carolina, but ultimately I do not think his amendment will bring us any closer to achieving viable, real reform in the way that political campaigns are financed in the United States.

I conclude by thanking the Senator from South Carolina for his leadership and knowledge on this subject.

Mr. HATCH. I yield 15 minutes to the Senator from Kentucky.

BIPARTISAN CAMPAIGN REFORM ACT

Mr. BUNNING. Mr. President, for a week now we have been debating campaign finance reform. It has been a healthy debate, and a debate I am glad we are having. Some want dramatic changes by overhauling the whole system. Others want simple reforms around the edges. Some want to limit soft money. Some want to ban it. Some want full disclosure. Others want none. Some want to raise the ceiling on hard money given by individuals. Others want to leave hard money limits alone. Some want to protect paychecks of union members from having their dues used for political activities. Some do not want to ensure that protection at all.

But let's all agree on one thing. We all think our present campaign finance system needs reforming. However, the underlying McCain-Feingold bill, S. 27, is an attack on the rights of average citizens to participate in the democratic process. Attacking these rights only enhances the power of wealthy individuals, millionaire candidates, and large news corporations.

McCain-Feingold hurts the average citizen's participation in the process because it targets and imposes restrictions on two key citizen groups: issue advocacy groups and political parties. These two groups serve as the only effective way through which average citizens across America can pool their $10, $20, $100 donations to express themselves effectively. One individual alone in the public arena can accomplish little with his or her small donation. But the small donations of thousands of like-minded individuals can accomplish a lot when they work together.

The right to associate is fundamental in our democratic Republic, and the ability of the average citizen across America to effect public policy is very important. It is so important that the U.S. Supreme Court has recognized it as a fundamental right with constitutional protections. If McCain-Feingold succeeds as it is now, the influence of average citizens would be drastically reduced. Associations with like-minded individuals is essential to engaging in the debate of public policy, but under McCain-Feingold the average citizen would be buried in the tomb of nonparticipation and the rich and powerful would run politics.

Under McCain-Feingold, the power of the giant news media corporations is not eliminated. Their editorial content and news coverage are protected by the first amendment. And the wealthy multimillionaires will not be prohibited from spending their money to self-finance their campaigns or express their views on public policy issues. The media and the wealthy have all the power and money they need to pay for communications about issues. Therefore, the campaign finance reform as proposed by McCain-Feingold strips power from the average citizen and allows the wealthy and powerful to retain their influence.

Although well intended by the bill's sponsors, the underlying bill does not present us with a clear and level playing field for all Americans. There are winners and there are losers. The losers are the citizens of average means, citizens' groups, advocacy organizations, labor unions, and political parties. The winners are the wealthy, major news corporations, and incumbent politicians.

Think about who supports this bill. The wealthiest of America's foundations and individuals are supporting this bill. The mainstream media is the prime cheerleader of this bill, and many incumbent politicians are attracted to this bill. The majority of average citizens e-mailing my office, calling me and writing me, overwhelmingly oppose this bill.

To try to level the playing field in elections with superwealthy candidates, I cosponsored an amendment with Senators DOMENICI and DEWINE and others. That amendment, known as the wealthy candidate amendment, would have allowed a candidate running against a wealthy candidate who self-financed his or her campaign to increase the contribution limits from individuals and PACs.

This amendment, thankfully, passed. It is a great improvement to the base bill and helps to level the playing field and take advantage away from the superwealthy candidate who sometimes pours tens of millions of dollars into their own campaign to win a House or Senate seat.

This amendment helps those candidates who are not millionaires, or wealthy, to have the limits raised on what they can accept from individuals and PACs. I think it is a commonsense and bipartisan reform provision, and that it will do much to create freer elections and confidence of the public in those elections where the superwealthy spend millions and millions of dollars.

There are other campaign reform measures that should be enacted as well to enhance and not stifle the voice of citizens. The hard dollar individual contributions have not been raised since 1974. This limit needs to be raised and indexed for inflation. One thousand dollars just does not buy what it used to in 1974. This limit must be raised substantially, especially if soft money to the parties is going to be reduced. The limit should be raised to $3,000 from the current $1,000. Raising this limit would enable more individual citizens to run for office, enable all candidates to concentrate more on the job at hand and less on fundraising. It may also remove some of the incentive for interest groups to make independent and issue advocacy expenditures. While a $1,000 contribution may have been high in 1974 when it was imposed, it would be worth about $3,000 today.

In addition, the aggregate hard money individual contribution limit should be raised higher than it is already in the bill. McCain-Feingold raises current law from a $25,000 limit to $30,000, but, like the hard dollar limits for individuals, this limit should be raised higher and indexed for inflation.

The Hagel-Landrieu bill raises this amount from $25,000 in current law to $75,000. I would feel much better about supporting a measure which raises these two amounts to strengthen the voice of the individual citizen.

Finally, the heart of campaign finance reform must be disclosure. We have seen in recent years TV blitzes and ad wars in campaigns. Many people wonder who puts out these ads and commercials, and how much money is spent on ad blitzes, and who in the world is paying for them. For American citizens to make a better informed decision in their voting, they deserve to know who is sponsoring these ads and especially who is paying for them and how much they cost. We have the ability to make this information available over the Internet instantly.

The Federal Election Commission can and should make this information available on the Internet as soon as possible but no later than 24 hours after the information is received by the FEC. Full disclosure will instill better confidence in our citizenry.

This provision is something many of us have advocated in the past, and it is part of the Hagel-Landrieu proposal, which I hope becomes part of this underlying bill.

We have spent a week on campaign finance reform, and we have another week to go. I hope we can make some real effort and progress in strengthening the voice of the average citizen.

I fear that so far we still have an unequal playing field, and that the underlying bill still favors the wealthy incumbents and the media.

We need to enhance, not squelch, the voice of the people in their elections. Free political speech is the best campaign finance reform. It is the very core of what James Madison drafted and the Framers adopted when they guaranteed to the people that "Congress shall make no law abridging the freedom of speech."

If we are going to pass campaign finance reform, then we need to ensure that average citizens are not absolutely out of the system. We must pass a bill that does not restrict the freedom of speech of any American.

I urge my colleagues to make sure that happens when we pass this bill. If it doesn't have those features in it, I suggest that we vote against McCain-Feingold. If it has those features, then I suggest that we vote for the underlying bill.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HATCH. Mr. President, I yield 4 minutes to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the Senator from Utah for his generosity and courtesy.

Right to the point with respect to the big bugaboo about the first time in our history that we are amending the first amendment, we are not amending any first amendment on speech. I will emphasize that in just a second. But if we were, it would not be the first time. And the distinguished Senator from Kentucky and others understand that. They continue to raise that bugaboo to intimidate the Senators about the seriousness of this by saying it is the first time that we carved and etched out of the first amendment since the founding of our country and the passage of the Bill of Rights.

I know that the Senator from Kentucky and others who use that expression know about the limits, about the Tillman Act in 1907, about Teddy Roosevelt, or the Taft-Hartley Act, and limits on speech by union activity. They also know about the limits with respect to the obscene, the seven dirty words in the specific case where we gave the FEC the power to control these kind of words, and about speech on the airwaves with respect to false and deceptive advertising. Everybody believes in the Federal Trade Commission.

I have given a dozen examples of where there is already limited speech. But our particular resolution, S.J. Res. 4, is not an amendment, as the Senator from Alabama would infer. He says, of all things, that even during campaign times this amends the right to speak. It doesn't amend anything. It is merely a joint resolution, and not even signed by the President but referred to the States for ratification to give Congress the power to legislate. It legislates nothing. It doesn't approve of McCain-Feingold. It doesn't disapprove of it. It doesn't approve of any particular legislation. It only gives the power back to us to stop this money chase, and the corruption of the system.

You can see it here this afternoon already. We have had a pretty good debate, relatively speaking. But everybody has been out, and they are allowed to stay out until 6 o'clock in order to chase the money. We used to vote all day Monday when I first got here, and all day Friday. Those two days are gone. Tuesday morning is gone. Usually it is after lunch on Tuesday when we really start. Then we have a window on Wednesday and a window on Thursday, both at lunch and in the evening.

The entire time is not spent on doing the job of a U.S. Senator, but of keeping the job. You have to raise $7 million over six years; $3,000 every day for six years, including Sunday and Christmas Day. That is obscene.

This gives the Congress the power to deal with that particular problem for the first time. Those who would oppose this amendment have no idea of controlling that spending.

I yield the floor. I thank my distinguished colleague from Utah.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I always enjoy listening to my colleague from South Carolina. I disagree with him that all we do in the Senate is go out and raise money. I think Senators work very hard. I have to admit that we generally don't have to vote on Monday until after 5 o'clock in the evening. There is a reason for that, because Senators are returning. Not all of us live in close proximity to the District of Columbia. I know this. When I go to Utah, my time isn't spent raising money. Most of my time is spent going to town meetings, meeting with people in my offices, and working with staff and others who do the job that we have to do. I think most Senators around here, including the distinguished Senator from South Carolina, spend inordinate hours here during the week. I generally get to the office around 6 a.m. I don't know many days when I am home before 7 or 8 o'clock at night. The days are completely filled meeting with people.

Yes, you have to raise money. But everybody has to do that. That is part of the process. It is not a bad part of the process. There are just a few who do it illegally. If that is the sole thing that you do, then you are selling your vote for money. But I don't know of one Senator in this body who has ever sold his or her vote for money. I believe there is no question that money does talk in the sense that groups support you and support Senators around here. Generally the groups that have donated to my campaigns do that because they agree with my position. Certainly, I am happy to have their help, because you do have to raise enough money to run.

But the Senator is right in one respect; that is, it is costing a fortune to run for the U.S. Senate now. The average Senate race is at least $4 million. That makes it very difficult for incumbents. But if we pass the McCain-Feingold bill, it makes it even worse in some respects, especially if you do not increase the limits. Those limits were set back in 1974, I believe, and just by the rate of inflation, the limits should be raised no less than three times, and probably as much as five or six times.

The cost of elections have gone up dramatically. Back in 1976, a couple of years after the rules were set, when I ran for Senate, I have to say that my opponent spent in hard dollars somewhere around $570,000. I raised in hard dollars about $569,000, if I recall it correctly. It cost me more money to raise it than it did to spend it, because I had to use direct mail because nobody knew who I was. I had to win that race by out-working and out-performing the incumbent. But today, if I was to try to do the same thing, I wouldn't even consider it, because I would have to start at least $1 million, or $2 million. I would have to have a lot more support than I have today. It is going up every year.

It is not a bad thing to have to raise money. I am a perfect illustration that it isn't money that always talks because I bet that I did not spend over $100,000 in real terms in that race back in 1976. My opponent, who I think took me for granted, and made a terrible mistake in doing that, he had at least $600,000, it seemed to me, in actual dollars to spend, plus he had the support of all kinds of soft money groups that came into the State and assisted him as well. So it was really a lot more money than that.

The worst race I had was in 1982, when the mayor of Salt Lake, who is a wonderful person, and a good man, ran against me. It was a very tight race. I raised close to $4 million in that race.

He admitted he raised probably at least $2.3 million, if I recall it correctly. But that was only part of the story. The trade union money came into that State. According to sources, they had as many as 100 dues-paid political operatives operating there in Utah, who spent all kinds of money trying to assist my opponent in defeating me, something that Republicans just do not have on their side.

When we get out the vote, we have to raise the money ourselves, we have to spend it ourselves. We do not have outside groups doing it for us. In the case of Democrats, at least in that race—and I think in many other races—the get-out-the-vote money, the advertising money, a lot of other things come from the trade unions. I think that is their right. They believed in my opponent. He had voted virtually a straight union line for them, and they supported him. I can't say I disagreed with their right to do that.

In our worries about having to raise all this money, we don't want to throw out the baby with the bath water. We don't want to infringe upon first amendment rights or freedoms.

In relation to this particular constitutional amendment, however, let me conclude with this simple observation. Free speech and free elections are one and the same. This constitutional amendment involves speech no matter how you write it, because Buckley v. Valeo said that money in politics is a form of speech. This constitutional amendment would hurt free speech by giving Congress—535 Members of Congress—and the respective State legislatures—they call it "the States" but it is really, in effect, the State legislatures—too much power to change the Supreme Court cases that protect free speech.

Make no mistake about it, this amendment, if it would pass, would do away with Buckley v. Valeo and would send us down that road of allowing State legislatures to determine just what can or cannot be spent in political campaigns, and allow the Congress of the United States to determine what can or cannot be spent in political campaigns.

I suspect that is going to create a system that is a lot worse than our current system. Because if you ban soft money for the two parties—where you would want the money to be spent; where it is accountable; where they have to be accountable—they have to explain what they are doing—you can look at it and see whether you want to support the parties or not—if you take the soft money away from them, and leave it in the hands of everybody else in society, then basically what you are doing is, I think, stultifying the electoral process and certainly the party process, which all of us ought to be encouraging. Because under our current rules, the parties have to disclose the moneys that they receive. Under our current rules, many of the outside groups do not have to disclose the soft moneys they use in political campaigns. And some of them use them in reprehensible ways.

This amendment says that

> Congress shall have power to set reasonable limits on the amount of contributions that may be accepted by, and the amount of expenditures that may be made by, in support of, or in opposition to, a candidate for nomination for election to, or for election to, Federal office.

The same language for the State legislatures.

In essence, this would overrule Buckley v. Valeo. If you got the wrong people in Congress, this could mess up the whole process. But if you do not think Congress is capable of doing it, think of what the State legislatures might be willing to do in certain States that have completely different viewpoints from say my State of Utah.

So one of the things our Founding Fathers were most concerned about was absolute majoritarian control of our country. They were absolutely concerned that a straight majority control could lead to mob control similar to what happened in the French Revolution that occurred later. They were concerned about that.

So they set up checks and balances. They set up the Senate as a check and balance, in a sense, because in the Senate every State has equal rights with suffrage. It is not proportional. Every State, no matter how large or small, has two Senators. Wyoming with 700,000 citizens has the same number of Senators as California with now approaching 33, 34 million citizens. They did that to have these checks and balances so that there would be no way that one side or majoritarian group would run away with the process. This amendment would allow them to do so.

We have 5 minutes left. I see the distinguished chairman here. I yield the remainder of my time to the distinguished Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I thank the distinguished Senator from Utah, the chairman of the Judiciary Committee, for his fine work on this amendment again this year. We have had this debate a few times, I say to my friend from Utah.

Let me just sum it up. This is a unique opportunity for a large majority of the Senate to vote against a proposal and be in concert with the Washington Post, Common Cause, Senator FEINGOLD, and Senator MCCONNELL. That is truly a unique opportunity in the course of this debate.

I commend the Senator from South Carolina. His intentions are clear and honorable. He understands that in order to do what is sought in McCain-Feingold you need to amend the first amendment for the first time in over 200 years, or the first time ever—carve a niche out of it to give both the Congress and State legislatures an opportunity to get complete control of all of this pernicious speech that is going on out there that offends us. That is at the core of this debate.

This is a constitutional amendment. It should be overwhelmingly defeated, as it was last year when we had the same vote. There were 67 Senators who voted against it and only 33 Senators who voted for it. I thought the 67 Senators exercised extraordinarily good judgment. I hope that will be the case again when the roll is called at 6 o'clock.

I do not know if anyone else wishes to speak.

Mr. President, is all the time used on this side?

The PRESIDING OFFICER. There are 2½ minutes under the control of Senator HATCH.

Mr. HATCH. I yield back the time.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

Mr. HATCH. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask that we proceed with the vote.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall the joint resolution pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Montana (Mr. BURNS) and the Senator from Colorado (Mr. ALLARD) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. BURNS) would vote "no."

Mr. REID. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Louisiana (Ms. LANDRIEU) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS) would vote "aye."

The result was announced—yeas 40, nays 56, as follows:

[Rollcall Vote No. 47 Leg.]

YEAS—40

Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Conrad
Daschle
Dayton
Dodd
Dorgan
Durbin
Feinstein
Graham
Harkin
Hollings
Inouye
Kerry
Levin
Lieberman
Lincoln
McCain
Mikulski
Miller
Murray
Reed
Reid
Rockefeller
Sarbanes
Schumer
Specter
Stabenow
Stevens
Wyden

NAYS—56

Akaka
Allen
Bennett
Bond
Brownback
Bunning
Campbell
Chafee
Collins
Corzine
Craig
Crapo
DeWine
Domenici
Edwards
Ensign
Enzi
Feingold
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kennedy
Kohl
Kyl
Leahy
Lott
Lugar
McConnell
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone

NOT VOTING—4

Allard
Baucus
Burns
Landrieu

The PRESIDING OFFICER. On this vote, the yeas are 40, the nays are 56. Two-thirds of the Senators voting, a quorum being present, not having voted in the affirmative, the joint resolution is rejected.

Mr. McCONNELL. I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001—Continued

AMENDMENT NO. 145

The PRESIDING OFFICER. Under the previous order, there are 15 minutes of debate on the Wellstone amendment. The time is to be divided between the sponsor and Mr. FEINGOLD of Wisconsin.

Mr. WELLSTONE. Mr. President, I think we are in a critical time regarding the direction and prospects for this bill. This is an important piece of legislation. It started out weaker than it once was. It is still a very important effort.

The question is whether or not reformers will support amendments that are proreform that will improve the bill or whether we will go in the direction, for example, of taking the caps off hard money and having yet more big money in politics.

This amendment improves this bill. This amendment says when you have the prohibition on soft money in parties and then you have a very important effort by Senator SNOWE and Senator JEFFORDS to also apply that prohibition of soft money to the sham issue ads when it comes to labor and corporations, in the Shays-Meehan bill, that prohibition on soft money applies to all the groups and organizations. In the other McCain-Feingold bill, it applied to all of these organizations.

If you don't have that prohibition of soft money, you will take the soft money from parties and it will all shift to a proliferation of the groups and organizations that are going to carpet bomb our States with all these sham issue ads. This is a loophole that must be plugged.

My amendment is what is in the Shays-Meehan bill.

Third, colleagues, I want to be very clear. I have written this amendment in such a way that severability applies. Even if a Supreme Court in the future were to say this amendment is not constitutional, there is complete severability here and it would not apply to any other provisions, including the Jeffords-Snowe provision.

Also, looking over at my colleague from the State of Tennessee, Senator THOMPSON, we accepted the millionaire amendment which will in all likelihood be challenged by the courts. That is why I am so clear there is severability of principle that applies to this amendment.

Finally, if we are going to pass this bill and we are going to try to get some of the big money out of the politics, please let's not, when we have a chance to fix a problem, not fix it. Don't let the soft money no longer apply to parties and all shifts to these sham ads. Let's be consistent.

I do not believe that an effort to improve this bill is an effort to kill this bill. The argument that if the majority of Senators vote for this amendment and improve the bill, then later on the majority of Senators who voted for this amendment will vote against the bill that the majority just voted for on the amendment, doesn't make any sense. I have heard this argument too many times. We ought to fix this problem.

I hope I will have your support.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Reluctantly, I move to table this amendment, both for concerns of its constitutionality and also the practical considerations of what it will take to get our piece of legislation through this Senate and maintain the bipartisan spirit and reality that it has had.

With regard to the issues of constitutionality, I yield 5 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Let me also add to what Senator FEINGOLD said. I agree with Senator WELLSTONE, that what he is trying to do makes a great deal of sense in terms of basic equity and fairness. The problem is that 501(c)(4) corporations, at which his amendment is aimed, have not been treated the same by the U.S. Supreme Court as unions and for-profit corporations.

Snowe-Jeffords is very carefully crafted to meet the constitutional test of Buckley v. Valeo. Basically, it meets the two fundamental requirements of Buckley:

First, that there can be a compelling State interest. The Buckley Court found that exactly what is being done with Snowe-Jeffords constituted a compelling State interest.

Second, it be narrowly tailored. Snowe-Jeffords is limited to the 60 days before the election. It is narrowly tailored, limited to broadcast advertising.

It also requires the likeness or name of the candidate to be used.

What has been done with Snowe-Jeffords is a very careful effort to make sure the constitutional requirements of Buckley v. Valeo have been met. In fact, they have been met. It is not vague; it establishes a very clear bright-line test so we don't have a vagueness constitutional problem. We also don't have a problem of substantial overbreadth because all of the empirical evidence shows 99 percent of ads that meet the test are, in fact, election campaign ads and constitute electioneering.

Snowe-Jeffords has been very carefully crafted. It is narrow. It specifically meets the requirements of Buckley v. Valeo, the constitutional requirement.

The problem with what Senator WELLSTONE is attempting to do is there is a U.S. Supreme Court case, the FEC v. The Massachusetts Citizens for Life, that is directly on point, saying that these 501(c)(4)s have a limited constitutional right to engage in electioneering to do campaign ads. There are some limits, but unfortunately if you lump them in with unions and for-profit corporations, you create a very serious constitutional problem because the U.S. Supreme Court has already specifically addressed that issue.

So the reason Senator FEINGOLD and Senator McCAIN are opposing this amendment is the same reason that I oppose this amendment: It raises very serious constitutional problems. The U.S. Supreme Court, in fact, in 1984 specifically ruled on this question.

What we urge the Members of the Senate to do is not support this amendment, to vote for tabling. Those people who are in favor of real and meaningful campaign finance reform we hope will support Snowe-Jeffords, support McCain-Feingold, and vote to table the Wellstone amendment.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, this is a situation that is very similar to what happened in the other body when they sought to pass the Shays-Meehan bill. There were times that amendments that were very attractive had to be defeated to maintain a coalition to pass the bill. They were tough votes. Members of the House on both sides of the aisle stuck together and made sure the most important consideration was that the reform package pass.

We also face a political test with this amendment. Those who remember the debate we had a few years ago will remember that Senators SNOWE and JEFFORDS developed their provision and then joined the reform effort while under enormous pressure to kill reform by voting for the so-called paycheck protection proposal. They agreed to work with us and to vote with us to defeat those unfair proposals once the Democratic caucus agreed to the Snowe-Jeffords language. And our entire caucus voted to add this provision to the McCain-Feingold bill in place of the previous provision that would have treated 501(c)(4) advocacy groups the same as for-profit corporations, similar to the approach and effect of the amendment of the Senator from Minnesota.

I think we saw last week that the Senators from Maine and Vermont, along with other Republican supporters of reform, have been true to their word. If we adopt this amendment, in a way, we will be going back on our word. I have worked for years with the Senator from Maine and the Senator from Vermont on this bill. I know how sincerely they want to pass it. So I stand with them to defend the Snowe-Jeffords provision which I have come to believe is our best chance of making a significant difference on this issue of phony issue ads and also the best chance we have, as the Senator from North Carolina has so well expressed, to actually have this provision approved by the U.S. Supreme Court in the inevitable court challenge that will ensue if we manage to get this bill all the way over there.

Once this bill has been enacted and upheld by the courts, and once we see whether and how the Snowe-Jeffords provision works, I would have no objection to revisiting the issue with the Senator from Minnesota and others to see if there is a way we can constitutionally expand this to include these other groups that have traditionally been treated by the courts differently from the corporations and the unions.

For now, I think we should stick with the provision that is in our bill and vote against this well-intentioned amendment.

I understand under the unanimous consent agreement it is only appropriate to have an up-or-down vote on this amendment; is that correct?

The PRESIDING OFFICER. The agreement did not specify. It simply said a vote would occur in stacked sequence.

Mr. FEINGOLD. The amendment was offered in good faith. I see no reason to avoid the request, and instead of moving to table at the appropriate time, I will simply ask my colleagues to vote no on the Wellstone amendment.

Mr. WELLSTONE. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 4 minutes 19 seconds.

Mr. WELLSTONE. I yield 1 minute to the Senator from Louisiana, 1 minute to the Senator from Illinois, and reserve the remainder of my time for myself and Senator HARKIN.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. One of the most popular misconceptions of the underlying bill is we are eliminating soft money in Federal elections. Nothing could be further from the truth. The Senator from Minnesota is absolutely correct in what he is attempting to do.

There are literally hundreds, if not thousands, of organizations, single interest, special interest organizations, which will be able to continue to raise unlimited amounts of soft dollars to argue their cause after this underlying bill would be passed.

You all remember the Flo ads, Citizens For Better Medicare. There is nothing in the underlying bill, without the amendment of the Senator from Minnesota, that would prohibit Flo and all of our citizens for Medicare from doing exactly what they did, attack Members across the board time after time after time. There are literally thousands of groups that are not affected without the amendment of the Senator, that would continue to use soft money to affect elections, unrestricted. We are not going to be able to do anything with that unless the amendment of the Senator from Minnesota is adopted.

Mr. WELLSTONE. I thank my colleague.

The Senator from Illinois?

Mr. DURBIN. Mr. President, it is naive to believe we can eliminate soft money from candidates and political parties and that that money will disappear. That money will find its venue in these issue ads that we will then face. Believe me, the voters of your home State will not be able to distinguish where the soft money is being spent. It is going to be soft money spent for the purpose of influencing political campaigns.

The Senator from Minnesota has adopted the Snowe-Jeffords standard in terms of these ads. It is not changing it in any respect. I say, with all due respect to my colleague from North Carolina, the Senator from Minnesota has included a severability clause. If we are wrong, if this is unconstitutional, it can be stricken without having any damage to the rest of this McCain-Feingold bill as written.

In 1974, when the Senate and House presented to the Supreme Court our version of campaign finance reform, they decided spending limitations were unconstitutional but, in terms of contribution limitations, they were constitutional. When it comes down to it, they can make that same decision on this provision.

I hope if it is in the bill they will leave it there because then we will clearly takeout all soft money. Unfortunately, the Senator from Minnesota is not part of the bargain today. What he has brought before us is not something that has been bargained for by those who have written this bill. But his is a good-faith and valuable addition to this, and I hope my colleagues will vote for it.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. The Senator has 54 seconds.

Mr. FEINGOLD. Let me be clear. When the Senator from Illinois argues that there is a severability clause, the fact is there is going to be an effort on this floor to make this entire bill nonseverable. That raises the stakes to the point of threatening the entire piece of legislation because if any one piece of this bill—if we lose on nonseverability—is determined to be unconstitutional, the whole bill falls. I think we are going to win on the severability issue, but if we do not, this amendment raises the very distinct prospect, which I believe all of us fear, that the entire effort will fall if the U.S. Supreme Court finds one defect. This is a critical amendment in that regard.

Mr. SARBANES. That is not true. Does the Senator have any time?

Mr. WELLSTONE. Mr. President, how much do I still have?

The PRESIDING OFFICER. The Senator has 1 minute 43 seconds.

Mr. WELLSTONE. I am glad to yield.

Mr. SARBANES. Mr. President, I want to get campaign finance reform, but I am not going to be bum-rushed down a path where you forgo all analytical abilities. This severability issue is an important issue. In 1974, we passed campaign finance legislation and the Supreme Court threw out a number of very important provisions in that legislation and totally changed the scheme. Much of what we are suffering today is a consequence of that Court's decision.

Now we are being told you can't have nonseverability; you have to stick with this thing through thick or thin. I am told, suppose the Court throws out a minor provision. You want the whole bill to go down?

The answer to that is no. But then the question is, Suppose the Court throws out a major provision. Suppose the Court throws out a major provision. Do you want the whole bill to go down there?

The Senator from Minnesota has made an exceedingly good-faith effort because he has included the provision if the Court throws out this amendment, the rest of the bill will stand. I do not understand these arguments on the constitutionality, given that provision of the Senator's amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WELLSTONE. This is a reform. The soft money, it doesn't let it channel into all these sham ads. It makes the bill stronger, I say to my colleagues.

Mr. GRAMM. Regular order.

The PRESIDING OFFICER. Who yields time?

Mr. FEINGOLD. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 15 seconds.

Mr. FEINGOLD. I yield the remaining time to the Senator from North Carolina.

Mr. EDWARDS. Mr. President, I say in response to what the Senators from Maryland and Illinois said, without regard to severability, we also have a responsibility not to pass an amendment that the U.S. Supreme Court has already ruled is unconstitutional, black and white, in 1984. That is the issue.

Mr. WELLSTONE. Will my colleague yield? That amendment applied to broadcasting. The Senator knows that.

Mr. FEINGOLD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 145. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Montana (Mr. BURNS) is necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. BURNS), would vote "no."

Mr. REID. I announce that the Senator from Montana (Mr. BAUCUS) and the Senator from Louisiana (Ms. LANDRIEU) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. BAUCUS), would vote "aye."

The PRESIDING OFFICER (Mr. ALLEN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 48 Leg.]

YEAS—51

Allard
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bunning
Byrd
Cantwell
Cleland
Clinton
Cochran
Conrad
Craig
Dayton
Domenici
Dorgan
Durbin
Fitzgerald
Frist
Gramm
Grassley
Gregg
Harkin
Hatch
Hollings
Inhofe
Inouye
Johnson
Kennedy
Kerry
Leahy
Lincoln
Lott
McConnell
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Santorum
Sarbanes
Smith (NH)
Smith (OR)
Stevens
Thurmond
Torricelli
Warner
Wellstone

NAYS—46

Akaka
Allen
Bayh
Brownback
Campbell
Carnahan
Carper
Chafee
Collins
Corzine
Crapo
Daschle
DeWine
Dodd
Edwards
Ensign
Enzi
Feingold
Feinstein
Graham
Hagel
Helms
Hutchinson
Hutchison
Jeffords
Kohl
Kyl
Levin
Lieberman
Lugar
McCain
Mikulski
Miller
Reid
Roberts
Rockefeller
Schumer
Sessions
Shelby
Snowe
Specter
Stabenow
Thomas
Thompson
Voinovich
Wyden

NOT VOTING—3

Baucus
Burns
Landrieu

The amendment (No. 145) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, is the Fitzgerald amendment the pending business?

The PRESIDING OFFICER. It is the pending amendment.

Mr. MCCONNELL. I inquire of the Senator from Illinois if he has plans for that amendment.

Mr. DODD. Mr. President, I thought maybe my colleague might want to inform our Members as to what the program is tonight and tomorrow.

Mr. MCCONNELL. I inform all of our colleagues that the next amendment to be dealt with is the Hagel-Breaux amendment which will be laid down shortly. It is my understanding that it is agreeable on both sides to have very limited debate on that amendment tonight, with the remainder of the debate coming in the morning and a vote before the noon policy luncheons tomorrow. I say to my friend from Connecticut, is that his understanding as well?

Mr. DODD. It is, Mr. President. We may have additional requests. I think 10 minutes is what Senator HAGEL wanted. We may have a request for 15 or 20 minutes over here tonight because people want to be heard. After the Hagel amendment, Senator KERRY of Massachusetts has been waiting. We would be prepared to offer his amendment after the consideration of the Hagel amendment.

Mr. MCCONNELL. Mr. President, that is where we stand for the evening. I believe the Senator from Illinois would like to dispose of his amendment.

Mr. MCCAIN. Mr. President, may I ask what the parliamentary procedure will be?

Mr. MCCONNELL. Mr. President, I say to my friend from Arizona, what I thought I would do is give the Senator from Illinois a chance to withdraw his amendment; is that correct?

Mr. FITZGERALD. Mr. President, I would like consent to withdraw it and resubmit it. I am still working on getting it so that it technically complies with all I want to achieve.

Mr. MCCONNELL. I say to my friend from Arizona, what I had hoped was to enter into an agreement where there would be 10 minutes on the side of the Hagel amendment.

Mr. DODD. Fifteen minutes is what I need.

Mr. MCCONNELL. Fifteen minutes opposed to the Hagel amendment, with the remainder of the time being reserved. We would go into session at 9 o'clock in the morning; is that correct?

After consultation with the leader, the thought was that we would come in at 9:15 and resume debate on the Hagel amendment, with the remainder of the time on each side reserved for the morning. Is my friend from Arizona comfortable with that arrangement?

Mr. MCCAIN. Yes. I thank the Senator.

Mr. MCCONNELL. Mr. President, for the purposes of withdrawing his amendment, I yield the floor. I see the Senator from Illinois is here.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

AMENDMENT NO. 144, WITHDRAWN

Mr. FITZGERALD. Mr. President, I ask unanimous consent to withdraw the amendment I introduced on Friday, to be resubmitted later in the week, as there are now some technical glitches.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. FITZGERALD. I thank the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that tonight there be 10 minutes of debate on the proponents' side of the Hagel-Breaux amendment and 15 minutes on the side of the opponents of the Hagel-Breaux amendment. I see Senator HAGEL is present.

I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAGEL. Mr. President, may I ask the Senator from Kentucky: Senator BREAUX, I believe, wanted to speak. He may need 5 minutes. We may not use all of the time, but is that agreeable for an additional 5 minutes?

Mr. MCCONNELL. I say to the Senator from Nebraska, he may carve up that 10 minutes any way he would like.

AMENDMENT NO. 146

(Purpose: To amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes)

Mr. HAGEL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. HAGEL] proposes an amendment numbered 146.

Mr. HAGEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the RECORD of Friday, March 23, 2001, under "Amendments Submitted.")

Mr. HAGEL. Mr. President, in this final week of debate on campaign finance reform, we have an opportunity to achieve something relevant and important. Our hope has always been to get a bipartisan bill approved by the Senate that brings reform to the system, is constitutional, does not weaken political parties, and that our President Bush will sign.

It is in that spirit that we offer our amendment, my colleagues and I, Senators BREAUX, BEN NELSON, LANDRIEU, DEWINE, KAY BAILEY HUTCHISON, GORDON SMITH, THOMAS, ENZI, HUTCHINSON, ROBERTS, ALLARD, BROWNBACK, CRAIG, and VOINOVICH.

Whatever we do this week to reform our campaign finance system, we must look to expand, not constrict, opportunities for people to participate in our democratic process.

The amendment we offer today is very similar to the legislation we first offered in the fall of 1999. It will improve the way Federal campaigns are financed and has three main components.

First, hard money limits:

This is just a matter of fairness and common sense. Today's hard money contribution limits are worth less than one-third of their value when the 1974 act was passed. They haven't been adjusted in more than 26 years. Hard money is the most accountable method of political financing. Every dollar contributed and every dollar spent is fully reported to the Federal Elections Commission. The individual limit of $1,000 in 1974 now equates to $3,300 in today's purchasing power. Our amendment raises this limit to $3,000 and indexes it for inflation.

Second, our amendment focuses on disclosure. This is the heart of real campaign finance reform. We start from a fundamental premise that the problems in the system do not lie with political parties or candidates' campaigns but with unaccountable, unlimited outside monies and influence that flows into the system where there is either little or no disclosure.

In recent years, we have seen an explosion of multimillion dollar advertising buys by outside organizations and individuals. These groups and wealthy individuals come into an election, spend unlimited sums of money and leave without anyone knowing who they were or how much they spent or why.

Our amendment increases disclosure requirements for candidates, parties, independent groups, and individuals. We ensure that the name of the individual, or the organization, its officers, address, phone numbers, and the amount of money spent are made public.

It is a very relevant question. Why do we want to ban soft money only to political parties—that funding which is accountable and reportable now? This ban would weaken the parties and put more control in the hands of wealthy individuals and independent groups that are accountable to no one.

Our amendment caps soft money contributions to political parties to $60,000 per year—far below the unlimited millions that are now poured into the system. This is a very real and very significant limit. The Wall Street Journal recently reported that nearly two-thirds of the soft money contributions in the last election cycle came from those who gave more than the $120,000 election cycle soft money ban that would be in our bill. Two-thirds of the soft money contributions, or a total of nearly $300 million, in the last election cycle would have been prohibited by this cap.

Regarding the State parties, our amendment codifies a defined list of activities that State parties must pay for with a percentage of hard dollars. For activities that promote candidates in Federal elections, State parties would follow a funding formula determined by the number of Federal candidates. For example, if 50 percent of the candidates promoted are Federal candidates, then 50 percent of the funding must come from Federal, or hard dollars. We agree with curbing the abuse of soft money.

Finally, we believe our campaign finance reform proposal would pass constitutional muster. As Senator SARBANES said on the floor of the Senate a half hour ago, what good does it do to pass legislation we know will be struck down by the courts?

I look forward to debating the merits of our proposal with my Senate colleagues.

Now I turn to my friend and colleague from Louisiana, who was an original cosponsor of this bill in October of 1999, Senator JOHN BREAUX.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I thank the distinguished Senator from Nebraska for his contribution in working so diligently to try to bring a degree of reform to our system and yet at the same time recognizing the practicalities of what we do in the real world. One of the most popular misconceptions that members of the press, as well as many Members of this body, the other body, and many people in the general public have of the underlying bill, the McCain-Feingold bill, is that somehow it takes the so-called soft money out of Federal elections.

It simply does not do that. It only does it, as the distinguish Senator has pointed out, to probably the two most responsible organizations out there involved in Federal elections, and that is the Democratic Party, of which I am a member, and the Republican Party, of which the Senator from Nebraska is a member.

It takes the so-called soft money out of the party operations, but it leaves it available to every other group in the United States, all of the so-called 501(c)(4) organizations and the 527 organizations, which under the McCain-Feingold bill would continue to be able to raise large sums of money—that is, unrestricted as to the amounts—to be used in Federal elections and, in most cases, against Federal candidates. I do not know how anybody writing about what we are doing in this body tonight can say that this type of a bill, which leaves all of those areas unrestricted, somehow eliminates soft money in Federal elections. If you look at the list of groups that are single issue groups, special interest groups, that have been running ads since January of 1999—just that group—I have two columns of print that is so small I can hardly read it without putting it as far away from my eyes as I possibly can. But every group on this list would be untouched by the McCain-Feingold amendment—at least outside of 60 days before the election—with the adoption of the Wellstone amendment.

It is very clear that most of the damage these groups do is not within 60 days of an election; it is the year before the election. It is the 2 years before the election. As in my State of Louisiana, when the election is not until the next November, one of these groups is already on the air running television advertisements, using soft dollars, unrestricted—unrestricted today and after if the McCain-Feingold bill were to be adopted. They would do the same thing right up until the election. At that time, they don't need to do it anymore. The damage is done, and the impression is created about a particular candidate, whether he or she is good or bad. Sixty days means nothing to them because they have already accomplished their purpose for the 2 years prior to that time when they did the damage, armed with all of the soft money they would want. That is one of the reasons why I am concerned.

I will mention very briefly the type of ads that will still be allowed under McCain-Feingold and the damage they can do. If they are unanswered by our State parties and the Republican Party and the Democratic Party, they will do serious damage to the integrity of our elections.

Rather than say we are taking ourselves away from the shackles of special interests, I daresay that candidates will be more prone to listen to all of these special interests, single interest organizations, which will continue to use all of the money that they need.

Now pick your poison because they have them from both sides. But these groups would continue to be able to do anything they want with soft dollars up until 60 days. Here are the National Abortion Rights League and the National Right To Life. Which side would you want attacking you in your State? Do you remember the TV ads with Harry and Louise on the Clinton health plan? Some of the folks on that side of the aisle thought they were great but not this side. Harry and Louise represented the Health Insurance Association of America. They would do exactly what they did 2 years ago and 4 years ago. Somebody said candidates would not be able to help them raise money. Does anybody think they need candidates to help them raise money—the Health Insurance Association of America? They will have more money than they know what to do with.

Do you remember Flo? She did a terrific job. On my side of the aisle, they didn't like what Flo had to say. Citizens For Better Medicare was Flo. It is a 501(c)(4) organization. They will continue to raise unlimited amounts of money and do exactly what they did several years ago.

Therefore, I think the Hagel-Breaux approach—we will call it that for the purpose of our discussion tonight—is a balanced and proper approach and one that makes a great deal of sense. It is real reform, and it is something that should merit our support.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I rise in strong opposition to this amendment proposed by the Senator from Nebraska. The Hagel amendment is very simply antireform. Over the course of this debate, many Members of this body have proposed thoughtful, and even provocative, amendments that have made important contributions to the substance of the McCain-Feingold bill. I thank my colleagues sincerely for their efforts.

But this amendment clearly does not contribute to the strength of the bill. On the contrary, the Hagel amendment would weaken McCain-Feingold beyond recognition. My colleague from Nevada, Senator REID, has said he can't imagine a system worse than the one we have today. I think we have found it today in the Hagel amendment.

I am sorry to say that because I know my friend Senator HAGEL is sincere in his attempt to improve the campaign finance system. As many colleagues know, the centerpiece of the McCain-Feingold bill is a ban on soft money. The ban on soft money defines the legislation. Banning soft money is the most vital reform we can enact and, without it, all the effort that the Senate has put into the bill would be meaningless.

Make no mistake, as we vote on this amendment, the Hagel amendment simply guts the soft money ban. Under Hagel, the soft money that is so outrageous to the public, and that so few Members of this body are even willing to defend at this point, is suddenly, permanently, forever written into our law. That is unacceptable, and it is certainly not reform.

We can't be credible to the American people if we are going to characterize as reform changes in the law that give even more power to the wealthiest people in our country.

We are not here to sanction or institutionalize the soft money system. We are here to stop it. We did not fight for 6 years to get to the place where we are today, within a few days of passing a bill to ban soft money from our system, only then to step back at the last minute and say: Never mind; soft money creates a dangerous appearance problem for Members of this body.

It is sad to say—you know it, Mr. President, and I know it—we pick up the phone to raise soft money with one hand and we vote with the other hand. Is the answer for the Congress to officially sanction this system, to say it is OK forever for Members of Congress to ask for $50,000 checks from corporations and unions, and make it live forever? That is what this amendment will allow. I think most of my colleagues understand that for this body to have any credibility with the American people, the answer to that question must be a resounding no.

When this body succeeded in stopping the appearance of corruption in the past, we did not do it with half-hearted measures that sanctioned our own behavior. When the Senate responded to concerns about the honoraria system, the Senate banned honoraria. It did not say we would just take a little less in speaking fees than we did before.

When the Senate responded to the public's concern about Members receiving lavish gifts from outside interests, we enacted the gift ban. We did not say the system that was in place was OK and open a new and permanent loophole.

We did not take the easy way out in those circumstances because we knew the American people would see through any attempt to dodge the reforms that needed to be made.

Those were important moments where the Senate acted to renew the people's faith in us and the work we do. We sent the message with those reforms that we understood that just because something is standard practice around here does not make it right. We understood that our inaction fostered the appearance of corruption, and so on those occasions we took decisive action to change the system.

I say to my colleagues, we are only going to get credit where credit is due. The American people may not be following every nuance of this debate and every detail of each amendment, but they know phony reform when they see it. If we simply engrave soft money into law and allow soft money to continue to flow unchecked to State parties, we are not fixing the system; we are perpetuating it. We are continuing to allow, in effect, two sets of books: The hard money system and the soft money system; if you will, a second secret-secret fund that involves enormous amounts of money.

That is not why we are here. I for one cannot go home to Wisconsin to one of my listening sessions and town meetings and say to a constituent: We just passed campaign finance reform in the Senate; isn't that great?

It used to be legal for a couple to give up to $100,000 in an election cycle to candidates, parties, and PACs, and now it is $540,000 per cycle. That is what the Hagel bill does. That is what the Hagel amendment does. It allows every couple in America to give $540,000 every 2 years of hard and soft money combined.

I do not know about the other States—actually, I think I do. It would seem ridiculous to the people of any State to suggest you could have a campaign finance reform bill that allowed any couple in America to give $540,000 every 2 years. I could not say it with a straight face, and I think every other Member of this body would be in the same boat.

My friend from Nebraska says this amendment at least limits the amount of soft money. I am sorry to say that just is not the case. While it is true the Hagel amendment caps what a corporation or union or wealthy individual can give to the national parties in soft money, that same soft money can still be raised and spent by the State parties—by the State parties—on Federal elections. It leaves a gaping, complete loophole for wealthy donors to funnel unlimited money to the States.

In contrast, the State loophole is sealed shut in the McCain-Feingold bill, and it is not even addressed by the Hagel bill. McCain-Feingold does not prohibit States from spending their money on campaigns as long as it does not relate to Federal elections, but when it comes to States spending money on Federal elections, soft money is strictly prohibited.

I know this provision in our bill has led to a new argument, a new charge that I have had some fun debating with the Senator from Nebraska. The new charge is that our bill "federalizes" State election law.

Let's put this matter to rest right now. We only address State spending on Federal elections—on Federal elections. Federal elections should be conducted under Federal rules, and that is what McCain-Feingold ensures. You cannot leave open loopholes that we already know exist, as the Hagel amendment does, and somehow purport to be doing something about or limiting soft money. It just is not true. That is just a roadmap. The Hagel amendment is just a roadmap to the parties to just restructure their operations and continue what they have been doing.

I ask my colleagues whether they think the donors on this chart might send soft money donations to the States under the Hagel amendment. What do they think? Look at the growth under each of these amounts. For donors of $200,000 or more, $400,000 or more, or $500,000 or more, one can see the enormous growth from 9 people who gave $500,000 or more to 167 people giving $500,000 or more. Do we really think these donors will just reduce their contributions to $60,000 per year if the Hagel amendment becomes the law? Of course they will not, and they will not have to because the Hagel amendment tells them exactly how to get the rest of that cash to whom they want it to get to just running it through the State parties that can spend it freely on Federal elections, every dime under the Hagel amendment.

It is a roadmap for continuing to exert influence over the Congress and the administration by contributing all that money to the State parties and then having it spent on the Federal elections.

I thought this category of donor deserved its own chart because this is phenomenal. Since the 1992 election cycle, the number of $1 million donors—I say to the Senator from Connecticut, when I came here, I could not even imagine—and I came here only 8 years ago—the idea of a $1 million donor. I did not think it possible to even give $25,000. Million-dollar donors have developed in the last few years, and it has gone through the roof.

This chart shows the astronomical growth of these mega-donors. There was only one in 1992. I did not know about it when I got here. It sure did not help me. In 1996, it rose to seven—seven $1 million donors. In the year 2000 cycle, it was really moving: 50 different groups, interests, corporations, unions, or individuals gave over $1 million— 50.

I have a feeling that some of these donors would be very happy to exploit the State loophole under the Hagel amendment. Members of Congress will, unbelievably, still be able to ask for these contributions.

Members of this body are allowed under the Hagel amendment to call somebody up, to call a CEO, or the president of a labor union or an individual and say: We need a million-dollar check from you. That is what the Hagel amendment would permit; it just has to be done through the State laws. They will still be able to ask for them because, unlike the McCain-Feingold bill, the Hagel amendment does not contain any restriction on Federal officials or officeholders raising soft money, and to me that is the very worst thing about this whole system, that people elected to this institution are allowed not only to do this, but they are pressured into asking for those contributions every day by their political parties and by their political leaders.

Finally, I think some of these donors would certainly be giving soft money to the States under the Hagel amendment. I think this chart shows better than any how savvy soft money donors are. They can have it both ways because they can give unlimited amounts to both parties. They pay tribute to both of the parties and exert influence on the entire Congress. These are the kinds of donors who will choose to take the State soft money route mapped out for them under the Hagel amendment—Federal Express, Verizon, AT&T, Freddie Mac, Philip Morris—all giving to both parties, covering their bets. Believe me, they will proceed through the loophole in the Hagel bill with every dime they want to contribute.

We can hardly be naive enough to think that just because the soft money to the national parties would be capped, soft money donors would not give heavily to State parties, as plenty of soft money donors already do.

As I mentioned, there is another crucial difference between McCain-Feingold and the Hagel proposal. We prohibit officeholders and candidates from raising this soft money. The Hagel amendment does nothing to address this problem. Under the Hagel bill, for the first time in American history, we would legitimize soft money, having politicians call up every CEO and every corporate head, saying "I need your $60,000." That is what you can give. That is the price of admission.

It has been the wisdom of the Nation for 100 years, starting with Teddy Roosevelt, that we should not do that. Under the Hagel amendment, it becomes the norm; it becomes standard procedure. Call up the union and say it is time for your $60,000. Call up a corporation and say it is time for your $60,000. I hope we do not go down that road.

I have been asked whether I think the Hagel bill is better than nothing at all. With all due respect to my colleague from Nebraska, that is exactly how I feel. The Hagel amendment doesn't pass the commonsense test. If there is one thing Americans have plenty of, it is common sense. We can't support the Hagel amendment and call the bill reform. If anybody wants to go home to their State to tell people that our answer to the soft money problem was to sanction soft money and ensure that it lives forever, good luck. You will need it.

The Hagel bill also triples the hard money limits from the current $2,000 a donor can give a candidate per cycle. To most Americans, $2,000 is still a large sum of money; $2,000 is what an individual can give to a single candidate in an election year under the current law. They can give $1,000 in the primary and another $1,000 in the general election. This bill is about closing loopholes that allow the wealthiest interests in our country to exert undue influence in our political system.

As I said before, it is only a first step to cleaning up the system. There are many provisions we can consider down the road that affect our campaigns. I know some in this body would like to increase the amounts that donors can give to our campaigns. But a tripling of the hard money limits, combined with a codification of the soft money system, is simply beyond the pale. There is no way a bill that contains those two provisions can be called reform.

Finally, what is most troubling about the Hagel amendment is that it allows corporations and unions to give directly to parties. That is what writing soft money into the law would achieve. It actually sends the campaign finance laws back in time to the very beginning of the 20th century before the Tillman Act banned direct corporate donations to the parties and before Taft-Hartley banned direct labor contributions to the parties. I know this is understood with the Hagel amendment. People don't seem to give it a second thought.

I think it is worth pausing to consider just what a throwback the Hagel amendment really is. How often do lawmaking bodies consciously dismantle reforms that have stood for nearly 100 years. The Hagel amendment isn't just a codification of the soft money status quo; it is actually a step backward in time. Teddy Roosevelt signed the Tillman Act in 1907, in the days when the public was so concerned about the power of certain corporate interests, the power of railroads and the trusts. It was a landmark reform that has helped to shape everything that has come after it. It wrote into law the understanding, the most important part about this whole bill, that direct corporate contributions to the parties create enormous potential for corruption. With the stroke of a pen, Teddy Roosevelt wrote that into law and now we are considering whether to write it out of the law.

I say to my colleagues, that would be a grave mistake and an embarrassment for this Senate. I hope my colleagues will take a careful look at the amendment, and I hope the Senate will soundly reject it. The Hagel amendment undermines McCain-Feingold in every conceivable way. McCain-Feingold bans soft money while Hagel makes sure we can have it forever, unlimited amounts through a loophole to the State parties.

Hagel combines the codification of soft money with a tripling of the hard money limits, allowing a couple to give $540,000 in donations to a given cycle. I almost can't say it without laughing at that amount of money.

Finally, the Hagel proposal would undue the ban on corporate and union contributions to the parties that are at the very foundation of the campaign finance reforms of the last 100 years.

There are some reform proposals in the Hagel bill that deserve some consideration, but a vote for the Hagel amendment is simply a vote to unravel the most basic reforms of the McCain-Feingold bill.

The Hagel amendment would remove the ban on corporate and union contributions to the parties, replacing it with a soft money system that would have the Senate's stamp of approval. I urge my colleagues to think about what it means to turn back the clock on the laws that protect the integrity of this government.

This campaign finance debate is about moving forward, not going back. We must defeat this amendment and bring this debate to a conclusion. It is time to pass real reform. The Hagel amendment must not be adopted.

Mr. McCONNELL. As the manager of the bill on this side and a supporter of the Hagel-Breaux amendment, I ask unanimous consent the last 5 minutes prior to the vote be under my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, as the Senate continues consideration of campaign finance reform this week, I want to commend Senator LOTT and Senator DASCHLE for their leadership in bringing this important issue before the Senate for a full and open debate. And I thank Senator MCCAIN and Senator FEINGOLD for their commitment and hard work in crafting meaningful, bipartisan campaign finance reform legislation.

The enormous amounts of special interest money that flood our political system have become a cancer in our democracy. The voices of average citizens can barely be heard. Year after year, lobbyists and large corporations contribute hundreds of millions of dollars to political campaigns and dominate the airwaves with radio and TV ads promoting the causes of big business.

During the 2000 election cycle alone, according to Federal Election Commission records, businesses contributed a total of $1.2 billion to political campaigns. A recent Wall Street Journal article reported that $296 million, almost two-thirds of all "soft money" contributions given in the last election, came from just over 800 people each of whom gave an average of $120,000. With sums of money like this pouring into our political system, it's no surprise that the average American family earning $50,000 a year feels alienated from the system and questions who's fighting for their interests.

The first step in cleaning-up our system is to close the gaping loophole that allows special interests to bypass existing contribution limits and give huge sums of money directly to candidates and parties. These so-called "soft-money" contributions have become increasingly influential in elections. From 1984 to 2000, soft money contributions have sky-rocketed from $22 million to $463 million an increase of over 2000%. We cannot restore accountability to our political system, until we bring an end to soft money. McCain-Feingold does just that.

Another vital component of meaningful reform is ending special interest gimmickry in campaign advertising. Today, corporations, wealthy individuals, and others can spend unlimited amounts of money running political ads as long as they do not ask people to vote for or against a candidate. These phony issue ads—which are often confusing and misleading—have become the weapon of choice in the escalating war of negative campaigning. The limits McCain-Feingold places on these ads will help clean-up the system and make it more accountable to the American people.

So far, all the Republican leadership in Congress and the President have proposed is reforming the system to allow more money in politics, not less. Increasing hard money contribution limits across-the-board and legalizing soft-money will not restore the public's confidence in our political system. Instead, it will only enhance the influence of big corporations and other special interests.

What is even more troubling are Republican efforts to use campaign finance reform as an excuse to silence working families and to prevent their unions from speaking up on the issues they care about. In the 2000 election, corporations outspent labor unions 14-1, yet Republicans would have us believe that muzzling unions—the voice for working families is real campaign finance reform.

The reality is that the Republican amendments offered last week to regulate union dues are not reform, but revenge for the extraordinary grassroots effort that the labor movement exerted in the last three Presidential campaigns. Fortunately, the Senate stood up for working families by defeating these anti-union amendments.

For the first time in over two decades, the Senate has a real chance to meaningfully reform our campaign finance laws. We will learn a lot during the debate this week about who is committed to real reform and who is committed to maintaining the status quo.

Finally, Mr. President, I happen to be one who, along with Senator Scott and Senator Stafford in 1974, offered public financing for House, Senate, and Presidential campaigns. That was in the wake of the Watergate financial scandals. The Senate took a good deal of time debating those issues. We were successful in passing it. So we would have had public financing for primaries for the House of Representatives, the Senate, and the Presidency.

In the course of those negotiations with the House of Representatives, we were unable to get movement in the House of Representatives. As a result, we eliminated the public financing for the House and Senate and took a partial public financing for the Presidential elections, which is the basis of a good deal of the challenge we are trying to face today.

I personally believe we are not going to get real reform until we have a public financing program. Many people say—and I have heard it here on the floor—if we do that, we are using the public's money in politics and somehow this is evil and wrong. They say politics should not include the public's money.

The tragic fact of the matter is that the public is paying for campaigns, and they are paying for them every day with the large loopholes that are being written into our Tax Code day after day, year after year, that are favoring many of the special interests that are making the largest campaign contributions.

We would save the American public, I believe, a good deal in terms of their taxes, should we move toward a public finance kind of system. That is not the issue that is before the Senate now, but I do believe that the steps that were included in the proposed legislation before us provide for some progress. I intend to support it. I do believe that ultimately we are going to have to come to some form of system for public financing. I hope this will not require that we have a change in the Constitution. There will be those who will debate this issue this afternoon who think that is absolutely essential.

At this point, I do not support those changes, but we need to take the necessary steps to address the larger issues, which I think will include public financing, in order to get a handle on this situation.

I am a strong believer that public officials ought to be accountable to the people, not to financial interests. We ought to have the debates on the floor of the Senate and the House of Representatives with people who are representing their own best judgment and the interest of their States rather than—which I am afraid is too much the case—the interests driven by special interests and the largest contributors.

Until we return to that kind of integrity in the financing of our election system, we are going to have difficulty assuring the American electorate that we are really meeting our responsibilities and have an institution that is of the people, by the people, and for the people, and responsive only to the people.

I thank the Chair, and I yield the floor.

Mr. McCONNELL. Mr. President, I would like to refer to an article by David Tell which recently appeared in the March 26, 2001 edition of The Weekly Standard entitled "Shut Up, They Explained." In it, Mr. Tell explains the tenth amendment problems that would result from McCain-Feingold's federalization of State and local campaign activities, and he notes the first amendment problems with the bill's restrictions on outside groups. This article begins:

> This week and next, the U.S. Senate will consider amendments to a piece of omnibus campaign finance reform legislation—and then approve or reject the result by a majority vote.
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> The substantive pretext for a soft-money prohibition has always been deeply flawed. To pay for an expensive campaign of nationwide image advertising, the 1996 Clinton-Gore reelection effort organized an unprecedented harvest of soft-money contributions to the Democratic National committee. Eventually publicized, the scheme became infamous for its abuses, responsibility for which the Democratic party was thereafter eager to evade. The problem, they told us over and over, was bipartisan: "the system." And McCain-Feingold was the reform that would make it go away. Except that all the misdeeds charged to Clinton and Gore in 1996 were illegal under existing law. And it was the irrationality of a previous "reform"—the suffocating donation and expenditure limits imposed on publicly financed presidential campaigns—that inspired those misdeeds in the first place. Soft money per se had nothing to do with it.
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> The Democratic and Republican parties exist to do more than elect members of the House and Senate. They are national organizations with major responsibilities, financial and otherwise, to state and local affiliates that act on behalf of candidates for literally thousands of non-federal offices—in campaigns conducted according to non-federal laws, most of which still permit direct party contributions by businesses and unions. The McCain-Feingold soft-money ban would criminalize those contributions by requiring that virtually all state-party expenditures, during any election in which even a single candidate for federal office appears on the ballot, be made with money raised in strictly limited increments, and only from individual donors. By unilaterally federalizing all American electioneering practices, in other words, the McCain-Feingold bill would violate our Constitution's Tenth Amendment.
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> Even so stalwart a Democratic interest group as the AFL–CIO has lately adopted some form of this argument. Since it happens to be true, it would be nice to hear it echoed more broadly.
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> As it would be nice to hear more widespread warnings about a still more pernicious feature of the McCain-Feingold bill as presently constituted: its harsh assault on independent political activity by business, union, and non-profit issue groups. Some sympathy is certainly due to congressmen and senators who find themselves, late in a reelection campaign, subjected to a televised barrage of soft-money-funded criticism from such groups. Constrained by hard-money rules, most incumbents are never able to respond at equal volume. Nevertheless, this problem, real as it is, cannot possibly justify the elaborate and draconian restrictions McCain-Feingold seeks to impose on private citizens who might so dare to criticize their elected officials: rules about whom the critics are allowed to consult or hire before they open their mouths in public, for example, and other rules about what they can say, and with whose money, when they do.
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> An unbroken, quarter-century-long line of Supreme Court jurisprudence makes clear: Under the First Amendment, all this stuff is unconstitutional.

Mr. President, I would like to refer to an article from November 15, 1999 from The New Republic written by Professor John Mueller entitled "Well Off. Good riddance, McCain-Feingold." In it, Professor Mueller notes that the influence of "special interests" in the democratic process is not "a perversion of democracy," but "it's the whole point of it." He also notes that "campaign finance reform" will not be able to stifle the special interests; if certain forms of political speech are suppressed, citizens groups will simply use other methods.

The article begins:

> Once upon a time, carping about campaign finance abuse was mainly the province of Democrats.
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> But it is the defenders of money in politics, the ones so widely reviled in the elite press, who speak the truth about campaign finance reform. In a democratic system of government, there will always be some inequality of influence. Yet that is not necessarily a flaw, and it is rarely as debilitating to good government as reformers would have you believe. When you dig beneath the rhetoric of campaign finance reform, you discover that the "reforms" being proposed would, in practice, constitute anything but an improvement.
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> The essential complaint of reformers is that the present system gives too much influence to so-called special interest groups. This is also the most popular complaint. Who, after all, supports special interests? Actually, we all should. Democracy is distinguished from autocracy not as much by the freedom of individual speech—many authoritarian governments effectively allow individuals to petition for redress of grievances and to complain to one another, which is sometimes called "freedom of conversation"—as by the fact that democracies allow people to organize in order to pursue their political interests. So the undisciplined, chaotic, and essentially unequal interplay of special interest groups that reformers decry is not a perversion of democracy—it's the whole point of it.
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> Nor is campaign finance reform likely to subdue special interests. People and groups who seek to influence public policy do so not for their own enjoyment but because they really care about certain issues and programs. If reformers somehow manage to reduce the impact of such groups in election campaigns, these groups are very likely to find other ways to seek favor and redress, no matter how clever the laws that seek to inconvenience them are. For example, if Congress prohibited soft money donations to political parties—which is what the ill-fated McCain-Feingold bill promised to do—special interests would merely spend more money on their own advertising and get-out-the-vote efforts, which are known in the political business as "independent expenditures."
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> What makes the philosophy of campaign finance reform so ironic is that the laws have such a poor track record of rooting out the alleged abuses they are intended to eliminate. In fact, many of the ills reformers now seek to address are the byproducts of earlier attempts to clean up the system.
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> Reformers of all stripes argue that political campaigns cost too much. But the real question is, compared with what? The entire cost of the 1996 elections was about 25 percent of what Procter & Gamble routinely spends each year to market its products. In what sense is this amount too much? Some people do weary of the constant barrage of advertising at election time, but democracy leaves them entirely free to flip to another channel, the same method used so effectively by anyone who would rather not learn about the purported virtues of Crest toothpaste.
>
> There is also the related gripe that the ever-increasing need for donations means that politicians spend too much of their time raising money. But much of this problem arises from the absurdly low limit the reformers have placed on direct campaign contributions. If anything, rather than restricting soft money (as the McCain-Feingold bill would have), it's time to raise or eliminate altogether the $1,000 limit on individual contributions to candidates. Politicians seem to find it politically incorrect to advocate this sensible change, even though it would probably reduce the amount of time they spend campaigning or campaign funds. Getting rid of special interest influence by other means—say, by regulating independent groups' expenditures—would only work if reformers successfully dispensed with the right to free speech. Since the advocacy of special interests is the very stuff of the democratic process, the unintended goal of the campaign reformers ultimately seems to be the repeal of democracy itself.

Mr. President, I would like to refer to an excerpt from an article by Washington Post columnist David Broder that ran on February 21 of this year entitled "Campaign Reform: Labor Turns Leery." In it, Mr. Broder notes that Big Labor has echoed my concerns about the unconstitutionality of the McCain-Feingold bill. Specifically, Mr. Broder writes that:

> Last week the AFL–CIO, which in the past had endorsed a ban on soft money contributions, announced that it has serious misgivings about other provisions of the McCain-Feingold bill. Limiting "issue ads" that criticize candidates by name—even if not calling specifically for their defeat—in the period before an election would inhibit its ability to communicate freely with union members, the memo said. Other sections would make it impossible for labor to coordinate its voter-turnout efforts with those candidates it supports. None of these concerns is trivial. But they point up some of the very same constitutional objections Mr. McConnell and other opponents—including a variety of conservative groups and, yes, the American Civil Liberties Union—have made for years.

Lastly, Mr. President, I would like to refer to another article by Professor Kathleen Sullivan, professor of constitutional law and dean of Stanford Law School. This article is entitled "Sleazy Ads? Or Flawed Rules?" and appeared on March 8, 2000 in the New York Times. In this article, Professor Sullivan notes the controversy that surrounded the running of television ads last year by supporters of then-candidate George W. Bush. She explains why the real problem with today's campaign finance system is the quarter-century-old contribution limits, and that real reform would be to raise these limits, bringing them into the 21st century. Specifically, Professor Sullivan notes:

> Many have professed to be shocked, shocked that recent television commercials attacking Senator John McCain's environmental record turned out to be placed by Sam Wyly, a wealthy Texas investor who has been a strong supporter of Gov. George W. Bush.
>
> Predictably, many have called for more campaign finance reform to stop such stealth politics, and Senator McCain filed a formal complaint on Monday with the Federal Election Commission, alleging that the ads, though purportedly independent, were in reality a contribution to the Bush campaign that exceeded federal contribution limits.
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> Such calls for greater regulation of campaign donations, however, ignore the real culprit in the story: the campaign finance laws we already have. Why, after all, would any Bush supporter go the trouble of running independent ads rather than donating the money directly to the Bush campaign? And why label the ads as paid for by Republicans for Clean Air, rather than Friends of George W. Bush?
>
> The answer is the contribution limits that Congress imposed in the wake of Watergate and that the Supreme Court has upheld ever since. The court held that the First Amendment forbids limits on political expenditures by candidates or their independent supporters, but upheld limits on the amount anyone may contribute to a political campaign.
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> The result: political money tries to find a way not to look like a contribution to a political campaign. Unregulated money to the parties—so-called soft money—and deceptive independent ads are the unintended consequence of campaign finance reform itself.
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> This result is not only unintended but undemocratic. Contribution limits drive political money away from the candidates, who are accountable to the people at the voting booth toward the parties and independent organizations, which are not.
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> If Governor Bush places sleazy ads misleading the voters about Senator McCain's record on clean air, voters can express their outrage through their votes. No similar retribution can be visited on private billionaires who decide to place ads themselves.
>
> The answer is not to enlist the election commission to sniff out any possible "coordination" between the advertisers and the official campaign, or to calculate whether the ads implicitly supported Mr. Bush.
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> It is unseemly in a democracy for government bureaucrats to police the degrees of separation between politicians and their supporters. And it is contrary to free-speech principles for unelected censors to decide when an advertisement might actually incite voters to vote. What else, after all, is political speech supposed to do?
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> The solution is simple: removal of contribution limits, full disclosure and more speech. If it had been clear from the outset that the dirty ads on dirty air had come from Mr. Wyly, a principal bankroller of the Bush campaign, the voters could have discounted them immediately—with vigorous help from the vigilant press and the McCain campaign. A requirement that political ads state their sources clearly is far less offensive to free-speech principles than a rule that the ad may not run at all.
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> Better yet, the removal of contribution limits would eliminate the need for stealth advertising in the first place. If Mr.. Wyly could have given the money he spent on the television spots directly to the Bush campaign, the campaign alone would have been held responsible for any misleading information that might have been put out. And such accountability would have made it less likely that such ads would have run at all.
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> As it turned out, Senator McCain was able to use the Wyly commercials to attack Governor Bush's campaign tactics. So, in the end, who gained more from the flap? All Mr. McCain really needed to preserve his competitive edge was the First Amendment, which protects his right to swing freely in the political ring. The people are far more discerning than campaign finance reformers often give then credit for; they can sift out the truth from the cacophony.

Mrs. MURRAY. Mr. President, I rise to indicate that if I were present last Friday, March 23, I would have voted "yes" on the motion to table amendment No. 141, to the campaign finance reform bill, offered by Senator JESSE HELMS of North Carolina.

I was unable to participate in Friday's session because I flew home to Seattle to attend the funeral services for Grace Cole. Grace served on the Shoreline School Board for 13 years and represented North Seattle in the Washington House of Representatives for 15 years.

Grace was my mentor and led the way for advocates like me to follow her from the local school board to the Washington State legislature. Grace made a difference for thousands of families throughout our State by standing up for education, the environment and social justice.

Mr. ALLARD. Mr. President, I would like to announce that I was unable to cast a vote on rollcall vote No. 47, due to unavoidable airline delays. If I was present, I would have voted "no."

MORNING BUSINESS

Mr. McCONNELL. I ask unanimous consent there be a period for the transaction of routine morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESPONSE TO PRESIDENT'S PROPOSAL TO CUT FUNDING FOR CHILDREN'S PROGRAMS

Mr. DODD. Mr. President, I rise to discuss an issue that came to light at the close of business last week in an article that appeared in the New York Times by Robert Pear, "Bush's Budget Would Cut Three Programs to Aid Children." It goes on to describe child care, child abuse programs, early learning programs, and children's hospitals that would receive significant cuts in the President's budget proposal when that proposal arrives.

We haven't seen the budget yet. My hope is that maybe the administration might reconsider these numbers that we are told are accurate. I tried to corroborate this story with several sources, and while no one wants to step up and be heard publicly on it, no one has also said that the numbers are wrong. I suspect they are correct.

The President campaigned on the promise to leave no child behind. If we heard it once, we heard that campaign slogan dozens and dozens of times all across the country. I don't recall seeing the President campaigning when he didn't have that banner behind him saying: Leave no child behind.

Those of us who took the President at his word were shocked, to say the very least, by the news on Friday that the President intends to cut funding for critical children's programs, programs that address basic survival needs of these young people and their families.

Certainly his actions beg the question, when he pledged to leave no child behind, which children did he mean? Apparently not abused and neglected children, since he would cut funding for child abuse prevention and treatment by almost 20 percent.

Almost 900,000 children are victims of child abuse each year in America. Is the President going to ask those children to choose amongst themselves which 20 percent of them shouldn't have their abuse investigated? Is he going to ask them to decide which 20 percent are going to have their abusers brought to justice?

When the President promised to leave no child behind, he must not have meant sick children. The President would cut funding for children's hospitals by some unspecified "large" amount. I am quoting from the story. This funding, which supports the training of doctors who care for the most seriously ill children in our country, had tremendous bipartisan support when it was first appropriated last year. A cut in this program of any size would be a huge step back for chronically ill children and their families.

When the President promised to leave no child behind, he must not have meant the thousands of children who are warehoused every year in unsafe child care settings. He is proposing to cut child care funding by $200 million and to cut all $20 million for the funding of the new early learning program sponsored by Senator STEVENS of Alaska and Senator KENNEDY of Massachusetts. If the President's proposed cuts prevail, 60,000 families with babies and toddlers will be denied child care assistance. At a time when our goal is to give low-income working families the support they need to stay off welfare, such a proposal is unfathomable in my mind.

The President justifies these cuts by saying that instead families will get tax breaks. Allow me to point out a few reasons why I find this justification wrongheaded.

First, this answer conveniently ignores the fact that 43 percent of the tax cut, as we all know, goes to the top 1 percent of the wealthiest families in America, not usually the families who have the biggest problem finding affordable child care or getting good health care when their children are sick.

Secondly, while tax cuts when done in a fair and responsible way can be helpful, they are not the panacea for children's needs. The last time I checked, tax cuts didn't prevent child abuse or make child care safer or make sick children well. The last time I checked, there were proven programs in place, enacted with bipartisan support in this body and the other Chamber, that were addressing those very problems. Yet these are the very programs the President has decided apparently to cut.

The President described himself as a compassionate conservative. Yet every day, with every action over the past 2 months, the evidence seems to be mounting that while he is long on conservatism, he seems a little short on compassion at this point.

Next week the Senate will take up the budget resolution, our blueprint for spending for next year. It is my fervent hope and my intention that these are the kinds of issues we will air and that, with the choices I will be asking us to make, we will have a chance to restore some of this funding when those proposals come up. If they are presently included at the levels that have been suggested, I will be offering appropriate language to address them.

I can't help but notice the presence of my friend from Pennsylvania on the floor, who I know is here to address the matter before the Senate, the Hollings proposal. I thanked him in his absence, and I thank him publicly. It was the Senator from Pennsylvania who last year, when the child care funding levels were going to be raised to full funding of $2 billion, made that happen.

He and I have worked on these issues for 20 years together, from the days when we first identified the issue and then crafted the legislation. In fact, Senator HATCH, who will be coming to the floor shortly, was the original cosponsor with me of the child care development block grant program.

When I express my disappointment, I don't do so in a partisan way because I have worked closely over the years with Members who understand the value of decent child care and the value of children's hospitals, the value of early learning, as Senator STEVENS of Alaska has, as champion of that particular issue.

My hope is that the administration, in the days remaining before they submit the budget to Congress, will listen to some of us who urge them to take a second look at these issues before sending us a budget proposal that sets the clock back at a time when we need to be doing more for families who are struggling to hold their families together to make ends meet.

I didn't mean to raise the name of the Senator from Pennsylvania particularly, but I saw him and I wanted to thank him for the tremendous work he has done on these issues over the years.

I ask unanimous consent to print in the RECORD an editorial entitled "The Mask Comes Off," by Bob Herbert.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 26, 2001]

THE MASK COMES OFF

(By Bob Herbert)

Is this what the electorate wanted?

Did Americans really want a president who would smile in the faces of poor children even as he was scheming to cut their benefits? Did they want a man who would fight like crazy for enormous tax cuts for the wealthy while cutting funds for programs to help abused and neglected kids?

Is that who George W. Bush turned out to be?

An article by The Times's Robert Pear disclosed last week that President Bush will propose cuts in the already modest funding for child care assistance for low-income families. And he will propose cuts in funding for programs designed to investigate and combat child abuse. And he wants cuts in an important new program to train pediatricians and other doctors at children's hospitals across the U.S.

The cuts are indefensible, unconscionable. If implemented, they will hurt many children.

The president also plans to cut off all of the money provided by Congress for an "early learning" trust fund, which is an effort to improve the quality of child care and education for children under 5.

What's going on?

That snickering you hear is the sound of Mr. Bush recalling the great fun he had playing his little joke on the public during the presidential campaign. He presented himself as a different kind of Republican, a friend to the downtrodden, especially children. He hijacked the copyrighted solgagn of the liberal Children's Defense Fund, and then repeated the slogan like a mantra, telling anyone who would listen that his administration would "leave no child behind."

Mr. Bush has only been president two months and already he's leaving the children behind.

There are many important reasons to try to expand the accessibility of child care. One is that stable child care for low-income families has become a cornerstone of successful efforts to move people from welfare to work.

Members of Congress had that in mind when they allocated $2 billion last year for the Child Care and Development Block Grant. That was an increase of $817 million, enabling states to provide day care to 241,000 additional children.

Now comes Mr. Bush with a proposal to cut the program by $200 million.

Is that his idea of compassion?

The simple truth is that the oversized tax cuts and Mr. Bush's devotion to the ideologues and the well-heeled special interests that backed his campaign are playing havoc with the real-world interests not just of children, but of most ordinary Americans.

Mr. Bush is presiding over a right-wing juggernaut that has already reneged on his campaign pledge to regulate carbon dioxide emissions (an important step in the fight against global warming); that has repealed a set of workplace safety rules that were designed to protect tens of millions of Americans but were opposed as too onerous by business groups; that has withdrawn new regulations requiring a substantial reduction in the permissible levels of arsenic, a known carcinogen, in drinking water; and that has (to the loud cheers of the most conservative elements in the G.O.P.) ended the American Bar Association's half-century-old advisory role in the selection of federal judges, thus making it easier to appoint judges with extreme right-wing sensibilities.

The administration of George W. Bush, in the words of the delighted Edwin J. Feulner, president of the conservative Heritage Foundation, is "more Reaganite than the Reagan administration."

Grover Norquist, a leading conservative strategist, said quite frankly, "There isn't an us and them with this administration. They is us. We is them."

Mr. Bush misled the public during his campaign. He eagerly donned the costume of the compassionate conservative and deliberately gave the impression that if elected we would lead a moderate administration that would govern, as much as possible, in a bipartisan manner.

Last October, in the second presidential debate, Mr. Bush declared, "I'm really strongly committed to clean water and clean air and cleaning up the new kinds of challenges, like global warming."

And he said, as usual, "No child should be left behind in America."

He said all the right things. He just didn't mean them.

ADMINISTRATION DECISION REGARDING THE AMERICAN BAR ASSOCIATION

Mr. KERRY. Mr. President, I am disturbed by the Bush Administration's announcement last week that he will eliminate the American Bar Association's essential role in reviewing and providing advice on the qualifications of potential judges before those nominations are sent to the Senate for confirmation.

For the past 53 years the American Bar Association has played a critical role in the judicial nominations process by evaluating potential candidates, first for the Senate in 1948, and then in 1952 for President Dwight D. Eisenhower and his eight successors, Democrat and Republican. The ABA's 15-member Standing Committee on Federal Judiciary has examined the candidates' experience and legal writings and then confidentially interviewed judges and lawyers who have worked with the candidates in order to assess their professional reputation.

President Eisenhower's motivation for seeking the ABA's recommendations is precisely the reason I am disturbed by the Bush Administration's move to skewer the ABA's role in screening new judges: President Eisenhower sought to insulate the judicial nomination process from political pressures by inviting the American Bar Association to give him ratings of candidates' professional qualifications. Over the years the ABA's assessments of judicial nominees have been invaluable, and I for one do not support the Bush Administration's retreat from injecting more, not less, information about the competency, temperament, and integrity of the potential judges into the nominations process.

Until this year, the bar association has been given advance word from the administration on potential judges. The ABA's special team of lawyers has been able to analyze the candidates' career, assess their professional reputation, and rate the prospective nominees as qualified, well qualified, or not qualified. This process is totally confidential and enables the colleagues of nominees to answer the questions fairly and honestly.

The White House's decision not to release the names of potential judges to the ABA before they are announced to the public is a tragedy. The nomination process will be severely impaired by President Bush's decision. With this move, the President has lost the opportunity to learn as much as possible about nominees early on in the nominations process.

What I fear most and what I believe will happen is that public confidence in the judicial nominations process will fade. And I'd point out, that confidence in the judicial system and in the objectivity of the court is imperative in the wake of the 5-4 Supreme Court ruling that determined the outcome of the last Presidential election. I would expect President Bush to work diligently to disabuse the country of the notion that the law is a subset of politics, not serve to reinforce that impression.

It is my belief that President Bush's decision signals a retreat from impartiality in the judicial nomination process. No longer will the President be troubled with the objective recommendations of the ABA, but will be free to nominate whichever candidates pass political muster. The ABA vetting process is important to reassure the public that selecting judges for the federal bench is not just the work of a small inner-circle of politicians and advisors who are looking for a person of a certain political persuasion.

The White House legal team has already interviewed nearly 60 lawyers for new judgeships and has done so without consulting the ABA. Most of the interviews undertaken so far have been for the 29 vacancies on the courts of appeal, which as you know Mr. President, is the level just below the Supreme Court. I don't want to return to the days before the ABA was brought into the process to make it more fair and objective, but I fear that's exactly where we have ended up.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, March 23, 2001, the Federal debt stood at $5,734,215,116,583.82, Five trillion, seven hundred thirty-four billion, two hundred fifteen million, one hundred sixteen thousand, five hundred eighty-three dollars and eighty-two cents.

One year ago, March 23, 2000, the Federal debt stood at $5,729,459,000,000, Five trillion, seven hundred twenty-nine billion, four hundred fifty-nine million.

Twenty-five years ago, March 23, 1976, the Federal debt stood at $599,190,000,000, Five hundred ninety-nine billion, one hundred ninety million, which reflects a debt increase of more than $5 trillion, $5,134,549,116,583.82, Five trillion, one hundred thirty-four billion, five hundred forty-nine million, one hundred sixteen thousand, five hundred eighty-three dollars and eighty-two cents, during the past 25 years.

ADDITIONAL STATEMENTS

ED HILL, J.J. BARRY AND JERRY O'CONNOR

• Mr. HARKIN. Mr. President, I congratulate Ed Hill, the new president of the International Brotherhood of Electrical Workers, IBEW, on his election, and thank the outgoing president, J.J. "Jack" Barry, for his years of dedicated service to IBEW.

When I think about all the hard work and long hours presidents Hill and Barry have put in over the years, I am reminded of a story that one of my heroes, the great Hubert H. Humphrey liked to tell.

It was Humphrey's 65th birthday, and he was celebrating with his grandchildren. One of the grandkids looked up and said, "Grandpa, how long have you been a Democrat?"

Humphrey thought about that for a moment, and replied, "Well, I've been a Democrat for 70 years."

His grandson said, "Grandpa, how could you have been a Democrat for 70 years when you're only 65 years old?"

"Easy," Humphrey answered, "I've put in a lot of overtime."

Well, these men have put in a lot of overtime on behalf of the IBEW and on behalf of all Americans.

You know, I like to tell people, you go to any town in America, rural or urban, big or small, and you'll see the IBEW's work on display. Whether it's lighting our homes, or heating our schools, or bringing the Internet to our libraries, it's clear that the IBEW's work is critical to our families and our economy.

I welcome the new leadership and express my gratitude to the outgoing leadership.

Ed Hill hails from Beaver County, PA, and he has a long history with the IBEW. Ed joined IBEW Local 712 in his hometown back in 1956 and worked his way up to business manager in 1970. He became part of the IBEW staff in 1982, and, by 1994, he was a Vice President in charge of operations in Pennsylvania, New York, New Jersey and Delaware.

In 1997, Ed became the IBEW's second highest-ranking officer, and he worked hard to bring the latest technology to IBEW's operations. He also spent long hours building the membership of IBEW-COPE to record levels and making new strides in grassroots activism and communications.

Ed is a talented leader, and he has a strong foundation to build on. IBEW's outgoing president, J.J. Barry, had a long, impressive tenure at the IBEW. Jack is from Syracuse, NY and joined Local 43 in Syracuse in 1943. He served on the executive board and became business manager in 1962. In 1968, he began serving as International Representative and then, in 1976, became International vice president of the third district which includes New York, New Jersey, Pennsylvania, and Delaware.

Jack was a virtuoso organizer, and during his tenure, he began a number of important, new initiatives in education and training for IBEW members. He was widely respected and honored throughout this country and around the world for his outstanding work. While I will miss him in his position as president, I look forward to working with him in a new capacity in the coming years.

I also recognize Jerry O'Connor who was appointed to take Ed's place as IBEW secretary-treasurer. Jerry has been on the IBEW staff since 1987 and has served as International vice president of the IBEW's sixth district covering Illinois, Indiana, Michigan, Minnesota and Wisconsin since 1995. He was initiated into IBEW Local 701 in Wheaton, IL in 1959, and he served his local as business manager-financial secretary from 1978 until he joined the IBEW staff. I look forward to working with him in his new position.

For over 100 years, the IBEW has been a leader in the union movement in America. Whether they were providing energy to our war efforts during World War II, creating one of the best apprenticeship programs around, or providing workers with the cutting edge skills they need to keep up with current electricity needs, IBEW was always ahead of the times.

I know that the newest generation of IBEW leadership will continue this proud tradition. I thank them for their dedication and commitment, and I look forward to working with them in the coming years.●

HONORING THE LATE LT. GEN JAMES T. CALLAGHAN

● Mr. LUGAR. Mr. President, on my last trip to Indiana, I received news that a trusted friend and a great American, Jim Callaghan, had died. I was pleased to have had the time to call at the funeral home and spend some time with the Callaghan family and would like to take a moment here, with my friend Senator BAYH to pay tribute to Lieutenant General James T. Callaghan.

I came to know the General after he retired from the Air Force and settled in Indianapolis in 1993. He was a valuable member of my Service Academy Merit Selection Committee for the last several years and through those efforts I gained a great respect for this man who had given so much for his country, and yet wanted to give more of himself and ensure that the armed services that he had served so loyally for 34 years continued to flourish with the best officer candidates Indiana could produce.

I think to gain a full appreciation of this man's dedication and service to the United States of America and the United States Air Force, I have to describe a litany of duty stations, qualifications, and awards. I quote liberally from his active duty Air Force bio:

General Callaghan was born in Chicago in 1938 and grew up there. He graduated from the University of Detroit in 1959 where he was also commissioned through the ROTC program. He received a masters from The George Washington University in 1971 and was further educated at the Naval War College the National War College and the University of Houston.

Following pilot training and follow-on instructor duty at Laredo AFB, TX and duty with the 6th Fighter Squadron at Eglin AFB. The air force pilot set off for Vietnam in 1966, flying in more than 425 combat missions in Southeast Asia. He returned from Vietnam in October 1967, to staff assignments in Washington DC.

F-4's were next, and in 1975 he joined the 50th Tactical Fighter Wing at Hahn Air Base, West Germany, eventually rising to command the 86th Tactical Fighter Group based at Ramstein. In 1979, after War College, he joined the Joint Staff's Operations Directorate and in June 1981 became deputy director for regional plans and policy and director of the Ground-Launched Cruise Missile Planning Group in the Directorate of Plans, Air Force headquarters.

From 1983 to 1986 General Callaghan was commandant of the Air Force Institute of Technology and of the Defense Institute of Security Assistance Management, both located at Wright-Patterson Air Force Base, OH. His next assignments were in Korea, including chief of staff of the U.N. Command and of the Republic of Korea/U.S. Combined Forces Command, Seoul.

In July 1988, the general was transferred back to Germany, and assumed the duties of director, plans and policy, Headquarters U.S. European Command, in Stuttgart. His last active duty assignment was as commander, Allied Air Forces Southern Europe, and deputy commander in chief, U.S. Air Forces in Europe for the Southern Area, with headquarters in Naples, Italy from December 1990 until his retirement in January 1993, which put him in command of the northern area of operations in Operation Desert Shield and Storm and subsequently Northern Watch.

The general, a command pilot with more than 4,500 flying hours was decorated with the Defense Distinguished Service Medal, Distinguished Service Medal, Silver Star, Defense Superior Service Medal with oak leaf cluster, Legion of Merit with oak leaf cluster, Distinguished Flying Cross, Bronze Star Medal, Meritorious Service Medal with oak leaf cluster, Air Medal with 16 oak leaf clusters, Air Force Commendation Medal and Army Commendation Medal. General Callaghan also wears the Parachutist Badge with bronze star. The bronze star was awarded for his combat jump in Vietnam in February 1967 while serving as air liaison officer to the 173rd Airborne Brigade.

Over the last 8 years, Jim served in a number of civic organizations, the American Legion, the Air Force Association, the Order of Daedalians, and the Indy 500 Festival Memorial Service Committee. He is survived by his wife, Ann, his sons James T. the third, and D. Christian; his daughter Elizabeth Cooke; his mother Ruth Callaghan; his brothers John, William, Michael and Patrick and his sister Ruth Tushkowski. He and Ann have six grandchildren.

In closing, let me add that the while the works of men like General Callaghan often go unheralded, it is because they do not seek the limelight. As I speak these words today, I think the General would want me to make mention of the men and women with whom he served and who worked for him during his 34 years of service, those still on active duty and the many veterans and retirees who have served, to whom we owe a great debt of thanks for the peace and freedoms we enjoy today. So, as I salute General Callaghan today, on his behalf I salute his service, the United States Air Force and all those who have worn the uniform of the United States Armed Forces.●

● Mr. BAYH. Mr. President, I rise today along with my senior colleague, Senator RICHARD LUGAR, to honor the life of a fellow Hoosier and distinguished veteran of the United States Air Force, Lieutenant General James T. Callaghan, who recently passed away.

As those who knew Lt. Gen. Callaghan can attest, his strong commitment to his country is reflected in his long and distinguished service in the Air Force. Over his career, which spanned more than three decades, he served with valor in the Vietnam and Gulf Wars. During his service he received many combat awards, including the Silver Star, the Distinguished Flying Cross, and the Bronze Star.

In the late 1980s, Lt. Gen. Callaghan commanded U.S. air troops in Korea and later during the Gulf War, he served as the southern commander of the North Atlantic Treaty Organization's Allied Air Forces. Lt. Gen. Callaghan exhibited extraordinary bravery and exceptional leadership on the eve of the Gulf war. He personally flew a test combat mission that night in an effort to assess the situation before committing his young troops to battle.

In addition to his combat service, Lt. Gen. Callaghan aided the U.S. Armed Forces in many other capacities. He served as president of the Air Force Institute of Technology at Wright-Patterson Air Force Base, as director of plans and policy for the U.S./European Command, and also held several high-ranking positions at the Pentagon.

After retiring from the Air Force in 1993, Lt. Gen. Callaghan continued his service to his country and fellow citizens. He worked with many organizations in the Indianapolis area, most notably the Indianapolis 500 Festival Memorial Service Committee and Senator LUGAR's Military Academy Merit Selection Board.

Lt. Gen. James T. Callaghan was a true hero that the State of Indiana and nation will miss tremendously. Senator LUGAR and I commend the late Lt. Gen. James T. Callaghan for his lifelong service to our Nation.●

RECOGNITION OF FT. BRAGG, SEYMOUR JOHNSON AIR FORCE BASE, AND CAMP LEJEUNE MARINE CORPS BASE

• Mr. EDWARDS. Mr. President, I rise today to recognize the outstanding achievement of three of North Carolina's military bases.

On Friday, Secretary Rumsfield announced the winners of the 2001 Commander in Chief's Awards for Installation Excellence. Of the five awards, three went to bases in North Carolina.

Ft. Bragg, located in Fayetteville, NC, was named the top Army post. Seymour Johnson Air Force Base, located in Goldsboro, NC, earned the honor of best Air Force post and Camp LeJeune in Jacksonville, NC, was chosen best Marine Corps base.

The Commander in Chief's Awards are highly competitive and a distinct honor for each of our outstanding North Carolina bases. The men and women who live and work at North Carolina's military installations put their country's interest ahead of their own each and everyday. These bases have also worked hard to forge strong relationships with their communities. I have visited each of these bases and the surrounding communities and I know these bases are excellent neighbors.

I congratulate the men and women of Ft. Bragg, Seymour Johnson, and Camp LeJeune on their excellent achievement. We in North Carolina are fortunate to have such a strong relationship with these bases and we are so proud these men and women call North Carolina home.•

E.B. KENNELLY SCHOOL

• Mr. LIEBERMAN. Mr. President, I rise today to recognize the achievements of the E.B. Kennelly School, a public elementary school in Hartford, CT. I recently visited the Kennelly School and was truly impressed with the progress the school has made in improving the educational standards in recent years.

The Hartford School System has faced some difficult challenges in the past decade, including declining test scores, low parental involvement, and high poverty rates among its student population. In recent years, the faculty and staff of the Kennelly School, led by principal Dr. Zoe Athanson, have brought the school up to such high standards that it has completed a voluntary accreditation process for elementary schools through the New England Association of Schools and Colleges. This has made the Kennelly School one of two Hartford schools to become the first fully accredited elementary schools in a large city in the State of Connecticut. Through hard work, dedication, and an unwavering commitment to the students, the Kennelly School has demonstrated that city schools are able to achieve the same academic standards as their suburban counterparts, often against greater odds. The achievements of the Kennelly School serve as a model for troubled school systems throughout the country. With a commitment to excellence, anything is possible.

The people of Connecticut applaud the E.B. Kennelly School for its accomplishments. As the Kennelly School approaches its 100th Anniversary, we wish them much continued success in the future.•

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated on March 22, 2001:

EC–1123. A communication from the Secretary of Veteran Affairs, transmitting, pursuant to law, the delay of a joint report on the implementation of law dealing with sharing health care costs with the Department of Defense; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCONNELL, from the Committee on Rules and Administration:

Special Report entitled "Review of Legislative Activity During the 106th Congress" (Rept. No 107–6).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

On Friday, March 23, 2001, the following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BUNNING (for himself and Mr. McConnell):

S. 608. A bill to amend the Tennessee Valley Authority Act of 1933 to provide for greater ownership of electric power generation assets by municipal and rural electric cooperative utilities that provide retail electric service in the Tennessee Valley region, and for other purposes; to the Committee on Energy and Natural Resources.

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. TORRICELLI:

S. 609. A bill to close loopholes in the firearms laws which allow the unregulated manufacture, assembly, shipment, or transportation of firearms or firearm parts, and for other purposes; to the Committee on the Judiciary.

By Mr. TORRICELLI:

S. 610. A bill to provide grants to law enforcement agencies to purchase firearms needed to perform law enforcement duties; to the Committee on the Judiciary.

By Ms. MIKULSKI (for herself, Mr. Sarbanes, Ms. Snowe, Mr. Dorgan, Ms. Collins, Mr. Johnson, Mr. Schumer, Mr. Leahy, Mr. Dodd, Mr. Bingaman, and Mr. Daschle):

S. 611. A bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation; to the Committee on Finance.

By Mr. FEINGOLD (for himself and Mr. Bond):

S. 612. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to develop and implement an annual plan for outreach regarding veterans benefits, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FITZGERALD:

S. 613. A bill to amend the Internal Revenue Code of 1986 to enhance the use of the small ethanol producer credit; to the Committee on Finance.

By Mr. INHOFE:

S. 614. A bill to prohibit the Secretary of Transportation and the Administrator of the Federal Motor Carrier Administration from taking action to finalize, implement, or enforce a rule related to the hours of service of drivers for motor carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KOHL:

S. 615. A bill to amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage bond financing, and for other purposes; to the Committee on Finance.

By Mr. HUTCHINSON (for himself and Mr. Bond):

S. 616. A bill to amend the Internal Revenue Code of 1986 to repeal the alternative minimum tax on individuals, to raise the exemption for small businesses from such tax, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN:

S. 617. A bill to amend the Elementary and Secondary Education Act of 1965 to improve student and teacher performance and access to education in the critically challenged Lower Mississippi Delta region; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SPECTER:

S. 618. A bill to designate certain lands in the Valley Forge National Historical Park as the Valley Forge National Cemetery; to the Committee on Energy and Natural Resources.

By Mr. DEWINE (for himself, Mr. Hutchinson, Mr. Warner, Mr. Allen, Mr. Helms, Mr. Hagel, Mr. Grassley, Mr. Santorum, and Mr. Sessions):

S. 619. A bill to establish a grant program that provides incentives for States to enact mandatory minimum sentences for certain firearms offenses, and for other purposes; to the Committee on the Judiciary.

By Mr. HARKIN (for himself and Mr. Wellstone):

S. 620. A bill to amend the Elementary and Secondary Education Act of 1965 regarding elementary school and secondary school counseling; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEVIN (for himself and Ms. STABENOW):

S. Res. 64. A resolution congratulating the city of Detroit and its residents on the occasion of the tercentennial of its founding; to the Committee on the Judiciary.

By Ms. SNOWE (for herself and Ms. MIKULSKI):

S. Con. Res. 28. A concurrent resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 41

At the request of Mr. HATCH, the names of the Senator from North Carolina (Mr. HELMS) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 41, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

S. 155

At the request of Mr. BINGAMAN, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 155, a bill to amend title 5, United States Code, to eliminate an inequity in the applicability of early retirement eligibility requirements to military reserve technicians.

S. 170

At the request of Mr. REID, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 177

At the request of Mr. AKAKA, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. 177, a bill to amend the provisions of title 19, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 250

At the request of Mr. BIDEN, the name of the Senator from Indiana (Mr. BAYH) was added as cosponsor of S. 250, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 256

At the request of Ms. SNOWE, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 256, a bill to amend the Civil Rights Act of 1964 to protect breastfeeding by new mothers.

S. 264

At the request of Ms. SNOWE, the name of the Senator from South Carolina (Mr. THURMOND) was added as cosponsor of S. 264, a bill to amend title XVIII of the Social Security Act to expand coverage of bone mass measurements under part B of the medicare program to all individuals at clinical risk for osteoporosis.

S. 272

At the request of Mr. FEINGOLD, the name of the Senator from Oregon (Mr. WYDEN) was added as cosponsor of S. 272, a bill to rescind fiscal year 2001 procurement funds for the V-22 Osprey aircraft program other than as necessary to maintain the production base and to require certain reports to Congress concerning that program.

S. 280

At the request of Mr. JOHNSON, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 280, a bill to amend the Agriculture Marketing Act of 1946 to require retailers of beef, lamb, pork, and perishable agricultural commodities to inform consumers, at the final point of sale to consumers, of the country of origin of the commodities.

S. 295

At the request of Mr. KERRY, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 295, a bill to provide emergency relief to small businesses affected by significant increases in the prices of heating oil, natural gas, propane, and kerosene, and for other purposes.

S. 326

At the request of Ms. COLLINS, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 326, a bill to amend title XVIII of the Social Security Act to eliminate the 15 percent reduction in payment rates under the prospective payment system for home health services and to permanently increase payments for such services that are furnished in rural areas.

S. 361

At the request of Mr. MURKOWSKI, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 361, a bill to establish age limitations for airmen.

S. 367

At the request of Mrs. BOXER, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 413

At the request of Mr. COCHRAN, the names of the Senator from Utah (Mr. HATCH) and the Senator from Oregon (Mr. SMITH) were added as cosponsors of S. 413, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 534

At the request of Mr. CAMPBELL, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 534, a bill to establish a Federal interagency task force for the purpose of coordinating actions to prevent the outbreak of bovine spongiform encephalopathy (commonly known as "mad cow disease") and foot-and-mouth disease in the United States.

S. 539

At the request of Mr. LEVIN, the name of the Senator from Delaware (Mr. BIDEN) was withdrawn as a cosponsor of S. 539, a bill to amend the Truth in Lending Act to prohibit finance charges for on-time payments.

S. 596

At the request of Mr. BINGAMAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 596, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the production and use of efficient energy sources, and for other purposes.

S. 597

At the request of Mr. BINGAMAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 597, a bill to provide for a comprehensive and balanced national energy policy.

S. 598

At the request of Mr. BREAUX, the names of the Senator from Rhode Island (Mr. CHAFEE) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 598, a bill to provide for the reissuance of a rule relating to ergonomics.

S. 604

At the request of Mr. COCHRAN, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 604, a bill to amend title III of the Elementary and Secondary Education Act of 1965 to provide for digital education partnerships.

S. 605

At the request of Mrs. HUTCHISON, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 605, a bill to amend the Internal Revenue Code of 1986 to encourage a strong community-based banking system.

S.J. RES. 4

At the request of Mr. HOLLINGS, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S.J. Res. 4, a joint resolution proposing an amendment to the

Constitution of the United States relating to contributions and expenditures intended to affect elections.

S. RES. 44

At the request of Mr. COCHRAN, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. Res. 44, a resolution designating each of March 2001, and March 2002, as "Arts Education Month."

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TORRICELLI:

S. 609. A bill to close loopholes in the firearms laws which allow the unregulated manufacture, assembly, shipment, or transportation of firearms or firearm parts, and for other purposes; to the Committee on the Judiciary.

Mr. TORRICELLI. Mr. President, today I introduce the Gun Parts Trafficking Act.

For years, I have fought along with many of my colleagues against the gun violence that has plagued America. We have sought to keep firearms from the hands of children and those who would use them to do harm. After long debate, we succeeded in enacting a ban on assault weapons, as well as the Brady bill requiring a criminal background at the time of a firearms purchase, positive steps in the effort to protect our communities from gun violence.

Gun violence, however, continues to have a devastating impact on our Nation. The statistics have been well documented, but bear repeating. In 1997 alone, more than 32,000 Americans were shot and killed. Fourteen children die from gunfire every day. The economic toll of firearms deaths and injuries on our country, $33 billion each year, is astronomical.

In light of these staggering figures it seems obvious that we must do more, including regulating guns like any other consumer product. But while we look forward, we must also be mindful of attempts by some to subvert the progress we have made.

Some gun dealers are exploiting a loophole in current law that allows them to sell, through the U.S. mail, gun kits containing virtually every single item needed to build an automatic weapon. When we enacted a ban on these deadly automatic weapons, we exempted automatic weapons legally owned prior to the ban. We also allowed replacement parts to be legally sold so that these grand-fathered weapons could be repaired by their owners, and we allowed these parts to be shipped through the mail.

These provisions, however, have been exploited and replacement part kits that can convert a legally owned firearm into an illegal automatic weapon are readily available and heavily advertised in numerous publications. Some of these kits even go so far as to provide a template that shows how to make this conversion. This is a flagrant effort to evade the laws of the United States. This activity must be stopped in order to maintain the integrity of our ban on assault weapons and protect our communities from gun violence.

To that end, I am reintroducing the Gun Parts Trafficking Act, legislation that I first introduced in the 106th Congress. This bill is designed to close the loopholes in existing law and end the sale of kits designed to convert legally owned firearms into illegal automatic weapons. It will expand the definition of "firearm" to include the main components of the weapon and will prohibit the manufacture or assembly of guns by an individual who does not have a license to do so.

I urge my colleagues to join me in support of the "Gun Parts Trafficking Act" and ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gun Parts Trafficking Act of 2001".

SEC. 2. PROHIBITION AGAINST SHIPMENT OR TRANSPORTATION OF FIREARM PARTS, WITH CERTAIN EXCEPTIONS.

Section 921(a)(3) of title 18, United States Code, is amended by striking "or (D) any destructive device." and inserting "(D) any destructive device; or (E) any parts or combination of parts that when assembled on a frame or receiver would constitute a firearm, as defined in this paragraph.".

SEC. 3. PROHIBITION AGAINST MANUFACTURE OR ASSEMBLY OF FIREARMS BY PERSONS OTHER THAN LICENSED MANUFACTURERS.

Section 922 of title 18, United States Code, is amended by adding at the end the following:

"(z) It shall be unlawful for any person other than a licensed manufacturer to manufacture or assemble a firearm.".

SEC. 4. INCREASE IN FEE FOR LICENSE TO MANUFACTURE FIREARMS.

Section 923(a)(1)(B) of title 18, United States Code, is amended by striking "$50" and inserting "$500".

SEC. 5. PROHIBITION AGAINST POSSESSION OR TRANSFER OF CERTAIN COMBINATIONS OF MACHINEGUN REPLACEMENT PARTS.

Section 5845(b) of the Internal Revenue Code of 1986 (known as the National Firearms Act) is amended in the second sentence by striking "designed and intended solely and exclusively, or combination of parts designed and intended," and inserting "or combination of parts designed and intended".

SEC. 6. EFFECTIVE DATE.

The amendments made by this Act shall apply to conduct engaged in after the 60-day period beginning on the date of enactment of this Act.

By Mr. TORRICELLI:

S. 610. A bill to provide grants to law enforcement agencies to purchase firearms needed to perform law enforcement duties; to the Committee on the Judiciary.

Mr. TORRICELLI. Mr. President today I introduce a bill that will reduce the number of firearms on the street and help keep guns out of the hands of criminals. In the wake of the tragic shooting this year outside of San Diego, we are reminded of what happens when the wrong people have access to guns. Such tragic shootings become even more troubling when they involve a former police gun or firearms previously involved in a crime.

It is vital that law enforcement agencies have the very best equipment available to ensure their safety and to protect America's communities, but purchasing new weapons can be expensive, particularly for smaller cash-strapped municipalities. Thus, to offset the costs of purchasing new weapons, law enforcement agencies have often in the last two decades either sold their old guns to dealers or auctioned them off to the public. However, this practice has led to an unintended result, increased risk that these guns would end up back on the streets and in the hands of criminals.

In the past 10 years, firearms once used by law enforcement agencies have been involved in more than 3,000 crimes throughout the United States, including 293 homicides, 301 assaults, and 279 drug-related crimes. In 1999, Bufford Furrow, a white supremacist, used a Glock pistol that was decommissioned and sold by a police agency in the State of Washington to terrorize and shoot children at a Jewish community center in Los Angeles and then kill a postal worker. Members of the Latin Kings, a violent Chicago street gang, used guns formerly owned by the Miami-Dade Police Department in Florida to commit violent crimes in Illinois. And a 1996 investigation by the New York State inspector general found that weapons used by New York law enforcement officers had been used in crimes in at least two other States.

It is time that we help our law enforcement agencies do what they are trying to do—get out of the business of selling guns. With the help of the bill I am introducing, law enforcement agencies will no longer be forced to resell their old guns or guns seized from criminals to help them obtain the new weapons that are necessary to carry out their duties. Instead, this bill would provide grants to State or local law enforcement agencies to assist them in purchasing new firearms. In order to receive these grants, the law enforcement agencies must simply agree to either destroy their decommissioned guns or not sell them to the public.

A growing number of States and cities have already decided to ban the practice of pouring old police guns into the consumer market. They recognize that the extra money gained from selling old police guns is not worth the possibility that those guns would contribute to additional suffering or loss of life. It is simply bad public policy for governments to be suppliers of guns and potentially add to the problem of gun violence in America. Regardless of where one stands on gun control, logic, common sense, and decency demand that we also recognize this simple truth and unite behind moving this bill to passage.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Police Gun Buyback Assistance Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds the following:

(1) Buford Furrow, a white supremacist, used a Glock pistol decommissioned and sold by a law enforcement agency in the State of Washington, to shoot children at a Jewish community center in Los Angeles and kill a postal worker.

(2) Twelve firearms were recently stolen during shipment from the Miami-Dade Police Department to Chicago, Illinois. Four of these firearms have been traced to crimes in Chicago, Illinois, including a shooting near a playground.

(3) In the past 9 years, decommissioned firearms once used by law enforcement agencies have been involved in more than 3,000 crimes, including 293 homicides, 301 assaults, and 279 drug-related crimes.

(4) Many State and local law enforcement departments also engage in the practice of reselling firearms that were involved in the commission of a crime and confiscated. Often these firearms are assault weapons that were in circulation prior to the restrictions imposed by the Violent Crime Control and Law Enforcement Act of 1994.

(5) Law enforcement departments in the States of New York and Georgia, the City of Chicago, and other localities have adopted the practice of destroying decommissioned firearms.

(b) Purpose.—The purpose of this Act is to reduce the number of firearms on the streets by assisting State and local law enforcement agencies in eliminating the practice of transferring decommissioned firearms to any person.

SEC. 3. PROGRAM AUTHORIZED.

(a) Grants.—The Attorney General may make grants to States or units of local government—

(1) to assist States and units of local government in purchasing new firearms without transferring decommissioned firearms to any person; and

(2) to destroy decommissioned firearms.

(b) Eligibility.—

(1) In general.—Except as provided in paragraph (2), to be eligible to receive a grant under this Act, a State or unit of local government shall certify that it has in effect a law or official policy that—

(A) eliminates the practice of transferring any decommissioned firearm to any person; and

(B) provides for the destruction of a decommissioned firearm.

(2) Exception.—A State or unit of local government may transfer a decommissioned firearm to a law enforcement agency.

(c) Use of Funds.—A State or unit of local government that receives a grant under this Act shall only use that grant to purchase new firearms.

SEC. 4. APPLICATIONS.

(a) State Applications.—To request a grant under this Act, the chief executive of a State shall submit an application, signed by the Attorney General of the State requesting the grant, to the Attorney General in such form and containing such information as the Attorney General may reasonably require.

(b) Local Applications.—To request a grant under this Act, the chief executive of a unit of local government shall submit an application, signed by the chief law enforcement officer in the unit of local government requesting the grant, to the Attorney General in such form and containing such information as the Attorney General may reasonably require.

SEC. 5. REGULATIONS.

Not later than 90 days after the date of enactment of this Act, the Attorney General shall promulgate regulations to implement this Act, which shall specify the information that must be included and the requirements that the States and units of local government must meet in submitting applications for grants under this Act.

SEC. 6. REPORTING.

(a) In General.—A State or unit of local government shall report to the Attorney General not later than 2 years after funds are received under this Act, regarding the implementation of this Act.

(b) Budget Assurances.—The report required under subsection (a) shall include budget assurances that any future purchase of a firearm by a law enforcement agency will be possible without transferring a decommissioned firearm.

SEC. 7. DEFINITION.

In this Act:

(1) Decommissioned firearm.—The term "decommissioned firearm" means a firearm—

(A) that is no longer in service or use by a law enforcement agency; or

(B) that was involved in the commission of a crime and was confiscated and is no longer needed for evidentiary purposes.

(2) Firearm.—The term "firearm" has the same meaning given that term in section 921(a)(3) of title 18, United States Code.

(3) Person.—The term "person" has the same meaning given that term in section 1 of title 1, United States Code.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $10,000,000 for each of the fiscal years 2001 through 2005.

By Ms. MIKULSKI (for herself, Mr. Sarbanes, Ms. Snowe, Mr. Dorgan, Ms. Collins, Mr. Johnson, Mr. Schumer, Mr. Leahy, Mr. Dodd, Mr. Bingaman, and Mr. Daschle):

S. 611. A bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation; to the Committee on Finance.

Ms. MIKULSKI. Mr. President, I rise today to talk about an issue that is very important to me, very important to my constituents in Maryland and very important to government workers and retirees across the Nation. I am reintroducing a bill to modify a cruel rule of government that is unfair and prevents current workers from enjoying the benefits of their hard work during retirement.

Under current law, a Social Security spousal benefit is reduced or entirely eliminated if the surviving spouse is eligible for a pension from a local, State or Federal Government job that was not covered by Social Security. This policy is known as the Government Pension Offset.

This is how the current law works. Consider a surviving spouse who retires from government service and receives a government pension of $600 a month. She also qualifies for a Social Security spousal benefit of $645 a month. Because of the Pension Offset law (which reduces her Social Security benefit by 2/3 of her government pension), her spousal benefit is reduced to $245 a month. So instead of $1245, she will receive only $845 a month. That is $400 a month less to pay the rent, purchase a prescription medication, or buy groceries. I think that is wrong.

My bill does not repeal the government pension offset entirely, but it will allow retirees to keep more of what they deserve. It guarantees that those subject to the offset can keep at least $1200 a month in combined retirement income. With my modification, the 2/3 offset would apply only to the combined benefit that exceeds $1200 a month. So, in the example above, the surviving spouse would face only a $30 offset, allowing her to keep $1215 in monthly income.

Unfortunately, the current law disproportionately affects women. Women are more likely to receive Social Security spousal benefits and to have worked in low-paying or short-term government positions while they were raising families. It is also true that women receive smaller government pensions because of their lower earnings, and rely on Social Security benefits to a greater degree. My modification will allow these women who have contributed years of important government service and family service to rely on a larger amount of retirement income.

In the last Congress, the Senate unanimously voted for and passed H.R. 5, The Senior Citizens' Freedom to Work Act of 1999. This legislation ensured that senior citizens who choose to work or who must work can earn income after retirement without losing a portion of their Social Security benefit. That law helps senior citizens who earn above $17,000 per year. In contrast, my bill specifically targets those with much lower retirement incomes, around $13,000 per year and less. I believe that we must work to ensure a safety net for all of our seniors, including those retired federal employees who every day are forced to make difficult choices between rent, food, and prescription drugs due to the drastic effects of the government pension offset.

Why do we punish people who have committed a significant portion of their lives to government service? We are talking about workers who provide some of the most important services to our community, teachers, firefighters, and many others. Some have already retired. Others are currently working and looking forward to a deserved retirement. These individuals deserve better than the reduced monthly benefits that the Pension Offset currently requires.

Government employees work hard in service to our Nation, and I work hard for them. I do not want to see them penalized simply because they have chosen to work in the public sector, rather than for a private employer, and often at lower salaries and sometimes fewer benefits. If a retired worker in the private sector received a pension, and also received a spousal Social Security benefit, they would not be subject to the Offset. I think we should be looking for ways to reward government service, not the other way around. I believe that people who work hard and play by the rules should not be penalized by arcane, legislative technicalities.

Frankly, I would like to repeal the offset all together. But, I realize that budget considerations make that unlikely. As a compromise, I hope we can agree that retirees who have worked hard all their lives should not have this offset applied until their combined monthly benefit, both government pension and Social Security spousal benefit, exceeds $1,200.

I also strongly believe that we should ensure that retirees buying power keeps up with the cost of living. That's why I have also included a provision in this legislation to index the $1,200 amount to inflation so retirees will see their minimum benefits increase along with the cost of living.

The Social Security Administration recently estimated that enacting the provisions contained in my bill will have a negligible long-term impact on the Social Security Trust Fund, about 0.005 percent of taxable payroll. Additionally, my bill is bipartisan and is strongly supported by CARE, the Coalition to Assure Retirement Equity with 43 member organizations including the National Association of Retired Federal Employees, NARFE, the American Federation of Federal State County and Municipal Employees, AFSCME, the National Education Association, NEA, and the National Treasury Employees Union, NTEU.

I urge my colleagues to join me in this effort and support my legislation to modify the Government Pension Offset.

By Mr. FIENGOLD (for himself and Mr. BOND):

S. 612. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to develop and implement an annual plan for outreach regarding veterans benefits, and for other purposes; to the Committee on Veterans' Affairs.

Mr. FEINGOLD. Mr. President, today I am introducing a measure that will help ensure that all of our nation's veterans who earned benefits through their service receive those benefits. I am pleased to be joined today by the senior Senator from Missouri, Senator BOND. As chairman of the Appropriations Subcommittee on Veterans, Housing and Urban Development, he has long been a strong advocate for our veterans.

Late last year the Wisconsin Department of Veterans Affairs (WDVA) launched a statewide program called I Owe You. Under the direction of Secretary Ray Boland, the I Owe You program encourages veterans to apply, or re-apply, for benefits that they earned from their service to the United States.

As part of this program, WDVA held an outreach event in Milwaukee where veterans could apply for benefits—more than 1,500 veterans and family members attended the event and many started the process of receiving the benefits owed to them. This was only the first of their "supermarkets of veterans benefits" that they plan to hold across the State.

The State of Wisconsin is performing a service that is clearly the obligation of the Department of Veterans Affairs. These are federal benefits that we owe our veterans and it is the Federal Government's obligation to make sure that they receive them. Obviously, we must make a greater effort if more than 1,500 people in the Milwaukee area alone attended this event.

This bill calls upon the Department of Veterans Affairs to take on the responsibility of better informing our veterans about the benefits and services they have earned. Under the National I Owe You Act, the Secretary of the Department of Veterans Affairs will develop and implement a plan to encourage veterans to apply for their benefits, identify those entitled to benefits who aren't currently receiving them, and notify veterans of any modifications to veterans benefits programs.

The American people are indebted to our nation's veterans. As a result of their loyal service and sacrifice, we maintain our freedoms and rights. It's time that we do right by our veterans and honor the commitment that we made to the men and women who served our country in the Armed Forces.

I urge my colleagues to support the National I Owe You Act to ensure that this commitment is honored.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National I Owe You Act".

SEC. 2. DEVELOPMENT AND IMPLEMENTATION OF ANNUAL PLAN FOR OUTREACH REGARDING VETERANS BENEFITS.

(a) FINDINGS.—Congress makes the following findings:

(1) The mission of the Department of Veterans Affairs includes acting as a principal advocate for veterans in order to assure that veterans receive the benefits to which they are entitled as a result of service to the nation.

(2) The Veterans Benefits Administration of the Department of Veterans Affairs is responsible for the timely and accurate distribution of benefits to veterans and their dependents.

(3) Only 2,600,000 of the 24,000,000 living United States veterans are receiving benefits through the Department of Veterans Affairs.

(4) There may be veterans entitled to veterans benefits who are not aware of their entitlement to such benefits.

(5) The Veterans Benefits Administration needs to take more aggressive actions to ensure that all veterans are aware of the veterans benefits to which they are entitled.

(6) The State of Wisconsin Department of Veterans Affairs recently initiated a program that permits veterans to apply at one location for benefits such as health care, disability compensation, education, and job training.

(b) ANNUAL PLAN.—Subchapter II of chapter 5 of title 38, United States Code, is amended by adding at the end the following new section:

"§531. Annual plan for outreach regarding veterans benefits

"(a) DEVELOPMENT.—The Secretary shall, on an annual basis, develop a plan for the outreach activities of the Department regarding veterans benefits during the year covered by such plan.

"(b) PLAN ELEMENTS.—(1) Each plan under this section shall include the following elements:

"(A) A program to encourage veterans to apply for veterans benefits.

"(B) A program to identify veterans entitled to veterans benefits who are not currently receiving such benefits.

"(C) A program to notify veterans of any modifications to veterans benefits programs.

"(D) Such other programs or elements as the Secretary considers appropriate.

"(2) A plan under this section for a year may consist of an update of the plan under this section for the previous year, taking into account changes in circumstances over time.

"(c) Consultation.—In developing a plan under subsection (a), the Secretary shall consult with directors of the veterans agencies of the States, appropriate representatives of veterans service organizations and other veterans advocacy groups, and such other persons as the Secretary considers appropriate.

"(d) Implementation.—The Secretary shall implement each plan developed under this section.

"(e) Veterans Benefits Defined.—In this section the term 'veterans benefits' means benefits for veterans under the laws administered by the Secretary.".

(c) Clerical Amendment.—The table of sections at the beginning of chapter 5 of that title is amended by inserting after the item relating to section 530 the following new item:

"531. Annual plan for outreach regarding veterans benefits.".

By Mr. FITZGERALD:

S. 613. A bill to amend the Internal Revenue Code of 1986 to enhance the use of the small ethanol producer credit, to the Committee on Finance.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SMALL ETHANOL PRODUCER CREDIT.

(a) Allocation of Alcohol Fuels Credit to Patrons of a Cooperative.—Section 40(g) of the Internal Revenue Code of 1986 (relating to alcohol used as fuel) is amended by adding at the end the following new paragraph:

"(6) Allocation of small ethanol producer credit to patrons of cooperative.—

"(A) Election to allocate.—

"(i) In general.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization, be apportioned pro rata among patrons of the organization on the basis of the quantity or value of business done with or for such patrons for the taxable year.

"(ii) Form and effect of election.—An election under clause (i) for any taxable year shall be made on a timely filed return for such year. Such election, once made, shall be irrevocable for such taxable year.

"(B) Treatment of organizations and patrons.—The amount of the credit apportioned to patrons under subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) with respect to the organization for the taxable year,

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron for which the patronage dividends for the taxable year described in subparagraph (A) are included in gross income, and

"(iii) shall be included in gross income of such patrons for the taxable year in the manner and to the extent provided in section 87.

"(C) Special rules for decrease in credits for taxable year.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the return of the cooperative organization for such year, an amount equal to the excess of—

"(i) such reduction, over

"(ii) the amount not apportioned to such patrons under subparagraph (A) for the taxable year,

shall be treated as an increase in tax imposed by this chapter on the organization. Such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G.".

(b) Improvements to Small Ethanol Producer Credit.—

(1) Definition of small ethanol producer.—Section 40(g) of the Internal Revenue Code of 1986 (relating to definitions and special rules for eligible small ethanol producer credit) is amended by striking "30,000,000" each place it appears and inserting "60,000,000".

(2) Small ethanol producer credit not a passive activity credit.—Clause (i) of section 469(d)(2)(A) of such Code is amended by striking "subpart D" and inserting "subpart D, other than section 40(a)(3),".

(3) Allowing credit against minimum tax.—

(A) In general.—Subsection (c) of section 38 of such Code (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) Special rules for small ethanol producer credit.—

"(A) In general.—In the case of the small ethanol producer credit—

"(i) this section and section 39 shall be applied separately with respect to the credit, and

"(ii) in applying paragraph (1) to the credit—

"(I) subparagraphs (A) and (B) thereof shall not apply, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the small ethanol producer credit).

"(B) Small ethanol producer credit.—For purposes of this subsection, the term 'small ethanol producer credit' means the credit allowable under subsection (a) by reason of section 40(a)(3).".

(B) Conforming amendment.—Subclause (II) of section 38(c)(2)(A)(ii) of such Code is amended by striking "(other" and all that follows through "credit)" and inserting "(other than the empowerment zone employment credit or the small ethanol producer credit)".

(4) Small ethanol producer credit not added back to income under section 87.—Section 87 of such Code (relating to income inclusion of alcohol fuel credit) is amended to read as follows:

"SEC. 87. ALCOHOL FUEL CREDIT.

"Gross income includes an amount equal to the sum of—

"(1) the amount of the alcohol mixture credit determined with respect to the taxpayer for the taxable year under section 40(a)(1), and

"(2) the alcohol credit determined with respect to the taxpayer for the taxable year under section 40(a)(2).".

(c) Conforming Amendment.—Section 1388 of such Code (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following new subsection:

"(k) Cross Reference.—For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(g)(6).".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. HUTCHINSON (for himself and Mr. Bond):

S. 616. A bill to amend the Internal Revenue Code of 1986 to repeal the alternative minimum tax on individuals, to raise the exemption for small businesses from such tax, and for other purposes; to the Committee on Finance.

Mr. HUTCHINSON. Mr. President, today I am proud to join with the Chairman of the Senate Small Business Committee, Senator Kit Bond, in introducing the Real AMT Relief Act of 2001. This legislation is intended to provide the hard working taxpayers of America relief from the onerous Alternative Minimum Tax, AMT.

The AMT, set up more than 30 years ago to help ensure that wealthy taxpayers paid their fair share of taxes, is hitting middle-income families the hardest. Most vulnerable are the hard working taxpayers with several children, interest deductions from second mortgages, capital gains, high state and local taxes, and incentive stock options.

While only 19,000 people paid the AMT in 1970, roughly 1,000,000 taxpayers had to pay it in 1999. According to the Joint Tax Committee, it is estimated that by 2011, more than 16 million taxpayers will have to struggle with the AMT.

Another group of taxpayers being slammed by the AMT are America's small business owners. As my good friend Senator Bond has said, the complexity of the AMT forces many small businesses to spend valuable resources on tax professionals and high priced accountants to determine whether or not the AMT applies to them. Many small business owners in Arkansas have told me that instead of spending the time and the money trying to comply with the AMT, they would rather use those resources to hire new workers and provide benefits to their workers.

The AMT has also had a dramatic impact on high tech communities all across the country. The recent stock market collapse has left many high tech employees, from executives to the rank and file, facing enormous AMT bills based on long-gone paper profits. Some who exercised incentive options and owe the tax may have no choice but to plunder 401(k)s, sell homes, borrow from parents, arrange IRS payment plans and consider bankruptcy.

In this scenario, the AMT is based on paper profits on the day you exercise the option and buy stock even if the stock later crashes and you lose the profits. It's triggered when you exercise an incentive stock option in one year and hold the stock into a later calendar year. One thing is clear about stock options: Too many people know too little about them. An Oppenheimer Funds survey last year indicated that 75 percent of stock-option holders weren't familiar with the Alternative Minimum Tax, and that 52 percent knew "little" or "nothing at all" about the tax implications of exercising options.

The time to help these taxpayers is now. The Real AMT Relief Act of 2001 provides badly needed relief to all taxpayers. Based on the recommendations of the IRS National Taxpayer Advocate, the Real AMT Relief Act of 2001 completely repeals the individual AMT. Eliminating 20 percent of the AMT each year until it is completely eliminated in 2006. This helps lift the burden off both the individual as well as the small business taxpayer. We further help to completely protect the small business owner by expanding the small business exemption from $5 million to $10 million.

I look forward to helping provide this badly needed tax relief to America's growing middle class. It is truly an honor to be joined in this effort with the distinguished Chairman of the Senate Small Business Committee, Senator BOND. His knowledge and passion for this issue is second to none. I urge my colleagues to support passage of the Real AMT Relief Act of 2001.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Real AMT Relief Act of 2001".

SEC. 2. ALTERNATIVE MINIMUM TAX.

(a) REPEAL OF ALTERNATIVE MINIMUM TAX ON INDIVIDUALS.—

(1) IN GENERAL.—Section 55(a) of the Internal Revenue Code of 1986 (relating to alternative minimum tax imposed) is amended by adding at the end the following new flush sentence:

"For purposes of this title, the tentative minimum tax on any taxpayer other than a corporation for any taxable year beginning after December 31, 2004, shall be zero.".

(2) REDUCTION OF TAX ON INDIVIDUALS PRIOR TO REPEAL.—Section 55 of such Code (relating to alternative minimum tax imposed) is amended by adding at the end the following new subsection:

"(f) PHASEOUT OF TAX ON INDIVIDUALS.—

"(1) IN GENERAL.—The tax imposed by this section on a taxpayer other than a corporation for any taxable year beginning after December 31, 2000, and before January 1, 2005, shall be the applicable percentage of the tax which would be imposed but for this subsection.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage shall be determined in accordance with the following table:

"For taxable years beginning in calendar year—	**The applicable percentage is—**
2001	80
2002	60
2003	40
2004	20.".

(3) NONREFUNDABLE PERSONAL CREDITS FULLY ALLOWED AGAINST REGULAR TAX LIABILITY.—

(A) IN GENERAL.—Section 26(a) of such Code (relating to limitation based on amount of tax) is amended to read as follows:

"(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the taxpayer's regular tax liability for the taxable year.".

(B) CHILD CREDIT.—Section 24(d) is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2000.

(b) INCOME AVERAGING NOT TO INCREASE ALTERNATIVE MINIMUM TAX LIABILITY.—

(1) IN GENERAL.—Section 55(c) of the Internal Revenue Code of 1986 (relating to regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following:

"(2) COORDINATION WITH INCOME AVERAGING FOR FARMERS.—Solely for purposes of this section, section 1301 (relating to averaging of farm income) shall not apply in computing the regular tax.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 2000.

(c) EXPANSION OF THE EXEMPTION FROM THE ALTERNATIVE MINIMUM TAX FOR SMALL CORPORATIONS.—

(1) IN GENERAL.—Section 55(e)(1)(A) of the Internal Revenue Code of 1986 (relating to exemption for small corporations) is amended to read as follows:

"(A) $10,000,000 GROSS RECEIPTS TEST.—The tentative minimum tax of a corporation shall be zero for any taxable year if the corporation's average annual gross receipts for all 3-taxable-year periods ending before such taxable year does not exceed $10,000,000. For purposes of the preceding sentence, only taxable years beginning after December 31, 1997, shall be taken into account.".

(2) GROSS RECEIPTS TEST FOR FIRST 3-YEAR PERIOD.—Section 55(e)(1)(B) of such Code (relating to exemption for small corporations) is amended to read as follows:

"(B) $7,500,000 GROSS RECEIPTS TEST FOR FIRST 3-YEAR PERIOD.—Subparagraph (A) shall be applied by substituting '$7,500,000' for '$10,000,000' for the first 3-taxable-year period (or portion thereof) of the corporation which is taken into account under subparagraph (A).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2000.

Mr. BOND. Mr. President, I rise today to join my colleague from Arkansas, Senator HUTCHINSON, in introducing the Real AMT Relief Act of 2001. This bill focuses on an issue of growing concern to many individual taxpayers and especially small business owners, the Alternative Minimum Tax, AMT.

The Real AMT Relief Act addresses the increasingly onerous consequences of the individual AMT as well as the corporate AMT. According to the Joint Tax Committee, in 1998, the most recent taxpayer data available, there were 853,000 individual tax returns that paid AMT. That number constituted 0.7 percent of all individual income tax returns—a relatively small number of returns. In contrast, the Joint Tax Committee estimates that by 2011, 11.2 percent of individual income tax returns will have AMT liability, that's more than 16 million taxpayers who will have to grapple with this burdensome tax.

Sadly, many of these AMT taxpayers will be individuals in the middle income brackets and not because they are taking advantage of special tax loopholes to avoid paying their share of taxes. No, these hardworking men and women will be hit with the AMT because they are taking advantage of the tax benefits that Congress accorded them, such as the child tax credit, the adoption tax credit, the dependent care tax credit, and the HOPE Scholarship and Lifetime Learning tax credit, to name a few. So instead of receiving a few extra dollars to help raise their children, these taxpayers lose much of these benefits and get to deal with the complex AMT rules as a bonus prize.

For other taxpayers, the AMT will not increase their tax bill. But because the AMT is a separate tax system, they will have to calculate their taxes twice, once under the regular rules and a second time under the AMT, just to make sure they do not owe additional taxes. With an already complicated set of tax rules for the regular tax, the last thing these individuals need is a second set of calculations.

Another significant group of taxpayers who have largely been forgotten in the AMT debate are the small business owners. According to recent IRS estimates, there were more than 20.7 million tax returns filed by sole-proprietorships, partnerships, and S corporations with receipts of less than $1 million. In contrast, there were 2.75 million C corporations. As a result, a whopping 88 percent of these businesses, with receipts under $1 million, are pass-through entities, businesses that are taxed only at the individual owner level.

For these sole proprietors, partners, and S corporation shareholders, the individual AMT increases their tax liability by, among other things, reducing depreciation and depletion deductions, limiting net operating loss treatment, eliminating the deductibility of State and local taxes, and curtailing the expensing of research and experimentation costs. In addition, because of its complexity, this tax forces small business owners to waste precious funds on tax professionals to determine whether the AMT even applies. Just think of the economic growth and new jobs that could be created if we could eliminate the compliance costs of the individual AMT.

The Real AMT Relief Act does just that. Based on the recommendation of the IRS National Taxpayer Advocate in his 2001 Report to Congress, the bill provides for the complete repeal of the individual AMT. This will be accomplished by eliminating 20 percent of the AMT each year until it is completely repealed in 2006. That's welcome relief for individual taxpayers and an enormous burden lifted off the shoulders of America's small businesses.

For small corporations, the AMT story is much the same, high compliance costs and additional taxes draining away scarce capital from their businesses. In fact, the Committee on Small Business, which I chair, received testimony at a hearing in the last Congress that the corporate AMT resulted in a $95,000 tax bill for one small business in Kansas City, all because the company purchased life insurance on the father, who was the primary owner of the business, to prevent the estate tax from closing the company down. That type of nonsense must come to an end here and now.

In 1997, Congress established an exemption from the corporate AMT for small businesses that are organized as taxable corporations if they meet certain gross receipt tests. Under that exemption, a corporation initially qualifies if its average gross receipts were $5 million or less during its first three taxable years beginning after December 31, 1993. Thereafter, a small corporation can continue to qualify for the AMT exemption for so long as its average gross receipts for the prior three-year period do not exceed $7.5 million.

With the growth and success of small corporations, it is time to expand that exemption and continue to provide these small enterprises with relief from the corporate AMT. Accordingly, for small corporate taxpayers, the Real AMT Relief Act increases the current exemption from the corporate AMT. As a result, a small corporation will initially qualify for the exemption if its average gross receipts are $7.5 million or less during its first three taxable years. In subsequent years, a small corporation will continue to qualify for as long as its average gross receipts for the prior 3-year period do not exceed $10 million.

Mr. President, small businesses represent more than 99 percent of all employers, employ 53 percent of the private work force, and create about 75 percent of the new jobs in this country. In addition, these small firms contribute 57 percent of all sales in this country, and they are responsible for 51 percent of the private gross domestic product. With that kind of performance, small businesses deserve tax relief and simplification. The Real AMT Relief Act comes through on both accounts. I applaud Senator Hutchinson for his leadership on this issue, and I am proud to be the chief co-sponsor of this important legislation.

By Mr. COCHRAN:

S. 617. A bill to amend the Elementary and Secondary Education Act of 1965 to improve student and teacher performance and access to education in the critically challenged Lower Mississippi Delta region; to the Committee on Health, Education, Labor, and Pensions.

Mr. COCHRAN. Mr. President, today I am introducing the Lower Mississippi Delta Education Access and Improvement Act of 2001.

The character and fabric of our Nation have been significantly enhanced by the Mississippi Delta's unique blend of the talents that created blues music and Pulitzer Prize literature. But the problems facing this region today overshadow the triumphs of the past and foretell a future without hope. These problems include: below average reading skills among elementary school children, low graduation rates and ACT scores among high school students, lower levels of accreditation among teachers, and poor scores from the State Department of Education Performance Based Accreditation System. Poverty is another issue facing the school districts, evidenced by the fact that 86 percent of the students are eligible for free lunch.

However, there is a sense of optimism among community leaders and educators about overcoming the difficulties that confront the educational system of the area. Universities, community based organizations, and schools are developing comprehensive initiatives to achieve new success in teacher training and retention, preschool learning readiness, parental education, school-wide performance, birth to kindergarten preventative health care and immunization delivery. These are the people who best know their problems, and more importantly, how to solve them. In my opinion, these are efforts that deserve federal support.

This bill will authorize grants to institutions of higher learning located in the Lower Mississippi Delta for the improvement of education and student and teacher performance.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 617

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LOWER MISSISSIPPI DELTA EDUCATION ACCESS AND IMPROVEMENT.

Title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8601 et seq.) is amended by adding at the end the following:

"Part E—Lower Mississippi Delta Education Access and Improvement

"SEC. 13501. SHORT TITLE.

"This part may be cited as the "Lower Mississippi Delta Education Access and Improvement Act".

"SEC. 13502. DEFINITIONS.

"In this part:

"(1) Eligible institution.—The term 'eligible institution' means an institution of higher education—

"(A) that has a school or college of education located in the Lower Mississippi Delta; and

"(B) that has an established, working partnership or consortium with one or more local educational agencies and nonprofit and community organizations, with the purpose of such partnership or consortium being the improvement of education in the Lower Mississippi Delta.

"(2) Institution of higher education.—The term 'institution of higher education' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001).

"(3) Lower Mississippi delta.—The term 'Lower Mississippi Delta' means those counties designated as being part of the Delta Regional Authority jurisdiction in the States of Mississippi, Arkansas, Louisiana, and Tennessee.

"(4) Medically underserved population.—The term 'medically underserved population' has the meaning given the term in section 330(b)(3) of the Public Health Service Act (42 U.S.C. 254b(b)(3)).

"SEC. 13503. PROGRAM AUTHORIZED.

"(a) In General.—The Secretary is authorized to award grants to eligible institutions to allow such eligible institutions to carry out the activities described in section 13506.

"(b) Limitation.—The Secretary may award not fewer than 1 or more than 4 grants under this part in each fiscal year.

"(c) Period.—Grants under this part may be awarded for periods of up to 5 years.

"SEC. 13504. APPLICATION.

"(a) In General.—Each eligible institution desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require.

"(b) Contents.—Each application submitted under subsection (a) shall contain a description of the activities that the eligible institution desires to carry out using funds made available under this part, including a description of the specific population to be served by such activities.

"SEC. 13505. PRIORITY.

"In awarding grants under this part, the Secretary shall give priority to applications describing proposed projects in counties—

"(1) that possess no single incorporated municipality having a population of more than 75,000 people;

"(2) in which the local school districts serve populations of which more than 50 percent of all students are eligible for free or reduced priced lunches; and

"(3) in which more than 50 percent of the population is medically underserved.

"SEC. 13506. AUTHORIZED ACTIVITIES.

"(a) In General.—Each eligible institution receiving a grant under this part shall use amounts received under the grant for activities that focus on research, development, and dissemination of programs, plans or demonstration projects designed to improve the following:

"(1) School-wide performance.

"(2) Teacher and administrator training.

“(3) Teacher retention.

“(4) Parent and mentor education.

“(5) Assessment.

“(6) Cultural based education and regional identity building.

“(7) Workforce.

“(8) Family literacy.

“(9) Preschool learning readiness.

“(10) Birth to kindergarten components of early preventative health care, educational intervention, and immunization delivery.

“(b) LIMITATION.—Grants awarded under this part shall be used for projects only in the predominately rural and agriculture-centered counties and communities of the Lower Mississippi Delta.

“SEC. 13507. AUTHORIZATION OF APPROPRIATIONS.

“There is authorized to be appropriated to carry out this part $18,000,000,000 for fiscal year 2002, and such sums as may be necessary for each of the 4 succeeding fiscal years.”.

By Mr. SPECTER:

S. 618. A bill to designate certain lands in the Valley Forge National Historical Park as the Valley Forge National Cemetery, to the Committee on Energy and Natural Resources.

Mr. SPECTER. Mr. President, today I renew my efforts that began on September 29, 1998, to authorize the creation of the Valley Forge National Cemetery. I am introducing this bill to coincide with a news conference that Congressman JOSEPH HOEFFEL is holding today in Montgomery County, PA, and I join with the entire Pennsylvania delegation in the House, in announcing our joint intention to see this matter resolved this year. Congressman HOEFFEL will introduce a companion bill, and I am pleased to join him in this effort. I had hoped to be with Congressman HOEFFEL at Valley Forge today, but was not able to join him due to a prior commitment. I nevertheless commend him, and the entire Pennsylvania delegation in the House, for their leadership in advancing this legislation. I am anxious to begin the fight for this worthy endeavor.

A national cemetery located at Valley forge would not only be a fitting final resting place for the Nation's veterans because of the area's historical significance, it would also provide the veterans of southeastern Pennsylvania and southern New Jersey with their only national cemetery burial option within a reasonable distance from the homes of their loved ones.

This legislation would designate 200 acres of land within the Valley Forge National Historic Park for use by the Department of Veterans Affairs, VA, to create a national cemetery. The cemetery would fall under the jurisdiction of VA's National Cemetery Administration, the agency charged with administering 119 national cemeteries nationwide.

The need for a national cemetery at or near Valley Forge first gained my attention in 1998. Back then, I joined with then-Congressman Jon Fox, and the entire Pennsylvania delegation in the House, in introducing legislation, S. 2530, to create the Valley Forge National Cemetery. Unfortunately, that measure was not acted on after its referral to the Senate Energy and Natural Resource Committee. It is my understanding that opposition to the legislation arouse due to concerns, misplaced concerns, in my estimation, that the presence of a veterans' cemetery might somehow be inconsistent with the historic nature of the Valley Forge Park site.

I am advised that the National Park Service, NPS, the agency charged with administering over 3,000 acres of federally owned land at the Valley Forge National Historic Park, has expressed reservations about giving up Valley Forge land for cemetery use. I am told that NPS is concerned that a cemetery would denigrate the historical significance of the Park. While these concerns may be held in good faith, I believe the presence of national cemeteries at other historical sites proves that the historical significance of an event or area is heightened not degraded, by the presence of a cemetery honoring those who served in the military.

Two NPS-administered cemeteries, Gettysburg National Cemetery and Andersonville National Cemetery, prove my point. Although Gettysburg is not closed for new burials, it is the final resting place of veterans from all of the country's major wars; Andersonville is still open to new burials. Does the presence of deceased veterans at these Civil War sites detract from their solemnity? I think not. In any case, the acreage that would be transferred to VA under my bill is not the site of the original 1777 encampment of General Washington and his men.

The need for a national cemetery in the Philadelphia area is particularly acute. The three closest national cemeteries for Philadelphians—the Philadelphia, Beverly, and Finns Point national cemeteries—have been closed to new burials since the 1960s. The closest open national cemetery at Indiantown Gap, PA, is over 2 hours away and, at best, will only remain open for new burials until 2030.

Pennsylvania has the fifth largest 65-and-older veteran population in the United States. Estimates from the VA indicate that WWII veterans are passing away at a rate of 1,000 a day, and that the number of annual veteran deaths will reach its peak in 2008. Since national cemeteries take, on average, 7 years to build, we must move quickly to provide an appropriate burial option for Philadelphia-area veterans.

Our Nation's national cemeteries provide a lasting, dignified memorial to the service so many veterans have given to our country. I have received many letters from widows and family members of veterans explaining how much having their loved ones; service honored by an appropriate burial can mean. Providing lasting tributes to this country's heroes sends several messages to all our citizens. It reminds them that we uphold the virtues of serving in the military; we honor the sacrifices veterans have made; and we will never forget that our freedoms are linked with their sacrifices. It is time to move expeditiously to provide Philadelphia area veterans with the opportunity to be so remembered and honored by authorizing a national cemetery at Valley Forge.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 618

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF LANDS AS VALLEY FORGE NATIONAL CEMETERY.

(a) IN GENERAL.—Not more than 200 acres of land located within the Valley Forge National Historical Park on the day before the date of the enactment of this Act are hereby designated as the Valley Forge National Cemetery. Administrative jurisdiction over such lands is hereby transferred to the Secretary of Veterans Affairs and such lands shall be administered as a national cemetery in accordance with chapter 24 of title 38, United States Code (relating to national cemeteries and memorials).

(b) ADJUSTMENT OF PARK BOUNDARIES.—Subsection (b) of section 2 of the Act entitled “An Act to authorize the Secretary of the Interior to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania, and for other purposes” (16 U.S.C. 410aa-1) is amended by striking “map entitled ‘Valley Forge National Historical Park’, dated June 1979, and numbered VF-91,001” and inserting “map entitled ‘Valley Forge National Historical Park’, dated   , and numbered   ”.

By Mr. DEWINE (for himself, Mr. HUTCHINSON, Mr. WARNER, Mr. ALLEN, Mr. HELMS, Mr. HAGEL, Mr. GRASSLEY, Mr. SANTORUM, and Mr. SESSIONS):

S. 619. A bill to establish a grant program that provides incentives for States to enact mandatory minimum sentences for certain firearms offenses, and for other purposes; to the Committee on the Judiciary.

Mr. DEWINE. Mr. President, today I rise to introduce Project Exile: The Safe Streets and Neighborhoods Act of 2001, along with my distinguished colleagues Senator HUTCHINSON from Arkansas, and Senators WARNER, ALLEN, HAGEL, HELMS, GRASSLEY, and SANTORUM. I introduced this bill in the 106th Congress, and today, we again are taking a commonsense step to reduce gun violence and help make our communities safer and more secure.

Often, in the heat of the rhetoric, the real issue in gun control debate has become lost in the flurry of words. We must not, however, lose sight of the real issue, that is the need to reduce gun violence. While gun control efforts are often controversial, there is nothing controversial about protecting our children, our families, our communities by keeping guns out of the wrong hands, not those of law-abiding citizens, but those of criminals and violent offenders.

Criminals with guns are killing our children. They are killing our friends and our neighbors. I am very troubled by gun violence. However, I firmly believe that the Bush Administration will aggressively go after those who commit crimes with a gun.

Right now, current law makes it a federal crime for a convicted felon to ever possess a firearm. It is also against federal law to use a gun to commit any crime, even a State crime. Under federal law, the sentences for these kinds of crimes are mandatory, no second chance, no parole.

In the late 1980s, President George Bush made enforcement of these gun laws a priority. His Justice Department told local sheriffs, chiefs of police, and prosecutors that if they caught someone committing a crime in which a gun was used, or even caught a felon with a gun, the Federal Government would take the case, and put that criminal behind bars for at least five years, no exceptions. During the last 18 months of the Bush Administration, more than 2,000 criminals with guns were put behind bars.

Unfortunately, consistent, effective enforcement ended once the Clinton administration took office. Between 1992 and 1998, for example, the number of gun cases filed for prosecution dropped from 7,048 to about 3,807, that's a 46 percent decrease. As a result, the number of federal criminal convictions for firearms offenses has fallen dramatically.

For 6 years, the Clinton Justice Department refused to prosecute those criminals who use a gun to commit State crimes, even though the use of a gun to commit those crimes could be charged as a Federal crime. The only cases they would prosecute were those in which a federal crime had been committed and a gun was used in the commission of that crime.

Even worse, some federal gun laws were almost never enforced by the prior administration. For instance, while Brady law background checks have stopped nearly 300,000 prohibited purchasers of firearms from buying guns, less than .1 percent have actually been prosecuted.

I questioned Attorney General Ashcroft during his recent confirmation hearing, as well as in private, about the aggressive prosecution of gun cases. He shared our view that current law prohibits violent felons from possessing guns, and so we should aggressively enforce the laws that take guns away from violent criminals. We should take those guns away before they use them to injure and kill people.

We have often heard that 6 percent of the criminals commit 70 percent of the crimes. Well, if you have a violent criminal who illegally possesses a gun, I can bet you that he is part of that 6 percent! He's one of the bad guys, and we should put him away before he has a chance to use that gun again.

Our goal should be to take all of these armed criminals off the streets. That is how we can reduce crime and save lives. And, we can do it now, before another student, or any American, becomes a victim of gun violence.

This bill offers the kind of practical solution we need to thwart gun crimes, now. It would provide $100 million in grants over 5 years to those States that agree to enact their own mandatory minimum five-year jail sentences for armed criminals who use or possess an illegal gun. As an alternative, a State also can qualify for the grants by turning armed criminals over for Federal prosecution under existing firearms laws. This would be done in the same manner in which it was done in the prior Bush administration. In our bill, however, a State wishing to participate in this program has the option of prosecuting armed felons in either State or federal court.

Qualifying States can use their grants for any variety of purposes that would strengthen their criminal or juvenile justice systems' ability to deal with violent criminals.

This approach works, as Senators WARNER and ALLEN can tell you firsthand. In Virginia, for example, the State instituted a program in 1997, also called "Project Exile." Their program is based on one simple principle: Any criminal caught with a gun will serve a minimum mandatory sentence of 5 years in prison. Period. End of story. As a result, gun-toting criminals are being prosecuted six times faster, and serving sentences up to four times longer than they otherwise would under State law. Moreover, the homicide rate in Richmond already has dropped 50-percent!

Every State should have the opportunity to implement Project Exile in their high-crime communities. The bill that we have introduced will make this proven, commonsense approach to reducing gun violence available to every State.

It will take guns out of the hands of violent criminals. It will make our neighborhoods safer. It will save lives. I urge my colleagues on both sides of the aisle to support and pass this legislation.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection the bill was ordered to be printed in the RECORD, as follows:

S. 619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Project Exile: The Safe Streets and Neighborhoods Act of 2001".

SEC. 2. FIREARMS SENTENCING INCENTIVE GRANTS.

(a) PROGRAM ESTABLISHED.—Title II of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322; 108 Stat. 1815) is amended—

(1) by redesignating subtitle D as subtitle E; and

(2) by inserting after subtitle C the following:

"Subtitle D—Firearms Sentencing Incentive Grants

"SEC. 20351. DEFINITIONS.

"In this subtitle:

"(1) FIREARM.—The term 'firearm' has the meaning given the term in section 921(a) of title 18, United States Code.

"(2) PART 1 VIOLENT CRIME.—The term 'part 1 violent crime' means murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault, as reported to the Federal Bureau of Investigation for purposes of the Uniform Crime Reports.

"(3) SERIOUS DRUG TRAFFICKING CRIME.—The term 'serious drug trafficking crime' means an offense under State law for the manufacture or distribution of a controlled substance, for which State law authorizes to be imposed a sentence to a term of imprisonment of not less than 10 years.

"(4) STATE.—The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, American Samoa, Guam, and the Northern Mariana Islands.

"(5) UNIT OF LOCAL GOVERNMENT.—The term 'unit of local government' has the meaning given the term in section 901(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3791(a)).

"(6) VIOLENT CRIME.—The term 'violent crime' means murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault, or a crime in a reasonably comparable class of serious violent crimes, as approved by the Attorney General.

"SEC. 20352. AUTHORIZATION OF GRANTS.

"(a) IN GENERAL.—From amounts made available to carry out this subtitle, the Attorney General shall award Firearms Sentencing Incentive Grants to eligible States in accordance with this subtitle.

"(b) ALLOWABLE USES.—Grants awarded under this subtitle may be used by a State only—

"(1) to support—

"(A) law enforcement agencies;

"(B) prosecutors;

"(C) courts;

"(D) probation officers;

"(E) correctional officers;

"(F) the juvenile justice system;

"(G) the expansion, improvement, and coordination of criminal history records; or

"(H) case management programs involving the sharing of information about serious offenders;

"(2) to carry out a public awareness and community support program described in section 20353(a)(2); or

"(3) to build or expand correctional facilities.

"(c) SUBGRANTS.—A State may use grants awarded under this subtitle directly or by making subgrants to units of local government within that State.

"SEC. 20353. FIREARMS SENTENCING INCENTIVE GRANTS.

"(a) ELIGIBILITY.—Except as provided in subsection (b), to be eligible to receive a grant award under this section, a State shall submit an application to the Attorney General, which shall comply with the following requirements:

"(1) FIREARMS SENTENCING LAWS.—The application shall demonstrate that the State has implemented firearms sentencing laws requiring 1 or both of the following:

"(A) Any person who, during and in relation to any violent crime or serious drug trafficking crime, uses or carries a firearm, shall, in addition to the punishment provided for that crime of violence or serious drug trafficking crime, be sentenced to a term of imprisonment of not less than 5 years (without the possibility of parole during that term).

"(B) Any person who, having not less than 1 prior conviction for a violent crime, possesses a firearm, shall, for such possession, be sentenced to a term of imprisonment of not less than 5 years (without the possibility of parole during that term).

"(2) PUBLIC AWARENESS AND COMMUNITY SUPPORT PROGRAM.—The application shall demonstrate that the State has implemented, or will implement not later than 6 months after receiving a grant under this subtitle, a public awareness and community support program that seeks to build support for, and warns potential violators of, the firearms sentencing laws implemented under paragraph (1).

"(3) COORDINATION WITH FEDERAL GOVERNMENT; CRIME REDUCTION IN HIGH-CRIME AREAS.—The application shall provide assurances that the State—

"(A) will coordinate with Federal prosecutors and Federal law enforcement agencies whose jurisdictions include the State, so as to promote Federal involvement and cooperation in the enforcement of laws within that State; and

"(B) will allocate its resources in a manner calculated to reduce crime in the high-crime areas of the State.

"(b) ALTERNATE ELIGIBILITY REQUIREMENT.—

"(1) IN GENERAL.—A State that is unable to demonstrate in its application that the State meets the requirement of subsection (a)(1) shall be eligible to receive a grant award under this subtitle notwithstanding that inability, if that State, in such application, provides assurances that the State has in effect an equivalent Federal prosecution agreement.

"(2) EQUIVALENT FEDERAL PROSECUTION AGREEMENT.—For purposes of paragraph (1), an equivalent Federal prosecution agreement is an agreement with appropriate Federal authorities that ensures that 1 or more of the following:

"(A) If a person engages in the conduct specified in subsection (a)(1)(A), but the conviction of that person under State law for that conduct is not certain to result in the imposition of an additional sentence as specified in that subsection, that person is prosecuted for that conduct under Federal law.

"(B) If a person engages in the conduct specified in subsection (a)(1)(B), but the conviction of that person under State law for that conduct is not certain to result in the imposition of a sentence as specified in that subsection, that person is prosecuted for that conduct under Federal law.

"SEC. 20354. FORMULA FOR GRANTS.

"(a) IN GENERAL.—The amount available for grants under this subtitle for any fiscal year shall be allocated to each eligible State, in the ratio that the number of part 1 violent crimes reported by the State to the Federal Bureau of Investigation for the 3 years preceding the year in which the determination is made, bears to the average annual number of part 1 violent crimes reported by all eligible States to the Federal Bureau of Investigation for the 3 years preceding the year in which the determination is made.

"(b) UNAVAILABLE DATA.—If data regarding part 1 violent crimes in any State is substantially inaccurate or is unavailable for the 3 years preceding the year in which the determination is made, the Attorney General shall utilize the best available comparable data regarding the number of violent crimes for the previous year for the State for the purposes of the allocation of funds under this subtitle.

"SEC. 20355. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATIONS.—There are authorized to be appropriated to carry out this subtitle—

"(1) $10,000,000 for fiscal year 2001;

"(2) $15,000,000 for fiscal year 2002;

"(3) $20,000,000 for fiscal year 2003;

"(4) $25,000,000 for fiscal year 2004; and

"(5) $30,000,000 for fiscal year 2005.

"(b) LIMITATIONS ON FUNDS.—

"(1) USES OF FUNDS.—Funds made available pursuant to this subtitle shall be used only to carry out the purposes described in section 20352(b).

"(2) NONSUPPLANTING REQUIREMENT.—Funds made available pursuant to this section shall not be used to supplant State funds, but shall be used to increase the amount of funds that would, in the absence of Federal funds, be made available from State sources.

"(3) ADMINISTRATIVE COSTS.—Not more than 3 percent of the funds made available pursuant to this section for a fiscal year shall be available to the Attorney General for purposes of administration, research and evaluation, technical assistance, and data collection.

"(4) CARRYOVER OF APPROPRIATIONS.—Funds appropriated pursuant to this section during any fiscal year shall remain available until expended.

"(5) MATCHING FUNDS.—The Federal share of a grant awarded under this subtitle may not exceed 90 percent of the costs of a proposal as described in an application approved under this subtitle.

"SEC. 20356. REPORT BY THE ATTORNEY GENERAL.

"Beginning on October 1, 2001, and on each subsequent July 1 thereafter, the Attorney General shall submit to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives a report on the implementation of this subtitle. The report shall include information regarding the eligibility of States under section 20353 and the distribution and use of funds under this subtitle.".

(b) CLERICAL AMENDMENT.—The table of contents in section 2 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103-322; 108 Stat. 1796) is amended—

(1) by redesignating the item relating to subtitle D of title II as an item relating to subtitle E of that title; and

(2) by inserting after the item relating to subtitle C of title II the following:

"Subtitle D—Firearms Sentencing Incentive Grants

"Sec. 20351. Definitions.

"Sec. 20352. Authorization of grants.

"Sec. 20353. Firearms sentencing incentive grants.

"Sec. 20354. Formula for grants.

"Sec. 20355. Authorization of appropriations.

"Sec. 20356. Report by the Attorney General.".

Mr. HUTCHINSON. Mr. President, I am honored to rise today as an original cosponsor of Senator DEWINE's legislation, Project Exile: the Safe Streets and Neighborhood Act 2001. This legislation will go a long way towards the goal of effectively reducing gun violence and saving lives.

Like many of my colleagues, I am extremely concerned about gun violence. However, unlike many of my colleagues, I do not believe that more gun control laws are needed to make our Nation safer. Rather, I agree with the thousands of Arkansans who have written asking me to simply enforce the laws already in effect. I also point to the experience of States and cities around the Nation which have seen reductions in violent crime when the existing gun laws were aggressively enforced.

The Project Exile legislation will provide the additional resources needed to expand this effort. It authorizes $100 million in block grants over 5 years to those States that agree to enact and enforce laws with mandatory minimum sentences for anyone who uses a firearm to commit any violent or drug trafficking crime as well as for any person convicted of a violent felony who is in possession of a firearm. If a State does not wish to change its laws, it can simply agree to ensure that these offenders will be turned over to the appropriate United States Attorney's office for prosecution under Federal firearms statutes.

For some time now, I have been working to see Project Exile implemented in Arkansas, and I support this legislation because it will authorize the additional funding necessary to allow Arkansas and other states to implement a program which has been proven to reduce gun violence. Finally, I support this legislation because it is the right approach.

By Mr. HARKIN (for himself and Mr. WELLSTONE):

S. 620. A bill to amend the Elementary and Secondary Education Act of 1965 regarding elementary school and secondary school counseling; to the Committee on Health, Education, Labor, and Pensions.

Mr. HARKIN. Mr. President, you have heard the old saying that an ounce of prevention is worth a pound of cure. Today, I am introducing the Elementary and Secondary School Counseling Improvement Act of 2001 to provide that ounce of prevention.

After the unspeakable act of violence at Columbine High in 1999, CNN and USA Today conducted a public opinion poll of Americans. They asked what would make a difference in preventing a future outbreak of violence in our Nation's schools.

The leading response was to restrict access to firearms. The second most popular response, a response selected by 60 percent of those polled, was to increase the number of counselors in our nation's schools.

Counseling programs, especially in our elementary schools are an ounce of prevention. However, too many children do not have access to a well-training counselor when they need one.

Experts tell us that to be effective, there should be at least one counselor for every 250 students. Unfortunately, the current student: counselor ratio is more than double the recommended level: 551:1. That means counselors are stretched to the limit and cannot devote the kind of attention to children that is needed.

Children today are subjected to unprecedented social stresses, including the fragmentation of the family, drug and alcohol abuse, violence, child abuse and poverty. The legislation I am introducing today reauthorizes the Elementary School Counseling Demonstration Act and expands services to secondary schools.

The Elementary School Counseling Program is modeled on a successful program in the Des Moines school district. The counseling program, Smoother Sailing, operates on the simple premise that we must get to kids early to prevent problems rather than waiting for a crisis.

The schools participating in Smoother Sailing have seen a dramatic reduction in the number of students referred to the office for disciplinary reasons. Teachers report fewer classroom disturbances and principals notice fewer fights in the cafeteria and on the playground. The schools and classrooms have become more disciplined learning environments.

The legislation authorizes $100 million. However, since the counselor shortage is particularly acute in elementary schools, the legislation requires that the first $60 million appropriated would go to provide grants for elementary schools.

Earlier this month, the Nation was shocked to learn about a school shooting in Santee, California. We have a desperate need to improve counseling services in our Nation's schools and this legislation will be an important step in addressing this critical issue. I urge my colleagues to support this legislation.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 64—CONGRATULATING THE CITY OF DETROIT AND ITS RESIDENTS ON THE OCCASION OF THE TERCENTENNIAL OF ITS FOUNDING

Mr. LEVIN (for himself and Ms. STABENOW) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 64

Whereas Detroit is the 10th most populous city in the United States and the most populous city in Michigan;

Whereas Detroit is the oldest major city in the Midwest, and 2001 is the 300th anniversary of Detroit's founding;

Whereas Detroit began as a French community on the Detroit River when Antoine de la Mothe Cadillac founded a strategic garrison and fur trading post on the site in 1701;

Whereas Detroit was named Fort Pontchartrain de' Etroit (meaning "strait") at the time of its founding and became known as Detroit because of its position along the Detroit River;

Whereas the Detroit region served as a strategic staging area during the French and Indian War, became a British possession in 1760, and was transferred to the British by the peace treaty of 1763;

Whereas the Ottawa Native American Chieftain Pontiac attempted a historic but unsuccessful campaign to wrest control of the garrison at Detroit from British hands in 1763;

Whereas in the nineteenth century, Detroit was a vocal center of antislavery advocacy and, for more than 40,000 individuals seeking freedom in Canada, an important stop on the Underground Railroad;

Whereas Detroit entrepreneurs, including Henry Ford, perfected the process of mass production and made automobiles affordable for people from all walks of life;

Whereas Detroit is the automotive capital of the Nation and an international leader in automobile manufacturing and trade;

Whereas the contributions of Detroit residents to civilian and military production have astounded the Nation, contributed to United States victory in World War II, and resulted in Detroit being called the Arsenal of Democracy;

Whereas residents of Detroit played a central role in the development of the organized labor movement and contributed to protections for workers' rights;

Whereas Detroit is home to the United Auto Workers Union and many other building and service trades and industrial unions;

Whereas Detroit has a rich sports tradition and has produced many sports legends, including: Ty Cobb, Al Kaline, Willie Horton, Hank Greenberg, Mickey Cochrane, and Sparky Anderson of the Detroit Tigers; Dick "Night Train" Lane, Joe Schmidt, Billy Sims, Dutch Clark, and Barry Sanders of the Detroit Lions; Dave Bing, Bob Lanier, Isaiah Thomas, and Joe Dumars of the Detroit Pistons; Gordie Howe, Terry Sawchuk, Ted Lindsay, and Steve Yzerman of the Detroit Red Wings; boxing greats Joe Louis, Sugar Ray Robinson, and Thomas Hearns; and Olympic speed skaters Jeanne Omelenchuk and Sheila Young-Ochowicz;

Whereas the cultural attractions in Detroit include the Detroit Institute of Arts, the Charles H. Wright Museum of African-American History (the largest museum devoted exclusively to African-American art and culture), the Detroit Historical Museum, the Detroit Symphony, the Michigan Opera Theater, the Detroit Science Center, and the Dossin Great Lakes Museum;

Whereas several centers of educational excellence are located in Detroit, including Wayne State University, the University of Detroit Mercy, Marygrove College, Sacred Heart Seminary College, the Center for Creative Studies—College of Art and Design, and the Lewis College of Business (the only institution in Michigan designated as a "Historically Black College");

Whereas residents of Detroit played an integral role in developing the distinctly American sounds of jazz, rhythm and blues, rock 'n roll, and techno; and

Whereas Detroit has been the home of Berry Gordy, Jr., who created the musical genre that has been called the Motown Sound, and many great musical artists, including Aretha Franklin, Anita Baker, and the Winans family: Now, therefore, be it

Resolved,

SECTION. 1. CONGRATULATING DETROIT AND ITS RESIDENTS.

The Congress, on the occasion of the tricentennial of the founding of the city of Detroit, salutes Detroit and its residents, and congratulates them for their important contributions to the economic, social, and cultural development of the United States.

SEC. 2. TRANSMITTAL.

The Clerk of the House of Representatives shall transmit copies of this resolution to the Mayor of Detroit and the City Council of Detroit.

Mr. LEVIN. Mr. President, I and my colleague from Michigan, Senator STABENOW, are introducing a resolution commemorating the tercentennial of the founding of Detroit, my hometown. Detroit has contributed mightily to American history and to the freedom and prosperity our Nation enjoys.

The "Spirit of Detroit" statue, which sits prominently in downtown Detroit, embodies a spirit which is referred to by many Detroiters. It is this spirit of hard work and determination that has helped successive generations of Detroiters realize the American Dream. From its earliest days as a frontier outpost, to its role in the epic struggle to end slavery and preserve the union, to the era of the Arsenal of Democracy, to the modern day struggle to build the Detroit of the 21st Century, this spirit has guided Detroit to greatness.

While the resolution names but a few of the events and a few of the people who have made significant contributions to the Detroit story, the list is long. Countless Detroiters have stepped forward to make a difference in many facets of American life. And this year, as Detroit enters its fourth century, the city's pride in its history is only matched by its confidence in its future.

As Detroit celebrates its 300th anniversary, we are proud to have the opportunity to take part in the festivities that mark this occasion and to share our pride with all of our colleagues.

Ms. STABENOW. Mr. President, the city of Detroit celebrates its 300th anniversary this year. The citizens of Detroit will mark this milestone with pride and celebration for a city not only rich in tradition and history, but also full of promise.

The French are credited with founding Detroit, and like so many Americans, the city bears the remnants of its original French name—Fort Pontchartain de' Etroit. But it is also important to remember the indigenous people who preceded the French in the region. The Native American people have a rich history and culture, and this history is equally credited with the formation of Detroit.

This resolution recognizes the important role the city of Detroit and its people have played in the history and development of a strong and secure America. From great sports teams and automobiles to music and civil rights, each domain is synonymous with Detroit. Its rich musical heritage and artistry has left a lasting imprint on the sound of rhythm & blues, gospel, jazz, and Motown.

"The Motor City" is a moniker of pride for the city of Detroit and the State of Michigan as a whole. The preeminent accomplishments of Detroit's automobile industry began with Henry Ford, a man whose ingenuity and determination changed the landscape of American life. In doing so, a dominant labor movement emerged as a force for equality in the workplace. In addition, people of all ethnicities living and working in Detroit know of the city's distinguished mark in the civil rights movement and understand the fight for equal rights in America is far from over. I believe Detroit's best years lie ahead and am proud of the past accomplishments that forever anchor this city in the history books of our country.

I wish Detroit and its residents a Happy Tercentennial and look forward to its anniversary celebrations this year.

SENATE CONCURRENT RESOLUTION 28—CALLING FOR A UNITED STATES EFFORT TO END RESTRICTIONS ON THE FREEDOMS AND HUMAN RIGHTS OF THE ENCLAVED PEOPLE IN THE OCCUPIED AREA OF CYPRUS

Ms. SNOWE (for herself and Ms. MIKULSKI) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations.

S. CON. RES. 28

Whereas respect for fundamental freedoms and internationally recognized human rights is a cornerstone of United States foreign policy;

Whereas, since the tragic events of 1974, the number of the enclaved people in the occupied area of Cyprus has been reduced from 20,000 to 593 (428 Greek-Cypriots and 165 Maronites);

Whereas the enclaved people continue to be subjected to restrictions on their freedoms and human rights;

Whereas the representatives of the two communities in Cyprus, who met in Vienna, Austria, in August 1975 under the auspices of the Secretary General of the United Nations, reached a humanitarian agreement, known as the Vienna III Agreement, which, inter alia, states that, "Greek-Cypriots in the north of the island [of Cyprus] are free to stay and they will be given every help to lead a normal life, including facilities for education and for the practice of their religion, as well as medical care by their own doctors and freedom of movement in the north . . . [and] the United Nations will have free and normal access to Greek-Cypriot villages and habitations in the north";

Whereas the Secretary General of the United Nations, in his December 10, 1995, report on the United Nations operation in Cyprus, set out the recommendations contained in the humanitarian review of the the United Nations Peacekeeping Force in Cyrus (in this concurrent resolution referred to as "UNFICYP"), as endorsed by United Nations Security Council Resolution 1032(95), regarding the restrictions on the freedoms and human rights of the enclaved people of Cyprus;

Whereas the Secretary General of the United Nations, in his June 7, 1996 report on the United Nations Operation in Cyprus, informed the Security Council that the Greek Cypriots and Maronites living in the northern part of the island "were subjected to severe restrictions and limitations in many basic freedoms, which had the effect of ensuring that inexorably, with the passage of time, the communities would cease to exist";

Whereas United Nations Security Council Resolution 1062(96), inter alia, expressed regret that "the Turkish-Cypriot side has not responded more fully to the recommendations made by UNFICYP and calls upon the Turkish-Cypriot side to respect more fully the basic freedoms of the Greek-Cypriots and Maronites living in the northern part of the island and to intensify its efforts to improve their daily lives";

Whereas, on July 31, 1997, Cyprus President Glafcos Clerides and Turkish-Cypriot leader Rauf Denktash agreed to further address this issue along with other humanitarian issues;

Whereas those agreements and recommendations are still far from being implemented, despite a number of measures announced in May 2000 by the Turkish side to ease certain restrictions imposed on movement between the two sides, which restrictions largely remain in effect;

Whereas the measures against the UNFICYP instituted by the Turkish side since June 2000 have further complicated the situation;

Whereas, on January 22, 1990, Turkey recognized the compulsory jurisdiction of the European Court of Human Rights; and

Whereas the European Commission of Human Rights, in the case of Cyprus vs. Turkey before the European Court of Human Rights in 1999 found that "taken as a whole, the daily life of the Greek Cypriots in northern Cyprus is characterized by a multitude of adverse circumstances. The absence of normal means of communication, the unavailability in practice of the Greek Cypriot press, the insufficient number of priests, the difficult choice before which parents and school children are put regarding secondary education, the restrictions and formalities applied to freedom of movement, the impossibility to preserve property rights upon departure or death and the various other restrictions create a feeling among the persons concerned of being compelled to live in a hostile environment in which it is hardly possible to lead a normal private and family life" and "are to a large extent the direct result of the official policy conducted by the respondent government [Turkey] and its subordinate local administration": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) strongly urges the President to undertake efforts to end restrictions on the freedoms and human rights of the enclaved people of Cyprus; and

(2) expresses its intention to remain actively interested in the matter until the human rights and fundamental freedoms of the enclaved people of Cyprus are restored, respected, and safeguarded.

Ms. SNOWE. Mr. President, today I am submitting a concurrent resolution, also sponsored by Senator MIKULSKI, which calls for a United States effort to end the restrictions on the freedoms and violations of the human rights of the enclaved people in the occupied portion of Cyprus. I have introduced this legislation in the past, and I regret that these concerns are still with us. In the 106th Congress, my resolution garnered 36 cosponsors, more than one-third of the U.S. Senate.

I am aware that developments on Cyprus are not known to most Americans. Yet if I were to tell them that a small nation has had part of its land illegally occupied by a neighboring state for over a quarter of a century, I know they would share my outrage.

The 26 years since the 1974 Turkish invasion of Cyprus have seen the end of the cold war, the collapse of the USSR, free elections in South Africa and a reunited Germany. Yet while the line through the heart of Berlin is gone, the line through the heart of Cyprus remains.

Over a quarter of a century ago, Turkey's brutal invasion drove more than 200,000 Cypriots from their homes. Turkey still controls about one-third of the island of Cyprus and maintains about 30,000 troops there. There remains, in northern Cyprus, a small remnant of 428 enclaved Greek-Cypriots and 165 Maronites. The reason they are referred to as the enclaved of Cyprus is that during the fighting in 1974 they mostly resided in remote enclaves and therefore were not able to flee the fighting and thus were not immediately expelled.

I believe that this resolution is important in serving to bring to the attention of the American people and the world community, the hardships and restrictions endured by these enclaved individuals.

In 1975, representatives of the Greek and Turkish Cypriot communities agreed that the Greek-Cypriots in the northern part of the island were to be given every help to lead a normal life. Twenty-six years later this is still not the case.

The presence of the Turkish-Cypriot police in the lives of the enclaved Greek-Cypriots is constant and represents an aggravated interference with their right to respect their private and family life and for their home. Human rights violations and deprivations include: restrictions and formalities on their freedom of movement; the impossibility of preserving their property rights upon their departure or death; the unavailability of access to Greek Cypriot press; an insufficient number of priests; and the difficulties in continuing their children's secondary education.

What I just cited are the 1999 findings of the European Commission of Human Rights in the case of Cyprus against Turkey which is currently before the European Court of Human Rights. Overall, the Commission found that the enclaved "have been subjected to discrimination amounting to degrading treatment." On January 22, 1990, Turkey recognized the compulsory jurisdiction of the European Court of Human Rights and although there has been no ruling, these findings by the Commission illustrate the dire situation which exists.

Going back to 1995, the situation was studied then too, with equally compelling findings. This report on the conditions of the enclaved by the UN Secretary General stated that, "the Review confirmed that those communities were the objects of very severe restrictions, which curtailed the exercise of many basic freedoms and had the effect on ensuring that, inexorably with the passage of time, those communities would cease to exist in the northern part of the island." The UN expressed its concerns and made recommendations for remedial actions by the Turkish-Cypriot regime.

As an example of the situation there, I will state what two of the recommendations were. The simplicity of them speaks volumes. They are: (1) "All restrictions on land travel within the northern part of Cyprus should be lifted", and (2) "Restrictions on hand-carried mail and newspapers should be lifted" These are basic rights to us, but something to be desired and wished for by the enclaved. In addition, the State Department's Human Rights Report for 2000 recently released states that the Turkish-Cypriot regime "continued to restrict freedom of movement".

As a result of this review, very minor relaxation of restrictions on the freedom of movement of the enclaved were introduced in 1996, but all the other recommendations have not been implemented. Some new telephone lines were also installed in the Karpas and Kormakiti areas but the overseas charges imposed make it impossible to use for communication with relatives in the Government controlled area.

The numbers of the enclaved continue to decrease and education is one reason. No Greek language educational facilities for the Greek-Cypriot and Maronite children exist beyond the elementary level. Parents are forced to choose between keeping their children with them or sending them to the south for further education. If a child is sent for further education they are no longer permitted to return permanently to their homes.

I am aware that on May 4, 2000, the Turkish occupation regime announced measures to ease restrictions in order to improve the living conditions of the enclaved. For example, it was announced that Greek-Cypriots and Maronites who wish to visit their relatives in the occupied areas will be allowed to stay for a reasonable length of time after obtaining the necessary permit. What was instituted was that the relatives of the enclaved when visiting can stay in the occupied areas for three days and two nights instead of the two days and one night that was the case in the past.

One restriction that was eased in may was that the enclaved may bring their spouses to reside with them and the Greek-Cypriot marriage certificates will be recognized as proof of marriage. Amazingly, this previously required special permission which was difficult to obtain.

This situation calls out for justice. By bringing these human rights violations to the attention of the American people, it is my hope, that we can bring the plight of these people to the World's attention. My resolution urges the President to undertake efforts to end the restrictions on the freedoms and human rights of the enclaved people. I will remain actively involved in this issue until their rights and freedoms are restored.

This is the least we can do for these people. While this resolution addresses the plight of the enclaved people of Cyprus, work must not cease on efforts to bring about a withdrawal of Turkish forces and a restoration of Cyprus' sovereignty over the entire island with the full respect of the rights of all Cypriots.

Mr. President, I urge my colleagues to join me in supporting this legislation.

Ms. MIKULSKI. Mr. President, I am proud to join Senator SNOWE in submitting a resolution calling for action to help the enclaved people in the occupied areas of Cyprus. This legislation puts the Congress on record in support of human rights and freedom for all the people of Cyprus.

In 1974 Turkish troops invaded Cyprus and divided the island. For decades, the people of Cyprus have lived under an immoral and illegal occupation. The enclaved people in the northern part of the island have suffered most. Their travel is restricted. They may not attend the schools of their choice. Their access to the religious sites is restricted. They are often harassed and discriminated against.

The United Nations and the European Union have documented these human rights abuses and have called on the Turkish Cypriots to respect the basic freedom of the Greek Cypriots and Maronites living in the northern part of the island.

Our foreign policy must reflect our values. The legislation we are introducing urges the President to work to end restrictions on the freedom of the enclaved people in the occupied part of Cyprus. It states that commitment of Congress to pursue this issue until the human rights and fundamental freedoms of the enclaved people of Cyprus are restored, respected and safeguarded.

We all hope peace will come to Cyprus, ending the occupation which divides it. But our efforts to improve human rights on the island cannot wait. I urge my colleagues to join me supporting this legislation.

AMENDMENTS SUBMITTED AND PROPOSED

SA 145. Mr. WELLSTONE (for himself and Mr. HARKIN) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

SA 146. Mr. HAGEL (for himself, Mr. BREAUX, Mr. NELSON of Nebraska, Ms. LANDRIEU, Mr. DEWINE, Mrs. HUTCHISON, Mr. SMITH of Oregon, Mr. THOMAS, Mr. ENZI, Mr. HUTCHINSON, Mr. ROBERTS, Mr. BROWNBACK, Mr. CORZINE, and Mr. VOINOVICH) proposed an amendment to the bill S. 27, supra.

SA 147. Mr. MCCONNELL (for Mr. ENZI) proposed an amendment to the bill S. 295, to provide emergency relief to small businesses affected by significant increases in the prices of heating oil, natural gas, propane, and kerosene, and for other purposes.

TEXT OF AMENDMENTS

SA 145. Mr. WELLSTONE (for himself and Mr. HARKIN) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

On page 21, between lines 9 and 10, insert the following:

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

"(6) SPECIAL RULES FOR TARGETED COMMUNICATIONS.—

"(A) EXCEPTION DOES NOT APPLY.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

"(B) TARGETED COMMUNICATION.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(d)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service whose audience consists primarily of residents of the State for which the clearly identified candidate is seeking office.".

SA 146. Mr. HAGEL (for himself, Mr. BREAUX, Mr. NELSON of Nebraska, Ms. LANDRIEU, Mr. DEWINE, Mrs. HUTCHISON, Mr. SMITH of Oregon, Mr. THOMAS, Mr. ENZI, Mr. HUTCHINSON, Mr. ROBERTS, Mr. ALLARD, Mr. BROWNBACK, Mr. CRAIG, and Mr. VOINOVICH) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; as follows:

At the end of the bill, add the following:

TITLE V—ADDITIONAL PROVISIONS

Subtitle A—Contribution Limits

SEC. 501. INCREASE IN CONTRIBUTION LIMITS.

(a) Increase in Individual and Political Committee Contribution Limits.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "$1,000" and inserting "$3,000";

(B) in subparagraph (B), by striking "$20,000" and inserting "$60,000"; and

(C) in subparagraph (C), by striking "$5,000" and inserting "$15,000"; and

(2) in paragraph (3), as amended by section 102(b)—

(A) by striking "$30,000" and inserting "$75,000"; and

(B) by striking the second sentence.

(b) Increase in Multicandidate Limits.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A)—

(A) by striking "$5,000" and inserting "$7,500"; and

(B) by inserting "except as provided in subparagraph (D)," before "to any candidate";

(2) in subparagraph (B)—

(A) by striking "$15,000" and inserting "$30,000"; and

(B) by striking "or" at the end;

(3) in subparagraph (C), by striking "$5,000." and inserting "$7,500; or"; and

(4) by adding at the end the following:

"(D) in the case of a national committee of a political party, to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $15,000.".

(c) Indexing.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) In any calendar year after 2002—

"(i) a limitation established by subsection (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A); and

"(ii) except as provided in subparagraph (C), each amount so increased shall remain in effect for the calendar year.

"(C) In the case of limitations under subsections (a) and (h), each amount increased under subparagraph (B) shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a) and (h), calendar year 2001".

(d) Increase in Senate Candidate Contribution Limits for National Party Committees and Senatorial Campaign Committees.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking "$17,500" and inserting "$60,000".

(e) Effective Dates.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to calendar years beginning after December 31, 2001.

(2) The amendments made by subsection (c) shall apply to calendar years after December 31, 2002.

Subtitle B—Increased Disclosure

SEC. 511. ADDITIONAL MONTHLY AND QUARTERLY DISCLOSURE REPORTS.

(a) Principal Campaign Committees.—

(1) Monthly reports.—Section 304(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended by striking clause (iii) and inserting the following:

"(iii) additional monthly reports, which shall be filed not later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that monthly reports shall not be required under this clause in November and December and a year end report shall be filed not later than January 31 of the following calendar year.".

(2) Quarterly reports.—Section 304(a)(2)(B) of such Act is amended by striking "the following reports" and all that follows through the period and inserting "the treasurer shall file quarterly reports, which shall be filed not later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter, except that the report for the quarter ending December 31 shall be filed not later than January 31 of the following calendar year.".

(b) National Committee of a Political Party.—Section 304(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(4)) is amended by adding at the end the following flush sentence: "Notwithstanding the preceding sentence, a national committee of a political party shall file the reports required under subparagraph (B).".

(c) Conforming Amendments.—

(1) Section 304.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(A) in paragraph (3)(A)(ii), by striking "quarterly reports" and inserting "monthly reports"; and

(B) in paragraph (8), by striking "quarterly report under paragraph (2)(A)(iii) or paragraph (4)(A)(i)" and inserting "monthly report under paragraph (2)(A)(iii) or paragraph (4)(A)".

(2) Section 309.—Section 309(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(b)) is amended by striking "calendar quarter" and inserting "month".

SEC. 512. REPORTING BY NATIONAL POLITICAL PARTY COMMITTEES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 201, is amended by adding at the end the following:

"(f) Political Committees.—

"(1) National and congressional political committees.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) Itemization.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

"(3) Reporting periods.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)(4)(B).".

SEC. 513. PUBLIC ACCESS TO BROADCASTING RECORDS.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by this Act, is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and inserting after subsection (d) the following:

"(e) Political Record.—

"(1) In general.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

"(A) is made by or on behalf of a legally qualified candidate for public office; or

"(B) communicates a message relating to any political matter of national importance, including—

"(i) a legally qualified candidate;

"(ii) any election to Federal office; or

"(iii) a national legislative issue of public importance.

"(2) Contents of record.—A record maintained under paragraph (1) shall contain information regarding—

"(A) whether the request to purchase broadcast time is accepted or rejected by the licensee;

"(B) the rate charged for the broadcast time;

"(C) the date and time on which the communication is aired;

"(D) the class of time that is purchased;

"(E) the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable);

"(F) in the case of a request made by, or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and

"(G) in the case of any other request, the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person.

"(3) Time to maintain file.—The information required under this subsection shall be placed in a political file as soon as possible and shall be retained by the licensee for a period of not less than 2 years.".

Subtitle C—Soft Money of National Parties; State Party Allocable Activities

SEC. 531. NONEFFECTIVENESS OF TITLE I.

The provisions of title I and the amendments made by such title shall not be effective.

SEC. 532. LIMIT ON SOFT MONEY OF NATIONAL POLITICAL PARTY COMMITTEES; STATE PARTY ALLOCABLE ACTIVITY.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 324. LIMIT ON SOFT MONEY OF NATIONAL; STATE PARTY ALLOCABLE ACTIVITY.

"(a) National Political Party Committee.—

"(1) Limitation.—A national committee of a political party, a congressional campaign committee of a national party, or an entity directly or indirectly established, financed, maintained, or controlled by such committee shall not accept a donation, gift, or transfer of funds of any kind (not including transfers from other committees of the political party or contributions), during a calendar year, from a person (including a person directly or indirectly established, financed, maintained, or controlled by such person) in an aggregate amount in excess of $60,000.

"(2) Aggregate limit on donor.—A person shall not make an aggregate amount of disbursements to committees or entities described in paragraph (1) (other than transfers from other committees of the political party or contributions) in excess of $60,000 in any calendar year.

"(b) State, District, and Local Committees.—An amount that is expended or disbursed for State party allocable activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an entity directly or indirectly established, financed, maintained, or controlled by or acting on behalf of 1 or more candidates for State or local office, or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act. Nothing in this subsection shall prevent a principal campaign committee of a candidate for State or local office from raising and spending funds permitted under applicable State law other than for a State party allocable activity that refers to another clearly identified candidate for election to Federal office.

"(c) Index of Amount.—In the case of any calendar year after 2001—

"(1) each $60,000 amount under subsection (a) shall be increased based on the increase in the price index determined under section 315(c), except that the base period shall be calendar year 2001; and

"(2) each amount so increased shall be the amount in effect for the calendar year.".

(b) Definition of State Party Allocable Activity.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) State party allocable activity.—

"(A) In general.—The term 'State party allocable activity' means—

"(i) administrative expenses including rent, utilities, office supplies, and salaries, except for such expenses directly attributable to a clearly identified candidate;

"(ii) the direct costs of a fundraising program or event, including disbursements for solicitation of funds and for planning and administration of actual fundraising events, where Federal and non-Federal funds are collected by one committee through such program or event;

"(iii) State and local party activities exempt from the definitions of contribution and expenditure under paragraph (9), (15), or (17) of section 100.7(b) of title 11, Code of Federal Regulations or paragraph (10), (16), or (18) of section 100.8(b) of such title, including the production and distribution of slate cards and sample ballots, campaign materials distributed by volunteers, and voter registration and get-out-the-vote drives on behalf of the party's presidential and vice-presidential nominees, where such activities are conducted in conjunction with non-Federal election activities; and

"(iv) generic voter drives, including voter identification, voter registration, and get-out-the-vote drives, or any other activities that urge the general public to register, vote, or support candidates of a particular party or associated with a particular issue, without mentioning a specific candidate.

"(B) Excluded Activity.—The term 'State party allocable activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office;

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a State party allocable activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

"(v) the cost of constructing or purchasing an office facility or equipment for a State, district, or local committee; and

"(vi) the State party allocable portion of any State party allocable activity.

"(C) Allocable activity.—

"(i) In general.—For purposes of subparagraph (B)(vi), the non-Federal portion of any amount disbursed for a State party allocable activity shall be determined in accordance with this subparagraph.

"(ii) Campaign activity.—(I) In the case of a State party allocable activity that consists of activity described in clause (i) or (iv) of subparagraph (A) (other than an activity to which clause (iii) applies), the amount disbursed shall be allocated as Federal and non-Federal on the basis of the composition of the ballot for the political jurisdiction in which the activity occurs.

"(II) In determining the ballot composition ratio, a State or local party committee shall count the Federal offices of President, Senator, or Representative in, or Delegate or Resident Commissioner to, the House of Representatives, if expected on the ballot in the next general election, as one Federal office each. The committee shall count the non-Federal offices of Governor, State Senator, and State Representative, if expected on the ballot in the next general election, as one non-Federal office each.

"(III) The committee shall count the total of all other partisan statewide executive candidates, if expected on the ballot in the next general election, as a maximum of two non-Federal offices.

"(IV) A State party committee shall include in the ratio one additional non-Federal office if any partisan local candidates are expected on the ballot in any regularly scheduled election during the two-year congressional election cycle.

"(V) A local party committee shall include in the ratio a maximum of two additional non-Federal offices if any partisan local candidates are expected on the ballot in any regularly scheduled election during the two-year congressional election cycle.

"(VI) State and local committees shall include in the ratio one additional non-Federal office.

"(iii) Exempt activity.—(I) In the case of a State party allocable activity that consists of an activity described in subparagraph (A)(iii), amounts shall be allocated on the proportion of time or space devoted in the communication to non-Federal candidates or elections as compared to the entire communication.

"(II) In the case of a phone bank, the ratio shall be determined by the number of questions or statements devoted to non-Federal candidates or elections as compared to the total number of questions or statements devoted to all Federal and non-Federal candidates and elections.

"(iv) In the case of a State party allocable activity that consists of an activity described in subparagraph (A)(ii) amounts shall be allocated according to the ratio of Federal funds received to total receipts for the program or event.

"(21) Public communication.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.

"(22) Mass mailing.—The term 'mass mailing' means a mailing of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

"(23) Telephone bank.—The term 'telephone bank' means more than 500 telephone calls within any 30-day period of an identical or substantially similar nature.".

SEC. 533. JUDICIAL REVIEW.

(a) Expedited Review.—Any Member of Congress, candidate, national committee of a political party, or any person adversely affected by section 324 of the Federal Election Campaign Act of 1971, as added by section 532, may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief on the ground that such section 324 violates the Constitution.

(b) Appeal to Supreme Court.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia granting or denying an injunction regarding, or finally disposing of, an action brought under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Any such appeal shall be taken by a notice of appeal filed within 10 calendar days after such order is entered; and the jurisdictional statement shall be filed within 30 calendar days after such order is entered.

(c) Expedited Consideration.—It shall be the duty of the District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter brought under subsection (a).

(d) Enforceability.—The enforcement of any provision of section 324 of the Federal Election Campaign Act of 1971, as added by section 532, shall be stayed, and such section 324 shall not be effective, for the period—

(1) beginning on the date of the filing of an action under subsection (a), and

(2) ending on the date of the final disposition of such action on its merits by the Supreme Court of the United States.

(e) Applicability.—This section shall apply only with respect to any action filed under subsection (a) not later than 30 days after the effective date of this Act.

SA 147. Mr. McCONNELL (for Mr. Enzi) proposed an amendment to the bill S. 295, to provide emergency relief to small businesses affected by significant increases in the prices of heating oil, natural gas, propane, and kerosene, and for other purposes; as follows:

On page 10, line 2, insert "cogeneration," before "solar energy".

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that the hearing which was previously scheduled before the Committee on Energy and Natural Resources on Tuesday, March 27, 2001, at 9:30 a.m. in room SD–106 of the Dirksen Senate Office Building has been rescheduled for Tuesday, April 3, 2001, at 9:30 a.m., in room SD–628 of the Senate Dirksen Office Building in Washington, D.C.

The purpose of this hearing is to consider national energy policy with respect to impediments to development of domestic oil and natural gas resources.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SRC–2 Senate Russell Courtyard, Washington, D.C. 20510–6150.

For further information, please call Trici Heninger or Bryan Hannegan at (202) 224–7932.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Monday, March 26, 2001, at 4:30 p.m., in closed session to receive a briefing from the Department of Defense on Taiwan's current request for purchases or defense articles and defense services from the U.S.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. HATCH. Madam President, I ask unanimous consent that Stuart Nash of my staff be granted the privilege of the floor during the duration of the debate on campaign finance reform.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 106–554, appoints the Senator from Michigan (Mr. LEVIN) to the Board of Trustees for the Center for Russian Leadership Development.

SMALL BUSINESS AND FARM ENERGY EMERGENCY RELIEF ACT OF 2001

Mr. MCCONNELL. I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 21, S. 295.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 295) to provide emergency relief to small businesses affected by significant increases in the prices of heating oil, natural gas, propane, and kerosene, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Small Business, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business and Farm Energy Emergency Relief Act of 2001".

SEC. 2. FINDINGS.

The Congress finds that—

(1) a significant number of small businesses in the United States, non-farm as well as agricultural producers, use heating oil, natural gas, propane, kerosene, or electricity to heat their facilities and for other purposes;

(2) a significant number of small businesses in the United States sell, distribute, market, or otherwise engage in commerce directly related to heating oil, natural gas, propane, and kerosene; and

(3) sharp and significant increases in the price of heating oil, natural gas, propane, or kerosene—

(A) disproportionately harm small businesses dependent on those fuels or that use, sell, or distribute those fuels in the ordinary course of their business, and can cause them substantial economic injury;

(B) can negatively affect the national economy and regional economies;

(C) have occurred in the winters of 1983–1984, 1988–1989, 1996–1997, and 1999–2000; and

(D) can be caused by a host of factors, including global or regional supply difficulties, weather conditions, insufficient inventories, refinery capacity, transportation, and competitive structures in the markets, causes that are often unforeseeable to those who own and operate small businesses.

SEC. 3. SMALL BUSINESS ENERGY EMERGENCY DISASTER LOAN PROGRAM.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after paragraph (3) the following:

"(4)(A) In this paragraph—

"(i) the term 'heating fuel' means heating oil, natural gas, propane, or kerosene; and

"(ii) the term 'sharp and significant increase' shall have the meaning given that term by the Administrator, in consultation with the Secretary of Energy.

"(B) The Administration may make such loans, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, to assist a small business concern that has suffered or that is likely to suffer substantial economic injury as the result of a sharp and significant increase in the price of heating fuel or electricity.

"(C) Any loan or guarantee extended pursuant to this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2).

"(D) No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed $1,500,000, unless such applicant constitutes a major source of employment in its surrounding area, as determined by the Administration, in which case the Administration, in its discretion, may waive the $1,500,000 limitation.

"(E) For purposes of assistance under this paragraph—

"(i) a declaration of a disaster area based on conditions specified in this paragraph shall be required, and shall be made by the President or the Administrator; or

"(ii) if no declaration has been made pursuant to clause (i), the Governor of a State in which a sharp and significant increase in the price of heating fuel or electricity has occurred may certify to the Administration that small business concerns have suffered economic injury as a result of such increase and are in need of financial assistance which is not available on reasonable terms in that State, and upon receipt of such certification, the Administration may make such loans as would have been available under this paragraph if a disaster declaration had been issued.

"(F) Notwithstanding any other provision of law, loans made under this paragraph may be used by a small business concern described in subparagraph (B) to convert from the use of heating fuel or electricity to a renewable or alternative energy source, including agriculture and urban waste, geothermal energy, solar energy, wind energy, and fuel cells.".

(b) CONFORMING AMENDMENTS RELATING TO HEATING FUEL AND ELECTRICITY.—Section 3(k) of the Small Business Act (15 U.S.C. 632(k)) is amended—

(1) by inserting ", sharp and significant increases in the price of heating fuel or electricity" after "civil disorders"; and

(2) by inserting "other" before "economic".

SEC. 4. AGRICULTURAL PRODUCER EMERGENCY LOANS.

(a) IN GENERAL.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(1) in the first sentence—

(A) by striking "operations have" and inserting "operations (i) have"; and

(B) by inserting before ": *Provided,*" the following: ", or (ii)(I) are owned or operated by such an applicant that is also a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), and (II) have suffered or are likely to suffer substantial economic injury on or after June 1, 2000, as the result of a sharp and significant increase in energy costs or input costs from energy sources occurring on or after June 1, 2000, in connection with an energy emergency declared by the President or the Secretary";

(2) in the third sentence, by inserting before the period at the end the following: "or by an energy emergency declared by the President or the Secretary"; and

(3) in the fourth sentence—

(A) by inserting "or energy emergency" after "natural disaster" each place it appears; and

(B) by inserting "or declaration" after "emergency designation".

(b) FUNDING.—Funds available on the date of enactment of this Act for emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) made to meet the needs resulting from natural disasters shall be available to carry out the amendments made by subsection (a).

SEC. 5. GUIDELINES.

Not later than 30 days after the date of enactment of this Act, the Administrator of the Small Business Administration and the

Secretary of Agriculture shall each issue such guidelines as the Administrator and the Secretary, as applicable, determines to be necessary to carry out this Act and the amendments made by this Act.

SEC. 6. REPORTS.

(a) SMALL BUSINESS.—Not later than 18 months after the date of final publication by the Administrator of the Small Business Administration of the guidelines issued under section 5, the Administrator shall submit to the Committee on Small Business of the Senate and the Committee on Small Business of the House of Representatives, a report on the effectiveness of the program established under section 7(b)(4) of the Small Business Act, as added by this Act, including—

(1) the number of small businesses that applied to participate in the program and the number of those that received loans under the program;

(2) the dollar value of those loans;

(3) the States in which the small business concerns that participated in the program are located;

(4) the type of heating fuel or energy that caused the sharp and significant increase in the cost for the participating small business concerns; and

(5) recommendations for improvements to the program, if any.

(b) AGRICULTURE.—Not later than 18 months after the date of final publication by the Secretary of Agriculture of the guidelines issued under section 5, the Secretary shall submit to the Committees on Small Business and Agriculture, Nutrition, and Forestry of the Senate and the Committees on Small Business and Agriculture of the House of Representatives, a report on the effectiveness of loans made available as a result of the amendments made by section 4, together with recommendations for improvements to the loans, if any.

SEC. 7. EFFECTIVE DATE.

(a) SMALL BUSINESS.—The amendments made by this Act shall apply during the 2-year period beginning on the date of final publication of guidelines under section 5 by the Administrator, with respect to assistance under section 7(b)(4) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act, to economic injury suffered or likely to be suffered as the result of—

(1) sharp and significant increases in the price of heating fuel occurring on or after November 1, 2000; or

(2) sharp and significant increases in the price of electricity occurring on or after June 1, 2000.

(b) AGRICULTURE.—The amendments made by section 4 shall apply during the 2-year period beginning on the date of final publication of guidelines under section 5 by the Secretary of Agriculture.

AMENDMENT NO. 147

Mr. MCCONNELL. Senator ENZI has an amendment at the desk and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL], for Mr. ENZI, proposes an amendment numbered 147.

Mr. MCCONNELL. I ask unanimous consent to dispense with the reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To include cogeneration as an alternative energy source)

On page 10, line 2, insert "cogeneration," before "solar energy".

Mr. MCCONNELL. Mr. President, I ask unanimous consent the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 147) was agreed to.

Mr. MCCONNELL. I ask unanimous consent the committee substitute, as amended, be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, on February 28, 2001, the Committee on Small Business considered and voted unanimously, 18–0, to report the "Small Business and Farm Energy Emergency Relief Act of 2001" (S. 295) to the full Senate. This legislation is designed to assist small businesses and farms to recover from economic injuries resulting from sharp and significant increases in the price of heating oil, natural gas, propane, kerosene, or electricity. S. 295 would permit the Small Business Administration (SBA) to expand its Economic Injury Disaster Loan Program and the Department of Agriculture to expand its Emergency Loan Program so that small businesses and farms could apply for economic injury loans when they are suffering from the significant increases in energy prices.

At the time the Committee on Small Business filed the report on S. 295 with the Senate, the Congressional Budget Office (CBO) had not completed its cost estimate on the legislation. Under rule XXVI(11)(A)(1) of the Standing Rules of the Senate, the Committee is required to provide an estimate of the cost of the legislation. The CBO cost estimate dated March 21, 2001, provides the cost estimate for S. 295.

Therefore, Mr. President, I ask unanimous consent that the CBO cost estimate on S. 295 be considered part of the official record of the bill and the report with the transmittal letter dated March 21, 2001, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 21, 2001.

Hon. CHRISTOPHER S. BOND,
Chairman, Committee on Small Business, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 295, the Small Business and Farm Energy Emergency Relief Act of 2001.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Rachel Milberg.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 295—Small Business and Farm Energy Emergency Relief Act of 2001

Summary: S. 295 would expand certain loan programs administered by the Small Business Administration (SBA) and the U.S. Department of Agriculture (USDA). Under current law, SBA provides loans to small businesses that suffer the effects of a natural disaster, and USDA provides similar loans to family farms. S. 295 would expand these two programs to authorize loans to small businesses and family farms to recover from economic injuries resulting from sharp and significant increases in the price of electricity, heating oil, natural gas, propane, or kerosene. The bill would authorize SBA and USDA to provide loans for this purpose for two years.

CBO estimates that implementing S. 295 would cost $51 million over the 2002–2006 period, subject to appropriation of the necessary amounts. CBO estimates that enacting S. 295 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 295 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 295 is shown in the following table. The costs of this legislation fall within budget functions 450 (community and regional development) and 350 (agriculture).

	By fiscal year, in millions of dollars—					
	2001	2002	2003	2004	2005	2006
SPENDING SUBJECT TO APPROPRIATION						
Baseline Spending Under Current Law:						
Estimated Authorization Level[1]	190	197	201	207	212	219
Estimated Outlays	220	210	200	206	211	218
Proposed Changes:						
Estimated Authorization Level	0	24	24	1	1	1
Estimated Outlays	0	6	27	13	4	1
Spending Under S. 295:						
Estimated Authorization Level	190	221	225	208	213	220
Estimated Outlays	220	216	227	219	215	219

[1] The 2001 level is the amount appropriated for that year for SBA's Disaster Loan Program and the USDA's Emergency Loan Program. The amounts shown for 2002 through 2006 are CBO levels that reflect annual increases for anticipated inflation

Basis of estimate: For this estimate, CBO assumes that S. 295 will be enacted near the end of fiscal year 2001, and that SBA and USDA would begin offering these kinds of loans in the first quarter of fiscal year 2002. In addition to the administrative costs of providing more loans, the cost of implementing S. 295 would depend on two factors: (1) the amount of money that the government would lend to small businesses and family farms—the program level, and (2) the riskiness of the loans provided—the subsidy rate.

Program level

In 2000, SBA provided over 28,000 disaster loans to homeowners and small businesses. Of this total, about 4,000 loans were to small businesses to recover from physical damages caused by natural disasters, and about 1,000 of those loans were to cover the cost of economic injuries suffered by small businesses due to disasters. S. 295 would authorize an indefinite number of additional loans to cover economic injuries related to the prices of certain fuels. Based on information from the SBA, CBO estimates that expanding the SBA program to cover economic injuries to small businesses that are caused by high energy prices would greatly increase the number of SBA loans. We estimate the agency would make an additional 10,000 new loans each year—about a one-third increase over the present number of loans. Based on information from USDA, CBO estimates that expanding the USDA program to cover energy-related costs would add another 5,000 loans per year.

Under current law, SBA loans to cover the cost of economic injuries average about $5,000 per borrower, and we assume that loans provided under S. 295 would be the same size. The actual number of loans provided under the bill should be either higher or lower than CBO's estimate. Similarly, the average loan size could be either higher or lower than we assume. But if there are fewer loans under the bill than we estimate, it is likely that the average loan size would be greater than $5,000 because many borrowers are likely to rely on such loans to invest in physical assets that could help cover the cost of energy bills.

In total, CBO estimates that SBA would provide about $50 million in new loans in both 2002 and 2003, and USDA would provide another $25 million in loans in each of these years. These estimates are uncertain, and they are based on SBA's anticipated demand for energy-related loans. The actual number and value of loans made under the bill would depend on the guidelines that SBA and USDA develop. These guidelines would specify the qualification requirements for small businesses applying for a loan, how the borrowed money could be used, and the exact terms of the loans.

Subsidy rate

The Federal Credit Reform Act requires an upfront appropriation for the subsidy costs of credit programs. The subsidy cost of this proposed program would be the estimated long term cost to the government of these loans, calculated on a net present value basis, excluding administrative costs.

Under current law, the SBA program has an estimated subsidy rate of about 17 percent. This rate includes loans to homeowners to cover the cost of physical damages caused by natural disasters, loans to business owners to cover the cost of such physical damages, and loans to business owners to cover the cost of economic injuries caused by natural disasters. Those loans to small businesses have an estimated subsidy rate of 20 percent. Of these three types of loans, the economic injury loans involve the greatest amount of risk. In addition, because business owners generally can foresee higher energy prices better than natural disasters, CBO expects that loans provided under S. 295 would entail more risk than loans currently provided by SBA. CBO estimates that loans provided by SBA to cover economic injuries related to energy prices would involve a subsidy rate of about 20 percent.

The USDA loan program currently has an estimated subsidy rate of 25 percent, and CBO estimates that the loans provided by USDA to cover economic injuries related to energy prices would not affect this subsidy rate.

Administrative costs

Based on information from SBA, CBO estimates that the cost of providing these loans over the authorized two-year period would equal about 10 percent of the program level. CBO estimates that it would cost an additional $1 million each year to administer the existing loans after the two-year authorization period ends, or a total of $11 million over the 2002–2006 period, subject to the availability of appropriated funds.

Pay-as-you-go considerations: None.

Intergovernmental and private-sector impact: S. 295 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate prepared by: Federal Costs: Rachel Milberg. Impact on State, Local, and Tribal Governments: Shelley Finlayson. Impact on the Private Sector: Lauren Marks.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

Mr. KERRY. Mr. President, today we are considering S. 295, the Small Business Energy Emergency Relief Act of 2001. I have waited weeks to bring this bill before the Senate, and so I am very pleased that we are voting on this bill today.

I introduced this bill to address the significant price increases of heating fuels and electricity and the adverse impact those prices are having on our more than 24 million small businesses, small farmers included, and the self-employed. The support for this bill reflects how much small businesses in our States from Massachusetts on the east coast to California on the west coast—are feeling the sting of high heating and electricity bills.

I thank my colleagues who are cosponsors. Senators LIEBERMAN, SNOWE, BINGAMAN, LANDRIEU, JOHNSON, DOMENICI, LEVIN, WELLSTONE, JEFFORDS, HARKIN, SCHUMER, CLINTON, KOHL, EDWARDS, LEAHY, BAUCUS, COLLINS, DODD, BOB SMITH, CHAFEE, BAYH, KENNEDY, INOUYE, DASCHLE, BOND, JACK REED, CORZINE, TORRICELLI, AKAKA, CANTWELL, MURRAY, CLELAND, ENZI, and SPECTER. I also thank Congressman TOM UDALL of New Mexico for introducing the companion bill to this legislation, H.R. 1010, on March 13th.

As so many of my colleagues know, in addition to electricity, many small businesses are dependent upon heating oil, propane, kerosene or natural gas. They are dependent either because they sell or distribute the product, because they use it to heat their facilities, or because they use it as part of their business. The significant and unforseen rise in the price of these fuels over the past two years, compounded by cold snaps and slowed economic conditions this winter, threatens their economic viability.

According to the Department of Energy, the cost of heating oil nationally climbed 72 percent from February 1999 to February 2000, the cost of natural gas climbed 27 percent from September 1999 to September 2000 and 59 percent over the past year, and the cost of propane climbed 54 percent from January 2000 to January 2001.

As I said when I introduced this bill on February 8, the financial falter or failure of small businesses has the potential to extend far beyond the businesses themselves, and we must do what we can to mitigate any damage. Jobs alone give us enough reason to get involved and minimize the number of small business disruptions or failures because they provide more than 50 percent of private-sector jobs.

My bill, the Small Business Energy Emergency Relief Act of 2001, would provide emergency relief, through affordable, low-interest Small Business Administration Economic Injury Disaster Loans, EIDLs, and loans through the Department of Agriculture's Emergency Loan program, to small businesses and small farms that have suffered direct economic injury, or are likely to suffer direct economic injury, from the significant increases in the prices of four heating fuels heating oil, propane, kerosene, and natural gas or electricity.

Initially, this legislation covered four heating fuels, addressing the needs of both urban and rural small businesses. However, I listened to and worked closely with colleagues on both sides of the aisle to address their concerns. Consequently, we made the following changes, some of which I completely support and consider real improvements to the bill and good public policy, and some of which I don't entirely agree with but have accepted in the spirit of compromise. Let me go through the changes. I have already mentioned some of them in describing the basic legislation.

I incorporated a proposal by Senators BOXER and FEINSTEIN to include electric energy in the scope of the bill. I agree with this. There are more and more small businesses around the country being hurt by the spike in electricity prices, and I think they too should have access to affordable loans to help them through these difficult times.

I incorporated a proposal by Senators KOHL and HARKIN to extend similar disaster loan assistance for these purposes to small farms and small agricultural producers through the Department of Agriculture's Emergency Loan program. I agree with this, and I am glad we found a way to help small farms.

I incorporated a proposal by Senator LEVIN to allow the loan proceeds from the SBA disaster loans to be used for small businesses to convert their systems from using heating fuels to using renewable or alternative energy sources. This assistance was also supposed to be available to small farms and small agribusinesses through the USDA's emergency loans, but members of the Agricultural Committee objected. It's unfortunate that this assistance won't be available to small farms because I think we should encourage all industries to use renewable energy.

I incorporated a proposal by Senator ENZI to expand Senator LEVIN's amendment by including "co-generation" in the list of renewable or alternative energy sources. The addition of "co-generation" is to allow small businesses to invest in co-generation capacity to enhance efficiency and, as a result, reduce fuel consumption, save money and reduce pollution. I have some concerns about the addition of "co-generation." First, it changes the scope of the Levin amendment by adding an efficiency technology to a list of what are largely renewable energy technologies. Second, "co-generation" is a broad term that can include different fuels, different technologies, and result in varying levels of efficiency gains. Because the bill does not establish specific performance standards for efficiency gains resulting from co-generation, I will watch closely over the coming two years to learn who participates and what kind of efficiency gains result, and to consider changes to the provision. It is my expectation that the program will only assist projects that will reduce energy consumption and pollution below business-as-usual levels. Third, while the bill is absolutely clear on this point, I want to reiterate that nothing in the bill exempts small businesses that participate in this program from compliance with all local, state and Federal permitting requirements, and public health and environmental standards. Senator ENZI hopes that this language will help facilities add co-generation capacity, increase efficiency, save fuel, save money and reduce pollution, and I can support that goal. I want to thank my friend from Wyoming for working with me on his amendment, recognizing my concerns and finding acceptable language.

I also incorporated a proposal by Senator BOND to sunset the program after two years, and a study of the program's usage to help Congress assess the merits of reauthorization. I preferred to establish a permanent program because, based on past experiences, I firmly believe our energy problems will persist for more than two years and the assistance should be available to small businesses when they really need it rather than waiting for Congress to act again. However, Senator BOND and I try very hard to work in a bi-partisan fashion, so I have agreed to the two-year sunset date with every intention of reauthorizing this program if it proves successful in helping small businesses. I would like to add that I expect the SBA, when it reports to our Committee on the program, to include as much information as possible about loans approved for small businesses to convert their energy systems to use co-generation or urban waste. The purpose of Senator LEVIN's proposal was to encourage less pollution and less fossil fuel consumption, not more, which I fully support, and I plan to monitor any relevant projects.

Lastly, I would like to comment on the Congressional Budget Office's cost estimate of this bill, which will be published today. While I understand that CBO uses very conservative assumptions in its estimates in general, I question its cost estimate of this particular bill. I do agree with CBO that this program is genuinely needed and that small businesses in many parts of the country will apply for these loans. However, I question the assumption that the number of economic injury loans SBA makes will jump from the current level of 1,000 per year to 10,000 per year. If they do, it will only reinforce the need for this assistance, and not be an argument for opposing this program, but the projection seems on the high side.

And I disagree with CBO's assertion that "many borrowers are likely to rely on such loans to invest in physical assets that could help cover the cost of energy bills." The legislation does allow small businesses to use the proceeds of SBA economic injury disaster loans for converting their systems to alternative or renewable energy sources, but they are not eligible for a loan unless they have also suffered significant economic injury due to the significant increase in energy prices and can't meet their financial obligations. While the loan proceeds may be used for such purposes if they convert to renewable or alternative energy systems, I believe the primary use of the loan proceeds will be to provide small businesses with working capital to meet their increased financial obligations. CBO's assumption, which I believe to be misguided, drives up the cost estimate of this program.

I thank my colleagues for their input and cooperation. I believe it made the Small Business and Farm Energy Relief Emergency Act a better bill for those who need the assistance. This legislation will help those who have nowhere else to turn. We've got the tools at the SBA and USDA to assist them, and I believe it's more than justified, if not obligatory, to use disaster loan programs to help these small businesses. Further, by providing assistance in the form of loans which are repaid to the Treasury, we help reduce the Federal emergency and disaster costs, compared to other forms of disaster assistance, such as grants.

I urge my colleagues to support this legislation. SBA's programs make recovery affordable for small business owners, and with the right support, can help mitigate the cost of significant economic disruption in your states caused when affected small businesses falter or fail, leading to job lay-offs and unstable tax bases. I also ask our friends in the House to act quickly and to support this legislation. Again, I thank Congressman TOM UDALL for his leadership on this issue in the House, and I thank his colleagues Congresswoman SUE KELLY, Congresswoman GRACE NAPOLITANO, and Congressman MARK UDALL for their early support of this legislation.

Mr. McCONNELL. I ask unanimous consent the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 295), as amended, was read the third time and passed, as follows:

S. 295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business and Farm Energy Emergency Relief Act of 2001".

SEC. 2. FINDINGS.

The Congress finds that—

(1) a significant number of small businesses in the United States, non-farm as well as agricultural producers, use heating oil, natural gas, propane, kerosene, or electricity to heat their facilities and for other purposes;

(2) a significant number of small businesses in the United States sell, distribute, market, or otherwise engage in commerce directly related to heating oil, natural gas, propane, and kerosene; and

(3) sharp and significant increases in the price of heating oil, natural gas, propane, or kerosene—

(A) disproportionately harm small businesses dependent on those fuels or that use, sell, or distribute those fuels in the ordinary course of their business, and can cause them substantial economic injury;

(B) can negatively affect the national economy and regional economies;

(C) have occurred in the winters of 1983–1984, 1988–1989, 1996–1997, and 1999–2000; and

(D) can be caused by a host of factors, including global or regional supply difficulties, weather conditions, insufficient inventories, refinery capacity, transportation, and competitive structures in the markets, causes that are often unforeseeable to those who own and operate small businesses.

SEC. 3. SMALL BUSINESS ENERGY EMERGENCY DISASTER LOAN PROGRAM.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after paragraph (3) the following:

"(4)(A) In this paragraph—

"(i) the term 'heating fuel' means heating oil, natural gas, propane, or kerosene; and

"(ii) the term 'sharp and significant increase' shall have the meaning given that term by the Administrator, in consultation with the Secretary of Energy.

"(B) The Administration may make such loans, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, to assist a small business concern that has suffered or that is likely to suffer substantial economic injury as the result of a sharp and significant increase in the price of heating fuel or electricity.

"(C) Any loan or guarantee extended pursuant to this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2).

"(D) No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed $1,500,000, unless such applicant constitutes a major source of employment in its surrounding area, as determined by the Administration, in which case the Administration, in its discretion, may waive the $1,500,000 limitation.

"(E) For purposes of assistance under this paragraph—

"(i) a declaration of a disaster area based on conditions specified in this paragraph shall be required, and shall be made by the President or the Administrator; or

"(ii) if no declaration has been made pursuant to clause (i), the Governor of a State in which a sharp and significant increase in the price of heating fuel or electricity has occurred may certify to the Administration that small business concerns have suffered economic injury as a result of such increase and are in need of financial assistance which is not available on reasonable terms in that State, and upon receipt of such certification, the Administration may make such loans as would have been available under this paragraph if a disaster declaration had been issued.

"(F) Notwithstanding any other provision of law, loans made under this paragraph may be used by a small business concern described in subparagraph (B) to convert from the use of heating fuel or electricity to a renewable or alternative energy source, including agriculture and urban waste, geothermal energy, cogeneration, solar energy, wind energy, and fuel cells.".

(b) Conforming Amendments Relating to Heating .Fuel and Electricity.—Section 3(k) of the Small Business Act (15 U.S.C. 632(k)) is amended—

(1) by inserting ", sharp and significant increases in the price of heating fuel or electricity" after "civil disorders"; and

(2) by inserting "other" before "economic".

SEC. 4. AGRICULTURAL PRODUCER EMERGENCY LOANS.

(a) In General.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(1) in the first sentence—

(A) by striking "operations have" and inserting "operations (i) have"; and

(B) by inserting before ": *Provided*," the following: ", or (ii)(I) are owned or operated by such an applicant that is also a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), and (II) have suffered or are likely to suffer substantial economic injury on or after June 1, 2000, as the result of a sharp and significant increase in energy costs or input costs from energy sources occurring on or after June 1, 2000, in connection with an energy emergency declared by the President or the Secretary";

(2) in the third sentence, by inserting before the period at the end the following: "or by an energy emergency declared by the President or the Secretary"; and

(3) in the fourth sentence—

(A) by inserting "or energy emergency" after "natural disaster" each place it appears; and

(B) by inserting "or declaration" after "emergency designation".

(b) Funding.—Funds available on the date of enactment of this Act for emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) made to meet the needs resulting from natural disasters shall be available to carry out the amendments made by subsection (a).

SEC. 5. GUIDELINES.

Not later than 30 days after the date of enactment of this Act, the Administrator of the Small Business Administration and the Secretary of Agriculture shall each issue such guidelines as the Administrator and the Secretary, as applicable, determines to be necessary to carry out this Act and the amendments made by this Act.

SEC. 6. REPORTS.

(a) Small Business.—Not later than 18 months after the date of final publication by the Administrator of the Small Business Administration of the guidelines issued under section 5, the Administrator shall submit to the Committee on Small Business of the Senate and the Committee on Small Business of the House of Representatives, a report on the effectiveness of the program established under section 7(b)(4) of the Small Business Act, as added by this Act, including—

(1) the number of small businesses that applied to participate in the program and the number of those that received loans under the program;

(2) the dollar value of those loans;

(3) the States in which the small business concerns that participated in the program are located;

(4) the type of heating fuel or energy that caused the sharp and significant increase in the cost for the participating small business concerns; and

(5) recommendations for improvements to the program, if any.

(b) Agriculture.—Not later than 18 months after the date of final publication by the Secretary of Agriculture of the guidelines issued under section 5, the Secretary shall submit to the Committees on Small Business and Agriculture, Nutrition, and Forestry of the Senate and the Committees on Small Business and Agriculture of the House of Representatives, a report on the effectiveness of loans made available as a result of the amendments made by section 4, together with recommendations for improvements to the loans, if any.

SEC. 7. EFFECTIVE DATE.

(a) Small Business.—The amendments made by this Act shall apply during the 2-year period beginning on the date of final publication of guidelines under section 5 by the Administrator, with respect to assistance under section 7(b)(4) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act, to economic injury suffered or likely to be suffered as the result of—

(1) sharp and significant increases in the price of heating fuel occurring on or after November 1, 2000; or

(2) sharp and significant increases in the price of electricity occurring on or after June 1, 2000.

(b) Agriculture.—The amendments made by section 4 shall apply during the 2-year period beginning on the date of final publication of guidelines under section 5 by the Secretary of Agriculture.

INDEPENDENT OFFICE OF ADVOCACY ACT OF 2001

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 22, S. 395.

The PRESIDING OFFICER. The clerk will please report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 395) to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration.

The Senate proceeded to consider the bill, which had been reported from the Committee on Small Business with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Office of Advocacy Act of 2001".

SEC. 2. FINDINGS.

The Congress finds that—

(1) excessive regulations continue to burden United States small business**[**es**]** *concerns*;

(2) Federal agencies are reluctant to comply with the requirements of chapter 6 of title 5, United States Code, and continue to propose regulations that impose disproportionate burdens on small business**[**es**]** *concerns*;

(3) the Office of Advocacy of the Small Business Administration (referred to in this Act as the "Office") is an effective advocate for small business**[**es**]** *concerns* that can help to ensure that agencies are responsive to small business**[**es**]** *concerns* and that agencies comply with their statutory obligations under chapter 6 of title 5, United States Code, and under the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121; 106 Stat. 4249 et seq.);

(4) the independence of the Office is essential to ensure that it can serve as an effective advocate for small business**[**es**]** *concerns* without being restricted by the views or policies of the Small Business Administration or any other executive branch agency;

(5) the Office needs sufficient resources to conduct the research required to assess effectively the impact of regulations on small business**[**es**]** *concerns*; and

(6) the research, information, and expertise of the Office make it a valuable adviser to Congress as well as the executive branch agencies with which the Office works on behalf of small business**[**es**]** *concerns*.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to ensure that the Office has the statutory independence and adequate financial resources to advocate for and on behalf of small business *concerns*;

(2) to require that the Office report to the Chairmen and Ranking Members of the Committees on Small Business of the Senate and the House of Representatives and the Administrator of the Small Business Administration in order to keep them fully and currently informed about issues and regulations affecting small business**[**es**]** *concerns* and the necessity for corrective action by the regulatory agency or the Congress;

(3) to provide a separate authorization for appropriations for the Office;

(4) to authorize the Office to report to the President and to the Congress regarding agency compliance with chapter 6 of title 5, United States Code; and

(5) to enhance the role of the Office pursuant to chapter 6 of title 5, United States Code.

SEC. 4. OFFICE OF ADVOCACY.

(a) In General.—Title II of Public Law 94–305 (15 U.S.C. 634a et seq.) is amended by striking sections 201 through 203 and inserting the following:

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Office of Advocacy Act'.

"SEC. 202. DEFINITIONS.

"In this title—

“(1) the term ‘Administration’ means the Small Business Administration;

“(2) the term ‘Administrator’ means the Administrator of the Small Business Administration;

“(3) the term ‘Chief Counsel’ means the Chief Counsel for Advocacy appointed under section 203; [and]

“(4) the term ‘Office’ means the Office of Advocacy established under section 203[.]*; and*

“(5) the term ‘small business concern’ has the same meaning as in section 3 of the Small Business Act.

“SEC. 203. ESTABLISHMENT OF OFFICE OF ADVOCACY.

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—There is established in the Administration an Office of Advocacy.

“(2) APPROPRIATION REQUESTS.—Each appropriation request prepared and submitted by the Administration under section 1108 of title 31, United States Code, shall include a separate request relating to the Office.

“(b) CHIEF COUNSEL FOR ADVOCACY.—

“(1) IN GENERAL.—The management of the Office shall be vested in a Chief Counsel for Advocacy, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, without regard to political affiliation and solely on the ground of fitness to perform the duties of the office.

“(2) EMPLOYMENT RESTRICTION.—The individual appointed to the office of Chief Counsel may not serve as an officer or employee of the Administration during the 5-year period preceding the date of appointment.

“(3) REMOVAL.—The Chief Counsel may be removed from office by the President, and the President shall notify the Congress of any such removal not later than 30 days before the date of the removal, except that 30-day prior notice shall not be required in the case of misconduct, neglect of duty, malfeasance, or if there is reasonable cause to believe that the Chief Counsel has committed a crime for which a sentence of imprisonment can be imposed.

“(c) PRIMARY FUNCTIONS.—The Office shall—

“(1) examine the role of small business concerns in the economy of the United States and the contribution that small business concerns can make in improving competition, encouraging economic and social mobility for all citizens, restraining inflation, spurring production, expanding employment opportunities, increasing productivity, promoting exports, stimulating innovation and entrepreneurship, and providing the means by which new and untested products and services can be brought to the marketplace;

“(2) assess the effectiveness of Federal subsidy and assistance programs for small business concerns and the desirability of reducing the emphasis on those programs and increasing the emphasis on general assistance programs designed to benefit all small business concerns;

“(3) measure the direct costs and other effects of government regulation of small business concerns, and make legislative, regulatory, and nonlegislative proposals for eliminating the excessive or unnecessary regulation of small business concerns;

“(4) determine the impact of the tax structure on small business concerns and make legislative, regulatory, and other proposals for altering the tax structure to enable all small business concerns to realize their potential for contributing to the improvement of the Nation’s economic well-being;

“(5) study the ability of financial markets and institutions to meet *the* [small business] credit needs *of small business concerns*, and determine the impact of government demands on credit for small business concerns;

“(6) determine financial resource availability and recommend, with respect to small business concerns, methods for—

“(A) delivery of financial assistance to minority and women-owned enterprises, including methods for securing equity capital;

“(B) generating markets for goods and services;

“(C) providing effective business education, more effective management and technical assistance, and training; and

“(D) assistance in complying with Federal, State, and local laws;

“(7) evaluate the efforts of Federal agencies and the private sector to assist minority and women-owned small business concerns;

“(8) make such recommendations as may be appropriate to assist the development and strengthening of minority, women-owned, and other small business concerns;

“(9) recommend specific measures for creating an environment in which all [businesses] *small business concerns* will have the opportunity—

“(A) to compete effectively and expand to their full potential; and

“(B) to ascertain any common reasons for [small business] *the* successes and failures *of small business concerns*;

“(10) [to] determine the desirability of developing a set of rational, objective criteria to be used to define *the term* ‘small business *concern*’, and [to] develop such criteria, if appropriate;

“(11) make recommendations and submit reports to the Chairmen and Ranking Members of the Committees on Small Business of the Senate and the House of Representatives and the Administrator with respect to issues and regulations affecting small business concerns and the necessity for corrective action by the Administrator, any Federal department or agency, or the Congress; and

“(12) evaluate the efforts of each department and agency of the United States, and of private industry, to assist small business concerns owned and controlled by veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)), and small business concerns owned and controlled by service-disabled veterans, as defined in such section 3(q), and to provide statistical information on the utilization of such programs by such small business concerns, and to make appropriate recommendations to the Administrator and to the Congress in order to promote the establishment and growth of those small business concerns.

“(d) ADDITIONAL FUNCTIONS.—The Office shall, on a continuing basis—

“(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies and activities of the Administration and any other department or agency of the Federal Government that affects small business concerns;

“(2) counsel small business concerns on the means by which to resolve questions and problems concerning the relationship between small business and the Federal Government;

“(3) develop proposals for changes in the policies and activities of any agency of the Federal Government that will better fulfill the purposes of this title and communicate such proposals to the appropriate Federal agencies;

“(4) represent the views and interests of small business concerns before other Federal agencies whose policies and activities may affect small business;

“(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government that are of benefit to small business concerns, and information on the means by which small business concerns can participate in or make use of such programs and services; and

“(6) carry out the responsibilities of the Office under chapter 6 of title 5, United States Code.

“(e) OVERHEAD AND ADMINISTRATIVE SUPPORT.—The Administrator shall provide the Office with appropriate and adequate office space at central and field office locations of the Administration, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of such offices, and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.”.

(b) REPORTS TO CONGRESS.—Title II of Public Law 94–305 (15 U.S.C. 634a et seq.) is amended by striking section 206 and inserting the following:

“SEC. 206. REPORTS TO CONGRESS.

“(a) ANNUAL REPORTS.—Not less than annually, the Chief Counsel shall submit to the President and to the Committees on Small Business of the Senate and the House of Representatives, the Committee on Governmental Affairs of the Senate, the Committee on Government Reform of the House of Representatives, and the Committees on the Judiciary of the Senate and the House of Representatives, a report on agency compliance with chapter 6 of title 5, United States Code.

“(b) ADDITIONAL REPORTS.—In addition to the reports required under subsection (a) of this section and section 203(c)(11), the Chief Counsel may prepare and publish such reports as the Chief Counsel determines to be appropriate.

“(c) PROHIBITION.—No report under this title shall be submitted to the Office of Management and Budget or to any other department or agency of the Federal Government for any purpose before submission of the report to the President and to the Congress.”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94–305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

“SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated to the Office to carry out this title, such sums as may be necessary for each fiscal year.

“(b) AVAILABILITY.—Any amount appropriated under subsection (a) shall remain available, without fiscal year limitation, until expended.”.

(d) INCUMBENT CHIEF COUNSEL FOR ADVOCACY.—The individual serving as the Chief Counsel for Advocacy of the Small Business Administration on the date of enactment of this Act shall continue to serve in that position after such date in accordance with section 203 of the Office of Advocacy Act, as amended by this section.

Mr. DODD. Mr. President, I rise in support of the Independent Office of Advocacy Act of 2001, S. 395. This bill is designed to build on the success achieved by the Office of Advocacy over the past 24 years. It is intended to strengthen that foundation to make the Office of Advocacy a stronger, more effective advocate for all small businesses throughout the United States.

This bill was approved unanimously by the Senate during the 106th Congress; however, it was not taken up in the House of Representatives prior to the adjournment last month. On February 28, 2001, the Committee on Small Business voted 18–0 to approve and report this important legislation. It is my understanding the House Committee on Small Business under its new Chairman, DON MANZULLO, is likely to act on similar legislation this year.

The Office of Advocacy is a unique office within the Federal Government. It is part of the Small Business Administration, and its director, the Chief Counsel for Advocacy, is nominated by the President and confirmed by the Senate. At the same time, the Office is also intended to be the independent voice for small business within the Federal Government. It is supposed to develop proposals for changing government policies to help small businesses, and it is supposed to represent the views and interests of small businesses before other Federal agencies.

As the director of the Office of Advocacy, the Chief Counsel for Advocacy has a dual responsibility. On the one hand, he is the independent watchdog for small business. On the other hand, he is also a part of the President's administration. As you can imagine, those are sometimes difficult roles to play simultaneously.

The Independent Office of Advocacy Act of 2001 would make the Office of Advocacy and the Chief Counsel for Advocacy a fully independent advocate within the Executive Branch acting on behalf of the small business community. The bill would establish a clear mandate that the Office of Advocacy will fight on behalf of small businesses, regardless of the position taken on critical issues by the Presidents and his Administration.

The Independent Office of Advocacy Act of 2001 would direct the Chief Counsel to submit an annual report on Federal agency compliance with the Regulatory Flexibility Act to the President and the Senate and House Committees on Small Business. The Reg Flex Act is a very important weapon in the war against the over-regulation of small businesses. When the Senate first approved this bill in the 106th Congress, I offered an amendment at the request of Senator FRED THOMPSON, Chairman of the Government Affairs Committee, that would direct the Chief Counsel for Advocacy to send a copy of the report to the Senate Government Affairs Committee. In addition, my amendment also required that copies of the report be sent to the House Committee on Government Reform and the House and Senate Committees on the Judiciary. I believe these changes make good sense for each of the committees to receive this report on Reg Flex compliance, and I have included them in the version of the bill being introduced and debated today.

The Office of Advocacy as envisioned by the Independent Office of Advocacy Act 2001 would be unique within the Executive Branch. The Chief Counsel for Advocacy would be a wide-ranging advocate, who would be free to take positions contrary to the administration's policies and to advocate change in government programs and attitudes as they impact small businesses. During its consideration of the bill in 1999, the Committee on Small Business adopted unanimously an amendment I offered, which was cosponsored by Senator JOHN KERRY, the Committee's Ranking Democrat, to require the Chief Counsel to be appointed "from civilian life." This qualification is intended to emphasize that the person nominated to serve in this important role should have a strong small business background.

In 1976, Congress established the Office of Advocacy in the SBA to be the eyes, ears and voice for small business within the Federal Government. Over time, it has been assumed that the Office of Advocacy is the "independent" voice for small business. While I strongly believe that the Office of Advocacy and the Chief Counsel should be independent and free to advocate or support positions that might be contrary to the administration's policies, I have come to find that the office has not been as independent as necessary to do the job for small business.

For example, funding for the Office of Advocacy comes from the Salaries and Expense Account of the SBA's budget. Staffing is allocated by the SBA Administrator to the Office of Advocacy from the overall staff allocation for the Agency. In 1990, there were 70 full-time employees working on behalf of small businesses in the Office of Advocacy. Today's allocation of staff is 49, and fewer are actually on-board as the result of the longstanding hiring freeze at the SBA. The independence of the Office is diminished when the Office of Advocacy staff is reduced to allow for increased staffing for new programs and additional initiatives in other areas of SBA, at the discretion of the Administrator.

In addition, the General Accounting Office undertook a report for me on personnel practices at the SBA, GAO/GGD–99–68. I was alarmed by the GAO's finding that during the past 8 years, the Assistant Advocates and Regional Advocates hired by the Office of Advocacy shared many of the attributes of Schedule C political appointees. In fact, Regional Advocates are frequently cleared by the White House personnel office—the same procedure followed for approving Schedule C political appointees.

The facts discussed in the GAO Report cast the Office of Advocacy in a whole new light. The report raised questions, concerns and suspicions regarding the independence of the Office of Advocacy. Has there been a time when the office did not pursue a matter as vigorously as it might have were it not for direct or indirect political influence? Prior to receipt of the GAO Report, my response was a resounding "No." But since receipt of the GAO report, a question mark arises.

Let me take a moment and note that I will be unrelenting in my efforts to insure the complete independence of the Office of Advocacy in all matters, at all times, for the continued benefit of all small businesses. However, so long as the administration controls the budget allocated to the Office of Advocacy and controls who is hired, the independence of the Office may be in jeopardy. We must correct this situation, and the sooner we do it, the better it will be for the small business community. As our Government is changing over to President Bush's administration, this would be a opportune time to establish, once and for all, the actual independence of the Office of Advocacy.

The Independent Office of Advocacy Act of 2001 builds a firewall to prevent the political intrusion into the management of day-to-day operations of the Office of Advocacy. The bill would require that the SBA's budget include a separate account for the Office of Advocacy. No longer would its funds come from the general operating account of the Agency. The separate account would also provide for the number of full-time employees who would work within the Office of Advocacy. No longer would the Chief Counsel for Advocacy have to seek approval from the SBA Administrator to hire staff for the Office of Advocacy.

The bill would leave unchanged current law which allows the Chief Counsel to hire individuals critical to the mission of the Office of Advocacy without going through the normal competitive procedures directed by Federal law and the Office of Personnel Management, OPM. I believe this special hiring authority, which is limited only to employees within the Office of Advocacy, is beneficial because it allows the Chief Counsel to hire quickly those persons who can best assist the office in responding to changing issues and problems confronting small businesses.

In addition, S. 395 makes no change in the current law which authorizes and directs each Federal Government agency to furnish the Chief Counsel with such reports and other information necessary in order to carry out the functions of the Officer of Advocacy. This provision is very important for the Office to conduct its responsibilities on behalf of small businesses.

The Independent Office of Advocacy Act is a sound bill. It is the product of a great deal of thoughtful, objective review and consideration by me, the staff of the Committee on Small Business, representatives of the small business community, former Chief Counsels for Advocacy and others. These individuals have also devoted much time and effort in actively participating in a Committee Roundtable discussion on the Office of Advocacy, which my Committee held on April 21, 1999. Since that time, the Committee on Small Business approved this bill twice by unanimous votes, and it was approved unanimously by the Senate in 1999. Therefore, I strongly urge my colleagues in the Senate to vote in favor of the Independent Office of Advocacy Act of 2001.

Mr. KERRY. Mr. President, I speak today in strong support of S. 395, the Independent Office of Advocacy Act. Chairman of the Senate Committee on Small Business, KIT BOND, and I introduced this legislation to help ensure the Small Business Administration's Office of Advocacy has the necessary autonomy to remain an independent voice for America's small businesses. I would like to thank the Chairman and his staff for working with me and my staff to make the necessary changes to this legislation to garner bipartisan support in Committee, where it passed 18–0.

This legislation is similar to a bill introduced by Chairman BOND, which I supported, during the 106th Congress. While this legislation received strong support in the Senate Committee on Small Business and on the floor of the Senate, the House did not take any action. I am hopeful that this legislation will be enacted during the 107th Congress.

Mr. President, the Independent Office of Advocacy Act rewrites the law that created the Small Business Administration's Office of Advocacy to allow for increased autonomy. It reaffirms the Office's statutory and financial independence by preventing the President from firing the advocate without 30 days prior notice to Congress and by creating a separate authorization for the office from that of SBAs. It also states that the Chief Counsel shall be appointed without regard to political affiliation, and shall not have served in the Administration for a period of 5 years prior to the date of appointment.

The legislation also makes women-owned businesses an equal priority of the Office of Advocacy by adding women-owned business to the primary functions of the Office of Advocacy, wherever minority owned business appears. It also adds new reporting requirements and additional functions to the Office of Advocacy with regard to enforcement of the Small Business Regulatory Enforcement Fairness Act SBREFA. The provisions regarding SBREFA are already a part of existing law in Chapter 6 Title 5 of United States Code, and will now, rightly, be added to the statute establishing the Office of Advocacy.

But at its heart, this legislation will allow the Office of Advocacy to better represent small business interests before Congress, Federal agencies, and the Federal Government without fear of reprisal for disagreeing with the position of the current administration.

For those of my colleagues without an intimate knowledge of the important role the Office of Advocacy and its Chief Counsel play in protecting and promoting America's small businesses, I will briefly elaborate its important functions and achievements. From studying the role of small business in the U.S. economy, to promoting small business exports, to lightening the regulatory burden of small businesses through the Regulatory Flexibility Act, RFA, and the Small Business Regulatory Enforcement Fairness Act, the Office of Advocacy has a wide scope of authority and responsibility.

The U.S. Congress created the Office of Advocacy, headed by a Chief Counsel to be appointed by the President from the private sector and confirmed by the Senate, in June of 1976. The rationale was to give small businesses a louder voice in the councils of government.

Each year, the Office of Advocacy works to facilitate meetings for small business people with congressional staff and executive branch officials, and convenes ad hoc issue-specific meetings to discuss small business concerns. It has published numerous reports, compiled vast amounts of data and successfully lightened the regulatory burden on America's small businesses. In the area of contracting, the Office of Advocacy developed PRO-Net, a database of small businesses used by contracting officers to find small businesses interested in selling to the Federal Government.

The U.S. Congress, the administration and, of course, small businesses, have all benefitted from the work of the Office of Advocacy. For example, between 1998 and 2000, regulatory changes supported by the Office of Advocacy saved small businesses around $20 billion in annual and one-time compliance costs.

Small businesses remain the backbone of the U.S. economy, accounting for 99 percent of all employees, providing 75 percent of all net new jobs, and accounting for 51 percent of private-sector output. In fact, and this may surprise some of my colleagues, small businesses employ 38 percent of high-tech workers, an increasingly important sector in our economy.

Small businesses have also taken the lead in moving people from welfare to work and an increasing number of women and minorities are turning to small business ownership as a means to gain economic self-sufficiency. Put simply, small businesses represent what is best in the United States economy, providing innovation, competition and entrepreneurship.

Their interests are vast, their activities divergent, and the difficulties they face to stay in business are numerous. To provide the necessary support to help them, SBA's Office of Advocacy needs our support.

The responsibility and authority given the Office of Advocacy and the Chief Counsel are crucial to their ability to be an effective independent voice in the Federal Government for small businesses. When the Senate Committee on Small Business held a Roundtable meeting about the Office of Advocacy with small business concerns on April 21, 1999, every person in the room was concerned about the present and future state of affairs for the Office of Advocacy. These small businesses asked us to do everything we could to protect and strengthen this important office. I believe this legislation accomplishes this important goal.

I have always been a strong supporter of the Office of Advocacy and I urge my colleagues to support this important legislation.

Mr. McCONNELL. I ask unanimous consent the committee amendments be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to.

The bill (S. 395), as amended, was read the third time and passed, as follows:

S. 395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Office of Advocacy Act of 2001".

SEC. 2. FINDINGS.

The Congress finds that—

(1) excessive regulations continue to burden United States small business concerns;

(2) Federal agencies are reluctant to comply with the requirements of chapter 6 of title 5, United States Code, and continue to propose regulations that impose disproportionate burdens on small business concerns;

(3) the Office of Advocacy of the Small Business Administration (referred to in this Act as the "Office") is an effective advocate for small business concerns that can help to ensure that agencies are responsive to small business concerns and that agencies comply with their statutory obligations under chapter 6 of title 5, United States Code, and under the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121; 106 Stat. 4249 et seq.);

(4) the independence of the Office is essential to ensure that it can serve as an effective advocate for small business concerns without being restricted by the views or policies of the Small Business Administration or any other executive branch agency;

(5) the Office needs sufficient resources to conduct the research required to assess effectively the impact of regulations on small business concerns; and

(6) the research, information, and expertise of the Office make it a valuable adviser to Congress as well as the executive branch agencies with which the Office works on behalf of small business concerns.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to ensure that the Office has the statutory independence and adequate financial resources to advocate for and on behalf of small business concerns;

(2) to require that the Office report to the Chairmen and Ranking Members of the Committees on Small Business of the Senate and the House of Representatives and the Administrator of the Small Business Administration in order to keep them fully and currently informed about issues and regulations affecting small business concerns and the necessity for corrective action by the regulatory agency or the Congress;

(3) to provide a separate authorization for appropriations for the Office;

(4) to authorize the Office to report to the President and to the Congress regarding agency compliance with chapter 6 of title 5, United States Code; and

(5) to enhance the role of the Office pursuant to chapter 6 of title 5, United States Code.

SEC. 4. OFFICE OF ADVOCACY.

(a) In General.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking sections 201 through 203 and inserting the following:

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Office of Advocacy Act'.

"SEC. 202. DEFINITIONS.

"In this title—

"(1) the term 'Administration' means the Small Business Administration;

"(2) the term 'Administrator' means the Administrator of the Small Business Administration;

"(3) the term 'Chief Counsel' means the Chief Counsel for Advocacy appointed under section 203;

"(4) the term 'Office' means the Office of Advocacy established under section 203; and

"(5) the term 'small business concern' has the same meaning as in section 3 of the Small Business Act.

"SEC. 203. ESTABLISHMENT OF OFFICE OF ADVOCACY.

"(a) Establishment.—

"(1) In general.—There is established in the Administration an Office of Advocacy.

"(2) Appropriation requests.—Each appropriation request prepared and submitted by the Administration under section 1108 of title 31, United States Code, shall include a separate request relating to the Office.

"(b) Chief Counsel for Advocacy.—

"(1) In general.—The management of the Office shall be vested in a Chief Counsel for Advocacy, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, without regard to political affiliation and solely on the ground of fitness to perform the duties of the office.

"(2) Employment restriction.—The individual appointed to the office of Chief Counsel may not serve as an officer or employee of the Administration during the 5-year period preceding the date of appointment.

"(3) Removal.—The Chief Counsel may be removed from office by the President, and the President shall notify the Congress of any such removal not later than 30 days before the date of the removal, except that 30-day prior notice shall not be required in the case of misconduct, neglect of duty, malfeasance, or if there is reasonable cause to believe that the Chief Counsel has committed a crime for which a sentence of imprisonment can be imposed.

"(c) Primary Functions.—The Office shall—

"(1) examine the role of small business concerns in the economy of the United States and the contribution that small business concerns can make in improving competition, encouraging economic and social mobility for all citizens, restraining inflation, spurring production, expanding employment opportunities, increasing productivity, promoting exports, stimulating innovation and entrepreneurship, and providing the means by which new and untested products and services can be brought to the marketplace;

"(2) assess the effectiveness of Federal subsidy and assistance programs for small business concerns and the desirability of reducing the emphasis on those programs and increasing the emphasis on general assistance programs designed to benefit all small business concerns;

"(3) measure the direct costs and other effects of government regulation of small business concerns, and make legislative, regulatory, and nonlegislative proposals for eliminating the excessive or unnecessary regulation of small business concerns;

"(4) determine the impact of the tax structure on small business concerns and make legislative, regulatory, and other proposals for altering the tax structure to enable all small business concerns to realize their potential for contributing to the improvement of the Nation's economic well-being;

"(5) study the ability of financial markets and institutions to meet the credit needs of small business concerns, and determine the impact of government demands on credit for small business concerns;

"(6) determine financial resource availability and recommend, with respect to small business concerns, methods for—

"(A) delivery of financial assistance to minority and women-owned enterprises, including methods for securing equity capital;

"(B) generating markets for goods and services;

"(C) providing effective business education, more effective management and technical assistance, and training; and

"(D) assistance in complying with Federal, State, and local laws;

"(7) evaluate the efforts of Federal agencies and the private sector to assist minority and women-owned small business concerns;

"(8) make such recommendations as may be appropriate to assist the development and strengthening of minority, women-owned, and other small business concerns;

"(9) recommend specific measures for creating an environment in which all small business concerns will have the opportunity—

"(A) to compete effectively and expand to their full potential; and

"(B) to ascertain any common reasons for the successes and failures of small business concerns;

"(10) determine the desirability of developing a set of rational, objective criteria to be used to define the term 'small business concern', and develop such criteria, if appropriate;

"(11) make recommendations and submit reports to the Chairmen and Ranking Members of the Committees on Small Business of the Senate and the House of Representatives and the Administrator with respect to issues and regulations affecting small business concerns and the necessity for corrective action by the Administrator, any Federal department or agency, or the Congress; and

"(12) evaluate the efforts of each department and agency of the United States, and of private industry, to assist small business concerns owned and controlled by veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)), and small business concerns owned and controlled by serviced-disabled veterans, as defined in such section 3(q), and to provide statistical information on the utilization of such programs by such small business concerns, and to make appropriate recommendations to the Administrator and to the Congress in order to promote the establishment and growth of those small business concerns.

"(d) Additional Functions.—The Office shall, on a continuing basis—

"(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies and activities of the Administration and any other department or agency of the Federal Government that affects small business concerns;

"(2) counsel small business concerns on the means by which to resolve questions and problems concerning the relationship between small business and the Federal Government;

"(3) develop proposals for changes in the policies and activities of any agency of the Federal Government that will better fulfill the purposes of this title and communicate such proposals to the appropriate Federal agencies;

"(4) represent the views and interests of small business concerns before other Federal agencies whose policies and activities may affect small business;

"(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government that are of benefit to small business concerns, and information on the means by which small business concerns can participate in or make use of such programs and services; and

"(6) carry out the responsibilities of the Office under chapter 6 of title 5, United States Code.

"(e) Overhead and Administrative Support.—The Administrator shall provide the Office with appropriate and adequate office space at central and field office locations of the Administration, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operation of such offices, and shall provide necessary maintenance services for such offices and the equipment and facilities located therein.".

(b) Reports to Congress.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 206 and inserting the following:

"SEC. 206. REPORTS TO CONGRESS.

"(a) Annual Reports.—Not less than annually, the Chief Counsel shall submit to the President and to the Committees on Small Business of the Senate and the House of Representatives, the Committee on Governmental Affairs of the Senate, the Committee on Government Reform of the House of Representatives, and the Committees on the Judiciary of the Senate and the House of Representatives, a report on agency compliance with chapter 6 of title 5, United States Code.

"(b) Additional Reports.—In addition to the reports required under subsection (a) of this section and section 203(c)(11), the Chief Counsel may prepare and publish such reports as the Chief Counsel determines to be appropriate.

"(c) Prohibition.—No report under this title shall be submitted to the Office of Management and Budget or to any other department or agency of the Federal Government for any purpose before submission of the report to the President and to the Congress.”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Title II of Public Law 94-305 (15 U.S.C. 634a et seq.) is amended by striking section 207 and inserting the following:

“SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated to the Office to carry out this title, such sums as may be necessary for each fiscal year.

“(b) AVAILABILITY.—Any amount appropriated under subsection (a) shall remain available, without fiscal year limitation, until expended.”.

(d) INCUMBENT CHIEF COUNSEL FOR ADVOCACY.—The individual serving as the Chief Counsel for Advocacy of the Small Business Administration on the date of enactment of this Act shall continue to serve in that position after such date in accordance with section 203 of the Office of Advocacy Act, as amended by this section.

ORDERS FOR TUESDAY, MARCH 27, 2001

Mr. McCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:15 a.m. on Tuesday, March 27. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the Hagel amendment to S. 27, the campaign finance reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, further, I ask unanimous consent the Senate stand in recess from the hour of 12:30 p.m. until 2:15 p.m. for the weekly policy conferences to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. McCONNELL. Mr. President, for the information of all Senators, the Senate will resume consideration of the Hagel amendment tomorrow morning. A vote may be expected on that amendment prior to the recess for the weekly party conferences. Further amendments will be offered, and therefore votes will occur throughout the day.

ORDER FOR ADJOURNMENT

Mr. McCONNELL. Mr. President, if there is no further business to come before the Senate, I now ask the Senate stand in adjournment under the previous order, following the remarks of Senator GRAHAM of Florida and the remarks of the Senator from Connecticut.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Connecticut.

HAGEL AMENDMENT NO. 146

Mr. DODD. My colleague from Wisconsin is here, and my good friend from Nebraska is in the room. I oppose the Hagel amendment. I guess people always concern themselves. CHUCK HAGEL happens to be a good friend of mine, someone I admire immensely as a Member of this body. We have worked together on issues on numerous occasions. So my opposition, while it will come as no great surprise, is not rooted in anything personal at all; it is a substantive disagreement, and my admiration for him is in no way diminished, even though we disagree.

I wish to focus on one aspect. Senator FEINGOLD talked about the soft money aspects. My concern is that and also the raising of the hard money limitation. I know this gets lost on some people. There are distinctions between soft and hard money. To the average citizen, money is money, and they get confused between what is hard and what is soft money. But the hard money increases are troubling to me in that we raise it from $1,000 to $3,000 an individual.

Let me translate that. That is really raising it from $2,000 to $6,000 because you contribute both to the primary and the general election.

Let me get even more realistic. As a practical matter, when we call for contributions and there is a married couple, we usually get double that amount. So instead of $2,000 or $4,000, we are now talking about $12,000 for that couple.

Those are the practicalities, and everybody who has ever raised money knows exactly what I am talking about. All of a sudden, we have gone from $4,000 to $12,000, plus we raise the individual total amount for a calendar year to $75,000, and then double that, really, because it is $150,000.

Now we are getting into the bizarre world where there are individuals—and of course not many in the country can do it; we are told it is really not enough because we ought to index it according to the consumer price index or some other parameter, much as we do with Social Security recipients or people on food stamps who are having a hard time feeding their families. We are going to index how much you can give, how much more access you can have to the process for the less than a fraction of the top 1 percent of the American public who could even begin to think about writing a check for $150,000 per calendar year to support the candidates of their choice.

As we look at this, just to put it in perspective, we had .08 percent of the population who actually gave $1,000 or more during the same period in 1999-2000. There were 1,128 individuals who gave $25,000 annual aggregate maximums to candidates. So, unbelievable as it is, here we are debating the need to raise contribution levels to benefit somewhere in the neighborhood of 1,200 to maybe 2,000 people in the country.

How many Americans can write a check for $150,000 in hard money? Obviously, very few. The idea somehow we are impoverished as candidates and we therefore need to raise the limits so people who fall into that category can write checks for us—only in this bizarre world could we even be talking about these numbers in this context.

My hope is Members will not be tempted to go this route. We ought to be looking for ways to reduce the amount of money in politics. There are those who disagree with me on this, but I think we are awash in it. It is running the risk of moving our very system of democracy into deep trouble. There is no issue more important than this one.

The other issues we will have come before us are significant, but this goes right to the heart of who we are as a people, who can run for public office, who can get elected to public office. Our failure to do something about it places, as I said the other day, our democracy, in my view, in peril.

So, reluctantly, because he is a good friend of mine, I will oppose the amendment of Senator HAGEL. I think we can do better. There will be alternatives offered this week that I think will be more attractive, and therefore I urge the rejection of this amendment.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

TAX CUT

Mr. GRAHAM. Mr. President, I am going to use this time at this late hour, not to talk about the subject that has been before the Senate most of the day but, rather, to an issue that I think is dominating the attention of the American people even more than the question of campaign finance reform, and that is what is happening in their wallets, what is happening to their economic well-being.

We went through a long Presidential campaign in the year 2000. During that campaign there was considerable discussion about tax policy, fiscal policy, the direction of the economy. Each of the candidates tended to mark out their own position.

Then Governor Bush basically said, beginning before the Iowa caucuses in January of 2000, that taxes were too high; that the surplus was generating more money than the Federal Government could intelligently utilize, and therefore a significant amount of that surplus should be returned to the taxpayers. He laid out a specific plan to return $1.6 trillion of an estimated $5.6 trillion surplus; about a $2.6 trillion surplus minus the Social Security and Medicare trust fund.

The Democratic candidate, Vice President Gore, said we should have a tax policy targeted to achieve a set of specific economic and social purposes. They ranged from education to encourage more people to send their children to college, to continue their own personal education in a changing economy, to energy conservation: How could we use the Tax Code to encourage a set of incentives for conservation?

I suggest that just as the long campaign of 2000 finally ground itself to an end, those arguments have, similarly, ground themselves to an end. What we have come to realize is that the issue no more is how to return an unending gusher of surpluses or how to target in a very clinical, almost surgical sense, tax relief in order to achieve specific economic and social purposes; rather, the question before us now is, What should the National Government be doing in a time of unexpected economic slowdown?

We even had, in the period of the transition, the Vice President-elect state the "R" word. He began to use the suggestion that we might be in or close to a recession.

If that is true, and if we are clearly—as we are—in a slowdown, and if in fact we are moving to an even more serious economic situation, it is largely because consumers have suddenly lost confidence in their own future and in our Nation's economic future, and they have stopped spending. Since two-thirds of the Nation's economic output is predicated on the ability of consumers to spend and consume that output, that starts a process of a downward cycle. Spending slows on a grand scale. The economy slows. Layoffs begin. Pay cuts materialize. The cycle intensifies. The disease that may have started out largely in our heads is now in our bank accounts.

Colleagues, we are in the throes of that illness today.

Just a few statistics over the past couple of months:

Layoffs totaling 275,000 jobs have been announced, and they have been announced from some of the businesses that we regard as the mainstays of America's consumer economy, such as last week's announcement of Procter & Gamble. This bad news has led to a 35-point plunge in the consumer confidence index from an all-time high of 142.5 just as recently as September of 1995.

I think the good news in this dreary circumstance is that we do not have to stand on the sidelines as spectators and let the hand of the market control our destiny. We have the ability to take some steps that would soften the impact of a declining economy that might be able to even buy an economic insurance policy to protect us against an unnecessarily long or deep economic decline.

Part of that ability is being exercised by the Federal Reserve Board as it has started the process of ratcheting down the interest rate increases which it ratcheted up over the preceding couple of years.

We also have the opportunity to play a role not as a spectator but as a participant through our control of fiscal policy.

In the past, Democrats would have said the fiscal policy that we want to follow is one to accelerate spending: Let's spend more money as a means of generating greater economic activity. Today, some of us who are the descendents of the Presiding Officer's noble son, Thomas Jefferson, believe that the step we need to take to stimulate the economy is to put additional dollars in the pockets of American families so that they can make the decision as to where to spend, and those decisions and the increased confidence they have will cause additional dollars to go into their pockets, and we will begin to attack this psychology of despair which has become such a significant reason for the decline in consumer demand.

I believe that stimulative tax cuts in this year of 2001 and in the year 2002 are what are required of Members of the Congress to play our role as active participants in avoiding an unnecessarily severe economic downturn. I believe there are some characteristics those tax cuts should have. I believe that is where the debate is today.

As recently as a month ago, if you had said I believe we ought to use the resources that are available through our surplus for an economic stimulus in tax cuts, you could not have commanded a majority on the Republican side because there would have been objection as to the direction in which you were suggesting the tax cuts flow. And you would not have gotten a majority on the Democratic side because they would have said tax cuts are too large in terms of our overall allocation of the surplus, and maybe a question as to whether tax cuts could make any difference as a stimulative matter at all.

I believe that argument has now been decided, that the American people want us to—and the American people have concluded correctly, in my opinion, that it will be in their economic best interest if we provide an immediate significant tax stimulus.

The American people understand what some of the characteristics of that tax stimulus must be. That tax stimulus must be large enough to make a difference. We might argue at the edges as to what the numbers would be, but my suggestion, based on the advice of a range of prominent economists, is that we need to be able to inject into the economy during calendar year 2001 at least $60 billion in tax cuts; and, if we can do so, we can anticipate that the gross national domestic product will grow by one-half to three-quarters of a percentage point greater than it would have grown had we not taken that action.

Senator CORZINE, who joins us now, and I have developed a formula that we believe meets the criteria of an effective economic stimulus. That formula came from an idea in President Bush's tax proposal; that is, that we create a new 10-percent tax bracket; that that tax bracket cover taxable income for single Americans up to the first $9,500 of their taxable income; and that for joint filers, for married couples, it would be up to $19,000 of taxable income; the first $19,000 would be taxed at the 10-percent rate; and that all of those would be effective as quickly as Congress could pass it but made retroactive to January 1, 2001.

That simple, easily enacted withholding rate change would result in single Americans this year—calendar year 2001—receiving a $475 tax cut if they had taxable income of $19,000 or more. For married couples, it would result in a $950 tax cut for the year 2001. Our proposal would continue this as a permanent change in the law, so those same reductions would be applicable in each future year.

This plan is not deceptively simple; it is truly simple. That is why it would work. Taxpayers will see it. They will understand it. They will feel comfortable that this is not a one-time "manna" from Heaven; that it represents a permanent change in their tax relationship. They would feel comfortable as early as this summer in beginning to incorporate that into their economic expectations.

While this tax relief is broad based—every American taxpayer, single or married, who pays Federal income tax would be a beneficiary of this plan—it would provide the largest portion of the relief to middle-income families. That is not a statement based on class warfare or a statement based on fairness; it is a statement based on sheer economic reality.

There is a correlation between the tendency of people to spend and the amount of their income. The lower the income, the greater propensity there is that the new additional dollar that would come by reducing tax rates would actually move quickly into the bloodstream of the American economy. So we are, for that reason, since our goal is to stimulate the demand side of the economy, suggesting this single rate change as the most effective means of getting that immediate surge of action in our economic bloodstream. It is large enough to make a difference but it is not so large as to crowd out other important budget priorities.

While it is a substantial share of this year's budget surplus—approximately $2 out of every $3 of the non-Social Security, non-Medicare surplus in 2001 would be committed for this purpose—its claim on future surpluses is much smaller.

If I could contrast this with other proposals that are before the Congress and before the American people: The President has a total tax plan of $1.6 trillion. That compares over 10 years with approximately $693 billion that would be the cost of the 10-percent plan Senator CORZINE and I are advocating. But there are other differences beyond just the sheer scale of the tax measure.

The President's plan would be largely backloaded. Most of the tax benefits would come in the last 4 or 5 years of the 10-year cycle. In fact, in the year 2001, when I believe the stimulus is most needed, the tax cut in the President's plan is only $183 million. That contrasts with the $60 billion Senator CORZINE and I believe is the appropriate level of stimulus for this economy.

Another plan that is before the Congress and has already passed the House of Representatives is the Ways and Means proposal: The first phase of the President's tax plan, which is limited to changes in marginal rates of the income Tax Code for personal filers.

In my judgment, this, too, falls far short of what is needed because it would only provide $11 billion of so-called stimulus in 2001. Eleven billion dollars is better than $183 million, but neither of them are adequate to the task of providing the stimulus that our economy needs. And these packages do not target those taxpayers who are the most likely to use this money, to spend this money in the ways that would best advance our economy.

Three-quarters of all taxpayers do not pay beyond the 15-percent bracket as it is currently calculated. That means that three-quarters of all taxpayers have total taxable income of less than $45,000, which is the top of the 15-percent rate. Yet nearly 60 percent of the total cost of both the President's plan and the House Ways and Means's plan is devoted to persons who earn more than $45,000 in taxable income.

Again, this is not an issue of class warfare. It is an issue that those higher income folks are less likely than the middle- and lower-income Americans to spend that money and, therefore, create the stimulus in the economy.

As I have said; Senator CORZINE and I have been very impressed with the President's excellent idea of creating this new 10-percent bracket. We think that deserves to be the centerpiece, the focus, of an economic insurance policy that we can enact soon.

What would this mean for a middle-class American family? With the kind of cut we provide, they could almost buy a new Dell computer. They could buy a new RCA 36-inch stereo color TV. They could buy a week's vacation in Florida. We all agree that America's hard-working families deserve that computer, that color TV, and especially that Florida vacation. We all agree that America's workers need job security. Now let's agree on a tax cut that can stimulate the economy and make that job security happen for all Americans this year.

I am afraid that we are about to move from the chapter in which the debate was over: Should we have an economic stimulus, a chapter that I think has ended—we now have broad agreement that should be the title of whatever tax relief we provide first in the year 2001—and we are now about to go into a debate on which is the most perfect way to get to that objective. That then fall prey to exactly the comments that the Chairman of the Federal Reserve Board, Mr. Alan Greenspan, made in February to the Senate Budget Committee when he said he was skeptical about an economic stimulus tax plan, not because it did not have the economic potential but he did not believe that the Congress had the capacity to enact it quickly enough to make a difference; that the history of these efforts to use the Tax Code to stimulate the economy has been that a good idea was birthed but it was never nurtured quickly enough to be fully available while the problems still existed.

To me, it is critical we have a plan that is simple and direct enough, that is sufficiently shorn of controversy that it can be enacted, ideally by the first of July, so that it could begin to affect paychecks in August of this year.

We need to be bold and aggressive and recognize that this is our time to step out of the boxes above the arena down to the floor and become an active participant in assisting American families in dealing with this serious problem of a declining economy and the effect that it is having on the quality of their lives and on their psychological sense of the future for their families and our Nation.

We have the opportunity to do so. We should grasp that opportunity now.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair thanks the Senator from Florida.

The Senator from New Jersey.

Mr. CORZINE. Mr. President, I ask unanimous consent to speak for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CORZINE. Mr. President, I rise to endorse the concepts about which the Senator from Florida has spoken this evening and to make the point that the economic necessity of this grows clearer every day.

There is a need for a stimulative package, and it needs to be brought to bear in the quickest possible fashion. The apparentness of that need is reflected very clearly in the economic indicators we see reported almost daily, apart from what many people talk about in most of their conversations, which is the stock market, which is an important indicator of future economic conditions.

We see a pattern of deterioration currently in place that needs to be focused on, particularly the pattern of layoffs coming out of corporate America. Those are broadening and are reflective of underlying recession business conditions, if not more broadly in the economy.

This substantial deterioration is beginning to show up in consumer confidence numbers. At the end of last week we saw a deterioration in new home sales which reflects underlying consumer confidence. As we know, it is about 65 percent of our economic engine in the United States. These kinds of conditions are most properly underscored, most vividly underscored by actions taken by one of America's most important consumer companies, Procter & Gamble, which reported last week they would be laying off 9,500 people. This is another indication of growing economic weakness.

Add to that that there are problems in our international sector, the reported deterioration in the Japanese economy. The central bank in Japan actually lowered their interest rates to zero percent trying to stimulate the economy. This is important because it demonstrates that if you only depend on monetary policy, as opposed to a combination of monetary and fiscal policy, you sometimes can lead the horse to water but it won't necessarily drink, and you won't get the kind of stimulus we need to make sure that this economy is secure; that we keep job growth increasing. International weakness is also one that we need to be concerned about, particularly in Asia, but we are seeing early signs of weakness in Europe as well.

Right now we are depending far too much on monetary policy, where the Federal Reserve has moved, on a proportionate basis, actually faster, certainly than I have ever seen in my own personal experience, with three 50-basis-point cuts in interest rates in less than 2½ months, a very substantial move percentage-wise on interest rates. It is even more imperative that we move to have a fiscal stimulus as a partnership with the Federal Reserve to get that stimulus going. That needs to be substantial. It needs to be done efficiently and speedily. It needs to be sustainable.

Too often, one-time cuts go into savings. Most economic thought would show that single one-time payments tend to go to savings as opposed to consumption. The plan Senator GRAHAM and I are proposing is one that is intended to be substantial but sustainable through time. People can count on that tax cut over a longer period of time. It changes consumer confidence. It changes their way of how they are going to look at future earnings. They can discount that to the future. We think that will end up having a meaningful impact on current economic conditions. In fact, it is an economic insurance policy. If we are wrong and we are not in a recession, this is a good thing because it will boost economic growth. But if we fall into a slower period where recession actually takes place, and you never know that until after the fact, then we have a fiscal stimulus in place to go hand in hand with monetary policy.

We believe strongly that this is a proposal that does reflect balance on many of the competing arguments we see. It is a direct lead-in from where the President suggested a 15- to a 10-percent cut. We just give it now as opposed to in future years. We think this is an important precondition to make sure we have a strong economy that will allow for all boats to rise on that rising tide.

I thank the Chair for the opportunity to support the arguments and description of the program Senator GRAHAM, my friend from Florida, has proposed.

ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 9:15 a.m. on Tuesday, March 27, 2001.

Thereupon, the Senate, at 8:21 p.m., adjourned until Tuesday, March 27, 2001, at 9:15 a.m.

EXTENSIONS OF REMARKS

A TRIBUTE TO HOWARD CLASSEN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor Howard Classen as he celebrates the end of his tenure at the Natividad Medical Center in Monterey, California. Mr. Classen retired from his position as Chief Executive Officer last month, and will be honored by his colleagues, friends and admirers in a dinner on Sunday, March 11, 2001.

Mr. Speaker, I would like to join these people in saluting Mr. Classen's enormous contributions to the Monterey community. Natividad Medical Center is Monterey County's public hospital, and its obligation to both serve the residents of the county and continually restructure its caregiving operation has proved a daunting challenge to all involved in its operation. Mr. Classen, however, has embraced the recent changes in medical care and administration, and in the process has strengthened Natividad's scope and presence in the Monterey Bay area.

Howard Classen was raised in Chicago, Illinois, and obtained his Master's Degree in Hospital Administration at Cornell University in New York. Before coming to Natividad, he worked in a number of acute care hospital administration positions, including chief executive officer positions with National Medical Enterprises, Inc., and San Mateo General Hospital in San Mateo, California. Mr. Classen has also been active on State committees in California regarding the issues that have arisen with the changes in Medicaid, which is known as Medi-Cal in our State. He has also consulted on major managed-care plans and has been involved in the design, financing and construction of several major hospital projects.

One of the many projects in which Mr. Classen was instrumental was the remodeling and modernization of the Natividad Medical Center and its facilities in 1998. This state-of-the-art facility will no doubt continue to facilitate treatment well into the 21st Century, and much of the credit for this goes to Howard.

Beyond the scope of large projects such as this, Mr. Classen has also shown his dedication to the day-to-day operation of Natividad Medical Center. He is truly committed to the Center's mission of providing high-quality, cost-effective healthcare to all residents of Monterey County, and has worked hard to reach out and collaborate with others on major projects and minor details.

Mr. Speaker, it is clear that we have lost an inspirational member of the Monterey County healthcare profession with Mr. Classen's retirement. I am sure that I speak for many when I say that his tireless work will not soon be forgotten, and we are all thankful. I would like to personally wish him well in this new stage of his life, and hope that he continues to be a presence in the Monterey Peninsula healthcare community.

TUNISIA'S 45TH ANNIVERSARY OF INDEPENDENCE

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 2001

Mr. HILLIARD Mr. Speaker, I rise to take this opportunity to congratulate the Republic of Tunisia on its 45th anniversary of independence, to be celebrated on Tuesday, March 20, 2001. I invite my colleagues to join in extending our congratulations to the people and leaders of this important friend in Africa.

The Republic of Tunisia has been and continues to be a model of economic growth. Moreover, Tunisia has been at the forefront of normalization with Israel as the Middle East peace process develops.

Today, Tunisia maintains a more stable democratic system of government, and a steadily increasing middle class. The country continues to make every effort to broaden its political debate.

We should be proud to recognize our friendship with Tunisia, which spans more than 200 years. The U.S. was the first great power to recognize Tunisia's independence in 1956, and in keeping with that tradition, I congratulate the Republic of Tunisia and urge my colleagues to do the same.

IN HONOR OF FALLEN ELKHART POLICE OFFICER

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 2001

Mr. ROEMER. Mr. Speaker, I rise today to pay tribute to Patrolman Douglas Michael Adams of the Elkhart, Indiana Police Department, who died last week in a tragic automobile accident while on duty.

Officer Adams was killed in Elkhart when his patrol car was involved in a collision while he was responding to a call for assistance from another officer. His tragic death reminds us once again of the great personal risks which our nation's law enforcement officers take every day, and the sacrifices which they and their families often make in the line of duty.

All too often we take our police officers for granted. We forget that behind their badges are human beings who put themselves and their families at great risk every day in order to serve their communities. The thin blue line which protects society from criminals is even more fragile when it comes to the police officers themselves. Surely, we owe our nation's law enforcement officials a great debt of gratitude for the courage and dedication they display every day.

Patrolman Adams was an outstanding officer. In fact, he was described by Elkhart Police Sgt. Brett Coppins as "the best officer he had ever trained." Officer Adams grew up in Florida and moved to Elkhart in 1995. A U.S. Air Force veteran, he graduated from the Indiana Police Academy in 2000. Although he had been on the Elkhart police force for less than a year, he had already established himself as one of the most respected and effective officers in the department.

Officer Adams will be missed by his family, his colleagues in the Elkhart Police Department, and the entire Elkhart community. My sympathies and prayers go out to his wife Janet and the entire Adams family.

HAZLETON BPW CELEBRATES 80TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 2001

Mr. KANJORSKI. Mr. Speaker, I wish today to pay tribute to the Greater Hazleton Business and Professional Women's Club, which will hold a celebration of its 80th anniversary on April 22.

The Hazleton BPW was chartered on February 21, 1921. To put that in historical context, that was just six months and three days after ratification of the 19th Amendment to the Constitution, which guaranteed women's right to vote nationwide. The membership of 40 professional women, led by President Alma Gorby, met at the Pricilla Tea Room on South Wyoming Street in Hazleton and paid two dollars each in dues to the national federation. They began right away to make a difference, and that tradition has continued for 80 years.

They gave of their time to sponsor young women in the professions. They donated more than $50,000 in war bonds, while also sponsoring Chinese nursing programs, donating blood, rolling bandages and helping countless infants and women during the war years. They also attended state and national BPW conventions. They did all these things hoping to make a difference, and they certainly have.

With the help of the BPW members in Hazleton and across the state, the Pennsylvania Federation of Business and Professional Women has established a scholarship program as well as other free educational assistance programs for women. The Pennsylvania BPW also helps women affected by disasters, annually honors women who have achieved prominent elected and appointed positions, sponsors a public speaking program to aid

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

professionalism in the workforce and encourages younger women through career programs.

The Greater Hazleton BPW, led by President Maria Damiano, is the oldest local in the 10 counties of District Eight, which is led by another Greater Hazleton BPW member, Rita S. Kurland.

I am pleased to say that the members of the Greater Hazleton BPW have for 80 years upheld the BPW Federation's objectives: to elevate the standards for women in business and the professions, to promote the interests of business and professional women, to bring about a spirit of cooperation among business and professional women of the country, and to extend opportunities to business and professional women through education along the lines of industrial, scientific and vocational activities.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the 80th anniversary of the Greater Hazleton Business and Professional Women's Club, and I wish its members all the best as they continue to serve the women of the region and the entire community.

IN TRIBUTE TO JIM B. NIELSEN

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor the life of Jim B. Nielsen, a man who made deep and lasting contributions to Watsonville through his achievements in industry and civic service. Before Jim's death at the age of 90, he enjoyed a successful and storied career in the produce industry beginning in 1929, raised a family, and contributed decades of civic service to the Watsonville community.

Jim's experience raising crops began at age 8 on a Pajaro Valley Farm, where he helped his family cultivate crops using horse drawn implements. He operated his own produce company for 60 years, earning a reputation for fair dealing and conservation. He served as President of the California Warehouse association, and his flair for leadership carried into other areas of his life.

His achievements as a leader within the Benevolent and Protective Order of Elks, with whom he served for 65 years, won him election to the position of Grand Esteemed Loyal Knight, one of the most honored posts within the national, 1.5 million-member fraternal organization.

Beyond the Elks, Jim served the Watsonville community as a Santa Cruz County Grand Jury member, by working on the California Draft Board, as director of the Watsonville Red Cross Chapter, as a volunteer fireman, and as a member of the board of directors of the Valley National Bank.

Jim was an avid sportsman and an outdoor enthusiast. He managed and played on the Watsonville Falcons and later played semi-pro football with the Watsonville team. He and his wife Marilyn spent much of their time riding jeeps, hiking, enjoying the mountain country, and managing their horses at their Heaven Hill Ranch in San Benito County.

Jim's family grew to include his wife Marilyn, a son and daughter, two stepsons, one stepdaughter, three grandchildren, and three great-granddaughters.

Jim can best be remembered as a pillar of the community and as a template for a life well-lived. His decades of hard work in the produce industry and his steadfast commitment to civic service stand as positive examples to his community. His devotion to many interests, including sports and the outdoors, lasted throughout his life, giving him truly golden "golden years". His leadership and his kindness will be missed by all who knew him.

TRIBUTE IN MEMORY OF CHRISTINE PIKE

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 26, 2001

Mr. CUNNINGHAM. Mr. Speaker, throughout my military career I have had the honor of associating with more than a few gallant men and women who served our country in times of conflict abroad. However, heroes and patriots may be found here on our home front as well. These are folks who quietly live their lives helping others, and who, through their leadership, commitment, and most of all their example, support and defend our American way of life. Christine Pike will always be a true American home-front hero.

Mrs. Pike, a native of New Britain, Connecticut, lived for many years in Wethersfield, Connecticut, where she became active in the League of Women Voters. Throughout her life, she loved aviation. She was passionate about aviation history, its pioneers, and those who courageously defend our country from in the sky. Christine was, in fact, an aviation pioneer in her own right. At a time when there were few women in the field, she became a pilot. She flew Taylorcraft and J–3 Cubs in the 1940s and in 1946 she joined the ranks of the Aircraft Owners and Pilots Association.

In 1962, Mrs. Pike moved to Reno, Nevada, where she became a successful business leader. She launched her own company, Pike Advertising, and counted many of the area's major hotels and casinos among her clients. However, her favorite clients were in the field of aviation, the Reno Air Races and Bill Stead's Smirnoff Bearcat for whom she handled both public relations and advertising.

Christine moved to San Diego, California, in 1968, and wore many hats during her nearly thirty years there. She had a tremendous respect for law enforcement officials and spent much of her time pursuing related fields. She served as a municipal court clerk. She worked in the field of private investigation. Additionally, she was, for many years, a welfare fraud investigator for the County of San Diego.

Also in San Diego, Mrs. Pike worked as a travel consultant with a company known as The Travel Center. During this time she put together a number of high profile tours, occasionally accompanying her clients to make sure there were no bumps in the road. Among her accomplishments in this field was a nostalgic tour she organized for the members of Consairways, a commercial airline that flew C–87 Liberators and other transports in support of the Army during World War Two.

One day, early in my first bid for a seat in the House of Representatives, Mrs. Pike walked into my campaign office. Things were never quite the same after that. She had an incredible facility for organization and for establishing critical relationships with key people in the community. As my volunteer scheduler, she worked tirelessly making sure I was always in the right place at the right time. For all intents and purposes, Christine halted her business activities so that she could devote her attention, full-time, to my campaign. She continued in this way throughout my first term in office and my second successful campaign in what was at that time the newly formed 51st Congressional District. Throughout this time, Christine was always ready and willing to take on any task or assignment. Every job, no matter how large or small, was handled with consummate professionalism and meticulous attention to detail. Her services were so valuable that many times she was asked to take a permanent position on my staff. But, she would always laugh and tell me that she preferred simply being a volunteer.

In the early 1990s, Mrs. Pike left San Diego and moved to Tennessee. There she continued her active support of Republican causes. She continued to work as a travel consultant and she began to cultivate her long-standing interest in the activities of the Union Army during the Civil War. After a few years though, poor health caused her to return to Reno. We maintained contact after Christine moved to Reno. Sadly, after a long and courageous fight, Mrs. Pike passed away there last December.

Trying to summarize Christine Pike's life in these few sentences would be an injustice to her, because she accomplished so much more than I have recounted here. She was passionate about honesty and justice. She had no time for fabricators and prevaricators, but she was sensitive to the needs of those who were lost or less fortunate. Always a private person, Christine seldom talked about the many lives she touched. During one of her many "power walks" in the Point Loma area of San Diego, Mrs. Pike befriended a homeless woman, found shelter for her, and faithfully brought her food, blankets and clothing on holidays. In another instance, Mrs. Pike worked to bolster the career of a struggling trumpet player. She tirelessly worked to create relationships that would help small businesses in my Congressional District. Additionally, she worked quietly and behind the scenes to help many of those in law enforcement. For these reasons, and many more, I have established the Christine Pike Volunteer of the Year Award for campaign volunteers in my District.

In closing I would simply like to say that Christine Pike was truly an American patriot. Mrs. Pike's multitude of friends will truly miss her. However, her spirit, her example, and her many selfless acts on behalf of others will live on in the memories of all who knew her, and now, in the RECORD of this hallowed hall.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 27, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 28

9 a.m.
Commerce, Science, and Transportation
To hold hearings to examine the Commerce Department's decision to release unadjusted Census data.
SR–253

9:30 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine health information for consumers.
SD–430

Armed Services
Personnel Subcommittee
To hold hearings to examine Department of Defense policies pertaining to the Armed Forces Retirement Home.
SR–222

10 a.m.
Appropriations
Defense Subcommittee
To hold hearings to examine certain Pacific issues.
SD–192

Finance
To hold hearings on issues relating to preserving and protecting Main Street USA.
SD–215

Appropriations
Interior Subcommittee
To hold oversight hearings to examine trust reform issues.
SD–116

Foreign Relations
To hold hearings to examine the Department of Energy's nonproliferation programs with Russia.
SD–419

10:30 a.m.
Indian Affairs
To hold hearings on S. 210, to authorize the integration and consolidation of alcohol and substance abuse programs and services provided by Indian tribal governments; S. 214, to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health; and S. 535, to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Cancer Prevention and Treatment Act of 2000.
SR–485

2 p.m.
Intelligence
To hold closed hearings on intelligence matters.
SH–219

2:30 p.m.
Armed Services
Strategic Subcommittee
To hold hearings to examine the Report of the Commission to Assess United States National Security Space Management and Organization.
SR–232A

MARCH 29

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review environmental trading opportunities for agriculture.
SR–328A

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to examine aviation delay prevention legislation, focusing on potential solutions to congestion and delays.
SR–253

Aging
To hold hearings to examine initiatives that promote healthy aging in rural America, focusing on certain areas that impact the lives of older Americans, including transportation, housing, access to high-quality health care, diet and nutrition, and employment.
SD–562

10 a.m.
Finance
To hold hearings on issues relating to debt reduction.
SD–215

Governmental Affairs
Oversight of Government Management, Restructuring and the District of Columbia
Subcommittee
To hold joint hearings with the House Committee on Government Reform's Subcommittee on Civil Service and Agency Organization to examine the recently issued final report of the U.S.
Commission on National Security in the 21st Century, focusing on the national security implications of the human capital crisis.
SD–342

Energy and Natural Resources
National Parks, Historic Preservation, and Recreation Subcommittee
To hold oversight hearings to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Titles I, II, III, V, VI, VII, and VIII of the National Parks Omnibus Management Act of 1998.
SD–628

Banking, Housing, and Urban Affairs
Securities and Investment Subcommittee
To hold hearings on S.206, to repeal the Public Utility Holding Company Act of 1935.
SD–538

10:30 a.m.
Foreign Relations
To hold hearings on the nomination of John Robert Bolton, of Maryland, to be Under Secretary of State for Arms Control and International Security.
SD–419

2 p.m.
Commission on Security and Cooperation in Europe
To hold hearings to examine the recent developments in and around Kosovo, including human rights, minority rights, local elections, development of a local police force, and security and civil order.
SR–485

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the implementation of the Administration's National Fire Plan.
SD–628

APRIL 3

9:30 a.m.
Appropriations
Labor, Health and Human Services, and Education Subcommittee
To hold hearings to examine issues surrounding Alzheimer's Disease.
SH–216

Energy and Natural Resources
To hold hearings to examine national energy policy with respect to impediments to development of domestic oil and natural gas resources.
SD–628

10 a.m.
Judiciary
To hold hearings to examine online entertainment and related copyright law.
SD–226

Appropriations
Energy and Water Development Subcommittee
To hold oversight hearings to examine issues surrounding nuclear power.
SD–124

APRIL 4

9:30 a.m.
Armed Services
SeaPower Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on shipbuilding industrial base issues and initiatives.
SR–222

APRIL 24

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Bureau of Reclamation, of the Department of the Interior, and Army Corps of Engineers.
SD–124

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of the Interior.
SD–138

APRIL 25

10 a.m.
Judiciary
To hold hearings to examine the legal issues surrounding faith based solutions.
SD–226

Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Corporation for National and Community Service.
SD–138

1:30 p.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Agriculture.
SD–138

APRIL 26

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Nuclear Security Administration, Department of Energy.
SD–124

MAY 1

10 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for certain Department of Energy programs relating to Energy Efficiency Renewable Energy, science, and nuclear issues.
SD–124

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Forest Service, Department of Agriculture.
SD–138

Judiciary
To hold hearings to examine high technology patents, relating to business methods and the internet.
SD–226

MAY 2

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Veterans' Affairs.
SD–138

MAY 3

10 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Agriculture, focusing on assistance to producers and the farm economy.
SD–138

2 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for Department of Energy environmental management and the Office of Civilian Radio Active Waste Management.
SD–124

MAY 8

10 a.m.
Judiciary
To hold hearings to examine high technology patents, relating to genetics and biotechnology.
SD–226

Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Energy.
SD–124

MAY 9

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Aeronautics and Space Administration.
SD–138

MAY 10

10 a.m.
Appropriations
Agriculture, Rural Development, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Food and Drug Administration, Department of Health and Human Services.
SD–138

MAY 16

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Federal Emergency Management Agency.
SD–138

JUNE 6

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the National Science Foundation and the Office of Science Technology Policy.
SD–138

JUNE 13

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Environmental Protection Agency and the Council of Environmental Quality.
SD–138

JUNE 20

10 a.m.
Appropriations
VA, HUD, and Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 2002 for the Department of Housing and Urban Development.
SD–138